



Haifa, Israel, August 22, 2006 Elbit Systems Ltd. (the "Company") (NASDAQ Global Select Market: ESLT) announced today with respect to the news reports regarding the participation of its U.S. Subsidiary Kollsman, Inc. as a team member of the Boeing Company in the U.S. Strategic Border Initiative Project (The "Project"), that Kollsman is a member of the Boeing team. As indicated in these reports, the Project is still in the competition stage.

About Elbit Systems Ltd.

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.

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