



Xten Networks Receives Customer Interaction Solutions® Magazine's "Product of the Year" Award for 2004

LiveEye XCAP Server for Instant Messaging and IP Communications Honored for Innovation

SANTA CLARA, CA – January 18, 2005 – /PRNewswire-FirstCall/ – 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 Customer Inter@ction Solutions® magazine (www.cismag.com) has named Xten's LiveEye XCAP (XML Configuration Access Protocol) server as a recipient of a 2004 Product of the Year Award.

"Xten is delighted to see the LiveEye XCAP server winning this award," commented Erik Lagerway, President of Xten. "This is one of the only XCAP servers available today. Winning this award from Customer Interaction Solutions says a great deal about Xten's commitment to new open standards technology and the quality of our work."

Xten's new eyeBeam 1.1 SDK is now shipping with the LiveEye XCAP server source code and binaries for Linux and BSD operating systems. The new eyeBeam v1.1 SDK makes use of XCAP for storage of centralized buddy lists and remote configuration routines. The eyeBeam SDK also comes with a basic Presence Agent module for SER [SIP express Router by iptel.org].

XCAP servers are a necessary component for any carrier or enterprise looking to build an Instant Messaging infrastructure using Open Standards where buddy lists are stored centrally rather than on the local machine.

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.

"Each year Customer Inter@ction Solutions 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 Customer Inter@ction Solutions that its products or services are committed to quality and innovation while addressing the real needs in the marketplace," said Nadji Tehrani, Group Publisher and Editor-in-Chief of Customer Inter@ction Solutions.

The Product of the Year Award winners for 2004 will be published in the January 2005 issue of Customer Inter@ction Solutions magazine.

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.

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.

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