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Steven Esses Takes Over as CEO; Robert S. Ehrlich Becomes Executive Chairman of the Board

ANN ARBOR, Michigan, October 1, 2014 /PRNewswire/ --

Arotech Corporation (Nasdaq GM: ARTX) announced today that, as had previously been communicated in May 2013, Robert S. Ehrlich stepped down as CEO and Steven Esses, Arotech's current President, also took over the role of CEO. Mr. Ehrlich will become Executive Chairman of the Board.

"I have been involved with Arotech for over two decades, half of that time as CEO, and have been working very closely with Steven Esses over much of this period," noted Arotech **Executive Chairman Robert S. Ehrlich**.

"Since the announcement of our orderly management change last year, Steven has taken increased leadership responsibilities and we have been extremely pleased with the results," continued Mr. Ehrlich. "Steven represents the next generation of management at Arotech. With Steven now at the helm, I look forward to maintaining my involvement with Arotech and continuing the successful work we have done together over the coming years."

Steven Esses, President and Chief Executive Officer, commented, "Under Bob's leadership, Arotech is currently in the strongest position that it has ever been. I look forward to continuing and building on his hard work, and further unleashing Arotech's inherent potential."

About Arotech Corporation

Arotech Corporation is a leading provider of quality defense and security products for the military, law enforcement and homeland security markets, including multimedia interactive simulators/trainers and advanced zinc-air and lithium batteries and chargers. Arotech operates two major business divisions: Training and Simulation, and Battery and Power Systems.

Arotech is incorporated in Delaware, with corporate offices in Ann Arbor, Michigan, and research, development and production subsidiaries in Alabama, Michigan, South Carolina and Israel. For more information on Arotech, please visit Arotech's website at <http://www.arotech.com>.

Except for the historical information herein, the matters discussed in this news release include forward-looking statements, as defined in the Private Securities Litigation Reform Act of 1995. Forward-looking statements reflect management's current knowledge, assumptions, judgment and expectations regarding future performance or events. Although management believes that the expectations reflected in such statements are reasonable, readers are

cautioned not to place undue reliance on these forward-looking statements, as they are subject to various risks and uncertainties that may cause actual results to vary materially. These risks and uncertainties include, but are not limited to, risks relating to: product and technology development; the uncertainty of the market for Arotech's products; changing economic conditions; delay, cancellation or non-renewal, in whole or in part, of contracts or of purchase orders (including as a result of budgetary cuts resulting from automatic sequestration under the Budget Control Act of 2011); and other risk factors detailed in Arotech's most recent Annual Report on Form 10-K for the fiscal year ended December 31, 2013 and in Exhibit 99.3 to Arotech's Current Report on 8-K, filed on April 1, 2014, and other filings with the Securities and Exchange Commission. Arotech assumes no obligation to update the information in this release. Reference to the Company's website above does not constitute incorporation of any of the information thereon into this press release.

Investor Relations Contact

For more information on Arotech or investor/public relations, please contact:

Ehud Helft and Kenny Green at CCG Investor Relations, Tel: +1-646-201-9246. E-mail: arotech@gkir.com

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