

CitiCapital To Provide Finance Solutions For PosiCharge Customers

MONROVIA, Calif., June 2, 2004- CitiCapital, one of the top commercial finance companies in the United States, and PosiCharge have entered into a multi-year program agreement to provide material handling finance solutions for new and existing PosiCharge customers.

PosiCharge provides safe, fast, in-truck battery charging for industrial electric vehicles, thereby eliminating the need for battery changing. PosiCharge increases productivity, improves safety, lowers operating costs, and streamlines operations of some of North America's largest, most profitable companies.

"CitiCapital is the largest independent source of material handling financing in the United States and works with six of the top 10 U.S. forklift operators," said Pat Dellario, general manager, PosiCharge. "With these credentials, we're confident that we can significantly reduce end-user acquisition costs by quickly providing our customers with a wide variety of tailored financing options at competitive rates."

Stuart A. Fels, vice president of CitiCapital Material Handling Finance, said, "PosiCharge leads the burgeoning fast charge market and CitiCapital has the depth of experience and the resources to offer a full range of retail and wholesale financing programs. We're pleased to join forces with PosiCharge to provide customized financing solutions for its customers."

About CitiCapital

With a current global portfolio of more than \$20 billion, CitiCapital, a business unit of Citigroup, is one the largest commercial finance companies in the United States.

-more-

CitiCapital/PosiCharge - 2

CitiCapital provides a full range of financing solutions and services to over 575,000 customers throughout the world and is a market leader in transportation, material handling, construction, business technology and medical equipment finance. Additional information can be found at <http://www.citicapital.com/>.

Citigroup (NYSE: C), the preeminent global financial services company with some 200 million customer accounts in more than 100 countries, provides consumers, corporations, governments and institutions with a broad range of financial products and services, including consumer banking and credit, corporate and investment banking, insurance, securities brokerage, and asset management. Major brand names under Citigroup's trademark red umbrella include Citibank, CitiFinancial, Primerica, Smith Barney, Banamex, and Travelers. Additional information may be found at: <http://www.citigroup.com/>.

About PosiCharge

PosiCharge fast charge systems allow users to eliminate the battery room and all the challenges that go with it – including run time issues, reduced battery capacity, infrastructure cost, lost productivity, worker injury, and excess battery inventories. PosiCharge fast charges each battery in the vehicle during short breaks, lunches, and shift changes, so the battery never leaves the vehicle. The result is instant productivity improvements, and no workflow interruptions for battery changing. With a proprietary system that safeguards batteries by measuring temperature and customizing each charge, PosiCharge can actually extend the useful life of a battery. For years, PosiCharge has been keeping fleets running in some of the hardest-working Fortune and Global 500 plants and distribution centers in the country. PosiCharge is a division of AeroVironment, Inc. More information can be found at www.posicharge.com.

-more-

CitiCapital/PosiCharge - 3

About AeroVironment, Inc.

AeroVironment develops innovative technology for energy efficient systems and unmanned aerial vehicles (UAV), and leverages its intellectual property base into breakthrough commercial ventures. AeroVironment (www.aerovironment.com) was founded in 1971, and its Monrovia, Calif., headquarters is home to more than 200 engineers, physicists and business managers specializing in cutting-edge research and development, new venture development, manufacturing and marketing.

For more information, please contact:

PosiCharge

Lisa Horiuchi Heiberg
Director of Marketing & Venture Development
626-357-9983, ex. 563
heiberg@aerovironment.com

CitiCapital Material Handling Finance

Anita Gupta
Citigroup Corporate Affairs
212-559-0297
guptaa@citigroup.com