

May 8, 2012



Denihan Hospitality Group Selects Telkonet's EcoSmart Energy Management Solution for Five Hotel Properties

Intuitive and industry-leading EcoSmart technology to be installed in over 1,100 rooms

MILWAUKEE, May 8, 2012 /PRNewswire/ -- Telkonet, Inc. (OTC BB: TKOI.OB), developer of the revolutionary EcoSmart energy management platform incorporating patented Recovery Time™ technology, announced today that the Denihan Hospitality Group has chosen the cloud-based [EcoSmart energy management](#) platform for five of its hallmark boutique hotels in New York City. As a first step to the relationship, Telkonet will install their proprietary energy management technology into The Benjamin and four properties in Denihan's Affinia Hotel portfolio, Affinia Gardens, Affinia Dumont, Affinia Shelburne and Affinia 50, all located in Manhattan.

Igor Krnajski, the senior vice president of design and construction, for Denihan Hospitality Group, said, "Our unique approach to guest satisfaction requires a state-of-the-art solution that offers nothing less than Telkonet's commitment to ensure room comfort with its dynamic energy management technology."

Jason Tienor, Chief Executive Officer of Telkonet said, "After extensive research and evaluation, the executives at the Denihan Hospitality Group found Telkonet's EcoSmart platform to be the most advanced and cost-effective energy management solution in the industry. We are delighted with the relationship we've established with the Denihan Group in providing the EcoSmart technology for these five prestigious properties and look forward to working with them on additional energy management programs."

Telkonet's EcoSmart platform offers a product suite capable of creating an in-room energy management network that can be configured to meet the requirements of most building environments. Telkonet can provide and install any combination of [intelligent thermostats](#), occupancy sensors, door contacts, and plug load control devices. All products can be networked to enhance energy efficiency and provide remote monitoring capability.

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, key factors 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.

To learn more about Telkonet's EcoSmart Product Suite, visit:

www.telkonet.com/products/ecosmart/

ABOUT DENIHAN HOSPITALITY GROUP

Denihan Hospitality Group is a privately-held, full-service hotel management and development company that owns and operates 14 boutique hotels in major urban markets in the U.S. Over the past 50 years, the Denihan family has built a world-class lodging investment platform within the boutique hotel space, creating value by acquiring, repositioning and managing independent hotels.

The Denihan portfolio includes properties operating under The James and Affinia Hotels brands, as well as Manhattan luxury independents, The Surrey and The Benjamin, and affiliates including the Royal Palm in Miami, and The Mansfield and The Franklin in New York City. Denihan's hotels include an impressive list of chef-driven restaurants and bars, including Iron Chef Geoffrey Zakarian's *The National Bar and Dining Rooms* at The Benjamin; *David Burke Kitchen* at The James New York; Daniel Boulud's *Café Boulud* at The Surrey; David Burke's *Primehouse* at The James Chicago; and Art Smith's *Art and Soul* at the Liaison Capitol Hill, an Affinia hotel in Washington, D.C.

The company's uniquely guest-centric approach, refined through three generations of Denihan leadership, has made it an industry leader in hospitality, property and restaurant development, as well as hotel operations, management and marketing. In 2011, Denihan was named to *Inc. Magazine's* 500|5000 list of Fastest Growing Companies for the third year in a row, where it topped the list of full-service hotel companies. More details can be found at www.denihan.com.

ABOUT TELKONET

Telkonet, a leading United States-based energy management technology provider, offers hardware, software and services to commercial customers worldwide. The EcoSmart suite of products, along with the EcoCentral management platform, can reduce energy consumption, HVAC runtime and utility costs in most building environments. Telkonet's energy management products have the power to reduce energy consumption, minimize carbon footprints and help eliminate the need for the construction of new power plants. For more information, visit www.telkonet.com.

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

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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