



AMSC and Hyundai Heavy Industries Expand Wind Power Strategic Alliance

- Team Developing 5 MW Wind Turbine for Rapidly Growing Global Offshore Market - HHI to Begin 5 MW Wind Turbine Production for the Offshore Market in 2011

DEVENS, Mass. & ULSAN, South Korea, Jun 09, 2010 (BUSINESS WIRE) --American Superconductor Corporation (NASDAQ: AMSC), a global power technologies company, and South Korea-based Hyundai Heavy Industries Co., Ltd. (Korean Stock Exchange: HHI) today announced that they have expanded their strategic alliance to include the joint development of a 5 megawatt (MW) full conversion wind turbine primarily for use in the burgeoning offshore wind industry. Under the terms of the alliance, the 5 MW wind turbine design will be jointly developed by HHI and AMSC's wholly-owned AMSC Windtec™ subsidiary. Once HHI begins volume production of the wind turbines, which is expected to commence by the end of 2011, HHI will purchase power electronic components for the 5 MW wind turbines from AMSC.

In October 2008, AMSC Windtec licensed 1.65 and 2 MW doubly-fed induction wind turbine designs to HHI. HHI already has begun volume production of the 1.65 MW wind turbines and has ordered nearly 80 sets of electrical control systems and power electronic components from AMSC for this platform. HHI also has ordered an initial 10 wind turbine electrical control systems from AMSC for use in its first 2 MW wind turbines. HHI plans to commission its first 2 MW wind turbines by June 12, 2010 and plans to enter volume production of these wind turbines by the end of this year.

"With sales of our 1.65 MW wind turbines increasing according to plan and production of our 2 MW wind turbine set to begin, we are ready to add another advanced system to our renewable energy portfolio," said Keh-Sik Min, Chairman and Chief Executive Officer of HHI. "While we expect our 1.65 and 2 MW wind turbines to be our onshore 'workhorses,' the global offshore wind market holds tremendous growth potential for HHI. We are pleased to expand our strategic alliance with AMSC and broaden our portfolio with an advanced 5 MW platform for this emerging opportunity."

Under the terms of the new development contract, HHI will have the ability to market, manufacture and sell 5 MW wind turbines globally.

"Our strategic alliance with HHI continues to grow along with the strong expansion of their global wind power business," said AMSC founder and Chief Executive Officer Greg Yurek. "Within a two-year period, HHI has formed a new wind energy division and will have brought two high-performance, megawatt-scale wind turbines to market - a feat few have accomplished in the industry. HHI now aims to establish a leadership position in the offshore wind turbine market by combining AMSC Windtec's leading engineering expertise with its own manufacturing experience and its extensive offshore development capabilities. We are quite confident that this will prove to be a winning combination."

AMSC's wind turbine electrical control systems and electrical components include the company's proprietary [PowerModule™](#) power converters, pitch and yaw converters and SCADA systems. They enable reliable, high-performance wind turbine operation by controlling power flows, regulating voltage, monitoring system performance, controlling the pitch of wind turbine blades and the yaw of the turbines to maximize efficiency.

[About Hyundai Heavy Industries Co., Ltd.](#)

Founded in 1972, Hyundai Heavy Industries (HHI) is an integrated heavy industries company with nearly US\$18 billion in annual sales. HHI operates six divisions: Shipbuilding, Offshore & Engineering, Industrial Plant & Engineering, Engine & Machinery, Electro Electric Systems and Construction Equipment. The company employs over 24,000 people at more than 30 locations worldwide. More information is available at <http://english.hhi.co.kr/>.

[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.

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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 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 344 superconductors in commercial quantities, and a failure to manufacture our 344 superconductors 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.

Photos/Multimedia Gallery Available: <http://www.businesswire.com/cgi-bin/mmg.cgi?eid=6319522&lang=en>

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