Elbit Systems Announces Receipt of Anticipated Notice From NASDAQ Resulting From a Previously Announced Resignation of an Independent Director

June 24, 2020

HAIFA, Israel, June 24, 2020 /PRNewswire/ -- Elbit Systems Ltd. (NASDAQ: ESLT) and (TASE: ESLT) ("Elbit Systems" or the "Company") announced today that, as anticipated, it has received a notice of deficiency (the "Notice") from The Nasdaq Stock Market LLC ("Nasdaq") notifying the Company that it is not in compliance with Nasdaq Listing Rule 5605(b)(1) which requires that a majority of the board of directors of a listed company be persons who qualify as "independent directors" under Nasdaq's Listing Rules. As a result of the June 17, 2020 resignation by Mr. Moshe Kaplinsky, who was an independent director, the Company's board of directors consists of an equal number of independent and non-independent directors.

On June 17, 2020, the Company announced (i) Mr. Kaplinsky's resignation, (ii) the Company's notice to Nasdaq that the Company would be temporarily out of compliance with the independent directors majority requirement and (iii) the Company's intent to promptly proceed with the process of identifying a suitable candidate for election as a director and convening a shareholders meeting for his or her election, within the period contemplated by Nasdaq's Listing Rules.

The Notice does not impact the Company's listing on the Nasdaq Global Select Market at this time, provided that the Company cures the deficiency under Nasdaq Listing Rule 5605(b)(1) within the time period specified by the applicable Nasdaq Listing Rule. For this purpose, Nasdaq Listing Rule 5810(c)(3)(C)(E) requires the Company to cure the deficiency by the earlier of its next annual shareholders meeting or one year from the event that caused the deficiency (the "Event"); however, if the Company's next annual shareholders' meeting is held sooner than 180 days after the Event, then the Company has 180 days from the Event to cure it.

The Company is also listed on the Tel Aviv Stock Exchange and the Notice does not affect the Company's status with such listing.

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.

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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