



Xten Networks Receives INTERNET TELEPHONY® Magazine's “Product of the Year” Award for 2004

eyeBeam Softphone and SDK Honored for Outstanding Innovation

SANTA CLARA, CA – January 5, 2005 – Xten Networks, Inc. (OTCBB: XNWK), a provider of VoIP (Voice over Internet Protocol), Video over IP, Instant Messaging (IM), and Presence SIP softphones, today announced that Technology Marketing Corporation (TMC®)'s INTERNET TELEPHONY® magazine (www.itmag.com) has named Xten's eyeBeam SIP softphone and SDK (software development kit) as a recipient of a 2004 Product of the Year Award. INTERNET TELEPHONY has been the VoIP Authority Since 1998™.

“The Xten development team, together with our customers, has made X-Lite and X-PRO staples in the telephony industry, and now they have done it again with eyeBeam,” said Erik Lagerway, president and chief operating officer of Xten Networks. “We are honored that eyeBeam was chosen by INTERNET TELEPHONY as a Product of the Year award winner, and we expect that Xten will continue to impact the SIP endpoint marketplace significantly.”

Xten's softphones are software applications, which run on devices such as personal computers (PCs) or personal digital assistants (PDAs) or can be integrated into web pages or web applications. When an Xten softphone is connected to a service provider's network, the user can make and receive calls to and from other “on-net” callers (IP-to-IP) and/or “off-net” callers (IP-to-PSTN/Cellular) with the same quality of service they would expect from their IP handset. However, at a fraction of the cost, while providing more features and functionality than the IP handset.

Xten has a feature-rich FREE SIP softphone dubbed X-Lite, in addition to the fully featured X-PRO commercial softphone and eyeBeam, a SIP Video over IP softphone with IM and Presence. With eyeBeam, you can participate in, or host, a multi-person audio/video conference call with a mix of “on-net” and “off-net” callers.

The eyeBeam feature set includes an array of robust SIP telephony features offered in Xten's award-winning X-PRO SIP softphone, including call transfer/forward, caller ID, and 10-point conferencing. eyeBeam enhances this feature set with the addition of video, instant messaging and presence, acoustic echo cancellation, wide-band codec selection, audio and video recording, voice activity detection, adaptive jitter buffer and message waiting indicator. The eyeBeam SDK includes the following low-level APIs: Audio, Video, HTTP, STUN, SIP Stack, SIP Call Control, SDP, RTP, ICE and DNS.

“Each year INTERNET TELEPHONY magazine bestows its Product of the Year awards on companies that have demonstrated excellence in technological advancement and application refinements. Xten has demonstrated to the editors of INTERNET TELEPHONY that its products or services are committed to quality and innovation while addressing the real needs in the marketplace,” said Rich Tehrani, Group Publisher and Editor-in-Chief of INTERNET TELEPHONY.

The Product of the Year Award winners for 2004 will be published in the January 2005 issue of INTERNET TELEPHONY magazine.

About TMC®

Celebrating more than 30 years as a leading publisher, Technology Marketing Corporation (TMC®) publishes Customer Inter@ction Solutions® and INTERNET TELEPHONY® magazines, Web portal TMCnet.com, and the online publications SIP™, Speech-World™, VoIP Developer™, WiFi Telephony™, WiMAX™, Alternative Power™ and BiometriTech™. TMC® is also the first publisher to test new products in its own on-site laboratories, TMC® Labs. TMC® produces INTERNET TELEPHONY® Conference & EXPO, VoIP Developer Conference™ and Global Call Center Outsourcing Summit™. TMC offers live and online certification programs through TMC University. TMCnet.com publishes more than 14 online newsletters. Visit www.tmcnet.com for details.

About Xten Networks, Inc.

Xten is a developer of award-winning, high-quality, carrier-grade SIP softphones for service providers, cable operators, Internet telephony service providers, IP PBX manufacturers and OEMs. Xten’s SIP softphones are available either pre-configured or as a software development kit (SDK), and provide VoIP (Voice over IP), Video over IP, IM (Instant Messaging), and Presence functionality. Xten has a feature-rich FREE SIP softphone dubbed X-Lite, in addition to the fully featured X-PRO commercial softphone and eyeBeam, a SIP Video over IP softphone with IM and Presence. Through its deployments with leading service providers, Xten has more than 700,000 IP endpoints deployed worldwide. For more information please visit www.xten.com.

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