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PCTEL Announces Stock Repurchase Program: Company to Buy Back up to 1,000,000 Shares

MILPITAS, Calif., Aug. 21 /PRNewswire-FirstCall/ -- PCTEL, Inc. (Nasdaq: PCTI - News), a leading provider of Internet access products, announced today that its Board of Directors has approved a program to repurchase up to 1,000,000 shares, representing approximately 5 percent of its outstanding capital. The stock will be repurchased on the open market from time to time at management's discretion.

"As we indicated last week in our earnings release, PCTEL has made progress in rationalizing the costs in its HSP business, realizing value from its intellectual property, and launching a credible WLAN program," said Marty Singer, PCTEL's Chairman and CEO. "We believe that with the stock trading at its cash value, it represents a good investment and, therefore, a sound use of our cash." Singer added, "The implementation of our stock buyback program will not change our stated interest in looking for complementary technologies and businesses in the wireless space that we can acquire on an accretive basis."

PCTEL currently has 20 million shares outstanding and \$111 million in cash. During the first half of 2002, PCTEL generated \$19.9 million in revenue and \$300,000 in profit. During the previous six-month period, PCTEL had generated \$12 million in revenue and posted a \$46 million loss. The new management team, which was brought on board between November, 2001 and February, 2002, has broad experience in the wireless industry. The company had previously disclosed its intention to expand its product line from wireline modems to wireless modems and software products and recently acquired assets from cyberPixie, a company that develops 802.11 software that facilitates roaming, billing, and an improved user experience. PCTEL has also launched an 802.11 a/b development program.

ABOUT PCTEL

PCTEL, founded in March 1994, is a leading provider of innovative and cost-effective Internet access solutions. PCTEL's products include analog soft modems, DSP-based modems and WLAN hardware and software products, in particular, software that enables 802.11 roaming. The company is built upon a wide-ranging and comprehensive portfolio of more than 80 analog and broadband communications and wireless patents, issued or pending, including the key and essential patents for Host Signal Processing (HSP) modem technology. The company's products are sold to PC manufacturers, PC board and card manufacturers, wireless carriers, wireless ISPs, and system integrators. PCTEL is located at 1331 California Circle, Milpitas, CA, 95035. Telephone: 408-965-2100. For more information, please visit our web site at: <http://www.pctel.com>.

SAFE HARBOR STATEMENT

This press release contains "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. Specifically, statements regarding PCTEL's future business prospects are forward looking statements within the meaning of the safe harbor, including, but not limited to, statements regarding the investment value and any benefits that may be derived from PCTEL's implementation of the stock repurchase program and PCTEL's prospects for potentially acquiring complementary technologies and businesses. These statements are based on management's current expectations and 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 demand for personal computers and the markets addressed by PCTEL'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; PCTEL's ability to successfully address the cost structure of our modem products; PCTEL's success at developing and sustaining our wireless business, including potentially acquiring complementary technologies and businesses; and PCTEL's ability to develop and implement new technologies and to obtain protection for the related intellectual property. The risks and uncertainties in the company's business, including but not limited to those detailed from time to time in PCTEL's Securities and Exchange Commission filings, can affect results. 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.

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