

**Contacts:**

Ken Lowe  
Sigma Designs, Inc.  
408-957-9850  
kal@sdesigns.com

**Sigma Designs Raises \$ 10.65 Million Through Private Placement**

MILPITAS, Calif.—June 26, 2003—Sigma Designs (Nasdaq: SIGM), a leader in digital media processing for consumer appliances, today closed the sale of 1.3 million shares of common stock to a single institutional investor for gross proceeds of approximately \$ 10.65 million. The private placement was based solely on common stock with no warrants issued. The company intends to use the net proceeds of this financing for working capital.

**About Sigma Designs, Inc.**

Sigma Designs specializes in silicon-based MPEG decoding for streaming video, progressive DVD playback and advanced digital set-top boxes. The company's award-winning REALmagic® Video Streaming Technology is used in both commercial and consumer applications providing highly integrated solutions for high-quality decoding of MPEG-1, MPEG-2 and MPEG-4. Headquartered in Milpitas, Calif., the company also has sales offices in China, Europe, Hong Kong, Japan, Korea and Taiwan. For more information, please visit the company's web site at [www.sigmadesigns.com](http://www.sigmadesigns.com).

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