

FOLLOW-ON U.S MARINE CORPS CONTRACT VALUED AT \$50 MILLION

Haifa, Israel, June 28, 2006 – Elbit Systems Ltd. (NASDAQ: ESLT) reported today that EFW Inc., an Elbit Systems of America company, received an contract valued at approximately \$50 million from the US Marine Corps Systems Command for the supply of military systems.

This contract follows an initial order for similar systems, reported by the company on November 6, 2005 that was valued at approximately \$70 million

Under the new contract, EFW will produce, integrate, install and provide logistics support for the systems on Marine Corps vehicles. The systems are designed to answer an immediate operational need and are scheduled for installation during 2006

About EFW

EFW Inc., of Fort Worth, TX, specializes in the design, development, production and life-cycle support of complex military hardware and software solutions for upgrade and integration projects. As a fully accredited US Department of Defense supplier, the company also provides systems support for fixed and rotary wing aircraft, ground vehicles, naval vessels, trainers, simulators, and weapons sensors for military services and leading defense contractors

About Elbit Systems

Elbit Systems Ltd. is an international defense electronics company engaged in a wide range of defense-related programs throughout the world. The Elbit Systems



Group, which includes the company and its subsidiaries, operates in the areas of aerospace, land and naval systems, command, control, communications, computers, intelligence, surveillance and reconnaissance ("C4ISR"), advanced electro-optic and space technologies, EW suites, airborne warning systems, ELINT systems, data links and military communications systems and equipment. The Group also focuses on the upgrading of existing military platforms and developing new technologies for defense and homeland security applications.

Contacts

Company contact

Ilan Pacholder, Corporate Secretary and VP Finance & Capital Markets

Elbit Systems Ltd.

Tel: 972-4 831-6632 Fax: 972-4 831- 6659 pacholder@elbit.co.il IR Contacts
Ehud Helft/Kenny Green

GK International

Tel: 1-866-704-6710 Fax: 972-3-607-4711 ehud@gk-biz.com kenny@gk-biz.com

STATEMENTS IN THIS PRESS RELEASE WHICH ARE NOT HISTORICAL DATA ARE FORWARD-LOOKING STATEMENTS WHICH INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES OR OTHER FACTORS NOT UNDER THE COMPANY'S CONTROL, WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS OF THE COMPANY TO BE MATERIALLY DIFFERENT FROM THE RESULTS, PERFORMANCE OR OTHER EXPECTATIONS IMPLIED BY THESE FORWARD-LOOKING STATEMENTS. THESE FACTORS INCLUDE, BUT ARE NOT LIMITED TO, THOSE DETAILED IN THE COMPANY'S PERIODIC FILINGS WITH THE SECURITIES AND EXCHANGE COMMISSION.