



Elbit Systems' Subsidiary, Cyclone, Awarded A Contract by Boeing for Structural Components Valued at Approximately \$19 Million

Haifa, Israel, October 23 2006 – Elbit Systems Ltd. (NASDAQ Global Market: ESLT) announced that its subsidiary Cyclone Aviation Products Ltd. (Cyclone) was awarded a contract by Boeing for structural components for Boeing's F-15 aircraft. The contract is valued at approximately \$19 million dollars and is scheduled for delivery during 2008 and 2009.

The contract calls for the supply to Boeing of structural components including detachable fuel tanks, pylons, horizontal stabilizers and gun access doors.

Yoram Shmueli, Co-General Manager Airborne and Helmet Systems at Elbit Systems said: "We are proud to be selected by a major civil and military aircraft manufacturer such as Boeing. This contract win reflects the trust and recognition we have established among major aviation manufacturers such as Boeing. We believe this contract will pave the way for further business in this fast-growing market characterized by advanced technologies and innovative composite materials."

About Cyclone Aviation Products Ltd.

Cyclone Aviation Products Ltd. is a wholly-owned subsidiary of Elbit Systems Ltd. located in the area of Karmiel, Israel. With approximately 400 employees, Cyclone's core business is manufacturing and maintenance of aircraft structures as well as engineering manufacture, repair and upgrade of aircraft, UAVs and helicopters. Cyclone manufactures both metal and composite structural parts for UAVs, military aircraft such as the F-15 and F-16, and civil aircraft such as Boeing's 747, 767 and the new "Dreamliner" 787. Cyclone also operates the Israel Air Force's (IAF) aviation schools Grob G-120A (Snunit) aircraft and B-206 (Saifan) helicopters.

Cyclone's customer base includes the IAF, the U.S. Air Force as well as several major aviation companies, such as Boeing, Lockheed Martin and Sikorsky.

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.

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