



Hansol M.Com Bldg, 1321-11,  
Seocho-dong, Seocho-gu, Seoul, Korea  
Phone: 82-2-559-8350  
Fax: 82-2-3489-2222  
www.kdnetwork.com  
www.ega.co.kr



550 Meridian Avenue  
San Jose, CA 95126  
Phone: +1-408-938-5200  
Fax: +1-408-790-3800  
lonworks@echelon.com  
www.echelon.com

## News Information

## For Immediate Release

### Press Contacts

Julia O'Shaughnessy  
Echelon  
408-938-5357  
joshoughnessy@echelon.com

Abigail Johnson/Paul Michelson  
Roeder-Johnson Corporation  
(650) 802-1850  
<http://email.roeder-johnson.com>

Jung Shil Bu  
KyungDong Network  
+82-2-559-8363  
js-bu@kdnetwork.com

## **Echelon Power Line Based “e-GA<sup>®</sup>” Home Network System from KyungDong Network Brings Home Automation to the Korean Mass Market**

(SAN JOSE, CA & SEOUL, KOREA – June 30, 2005) – Echelon Corporation ([NASDAQ: ELON](#)), a pioneer in control networking and the world's leading supplier of technology for the LONWORKS<sup>®</sup> control networking platform, and KyungDong Network, a Korean home automation company, today announced the availability of the e-GA home networking solution. Consisting of boiler, lighting, security, access, and gas valve control, each product will contain a Power Line Smart Transceiver from Echelon that enables the use of existing electrical lines in a home to transfer data. The e-GA solution meets the core needs for the home automation market in Korea, estimated by KyungDong at over \$139,000,000 USD per year. KyungDong introduced the product line at the 2005 Smart Home and Home Network Show in Seoul earlier this month.

“KyungDong has an extensive history of successful power line based control networking in our commercial building business using Echelon's technology,” said Mr. Tae Sik Min, KyungDong Network's CEO and president. “When we began evaluating the home automation market our primary concerns were reliability, performance and ease of installation. After

completing a market survey, we determined that Echelon's power line technology satisfies all of the requirements for this very strategic market."

The e-GA home networking solution is ideal for both new and retrofit homes and is aimed at the mass market – for the first time putting advanced home automation within reach of the average consumer in Korea. Until now, the Korean home automation market had been limited to only premium housing. KyungDong Network has broken through the price barrier with an affordable system that will be sold by a 300+ member nationwide sales channel, thereby establishing itself as the Korean market leader for home automation.

Echelon's Power Line Smart Transceivers offer a robust, proven means of transferring data over existing power lines in the home. This low-cost and reliable technology is designed to drastically reduce installation time and cost, making it ideal for mass market home automation solutions.

"We are very pleased to see the home automation market take such a great step forward in Korea with the introduction of the e-GA system," said Bea Yormark, Echelon's COO and president. "KyungDong is a very progressive company that is seizing a huge market opportunity. We believe that Korea offers a glimpse of the future of the home automation market, which is not surprising since Korea is one of the most "wired" countries in the world, with almost 70% of the population using the Internet. KyungDong is the latest example of how great companies, seeking to establish a significant market position, are adopting our power line technology as a viable 'no new wires' home automation solution available today."

### **About the e-GA Home Automation System**

The new system focuses on two key market needs in Korea – convenience and safety. Home owners can activate and deactivate security systems and control digital door locks from their living room. Additionally, each member of a family can set his or her own room profile, providing a "one touch" scenario for various "mode" controls in the main room (typical of Korean apartments). Lighting switches in the e-GA system can control a maximum of four lights, and the system includes auxiliary room controllers that can control up to two light switches per individual room.

Gas valve control is a critical safety feature of the e-GA system. Nearly every apartment in Korea has a gas supply line that has traditionally been a source of concern for home owners.

The e-GA system includes remote control of the gas valve, and gas leak detection with alert functionality via phone or SMS (Short Message Service).

Home owners access the system via a remote control unit and a television. The system also provides remote notification for emergencies to alert home owners in cases of emergencies or failures. Any failure of devices will be automatically reported to KyungDong's service center, resulting in a service call being initiated before the consumer even realizes that there is a problem.

### **About Echelon's Power Line Technology**

Echelon is the industry leader in power line signaling for use in control networks with over 15 years of pioneering technology development. The company's power line products communicate with one another over any power lines, drastically reducing installation costs by eliminating the need for new wires or complex RF (radio frequency) components. Extremely reliable and low-cost, Echelon's power line technology is suitable for a variety of consumer product applications. The same 4<sup>th</sup> generation technology utilized in KyungDong's e-GA home automation products has been field-proven in smart electricity meters, street lighting systems, home appliances, and rail and truck control systems worldwide.

### **About KyungDong Network**

KyungDong Network was founded by KyungDong Boiler, Korea's leading supplier of boilers with over 30% of the Korean market, in order to accelerate home networking based on information technology. With more than 25 year's experience in heating and boiler technology, KyungDong Network has not only improved the quality of boiler controllers but also integrated boilers with power line communications and various control technologies.

Under the business motto "a global company leading comfortable residential culture," KyungDong Network is investing in the development of consumer-oriented products, and has more than 300 distributors aiding in the success of the home automation business. Today, KyungDong Network is committed to creating additional value by advancing into the home automation industry and by offering a new vision in the information society while satisfying customer needs for high functionality, efficiency and convenience. In the near future,

KyungDong Network could provide customers with a wide variety of value-added services based on the information collected from their home automation network.

### **About Echelon Corporation**

Echelon Corporation (NASDAQ: ELON) is a pioneer and world leader in control networking – networks that connect machines and other electronic devices – for the purpose of sensing, monitoring and controlling the world around us. Echelon’s component and system-level hardware and software products are used by OEMs, VARs, system integrators, utilities – and virtually every class of institution – to design, build, deploy and/or operate robust, scalable, standards-based control networks and devices. Echelon technology can be found in thermostats, light switches and controllers, electricity meters, appliances, heating and air-conditioning systems, traffic signals, trains, aircraft, factories, and buildings – in more than 50 million “smart” devices made by thousands of manufacturers.

Echelon is also the creator of the LONWORKS platform, an extremely robust, flexible, and expandable standards-based control networking platform upon which manufacturers can build products and applications with unparalleled reliability, security, operational integrity, flexibility, and bottom-line value. The worldwide adoption of the platform prompted the formation of LONMARK<sup>®</sup> International, an independent trade organization that certifies LONWORKS based products against an interoperability specification that allows devices from differing manufacturers to work together; educates the market about the value of device interoperability and open control networks; and creates awareness programs for potential end-users, OEM manufacturers, and integrators of LONMARK certified products and LONMARK systems. For planners, system architects, or OEM designers of control network products and families there is no better choice than Echelon.

Echelon is a co-organizer of the LONWORLD<sup>®</sup> 2005 Exhibition and Conference in Paris, France on October 20-21, 2005. Information about the LONWORLD event may be found at <http://www.lonworldexpo.com>.

Echelon is based in San Jose, California, with international offices in China, France, Germany, Italy, Hong Kong, Japan, Korea, The Netherlands, and the United Kingdom. Further information regarding Echelon can be found at <http://www.echelon.com>.

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