September 23, 2013

Arotech's FAAC Incorporated Announces Franchise in India

ANN ARBOR, Mich., Sept. 23, 2013 /PRNewswire/ -- Arotech Corporation (NasdaqGM: ARTX) announced today that its Training and Simulation Division's FAAC unit has established a FAAC India franchise. Viswire Training and Simulation Limited, an India-based company specializing in the development of visualization and simulation applications, will operate the franchise in cooperation with FAAC Incorporated. The franchise agreement will allow for a greater exchange of information between the two companies. It will also expand the potential for Indian-content product and solutions delivered by FAAC India.

"FAAC, as a global leader in simulation technologies, combined with Viswire's market reach and technical expertise in India, makes FAAC India the only logical choice for the Indian simulator market," said Subramanian Iswaran, Viswire Training and Simulation President. "FAAC India works collaboratively with customers to deliver the right products to address their needs with capabilities not available until now."

The partnership formalizes a successful relationship that has already begun delivering truck driver training simulators to Ashok-Leyland and is marketing the broader use of simulation systems within India.

"FAAC's 40 years of simulation experience, coupled with Viswire's knowledge of the local simulation market requirements, are the ideal team to service the region," said Kurt Flosky, FAAC Incorporated Executive Vice President. "Together, we have a strong capability and capacity to serve the simulation needs of the emerging Indian market."

About Arotech's Training and Simulation Division

Arotech's Training and Simulation Division (ATSD) provides world-class simulation based training 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 provides consulting and developmental support for engineering simulation solutions. The division also 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.

Arotech's Training and Simulation Division consists of FAAC Incorporated (www.faac.com), IES Interactive Training (www.ies-usa.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 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. For more information on Arotech, please visit Arotech's website at www.arotech.com.

About Viswire Simulation and Training

Viswire Simulation and Training Private Limited specializes in the development of visualization and simulation applications for training, engineering and research. Using the latest tools and technologies, Viswire provides state-of-the-art simulation solutions and works closely with the customer to integrate the same. Viswire solutions are found in simulators for defense, automotive, maritime and medical domains.

Viswire is registered under the Companies Act of India with its office at IV Floor, Kakani Towers,15 KNK Road, Chennai 600 006, India. For more information on Viswire, please visit Viswire's website at www.viswire.com

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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, as amended, for the fiscal year ended December 31, 2012 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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