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Telkonet Ranked Number 64 Fastest Growing Company in North America on Deloitte's 2009 Technology Fast 500(TM)

Also Named #5 Fastest Growing Company by the Washington Business Journal

GERMANTOWN, MD -- (MARKET WIRE) -- 10/21/09 -- Telkonet, Inc. (NYSE Amex: TKO), a Clean Technology company that develops and manufactures proprietary energy management and Smart Grid networking technology, today announced that it has been ranked number 64 in the latest Technology Fast 500(TM) list, Deloitte LLP's ranking of 500 of the fastest growing technology, media, telecommunications, life sciences and clean technology companies in North America. Rankings are based on percentage of fiscal year revenue growth during the five-year period from 2004-2008. Telkonet grew 2,841 percent during this period. In addition, Telkonet has been named fifth on the Washington Business Journal's Fastest Growing Companies list, based upon three-year revenue-growth percentage.

Telkonet's CEO, Jason Tienor, attributes the company's significant revenue growth over the last several years to its Clean Technology offering along with its centralized web-managed platform that integrates energy management, broadband networking, and support services. "This ranking represents an important market recognition of Telkonet's continuing repositioning, growth and revenue levels, demonstrating the value and ongoing potential of our strategic Clean Technology platform. We are enforcing our position as an important player in the energy efficiency market, as well as expanding our penetration into the Smart Grid Home Area Network (HAN) space. We're continuing to build market share, despite difficult economic conditions -- clearly demonstrated by our revenue-growth percentages, as highlighted by both the Technology Fast 500 and the Washington Business Journal's Fastest Growing Companies listings."

"Technology Fast 500(TM) recognizes innovative companies that have broken down barriers to success and defied the odds with their remarkable five-year revenue growth," said Phil Asmundson, Vice Chairman and U.S. Technology, Media and Telecommunications leader, Deloitte LLP. "We congratulate Telkonet on this accomplishment."

Overall, Technology Fast 500(TM) award winners for 2009 had growth rates ranging from 212 to 146,050 percent over five years, with an average growth rate of 2,486 percent.

For the Washington Business Journal's Fastest Growing Companies, in addition to high growth rates, companies must have had 2006 revenue of more than \$2 million and 2008 revenue of more than \$10 million in order to be eligible. Participants in the survey were based in the metropolitan Washington D.C. region.

Technology Fast 500(TM) Selection and Qualifying Criteria

Technology Fast 500(TM) provides a ranking of the fastest growing technology, media, telecommunications, life sciences and clean technology companies in North America.

Technology Fast 500(TM) award winners for 2009 were selected based on percentage fiscal year revenue growth during the five year period from 2004 to 2008.

Technology Fast 500(TM) award eligibility requirements also include base-year operating revenues of at least \$50,000 USD or CD, and current-year operating revenues of at least \$5 million USD or CD. These revenues must have more than doubled between 2004 and 2008. Additionally, companies must be in business for a minimum of five years, and be headquartered within North America.

About Telkonet

Telkonet provides integrated, centrally-managed energy management and SmartGrid networking solutions that improve energy efficiency and reduce the demand for new energy generation. The company's energy management systems, aimed at hospitality, commercial, government, healthcare and education markets, are dynamically lowering HVAC costs in over 150,000 rooms, and are an integral part of various utilities' green energy efficiency and rebate programs.

Primarily targeting SmartGrid and utility applications, Telkonet's patented powerline communications platform delivers cost-effective, robust networking, with real-time online monitoring and maintenance capabilities, increasing the reliability and energy efficiency across the entire utility grid. www.telkonet.com.

About Deloitte

As used in this document, "Deloitte" means Deloitte LLP. See www.deloitte.com/about for a detailed description of the legal structure of Deloitte LLP and its subsidiaries.

About Washington Business Journal

The Washington Business Journal has been Greater Washington's leading source of business news and information for more than 20 years, providing over 150,000 business executives with comprehensive news on local people, their companies, and industry trends. <http://washington.bizjournals.com>.

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Statements included in this release may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements involve a number of risks and uncertainties such as competitive factors, technological development, market demand and the Company's ability to obtain new contracts and accurately estimate net revenue due to variability in size, scope and duration of projects, and internal issues in the sponsoring client. Further information on potential factors that could affect the Company's financial results, can be found in the Company's Registration Statement and in its Reports on Forms 8-K filed with the Securities and Exchange Commission (SEC).