

United States Court of Appeals Affirms Patent Infringement Judgment of Approximately \$30 Million in Favor of Elbit Systems Against Hughes Network Systems

June 26, 2019

HAIFA, Israel, June 26, 2019 /PRNewswire/ -- <u>Elbit Systems</u> Ltd. (NASDAQ: ESLT) (TASE: ESLT) ("Elbit Systems") announced today, further to its announcement of August 17, 2017, that on June 25, 2019, the United States Court of Appeals for the Federal Circuit in Washington, DC ruled completely in Elbit Systems' favor against Hughes Network Systems, LLC ("Hughes") for infringing an Elbit Systems patent relating to high-speed satellite communications, U.S. Patent No. 6,240,073.

The Court of Appeals' judgment affirmed the judgment of the United States District Court for the Eastern District of Texas, which had also ruled in Elbit Systems' favor. The amount of damages awarded to Elbit Systems, and interest to which Elbit Systems is entitled, (including a \$21.1 million jury award, pre-verdict and post-verdict royalties and costs) totals approximately \$30 million. The trial court has yet to rule on the extent to which it will grant Elbit Systems' request for \$13.8 million in attorneys' fees due to Hughes' "bad faith litigation misconduct," which the Court found to be "exceptional." Any eventual award of attorney's fees would be subject to a separate potential appeal by Hughes.

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: www.elbitsystems.com, follow us on Twitter or visit our official Youtube Channel.

This press release contains forward-looking statements (within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended) regarding Elbit Systems Ltd. and/or its subsidiaries (collectively the Company), to the extent such statements do not relate to historical or current fact. Forward-looking statements are based on management's expectations, estimates, projections and assumptions. 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 and uncertainties, which are difficult to predict. 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; 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. The Company does not undertake to update its forward-looking statements.

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