

March 26, 2007



Arotech's Armour of America Receives Over \$2 Million Order From Boeing for Armor Solution for Military Aircraft

ANN ARBOR, MI -- (MARKET WIRE) -- 03/26/07 -- Arotech Corporation (NASDAQ: ARTX) announced today that its Armor Division's Armour of America unit has received over \$2 million in orders from Boeing for armor solution for its military aircraft.

"We are delighted to have our Armour of America products selected by Boeing and believe our solution was chosen for its significant weight savings," said Robert S. Ehrlich, Chairman and CEO of Arotech Corporation.

About Arotech's Armor Division:

Arotech's Armor Division is an innovative leader in lightweight armoring for vehicles. The Armor Division has years of battlefield and commercial protection experience and has provided life saving protection under the most extreme conditions. In addition to armoring vehicles for military and commercial customers, Arotech manufactures armor kits for military vehicles, aviation armor both for helicopters and for fixed wing aircraft, marine armor, personnel armor and fragmentation blankets.

The Armor Division consists of MDT Protective Industries Ltd., MDT Armor Corporation and Armour of America Incorporated.

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 and Training 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 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, 2005, as amended, 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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