



Elbit Systems of America's Subsidiary, Kollsman, Awarded \$33.6 Million Initial Orders for Long Range Thermal Imagers for the USMC

Potential for Up to \$250 Million in Additional Orders under IDIQ Contract

Haifa, 12 December, 2005 - Elbit Systems Ltd, (NASDAQ:ESLT) reported that its U.S. subsidiary Kollsman, Inc., was awarded initial orders in the amount of \$33.6 million to provide high-performance Thermal Binocular System Long Range Thermal Imagers (LRTI) for the U.S. Marine Corps. The LRTI is a portable binocular, hand-held, battery-operated thermal imager for long-range observation and reconnaissance. Initial deliveries will be made in 2006 and 2007. The majority of the work under the contract will be performed by Kollsman in Merrimack, New Hampshire, with support being provided by Elbit Systems Electro-Optics Elop Ltd., a wholly owned Israeli subsidiary of Elbit Systems Ltd.

The initial orders were placed under an indefinite delivery/indefinite quantity (IDIQ) contract awarded by the U.S. Marine Corps Systems Command, Infantry Weapons Branch in Quantico, Virginia. Under the IDIQ contract the U.S. Government may purchase up to 5,000 LRTI's as well as spare parts, contractor maintenance and training items over a five-year period. Therefore, there is the potential for up to \$250 million in additional orders to Kollsman under the IDIQ contract.

According to Elbit Systems of America's President and CEO Tim Taylor: "The LRTI will provide ground troops with an effective means of operation that is a crucial part of field operations. We are very proud that Kollsman has been selected for this important program in support of the Marine Corps."

About Kollsman, Inc.

Kollsman, Inc., an Elbit Systems of America company, headquartered in Merrimack, New Hampshire, is a multi-disciplined research, development, manufacturing and support organization which provides advanced electro-optical and avionics systems to U.S. and foreign commercial and military markets.



About Elbit Systems of America:

Elbit Systems of America (ESA) is a leading provider of electronics and electronics-based solutions to government and commercial aviation customers in the defense, homeland security, and aerospace markets. Headquartered in Fort Worth, TX, Elbit Systems of America employs approximately 1,200 professionals throughout the United States. ESA is a wholly owned subsidiary of Elbit Systems Ltd. (NASDAQ:ESLT). Additional information about Elbit Systems of America and its operating businesses is available at www.elbitsystemsofamerica.com.

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.

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