

April 3, 2017



Arotech's FAAC Incorporated Receives \$41.1 M Follow-On Contract for U.S. Army's Virtual Clearance Training Suite

ANN ARBOR, Mich., April 03, 2017 (GLOBE NEWSWIRE) -- FAAC Incorporated, a part of Arotech Corporation's Training and Simulation Division (Nasdaq:ARTX), announced that it has received a sole source follow-on contract to support the U.S. Army's Virtual Clearance Training Suite (VCTS) program. Managed by U.S. Army Program Executive Office for Simulation, Training and Instrumentation (PEO STRI) and contracted from Army Contracting Command - Orlando, the award is valued at up to \$41.1M with a period of performance of five years. The follow-on effort envisions three phases, each providing a block upgrade of capabilities to the fielded VCTS systems. The first phase is funded at \$5.7M, with the other phases awarded as option contract line items.

VCTS has been fielded to 28 training installations and operational units. VCTS provides training for critical vehicle operator and crew tasks that can be repetitively trained in a simulator and that are considered too time consuming, resource constrained, or dangerous to be conducted on actual equipment. This follow-on effort will add new training capabilities to VCTS and improve the system's realism – enhancing the clearance operations training it provides and insuring VCTS reflects the Army's route clearance team's most current mission and equipment.

"FAAC Incorporated is proud of our efforts as part of the PEO STRI team that successfully fielded the initial phase of VCTS, and we are honored to continue our support of the route clearance mission through this follow-on award," said Kurt Flosky, FAAC Incorporated's President. "VCTS has been well received by the training units and we look forward to furthering its reputation as one of the Army's premier training devices."

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 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 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, 2016 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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Source: Arotech Corporation