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PRESS RELEASE

AeroVironment Receives Frost & Sullivan’s North American Customer Service Leadership Award for Electric Vehicle Charging Station Solutions

Quality, Timeliness and Cost of Service, Customer Value Receive High Marks

MONROVIA, Calif., Nov. 4, 2010 – Frost & Sullivan, a global research organization of 1,800 analysts who monitor more than 300 industries and 250,000 companies, has awarded its 2010 North American Customer Service Leadership of the Year Award for Electric Vehicle (EV) Charging Stations to [AeroVironment, Inc.](http://www.avinc.com) (AV) (NASDAQ: AVAV). AV is a Southern California-based technology company whose electric transportation solutions include electric vehicle home charging, public charging and fast charging systems for consumers, automakers, utilities and government agencies.

Criteria Frost & Sullivan used to benchmark AV’s performance against key competitors included quality of service, timeliness of service, impact of service on customer value and cost of service to customers.

To support its evaluation of best practices across multiple business performance categories, Frost & Sullivan employs a customized Decision Support Matrix (DSM), an analytical tool that compares companies’ performance relative to one other by integrating quantitative and qualitative metrics. In addition, the DSM features criteria unique to each award category and ranks importance by assigning weights to each criterion. This approach enables Frost & Sullivan to determine how best-in-class companies worldwide manage growth, innovation and leadership.

“Due to the infancy of the electric vehicle charging station market, consumers are anxious about the way these services will be provided and the ease with which they will be able to install charging stations and use them. AeroVironment’s business model is

aimed at providing superior customer service through its own certified network of installers. The company's operations are set to ensure on-time product delivery, hassle-free appointments, accurate assessments and quoting, and customer data tracking for end users, businesses, fleet owners, as well as installers," Frost & Sullivan Analyst, Ratika Garg.

AV earned its "pioneer" status in the efficient energy industry as joint developer of [the GM Impact](#), the world's first modern electric car, and the record-setting, solar-powered [GM Sunraycer](#). In addition, AV created one of the first fast-charge systems for early consumer electric vehicles.

AV charging solutions are designed for every EV owner's needs – home and apartment, office and retail, fleet yard, public fast charging stations, roadside assistance, mobile service devices, and communication options that enable the smart grid and smart home. AV's breadth of solutions provides convenient and reliable charging options that will help alleviate concerns about EV driving range and practicality. AV's charging systems are meant to help drivers use their EVs without changing their day-to-day driving or refueling habits -- from overnight home charging to "pay at the pump" fast charging in minutes.

About AeroVironment, Inc. (AV)

AV is a technology company that designs, develops, produces and supports an advanced portfolio of Unmanned Aircraft Systems (UAS) and efficient electric energy systems. Agencies of the U.S. Department of Defense and allied military services use the company's battery-powered, [hand-launched UAS](#) to provide situational awareness to tactical operating units through real-time, airborne reconnaissance, surveillance and target acquisition. AV's electric transportation solutions include [electric vehicle \(EV\) home charging, public charging and fast charging systems](#) for consumers, automakers, utilities and government agencies, [power cycling and test systems](#) for EV developers and [industrial electric vehicle charging systems](#) for commercial fleets. More information about AV is available at 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. 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.

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Customer Service Leadership, Electric Vehicle Charging Stations North America, 2010

Frost & Sullivan's Global Research Platform

Frost & Sullivan is entering its 50th year in business with a global research organization of 1,800 analysts and consultants who monitor more than 300 industries and 250,000 companies. The Company's research philosophy originates with the CEO's 360-Degree Perspective,* which in turn serves as the foundation of its TEAM Research** methodology. This unique approach enables us to determine how best-in-class companies worldwide manage growth, innovation and leadership. Frost & Sullivan is proud to present the 2010 North American Customer Service Leadership of the Year Award for Electric Vehicle Charging Stations to AeroVironment, Inc.

Significance of the Customer Service Leadership Award

Key Industry Challenges

With the electric vehicle (EV) market gaining momentum, there is increased activity in the EV infrastructure space as various stakeholders launch initiatives aimed at providing a hassle-free EV support system to early adopters. As part of the support system, there is increased emphasis on establishing a charging network, installation and electric vehicle maintenance services, models for payment of electricity, and the communication system between the vehicle, charging station, and utility. Since the market is in the development phase, some of the key concerns are availability of an adequate infrastructure, ease of charging, and technical support. Given the above challenges, infrastructure providers are now implementing business models that can best address these issues.

Due to the infancy of the market, businesses, fleet owners, as well as consumers, are anxious about the way these services will be provided and the ease with which they will be able to install charging stations and use them. In such a scenario, charging station manufacturers that are able to position themselves as consumer-oriented, and have a reliable network of installers or technicians, will have a competitive advantage. The ability to further win end-user trust by providing customer service on an ongoing basis will allow charge station manufacturers to acquire new customers while retaining existing ones.

Frost & Sullivan's research reveals that AeroVironment's business model is aimed at providing superior customer service through its own certified network of installers. The company's back office operations are set to ensure on-time product delivery, hassle-free appointments, accurate assessments and quoting, and customer data tracking for end users, businesses, fleet owners, as well as installers.

Key Benchmarking Criteria for Customer Service Leadership Award

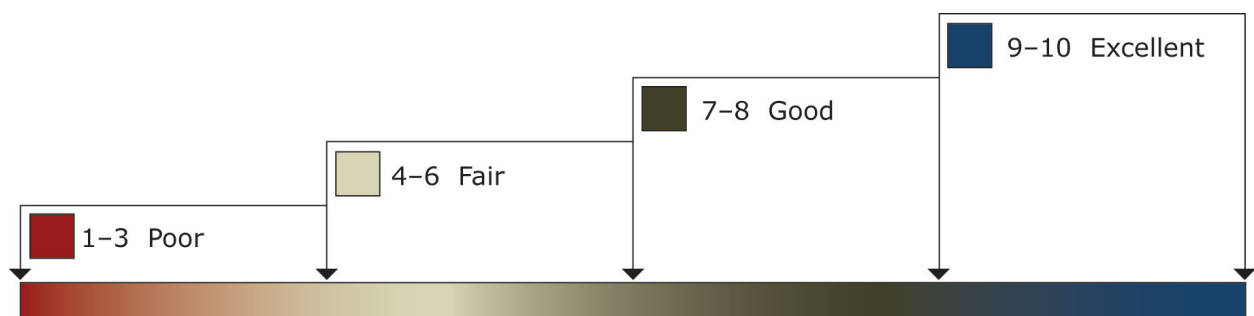
For the Customer Service Leadership Award, the following criteria were used to benchmark AeroVironment's performance against key competitors:

- **Quality of Service**
- **Timeliness of Service**
- **Impact of Service on Customer Value**
- **Cost of Service to Customers**

Decision Support Matrix and Measurement Criteria

To support its evaluation of best practices across multiple business performance categories, Frost & Sullivan employs a customized Decision Support Matrix (DSM). The DSM is an analytical tool that compares companies' performance relative to each other with an integration of quantitative and qualitative metrics. The DSM features criteria unique to each award category and ranks importance by assigning weights to each criterion. The relative weighting reflects current market conditions and illustrates the associated importance of each criterion according to Frost & Sullivan. Fundamentally, each DSM is distinct for each market and award category. The DSM allows our research and consulting teams to objectively analyze each company's performance on each criterion relative to its top competitors and assign performance ratings on that basis. The DSM follows a 10-point scale that allows for nuances in performance evaluation; ratings guidelines are shown in Chart 2.

Chart 2: Performance-based Ratings for Decision Support Matrix



This exercise encompasses all criteria, leading to a weighted average ranking of each company. Researchers can then easily identify the company with the highest ranking. As a final step, the research team confirms the veracity of the model by ensuring that small changes to the ratings for a specific criterion do not lead to a significant change in the overall relative rankings of the companies.

Chart 3: Frost & Sullivan’s 10 Step Process for Identifying Award-Recipients



Best Practice Award Analysis for AeroVironment, Inc.

The Decision Support Matrix, shown in Chart 4, illustrates the relative importance of each criterion for the Customer Service Leadership Award and the ratings for each company under evaluation. To remain unbiased while also protecting the interests of the other organizations reviewed, we have chosen to refer to the other key players as Competitor 1 and Competitor 2.

Chart 4: Decision Support Matrix for Customer Service Leadership Award

<i>Measurement of 1-10 (1 = lowest; 10 = highest)</i>	Award Criteria				Weighted Rating
	Quality of Service	Timeliness of Service	Impact of Service on Customer Value	Cost of Service to Customers	
Relative Weight (%)	25%	25%	25%	25%	100%
AeroVironment, Inc.	9.5	9.25	9	8.5	9.1
Competitor 1	9	9	8.5	8	8.6
Competitor 2	7.0	6.5	6	6	6.4

Criterion 1: Quality of Service

AeroVironment offers charging systems for residential, business, and fleet use as well open access charging systems for use in the city and on the highway. The company offers both Level 2 and Level 3 charging systems, EV support systems, and data services related to EV charging. Level 2 charging takes 2-8 hours for a full charge and requires a fixed charging station that safely delivers power to the EV's on-board charger. Level 3 "fast charging" uses DC energy to, bypasses the vehicle's on-board charger to charge the battery directly -- and can take less than 30 minutes for a full charge. (Level 1 charging uses a portable plug and requires 16-18 hours for a full charge and is typically used in emergency situations when no other charging alternative is available.)

The company has provided an easy installation process for its customers by setting up its own network of certified installers. These installers are trained and certified, thus making them adept at handling all charging-related issues for electric vehicles. As a result, customers are assured about the quality of service that they receive while installing a charging station from AeroVironment. Furthermore, installers can run diagnostic tests with AeroVironment service tools to ensure that the charger is working properly. As part of the installation process, city inspectors verify the installation, which has further augmented customer confidence.

For its business customers, installers, local governments, vehicle manufacturers, and utilities, AeroVironment has implemented a back office operations portal that offers various tools for on-time product delivery, hassle-free appointments, accurate assessments and quoting, as well as customer data tracking through a Customer Relationship Management (CRM) module. Other features available through the network and back office include local code, permitting, and inspection expertise; site assessments and custom quotations; turnkey installations; user training and orientation; call center support; parts and labor warranty coverage; and timely on-site service support. Marketing support is also offered in the form of private label product design, dealer development programs, and regional and national co-marketing opportunities.

Criterion 2: Timeliness of Service

Since the Electric Vehicle market is still evolving, AeroVironment realizes that there will be a learning curve as early adopters become acclimated to driving and charging their EVs. To address this, AeroVironment provides drivers with tools that simplify the process and alleviate concerns related to charging. With its residential charging system, the company provides a comprehensive user manual that, while detailed, is designed with the lay user in mind, using simple language and easy tips for getting started. There is also a troubleshooting guide that allows users to resolve simple issues at home. The comprehensive manual is accompanied by a one-page quick start guide that condenses the charging process into a few easy steps to get started.

AeroVironment provides drivers with access to its expert call center, attended by operators trained in helping EV drivers with their charging issues. In addition, in-person visits can be scheduled for local, certified service providers who are trained to troubleshoot, provide education and assistance, and deliver fast service - including changing out a faulty unit for a working system within a half hour.

Finally, AeroVironment's field service and installation technicians have exclusive use of ChargeMate, a proprietary portable testing unit that performs charge station diagnostics by simulating a vehicle power load. With ChargeMate, the company's technicians can verify and perform diagnostics on a charging system without having an electric vehicle present.

Minimum downtime, a network of certified installers experienced in local codes, proprietary service hardware, a simple installation process, and timely and reliable response time result in high marks for AeroVironment's customer satisfaction.

Criterion 3: Impact of Service on Customer Value

AeroVironment's value-centric strategy is aimed at offering a full solution of charging infrastructure, including overnight home chargers, public AC Level 2 chargers, public DC Level 3 fast chargers, installation support, systems data collection, and communications via multiple wired and wireless data communications options. This significantly enhances value to customers who are able to avail a complete gamut of services from the same company without having to approach multiple providers. The integrated solution also enables broad adoption of electric vehicles by providing drivers with multiple charging options ranging from home charging to on-road and fast charging in as little as ten minutes.

The impact that AeroVironment's service has on customer value can be gauged by the fact that in January 2010, it was selected by a major auto manufacturer to support the rollout of electric vehicles in the U.S. by providing, installing, and supporting home charging systems for the early adopters.

Criterion 4: Cost of Service to Customers

AeroVironment is investing in developing its capability to sell directly to consumers. As part of this, the company is establishing a nationwide network of licensed electrical contractors who are trained and certified to install and service home charging systems. Furthermore, to simplify and quicken the installation process, the company has invested in developing an Web based ecommerce, customer relationship management (CRM), and enterprise resource planning (ERP) platform that will integrate customers' orders, inventory management, dispatching and provisioning, billing, as well as traceability. These initiatives are expected to lower the overall cost of service to customers, while also ensuring that the services rendered are prompt, reliable, and efficient.