

Sabbas Daniel Executive Vice President, Quality Assurance Cypress Semiconductor Corporation

January 5, 2017

Distributors in Japan

Dear Sir,

CYPRESS RETRACTION OF PCN162504

We would like to take this opportunity to thank you for your interest in Cypress's products and your support for establishing a mutually successful partnership.

This letter is to inform you regarding the formal retraction of PCN162504 that was furnished to you on 24-Jun-2016.

The intent of the PCN was to include an alternate mold compound and die-attach epoxy for TSOP and FBGA packages thereby improving our supply chain for the products. However, customer feedback has in general been resistant to this BOM change. Accordingly, we have reviewed this internally and decided that the retraction of this PCN is in the best interest for our customers. We understand that you would have possibly spent engineering resources in evaluating the new BOM and we apologize for the non-productive activity.

We assure you of our continued best-in-class service at all times and thank you for your understanding.

Regards,

Sabbas Daniel