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Telkonet's EcoSmart Energy Management Solution Awarded Additional 800 Rooms at United States Air Force Base

Company's Energy Efficiency Platform Allows US Military to Recognize Significant Energy Savings

MILWAUKEE, Aug. 13, 2012 /PRNewswire/ -- [Telkonet, Inc.](#) (OTC BB: TKOI.OB) announced today that an existing military client has contracted to install the revolutionary EcoSmart energy management technology in an additional 800 residence hall rooms, further reducing energy costs and meeting federal mandates for energy efficiency.

During the first half of 2012, Telkonet provided [EcoInsight intelligent thermostats](#) for over 2,800 rooms at this same US Air Force base. Upon realizing how well the technology performed and the savings it delivered, the base decided to install the Company's EcoInsight thermostats in the newly contracted space, expanding its deployment of energy management.

Telkonet's EcoSmart energy management solution reduces energy consumption and HVAC equipment runtime in unoccupied rooms, assisting the [military base](#) in meeting energy efficiency targets. Less than two years ago, the U.S. Air Force published its Air Force Energy Plan, announcing the intention to "make energy a consideration in all we do." The aerial warfare service branch of the United States Armed Forces has outlined energy efficiency as a major objective.

"Our technology exemplifies seamless control and occupant comfort, whether deployed on a military base or at a five-star hotel in Manhattan," said Jason Tienor, CEO of Telkonet. "A single property or an entire branch of the United States government is able to maximize energy efficiency in a relatively transparent manner, and that's an achievement we're very proud of."

Telkonet will help the Air Force reach savings goals without sacrificing soldier comfort using Recovery Time™ technology, which ensures that soldiers can return to their rooms and the temperature will reach the preferred setpoint within a pre-programmed amount of time.

Before the end of 2012, an additional 300 rooms may be contracted and installed, bringing the total of EcoSmart thermostats on the base to nearly 4,000.

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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