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Telkonet's Success Spotlighted in Deloitte's Technology Fast 50 Program for Maryland

Consistent Revenue Growth Positions Telkonet at Number 2 in Fastest Growing Companies

GERMANTOWN, Md.--

Telkonet, Inc. (AMEX:TKO), the leading provider of innovative, centrally managed solutions for integrated energy management, networking, building automation and proactive support services, has been named in Deloitte's prestigious Technology Fast 50 Program for Maryland, reflecting Telkonet's continuing market success. Rankings are based on the percentage revenue growth over five years from 2003-2007, with Deloitte LLP, one of the nation's leading professional services organizations, identifying the 50 fastest growing technology, media, telecommunications and life sciences companies in Maryland. Ranked at number 2, Telkonet's revenue growth is based on its unique combination of innovative broadband networking solutions and energy management systems. It has gained major traction within the hospitality, education, and government sectors, as well as rapidly increasing penetration in the energy management, electric utility substation and grid monitoring markets.

Telkonet's success is based on its strategic positioning as a complete managed services provider, across integrated solutions for energy management, high speed Internet access (HSIA), and powerline communications (PLC). This integrated technology approach is the main catalyst for its sales growth, according to President and CEO Jason Tienor, "Being named to the Deloitte Technology Fast 50 is an honor for Telkonet and reflects our strategic plan for growing and consolidating our business. Our customers recognize the value that we provide as a single, end-to-end technology management provider, with our innovative technology enhanced by our managed services offering. Our energy management solution is well-matched to the growing focus on green initiatives, providing HVAC energy savings for every type of property. This is an exciting time for Telkonet, and we are delighted to be singled out by Deloitte."

Telkonet's unique solution set is based on a Software as a Service (SaaS) model, providing remote monitoring, management and customer reporting on top of an integrated technology platform. This includes the company's fast-expanding HSIA managed customer support services, which enable hotel management in particular to provide a differentiated and enhanced service to guests. Key elements to Telkonet's solution set includes the revolutionary Telkonet Series 5 PLC platform launched earlier this year, building on the long-standing track record of the Telkonet iWire System(TM), which convert a site's existing internal electrical infrastructure into an IP network backbone. Also a market leader in the

hospitality sector, Telkonet's integrated EthoStream product suite provides a comprehensive and advanced technology management platform, enhanced by its comprehensive remote management tools and customer support facilities. The company's SmartEnergy(TM) and Networked Telkonet SmartEnergy(TM) solutions are designed to reduce heating and air-conditioning costs significantly, with sales reflecting burgeoning demand for intelligent energy management products.

About Technology Fast 50

To qualify for the Technology Fast 50, companies must have had operating revenues of at least \$50,000 in 2003 and \$5,000,000 in 2007, be headquartered in Maryland, and be a company that owns proprietary technology or proprietary intellectual property that contributes to a significant portion of the company's operating revenues; or devotes a significant proportion of revenues to the research and development of technology. Using other companies' technology or intellectual property in a unique way does not qualify. Companies from the nine regional Technology Fast 50 programs in the United States and Canada are automatically entered in Deloitte's Technology Fast 500 program, which ranks North America's top 500 fastest growing technology, media, telecommunications and life sciences companies. For more information on Deloitte's Technology Fast 50 or Technology Fast 500 programs, visit www.fast500.com.

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About Telkonet

Telkonet is the leading provider of innovative, centrally managed solutions for integrated energy management, wired and wireless networking, building automation and proactive customer support services. The company's unique broadband networking solutions support more than 2 million network users per month, with its energy management systems dynamically lowering HVAC costs in over 95,000 rooms.

Telkonet's approach is designed to deliver complete system control and flexibility. Using the Software-as-a-Service (SaaS) model, Telkonet's products are all networked, enabling local and remote access via Telkonet's web-based platform, Telkonet CENTRAL. This essential management tool enables both property management and Telkonet customer support staff to monitor and manage all of Telkonet's systems proactively in real time, reducing costs and streamlining network support.

Telkonet's technology innovation is underpinned by the highest level of end-to-end quality of service, with comprehensive technical customer support. Telkonet's platforms are widely deployed on the global stage - in single buildings and ships, in multi-building complexes, hospitality venues and multi-dwelling units, as well as at government, education and defense locations. www.telkonet.com

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Source: Telkonet, Inc.