Elbit Systems U.S. Subsidiary Signs Definitive Agreement to Acquire Sparton Corporation

Haifa, Israel, December 23, 2020 – Elbit Systems Ltd. (NASDAQ:ESLT and TASE: ESLT) ("Elbit Systems") announced today that its U.S. subsidiary, Elbit Systems of America, LLC (“Elbit Systems of America”), has signed a definitive agreement with an affiliate of Cerberus Capital Management, L.P. for the acquisition of Sparton Corporation (“Sparton”) for a purchase price of $380 million.

The transaction is conditioned on various closing conditions, including receipt of U.S. regulatory approvals, the pursuit of which could encompass a number of months.

Headquartered in De Leon Springs, Florida, Sparton is a premier developer, producer and supplier of electronic systems supporting Undersea Warfare for the U.S. Navy and allied military forces.

Bezhalel (Butzi) Machlis, Elbit Systems President & CEO, commented: “The acquisition of Sparton will strengthen Elbit Systems of America’s capabilities and will enable expansion of activities in the naval arena. We believe this acquisition will be beneficial for both Elbit Systems’ and Sparton’s employees and customers.”

About Elbit Systems

Elbit Systems Ltd. is an international high technology company engaged in a wide range of defense, homeland security and commercial 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, advanced electro-optics, electro-optic space systems, EW suites, signal intelligence systems, data links and communications systems, radios, cyber-based systems and munitions. The Company also focuses on the upgrading of existing platforms, developing new technologies for defense, homeland security and commercial applications and providing a range of support services, including training and simulation systems.

For additional information, visit: https://elbitsystems.com/, follow us on Twitter or visit our official Facebook, Youtube and LinkedIn Channels.

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This press release may contain forward-looking statements (within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended and the Israeli Securities Law, 1968) regarding Elbit Systems Ltd. and/or its subsidiaries (collectively the Company), to the extent such statements do not relate to historical or current facts. Forward-looking statements are based on management's current expectations, estimates, projections and assumptions about future events. 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, uncertainties and assumptions about the Company, which are difficult to predict, including projections of the Company's future financial results, its anticipated growth strategies and anticipated trends in its business. 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; changes in global health and macro-economic conditions; differences in anticipated and actual program performance, including the ability to perform under long-term fixed-price contracts; changes in the competitive environment; 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. Although the Company believes the expectations reflected in the forward-looking statements contained herein are reasonable, it cannot guarantee future results, level of activity, performance or achievements. Moreover, neither the Company nor any other person assumes responsibility for the accuracy and completeness of any of these forward-looking statements. The Company does not undertake to update its forward-looking statements.