



BenQ Gets into LCD Television Business Fast Using Pixelworks Technology

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TUALATIN, Ore., Apr 17, 2003 (BUSINESS WIRE) -- Pixelworks, Inc. (Nasdaq:PXLW), a leading provider of system-on-a-chip ICs for the advanced display industry, announced today that BenQ has standardized its LCD television products on Pixelworks ImageProcessor and Video SignalProcessor ICs for a complete, high-performance electronics solution. By using Pixelworks reference designs for LCD television, BenQ developed the H200 and Q150 models using a common design platform that helped BenQ enter the rapidly growing LCD TV business quickly.

BenQ, the second largest LCD monitor manufacturer worldwide, made a strategic decision to target the rapidly growing LCD television business. LCD televisions are poised for strong growth over the next two years. DisplaySearch estimates that in 2003 less than 4 million LCD televisions will be sold growing to more than 13 million units in 2005, a compound annual growth rate of more than 80 percent.

The 20.1-inch H200 and 15-inch Q150 models deliver sharp realistic images in both standard and high-definition video formats to ensure a consumer can enjoy a BenQ flat-panel television with content available today and in the future. Pixelworks technology handles a wide range of signals through RGB, component, S-video and composite inputs which can be connected to any video source, including worldwide broadcast television including HDTV formats, cable or satellite set-top boxes, DVD players, VCRs, video game consoles and even personal computers.

"We are extremely proud of our first LCD televisions and how well they have been received. Pixelworks technology contributed significantly to assisting us in entering the exciting LCD TV business by providing a systems solutions that was easy for us to learn while delivering outstanding performance and features," said Eric Yu, Chief Financial Officer of BenQ Corporation.

"Pixelworks and BenQ have worked closely together for years including their first digital projectors and multimedia LCD monitors," said Brad Zenger, Vice President of Sales and Marketing of Pixelworks, Inc. "We are pleased BenQ selected us for its strategic entry into this fast-growth business and are looking forward to partnering on additional TV models."

The H200 LCD Television is currently available and the Q150 is expected to be released in April 2003.

About BenQ Corporation

BenQ is the second largest LCD monitor manufacturer worldwide and an industry leader in digital lifestyle devices that encompass the display, storage, imaging, input, wireless and broadband markets. BenQ has earned a prominent position by being listed as one of the top 100 IT companies in the business world by BusinessWeek's InfoTech 100 and third in the "Best Shareholder Return" rating. The company recently won the top spot for innovation in response to customers' needs by the 10th annual survey conducted by ACNielsen International Research.

BenQ has more than 12,000 employees worldwide, supporting a strong global sales marketing and service network across Asia Pacific, Europe and the Americas. The company has manufacturing plants in Malaysia, Mexico, China and Taiwan. BenQ has research and development facilities in Taiwan (Hsinchu Lab) and China (Suzhou Software Development Center), and has amassed more than 900 global patents. For more information about BenQ, please visit our Web site at www.BenQ.com.

About Pixelworks, Inc.

Pixelworks, headquartered in Tualatin, Oregon, is a leading provider of system-on-a-chip ICs for the advanced display industry. Pixelworks' solutions process and optimize video, computer graphics and Web information for display on a wide variety of devices used in business and consumer applications, 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.

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.

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