



NEWS ANNOUNCEMENT

FOR IMMEDIATE RELEASE

TowerJazz Supports Cadence Virtuoso Layout Suite for Electrically Aware Design (EAD) in PDKs for all of its 180nm Processes

Allows engineers to reduce circuit design cycle by up to 30 percent while optimizing chip size and performance

MIGDAL HAEMEK, Israel and NEWPORT BEACH, Calif., June 8, 2015 – TowerJazz, the global specialty foundry leader, announced today its support for the Cadence® Design Systems Virtuoso® Layout Suite for Electrically Aware Design (EAD) for all of its 180nm processes, including TS18SL (CMOS), TS18PM (power management), and TS18IS (image sensor) as well as CA18 and CS18 (HPA and SOI). The EAD technology will be part of all these technologies' process design kits (PDKs) and will allow TowerJazz customers to use the tool during their design flow.

The Cadence Virtuoso Layout Suite for EAD features a unique, patented in-design electrical verification capability that enables design teams to monitor electrical issues while a layout is created rather than requiring the layout to be complete before verifying that a design meets specifications. It allows engineers to reduce circuit design cycles by up to 30 percent while optimizing chip size and performance.

"Adding EAD support to TowerJazz PDKs and adding it to the reference design, together with close collaboration between TowerJazz and Cadence, will enable our customers to save several iterations on the design of each block sensitive to parasitic effects," said Ori Galzur, vice president of VLSI design center at TowerJazz. "EAD support will allow our mutual customers to design and deliver robust and reliable ICs for first time silicon success and time to market advantages."

"TowerJazz and Cadence customers can now begin leveraging EAD enablement to overcome design challenges related to interconnect parasitics and electro-migration issues," said Glen

Clark, vice president, research and development at Cadence. “TowerJazz and Cadence have a long history of collaboration that has enabled our mutual customers to achieve success in delivering quality products to market faster than ever.”

TowerJazz has also included the EAD features in its reference design, which will be shown during the Design Automation Conference (DAC), June 7-11, 2015 in TowerJazz’s booth #2608 and in the Cadence theatre at DAC on Monday, June 8, 2015 at 12:00pm.

For more information on the Virtuoso Layout Suite for EAD, please visit http://www.cadence.com/products/cic/electrically_aware_design/pages/default.aspx.

About TowerJazz

Tower Semiconductor Ltd. (NASDAQ: TSEM, TASE: TSEM) and its fully owned U.S. subsidiary Jazz Semiconductor, Inc. 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, RF CMOS, CMOS image sensor, integrated power management (BCD and 700V), and MEMS. TowerJazz also provides a world-class design enablement platform for a quick and accurate design cycle as well as Transfer Optimization and development Process Services (TOPS) to IDMs and fabless companies that need to expand capacity. For more information, please visit www.towerjazz.com.

To provide multi-fab sourcing and extended capacity for its customers, TowerJazz operates two manufacturing facilities in Israel (150mm and 200mm), one in the U.S. (200mm) and three additional facilities in Japan (two 200mm and one 300mm) through **TowerJazz Panasonic Semiconductor Co. (TPSCo)**, established with Panasonic Corporation of which TowerJazz has the majority holding. Through TPSCo, TowerJazz provides leading edge 45nm CMOS, 65nm RF CMOS and 65nm 1.12um pixel technologies, including the most advanced image sensor technologies. For more information, please visit www.tpsemico.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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