



Pixelworks, Inc. Announces Initial Public Offering of 5,750,000 Shares of Common Stock at \$10 Per Share

05/19/00

Tualatin, Ore., May 19, 2000 — Pixelworks, Inc. (Nasdaq: PXLW) announced the completion of its initial public offering of 5,750,000 shares of common stock at a price per share of \$10.00. All of the shares are being sold by Pixelworks. In addition, the company has granted the underwriters an option to purchase up to an additional 862,500 shares of common stock to cover over-allotments, if any.

The initial public offering is being co-managed by Salomon Smith Barney and Deutsche Banc Alex. Brown. The other managing underwriters were SG Cowen and E*Offering.

A copy of the final prospectus related to the offering may be obtained from the following: Salomon Smith Barney, Prospectus Department, 140 58th Street, 8th Floor, Brooklyn, NY 11220 (fax 718-765-6734); Deutsche Banc Alex. Brown, Prospectus Department, One South Street, Baltimore, MD 21202 (tel. 410-895-2720); SG Cowen Securities Corporation, Prospectus Department, 1 Financial Square, 27th Floor, New York, NY 10005 (tel. 212-495-6000); and E*Offering at www.eoffering.com.

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.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sales of these securities in any jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.