



Red Herring Selects Pixelworks™ as One of the 'Ten to Watch'

May 17, 1999

Tualatin, Ore., May 17, 1999—Pixelworks, Inc., the emerging leader in interfacing flat panel displays, was named today as one of Red Herring's "Ten to Watch" for 1999 at the Venture 99 conference at Resort at Squaw Creek, Lake Tahoe, Calif. The Oregon-based fabless semiconductor company that introduced ImageProcessors was selected from a field of hundreds of companies worldwide that vied for the honor.

The inaugural "Ten to Watch" list showcases companies in the early stage of development that show promise of growing into global technology leaders. The list accompanies the annual listing of the "Top 100 Technology Companies" featuring Red Herring's selection of the top 50 public and top 50 private technology companies of the year. The publication's editorial staff selects the companies for both lists, which are published in the June 1999 issue.

"We chose Pixelworks as one of our 'Ten to Watch' because the company has a leading-edge technology and is building for long-term growth," said John Mecklenburg, managing editor of events for Red Herring. "Pixelworks has the pieces in place to make it: an excellent management team, a market for flat panel displays poised for explosive growth, and an enabling technology that will accelerate consumer demand. We're looking forward to tracking Pixelworks' progress in coming years."

"Recognition from Red Herring is exciting for Pixelworks as a young company, and it motivates us to aim for the 'Top 100,'" said Allen Alley, CEO of Pixelworks. "This is particularly gratifying because we have worked very hard to introduce a new class of products that really enables rapid growth of flat panel display products in such huge markets as desktop monitors and televisions."

The other "Ten to Watch" are Again Technologies, BidCom, Global Sight, Niku, Qpass, Sonus Networks, Springfield Project, Third Voice, and Zefer. The companies will deliver 15-minute presentations at Venture 99, an invitation-only, two-day executive conference for industry leaders, financiers, and entrepreneurs held May 16-18, 1999.

About ImageProcessor Technology

ImageProcessors from Pixelworks Inc. are a breakthrough in display controller technology for flat panel display products that will accelerate the adoption of products using the increasingly popular flat panel technology. The PW364 ImageProcessor IC, the company's initial product, is the first time an integrated, flat panel display controller is contained on a single chip. The ImageProcessor will enable flat panel display products that deliver unsurpassed image quality regardless of input source format, with no user intervention, at the lowest cost. Applications for this exciting new product include LCD monitors.

Pixelworks ImageProcessors will enable a new generation of flat panel display products that are capable of showing both computer and video signal input. By supporting input resolutions up to UXGA and HDTV with complete image resizing, frame rate conversion, and automatic image optimization, display products using Pixelworks ImageProcessors will set new standards for image quality and ease of use. With their high level of integration and complete design environment, Pixelworks ImageProcessors mean the fastest time to market for display product manufacturers; a compelling benefit in this hyper-paced product development environment. A Pixelworks ImageProcessor replaces several discreet components, meaning dramatically lower overall electronics and hence product cost. Flat panel display products utilizing Pixelworks products will be available in the second quarter of 1999.

About Pixelworks, Inc.

Pixelworks Inc., headquartered in Tualatin, Oregon, is a privately held fabless semiconductor company founded in 1997. The company, which introduced the ImageProcessor, is a leader in the area of "system-on-a-chip" levels of integration for enabling the future of display technology such as flat panel monitors and televisions. Pixelworks' mission is to enable Smart Displays through the sales of its highly integrated ImageProcessors. Smart Displays deliver unsurpassed image quality, automatically, at the lowest cost.

For more information about Pixelworks, call 503-612-6700 or visit the company's Web site at <http://www.pixelworksinc.com>

About Red Herring Communications

Red Herring Communications, a privately-held San Francisco-based company, is a fully integrated network of media properties connecting and enabling the technology empowered business builders and leaders, ideas and technologies that are shaping and reshaping business today. Red Herring Magazine, Redherring.com, Red Herring TV and Red Herring Events are each a crucial conduit of information, analysis and opinion, between the vision of Silicon Valley and the power of corporate America.

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