



January 29, 2018

## **AMSC Provides Update on Landmark Conviction of Sinovel**

AYER, Mass., Jan. 29, 2018 (GLOBE NEWSWIRE) -- AMSC (Nasdaq:AMSC), a global energy solutions provider serving wind and power grid industry leaders, today announced the pre-sentencing schedule from the U.S. District Court for the Western District of Wisconsin following the conviction of Sinovel Wind Group Co., a manufacturer and exporter of wind turbines based in the People's Republic of China.

On January 24, 2018, a jury of 12 U.S. Citizens in the criminal case of the United States vs. Sinovel Wind Group Co. returned a verdict of guilty on all counts. The trial lasted 11 days in Madison, Wisconsin and the jury deliberated for approximately three hours before convicting Sinovel of conspiracy to commit trade secret theft, theft of trade secrets, and wire fraud.

The schedule outlined by the court immediately after the jury's verdict is as follows and is subject to change: pre-sentencing report from the U.S. Probation Officer is set for April 27, 2018; deadline for parties to make comments on the pre-sentencing report must be submitted by May 11, 2018; and sentencing is expected on June 4, 2018.

As proven at trial, Sinovel conspired with others to steal copyrighted information and trade secrets. Sinovel's objective was to produce wind turbines and to retrofit existing wind turbines with AMSC technology without paying AMSC the more than \$800 million it was owed. Due to Sinovel's theft, AMSC had lost over \$1 billion in market capitalization and reduced more than 70% of its work force.

"We are truly pleased with the trial's outcome. The prosecutors presented overwhelming facts and evidence proving Sinovel's guilt during the trial. The jury quickly rendered guilty verdicts on all counts. With this verdict, Sinovel and its agents have been found guilty of committing intellectual property crimes in Austria and now in America. We believe that Chinese courts should similarly hold Sinovel accountable for its actions in the civil cases with AMSC," said AMSC's President and Chief Executive Officer Daniel McGahn.

"The outcome of this case is a victory for the rule of law. We welcome the opportunity to work with the Trump Administration to ensure that American companies' intellectual property rights are respected and protected throughout the world and to hold those who steal accountable. We want to thank the Department of Justice and Federal Bureau of Investigation for their hard work and diligent pursuit of justice in this matter."

A significant number of U.S. domestic and international legal entities were involved in investigating and prosecuting Sinovel. The case was investigated by the FBI's Madison, Milwaukee, and Boston Offices; the FBI Legal Attachés' Offices in Vienna, Austria and Beijing; the FBI Criminal Investigative Division; the FBI Intellectual Property Rights program; the Bundeskriminalamt (Federal Criminal Intelligence Service) and the Bundesministerium Fuer Justiz (Federal Ministry of Justice) in Austria; the Landeskriminalamt - Klagenfurt and the Staatsanwaltschaft - Klagenfurt (Criminal Investigative Police and State Prosecutor's Office — Klagenfurt, Austria); and with the assistance of the Justice Department's Office of International Affairs and the Cybercrime Laboratory of the Criminal Division's Computer Crime and Intellectual Property Section (CCIPS).

Senior Counsel Brian L. Levine of CCIPS and Assistant U.S. Attorneys Timothy M. O'Shea and Darren Halverson for the Western District of Wisconsin prosecuted the case, with substantial assistance from CCIPS Trial Attorney Joss Nichols and Digital Investigative Analyst Laura Peterson. Additionally, the Department of Justice's Task Force on Intellectual Property (IP Task Force) contributed to this case. The IP Task Force is led by the Deputy Attorney General to combat the growing number of domestic and intellectual property crimes, to protect the health and safety of American consumers, and to safeguard the nation's economic security against those who seek to profit illegally from American creativity, innovation, and hard work.

### **[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 are 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](http://www.amsc.com).

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#### Forward-Looking Statements

*This press release contains "forward-looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Such statements include, but are not limited to, statements about the schedule outlined by the court, including our expectation when sentencing will occur; our belief that Chinese courts should similarly hold Sinovel accountable for its actions in the civil cases with AMSC; and other statements containing the words "believes," "anticipates," "plans," "expects," "will" and similar expressions. Such forward-looking statements represent management's current expectations and are inherently uncertain. 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. These important factors include, but are not limited to: We have a history of operating losses and negative operating cash flows, which may continue in the future and require us additional financing in the future; Our operating results may fluctuate significantly from quarter to quarter and may fall below expectations in any particular fiscal quarter; Our financial condition may have an adverse effect on our customer and supplier relationships; Our success in addressing the wind energy market is dependent on the manufacturers that license our designs; Our success is dependent upon attracting and retaining qualified personnel and our inability to do so could significantly damage our business and prospects; Failure to successfully execute any move of our Devens, Massachusetts manufacturing facility or achieve expected savings following any such move; We rely upon third-party suppliers for the components and sub-assemblies of many of our Wind and Grid products, making us vulnerable to supply shortages and price fluctuations; Many of our revenue opportunities are dependent upon subcontractors and other business collaborators; Growth of the wind energy market depends largely on the availability and size of government subsidies, economic incentives and legislative programs designed to support the growth of wind energy; Our products face intense competition; We may not realize all of the sales expected from our backlog of orders and contracts; We have operations in and depend on sales in emerging markets, and global conditions could negatively affect our operating results or limit our ability to expand our operations outside of these countries; We face risks related to our intellectual property; We face risks related to our legal proceedings; and the important factors discussed under the caption "Risk Factors" in Part 1. Item 1A of our Form 10-K for the fiscal year ended March 31, 2017, and our other reports filed with the SEC. These important factors, among others, could cause actual results to differ materially from those indicated by forward-looking statements made herein and presented elsewhere by management from time to time. Any such forward-looking statements represent management's estimates as of the date of this press release. While we may elect to update such forward-looking statements at some point in the future, we disclaim any obligation to do so, even if subsequent events cause our views to change. These forward-looking statements should not be relied upon as representing our views as of any date subsequent to the date of this press release.*

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