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FOR IMMEDIATE RELEASE

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CYPRESS REVISES ESTIMATES FOR SECOND QUARTER 2001

SAN JOSE, California... June 4, 2001 – Cypress Semiconductor Corporation today announced that revenue for the second quarter of 2001 will likely be in the \$175-185 million range, a 29%-33% decline from last quarter's revenue of \$262 million. Cypress' latest projection for the quarter is lower than earlier estimates of \$200-210 million. Earnings Before Goodwill (EBG) from this revised revenue will be in the breakeven to \$0.02 per share range.

Cypress CEO T.J. Rodgers said, "Business conditions have not materially improved in the market segments that we serve. The computation segment, roughly 20% of revenue, which earlier showed some signs of recovery, has stalled, though it is still likely to strengthen in the second half of 2001. The Wireless Infrastructure and Wireless Terminal segments, roughly 30% of revenue, have exhibited some positive movement but inventory levels remain high and the segment likely will not resume growth until the fourth quarter of this year. Finally, the Wide Area Network and Storage Area Network segments, roughly 50% of revenue, are practically dead in the current quarter, suffering from both slow end demand and high inventory. The WAN segment is not likely to show positive movement till the beginning of 2002.

T.J. Rodgers concluded, "Cypress's revenue has literally been cut in half over the last six months, from the Q4 2000 record revenue of \$370 million to roughly \$180 million in revenue this quarter. Our near-term goal is to endure this severe decline without losing any money. We will continue to evaluate market conditions and provide our investors a more comprehensive update at our earnings release conference call scheduled for July 19, 2001."

About Cypress

Cypress Semiconductor (NYSE: CY) 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 RAMs; high-bandwidth multi-port and FIFO memories; high-density programmable logic devices; timing technology solutions; and controllers for Universal Serial Bus (USB).

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 4,500 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>.

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“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, including but not limited to: the effect of global economic conditions, shifts in supply and demand, market acceptance, 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.

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