



NEWS ANNOUNCEMENT

FOR IMMEDIATE RELEASE

International Rectifier and TowerJazz Enter into a Multi-Year Production Agreement through 2020

MIGDAL HAEMEK, Israel, July 15, 2013 – TowerJazz, the global specialty foundry leader, announced today the extension of its business relationship with International Rectifier (IR), a world leader in power management technology, by entering into a seven-year agreement under the terms of which TowerJazz will manufacture multiple product families for IR.

IR chose to extend its relationship with TowerJazz due to a history of proven success in working with TowerJazz's TOPS (Transfer Optimization and Process Services) business unit; a group with engineering proficiency and proven models to enable Integrated Device Manufacturers (IDMs) the shortest qualification time and fastest time-to-market for moving their manufacturing into high volume foundries. As part of this latest collaboration, IR will use multiple fabs from TowerJazz. The new deal with IR will add yet another layer to TowerJazz's multiple IDM deals it is currently engaged in.

"IR has enjoyed a strong relationship with TowerJazz, recognizing the company as an International Rectifier Supplier of the Year 2012 based upon criteria including alignment of business goals, manufacturing flexibility and responsiveness. With its goal to be the specialty foundry leader, TowerJazz continues to meet our business needs and we are pleased to enter into this agreement," said Oleg Khaykin, President and Chief Executive Officer, International Rectifier.

"There is no greater affirmation a company can receive than a valued lead customer extending an existing agreement. International Rectifier, from its inception, has an undeniable brand as a power management leader. We look forward to many more years of partnership as we protect IR's intellectual property as well as that of all our other customers," said Russell Ellwanger, Chief Executive Officer, TowerJazz.

About International Rectifier

International Rectifier (NYSE:IRF) is a world leader in power management technology. IR's analog and mixed signal ICs, advanced circuit devices, integrated power systems and components enable high performance computing and reduce energy waste from motors, the world's single largest consumer of electricity. Leading manufacturers of computers, energy efficient appliances, lighting, automobiles, satellites, aircraft and defense systems rely on

IR's power management benchmarks to power their next generation products. For more information, go to www.irf.com.

Trademark Notice

IR® is a registered trademark of International Rectifier Corporation.

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 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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