

AROTECH CORP
Form 10-K/A
June 13, 2007

OMB APPROVAL

OMB
Number: 3235-0063
Expires: April 30,
2009
Estimated average burden
hours per response
2,196.00

t
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K/A
(Amendment No. 2)

T ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE FISCAL YEAR ENDED DECEMBER 31, 2006.

£ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE TRANSITION PERIOD FROM _____ TO _____.

Commission 0-23336
File
Number:

AROTECH
CORPORATION
(Exact name of registrant as
specified in its charter)

Delaware
(State or other jurisdiction of incorporation
or organization)

95-4302784
(I.R.S. Employer
Identification No.)

1229 Oak Valley Drive, Ann Arbor,
Michigan
(Address of principal executive offices)

48108
(Zip Code)

(800) 281-0356

(Registrant's telephone
number, including area
code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Common Stock, \$0.01 par value	The Nasdaq Stock Market LLC

Securities registered pursuant to Section 12(g) of the Act:

Stock, \$0.01 par value

Common

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. **Yes** **No**

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. **Yes** **No**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days: **Yes** **No**

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§ 229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer: Accelerated filer: Non-accelerated filer:

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). **Yes** **No**

The aggregate market value of the registrant's voting stock held by non-affiliates of the registrant as of June 30, 2006 was approximately \$19,309,813 (based on the last sale price of such stock on such date as reported by The Nasdaq National Market and assuming, for the purpose of this calculation only, that all of the registrant's directors and executive officers are affiliates).

(Applicable only to corporate registrants) Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date: **11,983,576 as of 3/31/07**

Documents incorporated by reference:

None

**Potential persons
who are to
respond to the
collection of
information
contained in this
form are not
required to
respond
unless the form
displays a
currently valid
OMB control
number.**

EXPLANATORY NOTE

Arotech Corporation is filing this Amendment No. 2 to its Annual Report on Form 10-K for the year ended December 31, 2006, as filed with the Securities and Exchange Commission on April 17, 2007 and as amended on June 30, 2007, in order to conform the version of the report of BDO Seidman, LLP, Independent Registered Public Accounting Firm, as originally filed, with the signed original report by adding a conformed signature line (“/s/ BDO Seidman, LLP”) at the bottom of the filed report.

The auditor’s opinion letter filed herewith replaces and supersedes the report of BDO Seidman, LLP, Independent Registered Public Accounting Firm, previously filed under Item 8, “Financial Statements and Supplementary Data.”

Additionally, as required by SEC regulations, we are including a new consent of BDO Seidman, LLP, Independent Registered Public Accounting Firm, and we are replacing the Section 302 and Section 906 certifications from Arotech’s Chairman and Chief Executive Officer and Arotech’s Vice President – Finance and Chief Financial Officer.

This document does not contain any other changes from the version of this document previously filed with the Securities and Exchange Commission, as amended.

[LETTERHEAD OF BDO SEIDMAN, LLP]

Ave. NW, Suite 800

99 Monroe

Grand Rapids, MI 49503-2698

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders of Arotech Corporation:

We have audited the accompanying consolidated balance sheet of Arotech Corporation and subsidiaries as of December 31, 2006, and the related consolidated statements of operation, changes in stockholders' equity and cash flows for the year then ended. Our audit also included the financial statement schedule listed in the index at Item 15(a)2. These financial statements and schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and schedule based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements and schedule, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements and schedule. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Arotech Corporation and subsidiaries as of December 31, 2006, and the results of their operations and their cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America. Also, in our opinion, the financial statement schedule presents fairly, in all material respects, the information set forth therein.

/s/ BDO Seidman, LLP

Grand Rapids, Michigan

April 15, 2007

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

(a) The following documents are filed as part of this amended report:

(3) Exhibits - The following Exhibits are filed herewith:

Exhibit

No.	Description
23.1	Consent of BDO Seidman, LLP
31.1	Certification of Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1	Certification of Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2	Certification of Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this amended report to be signed on its behalf by the undersigned, thereunto duly authorized, on June 13, 2007.

AROTECH CORPORATION

By: /s/ Robert S. Ehrlich

Name: Robert S. Ehrlich

Title: Chairman and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Robert S. Ehrlich Robert S. Ehrlich	Chairman, Chief Executive Officer and Director (Principal Executive Officer)	June 13, 2007
/s/ Thomas J. Paup Thomas J. Paup	Vice President - Finance (Principal Financial Officer)	June 13, 2007
/s/ Norman Johnson Norman Johnson	Controller (Principal Accounting Officer)	June 13, 2007
/s/ Steven Esses Steven Esses	President, Chief Operating Officer and Director	June 13, 2007
/s/ Jay M. Eastman Dr. Jay M. Eastman	Director	June 13, 2007
/s/ Lawrence M. Miller Lawrence M. Miller	Director	June 13, 2007
/s/ Jack E. Rosenfeld Jack E. Rosenfeld	Director	June 13, 2007
Edward J. Borey	Director	June __, 2007
/s/ Seymour Jones Seymour Jones	Director	June 13, 2007

