

CYPRESS, MACNICA SIGN JAPAN DISTRIBUTION AGREEMENT

SAN JOSE, California...June 22, 1999 -- Cypress Semiconductor Corporation [NYSE: CY] today announced that it will extend its fast-growing Japanese business through a partnership with Macnica Inc., one of Japan's largest distributors.

Macnica, based in Yokohama, will sell Cypress's complete line of semiconductors in Japan, including memory products, computer clocks and microcontrollers, data communications products, Universal Serial Bus microcontrollers, and programmable logic devices (PLDs).

Macnica was a distributor for IC Works, a company specializing in frequency timing generation (FTG) chips, which Cypress acquired on April 1, 1999. Macnica's highly regarded PLD Design Tools and Device Programming Support Center, extensive on-site customer training at the center, and the technical abilities of its sales force leave it well positioned to leverage Cypress's rapidly growing businesses in programmable logic devices and field-programmable clock chips.

"Macnica's significant technical capabilities make it a logical choice to help Cypress advance its broad-line expansion plans in the Japanese semiconductor market," said Dan McCranie, Cypress executive vice president, sales and marketing. "Its programming center and highly-trained sales force give us the technical capabilities, and its outstanding relationships with a broad range of customers give us the market coverage to fuel further growth in Japan."

--MORE--

Cypress Adds Japanese Distributor -- Page 2

"The addition of Cypress gives our sales force an exciting, broad line of products to offer our customers," said Macnica President Haruki Kamiyama. "We will benefit significantly from this partnership with one of the world's most influential semiconductor designers and manufacturers."

"The partnership will provide us with unique business opportunities," said Chiaki Komiya, Macnica's general manager. "We will pursue those opportunities aggressively."

Despite an extended recessionary climate that has limited growth over the last six years in the semiconductor market and the economy at large, Cypress has grown its business in Japan more than five fold during that time frame. Japan currently accounts for roughly ten percent of Cypress's sales.

With corporate offices in Yokohama, and sales branch offices in Tokyo, Osaka, Nagoya, and Utsunomiya, Macnica is one of the leading distribution and representative organizations in Japan, specializing in a broad range of electronic components and equipment, including semiconductors, multimedia products, and hardware and software products for the networking industry. The company also has sales offices in Singapore, Hong Kong, and the U.S. Founded in 1972, Macnica also provides education and consulting services.

Cypress Semiconductor Corporation, with international headquarters in San Jose, California, provides a broad range of products for leading computer, networking, and telecommunications companies worldwide. Its shares are listed on the New York Stock Exchange under the symbol CY. The company's 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.

###