Samsung and Pixelworks Unveil Revolutionary New Generation of Smart LCD(tm) TFT-LCD Displays

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- Smart LCD™s integrate all electronics into display module.
- Smart LCD™s offer faster time to market for display manufacturers.
- Smart LCD™s will deliver a compelling price-performance edge.

SID 2001, San Jose, CA, June 4, 2001 — Samsung, the world's number one TFT-LCD display manufacturer, and Pixelworks (Nasdaq:PXLW) debuted today revolutionary new Smart LCD™ modules which integrate all of the display system electronics directly into Samsung WiseView™ TFT-LCD modules. The powerful combination of a Pixelworks ImageProcessor IC and software and Samsung's WiseView™ TFT-LCD panel, with RSDS (Reduced Swing Differential Signal) technology, will bring more affordable, high-performance flat-panel desktop monitors and displays to worldwide markets faster by eliminating costly and time-consuming development stages. This technology is being introduced to market in the Samsung LTM150XI 15-inch, XGA-resolution and LTM170EI 17-inch, SXGA-resolution Smart LCD™ displays, which are scheduled for availability in July 2001.

Samsung's Smart LCD™s powered by Pixelworks ImageProcessor ICs promise to lower barriers to entry by delivering all of the critical interface components of a flat panel desktop monitor to manufacturers. Smart LCD™ reduces development costs by eliminating a printed circuit board, cabling, and selected ICs. Normally a monitor manufacturer must select and integrate an LCD module, display controller and other supporting components. With Smart LCD™, these components have already been integrated into a working display system. The manufacturer can then simply use Pixelworks' Windows®-based software development tools to enable features unique to that monitor and application.

Using the Smart LCD™ also cuts development time by delivering pre-tested, regulatory approved hardware and software to manufacturers. Additionally, the Smart LCD™ uses RSDS technology to significantly reduce EMI emissions by cutting signal voltage, internal to the LCD, from 3.3 volts TTL to 0.2 volts differential (peak to peak).

“Smart LCD™ brings together the leading companies in image processing and TFT-LCD to deliver a whole new level of integration and value for customers,” said Dieter Mackowiak, senior vice president of sales and marketing for Samsung Semiconductor, Inc. “Pixelworks technology makes Samsung Smart LCD™s dramatically easier to integrate into display systems.”

“Our strategic alliance with Samsung to bring Smart LCD™ to market is driving a paradigm shift in the flat panel display market,” said Allen Alley, CEO, President and Chairman of Pixelworks. “Samsung Smart LCD™s powered by Pixelworks ImageProcessor ICs will deliver a compelling price-performance edge and a faster time to market.”

Samsung Semiconductor, Inc., is exhibiting at booth number 1202 and Pixelworks, Inc. is exhibiting at booth number 508 at the Society for Information Displays (SID) Symposium at the San Jose Convention Center in San Jose, June 3-8, 2001.

About Samsung Semiconductor, Inc.
Samsung Semiconductor, Inc. is a wholly-owned subsidiary of Samsung Electronics Co. Ltd. Headquartered in Seoul, Korea, Samsung Electronics, with year 2000 sales revenue of US $27 billion, is a world leader in the electronics industry. It is the world's leader in DRAM memory, SRAM memory, and TFT-LCD display products for industrial, mobile and desktop computing applications. Samsung Electronics is also the world's fourth largest semiconductor company overall with a full line of semiconductor products including microprocessor and custom ASIC components. Maintaining its long and distinguished history of industry firsts, Samsung Electronics is the first company to develop a 4-Gigabit DRAM and has fully-functional prototypes of the next generation DDR-II DRAM. Samsung Semiconductor, Inc. is located in San Jose, California. For more information, please visit our website: http://www.usa.samsungsemi.com.

About Pixelworks, Inc.
Pixelworks designs, develops and markets system-on-a-chip semiconductors and software that enable the visual display of broadband content through a wide variety of electronic devices. Pixelworks' solutions process and optimize video, computer graphics and Web information for display on a wide variety of devices used in business and consumer markets. For more information, please visit the company's Web site at www.pixelworks.com.

Safe Harbor Statement

This press release contains statements that are forward-looking statements within the meaning of the Securities Litigation Reform Act of 1995, including statements concerning a paradigm shift in the manufacture of flat-panel displays and market acceptance of the company's products. Such statements are based on current expectations, estimates and projections about the company's business. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to predict. Actual results could vary materially from the description contained herein due to many factors, including risks associated with rapidly evolving technologies and markets, the company's products and uncertainties regarding the development of those technologies and markets; new product development and the ongoing introduction of new and enhanced products by the company as well as the risks detailed from time to time in the company's Securities and Exchange Commission filings. The forward-looking statements contained in this press release speak only as of the date on which they are made, and the company does not undertake any obligation to update any forward-looking statement to reflect events or circumstances after the date of this press release. If the company does update one or more forward-looking statements, investors and others should not conclude that the company will make additional updates with respect

thereto or with respect to other forward-looking statements.