

Cypress Programmable Timing Technology Adopted by Sony For Use In PlayStation®2 Computer Entertainment System

Key Design Win Underscores Shift in Cypress Timing Technology Product
Mix From Clocks for PCs to Consumer and Communications Systems

SAN JOSE, Calif., December 22, 2000 - Cypress Semiconductor (NYSE: CY) today announced that Sony Computer Entertainment Inc. (SCEI) has integrated a Cypress clock generator into its Sony PlayStation®2 computer entertainment system. SCEI launched the PlayStation 2 in North America on October 26, 2000.

This Cypress clock generator is designed for consumer electronics applications that require a precise, high-speed clocking source, such as high-speed video, graphics and communications. Its 400 MHz operating speed enhances performance in high-performance graphics-intensive systems.

Surging demand for its timing technology products in the communications market has surpassed the continuing strong demand in the PC market, and non-PC clocks now account for 63 percent of Cypress's clock sales. This underscores Cypress's commitment to fast-growing communications market segments, with robust sales into applications in wireless infrastructure, wide area networks (WANs) and access solutions, and consumer products such as set-top boxes, digital cameras and video games.

"As consumers expect systems like the PlayStation 2 to become more powerful and sophisticated, system manufacturers need to enhance and expand their capabilities. This drive calls for higher performance devices that can be programmed by the system designer to support non-traditional functions such as Internet communications," said Ian Chen, Cypress director of marketing. "Our timing technology provides programmability and strong support for high-bandwidth communications applications, providing designers with flexible, powerful solutions."

Cypress's timing technology portfolio includes a broad array of timing solutions - field-programmable clocks that enhance design flexibility and speed time-to-market; clock distribution products such as the RoboClock® programmable-skew clock buffer for high-speed communications applications; PREMIS™ spread-spectrum devices to reduce peak electromagnetic interference; and application-specific solutions for access equipment. The company has shipped more than five million timing devices, and is the industry's No. 1 supplier of clock chips.

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>.

"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.

PREMIS and "Driving the Communications Revolution" are trademarks of Cypress Semiconductor. RoboClock is a registered trademark of Cypress Semiconductor. Playstation 2 is a registered trademark of Sony Computer Entertainment Inc.