

AMSC Announces Additional D-VAR[®] Orders for Grid Interconnection of Wind Farms in the United Kingdom

-Intelligent Grid Solution to Enable Kilbraur and Millennium Wind Farms to Meet Grid Interconnection Requirements -Product Now Serving 15 Wind Farms in the United Kingdom -D-VAR Grid Interconnection Solution Orders More Than Double Year Over Year in 2010

DEVENS, Mass., Jan 18, 2011 (BUSINESS WIRE) --

American Superconductor Corporation (NASDAQ: AMSC), a global power technologies company, today announced that it has received several new orders for its proprietary D-VAR reactive compensation solution for wind farms in the United Kingdom, including two orders from Manchester, England-based Nordex UK Ltd. AMSC's D-VAR Intelligent Grid solutions will now be deployed at 15 wind farms in the United Kingdom. Manufactured in Middleton, WI, AMSC's D-VAR solutions are now being used to safely interconnect wind farms in a total of six countries around the world. Orders for AMSC's D-VAR solution for wind farm grid interconnection reached a new record in 2010, more than doubling over 2009 levels. AMSC expects to continue to grow this portion of its power grid business as a result of the rising global demand for clean, zero-emission energy.

"Nordex is committed to providing optimal wind power quality for power grid operators," said David Horsfield, Head of Engineering, Nordex UK Ltd. "Our guiding principle is to harness the wind intelligently. AMSC's D-VAR solution assists in providing a safe interconnection of wind-generated electricity to the power grid, which is fundamental to bringing this clean energy resource online."

Nordex UK Ltd. is part of the German-based Nordex Group, which has subsidiaries in 10 countries with key markets in Europe, China and the United States. The two D-VAR solutions provided to Nordex UK Ltd. under these new contracts will be used to enable extensions of the company's Kilbraur and Millennium wind farms located in Scotland to meet local grid interconnection requirements. AMSC's D-VAR solutions have been successfully providing system-wide voltage control at the initial phases of both of these wind farms.

"The United Kingdom's wind power market continues to grow strongly as the country strives to meet its objective of deriving 15% percent of its total energy consumption from renewables by 2020," said AMSC President and Chief Operating Officer Dan McGahn. "Nordex is a key enabler of this emerging market. We are pleased to partner with this leading company to help the United Kingdom to meet its clean energy objectives."

In 2009, the United Kingdom installed over a gigawatt (GW) of new wind capacity, bringing its total installed capacity to more than 4 GW, according to the Global Wind Energy Council. Industry research firm IHS Emerging Energy Research expects the United Kingdom's total capacity of onshore and offshore wind power will exceed 40 GW by 2025.

Intelligent Grid solutions are utilized to fortify power networks to enable them to become more resilient and efficient, which are requirements for the effective wide-spread application of new technologies such as Advanced Metering Infrastructure and plugin electric vehicles. D-VAR STATCOM systems are Intelligent Grid solutions that constantly monitor 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.

AMSC's D-VAR customers include more than 20 electric utilities and over 70 wind farms worldwide.

To learn more about AMSC's product offerings for the wind industry, visit http://www.amsc.com/products/applications/windEnergy/index.html.

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 <u>renewable energy</u>, providing proven, megawatt-scale wind turbine designs and electrical control systems. The company also offers a host of <u>Smart Grid</u> 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, Amperium, Powered by AMSC, 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 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 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: we have a history of operating losses, and we may incur losses in the future; our operating results may fluctuate significantly from quarter to quarter and may fall below expectations in any particular fiscal quarter; a significant portion of our revenues are derived from a single customer and revenues from this customer may decline in future periods; adverse changes in domestic and global economic conditions could adversely affect our business; changes in exchange rates could adversely affect our financial results; we may not realize all of the sales expected from our backlog of orders and contracts; we rely upon third party suppliers for the components and subassemblies of many of our products, making us vulnerable to supply shortages and price fluctuations; 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; and our patents may not provide meaningful protection for our technology, which could result in us losing some or all of our market position. 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, any forwardlooking 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

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