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# **Telkonet, Inc.'s EthoStream Hospitality Network Extends Its Reach With New Reseller, Front Desk Networks**

## **Secured HSIA and Customer Support Contracts for 10 New Properties in Texas**

MILWAUKEE, WI -- (MARKET WIRE) -- 05/10/10 -- Telkonet, Inc.'s (OTCBB: TKOI) EthoStream Hospitality Network (EthoStream), the leading provider of hospitality gateway servers, high-speed Internet access (HSIA) solutions and technical support, has partnered with Front Desk Networks (FDN), a full-service, turn-key Internet, video, and phone system service provider, as its latest reseller. FDN is marketing the EthoStream Hospitality Network gateway servers, HSIA solutions and customer support throughout Texas, and is expanding its reach into Oklahoma, Arkansas and Louisiana -- a large geographic area representing over 6,600 lodging properties and over 571,100 hotel guest rooms(1). This relationship is providing immediate returns, as FDN has secured HSIA and customer support contracts for a ten hotel property management group in Texas. FDN will be installing EthoStream Gateway Servers (EGS) in Comfort Suites, Staybridge Suites, Holiday Inn Express, Rodeway Inn, Quality Suites, La Quinta Inn and Suites, Candlewood Suites and Four Points by Sheraton.

Nick Rodriguez, President and COO of Front Desk Networks, said, "We are focused on giving our customers the best products in the industry to maximize HSIA uptime and available bandwidth, along with upgradeable features to meet evolving demands. By partnering with the EthoStream Hospitality Network, we are delivering an even more powerful communication solution, providing a genuine performance advantage with its innovative gateway servers and integrated web-based management platform. Our hotel customers are looking for intelligent tools to help them manage their properties more efficiently and profitably. The EthoStream Hospitality Network has the answers, such as the ability to upgrade bandwidth, provide brand-compliant portal pages, and interface with a hotel's billing system to streamline installation and simplify operations. With its franchise-approved products, we are helping hotels to enhance their businesses substantially."

Matt Koch, Vice President of Hospitality Operations for Telkonet's EthoStream Hospitality Network, commented, "Front Desk Networks is a valuable addition to our network of resellers, with its extensive experience in providing a total communications package to its hotel customer base across Texas. We look forward to a strong partnership with FDN, as its management clearly shares our own dedication to offering comprehensive HSIA product solutions and services that ensure total guest satisfaction."

The EthoStream Hospitality Network has been designed to meet the changing HSIA needs of hoteliers. From bandwidth aggregation and failover to 24/7 in-house managed technical

support, the EthoStream Hospitality Network has been at the forefront of technology and service in the hospitality industry since 2002. The EthoStream Gateway Server (EGS) can be integrated into any hotel network to provide brand-compliant billing, authentication, and firewall services. The EGS interfaces directly with EthoStream's Remote Management Console and Support Center to provide real-time status updates on bandwidth utilization, guest usage, and device status, enabling both property managers and the EthoStream Hospitality Network's support team to remotely monitor all aspects of a property's HSIA system.

#### *About Front Desk Networks*

Front Desk Networks (FDN) provides bulk, full-service Internet, video, and phone systems for hotels, retirement living facilities, apartment complexes, and other guest-based businesses. FDN's turn-key systems and 24/7 technical support allows for low-level operational responsibilities on behalf of the property owner. All FDN's equipment is franchise approved for major hospitality services such as Choice, IHG, and Starwood Hotels. FDN is one of the few nationally approved Matrix phone system providers and holds multiple certifications with Microsoft, Cisco and Avaya. As with all of its 10,000 managed rooms, Front Desk Networks provides a 100% satisfaction guarantee. [www.frontdesknetworks.com](http://www.frontdesknetworks.com)

#### *About Telkonet*

Telkonet is one of the market-leading Clean Technology companies providing integrated, centrally-managed energy management and SmartGrid networking solutions to the emerging \$50 billion SmartGrid and Energy Efficiency markets. Its products improve energy consumption and reduce the demand for new energy generation. Telkonet is one of the top three occupancy-based energy management control providers in each of the hospitality, commercial, military, healthcare and education markets. The Company's in-room energy management systems are lowering heating and cooling costs in over 180,000 rooms and are an integral part of various utilities' green energy efficiency and rebate programs.

Telkonet's EthoStream's Hospitality Network provides hospitality gateway servers, high-speed Internet access (HSIA) solutions, and proactive technical support to more than 2,350 properties and over 2.2 million users. As a preferred or endorsed provider for some of the world's largest hotel franchisors, EthoStream's Hospitality Network is the most comprehensive technology management platform available. [www.telkonet.com](http://www.telkonet.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).

(1) 2005 Quiet Good Survey, US Department of Labor Statistics, Small Business Administration, & US Census Bureau data

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