Form **8937**
(December 2011)
Department of the Treasury
Internal Revenue Service

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

OMB No. 1545-2224

Part I Reporting Issuer

1 Issuer's name Spansion LLC		2 Issuer's employer identification number (EIN) 65-1180482
3 Name of contact for additional information Investor Relations	4 Telephone No. of contact 408-943-2600	5 Email address of contact investorrelations@cypress.com
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 198 Champion Ct.		7 City, town, or post office, state, and Zip code of contact San Jose, CA 95134
8 Date of action March 28, 2018	9 Classification and description Spansion LLC 2% Exchangeable Senior Notes Due 2020	

10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
84649PAL9	n/a	CY	n/a

Part II Organizational Action

Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ SEE ATTACHED FORM 8937 APPENDIX A

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ SEE ATTACHED FORM 8937 APPENDIX A

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ SEE ATTACHED FORM 8937 APPENDIX A

Part II **Organizational Action** (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶

SEE ATTACHED FORM 8937 APPENDIX A

18 Can any resulting loss be recognized? ▶ SEE ATTACHED FORM 8937 APPENDIX A

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶

SEE ATTACHED FORM 8937 APPENDIX A

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature ▶ /s/ Neil H. Weiss Date ▶ 4/6/2017

Print your name ▶ Neil H. Weiss Title ▶ SVP & Treasurer

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no.	

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054

Form 8937 Appendix A

Issuer's Name: Spansion LLC
(Cypress Semiconductor Corporation as the successor in interest)

FEIN: 65-1180482

CUSIP Number: 84649PAL9

Line 14. On February 20, 2018, Cypress Semiconductor Corporation's (referred to as "CY" hereafter) board of directors declared a cash dividend payment of $0.11 per share of CY's common stock with a record date of March 29, 2018 to be paid on April 19, 2018. Section 10.04(d) of the Indenture for the Spansion LLC 2% Exchangeable Senior Notes Due 2020 (referred to as "Notes" hereafter) provides for an increase in the Exchange Rate in connection with this dividend.

Line 15. Section 10.04(d) of the Indenture for the Notes provides for an increase in the exchange rate in connection with the dividend mentioned above on the Ex-Dividend Date, March 28, 2018.

Exchange Rate Adjustment Calculation Illustration:

$ER_1 = ER_0 \times (SP_0 / (SP_0 - C))$

ER_0 = the Exchange Rate in effect immediately prior to the open of business on the Ex-Dividend Date for such dividend or distribution

ER_1 = the Exchange Rate in effect immediately after the open of business on the Ex-Dividend Date for such dividend or distribution

SP_0 = the average Closing Sale Price of the Company Common Stock for the ten consecutive Trading Days immediately preceding, but excluding, the Ex-Dividend Date for such dividend or distribution

C = the amount in cash per share CY distributes to holders of its Common Stock

Pursuant to IRC Section 305(c), the Exchange Rate Adjustment results in a deemed distribution to the holders of the Spansion LLC 2% Exchangeable Senior Notes Due 2020. The amount included in income increases the tax basis of the respective Notes.

Deemed Distribution Calculation Illustration:

Deemed Distribution = $(ER_1 - ER_0) \times SP_0$

Line 16. The Exchange Rate relating to the Notes, previously equal to 198.1629 shares of Common Stock per $1,000 principal amount of Notes, was increased to 199.3813 shares of Common Stock per $1,000 principal amount of Notes as a result of the cash dividend paid on April 19, 2018 by CY to its common shareholders.

The above Exchange Rate increase resulted in a deemed distribution of $21.93 per $1,000 principal amount of Notes to the holders of the Notes and a corresponding increase in the holders' tax basis in the Notes.

Detailed Calculation:

$ER_1 = ER_0 \times (SP_0 / (SP_0 - C)) = 198.1629 \times (\$18.00 / (\$18.00 - \$0.11)) = 199.3813$
Deemed Distribution = (199.3813 – 198.1629) x $18.00 = $21.93

$ER_0 = 198.1629$
$ER_1 = 199.3813$
$SP_0 = \$18.00$
$C = \$0.11$