

## **CYPRESS COMPLETES ACQUISITION OF RF SPECIALIST ALATION SYSTEMS**

### **Cypress's Interface Products Division To Use Analog, Baseband IP to Address Opportunities in Wireless, USB, Bluetooth**

SAN JOSE, California...June 7, 2000 -- Cypress Semiconductor Corporation (NYSE:CY) today announced that it has satisfied all closing conditions for the acquisition of Alation Systems Inc., a privately held wireless systems company based in Mountain View, CA. Alation has a deep portfolio of intellectual property (IP) in analog, DSP and RF baseband technology, as well as software and systems expertise in the fast-growing wireless arena.

Last month, Cypress announced the acquisitions of both Alation and RadioCom Corp., a privately held company specializing in the architecture and design of semiconductor radio frequency (RF) circuits. Cypress is combining the capabilities of RadioCom, Alation and its own highly successful USB business to form the Interface Products Division (IPD). IPD will focus on providing integrated, cost-effective solutions for Bluetooth, wireless LAN and other wireless protocols, along with microcontroller solutions for current and future iterations of USB.

"Cypress now has the analog and baseband IPs to create integrated solutions for multiple segments of the wireless arena, including Bluetooth," said Cathal Phelan, Cypress IPD vice president. "Ultimately we aim to be the number one provider of solutions for a connected world with powerful, ubiquitous, mobile handheld computers in platforms ranging from wireless handsets to PDAs to generations of new devices and applications."

"The Alation acquisition will accelerate Cypress's ongoing penetration of wireless environments, positioning us for success in emerging mobile computing markets," said Dan McCranie, Cypress executive vice president of new business development. "The capabilities we've acquired will build on our current success in the wireless arena."

#### **About Cypress**

Cypress Semiconductor provides high-performance integrated circuit solutions "By Engineers. For Engineers.™" 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 multiport 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 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 3,900 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 Provisions**

The above news release contains forward-looking statements regarding the acquisition of RadioCom and Alation, Cypress's Bluetooth venture, and the impact of these initiatives on Cypress's operations. Cypress's actual results may vary materially from the results discussed in these forward-looking statements. Factors that may cause such a difference include: those risks surrounding the timely development, production, and continued market acceptance of the combined company's products; Cypress's ability to successfully integrate the operations of the acquired companies; the ability of the combined company to compete in the highly competitive and rapidly changing marketplace; and other risks detailed from time to time in Cypress's filings with the Securities and Exchange Commission.