



Cypress Announces Quarterly Cash Dividend and Schedules Stockholder Vote on Merger With Infineon

August 6, 2019

SAN JOSE, Calif.--(BUSINESS WIRE)--Aug. 6, 2019-- Cypress Semiconductor Corp. (NASDAQ: CY) today announced that its Board of Directors has approved a quarterly cash distribution of \$0.11 per share payable to holders of record of the Company's common stock at the close of business on September 26, 2019. This dividend will be paid on October 17, 2019.

Separately, Cypress has announced it will hold a special meeting of stockholders on August 27, 2019 to approve the previously announced Agreement and Plan of Merger, dated June 3, 2019, which provides for Infineon Technologies AG to acquire Cypress for \$23.85 per share in cash, corresponding to an enterprise value of approximately \$10 billion.

All stockholders of record at the close of business on July 11, 2019 may attend in person and are entitled to receive notice of, and to vote at, the special meeting. The special meeting will be held at 10:00 a.m. Pacific Time at Cypress' headquarters at 198 Champion Court, San Jose, California 95134. Please note discussions at the meeting will be limited to proposals under consideration. There will be no presentation by management. The proxy statement is available online at https://materials.proxyvote.com/Approved/232806/20190711/NPS_402293/.

Visit Cypress' [Investor Relations](#) website for resources on Cypress 3.0, financial results, and investor presentations.

Note About Dividends

Cypress' distribution policy and the payment of cash distributions under that policy are subject to the Board's continuing determination that the distribution policy and the declaration of dividends are in the best interests of Cypress' stockholders and are in compliance with all laws and agreements of Cypress applicable to the declaration and payment of cash distributions. This policy may be changed or cancelled at the Company's discretion at any time.

About Cypress

Cypress is a leader in advanced embedded solutions for the world's most innovative automotive, industrial, smart home appliances, consumer electronics and medical products. Cypress' microcontrollers, wireless and USB-based connectivity solutions, analog ICs, and reliable, high-performance memories help engineers design differentiated products and get them to market first. Cypress is committed to providing customers with the best support and development resources on the planet enabling them to disrupt markets by creating new product categories in record time. To learn more, go to www.cypress.com.

FORWARD-LOOKING STATEMENTS

This release may be deemed to contain forward-looking statements, which are subject to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include, among other things, statements regarding the Company's adoption of a cash dividend policy, any future payments made under that policy, any decision to cancel or change the cash dividend policy, the judgment as to the tax treatment of such dividends, the expected date of the special meeting of stockholders, and the proposed acquisition of the Company by Infineon Technologies AG, a stock corporation (Aktiengesellschaft) organized under the laws of the Federal Republic of Germany ("Infineon"). Our forward-looking statements are based on the expectations, beliefs, and intentions of, and the information available to, our executive management on the date of this press release. Forward-looking statements involve risks and uncertainties, and readers are cautioned not to place undue reliance on forward-looking statements. Important factors that could cause actual results to differ materially from those in the forward-looking statements include, but are not limited to: the discretion of management and the board as to whether declaring a cash dividend is in the best interests of the Company; the occurrence of any event, change or other circumstances that could give rise to the termination of the Agreement and Plan of Merger (the "Merger Agreement") dated June 3, 2019, by and among Infineon, IFX Merger Sub Inc., a Delaware corporation and a wholly owned subsidiary of Infineon ("Merger Sub"), and the Company, pursuant to which Merger Sub will merge with and into the Company (the "Merger"), with the Company continuing as the surviving corporation in the Merger and as a wholly owned subsidiary of Infineon; the inability to complete the Merger due to the failure to obtain stockholder approval for the Merger or the failure to satisfy other conditions to completion of the Merger, including that a governmental entity may prohibit, delay or refuse to grant approval for the consummation of the Merger; risks related to disruption of management's attention from our ongoing business operations due to the Merger; the effect of the announcement of the Merger on our relationships with our customers, operating results and business generally; the risk that certain approvals or consents will not be received in a timely manner or that the Merger will not be consummated in a timely manner; the impact of the Merger on our ability to retain key employees; the outcome of any legal proceedings related to the Merger; and other risks and uncertainties described in the "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations," and "Quantitative and Qualitative Disclosures about Market Risk" sections in our most recent Annual Report on Form 10-K filing and in our subsequent quarterly filings with the U.S. Securities and Exchange Commission (the "SEC") which are available on our investor relations website at <http://investors.cypress.com/financial-information/sec-filings>. The information above speaks only as of the date of this release and the Company assumes no responsibility to update any such forward-looking statements.

ADDITIONAL INFORMATION AND WHERE TO FIND IT

This press release may be deemed to be solicitation material in respect of the proposed Merger. This press release does not constitute an offer to sell or the solicitation of an offer to buy our securities or the solicitation of any vote or approval. The proposed Merger will be submitted to Cypress stockholders for their consideration. In connection with the proposed transaction, Cypress has filed a definitive proxy statement with the SEC on July 16, 2019 and other relevant materials with the SEC in connection with the solicitation of proxies in connection with the proposed transaction. The definitive proxy statement has been mailed to Cypress stockholders. BEFORE MAKING ANY VOTING OR INVESTMENT DECISION WITH

RESPECT TO THE PROPOSED TRANSACTION, INVESTORS AND STOCKHOLDERS OF CYPRESS SEMICONDUCTOR CORPORATION ARE URGED TO READ THE DEFINITIVE PROXY STATEMENT REGARDING THE PROPOSED TRANSACTION (INCLUDING ANY AMENDMENTS OR SUPPLEMENTS THERETO) AND OTHER RELEVANT MATERIALS CAREFULLY AND IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION. The proxy statement, any amendments or supplements thereto and other relevant materials, and any other documents filed by Cypress with the SEC, may be obtained once such documents are filed with the SEC free of charge at the SEC's website at www.sec.gov.

In addition, Cypress stockholders may obtain free copies of the documents we file with the SEC through the Investors portion of Cypress' website at investors.cypress.com under the link "Financials & Filings" and then under the link "SEC Filings" or by contacting the Cypress Investor Relations Department by (a) mail at Cypress Semiconductor Corporation, Attention: Investor Relations, 198 Champion Ct., San Jose, CA 95134, (b) telephone at (408) 943-2600, or (c) e-mail at investorrelations@cypress.com.

PARTICIPANTS IN SOLICITATION

Cypress and certain of its executive officers, directors, other members of management and employees may, under the rules of the SEC, be deemed to be "participants" in the solicitation of proxies from Cypress stockholders in connection with the proposed transaction. Information regarding the persons who may be considered "participants" in the solicitation of proxies is set forth in Cypress' definitive proxy statement filed with the SEC on July 16, 2019 and other relevant documents to be filed with the SEC in connection with the proposed transaction, each of which can be obtained free of charge from the sources indicated above when they become available. Information regarding certain of these persons and their beneficial ownership of Cypress common stock is also set forth in Cypress definitive proxy statement on Schedule 14A for its 2019 annual meeting of stockholders filed on March 15, 2019 with the SEC, which can be obtained free of charge from the sources indicated above.

IRS CIRCULAR 230 DISCLOSURE

To ensure compliance with requirements imposed by the IRS, we inform you that any tax advice contained in this communication, unless expressly stated otherwise, was not intended or written to be used, and cannot be used, for the purpose of (i) avoiding tax-related penalties under the Internal Revenue Code or (ii) promoting, marketing or recommending to another party any tax-related matter(s) addressed herein.

Cypress and the Cypress logo are registered trademarks of Cypress Semiconductor Corp. All other trademarks are property of their owners.

View source version on businesswire.com: <https://www.businesswire.com/news/home/20190806005309/en/>

Source: Cypress Semiconductor Corp.

David Szabados
Senior Public Relations Manager
(408) 544-1673
david.szabados@cypress.com