

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): **June 10, 2019**

**AEROVIRONMENT, INC.**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction of  
incorporation or organization)

**001-33261**

(Commission File Number)

**95-2705790**

(I.R.S. Employer Identification No.)

**900 Innovators Way**

**Simi Valley, California**

(Address of Principal Executive Offices)

**93065**

(Zip Code)

Registrant's telephone number, including area code: **(805) 581-2187**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Stock, \$0.0001 par value	AVAV	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 7.01 Regulation FD Disclosure.**

On June 11, 2019, AeroVironment, Inc. (the “Company”) issued a press release announcing its acquisition of all of the issued and outstanding equity of Pulse Aerospace, LLC, a Delaware limited liability company (“Pulse Aerospace”) which transaction is described further under Item 8.01 below. A copy of the press release is attached as Exhibit 99.1 to this Current Report on Form 8-K and incorporated by reference herein.

The information in this Item 7.01 of this Current Report on Form 8-K, including Exhibit 99.1 attached hereto, is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of such section. Such information shall not be incorporated by reference into any registration statement or other document pursuant to the Securities Act of 1933, as amended, except as expressly set forth by specific reference in such filing.

**Item 8.01 Other Events**

On June 10, 2019, the Company purchased 100% of the issued and outstanding units of Pulse Aerospace pursuant to the terms of a Unit Purchase Agreement (the “Purchase Agreement”) of the same date by and among the Company, each of the unit holders of Pulse Aerospace (collectively, the “Sellers”), and Shareholder Representative Services LLC, a Colorado limited liability company, as the representative of the Sellers. Pulse Aerospace develops, manufactures, markets and sells rotor-based unmanned aerial vehicles capable of vertical take-off and landing. Upon closing of the transactions contemplated by the Purchase Agreement, Pulse Aerospace became a wholly owned subsidiary of the Company.

Pursuant to the Purchase Agreement, at closing, the Company paid \$20,650,000 in cash, less a \$250,000 retention to cover any post-closing indemnification claims, and less a \$1,250,000 holdback amount for breaches related to the sellers’ fundamental representations that exceed or are not covered by the obtained representation and warranty insurance policy or breaches of certain special indemnities under the Purchase Agreement, which such retention and holdback are to be released to Sellers, less any amounts paid or reserved, 18 months after the closing of the transactions contemplated by the Purchase Agreement in accordance with the terms of the Purchase Agreement. The closing cash consideration included the payoff of the outstanding indebtedness of Pulse Aerospace as of the closing date. In addition to the consideration paid at closing, the Sellers may receive up to a maximum of \$5,000,000 in additional cash consideration, which amount has been placed into escrow, if specific research and development milestones are achieved by December 10, 2021. The purchase price paid by the Company is subject to certain pre- and post-closing adjustments as set forth in the Purchase Agreement.

The parties to the Purchase Agreement have made representations, warranties and covenants that are customary for a transaction of this type, including, among others, restrictions on the Sellers from engaging in certain competitive activities, as well as mutual indemnification obligations between the parties. To supplement certain indemnifications provided by the Sellers, the Company obtained a standard representation and warranty insurance policy.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits.

Exhibit Number	Description
99.1	<a href="#">AeroVironment, Inc. press release dated June 11, 2019</a>

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AEROVIRONMENT, INC.

Date: June 11, 2019

By: /s/ Wahid Nawabi  
Wahid Nawabi  
President and Chief Executive Officer



PROCEED  
WITH  
CERTAINTY

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## PRESS RELEASE

### **AeroVironment Acquires VTOL UAS Developer Pulse Aerospace, LLC for \$25.7 Million to Strengthen Family of Small Unmanned Aircraft Systems**

- Pulse's complementary Vertical Takeoff and Landing (VTOL) product family strengthens AeroVironment's leading family of fixed-wing small unmanned aircraft systems (UAS)
- Acquisition expands total addressable market by increasing mission capabilities of AeroVironment family of systems
- Pulse Aerospace receives multi-year contract award with a maximum value of more than \$13 million from undisclosed defense customer for Vapor VTOL unmanned systems, spares and services
- Acquisition expected to be accretive to AeroVironment earnings by the third full year of operations

**SIMI VALLEY, Calif., June 11, 2019** — **AeroVironment, Inc.** (NASDAQ: AVAV), a global leader in unmanned aircraft systems (UAS) for both defense and commercial applications, today announced it has acquired Pulse Aerospace, LLC, a developer and supplier of small VTOL UAS, for \$25.7 million in cash, including milestone-based earn-out payments of \$5 million. AeroVironment financed the transaction entirely from available cash on hand.

Pulse Aerospace is a leading developer of small VTOL UAS technology in the United States. Pulse's HeliSynth™ technology brings flight control, payload, and endurance capabilities to market at attractive price points for both defense and commercial end markets. Pulse recently received a multi-year contract award with a maximum value of more than \$13 million from an undisclosed defense customer for its Vapor unmanned VTOL systems, spares and services.

AeroVironment expects the transaction to be accretive to its earnings by the third full year of operations.

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“The talented Pulse Aerospace team has created a solution set that is unique and will expand our family of unmanned systems by addressing increasing demand from our customers for small VTOL solutions,” said Wahid Nawabi, AeroVironment’s president and chief executive officer. “This transaction brings together two highly complementary companies in terms of products, markets and culture, and will better position AeroVironment to grow our share of the small UAS market. The team at Pulse Aerospace shares our focus on disruptive innovation and we welcome them to AeroVironment. Together, we will deliver even more capability to our customers in the United States and more than 45 allied countries around the world.”

“We are excited to join together to realize the full benefits of this transaction as we employ key, future-defining technologies such as robotics, sensors, software analytics and connectivity. Additionally, we look forward to gaining access to the strong technical talent pool in the Lawrence, Kansas area to help achieve our long-term growth objectives,” Nawabi added.

“AeroVironment’s global market presence dramatically increases the reach of Pulse’s VTOL UAS technology,” said Aaron Lessig, Pulse Aerospace, LLC’s chief executive officer. “Pulse’s offering expands AeroVironment’s mission capabilities with increased payload capacity, which broadens customer use cases. We look forward to growing AeroVironment’s share of the global unmanned systems market together.”

In connection with the transaction, Pulse Aerospace’s Lawrence, Kansas facility will become AeroVironment Innovation Center - Midwest, with a focus on small VTOL unmanned aircraft and mission planning solutions.

#### **About AeroVironment, Inc. (AV)**

AeroVironment (NASDAQ: AVAV) provides customers with more actionable intelligence so they can proceed with certainty. Based in California, AeroVironment is a global leader in unmanned aircraft systems and tactical missile systems, and serves defense, government and commercial customers. For more information visit [www.avinc.com](http://www.avinc.com).

## Safe Harbor Statement

Certain statements in this press release may constitute “forward-looking statements” as that term is defined in the Private Securities Litigation Reform Act of 1995. These statements are made on the basis of current expectations, forecasts and assumptions that involve risks and uncertainties, including, but not limited to, economic, competitive, governmental and technological factors outside of our control, that may cause our business, strategy or actual results to differ materially from those expressed or implied. Factors that could cause actual results to differ materially from the forward-looking statements include, but are not limited to, our ability to perform under existing contracts and obtain additional contracts; changes in the regulatory environment; the activities of competitors; failure of the markets in which we operate to grow; failure to expand into new markets; failure to develop new products or integrate new technology with current products; and general economic and business conditions in the United States and elsewhere in the world. For a further list and description of such risks and uncertainties, see the reports we file with the Securities and Exchange Commission. We do not intend, and undertake no obligation, to update any forward-looking statements, whether as a result of new information, future events or otherwise.

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