



Pixelworks Sets New Price-Performance Standard in Rapidly Growing Flat Panel TV Market with Highly Integrated, Flexible Interface IC

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TUALATIN, Ore.--(BUSINESS WIRE)--Jan. 21, 2003--Pixelworks, Inc. (NASDAQ:PXLW), a leading provider of system-on-a-chip ICs for the advanced display market, introduced the first single-chip interface solution for digital televisions that lowers system cost while boosting video decoder performance to new levels.

The new PW2200 Video SignalProcessor IC is a single-chip video decoder/analog-to-digital converter that supports television, including HDTV, and PC formats, resulting in better image performance for today's and tomorrow's advanced televisions.

For advanced display manufacturers, the PW2200 offers the advantage of enabling a single display system platform to be distributed worldwide. The video decoder is capable of handling global television signal standards, including NTSC, PAL, SECAM, and HDTV, and provides a high-performance ADC for computer resolutions up to UXGA. In addition, the PW2200 offers manufacturers systems savings of more than 50 percent over conventional designs by replacing up to four discrete ICs which minimizes circuit board size and system integration overhead.

"The PW2200 design team in Toronto, which joined us from Jaldi Semiconductor, developed this new part that clearly demonstrates that Pixelworks is continuing to push the technology envelope for advanced displays by integrating more and more functionality onto a single chip," said Allen Alley, CEO, President and Chairman at Pixelworks, Inc. "We are very pleased with the enthusiastic feedback from our lead customers, and we are excited to add this new product platform to our technology portfolio."

The PW2200 incorporates a high-performance video decoder, which includes patent-pending comb filter technology that eliminates artifacts other video decoders may display. Key features of the new PW2200 Video SignalProcessor include:

- Triple high-performance Analog-to-Digital Converter (ADC)
- Full 10-bit data path to ensure greater image quality
- Color decoder for NTSC, PAL and SECAM, including all substandards
- High-performance, comb filter Y/C separator
- Integrated PLL generates pixel clock from Hsync
- Support for Composite, S-video, Component and PC inputs
- HDTV input support

The PW2200 Video SignalProcessor is currently sampling to lead customers with engineering samples broadly available later in the first quarter. To learn more about the PW2200 Video SignalProcessor ICs, contact the Pixelworks sales office in your region. A list of contacts is available at www.pixelworks.com/contact.

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, including flat-panel monitors, digital televisions and multimedia projectors. Our broad IC product line is used by the world's leading manufacturers of consumer electronics and computer display products to enhance image quality and ease of use. For more information, please visit the company's Web site at www.pixelworks.com.

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Safe Harbor Statement

This press release contains statements, including statements concerning the acceptance of the combined technologies by leading manufacturers, 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 the non-acceptance of the combined technologies by leading manufacturers 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 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.

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