



November 14, 2012

AMSC's STATCOM Systems Selected to Strengthen Power Grid in the U.K.

SSE to Utilize Additional D-VAR(R) Systems to Increase Reliability on Electrical Grid

DEVENS, Mass., Nov. 14, 2012 (GLOBE NEWSWIRE) -- AMSC (Nasdaq:AMSC), a global solutions provider serving wind and grid leaders, today announced that two of its D-VAR STATCOM reactive compensation solutions will be used to increase grid reliability on the U.K.'s power grid. SSE will utilize AMSC's D-VAR reactive compensation and voltage control systems to enhance the electricity grid in the Western Isles of Scotland near the future wind farms at Stornoway and Loch Carnan. AMSC's D-VAR solution includes installation and ongoing maintenance and support for SSE. The contract calls for commissioning of the D-VAR solution near the Stornoway Wind Farm by the end of 2012. Commissioning of the system near the Loch Carnan Wind Farm is expected in the first half of 2013. This marks AMSC's ninth D-VAR system sale to SSE.

"Over the past eight years, AMSC has become SSE's most trusted provider of STATCOM systems to correct voltage instability problems on our network as well as to reliably and cost-effectively connect renewable energy power plants to electricity grid," said Stephen Wood, Lead Delivery Project Manager, SSE. "We are pleased to work with AMSC once again to ensure that we are delivering reliable, high quality power to our customers."

Grid instability can be caused by a variety of factors, including greater power demands from more customers in more locations and the increase in variable and distributed sources of generation, as is the case with SSE for this installation. AMSC's D-VAR STATCOM solutions are utilized to fortify power networks to enable them to become more resilient and efficient. The D-VAR systems are constantly monitoring the power grid and automatically and instantly stabilize voltage to enable higher power transfer through existing power lines with increased reliability and efficiency. AMSC's D-VAR solutions are also utilized to reliably interconnect sources of renewable energy to power grids.

"Our D-VAR STATCOM solution is increasingly being relied upon by electric utilities to automatically and instantly inject precise amounts of reactive power into the grid to stabilize voltage and relieve network congestion," said AMSC President and Chief Executive Officer, Daniel P. McGahn. "We are proud to team with SSE once again and expect demand for our D-VAR solution to continue building among power grid operators worldwide."

D-VAR dynamic reactive compensation systems are classified as Static Compensators, or "STATCOMs," a member of the FACTS (Flexible AC-Transmission System) family of power electronic solutions for alternating current (AC) power grids. AMSC's D-VAR solutions are able to detect and instantaneously compensate for voltage disturbances by dynamically injecting leading or lagging reactive power into the power grid. AMSC has received orders for over 100 STATCOM power grid solutions worldwide. The company's D-VAR STATCOM customers include more than 20 power grid operators worldwide.

To learn more about AMSC's product offerings for electric utilities and renewable developers, please visit:
<http://www.amsc.com/gridtec/index.html>.

About SSE

SSE plc is one of the UK's leading energy companies. Its core purpose is to provide the energy people need in a reliable and sustainable way. It is involved in the generation, transmission, distribution and supply of electricity; energy trading; the development of major renewable energy projects; the extraction, storage, distribution and supply of gas; electrical and utility contracting; data centres and telecoms.

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. The company'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.

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The AMSC logo is available at <http://www.globenewswire.com/newsroom/prs/?pkgid=11339>

Any statements in this release about future expectations, plans and prospects for the company, including without limitation our prospects for future growth, expectations regarding the sufficiency of our existing cash balance, expectations regarding future financial results and liquidity 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. 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. Such factors include: our success in addressing the wind energy market is dependent on the manufacturers that license our designs; we may not realize all of the sales expected from our backlog of orders and contracts; our business and operations would be adversely impacted in the event of a failure or security breach of our information technology infrastructure; our success is dependent upon attracting and retaining qualified personnel and our inability to do so could significantly damage our business and prospects; 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; many of our revenue opportunities are dependent upon subcontractors and other business collaborators; if we fail to implement our business strategy successfully, our financial performance could be harmed; 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 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 acquire additional complementary businesses or technologies, which may require us to incur substantial costs for which we may never realize the anticipated benefits; many of our customers outside of the United States are, either directly or indirectly, related to 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 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; 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; we may require additional funding in the future and may be unable to raise capital when needed; our new debt obligations include certain covenants and other events of default - should we not comply with the covenants or incur an event of default, we may be required to repay our debt obligations in cash, which could have an adverse effect on our liquidity; we have recorded a liability for adverse purchase commitments with certain of our vendors - should we be required to settle these liabilities in cash, our liquidity could be adversely affected; if we fail to 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; we may be required to issue performance bonds or provide letters of credit, which restricts our ability to access any cash used as collateral for the bonds or letters of credit; changes in exchange rates could adversely affect our results from operations; growth of the wind energy market depends largely on the availability and size of government subsidies and economic incentives; 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; our products face intense competition, which could limit our ability to acquire or retain customers; 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; adverse changes in domestic and global economic conditions could adversely affect our operating results; we may be unable to adequately prevent disclosure of trade secrets and other proprietary information; our patents may not provide meaningful protection for our technology, which could result in us losing some or all of our market position; the commercial uses of superconductor products are limited today, and a widespread commercial market for our products may not develop; 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; 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; 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; we have filed a demand for arbitration and other lawsuits against our former largest customer, Sinovel, regarding amounts we contend are overdue - we cannot be certain as to the outcome of these proceedings; we have been named as a party to purported stockholder class actions and stockholder 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 7% convertible note contains warrants and provisions that could limit our ability to repay the note in shares of common stock and should the note be repaid in stock, shareholders could experience significant dilution; 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.

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