

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **June 1, 2018**

AEROVIRONMENT, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

001-33261

(Commission File Number)

95-2705790

(I.R.S. Employer Identification No.)

800 Royal Oaks Drive, Suite 210

Monrovia, CA

(Address of Principal Executive Offices)

91016

(Zip Code)

Registrant's telephone number, including area code: **(626) 357-9983**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01. Entry into a Material Definitive Agreement.

On June 1, 2018, AeroVironment, Inc. (the "Company") entered into an Asset Purchase Agreement (the "Purchase Agreement") with Webasto Charging Systems, Inc. (the "Purchaser"), pursuant to which the Company agreed to sell, and the Purchaser agreed to acquire, the Company's Efficient Energy Systems business segment, which designs, manufactures, and sells energy products and solutions, including, but not limited to, products and solutions related to electric vehicle charging, industrial charging, power management, and power cycling and test systems (the "EES Business").

As aggregate consideration for the EES Business, Purchaser will pay \$35.0 million in cash at the closing of the transaction (subject to certain working capital and other pre- and post-closing adjustments as set forth in the Purchase Agreement) and assume certain post-closing liabilities. The Purchase Agreement contains customary representations, warranties and covenants made by each of Purchaser and the Company, as well as mutual indemnification obligations.

The transactions contemplated by the Purchase Agreement are subject to certain closing conditions, including: (i) the accuracy of each party's representations and warranties (subject to customary materiality qualifiers), (ii) each party's compliance with its covenants and agreements contained in the Purchase Agreement (subject to customary materiality qualifiers), (iii) the execution by the parties of certain ancillary agreements and (iv) other customary closing conditions.

The Purchase Agreement may be terminated under certain circumstances, including: (i) by mutual written consent of the parties, (ii) by the Company if Purchaser breaches any representation or warranty or otherwise fails to perform its obligations or comply with all applicable covenants in all material respects, subject to a cure period; (iii) by Purchaser if the Company breaches any representation or warranty or otherwise fails to perform its obligations or comply with all applicable covenants in all material respects, subject to a cure period; or (iv) by either party in the event that any law makes consummation of the transactions contemplated by the Purchase Agreement illegal or otherwise prohibited or any governmental authority issues a final and non-appealable order restraining or enjoining the transactions contemplated by the Purchase Agreement.

The Purchase Agreement contemplates the entry by the parties into certain ancillary agreements as of the closing of the transaction, including: (i) acceptance of employment offers from Purchaser by certain key employees of the Company, (ii) certain sublease and assignment agreements related to the EES Business, (iii) a transition services agreement pursuant to which the Company will provide Purchaser certain services to accommodate the transition of the EES Business to Purchaser and (iv) other customary ancillary agreements.

The foregoing description of the Purchase Agreement and the transactions contemplated thereby does not purport to be complete and is qualified in its entirety by reference to the complete text of such agreement. The Company will file the Purchase Agreement as an exhibit to its Quarterly Report on Form 10-Q for the quarter ending July 29, 2018.

Item 2.05. Costs Associated with Exit or Disposal Activities

In connection with the matters described under Item 1.01, which description is incorporated herein by reference, the Company estimates it will incur certain material costs associated with management's plan to exit the Company's EES Business segment including, but not limited to, legal and other transaction advisory fees, and other transaction related costs. These currently known costs associated with the sale of the EES Business are expected to be approximately \$1.5 million. However, certain other costs associated with selling or exiting the EES Business are not currently reasonably estimable. At future reporting dates, the Company will present the EES Business as discontinued operations as the business meets the held for sale criteria as determined under accounting principles generally accepted in the United States.

All of the above charges, the nature of such charges and the effect of such charges are estimates and are subject to change.

2

Item 7.01. Regulation FD Disclosure.

On June 4, 2018, the Company issued a press release announcing its entry into the Purchase Agreement and Services Agreement. A copy of the press release is attached as Exhibit 99.1 to this Current Report on Form 8-K and incorporated by reference herein.

The information in this Item 7.01 of this Current Report on Form 8-K, including Exhibit 99.1 attached hereto, is being furnished and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of such section. Such information shall not be incorporated by reference into any registration statement or other document pursuant to the Securities Act of 1933, as amended, except as expressly set forth by specific reference in such filing.

Item 9.01. Financial Statements and Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
--------------------	--------------------

99.1	AeroVironment, Inc. press release dated June 4, 2018.
------	---

Cautionary Note Regarding Forward-Looking Statements

This Current Report on Form 8-K contains certain forward-looking statements. Forward-looking statements typically are identified by the use of terms such as "may," "will," "should," "might," "expect," "anticipate," "estimate," "plan," "intend," "goal," "project," "strategy," "future," and similar words, although some forward-looking statements are expressed differently. These matters are subject to risks and uncertainties that could cause actual results to differ materially from those projected, anticipated or implied. These risks and uncertainties include: the ability to successfully consummate the transactions contemplated by the Purchase Agreement on a timely basis, if at all, including the satisfaction of the closing conditions of the transactions; the risk that disruptions will occur from the transactions that will harm the Company's business; and any disruptions or threatened disruptions to the relationships of the Company with its distributors, suppliers, customers and employees. Forward-looking statements are based on management's expectations as well as estimates and assumptions prepared by management that, although they believe to be reasonable, are inherently uncertain. The Company is subject to additional risks and uncertainties described in the Company's Annual Report on Form 10-K and subsequent Quarterly Reports on Form 10-Q. You are cautioned not to place undue reliance on these forward-looking statements, which reflect management's analysis and expectations only as of the date of this Current Report on Form 8-K. We undertake no obligation to publicly release the results of any revision or update of the forward-looking statements, except as required by law.

3

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AEROVIRONMENT, INC.

Date: June 4, 2018

By: /s/ Wahid Nawabi
Wahid Nawabi
President and Chief Executive Officer

4



Webasto to Acquire AeroVironment Electric Vehicle Charging and Test Systems Business

Automotive system supplier strengthens global electric charging footprint with additional competence

Stockdorf/Munich (Ger.) / Monrovia, Calif., June 4, 2018 — Webasto Group, one of the 100 leading suppliers to the automotive industry worldwide, and AeroVironment (NASDAQ: AVAV), a leader in unmanned aircraft systems (UAS) for both defense and commercial applications and tactical missile systems (TMS), announced Webasto's agreement to acquire AeroVironment's Efficient Energy Systems (EES) business segment for \$35 million, subject to customary post-closing adjustments and indemnification agreements. Webasto will retain all existing EES employees, while strengthening its long-term E-mobility strategy.

"This strategic acquisition accelerates the global development of our charging business," said Holger Engelmann, chairman of the management board, Webasto SE. "Combining EES' fundamental know-how in electric vehicle technology with our position as a global systems partner to almost all OEMs emphasizes the long-term strategic development of the Webasto Group," added Engelmann. E-mobility customers among others will profit from the automotive supplier's global experience in system integration and understanding the requirements of the automotive industry.

Webasto's acquisition of AeroVironment's EES business segment contributes to the company's dual strategy. With this strategy Webasto strengthens its existing core business areas in Sunroofs, Convertibles and Thermo Systems and participate in new business areas, focusing on battery systems and plug-in electric vehicle charging solutions.

"We conducted a very robust process in which we identified a number of potential strategic acquirers for our EES business. We found Webasto's E-mobility strategy to be highly aligned with that of EES, and our respective capabilities to be highly complementary serving our end markets," said Wahid Nawabi, AeroVironment chief executive officer. "Our strategic divestiture of EES helps AeroVironment focus on our leading small UAS, Tactical Missile Systems, High-Altitude Pseudo-Satellite, and Commercial Information Solutions businesses, each of which represents significant investment and long-term growth potential." Nawabi added.

* * *

About Webasto:

The Webasto Group is a global innovative systems partner to almost all automobile manufacturers and among the top 100 suppliers in this industry sector. In its core business areas the company develops and produces sunroofs, panorama roofs and convertible roofs as well as thermo systems for all drive types. In addition, with battery systems and charging solutions Webasto is building up a product portfolio for electromobility. In 2016 the Webasto Group generated sales of 3.2 billion euros and has more than 12,000 employees at more than 50 locations (with over 30 of these being manufacturing plants). The headquarters of the company, founded in 1901, is located in Stockdorf near Munich (Germany). For more information please visit www.webasto-group.com

-more-

About AeroVironment, Inc. (AV)

AeroVironment (NASDAQ: AVAV) provides customers with more actionable intelligence so they can proceed with certainty. Based in California, AeroVironment is a global leader in unmanned aircraft systems, tactical missile systems and electric vehicle charging and test systems, and serves militaries, government agencies, businesses and consumers. For more information visit 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, including anticipated outcomes of the transaction described. 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, including satisfaction of the closing conditions of the described transaction, 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.

Media Contacts:

AeroVironment, Inc.
Steven Gitlin
Vice President Corporate Strategy, Investor
Relations and Communications
Telephone: +1 (626) 357-9983
E-Mail: pr@avinc.com

Webasto Group
Petra Diederichs
Vice President Corporate Communications
Telephone: +49 89 8 57 94-670
E-Mail: petra.diederichs@webasto.com

-end-

