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**KOREA TELECOM TO DEPLOY DASAN SET-TOP BOXES  
POWERED BY SIGMA MEDIA PROCESSORS**

*Sigma Designs' chip also makes DASAN's set-top boxes ready for IPTV*

Milpitas, Calif. – April 10, 2007 – Sigma Designs (Nasdaq:SIGM) – Sigma Designs (Nasdaq: SIGM), a leader in digital media processing for consumer electronics, and DASAN Networks, Korea's leading supplier of broadband access equipment, announced that Korea Telecom (KT) has selected DASAN Networks for deployment of fiber-to-the-home (FTTH) equipment for their Megapass TV service. Under the contract, customers that sign up for KT's flagship Megapass TV service will be offered a DASAN Network IPTV set-top box that is powered by Sigma Designs' market leading SMP8634 media processor.

"Korea is committed to high-volume deployment of FTTH technology and we are pleased to win this contract with Sigma Designs as they are the only silicon supplier with experience in deploying IPTV set-top boxes in the millions of units," said Min Woo Nam, CEO, DASAN. "Our partnership will enable us to meet our goal of delivering cost-effective, reliable, and high performance FTTH network equipment supporting triple-play services of video, voice, and data."

### **Korea Telecom's New Megapass TV Advanced Video Services**

Megapass is the flagship high-speed broadband service of KT, currently providing broadband rates up to 50 mbps, the highest speed among all broadband services in Korea. For their new Megapass TV offering, KT intends to use fiber-to-the-home (FTTH), a fiber-optics deployment that is carried all the way to the customer's home. FTTH is a more upgraded version than the existing copper-line-based ADSL service, ensuring a safer connection and serving as a bridge to the next generation telecom broadcasting convergence services, such as internet protocol television (IPTV).

The new Megapass TV will feature a multitude of services, including live television, pay-per view, high definition content, video-on-demand, and a host of interactive services. Video-on-demand is expected to be one of the most compelling aspects of the service and will offer more than 2,500 titles for consumer selection. KT expects to begin volume deployments of Megapass TV in July of this year.

### **About Korea Telecom**

Korea Telecom (KT) is the leading telecommunication operator in Korea offering a broad range of telephony, data and Internet services, with countrywide coverage and over 20 million subscribers. Based on the number of current broadband subscribers and anticipated take-up rates, KT expects to achieve substantial volume deployments of Megapass TV within the first year of launching the service.

### **About DASAN's Powerful New Set-Top Box**

DASAN's Gbps EPON solution and associated IPTV set-top box is capable of delivering premium-grade triple-play services—voice, data and video—to Korea's growing FTTH subscriber base. Powered by Sigma's SMP8634 media processor, the solution supports a wide range of video services, including broadband IPTV, broadcast ATSC reception, and personal video recording. An internal hard disc drive enables the download and play option for personal video recording. The set-top box also includes a port of ACAP middleware to support data broadcasting reception of the ATSC digital TV standard.

DASAN's new solution utilizes a passive optical network (PON), which delivers gigabit-per second bandwidth to the consumer using high-bandwidth optical fiber instead of copper wiring. This bandwidth enables the low-cost delivery of bandwidth-intensive services such as video services, 10-40Mbps and greater data access and integrated VoIP telephone services.

**About DASAN Networks, Inc.**

DASAN Networks is the largest networks equipment manufacturer in Korea. Siemens has acquired DASAN Networks May 2004 in order to supply network applications into the global market and now there are about 500 employees including 250 engineers. DASAN Networks offers Networking Solutions and TPS Solutions which is flexible to respond to rapidly changing market conditions and diverse customer requirement. To be the leading network innovator,

DASAN Networks will continue to explore and utilize our full potential and core capabilities. Please visit the company's web site at [www.dasannetworks.com](http://www.dasannetworks.com).

**About Sigma's SMP8634 Media Processor**

Sigma's SMP8634 media processor integrates a complete complement of next-generation capabilities for a single-chip system-on-chip (SOC) solution with powerful multimedia processing, robust content security system, and a full complement of peripherals. Its advanced decoder engines support video decoding of H.264 (MPEG-4 part 10), VC-1, Windows Media® Video 9, and MPEG-2 with multiple streams, up to the equivalent of two high definition video streams. High-performance graphics acceleration, multi-standard audio decoding, advanced display processing capabilities, and HDMI/HDCP output round out its multimedia core. Powerful content security is ensured through a dedicated secure processor, flash memory, and a range of digital rights management (DRM) engines for high-speed payload decryption. The SMP8634's 300-Mhz host CPU, 3.2 GB/second unified memory controller, Ethernet 10/100 controller, USB 2.0 controller, and IDE controller provide for a single-chip solution for most set-top boxes and consumer players.

**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).

**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.

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