

Pixelworks® Announces Production Shipments of its Topaz SoC Family of Advanced Display Processors for Next Generation Projectors and Video Applications

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SAN JOSE, Calif.--(BUSINESS WIRE)--Jul. 17, 2012-- Pixelworks, Inc. (NASDAQ:PXLW), a leader in projection display solutions, announced today that it has begun production shipments of its Topaz SoC family of display processors to tier one customers. The Topaz family of products provides a highly integrated platform that enables both superior video quality and cost-effective 2D or 3D solutions across the range of mainstream LCD or DLP projectors serving the education, business and home theater segments.

The Topaz family of video SoC solutions support up to 1080p and WUXGA resolutions and integrate Pixelworks' industry leading image processing and video enhancement technologies, including a video decoder supporting 8/10 bit analog inputs or HDMI/DVI digital inputs, a flexible On-Screen Display (OSD) menu controller and an embedded ARM processor for customized applications support. Designed for maximum flexibility and compatibility with today's video display technology, the Topaz family supports a variety of standard and non-standard 3D content as well as comprehensive 3D format decoding with a universal 3D glasses interface.

Additionally, the Topaz family easily enables seamless connectivity using an integrated USB 2.0 device/host controller and Ethernet MAC, which together with the industry's best-in-class network software development suite, provide user interactivity in an easy-to-use yet powerful development platform.

"Current projector technology is undergoing a significant transition as more diverse and sophisticated applications become available, creating expanded opportunities for our newest family of products. The evolution in illumination engines and light source technology is migrating from traditional lamp-based light sources to LED and laser technologies, which will enable a lower cost of ownership as well as more compact and portable designs. Advanced features such as network or mobile connectivity and interactivity trends are moving into mainstream models, helping to increase demand in the education segments - particularly in emerging economies such as China, India and Latin America. Pixelworks' long history and leadership in the projector market, broad customer engagements and focus on advanced video solutions position us well to capitalize on this expected growth with our Topaz family of products as new technologies and applications re-energize the market," said Graham Loveridge, Sr. Vice President of Marketing at Pixelworks.

Pacific Media Associates (PMA) forecasts mainstream projector sales (500 lumens and higher) to grow 10% in 2012 from 7.1 million units in 2011. By 2014, mainstream projectors will reach 9.4 million units, or a 34% growth from 2011. According to PMA, overall sales for all projector segments are expected to reach 20.3 million units in 2014, representing approximately 29% compounded annual growth compared to 2011.

Emerging markets will be a major driver of this growth. According to CyberMedia Research, a leading India-based technology user intelligence firm, India digital projector sales grew 42.9% in 2011, with sales reaching 1.9 million units. "The education sector emerged as the key demand driver for the India digital projector market with the steady country-wide adoption of modern teaching aids, like smartboards, and new technologies, such as PCs and digital projectors, by educational institutions in the last 2-3 years," said Sumanta Mukherjee of CyberMedia Research.

Topaz SoC Family Features and Detailed Product Information:

- Supports 3LCD, DLP, or LCoS based projectors up to 1080p and WUXGA resolution
- Pixelworks' advanced Image Processor with high quality H/V graphics scalar, Motion Adaptive Deinterlacer, 2D/3D Comb filter and patented Noise Reduction technology provides the highest quality video
- Pixelworks' patented Snap2Fit[™] technology provides easy display quality optimization for hassle-free setup
- Wide angle horizontal and vertical keystone geometric correction provides the best possible image quality even for short and ultra-short throw projectors
- · Highly integrated Topaz family of solutions require minimal external components to reduce the total bill of materials
- HDMI v1.3 receiver with v1.4 3D support built in
- Integrated high performance 8/10 bit Analog Front End (AFE) supports all legacy video standards
- · Embedded USB2.0 device/host controller for simple USB-enabled connectivity
- Integrated 10/100 Ethernet MAC for LAN connectivity with Pixelworks' extensive Network Display Solutions software suite allows seamless wired or wireless connectivity
- Integrated On-System Display (OSD) menu controller with high quality graphics supporting 8/16 bit color
- Built-in comprehensive 3D format decoding with universal 3D glasses interface supporting full 1080p resolution
- · Powerful ARM9 processor core for embedded application customization

For additional information on new products, as well as product demos, please contact your local Pixelworks office (<u>http://www.pixelworks.com</u> /<u>locations.php</u>) to obtain an invitation.

About Pixelworks, Inc.

Pixelworks, headquartered in San Jose, California, is an innovative designer, developer and marketer of video and pixel processing technology, semiconductors and software for high-end digital video applications. At design centers in Shanghai and San Jose, Pixelworks engineers push pixel performance to new levels for leading manufacturers of consumer electronics and professional displays worldwide.

For more information, please visit the company's Web site at www.pixelworks.com

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