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PCTEL to Provide Embedded Modem Solution for PolyTrax Home Networking Reference Design

Reference Board Available to OEMs for Use in Residential Gateway Appliances

Milpitas, CA – February 20, 2001 – PCTEL, Inc. (NASDAQ: PCTI), a leading provider of personal connectivity and Internet access technology, and PolyTrax Information Technology AG of Munich, Germany today announced a long-term strategic arrangement to develop a reference design for residential gateway appliances. The reference design combines PCTEL's embedded Solsis™ modem, which utilizes Texas Instruments' C5000 DSP platform, with PolyTrax's renowned power line communication (PLC) technology to create a flexible and compact reference board for OEMs.

"PCTEL's collaboration with PolyTrax is evidence of our commitment to widen the market for our Internet connectivity solutions to devices beyond the desktop PC," noted Bill Roach, president and chief executive officer of PCTEL. "Pairing the compact design of our Solsis modem with PolyTrax's digital data transfer technology enables OEMs to develop very cost-effective set-top appliances for a variety of multimedia and home networking uses."

"PolyTrax continues to break new ground for Internet gateway products," said Christian Seifert, founder and chief technical officer of PolyTrax. "By partnering with PCTEL to use their Solsis modem, we can provide our OEM customers with reference designs and network components for use in a variety of consumer products that combine reliable Internet access with our integrated PLC technology."

Potential consumer product applications for this reference design include set-top boxes – devices allowing consumers to use a television to access the Internet – and residential gateways, or set-top boxes that facilitate the delivery of content in and around the home. Cahners In-Stat industry analysts predict steady growth worldwide in the residential gateway market through 2003 as consumers are attracted by new features such as the ones incorporated into the PolyTrax reference design: home networking connectivity, web browsing and video on demand.

"The residential gateway will enable new and interesting applications for the end consumer, which is why we believe the market will grow from \$100 million in 2000 to \$5 billion by 2005," said Mike Wolf, director of enterprise and residential communications for Cahner's In-Stat Group. "This agreement between PCTEL and PolyTrax is an example of the exciting new products that will make it to market over the next few years."

PCTEL's Solsis features a compact design of less than five square inches and needs less than 300 milliwatts of power. It is capable of operating at digital speeds of up to 230 Kbps, and analog speeds ranging from 300bps to 56Kbps. Its internationally compliant phone line interface makes it an ideal solution for international devices. PolyTrax's digital data transfer technology delivers the fastest speed currently available in compliance with European regulations using the 230V low voltage power network.

PolyTrax is currently distributing reference design boards to major European OEM customers developing hardware products for home networking and multimedia applications.

About PolyTrax Information Technology AG

PolyTrax Information Technology AG is based in Munich and is a leading developer of power line communications (PLC) technology developed to country-specific standards, such as the European CENELEC (CE) norm. The aim is to develop the fastest and most reliable technology (gateways) for power line communication within buildings by utilizing existing power cables as the network infrastructure. The PLC gateway technology developed by PolyTrax is marketed through licensing agreements with OEM suppliers of equipment and devices for the fields of PCs and telecoms, industrial automation, household appliances and home entertainment. For more information, visit the PolyTrax web site at <http://www.PolyTrax.com>, or call Christiane von Stein at 49-089-427-165-22.

ABOUT PCTEL

PCTEL, founded in March 1994, is driving the evolution of innovative, cost-effective personal connectivity solutions including

analog soft modems, digital broadband, home networking, high-density carrier-side and embedded Internet access technology. The company's market leadership has led to a wide ranging and comprehensive portfolio of more than 43 broadband and analog communications patents, including the key and essential patents for HSP modem technology. 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>.

PCTEL Safe Harbor Statement

This press release contains statements relating to future 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 cyclical nature of the semiconductor industry and the markets addressed by the company's and its customers' products; demand for and market acceptance of new 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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