

Elbit Systems to Supply DIRCM Systems to the Italian Air Force

Haifa, Israel, June 22, 2011 - Elbit Systems Ltd. (NASDAQ and TASE: ESLT) ("Elbit Systems"), announced today, at the Paris Air Show, that it was awarded a contract valued in excess of \$15 million by Elettronica S.p.A ("Elettronica") to participate in a program to supply the ELT/572 DIRCM (Directed Infra-Red Countermeasures) system for installation on various platforms of the Italian Air Force, including the C130J, C27J and AW101. The contract will be performed over the next three years.

Based on Elbit Systems Electro-Optics Elop Ltd. ("Elop") MUSIC® system, ELT/572 was jointly funded by Elettronica and Elop under a cooperation agreement between the companies.

MUSIC® is based on advanced fiber laser technology and counters MANPADS (man portable air defense systems) by emitting a laser beam towards an approaching missile causing the missile to veer off course.

Adi Dar, Elop's General Manager, commented: "We are extremely pleased with our cooperation with Elettronica on DIRCM that has resulted in this initial contract for the Italian Air Force. The threat of MANPADS to military cargo planes, tankers and helicopters, as well as commercial aviation is increasing, and our family of DIRCM systems provides effective protection to the aircraft".

About Elettronica

Founded in 1951, Elettronica S.p.A. celebrates this year its 60th anniversary. The Company has supplied more than 2,500 electronic defence systems that cover all aspects of Electronic Warfare: naval, land and air environments with application in the radar, infrared bands and communications, serving the Armed Forces of 28 countries, since its inception. Elettronica is strongly projected into the future and responds to the significant changes in this sector, actively participating in the main industrial European consortiums and international projects, the majority of which are implemented through collaboration agreements and joint ventures, ensuring its direct presence in various strategic markets.



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.

Contacts:

Company Contact:

Joseph Gaspar, Executive VP & CFO

Tel: +972-4-8316663 j.gaspar@elbitsystems.com

Dalia Rosen, VP, Head of Corporate Communications

Tel: +972-4-8316784

dalia.rosen@elbitsystems.com

Elbit Systems Ltd.

IR Contact:

Ehud Helft Kenny Green

CCG Investor Relations Tel: 1-646-201-9246

elbitsystems@ccgisrael.com

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.