



AMSC Announces Nearly \$100 Million in New Contracts Across Product Lines and Geographies

DEVENS, Mass., Sep 23, 2011 (BUSINESS WIRE) --

American Superconductor Corporation (NASDAQ: AMSC), a global power technologies company, today announced its recent successes in the wind power and power grid markets, including nearly \$100 million in new contracts since the start of the company's fiscal year on April 1, 2011. AMSC signed contracts with wind turbine manufacturers in China, India and Korea. Within its Grid segment, AMSC received orders for its grid interconnection and high voltage stability solutions in the U.S. and Europe and made a key high temperature superconductor wire shipment to South Korea.

"We are pleased to announce these key accomplishments across the Americas, Europe and Asia and our Wind and Grid solutions," said AMSC President and Chief Executive Officer Daniel McGahn. "Through our best-in-class wind turbine designs, superior electrical control systems, and highly efficient transmission and distribution products, AMSC solutions are serving as a catalyst for customer success and providing cleaner, smarter and more efficient energy for the world."

Wind Wins

AMSC's Windtec solutions are helping wind turbine manufacturers lower the cost of renewable energy. AMSC's advanced wind turbine designs, extensive customer support services and leading-edge electrical control systems (ECS) are aimed at maximizing wind turbine performance, efficiency and reliability. AMSC's recent accomplishments in the wind power market include:

- In China: AMSC signed a new multi-year contract to deliver wind turbine ECS to Beijing JINGCHENG New Energy Co., Ltd. (JCNE), a subsidiary of state-owned Beijing JINGCHENG Machinery Electric Holding Co., Ltd. Shipments under this contract are expected to begin in late calendar year 2011 and conclude early in calendar year 2014. JCNE, already an accomplished wind turbine manufacturer, chose [AMSC's Windtec solution](#) in January 2011 to upgrade and expand its multi-megawatt wind turbine platforms.
- In India: AMSC signed a new contract to deliver wind turbine ECS to Inox Wind Limited. Shipments under this order are expected to begin in late calendar year 2011 and conclude in 2012. Inox Wind, part of the Inox Group, [chose AMSC](#) as part of its plan to build, own and operate more than 2,000 MW of wind power assets in the next five years. Inox Wind is manufacturing 2 MW turbines with superior power curves under an AMSC license.
- In South Korea: AMSC signed new contracts to provide wind turbine core electrical components to Hyundai Heavy Industries (HHI) in calendar year 2011. HHI [began working with AMSC](#) to create a global renewable energy business. HHI has commissioned its first 2 MW wind turbines and plans to enter volume production of these wind turbines by the end of this year.

Grid Wins

AMSC's Grid solutions enable wind farm and solar power plant developers to smoothly integrate their renewable power into the grid and allow electric utilities to optimize their transmission and distribution networks. AMSC's transmission planning services, reactive compensation products and superconductor offerings are aimed at lowering the cost of energy and maximizing power grid reliability, capacity and efficiency. AMSC's recent accomplishments in the Grid market include:

- In the U.S.: AMSC signed a multi-million-dollar contract to provide a D-VAR[®] system for [Keys Energy Services](#), a public power utility in Florida. The solution will be used to improve voltage stability. It is part of a large, multi-year project between Keys Energy Services, Florida Municipal Power Agency and the Florida Keys Electric Co-Operative to increase the import capacity of the 120-mile-long transmission line responsible for providing power to the Florida Keys from the Florida mainland.
- In Europe and the U.S.: AMSC signed several new grid integration solution contracts related to wind farms and solar power plants. In total under these contracts, AMSC's solutions will be utilized to securely and reliably integrate over 150 MW of renewable energy into the grid.
- In South Korea: AMSC recently made its first Amperium[™] wire shipment to LS Cable & System under a multi-year supply agreement that was announced in October 2010. AMSC made this initial shipment ahead of schedule at the customer's request so LS Cable & System could begin qualification work for Korea's next superconductor cable projects.

[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, PowerPipelines, PQ-IVR, PQ-SVC, SeaTitan, SolarTie, SuperGEAR 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 without limitation our expectations regarding the recognition of revenue associated with the new contracts 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: a significant portion of our revenues has been derived from Sinovel Wind Group Co. Ltd., ("Sinovel"), which has stopped accepting scheduled deliveries and refused to pay amounts outstanding; the disruption in our relationship with Sinovel has materially and adversely affected our business and results of operations and if, as we expect, Sinovel continues to refuse to accept shipments from us, our business and results of operations will be further materially and adversely affected; we will require significant additional funding and may be unable to raise capital when needed, which could force us to delay, reduce or eliminate planned activities, including the planned acquisition of The Switch Engineering Oy ("The Switch"); we have a history of operating losses, and we may incur additional losses in the future; our operating results may fluctuate significantly from quarter to quarter and may fall below expectations in any particular fiscal quarter; if we fail to complete the planned acquisition of The Switch, our operating results and financial condition could be harmed and the price of our common stock could decline; completion of the planned acquisition of The Switch could present certain risks to our business; 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; we have identified material weaknesses in our internal control over financial reporting and if we fail to remediate these weaknesses and maintain proper and effective internal controls over financial reporting, our ability to produce accurate and timely financial statements could be impaired and may lead investors and other users to lose confidence in our financial data; if we fail to implement our business strategy successfully, our financial performance could be harmed; 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; 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; we may acquire additional complementary businesses or technologies, which may require us to incur substantial costs for which we may never realize the anticipated benefits; our international operations are subject to risks that we do not face in the United States, which could have an adverse effect on our operating results; we depend on sales to customers in China, and global conditions could negatively affect our operating results or limit our ability to expand our operations outside of China; changes in China's political, social, regulatory and economic environment may affect our financial performance; many of our customer relationships outside of the United States are, either directly or indirectly, with governmental entities, and we could be adversely affected by violations of the United States Foreign Corrupt Practices Act and similar worldwide anti-bribery laws outside the United States; we rely upon third party suppliers for the components and subassemblies of many of our Wind and Grid products, making us vulnerable to supply shortages and price fluctuations, which could harm our business; we are becoming increasingly reliant on contracts that require the issuance of performance bonds; problems with product quality or product performance may cause us to incur warranty expenses and may damage our market reputation and prevent us from achieving increased sales and market share; our success in addressing the wind energy market is dependent on the manufacturers that license our designs; growth of the wind energy market depends largely on the availability and size of government subsidies and economic incentives; there are a number of technological challenges that must be successfully addressed before our superconductor products can gain widespread commercial acceptance, and our inability to address such technological challenges could adversely affect our ability to acquire customers for our products; 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; the commercial uses of superconductor products are limited today, and a widespread commercial market for our products may not develop; we have limited experience in marketing and selling our superconductor products and system-level solutions, and our failure to effectively market and sell our products and solutions could lower our revenue and cash flow; our contracts with the U.S. government are subject to audit, modification or termination by the U.S. government and include certain other provisions in favor of the government; the continued funding of such contracts remains subject to annual congressional appropriation which, if not approved, could reduce our revenue and lower or eliminate our profit; we may be unable to adequately prevent disclosure of trade secrets and other proprietary information; we have filed a demand for arbitration and other lawsuits against Sinovel regarding amounts we contend are due and owing and are in dispute; we cannot be certain as to the outcome of the proceedings against Sinovel; we have been named as a party to purported stockholder class

actions and shareholder derivative complaints, and we may be named in additional litigation, all of which will require significant management time and attention, result in significant legal expenses and may result in an unfavorable outcome, which could have a material adverse effect on our business, operating results and financial condition; our technology and products could infringe intellectual property rights of others, which may require costly litigation and, if we are not successful, could cause us to pay substantial damages and disrupt our business; our patents may not provide meaningful protection for our technology, which could result in us losing some or all of our market position; third parties have or may acquire patents that cover the materials, processes and technologies we use or may use in the future to manufacture our Amperium products, and our success depends on our ability to license such patents or other proprietary rights; and our common stock has experienced, and may continue to experience, significant 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. Reference is made to many of these factors and others 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 release represent the company's expectations 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 of this release.

SOURCE: American Superconductor Corporation

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