



NEWS ANNOUNCEMENT

FOR IMMEDIATE RELEASE

Simucad and Jazz Semiconductor Jointly Release Design Kits to Address High-Performance Specialty Foundry Markets

New Offering Targets Aerospace/Defense and High Performance Analog Applications

SANTA CLARA and NEWPORT BEACH, Calif., April 27, 2009 – Simucad Design Automation, a leading provider of Analog, Mixed-Signal and RF Electronic Design Automation tools and Jazz Semiconductor, Inc., a Tower Group Company (NASDAQ: TSEM, TASE: TSEM), and a leader in Analog-Intensive Mixed-Signal (AIMS) foundry solutions, today announced the release of Process Design Kits (PDKs) for Jazz Semiconductor's 0.25um technology to address the needs of high-performance specialty markets such as those in aerospace, defense, and high-performance analog. The release complements existing Simucad PDKs for Jazz Semiconductor's 0.18um RF CMOS and SiGe BICMOS which together provide customers a quality design environment at an affordable cost enabling a strong return on investment particularly for lower volume, specialty markets.

"We are very pleased to work with Simucad on providing our customers a greater selection in EDA tools while maintaining a time to market advantage through our silicon-accurate models," said Dr. Marco Racanelli, Senior VP and General Manager, RF and High Performance Analog Business Group, Jazz Semiconductor. "Adding the 0.25um Simucad offering was in direct response to strong customer interest in aerospace, defense, and high-performance analog markets which continue to be a primary focus of our specialty foundry business".

Simucad supports seven additional Jazz process technologies, CA18HA, CA18HR, CA18HD, SBC18HA, SBC18HX, SBC35QTA, SBC35QTS ranging from 0.18um to 0.5um.

"We are excited to continue to expand our relationship with Jazz Semiconductor to benefit our mutual customers," said Dr. Ivan Pesic, CEO of Simucad. "With our fully integrated, affordable IC design software and Jazz PDKs, customers in the Analog, Mixed-Signal, and RF design markets have everything they need to tape out high quality ICs."

Focus on Quality

To qualify for hosting on the ebizz portal, Simucad engineers worked closely with Jazz to implement a series of quality assurance procedures to mirror the PDK QA environment at

Jazz. "Our mutual customers in the commercial, aerospace, and military markets demand PDKs of the highest quality that enable first-pass design success," said Mark Maurer, Government Business Manager at Simucad.

About Simucad Design Automation

Simucad Design Automation is a leading provider of simulation and CAD software tools used for developing analog, mixed-signal, and RF integrated circuits. Founded in 2004 as a spin-off from Silvaco International, the company delivers products for circuit simulation, custom IC layout and verification, interconnect modeling, digital simulation, and IP characterization. The company provides a complete PDK-based design flow with interfaces to third-party design platforms. Simucad has a worldwide presence inherited from Silvaco's twenty years of business and is preparing for an IPO.

About Tower Semiconductor, Ltd. and Jazz Semiconductor, Inc.

Tower Semiconductor Ltd. (NASDAQ: TSEM, TASE: TSEM) is a pure-play independent specialty wafer foundry and its fully owned U.S. subsidiary Jazz Semiconductor, Inc., is a leader in Analog-Intensive Mixed-Signal (AIMS) foundry solutions. Tower and Jazz manufacture integrated circuits with geometries ranging from 1.0 to 0.13-micron and provide complementary technical services and design support. In addition to digital CMOS process technology, Tower offers advanced mixed-signal and RF CMOS, Power Management, CMOS image-sensor, non-volatile memory technologies and Flash MTP and OTP solutions. Jazz's comprehensive process portfolio of modular AIMS technologies includes RFCMOS, Analog CMOS, Silicon and SiGe BiCMOS, SiGe C-BiCMOS, Power CMOS and High Voltage CMOS. To provide world-class customer service, Tower maintains two manufacturing facilities in Israel; Jazz maintains a fab in the U.S. and additional manufacturing capacity is available in China through partnerships with ASMC and HHNEC. For more information, please visit www.towersemi.com and www.jazzsemi.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's and 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. 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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