



### **IES Interactive Training Receives \$6.6 Million in Simulation Training System Contract Awards for 2007 year to date**

**Ann Arbor, Michigan, October 01, 2007** - IES Interactive Training Division announced that it has received over \$6.6 million dollars in contract awards through 2007 year to date for its advanced MILO Range simulation systems, MILO Interactive Classroom Training systems, Firearms Diagnostic Units, and its exclusive line of training services and accessories from a broad base of new and existing law enforcement, public safety, and military customers. The success to date of IES in 2007 follows a record year in 2006 and significantly expands IES's U.S. Federal and municipal market share.

Recent contracts have come from a wide range of sources, including repeat orders from several agencies within the U.S. Department of Homeland Security. One prominent DHS agency accounted for an industry-leading procurement of fifty-five MILO Range simulation systems over the last 12-month period, surpassing IES's previous largest single order from the Los Angeles Police Department for twenty-five systems in 2006.

Additionally, IES received federal orders for the MILO simulation system from the U.S. Army, U.S. Department of Veterans Affairs Police, U.S. Probation and Parole offices, DEA Training Academy, NASA, U.S. Federal Reserve Bank, U.S. Department of Energy, and the Pentagon Force Protection Police. IES also received orders from a large variety of state, local and municipal law enforcement and public safety agencies, including the California Department of Corrections, Kentucky Association of Counties, Iowa Department of Public Safety, Louisville Metro Police, Cincinnati Police Department, Northwestern University Police Department and the Oklahoma Highway Patrol, among others. International orders were shipped to a number of locations, including new systems for police training agencies in Ecuador and Malaysia.

"These recent contract awards confirm the prominence of IES's simulation training solutions in the force options and firearms training systems market, and further validates that the IES MILO product line has become the system of choice for reliable interactive simulation training in support of our nation's first responders" said Robert McCue, IES Director of Business Development. "IES has a tradition of service to the public safety sector over our twelve years of existence. Every day we leverage over 110 years of combined military, law enforcement, and simulation training industry experience of our employees into improving our products and company", noted McCue. "IES's dedication to our customers and commitment to continually evolve our product offerings to best meet the needs of the people

we serve has resulted in a brand that our current and future potential customers know and trust.”

### **About Arotech’s Simulation and Training Division**

Arotech’s Simulation and Training 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 Simulation and Training 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: Armor, Simulation & Training, and Battery & 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).

### **Contact**

For more information on IES Interactive Training or its products, please contact Rob McCue at 1.800.344.1707 or visit IES’s website at [www.ies-usa.com](http://www.ies-usa.com)

For more information on Arotech or investor and public relations, please contact Victor Allgeier, TTC Group, 1.646.290.6400, [vic@ttcominc.com](mailto:vic@ttcominc.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.*