



Elbit Systems' Brazilian Subsidiary, AEL, to Provide EMBRAER with Advanced Systems for the KC-390 Program

Development contracts valued at \$25 million

Haifa, Israel, October 26, 2011 – Elbit Systems Ltd. (NASDAQ and TASE: ESLT) announced today that its Brazilian subsidiary, AEL Sistemas S.A. ("AEL"), was awarded by a subsidiary of EMBRAER S.A., EMBRAER Defense and Security, development contracts to provide three additional systems, valued at \$25 million for the new KC-390 military transport and refuel jet: Self-Protection Suite (SPS); Directional Infrared Countermeasures (DIRCM); and pilot orientation Head-Up Display (HUD). This selection is in addition to the earlier selection of AEL as the provider of the mission computer for the new jet.

EMBRAER is developing the KC-390 under contract with the Brazilian Air Force. With the initial test flights planned for 2014, the initial delivery of KC-390 planned for 2016.

Shlomo Erez, AEL's President, commented: "We are very proud to have been selected to provide EMBRAER's KC-390 with our cutting edge technological systems – the SPS, DIRCM and HUD – in addition to the mission computer that has already been selected. This selection attests to AEL's relevance to the most advanced aircraft industries, and we are pleased to have this opportunity to share our know-how and proven experience with our partner, EMBRAER."

"The KC-390 is being projected to operate all over the world, under several conditions, with the same outstanding performance", said Eduardo Bonini Santos Pinto, Operations Vice-President and COO, EMBRAER Defense and Security. "The selection of the main suppliers is a extremely relevant process to achieve our commitment with Brazilian Air Force, in making KC-390 an aircraft of the highest technological standard, without similar in the market, and a product that will add significant value to Brazil."



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.