

AeroVironment Global Observer Unmanned Aircraft System Successfully Completes Wing Load Tests

Key Milestone Achieved in Development and Testing of First Unmanned Aircraft System to Offer Seamless Persistence Without Latitude Restrictions

MONROVIA, Calif. – Aug. 11, 2010 – <u>AeroVironment, Inc</u>. (AV) (NASDAQ:AVAV) announced that a full size wing developed as part of the <u>Global Observer™</u> Joint Capability Technology Demonstration (JCTD) program has successfully completed a series of Wing Load Tests (WLT) in support of the Global Observer flight test program.

The joint Department of Defense, NASA and AV team successfully performed the tests at the Flight Loads Laboratory located at NASA's Dryden Flight Research Center at Edwards Air Force Base (EAFB) in California. The team designed and built a specialized test fixture to apply loads to the modular, all-composite 175-foot Global Observer wing. The test validates the quality of AV's design, its analysis of flexible and lightweight structures and the resulting design tradeoffs made to maximize wing strength while minimizing weight -- a critical balance in achieving reliable flight endurance.

Global Observer is designed to be the first unmanned aircraft system (UAS) to provide robust, cost-effective and persistent communications and surveillance over any location, without latitude restrictions. The Global Observer JCTD program is sponsored by six U.S. government agencies that have provided more than \$120 million in funding.

"These successful tests confirm that the Global Observer wing, one of the most critical elements of the system, is prepared to handle the stress of high altitude, long endurance flight," said Tim Conver, AV's chairman and chief executive officer. "With ground and wing load testing behind us we look forward to demonstrating Global

Observer's unique ability to fly longer and higher over any location than any other aircraft. That ability can translate into more valuable reconnaissance and communications at a lower cost to military and non-military customers."

Wing loading refers to the dynamic stress that aircraft wings experience as a result of normal flight, turbulent air and aircraft maneuvers. The primary purpose of the WLT is to demonstrate the integrity of the Global Observer wing structure and acquire data that allow for validation of the design and comparison to actual flight test data.

The structural integrity of the wing was tested by applying loads to the wing that approximate the maximum loads Global Observer is designed to withstand. Four simulated test sorties were performed on the wing with loads being applied in both positive (pulling up) and negative (pushing down) directions. The wing successfully passed all tests.

Each aircraft in a Global Observer system is designed to fly at an altitude of between 55,000 and 65,000 feet for five to seven days. In addition to flying above weather and above other conventional airplanes, operation in this altitude range means that communications relay payloads on the aircraft could potentially be able to service a circular area on the surface of the earth up to 600 miles in diameter, equivalent to more than 280,000 square miles of coverage. Two Global Observer aircraft would alternate operation over any location on the globe every five to seven days to provide seamless coverage, making this the first solution to provide customers with practical, affordable coverage, wherever and whenever required.

Communications relay and intelligence, surveillance and reconnaissance (ISR) payloads are being prepared for installation into the aircraft. Once development flight tests have been completed, payloads will be installed and joint operational utility flight demonstrations will be performed at EAFB.

Global Observer is designed to address an urgent national security need for a persistent stratospheric platform and to offer a means to satisfy numerous high value civil and commercial applications. The system is intended to provide mission capabilities that include robust observation over areas with little or no existing coverage, persistent communications relay, the ability to relocate the system as required by theater commanders, dedicated communications support to other UAS and tactical on-station weather monitoring and data support.

About Global Observer

With 20 years of experience developing high altitude, long-endurance unmanned aircraft systems (UAS), AV is developing Global Observer to operate as a "stratospheric geosynchronous satellite system" with regional coverage and no signal delay. Two Global Observer aircraft, each flying for up to a week at a time, will alternate coverage over any area on the earth, providing a seamless, persistent platform for high value missions such as communications relay, remote sensing, long-term surveillance and border patrol. Offering greater flexibility than a satellite and significantly longer duration than conventional manned and unmanned aircraft, Global Observer is designed to provide critical new capabilities in a reliable and more affordable manner, all while consuming no fossil fuels and emitting no carbon emissions during operation.

About AeroVironment, Inc. (AV)

AV is a technology company that designs, develops, produces and supports an advanced portfolio of Unmanned Aircraft Systems (UAS) and efficient electric energy systems. Agencies of the U.S. Department of Defense and allied military services use the company's battery-powered, hand-launched UAS to provide situational awareness to tactical operating units through real-time, airborne reconnaissance, surveillance and target acquisition. AV's electric transportation solutions include <a href="https://electric.com/electric.co

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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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