

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

2  
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  
COMPANY CONFIDENTIAL

3

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

COMPANY CONFIDENTIAL

4

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  
COMPANY CONFIDENTIAL

5  
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

COMPANY CONFIDENTIAL

Additional Information

6  
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.

COMPANY CONFIDENTIAL  
Additional Information