Pixelworks(TM) Targets European Advanced Television Market with ImageProcessor Optimized for Regional Standards with New EuroSync(TM) Technology

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LAS VEGAS, Jan 06, 2006 (BUSINESS WIRE) -- Pixelworks, Inc. (Nasdaq:PXLW), a leading provider of system-on-chip ICs for the advanced display industry, announced today that it is producing a new extension of the all-in-one 'Opal' family of ImageProcessor ICs with upgraded functionality for the European advanced television market. The new PW106B and PW328B ImageProcessor ICs include enhanced fifth-generation video decoding circuitry optimized for PAL systems.

The PW106B and PW328B ImageProcessor ICs are highly integrated solutions for advanced televisions which include a high-speed ADC, video decoder, motion-adaptive deinterlacer and image processing core featuring the latest DNX(TM) video processing technology. This new generation of Opal ImageProcessor chips includes the EuroSync(TM) Video Decoder Core that is tailored for European televisions with performance optimized for features such as fast-blanking support, integrated teletext and 2:2 pull-down. In addition, EuroSync technology integrates a SCART multiplexer for full SCART support for simpler board designs and lower costs. The EuroSync 3D video decoder core also sets new standards in cross-luma and cross-color performance

The PW106B ImageProcessor IC is a low-cost solution designed for single-channel televisions that provides superior image quality demanded by advanced televisions. The PW328B targets advanced dual-channel television systems. The PW328B also includes Gigacolor(TM) 10-bit processing to eliminate color banding and image processing artifacts, full dual-stream processing for PIP/POP/PBP functionality, 12-bit output for compatibility with advanced 68-billion color displays and full 1080-progressive (1920x1080) and WUXGA (1,920 by 1,200) output compatibility.

"In 2006, iSuppli forecasts that more than 40 million television units will be sold in Europe, Middle East and Africa -- which is 10 million more than are expected to be sold in North America," said Brett Monello, Vice President, Video and Image Processing for Pixelworks. "While our previous products have worked well in PAL regions, these two new ImageProcessor ICs raise the bar on integration and performance in this important region, in particular through refinements our engineers have made to the video decoding circuitry and the addition of a SCART multiplexer."

The PW106B and PW328B ImageProcessor ICs will be sampling in the first quarter. To learn more about these products, 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-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 that are forward-looking statements within the meaning of the Securities Litigation Reform Act of 1995. Statements such as "more than 40 million television units will be sold in Europe, Middle East and Africa"and "(t)he PW106B and PW326B ImageProcessor ICs will be sampling in the first quarter" 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 business and economic conditions; changes in growth in the advanced display industry, including without limitation the European advanced television industry; the non-acceptance of the technologies by leading manufacturers; competitive factors such as rival chip architectures or pricing; discovery of any material and currently unknown product problems; shortages of manufacturing capacity from or failures in timely delivery by our third-party foundries; litigation involving antitrust and intellectual property 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, 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, and potential contractual, intellectual property or employment issues. 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.

SOURCE: Pixelworks, Inc.

Pixelworks, Inc.
Jeff Bouchard, 503-454-1771 (Investor Inquiries)

jeffb@pixelworks.com
or
Chris Bright, 503-454-1770 (Media Inquiries)
cbright@pixelworks.com
www.pixelworks.com