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## **PCTEL Closes Acquisition of cyberPIXIE**

MILPITAS, Calif., June 5 /PRNewswire-FirstCall/ -- PCTEL, Inc. (Nasdaq: [PCTI - News](#)), a leading provider of Internet access products announced today that it has closed the transaction in which it acquired the wireless local area network (WLAN) assets of Chicago-based cyberPIXIE. PCTEL will establish a development and sales office in Rosemont, Illinois to support its new 802.11 WLAN software products for client and gateway applications. Some PCTEL corporate functions will reside in those offices as well.

"In addition to distributing these products into our traditional customer base such as the PC and computer board vendors," said Marty Singer, PCTEL's Chairman and CEO, "we will aggressively market these products, particularly the network gateway to the wireless carriers. Cellular operators require a footprint in wireless LAN environments, and they want their subscribers to easily roam between local and wide-area wireless networks. Our products enable consumer-friendly roaming and billing," added Singer.

Since 1994, PCTEL has focused in the design, development and distribution of cost-effective analog modem solutions. PCTEL's current products include a postage-stamp size V.90 modem that PC manufacturers integrate into laptop computers. PCTEL products such as the Modem Daughter Card (MDC) have established PCTEL as a leader in wired access. An intellectual product portfolio of more than 80 patents, granted or pending, enhances PCTEL's position in the market.

Late last year, PCTEL announced its intention to leverage its communications expertise to address related access markets. Specifically, the company targeted wireless local area networks, commonly referred to as 802.11 or Wi-Fi networks.

PCTEL's strategy is to maintain the soft modem business as part of a broader mission of enabling cost-effective access, wired or wireless. The acquisition of cyberPIXIE is consistent with that strategy and permits PCTEL to participate in a higher growth market. The company anticipates additional investments that will expand its revenue and its participation in the access space.

PCTEL acquired three significant products in the acquisition of cyberPIXIE. The products are focused on WLAN security, automatic detection and connection and unprecedented ease of use for roaming WLAN users. They include a WLAN installation wizard, a roaming client application, and a special purpose server that will negotiate secure roaming and billing arrangements as well as over-the-air encryption as WLAN subscribers move from one environment to another.

### **ABOUT PCTEL**

PCTEL, founded in March 1994, is a leading provider of innovative, cost-effective Internet access solutions, including analog soft modems, and embedded DSP-based modems. The company is built upon a wide-ranging and comprehensive portfolio of more than 80 analog and broadband communications patents, issued or pending, including the key and essential patents for Host Signal Processing (HSP) modem technology. PCTEL products are available to PC and data communications equipment manufacturers. For more information, please visit our web site at: <http://www.pctel.com>.

### **SAFE HARBOR**

This press release contains "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995, including statements regarding PCTEL's ability to market its new 802.11 WLAN software products, the ability of its WLAN products to enable consumer-friendly roaming and billing and its strategy to maintain its soft modem business as part of its goal of enabling cost-effective wired or wireless access. These statements are based upon management's current expectations and are subject to certain risks and uncertainties that could cause actual results to differ materially. These forward-looking statements are made only as of the date hereof, and PCTEL 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. Factors that could cause or contribute to actual results differing from current expectations include PCTEL's ability to successfully market its 802.11 WLAN products to its existing customer bases as well as to the wireless carriers, its ability to successfully integrate cyberPIXIE's business into PCTEL's existing business; its success in executing its strategy to leverage its communications expertise to address related access markets; and consumer acceptance of its WLAN products. PCTEL's business and revenue are subject to a number of factors that make estimation of its future results uncertain. These factors include the demand for personal computers and the markets addressed by the company's and its customers' products; the cyclical nature of the

semiconductor and PC industries; demand for and market acceptance of new alternative Internet access devices; and the ability to develop and implement new technologies and to obtain protection for the related intellectual property. The risks and uncertainties associated with PCTEL's business are discussed in the Company's periodic reports filed with the SEC, including its Annual Report on Form 10-K for the year ended December 31, 2001 and its Quarterly Report on Form 10-Q for the quarter ended March 31, 2001. You are encouraged to read this information carefully.

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