

PLX TECHNOLOGY REPORTS THIRD QUARTER FINANCIAL RESULTS

SUNNYVALE, CA -- (October 18, 2000) -- PLX Technology, Inc. (Nasdaq: PLXT) today reported its financial results for the third quarter ended September 30, 2000.

Net revenues for the third quarter of 2000 were \$18.4 million, an increase of 74% over the third quarter of 1999 and an increase of 14% over the second quarter of 2000. Net revenues for the first nine months of 2000 were \$49.0 million, an increase of 70% over the first nine months of 1999.

Pro forma net income for the third quarter of 2000, which excludes the effects of acquisition-related costs, was \$3.6 million or \$0.15 per share, an increase of 71% over net income in the third quarter of 1999 and an increase of 2% over net income in the second quarter of 2000. Pro forma net income for the first nine months of 2000 was \$10.6 million or \$0.44 per share, an increase of 120% over net income in the first nine months of 1999. Including acquisition-related costs in accordance with generally accepted accounting principles, net income for the third quarter of 2000 was \$2.0 million or \$0.08 per share. Net losses for the first nine months of 2000 were \$7.4 million or \$0.33 per share.

"We are pleased with the excellent demand for our products across a wide range of communications infrastructure applications," said Michael Salameh, president of PLX. "We are optimistic about continued long term growth based on the strong design win activity with our current products and a number of exciting new products which are scheduled to ship to customers early next year."

Pro forma weighted average shares outstanding for the third quarter of 2000 were 24.7 million, an increase of 9% over the third quarter of 1999 and an increase of 2% over the second quarter of 2000. The increase in outstanding shares during the third quarter of 2000 was primarily due to the addition of new common stock and options from the acquisition of Sebring Networks.

About PLX

PLX is a leader in complete interconnect silicon and software solutions for the networking and communications industry. PLX's products are predominantly based on the Peripheral Component Interconnect (PCI) standard, the most widely adopted system architecture. PLX's chips are designed into a variety of

equipment supplied by companies such as 3Com, Cisco Systems, Compaq Computer, Ericsson, Hewlett-Packard, Intel, IBM, Lucent Technologies, Marconi, Nortel Networks and Siemens. In May 2000, PLX completed the acquisition of Sebring Networks, a leader in the development of advanced switch fabric interconnect solutions.

Statements made in this release which are not historical, including statements regarding PLX's or management's intentions, hopes, beliefs, expectations, representations, projections, plans or predictions of the future, are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements in this release include those relating to (a) the continued long-term growth of the company and (b) the schedule for delivery of new products. Such statements involve risks and uncertainties which may cause actual results to differ materially from those set forth in these statements. Factors that could cause actual results to differ materially include risks and uncertainties such as reduced demand for products of electronic equipment manufacturers which include PLX's products due to adverse economic conditions in general or specifically affecting PLX's markets, reduced significance of the PCI standard for the communications infrastructure and replacement by other standards, technical difficulties and delays in the development process, and errors in the products. You are also referred to the documents filed by PLX with the SEC from time to time, including but not limited to the annual report on Form 10-K for the year ended December 31, 1999 and the quarterly report on Form 10-Q for the second quarter of 2000, which identify important risk factors that could cause actual results to differ from those contained in the forward-looking statements.

Company and product information is available on the PLX web site at www.plxtech.com.

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PLX Technology, Inc.
Pro Forma Consolidated Statements of Income
Excluding IPR&D, Acquisition-Related Costs and Amortization of Goodwill and Intangible
Assets
(Thousands, except per share data)

	Three months ended		Nine months ended	
	<u>Sep 30, 2000</u>	<u>Sep 30, 1999</u>	<u>Sep 30, 2000</u>	<u>Sep 30, 1999</u>
Net revenues	\$ 18,409	\$ 10,597	\$ 49,041	\$ 28,918
Cost of revenues	<u>5,246</u>	<u>3,006</u>	<u>14,218</u>	<u>9,480</u>
Gross margin	13,163	7,591	34,823	19,438
Operating expenses:				
Research and development	3,721	2,044	8,660	5,556
Selling, general and administrative	<u>4,423</u>	<u>2,782</u>	<u>11,524</u>	<u>7,470</u>
Total operating expenses	<u>8,144</u>	<u>4,826</u>	<u>20,184</u>	<u>13,026</u>
Income from operations	5,019	2,765	14,639	6,412
Interest income and other, net	<u>567</u>	<u>508</u>	<u>1,604</u>	<u>970</u>
Income before income taxes	5,586	3,273	16,243	7,382
Provision for income taxes	<u>1,955</u>	<u>1,145</u>	<u>5,685</u>	<u>2,587</u>
Net income	<u>\$ 3,631</u>	<u>\$ 2,128</u>	<u>\$ 10,558</u>	<u>\$ 4,795</u>
Weighted average shares (diluted)	<u>24,743</u>	<u>23,111</u>	<u>24,142</u>	<u>21,489</u>
Earnings per share (diluted)	<u>\$ 0.15</u>	<u>\$ 0.09</u>	<u>\$ 0.44</u>	<u>\$ 0.22</u>

The above pro forma amounts for the quarter ended September 30, 2000 have been adjusted to eliminate the \$1.0 million of amortization of goodwill and purchased intangible assets and \$1.0 million of other acquisition-related costs. The above pro forma amounts for the nine months ended September 30, 2000 have been adjusted to eliminate the \$14.3 million write-off of purchased in-process research and development, \$1.5 million of amortization of goodwill and purchased intangible assets and \$2.6 million of other acquisition-related costs.

PLX Technology, Inc.
Consolidated Statements of Income
(Thousands, except per share data)

	Three months ended		Nine months ended	
	<u>Sep 30, 2000</u>	<u>Sep 30, 1999</u>	<u>Sep 30, 2000</u>	<u>Sep 30, 1999</u>
Net revenues	\$ 18,409	\$ 10,597	\$ 49,041	\$ 28,918
Cost of revenues	<u>5,246</u>	<u>3,006</u>	<u>14,218</u>	<u>9,480</u>
Gross margin	13,163	7,591	34,823	19,438
Operating expenses:				
Research and development	4,643	2,044	11,272	5,556
Selling, general and administrative	4,437	2,782	11,538	7,470
In process research and development	--	--	14,342	--
Amortization of intangible assets	<u>1,044</u>	<u>--</u>	<u>1,493</u>	<u>--</u>
Total operating expenses	<u>10,124</u>	<u>4,826</u>	<u>38,645</u>	<u>13,026</u>
Income (loss) from operations	3,039	2,765	(3,822)	6,412
Interest income and other, net	<u>567</u>	<u>508</u>	<u>1,604</u>	<u>970</u>
Income (loss) before income taxes	3,606	3,273	(2,218)	7,382
Provision for income taxes	<u>1,626</u>	<u>1,145</u>	<u>5,159</u>	<u>2,587</u>
Net income (loss)	<u>\$ 1,980</u>	<u>\$ 2,128</u>	<u>\$ (7,377)</u>	<u>\$ 4,795</u>
Weighted average shares (diluted)	24,743	23,111	22,544	21,489
Earnings (loss) per share (diluted)	<u>\$ 0.08</u>	<u>\$ 0.09</u>	<u>\$ (0.33)</u>	<u>\$ 0.22</u>

PLX Technology, Inc.
Consolidated Balance Sheets
(Thousands)

	<u>September 30,</u> <u>2000</u>	<u>December 31,</u> <u>1999</u>
	(unaudited)	
Assets		
Cash and cash equivalents	\$ 20,526	\$ 8,636
Short-term investments	19,429	20,075
Accounts receivable	9,043	5,439
Inventories	2,379	2,504
Deferred tax assets	1,379	1,379
Other current assets	<u>1,590</u>	<u>447</u>
Total current assets	54,346	38,480
Property and equipment, net	3,438	1,537
Goodwill	12,135	--
Other intangible assets	3,181	--
Long term investments	6,895	11,198
Other Assets	<u>672</u>	<u>840</u>
Total assets	<u>\$ 80,667</u>	<u>\$ 52,055</u>
Liabilities and Stockholders' Equity		
Accounts payable	\$ 4,103	\$ 1,825
Accrued compensation and benefits	1,819	1,052
Accrued commissions	720	320
Deferred revenues	1,038	1,001
Other accrued expenses	983	608
Income tax payable	<u>474</u>	<u>847</u>
Total Liabilities	9,137	5,653
Stockholders' equity		
Common stock, par value	23	22
Additional paid in capital	79,779	36,828
Deferred compensation	(10,641)	(192)
Notes receivable for employee stock purchases	(50)	--
Accumulated other comprehensive loss	(14)	(66)
Retained earnings	<u>2,433</u>	<u>9,810</u>
Total stockholders' equity	<u>71,530</u>	<u>46,402</u>
Total liabilities and stockholders' equity	<u>\$ 80,667</u>	<u>\$ 52,055</u>