



Elbit Systems to Supply the Israeli Defense Forces with Thermal Imaging and Target Acquisition Systems

Observation and target acquisition, light weight and low power consumption make MARS especially suited for various future soldier programs

Haifa, Israel, 28 July, 2008 - Elbit Systems Ltd. (NASDAQ: ESLT) announced today that its wholly-owned subsidiary, Elbit Systems Electro-Optics Elop Ltd. was selected by the Israeli Defense Forces as the supplier of Mars - an innovative thermal imaging and target acquisition system.

MARS is a hand-held next-generation thermal imager that operates using un-cooled sensor technology. In addition, the system combines a laser range-finder, GPS, compass, day channel and recording system. MARS is especially suited for the individual soldier, infantry forces and special units due to its advanced observation and target acquisition capabilities, its light weight and low power consumption.

"The unique imager, which answers the needs of the individual soldier, was developed according to the IDF's requirements, based on the extensive experience and knowledge accumulated at Elop, the leading electro-optics supplier for the IDF and other modern armies," said Haim Rousso, Elbit Systems Electro-Optics Elop General Manager. "We take great pride in supplying the IDF with our advanced systems. Elbit Systems was among the first to identify the global preference of lightweight acquisition systems designed for the individual soldier rather than the old large and heavy systems. We consider the new system a significant milestone in this global trend and an ideal solution for the individual soldier. We anticipate growing interest among our global clients in acquiring similar systems."

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 Company, which includes Elbit Systems 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 Company 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 its subsidiaries (collectively the Company), 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 Company 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. The Company does not undertake to update its forward-looking statements.