Citi Global Industrial Conference

September 19, 2012

This presentation contains statements which constitute forward-looking statements, within the meaning of the Private Securities Litigation Reform Act of 1995, including but not limited to statements regarding near-term and longer-term prospects, outlook for revenue, Adjusted EBITDA and free cash flow, industry volume, and the Company’s game plan to build shareholder value. The forward-looking statements can be identified by words such as “anticipate,” “believe,” “plan,” “estimate,” “expect,” “intend,” “project,” “target,” and other similar expressions. Forward-looking statements are made as of the date of this presentation and are based upon management’s current expectations and beliefs concerning future developments and their potential effects on us. Such forward-looking statements are not guarantees of future performance. Please see our reports filed with the SEC for a list of risk factors.

We do not assume any obligation to update or revise the forward-looking statements contained in this presentation.

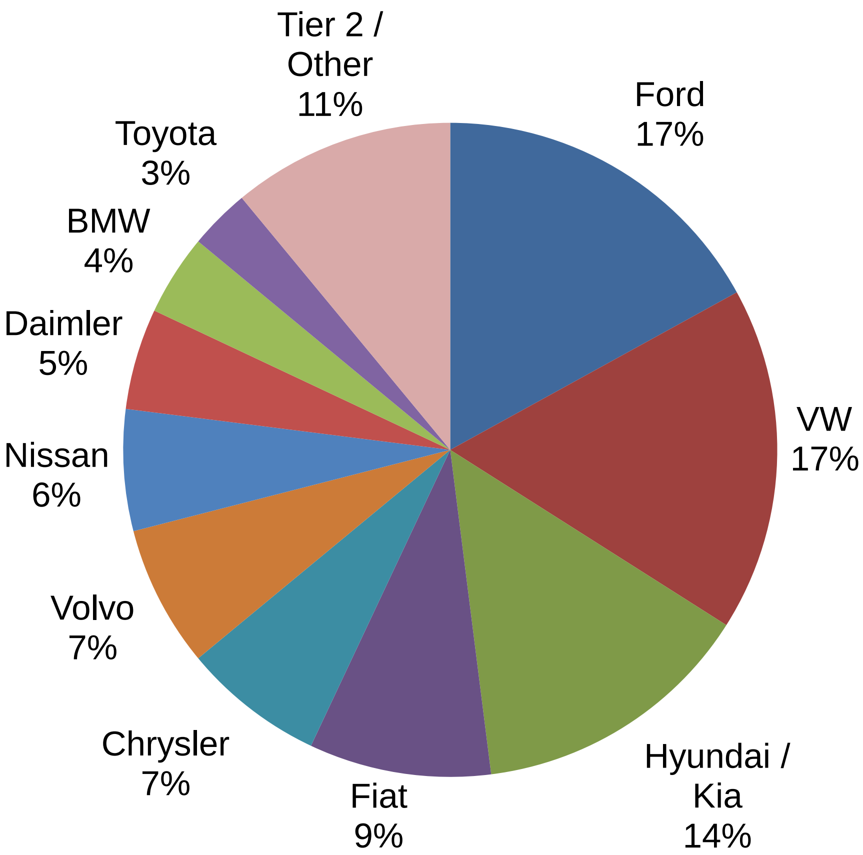
Intended Key Take-Aways

- Well positioned to weather cycles and grow over time
- Good liquidity and no pressing debt maturities
- Guidance for 2013: Higher earnings and positive free cash flow
- Free cash flow yield presents significant opportunity to generate shareholder value
- Track record of delivering results

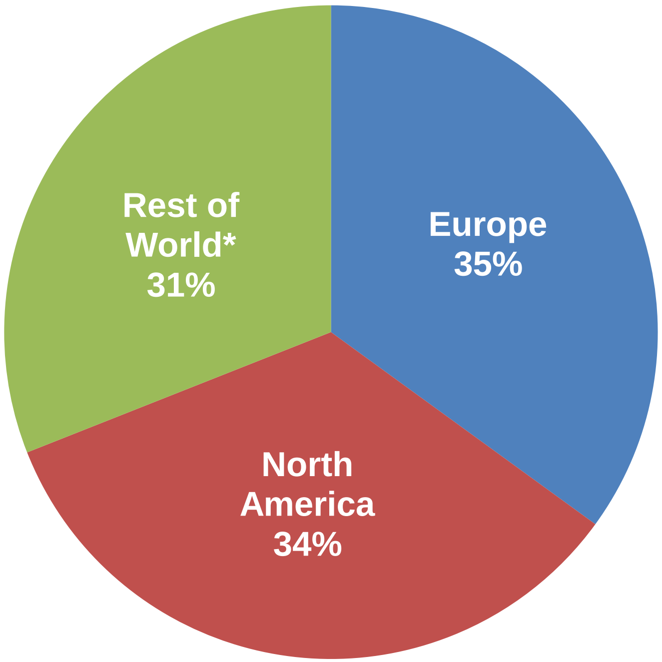
Over Time, Diversification is a Good Thing

(2011 percent of revenue)

2011 Customer Mix



2011 Geographic Mix



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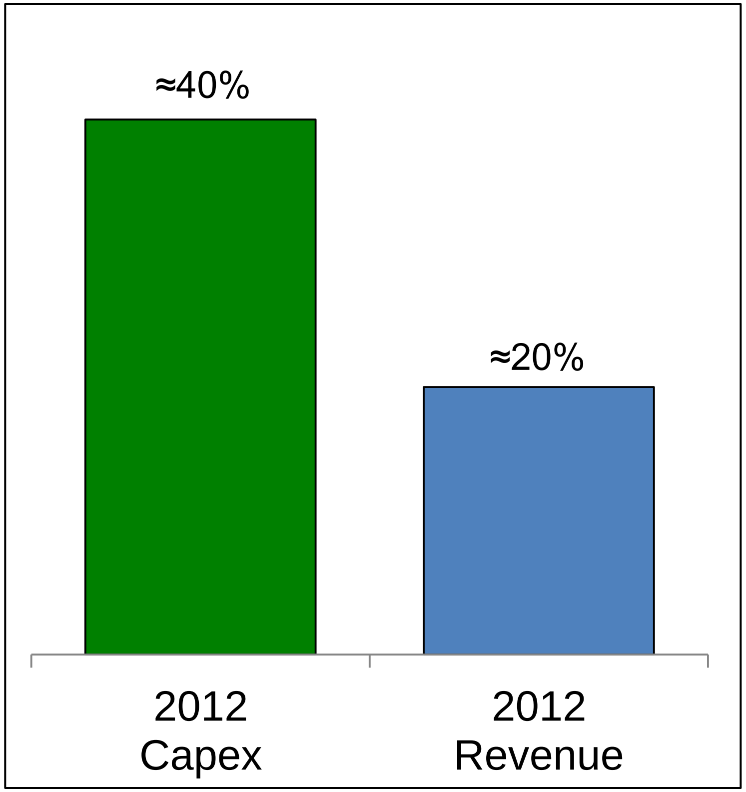
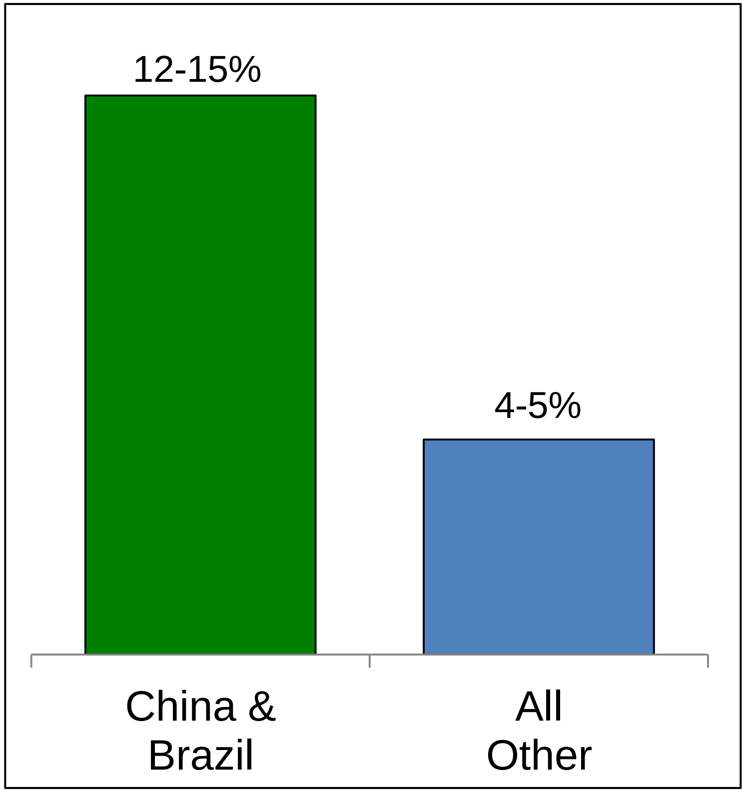
* Includes Korea 14%, Brazil 9%, China 8%

2012 Capex Over-Weighted in Growth Markets

China & Brazil % of Total Co.



2012 Capex % of Revenue



- **Consistent with our game plan, the above-normal capital spending in 2012 is concentrated primarily in the secular above-average growth markets of China and Brazil.**
- **Company capex is presently projected to return closer to trend (about $100M) in 2013.**

Net Debt, Leverage, & Liquidity

(in $ millions)

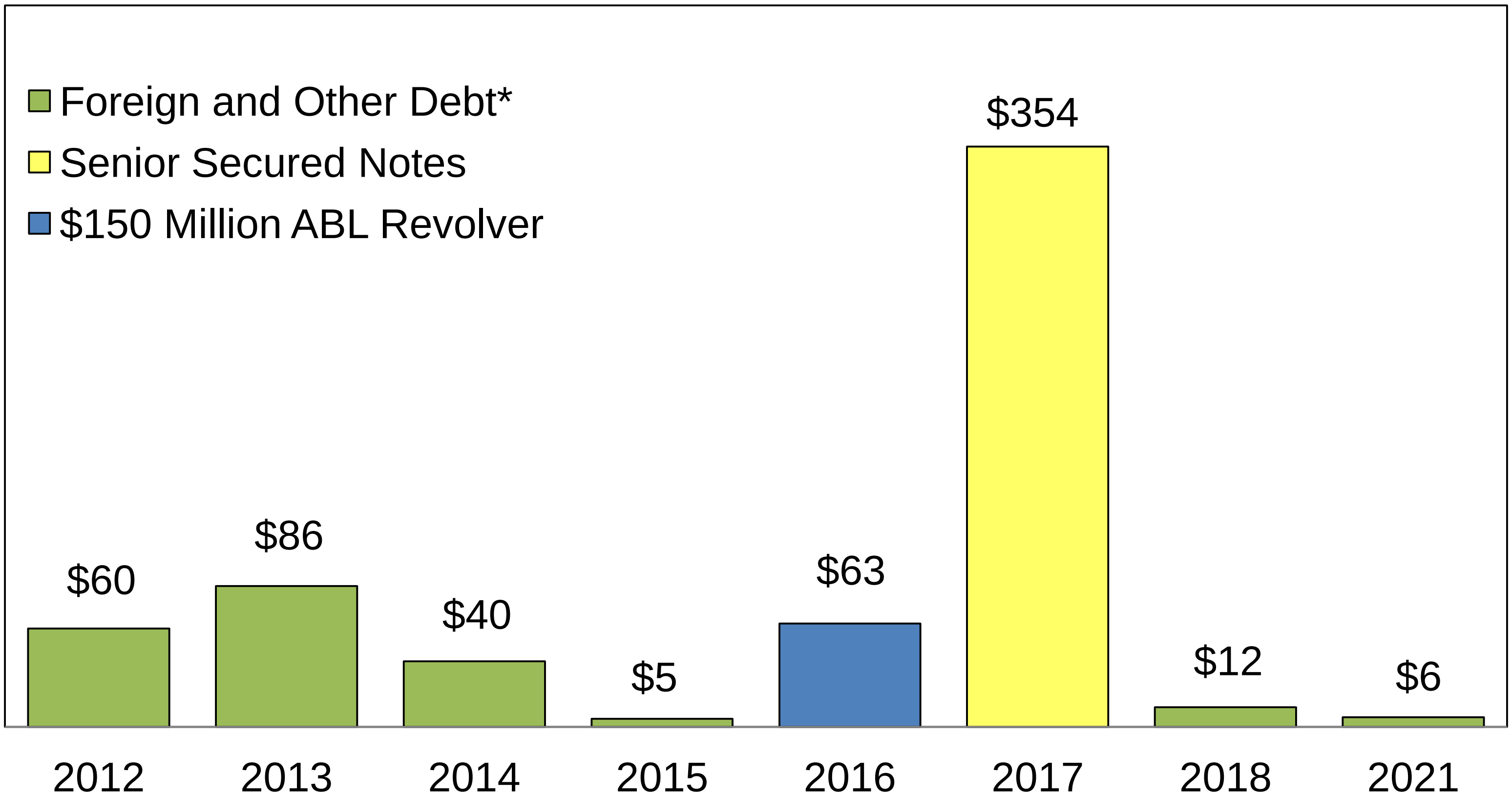
	June 30, 2012	Memo: Targets
Net Debt		
Cash	$ 123	
Gross Debt	(626)	
Net Debt	$ (503)	
Debt-to-LTM Adj. EBITDA		
Gross	2.8X	1.5X
Net	2.2X	1.0X
Liquidity	$ 232	$200+

See slide 12 for comments regarding non-GAAP financial measures.

No Pressing Debt Maturities

(in $ millions)

As of June 30, 2012



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* Foreign debt is generally short-term, asset-backed, and has consistently been renewed.

Backlog and Cost Discipline Drive Favorable 2013 Outlook

(in $ millions)

	2012	2013
Revenue	≈ $2,400	Up
Adjusted EBITDA	$210-$220	Up
Adjusted EPS	$0.90	Up
Free Cash Flow	$(15)-$(25)	Positive
Capex	$150	≈ $100

- Guidance was re-affirmed following Q2 2012 results
- 2013 revenue outlook includes estimated net new-business backlog of $125M

Clear Path to Significant Ongoing Free Cash Flow (FCF)

FCF Trend Business Model (% of Rev.)

	Demonstrated Capability	Achievable Improvements
Adjusted EBITDA	9-10%	
Capex	(4)-(5)	
EBITDA less Capex	≈ 5%	+1-2%
Customer Tooling	0	
Interest	≈ (2.5)	+1%
All Other*	≈ (1.5)	
Free Cash Flow	≈ 1%	≈3+%

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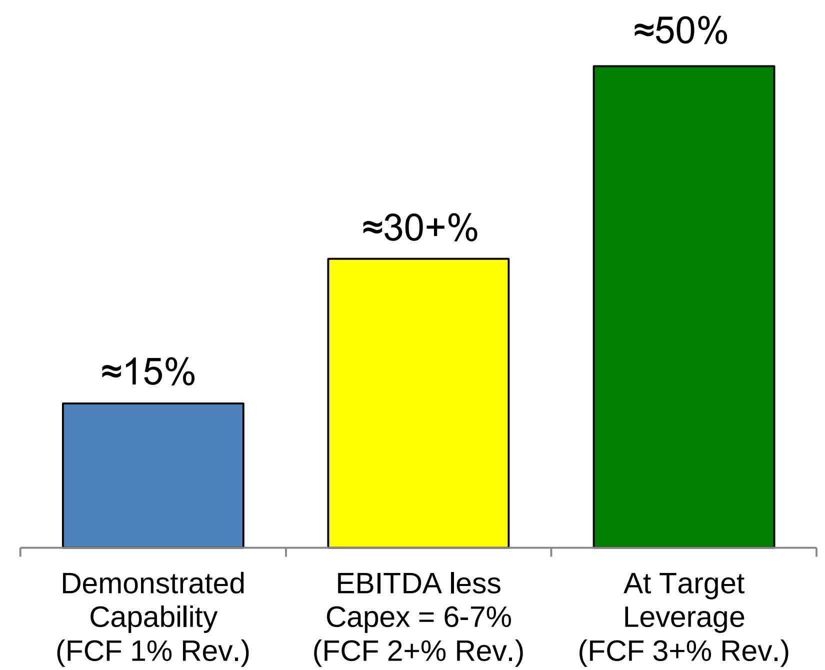
* Taxes, pension, working capital & other

FCF % of Present Market Cap.



We estimate the demonstrated capability of Tower's business model (at normalized conditions) will generate ongoing free cash flow (FCF) averaging about 1% of revenue.

- **With realistically achievable and planned improvements, we believe FCF should grow to about 3+% of revenue by about 2015.**
- **This would represent large FCF yield relative to Tower's present stock price, providing good capability to allocate capital to sustain profitable growth and to reward shareholders.**

See slide 12 for comments regarding non-GAAP financial measures.

Track Record of Delivering Results

- Achieved cost competitiveness through $195 million of ongoing annual savings from major process improvements in 2008-2009.
- Achieved world-class quality through rigorous standardization of global best practices.
- Survived 2008-2009 auto “depression” with strong cash focus and by achieving 7.6% Adjusted EBITDA margin with no customer assistance.
- Beat or met earnings consensus all 8 quarters since IPO.

See slide 12 for comments regarding non-GAAP financial measures.

Game Plan to Build Shareholder Value Over Time

1. **Consistently deliver solid and predictable results.**
   – Financial results that are appropriate for whatever volume scenario unfolds.

2. **Capitalize over time on opportunities beyond “industry recovery”.**
   – **Above-average secular growth in China and Brazil**
     - - Action: Doubling capacity and customers in China, new factory added in Brazil;
   – **Further reductions in leverage**
     - - Action: $68M of senior notes repurchased, net debt leverage down to 2.2X;
   – **Opportunistic, accretive acquisitions**
     - - Action: W-Industries; and
   – **Opportunities in adjacent markets**
     - - Action: Defense, aerospace, industrial.

- **Tower is significantly better positioned now than at the time of its IPO about two years ago, having made progress on each element of its balanced game plan.**
- **We are determined to reward patient investors and other stakeholders.**

Intended Key Take-Aways

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Non-GAAP Financial Measures

This presentation includes the following non-GAAP financial measures: “Adjusted EBITDA”, “Adjusted EBITDA margin”, “free cash flow” and “net debt.” We define Adjusted EBITDA as net income / (loss) before interest, taxes, depreciation, amortization, restructuring items and other adjustments described in the reconciliations provided in this presentation. Adjusted EBITDA margin represents Adjusted EBITDA divided by revenues. Free cash flow is defined as cash provided by operating activities less cash disbursed for purchases of property, plant and equipment. Net debt represents total debt less cash and cash equivalents. We use Adjusted EBITDA, Adjusted EBITDA margin, free cash flow and net debt as supplements to information provided in accordance with generally accepted accounting principles (“GAAP”) in evaluating our business and they are included in this presentation because they are four of the principal factors upon which our management assesses performance. Reconciliations of these non-GAAP financial measures to the most directly comparable financial measures calculated in accordance with GAAP are set forth below. The non-GAAP measures presented above are not measures of performance under GAAP. These measures should not be considered as alternatives for the most directly comparable financial measures calculated in accordance with GAAP. Other companies in our industry may define these non-GAAP measures differently than we do and, as a result, these non-GAAP measures may not be comparable to similarly titled measures used by other companies in our industry; and (ii) certain of our non-GAAP financial measures exclude financial information that some may consider important in evaluating our performance. Given the inherent uncertainty regarding special items and other expense in any future period, a reconciliation of forward-looking financial measures to the most directly comparable financial measures calculated and presented in accordance with GAAP is not feasible. The magnitude of these items, however, may be significant.