

CYPRESS OFFERS EZ-USB™ PRODUCTS THROUGH DISTRIBUTION NETWORK

New Products Give Cypress the Industry's Broadest USB Line

SAN JOSE, California...October 13, 1999 -- Cypress Semiconductor Corporation (NYSE:CY) today announced that the EZ-USB™ products from recently acquired Anchor Chips Inc. are now available from Cypress's network of distribution partners, including Arrow Electronics, Future Electronics, Marshall Industries, Unique Technologies, and Bell Microproducts.

Cypress now offers the broadest line of USB peripheral controllers on the market. EZ-USB devices are aimed at full-speed applications, including printers, scanners, xDSL modems, and digital cameras. They complement and extend Cypress's complete line of silicon and tools for low-speed devices (mice, trackballs, joysticks, and keyboards) and hubs. Cypress also recently announced that it has licensed USB products and technology from Intel.

"We developed an exceptional product at Anchor Chips, but lacked the sales channels to reach a broad range of customers" said Pete Fowler, director of marketing for Cypress's Interface Products Division. "The Cypress distribution network is one of the strongest in the industry, and we look forward to engaging with a wider customer base."

"EZ-USB products are a great fit with the distribution model," said Rich Parker, vice president of distribution for Cypress. "There is broad demand for USB controllers throughout a wide variety of systems and accounts. Our distributor partners are well positioned to satisfy this demand."

Cypress is the market leader in USB, having shipped more than 20 million units. According to market researcher Cahners In-Stat (Scottsdale, Ariz.), Cypress has shipped more than half of all USB peripheral controllers. The majority of Cypress units have been used in low-speed, so-called "human-input devices" (HIDs) such as mice and keyboards. As USB has steadily become more ubiquitous, more peripherals, including higher-speed systems such as printers, scanners, phones, and faxes, are being connected to PCs through USB. The addition of the EZ-USB line gives Cypress powerful, flexible solutions to service these high-performance systems.

EZ-USB products cover a wide range of packages, memory sizes, memory types, and I/O configurations. All of these parts are software-compatible and they are pin-compatible within a package type. The EZ-USB "soft-hardware" products offer the performance of hardware and the flexibility of software by using an innovative SRAM-based architecture in conjunction with a high-performance version of the industry-standard 8051 microcontroller. The end benefit of this flexible architecture is that designers can implement multiple products based upon one hardware platform and make last minute corrections in their manufacturing lines through firmware. Once the product reaches the end customer, field upgrades can be made by downloading new code over the Internet. The net result is fewer iterations in development cycles, faster time to market, reduced risks, and lower cost.

With an estimated five USB connections per PC, times approximately 100 million PCs shipped per year, the PC peripheral segment of the USB market is growing rapidly. The technology also has penetrated applications such as wireless phones, and may eventually extend to the transmission of full-motion video.

Cypress Semiconductor Corporation, with international headquarters in San Jose, California, provides a broad range of products for leading data communications, telecommunications, computation, consumer, and industrial-control companies worldwide. Cypress's product line includes data communications products; static RAM and specialty memories; programmable logic devices (PLDs); timing devices (clock chips), and microcontrollers for Universal Serial Bus (USB), the new, plug-and-play interface standard connecting PCs and peripherals.

More than two-thirds of Cypress's sales are into fast-growing datacom/telecom markets and dynamic companies such as Lucent, Cisco, 3Com, Alcatel, Motorola, Ericsson, and Northern Telecom. Cypress is No. 1 in the USB and clock chip markets.

Cypress's shares are listed on the New York Stock Exchange under the symbol CY. The company's worldwide web site is www.cypress.com.

"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995: Statements herein that are not historical facts are "forward-looking statements" involving risks and uncertainties. Please refer to Cypress's Securities and Exchange Commission filings for a discussion of such risks.