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Arotech's U.S. Power Systems Division Announces \$8.3M in Awards

ANN ARBOR, Mich., March 06, 2017 (GLOBE NEWSWIRE) -- **Arotech Corporation** (Nasdaq:ARTX) today announced that its U.S. Power Systems Division, UEC Electronics, received contract awards from both government and commercial customers totaling \$8.3 million over the last three weeks.

In one of the recent awards, UEC has been funded \$3.4 million to work with US Army CERDEC on an Energy Storage System (ESS) for Tactical Microgrids. Building on their experience in the design of hybrid power systems for military applications, the ESS will utilize both Lithium-Ion ultracapacitors and Lithium-Ion battery technologies with intelligent control to enable the microgrid to handle high transient power spikes and to allow time for generators to turn on when new loads enter the grid, thereby decreasing the need for spinning reserve (generators running below capacity and at less than peak efficiency). This hybrid power system has broad applications that will allow the Army to keep pace with increasing power and energy demands and will lessen the logistics demand for fuel-based power sources.

"It is good to see momentum building for our US Power Systems Division," noted Dean Krutty, Arotech's acting CEO. "We are also encouraged to see our hard work and investment in hybrid power being recognized with another technology development award," concluded Krutty.

About Arotech's Power Systems Division

The Arotech Power Systems Division develops and provides sophisticated portable energy solutions designed to complex and demanding customer specifications. These solutions are used for diverse applications from vehicle power, clean energy power generation, power distribution and management and military field equipment to life-vest lights, satellite radios and unmanned vehicles. Arotech's solutions are produced primarily for military, aerospace, medical and industrial customers.

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, 2015 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