



Elbit Systems' Subsidiary, Cyclone, Awarded Contract by Lockheed Martin Aero to supply Structural Components for Greek Air Force F-16s

Contract is Valued at Approximately \$6 Million

Haifa, Israel, January 16, 2007 – Elbit Systems Ltd. (NASDAQ:ESLT) announced that its subsidiary, Cyclone Aviation Products Ltd. (Cyclone), was awarded a contract by Lockheed Martin Aeronautics for structural components for 30 F-16 aircraft ordered by the Hellenic (Greek) Air Force from Lockheed Martin. The contract is valued at approximately \$6 million dollars and is scheduled for delivery in 2008.

The contract involves the supply of structural components to Lockheed Martin that includes leading edge flaps, horizontal stabilizers, ventral fins, rudders and centerline pylons.

"We are proud to be selected by a major military aircraft manufacturer such as Lockheed Martin. This contract win reflects the trust and recognition we have established among major aviation manufacturers. We believe this contract will pave the way for further business in this fast-growing market characterized by advanced technologies and innovative composite materials, said Reuven Avraham, General Manager of Cyclone.

About Cyclone Aviation Products Ltd.

Cyclone Aviation Products Ltd., located in the area of Karmiel, Israel, is a wholly-owned subsidiary of Elbit Systems Ltd. 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 for 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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