



May 29, 2002

## **PCTEL Acquires Wireless LAN Software and Gateway Products**

### **Company Establishes 802.11 Presence With Asset Acquisition**

MILPITAS, Calif., May 22 /PRNewswire-FirstCall/ -- PCTEL, Inc. (Nasdaq: PCTI), a leading provider of access technology announced today that it has signed a definitive agreement to acquire the assets of cyberPIXIE, a Chicago-based start-up in the 802.11 wireless local area network (WLAN) market. PCTEL will pay approximately \$2.0 million in purchase price and transaction costs.

PCTEL will acquire three significant products and will hire the members of a seasoned wireless LAN development team as a result of the transaction. The products are focused on WLAN security, ease of use, automatic detection and connection and unprecedented ease of use for roaming WLAN users. They include a WLAN installation wizard, a roaming client application, and a special purpose server that will negotiate secure roaming and billing arrangements as well as over-the-air encryption as WLAN subscribers move from one environment to another.

"We are fundamentally a software company with distinctive expertise in access," said Marty Singer, PCTEL's Chairman and CEO. "This acquisition will extend our product reach from wired to wireless access, a long-stated mission of the company. Additionally, these new products will permit us to participate in both the client and infrastructure facets of the WLAN market."

After the transaction closes, the new WLAN products and development team will be directly integrated into PCTEL's existing wireless operations, led by Biju Nair.

"We are very excited about the established product portfolio and talent that the new team will bring to PCTEL," said Biju Nair, Vice President and General Manager of PCTEL's Wireless Network Products. "In combination with our existing development on 802.11 a/b/g multimode products, PCTEL will hold a portfolio of WLAN products to meet the needs of our existing customers and that will address the requirements of the wireless carrier, ISP and enterprise markets. We intend to enable a seamless wireless experience."

Install Wizard facilitates automatic recognition of WLAN card and automatically installs and configures a WLAN card for a given network with no user input. Install Wizard significantly improves the user experience of WLAN equipment installation thereby reducing the IT support costs for the enterprise and return rate of WLAN products to retail stores.

Roaming Client is the industry's leading tool that automatically senses, detects and connects to available WLAN networks in the area. Enterprise customers who travel can connect to a public WLAN network without changing settings on their computers and tunnel securely through a VPN back to their Enterprise networks.

Network Gateway is an access control device that leverages RADIUS and other standards and facilitates user authentication and billing between home and roaming networks. The Gateway improves networks usability and makes the task of network management easy. Gateway provides a seamless Internet experience and is equally well suited to use within an enterprise, or in public locations such as airports, hotels, conference centers, and cafes.

#### **ABOUT PCTEL**

PCTEL, founded in March 1994, is a leading provider of innovative, cost-effective Internet access solutions, including analog soft modems, and embedded DSP-based modems. The company is built upon a wide-ranging and comprehensive portfolio of more than 80 analog and broadband communications patents, issued or pending, including the key and essential patents for Host Signal Processing (HSP) modem technology. PCTEL products are available to PC and data communications equipment manufacturers. For more information, please visit our web site at: <http://www.pctel.com> .

#### **Safe Harbor Statement**

This press release contains "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. These statements are based upon management's current expectations and are subject to certain risks and uncertainties that

could cause actual results to differ materially. These risks and uncertainties include, but are not limited to: the ability of PCTEL to meet the needs of PCTEL's existing customers and to address the requirements of wireless carriers and ISP and enterprise markets; and the ability of Install Wizard to improve user experiences and reduce IT support costs and return rates of WLAN products to retail stores. The risks and uncertainties in PCTEL's business, including but not limited to those detailed from time to time in the company's Securities and Exchange Commission filings, can affect results. These forward-looking statements are made only as of the date hereof, and the company disclaims any obligation to update or revise the information contained in any forward-looking statements, whether as a result of new information, future events or otherwise.