



AeroVironment Receives \$4.6 Million in DARPA Funding to Develop Stealthy, Persistent, Perch and Stare UAS Based on Wasp

MONROVIA, Calif., Aug 20, 2008 (BUSINESS WIRE) -- AeroVironment, Inc. (AV) (NASDAQ: AVAV) announces the receipt of \$4.6 million in funding from the Defense Advanced Research Projects Agency (DARPA) to develop a small Unmanned Aircraft System (UAS) capable of performing "hover/perch and stare" missions. The Stealthy, Persistent, Perch and Stare (SP2S) UAS is based on AV's small Wasp UAS, a one-pound, 29-inch wingspan battery-powered air vehicle that is being procured and deployed by both the U.S. Air Force and the U.S. Marine Corps.

The goal of the Stealthy, Persistent, Perch and Stare program is to develop the technology to enable an entirely new generation of perch-and-stare micro air vehicles capable of flying to difficult targets, landing on and securing to a "perch" position, conducting sustained, perch-and-stare surveillance missions, and then re-launching from its perch and returning to its home base.

"A UAS that performs hover/perch and stare missions is viewed as an important capability for our armed forces," said John Grabowsky, AV executive vice president and general manager of Unmanned Aircraft Systems. "Our production Wasp incorporates the latest technologies to provide a day and night capable, hand-launched UAS that fits into a standard backpack while still providing room for other important supplies. We believe that the Wasp-based SP2S, operated with our joint, common ground control unit, is on track to develop into a portable, practical and affordable perch-and-stare micro air vehicle," he added.

U.S. armed forces including the Army, Marine Corps, Air Force and USSOCOM, as well as international forces such as those of Italy, Denmark, Spain and the Netherlands, use AV's hand-launched UAS and handheld ground control unit for missions that include base security, route reconnaissance, mission planning, battle damage assessment and force protection. Raven, Wasp and Puma AE each have won full and open competitions sponsored by agencies of the U.S. Department of Defense, becoming the sole small UAS for their respective programs of record. AV has delivered more than 10,000 new, replacement and refurbished small unmanned aircraft to date.

About AeroVironment, Inc. (AV)

Building on a history of technological innovation, AV designs, develops, produces, and supports an advanced portfolio of Unmanned Aircraft Systems (UAS) and efficient electric energy systems. The company's small UAS are used extensively by agencies of the U.S. Department of Defense and increasingly by allied military services to provide situational awareness to tactical operating units through reliable, real-time, airborne reconnaissance, surveillance, and target acquisition. AV's efficient energy systems include PosiCharge® fast charge systems for increasing the productivity of industrial electric vehicles, and Architectural Wind™ systems for clean energy generation on buildings. More information about AV is available at 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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