



ELBIT SYSTEMS WON CONTRACTS IN ROMANIA VALUED AT APPROXIMATELY \$25 MILLION

Elbit Systems to upgrade helicopters for the Romanian Air Force and Navy

Both upgrade programs to be conducted with Romanian aircraft manufacturer IAR

Haifa, Israel, July 3, 2005, Elbit Systems Ltd. (NASDAQ: ESLT), in cooperation with the Romanian aircraft manufacturer IAR S.A. Brasov, won two contracts to upgrade helicopters for the Romanian Air Force and Navy valued at approximately \$25 million.

As part of one contract, Elbit Systems will supply enhanced avionic systems and night flight systems for the Romanian Air Force helicopters, with the purpose of upgrading them to comply with NATO standards. Elbit Systems and IAR Brasov have also decided to jointly market similar upgrade programs to other customers.

Under the second contract, Elbit Systems will work with IAR Brasov to upgrade helicopters for the Romanian Navy.

Joseph Ackerman, Elbit Systems CEO said, "Elbit Systems is at the forefront of aircraft and helicopter upgrades for many military forces worldwide. The upgrade program for the Romanian air force is especially important in light of the compliance of the upgraded helicopters to NATO standards. This opens up a market with great business potential. Our first win of maritime helicopter upgrade." He added, "Elbit Systems and IAR Brasov have a

long lasting relationship of joint helicopter upgrade programs, and these new contracts are yet another milestone in the fruitful relationship between our companies.”

Elbit Systems has been performing defense platform programs in Romania for more than ten years, managing programs in cooperation with the majority of the local aerospace companies.

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