



Neoware Thin Clients Deliver Energy Savings as “Green” Alternatives to Desktop PCs

Company’s Thin Clients Save up to 90 Percent of the Power of a Desktop PC, Becoming Critical Component of Corporate and Government Sustainability Programs

KING OF PRUSSIA, Pa. — May 16, 2007 — Neoware, Inc. (Nasdaq: NWRE), a leading provider of thin client computing solutions, today announced that its thin client devices, which are growing in popularity as cost-effective alternatives to desktop and laptop PCs, can help companies reduce computing-related energy costs by up to 90 percent. Traditional desktop PCs consume a maximum of 280 watts of power as compared to certain Neoware thin clients which consume approximately 30 watts of power in the same time frame – an energy savings of nearly 90 percent. For example, if a company replaced 35,000 PCs with Neoware e90 thin client devices, its energy cost savings could be up to \$1.9 million per year, a figure based on the national KWH rate of \$0.0849.

The chart below illustrates the cost and potential annual savings of operating 1,000 Neoware thin clients vs. 1,000 traditional desktop PCs.

Brand	Maximum power per Device (in Watts)	Annual Power Cost for 1,000 Devices	Approx. annual energy savings using Neoware thin clients (for 1,000 devices)
PC	280	\$61,807	N/A
Neoware e140	48	\$10,596	\$51,211
Neoware e90	30	\$6,623	\$55,185
Neoware c50	24	\$5,298	\$56,509

Based on: Maximum power supply wattage, a KWH national average (Dec 06) of \$0.0849, average usage time of 50 hours per week for one year, with 1,000 units in use. The PC used for comparison was the Dell Optiplex 740.

Faced with rising energy costs, impending energy-reduction legislation and a drive to become more environmentally-friendly, many companies such as CVS, Bed Bath & Beyond, Goodyear, AutoZone, Kroger Co., and other global retailers are leveraging the energy savings benefits of Neoware thin clients.

In addition to saving companies in ongoing power consumption costs, thin client devices have a number of additional energy saving benefits when compared to traditional PCs. Because they have no moving parts, such as disc drives or fans, and emit very little heat, organizations also save in cooling costs; actual savings vary based on facility.

Producing thin clients also requires significantly less energy and resources, as they contain fewer parts; are cheaper to transport because they are approximately 40 percent lighter; and last 50 percent longer, greatly reducing computer disposal costs.

“We have seen an increase in companies of all sizes turning to thin client technology to achieve greater energy and cost savings,” said Klaus Besier, president and CEO of Neoware. “Without moving parts, such as a fan or disk drive, Neoware’s thin clients help companies meet their sustainability targets by eliminating much of the overhead associated with computing. We look forward to helping companies ‘go green’ and achieve their environmental initiatives.”

About Neoware

Neoware, Inc. (Nasdaq: NWRE), is global provider of thin client computing solutions that allow organizations to cut costs by centralizing desktop management, alleviating threats of security breaches and reducing energy consumption. Forward thinking companies enable their desktop virtualization strategies with Neoware’s desktop, laptop and software offerings.

Headquartered in King of Prussia, PA, U.S.A., Neoware has offices throughout Europe and Asia. Its products are available worldwide from select resellers and partners, and it has technology partnerships with leading companies including Microsoft, IBM and Lenovo.

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This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding: the growing popularity of thin clients as companies seek to achieve energy and cost savings. Factors that could cause actual results to differ materially from those predicted in such forward-looking statement include: rapid technological changes in the industry; our success in implementing our product development and channel program initiatives and the rebuilding of our infrastructure within our planned timeframe; insufficient resources to fund our virtualization initiatives; the lack of growth in the virtualization market; our ability to retain our newly-appointed key staff members and to maintain our relationships with our channel partners; growth of overall thin client sales; our timely development, release and customers' acceptance of our products; increased competition; adverse changes in customer order patterns; adverse changes in general economic conditions in the U.S. and internationally; risks associated with foreign operations; and political and economic uncertainties associated with current world events. These and other risks are detailed from time to time in Neoware's periodic reports filed with the Securities and Exchange Commission, including, but not limited to, our annual report on Form 10-K for the year ended June 30, 2006 and our quarterly reports on Form 10-Q for the quarters ended September 30, 2006, December 31, 2006 and March 31, 2007.

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