



Techsan and Pixelworks Collaborate to Introduce Europe's First Fully Integrated Digital LCD Television

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BERLIN--(BUSINESS WIRE)--Sept. 2, 2003--Pixelworks, Inc. (Nasdaq:PXLW), a leading provider of system-on-chip ICs for the advanced display industry, announced today that Techsan, a leading manufacturer of set-top boxes and LCD monitors, is introducing Europe's first LCD television with a fully integrated DVB-T digital tuner. Techsan's TSL-15T, known as a Liquid Crystal Display integrated Digital Television (LCDiDTV), was developed in three months following Pixelworks' Digital TV Production Reference Design methodology, including the Pixelworks PW113 ImageProcessor and comprehensive software development kit.

Techsan combined its established expertise in set-top box (STB) and LCD monitor products to target the emerging LCD television market, in particular those models designed for the new digital video broadcast standards that are being introduced in Europe. The TSL-15T is a 15-inch XGA-resolution LCD TV with a digital tuner that will be introduced in the United Kingdom in October under the TechView brand, followed by 17-inch and 20-inch models by the end of the year. Also, Techsan is currently developing 26-inch, 32-inch and 40-inch versions with DVB-T capability for European market, but also ATSC-capable models for the U.S. using a variety of Pixelworks ICs.

"With the help of Pixelworks, we have built on our strength in the set-top box market to enter the exciting digital television market with the TSL-15T in record time," said Simon Roh, managing director of Techsan UK. "It is remarkable to think that this project only commenced at the beginning of the summer and we are now introducing it at IFA with an introduction in time for the holiday shopping season."

"We are excited that Techsan is leading the transition to the new digital broadcast standards in Europe by pioneering this important new category of digital televisions. By enabling Techsan to develop its first European digital-ready LCD television in only three months, the TSL-15T demonstrates how our strategy of helping new manufacturers get to market quickly is fueling growth in the increasingly competitive LCD television market," said Brad Zenger, senior vice president of Sales and Marketing of Pixelworks, Inc.

The TSL-15T LCD television will be on display at IFA 2003 in the Pixelworks suite located in The Berlin Excelsior Hotel. To schedule an appointment, contact Pixelworks by telephone at +44 7979 755749.

About Techsan I&C

Techsan I&C (KOSDAQ 36900) was established in March 1990 and is a state-of-the-art manufacture company that provides cutting edge technology solutions in the arenas of Set Top Box and LCD monitor. We have a research and development center in England and two other facilities in South Korea. Techsan I&C's extensive research and development results in a continual flow of new technology that we provide as standard products. The company's technology investments differentiate Techsan I&C from our competitors and provide the foundation for the future growth. For more information, please visit the company's Web site at www.techsan.co.kr

About Pixelworks, Inc.

Pixelworks, headquartered in Tualatin, Ore., is a leading provider of system-on-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 including flat-panel monitors, digital televisions and multimedia projectors used in business and consumer markets. 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 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 LCD television and advanced television markets, changes in customer ordering patterns, competitive factors, such as rival chip architectures, differing video broadcast standards, 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 and other risk factors listed from time to time in Pixelworks' 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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