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B. RILEY Sole Book-Runner in \$11.5 Million Public Offering for Arotech Corporation

LOS ANGELES, July 18, 2014 /PRNewswire/ -- B. Riley & Co. LLC, (B. RILEY) www.brileyco.com, a leading investment bank which provides a full array of corporate finance, research, sales and trading services, has acted as sole book-running manager in an \$11.5 million public equity offering for Arotech Corporation (Nasdaq: ARTX).

The offering consisted of 3,289,000 shares of common stock priced at \$3.50 per share, which included an overallotment of 429,000 shares which the underwriter exercised in full. The offering closed on July 17, 2014.

The B. RILEY banking team included Head of Investment Banking, Managing Director, Ryan Bernath and Analyst Garret Orbach. Mr. Bernath leads B. RILEY's banking coverage of the aerospace and defense sector.

Ann Arbor, Michigan-based Arotech (www.arotech.com) is a leading provider of defense and security products for the military, law enforcement and homeland security markets, including multi-media interactive simulators/trainers and advanced zinc-air and lithium batteries and chargers.

This transaction represents B. RILEY's third engagement with Arotech within the past year. In September 2013, B. RILEY was the sole underwriter in an approximately \$7 million public equity offering for Arotech. In April 2014, B. RILEY acted as exclusive financial advisor to Arotech in its \$33 million acquisition of UEC Electronics.

"B. Riley's deep sector experience and capital markets expertise were instrumental in successfully completing our stock offering," said Robert S. Ehrlich, Chairman and CEO of Arotech. "Throughout the process, B. Riley focused on introducing our company to new institutional investors who are focused on our sector and who will be valuable partners to Arotech going forward."

"We appreciate the opportunity to again work with Arotech," said Mr. Bernath. "Our investment banking platform is built on a foundation of strong and enduring corporate relationships. A critical differentiator of ours is the early identification of growing, promising companies with compelling value propositions which allow them to evolve into larger, more valuable corporations. During this evolution, our firm stands ready to be a supportive partner in maneuvering through the capital markets and providing M&A advice. Our transaction history with Arotech over the past year – two sole underwritten equity offerings and one acquisition transaction – is an excellent case study of our relationship-based approach."

Information contained herein should *not* be considered an offer or *solicitation to buy* or *sell securities*.

About B. RILEY:

B. Riley & Co., LLC (B. RILEY) is a leading investment bank which provides a full array of corporate finance, research, and sales & trading to corporate, institutional and high net worth individual clients. Investment banking services include initial, secondary and follow-on offerings, institutional private placements, and merger and acquisitions advisory to public and private middle market companies. The firm is nationally recognized for its highly ranked proprietary equity research. Founded in 1997, B. RILEY is headquartered in Los Angeles and maintains offices in: New York, San Francisco, and Newport Beach, California. It is a member of FINRA and SIPC. For more information, please visit www.brileyco.com

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