

PLX TECHNOLOGY, INC. REPORTS FIRST-QUARTER 2004 FINANCIAL RESULTS

SUNNYVALE, Calif. – (April 15, 2004) – PLX Technology, Inc. (NASDAQ: PLXT) today announced financial results for the first quarter ended March 31, 2004.

For the first quarter, PLX reported net revenues of \$11.6 million, a 10 percent increase from the \$10.6 million reported for the fourth quarter of 2003 and a 37 percent increase from the \$8.5 million reported for the first quarter of 2003.

Net income under U.S. generally accepted accounting principles (GAAP), which included the effect of acquisition-related costs, was \$0.3 million, or \$0.01 per share (diluted), for the first quarter of 2004. This compared with a net loss under GAAP of \$0.8 million, or a loss of \$0.04 per share (diluted), for the prior-year and net income under GAAP of \$0.3 million, or \$0.01 per share (diluted), for the prior quarter.

Pro forma net income for the first quarter of 2004, which excluded the effect of acquisition-related costs, was \$0.6 million, or \$0.02 per share (diluted). This compared with pro forma net loss of \$0.2 million, or a loss of \$0.01 per share (diluted), for the prior year and pro forma net income of \$0.6 million, or \$0.03 per share (diluted), for the prior quarter. A reconciliation between net income (loss) under GAAP and pro forma net income (loss) is provided in a table immediately below the Pro Forma Consolidated Statements of Operations.

The company's gross margin for the first quarter was 72 percent. As a result of the sale of previously written-down inventory, PLX recorded a benefit of approximately \$0.1 million, which accounted for approximately one percentage point, for the first quarter.

Operating expenses for the first quarter of 2004 were \$7.7 million, compared to \$7.2 million in the prior quarter. The increase was primarily due to mask fabrication, prototyping and other external engineering expenses associated with the development of PCI Express and PCI bridge products.

At March 31, 2004, cash, cash equivalents and total investments increased to \$25.1 million from \$23.1 million at year-end 2003.

"In the first quarter we were encouraged by continued improvements in financial performance, as well as progress in long-term growth initiatives," said Mike Salameh, president and CEO of PLX Technology. "We started sampling two new PCI-to-PCI bridge chips and continued growing revenues for this product line. We performed successful interoperability testing and development of our planned PCI Express products in preparation for announcement and sampling.

"Also in the first quarter, we signed a definitive agreement to acquire NetChip Technology, a leading supplier of silicon based on the Universal Serial Bus (USB) standard, adding another interconnect silicon growth dimension to our business. We expect to close the NetChip acquisition late in the second quarter, pending the necessary vote of PLX stockholders and other customary closing conditions. We expect the transaction to be accretive to PLX's earnings, excluding the effect of acquisition-related costs.

"We estimate second-quarter revenues to be between \$12 million and \$13 million. We project a wide range because our turns business has been variable and unpredictable. We expect gross margins to be between 69 percent and 71 percent.

"We anticipate that second-quarter operating expenses on a GAAP basis will be between \$8.5 million and \$9.0 million. On a pro forma basis, which excludes acquisition-related costs of approximately \$0.3 million, we expect operating expenses to be between \$8.2 million and \$8.7 million. The expected increase in expenses is attributable primarily to mask charges and other engineering expenses related to

anticipated tapeouts of PCI Express chips. In the third quarter, we expect tapeout-related expenses to decline, resulting in total pro forma operating expenses that are relatively consistent with those of the fourth and first quarters.”

PLX management plans to conduct a conference call today at 2:00 p.m. PST to discuss its first-quarter financial results, as well as its second-quarter outlook. There will also be a live Webcast and a replay of the conference call available through the Investors section of the PLX Web site at www.plxtech.com until April 22, 2004.

For the live Webcast, listeners should go to the Web site at least 15 minutes before the event starts to download and install any necessary audio software. The archived Webcast is typically available one to two hours after the end of the live call.

USE OF PRO FORMA FINANCIAL INFORMATION: In addition to reporting financial results in accordance with generally accepted accounting principles, or GAAP, PLX reports pro forma financial results. Pro forma net income (loss) and earnings (loss) per share exclude acquisition-related charges, such as amortization of purchased intangible assets and deferred compensation. PLX's management believes these pro forma measures are useful to investors because they provide supplemental information that facilitates comparisons with prior periods. Management uses these pro forma measures to evaluate its financial results, develop budgets and manage expenditures. The method PLX uses to produce pro forma results is not computed according to GAAP, is likely to differ from the methods used by other companies and should not be regarded as a replacement for corresponding GAAP measures. Investors are encouraged to review the reconciliation of these pro forma financial measures to the comparable GAAP results, which are provided in a table immediately below the Pro Forma Consolidated Statements of Operations.

About PLX

PLX Technology, Inc. (www.plxtech.com), based in Sunnyvale, Calif., USA, is the leading supplier of standard I/O interconnect silicon to the communications, server, storage and embedded-control industries. The PLX solution provides a competitive edge to customers through an integrated combination of high-performance silicon, hardware and software design tools, and partnerships. These innovative solutions are designed to enable customers to develop communications equipment with industry-leading performance, scalability and reliability. Furthermore, the combination of PLX product features, supporting development tools and partnerships allows customers to bring their designs to market faster. PLX PCI I/O Accelerator and HyperTransport Tunnel-to-Dual PCI-X devices are designed into a wide variety of embedded PCI communication systems, including switches, routers, line cards, media gateways, base stations, access multiplexors and remote access concentrators.

SAFE HARBOR STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

This release includes statements that qualify as forward-looking statements under the Private Securities Litigation Reform Act of 1995. These include statements about the company's estimated revenues, estimated expenses, estimated gross margins, and estimated ongoing acquisition-related costs for the second quarter of 2004, the expected broadening of the company's exposure to new customers and design opportunities, the strength of the PCI bridge products, the proposed acquisition of NetChip and its anticipated accretive impact on the company's earnings, and the company's expectations of future turns business. Such statements involve risks and uncertainties which may cause actual results to differ materially from those set forth in the 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 the company's products, due to adverse economic conditions in general or

those specifically affecting the company's markets, technical difficulties and delays in the development process, errors in the products, reduced backlog for the company's customers, unexpected delays in closing the NetChip acquisition, unexpected expenses, and the political climate. Please refer to the documents filed by the company 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, 2003 which identify important risk factors that could cause actual results to differ from those contained in the forward-looking statements. All forward-looking statements are made as of today, and the company assumes no obligation to update such statements.

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PLX TECHNOLOGY, INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited)

(in thousands, except per share amounts)

	Three Months Ended		
	March 31 2004	March 31 2003	December 31 2003
Net revenues	\$ 11,642	\$ 8,503	\$ 10,592
Cost of revenues	3,229	2,515	\$ 2,988
Gross margin	<u>8,413</u>	<u>5,988</u>	<u>7,604</u>
Operating expenses:			
Research and development	4,057	3,713	3,626
Selling, general and administrative	3,678	3,058	3,562
Amortization of purchased intangible assets	297	133	297
Total operating expenses	<u>8,032</u>	<u>6,904</u>	<u>7,485</u>
Income (loss) from operations	381	(916)	119
Interest income and other, net	<u>68</u>	<u>108</u>	<u>219</u>
Income (loss) before provision for income taxes	449	(808)	338
Provision for income taxes	<u>172</u>	<u>8</u>	<u>13</u>
Net income (loss)	<u>\$ 277</u>	<u>\$ (816)</u>	<u>\$ 325</u>
Basic net income (loss) per share	<u>\$ 0.01</u>	<u>\$ (0.04)</u>	<u>\$ 0.01</u>
Shares used to compute basic per share amounts	<u>23,876</u>	<u>21,135</u>	<u>23,833</u>
Diluted net income (loss) per share	<u>\$ 0.01</u>	<u>\$ (0.04)</u>	<u>\$ 0.01</u>
Shares used to compute diluted per share amounts	<u>25,181</u>	<u>21,135</u>	<u>24,929</u>

PLX TECHNOLOGY, INC.

PRO FORMA CONSOLIDATED STATEMENTS OF OPERATIONS
(Excluding Acquisition-Related Costs and Amortization of Intangible Assets)
(Unaudited)

(in thousands, except per share amounts)

	Three Months Ended		
	March 31 2004	March 31 2003	December 31 2003
Net revenues	\$ 11,642	\$ 8,503	\$ 10,592
Cost of revenues	<u>3,229</u>	<u>2,515</u>	<u>2,988</u>
Gross margin	8,413	5,988	7,604
Operating expenses:			
Research and development	4,048	3,256	3,615
Selling, general and administrative	<u>3,669</u>	<u>3,058</u>	<u>3,548</u>
Total operating expenses	7,717	6,314	7,163
Income (loss) from operations	696	(326)	441
Interest income and other, net	<u>68</u>	<u>108</u>	<u>219</u>
Income (loss) before provision for income taxes	764	(218)	660
Provision for income taxes	<u>172</u>	<u>8</u>	<u>13</u>
Net income (loss)	<u>\$ 592</u>	<u>\$ (226)</u>	<u>\$ 647</u>
Basic net income (loss) per share	<u>\$ 0.02</u>	<u>\$ (0.01)</u>	<u>\$ 0.03</u>
Shares used to compute basic per share amounts	<u>23,876</u>	<u>21,135</u>	<u>23,833</u>
Diluted net income (loss) per share	<u>\$ 0.02</u>	<u>\$ (0.01)</u>	<u>\$ 0.03</u>
Shares used to compute diluted per share amounts	<u>25,181</u>	<u>21,135</u>	<u>24,929</u>

A reconciliation between net income (loss) on a GAAP basis and pro forma net income (loss) is as follows:

GAAP net income (loss)	\$ 277	\$ (816)	\$ 325
Amortization of deferred stock-based compensation	18	457	25
Amortization of purchased intangible assets	<u>297</u>	<u>133</u>	<u>297</u>
Pro forma net income (loss)	<u>\$ 592</u>	<u>\$ (226)</u>	<u>\$ 647</u>

PLX TECHNOLOGY, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS

(in thousands)

	March 31 2004	December 31 2003 (1)
	(unaudited)	
ASSETS		
Current assets:		
Cash and investments	\$ 25,129	\$ 23,056
Accounts receivable, net	6,042	4,998
Inventories	1,417	1,893
Property and equipment, net	30,696	31,068
Goodwill	15,998	15,998
Other intangible assets	2,434	2,730
Other assets	2,103	2,060
Total assets	\$ 83,819	\$ 81,803
LIABILITIES		
Current liabilities:		
Accounts payable	\$ 2,678	\$ 1,768
Accrued compensation and benefits	1,561	1,427
Deferred revenues	1,126	991
Accrued commissions	308	368
Other accrued expenses	1,551	1,228
Total current liabilities	7,224	5,782
STOCKHOLDERS' EQUITY		
Common stock, par value	24	24
Additional paid-in capital	84,756	84,508
Deferred compensation	(26)	(44)
Notes receivable for employee stock purchases	(70)	(70)
Accumulated other comprehensive income	(18)	(49)
Accumulated deficit	(8,071)	(8,348)
Total stockholders' equity	76,595	76,021
Total liabilities and stockholders' equity	\$ 83,819	\$ 81,803

(1) Derived from audited financial statements