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**SIGMA NAMES DAVID LYNCH AS SENIOR VICE PRESIDENT OF
SALES AND MARKETING**

Milpitas, Calif. – September 10, 2008 – Sigma Designs (NASDAQ: SIGM), a leader in digital media processing system-on-chip (SoC) solutions for consumer electronics, today announced the appointment of David Lynch as its Senior Vice President of a newly combined sales and marketing department. Mr. Lynch was previously the general manager of Sigma’s VXP Division and will continue to report directly to Think Tran, Sigma’s Chairman and CEO. As Senior Vice President of Sales and Marketing, Mr. Lynch will be responsible for the company’s demand generation, including forecasting, distribution, account management, product management, product marketing, and promotional programs.

“We are pleased to promote David to Senior Vice President of Sales and Marketing,” said Think Tran, Chairman and CEO of Sigma Designs. “David is a seasoned executive with all the requisite management experience to drive our business while unifying our sales and marketing organizations into one team. After working with David for six months, I am confident that his expertise, integrity and personal style will be the right fit for our company and will add great value as we move ahead with our corporate growth.”

Mr. Lynch has more than 27 years of professional experience in the semiconductor industry with a record of extraordinary results. From June of 2000 to February of 2008, Mr. Lynch served as the Senior Vice President and General Manager of the Video Products Division of Gennum Corporation, a developer of mixed signal and video processing products for the consumer and professional markets. During his tenure, Mr. Lynch played a fundamental role in re-shaping their semiconductor business and achieving profitable new growth. As Senior Vice President and General Manager, his responsibilities included full profit and loss responsibility for the Video

Products division, including management of sales, marketing, product development and supply channels.

From 1994 to 2000, Mr. Lynch served as the Vice President of Research and Development for Gennum. From 1978 to 1994, Mr. Lynch worked for Bell Northern Research as the Director of Semiconductor Subsystems Design, Senior Manager of IC Development, and additional engineering positions. Mr. Lynch holds a Bachelor of Engineering Science degree from the University of Toronto.

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 regarding the future contributions of David Lynch to our corporate growth. 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, the rate of growth of the IPTV, high definition DVD and HDTV markets in general, the ramp in demand from our set-top box and telecommunication customers, our ability to deploy and achieve market acceptance for Sigma products in these markets, the ability of our 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 our SEC reports, including our quarterly report on Form 10-Q as filed June 12, 2008. 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.

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.