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For Immediate Release

CYPRESS LAUNCHES NEXT-GENERATION USB MOUSE CONTROLLERS

New enCoRe™ USB Peripheral Controller Integrates Crystal-Less Oscillator to Reduce System Costs; Family Aims to Leverage Market Leadership of Cypress 8-Bit USB Mouse Controllers

SAN JOSE, Calif., June 12, 2000 -- Cypress Semiconductor Corp. (NYSE:CY), the leading provider of Universal Serial Bus (USB) controllers, today announced the availability of samples for a new generation of USB peripheral controller chips targeted at both cost-sensitive OEM and full-function retail human interface device (HID) applications, including PC mice, joysticks, game pads, and pointing devices.

The enCoRe™ (enhanced Component Reduction) USB family features an on-chip crystal-less oscillator, eliminating the need for an external crystal or oscillator. The new controllers also integrate other components typically found off-chip in low-speed USB applications, such as pull-up resistors, wake-up circuitry and a 3.3-V regulator. A flexible interface features the ability to auto-configure as a PS/2 or USB connection without the need for external components to switch between modes. Together, these features could result in overall system cost savings of up to 20%.

The new USB family leverages Cypress's success with its initial M8 family of 8-bit RISC USB controllers. The M8 controllers were designed under contract with Microsoft Corp. for that company's basic Intellimouse® family and later used in Microsoft's value-added optical-sensor-driven Intellimouse Explorer and Natural® Keyboard Elite.

Cypress is the USB market-share leader, shipping more than 50 million units in just three years. According to market research firm Cahners In-Stat (Scottsdale, Ariz.), Cypress has shipped over 50% of all low-speed USB peripheral control devices, giving it the leadership position in this fast-growing market.

"The enCoRe USB family aims to lower overall system costs through engineering ingenuity while leveraging the success of Cypress's original M8 controller line to meet a broad range of needs in the market for low-speed USB applications," said Allyn Pon, product marketing director for Cypress's Interface Products (IPD) division.

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Pon continued, "The enCoRe USB family includes both value-priced controllers for cost-sensitive applications and full-featured controllers for high-speed applications, such as combination USB/PS2 mice, joysticks, gamepads, and wireless and optical products. Both sets of products provide a pin-compatible, seamless migration path for customers. The new family underscores our leadership position and our aim to provide a controller for every USB market and application."

Both the CY7C637XX full-featured controllers and the CY7C632XX value controllers feature an internal 6-MHz clock source, accurate to a 5% variance. Optionally, an external 6-MHz ceramic resonator can be used to provide a higher-precision reference. All enCoRe USB controllers feature Cypress's proprietary M8 controller core—the industry's smallest—along with an integrated USB SIE and transceiver, integrated EPROM and RAM for storage, and data buffering and optimized output drivers for EMI reduction.

The full-function controllers, available in an 18-pin PDIP and SOIC, or a 24-pin PDIP and SOIC, feature up to 16 general-purpose I/Os, 3 endpoints, and 6 or 8 Kbytes of EPROM to maximize flexibility and minimize costs. Four 8-bit input capture registers simplify the interface to RF inputs for wireless applications, and an SPI interface has also been added for further design flexibility.

The value controllers, available in 16-pin PDIP or 18-pin PDIP and SOIC, include up to 10 general-purpose I/Os, 2 endpoints, and 3 Kbytes of EPROM.

All Cypress enCoRe USB controllers are sampling now with full production scheduled in late June. Pricing on the full-featured controllers is around $1.65 in quantities of 10,000, with the value controllers priced at $1.35 in the same volume.

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" 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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