



American Superconductor Receives Wire Order for First Superconductor Power Cable to be Deployed in Korea's Commercial Grid

LS Cable to Manufacture and Install 22.9 Kilovolt Superconductor Power Cable System in Korea Electric Power Corporation's Grid Near Seoul World's Largest Commercial Order for Second Generation Superconductor Wire to be Delivered in 2009; Cable to be Energized by End of 2010

HANNOVER, Germany--(BUSINESS WIRE)--Apr. 20, 2009-- American Superconductor Corporation (NASDAQ: AMSC), a leading energy technologies company, today announced at Hannover Fair 2009 that LS Cable Ltd. (LS Cable) has ordered approximately 80,000 meters (50 miles) of 344 superconductors, which is AMSC's proprietary brand of second generation (2G) high temperature superconductor (HTS) wire. [LS Cable](#) will utilize the wire to manufacture a 22.9 kilovolt (kV) cable system that it will install in [Korea Electric Power Corporation's](#) (KEPCO) commercial power delivery network near the city of Seoul in 2010. Founded in 1962 and based in Anyang, South Korea, LS Cable is Korea's largest power cable manufacturer with nearly 8,200 employees worldwide and annual sales in excess of US\$6 billion. This is the single largest commercial order for 2G HTS wire in the world.

"With the ability to carry vast amounts of electricity in a small right of way, superconductor power cables will play a pivotal role in powering cities in Korea and around the world in the 21st Century," said Joon Hyung Cho, Executive Vice President of LS Cable's Technology Development Group. "We have chosen to work with AMSC on this landmark cable project based on the company's two decades of superconductor leadership, its contributions to LS Cable's past superconductor cable demonstrations and the strength of its new 344 superconductors. We see a billion-dollar opportunity for superconductor cable technology and believe our alliance with AMSC and KEPCO establishes a market leadership position for LS Cable."

Under the terms of the contract, AMSC will deliver the wire to LS Cable by the end of 2009. LS Cable will then strand the wire into a superconductor cable system capable of carrying 50 megawatts of power. The cable system will be nearly a half mile in length, making it the world's longest distribution-voltage superconductor cable system. It is scheduled to be installed by the middle of 2010 and energized in one of Seoul's largest satellite cities by the end of 2010.

A power cable made with HTS wire inside can conduct up to 10 times the amount of power of the same diameter cable made with copper wire inside. By replacing copper cables with high-capacity superconductor cables in cities using existing underground tunnels and ductwork, utilities can avoid digging up city streets while also relieving grid congestion and increasing the reliability and security of power networks.

"As is the case in many countries around the world, Korea has been experiencing sharp increases in electricity demand and is relying more and more on renewable energy sources to meet that demand," said KEPCO Chief Executive Officer Kim Ssang-Su. "With their ability to carry a vast amount of power in a small pathway, we see great promise for superconductor cable technology and look forward to energizing this first system."

This project builds on the success Korea's Development of Advanced Power Systems by Applied Superconductivity technologies (DAPAS) program, which has provided more than \$100 million in funding for the development and commercialization of superconductor systems. In 2006, LS Cable and the Korea Electrotechnology Research Institute (KERI) successfully tested a 30-meter, 22.9kV superconductor cable. In 2007, LS Cable and KERI completed testing of a 100-meter, 22.9 kV superconductor cable system. Both of these projects were powered by AMSC's first generation HTS wire and funded by the DAPAS program.

The cable installation in Korea also follows several recent superconductor cable deployments in U.S. power grids that have been partially funded by the U.S. Department of Energy. [National Grid](#) and [American Electric Power](#) (AEP) energized distribution-voltage superconductor cable systems in their commercial power grids in Albany, New York and Columbus, Ohio, respectively, in 2006. The world's first transmission-voltage cable system was energized on Long Island in April 2008. This 138 kV system is a permanent part of [Long Island Power Authority's](#) (LIPA) primary transmission corridor. At full capacity, LIPA's power cable system is capable of transmitting up to 574 MW of electricity and powering 300,000 homes. Another superconductor cable project is now ongoing with [Consolidated Edison](#) in Manhattan with partial funding from the U.S. Department of Homeland Security.

"This commercial wire order is a significant step forward for the superconductor industry," said Dan McGahn, Senior Vice President and General Manager of AMSC Superconductors. "In addition to being the largest order of its kind, our 344 superconductors will power the first superconductor cable to be installed in a commercial grid outside of the U.S. We see compelling growth opportunities for our superconductor business in Korea, and we are delighted to be working with industry leaders LS Cable and KEPCO on this important project."

AMSC commissioned its [344 superconductors](#) pilot production line in late 2007. The wire is made using a proprietary wide strip approach that significantly reduces manufacturing costs and is expected to be utilized in many applications, including power cables, motors, generators, fault current limiters and electromagnets.

Hannover Fair is the world's leading showcase for industrial technology, with approximately 6,000 exhibitors and 200,000 attendees. The event is being held in Hannover, Germany from April 20 to April 24, 2009. Attendees are encouraged to visit AMSC Superconductors at Booth C-69 in Hall 13, AMSC Windtec/AMSC Power Systems at Booth L-12 in Hall 27, and LS Cable at Booth C-47 in Hall 11.

About Korea Electric Power Corporation (KEPCO)

KEPCO is South Korea's sole power distributor, serving 13 million households. It also generates 88% of Korea's power supply, with an installed capacity of more than 60,260 MW (primarily from thermal and nuclear plants). KEPCO also purchases capacity from independent power producers. Industrial demand accounts for 54% of the company's annual output. In response to deregulation, the company plans to divest more than half of its Korean-based generation assets while it builds an extensive power plant portfolio in other countries. The Korean government controls 51% of Korea Electric Power. More information is available at <http://www.kepco.co.kr/eng/>.

About LS Cable

LS stands for "Leading Solution." LS Group, the country's 17th-largest conglomerate, is leading the industry of energy and telecommunications systems. LS Cable, the flagship company of the conglomerate, is a global provider of cables and systems for the power and telecommunications industry. LS Cable also leads high-technology programs like high temperature superconducting cable and submarine power transmission cable. LS Cable has 17 subsidiaries and 40 operations in 17 countries. More information is available at <http://www.lscable.com>.

[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.

American Superconductor and design, Revolutionizing the Way the World Uses Electricity, AMSC, Powered by AMSC, D-VAR, dSVC, PowerModule, PQ-IVR, Secure Super Grids, Windtec and SuperGEAR 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. The Windtec logo and design is a registered European Union Community Trademark.

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: uncertainties regarding the company's ability to obtain anticipated funding from corporate and government contracts, to successfully develop, manufacture and market commercial products, and to secure anticipated orders; the risk that the increasingly uncertain global economic conditions could result in customers delaying or reducing purchases of our products; the risk that a robust market may not develop for the company's products; the risk that strategic alliances and other contracts may be terminated; the risk that certain technologies utilized by the company will infringe intellectual property rights of others; and the competition encountered by the company. 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, the 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

American Superconductor Corporation (NASDAQ: AMSC)

Jason Fredette, 978-842-3177

Director of Investor & Media Relations

jfredette@amsc.com