

December 18, 2013



Arotech's Training and Simulation Division Receives a \$2.9 Million International Order for its MILO Range Force Options Simulators

ANN ARBOR, Mich., Dec. 18, 2013 /PRNewswire/ -- Arotech Corporation (NasdaqGM: ARTX) announced today that its Training and Simulation Division's MILO force options business unit, through its international partner channels, was awarded a firm fixed-price contract to supply award-winning MILO Range simulators for use by the Saudi Arabian Defense Forces.

The contract includes seven custom designed virtual weapons training simulators, to be installed at regional readiness centers across the Kingdom. Each of the seven systems is a multi-screen 24 lane MILO based application providing a virtual firing range for pistol and rifle marksmanship training. The first deliveries under this contract will begin in Q1 2014 and continue in phases through Q3 2014 until all systems are installed and on-site training is complete.

"We are extremely pleased to be selected to provide our innovative MILO Range virtual simulators to our allies in the Kingdom of Saudi Arabia," said Robert McCue, General Manager for the MILO Range business unit. "This competitive award validates our leadership role in the dual-purpose simulator market to provide multi-lane and multi-screen virtual firing range solutions on top of the interactive video and CGI force option training capabilities that MILO Range systems are known for."

"Strategic investment in internal product development of MILO Range's core capabilities and its configurable multiscreen applications have enabled us to successfully compete and win in a growing international market," said Kurt Flosky, Executive Vice President of Arotech's Training and Simulation Division. "Our MILO Range solution was well positioned to satisfy the stringent Saudi Arabian requirements and has continually proven itself to be the best solution for a vast array of global training applications."

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), MILO Range (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 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.

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