



ELBIT SYSTEMS SIGNS CONTRACT, VALUED AT €44.8 MILLION (APPROXIMATELY \$58 MILLION) TO SUPPLY UNMANNED TURRETS AND ELECTRO-OPTIC SYSTEMS FOR BELGIAN ARMORED INFANTRY VEHICLE PROGRAM

Haifa, Israel, January 8, 2006 - Elbit Systems Ltd. (NASDAQ:ESLT) reported today that it has signed a contract to supply unmanned turrets and electro-optic systems for the Belgian Armored Infantry Vehicle Program. This is further to the Company's announcement on February 2, 2006 that it was selected for the Program.

The contract, valued at €44.8 million (approximately \$58 million), is pursuant to a co-operation between Elbit Systems and the Swiss company Mowag of the General Dynamics European Land Combat Systems Group. Mowag was selected by the Belgian Government to be the prime contractor for the supply of the Piranha III vehicles for the Program. The Program currently consists of 138 vehicles out of a potential total of 242 vehicles. Elbit Systems' portion of the Program includes the delivery of 30 mm unmanned turrets and various electro-optic and electronic sub-systems, with deliveries scheduled to take place between 2007 - 2012.

Joseph Ackerman, President and CEO of Elbit Systems, said: "We are proud to be selected to take part in this important project for the Belgian Armed Forces. We are pleased to co-operate with Mowag, and this co-operation reflects the level of recognition we have achieved with our customers, end users and business partners worldwide. The selection of our systems constitutes a breakthrough in an emerging international market emanating from a shift in the modern battlefield. These systems implement the Elbit Systems Group's integrative and comprehensive abilities as well as our understanding of the modern combat arena."



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.