



## **Elbit Systems Announces Results of Public Tenders in Israel for the Purchase of the Company's Notes**

**Haifa, Israel, July 7, 2021** – [Elbit Systems Ltd.](#) (NASDAQ: ESLT, TASE: ESLT) (“Elbit Systems” or the “Company”) announced today, further to the filing of a shelf offering report dated July 7, 2021 (the “Offering Report”) pursuant to its shelf prospectus dated September 30, 2020, that the public tenders in connection with the public offering in Israel of the Company's Series B Notes, Series C Notes and Series D Notes (the “Notes”) have concluded.

Based on the results of the concluded public tenders, the Company is expected to issue the following Notes:

### **1. Series B Notes Tender**

In consideration for its face value, Series B Notes in the aggregate principal amount of NIS 1.5 billion (approximately \$459 million), of which NIS 1,483,055,000 (approximately \$453.5 million) was ordered by classified investors (as defined in the regulations under the Securities Law, 1968, “Classified Investors”), in accordance with their prior undertakings as specified in the Offering Report. The principal of the Series B Notes will be paid in eight equal annual installments on June 30 of each of the years 2022 through 2029 (inclusive). The outstanding amount of the Series B Notes will bear a fixed interest rate of 1.08% per annum, payable in semi-annual installments in a rate of 0.54% each, calculated as the annual interest rate divided by two, on June 30 and December 31 of each of the years 2021 through 2029 (the first interest payment will be made on December 31, 2021 and the last interest payment will be made on June 30, 2029).

The rate of the interest to be paid to the holders of the Series B Notes on December 31, 2021, in respect of the first interest period (commencing on July 8, 2021 and ending on December 30, 2021) is 0.5178%.

The Series B Notes (principal and interest) will not be adjusted to any currency or index changes.

Pursuant to the provisions of clause 1.1.4 of the Offering Report, whereas according to the Series B Notes Tender results, 131 orders were received for the purchase of 1,517,159 units of the Series B Notes, in an aggregate principal amount of NIS 1,517,159,000 (approximately \$464 million), including 102 orders of Classified Investors for the purchase of 1,500,000 units, the excess amount as defined in clause 1.1.4 to the Offering Report is NIS 17,159,000 par value of Series B Notes (approximately \$5.2 million), and the allotment to the subscribers whose orders were accepted during the Series B Notes Tender, shall be allocated pro rata between the total orders which were accepted in the tender and the quantity issued to the public, in a way that each subscriber whose order would have been accepted pursuant to the Series B Notes Tender results, will be issued approximately 98.86% of the volume of the allotment according to the results of the Series B Notes Tender (1,500,000,000/1,517,159,000).



## 2. Series C Notes Tender

In consideration for its face value, Series C Notes in the aggregate principal amount of NIS 200 million (approximately \$61 million), of which NIS 195,397,000 (approximately \$59.75 million) was ordered by Classified Investors, in accordance with their prior undertakings as specified in the Offering Report. The principal of the Series C Notes will be paid in eight equal annual installments on June 30 of each of the years 2022 through 2029 (inclusive). The outstanding amount of the Series C Notes will bear a fixed interest rate of 2.12% per annum, payable in semi-annual installments in a rate of 1.06% each, calculated as the annual interest rate divided by two, on June 30 and December 31 of each of the years 2021 through 2029 (the first interest payment will be made on December 31, 2021 and the last interest payment will be made on June 30, 2029).

The rate of the interest to be paid to the holders of the Series C Notes on December 31, 2021, in respect of the first interest period (commencing on July 8, 2021 and ending on December 30, 2021) is 1.0164%.

The Series C Notes (principal and interest) will be adjusted to changes in the NIS/ U.S. Dollar currency exchange rate, as specified in the Offering Report.

Pursuant to the provisions of clause 1.2.4 of the Offering Report, whereas according to the Series C Notes Tender results, 53 orders were received for the purchase of 204,707 units of the Series C Notes, in an aggregate principal amount of NIS 204,707,000 (approximately \$62.6 million), including 22 orders of Classified Investors for the purchase of 200,000 units, the excess amount as defined in clause 1.2.4 to the Offering Report is NIS 4,707,000 par value of Series C Notes (approximately \$1.44 million), and the allotment to the subscribers whose orders were accepted during the Series C Notes Tender, shall be allocated pro rata between the total orders which were accepted in the tender and the quantity issued to the public, in a way that each subscriber whose order would have been accepted pursuant to the Series C Notes Tender results, will be issued approximately 97.7% of the volume of the allotment according to the results of the Series C Notes Tender (200,000,000/204,707,000).

## 3. Series D Notes Tender

In consideration for its face value, Series D Notes in the aggregate principal amount of NIS 200 million (approximately \$61 million), of which NIS 191,438,000 (approximately \$58.5 million) was ordered by Classified Investors, in accordance with their prior undertakings as specified in the Offering Report. The principal of the Series D Notes will be paid in fourteen annual installments as follows: thirteen equal annual installments in an amount equal to 7.14% of the nominal value of the principal on June 30 of each of the years 2022 through 2034 (inclusive) and the final annual installment in an amount equal to 7.18% of the nominal value of the principal on June 30, 2035. The outstanding amount of the Series D Notes will bear a fixed interest rate of 2.67% per annum, payable in semi-annual installments in a rate of 1.335% each, calculated as the annual interest rate divided by two, on June 30 and December 31 of each of the years 2021 through 2035 (the first interest payment will be made on December 31, 2021 and the last interest payment will be made on June 30, 2035).

The rate of the interest to be paid to the holders of the Series D Notes on December 31, 2021, in respect of the first interest period (commencing on July 8, 2021 and ending on December 30, 2021), is 1.2801%.



The Series D Notes (principal and interest) will be adjusted to changes in the NIS/ U.S. Dollar currency exchange rate, as specified in the Offering Report.

Pursuant to the provisions of clause 1.3.4 of the Offering Report, whereas according to the Series D Notes Tender results, 54 orders were received for the purchase of 208,945 units of the Series D Notes, in an aggregate principal amount of NIS 208,945,000 (approximately \$63.9 million), including 21 orders of Classified Investors for the purchase of 200,000 units, the excess amount as defined in clause 1.3.4 to the Offering Report is NIS 8,945,000 par value of Series D Notes (approximately \$2.735 million), and the allotment to the subscribers whose orders were accepted during the Series D Notes Tender, shall be allocated pro rata between the total orders which were accepted in the tender and the quantity issued to the public, in a way that each subscriber whose order would have been accepted pursuant to the Series D Notes Tender results, will be issued approximately 95.72% of the volume of the allotment according to the results of the Series D Notes Tender (200,000,000/208,945,000).

The Notes will be listed for trading on the Tel Aviv Stock Exchange Ltd.

S&P Global Ratings Maalot Ltd., an Israeli rating agency, announced that it assigned its “ilAA” rating (local scale) to unsecured notes that may be issued by the Company, in an aggregate amount of approximately NIS 2 billion (approximately \$612 million) nominal value.

The Notes will not be registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”), and may not be offered or sold in the United States or to U.S. Persons (as defined in Regulation “S” promulgated under the Securities Act) without registration under the Securities Act or an exemption from the registration requirements of the Securities Act. This announcement does not constitute a solicitation or an offer to buy any securities.

**Joseph Gaspar, Executive VP & Chief Financial Officer**, said: “The significant participation in the tenders for Elbit Systems’ Notes provides a strong vote of confidence in the Company. The successful results of the tenders help diversify and optimize the Company’s sources of capital.”

**The Company expresses its gratitude to the investors for their participation in the offering.**



## **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.

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