



Elbit Systems Completes the Acquisition of Mikal's Holdings in Soltam, Saymar and ITL

Haifa, Israel, October 17, 2010 – Elbit Systems Ltd. (NASDAQ and TASE: ESLT) ("Elbit Systems") announced today, further to its announcements of June 15, 2009, September 14, 2009 and September 2, 2010, that it completed the acquisition of all the shares of Soltam Systems Ltd. ("Soltam"), Saymar Ltd. ("Saymar") and ITL Optronics Ltd. ("ITL") that were held by Mikal Ltd. ("Mikal") and its subsidiaries.

With the completion of the acquisition, Elbit Systems now holds a 100% interest in Soltam and Saymar, and a 87.85% interest in ITL. The balance of ITL's shares, which are traded on the Tel Aviv Stock Exchange, is held by the public.

An amount of approximately \$26 million of the purchase price payable by Elbit Systems for the acquisition was placed in escrow with respect to various matters pursuant to the purchase agreement.

Simultaneously to the completion of the acquisition, Elbit Systems sold its holdings in Mikal (approximately 19%) to the other Mikal shareholders.

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.

For additional information, visit: www.elbitsystems.com.



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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.