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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



Advanced Technology Center, P.O. Box 539, Haifa 31053, Israel Tel: 972-4-8315315 Fax: 972-4-8550002

**ELBIT SYSTEMS WINS CONTRACT FROM ISRAELI
MINISTRY OF DEFENSE TO OPERATE AND MAINTAIN
THE HELICOPTERS OF THE ISRAEL AIR FORCE
FLIGHT SCHOOL**

***CONTRACT VALUED AT APPROXIMATELY \$40 MILLION
TO BE PERFORMED OVER A TEN-YEAR PERIOD***

Haifa, Israel, June 2, 2004- Elbit Systems Ltd.(NASDAQ: ESLT) announced that it was awarded, through its wholly owned subsidiary Cyclone Aviation Products Ltd.("Cyclone"), a ten-year contract from the Israeli Ministry of Defense for the operation and maintenance of the helicopters of the Israel Air Force ("IAF") Flight School. Under the contract, which will be executed by providing flight hours ("Power by the Hour"), Cyclone will provide full maintenance services to the IAF Bell 206 and Cobra AH-1A helicopters. The contract is valued at approximately \$40 million. Cyclone has recruited approximately 30 specialists who are experienced in the maintenance of these IAF helicopters.

The maintenance and full logistic support of the IAF Flight School helicopters are being transferred from the IAF to Cyclone as part of the IAF process of outsourcing and privatization of various services. The service and support activities to be performed by Cyclone under the new contract are in line with other outsourcing services being performed by Elbit Systems for the IAF. Elbit Systems is currently operating the "Snunit" GROB 120I trainer aircraft for the IAF Flight School. The "Snunit" program is a Private Finance Initiative (PFI) contract, under which the trainer aircraft are owned and fully maintained by Elbit Systems. The "Snunit" trainers have already accumulated thousands of operational hours in the service of the IAF Flight School.

Joseph Ackerman, President and CEO of Elbit Systems , commented:
"The contract for the maintenance and support of the IAF Flight School helicopters is an additional important milestone in the realization of Elbit Systems' strategy to expand its activities in the area of maintenance, support and operation services, in Israel and 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, land and naval systems, command, control, communications, computers, intelligence, surveillance and reconnaissance ("C4ISR"), 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.

*For more about Elbit Systems, please visit our website
at www.elbitsystems.com*

Contacts

Company contact

Ilan Pacholder, VP Finance
Elbit Systems Ltd
Tel: 972-4 831-6632
Fax: 972-4 831-6659
Pacholder@elbit.co.il

IR Contacts

Ehud Helft/Kenny Green
Gelbart Kahana
Tel: 1-866-704-6710
Fax: 972-3-607-4711
ehud@gk-biz.com
kenny@gk-biz.com

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