



Company Contact:

Jim Reeber, Director of Marketing
(732) 465-9300 x212

Media Contact: The Ardell Group

Karina Shaver
karina@ardellgroup.com
(858) 232-4590

Porter, LeVay & Rose, Inc.

Andrew Berlin, Account Executive
Jeffrey Myhre, VP - Editorial
(212) 564-4700

FOR IMMEDIATE RELEASE

ARKADOS TO DEMONSTRATE A SIMPLE AND SMART VIDEO PLATFORM AT HOMEPLUG EXECUTIVE SEMINAR EUROPE, CONNECTIONS™ EUROPE

Events to be Held in Berlin, November 14-16

PISCATAWAY, NJ, November 8, 2006 -- Arkados, a wholly owned subsidiary of Arkados Group, Inc. (OTC BB: AKDS), the HomePlug® Applications Company™, announced today that its new video platform will be demonstrated at the HomePlug Executive Seminar in Berlin on November 14, and at the Connections Europe Conference, November 15 and 16.

The system is a universal video hardware platform that includes the flexible Blackfin processor from Analog Devices, Inc., and can be used for a variety of video distribution applications in the home. The video platform uses the Arkados AI-1100 System-on-chip, and can adopt different functional “personalities” based upon firmware updates to the embedded Flash memory.

Jim Reeber, Director of Marketing for Arkados, said, “Many consumers want access to video and audio content throughout their homes, but are hesitant to spend the money to install dedicated wiring. Arkados is working to make the distribution of video content easy for end-users through an approach that requires no wiring. Using our solutions, electronics and appliance manufacturers can create devices that can be connected through the existing electrical wiring in the house rather than by running new wires.”

He added, “Arkados includes HomePlug powerline technology and a powerful ARM processor inside our AI-1100 system-on-chip semiconductor. Combined with our firmware, we expect to enable product manufacturers to bring intelligent products to market more quickly and at a lower cost.”

The HomePlug Powerline European Executive Seminar, on November 14 at the Hotel Adlon Kempinski Berlin, will communicate and discuss the goals of the HomePlug Alliance (of which Arkados is a founding member), its standards, and present usage studies for network operators, utility companies, service providers, technology companies and consumer electronic product manufacturers. For more information about the HomePlug Alliance and the HomePlug Powerline European Executive Seminar, visit: <http://www.homeplug.org>.

CONNECTIONS™ Europe: Strategies for Digital Living Markets, will take place November 14-16, 2006, also at the Adlon Kempinski in Berlin, Germany. The conference offers the European continent a single, focal event examining the international trends, strategies and key players pertinent to the development of digital living technologies. For more information, visit: <http://www.connectionseurope.com>.

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**220 Old New Brunswick Road • 2nd Floor • Piscataway NJ 08854
732 465 9300 main • 732 465 9600 fax**

The AI-1100 system-on-chip (SoC) is the first to combine a HomePlug physical layer (PHY) with programmable media access control (MAC), a wide variety of in-demand interfaces including digital audio and a very powerful and capable ARM926EJ-S processor enabling a wide range of applications in a single chip. The same chip that is used in the video platform being demonstrated in Berlin next week supports other in-home applications such as Internet radio, whole house audio, broadband sharing, gaming, and a host of other applications.

Powerline communications uses the existing electrical wiring within a residence as a networking infrastructure and enables the digital home applications without the requirement for new wires. The HomePlug specifications are industry standards for implementing powerline communications technology. Arkados' recently patented approach, announced earlier along with the company's HomePlug AV interoperability roadmap, overcomes the inherent limitations of carrying higher frequency signals over a home's power lines and uses the limited available bandwidth in the most efficient way, thereby maximizing the range of audio and video services that can be offered to the consumer.

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. (OTC BB: 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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