

AeroVironment Inc
Form 10-Q
August 28, 2013
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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

WASHINGTON, D.C. 20549

FORM 10-Q

**x QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE
ACT OF 1934.**

For the quarterly period ended July 27, 2013

OR

**o TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE
ACT OF 1934**

For the transition period from to

Commission File Number: 001-33261

AEROVIRONMENT, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

95-2705790

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

**181 W. Huntington Drive, Suite 202
Monrovia, California**

(Address of principal executive offices)

91016

(Zip Code)

(626) 357-9983

(Registrant's telephone number, including area code)

N/A

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer
(Do not check if smaller reporting company)

Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of August 16, 2013, the number of shares outstanding of the registrant's common stock, \$0.0001 par value, was 22,675,277.

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AeroVironment, Inc.

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	July 27, 2013 (Unaudited)	April 30, 2013
Assets		
Current assets:		
Cash and cash equivalents	\$ 64,339	\$ 75,332
Short-term investments	64,474	73,241
Accounts receivable, net of allowance for doubtful accounts of \$731 at July 27, 2013 and \$936 at April 30, 2013	19,604	19,770
Unbilled receivables and retentions	9,719	11,304
Inventories, net	68,663	62,561
Income tax receivable	14,812	11,777
Deferred income taxes	5,189	5,166
Prepaid expenses and other current assets	3,765	4,303
Total current assets	250,565	263,454
Long-term investments	67,595	68,916
Property and equipment, net	26,725	24,429
Deferred income taxes	5,638	5,606
Other assets	1,036	1,060
Total assets	\$ 351,559	\$ 363,465
Liabilities and Stockholders Equity		
Current liabilities:		
Accounts payable	\$ 13,545	\$ 16,144
Wages and related accruals	9,109	12,116
Customer advances	7,005	7,519
Other current liabilities	7,194	6,408
Total current liabilities	36,853	42,187
Deferred rent	696	771
Liability for uncertain tax positions	5,211	5,321
Commitments and contingencies		
Stockholders equity:		
Preferred stock, \$0.0001 par value:		
Authorized shares 10,000,000; none issued or outstanding		
Common stock, \$0.0001 par value:		
Authorized shares 100,000,000		
Issued and outstanding shares 22,672,762 at July 27, 2013 and 22,614,315 at April 30, 2013	2	2
Additional paid-in capital	131,398	130,527
Accumulated other comprehensive loss	(753)	(705)

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Retained earnings	178,152	185,362
Total stockholders' equity	308,799	315,186
Total liabilities and stockholders' equity	\$ 351,559	\$ 363,465

See accompanying notes to consolidated financial statements (unaudited).

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AeroVironment, Inc.

Consolidated Statements of Operations (Unaudited)

(In thousands except share and per share data)

	Three Months Ended	
	July 27, 2013	July 28, 2012
Revenue:		
Product sales	\$ 27,174	\$ 28,690
Contract services	16,943	29,987
	44,117	58,677
Cost of sales:		
Product sales	20,555	20,559
Contract services	11,017	18,613
	31,572	39,172
Gross margin	12,545	19,505
Selling, general and administrative	12,459	13,621
Research and development	7,190	8,136
Loss from operations	(7,104)	(2,252)
Other income (expense):		