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**ARKADOS ADDS LEVITON TO ADVISORY PANEL**

*Senior Leviton Director to Help Direct Growth of Powerline Communications  
Technology Chipmaker*

**Piscataway, NJ, February 5, 2007** – Arkados (OTCBB:AKDS), known as “The HomePlug® Applications Company,” today announced the appointment of Dr. Jack Merrow, Director of Market Management for Leviton Integrated Networks & Controls to the Arkados Group’s Technical and Business Advisory Panel. Dr. Merrow joins Mr. Kamal Gunsagar, who has served on the panel since 2005.

Oleg Logvinov, President and CEO of Arkados said, “Having worked with Leviton for several years, it is a pleasure to formalize our relationship by including Jack as one of our advisors. We believe that HomePlug technology has far reaching applications in multiple markets. Jack’s insight into the marketplace is unparalleled, and we look forward to his input to help form our market strategies.”

"While leading a Leviton research project involving retrofit communications technologies, I have had the pleasure of working with Arkados management and engineering on various hardware prototypes and software applications in the HomePlug space," said Dr. Merrow. "The combination of the HomePlug 1.0 technology and ARM9 processor in the Arkados AI-1100 SoC device, along with embedded special applications software, makes the Arkados reference designs excellent choices for multi-room, multi-source, stereo audio distribution."

This announcement comes directly after the Arkados announcements at the 2007 Consumer Electronics Show that presented new designs for audio and video products. These included components that enable synchronized whole-house music from an iPod, Internet radio, video streaming, home surveillance systems, and digital picture frames.

“Our solutions broaden the marketplace by enabling whole-house applications without running new wires. The price point for these applications has come down significantly, thanks to HomePlug Powerline technology, and our integrated approach to building these types of connected products,” said Logvinov.

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ARKADOS ADDS LEVITON TO ADVISORY  
PANEL./ Cont'd

Dr. Merrow continued, "In this advisory position, I plan to contribute new directions for Arkados applications and reference designs that will help their technology find even greater success in the marketplace."

Please visit [www.arkados.com](http://www.arkados.com) for regular updates.

**About Arkados Group, 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](http://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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