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PCTEL Modem Designed into Toshiba's New Appliance Server

HSP56 MicroModem™ Solution to provide Internet Connectivity for Multifunction Communications Server

Milpitas, CA – July 31, 2001– PCTEL, Inc. (NASDAQ: PCTI), a leading provider of personal connectivity and Internet access technology, announced today that its HSP56™ MicroModem technology was selected for Toshiba's Magnia™ SG10 multifunction appliance server. Toshiba's affordable "Network-in-a-Box" is designed to provide a complete network communications package at an ultra-affordable price, for the small office/home office and small- to medium-size businesses.

"Our patented HSP (Host Signal Processing) technology allows us to deliver a cost-effective modem solution that manufacturers such as Toshiba can utilize to solve critical design requirements," noted Mark Wilson, vice president of marketing at PCTEL. "The end result is that consumers are the beneficiaries of a new breed of reliable, affordable, and easy-to-use appliance servers."

The Magnia SG10 is designed to be a simple, fast, and economical way for small- to medium- businesses to create a local-area network with little or no IT experience.

"We wanted to develop a low-cost server solution that was easy to set up. We achieved that by incorporating the best price/performance solutions available," said Steve Andler, vice president of marketing, Toshiba Computer Systems Group. "PCTEL's modem design was one of the technologies that met those requirements."

PCTEL's HSP56 MicroModem solution features a flexible, space-saving design platform and extremely low power consumption. It operates on Windows and Linux operating systems at the highest V.90 speeds possible over analog telephone lines and is compatible with over 65 international telephone networks.

ABOUT PCTEL

Founded in March 1994, PCTEL is a leading developer and supplier of cost-effective, software-based connectivity solutions that enable high speed Internet access and other communications applications through emerging Digital Subscriber Line, wireless broadband and existing analog networks as well as existing broadband networks. PCTEL's communications products are designed to enable widespread Internet access and other communication applications through PCs and alternative access devices. PCTEL products are available to PC and data communications equipment manufacturers, as well as a variety of vertical market OEMs. PCTEL is located at 1331 California Circle, Milpitas, Calif., 95035. Telephone: (408) 965-2100. Fax: (408) 895-0178. For more information on PCTEL products, visit the PCTEL website at <http://www.pctel.com>

Safe Harbor Statement

This press release contains statements relating to analog modem products of the company that are "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from those projected as a result of certain risks and uncertainties. These risks and uncertainties include, but are not limited to: the current economic slowdown, the rapid deterioration in PC demand, and our ability to forecast customer demand in this environment; the cyclical nature of the semiconductor industry and the markets addressed by the company's and its customers' products; demand for and market acceptance of consumer network servers, network access and appliance server products; the ability to develop and implement new technologies and to obtain protection for the related intellectual property; as well as other risks and uncertainties, including but not limited to those detailed from time to time in the company's Securities and Exchange Commission filings. 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.

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