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**FIRST LOW-COST MICROSOFT MEDIAROOM™ COMPATIBLE SET TOP BOX PLATFORM UNVEILED BY SIGMA DESIGNS**

**Innovative Set Top Box Platform Designed To Expand Mediaroom Market**

**MILPITAS, California** - July 21, 2010 -Sigma Designs (Nasdaq: [SIGM](#)), a leading provider of system-on-chip (SoC) solutions used to deliver entertainment and control throughout the home, today announced availability of the first low-cost Microsoft Mediaroom™ compatible set top box platform based on Sigma's [SMP8652](#) media processor SoC (system-on-chip). SMP8652-based set top box designs have completed integration with Mediaroom client software and are anticipated to begin deployment with leading carriers in the second half of 2010.

Microsoft's Mediaroom platform has achieved unparalleled success in establishing the premier solution for IPTV deployments of all sizes. Mediaroom is the world's most deployed IPTV platform, with a global customer base delivering services to more than five million subscriber households. Mediaroom is also enjoying increased deployments in new geographies and segments where the business model demands very low-cost set top boxes along with the high performance required to deliver an increasing set of features and improved user experience.

"A key part of our Mediaroom marketing strategy is to continually drive down costs in our ecosystem while ensuring delivery of the full-featured, high quality viewing experience that consumers demand," said Steve Koepp, senior manager, business development of Microsoft's Media Platform Business. "As a key ecosystem partner, Sigma Designs is helping to advance this goal, enabling ever more cost-efficient set top box designs to help further accelerate the availability and reach of world-class TV services powered by Mediaroom."

To meet these emerging demands, Sigma Designs established a new low-cost IPTV platform using the second-generation SMP8652 media processor. The SMP8652's efficient architecture offers substantial savings for new set top box designs while providing all the performance required to deliver high-quality Mediaroom user experiences. Multiple Mediaroom OEMs are currently designing new set top boxes based around the SMP8652 for low-cost applications such as additional rooms in the home.

Additionally, OEMs are also moving ahead with implementations of the SMP8654, another Mediaroom platform from Sigma offering even higher performance within the same family of devices. The first to market will be Tatum, with its recently approved SMP8652-based set top boxes.

"With Sigma's new 8652 platform, we can take advantage of the growing market opportunity for delivering high-performance, low-priced set top box solutions," said Luke Dang, at Tatum

Technology. “That’s why we continue working with Sigma – for the new generation platform and to provide innovative, low-power consumption, and high-performance solutions to accelerate Mediaroom market growth with Tatung set top boxes.”

“We believe that Mediaroom is a substantial force in the IPTV market and represents a large opportunity for Sigma Designs,” said Ken Lowe, vice president of strategic marketing, Sigma Designs. “Leveraging our deep experience from delivering the first Mediaroom platforms, Sigma aims to grow market share with this high performance, low-cost SMP8652 platform.”

#### **About Sigma’s SMP8652 System-on-a-Chip Solution**

Sigma’s SMP8652 media processor is a single-chip system-on-chip (SoC) solution that integrates next-generation capabilities such as a multi-core architecture, powerful multimedia processing, robust content security system, and a full complement of peripherals. The SMP8652 features a powerful 500-Mhz MIPS host CPU, a second processor called the IPU for offloading burdensome real-time tasks, and a third processor dedicated to managing security functions. Its advanced decoder engines support high definition video decoding of H.264 (MPEG-4 part 10), Windows Media® Video 9, VC-1, MPEG-2 and MPEG-4 (part 2), the new AVS standard, and can support up to 16 independent streams on screen in different formats. High-performance graphics acceleration, multi-standard audio decoding, and advanced display processing capabilities round out its multimedia core. Powerful content security is ensured through a dedicated secure processor, on-chip flash memory, and a range of digital rights management (DRM) engines for high-speed payload decryption. Additional functions include 32-bit DDR-2 memory controller, dual Gigabit Ethernet controller, dual USB 2.0 controller, NAND flash controller, and SATA controller enable a single-chip solution for most set top boxes.

#### **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 entertainment and control throughout the home. SoC solutions include media processing, wired and wireless networking, video image processing, and home control along with system software to form the critical components of consumer electronic products that include Internet protocol TV (IPTV) set top boxes, gateways, Blu-ray players, and media communication devices. Headquartered in Milpitas, Calif., Sigma Designs has direct sales representatives in the United States, Brazil, China, Europe (Denmark), Israel, Japan, Singapore, Taiwan and distributors in Korea, Russia and India. For more information, please visit Sigma Designs’ web site at [www.sigmadesigns.com](http://www.sigmadesigns.com).

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#### **Safe Harbor Statement**

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, including statements about the anticipated features and benefits of Sigma’s SMP8652, growing demand from consumers for new ways to watch TV, projected timing and extent of customer shipments as well as the expected use of Sigma’s media processor. Actual results could vary materially from those projected in the forward-looking statements as a result of various factors, including, but not limited to, worldwide economic conditions, the rate of growth of the IPTV market, changes in the customer’s ability or desire to incorporate Sigma’s SoCs into its product, consumer reaction to the new products and services being offered, the ability of Sigma to deliver sufficient quantity and quality of its SoCs, alternative offerings by competitors, and the ability of the parties to work together successfully to achieve the rollout of this new product. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. Neither Sigma, nor Microsoft, nor any of their OEM customers undertakes an obligation to publicly release or otherwise disclose the result of any revision to these forward-

looking statements that may be made as a result of events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

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