Form 6-K
Report of Foreign Private Issuer
Pursuant to Rule 13a-16 or 15d-16
of the Securities Exchange Act of 1934
For the Month of March 2020

Commission File Number 000-28998

ELBIT SYSTEMS LTD.
(Translation of Registrant’s Name into English)
Advanced Technology Center, P.O.B. 539, Haifa 3100401, Israel
(Address of Principal Corporate Offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:

x Form 20-F  o Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): o

Note: Regulation S-T Rule 101(b)(1) only permits the submission in paper of a Form 6-K if submitted solely to provide an attached annual report to security holders.

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): o

Note: Regulation S-T Rule 101(b)(7) only permits the submission in paper of a Form 6-K submitted to furnish a report or other document that the registrant foreign private issuer must furnish and make public under the laws of the jurisdiction in which the registrant is incorporated, domiciled or legally organized (the registrant’s “home country”), or under the rules of the home country exchange on which the registrant’s securities are traded, as long as the report or other document is not a press release, is not required to be and has not been distributed to the registrant’s security holders, and, if discussing a material event, has already been the subject of a Form 6-K submission or other Commission filing on EDGAR.

Indicate by check mark whether the registrant by furnishing the information contained in this form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934: o

x Yes  o No

If “Yes” is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82-________________
Attached hereto as Exhibit 1 and incorporated herein by reference is the Registrant’s press release dated March 25, 2020.

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

ELBIT SYSTEMS LTD.

(Registrant)

By: /s/ Pinchas- confino Adi

Name: Pinchas- confino Adi

Title: Corporate Secretary

Date: March 25, 2020
<table>
<thead>
<tr>
<th>Exhibit No.</th>
<th>Description</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Press Release dated</td>
<td>March 25, 2020</td>
</tr>
</tbody>
</table>
ELBIT SYSTEMS REPORTS
FOURTH QUARTER AND FULL YEAR 2019 RESULTS

Backlog of orders at $10.0 billion; Revenues of $4.51 billion; Non-GAAP net income of $297.8 million; GAAP net income of $227.9 million; Non-GAAP net EPS of $6.79; GAAP net EPS of $5.20

Haifa, Israel, March 25, 2020 – Elbit Systems Ltd. (the "Company") (NASDAQ and TASE: ESLT), the international high technology company, reported today its consolidated results for the fourth quarter and full year ended December 31, 2019.

In this release, the Company is providing US-GAAP results as well as additional non-GAAP financial data, which are intended to provide investors a more comprehensive understanding of the Company's business results and trends. For a description of the Company's non-GAAP definitions see page 6 below, "Non-GAAP financial data". Unless otherwise stated, all financial data presented is US-GAAP financial data.

Management Comment:

Bezhalel (Butzi) Machlis, President and CEO of Elbit Systems, commented:

“We are pleased with the solid revenue growth across all our major end-markets in 2019 and a record backlog that grew by 7% to over $10 billion for the first time.

To date we have not experienced a material impact on our ongoing business from the Covid-19 pandemic. However, we continue to monitor the situation, including its macro-economic impacts, and have initiated a series of measures to protect our employees while maintaining our ongoing commitments to our customers.

Looking forward into 2020 and beyond, Elbit Systems is a strong and stable business, with a healthy balance sheet and a broad long-term backlog that should support our globally diversified sales.”

Acquisition of Elbit Night Vision

On September 2019, we completed the acquisition of the night vision business of L3Harris Technologies (the Night Vision Business) for a purchase price of approximately $350 million. Located in Roanoke, Virginia, the Night Vision Business is engaged in the development, production and supply of night vision technology for the U.S. and allied military and security forces and for the U.S. federal homeland security market. Following the acquisition, the Night Vision Business operates as Elbit Night Vision ("ENV"). The financial results of ENV were included in our consolidated reports commencing the date of the acquisition.

In the fourth quarter of 2019, following the completion of the acquisition of ENV we recorded expenses of $55 million in our Cost of Revenues. These expenses were mainly related to inventory write-offs. The expenses were eliminated in the non-GAAP results due to their non-recurring nature.
Earning Release

**Fourth quarter 2019 results:**

**Revenues** in the fourth quarter of 2019 were $1,321.5 million, as compared to $1,077.8 million in the fourth quarter of 2018. Growth in the quarter was driven by the contributions of ENV and IMI Systems Ltd. ("IMI"), as well as growth in our legacy businesses.

**Non-GAAP**(*) **gross profit** amounted to $345.8 million (26.2% of revenues) in the fourth quarter of 2019, as compared to $306.7 million (28.5% of revenues) in the fourth quarter of 2018. **GAAP gross profit** in the fourth quarter of 2019 was $284.3 million (21.5% of revenues), as compared to $234.9 million (21.8% of revenues) in the fourth quarter of 2018. The gross profit in the fourth quarter of 2019 and 2018 included expenses of $55.0 and $66.6 million, respectively, related to the acquisition of ENV in 2019 and IMI in 2018.

**Research and development expenses, net** were $97.6 million (7.4% of revenues) in the fourth quarter of 2019, as compared to $73.0 million (6.8% of revenues) in the fourth quarter of 2018.

**Marketing and selling expenses, net** were $80.5 million (6.1% of revenues) in the fourth quarter of 2019, as compared to $73.5 million (6.8% of revenues) in the fourth quarter of 2018.

**General and administrative expenses, net** were $46.4 million (3.5% of revenues) in the fourth quarter of 2019, as compared to $49.8 million (4.6% of revenues) in the fourth quarter of 2018. The lower level of general and administrative expenses in the fourth quarter of 2019 resulted mainly from income related to settlement of litigation in the U.S.

**Non-GAAP**(*) **operating income** was $125.4 million (9.5% of revenues) in the fourth quarter of 2019, as compared to $112.5 million (10.4% of revenues) in the fourth quarter of 2018. **GAAP operating income** in the fourth quarter of 2019 was $63.6 million (4.8% of revenues), as compared to $38.6 million (3.6% of revenues) in the fourth quarter of 2018. GAAP operating income in the fourth quarter of 2019 and 2018 were reduced by $55 and $66.6 million, respectively, due to expenses related to the acquisitions of ENV and IMI.

**Financial expenses, net** were $16.4 million in the fourth quarter of 2019, as compared to $14.9 million in the fourth quarter of 2018. The increase in financial expenses in the fourth quarter of 2019 was mainly a result of the revaluation of lease liabilities.

**Other expenses** net were $1.6 million in the fourth quarter of 2019, as compared to $6.4 million in the fourth quarter of 2018. Other expenses in the fourth quarter of 2018 included expenses of $2.7 million related to the acquisitions of IMI.

**Taxes on income** were a tax benefit of $9.1 million in the fourth quarter of 2019, as compared to a tax expense of $3.9 million in the fourth quarter of 2018. The tax benefit in the fourth quarter of 2019 was related mainly to adjustments for prior years following tax assessments in the Company and some of its subsidiaries in Israel.

**The net losses of affiliated companies and partnerships** was $3.5 million in the fourth quarter of 2019, as compared to $11.4 million the fourth quarter of 2018. The loss in the fourth quarter of 2018 was mainly a result of a fair value re-evaluation of holdings in an affiliated company.

**Net losses attributable to non-controlling interests** was a loss of $0.3 million in the fourth quarter of 2019, as compared to income of $0.9 million in the fourth quarter of 2018.

* see page 6
Earning Release

Non-GAAP(*) net income attributable to the Company's shareholders in the fourth quarter of 2019 was $109.3 million (8.3% of revenues), as compared to $84.0 million (7.8% of revenues) in the fourth quarter of 2018. GAAP net income attributable to the Company's shareholders in the fourth quarter of 2019 was $51.5 million (3.9% of revenues), as compared to $1.1 million (0.1% of revenues) in the fourth quarter of 2018.

Non GAAP(*) diluted net earnings per share attributable to the Company's shareholders were $2.47 for the fourth quarter of 2019, as compared to $1.96 for the fourth quarter of 2018. GAAP diluted earnings per share attributable to the Company's shareholders in the fourth quarter of 2019 were $1.16, as compared to $0.03 in the fourth quarter of 2018.

Full year 2019 results:

Revenues for the year ended December 31, 2019 were $4,508.4 million, as compared to $3,683.7 million in the year ended December 31, 2018.

For distribution of revenues by areas of operation and by geographic regions see the tables on page 16.

The leading contributors to revenue growth were the airborne systems and land systems areas of operation. The increase in revenues in the airborne systems area of operation was primarily due to increased sales of commercial avionics equipment in the U.S. of a subsidiary that was acquired in the second quarter of 2018. Additionally there was an increase of sales in the U.S. of military avionic equipment for airborne platforms. Revenues from land systems increased primarily due to an increase in sales of land electronic warfare systems and armored vehicle systems in Europe and the revenues of IMI to Israel.

On a geographic basis, the increase in North America was mainly a result of higher sales of airborne systems and revenues of commercial avionics and programs for military airborne platforms. The increase in Israel was mainly a result of revenues of IMI. The increase in Asia-Pacific was mainly a result of higher sales of remote weapon systems, radios and artillery systems.

Cost of revenues for the year ended December 31, 2019 was $3,371.9 million (74.8% of revenues), as compared to $2,707.5 million (73.5% of revenues) in the year ended December 31, 2018. Cost of revenues in 2019 and 2018 included expenses of $55.0 and $66.6 million, respectively, related to the acquisition of ENV in 2019 and of IMI in 2018.

Non-GAAP(*) gross profit for the year ended December 31, 2019 was $1,213.5 million (26.9% of revenues), as compared to $1,061.9 million (28.8% of revenues) in the year ended December 31, 2018. GAAP gross profit in 2019 was $1,136.5 million (25.2% of revenues), as compared to $976.2 million (26.5% of revenues) in 2018. The decline in 2019 gross margins relative to 2018 was due to a less favorable sales mix and a lower gross margin at IMI.

Research and development expenses, net for the year ended December 31, 2019 were $331.8 million (7.4% of revenues), as compared to $287.4 million (7.8% of revenues) in the year ended December 31, 2018.

Marketing and selling expenses, net for the year ended December 31, 2019 were $301.4 million (6.7% of revenues), as compared to $281.0 million (7.6% of revenues) in the year ended December 31, 2018.

* see page 6
General and administrative expenses, net for the year ended December 31, 2019 were $214.7 million (4.8% of revenues), as compared to $160.3 million (4.4% of revenues) in the year ended December 31, 2018. The higher level of general and administrative expenses in 2019 was mainly a result of consolidation of expenses in subsidiaries that were acquired in 2018 and 2019, which was partly offset by income related to settlement of litigation in the U.S.

Other operating income, net for the year ended December 31, 2019 amounted to $33.0 million as compared to $45.4 million for the year ended December 31, 2018. Other operating income in 2019 was mainly a result of a capital gain related to the sale and lease back of buildings by a subsidiary in Israel. Other operating income in 2018 was the result of net gains related to deconsolidation of two of our Israeli subsidiaries in the commercial cyber and medical instrumentation areas, due to third party investments.

Non-GAAP(*) operating income for the year ended December 31, 2019 was $379.7 million (8.4% of revenues), as compared to $340.7 million (9.2% of revenues) in the year ended December 31, 2018. GAAP operating income in 2019 was $321.6 million (7.1% of revenues), as compared to $292.8 million (7.9% of revenues) in 2018.

Financial expenses, net for the year ended December 31, 2019 were $69.1 million, as compared to $44.1 million in the year ended December 31, 2018. Financial expenses, net in 2019 included exchange rate differences of approximately $23.1 million related to the recognition of lease liabilities denominated in foreign currencies (mainly in New Israeli Shekels) as a result of the adoption of ASC 842, Leases, effective January 1, 2019.

Other expenses, net were $6.2 million in 2019 as compared to $11.4 million in 2018. Other expenses in 2018 included write-off impairment of $7.8 million in investments in two affiliated Israeli companies. Other expenses in 2019 were mainly due to the non-service cost components of pension plans, in accordance with ASU 2017-07.

Taxes on income for the year ended December 31, 2019 were $19.4 million (effective tax rate of 7.9%), as compared to $26.4 million (effective tax rate of 11.1%) in the year ended December 31, 2018. The effective tax rate was affected by the mix of the tax rates in the various jurisdictions in which the Company's entities generate taxable income and other income that is not part of the taxable income mainly related to non-cash items such as impairment of assets. Taxes on income in 2019 were reduced by a tax benefit related to adjustments for prior years following a tax settlement of the Company and some of its subsidiaries in Israel with Israeli tax authorities.

Equity in net earnings (losses) of affiliated companies and partnerships for the year ended December 31, 2019 was income of $1.8 million (0.1% of revenues), as compared to equity in net losses of $2.2 million (0.1% of revenues) in the year ended December 31, 2018. The loss in 2018 was mainly a result of a $9.7 million re-evaluation of the fair value of an investment in an affiliated company.

Net income attributable to non-controlling interests for the year ended December 31, 2019 was $0.8 million, as compared to $1.9 million in the year ended December 31, 2018.

Non-GAAP(*) net income attributable to the Company's shareholders for the year ended December 31, 2019 was $297.8 million (6.6% of revenues), as compared to $267.5 million (7.3% of revenues) in the year ended December 31, 2018. GAAP net income attributable to the Company’s shareholders in the year ended December 31, 2019 was $227.9 million (5.1% of revenues), as compared to $206.7 million (5.6% of revenues) in the year ended December 31, 2018.

* see page 6
Earning Release

Non-GAAP\(^{(\ast)}\) diluted net earnings per share attributable to the Company's shareholders for the year ended December 31, 2019 were $6.79, as compared to $6.25 for the year ended December 31, 2018. GAAP diluted net earnings per share attributable to the Company's shareholders in the year ended December 31, 2019 were $5.20, as compared to $4.83 in the year ended December 31, 2018.

Backlog of orders for the year ended December 31, 2019 totaled $10,029 million, as compared to $9,399 million as of December 31, 2018. Approximately 61% of the current backlog is attributable to orders from outside Israel. Approximately 65% of the current backlog is scheduled to be performed during 2020 and 2021.

Operating cash flow used in the year ended December 31, 2019 was $53.3 million, as compared to $191.7 million net cash provided in the year ended December 31, 2018. The lower level of operating cash flow in 2019 was mainly a result of lower collection of receipts and advances received from customers mainly in Israel.

Adoption of new standards:

1. On January 1, 2019, the Company adopted ASC 842 and elected the available practical expedient to recognize the cumulative effect of initially adopting ASC 842 as an adjustment to the opening balance sheet of the period of adoption (i.e., January 1, 2019). The Company also elected the other available practical expedients, and will not separate lease components from non-lease components, and will not reassess whether contracts are or contain leases, lease classification, or initial direct costs for existing leases as of January 1, 2019. Only the minimum lease payments in accordance with ASC 840 were included in the calculation of the right-of-use ("ROU") and liability for existing leases as of January 1, 2019. The condensed consolidated balance sheets and results from operations for reporting periods beginning after January 1, 2019 are presented under ASC 842, while prior period amounts are not adjusted and continue to be reported in accordance with the historic accounting under ASC 840.

The adoption of this new standard materially affected the Company's consolidated balance sheets by recognizing new ROU assets and lease liabilities for operating leases.

As part of the implementation efforts, the Company implemented a new lease accounting system including the requirement to provide significant disclosures about the Company's leasing activities.

2. In June 2016, the FASB issued ASU 2016-13, Financial Instruments-Credit Losses (Topic 326)-Measurement of Credit Losses on Financial Instruments. This guidance replaces the current incurred loss impairment methodology. Under the new guidance, on initial recognition and at each reporting period, an entity is required to recognize an allowance that reflects its current estimate of credit losses expected to be incurred over the life of the financial instrument based on historical experience, current conditions and reasonable and supportable forecasts. In November 2018, the FASB issued ASU 2018-19, Codification Improvements to Topic 326, Financial Instruments - Credit Losses. The guidance will be effective beginning on January 1, 2020, including interim periods within that year and requires a modified retrospective transition approach through a cumulative-effect adjustment to retained earnings as of the beginning of the period of adoption. Under the modified retrospective method of adoption, prior year reported results are not restated.

The Company has analyzed the impact of its financial instruments that are within the scope of this guidance, and believes that the cumulative adjustment to retained earnings will have an immaterial effect on its consolidated financial statements.

\^{(\ast)}\) see page 6
Earning Release

*Non-GAAP financial data:

The following non-GAAP financial data is presented to enable investors to have additional information on the Company's business performance as well as a further basis for periodical comparisons and trends relating to the Company's financial results. The Company believes such data provides useful information to investors by facilitating more meaningful comparisons of the Company's financial results over time. Such non-GAAP information is used by the Company's management to make strategic decisions, forecast future results and evaluate the Company's current performance. However, investors are cautioned that, unlike financial measures prepared in accordance with GAAP, non-GAAP measures may not be comparable with the calculation of similar measures for other companies.

The non-GAAP financial data includes reconciliation adjustments regarding non-GAAP gross profit, operating income, net income and diluted EPS. In arriving at non-GAAP presentations, companies generally factor out items such as those that have a non-recurring impact on the income statements, various non-cash items including significant exchange rate differences, significant effects of retroactive tax legislation, changes in accounting guidance, financial transactions and other items not considered to be part of regular ongoing business, which, in management's judgment, are items that are considered to be outside of the review of core operating results.

In the Company's non-GAAP presentation, the Company made certain adjustments, as indicated in the table below.

These non-GAAP measures are not based on any comprehensive set of accounting rules or principles. The Company believes that non-GAAP measures have limitations in that they do not reflect all of the amounts associated with the Company's results of operations, as determined in accordance with GAAP, and that these measures should only be used to evaluate the Company's results of operations in conjunction with the corresponding GAAP measures. Investors should consider non-GAAP financial measures in addition to, and not as replacements for or superior to, measures of financial performance prepared in accordance with GAAP.
Reconciliation of GAAP to Non-GAAP (Unaudited) Supplemental Financial Data:
(US Dollars in millions)

<table>
<thead>
<tr>
<th></th>
<th>Three Months ended December 31,</th>
<th>Year ended December 31,</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2019</td>
<td>2018</td>
</tr>
<tr>
<td>GAAP gross profit</td>
<td>$284.3</td>
<td>$234.9</td>
</tr>
<tr>
<td>Adjustments:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amortization of purchased</td>
<td>6.5</td>
<td>5.2</td>
</tr>
<tr>
<td>intangible assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expenses related to acquisition</td>
<td>55.0</td>
<td>66.6</td>
</tr>
<tr>
<td>Non-GAAP gross profit</td>
<td>$345.8</td>
<td>$306.7</td>
</tr>
<tr>
<td>Percent of revenues</td>
<td>26.2%</td>
<td>28.5%</td>
</tr>
<tr>
<td>GAAP operating income</td>
<td>$63.6</td>
<td>$38.6</td>
</tr>
<tr>
<td>Adjustments:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amortization of purchased</td>
<td>10.6</td>
<td>7.1</td>
</tr>
<tr>
<td>intangible assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expenses related to acquisition</td>
<td>55.0</td>
<td>66.8</td>
</tr>
<tr>
<td>Capital gain</td>
<td>(3.8)</td>
<td>—</td>
</tr>
<tr>
<td>Changes in holdings</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Non-GAAP operating income</td>
<td>$125.4</td>
<td>$112.5</td>
</tr>
<tr>
<td>Percent of revenues</td>
<td>9.5%</td>
<td>10.4%</td>
</tr>
<tr>
<td>GAAP net income attributable</td>
<td>$51.5</td>
<td>$1.1</td>
</tr>
<tr>
<td>to Elbit Systems’ shareholders</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adjustments:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amortization of purchased</td>
<td>10.6</td>
<td>7.1</td>
</tr>
<tr>
<td>intangible assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expenses related to acquisition</td>
<td>55.0</td>
<td>66.8</td>
</tr>
<tr>
<td>Capital gain</td>
<td>(3.8)</td>
<td>—</td>
</tr>
<tr>
<td>Changes in holdings</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Impairment of investments</td>
<td>3.7</td>
<td>12.4</td>
</tr>
<tr>
<td>Revaluation of investment</td>
<td>(3.7)</td>
<td>—</td>
</tr>
<tr>
<td>measured under fair value option</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-operating foreign loss</td>
<td>2.5</td>
<td>2.2</td>
</tr>
<tr>
<td>Tax effect and other tax items, net</td>
<td>(6.5)</td>
<td>(5.6)</td>
</tr>
<tr>
<td>Non-GAAP net income attributable to Elbit Systems’ shareholders</td>
<td>$109.3</td>
<td>$84.0</td>
</tr>
<tr>
<td>Percent of revenues</td>
<td>8.3%</td>
<td>7.8%</td>
</tr>
<tr>
<td>GAAP diluted net EPS</td>
<td>$1.16</td>
<td>$0.03</td>
</tr>
<tr>
<td>Adjustments, net</td>
<td>1.31</td>
<td>1.93</td>
</tr>
<tr>
<td>Non-GAAP diluted net EPS</td>
<td>$2.47</td>
<td>$1.96</td>
</tr>
</tbody>
</table>
Earning Release

**Recent Events:**

**On December 16, 2019,** the Company announced that following a contract signed between the Israeli Ministry of Defense ("IMOD") and the Ministry of Defense of Montenegro, the Company was awarded a contract of approximately $35 million, to supply the Montenegrin Armed Forces with Remote Controlled Weapon Stations ("RCWS") for the new Oshkosh Defense 4X4 Joint Light Tactical Vehicles ("JLTV"). In this contract Elbit Systems will perform full integration of the RCWS onboard the JLTV over a three-year period and will provide logistic support for a seven-year period.

**On December 19, 2019,** the Company announced, further to its announcement of June 26, 2019, that it received payment in the amount of $33 million as full and final settlement under a settlement agreement with Hughes Network Systems, LLC, of litigation in the U.S. Federal Courts for infringement of an Elbit Systems’ patent relating to high-speed satellite communications.

**On December 22, 2019,** the Company announced that it was awarded an approximately $65 million follow-on contract from the Dutch Ministry of Defence to supply additional soldier systems to the Armed Forces of the Netherlands, as part of the VOSS program (the Dutch program for improved operational soldier systems). The contract will be performed over a two-year period.

**On January 1, 2020,** the Company announced that it was awarded a contract by the Production and Procurement Directorate of the IMODvalued at approximately $144 million (approximately NIS 500 million) for the supply of small caliber ammunition to the Israeli Defense Forces. This five-year contract, work on which will commence in 2021, will be a continuation of the existing multi-year contract with the IMOD.

**On January 7, 2020,** the Company announced that it was awarded an initial contract from the Production and Procurement Directorate of the IMOD valued at approximately $31 million (NIS 109 million), to provide Iron Fist Active Protection Systems for the Eitan Armored Fighting Vehicles of the Israeli Defense Forces. The contract will be performed over a five-year period.

**On February 6, 2020,** the Company announced the completion of its review of certain expenses and expected synergies resulting from the acquisition by its subsidiary, Elbit Systems of America LLC, of the Night Vision business of L3Harris Technologies (NYSE:LHX) . The Company expects to record in the fourth quarter of 2019 expenses relating to the acquisition estimated in the amount of approximately $55 million. These expenses will be recorded mainly in the “Cost of Revenues” line item in the Consolidated Statement of Income and will be eliminated in the Non-GAAP results due to the non-recurring nature of the expense. The overall impact of these expenses on the financial results for the fourth quarter of 2019 will be included in the Company’s report for the quarter, which is planned to be released in March 2020.

**On February 6, 2020,** the Company announced that it was awarded a $43 million contract from Hanwha Systems Co. Ltd. (272210:Korea SE) to equip the Next Generation Korean fighter jets in development, with embedded Terrain Following-Terrain Avoidance (TF/TA) systems. The contract will be performed over a six-year period.

**On February 10, 2020,** the Company announced that it was awarded contracts worth approximately $136 million to provide customers in Asia-Pacific with airborne laser Direct Infra-Red Counter Measure systems. The contracts will be performed over a four-year period.

**On February 18, 2020,** the Company announced that it was awarded an approximately $670 million contract to supply defense solutions to a country in Asia-Pacific. The contract will be performed over a 25-month period.
On February 24, 2020, the Company announced that Midroog Ltd., the Israeli rating agency, issued its monitoring report regarding the Series "A" Notes, issued by the Company in 2010 and in 2012 (the "Notes") and reaffirmed the Notes' "Aa1.il" (on a local scale) rating with negative rating outlook.

On February 27, 2020, the Company announced that at its Extraordinary General Meeting of Shareholders held on February 26, 2020, at the Company's offices in Haifa, the proposed resolution described in the Proxy Statement to the Shareholders dated January 22, 2020 and described below, was approved by the required majority:

“To approve an amendment to the Company’s compensation policy to increase the maximum coverage that the Company is authorized to procure under, and the maximum annual premium that the Company is authorized to pay for, policies of directors and officers liability insurance.”

On March 9, 2020, the Company announced that the U.S. Air Force has awarded its subsidiary, Elbit Systems of America LLC., a firm-fixed-price contract with a ceiling of approximately $471 million over a 10-year period, to equip F-16 aircraft of the U.S. Air National Guard and Air Force Reserve Command, with pylon-based infrared missile warning systems. The contract includes an initial order valued at approximately $17 million. The work will be performed in Fort Worth, Texas.

On March 15, 2020, the Company announced further to the Company's announcement dated March 27, 2019, that its U.S. subsidiary, Elbit Systems of America, LLC, was awarded a $200 million contract as part of the IMOD automatic self-propelled howitzer gun systems program. The contract will be performed over a 12-year period.

On March 18, 2020, the Company announced that at its Extraordinary General Meeting of Shareholders (the "Meeting") held on March 17, 2020, at the Company's offices in Haifa, the proposed resolution described in the Proxy Statement to the Shareholders dated February 11, 2020, and described below, was approved by the required majority: “To elect Mr. Moshe Kaplinsky as an External Director of the Company for a first three-year term commencing on the close of the Meeting.”
Earning Release

Dividend:
The Board of Directors declared a dividend of $0.44 per share for the fourth quarter of 2019. The dividend’s record date is April 6, 2020. The dividend will be paid from income generated as Preferred Income (as defined under Israeli tax laws), on April 20, 2020, net of taxes, at the rate of 20%.

Conference Call:
The Company will be hosting a conference call today, Wednesday, March 25, 2020, at 09:00 a.m. Eastern Time. On the call, management will review and discuss the results and will be available to answer questions.

To participate, please call one of the teleconferencing numbers that follow. If you are unable to connect using the toll-free numbers, please try the international dial-in number.

US Dial-in Number: 1-888-668-9141
Canada Dial-in Number: 1-866-485-2399
UK Dial-in Number: 0-800-917-5108
ISRAEL Dial-in Number: 03-918- 0610
INTERNATIONAL Dial-in Number: 972-3- 918- 0610

at 9:00am Eastern Time; 6:00am Pacific Time; 1:00pm UK Time; 3:00pm Israel Time

This call will also be broadcast live on Elbit Systems’ web-site at http://www.elbitsystems.com. An online replay will be available from 24 hours after the call ends.

Alternatively, for two days following the call, investors will be able to dial a replay number to listen to the call. The dial-in numbers are:

1-888-326-9310 (US and Canada) or +972-3- 925- 5921 (Israel and International)
Earning Release

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 and 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.

Attachments:

Consolidated balance sheets
Consolidated statements of income
Consolidated statements of cash flow
Consolidated revenue distribution by areas of operation and by geographical regions

Company Contact:

Joseph Gaspar, Executive VP & CFO
Tel: +972-77-2946663
j.gaspar@elbitsystems.com

Rami Myerson, Director, Investor Relations
Tel: +972-77-2948984
rami.myerson@elbitsystems.com

David Vaaknin, VP, Head of Corporate Communications
Tel: +972-77-2946691
david.vaaknin@elbitsystems.com

IR Contact:

Ehud Helft
Gavriel Frohwein
GK Investor Relations
Tel: 1-646-201-9246
elbitsystems@gkir.com
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; 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.

Elbit Systems Ltd., its logo, brand, product, service and process names appearing in this Press Release are the trademarks or service marks of Elbit Systems Ltd. or its affiliated companies. All other brand, product, service and process names appearing are the trademarks of their respective holders. Reference to or use of a product, service or process other than those of Elbit Systems Ltd. does not imply recommendation, approval, affiliation or sponsorship of that product, service or process by Elbit Systems Ltd. Nothing contained herein shall be construed as conferring by implication, estoppel or otherwise any license or right under any patent, copyright, trademark or other intellectual property right of Elbit Systems Ltd. or any third party, except as expressly granted herein.

(FINANCIAL TABLES TO FOLLOW)
**ELBIT SYSTEMS LTD.**

**CONSOLIDATED BALANCE SHEETS**

(In thousands of US Dollar)

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$221,060</td>
<td>$208,479</td>
</tr>
<tr>
<td>Short-term bank deposits and restricted deposits</td>
<td>2,213</td>
<td>16,447</td>
</tr>
<tr>
<td>Trade and unbilled receivables and contract assets, net</td>
<td>2,067,846</td>
<td>1,712,915</td>
</tr>
<tr>
<td>Other receivables and prepaid expenses</td>
<td>160,728</td>
<td>199,148</td>
</tr>
<tr>
<td>Inventories, net</td>
<td>1,219,920</td>
<td>1,141,996</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td><strong>3,671,767</strong></td>
<td><strong>3,278,985</strong></td>
</tr>
<tr>
<td>Investments in affiliated companies, partnerships and other companies</td>
<td>201,574</td>
<td>196,180</td>
</tr>
<tr>
<td>Long-term trade and unbilled receivables and contract assets</td>
<td>259,150</td>
<td>297,145</td>
</tr>
<tr>
<td>Long-term bank deposits and other receivables</td>
<td>58,076</td>
<td>42,962</td>
</tr>
<tr>
<td>Premises evacuation grants</td>
<td>—</td>
<td>365,436</td>
</tr>
<tr>
<td>Deferred income taxes, net</td>
<td>89,452</td>
<td>42,804</td>
</tr>
<tr>
<td>Severance pay fund</td>
<td>287,104</td>
<td>278,732</td>
</tr>
<tr>
<td><strong>Operating lease right of use assets</strong></td>
<td><strong>895,356</strong></td>
<td><strong>1,223,259</strong></td>
</tr>
<tr>
<td>Property, plant and equipment, net</td>
<td>766,532</td>
<td>686,620</td>
</tr>
<tr>
<td>Goodwill and other intangible assets, net</td>
<td>1,635,940</td>
<td>1,261,921</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>$7,335,358</strong></td>
<td><strong>$6,450,785</strong></td>
</tr>
<tr>
<td><strong>Liabilities and Equity</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Short-term bank credit and loans</td>
<td>$208,399</td>
<td>$208,821</td>
</tr>
<tr>
<td>Current maturities of long-term loans and Series A Notes</td>
<td>199,882</td>
<td>62,546</td>
</tr>
<tr>
<td>Operating lease liability</td>
<td>62,565</td>
<td>—</td>
</tr>
<tr>
<td>Trade payables</td>
<td>926,338</td>
<td>776,100</td>
</tr>
<tr>
<td>Other payables and accrued expenses</td>
<td>1,052,080</td>
<td>1,081,992</td>
</tr>
<tr>
<td>Contract liabilities (customer advances)</td>
<td>723,581</td>
<td>780,994</td>
</tr>
<tr>
<td><strong>Operating lease right of use assets</strong></td>
<td><strong>3,172,845</strong></td>
<td><strong>2,910,453</strong></td>
</tr>
<tr>
<td>Long-term loans, net of current maturities</td>
<td>440,124</td>
<td>467,649</td>
</tr>
<tr>
<td>Series A Notes, net of current maturities</td>
<td>—</td>
<td>56,303</td>
</tr>
<tr>
<td>Employee benefit liabilities</td>
<td>836,535</td>
<td>736,798</td>
</tr>
<tr>
<td>Deferred income taxes and tax liabilities, net</td>
<td>114,419</td>
<td>78,677</td>
</tr>
<tr>
<td>Contract liabilities (customer advances)</td>
<td>62,830</td>
<td>175,890</td>
</tr>
<tr>
<td>Operating lease liability</td>
<td>323,287</td>
<td>—</td>
</tr>
<tr>
<td>Other long-term liabilities</td>
<td>225,478</td>
<td>170,607</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td><strong>2,002,673</strong></td>
<td><strong>1,685,924</strong></td>
</tr>
<tr>
<td>Elbit Systems Ltd.’s equity</td>
<td>2,141,406</td>
<td>1,832,453</td>
</tr>
<tr>
<td>Non-controlling interests</td>
<td>18,434</td>
<td>21,955</td>
</tr>
<tr>
<td><strong>Total equity</strong></td>
<td><strong>2,159,840</strong></td>
<td><strong>1,854,408</strong></td>
</tr>
<tr>
<td><strong>Total liabilities and equity</strong></td>
<td><strong>$7,335,358</strong></td>
<td><strong>$6,450,785</strong></td>
</tr>
</tbody>
</table>
ELBIT SYSTEMS LTD.
CONSOLIDATED STATEMENTS OF INCOME
(In thousands of US Dollars, except for share and per share amounts)

<table>
<thead>
<tr>
<th></th>
<th>Year Ended December 31, 2019</th>
<th>Year Ended December 31, 2018</th>
<th>Three Months Ended December 31, 2019</th>
<th>Three Months Ended December 31, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Audited</td>
<td>Unaudited</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenues</td>
<td>$4,508,400</td>
<td>$3,683,684</td>
<td>$1,321,506</td>
<td>$1,077,840</td>
</tr>
<tr>
<td>Cost of revenues</td>
<td>3,371,933</td>
<td>2,707,505</td>
<td>1,037,211</td>
<td>842,988</td>
</tr>
<tr>
<td>Gross profit</td>
<td>1,136,467</td>
<td>976,179</td>
<td>284,295</td>
<td>234,852</td>
</tr>
</tbody>
</table>

**Operating expenses:**

- Research and development, net: 331,757 / 287,352
- Marketing and selling, net: 301,400 / 281,014
- General and administrative, net: 214,749 / 160,348
- Other operating income, net: (33,049)

Total operating expenses: 814,857 / 683,347

**Operating income:**

321,610 / 292,832

**Financial expenses, net:**

(69,072) / (44,061)

Other expense, net:

(6,243) / (11,449)

Income before income taxes:

246,295 / 237,322

Taxes on income:

(19,414) / (26,445)

Net income:

$228,655 / $208,655

Less: net income attributable to non-controlling interests:

(798) / (1,917)

Net income attributable to Elbit Systems Ltd.’s shareholders:

$227,857 / $206,738

**Earnings per share attributable to Elbit Systems Ltd.’s shareholders:**

- Basic net earnings per share $5.20 / $4.83
- Diluted net earnings per share $5.20 / $4.83

**Weighted average number of shares used in computation of:**

- Basic earnings per share (in thousands) 43,787 / 42,789
- Diluted earnings per share (in thousands) 43,848 / 42,789
ELBIT SYSTEMS LTD.
CONSOLIDATED STATEMENTS OF CASH FLOW
(In thousands of US Dollars)

Year Ended December 31,
\[
\begin{array}{lrr}
\hline & 2019 & 2018 \\
\hline \text{Audited} & & \\
\hline \text{CASH FLOWS FROM OPERATING ACTIVITIES} & & \\
\text{Net income} & $228,655 & $208,655 \\
\text{Adjustments to reconcile net income to net cash provided by operating activities:} & & \\
\text{Depreciation and amortization} & 137,146 & 118,205 \\
\text{Write-off impairment} & 3,692 & 13,334 \\
\text{Stock-based compensation} & 3,994 & 1,387 \\
\text{Amortization of Series A Notes discount (premium) and related issuance costs, net} & (93) & (92) \\
\text{Deferred income taxes and reserve, net} & (15,059) & 13,724 \\
\text{Loss (gain) on sale of property, plant and equipment} & (34,154) & 2,080 \\
\text{Gain on sale of investment, remeasurement of investment held under fair value method and deconsolidation of subsidiary} & (7,928) & (41,822) \\
\text{Equity in net earnings of affiliated companies and partnerships, net of dividend received(*)} & 8,526 & 17,929 \\
\text{Changes in operating assets and liabilities, net of amounts acquired:} & & \\
\text{Increase in short and long-term trade and unbilled receivables and prepaid expenses} & (267,924) & (89,099) \\
\text{Increase in inventories, net} & (55,841) & (117,221) \\
\text{Increase (decrease) in trade payables and other payables and accrued expenses} & 115,621 & (89,956) \\
\text{Severance, pension and termination indemnities, net} & 4,629 & (31,363) \\
\text{Increase (decrease) in contract liabilities (customer advances)} & (174,582) & 185,898 \\
\text{Net cash provided by (used for) operating activities} & (53,318) & 191,659 \\
\hline \text{CASH FLOWS FROM INVESTING ACTIVITIES} & & \\
\text{Purchase of property, plant and equipment and other assets} & (137,604) & (102,301) \\
\text{Acquisition of subsidiaries and business operations} & (357,144) & (504,447) \\
\text{Proceeds from premises evacuation grants} & 344,913 & — \\
\text{Investments in affiliated companies and other companies} & (8,567) & (7,538) \\
\text{Deconsolidation of subsidiary} & — & (2,873) \\
\text{Proceeds from sale of property, plant and equipment} & 36,671 & 4,388 \\
\text{Investment in long-term deposits} & (289) & (183) \\
\text{Proceeds from sale of long-term deposits} & 251 & 82 \\
\text{Investment in short-term deposits and available-for-sale marketable securities} & (2,314) & (10,361) \\
\text{Proceeds from sale of short-term deposits and available-for-sale marketable securities} & 17,294 & 30,363 \\
\text{Net cash used in investing activities} & (106,789) & (592,870) \\
\hline \text{CASH FLOWS FROM FINANCING ACTIVITIES} & & \\
\text{Proceeds from exercise of options} & — & 48 \\
\text{Issuance of shares} & 184,840 & — \\
\text{Repayment of long-term loans} & (243,324) & (775) \\
\text{Proceeds from long-term loans} & 350,000 & 342,528 \\
\text{Repayment of Series A Notes} & (55,532) & (55,532) \\
\text{Dividends paid} & (62,578) & (75,305) \\
\text{Change in short-term bank credit and loans, net} & (718) & 242,652 \\
\text{Net cash provided by financing activities} & 172,688 & 453,616 \\
\text{NET INCREASE IN CASH AND CASH EQUIVALENTS} & 12,581 & 52,405 \\
\hline \text{CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR} & $208,479 & $156,074 \\
\text{CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR} & $221,060 & $208,479 \\
\hline
\end{array}
\]

* Dividend received from affiliated companies and partnerships

\[
\text{Year Ended December 31, 2019} \quad \text{Year Ended December 31, 2018}
\]

* Dividend received from affiliated companies and partnerships

$10,300 \quad $15,707

15
ELBIT SYSTEMS LTD.
DISTRIBUTION OF REVENUES

Consolidated Revenues by Areas of Operation:

<table>
<thead>
<tr>
<th></th>
<th>Year Ended December 31,</th>
<th>Three Months Ended December 31,</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2019 $ millions</td>
<td>%</td>
</tr>
<tr>
<td>Airborne systems</td>
<td>1,617.2</td>
<td>35.9</td>
</tr>
<tr>
<td>C4ISR systems</td>
<td>1,161.5</td>
<td>25.8</td>
</tr>
<tr>
<td>Land systems</td>
<td>1,228.3</td>
<td>27.2</td>
</tr>
<tr>
<td>Electro-optic systems</td>
<td>374.4</td>
<td>8.3</td>
</tr>
<tr>
<td>Other (mainly non-defense engineering and production services)</td>
<td>127.0</td>
<td>2.8</td>
</tr>
<tr>
<td>Total</td>
<td>$ 4,508.4</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Consolidated Revenues by Geographical Regions:

<table>
<thead>
<tr>
<th></th>
<th>Year Ended December 31,</th>
<th>Three Months Ended December 31,</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2019 $ millions</td>
<td>%</td>
</tr>
<tr>
<td>Israel</td>
<td>1,064.8</td>
<td>23.6</td>
</tr>
<tr>
<td>North America</td>
<td>1,260.5</td>
<td>28.0</td>
</tr>
<tr>
<td>Europe</td>
<td>853.7</td>
<td>18.9</td>
</tr>
<tr>
<td>Asia-Pacific</td>
<td>1,029.6</td>
<td>22.8</td>
</tr>
<tr>
<td>Latin America</td>
<td>158.0</td>
<td>3.5</td>
</tr>
<tr>
<td>Other countries</td>
<td>141.8</td>
<td>3.2</td>
</tr>
<tr>
<td>Total</td>
<td>$ 4,508.4</td>
<td>100.0</td>
</tr>
</tbody>
</table>