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PCTEL Modem To Provide Internet Connectivity for New SAGEM Set-top Box

PCTEL's Embedded Solsis™ Modem Selected by Leading European Telecom and Electronics Firm for Digital Television Box

Milpitas, CA – March 28, 2001 – PCTEL, Inc. (NASDAQ: PCTI), a leading provider of personal connectivity and Internet access technology, has formed a strategic partnership with Groupe SAGEM, the second largest telecommunications firm in France, to develop a reference design for use in digital television set-top boxes. The set-top box design features PCTEL's embedded Solsis™ modem solution and operates with the Texas Instruments' C5000 DSP platform. The set-top box will be marketed or licensed to European TV service providers such as France's Canal+, who will then sell or rent it to the consumer.

"Our alliance with SAGEM is one result of PCTEL's aggressive pursuit of non-PC applications for embedded modem technology," noted Bill Roach, president and chief executive officer of PCTEL. "The set-top box market, and its related digital services such as electronic program guides, is now projected by analysts to reach \$54 billion in unit sales by 2004. SAGEM is well-positioned to take a leadership role in this arena and is a good partner for showcasing the flexibility and reliability of our Solsis embedded modem."

PCTEL's Solsis modem features a flexible, space-saving design platform and extremely low power consumption. Operating at the highest V.90 speeds possible over analog telephone lines, and compatible with all international telephone network standards, Solsis is the ideal choice for OEMs needing to integrate a versatile, high performance communications solution into an Internet access device.

As the second-largest French telecommunications company and the third-largest European electronics manufacturer, SAGEM is a leader in digital television (satellite and cable), and is a dominant force in Internet terminals and networks. Its set-top boxes include industry-leading features such as supersize capacity of up to 20 hours of programming, the ability to run JAVA™ applications and video-on-demand, allowing consumers to view encrypted films whenever they want to watch them.

About GROUPE SAGEM

Groupe SAGEM is an international high-technology group that enjoyed consolidated sales of FRF 28 billion in 2000 (59.6% from exports), and which employs 16,000 people, including 8,700 technical and managerial staff. The second-largest French group in the field of telecommunications and the third-largest European company in defense and security electronics, SAGEM is also one of the leaders in automotive electronics equipment. SAGEM maintains a presence in more than 20 countries, and has manufacturing centers in Germany, Brazil, Spain, the United States and the Czech Republic. SAGEM SA is listed on the Paris Stock Exchange and forms part of the SBF 80, the IT CAC50, the DJ Stoxx, the DJ Euro Stoxx and the FOOTsie EUROTOP 300. For more information, visit the SAGEM website at <http://www.sagem.com>.

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 embedded 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 network access and set-top box 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.