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For Immediate Release

Cypress E-Business Group Announces New E-Commerce Capabilities

***Links to Distribution Partners Arrow, Avnet to Handle Requests for Samples or Quantity Orders
Mark Latest Web-based Initiative to Speed Customer Design Cycles and Cut Time to Market***

SAN JOSE, California...January 5, 2001 -- Cypress Semiconductor Corporation (NYSE:CY) today announced that its website will provide e-commerce capabilities via links to the sites of two of its distribution partners, Arrow and Avnet. Using the links, accessible via the "Buy Parts" button on the Cypress home page (www.cypress.com), Cypress customers and potential customers will be able to purchase products online.

The launch of the new site is designed to speed the design process for design engineers and to reduce time to market. The new e-commerce capabilities complement the existing functionality of the Cypress site, including an Online Store with development kits and software; downloadable IP cores, programming software and other design tools; a parametric search and other search engines; database-driven technical support; and online design seminars.

"Arrow, Avnet and other distribution sites are moving rapidly to build e-commerce, advanced search and other functionality designed to accelerate the design process and foster supply chain integration," said Ralph Schmitt, Cypress vice president of sales and marketing. "Our links to these sites are geared to leverage these capabilities and to augment other capabilities on the Cypress site of value to our design-engineer customers.

"The web is a critical link in today's design environment, and Cypress has invested substantially in our site to provide our customers with the electronic data and tools they need to reduce the time it takes to make profitable, winning design decisions," Schmitt said. "The ultimate goal is to provide superior customer service, and to reduce the design engineer's time-to-design and time-to-market."

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“We are leveraging the B2C strengths of our distributor partners in order to focus more on B2B activities,” said Scott Harmel, Cypress senior director of corporate marketing, who manages the e-business group. “We are working with our customers to enable a more efficient supply chain. We will be announcing more strategic agreements in the e-business area to enhance our customers' on-line, e-commerce experience.”

About Cypress

Cypress Semiconductor is “Driving the Communications Revolution”™ by providing high-performance integrated circuit solutions to fast-growing markets, including data communications, telecommunications, computation, consumer products, and industrial control. With a focus on emerging communications applications, Cypress's product portfolios include networking-optimized and micropower static RAMs; high-bandwidth multi-port and FIFO memories; high-density programmable logic devices; timing technology solutions; 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 communications markets and dynamic companies such as Alcatel, Cisco, Ericsson, Lucent, Motorola, Nortel Networks, and 3Com. 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 4,100 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>.

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“Driving the Communications Revolution” is a trademark of Cypress Semiconductor.