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# Arotech to Combine Its Power Systems Division's U.S. Facilities Into One Location in South Carolina

ANN ARBOR, Michigan, December 2, 2014 /PRNewswire/ --

Arotech Corporation [Nasdaq GM: ARTX] announced today that it will be relocating the operations of its Electric Fuel Battery Corporation (EFB) subsidiary from Auburn, Alabama to Arotech's cutting-edge engineering and manufacturing facilities in Charleston, South Carolina, beginning early in 2015. The South Carolina location is the home base of UEC Electronics, which Arotech acquired in April, 2014. The relocation is expected to be completed by the end of the first quarter of 2015.

This strategic consolidation will provide customers with expanded and comprehensive Energy Storage and Power Management design, integration and manufacturing capabilities. The collaboration will optimize product development to provide a broader range of high performing and affordable power solutions. Noteworthy programs, such as the US Army's SWIPES and the Marine Corps' GREENS and MEHPS, expect to realize continued improvements as a result of this co-location.

"Combining the domestic facilities of our Power Systems Division under one roof will not only enable us to lower overhead costs, it will also allow all parts of the division to better work together and unleash the synergies from the acquisition of UEC earlier this year," commented **Steven Esses, President and CEO of Arotech** "Our advanced engineering and manufacturing facility in Charleston, South Carolina was designed for growth and can easily support the additional capacity. We will relocate key employees from Auburn to Charleston, and we look forward to realizing increased growth across our newly unified division over the coming years."

## 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, as amended, 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.*

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