

*FOR IMMEDIATE RELEASE*

**Tower Semiconductor Ltd. Selects ASM's A400 Vertical Furnace  
for New 0.18  $\mu$ m Fab**

BILTHOVEN, The Netherlands – September 19, 2002 –ASM International N.V. (Nasdaq: ASMI and Euronext Stock Exchange in Amsterdam: ASM) and its subsidiary, ASM Europe, today announced that Tower Semiconductor Ltd. (Nasdaq: TSEM, TASE: TOWER) has ordered multiple A400™ vertical furnace systems from ASM for its new 0.18  $\mu$ m Fab 2 foundry. Delivery of the systems has started and will continue during the next few quarters.

Tower Semiconductor Ltd. is an independent wafer foundry that provides design support, manufacturing and turnkey services for integrated circuits (ICs) on silicon wafers in geometries from 1.0 to 0.18 microns. Tower strategically focuses on advanced Flash memory and CMOS Image Sensor technologies and is now prototyping 0.18  $\mu$ m products in its new fabrication facility, Fab 2, which features advanced CMOS technology licensed from Toshiba Corporation (NIKKEI: TSE), as well as foundry-standard technology.

"Fab 2 represents an opportunity for both Tower and our customers to benefit from the next industry upturn because it significantly increases our capability and capacity for 0.18  $\mu$ m and below process technologies," said Ron Niv, Tower's Fab 2 Manager. "Tower is focused on best-in-class solutions for its Fab 2 and the ASM's A400 dual-reactor furnace was chosen for its high productivity, short cycle time, high throughput per footprint and consequent low cost of ownership. Additionally, the ASM team's knowledge and expertise will help us with quick installation of the A400, enabling us to maintain our aggressive, customer-focused timetable of initiating Fab 2 volume production by the end of this year."

ASM has been building and selling furnaces for oxidation, diffusion and LPCVD processes since 1968. The Advance® 400 Series is a comprehensive range of batch furnaces optimized to the needs of current technologies and ready for the future – 0.1  $\mu$ m and beyond. The Advance 400 Series vertical furnaces are the first furnaces having a configuration using dual-reactors and dual-boats. While one boat is in processing, the other is prepared for the next run. This configuration guarantees optimum cost per footprint, 100 % utilization and continuous processing, and thus the highest throughput.

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Dr. Albert Hasper, Worldwide Product Manager Vertical Furnace at ASM, said: “Two years ago, Tower selected us as the best supplier of the year. We are very pleased that Tower has again expressed its confidence in ASM by selecting our A400 for its new foundry fab.”

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#### **About Tower Semiconductor Ltd.**

Tower Semiconductor Ltd., an independent wafer manufacturer, provides design support, manufacturing and turnkey services for integrated circuits (ICs) on silicon wafers in geometries from 1.0 to 0.18 microns. Tower strategically focuses on advanced non-volatile memory solutions, mixed-signal and CMOS image-sensor technologies. The company is now prototyping 0.18-micron products in its new fabrication facility, Fab 2. When complete, Fab 2 will offer 0.18 micron and below process technologies, produce up to 33,000 200mm wafers per month and employ approximately 1,100 people. Fab 2 features advanced CMOS technology licensed from Toshiba Corporation (NIKKEI: TSE), as well as foundry-standard technology, which is applicable to digital, mixed-signal, CMOS image-sensor and flash memory processes. Tower maintains a Web site at [www.towersemi.com](http://www.towersemi.com).

#### **About ASM**

ASM International N.V. is headquartered in Bilthoven, the Netherlands. ASM International is a global company, serving one of the most important and demanding industries in the world. The Company possesses a strong technological base, state-of-the-art manufacturing facilities, a competent and qualified workforce and a highly trained strategically distributed support network. ASM International’s subsidiaries design and manufacture equipment and materials used to produce semiconductor devices. ASM International and its subsidiaries provide production solutions for wafer processing, assembly and packaging through their facilities in the United States, Europe, Japan and Asia. ASM International’s common stock shares trade on Nasdaq (symbol ASMI) and the Euronext Stock Exchange in Amsterdam (symbol ASM). For more information, visit ASM’s web site at <http://www.asm.com>

*Safe Harbor Statement under the US Private Securities Litigation Reform Act of 1995: The statements regarding orders, earnings development and the effects of research and new products on ASM’s future, and other matters discussed in this statement, except for any historical data, are forward-looking statements. Forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements. These include, but are not limited to economic conditions in the semiconductor industry, currency fluctuations, the timing of significant orders, market acceptance of new products, competitive factors, risk factors related to litigation and other risks indicated in filings from time to time with the SEC and Stock Exchange Authorities.*

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