Contacts:
Manny Hernandez
CFO, VP Finance
(408)943-2754

Joseph McCarthy
Sr. Director, CorpCom
(408)943-2902

For Immediate Release

Cypress To Acquire HiBand Semiconductors

Acquisition of Supplier of High-Performance Networking Chips Will Bring 10 Gigabit Physical Layer to Cypress

SAN JOSE, Calif., February 5, 2001- Cypress Semiconductor (NYSE:CY) today announced that it had signed a definitive agreement to acquire HiBand Semiconductors. HiBand is a provider of mixed-signal integrated circuits for high-speed communications markets, such as SONET, Ethernet, Fibre Channel, and InfiniBand™. HiBand is currently in the final stages of the development of a 10 Gbps physical layer device for Ethernet applications.

T.J. Rodgers, Cypress's president and CEO said, "Cypress is building on its expertise in physical-layer communications devices and in optical technology. Our acquisition of HiBand will extend those capabilities.

"The demand for increased network operating speed has pushed engineers to evaluate and change the traditional approaches to designing communications backplanes. The HiBand acquisition will enable us to deliver to our customers the capability to transition from parallel to serial bus designs and from electrical to optical technologies. Taking advantage of the backplane solutions Cypress already offers, we will build a broad portfolio of communications backplane solutions for a wide range of applications."

Network system designers have begun implementing serial buses in communications backplanes instead of parallel buses, which impose speed, noise and scalability limitations. Serial communications eliminate cross-talk and enable the use of fiber-optic technology to increase system speed, reduce noise and provide scalability. As designers seek to build systems that move data at speeds higher than 2.5 Gbps, they need to transition from electrical connections to optical technology, which will provide a bridge to 10 Gbps transmission rates and beyond.

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"HiBand brings to Cypress a wealth of optical technology expertise, analog development skills, and a solid management team that are critical to developing new products for the high-speed communications space," said Rich Bowers, president, CEO and VP engineering of HiBand. "Our demonstrated track record using state-of-the-art, industry-standard processes and advanced cell library development, combined with Cypress's design, manufacturing and marketing resources, will create a position of strength for our merged companies in a range of communications markets."

"The HiBand acquisition will also give Cypress an R&D facility in Scotts Valley, California, allowing us to expand our presence in the area as a whole. We will have the opportunity to tap the engineering talent in that portion of Silicon Valley," said Rodgers.

The merger is intended to be accounted for by the purchase accounting method. The closing is subject to regulatory approvals and other customary conditions. The merger is expected to close in the first quarter of 2001.

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 high-speed data communications ICs; networking-optimized and micropower static RAM; high-bandwidth multi-port and FIFO memories; high-density programmable logic devices; timing technology solutions; and controllers for Universal Serial Bus (USB).

About HiBand

HiBand Semiconductors, Inc. is a provider of mixed-signal semiconductor technology, enabling the realization of higher-speed serial data communications between integrated circuits and systems in networking, computing and communications applications. HiBand was incorporated in October 1997 with a vision of driving the emerging multi-gigabit serial communications IC industry. The company is driving the development of multi-gigabit serial interface silicon by using proprietary and patented techniques, advanced design methodologies, and unique design capabilities.

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Safe Harbor Provision

"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995: Statements in the press release regarding Cypress's business that are not historical facts are "forward-looking statements" involving risk and uncertainties, including but not limited to the effect of global economic conditions, shifts in supply and demand, market acceptance risks, the impact of competitive products and pricing, product development, commercialization and technological difficulties, and capacity and supply constraints. Please refer to Cypress's Securities and Exchange Commission filings for a discussion of such risks.

This news release contains forward-looking statements regarding the completion of the acquisitions, the impact of the acquisition on Cypress's operating results, future market demand and acceptance of Cypress's and HiBand's products, and development of new business and products of the combined company which involve risks and uncertainties. These statements can be identified by use of the words "will" and "expect." Cypress's actual results may vary materially from the results discussed in the forward-looking statements.

Factors that may cause such a difference include those risks surrounding the closing of the acquisition; timely development, production and continued and increased market acceptance of the combined companies' products; Cypress ability to successfully combine the operation of the two companies; the ability of the combined company to compete in the highly-competitive and rapidly-changing marketplace; and the other risks detailed form time to time in Cypress's periodic reports filed with the Securities and Exchange Commission, including but not limited to its annual report on Form 10-K for the fiscal year ended January 2, 2000 and its quarterly reports on Forms 10-Q and 10-Q/A for the fiscal quarter ended October 1, 2000.

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