

- **FOR IMMEDIATE RELEASE** -

**ELRON ANNOUNCES SALE OF 380,000 SHARES OF ELBIT SYSTEMS LTD.**

**Tel Aviv, November 26, 2002-Elron Electronic Industries Ltd. (NASDAQ; ELRN)** today announced that it has sold 380,000 shares of Elbit Systems Ltd. (NASDAQ: ESLT) for approximately \$5.9 million.

As a result of the sale, Elron will record in the fourth quarter of the year, an estimated gain, before tax, of approximately \$1.8 million. Prior the sale Elron held approximately 21% of Elbit System's share capital which holdings will be reduced to approximately 20% following the sale.

*Elron Electronic Industries Ltd. is a multinational high technology holding company based in Israel. Through affiliates, Elron is engaged with a group of high technology operating companies in the fields of advanced defense electronics, communication, software, information technology, medical devices, semiconductors and amorphous metals.*

*For further information, visit <http://www.elron.com>*

**Contact: Tal Raz - Elron Electronic Industries Ltd. - Tel. 972-3-6075555 [raz@elron.net](mailto:raz@elron.net)**

*Any statements in this press release that may be considered forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially. Actual results may differ from such forward-looking statements due to the risk factors discussed in periodic reports filed by the Company with the Securities and Exchange Commission, which the Company urges investors to consider.*