

July 27, 2018



Arotech's FAAC Incorporated Receives Award Valued at \$1.9M to Continue Support of Taiwan Training Range

ANN ARBOR, Mich., July 27, 2018 (GLOBE NEWSWIRE) -- FAAC Incorporated, a subsidiary of Arotech Corporation's [NasdaqGM:ARTX] Training and Simulation Division, announced that it has received an award to continue software support and improvement efforts for the Taiwan Training Range. The contract is valued at \$1.9M with a period of performance of three years.

FAAC support under this award will include SimBuilder™ software enhancements, new weapon models, on-site training, and on-site services and software sustainment throughout the period of performance. SimBuilder provides the software infrastructure for Taiwan training range capability. SimBuilder represents FAAC's exportable weapon system and Integrated Air Defense system modeling solution delivered to Taiwan with FAAC Air Combat Environment for Testing and Training (FACETT®) providing the ability to test and replay scenarios. FAAC's efforts under this contract will advance the constructive entity modeling capabilities of FACETT, while offering more flexibility in instructor debrief and replay mode. This effort is the latest follow-on to FAAC's original SimBuilder sale to Taiwan in early 2000.

"FAAC is honored to continue our support of the Taiwan Training Range and pleased to see their successful integration of our SimBuilder software suite continue to advance," said Kurt Flosky, FAAC's President. "Over our long relationship with the Taiwan Customer, we have demonstrated our commitment to continue the expansion of SimBuilder capabilities to meet the training and simulations needs of our international customers."

About Arotech's Training and Simulation Division

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

Arotech's Training and Simulation Division consists of FAAC Incorporated (www.faac.com), MILO Range Training Systems (www.milorange.com), and Realtime Technologies

(www.simcreator.com).

About Arotech Corporation

Arotech Corporation is a defense and security company engaged in two business areas: interactive simulation and mobile 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.

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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 for the fiscal year ended December 31, 2017 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