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## Arotech's FAAC Subsidiary Delivers Stryker Variant Simulators

ANN ARBOR, MI -- (MARKET WIRE) -- 05/29/07 -- Arotech Corporation (NASDAQ: ARTX), a provider of quality defense and security products for the military, law enforcement and security markets, announced today that its FAAC subsidiary has delivered four of nine Stryker Simulators as part of its previously announced contract with Science Applications International Corporation (NYSE: SAI), the prime contractor for the Army's Common Driver Trainer (CDT) program. SAIC has collaborated with FAAC as its primary subcontractor for CDT. FAAC responsibilities include the development, production, integration, delivery, and training of the simulator units. SAIC provides contractual management and is responsible for the visual database and the integration of the Army's OneSAF (semi-automated forces).

A ribbon-cutting ceremony, as part of the official unveiling of the new Common Driver Trainer/Stryker Variant Simulators, was held at Ft. Lewis, WA, where two simulators have been recently installed. The other two systems were previously delivered to Schofield Barracks, Hawaii and Ft. Leonard Wood, MO. The remaining five simulators are being prepared for shipment for installations scheduled over the next three months.

The simulators contain exact replicas of the Stryker driver's compartment. The simulated compartments feature wrap-around screens that can create the appearance of going through difficult terrain and countless other environments. Instructors can monitor and test trainees with exercises that are recorded so instructors can point out and correct mistakes afterward.

"I would have loved to have it," said Lt. Col. Buck James, a former infantry battalion commander for a Stryker brigade who now directs Ft. Lewis' Battle Command Training Center. "This is a really, really good tool."

Soldiers who drive Strykers praised the simulator's realism.

"They hit the head of the nail with it," said SGT John McDowell, 25, who is assigned to the post's newest Stryker brigade, 5th Brigade, 2nd Infantry Division. "It's dead-on."

Added SPC Michael Blanchette, 24: "It's very realistic -- the physics, the way it kind of pushes you back and forth."

"The simulator provides a realistic representation of vehicle performance in accordance with the terrain and enables the driver to hone their skills without risking injury to other soldiers or damage to the Stryker vehicle," explained Kurt Flosky, FAAC Executive Vice President. "This delivery of the initial variant of the Common Driver Trainer for Stryker validates the Army's common simulator approach and paves the way for additional

variants to handle all of the Army's driver training requirements to include wheeled and tracked vehicles," added Flosky.

"We are delighted to see the delivery of the first Stryker simulators obtain this positive reception from the user community during the recent ribbon cutting ceremony," said Robert S. Ehrlich, Arotech Chairman and CEO.

#### About Arotech's Simulation and Training Division

Arotech's Simulation and Training Division develops, manufactures, and markets advanced high-tech multimedia and interactive digital solutions for use-of-force and driver training of military, law enforcement, security, municipal and private industry personnel. The division's fully interactive driver-training systems feature state-of-the-art vehicle simulator technology enabling training in situation awareness, risk analysis and decision-making, emergency reaction and avoidance procedures, and conscientious equipment operation. In addition, the division's use-of-force training products and services allow organizations to train their personnel in safe, productive, and realistic environments. The division also provides pilot decision-making support software for the F-15, F-16, F-18, and JSF aircraft, as well as simulation models for the ACMI/TACTS air combat training ranges.

Arotech's Simulation and Training Division consists of FAAC Incorporated and IES Interactive Training Inc.

#### 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, lightweight armoring and advanced zinc-air and lithium batteries and chargers. Arotech operates through three major business divisions: Armor, Simulation & Training, and Battery & Power Systems.

Arotech is incorporated in Delaware, with corporate offices in Ann Arbor, Michigan, and research, development and production subsidiaries in Alabama, Michigan, and Israel.

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, including the results of our restructuring program. 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; dilution resulting from issuances of Arotech's common stock upon conversion or payment of its outstanding convertible debt, which would be increasingly dilutive if and to the extent that the market price of Arotech's stock decreases; and other risk factors detailed in Arotech's most recent Annual Report on Form 10-K for the fiscal

year ended December 31, 2006 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.

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