



Daewoo Launches Series of Plasma Televisions for Worldwide Markets Featuring Pixelworks Video Processing Technology

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TUALATIN, Ore.--(BUSINESS WIRE)--April 24, 2007--Pixelworks, Inc. (NASDAQ:PXLW), an innovative provider of powerful video and pixel processing technology for advanced televisions and digital projectors, announced today that Daewoo Electronics is now in production with a series of 42-inch plasma display televisions for the global market using Pixelworks DNX(TM) video processing technology. Daewoo is using Pixelworks' flexible ImageProcessor Architecture to design three models that are optimized for major geographical markets including North America, Europe and Latin America.

The ultra-slim plasma display models utilize Pixelworks' high-performance Pearl ImageProcessor IC for its outstanding video quality and the flexibility of the 10-bit ADC and 12-bit video decoder to handle standard and high-definition content and worldwide broadcast standards. In addition to the Pearl ImageProcessor IC, the North American model featuring a high-definition plasma screen integrates the Pixelworks PWM2030 MediaProcessor IC to process ATSC digital television signals for realistic HDTV performance.

Daewoo leveraged Pixelworks' flexible hardware and software architecture to streamline development of the models by sharing common elements across the product line, including video settings and graphical user interface templates. Our exclusive PixelAmp(TM) video processing core enhances on-screen performance for Daewoo with an innovative set of digital processing technologies including 2D peaking and 10-axis color control. Additional DNX(TM) video technology enhancements include advanced 3D noise reduction, MPEG noise reduction, black/white expansion, enhanced low-angle interpolation and dual DCTI/DLTI image control.

"This line of 42-inch plasma televisions represents Daewoo's flagship products in the worldwide market so we demanded premium performance and simplicity," said Hak-San Ma, Chief Engineering Director of Daewoo Electronics. "We selected Pixelworks' technology because it enabled us to achieve video quality and ease-of-use that was excellent across models that each had unique requirements."

"We are proud to partner with Daewoo on these three outstanding plasma televisions that demonstrate the quality and flexibility of our architecture," said Hans Olsen, President and CEO of Pixelworks, Inc. "We are continuing to drive our developments to maximize video performance and these designs showcase that we are building on our strengths."

The 42-inch plasma television models from Daewoo are the DPD-42A2GMBD for North America, the DPP-42A2GMBD for Europe and the DPX-42A2LMBD for Latin America. All three models are currently in production. A series of LCD televisions using this platform will be introduced in the third quarter.

About Pixelworks, Inc.

Pixelworks, headquartered in Tualatin, Oregon, is an innovative provider of powerful video and pixel processing technology for manufacturers of advanced televisions and digital projectors. Pixelworks' flexible design architecture enables our unique technology to produce outstanding image quality in our customers' display products in a range of solutions including system-on-chip ICs, co-processor ICs and discrete chips. At design centers in Shanghai and San Jose, Pixelworks engineers relentlessly push pixel performance to new levels for leading manufacturers of consumer electronics and professional displays worldwide.

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

Safe Harbor Statement

This release contains statements that are forward-looking statements within the meaning of the "Safe Harbor" provisions of the federal 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: changes in growth in the slim CRT market; changes in consumer confidence and spending, changes in customer ordering patterns or lead times; success in achieving operating efficiencies from our restructuring efforts; competitive factors, such as rival chip architectures, introduction or traction by competing designs, or pricing pressures; insufficient, excess or obsolete inventory and variations in inventory valuation; yield rates for the PW9050L, changes in regional demand for that product, non-acceptance of the DHC technology by other leading manufacturers; and other risk factors listed from time to time in the company's Securities and Exchange Commission filings.

The forward-looking statements we make today, speak as of today, and we do not undertake any obligation to update any such statements to reflect events or circumstances occurring after today. Please refer to our Annual Report on Form 10-K for the year ended December 31, 2005 and subsequent SEC filings for a description of factors that could cause actual results to differ materially from the preliminary results announced.

CONTACT: Pixelworks, Inc.
Investor Inquiries
Richard Brooks, 408-200-9210
rbrooks@pixelworks.com
www.pixelworks.com

or
Pixelworks, Inc.
Media Inquiries
Chris Bright, 503-454-1770
cbright@pixelworks.com

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