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PCTEL Continues International Expansion by Acquiring BlueCom Technology

Company Completes Purchase of Leading Taiwanese MMX Signal Processing (MSP) Technology Firm

Milpitas, CA – January 17, 2001 – PCTEL, Inc. (NASDAQ: PCTI), a leading provider of personal connectivity and Internet access technology, today announced that it has completed the acquisition of BlueCom Technology Corp., Taiwan's industry leader in the innovation, development and marketing of MMX Signal Processing (MSP) technology. Since BlueCom's intellectual property is complementary to PCTEL's market-leading soft modem technology, this acquisition provides PCTEL with additional engineering resources. The acquisition also strengthens PCTEL's international base, increasing its ability to more strongly support Asia-Pacific customers in the development of communication solutions for new Internet products.

"This acquisition is our latest response to expanding market demands," noted Bill Roach, president and chief operating officer of PCTEL. "The purchase of BlueCom is strategic to our plans for 2001. The acquisition gives us the ability to offer a higher level of local support to our customers. Additionally, BlueCom's strong ties to Taiwan University, one of the premier engineering schools in the Pacific Rim, will help further our recruiting effort for top engineering talent."

"We expect the BlueCom acquisition to be neutral to earnings," said Andrew Wahl, PCTEL's chief financial officer. "The addition of the engineering and design talent at BlueCom to the PCTEL team is a clear indicator of our intent to continue funding in research and development."

Effective December 14, 2000, BlueCom Technologies is a wholly owned subsidiary of PCTEL. Former BlueCom president Andy Hong will remain with PCTEL. He will manage the Taiwan engineering group while reporting to PCTEL's corporate engineering team. Future plans include the office's relocation to a larger space within the next 90 days.

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>.

Safe Harbor Statement

This press release contains statements relating to future 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 risks inherent in acquisitions of technologies and businesses, including the timing and successful completion of technology and product development with customers, integration issues, costs and unanticipated expenditures, changing relationships with customers, suppliers and strategic partners, potential contractual, intellectual property or employment issues, accounting treatment and charges, and that anticipated benefits are not realized; 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.