

Investor Conference 2026



# FINANCIAL RESULTS





# 2025 FINANCIAL HIGHLIGHTS



**\$7.9Bn**

Revenues



**\$6.8Bn** (2024)

16%

**\$553M**

Free Cash Flow



**\$320M** (2024)

\$233M

**\$738M**

Non-GAAP (\*) Operating profit



**\$550M** (2024)

34%

**\$12.75**

Non-GAAP EPS (\*\*)



**\$8.76** (2024)

46%

**\$778M**

Operating cashflow

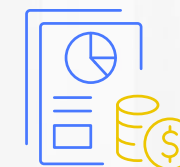


**\$535M** (2024)

46%

**\$28.1Bn**

Backlog



**\$22.6Bn** (2024)

24%

(\*) GAAP Operating Income: \$671m (2025) | \$489m (2024) | 37% YOY

(\*\*) GAAP EPS: \$11.39 (2025) | \$7.18 (2024) | 59% YOY

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

# Q4 2025 FINANCIAL HIGHLIGHTS



## \$2.1Bn

Revenues



**\$1.9Bn** (Q4 2024)  
11%

## \$220M

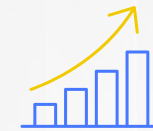
Free Cash Flow



**\$404M** (Q4 2024)  
-184\$M

## \$211M

Non-GAAP (\*) Operating profit



**\$158M** (Q4 2024)  
34%

## \$3.56

Non-GAAP EPS (\*\*)



**\$2.66** (Q4 2024)  
34%

## \$317M

Operating cashflow



**\$452M** (Q4 2024)  
-30%

## \$28.1Bn

Backlog



**\$22.6Bn** (Q4 2024)  
24%

(\*) GAAP Operating Income: \$192m (Q4 2025) | \$141m (Q4 2024) | 36% YOY

(\*\*) GAAP EPS: \$3.52 (Q4 2025) | \$2.00 (Q4 2024) | 76% YOY

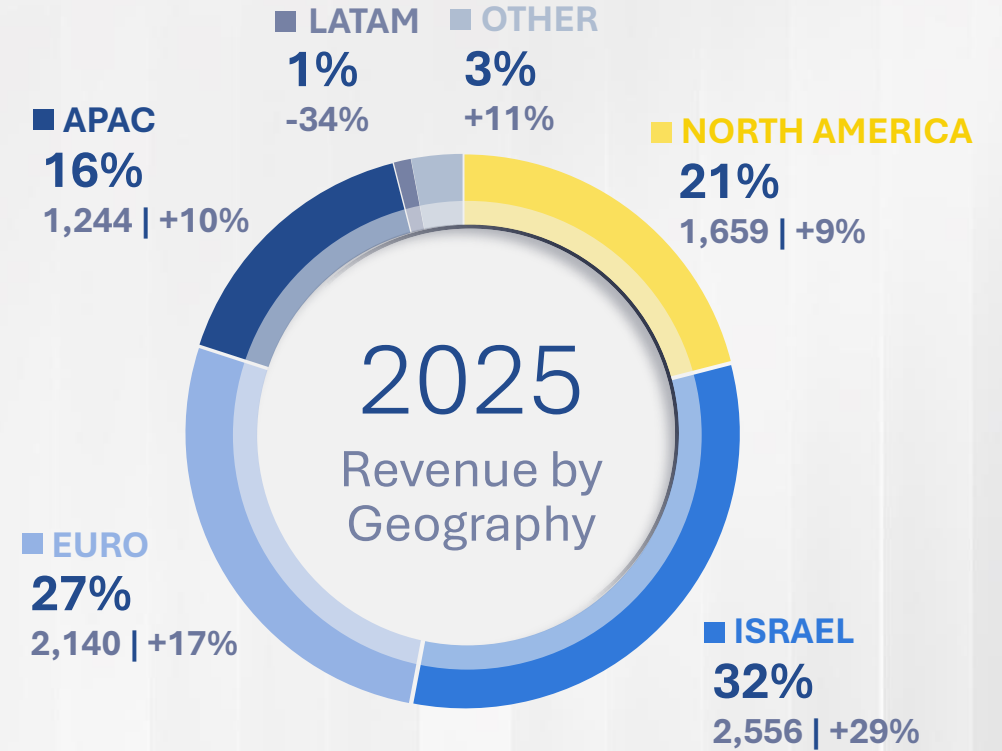
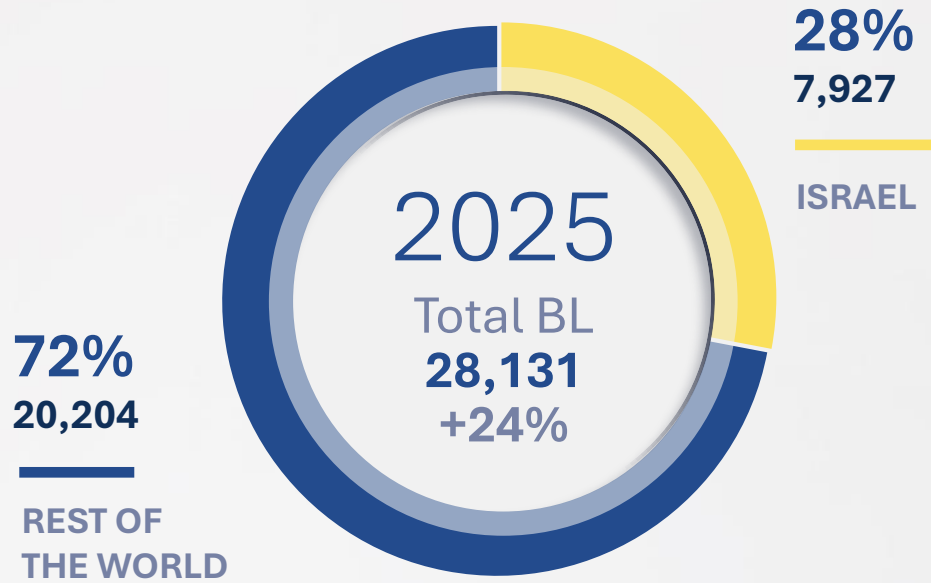
For non-GAAP reconciliations reference the appendix to this presentation and Elbit Systems' investor relations website

**FOR THE FIRST TIME, OVER 2\$  
BILLION IN QUARTERLY REVENUE**

# 2025 RESULTS | REVENUE AND BACKLOG \$M



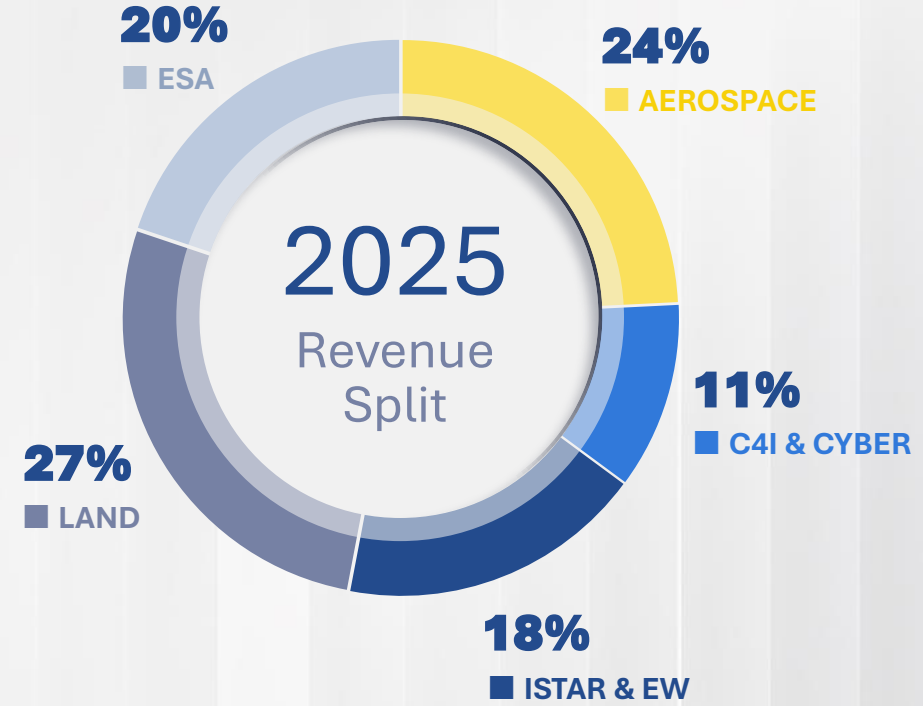
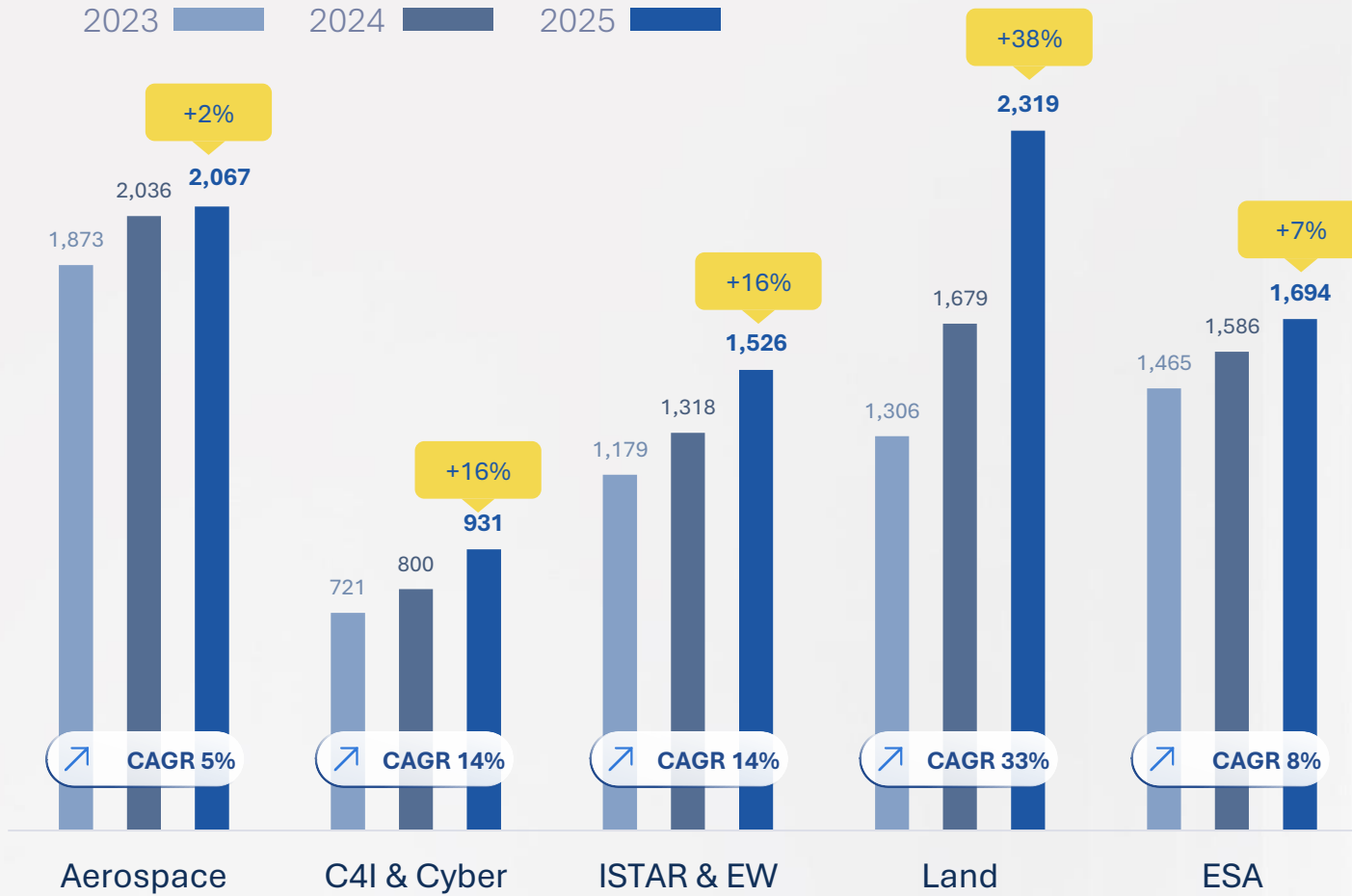
## BACKLOG INCREASES BY 5,500



MAINTAINING BALANCE AND DIVERSE GLOBAL PRESENCE



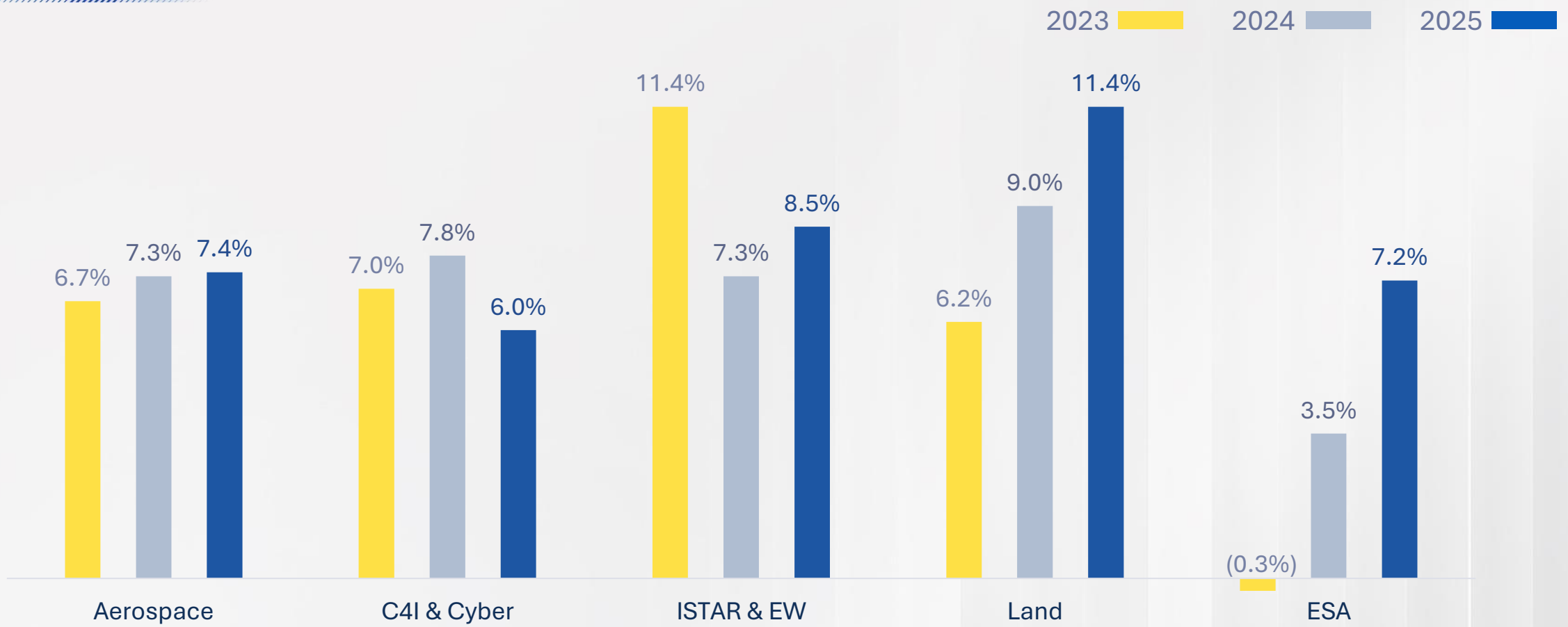
# BUSINESS SEGMENTS | ANNUAL REVENUE \$M



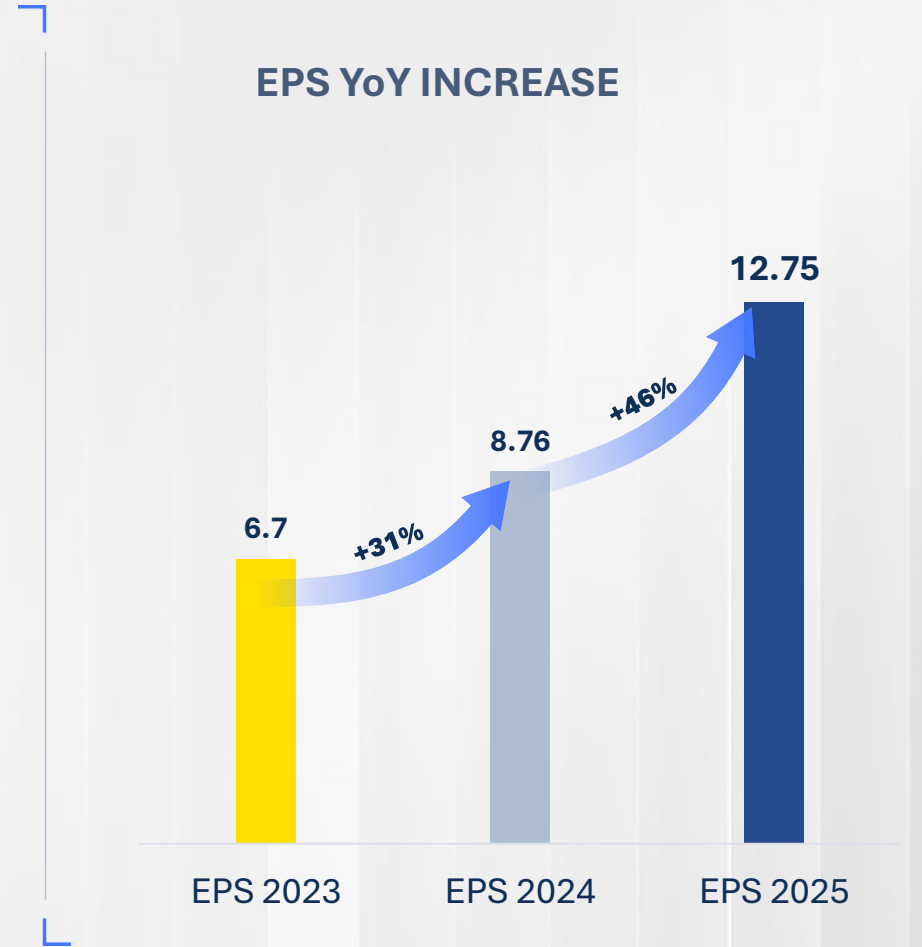
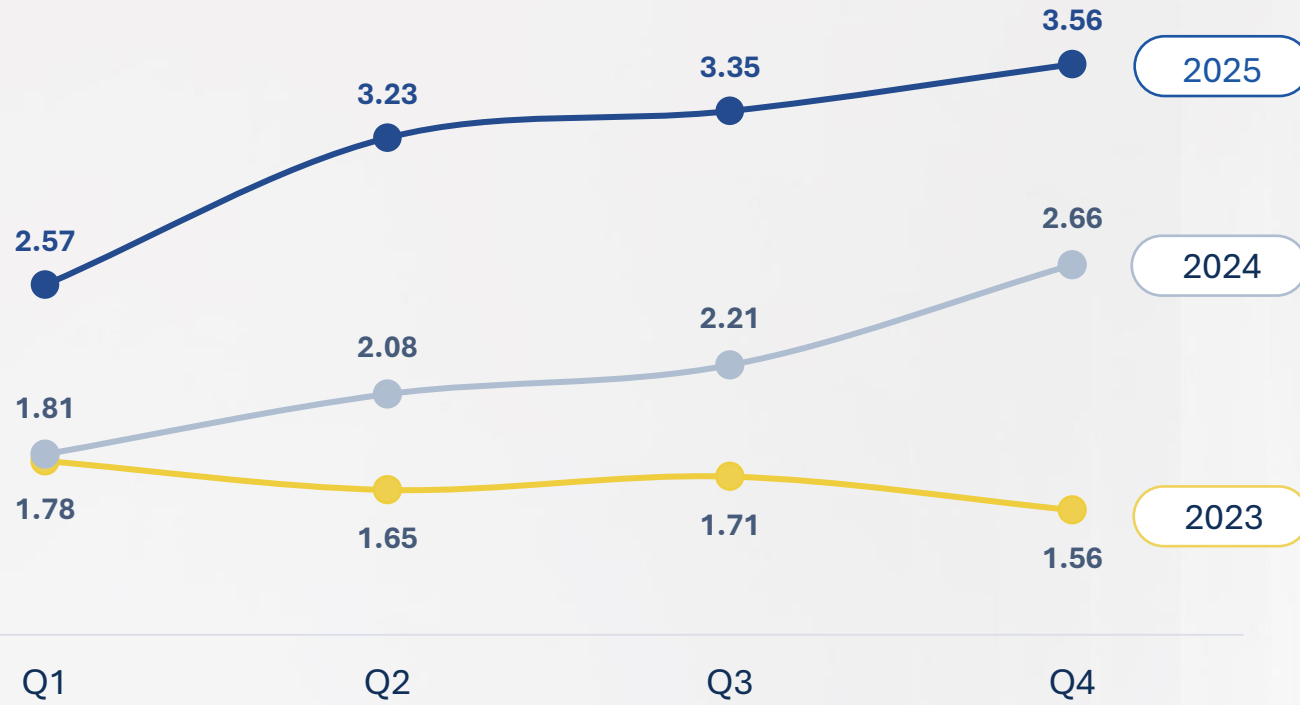
**GROWTH ACROSS ALL SEGMENTS 2025**



# BUSINESS SEGMENTS | ANNUAL OPERATING INCOME GAAP



# EPS 2023-2025 NON-GAAP \$





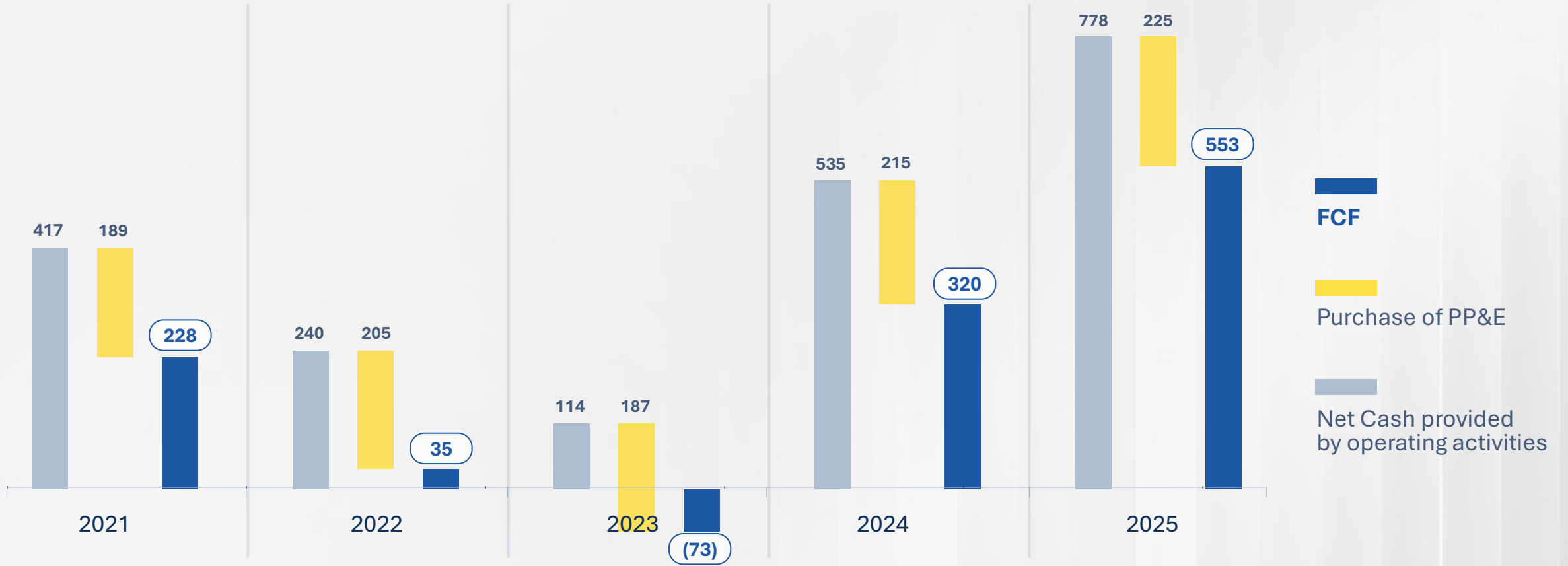
# ORDER EPS & REVENUES | ACCELERATED GROWTH \$M



● EPS NON-GAAP   ■ Revenue (\$M)



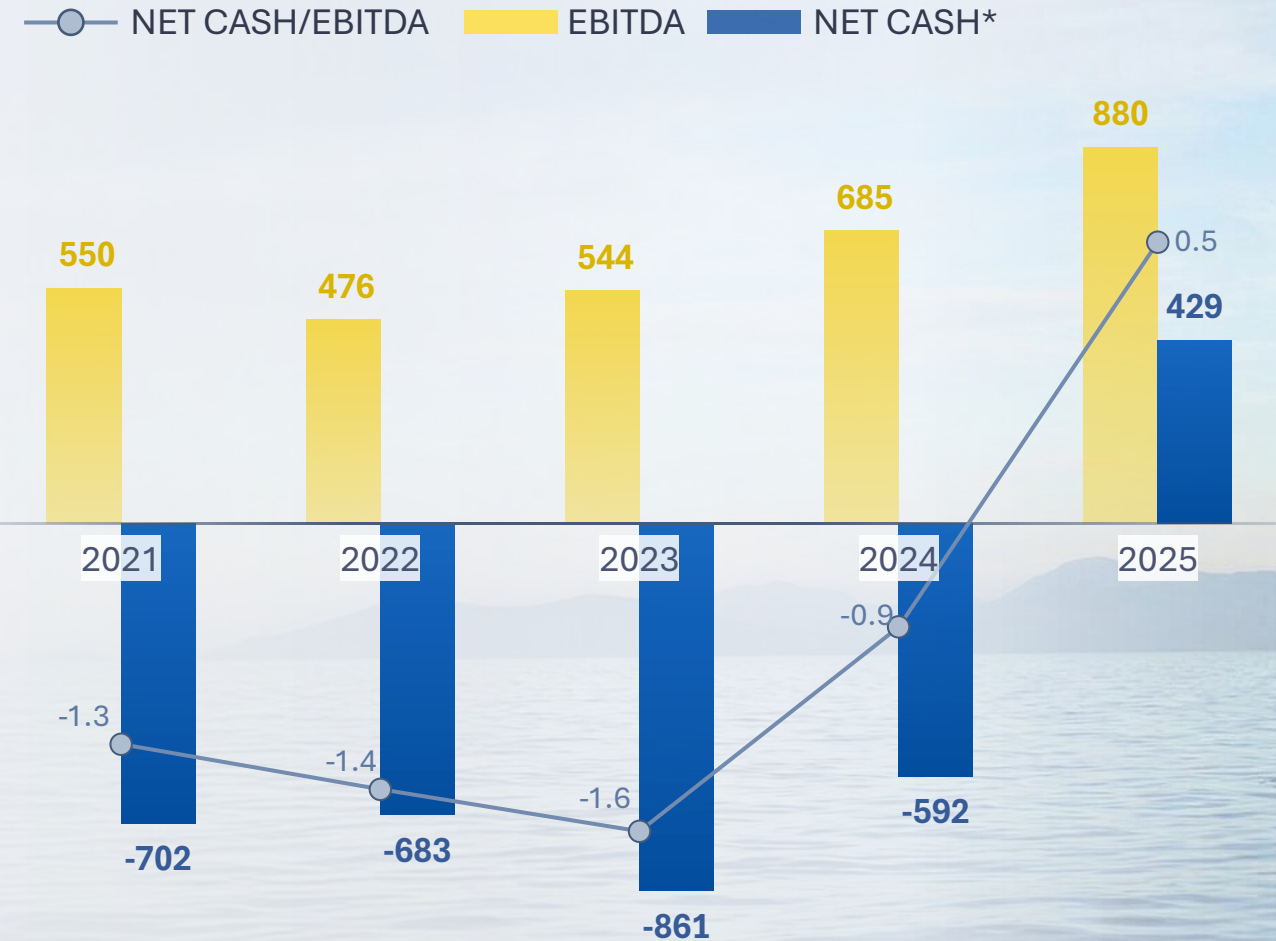
# FREE CASH FLOW \$M



GAAP CASH CONVERSION RATIO FOR 2025 103%

FCF GENERATION CONTINUED TO IMPROVED ALONGSIDE INCREASED CAPEX INVESTMENT TO SUPPORT GROWTH

# NET CASH / EBITDA - GAAP

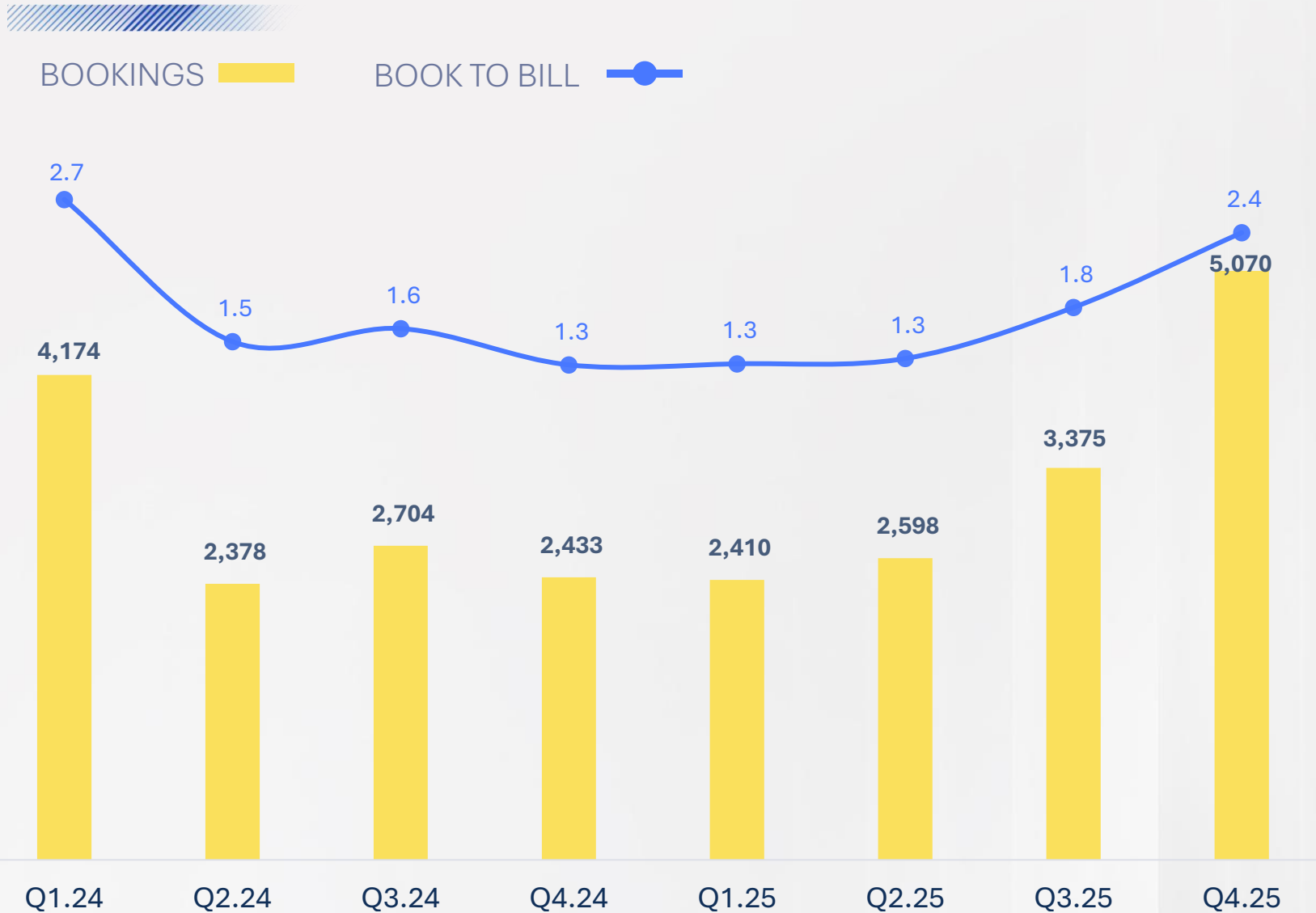


**ELBIT IS CASH NET POSITIVE**

\* Including swap derivatives



# BOOK TO BILL | QUARTERLY \$M

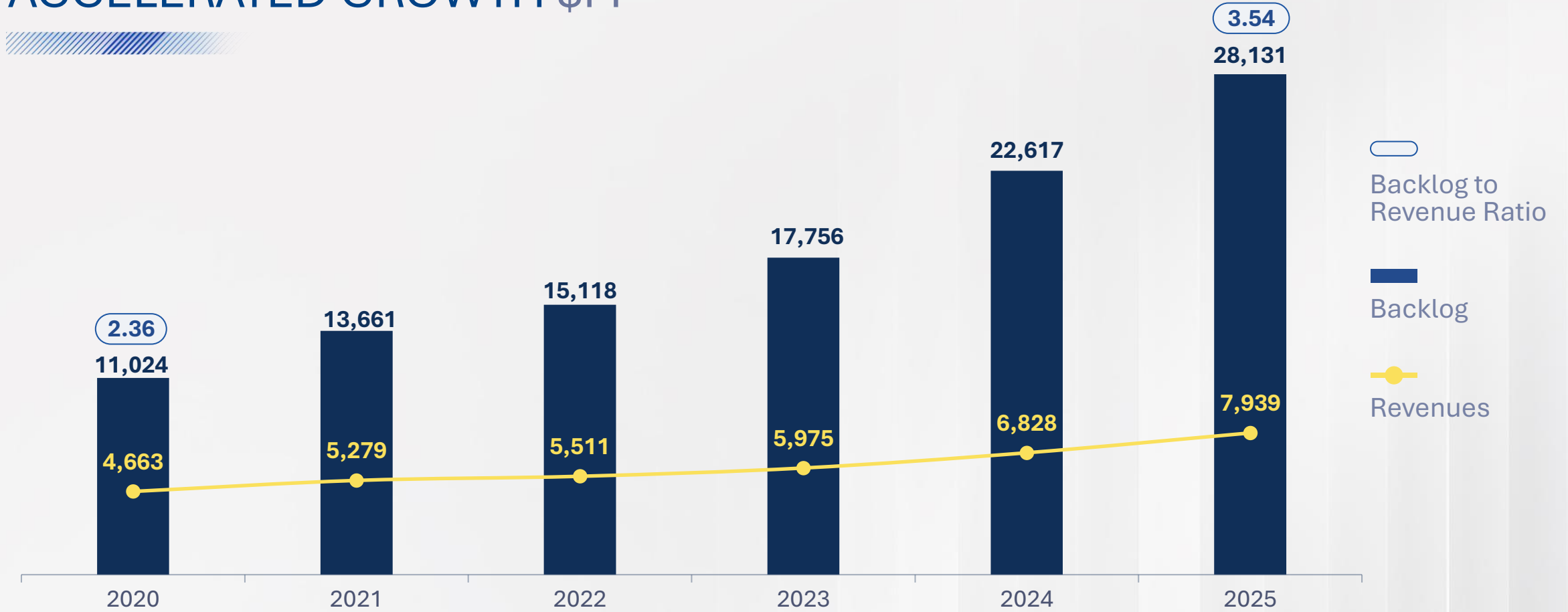


Elbit Vs. Peers Q4 2025	
	B2B
US Peers Average	1.5
Elbit Systems	2.4

Peers include – Lockheed Martin, Northrop Grumman, Leonardo DRS, L3 Harris, Raytheon, General Dynamics, 2025



# ORDER BACKLOG & REVENUES | ACCELERATED GROWTH \$M



**21%**  
Backlog CAGR

2020-2025

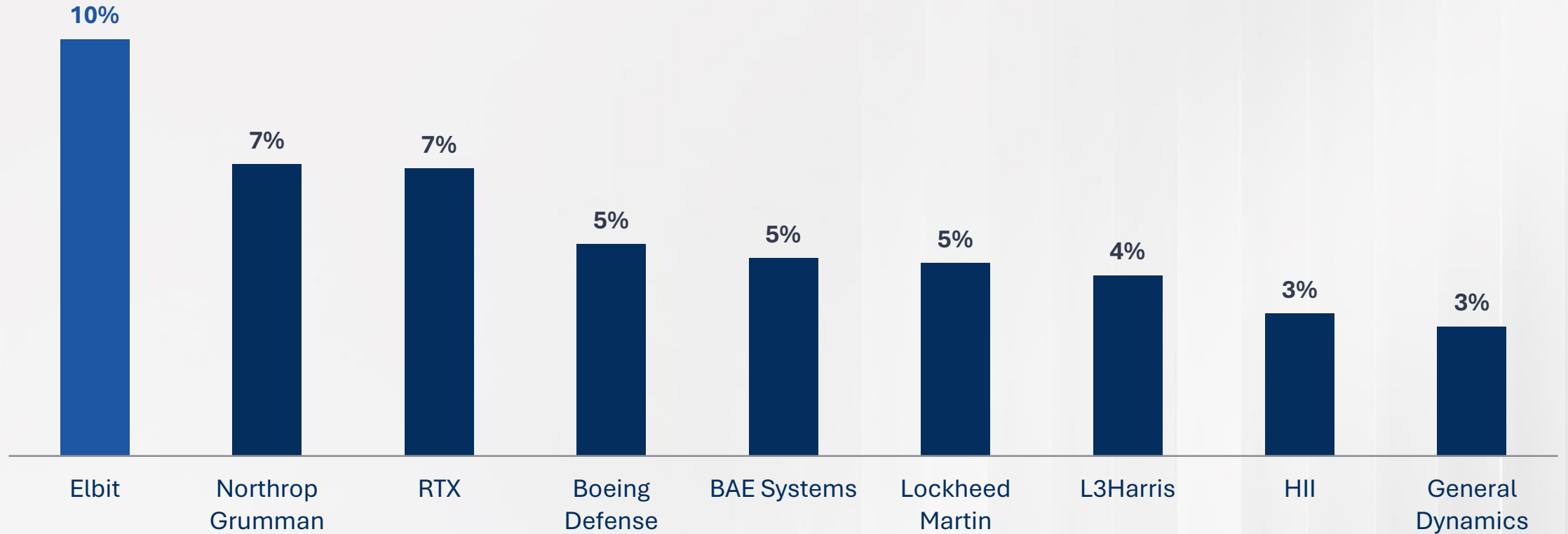
**11%**  
Revenue CAGR



# INVESTING IN THE COMPANY

## R&D + CAPEX SPEND

(% of Revenues 2024)\*



TRUMP'S EXECUTIVE ORDER STRENGTHENING THE U.S. DEFENSE INDUSTRIAL BASE

\* Capital IQ, Company reports

# SHARE OFFERING



Successful share offering in May 2025 raised \$573 million

Book was 3X over subscribed

Stock is up 135% since the offering\*

Liquidity on Nasdaq has increased 8 fold

Since the offering, three bulge-bracket banks have initiated coverage of the stock

\* As of March 12, 2026, based on Nasdaq pricing

**Morgan Stanley | RESEARCH**

December 11, 2025 05:01 AM GMT

Elbit Systems Ltd | North America

**Jefferies**

USA | Aerospace  
**Elbit**

Flying High

ESLT reported as 150 bps of slightly shy of \$11.65 in 2025.

**Key Takeaways**

- We initiate coverage with a Buy rating and a price target of \$11.65.
- Elbit's geographic diversification into Europe and Asia Pacific is expected to drive growth in 2026.
- The company's strong operating performance also presents a compelling investment case.
- At current trading levels, the stock is undervalued.

**A Truly Global Defense**

Elbit is an Israeli-based defense technology and innovation company with a global footprint. The company's primary markets are Israel, the United States, and Europe. The company's revenue is split between Israel (~50%), Europe (~27%), and Asia Pacific (~23%).

**2026 DD Target**

Elbit is expected to report strong growth in 2026, driven by its expansion into Europe and Asia Pacific. The company's revenue is expected to reach \$1.68B in 2026, up from \$1.48B in 2025.

**Margins Stepping Back**

Elbit's operating margins are expected to improve in 2026, driven by its expansion into Europe and Asia Pacific. The company's operating margin is expected to reach 21.5% in 2026, up from 20.5% in 2025.

**Defense Spend**

Elbit's defense spend is expected to increase in 2026, driven by its expansion into Europe and Asia Pacific. The company's defense spend is expected to reach \$1.1B in 2026, up from \$1.0B in 2025.

**FOUNDATION**

MORGAN STANLEY & CO. LLC  
Kristine T. Livolsi

**J.P.Morgan**

North America Equity Research  
30 September 2025

**Elbit Systems**

Initiation

**Elbit Systems Ltd**

**Iron Sharpens Iron: Initiate at Buy with PO USD \$500 / ILS 1,674**

Initiating Coverage: BUY | PO: 500.00 USD | Price: 445.97 USD

**Defense tech leader with battle-proven capabilities**

We initiate coverage of Elbit Systems (NYSE: ESLT US / TASE: ESLT IT) with a Buy rating and PO of USD \$500 / ILS 1,674. Elbit is a leader in defense technology and innovation based in Israel and a key supplier to Western Allies around the world. The company is currently benefiting from the global defense rearmament. Our PO of USD \$500 / ILS 1,674 (USD 3.35:1.00 ILS) is based on a 21x EV/EBITDA multiple on 2026E. Given the growth ahead, we see a valuation that is a premium relative to US large cap defense names, but in-line with SMD Cap US and European defense names as fair.

**Disruption in their DNA: R&D, Innovation, and technology**

For Elbit, the expression – "necessity is the mother of invention", is a lived truth. Elbit is among the three largest Israeli defense companies (along with IAI & Rafael) which are the main suppliers of defense systems to Israel. The need for continuous product advancement and novel solutions is apparent in its R&D spending which since 2017 has been on average 7.5% of revenue. By contrast, US defense companies' R&D is funded by the government, Elbit's intense focus on R&D has accelerated new technologies with battlefield proven capabilities like the Iron Beam, Iron Fist, and Dominion-X.

**A "local" global player**

Elbit is only a global supplier of defense systems, electronics, and technologies with 66% of their \$2.5bn backlog tied to countries outside of Israel. ESLT plays a unique role having established partnership programs with both U.S. and European defense companies. While those relationships support continued investment from global peers, Elbit has also grown its international manufacturing footprint significantly. Elbit has 1,800 employees across 11 European subsidiaries. Through Elbit Systems America (ESA) the company also has a prominent U.S. presence with 3,300 employees in 10 states.

**A portfolio built on decades of M&A**

In 2000 Elbit Systems merged with El-Op, which kicked off the company's inorganic growth strategy. Since then, Elbit has acquired 43 companies, and M&A continues to be a major focus of the company. We view the underlying risks of overpaying, delays in realizing synergies, and potential distractions as the most pertinent risk with ESLT.

Estimates(Dec) (USD)	2023A	2024A	2025E	2026E	2027E
EPS	6.70	8.76	11.35	14.10	16.35
GAAP EPS	4.80	7.16	10.50	14.10	16.35
EPS Change (YoY)	11.1%	30.7%	29.6%	24.2%	16.0%
DPS	2.00	1.99	2.29	3.52	4.09
Common EPS (ILS)	24.69	32.42	37.87	47.04	54.55
Common DPS (ILS)	7.38	7.36	7.94	11.74	13.65

**Valuation (Dec)**

PE	66.6x	50.9x	39.3x	31.6x	27.3x
GAAP PE	92.5x	62.3x	42.1x	31.6x	27.2x
Dividend Yield	0.0%	0.4%	0.5%	0.8%	0.9%
EV/EBITDA*	37.0x	32.0x	26.0x	20.0x	17.9x
Free Cash Flow Yield*	-0.4%	1.5%	1.7%	2.3%	2.7%

\*For full details of adjusted measures, see page 18.

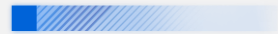
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Timestamp: 24 July 2025 09:00AM EDT

# CAPITAL ALLOCATION



## INVEST IN ORGANIC GROWTH

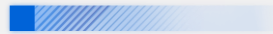


**R&D**  
\$517m in 2025



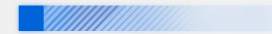
**CAPEX**  
\$225m in 2025

## CONSISTENTLY RETURN CASH TO SHAREHOLDERS



**\$112m dividends**  
distributed to  
shareholders in 2025

## MAINTAIN A STRONG BALANCE SHEET



**NET CASH/EBITDA**  
0.5X

DIVIDEND INCREASED TO \$1.00 AS OF Q1 2026

# SUMMARY



RECORD-STRONG FINANCIAL PERFORMANCE IN **2025**, CONTINUING THE SUSTAINED IMPROVEMENT IN **BACKLOG, FCF, AND EPS.**

SURPASSED \$2 BILLION IN QUARTERLY **SALES** FOR THE FIRST TIME, WITH 16% YEAR-OVER-YEAR **REVENUE GROWTH** COMPARED TO 2024.

CONTINUED **PROFITABILITY** EXPANSION ACROSS THE COMPANY AND SEGMENTS, PARTICULARLY IN LAND AND ESA SEGMENTS.

SUCCESSFUL PUBLIC **OFFERING** AND EXPANDED ANALYST COVERAGE.

CLOSED 2025 WITH A **POSITIVE NET CASH** POSITION, PROVIDING STRONG SUPPORT FOR FUTURE **GROWTH.**

