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AMSC and BASF Form Strategic Relationship to Develop Lower Cost Superconductor Wire

- ▮ **BASF to license AMSC's second generation high temperature superconductor manufacturing technology**
- ▮ **Parties agree to develop advanced low cost manufacturing process for second generation high temperature superconductor**

DEVENS, Mass. and LUDWIGSHAFEN, Germany, March 08, 2016 (GLOBE NEWSWIRE) -- AMSC, a global energy solutions provider serving wind and power grid industry leaders, and BASF Corporation, announced today that they have entered into a set of agreements to jointly develop an advanced low cost manufacturing process for second generation high temperature superconductor wire. In the joint development, AMSC's manufacturing know-how for its Amperium® superconductor wire and BASF's chemical solution deposition production technology will be combined. As part of the agreements, AMSC and BASF also entered into a royalty-bearing, non-exclusive license under which AMSC will provide BASF a specified portion of AMSC's second generation (2G) high temperature superconductor (HTS) wire manufacturing technology. AMSC intends to continue its focus on HTS system-based solutions, such as its Resilient Electric Grid and Ship Protection Systems and to provide wire for those solutions as well as to AMSC's strategic partners.

"BASF is committed to produce and commercialize HTS wire for standard applications. We expect to utilize our existing relationships to engage large, global organizations in the energy segment to support adoption and development of HTS applications," said Dr. Guido Voit, Managing Director BASF New Business GmbH. "By combining BASF's strength, experience and global reach with AMSC's manufacturing know how, we believe we can accelerate the path to commercialize applications using HTS wire."

"At AMSC's founding over 25 years ago, our goal was to produce high temperature superconductor wire for commercial applications. We have succeeded in that goal and are producing high-quality wire in large quantities. We have since become focused on developing and selling system solutions to electric utilities and the U.S. Navy. We view this relationship as a validation of our technology and patent position," said Daniel P. McGahn, President and CEO of AMSC. "We will potentially have two ways to source wire for superconductor applications. BASF's manufacturing approach, which leverages our technology, is an attempt to dramatically change the economics of superconductors. We are excited to be working with BASF to refine wire process technology, while we focus on building our solutions business."

The parties expect these agreements to result in the development of a potentially low cost manufacturing process at BASF and to enable AMSC to focus resources on driving down the total system cost. If the development is complete and successful, AMSC may utilize wire produced by this advanced manufacturing process for its systems business.

About BASF

BASF Corporation, headquartered in Florham Park, New Jersey, is the North American affiliate of BASF SE, Ludwigshafen, Germany. BASF has nearly 17,500 employees in North America, and had sales of \$17.4 billion in 2015. For more information about BASF's North American operations, visit www.basf.us.

At BASF, we create chemistry for a sustainable future. We combine economic success with environmental protection and social responsibility. The approximately 112,000 employees in the BASF Group work on contributing to the success of our customers in nearly all sectors and almost every country in the world. Our portfolio is organized into five segments: Chemicals, Performance Products, Functional Materials & Solutions, Agricultural Solutions and Oil & Gas. BASF generated sales of more than €70 billion in 2015. BASF shares are traded on the stock exchanges in Frankfurt (BAS), London (BFA) and Zurich (AN). Further information at www.basf.com.

About AMSC (NASDAQ:AMSC)

AMSC generates the ideas, technologies and solutions that meet the world's demand for smarter, cleaner ... better energy. Through its Windtec™ Solutions, AMSC provides wind turbine electronic controls and systems, designs and engineering services that reduce the cost of wind energy. Through its Gridtec™ Solutions, AMSC provides the engineering planning services and advanced grid systems that optimize network reliability, efficiency, and performance. AMSC's solutions are now

powering gigawatts of renewable energy globally and enhancing the performance and reliability of power networks in more than a dozen countries. Founded in 1987, AMSC is headquartered near Boston, Massachusetts with operations in Asia, Australia, Europe, and North America. For more information, please visit www.amsc.com.

As the world's leading producer of 2G HTS wire, AMSC has developed and patented Amperium® for use in all of AMSC's HTS based power products including power cables for its Resilient Electric Grid system, as well as ship protection systems, power generation systems, and electric propulsion systems for the US. Navy. AMSC maintains its leading patent position for the production and sale of Amperium® wire as well as all the products which utilize Amperium® wire. With the ability to conduct up to 200 times the electrical current (amperage) of conventional wire, the power dense Amperium® wire can dramatically reduce the size and weight of large-scale electrical equipment while also increasing efficiency. Through AMSC's innovative manufacturing process, Amperium® wire has significantly greater power throughput and efficiency as well as high strength and stability.

AMSC, Windtec, Gridtec, Amperium and Smarter, Cleaner ... Better Energy are trademarks or registered trademarks of American Superconductor Corporation. All other brand names, product names, trademarks, or service marks belong to their respective holders.

Forward-Looking Statements

Statements in this press release that are not strictly historical in nature constitute "forward-looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended. Such statements include, but are not limited to, statements regarding AMSC's plans to continue to focus on HTS system-based solutions and to provide wire for those solutions as well as to AMSC's strategic partners; BASF's expectations to utilize its existing relationships to engage large, global organizations in the energy segment to support adoption and development of HTS applications; BASF's belief about accelerating the path to commercializing applications using HTS wire; the potential for AMSC to have two ways to source wire for superconductor applications; the parties' expectation that these agreements will result in the development of a potentially low cost manufacturing process at BASF and enable AMSC to focus on driving down the total system costs; and the potential of Amperium® wire. Such forward-looking statements represent AMSC's and BASF's current expectations and are inherently uncertain. Actual results may differ materially from what AMSC and BASF currently expect because of various risks and uncertainties, including the risks that AMSC may not be able to continue to focus on HTS system-based solutions and to provide wire for those solutions as well as to AMSC's strategic partners; BASF may not be able to utilize its existing relationships to engage large, global organizations in the energy segment to support adoption and development of HTS applications or to accelerate the path to commercializing applications using HTS wire; the parties' collaboration may not result in the creation of a second source for AMSC for wire for its superconductor applications; these agreements may not result in the development of a potentially low cost manufacturing process at BASF or enable AMSC to focus on driving down the total system costs; and Amperium® wire may not reach its expected potential. These and the important factors discussed in the "Risk Factors" section of AMSC's Annual Report on Form 10-K for the fiscal year ended March 31, 2015, and our other reports filed with the SEC, among others, could cause actual results to differ materially from those indicated by forward-looking statements made herein and presented elsewhere by AMSC from time to time. In addition, any forward-looking statements included in this press release represent AMSC's and BASF's expectations as of the date of this press release. While AMSC and BASF anticipate that subsequent events and developments may cause AMSC's and BASF's views to change, AMSC and BASF specifically disclaim any obligation to update these forward-looking statements. These forward-looking statements should not be relied upon as representing AMSC's or BASF's views as of any date subsequent to the date of this press release.

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