



April 23, 2001

PCTEL Meets Q1 Revenue Forecasts

Some Hope Seen for CPE Side of Communications Sector

Milpitas, CA – April 23, 2001 – PCTEL Inc. (NASDAQ: PCTI), a leading provider of personal connectivity and Internet access technology, today announced revenues for its first fiscal quarter of the year 2001. For the first quarter ended March 31, 2001, PCTEL reported revenues of \$16.5 million. Adjusted net loss before non-cash items and restructuring charges was \$1.2 million, or \$0.06 per share.

"Revenues for the first quarter were nearly equal to last quarter's in spite of the normal seasonal downturn from Q4 to Q1, and continuing weak PC demand," stated Bill Roach, president and chief executive officer of PCTEL. "Although we believe it will be a challenging year, with little visibility past the second quarter, we have some hope for the CPE or client premises equipment side of the communications sector. The head end, or central office portion of the sector has seen tremendous growth, but now the CPE side is positioned to populate the ports enabled by the head end infrastructure build out which occurred over the last two years," Bill continued.

Financial Results

Revenues were \$16.5 million for the first quarter 2001, compared with revenues of \$24.1 million for the same period in 2000.

Pro-forma net loss increased from \$0.6 million in the fourth quarter 2000, to \$1.2 million in the first quarter 2001, or \$0.06 per share. The increased loss was due to the decision to strengthen the company's balance sheet by increasing reserves in the area of receivables and inventory by an additional \$1 million.

"Devices incorporating Internet access, such as set-top boxes, game consoles and other connected appliances are seeing accelerated demand, and PCTEL is beginning to garner significant Solsis™ embedded design wins in these emerging connectivity markets beyond the PC," stated Bill Roach. "The two Solsis set-top box wins we announced in the first quarter, Polytrax in Germany, and SAGEM in France, as well as the volume production of the Sun-Denshi OnLineStation for the popular Sony PlayStation® 2 are evidence of this growing success."

"With strong modem market presence and an advanced product like Solsis, PCTEL is well positioned to become a driving force in the embedded Internet appliances industry," stated Will Strauss, president of Forward Concepts, a leading industry analyst research firm.

The company continues to improve and reorganize its management team and organization going forward in order to stay competitive in today's challenging environment. The company instituted a restructuring program comprised of a force reduction, a hiring freeze and operating expense controls. The restructuring included a total force reduction of 35 positions, made up of employees, open requisitions and contractors.

CONFERENCE CALL / WEBCAST

The company will hold a conference call at 2:00 PM PDT (5:00 PM EDT) today with Bill Roach, president and CEO, and Andrew Wahl, vice president of finance, Chief Financial Officer. The session will include brief remarks, and can be accessed by calling (800) 847-8137 (domestic) or (212) 676-5274 (International).

www.pctel.com, or <http://www.videonewswire.com/PCTEL//042301>.

REPLAY: Playback of the conference call will begin at 5:00 PM (PDT) on Monday, April 23rd, and will end at 5:00 PM (PDT) on Tuesday, April 24th. The replay will be available on PCTEL's web site at www.pctel.com or by calling (800) 633-8284 (domestic) or (858) 812-6440 (International); access code: 18552768.

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 is a market leader and 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, California, 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 “forward-looking statements” within the meaning of Section 27A of the Securities Exchange Act of 1934, as amended. These forward-looking statements are subject to significant risks and uncertainties. In particular, the statements concerning the client premises equipment side of the communications sector, demand for devices incorporating Internet access, the ability of PCTEL to achieve design wins in emerging connectivity markets beyond the personal computer market, and the ability of PCTEL to be a driving force in the embedded Internet appliances industry are forward-looking statements. 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 recent economic slowdown, the rapid deterioration in PC demand, and our ability to forecast customer demand in this environment; the cyclical nature of the semiconductor and PC industries; demand for and market acceptance of new alternative Internet access devices, set-top boxes, game consoles and other connected appliances; the ability to develop and implement new technologies and to obtain protection for the related intellectual property. Operating and financial results can be affected by market conditions resulting in revenues deviating from projections which may result in increased operating expenses, additions to reserve positions, lower gross margins, higher working capital ratios. Our litigation expenses are dependent on a number of factors not all of which are within the company’s control. These 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 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.

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