

SILICON LIGHT MACHINES RECEIVES \$10.3 MILLION IN FINANCING

Also Announces Strategic Supplier Agreement with Cypress Semiconductor, Additions to Board of Directors

San Jose, Calif., September 23, 1999 -- Cypress Semiconductor Corporation (NYSE:CY) today announced that it and individual investors invested \$10.3 million in Silicon Light Machines, developer of a new silicon chip-based display architecture targeted at high-performance imaging applications which include HDTV (High Definition Television) and Electronic Cinema.

The company also announced that Cypress Semiconductor is a strategic supplier of wafer processing technology for Silicon Light Machines' Grating Light Valve™ (GLV™) technology and custom driver chips. T.J. Rodgers, a well-known Silicon Valley entrepreneur, founder, president and CEO of Cypress Semiconductor Corporation and vice chair of the Semiconductor Industry Association (SIA), has also joined Silicon Light Machines' Board of Directors.

"This significant level of additional financing enables Silicon Light Machines to accelerate our transition into product commercialization," said Dave Corbin, CEO of Silicon Light Machines. "We are more excited than we've ever been about the GLV technology's capability to set new standards for high-performance imaging, and are pleased that others share our enthusiasm."

Strategic Partnership with Cypress Semiconductor

Silicon Light Machines has finalized a Strategic Supplier Agreement with Cypress Semiconductor Corporation, a global supplier of high-performance integrated circuits for the data communications, networking, telecommunications, and personal computer markets. This agreement firms up a working relationship that the companies have established over the past year. Cypress will provide foundry services for Silicon Light Machines' patented GLV technology and custom drivers.

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"The Silicon Light Machines projection display demonstration is breathtaking, better than my 2100 line home theater or any commercial motion picture theater," said Rodgers, president of Cypress. "Digital motion pictures are about to happen, and Silicon Light Machines' GLV devices will be handling the pixels."

"We are pleased to team up with Cypress Semiconductor as a strategic wafer supplier for our products," said Corbin. "Cypress' world-class manufacturing capabilities and impeccable quality will enable us to support volume production in the newly emerging HDTV and Electronic Cinema markets."

Key Cinema and Television Experts Join Board

In addition to Cypress' Rodgers, two key visionaries of the theatrical exhibition and television industries have joined Silicon Light Machines' Board of Directors. Alan Silverman, a partner in Essaness Theaters Corp, has been involved in broadcasting and theatrical exhibition for over 30 years. He is a past executive director of the National Association of Theater Owners (NATO), and is currently a director for a number of high-tech and media companies, including Teletech Holdings, Inc., Bodega Latina, Keystone Biomedical, Inc., LRN-The Knowledge Management Company, PeopleScape, Inc., EVI, and VIDEO 44.

Also joining the Board of Directors is Warren P. Williamson, III, a pioneer in HDTV broadcasting who has been actively involved in several committees and boards serving to develop a U.S. technical standard for high definition television broadcasting. He has served as chairman of the Advanced Television Test Center in Alexandria, Virginia and chairman of the Association Maximum Service Television.

"We welcome the addition of Mr. Silverman and Mr. Williamson to our board," said Corbin. "Their expertise in theatrical exhibition, HDTV, and media networks will provide key direction as we look to establish the GLV technology as the technology of choice for electronic cinema and HDTV."

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About Silicon Light Machines and its GLV Technology

Silicon Light Machines has developed a new chip-based display architecture expected to provide a boost to the high-definition television market, spawn a digital revolution in movie projection, and launch the next generation of high-performance desktop displays.

Especially promising is its small, linear display device based on its Grating Light Valve technology, which was first patented at Stanford University. Each pixel in the linear array is capable of reproducing precise grayscale values at the rate of millions of times per second-thousands of times faster than any other light modulator technology. This fundamental GLV performance is at the heart of Silicon Light Machines' scanned linear GLV array architecture, which can cost-effectively create very high-resolution images. This promising new architecture has been successfully demonstrated in a front-projection display system prototype, and is being applied to certain high-performance print applications.

Silicon Light Machines is a privately held company backed by the Mayfield Fund, Institutional Venture Partners, Evans & Sutherland Computer Corporation, Cypress Semiconductor, Andy Bechtolsheim, and other individual investors. The company is located at 385 Moffett Park Drive, Suite 115, Sunnyvale, CA 94089-1208; Telephone 408-541-1990; Fax 408-541-1244. For more information about Silicon Light Machines, the GLV technology and the Scanned Linear GLV Architecture, the company's URL is www.siliconlight.com.

About Cypress Semiconductor

Cypress Semiconductor Corporation provides a broad range of products for leading computer, networking, and telecommunications companies worldwide. Cypress's product line includes static RAM and specialty memories; programmable logic devices (PLDs); data communications products; timing devices, and Universal Serial Bus (USB) microcontrollers. Its shares are listed on the New York Stock Exchange under the symbol CY. The company's worldwide web site is <http://www.cypress.com>.

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