



Leading Chinese Television Manufacturers Select Pixelworks Video Processing ICs to Power Next-Generation Progressive CRT TVs

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TUALATIN, Ore., Apr 17, 2002 (BUSINESS WIRE) -- Pixelworks, Inc. (Nasdaq:PXLW) announced today that China's leading progressive-scan CRT television manufacturers are currently in production using Pixelworks PW1210 and PW1220 Video SignalProcessor ICs.

Four of the top six CRT television brands -- which account for nearly 60 percent of the overall television market in China(1) -- have chosen these high-performance digital video signal processors developed by the nDSP design team that was acquired by Pixelworks in January 2002.

Pixelworks is partnering with China's leading television manufacturers, including Sichuan Changhong, TCL, Hisense and Skyworth, to deliver smooth, flicker-free video images for standard-resolution, progressive-scan CRT televisions. Models from these manufacturers are currently available in China, and some manufacturers are planning to market them worldwide, including in the U.S., under private label agreements.

The PW1210 and PW1220 utilize Pixelworks' unique deinterlacing technology to create sharp, "jaggie-free" video images for affordable digital televisions. The PW1210 and PW1220 Video SignalProcessor ICs are high-quality, digital video signal processors that incorporate Pixelworks' patent-pending motion-adaptive deinterlacing and video enhancement algorithms to convert standard interlaced video signals into progressive scan signals.

"We are very excited about the quality of the Pixelworks video processing chips. Based on our evaluation, the video image quality they produce is second to none. With Pixelworks' advanced feature set, we are able to aggressively compete not only in China, but in the U.S. and European markets," said Mr. Lang Fengwei, Board Member and Director of Corporation Planning and Development, Sichuan Changhong Electric Co., Ltd., the top television manufacturer in China.

"China is the largest television market in the world accounting for more than 17 percent of the 154-million-unit world market. Combine the huge Chinese market with our expectations that progressive scan CRT televisions will grow at a compound annual rate exceeding 70 percent between 2001 and 2006, and this will undoubtedly be an important growth market," said David Mentley, Senior Vice President at iSuppli/Stanford Resources.

"Progressive CRT televisions are currently the most accessible way for consumers to enjoy the digital-quality television experience. The progressive CRT TV market is growing rapidly and China is a driving force for manufacturing affordable, high-performance digital televisions. We anticipate that our partnership with Chinese manufacturers will continue to drive TV costs down," said Allen Alley, President, CEO and Chairman of Pixelworks, Inc.

Pixelworks continues to strengthen its advanced video processing product and technology portfolio. The Video SignalProcessors are non-linear digital signal processing ICs that provide dramatic enhancement of video quality in a compact silicon core engineered to deliver low-cost, high-performance video solutions for a wide variety of display products. Pixelworks' video processing technology portfolio dramatically improves television image quality through frame rate conversion, interlaced to progressive scan conversion, noise reduction, motion compensation, sharpness enhancement, and resolution enhancement.

About Pixelworks, Inc.

Pixelworks, headquartered in Tualatin, Ore., is a leading provider of system-on-a-chip ICs for the advanced display market. 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. Pixelworks ImageProcessor Architecture powers the world's most highly regarded flat panel display products, including monitors and projectors marketed by Compaq, Dell, NEC-Mitsubishi, Samsung, SANYO, Sharp, Sony and ViewSonic. For more information, please visit the company's Web site at www.pixelworks.com.

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(1) Source: "Television Systems 2002," iSuppli/Stanford Resources Inc.

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