

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name <u>Cypress Semiconductor Corporation</u>		2 Issuer's employer identification number (EIN) <u>94-2885898</u>	
3 Name of contact for additional information <u>Neil W. Weiss</u>	4 Telephone No. of contact <u>408-943-2630</u>	5 Email address of contact <u>nhw@cypress.com</u>	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact <u>198 Champion Court</u>		7 City, town, or post office, state, and Zip code of contact <u>San Jose, CA 95134-1709</u>	
8 Date of action <u>January 16, 2014</u>		9 Classification and description <u>Common stock, cash distribution</u>	
10 CUSIP number <u>232806109</u>	11 Serial number(s)	12 Ticker symbol <u>CY</u>	13 Account number(s)

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 ▶ On November 1, 2013, Cypress Semiconductor Corporaton's ("the Company") Board of Directors declared a cash distribution payment of \$0.11 per common share. The distribution was payable on January 16, 2014 to stockholders of record on December 26, 2013.

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 ▶ We believe the cash distribution will represent a return of capital for U.S. income tax purposes, and therefore should reduce a shareholder's basis by \$0.11 per common share.

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 ▶ cash distribution of \$0.11 per common share.

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ IRC Sections 301, 316

18 Can any resulting loss be recognized? ▶ N/A

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ 2014

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 ▶ _____

Print your name ▶ Neil H. Weiss Title ▶ Senior V.P., Treasurer

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> 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