

For Immediate Release

Lantronix Launches Family of Turnkey Networking System-on-Chip Coprocessors for High-Volume, Low-Cost Products

Single chip Ethernet web server includes royalty-free application and networking firmware for M2M applications

29/08/2007– Driving the next level of device networking adoption, Lantronix (Nasdaq: LTRX) today announced an innovative family of fully turnkey, dedicated networking coprocessor system-on-chip (SoC) solutions. The DeviceLinx™ XChip™ SoC family enables original equipment manufacturers (OEMs) to embed serial-to-Ethernet connectivity and web services into a whole new class of high-volume, price-sensitive products so they can be remotely managed over the Internet. With market-proven, royalty-free application and network firmware included, XChip speeds time-to-market as virtually no additional coding or licensing commitment is necessary to enable powerful network connectivity into any product with a microcontroller.

With the addition of the XChip family, Lantronix offers manufacturers a complete line of software-compatible device networking solutions across a product's life cycle – from external boxes, to boards, to modules, to chips. Based on current Lantronix networking technology, the XChip family delivers the same performance as the award-winning Lantronix XPort® family of embedded device networking modules. Its affordability, small size and application-ready networking firmware make XChip an ideal solution for high-volume, cost-sensitive products. Inexpensive microcontrollers with limited functionality have traditionally created a barrier in network-enabling such solutions. Now, as a dedicated networking coprocessor, XChip enables the host microcontroller to function at maximum capacity without the burden of network processing overhead. This enables OEMs to use less expensive, less powerful host microcontrollers on their products without sacrificing performance.

“With the launch of the XChip, Lantronix now has a complete line of innovative device networking solutions,” said Marc Nussbaum, CEO of Lantronix. “The new XChip product family provides a series of compact, fully-functional SoC networking coprocessors that enable design engineers to quickly and cost-effectively network-enable high-volume products. OEMs can avoid the time and expense of separately purchasing chips, licensing software and performing complex integration by using the single chip solution from Lantronix. The innovative XChip family opens M2M technology to new applications making it easy for any device to speak on the network.”

Potential applications for the XChip include consumer electronics, building automation (air conditioning, heating, etc.), energy/metering, home automation (high-end audio, alarm panels, etc.), point-of-sale, RFID readers, sensors and controllers, vending machines and white/durable goods. In addition to providing remote management and control over the Internet, embedding network connectivity into products opens an array of value-add services. OEMs can develop additional revenue streams through remote monitoring, configuration and servicing of equipment.

“As the market potential for network-enabled products expands and competitive pressures increase, OEMs are searching for new ways to quickly and easily snap-in Ethernet connectivity to their existing and new product lines without having to spend countless man hours in development,” said Robin Duke-Wooley, principal analyst at Harbor Research. “Also, many of these same OEMs are actively looking at ways to create new revenue streams by packaging value-added services around this connectivity. By leveraging its major market success of the XPort embedded device server module in the form of a SoC product family, Lantronix is once again bringing powerful networking capabilities within the reach of more manufacturers. With the wired Ethernet M2M market estimated to grow at over 20 percent annually, we see the launch of the DeviceLinx XChip line as instrumental in enabling OEMs to rapidly design-in networking and web server technologies to a wider range of devices – especially higher volume and more cost-sensitive consumer products.”

Built using the industry-standard CMOS process, the XChip is a highly-integrated x86 class processor that includes a built-in Ethernet MAC and 10-100 PHY, 256 KB zero wait-state SRAM, up to 11 GPIOs and a high-performance serial UART in a compact 12mm X 12mm 184 BGA RoHS-compliant package. A compact and efficient design, it not only conserves board space, but the XChip can reduce overall product bill of materials by removing the need for an external MAC/PHY chip.

With feature-rich, royalty-free application and network firmware included, the XChip saves OEMs time and money as virtually no additional coding is necessary to embed powerful network connectivity and web services at the chip level. The firmware and network protocol stack includes TCP/IP, UDP, BootP, DHCP and AutoIP. XChip also features (depending on model) a web server with support for three simultaneous web sessions, email triggering on in-band serial data patterns or configurable pins inputs, and variety of configurable options for serial-to-Ethernet tunnelling (baud rate, flow control, port number, data packing control intervals, inactivity timeout and MTU size).

The DeviceLinx XChip SoC product family includes:

XChip Direct – *Embedded Device Gateway SoC Coprocessor*

Provides serial-to-Ethernet connectivity, designed to efficiently move commands, status and information over IP networks.

XChip – *Embedded Device Server SoC Coprocessor*

Provides serial-to-Ethernet connectivity, built-in web server, and 256-bit AES encryption.

XChip AR – *Embedded Programmable Device Server SoC Coprocessor*

Provides serial-to-Ethernet connectivity, built-in web server, advanced SSH/SSL secure connectivity, and advanced web services including AJAX, CGI and RSS.

To speed prototype build and time to production, all XChip models come complete with a compact, 4-layer reference design optimised for cost and performance. The design package includes schematic and assembly diagrams, Gerber files, PADS PCB design files and fabrication drawing.

The DeviceLinx XChip SoC product family will be available globally in September 2007 through Lantronix channel and other sales partners. For more information, please visit www.lantronix.com.

About Lantronix

Lantronix, Inc. (Nasdaq: LTRX) is a leading innovator in device networking technology. The company specializes in wired and wireless hardware and software solutions which allow virtually any electronic product to be network enabled in order to remotely access, monitor and control it over a network or the Internet. The Lantronix Device Network Architecture (DNA) includes Device Enablement solutions which provide a direct network connection to equipment and machines for remote monitoring and control, and Management and Control solutions which extend the ability to remotely manage IT equipment and literally thousands of networked devices, regardless of location, from a central point of access. Lantronix provides customizable technologies and solutions that are used by original equipment manufacturer (OEMs) design engineers to network-enable their products, IT administrators to manage data centre and network infrastructure, and systems integrators to provide complete, remote device management solutions for their customers. With nearly two decades of networking expertise and more than 30,000 customers worldwide, Lantronix solutions are used in every major vertical market including security, industrial and building automation, medical, transportation, retail/POS, financial, government, consumer electronics/appliances, IT/data centre, and pro-AV/signage. The company's headquarters are located in Irvine, California. For more information, visit www.lantronix.com.

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Media Contacts: Kristine Hernandez
(949) 450-7240
kristine.hernandez@lantronix.com

Europe
Lukas Port
Livewire PR
+44 (0) 20 8339 7438
lukas.port@livewirepr.com

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