



The Boeing Led Team, Including Elbit Systems' Subsidiary Kollsman, Was Awarded The U.S. Strategic Border Initiative Project

Haifa, Israel, September 21, 2006 – Elbit Systems Ltd. (NASDAQ Global Select Market: ESLT) announced today that the team led by The Boeing Company, in which Kollsman, Inc., an Elbit Systems of America company, is a team member, has been awarded today the U.S. Strategic Border Initiative Project (the "SBInet Project"). The SBInet Project is designed to provide the U.S. Department of Homeland Security with increased border security capabilities along more than 6,000 miles of the United States' borders.

Kollsman's content for the SBInet Project is anticipated to reach a level that will be material to Elbit Systems and will be performed over a several-year period.

SBInet is a significant credential for the company's homeland security business, according to Elbit Systems of America President & CEO **Tim Taylor**, but there are other, more profound benefits: "U.S. citizens and the federal government are very concerned about vulnerabilities on the porous U.S. northern and southern borders. The strategic and technological strengths we bring to the Boeing SBInet team will help to restore the safety and security that Americans have known for so long."

About Kollsman

Kollsman, Inc., an Elbit Systems of America Company, headquartered in Merrimack, New Hampshire, is a leading supplier of avionic equipment, electro-optic systems and subsystems, vision based solutions and surveillance systems to the commercial aviation, defense and homeland security markets.



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

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