Sigma Designs Unveils Industry's First G.hn Chipset

Chipset Based on Next-Gen Industry Standard to Transform the Home Entertainment Networking Market with New Level of Performance and Ease-of-Installation

MILPITAS, California — October 25, 2010 — Sigma Designs (NASDAQ: **SIGM**), a leading provider of System-on-Chip (SoC) solutions for delivering entertainment and control throughout the home, today announced the CG5110, the industry's first G.hn chipset for home entertainment networking. As the International Telecommunication Union's (ITU) next-generation standard for wired home entertainment networks over any wire, G.hn represents an enormous step forward for consumer electronics OEMs, PC manufacturers and broadband service providers in terms of performance and ease-of-deployment. With this announcement, Sigma's CG5110 G.hn chipset paves the way for an entirely new class of home entertainment networking products and services. With this new Sigma chipset, a solution can now be designed to handle the immense bandwidth required by media-rich applications and high-definition content over any wire, anywhere in the world today and many years ahead.

By using all three wires in the home (coax, phone lines and power lines), Sigma's G.hn chipset will enable home networks that can run up to 3Gbps. This high-performance solution can deliver up to 60 times the throughput of existing wireless technologies and more than nine times the performance of existing wire solutions. With this level of performance, Sigma will enable service providers to easily and affordably deliver any service they are looking to implement in the coming decade, including high-definition multimedia entertainment, triple-play services, IPTV, telepresence, telemedicine, home monitoring and 3DTV. Sigma's CG5110 also supports backward compatibility with today's mass deployments of HomePNA® and HomePlug® AV. With an estimated 80 percent of all IPTV deployments in the world based on these standards, Sigma's G.hn solution allows the smoothest and most seamless migration to G.hn for service providers around the world.

"Sigma has taken the baseline G.hn spec and developed a product that offers backwards compatibility with the HomePNA and HomePlug standards, and adds MIMO technology to improve performance. The prospect of a universal dongle that enables communication over any existing wire within the home will give cable installers the most flexibility when doing an installation – but the prospect of curbside installation with an installation kit mailed to the home is the most exciting opportunity for video operators worldwide," said Sam Rosen, senior analyst, Digital Home Practice for ABI Research.

Sigma's G.hn technology delivers additional benefits:

- Creates the fastest home network ever possible – up to 3Gbps by simultaneously using all three wires inside the home, each media carries up to 1Gbps
- Every outlet in the house can now talk to every other outlet in the house using the same IP protocol, creating a single mesh network. This will make the connected home a reality
- Sigma's chipset is the first to include the next-generation MIMO (multiple input, multiple output) technology over powerline through the addition of ClearPath Extreme™. ClearPath Extreme employs MIMO features to bring significantly better performance over any other powerline technology available today
- Enables an easy migration from legacy wireline technologies

- Lowers the cost to manage home networks by providing the most advanced diagnostics and management features delivered in a home networking solutions
- Maintains a competitive price by using a 40 nanometer geometry

"I am delighted to see the G.hn standard is becoming a reality and companies in the industry are starting to build solutions based around the G.9960 and G.9961 G.hn standard," said Tom Starr, ITU-T Working Party 1/15 Chairman.

"Sigma's new G.hn chipset delivers all the promise of G.hn: breakthrough performance in every way and yet helps service providers radically decrease their costs to install and operate home networks," said Gabi Hilevitz, vice president and general manager of Sigma Designs' Home Connectivity Group. "Until today, there was no universal solution for wired home entertainment networking. For each market, you had to develop a proprietary solution. Now, a single standards-based solution can cover the entire world and provide a highly reliable and easy way to move rich content inside the home."

Key Features of the CG5110:

- Compliant with ITU-T G.hn Recommendation (G.9960/1) over all existing wires: powerline, coax and phoneline
- Compliant with ITU-T G.9954 Recommendation (HomePNA 3.1)
- Compliant with HomePlug AV Version 1.1/IEEE P1901
- Compliant with ITU-T G.cx Recommendation (G.9972) over powerline
- PHY rate up to 1Gbps
- Plug & Play solution – auto configuration; self-install over all three media
- G.hn over power line employs ClearPath Extreme technology - enables usage of power line as a MIMO channel, thus extending coverage, improving the network's immunity to noise and delivering a higher throughput
- Supports both G.hn master and G.hn endpoint applications
- Enables auto detection of supported technologies (G.hn, HomePNA and HomePlug AV) and their corresponding media (power line, coaxial cable, and phoneline)
- Supports simultaneous connection to multiple media to allow auto selection and ensure connectivity
- Supports enhanced algorithms for dynamic topology detection and routing
- Multi-hop relaying/repeater capability among G.hn-based products on every wire
- Supports coordination and coexistence with neighboring networks
- Intelligent Rate Adaptive algorithm to ensure optimal rate on any channel in noisy environments
- Coexists with VDSL2/bonded VDSL2/VDSL/ADSL2+/ADSL2/ ADSL, ISDN, POTs, terrestrial and satellite TV

CG5110 samples will be available to customers in Q1 2011.

Tags/Keywords: Sigma Designs, SIGM, IPTV, G.hn, MIMO, ClearPath Extreme, wired home networking, HomePNA, HomePlug AV, ITU

About Sigma Designs, Inc.
Sigma Designs is a leading fabless provider of highly integrated SoC solutions that are used to deliver multimedia entertainment throughout the home. Sigma's SoC solutions include media processors, home control and communication devices which combine semiconductors and software as critical components of high-growth consumer applications including IPTV-based set-top boxes, gateways, Blu-ray players, HDTVs, entertainment connectivity devices, and RF-based home control devices.

Headquartered in Milpitas, Calif., Sigma Designs also has design centers or sales representatives in Canada, China, Denmark, France, Israel, Japan, Korea (third party), Singapore, and Taiwan. For more information, please visit Sigma Designs' web site at www.sigmadesigns.com.

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 products and solutions. Actual results may vary materially due to a number of factors including, but not limited to, general economic conditions, including continuance of the current economic conditions specific to the semiconductor industry, G.hn, and the rate of growth of the IPTV markets in general, the ramp in demand from Sigma's set-top box and telecommunication customers, Sigma's ability to deploy and achieve market acceptance for Sigma's products in these markets, the ability of its SoCs to compete with other technologies or products in these emerging markets as well as other risks that are detailed from time to time in Sigma's SEC reports, including our quarterly report on Form 10-Q as filed September 8, 2010. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. Sigma undertakes no 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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