Safe Harbor Statement

- Certain statements in this presentation may constitute "forward-looking statements" as that term is defined in the Private Securities Litigation Reform Act of 1995. Forward-looking statements include, without limitation, any statement that may predict, forecast, indicate or imply future results, performance or achievements, and may contain words such as "believe," "anticipate," "expect," "estimate," "intend," "project," "plan," or words or phrases with similar meaning. Forward-looking statements are based on 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 the forward-looking statements.

- Factors that could cause actual results to differ materially from the forward-looking statements include, but are not limited to, our ability to successfully consummate the transactions contemplated by the agreement to purchase Arcturus UAV on a timely basis, if at all, including the satisfaction of the closing conditions of such transactions; the risk that disruptions will occur from the transactions that will harm our business or any acquired business(es); any disruptions or threatened disruptions to our relationships with our distributors, suppliers, customers and employees; the ability to timely and sufficiently integrate acquired operations into our ongoing business and compliance programs, including the expansion of international aspects; reliance on sales to the U.S. government; availability of U.S. government funding for defense procurement and R&D programs; changes in the timing and/or amount of government spending; our ability to perform under existing contracts and obtain new contracts; risks related to our international business, including compliance with export control laws; potential need for changes in our long-term strategy in response to future developments; the extensive regulatory requirements governing our contracts with the U.S. Government and international customers; the consequences to our financial position, business and reputation that could result from failing to comply with such regulatory requirements; unexpected technical and marketing difficulties inherent in major research and product development efforts; the impact of potential security and cyber threats; changes in the supply and/or demand and/or prices for our products and services; the activities of competitors and increased competition; failure of the markets in which we operate to grow; uncertainty in the customer adoption rate of commercial use unmanned aircraft systems; failure to remain a market innovator and create new market opportunities; changes in significant operating expenses, including components and raw materials; failure to develop new products; the extensive regulatory requirements governing our contracts with the U.S. government; risk of litigation, including but not limited to pending litigation arising from the sale of our EES business; product liability, infringement and other claims; changes in the regulatory environment; the impact of the outbreak related to the strain of coronavirus known as COVID-19 on our business operations; 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.

- 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 Form 10-Q, which are available at www.sec.gov or on our website at www.investor.avinc.com/financial-information. 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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- Fiscal 2021 Drivers..... Slide 14
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Acquiring Arcturus UAV to Expand Portfolio and Accelerate Growth

Transaction Structure
- AeroVironment to acquire Arcturus UAV for $405 million in cash and stock; Arcturus UAV to become wholly-owned subsidiary of AeroVironment
  - Price represents approximately 11x Arcturus UAV’s LTM 9/30/20 adjusted EBITDA, net of anticipated tax benefits
  - $355 million in cash, $50 million in AeroVironment stock
  - $200 million Term Loan Facility and $100 million revolver (undrawn at close) with Bank of America, N.A. acting as Administrative Agent and with BofA Securities, Inc., JPMorgan Chase Bank N.A. and U.S. Bank National Association acting as arrangers; approximately $155 million from company cash
  - Pro forma net leverage expected to be approximately 0.5x adjusted EBITDA at close

Management / HQ
- Retaining key Arcturus UAV leadership and team
- Maintaining existing Arcturus UAV operations in Petaluma and Rohnert Park, California

Strategic and Financial Benefits
- Expands AeroVironment’s reach into more than $1 billion annual Group 2 and 3 segments
- Increases program diversification with key USSOCOM and US Army customers
- Introduces attractive contractor-owned, contractor-operated (“COCO”) business model
- Expected to be immediately accretive to revenue growth, adjusted EBITDA margin and non-GAAP EPS and accretive to GAAP EPS by fiscal year 2022

Clear Pathway to Close
- Transaction expected to close during the fourth quarter of fiscal 2021, subject to customary closing conditions, including regulatory approvals
- Unanimously approved by the AeroVironment and Arcturus UAV Boards of Directors

Combination expands AeroVironment’s reach into additional segments, program base and growth potential through Arcturus UAV’s attractive business model and complementary suite of offerings

1 Renaissance Strategic Advisors - Group 2, 3 UAS Forecast 2020-2030, January 2021
2 Excludes intangible assets, amortization expense and deal and integration costs
## Telerob Transaction Summary

### Transaction Structure
- AeroVironment to acquire Telerob Gesellschaft für Fernhantierungstechnik mbH for $45.4 million\(^1\) cash; Telerob to become wholly owned subsidiary of AeroVironment
- Additional $7.3 million\(^1\) in three-year, milestone-based earnout
- AeroVironment to pay off $9.4 million\(^1\) in Telerob debt at closing

### Management/ HQ
- Retaining entire Telerob team
- Maintaining existing operations near Stuttgart, Germany and Erie, PA

### Benefits
- Broadens product offering with proven portfolio of UGVs to complement AeroVironment UAS and TMS
- Expands global footprint; extensive customer base spanning 45 nations
- Enables multi-domain, intelligent robotic solutions combining UAS, TMS and UGVs
- Expected to be GAAP EPS accretive within two years, non-GAAP EPS accretive in fiscal year 2022
- Submitted joint proposal for multi-year U.S. Air Force EOD robot program; pursuing multiple additional U.S. and international opportunities
- German market presence supports pending UAS opportunities
- UGV market growing at 15% CAGR
- Telerob provides more than 25 years of experience in ground robotics

### Approvals/ Closing
- Transaction expected to close by Spring 2021, pending German government clearance and other customary conditions

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**BEST IN CLASS PRODUCT PORTFOLIO, EXTENSIVE CUSTOMER BASE AND STRONG MANAGEMENT TEAM ARE HIGHLY COMPLEMENTARY AND POSITION AEROVIRONMENT FOR SUCCESS**

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\(^1\) Dollar values calculated based on exchange rate with Euro as of December 8, 2020
TECHNOLOGY SOLUTIONS PROVIDER
AT THE INTERSECTION OF FUTURE-DEFINING CAPABILITIES

Whether they are warfighters searching for the enemy or telecom providers connecting billions to the global digital economy, we deliver innovative technologies that help our customers achieve their goals and do so with unprecedented accuracy and precision.

WE PROVIDE THE ACTIONABLE INTELLIGENCE YOU NEED TO PROCEED WITH CERTAINTY
A Success Story Spanning Nearly 50 years of Innovation: 1971-2020

1977
Gossamer Condor
1st controlled human powered flight

1981
Solar Challenger
World Records: Longest, highest, farthest solar powered flights

1986
Pointer
1st backpack portable small UAS

1995
Pathfinder/Pathfinder Plus
Solar platform for HALE flight

2001
Helios
World Record: Highest flying airplane in history

2005
Global Observer Prototype
1st liquid hydrogen powered UAS

2010
Global Observer®
Test flight program begins

2012
Switchblade®
1st operational deployment of back-packable tactical missile system

2014
Puma™
1st small UAS extended solar flight: nine hours

2016
Blackwing™
1st submarine-launched loitering ISR system for US Navy

2019
Solar HAPS
Next generation unmanned aircraft system for global connectivity and defense

2020
Mars Helicopter
Developed rotor, propulsion system, structure, landing gear for 1st aircraft to fly on another world

2021

1977
Gossamer Albatross
1st human powered flight across English Channel

1979
Pterosaur
Featured in IMAX film, On The Wing

1985
Sunnycracer
Winner 1st solar car race

1987
Dragon Eye
1st U.S. DoD Small UAS Program of Record

2003
Raven®
1st to deploy 1000s of backpack portable UAVs to U.S. Armed Forces in a single year

2005
Small UAS Digital Data Link (DDL™)
A wireless communications link that provides greater security, range and utility than analog links

2008
Nano Air Vehicle
1st flapping wing nano UAV with tri-axis control

2011
Puma™
1st FAA-approved commercial services over land

2013
Commercial UAS
1st operational deployment of UAS

2019
Nano Air Vehicle
1st FAA-approved small UAS

2020
Raven®
1st deployment of back-packable tactical missile system
AeroVironment Investment Thesis

- A profitable, pure-play unmanned robotics company
- The global leader in selected markets, at the forefront of multiple large, global growth opportunities
- Strong financial position and performance enabling our growth strategy
- Demonstrated track record of capitalizing on growth opportunities
SUAS Small Unmanned Aircraft Systems

61% of fiscal year 2020 company revenue

Majority Share of all unmanned aircraft in U.S. Dept. of Defense inventory¹

Robust & Diversified International Revenue

- Small UAS customers in 50 allied nations - most with additional procurement potential

- International revenue driven mainly by small UAS in Fiscal Years 2016-2017, and by small UAS and HAPS in Fiscal Years 2018-2020

Note: FY16 figures have not been adjusted for ASC-606.

Sample International Customers

- Small UAS customers in 50 allied nations - most with additional procurement potential

- International revenue driven mainly by small UAS in Fiscal Years 2016-2017, and by small UAS and HAPS in Fiscal Years 2018-2020

Note: FY16 figures have not been adjusted for ASC-606.

Sample International Customers
Switchblade®
- Lethal, high-precision, rapidly deployed munition
- **Switchblade 300** deployed by United States armed forces
- **Switchblade 600** positioned for adoption

**Ground and Air Vehicle Integration**
- Working with General Dynamics Land Systems to integrate Switchblade into next generation armored vehicles
- Working with Kratos to integrate Switchblade into unmanned jet for long-distance, precision missions

Switchblade® Lottering Precision Missile System
- 15 Minute Endurance
- Wave-Off & Recommit Capability
- Very Low Collateral Damage

17% of fiscal year 2020 company revenue
SoftBank Corp. owns approximately 93% of HAPSMobile Inc. & AeroVironment owns approximately 7%.

Successfully demonstrated stratospheric broadband connectivity – September 2020 20+ hour flight to +60,000 feet; demonstrated LTE video connectivity.

AeroVironment has the potential to manufacture and supply HAPS systems to HAPSMobile on exclusive basis.

AeroVironment retains exclusive rights to market HAPS UAS to defense customers worldwide, except in Japan.

17% of fiscal year 2020 company revenue.
Fiscal 2021 Drivers

- Continued focus on executing our growth strategy
- Strength in international end markets
- Tactical Missile System growth
- Continued evaluation of strategic investments
FINANCIAL SUMMARY
**Profitable Growth Driven by Innovation & Strategic Investments**

Adjusted Earnings Per Share Attributable to AeroVironment for fiscal year 2019 excludes a $0.26 per share one-time gain from a litigation settlement, and for fiscal year 2020 excludes $0.04 in acquisition-related expenses and $0.08 in amortization of acquired intangible assets.

**Note:** all figures are as previously reported in the historical Form 10-Ks
### Fiscal Year 2021 Quarterly Results (Continuing Operations)

<table>
<thead>
<tr>
<th>In $ Millions (except EPS)</th>
<th>Qtr. 1</th>
<th>Qtr. 2</th>
<th>Qtr. 3</th>
<th>Qtr. 4</th>
<th>YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>$87.5</td>
<td>$92.7</td>
<td>-</td>
<td>-</td>
<td>$180.1</td>
</tr>
<tr>
<td><strong>Gross Margin</strong></td>
<td>$35.4</td>
<td>$40.9</td>
<td>-</td>
<td>-</td>
<td>$76.3</td>
</tr>
<tr>
<td><strong>Gross Margin %</strong></td>
<td>40%</td>
<td>44%</td>
<td>-</td>
<td>-</td>
<td>42%</td>
</tr>
<tr>
<td><strong>Income from Operations</strong></td>
<td>$12.3</td>
<td>$13.9</td>
<td>-</td>
<td>-</td>
<td>$26.2</td>
</tr>
<tr>
<td><strong>Operating Margin %</strong></td>
<td>14%</td>
<td>15%</td>
<td>-</td>
<td>-</td>
<td>15%</td>
</tr>
<tr>
<td><strong>Net Income Attributable to AeroVironment</strong></td>
<td>$10.1</td>
<td>$2.1</td>
<td>-</td>
<td>-</td>
<td>$12.2</td>
</tr>
<tr>
<td><strong>Net Income Attributable to AeroVironment Margin %</strong></td>
<td>12%</td>
<td>2%</td>
<td>-</td>
<td>-</td>
<td>7%</td>
</tr>
<tr>
<td><strong>GAAP Diluted Earnings Per Share (EPS) Attributable to AeroVironment</strong></td>
<td>$0.42</td>
<td>$0.09</td>
<td>-</td>
<td>-</td>
<td>$0.50</td>
</tr>
<tr>
<td><strong>Non-GAAP Diluted Earnings Per Share (EPS) Attributable to AeroVironment (see reconciliation in appendix)</strong></td>
<td>$0.44</td>
<td>$0.48</td>
<td>-</td>
<td>-</td>
<td>$0.91</td>
</tr>
</tbody>
</table>
A Strong Balance Sheet is Essential to our Growth Strategy

- $368 million in cash, equivalents, restricted cash and investments
- No debt

### Current Assets

<table>
<thead>
<tr>
<th></th>
<th>October 31, 2020 (unaudited)</th>
<th>April 30, 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>$280,099</td>
<td>$255,142</td>
</tr>
<tr>
<td>Short-term investments</td>
<td>$67,137</td>
<td>$47,507</td>
</tr>
<tr>
<td>Long-term investments</td>
<td>$20,976</td>
<td>$15,030</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$368,212</strong></td>
<td><strong>$317,679</strong></td>
</tr>
</tbody>
</table>

- 405K by 351K
- 546K by 351K
- 132K by 351K
- 322K by 351K
- 232K by 351K
- 202K by 351K
- 182K by 351K
- 162K by 351K
- 142K by 351K
- 122K by 351K
- 102K by 351K
- 82K by 351K
- 62K by 351K
- 42K by 351K
- 22K by 351K
- 0K by 351K
## Appendix – Reconciliation of Non-GAAP Diluted Earnings Per Share (Unaudited)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Earnings per diluted share</td>
<td>$0.09</td>
<td>$0.31</td>
<td>$0.50</td>
<td>$1.02</td>
</tr>
<tr>
<td>Acquisition related expenses</td>
<td>0.02</td>
<td>0.01</td>
<td>0.02</td>
<td>0.02</td>
</tr>
<tr>
<td>Amortization of acquired intangible assets</td>
<td>0.02</td>
<td>0.02</td>
<td>0.04</td>
<td>0.04</td>
</tr>
<tr>
<td>HAPSMobile Inc. JV impairment of investment in Loon LLC</td>
<td>0.35</td>
<td>-</td>
<td>0.35</td>
<td>-</td>
</tr>
<tr>
<td>Earnings per diluted share as adjusted (Non-GAAP)</td>
<td>$0.48</td>
<td>0.34</td>
<td>$0.91</td>
<td>1.08</td>
</tr>
</tbody>
</table>