



Editorial Contact:

Karina Shaver, The Ardell Group
Email: karina@ardellgroup.com
Phone: 858-232-4590

Investor Relations Contact:

Andrew Berlin, Porter, LeVay & Rose, Inc.
Phone: (212) 564-4700

Jim Reeber, Arkados Inc
Email: jreeber@arkados.com
Phone: 732-465-9300 x212

**ARKADOS ENGINE POWERS FULLY CONNECTED iPod DOCK FROM
GOOD WAY**

Premiering at CES: Good Way incorporates Arkados semiconductors and software to enable whole-house audio from a single source of music

Piscataway, NJ, January 8, 2007 – Arkados (OTCBB:AKDS), known as “the HomePlug® Applications Company,” and Good Way Technology Company, Ltd., a leading worldwide consumer electronics and computer peripheral manufacturer, are using the occasion of the 40th annual Consumer Electronics Show to present a system that seamlessly connects an iPod® docking station to speakers placed anywhere in a home, creating synchronized whole-house music.

The Arkados AI-1100 chip and its associated software has been embedded into the system demonstrated by Good Way. The system consists of an iPod powerline docking station and powerline audio adapters connected to speakers. The Arkados implementation of HomePlug technology transfers the music coming out of the iPod, and streams it to speakers throughout a home over conventional electrical wires. These powerline audio adapters can be connected to – or embedded inside of – loudspeakers.

“The Arkados solution allows us to achieve a shorter time-to-market cycle by utilizing their reference design that includes both the system-on-chip and application software,” said Kevin Tseng, Product Manager for Good Way. “These elements are helping us to complete our end-product design in a very timely manner.”

The Arkados AI-1100 system-on-chip was built to serve the connected-home market by integrating HomePlug technology, a powerful ARM processor, and a great number of interfaces commonly used in consumer electronics products. This integration not only saves time, but enables products to be produced at a significantly lower price point.

Good Way is one of several companies who are incorporating Arkados technology into their products and presenting them at CES.

- more -

Arkados Group, Inc.
220 Old New Brunswick Road • 2nd Floor • Piscataway NJ 08854
732 465 9300 main • 732 465 9600 fax



*ARKADOS ENGINE POWERS FULLY
CONNECTED iPod DOCK FROM GOOD WAY/ Cont'd*

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™, Vid-Quick™ and Direct to Speaker™ are trademarks of Arkados Inc., a wholly owned subsidiary of the Arkados Group, Inc. Other names and brands may be claimed as the property of others. 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.

###

**Arkados Group, Inc.
220 Old New Brunswick Road • 2nd Floor • Piscataway NJ 08854
732 465 9300 main • 732 465 9600 fax**