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Arotech's Power Division Awarded \$7.5 Million in New Contracts

Multiple contracts with tier-1 manufacturers secured in the defense and medical device industries

ANN ARBOR, Mich., June 17, 2015 /PRNewswire/ -- **Arotech Corporation** (NasdaqGM: ARTX) announced today that its North American Power System Division, which includes UEC Electronics, has been awarded multiple contracts from new and existing customers in the aggregate amount of \$7.5 million from tier-1 manufacturers in the defense and medical device industries.

"We have been delivering innovative and reliable power solutions to tier-1 manufacturers for two decades," commented Steven Esses, Arotech's President and CEO. "Included in these contract wins is a significant order from an existing military customer for a design project that leverages our success on a similar program we delivered in the past. We believe that successfully meeting the sophisticated requirements from this customer will position us well for significant production orders beginning in 2017 and 2018.

Mr. Esses added, "We are pleased that our Power Systems Division and UEC brand have been selected for these critical projects and are eager for the opportunity to further expand existing customer relationships as well as forge new ones."

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 battery solutions, innovative energy management and power distribution technologies, and 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.

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, 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:

Brett Maas / Rob Fink
Hayden IR
(646) 536.7331 / (646) 415.8972
ARTX@haydenir.com

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