



Investor Overview

November 2021

Disclaimer

This presentation, reference to which herein includes information that may be provided by Elbit Systems Ltd. (collectively with any or all of its subsidiaries, the "Company" or "Elbit") orally or in writing in connection therewith, is provided for general information only, and should not be relied upon for making any investment decision. By attending or viewing this presentation, each attendee ("Attendee") agrees that he or she (i) has read this disclaimer, (ii) is bound by the restrictions set out herein, (iii) is permitted, in accordance with all applicable laws, to receive such information, (iv) is solely responsible for his or her own assessment of the business and financial position of the Company and (v) will conduct his or her own analysis and be solely responsible for forming the Attendee's view of the potential future performance of the Company's business.

This presentation does not constitute, is not intended to be, and should not be construed as a recommendation, regarding any securities nor part of any offer, or the solicitation of any offer, to buy, subscribe for or sell any securities of the Company, and nothing in this presentation will in any way constitute or form part of any legal agreement or be relied upon in connection with any contract, commitment or investment decision. Nothing in this presentation constitutes investment advice or any recommendations that may be contained herein have not been based upon a consideration of the investment objectives, financial situation or particular needs of any specific Attendee.

No representation, warranty or undertaking, express or implied, is given by the Company and/or its respective directors, officers, employees, agents, representatives and/or advisers as or in relation to the accuracy, completeness or sufficiency of the information contained in this presentation or as to the reasonableness of any assumption contained therein. To the maximum extent permitted by law, the Company and its respective directors, officers, employees, agents, representatives and/or advisers expressly disclaim any and all liability that may arise from any use of this presentation, including any errors or omissions relating to the presentation.

The information in this presentation is not intended to replace the need to review Elbit's filings with the Israel Securities Authority ("ISA") and the U.S. Securities and Exchange Commission ("SEC"), including without limitation its annual report on Form 20-F for fiscal year 2020, filed with the SEC on March, 24, 2021 (the "2020 20-F"), prior to making any investment in Elbit securities. In case of any inconsistencies between the information provided in this presentation and Elbit's filings, the latter will prevail.

This presentation 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 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. Further information is contained in the 2020 20-F. All forward-looking statements speak only as of the date of this presentation. 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. The Company does not undertake to update its forward-looking statements.

Elbit, its logo, brand, product, service and process names appearing in this presentation or used in this conference are the trademarks or service marks of Elbit or its affiliated companies. All other brand, product, service and process names appearing are the trademarks of their respective holders.

Unless otherwise indicated, all numbers in this presentation are as of 30 September 2021. The Company does not undertake to update this presentation or publish any of the data contained therein in the future.

Elbit Systems | A Highly Innovative Global Defense Company



Internationally diversified
presence and client base



Broad range of market
leading **products & technologies** aligned with
customer priorities



Significant investment
in R&D to generate market
leading IP



Large backlog
provides good visibility



Integrated and
supportive **supply chain**



Conservative balance
sheet management



Long-term
investment horizon



Track record
of **value creating M&A**

Elbit Systems at a glance



~\$7bn Market cap - NASDAQ & TASE listed



\$13.6 bn order backlog at Q3 21



\$5.2 bn revenues in LTM to Q2 21



~18,000 employees



Headquarters in Haifa, Israel



Subsidiaries in numerous countries

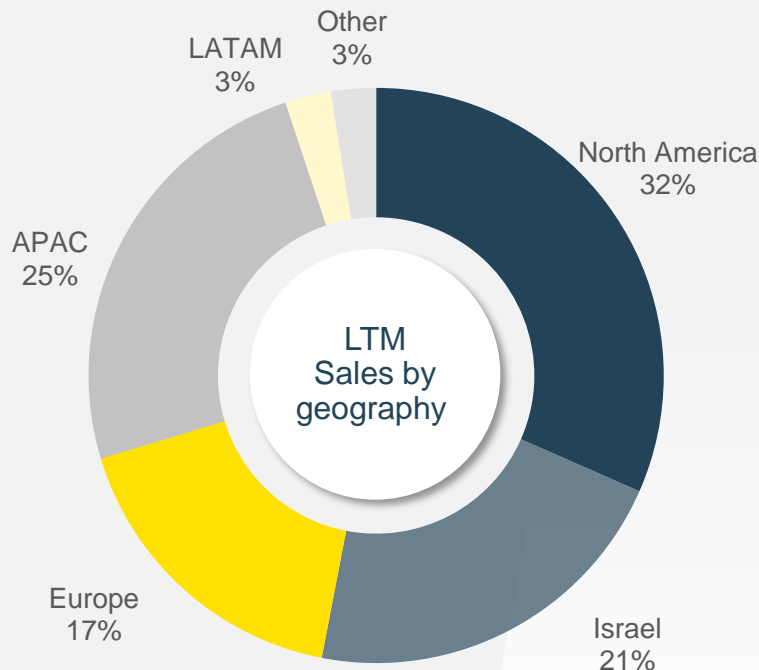
O U R V I S I O N

To be a
world-leading source
**of innovative,
technology-based
systems**

for diverse defense
and civilian applications

Geographically balanced customer portfolio

Our
**DIVERSE
CLIENT BASE**
reduces exposure to defense
budget fluctuations in a single
country or geographic region



Israel's largest defense company



Maintaining Israel's technological edge



Operational imperative to develop and deploy innovative solutions quickly and effectively



Access to high quality talent pool with significant operational military experience

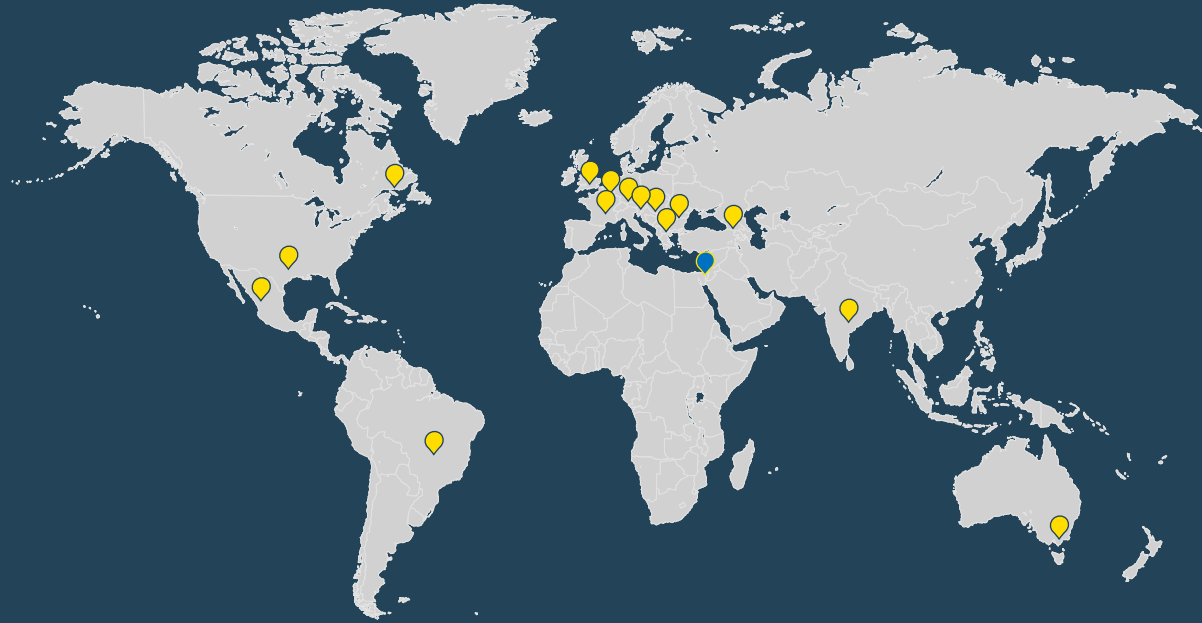


Elbit Systems is the IDF's primary supplier of C4ISR, EW, electro-optics, training systems, avionics, cyber, artillery and unmanned systems

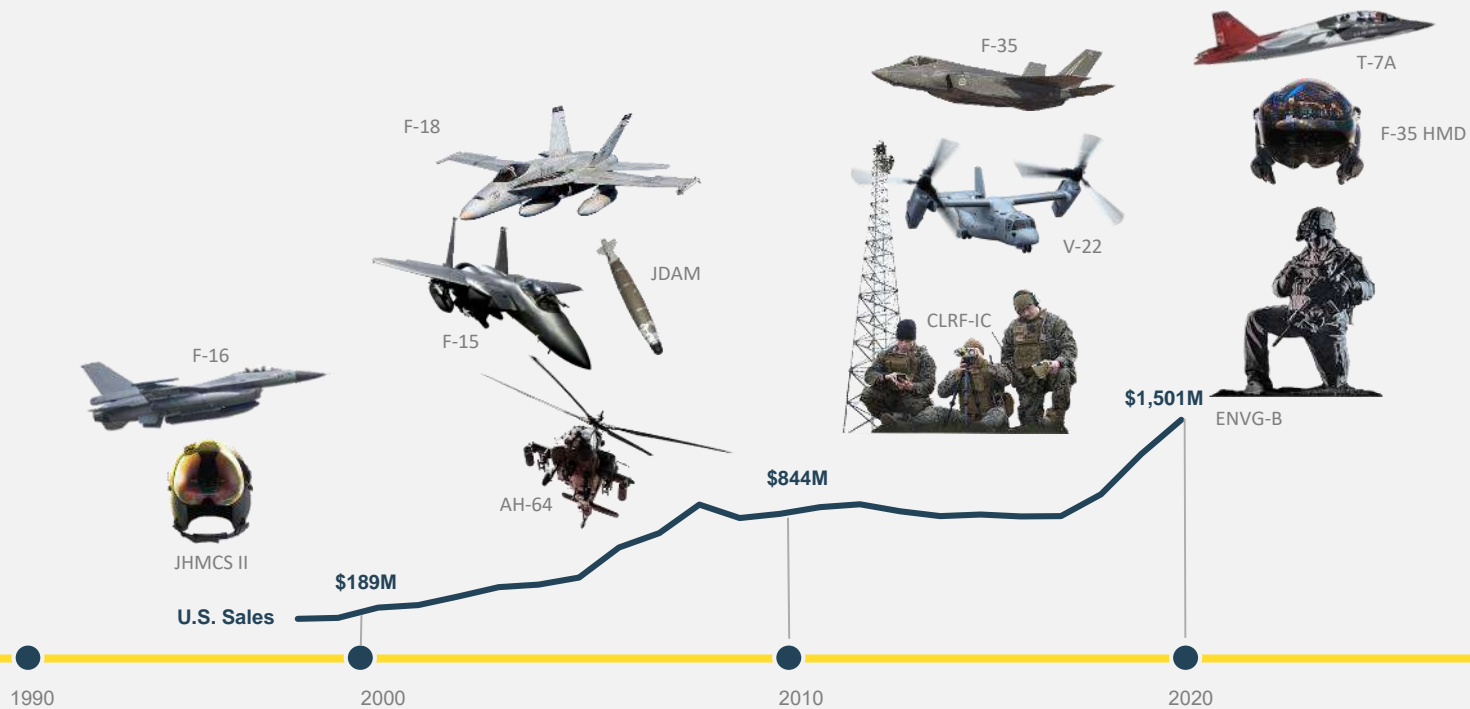
Elbit Systems develops supplies and maintains **advanced technological solutions** for the **Israel Defense Forces** and Israel's security services **in all domains**, from underwater to space.

Broad global footprint

Elbit's global geographical presence **supports revenue growth through the cycle and reduces risk**



The U.S. is our largest market



1990

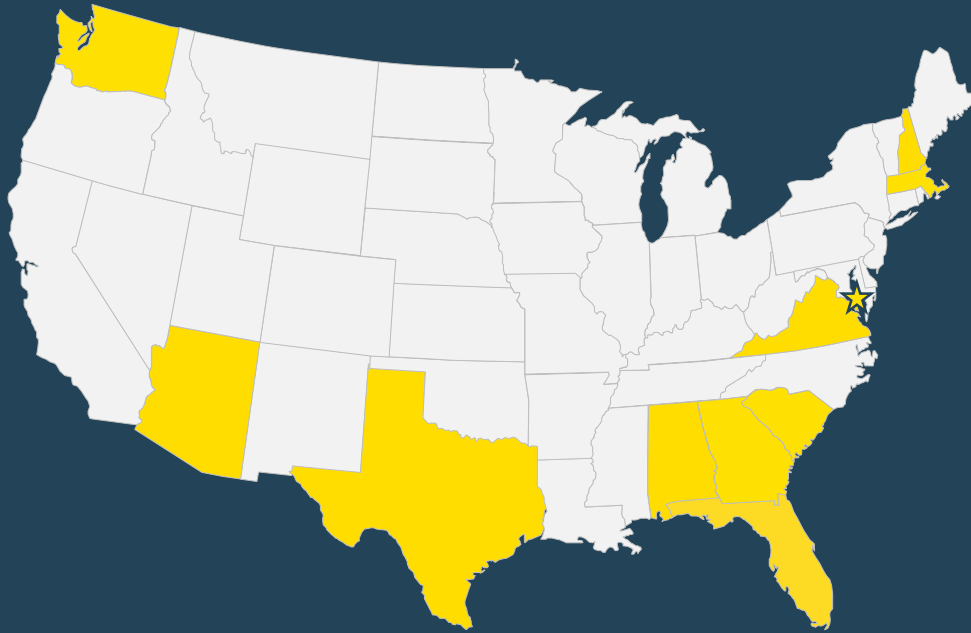
2000

2010

2020



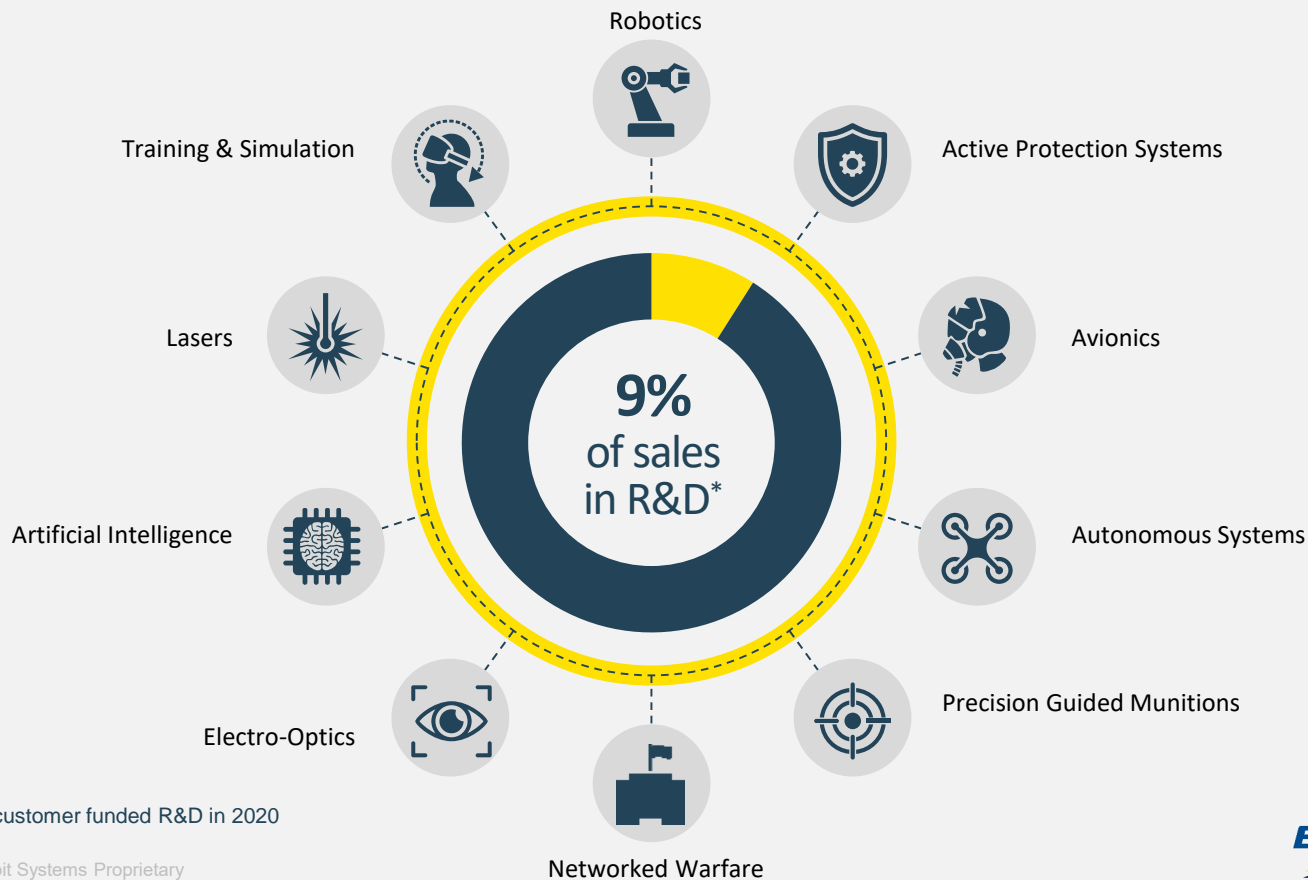
We provide advanced innovative capabilities for defense and commercial customers



- Military and Commercial Avionics
- Electronic Warfare
- Underwater Warfare
- Homeland Security
- Night Vision Systems
- Soldier Systems
- Laser Designators
- Indirect Fires
- Precision Guided Munitions

More than **3,000** employees in facilities across the US

Sustained R&D investment and technology development...



* ~8% self funded and ~1% customer funded R&D in 2020

..to develop and maintain market leading positions

Elbit Systems
is a **top three**
global player
in multiple
markets
including:



DIRCM



Helicopter & Fixed-Wing HMD



Electronic Warfare



Laser Systems



Command and Control



Imaging Systems



Active Protection Systems

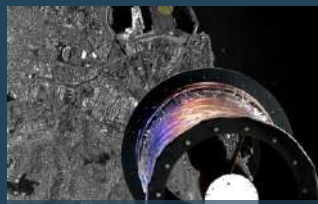


Tactical Radios



Artillery Systems

Areas of operations



AIR & SPACE



LAND



NAVAL



HOMELAND SECURITY



CYBER

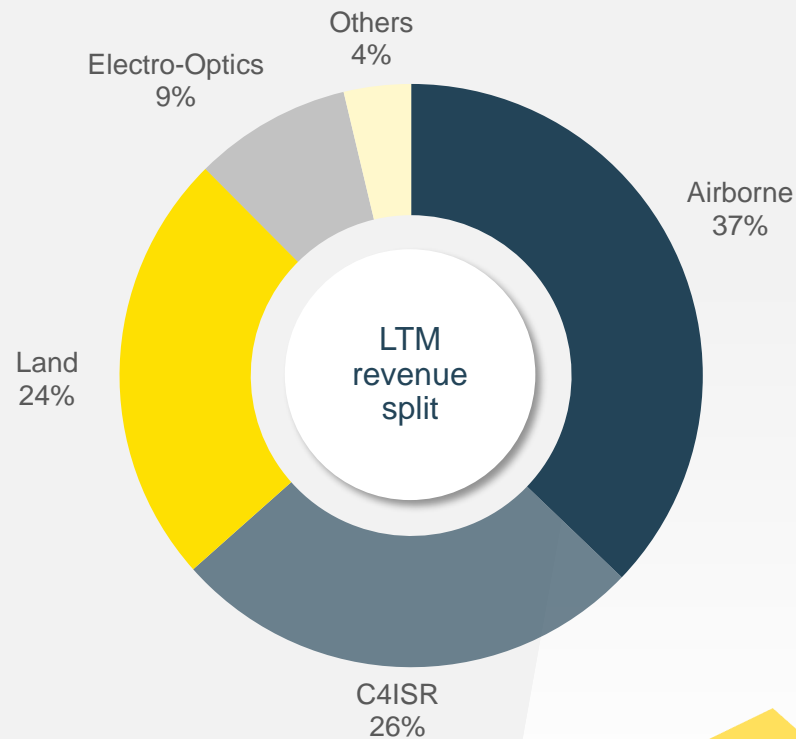


UNMANNED
















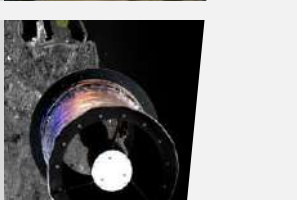


COMMERCIAL

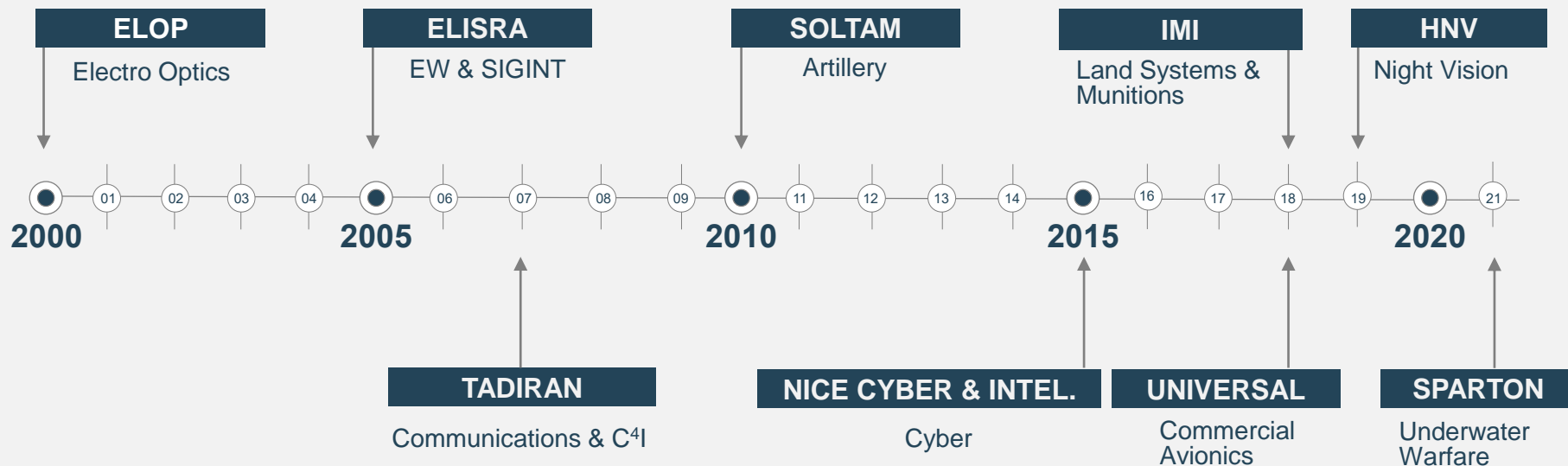
Broad product portfolio provides solutions to **multiple domains and markets**



Business Lines

Airborne Systems	Helicopter & Fixed-Wing HMD		Avionics & Aircraft Upgrades		Electronic Warfare		Training & Simulation	
C4ISR	Command & Control Systems		Advanced Comm's & Networks,		Naval and Maritime		Unmanned Systems for Intelligence Operations	
Land	Combat Vehicle Systems		Artillery Systems		Unmanned Ground Platforms		Active Protection Systems	
Electro Optics	Visual and Thermal Imaging		Lasers & EO Counter Measures		Integrated Payloads		Space & Airborne ISR	

Value creating M&A | Major acquisitions



Multiple bolt-on acquisitions since 2000 to acquire technologies or market positions

Corporate Responsibility | Environmental - Social - Governance

Caring for our communities



- We promote technological education around the world, especially among female students and youth from challenging backgrounds
- 5,100 of our employees volunteered in their communities in 2020, supporting the less fortunate and those impacted by the COVID-19 pandemic
- We support our warfighters, veterans and their families

Protecting the environment



- We are working to reduce our environmental footprint by reducing consumption of water, energy and paper, waste generation & emissions
- Our technologies help monitor the environment
- We participated in the 2020 Carbon Disclosure Project

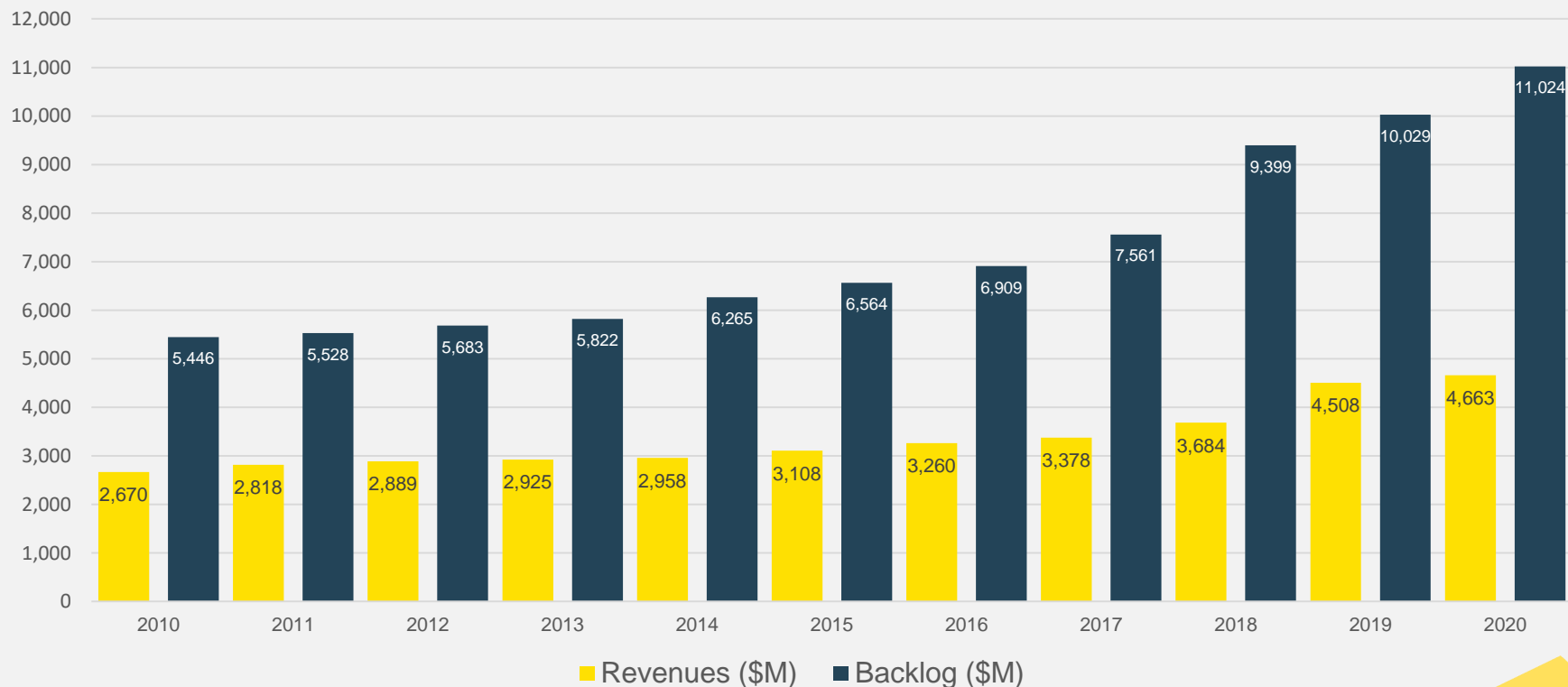
Corporate Governance, Ethics and Anti-Corruption



- We conduct our activities based on a firm commitment to ethical and corporate governance best practices
- Our company-wide ethics compliance program incorporates a range of policies and procedures including a zero tolerance for corruption policy
- We were awarded Maala's highest "Platinum+" rating, 15th year in a row



Revenues & backlog | Growth through the cycle



Historic Financials

	Nine Months Ended Sep 30					
	2017	2018	2019	2020	9M 20	9M 21
Sales (\$M)	3,378	3,684	4,508	4,663	3,284	3,784
Non-GAAP Op. Profit (\$M)	353	340.7	379.7	390.1	276.3	330.8
Non-GAAP Op. Margin (%)	10.5%	9.2%	8.4%	8.4%	8.4%	8.7%
GAAP Op. Profit (\$M)	324.4	292.8	321.6	325.7	221.1	311.2
GAAP Op. Margin (%)	9.6%	7.9%	7.1%	7.0%	6.7%	8.2%
Non-GAAP EPS (\$)	6.41	6.25	6.79	7.2	4.83	6.16
GAAP EPS (\$)	5.59	4.83	5.2	5.38	3.84	6.01
DPS (\$)	1.76	1.76	1.76	1.67	1.23	1.36
Operating cash Flow (\$M)	101	192	-53	279	107	157
Backlog (\$M)	7,561	9,399	10,029	11,024	10,858	13,632

*For non-GAAP reconciliations reference the appendix to this presentation and Elbit Systems' investor relations website

Appendix

Non-GAAP Financial Data

Non-GAAP financial data is presented to enable investors to have additional information on our business performance as well as a further basis for periodical comparisons and trends relating to our financial results. We believe such data provides useful information to investors by facilitating more meaningful comparisons of our financial results over time. Such non-GAAP information is used by our management to make strategic decisions, forecast future results and evaluate our 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 below 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 and other items and financial transactions not considered to be part of regular ongoing business, which, in management's judgment, are items that are considered to be outside the review of core operating results. In our non-GAAP presentation, we 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. We believe that non-GAAP measures have limitations in that they do not reflect all of the amounts associated with our results of operations, as determined in accordance with GAAP, and that these measures should only be used to evaluate our 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, except for share and per share amount)

	Year ended December 31,				Nine Months Ended September 30,	
	2017	2018	2019	2020	2020	2021
GAAP gross profit	1,003.1	976.2	1,136.5	1,165.1	807.3	983.7
<u>Adjustments:</u>						
Amortization of purchased intangible assets	22.2	19.1	22.0	22.7	17.5	19.8
Covid-19 related expenses and write-offs	—	—	—	56.0	56.0	—
Expenses related to acquisitions	—	66.6	55.0	—	—	—
Impairment of long-lived assets	—	—	—	3.4	3.4	—
Non-GAAP gross profit	1,025.3	1,061.9	1,213.5	1,247.2	884.2	1,003.5
<i>Percent of revenues</i>	<i>30.4%</i>	<i>28.8%</i>	<i>26.9%</i>	<i>26.7%</i>	<i>26.9%</i>	<i>26.5%</i>
GAAP operating income	324.4	292.8	321.6	325.7	221.1	311.2
<u>Adjustments:</u>						
Amortization of purchased intangible assets	28.6	26.5	36.1	39.4	30.2	34.3
Covid-19 related expenses and write-offs	—	—	—	56.6	56.6	—
Expenses related to acquisitions	—	66.8	55.0	—	—	—
Impairment of long-lived assets	—	—	—	3.4	3.4	—
Gain from change in holdings	—	(45.4)	(1.2)	—	—	—
Capital gain	—	—	(31.8)	(35.0)	(35.0)	(14.7)
Non-GAAP operating income	353.0	340.7	379.7	390.1	276.3	330.8
<i>Percent of revenues</i>	<i>10.5%</i>	<i>9.2%</i>	<i>8.4%</i>	<i>8.4%</i>	<i>8.4%</i>	<i>8.7%</i>

Reconciliation of GAAP to Non-GAAP (Unaudited) Supplemental Financial Data: (US Dollars in millions, except for share and per share amount)

	Year ended December 31,				Nine Months Ended September 30,	
	2017	2018	2019	2020	2020	2021
GAAP net income attributable to Elbit Systems' shareholders	239.1	206.7	227.9	237.7	169.8	266.2
Adjustments:						
Amortization of purchased intangible assets	28.6	26.5	36.1	39.4	30.2	34.3
Covid-19 related expenses and write-offs	—	—	—	56.6	56.6	—
Expenses related to acquisitions	—	66.8	55.0	—	—	—
Gain from changes in holdings	—	(45.4)	(1.2)	—	—	—
Capital gain	—	—	(31.8)	(35.0)	(35.0)	(24.9)
Revaluation of investment measured under fair value option	—	—	(8.3)	(20.8)	(21.4)	(4.8)
Impairment of investments and long-lived assets	—	17.6	3.7	7.9	7.8	—
Non-operating foreign exchange losses	—	3.4	24.6	33.4	5.6	3.4
Tax effect and other tax items, net	6.2	(8.1)	(8.2)	(0.7)	(0.2)	(1.5)
Non-GAAP net income attributable to Elbit Systems' shareholders	273.9	267.5	297.8	318.5	213.4	272.7
<i>Percent of revenues</i>	<i>8.1%</i>	<i>7.3%</i>	<i>6.6%</i>	<i>6.8%</i>	<i>6.5%</i>	<i>7.2%</i>
GAAP diluted net EPS	5.59	4.83	5.20	5.38	3.84	6.01
Adjustments, net	0.82	1.42	1.59	1.82	0.99	0.15
Non-GAAP diluted net EPS	6.41	6.25	6.79	7.20	4.83	6.16



THANK YOU

INVESTOR CONTACTS

Joseph Gaspar, Executive VP & CFO

Tel: +972-772946663 | j.gaspar@elbitsystems.com

Rami Myerson, Investor Relations Director

Tel: +972-772948984 | rami.myerson@elbitsystems.com

elbitsystems.com

