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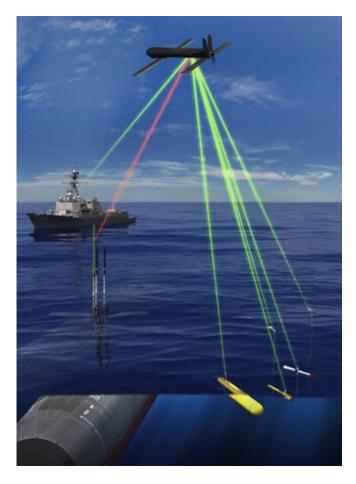
United States Navy Demonstrates Cross-Domain Communications, Command and Control via AeroVironment Blackwing Submarine-Launched UAV

- AeroVironment's Blackwing Unmanned Aircraft Vehicle (UAV) links manned submarines to unmanned undersea vehicles (UUVs) while providing intelligence, surveillance and reconnaissance (ISR)
- End-to-end system testing completed by Naval Undersea Warfare Center, Newport Rhode Island validates first UUVto-submarine link via UAV data relay
- Blackwing's tight integration into the US Navy's submarine fleet using an open-architecture communication system will enable communication and control of multiple unmanned vehicles over long distances

NEWPORT, R.I.--(BUSINESS WIRE)-- Naval Undersea Warfare Center, Newport Division - <u>AeroVironment, Inc.</u> (NASDAQ: AVAV), a global leader in unmanned aircraft systems for both military and commercial applications, today announced the

United States Navy has successfully demonstrated the use of its submarine-launched BlackwingTM UAV to link with a swarm of unmanned undersea vehicles and communicate with the submarine combat control system during the Annual Naval Technology Exercise (ANTX) on August 16.

This Smart News Release features multimedia. View the full release here: http://www.businesswire.com/news/home/20160907005733/en/



US Navy demonstrates AeroVironment's submarinelaunched Blackwing[™] small UAV that links manned submarines to unmanned undersea vehicles. (Photo: Along with providing a new and unique intelligence, surveillance and reconnaissance (ISR) capability to submarine commanders, the Blackwing UAV can also provide high-speed data and communication relay for Command and Control (C2) between geographically separated vessels such as manned submarines, unmanned undersea vehicles (UUVs) and surface ships. Deployed UUVs collect large quantities of data while conducting diverse missions ranging from mine-hunting to wide-area oceanographic sensing. During the ANTX exercise, an AeroVironment developed, government-owned, secure digital

datalink called DDLTM, integrated into all Blackwing UAVs, relayed real-time information from the surrogate manned submarine via the Blackwing UAV to and from multiple UUVs.

Blackwing builds on AeroVironment's extensive development and operational experience with its SwitchbladeTM Lethal Miniature Aerial Missile System (LMAMS) and its common DDL to provide the Navy with a deployable submarine launched unmanned aircraft vehicle optimized for distributed Anti-Access/Area Denial (A2/AD) environments.

"Our Naval Undersea Warfare Center partners seek solutions for quickly and seamlessly linking the air and undersea domains to enhance warfighter capability. We successfully demonstrated the innovative utility of AeroVironment's new Blackwing unmanned air vehicle," said Kirk Flittie, AeroVironment vice president and general manager of its Unmanned Aircraft Systems business segment. "Blackwing delivers significant value to the undersea community, and we look forward to working closely with our partners to expand this powerful new capability to enable underwater vehicles and cross-domain interoperability. In addition to our Navy partners, we also thank our industry partner Sparton for their continued support on Blackwing efforts."

Business Wire) About AeroVironment Small UAS

RQ-11B Raven®, RQ-12 Wasp®, RQ-20A and B 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 tens of thousands of new and replacement small unmanned air vehicles to customers within the United States and to more than 30 international governments.

About AeroVironment

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 <u>www.avinc.com</u>.

Safe Harbor Statement

This press release contains "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, 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; 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; unexpected technical and marketing difficulties inherent in major research and product development efforts; 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; 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; product liability, infringement and other claims; changes in the regulatory environment; 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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