

## Investor Fact Sheet - August 2007

### Fast Facts:

**Industry:**  
Fabless Semiconductor

**Markets:**  
Security Surveillance  
Automotive  
Consumer

**Founded:** 1997

**Exchange/Ticker:**  
NASDAQ- TWLL

**IPO:** June 21, 2006  
Total Shares: 5.5 million  
Offering Price: \$9

**Market Capitalization:**  
(as of August 3, 2007)  
\$208 million

**Fiscal Year End:** December 31

### Management Team:

**Hiro Kozato,**  
President and Chief Executive Officer

**Mark Voll,**  
VP, Finance and Administration  
and Chief Financial Officer

**Feng Kuo, PhD,**  
Chief Technical Officer

**David Nam,**  
VP of Sales and Marketing

**Corporate Headquarters:**  
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Web: www.techwellinc.com

### Sales & Distributors:

United States  
Korea Singapore  
Japan Europe  
Taiwan Israel  
China Turkey  
United Kingdom

### Transfer Agent:

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350 Indiana Street, Suite 800  
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Web: www.computershare.com

### Investor Relations:

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### Company Overview

Techwell is a fabless semiconductor company that designs, markets and sells mixed signal integrated circuits (ICs) for multiple digital video applications in the consumer, security surveillance and automotive markets. Products that incorporate the company's technology include advanced TVs, multifunction LCD monitors, DVD recorders, security surveillance systems and in-car displays. The company designs both general purpose and application specific products that enable the conversion of analog video sources to digital form and also perform advanced digital video processing to facilitate the display, storage and transport of video content.

The company's cost effective ICs are based on proprietary technologies that provide high video quality under a wide range of signal conditions and enable higher levels of integration. Since its inception nine years ago, the company has consistently grown revenue that has resulted in sustainable profitability. Techwell shipped over 8 million semiconductors in 2005, with an overall total in excess of 25 million through December 2006.

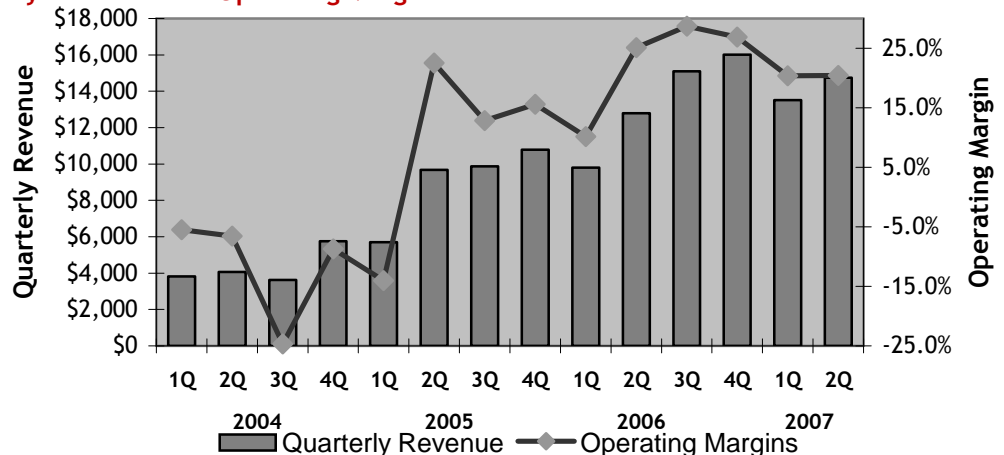
### Investment Highlights

- Market leadership in highly integrated mixed signal ICs, which are based on proprietary IP
- Superior technology with premier customer base -- over 100 customers generating revenue from over 20 different product applications
- Clear growth strategy targeting high growth markets for digital video applications
- Seasoned management team with track record of success
- Proven business model resulting in diversified revenue base, solid gross margins and profitability
- Solid balance sheet with \$60.9 million in cash, cash equivalents and investments (as of 6/30/07)

### Financial Performance (\$ in millions except per share data)

	FY 05	FY05	6 mos 2007
Revenue	\$36.1	\$53.7	\$28.3
Net Income (Loss)	\$ 4.5	\$13.2	\$ 5.8
Diluted EPS	\$0.25	\$0.64	\$0.23

### Quarterly Revenue and Operating Margin Trend



### Balance Sheet (in millions)

	FY 04	FY05	FY06	2Q07
Cash, cash equivalents, short & long-term investments	\$10.4	\$16.8	\$54.5	\$60.9
Working Capital	\$12.0	\$21.2	\$51.5	\$55.9
Total Current Assets	\$13.7	\$25.2	\$58.3	\$61.5

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## Large and Growing Markets

Video applications based on digital technology are experiencing rapid growth driven by significant improvements in the user experience, including enhanced video quality, increased functionality and reduced form factors. According to Display Search, the advanced TV market is expected to grow from 13.2 million units in 2004 to 101.8 million units in 2009, representing a compounded annual growth rate of 50%.

In addition, according to J.P. Freeman, the market for recorders, servers and multiplexers used in security surveillance systems that can incorporate Techwell's mixed signal video semiconductors is expected to grow from \$2.5 billion in 2004 to \$6.0 billion in 2009, representing a compounded annual growth rate of 19%.

According to Telematics Research Group, shipments of navigation, entertainment and driver information systems are expected to grow from a combined 16.5 million units in 2004 to a combined 47.2 million units in 2009, representing a compound annual growth rate of 23%. These systems are causing the proliferation of in-car LCD displays in the automotive market.

## Technology Strengths

Techwell has internally developed a combination of technologies, expertise and capabilities necessary for the conversion and processing of video signals. The company does not rely on third parties for any material technology, expertise or capability. Techwell's technology strengths include:

- Advanced analog design capability
- Advanced digital video processing
- Expertise in TV broadcast and popular analog video standards
- Ability to support multiple standard signals, even if off-specification or weak
- Standard CMOS process design expertise
- Integration of analog conversion and digital processing technologies into a single semiconductor

## Leading Products

### General Purpose Products:

**Video Decoders** - Techwell's video decoder products are high performance mixed signal semiconductors that decode analog TV broadcast signals and popular video signals into a standard digital format. These products integrate proprietary sync processing, color demodulating, and digital 2D and 3D filtering, which are key technologies required for high performance video decoding. Currently, we sell our general purpose video decoders for applications such as advanced TVs, multifunction LCD monitors, DVD recorders, camcorders, security surveillance systems and in-car displays.

### Application Specific Products:

**Security Surveillance** - Techwell's security surveillance products integrate important functions required to display, store and transport analog video signals from security surveillance cameras. As a result, this semiconductor is able to receive and decode video from multiple surveillance cameras, as well as systems that utilize analog technology, into a standard digital format. We sell our security surveillance products to customers for the following applications: embedded digital video recorders (DVRs), PC-based DVRs, networked video recorders (NVRs) and multiplexers.

**LCD Display** - Techwell's LCD display products integrate important functions required to display analog TV broadcast, popular analog video, high definition video and PC graphics signals on a LCD display. These key functions include a video decoder, deinterlacer and scaler. In addition, the newer generation LCD display products integrate a timing controller to interface directly with certain types of LCD displays and image enhancement functionality to improve overall video quality. Our LCD display products are sold to customers for digital video applications, including LCD TVs and in-car displays.