

CYPRESS SEMICONDUCTOR CORP /DE/
 Form 4
 May 15, 2007

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
 Taffe Norman P

2. Issuer Name and Ticker or Trading Symbol
 CYPRESS SEMICONDUCTOR CORP /DE/ [CY]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
 3901 NORTH FIRST STREET
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 05/11/2007

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 Exec.V.P. CCD Division

SAN JOSE, CA 95134
 (City) (State) (Zip)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership Indirect Beneficial Ownership (Instr. 4)
				(A) or (D)	Code V Amount (D) Price		

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security	2. Conversion or Exercise	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any	4. Transaction Code	5. Number of Derivative Securities	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Security (Instr. 3 and 4)
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(Instr. 3)	Price of Derivative Security	(Month/Day/Year)	(Instr. 8)	Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Restricted Stock Unit	\$ 0	05/11/2007	A	68,750 (1)					01/01/2008 ⁽³⁾	01/01/2015	Common stock	68,7

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Taffe Norman P 3901 NORTH FIRST STREET SAN JOSE, CA 95134			Exec.V.P. CCD Division	

Signatures

Norman P. Taffe 05/15/2007
 __Signature of Date
 Reporting Person

Explanation of Responses:

* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Mr.Taffe was granted a performance based restricted stock unit award that could result in 0 to 343,750 RSUs being earned by Mr.Taffe ratably over the next 5 years based on the Company's achievement of certain performance based milestones as set by the Company's Compensation Committee each year. The amount reported on this Form 4 reflects the maximum number of the 343,750 RSUs Mr.Taffe is eligible to earn in 2007. Zero to 55,000 of the RSUs for 2007 will vest based on the Company's achievement of certain operating income targets. Vesting of the remaining 13,750 RSUs is based on the achievement of a performance milestone related the Company's common stock appreciation as compared to the SOXX Index. If the performance milestone set for a given annual period is not achieved, the targeted shares associated with that milestone are forfeited and are not able to be earned in a future period. All earned and vested RSUs will be settled in shares of common stock on a one share for one unit basis.

(1) Reflects 198,713 options to purchase common stock and 78,083 RSUs held by Mr. Taffe following reported transaction.

(2) Each earned RSUs will vest upon confirmation of the achievement of the applicable performance milestone.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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