



Cypress Semiconductor to Purchase Multiple Systems from Applied Materials; Metal Deposition and Etch Systems Targeted for Minnesota Fab Expansion

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SANTA CLARA, Calif.--(BUSINESS WIRE)--March 24, 1999--Applied Materials, Inc. today announced that Cypress Semiconductor Corp. intends to purchase its advanced metal deposition and etch technologies for Cypress' Fab IV in Bloomington, Minnesota. The systems are expected to be shipped in the second and third calendar quarter of 1999. Cypress will use the new systems to boost production of 0.25-micron generation SRAM devices in response to increased customer demand.

"We plan to ramp up production of our products by ten percent now and another ten to fifteen percent later this year," said Chris Seams, Cypress' vice president of wafer manufacturing. "Based on our extensive experience with Applied Materials, we are confident that these new systems will help us to accomplish this goal. Applied Materials' technology and support capability is an important asset in our expansion plans for the Bloomington facility." In addition to high-volume SRAM manufacturing, Cypress' Fab IV produces data communications products and timing devices, with 90 percent of its output at or below 0.35 micron.

The Cypress purchase is expected to include Applied Materials' market-leading Endura PVD (physical vapor deposition) and MxP+ Centura oxide etch systems. The Endura PVD system combines production-proven IMP (ion metal plasma) liner/barrier technology with advanced aluminum fill technology to form the chip's "wiring" circuitry. The Dielectric Etch MxP+ Centura is one of the industry's most successful plasma etch systems, and is known for its high productivity and low operating cost, while precisely etching features in devices with geometries as small as 0.18 micron.

"We are pleased that Cypress has chosen our systems for its capacity expansion," said Dr. David N.K. Wang, senior vice president of Applied Materials. "Fab expansions require a combination of advanced technology that can offer several generations of extendibility, along with proven high productivity to enable chipmakers to maximize their profit quickly through fast system startup with minimum risk. The Applied Materials' PVD and etch systems chosen by Cypress are proven performers whose continuous development in technical performance and operating economics keeps them at the forefront of today's chip manufacturing technology."

Cypress Semiconductor Corp. is an international supplier of high-performance circuits with worldwide headquarters in San Jose, Calif. The company provides a broad range of products for leading computer, networking and telecommunications companies worldwide. Its product line includes static RAMs, high-speed PROMs and specialty memories; programmable logic devices (PLDs); data communications products; and timing devices and USB microcontrollers. Cypress shares are listed on the New York Stock Exchange under the symbol "CY." The company's web site is www.cypress.com.

Applied Materials, Inc. is a Fortune 500 global growth company and the world's largest supplier of wafer fabrication systems and services to the global semiconductor industry. Applied Materials is traded on the Nasdaq National Market System under the symbol "AMAT." Applied Materials' web site is www.appliedmaterials.com.

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