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United States Army Awards \$12 Million Contract for AeroVironment Wasp AE Small Unmanned Aircraft Systems on Behalf of United States Marine Corps

- · Largest order to date for newest AeroVironment small unmanned aircraft system
- Provides upgraded capabilities to lowest echelon of Marine Corps

MONROVIA, Calif.--(BUSINESS WIRE)-- <u>AeroVironment, Inc.</u> (NASDAQ: AVAV) today announced that NAVAIR's Program Office for Navy & Marine Corps Small Tactical Unmanned Aircraft Systems (PMA-263), working collaboratively with the United States Army's Counter-IED Program Office, awarded a contract on Sept. 21, 2012 for AeroVironment <u>Wasp[®] AE</u> small unmanned aircraft systems, initial spares packages, training services, and one year of contractor logistics support. The PMA / Army team worked jointly to award the contract to PAR[®] Government Systems Corporation, which in turn secured the systems and services from AeroVironment for a total value of \$12,032,430. Delivery was scheduled to occur within four months of contract award.



"We introduced the Wasp AE in May of 2012 with the expectation that multiple customers would find its capabilities very compelling," said Roy Minson, AeroVironment senior vice president and general manager of its Unmanned Aircraft Systems business segment. "These contracts supporting the United States Marine Corps expand the adoption of Wasp AE beyond the Air Force, and support our view that this highly capable successor to the proven Wasp III system will help our customers operate more safely and effectively."

Wasp AE incorporates the smallest of AeroVironment's <u>Mantis™ suite of miniature</u> <u>gimbaled payloads</u>, the 275 gram Mantis i22 AE, giving operators both color and infrared video imagery from a single sensor package. Weighing 2.8 pounds (1.3 kilograms), the Wasp AE air vehicle is designed for ground and water landing, making it suitable for both land and maritime missions, and is capable of 20 percent greater flight duration than the Wasp III.

AeroVironment Small UAS

<u>RQ-11B Raven[®]</u>, Wasp AE, <u>RQ-20A Puma[™]</u> and <u>Shrike[™] VTO</u>comprise AeroVironment's Family of Small Unmanned Aircraft Systems.

An operator launches an AeroVironment Wasp AE small unmanned aircraft system. The United States Marine Corps adds the 2.8 pound Wasp AE system to its toolkit with a \$12 million order. (Photo: Business Wire)

Operating with a <u>common ground control system (GCS)</u>, 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 hig 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 United States government customers and to more than 20 international governments.

The Qube[™] small UAB tailored to law enforcement, first response 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. In addition to public safety missions, AeroVironment's family of small UAS can also perform missions supporting border security, wildlife and environmental monitoring, infrastructure management, scientific research and agriculture management.

About AeroVironment

AeroVironment is a technology solutions provider that designs, develops, produces, supports and operates an advanced portfolio of <u>Unmanned Aircraft Systems</u> (UAS) and electric transportation solutions. Agencies of the U.S. Department of Defense and allied military services use the company's electric-powered, <u>hand-launched unmanned aircraft systems</u> 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 <u>Global</u>

<u>Observer</u>[®], a hybrid-electric, stratospheric UAS designed to provide affordable, persistent reconnaissance and communication over any location on the globe. <u>Switchblade™</u> is a loitering munition designed to provide a rapid, lethal, pinpoint precision strike capability with minimal collateral damage. AeroVironment's electric transportation solutions include a comprehensive suite of <u>electric vehicle (EV) charging systems</u>, installation and network services for consumers, automakers, utilities and government agencies, <u>power cycling and test systems</u> for EV developers and <u>industrial electric vehicle charging systems</u> for commercial fleets. More information about AeroVironment is available at <u>www.avinc.com</u>.

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.

Additional AeroVironment News: <u>http://avinc.com/resources/news/</u> AeroVironment Media Gallery: <u>http://avinc.com/media_gallery/</u> Follow us: <u>www.twitter.com/aerovironment</u> Facebook: <u>http://www.facebook.com/#!/pages/AeroVironment-Inc/91762492182</u>

Photos/Multimedia Gallery Available: http://www.businesswire.com/multimedia/home/20130123005861/en/

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