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Telkonet's EcoSmart Suite Selected as Preferred Energy Management Platform by Three Full-Service Luxury Hotels

Web-based EcoSmart to be integrated in over 2,400 rooms at prestigious hotels in Chicago, New York City & Puerto Rico

MILWAUKEE, April 23, 2012 /PRNewswire/ -- Telkonet, Inc. (OTC BB: TKOI), developer of the revolutionary EcoSmart energy management platform incorporating patented Recovery Time™ technology, announced today that it has been contracted to provide its cloud-based EcoSmart energy management platform for three separate full-service, luxury hotels. The properties are all owned and managed by one of the nation's leading property and construction management firms, whose portfolio consists of over 6,100 hotel rooms throughout the US and Puerto Rico.

(Logo: <https://photos.prnewswire.com/prnh/20111011/NY83909LOGO>)

The first of the three hotels is located in the heart of the vibrant New York City Broadway Theatre District and has approximately 900 guest rooms and suites. This hotel's in-house engineering staff will install the EcoSmart system consisting of an [EcoInsight](#) thermostat and [EcoView](#) occupancy sensor in each of the rooms. The second luxury hotel has over 1,200 guest rooms and suites, is located in downtown Chicago and the EcoSmart system will be installed by the property's preferred electrical contractor. The third hotel, located in Puerto Rico, has close to 300 rooms and suites and the system will be installed with local installation crews. All three EcoSmart systems will be fully networked, allowing each property's staff to manage, monitor and control the system from any web connected device, including the Apple iPad tablet, which is being provided as part of each of the upgrade projects.

Telkonet's EcoInsight intelligent energy management thermostat, featuring over 125 configurable settings and built-in occupancy sensor is used to control the efficiency of a room's heating, ventilating, and air conditioning (HVAC) systems. The EcoView component is a passive infra-red (PIR) detector, which senses both body heat and motion to ensure accurate occupancy detection.

For the EcoInsight Energy Management Thermostat Fact Sheet, visit:
<http://www.telkonet.com/products/ecosmart/datasheets/EcoInsight.pdf>

For the EcoView In-Room Occupancy Sensor Fact Sheet, visit:
<http://www.telkonet.com/products/ecosmart/datasheets/EcoView.pdf>

The implementation of the EcoSmart energy management system is projected to reduce energy consumption in the hotel rooms by approximately 30%. As part of its value-added

energy management program, Telkonet worked with the utilities serving these properties to secure energy efficiency incentives approaching \$200,000 to offset the cost of the energy management projects.

Since its release in February 2011, EcoSmart is rapidly becoming one of the most popular energy management systems in the hospitality industry. While there are many reasons for this success, the key reasons include: the system's ability to generate compelling financial returns, which include energy savings averaging over 30%, and extending equipment life by a similar amount. The in-room technology enhances the guest experience with an aesthetically pleasing and seamless application of technology to reduce energy use without compromising comfort. The financial and technical members of the hotel properties appreciate the ease of installation and the intuitive, simple-to-use, web-based system which typically generates considerable improvements in hotel staff productivity.

Gerrit Reinders, Executive Vice President of Sales for Telkonet, said, "We're pleased to work with these beautiful properties and are committed to deliver the most effective web-based energy management system in the industry. We're confident the EcoSmart platform will provide immediate savings and reinforce the high quality guest service and comfort each property offers."

ABOUT TELKONET

Telkonet is a leading energy management technology provider offering hardware, software and services to Commercial customers worldwide. The EcoCentral Platform, in conjunction with the EcoSmart Suite of products, provides comprehensive savings, management and reporting of a building's energy consumption. Telkonet's energy management products are installed in properties within the Hospitality, Military, Educational, Healthcare and Residential markets reducing energy consumption, carbon footprints and eliminating the need for new energy generation. For more information, visit www.telkonet.com.

For news updates as they happen, follow [@Telkonet](https://twitter.com/Telkonet) on Twitter and [Facebook](https://www.facebook.com/Telkonet).

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).

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