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For Immediate Release

Micrel Reduces Fab Operating Costs Using Cypress Systems Wireless Gauge Readers

SAN JOSE, Calif., June 24, 2008 – Cypress Systems Corp., a subsidiary of Cypress Semiconductor Corp. (NYSE:CY), announced today that Micrel has successfully installed its Wireless Gauge Reader system to automate the monitoring of legacy manual gauges at Micrel's 150-mm manufacturing facility, which has a 30,000 wafer start per month capacity. The projected annual savings generated by this effort is estimated at about \$215,000, with an investment payback period of less than seven months.

The innovative patent-pending Wireless Gauge Reader simply attaches to the front face of an existing gauge in minutes and transmits its reading wirelessly without the need to break seals, run wires, or perform leak checks and revalidation.

Micrel's facility, similar to other fabs built in the 1980s, has hundreds of manual gauges which measure critical parameters on gas cylinders, pressure valves, and other numerous facilities equipment. Typically, key gauges are read manually twice a day, which requires valuable time from skilled technicians. In addition, gauge excursions may not be detected for up to several hours which can lead to unplanned downtime and scrap. Installing the Wireless Gauge Reader system helped Micrel to automate the gauge reading process, and as a result deliver savings in labor, reduced downtime, and lower consumables use (i.e. process gases). The system also provides easy to use software which allowed Micrel personnel to define and send early warning alarms to their computer, pager or cell phone in the event of excursions.

"The Cypress Systems Wireless Gauge Reader System allows Micrel facilities and maintenance to monitor legacy systems in a new efficient, non-disruptive way," said Guy Gandenberger, Vice President, World Wide Operations for Micrel. "By providing real time data from over 50 plus gas systems instantly, Micrel saves time, money and effort by acting proactively rather than reactively to developing situations. We are very pleased with our purchase."

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"One of our key goals at Cypress Systems is to enable the latest automation functionality at older plants with a minimum of cost and disruption," said Harry Sim, CEO of Cypress Systems.

More details on how Micrel is able to use Cypress Systems' technologies to reduce fab operating cost may be found at www.cypress.com/systems.

About Micrel, Inc.

Micrel Inc., is a leading global manufacturer of IC solutions for the worldwide analog, Ethernet and high bandwidth markets. The Company's products include advanced mixed-signal, analog and power semiconductors; high performance communication, clock management, Ethernet switch and physical layer transceiver ICs. Company customers include leading manufacturers of enterprise, consumer, industrial, mobile, telecommunications, automotive, and computer products. Corporation headquarters and state-of-the-art wafer fabrication facilities are located in San Jose, CA with regional sales and support offices and advanced technology design centers situated throughout the Americas, Europe and Asia. In addition, the Company maintains an extensive network of distributors and reps worldwide. Web: www.micrel.com.

About Cypress Systems Corporation

Cypress Systems is a subsidiary of Cypress Semiconductor (NYSE: CY) with a mission to introduce leading edge technologies to legacy plants and buildings, with minimal cost and disruption. We produce products and solutions to optimize energy and water use, improve uptime, reduce scrap, and lower maintenance costs.

Cypress Systems combines the latest technology know-how from Cypress Semiconductor with our team's extensive industry and automation experience to deliver solutions with tangible savings and attractive payback. More information is available at: www.cypress.com/systems.

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 solutions ranging from its WirelessUSB™ radio system-on-chip, 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, industrial, and solar power. Cypress trades on the NYSE under the ticker symbol CY. Visit Cypress online at www.cypress.com.

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