



SEC Declares Registration Statement for Pixelworks' 1.75% Convertible Subordinated Debentures Effective

August 24, 2004

TUALATIN, Ore.--(BUSINESS WIRE)--Aug. 24, 2004--Pixelworks, Inc. (Nasdaq:PXLW), a leading provider of system-on-chip ICs for the advanced display industry, today announced that its Registration Statement on Form S-3 that it filed on August 20, 2004 has been declared effective by the Securities and Exchange Commission. The Company filed the Registration Statement in connection with the May and June 2004 private offerings of its 1.75% convertible subordinated debentures due 2024. The Registration Statement also covers 2,421,627 shares of common stock being registered on behalf of certain employees of the Company. The Company will not receive any proceeds from the registration or sale of these securities.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any State in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such State.

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CONTACT: Pixelworks, Inc., Tualatin

Investor Inquiries:

Jeff Bouchard, 503-454-1771

jeffb@pixelworks.com

Media Inquiries:

Chris Bright, 503-454-1770

cbright@pixelworks.com

Web site: www.pixelworks.com

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