

ADVANCED PHOTONIX INC
Form 425
March 18, 2015

Filed by Luna Innovations Incorporated

Pursuant to Rule 425 under the Securities Act of 1933, as amended,

and deemed filed pursuant to Rule 14a-12

of the Securities Exchange Act of 1934, as amended

Subject Company: Advanced Photonix, Inc.

(Commission File No. 1-11056)

Luna
API Merger

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Summary of Q4 and Full Year 2014 Results
Q4 2014 -
Results compared to Q4 of 2013

Total revenue was \$6.2 million, up 32%

Product and licensing revenue was \$2.9 million, up 60%

Operating loss was \$0.9 million, an improvement of \$1.9 million
Full
Year
2014

Results
compared
to
Full
Year
2013

Total revenue was \$21.3 million, up 16% over 2013

Product
and
licensing
revenue
was
\$9.1
million,
up
31%
over
2013
Liquidity

Cash at December 31, 2014 was \$14.1 million

Net decrease in cash in Q4 2014 of \$313,000

Ended 2014 with \$625,000 of debt
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Advanced Photonix, Inc. Overview

A leading supplier of optoelectronic sensors, devices & instrumentation

Product platforms

High Speed Optical Receivers (components)

OptoSolutions (subsystems)

Markets

Telecommunications

Defense

Medical

Industrial markets

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Benefits of the Merger

We will be a bigger, better company with combined revenue of more than \$50 million

We will have greater capability across a broader market base

We expect significant cost savings from having only a single public company infrastructure, which means that we will be better positioned for improved cash flow and profitability

We will have the opportunity to leverage API's business relationships and they will be able to build from ours

We will be able to build on the strong foundation of Luna's and API's core products, which will allow us to continue to invest in our growth
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Forward-Looking Statements
This
presentation
includes
information
that
constitutes
forward-looking
statements
made
pursuant
to
the
safe
harbor
provision
of
the
Private

Securities Litigation Reform Act of 1995 that involve risk and uncertainties. These statements include our expectations regarding
of
the
merger,
the
prospects
of
the
combined
company
and
the
companies
future
growth,
as
well
as
the
potential
synergies
from
the
proposed
merger and the future profitability of the combined company. Management cautions the reader that these forward-looking statements
predictions and are subject to a number of both known and unknown risks and uncertainties, and actual results, performance, and
achievements of the companies may differ materially from the future results, performance and/or achievements expressed or implied in
forward-looking
statements
as
a
result
of
a
number
of
factors.
These
factors
include,
but
are
not
limited
to:
the
approval
of
the
merger

and
related
matters by the companies
respective stockholders and satisfaction of other closing conditions of the merger; the uniqueness and advantages of
Luna's or API's technology and intellectual property; potential costs savings and synergies from the merger; potential for growth
potential for future commercialization of their technologies; the competitive advantage afforded by Luna's or API's technology;
efficacy
of
Luna's
or
API's
technology;
and
growth
potential
of
certain
markets.
Statements
that
describe
the
companies'
business
strategies,
goals, prospects, opportunities, outlook, plans or intentions are also forward-looking statements. Uncertainties regarding technical
difficulties, issues that might arise in any particular business
relationship and other risks and uncertainties are set forth
in the companies'
periodic
reports
and
other
filings
with
the
Securities
and
Exchange
Commission.
Such
filings
are
available
at
the
SEC's
website
at
<http://www.sec.gov>,

and
at
the
companies
websites
at <http://www.lunainc.com>
and
<http://www.advancedphotonix.com>.

The
statements
made
in
this
presentation
are

based on information available to Luna as of the date of this presentation and Luna undertakes no obligation to update any of the statements after the date of this presentation, except as required by law.

No Offer or Solicitation

This
communication
is
not
intended
to
and
does
not
constitute
an
offer
to
sell
or
the
solicitation
of
an
offer
to
subscribe
for
or
buy
or
an
invitation

to purchase or subscribe for any securities or the solicitation of any vote or approval in any jurisdiction in connection with the otherwise, nor shall there be any sale, issuance or transfer of securities in any jurisdiction in contravention of applicable law. No shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended
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Additional Information

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Important
Additional
Information
Has
Been
and
Will
Be
Filed
with
the
SEC

Luna has filed with the SEC a registration statement on Form S-4 that includes a preliminary joint proxy statement of Luna and constitutes a preliminary prospectus of Luna. The registration statement has not

yet
become
effective.

Luna
and
API
plan
to
mail
the
joint
proxy

statement/prospectus to their respective stockholders in connection with the transaction.

INVESTORS AND STOCKHOLDERS ARE URGED TO READ THE JOINT PROXY STATEMENT/PROSPECTUS AND DOCUMENTS FILED OR TO BE FILED WITH THE SEC CAREFULLY WHEN THEY BECOME AVAILABLE BECAUSE OF IMPORTANT INFORMATION ABOUT LUNA, API, THE TRANSACTION AND RELATED MATTERS.

Investors

and
stockholders
will
be
able
to
obtain
free
copies
of
the
definitive
joint
proxy
statement/prospectus
and
other
documents
filed
with
the
SEC
by
Luna
and
API
through
the
website
maintained
by
the
SEC

at
www.sec.gov.
In
addition,
investors
and
stockholders
will
be
able
to
obtain
free
copies
of
the
definitive
joint
proxy
statement/prospectus
and
other
documents
filed
by
Luna
with
the
SEC
by
contacting
Luna
at
One
Riverside
Circle,
Suite
400,
Roanoke,
Virginia
24016,
Attention:
Investor
Relations
or
by
calling
540-769-8400,
and
will

be
able
to
obtain
free

copies of the definitive joint proxy statement/prospectus and other documents filed by API by contacting API at 2925 Boardwalk, Michigan 48104, Attention: Investor Relations or by calling 734-864-5699.

Participants in the Solicitation

Luna and API and their respective directors and executive officers may be deemed to be participants in the solicitation of proxies from the respective stockholders of Luna and API in respect of the transaction described in the joint proxy statement/prospectus. Informants are persons who may, under the rules of the SEC, be deemed participants in the solicitation of the respective stockholders of Luna and API in connection

with
the
proposed
transaction,
including
a
description
of
their
direct
or
indirect
interests,
by
security
holdings
or
otherwise,
will
be
set

forth in the definitive joint proxy statement/prospectus when it is filed with the SEC. Information regarding Luna's directors and executive officers is contained in Luna's Annual Report on Form 10-K for the year ended December 31, 2014 filed with the SEC on March 16, 2014, and its proxy statement on Schedule 14A, filed with the SEC on April 15, 2014.

Information regarding API's directors and executive officers is contained in API's Annual Report on Form 10-K for the year ended March 31, 2014 and its proxy statement on Schedule 14A, filed with the SEC on April 15, 2014.

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Additional Information