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For Immediate Release

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CYPRESS ANNOUNCES BACK-END, COMPANYWIDE MANUFACTURING RECORDS
Philippine Plant Turns Out 42 Million Units, Contributing to Overall Record 129 Million Units

SAN JOSE, California...February 18, 2000 -- Cypress Semiconductor Corporation (NYSE:CY) today announced that strong demand for its new communications products, combined with improved factory performance, helped produce a company record 129 million units in the fourth quarter. A record 42 million units of that output passed through Cypress's state-of-the-art, back-end assembly and test facility in the Philippines, the company said.

Continued strong demand helped to produce a record \$207.9 million in revenue in the quarter, which ended January 3, 2000. Cypress new products also achieved record revenues for the year of \$114.7 million.

"Cypress has continued to ramp both its back-end operations and its U.S. fabs to keep pace with strong demand in the networking and telecommunications markets," said Rich Freeman, senior vice president of worldwide manufacturing. "Our capacity will continue to increase through a transition to smaller geometries, capital investment, and a commitment to manufacturing excellence."

Under Cypress's Total Productive Manufacturing initiative, the company has decreased cycle times by approximately 40%. Reduced cycle times have enabled the company to maintain good on-time delivery even as demand surges.

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About Cypress

Cypress Semiconductor provides high-performance integrated circuit solutions “By Engineers. For Engineers.TM” for fast-growing companies in fast-growing markets, including data communications, telecommunications, computation, consumer products, and industrial-control. With a focus on emerging communications applications, Cypress's product lines include networking-optimized and micropower static RAMs; high-bandwidth multi-port and FIFO memories; high-density programmable logic devices; timing technology for PCs and other digital systems; and controllers for Universal Serial Bus (USB). Cypress is No. 1 in the USB and clock chip markets.

More than two-thirds of Cypress's sales come from fast-growing datacom/telecom markets and dynamic companies such as 3Com, Alcatel, Cisco, Ericsson, Lucent, Motorola, and Nortel Networks. Cypress's ability to mix and match its broad portfolio of intellectual property enables targeted, integrated solutions for high-speed systems that feed bandwidth-hungry Internet applications. Cypress aims to become the preferred silicon supplier for Internet switching systems and for every Internet data stream to pass through at least one Cypress IC.

Cypress employs more than 3,600 people worldwide with international headquarters in San Jose, California. Its shares are listed on the New York Stock Exchange under the symbol CY. More information about Cypress is accessible electronically on the company's worldwide web site at <http://www.cypress.com> or by CD-ROM (call 1-800-858-1810). An electronic investor forum, and other investor information, is located at <http://www.cypress.com/investor/index.html>.

"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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