



## Applied Materials Wins Second Multi-Year Service Contract at TowerJazz

April 5, 2011

SANTA CLARA, Calif., April 5, 2011 - Applied Materials, Inc. announced today that it signed a multi-year service contract with [TowerJazz](#), a global specialty foundry leader, to support Applied Materials equipment at its semiconductor manufacturing facility in Newport Beach, California. This is the second service contract TowerJazz has awarded Applied; the [first contract](#) covers all Applied Materials systems at TowerJazz's Fab 2 in Migdal Haemek, Israel. Both service contracts are performance-based and deliver committed system uptime at a low, predictable cost that varies with factory loading - a key benefit that allows customers to control costs as demand fluctuates.

"Applied has proven that it can deliver significant cost savings and increased operating efficiencies as we have ramped production over the last several quarters," said Ephie Koltin, senior vice president of worldwide operations at TowerJazz. "Outsourcing equipment maintenance makes sound economic sense for us and allows us to concentrate on our core mission - fabricating our customers' complex [CMOS](#), advanced analog, power management, image sensor, mixed-signal and [MEMS](#) devices with the reliability and quality required for today's mobile consumer electronics."

"Our adaptive support solutions save our customers money by enabling them to convert fixed costs to variable expenses that align with their revenue. This is the second agreement of this kind with TowerJazz which demonstrates our value proposition and reflects the growing momentum of our service business at customers worldwide," said Charlie Pappis, group vice president and general manager of Applied Global Services. "Our technical strength has allowed us to help TowerJazz maintain its world-class operational performance in the cyclic environment of the semiconductor business."

Under the agreement, Applied will service [etch](#), [metrology](#) and [inspection](#) tools - among the most technically challenging steps of the manufacturing process. A team of local and internationally located Applied certified engineers will provide around the clock support using an unmatched range of engineering and logistics technologies, including Applied's ExpertConnect™ remote diagnostic capability.

For more information on Applied's support solutions for semiconductor manufacturing, visit <http://www.appliedmaterials.com/service-semi>.

### 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](http://www.towerjazz.com).

### About Applied Materials

Applied Materials, Inc. (Nasdaq:AMAT) is the global leader in providing innovative equipment, services and software to enable the manufacture of advanced semiconductor, flat panel display and solar photovoltaic products. Our technologies help make innovations like smartphones, flat screen TVs and solar panels more affordable and accessible to consumers and businesses around the world. At Applied Materials, we turn today's innovations into the industries of tomorrow. Learn more at [www.appliedmaterials.com](http://www.appliedmaterials.com).

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