



PLX TECHNOLOGY, INC. REPORTS THIRD QUARTER 2007 FINANCIAL RESULTS

- **PCI Express Revenues Grow 20% Sequentially**
- **Company Builds Upon Industry-Leading PCI Express Gen 1 Portfolio with Introduction of Gen 2 Switch Family**

SUNNYVALE, Calif. – (October 22, 2007) – PLX Technology, Inc. (NASDAQ: PLXT) today announced financial results for the third quarter ended September 30, 2007.

“In the third quarter, we continued to improve company financial results and our leadership position in the PCI Express market,” said Michael Salameh, PLX® Technology president and chief executive officer.

“We achieved 20 percent sequential revenue growth in our PCI Express product line, which comprised 36 percent of our third quarter revenues. In September, we announced the first chips of our Gen 2 PCI Express product family, including five switches ranging in capacity from 12 lanes to 48 lanes, plus four additional Gen 1 chips. Since we launched the PCI Express product line, we have shipped production units, samples or development systems to more than 750 customers - about 50 percent more than this time last year. This is an indication of the broad adoption of the PCI Express standard in general and our products in particular.

“We are pleased to see continued broadening of our customer base and the types of applications and market segments using our PCI Express chips. Last week, we announced a switch design in HP’s ProLiant DL580 G5 server, which is one example of the many types of products that use our chips. PCI Express technology is becoming widely adopted in many markets and our revenue producing applications include servers, storage systems, host bus adapters, graphics adapters, HDTV encoders, embedded computers and communications.”

For the third quarter ended September 30, 2007, PLX reported net revenues of \$21.2 million, a one percent increase from the \$21.0 million reported in the third quarter ended September 30, 2006, and a seven percent increase from the \$19.8 million reported in the second quarter ended June 30, 2007. Net income for the third quarter ended September 30, 2007, under U.S. generally accepted accounting principles (GAAP), which included the effect of acquisition-related amortization of \$0.2 million and share-based compensation of \$1.0 million, was \$1.0 million, or income of \$0.03 per share (diluted). This compared to GAAP net income of \$1.0 million, or \$0.04 per share (diluted), in the third quarter ended September 30, 2006, and a GAAP net loss of \$82,000, or \$0.00 per share (diluted), in the second quarter ended June 30, 2007.

The Company’s gross margin for the third quarter ended September 30, 2007, was 61.8 percent, as compared with 58.0 percent for the third quarter ended September 30, 2006, and 58.9 percent for

the second quarter ended June 30, 2007. The increase in gross margin was driven by improved PCI Express gross margins and changes in product mix.

Operating expenses under GAAP for the third quarter ended September 30, 2007, were \$12.0 million, as compared to \$12.6 million for the second quarter ended June 30, 2007. The sequential decrease was due primarily lower engineering cost, share-based compensation and acquisition-related amortization.

The Company's balance sheet remained strong. At September 30, 2007, cash and investments were \$49.3 million, compared to \$42.3 million at December 31, 2006. Additionally, there continues to be no debt.

Business Outlook

The following statements are based on current expectations. The Company does not intend to update, confirm or change this guidance until its fourth-quarter earnings release, although it may provide additional detail regarding its guidance on today's scheduled conference call.

- Net revenues for the fourth quarter ended December 31, 2007, are expected to be between \$21.5 million and \$22.5 million, with approximately 42 percent of total net revenues attributable to PCI Express products.
- Gross margins are expected to be approximately 60 percent.
- Operating expenses under GAAP are expected to be \$13.2 million. The increase in operating expenses is driven by expenditures related to the cost for tape-out for several new products. Included in operating expenses are share-based compensation and acquisition-related amortization, which are expected to be approximately \$1.4 million.

PLX management plans to conduct a conference call today at 2:00 p.m. PDT to discuss its third-quarter financial results, as well as its fourth-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/investors. To dial into the live Webcast, please call 913.312.1497. A recorded replay of this Webcast will be available on the PLX Website beginning 5:00 p.m. (PDT) on October 22, 2007, through 5:00 p.m. (PDT) on October 29, 2007. To listen to the replay via telephone, call 719.457.0820, and use access code 3495486. The Webcast can also be accessed through www.ccbn.com.

For the live Webcast, listeners should go to the PLX Investors page 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.

About PLX

PLX Technology, Inc. (www.plxtech.com), based in Sunnyvale, Calif., USA, is the world's leading supplier of PCI Express and other standard I/O interconnect semiconductors to the communications, server, storage, embedded-control, and consumer markets. The Company provides a competitive advantage through an integrated combination of experience, high-performance silicon, hardware and software design tools, and global partnerships. These innovative solutions enable customers to develop equipment with industry-leading performance, scalability and reliability that allows them to bring designs to market faster.

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, estimates of revenues attributable to certain products, estimated expenses, and estimated gross margins for the fourth quarter of 2007, which are set forth under the caption "Business Outlook," and statements regarding the PCI Express products. 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, adverse economic conditions in general or those specifically affecting the Company's markets, reduced acceptance of the Company's PCI Express products, technical difficulties and delays in the development process, errors in the products, reduced backlog for the Company's customers and unexpected expenses. 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, 2006 and PLX's quarterly report on Form 10-Q for the quarters ended March 31, 2006 and June 30, 2007, 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			Nine Months Ended	
	September 30	September 30	June 30	September 30	
	2007	2006	2007	2007	2006
Net revenues (1)	\$ 21,216	\$ 21,046	\$ 19,764	\$ 59,620	\$ 60,462
Cost of revenues (1)	8,108	8,836	8,118	23,489	24,558
Gross margin	13,108	12,210	11,646	36,131	35,904
Operating expenses:					
Research and development	5,870	5,396	6,143	17,755	15,310
Selling, general and administrative	5,912	5,609	6,061	18,143	17,266
Amortization of purchased intangible assets	241	440	357	1,038	1,433
Total operating expenses	12,023	11,445	12,561	36,936	34,009
Income (loss) from operations	1,085	765	(915)	(805)	1,895
Interest income and other, net	624	484	607	1,805	1,247
Income (loss) before provision (benefit) for income taxes	1,709	1,249	(308)	1,000	3,142
Provision (benefit) for income taxes	712	227	(226)	357	298
Net income (loss)	\$ 997	\$ 1,022	\$ (82)	\$ 643	\$ 2,844
Basic net income (loss) per share	\$ 0.03	\$ 0.04	\$ (0.00)	\$ 0.02	\$ 0.10
Shares used to compute basic per share amounts	28,748	28,241	28,674	28,689	28,070
Diluted net income (loss) per share	\$ 0.03	\$ 0.04	\$ (0.00)	\$ 0.02	\$ 0.10
Shares used to compute diluted per share amounts	29,254	28,783	28,674	29,142	28,843

(1) Net revenues and cost of revenues for the nine months ended September 30, 2006 include a one-time pick-up in revenue of \$2.8 million and \$0.9 million, respectively, which result from a change in accounting for revenues to distributors.

PLX TECHNOLOGY, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS

(in thousands)

	September 30 2007 (unaudited)	December 31 2006 (1)
ASSETS		
Cash and investments	\$ 49,326	\$ 42,323
Accounts receivable, net	8,848	8,491
Inventories	8,260	8,295
Property and equipment, net	29,516	28,744
Goodwill	34,976	34,976
Other intangible assets	1,820	2,856
Other assets	3,664	2,263
Total assets	<u>\$ 136,410</u>	<u>\$ 127,948</u>
LIABILITIES		
Accounts payable	\$ 7,081	\$ 2,995
Accrued compensation and benefits	2,202	2,417
Accrued commissions	505	1,100
Other accrued expenses	816	500
Total liabilities	<u>10,604</u>	<u>7,012</u>
STOCKHOLDERS' EQUITY		
Common stock, par value	29	29
Additional paid-in capital	133,026	128,735
Accumulated other comprehensive loss	(160)	(96)
Accumulated deficit	(7,089)	(7,732)
Total stockholders' equity	<u>125,806</u>	<u>120,936</u>
Total liabilities and stockholders' equity	<u>\$ 136,410</u>	<u>\$ 127,948</u>

(1) Derived from audited financial statements

PLX TECHNOLOGY, INC.
SUPPLEMENTAL DATA
(Unaudited)

	Percentage of Net Revenues			3Q07 vs 3Q06	3Q07 vs 2Q07
	<u>3Q07</u>	<u>3Q06</u>	<u>2Q07</u>	<u>%</u>	<u>%</u>
Net Revenues by Geography					
Americas	28.3%	30.6%	29.4%	(7%)	3%
Asia Pacific	60.2%	57.0%	60.5%	6%	7%
Europe	11.5%	12.4%	10.1%	(7%)	22%

Share-Based Compensation			
(in thousands)			
	<u>3Q07</u>	<u>3Q06</u>	<u>2Q07</u>
Manufacturing	\$ 12	\$ 13	\$ 13
Research and development	376	485	422
Selling, general and administrative	622	674	777
	<u>\$ 1,010</u>	<u>\$ 1,172</u>	<u>\$ 1,212</u>