## FORM 4

## UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

OMB APPROVAL
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

## STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person <sup>®</sup>						2. Issuer Name and Ticker or Trading Symbol <u>PIXELWORKS INC</u> [ PXLW ]									5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner					
(Last) (First) (Middle)						3. Date of Earliest Transaction (Month/Day/Year) 02/03/2004									X Officer (give below)			le Other (specify below) dent, Operations		specify
8100 SW NYBERG RD.					- 4 If /										6. Individual or Joint/Group Filing (Check Applicable					
(Street) TUALATIN OR 97062					4. 117	4. If Amendment, Date of Original Filed (Month/Day/Year)									Line) X Form filed by One Reporting Person Form filed by More than One Reporting					ion
(City) (State) (Zip)					-										Person					
Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned																				
1. Title of Security (Instr. 3) Date (Month/Day/						Execution Date,			Transaction Dispose Code (Instr. and 5)			urities Acquired (A sed Of (D) (Instr. 3					icially d	Fori (D) ( Indi	wnership m: Direct or irect (I) tr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
								Code	v	Amour	int (A) d (D)		Pric	Report e Trans				,	(	
Common Stock 01/30/2					2004	004			<b>J</b> <sup>(1)</sup>		95	4 A \$		\$ <mark>5</mark> .	117	2	5,995		D	
	Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned         (e.g., puts, calls, warrants, options, convertible securities)																			
1. Title of Derivative Security (Instr. 3)	Title of 2. 3. Transaction 3A. Deemed privative or Exercise (Month/Day/Year) if any			4. Transac Code (I	4. 5 Transaction M Code (Instr. 6 8) 5 4 ( C C C C C C C C C C C C C C C C C C		ber vative irities uired or osed i) r. 3, d 5)	6. Date Exe Expiration	6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Securities Underlying Derivative Security (Instr. and 4)		tr. 3			9. Number of derivative Securities Beneficially Owned Following Reported Transaction(: (Instr. 4)	y 1	Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)	
					Code	v	(A)	(D)	Date Exercisable		piration te	Title	or Nu of	ımber						
Incentive Stock Option (right to buy)	\$0.33								(2)	03,	/03/2009	Commo Stock	<sup>n</sup> 36	5,000			36,000		D	
Incentive Stock Option (right to buy)	\$1.49								(3)	09	/16/2009	Commo: Stock	<sup>n</sup> 18	3,000			18,000		D	
Incentive Stock Option (right to buy)	\$2.43								(4)	12	/08/2009	Commo Stock	<sup>n</sup> 7,	,500			7,500		D	
Incentive Stock Option (right to buy)	\$16.5								(5)	01	/02/2012	Commo Stock	<sup>n</sup> 22	2,382	2		22,382		D	
Non- Qualified Stock Option (right to buy)	\$7.57								(6)	01	/31/2013	Commo Stock	<sup>n</sup> 50	),000			50,000		D	

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned         (e.g., puts, calls, warrants, options, convertible securities)															
1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	v	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Non- Qualified Stock Option (right to buy)	<b>\$</b> 8.5							(7)	04/02/2001	Common Stock	40,000		40,000	D	
Non- Qualified Stock Option (right to buy)	\$16.5							(5)	01/02/2012	Common Stock	27,618		27,618	D	

## Explanation of Responses:

1. Shares acquired through Employee Stock Purchase Plan.

2. The options become exercisable over a 4-year period which commenced on January 31, 1999, as follows: 15,000 shares exercisable as of January 31, 2000, 1,250 shares exercisable every month thereafter for 36 months.

3. The options become exercisable over a 4-year period which commenced on September 30, 1999, as follows: 4,500 shares exercisable as of September 30, 2000, 375 shares exercisable every month thereafter for 36 months.

4. The options become exercisable on a monthly basis over a 4-year period which commenced on December 31, 1999, as follows: 10% exercisable as of December 31, 2000, 20% exercisable as of December 31, 2001, 30% exercisable as of December 31, 2003.

5. The options become exercisable on a monthly basis over a 4-year period which commenced on January 31, 2002, as follows: 10% exercisable as of January 31, 2003, 20% exercisable as of January 31, 2004, 30% exercisable as of January 31, 2005 and 40% exercisable as of January 31, 2006.

6. The options become exercisable on a monthly basis over a 4-year period which commenced on January 31, 2002, as follows: 10% exercisable as of January 31, 2003, 20% exercisable as of January 31, 2004, 30% exercisable as of January 31, 2005 and 40% exercisable as of January 31, 2006.

7. The options become exercisable on a monthly basis over a 4-year period which commenced on April 30, 2001, as follows: 10% exercisable as of April 30, 2002, 20% exercisable as of April 30, 2003, 30% exercisable as of April 30, 2004 and 40% exercisable as of April 30, 2005.

John Yue Lau \*\* Signature of Reporting Person

02/03/2004

son Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

\* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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