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**ARKADOS SHOWCASES IPTV OVER POWERLINE CAPABILITIES ON
PAN-ASIAN TOUR, HOMEPLUG EXECUTIVE SEMINAR, AND
CONNECTIONS EUROPE**

Arkados' cost-effective platform empowers IPTV, video surveillance and video slideshow applications over conventional electrical wires

BERLIN, November 14, 2006 – Arkados, Inc., the HomePlug® Applications Company™ and a wholly owned subsidiary of the Arkados Group, Inc. (OTCBB:AKDS), this week at the HomePlug Executive Seminar and the CONNECTIONS™ Europe Conference will be demonstrating its cost-effective HomePlug platform, which enables IPTV over conventional electrical wiring. This caps the company's recent whirlwind pan-Asian tour of consumer electronics market leaders, showcasing the company's turnkey reference designs for numerous high-demand video applications, such as IPTV.

IPTV is just one of several video-related powerline applications supported by Arkados' versatile ArkTIC system-on-chip (SOC). The company is also spotlighting its Video Surveillance Reference Design and Video Slideshow Reference Design this week.

"IPTV is a rapidly developing market – some predict that worldwide IPTV subscribers could reach 53 million by 2009¹. Our video platform is a cost-effective solution that easily carries IPTV signals over conventional, and more importantly, existing, electrical wiring," said Oleg Logvinov, Arkados president and CEO. "The platform's flexibility and ability to support a wide range of codecs, including H.264, MPEG-4, and Windows Media 9, underscores our commitment to provide our customers with turnkey, application-specific designs ready for immediate productization."

The recently completed Pan-Asian tour brought Arkados executives to dozens of companies in Japan and Taiwan. Companies included original equipment manufacturers and original design manufacturers that are influential in the networking and consumer electronic markets.

"Our audiences were very impressed with our solutions," said Mr. Logvinov. "The tour confirmed that our system and platform focus can deliver what the market demands."

¹ Global IPTV Market Analysis (2006-2010), Research and Consultancy Outsourcing Services, Aug 2006

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Mr. Logvinov will be among the industry leaders presenting at the HomePlug Powerline European Executive Seminar, held on Nov. 14. CONNECTIONS Europe also takes place this week, on Nov. 14-16; both conferences will be held at the Hotel Adlon Kempinski in Berlin. For more information about the HomePlug Alliance and the HomePlug Powerline European Executive Seminar, visit: <http://www.homeplug.org>. Additional information on CONNECTIONS Europe can be found at <http://www.connectionseurope.com>.

About Arkados, Inc.

Arkados, the HomePlug® Applications Company™, delivers a universal platform that enables the effortless networking of home entertainment and computer devices using standard electricity lines. The company's system-on-chip solutions are uniquely designed to drive a wide variety of powerline-enabled consumer electronics and home computing products, such as stereos, radios, speakers, mp3 players, computers, televisions, gaming consoles, security cameras, and cable and DSL modems. Arkados customers can bring numerous sophisticated, full-featured products to market faster at a lower overall development cost using a single platform: the company's versatile and programmable ArkTIC™ platform. Arkados solutions leverage the benefits of HomePlug Powerline Alliance specifications, and can also be used for in-building and to-the-home (BPL) applications. Arkados Inc. is a wholly owned subsidiary of the Arkados Group, Inc. (OTCBB:AKDS). More information can be found at www.arkados.com.

This release includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934 that are based upon assumptions that in the future may prove not to have been accurate and are subject to significant risks and uncertainties, including statements as to the future performance of the company and the risks and uncertainties detailed from time to time in reports filed by the company with the Securities and Exchange Commission. Although the company believes that the expectations reflected in its forward-looking statements are reasonable, it can give no assurance that such expectations or any of its forward-looking statements will prove to be correct. Factors that could cause results to differ include, but are not limited to, successful performance of internal plans, product development acceptance, and the impact of competitive services and pricing and general economic risks and uncertainties.

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