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## **Arotech Develops New Armored Vehicle**

### **The C8 LWAV Was Developed for Concord, Arotech's Joint Venture in India**

AUBURN, AL -- (MARKET WIRE) -- 07/22/09 -- Arotech Corporation (NASDAQ: ARTX) announced today that its Armor Division has developed a new armored vehicle, aimed at the defense market in India. Arotech's joint venture in India -- Concord Safety Systems -- is conducted with MKU, India's leading armor materials supplier, and the JN Group, India's leading automotive body-builder.

Concord was invited to participate in a tender for armored vehicles for the Indian Army. Arotech's Armor Division developed the new vehicle, the C8 Light Weight Armored Vehicle Solution (LWAV). The first prototypes were built at Concord's facility in Dehradun, India. The vehicles are currently undergoing testing at the Northern Command unit of the Indian Army. The vehicles are slated to be available to paramilitary and police forces in two months' time.

The C8 was designed using experience gained in the development of the David, MDT's lightweight armored vehicle selected by the Israel Defense Forces (IDF) as its standard armored reconnaissance and patrol vehicle. The Concord C8 is a cost-effective armored vehicle, based on an Indian 4X4 platform, and will be marketed to other Asian markets as well. The light weight and rugged C8 4X4 can be viably operated on all types of terrain, and permits the transport of six soldiers in full combat gear with their loads and a driver. The vehicle is ideally suited for counter-insurgency operations for patrol, logistics, reconnaissance and convoy protection, and search and rescue missions. A special feature of the C8 LWAV is its high power-to-weight ratio, enabling transport of extra combat loads while offering full ballistic protection of the crew compartment, engine and fuel tank, thus increasing safety of the crew inside the vehicle.

"Our partnership in Concord is strategic to MDT," said Robert Ehrlich, Arotech's Chairman and CEO. "We see significant potential for military products in the region, and are now beginning to offer armored vehicles to this market."

#### **About Concord Safety Solution Pvt. Ltd.**

Concord is a joint venture between three reputable enterprises that have joined forces to manufacture state of the art armored vehicles in India. MKU Pvt. Ltd. is Asia's largest manufacturer and exporter of armored solutions with over 25 years of experience in the defense industry. MDT Armor Corporation, located in Auburn, Alabama, is a trusted and experienced global leader in the production of lightweight armored vehicles for tactical and military use. JN Group is a leading automotive body builder in India.

#### **About Arotech's Armor Division**

Arotech's Armor Division is an innovative leader in lightweight armoring for vehicles, aircraft

and their operators. The Armor Division has years of battlefield and commercial protection experience and has provided life saving protection under the most extreme conditions.

Arotech's Armor Division consists of MDT Armor Corporation ([www.mdt-armor.com](http://www.mdt-armor.com)), M.D.T. Protective Industries, Ltd. ([www.mdtisrael.com](http://www.mdtisrael.com)), and Armour of America ([www.aoa-usa.com](http://www.aoa-usa.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. Arotech provides multimedia interactive simulators/trainers, lightweight armoring and advanced zinc-air and lithium batteries and chargers. Arotech operates through three major business divisions: Armor, Training and Simulation, and Batteries 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.

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 effect of any share repurchases by Arotech. 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; dilution resulting from issuances of Arotech's common stock upon conversion or payment of its outstanding convertible debt, which would be increasingly dilutive if and to the extent that the market price of Arotech's stock decreases; and other risk factors detailed in Arotech's most recent Annual Report on Form 10-K for the fiscal year ended December 31, 2008 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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