Date: May 23, 2006

Product Discontinuation Announcement

Dear Valued Lantronix Customer,

The purpose of this communication is to inform you that Lantronix is discontinuing our UDS100 external device server product family.

The deadline for placing final non-cancelable, non-returnable purchase orders is August 18th, 2006* and shipments must be scheduled no later than September 29th, 2006*, with *availability subject to supplies on hand.

The last day of support for this product is September 28th, 2007.

The drop-in replacements for the UDS100 products are the new UDS1100 family of device servers listed in the table on page 2 of this notice. The UDS1100 is a superior 10/100 device that is a form, fit, and function replacement for the UDS100 with these improved features:

Serial Interface
- 1 DB25F DCE serial port – same as UDS-10 & UDS100
- Software-selectable RS232, RS422 or RS485 (2 and 4 wire support)
- No need to jumper for 2 – 4 support as with the UDS-10 & UDS100
- Increased data rates from previous 115k max to 230k

Network Interface
- 10Base-T/100Base-TX Ethernet port
- Software selectable Ethernet speed 10/100/Auto
- Software selectable Half/Full/Auto duplex
- Wide protocols supported; ARP, UDP, TCP, ICMP, Telnet, TFTP, AutoIP, DHCP, HTTP, SNMP, TCP, UDP, and Telnet
- Improved web interface, enhances performance and reduces access time

In addition, the UDS1100 also has these added benefits:
- Increased performance
- Increased memory
- Includes serial cable to simply configuration and device connectivity
- RoHs compliant
Transition Table:

<table>
<thead>
<tr>
<th>Existing Part Number</th>
<th>Replacement Part Number</th>
<th>Availability</th>
</tr>
</thead>
<tbody>
<tr>
<td>UDS100-01</td>
<td>UD1100001-01</td>
<td>Shipping now</td>
</tr>
<tr>
<td>UDS100-02</td>
<td>UD1100002-01</td>
<td>Shipping now</td>
</tr>
<tr>
<td>UDS100-NL-01</td>
<td>UD1100NL2-01</td>
<td>June 2006</td>
</tr>
<tr>
<td>UDS100-NL-02</td>
<td>UD1100NL2-01</td>
<td>June 2006</td>
</tr>
<tr>
<td>UDS100-B</td>
<td>UD110000B-01</td>
<td>June 2006</td>
</tr>
<tr>
<td>UDS100-IAP</td>
<td>UD1100IA2-01</td>
<td>August 2006</td>
</tr>
</tbody>
</table>

RoHS BACKGROUND INFORMATION:

<table>
<thead>
<tr>
<th>Feature/Enhancement</th>
<th>RoHS Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>RoHS-Compliance</td>
<td>Mandated by the European Parliament and Council of the European Union, RoHS (Restriction on Hazardous Substances) requires that manufacturers reduce the usage of hazardous substances including lead, mercury, cadmium, hexavalent chromium, polybrominated biphenyls, or polybrominated diphenyl in electrical and electronic equipment by July 2006.</td>
</tr>
</tbody>
</table>

If you have any questions, please contact your sales representative or Lantronix Customer Support at (866) 649-0721 or (949) 453-3990 x342.

*Please note: the UDS100 products will only be available while supplies last.*