



FAAC INCORPORATED APPRAISED AT CMMI LEVEL 3

Ann Arbor, Michigan – June 29, 2018 – FAAC Incorporated, a subsidiary of Arotech Corporation’s [NasdaqGM: ARTX] Training and Simulation Division, announced today that it has been appraised at level 3 of the CMMI Institute’s Capability Maturity Model Integration (CMMI®). This appraisal was conducted across FAAC’s Vehicle Simulation and Air Warfare Simulation divisions. The Standard CMMI Appraisal Method for Process Improvement (SCAMPI) appraisal was led by MOSAIC Technologies Group.

CMMI is a capability improvement framework that provides organizations with the essential elements of effective processes that ultimately improve their performance. An appraisal at Maturity level 3 indicates the organization is performing at a “defined” level. At this level, processes are well characterized and understood, and are described in standards, procedures, tools, and methods. FAAC’s set of standard processes, which form the basis for maturity level 3, are established and with evident improvement over time.

“CMMI Appraisal at Level 3 is an important accomplishment, indicating our commitment to efficient operations and continual improvement,” said Kurt Flosky, FAAC President. “Operating within the CMMI framework will provide our customer’s added confidence in the maturity of our organization and the quality of the products that we provide.”



About Arotech’s Training and Simulation Division

Arotech’s Training and Simulation Division (ATSD) provides world-class simulation based solutions. ATSD develops, manufactures, and markets advanced high-tech multimedia and interactive digital solutions for engineering, use-of-force, and operator training simulations for military, law enforcement, security, municipal and private industry personnel. The division’s fully interactive operator 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, conscientious equipment operation, and crew coordination. The division’s use-of-force training products and services allow organizations to train their personnel in safe, productive, and realistic environments. The division supplies pilot decision-making support software for the F-15, F-16, F-18, F-22, and F-35 aircraft, simulation models for the ACMI/TACTS air combat training ranges, and Air-Refueling Boom Arm simulators. The division



also provides consulting and developmental support for engineering and research simulation solutions.

Arotech's Training and Simulation Division consists of FAAC Incorporated (www.faac.com), MILO Range Training Systems (www.milorange.com), and Realtime Technologies (www.simcreator.com).

About Arotech Corporation

Arotech Corporation is a defense and security company engaged in two business areas: interactive simulation and mobile 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.

Investor Relations Contact:

Scott Schmidt
Scott.Schmidt@arotechusa.com
800-281-0356

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, 2017 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.