



NEWS ANNOUNCEMENT

FOR IMMEDIATE RELEASE

TowerJazz Receives 2013 Manufacturing Leadership 100 Award for Operational Excellence

Frost & Sullivan's Manufacturing Leadership Council honors 100 world-class manufacturing companies

MIGDAL HAEMEK, Israel and NEWPORT BEACH, Calif., May 21, 2013 – [TowerJazz](http://www.towerjazz.com), the global specialty foundry leader, today announced it has been selected by Frost & Sullivan as one of the winners of the Manufacturing Leadership 100 Award (ML100 Award) for its Radio Frequency Identification (RFID) implementation in its production line to improve operational efficiency. TowerJazz and fellow award winners were honored at a celebration that followed the ninth annual Manufacturing Leadership Summit on May 15, 2013 in Palm Beach, FL, a gathering of manufacturing leaders from around the world.

Recipients of the ML100 Awards distinguished themselves by embracing breakthrough innovation and enabling their companies to anticipate and respond to customers with unmatched agility. TowerJazz was recognized as a winner in the Operational Excellence category which celebrates outstanding projects undertaken and completed by a manufacturing company. Winners in this category have undertaken projects that transform production processes and systems with an eye toward reducing costs and enhancing agility.

“We are pleased to be recognized by Frost & Sullivan for our operational excellence. Integrating RFID into our Fab 3 semiconductor manufacturing dispatch process has enabled us to substantially increase operating efficiency. This was accomplished by automating tracking steps into the existing Real Time Dispatch (RTD) system and enabling visual location through the integrated LED lights which reduced cycle time and cost,” said Ephie Koltin, Chief Operating Officer, TowerJazz.

Judging criteria for the projects examined how the project transformed key processes and allowed the manufacturing company to add value in new ways, the bottom-line business benefit which resulted from the project, how the project enabled the company's overall business strategy, to what extent the use of technology was key to enabling the project and how it was deployed in a way that delivered maximum value to the business.

The 2013 ML100 Award winners were from the United States, Canada, China, Germany, India, Mexico, Saudi Arabia, Singapore, and Switzerland.

About TowerJazz

Tower Semiconductor Ltd. (NASDAQ: TSEM, TASE: TSEM), its fully owned U.S. subsidiary Jazz Semiconductor Ltd., and its fully owned Japanese subsidiary TowerJazz Japan, Ltd., operate collectively under the brand name TowerJazz, the global specialty foundry leader. TowerJazz manufactures integrated circuits, offering a broad range of customizable process technologies including: SiGe, BiCMOS, Mixed-Signal/CMOS, RFCMOS, CMOS Image Sensor, Power Management (BCD), and MEMS capabilities. TowerJazz also provides a world-class design enablement platform that enables a quick and accurate design cycle. In addition, TowerJazz provides (TOPS) Technology Optimization and development Process Services to IDMs and fabless companies that need to expand capacity. TowerJazz offers multi-fab sourcing with two manufacturing facilities in Israel, one in the U.S., and one in Japan. 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 TowerJazz'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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