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**ARKADOS AWARDED PATENT FOR COUPLING IN-HOME AND TO-THE-HOME POWERLINE COMMUNICATIONS SYSTEMS**

**PISCATAWAY, NJ, October 24, 2007** – Arkados (OTC BB: AKDS), known as “the HomePlug® Applications Company,” announced today that it has been awarded a United States patent titled “Coupling between Powerline and Customer in Powerline Communication Systems.” The US Patent Office awarded patent number 7,286,812 on October 23, 2007.

“This invention offers an elegant and non-obtrusive way for utility companies or service providers to connect in-home powerline networks to communications signals running on the power grid,” said Oleg Logvinov, president and CEO of Arkados. “This important award adds to the portfolio of patents that Arkados has developed for the powerline communications industry. We are pleased that the Arkados patent portfolio continues to keep Arkados on the cutting edge of digital home technology.”

For several years, members of the Arkados team have been pursuing powerline communications technology – also known as Broadband Power Line or BPL – for in-home, to-the-home, smart grid and “green power” applications. This patent covers fundamental methods and systems to enable construction of end-to-end powerline networks.

A powerline communications (PLC) network on a utility company’s medium-voltage power grid can send data to homes and businesses. Likewise, PLC devices in the home can be used for networking, entertainment, surveillance and other applications, and may access services from the utility company. The problem is routing the signals past a power transformer that was not designed for communication applications. The Arkados invention is focused on the way of coupling and offers a low-cost alternative for installation of powerline communications connections between the medium-voltage outdoor powerline distribution networks, and the low-voltage electrical wiring inside the home of a consumer.

The invention also may help to simplify installations because the device uses inductive coupling and is designed to simply clamp onto the medium voltage wire. Therefore, installation requires no power shut-off, and does not expose the installer to dangerous voltages. The device can also be used to couple PLC signals around power meters or other such devices.

Arkados silicon and software provides a number of solutions for whole-house synchronized audio, distributed video, and a host of other products for the digital home. More information can be found at <http://www.arkados.com/products.html>.

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**About Arkados, Inc.**

Arkados, “the HomePlug Applications Company,” delivers a universal platform that enables 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® is a registered trademark and 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. Other names and brands may be claimed as the property of others. More information can be found at <http://www.arkados.com>.

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