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Telkonet, Inc. First to Launch Native Mobile Applications for Fully Integrated EcoSmart Energy Management Platform

Telkonet Continues Disruptive Technology Innovation Through Combination of iOS and Android Apps with Industry's Only Full Platform for Managing Energy Efficiency and Facility Operations

MILWAUKEE, Sept. 10, 2014 /PRNewswire/ -- Telkonet, Inc. (OTCQB: TKOI), whose complementary business divisions include EcoSmart™, an energy management technology platform featuring Recovery Time™ technology, and EthoStream®, one of the largest hospitality High-Speed Internet Access providers in the world, today announced the launch of its groundbreaking EcoCentral Virtual Engineer mobile applications for iOS and Android phones. The native apps, internally created by Telkonet's software engineers, are unique in being the first applications developed within the energy management and efficiency market for commercial properties spanning the hospitality sector, education campuses and military facilities, among other building environments. These mobile apps enable comprehensive connectivity and control for Telkonet's EcoSmart solution, the industry's only complete platform for energy and operational management and efficiency monitoring and controlling HVAC, plug load and lighting over any digital platform.



"Our unique position in the energy management and operational efficiency market just took a monumental leap forward with the addition of unprecedented mobility," said Jason Tienor, Telkonet's CEO. "By offering mobile apps on the most popular operating systems, customers will have far greater access to their EcoCentral Virtual Engineer dashboard and all the data supported by this best-in-class in-room energy management platform. Clean technology that drives energy efficiency is now literally in hand, whether on-site or off-site, making Telkonet's platform the most robust solution in the marketplace. With our proven ability to reduce energy consumption and equipment runtime by up to 45% while maintaining the comfort of building tenants and guests, Telkonet's new apps vastly broaden access to our platform, drive customer engagement and add significant potential for even more productivity through mobility-enabled interfaces."

MOBILE APPS DRIVE CUSTOMER ENGAGEMENT AND MARKET ADOPTION

Key drivers behind Telkonet's mobility strategy is the proliferation of smartphone users and

the customer engagement increases empowered by mobile apps. International Data Corp. estimates that in 2014 there will be in excess of 1 billion smartphone shipments, which dwarfs the combined estimates for shipments of 175 million phablets and 233 million tablets. Meanwhile, according to IDC, worldwide smartphone shipments in 2014 are expected to increase nearly 25% from the number of units shipped in 2013.

According to a recent study by mobile industry specialist Flurry, time spent on a mobile device by the average US user has risen to 2 hours and 42 minutes per day from 2 hours and 38 minutes per day in March of 2013. Apps continued to cement their lead, and commanded 86% of the average US mobile user's time, or 2 hours and 19 minutes per day. Time spent on the mobile web continued to decline and averaged just 14% of the time, or 22 minutes per day. The data confirms that apps are completely dominating mobile, and the browser has become a single application being dominated by an increasing number of compelling apps. Productivity apps, which is the category that best fits Telkonet's new apps, saw their share double from 2% to 4% of the overall time spent.

Telkonet Chief Technology Officer, Jeff Sobieski stated, "The launch of our mobile applications is in response to customer demand for improved access to our industry leading energy efficiency system management tools. In turn, we are capitalizing on the growing use of smartphones and the prolonged usage they promote. We are excited by the ongoing development of our Virtual Engineer platform by releasing mobile device applications for iOS and Android which will enhance customer engagement and the benefits derived from the comprehensive mobile offering we provide."

Mr. Sobieski continued, "We've taken our cloud-based connectivity to a whole new level to truly enhance our customer's ability to manage the energy efficiency of their properties in real-time, further enhancing our value proposition for maximizing energy efficiency, reducing operating expenses, and improving the comfort of guests and occupants. We have effectively added mobile efficiency to our existing energy efficiency platform."

MARKET HIGHLIGHT -- HOSPITALITY SECTOR A MAJOR BENEFICIARY

There are over 14 million hotel rooms worldwide, and an estimated 70% of these do not utilize any form of room-based energy management, according to a Navigant Research report published in early 2014. While EcoSmart's deployment has grown rapidly, the hospitality market remains one of the largest and fastest growing target markets for Telkonet.

Of all building owners, according to the Navigant report which cited a study performed by Ecova of 150,000 facilities across 17 vertical industry segments, there was an average of 9% reduction in energy use achieved from 2008 to 2012. The lodging industry sits in the bottom third of the industries listed, achieving an average reduction of 5%. Energy is a huge expense item – second only to labor – among operating expenses for hotels. Mobile connectivity and control achieved by using the new apps from Telkonet combined with the EcoSmart platform provide an even greater opportunity to reduce operating expenses through enhanced labor, productivity and the implementation of real-time energy efficiency strategies. With mobile apps driving market adoption and the functionality they provide to improve bottom line performance by any building owner, Telkonet's EcoSmart technologies are expected to be in increased demand.

MOBILE APPS NOW AVAILABLE

Telkonet's native mobile apps are smartphone applications that are natively implemented for Android and iOS operating systems and built to provide fast performance and high level reliability. With a diverse customer base that is rapidly growing in geography and in vertical markets, Telkonet's mobile apps enable user experiences that live across the spectrum of client devices. The apps have been built to support the mobility requirements of the modern day workforce. To this end, EcoCentral Virtual Engineer enterprise data is seamlessly connected with authorization systems for full productivity and management functionality in a BYOD environment.

Version 1.0 of the EcoCentral Virtual Engineer mobile app is now available via [Google Play Store](#) and [Apple's iTunes](#). Users who download the free app will be able to access their EcoCentral account and monitor their EcoSmart Energy Management systems in real time. This application allows users to view information regarding energy management solutions managed by Telkonet, including real-time device status and thermostat configurations among other features built into the EcoCentral Virtual Engineer energy command center.

Features of the new mobile apps include:

- Device Monitoring and Management
- Report Access
- Alert Review and Response
- Site Analysis and Comparison
- Performance Review
- Environmental Conditions

EcoCentral Virtual Engineer previously accommodated interactivity via the use of personal computers and tablets only. Mobile phone applications are the natural extension of Telkonet's product roadmap to bring energy efficiency to its most robust operability. At the same time, Telkonet is expanding its addressable market through the inclusion of smartphone users. Worldwide combined shipments of devices (PCs, tablets, ultramobiles and mobile phones) are projected to reach 2.5 billion units in 2014, a 7.6 percent increase from 2013, according to Gartner, Inc. Within the operating system market, Android is on pace to surpass one billion users across all devices in 2014. Mobile phones are expected to dominate overall device shipments, with 1.9 billion mobile phones shipped in 2014, a five percent increase from 2013.

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, which includes EcoInsight and EcoWave intelligent thermostats, the EcoView occupancy sensor and the EcoGuard energy management outlet and EcoSwitch light switch can be deployed in most building environments to cut utility costs and enable remote monitoring and control using the EcoCentral Virtual Engineer management platform. Telkonet's energy management products have the power to reduce energy consumption, minimize carbon footprints and reduce the need for new power plants. For more information, visit www.telkonet.com.

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CONTACT: Telkonet Investor Relations

414.721.7988

ir@telkonet.com

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