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For Immediate Release

**Cypress Envirosystems' Wireless Pneumatic Thermostat
Wins Prestigious Buildy Award for Smart Devices**

*Device Honored for Enabling Smart Grid Auto Demand Response
For County of Santa Clara Buildings*

SAN JOSE, Calif., June 23, 2009 - Cypress Envirosystems, a subsidiary of Cypress Semiconductor Corp. (NYSE:CY), today announced that its Wireless Pneumatic Thermostat (WPT) has won in the Smart Devices category at the fifth annual Buildy Awards. The WPT was nominated for its implementation in buildings for the County of Santa Clara, California.

The majority of commercial buildings in use today have stand-alone pneumatic thermostats that require manual operation. The WPT brings "smart" communication to these thermostats via a non-disruptive installation in under 20 minutes, providing an automated method to cut air-conditioning or heating during peak periods. This relieves strain on the electrical grid and reduces demand during periods of high usage – a key goal of Smart Grid implementation.

Commercial buildings account for almost half of the base electricity consumption and about 60% of the peak load in California. PG&E, a California utility, pays cash incentives for customers who can reduce load during peak periods as part of their Auto Demand Response program. Santa Clara County operates many pneumatically controlled buildings and needed to retrofit two specific buildings with newer smart digital controls in order to participate in PG&E's incentive program. Using conventional technology would have cost over \$880,000 and required at least six months to install - much too costly and disruptive. Using Cypress Envirosystems' WPT, the County retrofitted 350 thermostats in eight days at a total project cost of only \$175,000.

"There are over 60 million pneumatic thermostats still in use in older buildings today," said Harry Sim, CEO of Cypress Envirosystems. "Santa Clara County's implementation is a great example of how older buildings previously considered too expensive to upgrade for Smart Grid

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deployment can now be retrofitted to deliver significant peak load reduction and energy savings. We are pleased to have other counties and organizations following the County's lead."

Santa Clara County received over \$300,000 in incentives from PG&E for enrolling in the Auto Demand Response Program at 19 facilities with over 1.5 million square feet in total. These incentives helped pay for 100% of the cost of installing the WPT. In turn, the County can now better track and manage energy use.

"We are delighted to see Cypress Envirosystems honored with a Buildy Award for their innovative technology," said Dave Kronberg, Interim Director, Facilities and Fleet Department, County of Santa Clara. "Our implementation project was one of the easiest, fastest and most cost effective energy efficiency improvements we have ever made in our buildings."

Since 2004, the Buildy Awards have been presented to leaders, visionaries and implementers of smart devices and smart systems in the context of commercial buildings, residential, energy management and smart grid and related applications. For more information visit:

www.connectivityweek.com.

About the Wireless Pneumatic Thermostat

The patent pending Wireless Pneumatic Thermostat (WPT) retrofits existing pneumatic thermostats to deliver direct digital control (DDC) functionality in minutes. Compared with a cost of \$2,500 or more per zone for implementing DDC systems, the WPT costs less than 20% as much, and it may be installed in under 20 minutes with minimal disruption of occupants. It enables remote temperature sensing and control of setpoints, programmable zone control and night setback, automatic self-calibration, BACnet integration with existing automation systems, and enables use with utility Demand Response programs. It uses the Open-ADR communications standard developed by Lawrence Berkeley National Laboratories.

Cypress Envirosystems solutions employ Cypress Semiconductor Corp. products, including 2.4-GHz wireless radios and intelligent PSoC® programmable system-on-chip. Cypress is an industry leader in low-power, energy-efficient products.

About Cypress Envirosystems Corporation

Cypress Envirosystems is a subsidiary of Cypress Semiconductor (NYSE: CY). Its mission is to

save energy and improve productivity in older plants and buildings, using state-of-the-art non-invasive and wireless technologies to minimize disruption and cost, delivering payback of 12 months or less. More information is available at: www.cypressenvirosystems.com.

About Cypress

Cypress delivers high-performance, mixed-signal, programmable solutions that provide customers with rapid time-to-market and exceptional system value. Cypress offerings include the PSoC® programmable system-on-chip, USB controllers, general-purpose programmable clocks and memories. Cypress also offers wired and wireless connectivity technologies ranging from its CyFi™ Low-Power RF solution, to West Bridge® and EZ-USB® FX2LP controllers that enhance connectivity and performance in multimedia handsets. Cypress serves numerous markets including consumer, computation, data communications, automotive, and industrial. Cypress trades on the NYSE under the ticker symbol CY. Visit Cypress online at www.cypress.com.

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