

# NETGEAR® News Release

## **NETGEAR® Voluntarily Recalls XE103 Powerline Ethernet Adapter Made for Europe and Other Countries Using 220-240 Volt Power Sources**

*Networking Company Cites Customer Safety and Satisfaction as Top Priorities*

**Bracknell, UK — January 4, 2008** — NETGEAR®, Inc. (NASDAQGM: NTGR), a worldwide provider of technologically advanced, branded networking solutions, announced a voluntary recall of its XE103 Powerline Ethernet Adapter made for Europe and other countries using 220-240 volt power sources and sold individually or in a bundled kit. Approximately 82,000 of these products have been sold to date. Photos of the products are being distributed with this announcement, and are available on the NETGEAR web site.

Results of tests carried out for NETGEAR on the affected Powerline Ethernet Adapter have shown a potential for a semiconductor integrated circuit within the product to malfunction in 220-240 volt environments, causing the product to stop working and potentially overheat. NETGEAR has not received any reports of any personal injury or damage to property caused by this potential malfunction. However, to maintain the integrity and quality of its products, NETGEAR has decided to issue this recall. XE103 Powerline Ethernet Adapters sold in North America or other countries using 100-120 volt power sources are not affected by this recall. As an added precaution, NETGEAR advises against deploying them in 220-240 volt environments and is making available a new product label to that effect for existing users.

“As a company, NETGEAR is firmly committed to providing consumers with the safest, most reliable home and small business networking solutions possible,” stated Patrick Lo, chairman and chief executive officer of NETGEAR. “Although we do not know of any injury or damage caused by the affected Powerline Ethernet Adapter, the safety and satisfaction of our customers remain our top priorities — as they always have, and will continue to be. This voluntary recall is an example of our dedication to preserving the worldwide reputation of the NETGEAR brand for outstanding product quality.”

NETGEAR therefore requests that customers immediately stop all use of the affected Powerline Ethernet Adapter, unplug it from the electrical outlet, and contact NETGEAR to obtain information as to how to return the device to NETGEAR and obtain a replacement product.

Customers may obtain information on the recall from NETGEAR in one of two ways:

- Customers may call a local toll-free NETGEAR customer service number  
([http://kbserver.netgear.com/kb\\_web\\_files/n101460.asp](http://kbserver.netgear.com/kb_web_files/n101460.asp))
- Customers may register details via the Internet at  
<https://my.netgear.com/myNETGEAR/checkxe103.asp>

NETGEAR is working with relevant regulatory authorities in affected countries to ensure that this recall process is carried out in an appropriate and effective manner.

#### **About NETGEAR, Inc.**

NETGEAR® (NASDAQGM: NTGR) designs technologically advanced, branded networking solutions that address the specific needs of small and medium business and home users. The Company's product offerings enable users to share Internet access, peripherals, files, digital multimedia content and applications among multiple personal computers and other Internet-enabled devices. As an ENERGY STAR® partner, NETGEAR offers products that prevent greenhouse gas emissions by meeting strict energy-efficiency specifications set by the U.S. government. NETGEAR is headquartered in Santa Clara, Calif. For more information, visit the company's Web site at [www.netgear.co.uk](http://www.netgear.co.uk)

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#### **Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995 for NETGEAR, Inc.:**

This press release contains forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Specifically, statements concerning the manner and consequences of the XE103 malfunctioning, the expected impact of the recall on NETGEAR'S business and the expected performance characteristics, specifications, market acceptance, market growth, specific uses, user feedback and market position of NETGEAR's products and technology are forward-looking statements within the meaning of the Safe Harbor. These statements are based on management's current expectations and are subject to certain risks and uncertainties, including, without limitation, the following: actual real world operating conditions may cause the XE103 to malfunction differently than what is experienced in laboratory test conditions; personal injury and property damage may potentially occur as a result of such malfunctions; the impact of the recall on NETGEAR's business may be material if there is actual personal injury or property damage or if consumers stop purchasing NETGEAR products; the actual price, performance and ease of use of NETGEAR's products may not meet the price, performance and ease of use requirements of customers, product performance may be adversely affected by real world operating conditions, the ability of NETGEAR to market and sell its products and technology, the impact and pricing of competing products and the introduction of alternative technological solutions. Further information on potential risk factors that could affect NETGEAR and its business are detailed in the Company's periodic filings with the Securities and Exchange Commission, including, but not limited to, those risks and uncertainties listed in the section entitled "Part II - Item 1A. Risk Factors", pages 27 through 38, in the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2007, filed with the Securities and Exchange Commission on November 9, 2007. NETGEAR undertakes no obligation to release publicly any revisions to any forward-looking statements contained herein to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

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