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## **U.S. Marine Corps Contracts Arotech's FAAC Subsidiary to Expand Its USMC Operator Driving Simulator to Encompass Mine Resistant Ambush Protected (MRAP) Vehicles**

ANN ARBOR, MI -- (MARKET WIRE) -- 11/28/07 -- Arotech Corporation (NASDAQ: ARTX) announced today that its Training and Simulation Division's FAAC subsidiary, has recently received a contract modification from the U.S. Marine Corps Systems Command, Program Manager for Training Systems (PM TRASYS). The order calls for FAAC to expand the capabilities of currently contracted USMC Operator Driving Simulators (USMC ODS) to include Cougar Category (Cat) I MRAP operations. USMC ODS systems fielded to major active-duty installations will have the Cougar Cat I MRAP capability added to the existing systems which currently provide simulation based training on MK-23 and M1114 Up-Armored HMMWV operations.

FAAC's Operator Driving Simulators are being taken to the next level by the Marine Corps as they add vehicle types and increase the tactical training scenarios in an effort to best prepare Marine operators for deployment. The USMC ODS, using a generic tactical vehicle cab, interchangeable dash panels, simulated armor panels, and high-fidelity vehicle dynamics software, provides the Marine Corps with an extremely capable, cost-effective training tool.

"With the urgency of need for MRAPs in theater, maintaining an adequate inventory of vehicles at home-station for training remains difficult. MRAP driver simulators are key, in that they provide the Marine Corps the opportunity to maintain the requisite level of MRAP driver training and still push a high volume of vehicles to the area of operations. Now, more than ever, it is imperative that our Marines understand how to and are comfortable operating this new breed of truck," said Colonel Frank Kelley, Commander PM TRASYS. "PM TRASYS appreciates FAAC Incorporated's support of this important requisite to safety as we move forward with the MRAP driver simulation effort and begin familiarizing our Marines with these important, life-saving assets. The MRAP ODS provides fielding and operational flexibility to MARCORSSYSCOM by training drivers while maintaining delivery in theater," concluded Colonel Kelley.

"FAAC's proactive initiation of an independent research and development effort at the first indication of US armed forces' need for MRAP training has allowed this important capability to be made available on an accelerated schedule to prepare Marines for deployment," noted Kurt Flosky, FAAC Executive Vice President. "The USMC's Program Manager for Training Systems and Marine Corps Training and Education Command continue to lead the way in identifying those areas in which simulation technology can significantly increase the

individual readiness of Marines as well as the collective operational readiness of deploying units, both Active and Reserve."

#### About Arotech's Training and Simulation Division

Arotech's Training and Simulation Division develops, manufactures, and markets advanced high-tech multimedia and interactive digital solutions for use-of-force and driver training of military, law enforcement, security, municipal and private industry personnel. The division's fully interactive driver-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, and conscientious equipment operation. In addition, the division's use-of-force training products and services allow organizations to train their personnel in safe, productive, and realistic environments. The division also provides pilot decision-making support software for the F-15, F-16, F-18, and JSF aircraft, as well as simulation models for the ACMI/TACTS air combat training ranges.

Arotech's Training and Simulation Division consists of FAAC Incorporated and IES Interactive Training Inc.

#### 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, lightweight armoring and advanced zinc-air and lithium batteries and chargers. Arotech operates through three major business divisions: Training and Simulation, Armor, 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](http://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, including the results of our restructuring program. 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; and other risk factors detailed in Arotech's most recent Annual Report on Form 10-K for the fiscal year ended December 31, 2006, as amended, 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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