

ENGAGED CAPITAL OUTLINES PATH TO ACHIEVE FAIR VALUATION AT AEROVIRONMENT

- Cites Unrecognized Value of Impressive Product and Technology Portfolio, Significant Growth Prospects, and Opportunity to Improve Capital Allocation -

NEWPORT BEACH, Calif. (July 17, 2013) – Engaged Capital, an investment firm specializing in small and mid-cap North American equities, announced today that it beneficially owns an approximately 5.1% stake in AeroVironment, Inc. (“AeroVironment” or the “Company”) (NASDAQ: AVAV) and outlined a path to achieve fair valuation at AeroVironment in a filing with the U. S. Securities and Exchange Commission.

Engaged Capital highlighted its belief that AeroVironment’s stock is undervalued and numerous opportunities exist to correct the Company’s valuation discount through improved corporate governance, enhanced financial disclosure, an optimal capital structure, and a stronger focus on value creating capital allocation. Engaged Capital expressed its commitment to work constructively with the Company’s board of directors and management to help achieve fair valuation for AeroVironment.

“We believe that AeroVironment’s impressive product and technology portfolio, leading market position, varied and significant growth prospects, and excellent balance sheet should command a higher valuation. In our view, concerns over an excess of cash in the capital structure, a lack of granularity and specificity with respect to its growth plans, and uncertainty surrounding its heavy exposure to the defense budget are all addressable issues,” said Glenn W. Welling, Engaged Capital’s Principal and Chief Investment Officer. “We are fully committed to working with the board of directors and management of AeroVironment to implement strategic initiatives to enhance the Company’s equity valuation and maximize value for all shareholders.”

A full copy of Engaged Capital’s filing can be found at:

http://www.sec.gov/Archives/edgar/data/1368622/000152153613000620/sc13d09455002_07112013.htm.

About Engaged Capital:

Engaged Capital, LLC, (“Engaged Capital”) was established in 2012 by a group of professionals with significant experience in activist investing in North America and was seeded by Grosvenor Capital Management, L.P., one of the oldest and largest global alternative investment managers. Engaged Capital is a limited liability company owned by its principals and formed to create long-term shareholder value by bringing an owner’s perspective to the managements and boards of under-valued public companies. Engaged Capital manages both a long-only and long/short North American equity fund. Engaged Capital’s efforts and resources are dedicated to a single investment style, “Constructive Activism” with a focus on delivering superior, long-term, risk-adjusted returns for investors. Engaged Capital is based in Newport Beach, California.

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