



August 28, 2013

AeroVironment Receives \$15.8 Million in Orders Under a United States Army Contract for Switchblade Tactical Missile Systems

- Continued acquisition of new capability in constrained budget environment indicates high value and potential for further demand

MONROVIA, Calif.--(BUSINESS WIRE)-- [AeroVironment, Inc.](#) (NASDAQ:AVAV) announced that it has received a total of \$15.8 million in orders under a contract for Switchblade™ tactical missile systems, ancillary equipment and support. The United States Army Close Combat Weapons Systems Program Executive Office Missiles and Space (PEO MS) awarded these contract options. AeroVironment and its strategic teammate for advanced warheads, ATK (NYSE: ATK), will continue to work together to produce and deliver the systems.



Switchblade is the first smart loitering weapon that delivers target verification and pinpoint delivery (Photo: Business Wire)

The initial contract was issued on August 30, 2012 in support of the Army's Rapid Equipping Force (REF). The scope of work under this contract includes operational and training rounds plus training, support and rapid delivery to support ongoing customer operations. AeroVironment has received five separate orders totaling \$15.8 million under this contract, including the most recent on July 29, 2013.

"Switchblade is the first smart loitering weapon, giving our troops a new force protection capability that can deliver precision effects kilometers away with in-flight retargeting, target verification and pinpoint delivery, all resulting in little or no collateral effects," said Roy Minson, AeroVironment senior vice president and general manager of the company's Unmanned Aircraft Systems business segment. "AeroVironment and ATK stand ready to deliver more Switchblade systems to protect our troops."

"Adoption of innovative new solutions within the Department of Defense is difficult in today's budget constrained environment," added Tim Conner, AeroVironment chairman and chief executive officer. "These follow-on procurements of Switchblade systems demonstrate our customer's confidence in this unique capability and the persistence required for the successful adoption and deployment of innovative solutions."

Conner added, "Switchblade is just one of a number of new opportunities driving AeroVironment's long-term growth. We are confident that our strategy is working and that our investments in pioneering new products and technologies are creating sustainable long-term value for our customers and our stockholders."

A February 2013 [news article](#) quoted the REF's director as saying, "Theater came in and said, 'We need dramatically more' " (Switchblade systems) than those supplied in late 2012. In March 2013 the Army released a [presolicitation](#) notification on the Federal Business Opportunities website (www.fbo.gov) for an intent to award a new sole source contract to AeroVironment for Switchblade tactical missile systems. That contract has yet to be awarded.

Switchblade provides a high-precision, direct fire capability at beyond-line-of-sight ranges in a rapidly deployable, backpackable package weighing six pounds.

About AeroVironment's Family of Small UAS

[RQ-11B Raven®](#), [RQ-12 Wasp AE™](#), [RQ-20A Puma™](#) and [Shrike VTOL™](#) comprise AeroVironment's Family of Small Unmanned Aircraft Systems. Operating with a [common ground control system \(GCS\)](#), this Family of Systems provides increased capability to the warfighter that can give ground commanders the option of selecting the appropriate aircraft based on the type of mission to be performed. This increased capability has the potential to provide significant force protection and force multiplication benefits to small tactical units and security personnel. AeroVironment provides logistics services worldwide to ensure a consistently high level of operational readiness and provides mission services for customers requiring only the information its small UAS produce. AeroVironment has delivered thousands of new and replacement small unmanned air vehicles to customers within the United States and to more than twenty international governments.

The [Qube™ small UAS](#) tailored to search and rescue, first response, law enforcement and other public safety missions. Small enough to fit easily in the trunk of a car, the Qube system can be unpacked, assembled and ready for flight in less than five minutes, giving the operator a rapidly deployable eye in the sky at a fraction of the cost of manned aircraft and large unmanned aircraft.

About AeroVironment, Inc.

AeroVironment is a technology solutions provider that designs, develops, produces, operates and supports an advanced portfolio of [Unmanned Aircraft Systems](#) (UAS) and electric transportation solutions. Agencies of the U.S. Department of Defense and allied military services use the company's electric-powered, [hand-launched unmanned aircraft systems](#) extensively to provide situational awareness to tactical operating units through real-time, airborne reconnaissance, surveillance and communication. Multiple government agencies have helped to fund the development and demonstration of [Global Observer®](#), a hybrid-electric, stratospheric UAS designed to provide affordable, persistent reconnaissance and communication over any location on the globe. [Switchblade™](#) is a tactical missile system designed to provide a rapid, lethal, pinpoint precision strike capability with minimal collateral damage. AeroVironment's electric transportation solutions include a comprehensive suite of [electric vehicle \(EV\) charging systems, installation and data services](#) for consumers, automakers, utilities and government agencies, [power cycling and test systems](#) for EV developers and [industrial electric vehicle charging systems](#) for commercial fleets. More information about AeroVironment is available at www.avinc.com.

About ATK

ATK is an aerospace, defense, and commercial products company with operations in 22 states, Puerto Rico, and internationally. News and information can be found on the Internet at www.atk.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; our reliance on sales to the U.S. government; changes in the timing and/or amount of government spending; changes in the supply and/or demand and/or prices for our products and services; 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, including our most recent Annual Report on Form 10-K and Quarterly Reports on 10-Q. 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.

Additional AeroVironment News: <http://www.avinc.com/resources/news>

AeroVironment Media Gallery: http://www.avinc.com/media_gallery

Follow us: <http://www.twitter.com/aerovironment>

Facebook: <http://www.facebook.com#!/pages/AeroVironment-Inc/91762492182>

Photos/Multimedia Gallery Available: <http://www.businesswire.com/multimedia/home/20130828005691/en/>

AeroVironment, Inc.
Steven Gitlin

+1 (626) 357-9983

pr@avinc.com

or

For AeroVironment, Inc.

Mark Boyer

+1 (310) 229-5956

mark@boyersyndicate.com

Source: AeroVironment, Inc.

News Provided by Acquire Media