



AV Awarded \$117.3 Million U.S. Army Production Contract for P550™

July 20, 2026 1:10 PM EDT

Initial Order Enhances LRR and Advances Army Drone Dominance Initiative with AV's Autonomous Group 2 eVTOL UAS

ARLINGTON, Va.--(BUSINESS WIRE)--Jul. 20, 2026-- AeroVironment, Inc. ("AV") (NASDAQ: AVAV), a global leader in intelligent, multi-domain autonomous systems, today announced it has been awarded a \$117.3 million contract by the U.S. Army for its P550™ electric vertical take-off and landing (eVTOL) unmanned aerial system in support of the Army's Long Range Reconnaissance program, advancing the Army's push to field scalable, adaptable capabilities for modern warfare.

This press release features multimedia. View the full release here: <https://www.businesswire.com/news/home/20260720381921/en/>



AV's P550 modular UAS delivers mission-ready adaptability, features rapid payload swaps, multi-sensor integration, and up to five hours of all-electric endurance to support ISR, strike, and relay missions across contested environments. (Photo Credit: AV)

The award was issued under a Basic Ordering Agreement (BOA) through a competitive Call for Solutions (C4S) under the U.S. Army's Unmanned Aircraft Systems (UAS) Marketplace initiative, a centralized digital platform designed to accelerate the procurement of vetted drone technologies.

Through this award, AV will provide 82 P550 uncrewed aircraft systems in support

of the Army's Battalion Reconnaissance (UAS) effort, a move that represents the initial full-rate procurement of the P550 system and reflects the Army's commitment to rapidly fielding proven commercial capabilities that enhance long-range reconnaissance, autonomy, and distributed operations.

The award further reinforces AV's role in delivering scalable, mission-ready solutions aligned with the Army's modernization priorities.

"In today's battlespace, adaptability is no longer an advantage, it's a requirement," said Wahid Nawabi, Chairman, President and Chief Executive Officer at AV. "The P550 gives maneuver forces the ability to rapidly reconfigure, extend their reach, and deliver effects across domains, all while operating in contested environments where speed and autonomy are decisive."

An autonomous Group 2 eVTOL UAS, AV's P550 has become a staple of reliability for America's armed forces and allies by enabling smarter and safer operations through its modular open systems approach (MOSA), which supports seamless integration of third-party payloads, datalinks, and mission planning software to adapt to evolving mission requirements.

With a multi-sensor payload capacity of up to 15 pounds, including enhanced lethality options, and up to five hours of all-battery endurance, the P550 delivers sustained, mission-tailored performance across intelligence, surveillance and reconnaissance (ISR), precision strike, electronic warfare, and communications relay missions in air, ground, and maritime operations. The system can be reconfigured in the field in less than five minutes, allowing operators to hot-swap payloads and batteries without tools.

"What operators consistently tell us is that they need systems that can adapt at the speed of the mission, not hours or days later," said Trace Stevenson, President of Autonomous Systems at AV. "AV's P550 delivers that advantage, enabling units to reconfigure in minutes. It reduces the burden on operators while expanding what a single platform can achieve."

Purpose-built for dynamic, contested environments, AV's P550 enhances situational awareness and force protection with integrated targeting and precision strike capabilities. Its AI-driven autonomy enables smarter, safer operations while reducing operator workload in complex mission sets. Designed for maneuver forces, it delivers a multi-role capability that can be reconfigured in minutes to meet evolving mission demands.

About AV

AeroVironment ("AV") (NASDAQ: AVAV) is a defense technology leader delivering integrated capabilities across air, land, sea, space, and cyber. The Company develops and deploys autonomous systems, loitering munitions, counter-UAS technologies, space-based platforms, directed energy systems, and cyber and electronic warfare capabilities—built to meet the mission needs of today's warfighter and tomorrow's conflicts. At the core of these technologies lies AV_Halo™, a modular, mission-ready suite of AI-powered software tools that empowers warfighters and enables full-battlefield dominance: detect, decide, deliver. With a national manufacturing footprint and a deep innovation pipeline, AV delivers proven systems and future-defining capabilities at speed, scale, and operational relevance. For more information, visit www.avinc.com.

Safe Harbor Statement

Certain statements in this press release may constitute "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. These statements are based on current expectations, forecasts, and assumptions that involve risks and uncertainties, which could cause actual results to differ materially. Factors that may cause such differences include, but are not limited to, our ability to perform under existing contracts and obtain new ones; regulatory changes; competitor activities; market growth; product development challenges; and general economic conditions. For a more detailed discussion of these risks, please refer to AeroVironment's filings with the Securities and Exchange Commission. We undertake no obligation to update forward-looking statements as a result of new information or future events.

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