FORM 6-K

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

For the month of December 2002

TOWER SEMICONDUCTOR LTD.
(Translation of registrant's name into English)

P.O. BOX 619, MIGDAL HAEMEK, ISRAEL 10556
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F X Form 40-F
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Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No x
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On November 13, 2002, the Registrant announced that it joined the ARM Foundry Program. A copy of the press release is attached hereto as Exhibit 1.

On December 17, 2002, the Registrant announced that it enhanced its Fab 2 intellectual property portfolio by licensing industry-standard design platforms from Artisan Components, Inc. A copy of the press release is attached hereto as Exhibit 2.

This Form 6-K is being incorporated by reference in all effective registration statements filed by us under the Securities Act of 1933.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

TOWER SEMICONDUCTOR LTD.

Date: January 6, 2003

By: /s/ Sheldon Krause

Sheldon Krause
Assistant Secretary

EXHIBIT 1

TOWER SEMICONDUCTOR JOINS ARM FOUNDRY PROGRAM

MIDGAL HAEMEK, ISRAEL AND CAMBRIDGE, UK - NOV. 13, 2002 - Tower Semiconductor (NASDAQ: TSEM; TASE: TOWER) and ARM [(LSE: ARM); (NASDAQ: ARMHY)], the industry's leading provider of 16/32-bit embedded RISC processor technology, today announced that Tower has joined the ARM Foundry Program. Through the Program, Tower will gain access to two of ARM's most widely used embedded microprocessor cores, enabling Tower to produce customers' ARM(R) core-based products in its Fab 2 facility.

ARM will port its industry-leading ARM7TDMI(R) core and ARM922T(TM) core to Tower's standard-logic 0.18-micron process technology. Tower will make both cores available to customers by the first quarter of 2003.

"Establishing a relationship with one of the world's top IP providers certainly boosts our efforts to create a comprehensive, state-of-the-art IP portfolio for our Fab 2 facility," said Sergio Kusevitzky, senior director of IP and Design Services, Tower. "The availability of the ARM cores is part of our strategy to widen the IP portfolio. Not only do we want to give new and existing fabless customers more design options, but we are also committed to helping them shorten design cycles and accelerate time-to-market. This agreement is proof of our intention and gives our customers the confidence and the ability to achieve those goals."

"Tower's willingness to work closely with ARM Partners will prove to be a great asset to our Foundry Program," said Bruce Beckloff, director, European Marketing, ARM. "With their strong focus on engineering excellence, Tower will enable fabless semiconductor companies as well as IDMs to realize their ARM Powered(R) designs in silicon with strong results in terms of both quality and yield."

As part of the agreement, ARM will validate cores built on Tower's 0.18-micron process to provide silicon proven IP. The ARM7TDMI core, a 32-bit embedded RISC processor delivered as a hard macrocell, enables system designers to build embedded devices requiring small size, lower power and high performance. Applications include personal digital assistants (PDAs), digital still cameras and pagers. Based on the high-performance ARM9TDMI(TM) 32-bit RISC CPU, the ARM922T core can serve as a platform for a wide variety of operating-system-based devices, next-generation smart phones and 3G-baseband and applications processors.

ABOUT THE ARM FOUNDRY PROGRAM
The ARM Foundry Program is an innovative business model that enables fabless semiconductor companies in emerging markets to gain access to ARM processor technology for use in the design and manufacture of advanced system-on-chip (SoC) solutions. There are currently 48 Partners in the Foundry Program, which was launched in 2000. ARM now offers the ARM7TDMI core, the ARM922T core, the ARM946E(TM) core and the ARM1022E(TM) core through the Program.

The Foundry Program offers a flexible partnership model that accelerates the time-to-market for ARM core-based designs and enables OEMs, which do not have access to fabrication facilities, to work directly with an approved ARM semiconductor foundry. Unlike a traditional ARM license, where a licensee gains both manufacturing and design rights, the ARM Foundry Program builds a three-way Partnership between ARM, an approved silicon foundry, and an OEM.

ABOUT ARM

ARM is the industry's leading provider of 16/32-bit embedded RISC microprocessor solutions. The company licenses its high-performance, low-cost, power-efficient RISC processors, peripherals, and system-on-chip designs to leading international electronics companies. ARM also provides comprehensive support required in developing a complete system. ARM's microprocessor cores are rapidly becoming a volume RISC standard in such markets as portable communications, hand-held computing, multimedia digital consumer and embedded solutions. More information on ARM is available at WWW.ARM.COM.

ABOUT TOWER SEMICONDUCTOR LTD.

Tower Semiconductor Ltd. is a pure-play independent wafer foundry established in 1993. The company manufactures integrated circuits with geometries ranging from 1.0 to 0.18 microns; it also provides complementary manufacturing services and design support. In addition to digital CMOS process technology, Tower offers advanced non-volatile memory solutions, mixed-signal and CMOS image-sensor technologies. To provide world-class customer service, the company maintains two manufacturing facilities: Fab 1 has process technologies from 1.0 to 0.35 microns and can produce up to 20,000 150mm wafers per month. Fab 2 features 0.18-micron and below process technologies, including foundry-standard technology, and will offer full production capacity of 33,000 200mm wafers per month. The Tower Web site is located at www.towersemi.com

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SAFE HARBOR FOR TOWER SEMICONDUCTOR LTD

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. POTENTIAL RISKS AND UNCERTAINTIES INCLUDE, WITHOUT LIMITATION, RISKS AND UNCERTAINTIES ASSOCIATED WITH (I) CONDITIONS IN THE MARKET FOR FOUNDRY MANUFACTURING SERVICES AND IN THE MARKET FOR SEMICONDUCTOR PRODUCTS GENERALLY, (II) OBTAINING ADDITIONAL BUSINESS FROM NEW AND EXISTING CUSTOMERS, (III) OBTAINING ADDITIONAL FINANCING FOR THE FAB 2 PROJECT FROM WAFER PARTNERS AND/OR EQUITY PARTNERS AND/OR OTHER SOURCES, (IV) ANY FAILURE BY TOWER TO RAISE ADDITIONAL FUNDING BY THE DEADLINES SET FORTH IN ITS AGREEMENT WITH ITS BANKS AND/OR A FAILURE BY TOWER TO REACH AN AGREEMENT WITH ITS BANKS TO EXTEND THE DEADLINES TO RAISE ADDITIONAL FINANCING IN 2002 AND 2003, WHICH WOULD RESULT IN AN EVENT OF DEFAULT OF TOWER'S LOAN AGREEMENT, IN WHICH EVENT THE BANKS WOULD HAVE THE RIGHT TO CALL THE LOANS AND EXERCISE ITS LIENS AGAINST TOWER'S ASSETS, (V) A DECLARATION OF DEFAULT BY TOWER'S WAFER PARTNERS, FINANCIAL INVESTORS AND THE INVESTMENT CENTER OF THE STATE OF ISRAEL SHOULD TOWER'S BANKS CALL THE LOANS, (VI) SATISFACTION OF ALL OTHER CONDITIONS UNDER THE AGREEMENTS WITH THE FAB 2 EQUITY AND WAFER PARTNERS, THE ISRAELI INVESTMENT CENTER AND TOWER'S BANKS, (VII) COMPLETING THE CONSTRUCTION OF A NEW WAFER MANUFACTURING FACILITY, (VIII) SUCCESSFUL COMPLETION OF THE DEVELOPMENT AND/OR TRANSFER OF ADVANCED CMOS PROCESS TECHNOLOGIES TO BE UTILIZED IN TOWER'S EXISTING FACILITY AND IN FAB 2, (IX) MARKET ACCEPTANCE AND COMPETITIVENESS OF THE PRODUCTS TO BE MANUFACTURED BY TOWER FOR CUSTOMERS USING THESE TECHNOLOGIES AND (X) RAMP-UP OF PRODUCTION AT FAB 2.

A MORE COMPLETE DISCUSSION OF RISKS AND UNCERTAINTIES THAT MAY AFFECT THE ACCURACY OF THESE STATEMENTS, AND TOWER'S BUSINESS GENERALLY, IS INCLUDED IN OUR MOST RECENT REGISTRATION STATEMENT ON FORM F-2, AS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION.

ARM MEDIA CONTACT:

Michelle Spencer
+44 1628 427780
michelle.spencer@arm.com

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TOWER MEDIA CONTACTS:

PR AGENCY CONTACT
Julie Lass
LOOMIS GROUP
+1 (512) 457 9400
LASSJ@LOOMISGROUP.COM

INVESTOR RELATIONS CONTACT
Sheldon Lutch
FUSION IR & COMMUNICATIONS
+1 (212) 268 1816
SHELDON@FUSIONIR.COM

CORPORATE CONTACT
Tamar Cohen
TOWER SEMICONDUCTOR LTD.
+972-4650-6998
PR@TOWERSEMI.COM

EXHIBIT 2

ARTISAN COMPONENTS | TOWER SEMICONDUCTOR LTD. | NEWS

FOR IMMEDIATE RELEASE

Tower Semiconductor Enhances Fab 2's IP Portfolio With Artisan Components' Industry-Standard Design Platforms

ARTISAN'S PRODUCT SOLUTIONS OPTIMIZED FOR TOWER'S 0.18-MICRON PROCESS AND FAB 2 TECHNOLOGIES

MIGDAL HAEMEK, Israel and SUNNYVALE, Calif., -- December 17, 2002 -- Tower Semiconductor (Nasdaq: TSEM; TASE: TSEM) has enhanced its Fab 2 IP portfolio by licensing industry-standard design platforms from Artisan Components, Inc. (Nasdaq: ARTI). As part of the agreement, Artisan will deliver a suite of memory generators, a standard cell library and a complete set of general-purpose I/Os optimized for Tower's 0.18-micron CMOS process. These platforms will be available to Tower customers as early as the first quarter of 2003.

"By licensing Artisan's products, Tower can provide its customers with a broad selection of widely used, silicon-proven semiconductor IP," said Sergio Kusevitzky, senior director of IP and design services at Tower Semiconductor. "The addition of Artisan libraries matches our strategy of helping our customers to shorten design time, while minimizing risk and accelerating time-to-market. Additionally, Tower will gain access to Artisan's diverse customer base, improving our competitive position in the marketplace."

More than 1000 companies around the world license Artisan's design platforms. Tower's advanced 0.18-micron process technology coupled with Artisan's state-of-the-art design platforms can provide the backbone for designing and manufacturing a variety of semiconductor devices.

"Tower's focus on providing leading-edge process technologies and superior customer support complements Artisan's commitment to deliver design products that are optimized for the latest design and manufacturing techniques. We anticipate that this powerful combination will give IC designers the best possible path to silicon," said Neal Carney, vice president of marketing, Artisan Components. "We are pleased Tower has selected our products to advance its technology and business goals."

Artisan will provide Tower with memory generators for single- and dual-port SRAM, one- and two-port register files, via programmable ROM, the SAGE-X(TM) Standard Cell Library and a set of general-purpose I/Os. Artisan's extensive set of views and models of the industry's leading EDA tools are a standard part of this comprehensive product offering.

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Safe Harbor Statement for Tower Semiconductor Ltd.

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. Potential risks and uncertainties include, without limitation, risks and uncertainties associated with (i) conditions in the market for foundry manufacturing services and in the market for semiconductor products generally, (ii) obtaining additional business from new and existing customers, (iii) obtaining additional financing for the Fab 2 project from wafer partners and/or equity partners and/or other sources, (iv) any failure by Tower to raise additional funding by the deadlines set forth in its agreement with its banks and/or a failure by Tower to reach an agreement with its banks to extend the deadlines to raise additional financing in 2002 and 2003, which would result in an event of default of Tower's loan agreement, in which event the banks would have the right to call the loans and exercise its liens against Tower's assets, (v) a declaration of default by Tower's wafer partners, financial investors and the Investment Center of the State of Israel should Tower's banks call the loans, (vi) satisfaction of all other conditions under the agreements with the Fab 2 equity and wafer partners, the Israeli Investment Center and Tower's banks, (vii) completing the construction of a new wafer manufacturing facility, (viii) successful completion of the development and/or transfer of advanced CMOS process technologies to be utilized in Tower's existing facility and in Fab 2, (ix) market acceptance and competitiveness of the products to be manufactured by Tower for customers using these technologies and (x) ramp-up of production at Fab 2.A more complete discussion of risks and uncertainties that may affect the accuracy of these statements, and Tower's business generally, is included in our most recent Registration Statement on Form F-2, as filed with the Securities and Exchange Commission.

SAFE HARBOR STATEMENT FOR ARTISAN COMPONENTS, INC.

This press release contains forward-looking statements, including, without limitation, the availability of Artisan's single- and dual-port SRAM, one- and two-port register files, via programmable ROM, SAGE-X(TM) Standard Cell Library and I/O Library for Tower's 0.18-micron CMOS process as early as the first quarter of 2003. These statements are subject to various risks and uncertainties, including, but not limited to, whether there will be technical or other difficulties that delay or prevent the availability of such 0.18-micron library products; and market acceptance of such 0.18-micron library products. We refer you also to the documents that Artisan files from time to time with the Securities and Exchange Commission, in particular the section entitled "Factors Affecting Future Operating Results" in Artisan's annual report on Form 10-K and its quarterly reports on Forms 10-Q.

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ABOUT TOWER SEMICONDUCTOR LTD.
Tower Semiconductor Ltd. is a pure-play independent wafer foundry established in 1993. The company manufactures integrated circuits with geometries ranging from 1.0 to 0.18 microns; it also provides complementary manufacturing services and design support. In addition to digital CMOS process technology, Tower offers advanced non-volatile memory solutions, mixed-signal and CMOS image-sensor technologies. To provide world-class customer service, the company maintains two manufacturing facilities: Fab 1 has process technologies from 1.0 to 0.35 microns and can produce up to 20,000 150mm wafers per month. Fab 2 features 0.18-micron and below process technologies, including foundry-standard technology, and will offer full production capacity of 33,000 200mm wafers per month. The Tower Web site is located at www.towersemi.com.

ABOUT ARTISAN COMPONENTS, INC.
Artisan Components, Inc. is a leading semiconductor intellectual property (IP) provider. The company's design platforms are licensed to over 1000 companies worldwide and provide IC designers with a common interface to a range of process technologies from the world's leading foundries. Built on Artisan's Process-Perfect(TM) memory generators, standard cell and I/O libraries, Artisan's design platforms include a comprehensive set of views and models supporting leading design tools and methodologies. Artisan's worldwide network of EDA, IP and design service partners extend the Artisan standard to a complete set of system level design and integration solutions. Artisan is headquartered in Sunnyvale, California. More information about Artisan Components, including free library access can be found at: http://www.artisan.com.

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EDITORIAL CONTACTS:

TOWER SEMICONDUCTOR
PR AGENCY CONTACT
JULIE LASS
LOOMIS GROUP
+1 (512) 457 9400
LASSJ@LOOMISGROUP.COM

INVESTOR RELATIONS CONTACT
SHELDON LUTCH
FUSION IR & COMMUNICATIONS
+1 (212) 268 1816
SHELDON@FUSIONIR.COM

CORPORATE CONTACT
L.T. GUTTADAURO
TOWER SEMICONDUCTOR USA, INC.
+1 (408) 557 2690
LT@TOWER-USA.COM

ARTISAN COMPONENTS, INC.
Corporate Contact
Claudia Natalia
Artisan Components, Inc.
TEL: +1 (408) 548 3172

Investor Relations Contact
Joyce Chowla
Artisan Components, Inc.
TEL: +1 (408) 548 3122