

PRESS RELEASE

CYPRESS INCREASES SHARE BUYBACK

Repurchase of 10 Million of Cypress's 91.0 Million Outstanding Shares

SAN JOSE, Calif.-- Sept. 1, 1998--Cypress Semiconductor Corp. (NYSE:CY) today announced that its board of directors has approved the repurchase of 10 million of Cypress's 91.0 million outstanding shares.

This action raised the limit on the current buyback program from 4 to 14 million shares.

Cypress Semiconductor Corp. is an international supplier of high-performance integrated circuits with worldwide headquarters in San Jose. The company provides a broad range of products for leading computer, networking and telecommunications companies worldwide. The company's product line includes static RAM and specialty (FIFO and dual-port) memories; programmable logic devices (PLDs); data communications products; FCT logic, timing devices, and USB (Universal Serial Bus) microcontrollers. Cypress shares are listed on the New York Stock Exchange under the symbol CY. The company has a site on the worldwide web at <http://www.cypress.com>.

"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995

Statements in this press release regarding Cypress's business that are not historical facts are "forward-looking statements" involving risks and uncertainties, including, but not limited to, market-acceptance risks, the effect of economic conditions and shifts in supply and demand, the impact of competitive products and pricing, product development, commercialization and technological difficulties, and capacity and supply constraints.

Please refer to the MD&A (Management Discussion and Analysis of Financial Condition and Results of Operations) for a discussion of such risks in the most recent Cypress annual report

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on Form 10-K, the quarterly report on Form 10-Q and the convertible debenture offering memorandum.