

September 16, 2004

Cypress reveals it doesn't use NVEC's claimed IP.

Cypress Semiconductor Corporation's (NYSE: CY, \$9.60) MRAM development program's goal of producing a grossly over-sized, slow processing, low capacity, power guzzling, expensive 256Kbit chip for the low unit price, low margin, small battery backed SRAM market is spectacularly low. Yet Cypress has failed to achieve even this remarkably immaterial feat. Nonetheless, Cypress does not use the idea that NVE Corporation (NASDAQ: NVEC, \$36.71) claims it owns and that is NVE's sole basis for claiming it possesses valuable MRAM intellectual property ("IP") namely International Business Machines Corporation's (NYSE: IBM, \$86.37) 36 year old now public domain one transistor per memory cell invention. Cypress' underwhelming MRAM idea uses 3 transistors per memory cell.

Cypress has claimed to be close to delivering an MRAM chip since May of 2002. Cypress' limited disclosures show its MRAM memory cells getting larger, its model chip size getting bigger and speeds, operating voltage, and wafer yields that are equally unattractive. Yet Cypress is the source of NVE's stock promoters' most promising hopes. The simple fact is that Cypress' minor potential MRAM success will have absolutely no impact on NVE. The results of Cypress' MRAM project have no bearing on the value or credibility of NVE's claimed MRAM IP.

Cypress has many serious and far more pressing problems than disappointing NVE's failing stock promotion. Cypress' stock is just off of its 52-week low, down over 60% in the last year. Cypress has been criticized for awarding ownership stakes in its subsidiaries to employees without shareholder approval. It repeated the controversial process in the MRAM program. Cypress' revenues for the last twelve months were less than \$1 billion, down over 20% during the last three years. Cypress recently announced that it expected a sales decline of 5% to 10% in the September 2004 quarter. Yet Cypress' mission statement is still to achieve \$1 billion in revenues in the fourth quarter of 2005. A goal as pathetic as NVE's MRAM stock promotion.

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