



## Elbit Systems Reports Impact on its Third Quarter 2020 Financial Results Due to COVID-19

October 26, 2020

HAIFA, Israel, Oct. 26, 2020 /PRNewswire/ -- [Elbit Systems](#) Ltd. (NASDAQ: ESLT) (TASE: ESLT) ("Elbit Systems" or "the Company") announced today that, as a result of the impact of the COVID-19 pandemic, Elbit Systems experienced reduced demand for the products and services it supplies to the commercial aviation markets.

The significant slowdown in commercial air traffic, and the expectation that a commercial air traffic recovery to 2019 levels will likely take a number of years, have reduced the demand for products and services for the commercial aviation markets. Additionally, manufacturers of aircraft for these markets have announced plans to reduce production rates to adapt to the lower demand.

Following a review of the economic impact on the Company's assets overall, and those assets impacted by the commercial aviation industry in particular, the Company expects to record in the third quarter of 2020 non-cash expenses related to impairment of assets and inventory write-offs, due to COVID-19, in the amount of approximately \$60 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 as a category of expenses that are not part of the Company's regular on-going business.

These expenses will be included in the financial results for the third quarter of 2020 to be reported by the Company in its press release for the quarter, which is planned to be released in November 2020.

### **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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