



American Superconductor Receives 3 Million Meter Amperium™ Wire Order from Korea's LS Cable Ltd.

- World's Largest High Temperature Superconductor Wire Order to Meet Demand for Superconductor Power Cables in Korea and the U.S.

- Shipments of Amperium Wire to LS Cable to Begin in 2012

DEVENS, Mass., Oct 06, 2010 (BUSINESS WIRE) --

American Superconductor Corporation (NASDAQ: AMSC), a global power technologies company, today announced that it has received the world's largest order for high temperature superconductor (HTS) wire. LS Cable Ltd. (LS Cable), the world's third largest power cable manufacturer, has placed an order for 3 million meters (nearly 10 million feet) of [Amperium wire](#) - AMSC's proprietary second generation (2G) HTS wire. LS Cable intends to utilize the wire to complete alternating current (AC) and direct current (DC) superconductor cable projects globally. Under the terms of the contract, AMSC is to begin shipping Amperium wire to LS Cable starting in 2012.

"Our objective is to be the leading provider of superconductor power cables for electric utilities worldwide," said [LS Cable](#) President Jong-ho Son. "This Amperium wire contract helps ensure we will have the wire we need to complete the superconductor cable projects we have underway with KEPCO in Korea and also take on commercial project opportunities globally such as Tres Amigas in the U.S."

This contract builds on AMSC's long-standing relationship with LS Cable. [In March 2010](#), the companies expanded their strategic business alliance by agreeing to work collaboratively to deploy more than 50 circuit kilometers (km) (31 circuit miles) of superconductor power cables in commercial power grids by the end of 2015. This strategic alliance focuses on the full spectrum of superconductor cable projects, including distribution and transmission voltages as well as AC and DC systems.

"With this commercial wire order, American Superconductor has officially begun to tap into what we believe will be a multi-billion-dollar HTS market," said AMSC President and Chief Operating Officer Dan McGahn. "Since the discovery of HTS materials more than two decades ago, our company has been the industry's HTS wire leader and has played a pivotal role in developing and demonstrating various applications for this wire, including power cables. These steadfast efforts are now being rewarded. We are happy to support LS Cable's growth plans for the global superconductor power cable market."

LS Cable's AC Transmission and Distribution Cable Systems

Alternating current (AC) superconductor power cables have many advantages over conventional underground power cables and overhead power lines. These include the ability to:

- Carry up to 10 times more power in an equivalent or smaller right of way;
- Draw power flow from overtaxed conventional cables or overhead lines to mitigate grid congestion experienced in urban centers;
- Negate the need for building expensive new electric utility substations by tying together existing substations to meet increasing power demands; and
- Automatically suppress dangerous power surges to create resilient, 'self-healing' Smart Grids that can survive attacks and natural disasters utilizing AMSC's proprietary [FaultBlocker™](#) cable system.

In April 2009, AMSC received its first commercial order from LS Cable for approximately 80,000 meters (264,000 feet) of its Amperium wire to manufacture a 22.9 kV (distribution voltage) AC cable system that will be installed in Korea Electric Power Corp.'s (KEPCO) Icheon substation near the city of Seoul later in 2010. Capable of carrying 50 megawatts of power, the cable system will be 0.5 kilometers (nearly a half mile) in length, making it the world's longest distribution-voltage superconductor cable system. LS Cable also is actively developing a 154 kV (transmission voltage) AC superconductor cable system.

LS Cable's High Voltage DC (HVDC) Cable Systems

High-voltage direct current superconductor power cables have many advantages over conventional underground power cables and overhead power lines for long-haul transmission projects. These include the ability to:

- Carry 5 gigawatts or more of power (enough power for 5 million U.S. homes) in a three-foot-diameter pipe;
- Reduce power losses and emissions by three times or more through efficiency gains; and
- Compete effectively head-to-head on a first cost basis with conventional transmission systems while delivering superior returns on investment due to efficiency gains.

LS Cable and KEPCO recently announced their plans to develop and demonstrate HVDC superconductor power cable systems. A first deployment has been planned for Korea's Jeju Island Smart Grid demonstration site in 2013. This 1 kilometer cable system will utilize AMSC's Amperium wire. The resulting product is expected to be offered to the global power grid market and for the Tres Amigas SuperStation in New Mexico.

About American Superconductor (NASDAQ: AMSC)

AMSC offers an array of proprietary technologies and solutions spanning the electric power infrastructure - from generation to delivery to end use. The company is a leader in renewable energy providing proven, megawatt-scale wind turbine designs and electrical control systems. The company also offers a host of Smart Grid technologies for power grid operators that enhance the reliability, efficiency and capacity of the grid, and seamlessly integrate renewable energy sources into the power infrastructure. These include superconductor power cable systems, grid-level surge protectors and power electronics-based voltage stabilization systems. AMSC's technologies are protected by a broad and deep intellectual property portfolio consisting of hundreds of patents and licenses worldwide. More information is available at www.amsc.com.

American Superconductor and design, Revolutionizing the Way the World Uses Electricity, AMSC, Powered by AMSC, Amperium, D-VAR, dSVC, FaultBlocker, PowerModule, PQ-IVR, PQ-SVC, Secure Super Grids, SuperGEAR, SeaTitan and Windtec and design are trademarks or registered trademarks of American Superconductor Corporation or its subsidiaries. All other brand names, product names or trademarks belong to their respective holders.

Any statements in this release about future expectations, plans and prospects for the company, including our expectations regarding the future financial performance of the company and other statements containing the words "believes," "anticipates," "plans," "expects," "will" and similar expressions, constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. There are a number of important factors that could materially impact the value of our common stock or cause actual results to differ materially from those indicated by such forward-looking statements. Such factors include: we have a history of operating losses, and we may incur losses in the future; our operating results may fluctuate significantly from quarter to quarter and may fall below expectations in any particular fiscal quarter; a significant portion of our revenues are derived from a single customer and revenues from this customer may decline in future periods; adverse changes in domestic and global economic conditions could adversely affect our business; changes in exchange rates could adversely affect our financial results; we may not realize all of the sales expected from our backlog of orders and contracts; we rely upon third party suppliers for the components and subassemblies of many of our products, making us vulnerable to supply shortages and price fluctuations; we have not manufactured our Amperium wire in commercial quantities, and a failure to manufacture our Amperium wire in commercial quantities at acceptable cost and quality levels would substantially limit our future revenue and profit potential; and our patents may not provide meaningful protection for our technology, which could result in us losing some or all of our market position. Reference is made to these and other factors discussed in the "Risk Factors" section of the company's most recent quarterly or annual report filed with the Securities and Exchange Commission. In addition, any forward-looking statements included in this press release represent the company's views as of the date of this release. While the company anticipates that subsequent events and developments may cause the company's views to change, the company specifically disclaims any obligation to update these forward-looking statements. These forward-looking statements should not be relied upon as representing the company's views as of any date subsequent to the date this press release is issued.

SOURCE: American Superconductor Corporation

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