



## **Verdict Against U.S. Subsidiary of Elbit Systems**

Haifa, Israel, November 7, 2007 – Elbit Systems Ltd. (NASDAQ: ESLT) (the “Company”) announced that on November 6, 2007, a jury verdict was rendered in a trial in the U.S. against several defendants, including Kollsman, Inc. (“Kollsman”), a wholly-owned U.S. subsidiary of the Company. The trial involved primarily misappropriation of trade secrets relating to two models of a commercial air data computer. The jury’s verdict awarded damages against all of the defendants, including an award against Kollsman. The verdict also allows for the possibility of the court’s imposition of exemplary damages and other costs against any or all of the defendants based on willful conduct. Kollsman is evaluating the options available to it in light of the jury verdict and believes it has bases to appeal the verdict and to object to the imposition of any exemplary damages or other costs. The Company will reflect the impact of the verdict on its third quarter 2007 results, and such impact will not have a material adverse impact on such results.

### **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”), unmanned air vehicle (UAV) systems, advanced electro-optics, electro-optic space systems, EW suites, airborne warning systems, ELINT systems, data links and military communications systems and radios. The Group also focuses on the upgrading of existing military platforms and developing new technologies for defense, homeland security and commercial aviation applications.

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THIS PRESS RELEASE CONTAINS FORWARD-LOOKING STATEMENTS (WITHIN THE MEANING OF SECTION 27A OF THE SECURITIES ACT OF 1933, AS AMENDED AND SECTION 21E OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED) REGARDING ELBIT SYSTEMS LTD. AND/OR COMPANIES IN THE ELBIT SYSTEMS GROUP, TO THE EXTENT SUCH STATEMENTS DO NOT RELATE TO HISTORICAL OR CURRENT FACT. FORWARD LOOKING STATEMENTS ARE BASED ON MANAGEMENT'S EXPECTATIONS, ESTIMATES, PROJECTIONS AND ASSUMPTIONS. FORWARD-LOOKING STATEMENTS ARE MADE PURSUANT TO THE SAFE HARBOR PROVISIONS OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995, AS AMENDED. THESE STATEMENTS ARE NOT GUARANTEES OF FUTURE PERFORMANCE AND INVOLVE CERTAIN RISKS AND UNCERTAINTIES, WHICH ARE DIFFICULT TO PREDICT. THEREFORE, ACTUAL FUTURE RESULTS, PERFORMANCE AND TRENDS MAY DIFFER MATERIALLY FROM THESE FORWARD-LOOKING STATEMENTS DUE TO A VARIETY OF FACTORS, INCLUDING, WITHOUT LIMITATION: SCOPE AND LENGTH OF CUSTOMER CONTRACTS; GOVERNMENTAL REGULATIONS AND APPROVALS; CHANGES IN GOVERNMENTAL BUDGETING PRIORITIES; GENERAL MARKET, POLITICAL AND ECONOMIC CONDITIONS IN THE COUNTRIES IN WHICH THE ELBIT SYSTEMS GROUP OPERATES OR SELLS, INCLUDING ISRAEL AND THE UNITED STATES AMONG OTHERS; DIFFERENCES IN ANTICIPATED AND ACTUAL PROGRAM PERFORMANCE, INCLUDING THE ABILITY TO PERFORM UNDER LONG-TERM FIXED-PRICE CONTRACTS; AND THE OUTCOME OF LEGAL AND/OR REGULATORY PROCEEDINGS. THE FACTORS LISTED ABOVE ARE NOT ALL-INCLUSIVE, AND FURTHER INFORMATION IS CONTAINED IN ELBIT SYSTEMS LTD.'S LATEST ANNUAL REPORT ON FORM 20-F, WHICH IS ON FILE WITH THE U.S. SECURITIES AND EXCHANGE COMMISSION. ALL FORWARD-LOOKING STATEMENTS SPEAK ONLY AS OF THE DATE OF THIS RELEASE. ELBIT SYSTEMS DOES NOT UNDERTAKE TO UPDATE ITS FORWARD-LOOKING STATEMENTS.