



Elbit Systems U.S. Subsidiary Awarded Contract with Potential of Up to \$197.2 Million to Provide Mortar Fire Control Systems Integration to U.S Army

Initial order valued at \$22 million expected shortly

Haifa, Israel, May 14, 2009 - Elbit Systems Ltd. (NASDAQ: ESLT) announced today that its wholly owned U.S. subsidiary, Elbit Systems of America was awarded a contract from the U.S. Army for the Mortar Fire Control (MFC) Systems Integration program. The contract is a hybrid Indefinite Delivery /Indefinite Quantity-Time and Materials (ID/IQ-T&M) type contract, which provides for orders up to \$197.5 million amount over a five-year period. The initial order under the contract is valued at approximately \$22 million and is expected shortly. Under the contract, Elbit Systems of America will perform systems integration, development, production, fielding and support of the U.S. Army's Mortar Ballistic Computer and various types of Mortar Fire Control Systems. Work on this program will be performed in Fort Worth, Texas and by several subcontractors across the United States.

Raanan Horowitz, president and chief executive officer of Elbit Systems of America stated, "We are excited to be chosen by the U.S. Army for this important program. We bring to this effort a wide breadth of fire control systems experience as well as the potential for making future improvements and adding operational capabilities. Elbit Systems of America will be providing the Army with mortar fire control systems that increase accuracy and timely fires, and will do so while improving supply chain responsiveness and affordability."

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.