

April 20, 2016



# **Arotech Power Systems Division Wins Marine Corps Contract for Hybrid Mobile Power Systems**

## **UEC Electronics Mobile Electric Hybrid Power Sources (MEHPS) Systems to provide Marine Corp with more efficient portable solution**

ANN ARBOR, Mich., April 20, 2016 /PRNewswire/ --**Arotech Corporation** (Nasdaq GM: ARTX) today announced that its U.S. Power Systems Division, UEC Electronics, has recently received a \$2.6 million contract from the Marine Corps to design, develop and deliver four MEHPS systems.

MEHPS portable solutions combine battery technology with existing generator and solar solutions to power forward deployed units. The MEHPS product harnesses solar power and intelligently reduces run-time on generators, reducing fuel consumption and extending generator life.

"The Department of Defense continues to advance initiatives that will increase energy efficiency and enable our forces to perform missions, while acknowledging energy as a potential vulnerability," said Steven Esses, President and CEO of Arotech. "Demand for renewable and hybrid energy power generation systems continues to grow and Arotech is well positioned to capitalize on a significant opportunity. This contract award is a testament to our team and the performance of our product. We are excited about this opportunity and are optimistic that this award could lead to additional orders in the future."

UEC Electronics previously designed and developed a smaller hybrid power solution for the Marine Corps. The 1kW Ground Renewable Expeditionary Energy Network System (GREENS) is now being produced by UEC under a \$40.8 million IDIQ contract.

This latest MEHPS award is for a scalable (up to 15kW) design for use at forward operating bases and is a significant part of the DoD's strategy to reduce fuel consumption by 25% prior to 2025. The Marine Corp's roadmap calls for MEHPS production beginning in 2018.

International customers are watching the MEHPS program as well. MEHPS was one of four "[pathfinder](#)" projects announced by Prime Minister Modi (India) and President Obama in January 2015 under the Defense Technology and Trade Initiative.

### **About Arotech's Power Systems Division**

Arotech's Power Systems Division is a leading provider of primary and rechargeable batteries and chargers for defense and other military applications and of electronic components and subsystems primarily for military, aerospace and industrial customers. Arotech develops and produces high power zinc-air batteries and is believed to be the sole supplier of this technology to the U.S. military. In addition, Arotech develops high-end

primary and secondary batteries and associated chargers, as well as (i) hybrid power generation systems, (ii) smart power subsystems for military vehicles and dismounted applications, and (iii) aircraft and missile systems support for cutting-edge weapons and communications technologies, and has vast experience in working with government agencies, the military and large corporations. The Power Systems Division consists of Electric Fuel Battery Corporation ([www.efbpower.com](http://www.efbpower.com)), Epsilor-Electric Fuel Ltd. ([www.epsilor.com](http://www.epsilor.com); [www.electric-fuel.com](http://www.electric-fuel.com)), and UEC Electronics, LLC ([www.uec-electronics.com](http://www.uec-electronics.com)).

## **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 Power Systems.

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

### **U.S. Power Systems Division Contact:**

Nancy Straight  
Business Development Manager  
843-552-8682  
[nancystraight@uec-electronics.com](mailto:nancystraight@uec-electronics.com)

### **Arotech Investor Relations Contacts:**

Brett Maas / Rob Fink  
Hayden IR  
(646) 536.7331 / (646) 415.8972  
[ARTX@haydenir.com](mailto:ARTX@haydenir.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, 2015 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.*

To view the original version on PR Newswire, visit:<http://www.prnewswire.com/news-releases/arotech-power-systems-division-wins-marine-corps-contract-for-hybrid-mobile-power-systems-300254432.html>

SOURCE Arotech Corporation