



Elbit Systems' Hermes 450® Records Another Success:

Elbit Systems Awarded Contract Valued at US\$25 Million to Supply UAVs to a Country in the Americas

Haifa, Israel, 1 September, 2008 - Elbit Systems Ltd. (NASDAQ: ESLT) announced today that it was awarded a contract to supply Hermes® 450 UAV systems to a country in the Americas for the total of approximately \$25 million. The contract also includes Skylark® I systems, all to be delivered within a year.

Hermes 450® is a unique Elbit Systems development and has been the base platform of the IDF's operational UAV fleet as well as the basis for the UK's armed forces' UAV program Watchkeeper, the largest such program in Europe. The Hermes® 450 UAVs are used extensively in armies worldwide, including active war zones such as Iraq and Afghanistan. So far, the Hermes 450® has accumulated over 100,000 operational flight hours.

Skylark® is a mini/man-pack UAV system, equipped with features derived from Elbit Systems' Hermes® family of larger UAVs. The system is operational with the IDF's Ground Force's Command and in several other armed forces. Skylark® is currently operationally active in several theatres of the global war on terror, with over 10,000 successful operational sorties and a world record in high altitude flights, exceeding 15,000 feet. The Skylark® systems have already been purchased by numerous customers worldwide.

Haim Kellerman, General Manager of Elbit Systems UAS Division said: "We are proud to report another link in the chain of successes, with a new order from a new customer, attesting to the long-standing quality and operational abilities of our UAVs.. Hermes® 450 has proved its capabilities and reliability in the many years of operational performance," he added, " Following the current high demand for UAV's, with requirements for quick delivery for operational needs, the Hermes 450® in particular, Elbit Systems' UAV Division is fully prepared to meet the full range of customers' demands and needs".



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.

