

Investor Relations Contacts:

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Sigma Designs, Inc. Announces Proposed Public Offering of Common Stock

Milpitas, Calif. – August 10, 2007 – Sigma Designs, Inc. (NASDAQ:SIGM) announced today that it has filed with the Securities and Exchange Commission a registration statement relating to a proposed sale of 4,000,000 shares of its common stock in a firmly underwritten public offering, of which 3,800,000 shares are being offered by the company and 200,000 shares are being offered by a selling shareholder. The company intends to grant the underwriters an option to purchase up to 600,000 additional shares of common stock to cover over-allotments.

Deutsche Bank Securities and UBS Investment Bank are acting as the joint book-running managers of the offering. UBS Investment Bank will act as stabilization agent. Robert W. Baird & Co., A.G. Edwards, RBC Capital Markets and are acting as co-managers.

The company expects to use the net proceeds from this offering for general corporate purposes, including undetermined amounts related to working capital and capital expenditures. The company may also use a portion of the net proceeds to acquire or invest in complementary technologies, businesses or other assets.

A registration statement relating to these securities has been filed with the Securities and Exchange Commission but has not yet become effective. These securities may not be sold nor may offers to buy be accepted prior to the time the registration statement becomes effective. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any state in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities law of any such state.

The offering will be made only by means of a prospectus. When available, copies of the preliminary prospectus relating to the offering may be obtained from:

UBS Securities LLC
Attention: Prospectus Department
299 Park Avenue, 8th Floor
New York, New York 10171
Telephone number: (888) 827-7275