



NEWS ANNOUNCEMENT

FOR IMMEDIATE RELEASE

TowerJazz Expands Presence in China, Opens Office to Address Growing Regional Customer Demand

Appoints Lei Qin as Country Manager focusing on RF, Power Management, CMOS image sensors, and MEMS in \$38.7B China IC market

MIGDAL HAEMEK, Israel, and SHANGHAI, China, April 7, 2011 – TowerJazz, the global specialty foundry leader, today announced an office opening in Shanghai, China and the appointment of Lei Qin as China Country Manager to increase business presence and activity in this region. Currently, TowerJazz serves fabless companies in China providing RF products such as base station, GPS and others.

TowerJazz is focused on providing increased business and technical support in China to address the growing customer needs in the RF market as well as in power management, CMOS image sensors (CIS), MEMS and other applications. According to the China Semiconductor Industry Association (CSIA), China's IC market revenues represent 38% of the \$102 billion worldwide IC industry market.

"Lei Qin's extensive industry experience in China will help further our business and relationships in this region, extending our offerings in advanced specialty process technologies to enable customers in China to optimize their product performance and power, and win their markets," said Dani Ashkenazi, Vice President of Sales, TowerJazz. "In addition, this newly created role evidences the importance of the China market and demonstrates TowerJazz's commitment to further grow its customer base in China."

Commenting on his appointment, Lei Qin said, "The fabless business in China has grown rapidly and will continue to grow in the future. I am excited to represent the #1 worldwide specialty foundry and to work with its strong technical team and leading platform portfolio to gain substantial market share and hence to benefit my country."

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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