



AMSC Signs Contract to Develop 5 Megawatt Wind Turbines with China's Dongfang Turbine Co. Ltd.

AMSC Windtec Expands Relationship With China's Third Largest Wind Turbine Manufacturer Dongfang to Begin Production of AMSC Windtec-Designed 2.5 Megawatt Wind Turbines in 2010 Production of New 5 MW Full Conversion Turbines Scheduled for 2012

DEVENS, Mass., Jan 05, 2010 (BUSINESS WIRE) -- American Superconductor Corporation (NASDAQ: AMSC), a global power technologies company, announced today that its wholly-owned AMSC Windtec™ subsidiary has signed a follow-on contract with Dongfang Turbine Co. Ltd. ("Dongfang") to design and jointly develop 5 megawatt (MW) full conversion wind turbines for the offshore wind power market.

Dongfang is one of China's top machinery companies. The company entered the wind power market in 2004 and shipped more than 800 wind turbines with a 1.5 MW power rating in 2008, making it the country's third largest wind turbine manufacturer. Dongfang will soon commission its first prototype 2.5 MW wind turbine designed under a [prior agreement](#) with AMSC Windtec and will enter volume production of these wind turbines in the second half of 2010.

"Dongfang has firmly established itself as a top manufacturer of wind turbines for the Chinese market and has aggressive plans to enter the global market with cutting-edge technologies," said Wang Wei Min, vice general manager and chief engineer of Dongfang. "We are happy to expand our relationship with AMSC and add this higher-power, full conversion wind turbine to our portfolio to help meet the growing demand for clean, wind-generated electricity."

Dongfang has exclusive rights to the 5 MW full conversion wind turbine designs in China and plans to begin supplying the wind turbines for the worldwide offshore market in 2012. AMSC has the right of first refusal to supply the core electrical components for Dongfang's 5 MW wind turbines.

"Dongfang already has established itself as one of China's largest wind turbine manufacturers and is poised for strong growth in 2010 and beyond as it introduces its new 2.5 MW in the second half of this year and its 5 MW wind turbines in the next two years," said Greg Yurek, founder and chief executive officer of AMSC. "We are particularly pleased to see more and more of our customers become repeat customers for new wind turbine designs. It is a validation of our advanced wind turbine technologies and signals more growth for our customers and AMSC going forward."

At the end of calendar year 2008, the global wind energy market had a total installed capacity of 120 gigawatts (GW). Industry research firm [Emerging Energy Research \(EER\)](#) projects the global installed base to grow to over 600 GW by 2020. EER predicts China's total installed wind power capacity will increase from 12 GW at the end of 2008 to more than 200 GW by 2020. EER estimates the global offshore wind power market will grow from its current total installed capacity of 1.5 GW to 41.5 GW in 2020.

To learn more about AMSC's product offerings for the wind industry, please visit <http://www.amsc.com/products/applications/windEnergy/index.html>.

[About Dongfang Turbine Co. Ltd.](#)

Established in 1966, Dongfang Turbine Co. Ltd. is a subsidiary of Dongfang Electric Corporation, China's largest provider of power generating equipment and power generating stations. Dongfang Turbine Co. Ltd had more than 7,000 staff members and over RMB 12 billion capital assets by the end of 2008. The company's annual sales volume exceeds RMB 10 billion. More information is available at <http://www.dfstw.com/index.aspx>.

[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 [alternative 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.

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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 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; a significant portion of our revenues are derived from a single customer, and a reduction in business with this customer could adversely affect our operating results; adverse changes in domestic and global economic conditions could adversely affect our operating results; changes in exchange rates could adversely affect our results from operations; our common stock may experience extreme market price and volume fluctuations, which may prevent our stockholders from selling our common stock at a profit and could lead to costly litigation against us that could divert our management's attention; if we fail to implement our business strategy, our financial performance and our growth could be materially and adversely affected; we may not realize all of the sales expected from our backlog of orders and contracts; many of our revenue opportunities are dependent upon subcontractors and other business collaborators, and a reduction in orders stemming from these companies could adversely affect our operating results; our products face intense competition, which could limit our ability to acquire or retain customers; our success is dependent upon attracting and retaining qualified personnel and our inability to do so could significantly damage our business and prospects; and our international operations are subject to risks that we do not face in the U.S., which could have an adverse effect on our operating results. 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

AMSC Contact:

Jason Fredette, 978-842-3177
Director, Corporate Communications
Email: jfredette@amsc.com