

**CYPRESS ACQUIRES SONOS TECHNOLOGY
FOR EMBEDDED NON-VOLATILE MEMORY INTEGRATION**

Cost-Effective Technology to be Used in Microcontrollers, Timing Generators

SAN JOSE, Calif., September 14, 1999 -- Cypress Semiconductor Corp. (NYSE:CY) today announced that it has acquired rights and patents covering SONOS (Silicon Oxide Nitride Oxide Silicon) non-volatile memory technology. The agreement with NVX Corp. of Colorado Springs, Colorado, gives Cypress access to a cost-effective, electrically-erasable, non-volatile memory structure that can be efficiently integrated into a wide range of Cypress products, including timing generators, USB and general-purpose microcontrollers, and Neuron[®] chips that enable control networks in home, industrial, building, and transportation applications.

“The advantage of SONOS as a non-volatile memory technology for Cypress derives from the fact that it is a dense, robust single-poly technology,” said Jose Arreola, vice president of Research and Development for Cypress. “We can manufacture SONOS circuits with our standard SRAM process plus three additional masks. This compatibility gives us time-to-market that is comparable with new SRAMs, and low incremental costs.”

Cypress currently employs non-volatile EPROM and Flash technologies. Cypress is the world’s leading provider of high-speed Programmable Read-Only Memories (PROMs), and uses EPROM in its highly successful, programmable frequency timing generators. Cypress uses Flash to produce the FLASH370i[™] Complex Programmable Logic Devices (CPLDs) and small PLDs.

“While we continue to make profitable use of our existing non-volatile technology, we have dedicated our research and development efforts in other areas over the past few years,” continued Arreola. “Integrating SONOS into our highly optimized SRAM processes lets us take advantage of our existing intellectual property for non-volatile functionality. We do not plan to use SONOS for stand-alone non-volatile memory devices at this time. But as an embedded component, it fits very well with our manufacturing and design competencies.”

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Non-volatile memory stores data even after the power to a system has been turned off. Another advantage of the SONOS technology is its unique and highly effective charge-storing technique. Unlike most non-volatile memory techniques that require an additional layer of poly-silicon, the SONOS Oxide Nitride Oxide approach uses only dielectric elements, making it 100% compatible with standard CMOS technology.

The agreement with NVX gives Cypress all rights to the SONOS technology going forward, including the ability to license it to other companies. The terms of the multi-million-dollar agreement were not disclosed.

Cypress Semiconductor Corporation, headquartered in San Jose, California, provides a broad range of integrated circuits for leading computer, networking, and telecommunications companies worldwide. Cypress's products include static RAM and specialty memories, programmable logic devices (PLDs), data communications products, timing devices, and USB microcontrollers. Its shares are listed on the New York Stock Exchange under the symbol CY, and its web site is <http://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.

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FLASH370i is a trademark of Cypress Semiconductor Corp. and Neuron is a registered trademark of Echelon Corporation.