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ARKADOS TO UNVEIL TURNKEY REFERENCE DESIGNS AT CONSUMER ELECTRONICS SHOW

CEO Oleg Logvinov in Panel Discussion "The State of Home Networking" on January 9, 2007

CES to Run January 8-11, 2007 in Las Vegas

PISCATAWAY, NJ, December 15, 2006 – Arkados (OTC BB: AKDS), known as "the HomePlug® Applications Company," will unveil numerous reference designs at the Consumer Electronics Show (CES) in Las Vegas, January 8-11, 2007. The company's turnkey reference designs for a variety of high-demand home audio and video applications, such as solutions to enable whole-house audio and IPTV, have been gaining increased attention with global consumer electronics players over the past year.

Jim Reeber, director of marketing for Arkados, said "Our unique applications orientation and our implementation of HomePlug standards have great appeal, especially as the industry drives harder and harder towards cost-effective and timely productization to meet consumer demands for digital home connectivity." Two Arkados applications were chosen to be displayed at the HomePlug Powerline Alliance exhibit at CES.

Mr. Logvinov, Arkados president and CEO, will be a panelist on "The State of Home Networking", held on Tuesday, January 9 at 1:30 P.M. in the Las Vegas Convention Center (LVCC) South Hall, Room S106-107. He will discuss the powerline networking industry and interoperability as a key factor for ubiquity and user acceptance.

Powerline communications is at its best when it is built into products rather than added on with an adapter, and Arkados solutions are designed to make built-in connectivity easier. Additional information on CES 2007 can be found at <http://www.cesweb.org>.

About International Consumer Electronics Show

The International Consumer Electronics Show (CES) is the world's largest annual tradeshow for consumer technology and America's largest annual tradeshow of any kind. The first CES took place in New York City in June of 1967 with 200 exhibitors and 17,500 attendees. Since then, CES has grown more than eleven-fold. Nearly 2,700 exhibitors, filling 1.6 million net square feet of exhibit space, showcased their latest products and services to more than 140,000 attendees at the 2006 International CES.

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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, ArkTIC and Direct to Speaker are trademarks of Arkados Inc., a wholly owned subsidiary of the Arkados Group, Inc. HomePlug is a registered trademark of the HomePlug Powerline Alliance, of which Arkados is a member. 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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