

## **PRESS RELEASE**

### **CYPRESS PRESIDENT JOINS TEXAS GOVERNOR TO ANNOUNCE NEW PLANT**

#### **New Texas Wafer Plant to Expand Capacity Beyond \$2 Billion**

AUSTIN, Texas. . . February 21, 1996. . . Cypress Semiconductor Corp. President and CEO T. J. Rodgers today joined Texas Governor George W. Bush to announce the ground-breaking for a major new semiconductor fabrication facility to be built in Round Rock, outside of Austin, Texas. The new plant, Cypress Fab V, is the company's fifth wafer manufacturing facility, and will provide the additional capacity to fuel Cypress's growth beyond the \$2 billion revenue level.

Cypress President and CEO T. J. Rodgers stated, "Cypress produces 100 percent of its semiconductor wafers in the United States--half of them in Texas--and we want to continue to build our business there. Today Cypress exports 35 percent of its products internationally, so you will continue to find our Texas chips in Japanese computers. This new state-of-the-art plant is key to our goal of reaching the \$2 billion revenue level by the year 2000."

According to Lothar Maier, vice president of Cypress's Worldwide Wafer Manufacturing Operations, "Fab V constitutes our newest, largest, and boldest wafer manufacturing project to date, and builds on the presence that Cypress has had in Texas with its Fab II, built a decade ago. This new plant allows us to break new technology ground, by running 8-inch wafers, with technology capability to the 0.25-micron level."

Cypress today announced plans to hire a total of 700 people during the ramp-up of the Fab V facility, in addition to the 400 people currently employed at the Cypress Texas Fab II, also located in Round Rock. The company is expected to invest \$700 million in the facility, including plant and equipment.

Cypress's new Fab V will take advantage of the latest in semiconductor manufacturing technology, and will be a Class 1 facility, assuring an ultra-clean operation and the highest yields. Fab V construction will result in a 225,000-square-foot facility, with a 35,000-square-foot clean room. Cypress expects the facility to be in production by the second quarter of 1997. Fab V will be capable of running all of Cypress's broad product lines, but will focus on static RAM memories, non-volatile memories (EPROMs) and logic.

Cypress currently has four wafer manufacturing facilities:

- Fab I in San Jose, California, the company's first fab, now serving as an R&D and prototype fab.
- Fab II in Round Rock, Texas, the largest contributor to Cypress's revenue stream.
- Fab III in Bloomington, Minnesota, brought online by Cypress in 1991, and now a major revenue contributor.
- Fab IV, located on a site adjacent to the Minnesota Fab III, and the company's first 8-inch wafer line.

Cypress Semiconductor Corporation is an international supplier of high-performance integrated circuits with worldwide headquarters in San Jose, California. The company provides a broad range of products for leading computer, networking, and telecommunications companies worldwide. The company's product line includes static RAM and EPROM memories, programmable logic devices, field programmable gate arrays (FPGAs), data communications products, and personal computer chipsets and timing devices. Cypress shares are listed on the New York Stock Exchange under the symbol CY. The company has a site on the worldwide web at <http://www.cypress.com>, and offers a fax-on-demand service at (800) 213-5120 or (408) 943-2798 outside North America.