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**Digital Media Extender Products Emerge at CES 2007 Using Media Processor Technology from Sigma**

*CES 2007 demonstrates a widening range of digital media technologies*

LAS VEGAS, Nevada. – January 8, 2007 – Sigma Designs (Nasdaq:SIGM), a leader in digital media processing for consumer electronics, announced that the wide range of digital media extender products being shown at this week's Consumer Electronics Show (CES 2007) are powered by Sigma's award winning media processors. Demonstrating continued leadership, Sigma's SMP8620 series of media processors are powering the majority of today's new and existing digital media extender products being showcased at this year's CES.

Consumers are beginning to embrace various digital media extender technologies, enabling them to access their video or audio content from anywhere. With the PC becoming the media center for home entertainment, consumers have more flexibility in storing and collecting a myriad of content. As a result, digital media extender products allow consumers to remotely access all the digital music, photos and video stored on their PC through any TV in the home, and in some cases to remote systems.

**Digital Media Extenders Products Across the CES 2007 Show Floor Powered by Sigma**

Sigma media processors are designed to address remote access needs, decoding major digital media formats and facilitating control of an embedded networking device. Consumer products that are powered by Sigma media processors, several of which were on display at CES, include the following:

- **Dlink's Media Lounge** series of digital media receivers including model DSM-320 for standard definition video and model DSM-520 for high definition video.
- **Netgear's Digital Entertainer** model EVA700, a digital multimedia receiver for standard definition video.

- **Sony's VGP-MR100 network media receiver**, which enables consumers to send files from a Sony VAIO to the TV or stereo, via home network.
- **Sony's LocationFree TV**, which represents a portable television concept that uses Wi-Fi wireless technology to receive video content and access the Internet from a base station hooked up to a broadband connection. The LocationFree TV receiver unit, which handles the video and audio decoding is based on Sigma's EM8622 media processor. Using the LocationFree receiver, televisions can access the base stations remotely over a wired or wireless connection so that a traveler can reach his or her base station to watch local television shows even when far from home.

To enable easier installation and more widespread plug-n-play operation, Sigma offers chipsets and software that embrace the many new interoperability standards and technologies that are making their way into consumer products.

Facilitating development of a Microsoft Media Center Extender Platform, Sigma provides the Pika 8622L development kit, which is being used by industry participants to design media center adapters and networked digital TVs. Several products based on Sigma chips are also in development that will feature Intel's Viiv technology reference verification, ensuring operation with Intel Viiv compliant PCs. Sigma also powers a number of products that conform to the Digital Living Room Alliance (DLNA) requirements.

"Our media processors have become the de facto standard for use in the digital media adapter (DMA) market," said Ken Lowe, vice president of strategic marketing at Sigma Designs. "With the rise in demand for networked home consumer electronics, our breadth of technologies offers consumer equipment vendors a complete development platform for a whole new generation of products."

#### **About the EM8620 Series Media Processors**

Sigma's EM8620 series of media processor provides a complete system-on-chip (SOC) solution with support for all major codecs, DRM security features, and a selected set of peripherals. Its advanced decoder engines support video decoding of H.264 (MPEG-4 part 10), VC-1 (as well as Windows Media® Video 9), MPEG-2 and MPEG-4 (part 2) with support for up to HD at 1080i resolution. High-performance graphics acceleration, multi-standard audio decoding, and advanced display processing capabilities round out its multimedia core. A range of digital rights management (DRM) engines enable high-speed payload decryption. The EMP8620's 200-MIPS host CPU, unified memory controller, Ethernet 10/100 controller, and IDE controller provide for a single-chip solution for most consumer products.

**Safe Harbor Statement**

This press release may contain forward-looking statements, including statements about the projected timing and extent of customer shipments as well as the expected use of Sigma's media processor and wireless chipset products. Actual results could vary from those projected in the forward looking statements as a result of various factors, including worldwide economic conditions, changes in the customer's ability or desire to complete the rollout, consumer reaction to the new products and services being offered, the ability of Sigma to deliver sufficient quantity and quality of MPEG decoder chips, prices for the Sigma chips, alternative offerings by competitors, and the ability of the parties to work together successfully to achieve the rollout.

**About Sigma Designs, Inc.** Sigma Designs (Nasdaq: SIGM) specializes in silicon-based media processors and wireless chipsets for IPTV set-top boxes, digital media receivers, high definition DVD players, HDTV, and portable media players. The company's industry-leading media processor architectures feature high definition video, advanced codec support (H.264, VC-1, MPEG-2), and secure media processing in a complete system-on-chip (SOC) solution. Headquartered in Milpitas, Calif., the company also has sales offices in China, Europe, Hong Kong, Japan, Korea and Taiwan. For more information, please visit the company's web site at [www.sigmadesigns.com](http://www.sigmadesigns.com).