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Telkonet, Inc.'s EcoSmart™ Platform Wins Holiday Inn Express® Stay Smart Business Challenge at CES

MILWAUKEE, Jan. 19, 2015 /PRNewswire/ -- Telkonet, Inc. (OTCQB: TKOI), whose complementary business divisions include EcoSmart™, the leading 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 that its EcoSmart Solution was selected as the winner of the Holiday Inn Express Stay Smart Business Challenge at the Consumer Electronics Show (CES) in Las Vegas.



With nearly 2,300 properties, Holiday Inn Express is one of the fastest growing hotel brands in the world. The smart choice for travelers, the hotelier boasts a comfortable environment that allows for easy downtime to rest or get work done. The brand's mission is to give travelers "exactly what they want and nothing they don't need." Looking for an innovative partner to deliver a breakthrough solution to address and ultimately deliver the best night's sleep for guests staying in any of the Holiday Inn Express brand hotels, the Stay Smart Business Challenge was created.

An extensive competition and selection process took place with six finalists selected from all initial submissions. On January 5, 2015, preceding the CES industry trade show, the finalists competed with "Shark Tank" style presentations in front of a panel of judges from Holiday Inn Express and Mindshare, a global media and marketing services company. Presenting for Telkonet was its CEO, Jason Tienor, who was joined by Matt Koch and Jeff Sobieski, Telkonet's COO and CTO, respectively, during the Q&A Session following the presentation. The Telkonet team emerged as the winner as they successfully addressed how EcoSmart delivers upon the Challenge's four key criteria: differentiation, commercial viability, operational viability and alignment with Holiday Inn's guiding principles.

Focusing on guest comfort, temperature and noise reduction, Telkonet's EcoSmart entry fully addressed the competition's key criteria and successfully impressed the judges. Telkonet's EcoSmart Energy Management system is unique in that it is a complete platform that includes an intuitive interface through the use of Telkonet's innovative EcoCentral Virtual Engineer, a cloud-based energy management command center. Designed with open standards, EcoSmart's EcoCentral VE allows for interfacing with other popular property management, building automation and workflow solutions, and is the only energy

management technology provider with native mobile user apps for iOS and Android devices.

"We're extremely pleased to have won the Stay Smart Business Challenge sponsored by Holiday Inn Express and honored to have been invited to compete in such an innovative competition. We applaud Holiday Inn Express for the value it places on its guest comfort and efforts toward revolutionizing how it addresses in-room noise, temperature and guest comfort," stated Jason Tienor, Telkonet's Chief Executive Officer. He continued, "This award further demonstrates the value and benefit of EcoSmart's full automation and energy management platform within the hospitality environment. We look forward to working alongside Holiday Inn Express on its Smart Room of Tomorrow."

Going beyond the comfort and conveniences, Telkonet's EcoSmart Intelligent Energy Management Solution also has been recognized for delivering substantial cost savings to clients while reducing their energy consumption. Currently installed in over 300,000 rooms worldwide, Telkonet's EcoSmart platform offers a sound business case in addition to ensuring guest comfort as a key innovation partner. Typical hospitality projects pay for themselves in less than three years.

ABOUT TELKONET

Telkonet is a leading energy management technology provider offering hardware, software and services to Commercial customers throughout the world. The Company's 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 networks in the world. www.telkonet.com

ABOUT ECOCENTRAL AND ECOSMART

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.

www.telkonet.com/products/ecosmart

ABOUT ETHOSTREAM

EthoStream is one of the largest public High-Speed Internet Access (HSIA) networks in the world providing services to more than 8 million users monthly across a network of approximately 2,400 locations. EthoStream's EGS line of public-access gateway servers provide real-time monitoring and management of guest-access networks while its 24/7 support center is known for the highest levels of quality and service. With a wide range of product and service offerings and one of the most comprehensive management platforms available for HSIA networks, EthoStream offers solutions for any public access location.

www.ethostream.com

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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