

July 16, 2007



Arotech's FAAC Subsidiary Receives \$2.8M Order for Additional Stryker Common Driver Trainers

ANN ARBOR, MI -- (MARKETWIRE) -- 07/16/07 -- Arotech Corporation (NASDAQ: ARTX) announced today that its Simulation and Training Division's FAAC subsidiary has received an order to produce five additional Stryker Driving Simulators from Science Applications International Corporation (NYSE: SAI), the prime contractor for the Army's Common Driver Trainer (CDT) program. FAAC is a subcontractor to SAIC on the CDT program. 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). The CDT Contractor team of SAIC and FAAC are currently completing the fielding of the initial order for nine Stryker simulators.

"The Common Driver Trainer Program is recognized as the Army's choice for any new driver-training requirements for wheeled and tracked vehicles," said MAJ Dan Gamel, CDT Project Director, US Army PEO STRI PM Ground Combat Tactical Trainer. "The successful development of CDT and the initial variant for Stryker has validated the Common Driver Trainer concept, enabling production-only efforts like this order for additional Stryker Trainers, as well as laying the foundation for straight-forward extension of the CDT to simulate other vehicles in the future."

"We are proud to contribute to the success of CDT and work as part of the CDT Team providing training devices to prepare Stryker operators to face the challenges of tactical combat operations," said Kurt Flosky, FAAC Executive Vice President.

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. 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, 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; and other risk factors detailed in Arotech's most recent Annual Report on Form 10-K for the fiscal year ended December 31, 2006, 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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