



NEWS ANNOUNCEMENT

FOR IMMEDIATE RELEASE

TowerJazz Announces Cadence Reference Flow 1.0 for Analog/Mixed-Signal 180nm Power Management Process

NEWPORT BEACH, Calif. and MIGDAL HAEMEK, Israel, December 2, 2010 — TowerJazz today announced that Cadence® Design Systems is offering a complete Reference Flow for TowerJazz's Analog/Mixed-Signal (AMS) 0.18-micron power management process using IC 6.1 SKILL-based process design kits (PDKs). Cadence's Virtuoso custom IC design software improves efficiency by streamlining the common tasks involved in custom design, enabling IC designers to concentrate on the unique challenges of creation and implementation. The collaboration between Cadence and TowerJazz provides mutual customers with a complete design and manufacturing solution and the fastest path to silicon realization.

TowerJazz's AMS Reference Flow 1.0 includes a comprehensive design flow using a Band Gap Reference circuit that demonstrates a practical and efficient design methodology, while taking advantage of TowerJazz's feature rich power management process. By combining detailed design flow steps using Cadence's Virtuoso custom design platform with TowerJazz's 0.18-micron Power Management PDK, the reference flow enables a faster turnaround time.

"By working together to provide ready to use and qualified out-of-the-box flows, TowerJazz and Cadence offer our customers a faster, more reliable path from design to volume production," said Ori Galzur, VP of design center and design enablement at TowerJazz. "Having such a reference flow enables our customers to efficiently design into technologies that TowerJazz offers, using best-in-class EDA tools with automation."

Cadence mixed-signal technologies provide extremely comprehensive support for TowerJazz's 180-nanometer power management reference flow, addressing all of the steps required to get a design into silicon. Reference flow enhancements provided by Cadence deliver significant assistance to design teams tasked with achieving efficient and cost-effective silicon realization, a key pillar of the Cadence EDA360 strategy.

“The collaboration between Cadence and TowerJazz succeeds in addressing the increasing complexity of designs used in wireless, networking, consumer and CPU applications where the analog and mixed-signal IP can represent more than 50 percent of the design,” said Vishal Kapoor, VP of product management at Cadence. “Cadence’s partnership in TowerJazz’s AMS Reference Flow 1.0 delivers a more deterministic path to silicon realization with end-to-end mixed-signal design, verification and implementation solutions on the most advanced power management platform.”

The TowerJazz reference flow incorporates the broad suite of Cadence technology offerings from the Virtuoso platform. Based on proven methods for advanced 180-nanometer power management designs, Cadence technology, in collaboration with TowerJazz, enables: schematic design, AMS verification, RF and transient noise analysis, yield sensitivity analysis, constraints-driven layout, analog placement and routing, physical verification, DFM-aware parasitic extraction, IR drop and electromigration analysis, all in the IC6.1 based platform. Additionally, this enables customers to work all of the above on the same DB structure with the most advanced AMS Cadence tools.

About TowerJazz 0.18-micron Power Management Process

TowerJazz’s 0.18-micron power management offering is a cost-effective solution which offers modular add-ons such as a unique zero-mask-adder multi-programmable non-volatile memory (NVM) solution, thick copper-top metallization for high current drive, and optional 1.8V gate for heavy digital power management integrated circuits (ICs). In addition, it offers scalable LD MOS devices that provide excellent area optimization of the power devices for up to 60 volts, all, with very low mask count.

About TowerJazz

Tower Semiconductor Ltd. (NASDAQ: [TSEM](#), TASE: TSEM), the global specialty foundry leader and its fully owned U.S. subsidiary Jazz Semiconductor, operate collectively under the brand name TowerJazz, manufacturing integrated circuits with geometries ranging from 1.0 to 0.13-micron. TowerJazz provides industry leading design enablement tools to allow complex designs to be achieved quickly and more accurately and offers a broad range of customizable process technologies including SiGe, BiCMOS, Mixed-Signal and RFCMOS, CMOS Image Sensor, Power Management (BCD), and Non-Volatile Memory (NVM) as well as MEMS capabilities. To provide world-class customer service, TowerJazz maintains two manufacturing facilities in Israel and one in the U.S. with additional capacity available in China through manufacturing partnerships. For more information, please visit www.towerjazz.com.

Safe Harbor Regarding Forward-Looking Statements

This press release includes forward-looking statements, which are subject to risks and uncertainties. Actual results may vary from those projected or implied by such forward-looking statements. A complete discussion of risks and uncertainties that may affect the accuracy of forward-looking statements included in this press release or which may otherwise affect Tower and/or Jazz’s business is included under the

heading "Risk Factors" in Tower's most recent filings on Forms 20-F, F-3, F-4 and 6-K, as were filed with the Securities and Exchange Commission (the "SEC") and the Israel Securities Authority and Jazz's most recent filings on Forms 10-K and 10-Q, as were filed with the SEC, respectively. Tower and Jazz do not intend to update, and expressly disclaim any obligation to update, the information contained in this release.

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