



Pixelworks Introduces a New Generation of Multi-standard Video Decoder ICs Boosting Performance and Integration for Flat Panel Televisions

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TAIPEI, Taiwan--(BUSINESS WIRE)--May 30, 2004--Pixelworks, Inc. (Nasdaq:PXLW), a leading provider of system-on-chip ICs for the advanced display market, announced today the introduction of a family of video decoder ICs that raises performance in its single-chip interface ICs for flat panel televisions. The new PW3300, PW2300 and PW2250 Video SignalProcessor ICs refine Pixelworks' proven video decoder technology and offer new features to improve video performance in LCD televisions, plasma televisions, rear-projection televisions and digital front projectors, as well as digital CRT televisions.

These new products mark the debut of a number of important advancements in video interfacing and expand scope of Pixelworks' DNX -- Digital Natural Expression(TM) video technologies for outstanding video quality, especially when used in combination with the Photopia(TM) ImageProcessor(TM) family. These ICs debut the company's proprietary DNX(TM) 3-D Comb Filter technology which is one of the world's first that works with both NTSC and PAL video signals. This increased flexibility greatly benefits manufacturers who develop products worldwide. This new family of Video SignalProcessors, which when combined with the 10-bit video processing capabilities available in our latest generation of ImageProcessor ICs, provides users with a color palette in excess of one billion colors.

The PW3300, PW2300 and PW2250 Video SignalProcessor ICs include Pixelworks' proprietary SteadySync(TM) weak signal compatibility technology that compensates for broadcast and cable signals that are weak by being able to better lock onto a signal and display a picture. This technology helps users in under-served regions to better receive television broadcasts, which is critical for manufacturers serving developing countries.

"We are excited to introduce our latest video decoding technology because it represents the state-of-the-art in the industry, which has been validated by our lead customers," said Allen Alley, CEO, President and Chairman of Pixelworks, Inc. "These video interface chips are important companions to our Photopia family since when they are combined the solution offers the only way to experience the richness of one billion colors on advanced televisions systems."

Key features of the PW3300, PW2300 and PW2250 Video SignalProcessor ICs including the following:

- Triple high-performance Analog-to-Digital Converter supporting up to 150 Mhz sufficient for processing 1080p video signal inputs
- TMDS Receiver compliant with DDWG DVI 1.0 and integrated HDCP 1.0 support
- Adaptive Sync slicer for extracting Teletext, Video Programming Service (VPS), V-Chip, Closed Caption, and Wide-Screen Signaling (WSS) information from the Vertical Blanking Interval
- Video enhancement features including DCTI, DLTI, Peaking and Noise Reduction with enhanced 10-bit sharpness controls
- Ability to handle all types of component video input ranging from 480i to 1080p
- Support of L2.5 TTX for Advanced Teletext support
- Integrated PLL generates pixel clock from Hsync

The PW3300 incorporates the full range of features available in this family and is targeted for the advanced television and multi-function monitor segments. The PW2300 includes all of the features of the previous chip less the digital interface and targets baseline and mid-range LCD televisions. The PW2250 is optimized for baseline TVs and digital projectors with the same features as the PW2300 except a simpler 2-D comb filter.

These three Video SignalProcessor ICs are currently available in Engineering Samples with mass production expected in the third quarter. The PW3300, PW2300 and PW2250 utilize 256 BGA packages.

To learn more about the PW3300, PW2300 and PW2250 Video SignalProcessor ICs, contact the Pixelworks sales office in your region. A list of contacts is available at www.pixeworks.com/contact.

About Pixelworks, Inc.

Pixelworks, headquartered in Tualatin, Oregon, is a leading provider of system-on-chip ICs for the advanced display industry. Pixelworks' solutions provide the intelligence for advanced televisions, multimedia projectors and flat panel monitors by processing and optimizing video and computer graphics signals to produce high quality images. Many of the world's leading manufacturers of consumer electronics and computer display products utilize our technology to enhance image quality and ease of use of their products.

For more information, please visit the company's Web site at www.pixelworks.com.

Safe Harbor Statement

This press release contains statements, including statements concerning the acceptance of the technology by lead customers, 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 technology by lead customers and consumer demand for flat panel televisions 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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