



Editorial Contact:

Jim Reeber, Arkados, Inc.

Email: [jreeber@arkados.com](mailto:jreeber@arkados.com)

Phone: (732) 465-9300 x212

Investor Relations Contact:

John Nesbett/Jennifer Belodeau

Institutional Marketing Services (IMS)

Phone: (203) 972-9200

FOR IMMEDIATE RELEASE

**Arkados Awarded Patent on Universal Network Adapter Technology**

*- Consistent with Arkados' vision of seamless networking, the new patent covers the use of an inexpensive PHY/MAC and adapter to communicate over diverse wire media such as power, copper phone and coax cable, while offering advanced Quality of Service features -*

PISCATAWAY, NJ, November 6, 2008 – Arkados® (OTCBB: AKDS) announced today that it has been awarded a United States patent entitled “Integrated Universal Network Adapter”. The U.S. Patent & Trademark Office awarded patent 7,440,443 to Arkados on August 2, 2008. The patent describes the concept of making physical network connections transparent to the user, by incorporating MAC/PHY technology that can adapt to different physical media into a single chip. In turn, this chip can be used to create products that can bridge between different physical media connections. The patent also describes a technique to dynamically choose the best medium to use based on data about the medium and the QoS requirements.

The patent describes a common Medium Access Controller (MAC) and Physical Layer (PHY) communications interface that has an adapter allowing simultaneous communication over multiple media, such as power, phone, Ethernet, and co-axial cables. The invention covered by the patent has immediate utility in applications for the growing markets for multi-wire entertainment distribution and digitally connected homes.

Historically, consumer electronics manufacturers use dedicated methods to connect content and services to devices. For example, computers use Ethernet networks, telephones use twisted-pair telephone cords, and televisions use coax cable. But as digital content proliferates and the number of distribution media grows, applications will rely on seamless inter-media connectivity to allow consumers to have instant and easy access to content. Consumer demand for easy access to content on multiple playing platforms compels technology providers and manufacturers to seek methods allowing multimedia devices to simultaneously access content from all existing media using a

single device. This level of adaptability is very important for integrated circuit designs by providing flexibility at a low cost.

Having recognized this trend early on, Arkados filed several patent applications, (including this one) that focused on the ability to transfer data and content between devices without depending on any one particular physical connection type, and if several media are available, to automatically and seamlessly switch to the best connection based on quality-of-service (QoS) requirements.

In the time since the patent application was filed, the concept has been echoed and formalized by industry groups as they seek to standardize on methods for implementation of these concepts. Recently, the HomePlug® Powerline Alliance began collaborating with alliances based on other physical mediums. Also, the ITU-T sponsors the G.hn effort, which is focused on one MAC protocol and one PHY communications connection, regardless of whether the physical medium is power line, coax cable, phone line, or Ethernet cable.

### **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® and ArkTIC® are registered trademarks and Direct to Speaker™ is a trademark 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>.

*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, the company’s ability to raise necessary financing, retention of key personnel, timely delivery of inventory from the company’s contract manufacturers, timely product development, product acceptance, and the impact of competitive services and products, in addition to general economic risks and uncertainties.*