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Sigma Designs Announces CoAir, the World's First Ultrawideband chipset with integrated Wireless, Coax and Gigabit Ethernet for High Speed Whole Home Networking

Company's Innovative UWB System-on-a-Chip offers Triple Communications Power for HD Multimedia Streaming and Home Data Networking

MILPITAS and SANTA CLARA, Calif. – June 24, 2008 – Sigma Designs (NASDAQ: SIGM), a leader in digital media processing and wireless system-on-chip (SoC) solutions for consumer electronics today announces CoAir™, the industry's first Ultrawideband (UWB) and WiMedia™ standard-based chipset with combined wireless, coax and Ethernet capabilities. The company is launching its new CoAir solution and presenting on a panel titled "Wireless Networking: Fun without Cords" at the CONNECTIONS conference, June 24-26, in Santa Clara, California. Demonstrations of the CoAir solution are available in the Santa Clara Conference Center, Meeting Room #212.

Developed for worldwide service providers, telcos and consumer electronics manufacturers, Sigma's CoAir chipset is the only technology available in the world today that can simultaneously deliver multiple independent streams of video and data over coax cable, Ethernet cable and wirelessly without compromising quality of service and throughput. It is a high performance "wireless" and "no new wires" solution that can stream abundant content wirelessly and over existing coax and Ethernet wires for additional whole home coverage, up to 330 ft.

Based on the WiMedia standard, the CoAir chipset can achieve data rates up to 480 Mbps with UWB wireless for in-room video streaming. At the same time, CoAir has the capability to transfer data/video using UWB-over-coax with data rates also up to 480 Mbps for room-to-room communications. And finally, Gigabit Ethernet can also be operated simultaneously to support Ethernet-enabled devices.

"Our CoAir chipset is a breakthrough; the next generation technology developed for the needs of worldwide service providers, telcos and consumer electronics manufacturers that are looking to make home networking and wireless connectivity easy to achieve and affordable to their customers," said Hung Nguyen, general manager and VP, Sigma Designs Wireless Products Division. "In addition, CoAir is the industry's first truly versatile solution with triple communications power packed inside a chipset that supports high bandwidth, speed and Quality of Service needed for new services like Internet Protocol Television (IPTV) and Video-on-demand (VOD), all at the lowest cost of deployment possible."

Sigma's CoAir is an all CMOS solution that is comprised of an RF radio chip (Sigma's B7CW101) and a baseband chip (Sigma's B7CC401). The RF radio chip supports 3 antennas for a robust and reliable wireless link. The baseband integrates the OFDM PHY baseband, MAC – both based on the WiMedia Alliance standard – and a high performance 32-bit RISC processor. The chipset supports input/output ports for antennas, coaxial cable and Ethernet cable (CAT5). The chipset is also powered by the Transparent, Ubiquitous and Synchronous Cables & Air Network™ (TUSCAN), a patent-pending technology developed by Sigma Designs.

WiMedia Comments

According to Stephen Wood, President of the WiMedia Alliance, "WiMedia explicitly architected the UWB radio to be a common radio platform. The purpose of this architecture was to enable other organizations to use a standard UWB radio along with higher layer software to produce new functionality. The use of a wireless radio design in a wired application such as Sigma's is an excellent example of WiMedia's original

vision. While the radio was not originally designed for this task, it was architected to be flexible enough to enable other companies to bring their expertise to solve problems which were beyond the limits of our initial expectations."

Industry Analyst Comments

"Service providers are moving toward networking their set-top boxes together, and in addition to wireless solutions, they have also been looking for existing-wire networking solutions for WAN access and in-home LAN nodes in order to keep costs down and make home networking a reality for their customers," said Brian O'Rourke, Principal Analyst, In-Stat. "Sigma offers a potentially powerful solution that combines in-room wireless connectivity along with whole-home networking coverage via the coax cable that is in the vast majority of US households."

According to In-Stat, approximately 90% of all US homes have at least one coax cable outlet (not including those used solely for a roof antenna), while almost 99% have one or more telephone wall jack, and 37% have at least one Ethernet cable outlet. As a result, the number of North American households with in-home provider network nodes over coax or phone wiring will climb dramatically from 2007–2009.

Further according to In-Stat, the cost of deployment is the primary driver behind the use of existing residential wiring. Although, providers realize that the condition of, age of, and the way coax and phone wiring has been installed in some residences may still necessitate installation of some wiring runs. This means that additional costs may still be incurred for deployment schemes that use alternative-wire (existing-wire) networking, but significantly lower than running Ethernet (alone).

More about Sigma's CoAir

Unlike a wireless-only (802.11), coax-only or CAT5 (Ethernet)-only solution, Sigma's TUSCAN technology ultimately enables a high speed, versatile broadband connection that allows any home appliance or consumer electronics device with CoAir embedded

inside to be plugged into a home network either wirelessly (over the air), or via existing coaxial, or CAT5 cables.

Sigma's CoAir UWB chip also supports on-chip Gigabit Ethernet for seamless high speed data transport which enables service providers to bridge from a consumer electronics, or home theater network, to a home's PC-centric data network. In addition, the CoAir technology can simply co-exist with other delivery and connectivity technologies including traditional CableTV, cellular, PCS, AWS, Direct Broadcast Satellite (DBS), as well as WLAN, WiMax and Multimedia over Coax Alliance (MoCA) solutions.

CoAir is Sigma's latest wireless solution in addition to the company's Windeo® wireless chipset that is embedded in consumer electronics for HD A/V cable replacement and wireless audio systems. The CoAir chipset adds another powerful product to Sigma's UWB portfolio for the home networking market. Limited product samples are available for evaluation per request.

About Sigma Designs, Inc.
Sigma Designs is a leading fabless semiconductor provider of highly integrated system-on-chip (SoC) solutions that are used to deliver multimedia entertainment throughout the home. Sigma's SoC solutions include media processing, wireless communications, and video image processing along with system software to form the critical components of consumer electronic products that include Internet protocol TV (IPTV) set-top boxes, Blu-ray players, high definition televisions (HDTV), and media communication devices. Headquartered in Milpitas, Calif., Sigma Designs has direct sales representatives in the United States, Europe (Belgium), China, Japan, Taiwan and a third-party distributor in Korea. For more information, please visit Sigma Designs' web site at 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.