



4.1.2004

לכבוד
רשות ניירות ערך
כנפי נשרים 22
ירושלים

א.ג.נ.,

הנדון: אלביט מערכות בע"מ ("החברה") – הודעה לעתונות

מצ"ב הודעה לעתונות (Press Release) שבכוונתנו לפרסם היום בארה"ב ולהגישה כדו"ח 6K לרשות ניירות ערך האמריקאית.

בכבוד רב,

אילן פכולדר
מזכיר החברה



Business News

The Elbit Systems Group Acquires the Business Activities of the Aircraft Systems Division of Israel Military Industries

Haifa, Israel, January 4, 2004 – Elbit Systems Ltd. (NASDAQ: ESLT) announced today that its wholly owned subsidiary Cyclone Aviation Products Ltd. ("Cyclone") has signed an agreement for the acquisition of the business activities of the Aircraft Systems Division of Israel Military Industries Ltd. ("IMI") in Tirat Hacarmel, Israel for the price of approximately \$7.5 million, subject to accounting adjustments.

The Aircraft Systems Division of IMI manufactures weapon pylons and external fuel tanks for fighter aircraft. The customers of the Aircraft Systems Division include the Israel Ministry of Defense, the U.S. Department of Defense, U.S. aviation companies and other customers worldwide. The revenues of the Aircraft Systems Division in 2003 were approximately \$14 million.

Cyclone, located near Karmiel, Israel, is engaged in the development and manufacturing of structural assemblies for civil and military aircraft and in maintenance services for helicopters and aircraft. Cyclone employs approximately 350 employees.

Pursuant to the acquisition, the business and operational activities of the Aircraft Systems Division will be integrated with Cyclone's activities.

The acquisition agreement was signed by the parties and the completion of the transaction is subject to conclusion of arrangements with the employees' representatives and the Finance Ministry and receipt of all approvals required by law.

About IMI

Israel Military Industries Ltd. is a government owned company, which specializes in the development, manufacturing and deployment of a wide range of state-of-the-art combat-ready solutions. Export constitutes 60% of IMI's annual sales. IMI's customers include the Israel Ministry of Defense and armed forces worldwide.

About Elbit Systems

Elbit Systems Ltd. is an international defense electronics company engaged in a wide range of defense-related programs throughout the world, in the areas of aerospace, ground and naval systems, command, control, communications, computers and intelligence (C4I), advanced electro-optic and space technologies. The Company focuses on the upgrading of existing military platforms and developing new technologies for defense and homeland security applications.

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