



## **Elbit Systems Issues a Cash Tender Offer for ITL's Shares**

**Haifa, Israel, January 20, 2011 – Elbit Systems Ltd. (NASDAQ and TASE: ESLT)** ("Elbit Systems") announced today that its wholly-owned subsidiary, Elbit Security Systems Ltd. ("Elsec"), has issued a Cash Tender Offer (the "Tender Offer") to acquire the remaining ordinary shares of I.T.L Optronics Ltd. (TASE: ITL) ("ITL") held by the public. The remaining shares represent 12.15% of ITL's outstanding share capital. The balance, amounting to 87.85% of ITL's outstanding share capital is currently held by Elsec (81.53% on fully diluted basis).

The Tender Offer period will remain open through February 8, 2011 and is for the price of NIS 12.5 (approximately \$3.52) per share and for a total consideration of approximately NIS 18.8 million (approximately \$5.3 million). The Tender Offer will not be implemented if holders representing 5% or more of the total outstanding ITL ordinary shares do not accept the Tender Offer. Thus, there is no assurance at this stage that the Tender Offer will be completed. If the dissenting shareholders represent less than 5% of the total outstanding ITL ordinary shares, then all ITL's outstanding ordinary shares held by the public, including those of any dissenting shareholders, shall be purchased by Elsec at the tender price and ITL will be consequently delisted from trade on the Tel-Aviv Stock Exchange. Prior to publishing the Tender Offer, Elsec received irrevocable consents from holders of approximately 8.85% of ITL's shares (8.21% on fully diluted basis) to accept the Tender Offer. The Tender Offer documents, detailing the terms of the offer, have been filed with the Israeli Securities Authority and the Tel Aviv Stock Exchange.

### **About Elbit Systems**

Elbit Systems Ltd. is an international defense electronics company engaged in a wide range of 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 aircraft systems ("UAS"), 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, developing new technologies for defense, homeland security and commercial aviation applications and providing a range of support services.

For additional information, visit: [www.elbitsystems.com](http://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.