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For Immediate Release

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Echelon Displays Future of Ubiquitous Control Networking from Sensors to Enterprise Management at LonWorld 2005

(Paris, France – October 20, 2005) - Echelon Corporation ([NASDAQ: ELON](http://NASDAQ:ELON)), the leading technology supplier for the widely-used LONWORKS® control networking standard, is showcasing its control platform solutions and Networked Energy Services (NES) smart metering system at the LONWORLD® 2005 event October 20-21 at Euro Disney. The company is debuting several new products at the event close on the heels of introducing its new Pyxos™ embedded control networking platform. Collectively, the new products, platform, and upgrades to existing products are designed to move the market closer to the ubiquitous deployment of control networking. Echelon's new technologies and products focus on reducing or improving the key factors that can enable ubiquitous control networking – lower component costs; simpler, easier installation; high reliability, scalability and flexibility; and remote management.

“Echelon delivers technology that impacts the way we live, work and play. Our control networking and embedded platforms are well on their way to becoming omnipresent in everyday life, connecting common machines to each other and the Internet for reasons ranging from significant energy savings to increased safety, comfort and convenience,” said Ken Oshman, Echelon's CEO and chairman. “Our new Pyxos embedded control platform further extends that

power by solving cost, assembly, and connectivity problems that previously constrained manufacturers from adding advanced control technology to their products. What we're showing at LONWORLD 2005 is another major step toward making control networking ubiquitous and an expression of our strategic approach to expanding this market – achieved through continual reductions in the cost and complexity of our technology while increasing their power and utility and new product development.”

Key demonstrations and products at LONWORLD 2005 include:

- **Smart Metering for Efficient Energy Use**

Echelon is debuting its second generation Networked Energy Services (NES) system electricity meter. The redesigned meter, already in use in numerous utility trials in Europe, incorporates new features such as M-Bus connectivity. M-Bus is a common bus used to connect gas and water meters throughout Europe. Many utilities provide mixed service – electricity, gas and water – making a single metering infrastructure strategically imperative. An NES system utilizing this second generation meter provides a complete metering infrastructure for utilities offering mixed services.

- **Embedding Control Networks Inside Machines**

Echelon's new Pyxos FT embedded control networking platform is making its debut at the conference. Featuring very low cost ICs, high speed deterministic operation, subminiature packaging, and a unique self-organizing feature, the Pyxos FT network is ideally suited for industrial, office automation, building, and transportation applications. A Pyxos FT network can seamlessly integrate with a LONWORKS network, host computers, or PLCs.

- **Self-Installing Systems for Home Automation**

Echelon is showing a suite of technologies that can make creating and installing home automation products cost effective, reliable, and simple enough to meet the demands of the mass market for home automation. The new power line communication technology and self-installation software will be demonstrated in lighting and load control consumer products from electronics giant Samsung Electronics. A UPnP™ bridge is being demonstrated with the Samsung devices and a new, consumer friendly graphical user interface. The bridge allows Windows Media Center or Windows XP based PCs to automatically control and operate LONWORKS automation networks. The demonstration

will also feature Echelon's ISI automatic device installation protocol, which enables manufacturers to create home products that automatically self-install when plugged into a wall, or with the push of a button. ISI enabled devices remove the complexity of network installation from consumers – making do-it-yourself, powerful home automation systems possible.

- **Improved Products and Low Prices**

Echelon is also announcing three new products at the show that speed and simplify control network installation and remote monitoring of LONWORKS networks, LONWORKS devices, and legacy systems.

- i.LON[®] 100 e3 Internet Server – The e3 version of the popular i.LON 100 Internet Server includes a ModBus interface for use with legacy control systems, an M-Bus interface for European utility meters, an astronomical clock for perimeter and street lighting applications, and a simple, intuitive Web authoring tool that works with Macromedia's Contribute web page creation software.
- The new LonMaker[®] Installation Tool, Turbo Edition, speeds network design and installation through the use of wizards and a new streamlined interface.
- The new MPR-50 Multi-Port Router allows integrators and OEMs to reduce the cost of installing LONWORKS networks. The novel router design supports five twisted pair LONWORKS channels, includes a monitoring application to remote report router and channel status, and features pushbutton configuration to save time.

“In order for control networking to become ubiquitous, we need solutions and technologies that are cost effective, easy to use in all markets, and can truly link the devices found in any industry into control applications,” said Oshman. “Our demonstrations and introductions show that we continue to move aggressively toward that goal.”

More detailed information can be found about these and other products from Echelon at <http://www.echelon.com>.

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 LONWORKS platform for control networking was released in 1990 and has become a worldwide standard in the building, industrial, transportation, and home automation markets. Launched in 2003, Echelon's Networked Energy Services system is an open, extensible, advanced metering infrastructure that can bring benefits to every aspect of a utility's operation, from metering and customer services to distribution operations and value-added business. In 2005 Echelon released the world's first embedded control network infrastructure, the Pyxos platform, extending the benefits of networking inside machines to the sensors and actuators that make them function.

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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