



Pixelworks ImageProcessor Architecture Powers Dell's First Digital Projector

June 6, 2002

TUALATIN, Ore., Jun 6, 2002 (BUSINESS WIRE) -- Pixelworks, Inc. (Nasdaq:PXLW), a leading provider of system-on-a-chip ICs for the advanced display market, announced today that Dell's 3100MP digital projector is designed using Pixelworks' flexible ImageProcessor Architecture.

The 3100MP is a versatile, XGA-resolution projector that marks the first entry in the multimedia projector market by Dell, the world's largest computer systems company.

The 3100MP uses the Pixelworks ImageProcessor Architecture to deliver crisp, high-quality images, compatibility with computer and video sources, including HDTV, and features that make the projector simple to use, such as an intuitive graphical user interface, automatic image optimization and digital keystone correction. The highly integrated system-on-a-chip IC also helped Dell achieve its goal for a compact, easily transportable design.

The 3100MP is the latest entry by a computer company in the projection market. The microportable digital projector market is expected to grow dramatically during the next several years. According to Pacific Media Associates, between 2002 and 2006 sub-three kilogram projectors are forecast to grow more than 50 percent annually and will attain 90 percent of the overall digital projector market.

"Pixelworks is proud to work with Dell on the 3100MP, which extends our collaboration from LCD monitors into the digital projector market," said Allen Alley, CEO, President and Chairman of Pixelworks, Inc.

About Pixelworks, Inc.

Pixelworks, headquartered in Tualatin, Oregon, 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, projectors, and advanced televisions 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.

Pixelworks is a trademark of Pixelworks, Inc. All other trademarks and registration marks are the property of their respective corporations.

Safe-Harbor Statement

This press release contains statements that are forward-looking statements within the meaning of the Securities Litigation Reform Act of 1995. 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 those described above and the following: business and economic conditions, changes in growth in the flat panel monitor, multimedia projector, and advanced television industries, changes in customer ordering patterns, competitive factors, such as rival chip architectures, pricing pressures, insufficient, excess or obsolete inventory and variations in inventory valuation, continued success in technological advances, shortages of manufacturing capacity from our third-party foundries, litigation involving antitrust and intellectual property, the non-acceptance of the combined technologies by leading manufacturers, and other risk factors listed from time to time in the company's Securities and Exchange Commission filings. In addition, such statements are subject to the risks inherent in investments in and acquisitions of technologies and businesses, including the timing and successful completion of technology and product development through volume production, integration issues, unanticipated costs and expenditures, changing relationships with customers, suppliers and strategic partners, potential contractual, intellectual property or employment issues, accounting treatment and charges, and the risks that the investment or acquisition cannot be completed successfully or that anticipated benefits are not realized. 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 news 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.

CONTACT:

Pixelworks, Inc.

Media Inquiries:

Chris Bright, 503/454-1770

cbright@pixelworks.com

Investor Inquiries:

Jodie Brady, 503/454-1750, ext. 527

jodieb@pixelworks.com

or

www.pixelworks.com

URL: <http://www.businesswire.com>

Copyright (C) 2002 Business Wire. All rights reserved.