

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

**FORM S-1
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933**

AMERICAN SUPERCONDUCTOR CORPORATION

(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

DELAWARE
(STATE OR OTHER JURISDICTION
OF INCORPORATION OR ORGANIZATION)

3621
(PRIMARY STANDARD INDUSTRIAL
CLASSIFICATION CODE NUMBER)

04-2959321
(I.R.S. EMPLOYER
IDENTIFICATION NUMBER)

**64 JACKSON ROAD
DEVENS, MASSACHUSETTS 01434
(978) 842-3000**

(ADDRESS, INCLUDING ZIP CODE, AND TELEPHONE NUMBER, INCLUDING AREA CODE, OF REGISTRANT'S PRINCIPAL EXECUTIVE OFFICES)

**DANIEL P. MCGAHN
PRESIDENT AND CHIEF EXECUTIVE OFFICER
AMERICAN SUPERCONDUCTOR CORPORATION
64 JACKSON ROAD
DEVENS, MASSACHUSETTS 01434
(978) 842-3000**

(NAME, ADDRESS, INCLUDING ZIP CODE, AND TELEPHONE NUMBER, INCLUDING AREA CODE, OF AGENT FOR SERVICE)

**COPY TO:
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BOSTON, MA 02116
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**Approximate date of commencement of the proposed sale to the public:
From time to time after this Registration Statement becomes effective as determined
by the selling stockholder named in the prospectus contained herein.**

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer
Non-accelerated filer Smaller reporting company

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered (1)	Proposed Maximum Aggregate Offering Price Per Share (2)	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
Common Stock, par value \$0.01 per share	10,262,311	\$3.68	\$37,765,304	\$4,328

- (1) This registration statement also relates to an indeterminate number of shares of the Registrant's common stock that may be issued upon stock splits, stock dividends or similar transactions in accordance with Rule 416 under the Securities Act of 1933.
- (2) Estimated solely for the purpose of calculating the registration fee, and based upon the average of the high and low prices of the Registrant's common stock as reported on the Nasdaq Global Select Market on April 10, 2012 in accordance with Rule 457(c) under the Securities Act of 1933.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

The information in this prospectus is not complete and may be changed. These securities may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell nor does it seek an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to Completion, Dated April 13, 2012

PROSPECTUS

10,262,311 Shares



American Superconductor Corporation

COMMON STOCK

This prospectus relates to the offer and resale by the selling stockholder identified in this prospectus of up to an aggregate of 10,262,311 shares of our common stock. We will not receive any of the proceeds from the sale of the common stock by the selling stockholder.

The selling stockholder identified in this prospectus may offer the shares from time to time through public or private transactions at prevailing market prices or at privately negotiated prices.

We have agreed to pay certain expenses in connection with the registration of the shares. The selling stockholder will pay all underwriting discounts and selling commissions, if any, in connection with the sale of the shares.

Our common stock is listed on The NASDAQ Global Select Market under the symbol "AMSC." On April 12, 2012, the last sale price of our common stock as reported on The NASDAQ Global Select Market was \$4.24.

Investing in our common stock involves risks. See "[Risk Factors](#)" beginning on page 2 of this prospectus.

Neither the Securities and Exchange Commission nor any state securities commission nor any other regulatory body has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is _____, 2012.

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You should rely only on the information contained in or incorporated by reference in this prospectus or in any related free writing prospectus filed by us with the SEC. We and the selling stockholder have not authorized anyone to provide you with different information. This prospectus does not constitute an offer to sell or the solicitation of an offer to buy any securities other than the securities described in this prospectus or an offer to sell or the solicitation of an offer to buy such securities in any circumstances in which such offer or solicitation is unlawful. You should assume that the information appearing in this prospectus, the documents incorporated by reference and any related free writing prospectus is accurate only as of their respective dates. Our business, financial condition, results of operations and prospects may have changed materially since those dates.

We further note that the representations, warranties and covenants made by us in any agreement that is filed as an exhibit to any document that is incorporated by reference in this prospectus were made solely for the benefit of the parties to such agreement, including, in some cases, for the purpose of allocating risk among the parties to such agreements, and should not be deemed to be a representation, warranty or covenant to you. Moreover, such representations, warranties or covenants were accurate only as of the date when made. Accordingly, such representations, warranties and covenants should not be relied on as accurately representing the current state of our affairs.

Unless the context otherwise indicates, references in this prospectus to “we,” “our” and “us” refer, collectively, to American Superconductor Corporation, a Delaware corporation, and its consolidated subsidiaries.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus and the information incorporated by reference in this prospectus include “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act. For this purpose, any statements contained or incorporated herein that relate to future events or conditions may be deemed to be forward-looking statements. Without limiting the foregoing, the words “believes,” “anticipates,” “plans,” “expects,” and similar expressions are intended to identify forward-looking statements. 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, but are not limited to, general economic, business and financing conditions, the growth of the wind energy market, customer relations, governmental action, competitor pricing activity, expense volatility and other risks described under the heading “Risk Factors” in any of our filings with the SEC pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act.

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 only as of the date of the relevant document. 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 such statements are made. We undertake no obligation to revise or update any forward-looking statements, except to the extent required by law.

PROSPECTUS SUMMARY

This summary highlights selected information appearing elsewhere in this prospectus or in documents incorporated herein by reference. This summary is not complete and does not contain all of the information that you should consider before making your investment decision. You should carefully read the entire prospectus, including the information set forth in the section entitled “Risk Factors” and the information that is incorporated by reference into this prospectus. See the sections entitled “Available Information” and “Incorporation of Certain Information by Reference” for a further discussion on incorporation by reference.

The Company

American Superconductor is a leading provider of megawatt-scale solutions that lower the cost of wind power and enhance the performance of the power grid. In the wind power market, we enable manufacturers to field wind turbines through our advanced engineering, support services and power electronics products. In the power grid market, we enable electric utilities and renewable energy project developers to connect, transmit and distribute power through our transmission planning services and power electronics and superconductor based products. Our wind and power grid products and services provide exceptional reliability, security, efficiency and affordability to our customers.

American Superconductor Corporation was incorporated in Delaware in 1987. Our principal executive offices are located at 64 Jackson Road, Devens, Massachusetts 01434 and our telephone number at that address is (978) 842-3000.

Our internet address is www.amsc.com. We are not including the information contained in our website as part of, or incorporating it by reference into, this prospectus.

The Offering

Common stock offered by the selling stockholder	Up to 10,262,311 shares
Common stock outstanding	51,927,865 shares (as of March 31, 2012)
Terms of the Offering	The selling stockholder will determine when and how it sells the common stock offered in this prospectus, as described in “Plan of Distribution.”
Use of proceeds	We will not receive any of the proceeds from the sale of the shares of common stock being offered under this prospectus. See “Use of Proceeds.”
NASDAQ symbol	Our common stock is listed on The NASDAQ Global Select Market under the symbol AMSC.
Risk Factors	You should read the “Risk Factors” section of this prospectus for a discussion of factors to consider carefully before deciding to invest in shares of our common stock.

On April 4, 2012, we entered into a securities purchase agreement, or the Purchase Agreement, with the selling stockholder. Pursuant to the Purchase Agreement, we sold to the selling stockholder \$25.0 million aggregate principal amount of unsecured, senior convertible notes, or the Notes, and a warrant to purchase shares of the Company’s common stock, or the Warrant. Concurrently with entering into the Purchase Agreement, we also entered into a registration right agreement with the selling stockholder, which we refer to as the Registration Rights Agreement. Pursuant to the Registration Rights Agreement we agreed to file one or more registration statements, including the registration statement of which this prospectus is a part, as permissible and necessary to register under the Securities Act the sale of the shares of our common stock that may be issued to the selling stockholder upon conversion of the Notes, payment of principal of and interest on the Notes, and exercise of the Warrant. For more information, see “Private Placement of Notes and Warrants.”

Pursuant to the Registration Rights Agreement, we are registering under the Securities Act 10,262,311 shares of our common stock, which includes (i) up to 6,185,567 shares of common stock issuable upon conversion of the Notes, including conversion in connection with monthly principal payments on the Notes, (ii) up to 982,684 shares of common stock issuable upon payment of interest on the Note, and (iii) up to 3,094,060 shares of common stock issuable upon the exercise of the Warrant.

RISK FACTORS

Investment in any securities offered pursuant to this prospectus involves risks. Before making an investment decision, you should carefully consider the specific risks described under the caption “Risk Factors” in any of our filings with the SEC pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act, which are incorporated herein by reference. Each of the risks described in these headings could adversely affect our business, financial condition, results of operations and prospects, and could result in a complete loss of your investment. For more information, see “Where You Can Find More Information.”

USE OF PROCEEDS

We will not receive any proceeds from the sale of shares by the selling stockholder.

PRICE RANGE OF COMMON STOCK

Our common stock is listed on The NASDAQ Global Select Market and trades under the symbol “AMSC.” The following table sets forth, for the quarterly periods indicated, the high and low sale price per share of the common stock as reported on The NASDAQ Global Select Market:

	Common Stock Price	
	High	Low
Fiscal year ended March 31, 2011:		
First quarter	\$ 34.21	\$ 24.35
Second quarter	33.10	25.59
Third quarter	38.88	27.41
Fourth quarter	30.42	21.70
Fiscal year ended March 31, 2012:		
First quarter	25.19	7.40
Second quarter	9.12	3.85
Third quarter	4.79	3.21
Fourth quarter	6.05	3.53
Fiscal year ended March 31, 2013:		
First quarter (through April 12, 2012)	4.34	3.57

On April 12, 2012, the last sale price of our common stock as reported on The NASDAQ Global Select Market was \$4.24. On March 31, 2012, there were 426 holders of record of our common stock. The number of record holders does not include persons who held our common stock in nominee or “street name” accounts through brokers.

DIVIDEND POLICY

We have never paid cash dividends on our common stock. We currently intend to retain earnings, if any, to fund our business and do not anticipate paying cash dividends for the foreseeable future. Payment of future cash dividends, if any, will be at the discretion of our board of directors after taking into account various factors, including our financial condition, operating results and current and anticipated cash needs.

COMPENSATION DISCUSSION AND ANALYSIS

Introduction

This Compensation Discussion and Analysis (“CD&A”) describes the principles of our executive compensation program, how we applied those principles in compensating our named executive officers for fiscal 2011 and how our compensation program drives performance.

Our named executive officers for fiscal 2011 are:

- Daniel P. McGahn, President and Chief Executive Officer;
- Gregory J. Yurek, who was our Chief Executive Officer until May 31, 2011 and Chairman until August 15, 2011;
- David A. Henry, Senior Vice President, Chief Financial Officer and Treasurer;
- Timothy Poor, Executive Vice President, Sales, Business Development and Wind Segment;
- Susan J. DiCecco, Senior Vice President, Corporate Administration;
- Charles W. Stankiewicz, who was our Executive Vice President, Operations and Grid Segment, until August 23, 2011; and.
- Angelo R. Santamaria, who was our Senior Vice President, Global Manufacturing Operations, until August 12, 2011.

In this CD&A, we first provide an executive summary of our program for fiscal 2011. We then describe our compensation philosophy and the objectives of our executive compensation program and how the Compensation Committee of our Board oversees our compensation program. We discuss the compensation determination process and describe how we determine each element of compensation.

Executive Summary

Overview of Our Executive Compensation Program

The Compensation Committee of our Board has designed our executive compensation program to attract and retain superior employees in key positions to enable our company to succeed in the highly competitive market for talent, while simultaneously maximizing stockholder value. We intend to continue to provide a competitive compensation package to our executives, tie a significant portion of pay to performance and utilize components that best align the interests of our executives with those of our stockholders.

The following is a summary of important aspects of our executive compensation program discussed later in this CD&A:

Key Elements of Our Compensation Program. Our compensation program is designed to achieve these objectives through a combination of the following types of compensation:

- Base salary;
- Performance-based annual cash bonuses;
- Long-term equity incentives; and
- Severance and change-in-control benefits.

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Each element of our executive compensation program is discussed in greater detail below.

- *We Intend to Pay for Performance.* A significant portion of our named executive officers' total compensation, as shown below, ties compensation directly to the achievement of corporate and individual objectives. We emphasize pay for performance in order to align executive compensation with our business strategy and the creation of long-term stockholder value.
- *Our Compensation Program Supports Our Corporate Objectives and Stockholder Interests.* Our compensation program is designed to align executive officer compensation with our short- and long-term business objectives and building long-term stockholder value by rewarding successful execution of our business plan and by tying a portion of total compensation opportunities to equity incentives.

Overview of Fiscal 2011 Performance

Fiscal 2011 has been a very difficult year for our company. Toward the end of our first quarter of fiscal 2011, we discovered what we believe to be the theft of certain of our intellectual property by Sinovel Wind Group Co. Ltd., or Sinovel, who up until then was our largest customer, but was refusing to accept deliveries of contracted shipments. This discovery changed our management's view regarding Sinovel continuing as a customer, and as a result, we undertook significant cost reduction actions in fiscal 2011. We have not yet finalized the analysis of our performance for fiscal 2011. Upon completion of such analysis, we intend to further review our actual performance and its relationship to the compensation of the named executive officers.

Fiscal 2011 Compensation Programs and Decisions

In line with our executive compensation program's emphasis on pay for performance, compensation awarded to our named executive officers for fiscal 2011 reflected our financial results and overall compensation philosophy:

- *Adjustments to Base Salary.* During fiscal 2011, our named executive officers received increases to their base salaries based on factors such as the level of job responsibility, individual, business unit and overall company performance, and competitiveness with salaries paid to executive officers in similar positions, industries and geographic locations.
- *Performance-Based Annual Cash Bonuses.* For fiscal 2011, our company primarily focused on decreasing Non-GAAP Net Loss (as such performance measure is described in more detail below), operating loss and operating expense and increasing revenues, cash flows and orders. Our compensation program for fiscal 2011 was designed to support our company's focus on these performance measures. For our annual bonus program for fiscal 2011, the Compensation Committee selected these objectives as key corporate objectives because the Compensation Committee believes they encourage executives to achieve superior operating results.
- *Long-Term Equity Incentive.* The Compensation Committee granted long-term equity awards to our named executive officers in fiscal 2011 based on such factors as performance and contribution during the prior fiscal year, recommendations made by our management, competitive practices, and the overall compensation package for each executive officer.

The company has not yet finalized its analysis with respect to performance during fiscal 2011, and will conduct further review of the named executive officers' fiscal 2011 compensation following finalization of such analysis.

Compensation Program Philosophy and Objectives

The Compensation Committee of our Board oversees our executive compensation program, pursuant to authority established in the Compensation Committee Charter. The Compensation Committee reviews and approves all compensation decisions relating to our executive officers, except for the chief executive officer. The Compensation Committee reviews the compensation for our chief executive officer and makes a recommendation to our Board, and our Board determines the compensation of our chief executive officer.

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Our executive compensation program is designed to meet three principal objectives:

- Attract and retain executive officers who contribute to our long-term success;
- Align compensation with our short- and long-term business objectives; and
- Motivate the executive officers to provide superior performance that will build long-term stockholder value.

These objectives collectively seek to link executive compensation to our overall company performance, which helps to ensure that the interests of our executives are aligned with the interests of our stockholders.

The Compensation Committee's decisions regarding executive compensation during fiscal 2011 were based on achieving the above objectives, with an emphasis on:

- Increasing long-term stockholder value by decreasing net loss before amortization of acquisition-related intangibles, restructuring and impairments, stock-based compensation expense, other unusual charges and any tax effects related to these items, which we refer to as Non-GAAP Loss;
- Improving operational performance by increasing revenue, operating income, cash flow and orders and decreasing operating expense;
- Taking into account the nature and scope of the executive officer's position and responsibilities, including considerations of pay equity among the executive officers; and
- Providing compensation opportunities that are competitive in the marketplace.

In setting executive compensation for fiscal 2011, the Compensation Committee established salary levels, approved annual equity awards and established an executive incentive cash bonus plan with performance metrics that reflected our annual operating plan and strategic priorities for fiscal 2011. For fiscal 2011, the Compensation Committee established Non-GAAP Net Loss and individualized objectives relating to revenue, operating expense, operating loss, cash flow, orders and internal customer service measurements, to promote our short-term and long-term business success. In setting objectives for each of the foregoing metrics, the Compensation Committee considered multiple factors so that its decisions were informed and equitable and that our executive compensation program achieved its objectives.

Stockholder Say-On-Pay Votes

At our Annual Meeting of Stockholders held on December 8, 2011, we provided our stockholders with the opportunity to cast an advisory vote on executive compensation, and in future years such advisory vote will occur triennially. Over 95% of the votes cast on this "say on pay" vote were voted in favor of the proposal. We have considered the results of such vote and believe the support of our stockholders for the vote proposal indicates that our stockholders are generally supportive of our approach to executive compensation. Thus we did not make changes to our executive compensation arrangements in response to the vote. In the future, we will continue to consider the outcome of our "say on pay" votes when making compensation decisions regarding our named executive officers.

The Compensation Committee's Process

The Compensation Committee has a process to help ensure that our executive compensation program meets its principal objectives. In making compensation decisions, the Compensation Committee considers a wide variety of information, including how each compensation decision ties to its total compensation philosophy, the advice of our senior vice president, corporate administration, and the thoughts of our chief executive officer and other Board members.

Our senior vice president, corporate administration regularly attends Compensation Committee meetings to provide information and recommendations regarding our executive compensation program. Among other things, she performs extensive analysis of marketplace practices for executive pay, makes recommendations to our chief executive officer on compensation matters for all officers (other than herself) and compiles other relevant data at the request of the Compensation Committee.

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Our chief executive officer is actively involved in the executive compensation process. Our chief executive officer reviews the performance of each of the executive officers (other than his own) and makes recommendations to the Compensation Committee regarding the salary and long-term incentive awards for executive officers other than himself, as well as the executive compensation program's impact on attracting, retaining and motivating the level of executive talent necessary to achieve and exceed our company goals. The Compensation Committee is not bound by such recommendations, but generally takes them into consideration before making final determinations about the compensation of executive officers other than our chief executive officer.

The Compensation Committee reviews the compensation for our chief executive officer and makes a recommendation to the full Board. The full Board determines the compensation of our chief executive officer.

The Compensation Committee also considers information relevant to each executive's specific situation including the executive's marketability and the availability or scarcity of other qualified candidates, inside and outside our company, who could replace the executive should he or she leave the Company.

In determining equity compensation, the Compensation Committee considers levels of past performance, performance potential, retention risk and the value of the equity compensation needed to keep the total compensation opportunity level competitive and consistent with our compensation philosophy.

Role of Independent Compensation Consultant. The Compensation Committee engaged Pearl Meyer & Partners in 2008 as its independent outside compensation consultant, to advise it and develop an executive compensation strategy, to assess the competitiveness of our executive compensation and to provide recommendations with respect to both the levels and structure of compensation for our executives. Pearl Meyer & Partners assessed the competitiveness of executive compensation through comparisons with peer groups and survey sources while additionally assessing our performance to ensure compensation levels were appropriately tied to performance. With the assistance of Pearl Meyer & Partners, in June 2011, the Compensation Committee reviewed the compensation levels of our executive officers against compensation levels at peer group companies that were selected based on the following criteria:

- companies whose product and service offerings are similar, though not necessarily identical, to ours;
- companies with revenues of approximately one-third to three times our revenues, of which approximately 67% have higher revenues and 33% have lower revenues than we had (at the time of selection in February 2011); and
- companies with market capitalization of approximately one-fourth to four times our market capitalization, of which 20% have a higher market capitalization and 80% have a lower market capitalization than we had (at the time of selection in February 2011).

For the analysis of our fiscal 2011 executive compensation packages, the peer group was approved by the Compensation Committee in fiscal 2011 and consisted of the following fifteen companies:

Peer Group Companies

Advanced Energy Industries, Inc.
AZZ, Inc.
Cirrus Logic, Inc.
EnerNOC, Inc.
ESCO Technologies, Inc.
Generac Holdings, Inc.
GT Solar International, Inc.
ITC Holdings Corporation

Kaydon Corporation
Microsemi Corporation
National Instruments Corporation
Powell Industries, Inc.
Power-One, Inc.
SunPower Corporation
Vicor Corporation

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The selection criteria and peer group companies are reviewed each year by the Compensation Committee and may change from year to year depending on changes in the marketplace, acquisitions, divestitures and business focus of us and/or our peer group companies. In order to perform the analysis of our fiscal 2011 compensation, our Compensation Committee added nine new companies, Advanced Energy Industries, Inc., Cirrus Logic, Inc., ESCO Technologies, Inc., Generac Holdings, Inc., GT Solar International, Inc., Kaydon Corporation, Microsemi Corporation, National Instruments Corporation and Power-One, Inc., to our peer group, and removed eight companies, Broadwind Energy, Inc., Comverge, Inc., Echelon Corporation, Energy Conversion Devices, Inc., Evergreen Solar, Inc., FuelCell Energy, Inc., SatCon Technology Corporation and Zoltek Companies, Inc., from our peer group. These changes were made in order to maintain closer similarity between us and our peer group companies based upon the comparable company criteria described above.

The Compensation Committee utilized the peer group to provide context for its compensation decision-making. The compensation paid by peer group companies to their respective executive officers does not factor into the Compensation Committee's determination of the peer group. After the peer group companies are selected, Pearl Meyer & Partners prepares and presents a report to the Compensation Committee summarizing the competitive data and comparisons of our executive officers to the comparable company market data utilizing publicly available data from the comparable companies and broad survey data (reflecting companies of similar size in the general and high-technology industries). We use the broad survey data in conjunction with peer group data in evaluating our executive compensation practices. Survey data sources include the CHiPS Executive and Senior Management Total Compensation Survey and Towers Watson's Top Management Compensation Survey. The Compensation Committee does not rely upon data from any individual company participating in any of these surveys in making compensation decisions and uses the general survey data as only a reference point for evaluating our executive compensation practices, as opposed to benchmarking our executive compensation practices against the general survey data. Each of our elements of compensation is reviewed as part of this analysis and evaluation.

The above review provided the Compensation Committee with general affirmation that its compensation decisions are aligned with the marketplace and our compensation program was achieving the Compensation Committee's objectives, as described above.

During early fiscal 2011, Pearl Meyer & Partners advised the Compensation Committee on compensation matters for all officers and directors and met with the Compensation Committee in executive session without the presence of management, as requested by the Compensation Committee. Pearl Meyer & Partners did not perform services for the Company that were unrelated to Compensation Committee-related matters during fiscal 2011.

Risk Considerations in our Compensation Program

Our Compensation Committee does not believe that any risks arising from our employee compensation policies and practices are reasonably likely to have a material adverse affect on our company. Our Compensation Committee believes that any risks arising from our compensation policies and practices are mitigated by:

- the multiple elements of our compensation packages, including base salary, annual bonus programs and, for many of our employees, equity awards vesting over multiple years, that are intended to motivate employees to take a long-term view of our business;
- the structure of our annual cash bonus program, which is based on (i) a number of different performance measures (including Non-GAAP Net Loss, revenue, operating expense, operating income, cash flow, orders and internal customer service measurements), to avoid employees placing undue emphasis on any particular performance metric at the expense of other aspects of our business, and (ii) performance targets that we believe are somewhat aggressive yet reasonable and should not require undue risk-taking to achieve; and
- management process, controls and decision authorities established for different types and levels of decisions.

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Compensation Mix

The Compensation Committee relies upon its judgment and not upon rigid guidelines or formulas in determining the amount and mix of compensation elements for each executive officer. We seek to achieve our executive compensation objectives through the use of four compensation components, which are summarized in the table below.

<u>Compensation Component</u>	<u>Principal Contributions to Compensation Objectives</u>	<u>Comments</u>
<i>Base salary</i>	<ul style="list-style-type: none">• Attracts and retains talented executives with annual salary that reflects the executive's performance, skill set and opportunities in the marketplace.	<ul style="list-style-type: none">• Only component of compensation that is guaranteed.• Can be most influenced by individual performance.
<i>Performance-based annual cash bonuses</i>	<ul style="list-style-type: none">• Focuses executives on annual financial and operating results.• Links compensation to stockholder interests.• Enables total cash compensation to remain competitive within the marketplace for executive talent.	<ul style="list-style-type: none">• 0% to 156% of target payout can be achieved.
<i>Long-term equity incentives</i>	<ul style="list-style-type: none">• Retains a successful and tenured management team.	<ul style="list-style-type: none">• Time-based stock options and restricted stock.
<i>Severance and change-in-control benefits</i>	<ul style="list-style-type: none">• Helps to attract and retain talented executives with benefits that are comparable to those offered by companies with whom we compete for talent.• Incentivizes management to maximize stockholder value.	<ul style="list-style-type: none">• Each severance agreement provides for certain severance benefits, primarily salary, health benefits and, in certain cases, prorated cash bonus, in the event that the executive's employment is terminated under certain circumstances. The severance periods (other than for Dr. Yurek) range from 12 months to 24 months.• The stock options and restricted stock awards we grant to our executive officers provide for full acceleration of vesting upon a change in control of our company.

While the Compensation Committee independently evaluates each of the compensation components discussed in the above table, it places greater emphasis on the sum of base salary, performance-based annual cash bonuses and long-term equity incentives rather than any one component because of their combined greater potential to influence our named executive officers' performance. The Compensation Committee believes, and our pay mix is designed to reflect, that a substantial portion of the compensation for our named executive officers should be "at risk" and aligned with our stockholders' interests.

Base salary

Base salaries are set once per year as part of the compensation review process. The Compensation Committee assessed a number of factors in determining base salary adjustments for our executive officers for fiscal 2011 including:

- level of job responsibility;
- individual, business unit and overall company performance; and
- competitiveness with salaries paid to executive officers in similar positions, industries and geographic locations.

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Based on its assessment of the foregoing factors, together with its own business experience and judgment, the Compensation Committee approved the changes below to the annual base salaries of our executive officers, other than our chief executive officer, effective as of May 1.

David A. Henry - increased from \$295,000 to \$306,000.

Timothy D. Poor - increased from \$240,000 to \$290,000.

Susan J. DiCecco - increased from \$225,000 to \$242,000.

Charles W. Stankiewicz - increased from \$321,000 to \$345,000.

Angelo R. Santamaria - increased from \$240,000 to \$250,000.

In addition, on May 23, 2011, the Compensation Committee recommended, and the Board approved, an increase to Mr. McGahn's base salary from \$330,000 to \$480,000, effective June 1, 2011, in connection with his promotion to chief executive officer of the Company.

Dr. Yurek did not receive an increase to his base salary of \$600,000 in fiscal 2011.

The following table reflects a comparison of the fiscal 2010 base salary and fiscal 2011 base salary received by each named executive officer and the relative change from fiscal 2010 to fiscal 2011.

<u>Name</u>	<u>Fiscal 2010 Base Salary</u>	<u>Fiscal 2011 Base Salary</u>	<u>% Increase</u>
Daniel P. McGahn	\$330,000	\$457,039	38.5%(1)
Gregory J. Yurek	\$600,000	\$ 99,231(2)	—
David A. Henry	\$295,000	\$306,288(3)	3.8%
Timothy D. Poor	\$240,000	\$287,077	19.6%
Susan J. DiCecco	\$225,000	\$241,558	7.4%
Charles W. Stankiewicz	\$321,000	\$134,735(2)	—
Angelo R. Santamaria	\$240,000	\$ 96,308(2)	—

(1) Reflects the increase in Mr. McGahn's base salary based on his promotion to chief executive officer.

(2) Reflects the fiscal 2011 annual base salary received by Dr. Yurek and Messrs. Stankiewicz and Santamaria prior to termination of their employment.

(3) Mr. Henry's base salary is \$306,000. The amount actually received is in excess of his base salary due to an additional work day during a leap year at his new base salary.

Cash Promotion Bonus

In June 2011, Mr. McGahn received a cash promotion bonus in the amount of \$100,000 in connection with his promotion to chief executive officer of our company.

Performance-Based Annual Cash Bonuses

The Compensation Committee believes cash bonuses are an important factor in rewarding and motivating our executive officers. The Compensation Committee establishes a cash incentive plan for our executive officers on an annual basis, typically early in the fiscal year.

On August 9, 2011, the Compensation Committee, and on August 10, 2011, our Board, approved an executive incentive plan for fiscal 2011 covering all of our executive officers. Under the plan, the Compensation Committee established Non-GAAP Net Loss; individualized objectives relating to revenue, operating expense, operating income, cash flow, orders and internal customer service measurements; and individual contributions to our financial and non-financial objectives as the performance metrics for the payment of cash bonus awards for fiscal 2011. For each executive officer, the Compensation Committee assigned the following weighting to each such metric:

- our company's Non-GAAP Net Loss for fiscal 2011 as compared to the established target — 40%;

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- the executive's achievement of individual measurable objectives during fiscal 2011 as determined by our Board (in the case of our chief executive officer) or the Compensation Committee, which varied among the executive officers — 40%; and
- the executive's overall contribution during fiscal 2011 toward the achievement of our company's financial and non-financial objectives — 20%.

Under the terms of the fiscal 2011 executive incentive plan, the Compensation Committee designated for each named executive officer a target cash bonus amount between 50% and 100% of such named executive officer's then current base salary. After final determination of fiscal 2011 performance with respect to the quantitative objectives, the amount of the target cash bonus award to be paid to each named executive officer may be less than or greater than the executive's target cash bonus incentive, with the amount capped at 156% of the target cash bonus amount. If less than a specified percentage, generally 80%, of a particular quantitative objective is achieved, no payment is expected to be received with respect to that component of the bonus plan.

The following table sets forth each named executive officer's target cash bonus for fiscal 2011:

<u>Name</u>	<u>Target Cash Bonus as% of Base Salary</u>	<u>Target Cash Bonus</u>
Daniel P. McGahn	100%	\$ 480,000
Gregory J. Yurek (1)	—	—
David A. Henry	50%	\$ 153,000
Timothy D. Poor	75%	\$ 217,500
Susan J. DiCecco	50%	\$ 121,000
Charles W. Stankiewicz (1)	—	—
Angelo R. Santamaria (1)	—	—

- (1) Dr. Yurek, Mr. Stankiewicz and Mr. Santamaria were not participants in the fiscal 2011 executive incentive plan and were not eligible to receive a performance-based cash bonus payment with respect to fiscal 2011.

The Compensation Committee is responsible for determining the cash payout under the plan to each executive officer other than the chief executive officer. Our Board determines the cash payout under the plan for the chief executive officer, taking into account the recommendation of the Compensation Committee.

The following summarizes the cash bonus opportunity for the named executive officers under each performance metric under the fiscal 2011 executive incentive plan.

Milestones and achievement for the Non-GAAP Net Loss (40%) bonus measure: All of the named executive officers had the same Non-GAAP Net Loss threshold that had to be met before payout could be earned. The fiscal 2011 milestones and achievement levels for our company's Non-GAAP Net Loss measure are shown below. An executive's payout on this measure will be determined through a numerical calculation based on our company's Non-GAAP Net Loss so the Compensation Committee (or, in the case of our chief executive officer, our Board) does not expect to need to apply discretion.

	<u>Fiscal 2011 Milestones and Achievement for Company Non-GAAP Net Loss</u>		
	<u>Threshold (80%)</u>	<u>Target (100%)</u>	<u>Maximum (156%)</u>
Non-GAAP Net Loss	Non-GAAP Net Loss Milestones: (\$117.4M)	(\$105.7M)	(\$32.5M)

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Our company's Non-GAAP Net Loss for fiscal 2011 will be determined upon the completion of the annual audit of our financial statements by our independent registered public accounting firm, which we anticipate will occur by late May 2012. As a result, the Compensation Committee (or, in the case of our chief executive officer, our Board) has not yet determined whether bonuses under the Non-GAAP Net Loss measure will be awarded to any named executive officer. Each named executive officer is eligible to receive a target bonus award for this metric as summarized in the following:

<u>Name</u>	<u>Target Bonus for Metric</u>
Daniel P. McGahn	\$ 192,000
Gregory J. Yurek	\$ —
David A. Henry	\$ 61,200
Timothy D. Poor	\$ 87,000
Susan J. DiCecco	\$ 48,400
Charles W. Stankiewicz	\$ —
Angelo R. Santamaria	\$ —

Individual measurable objectives (40%): A cash bonus payment to each named executive officer under this measure depends upon achievement of performance objectives specific to each named executive officer. These performance objectives were established at the beginning of fiscal 2011 and relate specifically to each officer's function and department. The Compensation Committee (or, in the case of our chief executive officer, our Board) has not yet determined whether bonuses under this measure will be awarded to any named executive officer. Each named executive officer is eligible to receive a target bonus award for this measure as follows:

<u>Name</u>	<u>Measure</u>	<u>Target</u>
Daniel P. McGahn	AMSC Revenue (30%)	\$93.4M
	New Orders (30%)	\$134.0M
	Operating Expense (30%)	\$91.9M
	Operating Cash Flow (10%)	(\$128.0M)
	Total Payout	
Gregory J. Yurek(1)	—	—
David A. Henry	Internal Customer Service Measurement (40%)	20% improvement from baseline survey
	Operating Expense (30%)	\$91.9M
	Operating Cash Flow (10%)	(\$128.0M)
	Wind Operating Income (10%)	(\$80.4M)
	Grid Operating Income (10%)	(\$29.4M)
	Total Payout	
Timothy D. Poor	Wind Operating Income (50%)	(\$80.4M)
	AMSC Revenue (20%)	\$93.4M
	New Orders (20%)	\$134.0M
	Operating Cash Flow (10%)	(\$128.0M)
	Total Payout	
Susan J. DiCecco	Operating Expense for HR/IT/EH&S (25%)	\$18.5M
	Annual Recordable Injury Rate (25%)	25% below industry average
	Annual Voluntary Turnover (25%)	at industry average
	Internal Customer Service Measurement (25%)	5% improvement from baseline survey
	Total Payout	
Charles W. Stankiewicz(1)	—	—
Angelo R. Santamaria(1)	—	—

(1) Dr. Yurek, Mr. Stankiewicz and Mr. Santamaria were not participants in the fiscal 2011 executive incentive plan and did not receive a performance-based cash bonus payment.

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Executive contribution to company's achievement of financial and non-financial objectives — subjective performance measure (20%): Each named executive officer will also be evaluated upon his or her overall contribution during fiscal 2011 toward the achievement of our company's financial and non-financial objectives. Assessment of achievement for these objectives will be evaluated on the basis of a number of pre-determined factors relating to outcomes, timing, process, communication and leadership. The Compensation Committee (or, in the case of our chief executive officer, our Board) has discretionary authority to determine whether, and to what extent, these objectives have been achieved, but has not yet made such determination. As a result, the Compensation Committee (or, in the case of our chief executive officer, our Board) has not yet determined whether bonuses under this subjective measure will be awarded to any named executive officer. Each named executive officer is eligible to receive a target bonus award for this subjective measure as follows:

<u>Name</u>	<u>Target Bonus for Metric</u>
Daniel P. McGahn	\$ 96,000
Gregory J. Yurek	\$ —
David A. Henry	\$ 30,600
Timothy D. Poor	\$ 43,500
Susan J. DiCecco	\$ 24,200
Charles W. Stankiewicz	\$ —
Angelo R. Santamaria	\$ —

Overall payout results: The Compensation Committee (or, in the case of our chief executive officer, our Board) will determine payouts under the fiscal 2011 executive incentive plan upon the completion of the annual audit of our financial statements by our independent registered public accounting firm, which we anticipate will occur by late May 2012. Each named executive officer is eligible to receive an aggregate target bonus payout under the fiscal 2011 executive incentive plan as follows:

<u>Name</u>	<u>Fiscal 2011 Target Cash Bonus</u>
Daniel P. McGahn	\$480,000
Gregory J. Yurek (1)	\$ —
David A. Henry	\$153,000
Timothy D. Poor	\$217,500
Susan J. DiCecco	\$121,000
Charles W. Stankiewicz (1)	\$ —
Angelo R. Santamaria (1)	\$ —

- (1) Dr. Yurek, Mr. Stankiewicz and Mr. Santamaria were not participants in the fiscal 2011 executive incentive plan and were not eligible to receive a performance-based cash bonus payment with respect to fiscal 2011.

Long Term Equity Incentives

The Compensation Committee uses stock-based awards to retain executive officers and align their interests with those of our stockholders. Historically, the Compensation Committee granted stock-based awards to our executive officers purely in the form of stock options that vested in installments over multiple years, with an exercise price equal to the closing market price of our common stock on the date of grant. While we continue to use stock options as a form of incentive for employees and executive officers, the Compensation Committee has increasingly relied on the award of shares of restricted stock to our executive officers. The Compensation Committee awards both time-based and performance-based restricted stock awards. A time-based restricted stock award typically will vest in equal annual installments over a three-year period. A performance-based restricted stock award typically will vest upon the achievement of specific objectives relating to our performance within a specified period. The Compensation Committee believes shares of restricted stock provide an equally motivating form of incentive compensation, minimize stock compensation expenses and reduce the potential dilution of our shares.

We generally grant options and shares of restricted stock to executive officers and other employees upon their initial hire, in connection with a promotion, and annually based on merit. To determine the amount of stock-based awards granted to executive officers, our Compensation Committee considers the performance of the individual and our company, historic stock-based awards and the awards made to those in similar positions at comparable companies.

Our Board and Compensation Committee typically meet in early May to review company performance for the prior fiscal year. At such time, the Compensation Committee (or, in the case of our chief executive officer, our

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Board) also reviews the performance of the executive officers over the prior fiscal year and grants restricted stock or stock options to the executive officers. In fiscal 2011, the Board and Compensation Committee met after our company became current in its filings with the Securities and Exchange Commission on September 23, 2011.

In September 2011, when considering equity grants, the Compensation Committee considered:

- each executive officer's performance and contribution during the prior fiscal year;
- recommendations made by our management;
- competitive practices; and
- the overall compensation package for each executive officer.

Based on such considerations, the Compensation Committee granted time-based restricted stock awards and stock options. Messrs. Henry and Poor each received time-based restricted stock awards for 25,000 shares, each of which vest in full on June 24, 2014. Ms. DiCecco received a time-based restricted stock award for 18,000 shares, which vests in equal annual installments over a three-year period. Messrs. Henry and Poor and Ms. DiCecco also received option grants for 42,000, 45,000 and 30,000 shares, respectively, with each grant becoming exercisable in equal annual installments over a three-year period. Mr. McGahn had received a time-based restricted stock award of 60,000 shares and an option grant for 90,000 shares, each of which vests in equal annual installments over a three-year period, in connection with his promotion to chief executive officer in May 2011 and, as a result, he did not receive any additional restricted stock awards or option grants in September 2011.

Benefits

We offer a comprehensive benefits package to all full-time employees, including health and dental insurance, life and disability insurance and a 401(k) plan. Executive officers are eligible to participate in all of our employee benefit plans. The 401(k) plan includes a matching component where we will match \$0.50 on each dollar of an employee's contribution up to a maximum of 6 percent of his or her wages in the form of our stock. The employee contributions are subject to the maximum limitations as set forth in the Internal Revenue Code of 1986, as amended.

Severance and Change-in-Control Benefits

We have entered into agreements with each of our executive officers that provide them with severance benefits in the event of the termination of their employment under specified circumstances, including termination following a change in control of our company. In addition, the stock options and restricted stock awards we grant to our executive officers provide for full acceleration of vesting upon a change in control of our company. These agreements, along with estimates of the value of the benefits payable under them, are described below under the caption "Employment Agreements and Severance Agreements with Executive Officers." We believe providing these benefits helps us compete for and retain executive talent and that our severance and change-in-control benefits are generally in line with those provided to executives by comparable companies.

Tax Considerations

The Internal Revenue Service, pursuant to Section 162(m) of the Internal Revenue Code of 1986, as amended, generally disallows a tax deduction for compensation in excess of \$1,000,000 paid to our chief executive officer and to certain other officers (other than our chief financial officer). Certain compensation, including qualified performance-based compensation, will not be subject to the deduction limit if certain requirements are met. We generally structure our stock option awards to comply with exemptions in Section 162(m) so that the compensation remains tax deductible to us. We periodically review the potential consequences of Section 162(m) on the other components of our executive compensation program. We generally will structure arrangements to comply with the Section 162(m) exceptions where we believe it to be feasible. However, the Compensation Committee may, in its judgment, authorize compensation payments that do not comply with the exemptions in Section 162(m) when it believes that such payments are appropriate to attract and retain executive talent or is otherwise in the best interests of the Company.

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Summary Compensation Table

The following table contains information with respect to the compensation for fiscal 2011 of our principal executive officer, our former principal executive officer, our principal financial officer, our other remaining two executive officers who were serving as executive officers on March 31, 2012 and two additional individuals who served as executive officers during part of fiscal 2011 for whom disclosure is required pursuant to SEC rules.

Name and Principal Position	Fiscal Year(1)	Salary	Bonus	Stock Awards(2)	Option Awards(2)	Non-Equity Incentive Plan Compensation(3)	All Other Compensation(4)	Total
Daniel P. McGahn <i>President and Chief Executive Officer</i>	2011	\$457,039	\$100,000(6)	\$ 615,000	\$ 563,706	—	\$ 9,234	\$1,744,979
	2010	\$330,000	—	—	—	\$ 4,976	\$ 9,304	\$ 344,280
	2009	\$281,288	—	\$1,118,990	\$2,545,559	\$ 161,520	\$ 8,955	\$4,116,312
Gregory J. Yurek <i>Former Chairman and Chief Executive Officer(5)</i>	2011	\$ 99,231	—	—	—	—	\$ 832,002	\$ 931,233
	2010	\$600,000	—	\$ 614,040	\$ 657,713	—	\$ 14,106	\$1,885,859
	2009	\$600,000	—	\$ 303,480	\$ 768,070	\$ 561,600	\$ 9,704	\$2,242,854
David A. Henry <i>Senior Vice President, Chief Financial Officer and Treasurer</i>	2011	\$306,288	—	\$ 116,500	\$ 130,616	—	\$ 7,552	\$ 560,956
	2010	\$295,000	—	\$ 263,160	\$ 274,047	—	\$ 7,039	\$ 839,246
	2009	\$280,000	—	\$ 128,979	\$ 322,589	\$ 208,992	\$ 6,741	\$ 947,301
Timothy D. Poor <i>Executive Vice President, Sales, Business Development Wind Segment</i>	2011	\$287,077	—	\$ 116,500	\$ 139,946	—	\$ 9,203	\$ 552,726
	2010	\$240,000	—	\$ 146,200	\$ 146,158	\$ 7,488	\$ 8,933	\$ 548,779
	2009	\$220,000	—	\$ 189,675	\$ 460,842	\$ 145,640	\$ 8,277	\$1,024,434
Susan J. DiCecco <i>Senior Vice President, Corporate Administration</i>	2011	\$241,558	—	\$ 83,880	\$ 93,297	—	\$ 8,908	\$ 427,643
	2010	\$225,000	—	\$ 157,896	\$ 164,428	\$ 44,190	\$ 8,149	\$ 599,663
	2009	\$192,333	—	\$ 250,600	\$ 185,868	\$ 99,521	\$ 7,284	\$ 735,606
Charles W. Stankiewicz <i>Former Executive Vice President, Operations and Grid Segment(7)</i>	2011	\$134,735	—	—	\$ 202,435	—	\$ 274,934	\$ 612,104
	2010	\$321,000	—	\$ 175,440	\$ 182,698	—	\$ 9,366	\$ 688,504
	2009	\$312,000	—	\$ 278,190	\$ 322,589	\$ 243,360	\$ 11,308	\$1,167,448
Angelo R. Santamaria <i>Former Senior Vice President, Global Manufacturing(8)</i>	2011	\$ 96,308	—	\$ 0	\$ 261,834	\$ 0	\$ 217,709	\$ 575,851
	2010	\$240,000	—	\$ 146,200	\$ 146,158	\$ 20,268	\$ 8,089	\$ 560,715
	2009	\$228,000	—	\$ 189,675	\$ 460,842	\$ 143,914	\$ 8,021	\$1,030,452

- (1) Refers to the fiscal years ended March 31, 2012 (fiscal 2011), March 31, 2011 (fiscal 2010) and March 31, 2010 (fiscal 2009).
(2) The amounts shown reflect the grant date or incremental fair value of awards granted or modified during the applicable fiscal year computed under the Black-Scholes valuation model in accordance with FASB ASC Topic 718. The weighted average assumptions used in the Black-Scholes valuation model for stock options granted during the fiscal years ended March 31, 2012, 2011, and 2010 are as follows:

	For the fiscal years ended March 31,		
	2012	2011	2010
Dividend yield	None	None	None
Expected volatility	69.9%	64.2%	68.9%
Risk-free interest rate	1.8%	2.2%	2.6%
Expected life (years)	5.9	5.8	5.6

- (3) The omitted amounts in this column for the named executive officers with respect to fiscal 2011 are currently not determinable and are expected to be determined on or about late May 2012. The included amounts in this column reflect cash bonuses paid under our executive incentive plans for fiscal 2011, fiscal 2010 and fiscal 2009. See “Compensation Discussion and Analysis — Compensation Mix — Performance-Based Annual Cash Bonuses” above for a description of the plan for fiscal 2011.

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(4) All Other Compensation is comprised of the following amounts:

Name	Fiscal Year	Life Insurance Premiums	Defined Contributions for 401(k) Stock Match	Severance Payments	Other
Daniel P. McGahn	2011	\$ 1,942	\$ 7,292	\$ —	\$ —
	2010	1,954	7,350	—	—
	2009	1,958	6,997	—	—
Gregory J. Yurek (1)	2011	2,951	—	829,051(2)	—
	2010	8,106	6,000	—	—
	2009	6,935	2,769	—	—
David A. Henry	2011	1,941	5,611	—	—
	2010	1,945	5,094	—	—
	2009	1,905	4,836	—	—
Timothy D. Poor	2011	1,747	7,456	—	—
Susan J. DiCecco	2011	1,707	7,201	—	—
	2010	1,683	6,466	—	—
	2009	1,545	5,735	—	—
Charles W. Stankiewicz	2011	809	5,473	266,652(3)	2,000(5)
	2010	1,954	7,412	—	—
	2009	1,958	9,350	—	—
Angelo R. Santamaria	2011	732	3,196	213,781(4)	—

- (1) The life insurance premium amounts in the table above reflect premiums paid by us for life insurance for which the named executive is the named beneficiary. The amounts disclosed with respect to Dr. Yurek include \$2,466 of premiums paid by us for a term life insurance policy for which his wife is the beneficiary.
- (2) Represents the aggregate severance payments and benefits received by Dr. Yurek in the fiscal 2011, consisting of \$818,001 in cash, and \$11,050 in continued health care benefits.
- (3) Represents the aggregate severance payments and benefits received by Mr. Stankiewicz in the fiscal 2011, consisting of \$257,564 in cash, and \$9,088 in continued health care benefits.
- (4) Represents the aggregate severance payments and benefits received by Mr. Santamaria in the fiscal 2011, consisting of \$201,154 in cash and \$5,277 in continued health care benefits and \$7,350 in outplacement services.
- (5) Represents payments made to Mr. Stankiewicz for serving as a member of the board of directors of one of our Company's minority investments subsequent to August 23, 2011.

- (5) Dr. Yurek resigned from the Company effective June 1, 2011.
- (6) Represents a cash promotion bonus received by Mr. McGahn in connection with Mr. McGahn's promotion to chief executive officer, effective June 1, 2011.
- (7) Mr. Stankiewicz mutually agreed to end his employment with the Company, effective August 23, 2011.
- (8) Mr. Santamaria mutually agreed to end his employment with the Company, effective August 12, 2011.

Grants of Plan-Based Awards Table

The following table contains information concerning potential future payouts under our fiscal 2011 executive incentive plan and each grant of an option or restricted stock award made during fiscal 2011 to the named executive officers.

Name	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards(1)			All Other Stock Awards: Number of Shares of Stock or Units (#)	All Other Option Awards: Number of Securities Underlying Options(#)	Exercise or Base Price of Option Awards (\$/Sh)	Grant Date Fair Value of Stock and Option Awards(10)
		Threshold \$(2)	Target \$(3)	Maximum \$(4)				
Daniel P. McGahn	5/23/11	144,000	480,000	748,800	60,000(5)	90,000(7)	10.25	\$ 615,000
	5/23/11							
Gregory J. Yurek		—	—	—				
David A. Henry	9/26/11	45,900	153,000	238,680	25,000(6)	42,000(8)	4.66	116,500
	9/26/11							
Timothy D. Poor	9/26/11	65,250	217,500	339,300	25,000(6)	45,000(8)	4.66	116,500
	9/26/11							
Susan J. DiCecco	9/26/11	36,300	121,000	188,760	18,000(6)	30,000(8)	4.66	83,880
	9/26/11							
Charles W. Stankiewicz	9/12/11	—	—	—		80,000(9)	14.55	202,435
Angelo R. Santamaria	8/22/11	—	—	—		80,000(9)	14.55	261,834

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- (1) Reflects the threshold, target and maximum cash bonus amounts under our executive incentive plan for fiscal 2011. See “Compensation Discussion and Analysis — Compensation Mix — Performance- Based Annual Cash Bonuses” above for a description of this plan. The amounts actually paid to the named executive officers under this plan are shown above in the Non-Equity Incentive Plan Compensation column of the Summary Compensation Table.
- (2) Reflects the total minimum amount that would have been earned if the minimum targets for all of the annual metrics had been achieved.
- (3) Reflects the total amount that would have been earned if the targeted annual metrics had been achieved.
- (4) Reflects the total maximum amount that would have been earned if the maximum targets for all of the annual metrics had been achieved.
- (5) Restricted stock award vests in equal annual installments over a 3-year period with the first tranche vesting on May 23, 2012.
- (6) Restricted stock award vests in equal annual installments over a 3-year period with the first tranche vesting on June 24, 2012.
- (7) Options vest in equal annual installments over a 3-year period with the first tranche vesting on May 23, 2012.
- (8) Options vest in equal annual installments over a 3-year period with the first tranche vesting on June 24, 2012.
- (9) Options held by Messrs. Stankiewicz and Santamaria for which the period to exercise was extended until May 14, 2017. See “Employment Agreements and Severance Agreements with Executive Officers” below for a description of such extension.
- (10) The amounts shown reflect the grant date or incremental fair value of awards granted or modified during the applicable fiscal year computed under the Black-Scholes valuation model in accordance with FASB ASC Topic 718. The weighted average assumptions used in the Black-Scholes valuation model for stock options granted during the fiscal years ended March 31, 2012, 2011, and 2010 are as follows:

	For the fiscal years ended March 31,		
	2012	2011	2010
Dividend yield	None	None	None
Expected volatility	69.9%	64.2%	68.9%
Risk-free interest rate	1.8%	2.2%	2.6%
Expected life (years)	5.9	5.8	5.6

Outstanding Equity Awards at Fiscal Year-End Table

The following table contains information regarding unexercised stock options and unvested restricted stock awards held by our named executive officers as of March 31, 2012.

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Name	Option Awards				Stock Awards			
	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price (\$)	Option Expiration Date	Number of Shares of Stock That Have Not Vested (#)	Market Value of Shares of Stock That Have Not Vested (\$)(19)	Equity Incentive Plan Awards: Number of Unearned Shares That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares That Have Not Vested (\$)(19)
Daniel P. McGahn	40,000(1)	—	11.00	12/11/2016	—	—	—	—
	25,500(2)	—	14.55	5/15/2017	—	—	—	—
	14,000(3)	7,000(3)	25.29	5/12/2019	—	—	—	—
	—	—	—	—	—	—	25,000(16)	103,000
	—	—	—	—	2,000(14)	8,240	—	—
	—	—	—	—	60,000(18)	247,200	—	—
	—	100,000(6)	38.69	12/11/2019	—	—	—	—
	—	90,000(11)	10.25	5/23/2021	—	—	—	—
Gregory J. Yurek	—	—	—	—	—	—	—	—
David A. Henry	80,000(5)	—	21.87	7/9/2017	—	—	—	—
	14,000(3)	7,000(3)	25.29	5/12/2019	—	—	—	—
	—	—	—	—	25,000(20)	103,000	—	—
	—	—	—	—	1,700(14)	7,004	—	—
	—	—	—	—	6,000(13)	24,720	—	—
	5,000(4)	10,000(4)	29.24	5/12/2020	—	—	—	—
	—	42,000(10)	4.66	9/26/2021	—	—	—	—
Timothy D. Poor	20,000(12)	10,000(12)	14.90	4/25/2017	—	—	—	—
	20,000(3)	10,000(3)	25.29	5/12/2019	—	—	—	—
	—	—	—	—	25,000(20)	103,000	—	—
	—	—	—	—	2,499(14)	10,296	—	—
	—	—	—	—	3,333(13)	13,732	—	—
	2,667(4)	5,333(4)	29.24	5/12/2020	—	—	—	—
	—	45,000(10)	4.66	9/26/2021	—	—	—	—
Susan J. DiCecco	1,200(7)	—	3.44	4/17/2013	—	—	—	—
	1,333(9)	—	14.77	4/26/2017	—	—	—	—
	8,000(8)	4,000(8)	25.50	5/11/2019	—	—	—	—
	—	—	—	—	18,000(15)	74,160	—	—
	—	—	—	—	3,600(13)	14,832	—	—
	—	—	—	—	1,200(17)	4,944	—	—
	3,000(4)	6,000(4)	29.24	5/12/2020	—	—	—	—
	—	30,000(10)	4.66	9/26/2021	—	—	—	—
Charles W. Stankiewicz	80,000(2)	—	14.55	5/15/2017	—	—	—	—
Angelo R. Santamaria	80,000(2)	—	14.55	5/15/2017	—	—	—	—

- (1) These options were granted on December 11, 2006, vested in equal annual installments over a 5-year period and fully vested on December 11, 2011.
(2) These options were granted on May 15, 2007, vested in equal annual installments over a 3-year period, and were fully vested on May 15, 2010.
(3) These options were granted on May 12, 2009, vest in equal annual installments over a 3-year period, and will be fully vested on May 12, 2012.
(4) These options were granted on May 12, 2010, vest in equal annual installments over a 3-year period and will be fully vested on May 12, 2013.

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- (5) These options were granted on July 9, 2007 and were fully vested on July 9, 2010
- (6) These options were granted on December 11, 2009 and will be fully vested on December 11, 2014.
- (7) These options were granted on April 17, 2003, vest in equal annual installments over a 5-year period and were fully vested on April 17, 2008.
- (8) These options were granted on May 11, 2009, vest in equal annual installments over a 3-year period, and will be fully vested on May 11, 2012.
- (9) These options were granted on April 26, 2007, vested in equal annual installments over a 3-year period, and were fully vested on April 26, 2010.
- (10) These options were granted on September 26, 2011, vest in equal annual installments over a 3- year period, and will be fully vested on June 24, 2014.
- (11) These options were granted on May 23, 2011, vest in equal annual installments over a 3- year period, and will be fully vested on May 23, 2014
- (12) These options were granted on April 25, 2007, vest in equal annual installments over a 5- year period, and will be fully vested on April 25, 2012
- (13) These awards were granted on May 12, 2010, vest in equal annual installments over a 3-year period, and will be fully vested on May 12, 2013.
- (14) These awards were granted on May 12, 2009, vest in equal annual installments over a 3-year period, and will be fully vested on May 12, 2012.
- (15) These awards were granted on September 26, 2011, vest in equal annual installments over a 3- year period, and will be fully vested on June 24, 2014.
- (16) These awards were granted on December 11, 2009, and will vest in total upon the achievement of targets consistent with our long-term business plan.
- (17) These awards were granted on May 11, 2009, vest in equal annual installments over a 3- year period, and will be fully vested on May 11, 2012.
- (18) These awards were granted on May 23, 2011, vest in equal annual installments over a 3- year period, and will be fully vested on May 23, 2014
- (19) Based on \$4.12 per share, the closing sale price of our common stock on March 30, 2012.
- (20) These awards were granted on September 26, 2011, and will cliff vest in full on June 24, 2014.

Option Exercises and Stock Vested Table

The following table contains information concerning the exercise of stock options and vesting of restricted stock awards for each named executive officer during fiscal 2011.

<u>Name</u>	<u>Option Awards</u>		<u>Stock Awards</u>	
	<u>Number of Shares Acquired on Exercise</u>	<u>Value Realized on Exercise(1)</u>	<u>Number of Shares Acquired on Vesting</u>	<u>Value Realized on Vesting(2)</u>
Daniel P. McGahn	—	\$ —	27,000	\$307,390
Gregory J. Yurek	—	\$ —	61,000	\$696,645
David A. Henry	—	\$ —	24,700	\$282,166
Timothy D. Poor	—	\$ —	25,167	\$287,663
Susan J. DiCecco	—	\$ —	8,000	\$ 91,807
Charles W. Stankiewicz	—	\$ —	40,667	\$463,875
Angelo R. Santamaria	—	\$ —	24,167	\$275,933

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- (1) Value realized on exercise is based on the closing sales price of our common stock on the NASDAQ Global Market on the date of exercise less the option exercise price.
- (2) Value realized upon vesting is based on the closing sales price of our common stock on the NASDAQ Global Market on the vesting date.

Employment Agreements and Severance Agreements with Executive Officers

We are party to severance agreements with each of our executive officers. Each severance agreement provides for certain severance benefits from the Company to the executive in the event that such executive's employment is terminated:

- by us without "cause" (other than due to death or "disability") in the absence of a "change in control" of the Company (as such terms are defined in the severance agreement); or
- by us without cause (other than due to death or disability) or by the executive for "good reason" (as defined in the severance agreement) within 12 months following a change in control of the Company; or
- by us without cause (other than due to death or disability) more than 12 months following a change in control of the Company (each such termination referenced herein as a "qualifying termination").

These benefits consist primarily of the continuation of the executive's salary and employee benefits for a specified period of time following employment termination. These periods are as follows: Mr. McGahn — 24 months; Dr. Yurek — 36 months; Mr. Henry — 18 months; Mr. Poor — 12 months; and Ms. DiCecco — 12 months. In addition upon termination by us without cause (other than due to death or disability) or by the executive for good reason within 12 months following a change in control of the Company, the terminated executive is also entitled to lump sum payment equal to a prorated portion of his or her bonus for the year of termination.

The stock options and restricted stock awards we grant to our executive officers provide for full acceleration of vesting upon a change in control of our company.

Except with respect to Dr. Yurek and Messrs. Stankiewicz and Santamaria, whose severance terms are described more fully below, the following table describes the potential payments and benefits that would be received by the named executive officers pursuant to these severance agreements, assuming that a qualifying termination of employment occurred on March 31, 2012. Actual amounts payable to each executive listed below upon his employment termination can only be determined definitively at the time of an executive's actual termination.

<u>Name</u>	<u>Salary Continuation Payments</u>	<u>Employee Benefits(1)</u>	<u>Prorated Bonus (2)</u>
Daniel P. McGahn	\$ 960,000	\$ 47,913	\$480,000
Gregory J. Yurek	\$ —	\$ —	\$ —
David A. Henry	\$ 459,000	\$ 31,820	\$153,000
Timothy D. Poor	\$ 290,000	\$ 16,413	\$217,500
Susan J. DiCecco	\$ 242,000	\$ 21,216	\$121,000
Charles W. Stankiewicz	\$ —	\$ —	\$ —
Angelo R. Santamaria	\$ —	\$ —	\$ —

- (1) Calculated based on the estimated cost to us of providing these benefits at March 31, 2012.
- (2) Calculated based on prorated amount as of March 31, 2012. Prorated bonus is only paid upon a qualifying termination of employment within 12 months of a change in control of the Company.

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Except with respect to Dr. Yurek and Messrs. Stankiewicz and Santamaria, whose severance terms are described more fully below, the following table describes the value to the named executive officers pursuant to the acceleration-of-vesting provisions in his restricted stock and option awards and/or severance agreements, assuming that a change in control of the Company occurred on March 31, 2012. The actual value of such acceleration to each executive listed below can only be determined definitively at the time of an executive's actual termination.

<u>Name</u>	<u>Value of Option Acceleration(1)</u>	<u>Value of Restricted Stock Acceleration(2)</u>
Daniel P. McGahn	\$ —	\$ 358,440
Gregory J. Yurek	\$ —	\$ —
David A. Henry	\$ —	\$ 134,724
Timothy D. Poor	\$ —	\$ 127,027
Susan J. DiCecco	\$ —	\$ 93,936
Charles W. Stankiewicz	\$ —	\$ —
Angelo R. Santamaria	\$ —	\$ —

- (1) Represents the number of option shares that would accelerate, multiplied by the excess of \$4.12 per share (the closing sale price of American Superconductor common stock on March 30, 2012) over the exercise price of the option.
- (2) Represents the number of shares of restricted stock that would accelerate, multiplied by \$4.12 (the closing sale price of American Superconductor common stock on March 30, 2012).

On May 23, 2011, our company entered into a retirement and services agreement with Dr. Yurek pursuant to which effective June 1, 2011, Dr. Yurek resigned as chief executive officer and agreed to serve as a senior advisor to our company for up to 24 months. Pursuant to this agreement, Dr. Yurek is entitled to receive the following payments and benefits: (i) a total of \$2.0 million in cash, of which \$83,333 is payable on the final day of each month from June 2011 to August 2012, \$50,000 is payable on the final day of September 2012, and \$50,000 is payable on the final day of each month from April 2013 to May 2014; and (ii) continued group medical, dental and vision insurance coverage for up to three years through May 31, 2014. The foregoing severance payments are conditioned upon (1) Dr. Yurek's continued services to our company in accordance with the retirement and service agreement, (2) his execution and non-revocation a general release of claims and (3) his compliance with customary restrictive covenants (including, without limitation, non-compete and non-solicit covenants for the period ending May 31, 2014).

On August 22, 2011, our company entered into a severance agreement with Mr. Santamaria pursuant to which Mr. Santamaria is entitled to receive the following payments and benefits: (i) \$350,000, less all applicable taxes and withholdings, as severance pay (an amount equivalent to twelve (12) months of his then current base salary plus \$100,000 of additional consideration); (ii) an extension of Mr. Santamaria's period to exercise the 80,000 vested options granted to him on May 15, 2007 until May 14, 2017; (iii) continued medical insurance coverage through the severance period for so long is Mr. Santamaria is COBRA-eligible and does not become eligible for coverage under another group health plan maintained by a subsequent employer; and (iv) outplacement services at the Company's cost. The agreement includes a general release of claims and customary non-compete and non-solicit covenants for the period ending August 31, 2012. The foregoing severance payments are conditioned upon Mr. Santamaria's compliance with the terms of the severance agreement, including the non-compete and non-solicit covenants described above.

On September 12, 2011, our company entered into a severance agreement with Mr. Stankiewicz pursuant to which Mr. Stankiewicz is entitled to receive the following payments and benefits: (i) \$717,500, less all applicable taxes and withholdings, as severance pay (an amount equivalent to eighteen (18) months of his then current base salary plus \$200,000 of additional consideration); (ii) an extension of Mr. Stankiewicz's period to exercise the 80,000 vested options granted to him on May 15, 2007 until May 14, 2017; (iii) continued medical insurance coverage through the severance period for so long is Mr. Stankiewicz is COBRA-eligible and does not become eligible for coverage under another group health plan maintained by a subsequent employer; and (iv) outplacement services at the Company's cost. The agreement includes a general release of claims and customary non-compete and non-solicit covenants for the period ending August 31, 2012.

Director Compensation

Our Compensation Committee is responsible for reviewing and making recommendations to our Board with respect to the compensation paid to our non-employee directors.

In fiscal 2011, the Compensation Committee engaged Pearl Meyer & Partners, our independent outside compensation consultants, to assess the competitiveness of our director compensation and to provide recommendations with respect to both the levels and structure of compensation for our directors. Pearl Meyer & Partners assessed the competitiveness of director compensation through comparisons with peer groups and recommended (i) an increase to the annual cash retainer, and (ii) that the annual equity award be based on a value approach with a specific targeted monetary value. In May 2011, the Compensation Committee considered Pearl Meyer & Partners's recommendations, but in light of the events at that time, determined that it was not an appropriate time to make a change to the director compensation arrangement.

In August 2011, when our chairman, Dr. Yurek retired, our company elected to separate the positions of chairman of the Board and chief executive officer. The Compensation Committee engaged Pearl Meyer & Partners to provide information related to compensation practices for a non-employee director chairman. Based upon information provided by Pearl Meyer & Partners, the Compensation Committee recommended, and the Board approved, an additional annual cash retainer of \$20,000 to be paid to our company's non-employee director chairman of the Board.

Each fiscal year, non-employee directors receive cash compensation as follows:

- each non-employee director receives \$20,000 as an annual cash retainer;
- the non-employee independent chairman of the Board receives an additional annual cash retainer of \$20,000;
- the chairman of the Audit Committee, Compensation Committee, and Nominating and Corporate Governance Committee receive an additional annual cash retainer of \$6,000, \$4,000 and \$3,000, respectively; and
- each non-employee director who attends an "in person" meeting of the Board or a committee of the Board receives \$1,500 per meeting; and each non-employee director who participates in a teleconference meeting of the Board or a committee of the Board receives \$1,000 per meeting.

Pursuant to the 2007 Director Stock Plan, non-employee directors are granted equity awards as follows:

- each non-employee director is granted an option to purchase 10,000 shares of common stock upon his or her initial election to our Board; and
- each non-employee director is granted (for no cash consideration) 3,000 fully-vested shares of common stock three business days following each Annual Meeting of the Stockholders, provided that such non-employee director had served as a director for at least one year.

Each option granted under the 2007 Director Stock Plan has an exercise price equal to the fair market value of our common stock on the date of grant and becomes exercisable in equal annual installments over a two-year period. Those options become exercisable in full in the event of an acquisition of the Company. The term of each option granted under the 2007 Director Stock Plan is 10 years, provided that, in general, an option may be exercised only while the director continues to serve as a director or within 60 days thereafter.

The compensation packages for directors are intended to attract and retain high-quality individuals to provide oversight to our management team. Directors who are employees of the Company receive no additional compensation for their service as directors.

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The following table summarizes the compensation of our non-employee directors during fiscal 2011:

<u>Name*</u>	<u>Fees Earned or Paid in Cash</u>	<u>Stock Awards(1)(2)</u>	<u>Option Awards</u>	<u>All Other Compensation</u>	<u>Total</u>
Vikram S. Budhraj	\$60,000	\$ 11,700	—	—	\$71,700
Peter O. Crisp	\$72,500	\$ 11,700	—	—	\$84,200
Richard Drouin	\$65,000	\$ 11,700	—	—	\$76,700
David R. Oliver, Jr.	\$61,000	\$ 11,700	—	—	\$72,700
John B. Vander Sande	\$75,000	\$ 11,700	—	—	\$86,700
John W. Wood, Jr.	\$83,500	\$ 11,700	—	—	\$95,200
Pamela F. Lenehan(3)	\$71,000	—	—	—	\$71,000

* Excludes Dr. Yurek, who served as our chief executive officer until May 31, 2011, and as chairman of the Board until August 15, 2011, and Mr. McGahn, who has served as our chief executive officer and as a director since June 1, 2011. Dr. Yurek and Mr. McGahn received no compensation for their service as a director in fiscal 2011. Each of Dr. Yurek's and Mr. McGahn's compensation as an executive is reported in the Summary Compensation Table included in this prospectus.

- (1) The amounts shown reflect the grant date fair value of each director's one-time award of 3,000 fully-vested shares of common stock granted during fiscal 2011.
- (2) Based on stock price of \$3.90 on the grant date of December 13, 2011.
- (3) Ms. Lenehan was appointed to the Board on March 11, 2011.

As of March 31, 2012, each non-employee director held options for the following aggregate number of shares of common stock:

<u>Name</u>	<u>Number of Shares</u>
Vikram S. Budhraj	—
Peter O. Crisp	40,000
Richard Drouin	—
David R. Oliver, Jr.	20,000
John B. Vander Sande	40,000
John W. Wood, Jr.	20,000
Pamela F. Lenehan	10,000

Compensation Committee Interlocks and Insider Participation

The current members of the Compensation Committee are Mr. Crisp (Chairman), Mr. Drouin, Dr. Vander Sande and Mr. Budhraj. No member of the Compensation Committee was at any time during fiscal 2011, or formerly, an officer or employee of ours or any subsidiary of ours, nor has any member of the Compensation Committee had any relationship with us requiring disclosure under Item 404 of Regulation S-K under the Exchange Act.

No executive officer of the Company has served as a director or member of the Compensation Committee (or other committee serving an equivalent function) of any other entity, one of whose executive officers served as a director of or member of our Compensation Committee.

BENEFICIAL OWNERSHIP OF COMMON STOCK

The following table sets forth the beneficial ownership of our common stock as of March 31, 2012, or such earlier date as indicated below, by:

- each person, or group of affiliated persons, who is known by us to beneficially own more than 5% of the outstanding shares of our common stock;
- each of our directors;
- each of our “named executive officers” (as defined in “Compensation Discussion and Analysis”); and
- all directors and executive officers as a group.

Unless otherwise provided, the address of each individual listed below is c/o American Superconductor Corporation, 64 Jackson Road, Devens, Massachusetts 01434.

<u>Name of Beneficial Owner</u>	<u>Number of Shares Beneficially Owned(1)</u>	<u>Percentage of Common Stock Outstanding(2)</u>
<i>Five Percent Stockholders</i>		
Kevin Douglas and related group(3) c/o 125 East Sir Francis Drake Blvd. Suite 400, Larkspur, CA 94903	11,735,500	22.6%
BlackRock, Inc.(4) 40 East 52nd Street, New York, NY 10022	3,026,032	5.8%
<i>Directors</i>		
Daniel P. McGahn(5)	238,403	*
Vikram S. Budhraj	53,000	*
Peter O. Crisp(6)	158,603	*
Richard Drouin	31,000	*
David R. Oliver, Jr.(7)	38,400	*
Pamela F. Lenehan (8)	5,000	*
John B. Vander Sande(9)	62,000	*
John W. Wood, Jr.(10)	37,000	*
<i>Other Named Executive Officers</i>		
Gregory J. Yurek(11)	262,310	*
David A. Henry(12)	195,502	*
Timothy D. Poor (13)	138,814	*
Susan J. DiCecco(14)	63,329	*
Charles W. Stankiewicz(15)	150,367	*
Angelo R. Santamaria (16)	116,017	*
All directors and executive officers as a group (14 persons)(17)	1,549,745	3.0%

* Less than 1%.

- (1) The inclusion of any shares of common stock deemed beneficially owned does not constitute an admission of beneficial ownership of those shares. In accordance with the rules of the SEC, each stockholder is deemed to beneficially own any shares subject to stock options that are currently exercisable or exercisable within 60 days after March 31, 2012, and any reference below to shares subject to outstanding stock options held by the person in question refers only to such stock options. Except as indicated by the footnotes below, we believe that the persons and entities named in the table above have sole voting and investment power with respect to all shares of common stock that they beneficially own, subject to applicable community property laws.
- (2) To calculate the percentage of outstanding shares of common stock held by each stockholder, the number of shares deemed outstanding includes 51,927,865 shares outstanding as of March 31, 2012, plus any shares subject to outstanding stock options currently exercisable or exercisable within 60 days after March 31, 2012 held by the stockholder in question.

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- (3) Information is derived from the Schedule 13D/A filed on February 1, 2012 by Kevin Douglas, Michelle Douglas, James E. Douglas III, K&M Douglas Trust, Douglas Family Trust, James Douglas and Jean Douglas Irrevocable Descendants' Trust, KGD 2010 Annuity Trust I and MMD 2010 Annuity Trust I and is as of January 21, 2012. According to the Schedule 13D/A, Kevin Douglas has sole voting and dispositive power with respect to 657,332 shares, shared voting power with respect to 7,273,684 shares and shared dispositive power with respect to 11,078,168 shares; Michelle Douglas has sole voting power with respect to 657,332 shares, shared voting power with respect to 7,273,684 shares and shared dispositive power with respect to 7,931,016 shares; James E. Douglas III has sole voting power and shared dispositive power with respect to 1,175,310 shares; K&M Douglas Trust has sole voting and dispositive power with respect to 3,567,864 shares; Douglas Family Trust has sole voting and shared dispositive power with respect to 1,971,842 shares; James Douglas and Jean Douglas Irrevocable Descendants' Trust has sole voting and dispositive power with respect to 3,705,820 shares; KGD 2010 Annuity Trust I has sole voting and dispositive power with respect to 657,332 shares; and MMD 2010 Annuity Trust I has sole voting and shared dispositive power with respect to 657,332 shares.
- (4) Information is derived from the Schedule 13G/A filed on February 13, 2012 by BlackRock, Inc. and is as of December 30, 2011. As reported in the Schedule 13G/A, Blackrock has sole dispositive and voting power for all such shares.
- (5) Includes 116,500 shares subject to outstanding stock options, 87,000 shares subject to certain restrictions on transfer and a risk of forfeiture in favor of the Company and 2,413 shares held indirectly through American Superconductor's 401(k) plan.
- (6) Includes 3,000 shares held by Mr. Crisp's wife and 40,000 shares subject to outstanding stock options. Mr. Crisp disclaims beneficial ownership of the shares held by his wife.
- (7) Includes 20,000 shares subject to outstanding stock options.
- (8) Includes 5,000 shares subject to outstanding stock options.
- (9) Includes 40,000 shares subject to outstanding stock options.
- (10) Includes 20,000 shares subject to outstanding stock options.
- (11) Includes 176,012 shares held by Dr. Yurek and 86,298 shares subject to outstanding stock options. Stock ownership information is as of August 15, 2011, the last day on which Mr. Yurek served as a director of the Company. Stock option information is as of March 31, 2012 and is based on the Company's records.
- (12) Includes 111,000 shares subject to outstanding stock options, 32,700 shares subject to certain restrictions on transfer and risk of forfeiture in favor of the Company and 1,552 shares held indirectly through American Superconductor's 401(k) plan.
- (13) Includes 65,334 shares subject to outstanding stock options, 30,832 shares subject to certain restrictions on transfer and risk of forfeiture in favor of the Company and 2,109 shares held indirectly through American Superconductor's 401(k) plan.
- (14) Includes 20,533 shares subject to outstanding stock options, 22,800 shares subject to certain restrictions on transfer and risk of forfeiture in favor of the Company and 2,289 shares held indirectly through American Superconductor's 401(k) plan.
- (15) Includes 80,000 shares subject to outstanding stock options and 5,036 shares held indirectly through American Superconductor's 401(k) plan. Stock ownership information is as of August 23, 2011, the last day of Mr. Stankiewicz's employment with the Company. Stock option information is as of March 31, 2012 and is based on the Company's records.
- (16) Includes 80,000 shares subject to outstanding stock options and 2,349 shares held indirectly through American Superconductor's 401(k) plan. Stock ownership information is as of August 12, 2011, the last day of Mr. Santamaria's employment with the Company. Stock option information is as of March 31, 2012 and is based on the Company's records.

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- (17) Includes 684,665 shares subject to outstanding stock options, 173,332 shares subject to certain restrictions on transfer and risk of forfeiture in favor of the Company and 15,748 shares held indirectly through American Superconductor's 401(k) plan.

PRIVATE PLACEMENT OF NOTES AND WARRANTS

Pursuant to the Purchase Agreement, on April 4, 2012 we sold to the selling stockholder \$25.0 million aggregate principal amount of the Notes (at face amount) and the Warrant to purchase 3,094,060 shares of our common stock for an aggregate purchase price of \$25.0 million in a private placement transaction. We paid the selling stockholder \$100,000 to reimburse its legal fees and expenses incurred in connection with the transaction. Accordingly, the net proceeds to us were \$24.9 million. Pursuant to the Purchase Agreement, we agreed to, among other things, (i) not issue any securities until January 4, 2013, subject to certain exceptions, (ii) not to enter into a variable rate transaction at any time while the Notes are outstanding, and (iii) for a period of two years from the date of the Purchase Agreement, to allow the selling stockholder to participate in future financing transactions.

Description of the Notes

We are required to repay the Notes in monthly installments of approximately \$926,000 commencing August 4, 2014 and ending October 4, 2014. We refer to each such date as an Installment Date. The Notes bear interest at a rate of 7% per annum. Interest is computed on the basis of a 360-day year and twelve 30-day months and is compounded monthly. The interest rate will increase to 15% per annum upon the occurrence of an event of default pursuant to the Notes. Interest on the Notes is payable in arrears on each Installment Date.

We may pay the applicable principal and interest amounts due on an Installment Date in shares of common stock, subject to the satisfaction of certain conditions, or elect to pay in cash. Among these conditions, (i) there must be an effective registration statement covering the shares of our common stock issuable under the terms of the Notes and the Warrant or such shares of common stock must be eligible for sale pursuant to Rule 144 under the Securities Act without the need for registration, (ii) the aggregate dollar trading volume of our common stock on at least 25 of the 30 consecutive trading days immediately preceding the Installment Date is at least \$1,500,000, and (iii) the average of the daily VWAP of our common stock over the previous 30 consecutive trading days is at least \$2.50. If we are not permitted to deliver shares of common stock with respect to an Installment Date due to a failure to satisfy any of the conditions, we must pay the applicable portion of the principal and interest amounts in cash, unless the conditions are waived by the selling stockholder. If the applicable conditions are satisfied, we currently intend to repay the Notes through the issuance of shares of our common stock. However, this intention may change depending on our finances at the time of the applicable Installment Date and our stock price on the applicable Installment Date.

If we make a payment in shares of common stock, the principal amount of the Notes being paid will be converted into shares of our common stock at a price per share equal to the lesser of the Conversion Price then in effect (as described below) and 85% of the Market Price on the Installment Date. The "Market Price" for any given date is the lesser of (i) the volume-weighted average price of our common stock on the trading day immediately preceding such date, and (ii) the arithmetic average of the volume-weighted average price of our common stock for the ten consecutive trading days ending on the trading day immediately preceding such date.

All amounts due under the Notes are convertible at any time, in whole or in part, at the option of the selling stockholder, into shares of our common stock at a price per share equal to \$4.85, subject to certain price-based and other anti-dilution adjustments, or the Conversion Price. However, the Notes may not be converted if, after giving effect to the conversion, the selling stockholder together with its affiliates would beneficially own in excess of 4.99% of the outstanding shares of our common stock, or the Maximum Percentage, or the issuance of the shares would violate NASDAQ rules and regulations (including applicable shareholder approval requirements). The Maximum Percentage may be raised to any other percentage not in excess of 9.99% at the option of the selling stockholder, upon at least 61-days' prior notice to us, or lowered to any other percentage, at the option of the selling stockholder, at any time.

The Notes contain certain covenants and restrictions, including, among others, that, for so long as the Notes are outstanding, we will not incur any indebtedness (other than permitted indebtedness under the Notes), permit liens on our properties (other than permitted liens under the Notes), make payments on junior securities, make dividends or transfer certain assets. Events of default under the Notes include, among others, failure to pay principal or interest on the Notes or comply with certain covenants under the Notes and cross defaults to other material indebtedness. Upon an event of default, the selling stockholder may require us to redeem all or any portion of the

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outstanding principal amount of the Notes in cash for a price equal to the greater of (a) either 120% or 100%, depending on the type of event of default, of the principal amount being redeemed and (b) the product of the principal amount being redeemed multiplied by a fraction, the numerator of which is the greatest closing sale price of our common stock on any trading day during the period starting on the date immediately preceding the event of default and ending on the day we pay the redemption amount for the Notes, and the denominator of which is the Conversion Price at the time the selling stockholder elects to have the Notes redeemed.

Warrants

The Warrants is exercisable at any time on or after October 4, 2012 and entitle the selling stockholder to purchase shares of our common stock until October 4, 2017 at a price per share, equal to \$5.45 per share, subject to certain price-based and other anti-dilution adjustments, or the Warrant Exercise Price. The Warrants may not be exercised if, after giving effect to the conversion, the selling stockholder together with its affiliates would beneficially own in excess of the Maximum Percentage of 4.99%. The Maximum Percentage may be raised to any other percentage not in excess of 9.99% at the option of the holder of the selling stockholder, upon at least 61-days' prior notice to us, or lowered to any other percentage, at the option of the selling stockholder, at any time.

SELLING STOCKHOLDER

The shares of common stock being offered by the selling stockholder are those issuable to the selling stockholder upon conversion of the Notes, payment of principal of and interest on the Notes and exercise of the Warrant. We are registering the shares of common stock in order to permit the selling stockholder to offer the shares for resale from time to time. Except for the ownership of the Notes and the Warrant, the selling stockholder has not had any material relationship with us within the past three years.

The table below lists the selling stockholder and other information regarding the beneficial ownership (as determined under Section 13(d) of the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder) of the shares of common stock held by the selling stockholder. The second column lists the number of shares of common stock beneficially owned by the selling stockholder, based on its ownership of shares of common stock, the Notes and the Warrant, as of April 4, 2012, assuming conversion of the Notes and exercise of the Warrant held by the selling stockholder on that date but taking account of any limitations on conversion and exercise set forth therein. The third column lists the shares of common stock being offered by this prospectus by the selling stockholder and does not take in account any limitations on (i) conversion of the Notes set forth therein or (ii) exercise of the Warrant set forth therein.

In accordance with the terms of the Registration Rights Agreement with the holder of the Notes and the Warrant, this prospectus generally covers the resale of the sum of (i) up to 6,185,567 shares of common stock issuable upon conversion of the Notes, including conversion in connection with monthly principal payments on the Notes, (ii) up to 982,684 shares of common stock issuable upon payment of interest on the Note, and (iii) up to 3,094,060 shares of common stock issuable upon the exercise of the Warrant. Because the price at which the Notes will be converted in connection with principal and interest payments will vary based on the market price of our common stock, and the conversion price of the Notes and the exercise price of the Warrants may be adjusted, the number of shares that will actually be issued may be more or less than the number of shares being offered by this prospectus. The fourth column assumes the sale of all of the shares offered by the selling stockholder pursuant to this prospectus.

The selling stockholder may sell all, some or none of their shares in this offering. See "Plan of Distribution."

<u>Name of Selling Stockholder</u>	<u>Number of Shares of Common Stock Owned Prior to Offering</u>	<u>Maximum Number of Shares of Common Stock to be Sold Pursuant to this Prospectus</u>	<u>Number of Shares of Common Stock of Owned After Offering</u>
Capital Ventures International(1)	10,262,311(1)	10,262,311	0

- (1) Heights Capital Management, Inc., the authorized agent of Capital Ventures International, or CVI, has discretionary authority to vote and dispose of the shares held by CVI and may be deemed to be the beneficial owner of these shares. Martin Kobinger, in his capacity as Investment Manager of Heights Capital Management, Inc., may also be deemed to have investment discretion and voting power over the shares held by CVI. Mr. Kobinger disclaims any such beneficial ownership of the shares. CVI is affiliated with one or more registered broker-dealers, none of whom are currently expected to participate in the sale of the common stock offered hereby. CVI purchased the shares being registered hereunder in the ordinary course of business and at the time of purchase, had no agreements or understandings, directly or indirectly, with any other person to distribute such shares. Capital Ventures International is not deemed to be the beneficial owner of shares of common stock issuable upon payment of interest on the Notes, because we have the option to pay such amounts in cash. Based on the current Conversion Price for the Notes and the Exercise Price for the Warrants, as of the date of this prospectus, Capital Ventures International beneficially owns 8,248,700 shares of common stock.

PLAN OF DISTRIBUTION

We are registering the shares of common stock issuable upon conversion of the Notes and exercise of the Warrants to permit the resale of these shares of common stock by the holders of the Notes and Warrants from time to time after the date of this prospectus. We will not receive any of the proceeds from the sale by the selling stockholder of the shares of common stock. We will bear all fees and expenses incident to our obligation to register the shares of common stock.

The selling stockholder may sell all or a portion of the shares of common stock held by it and offered hereby from time to time directly or through one or more underwriters, broker-dealers or agents. If the shares of common stock are sold through underwriters or broker-dealers, the selling stockholder will be responsible for underwriting discounts or commissions or agent's commissions. The shares of common stock may be sold in one or more transactions at fixed prices, at prevailing market prices at the time of the sale, at varying prices determined at the time of sale or at negotiated prices. These sales may be effected in transactions, which may involve crosses or block transactions, pursuant to one or more of the following methods:

- on any national securities exchange or quotation service on which the securities may be listed or quoted at the time of sale;
- in the over-the-counter market;
- in transactions otherwise than on these exchanges or systems or in the over-the-counter market;
- through the writing or settlement of options, whether such options are listed on an options exchange or otherwise;
- ordinary brokerage transactions and transactions in which the broker-dealer solicits purchasers;
- block trades in which the broker-dealer will attempt to sell the shares as agent but may position and resell a portion of the block as principal to facilitate the transaction;
- purchases by a broker-dealer as principal and resale by the broker-dealer for its account;
- an exchange distribution in accordance with the rules of the applicable exchange;
- privately negotiated transactions;
- short sales made after the date the Registration Statement is declared effective by the SEC;
- broker-dealers may agree with a selling securityholder to sell a specified number of such shares at a stipulated price per share;
- a combination of any such methods of sale; and
- any other method permitted pursuant to applicable law.

The selling stockholder may also sell shares of common stock under Rule 144 promulgated under the Securities Act of 1933, as amended, if available, rather than under this prospectus. In addition, the selling stockholder may transfer the shares of common stock by other means not described in this prospectus. If the selling stockholder effects such transactions by selling shares of common stock to or through underwriters, broker-dealers or agents, such underwriters, broker-dealers or agents may receive commissions in the form of discounts, concessions or commissions from the selling stockholder or commissions from purchasers of the shares of common stock for whom they may act as agent or to whom they may sell as principal (which discounts, concessions or

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commissions as to particular underwriters, broker-dealers or agents may be in excess of those customary in the types of transactions involved). In connection with sales of the shares of common stock or otherwise, the selling stockholder may enter into hedging transactions with broker-dealers, which may in turn engage in short sales of the shares of common stock in the course of hedging in positions they assume. The selling stockholder may also sell shares of common stock short and deliver shares of common stock covered by this prospectus to close out short positions and to return borrowed shares in connection with such short sales. The selling stockholder may also loan or pledge shares of common stock to broker-dealers that in turn may sell such shares.

The selling stockholder may pledge or grant a security interest in some or all of the Notes, Warrants or shares of common stock owned by them and, if they default in the performance of their secured obligations, the pledgees or secured parties may offer and sell the shares of common stock from time to time pursuant to this prospectus or any amendment to this prospectus under Rule 424(b)(3) or other applicable provision of the Securities Act amending, if necessary, the list of selling stockholders to include the pledgee, transferee or other successors in interest as selling stockholders under this prospectus. The selling stockholder also may transfer and donate the shares of common stock in other circumstances in which case the transferees, donees, pledgees or other successors in interest will be the selling beneficial owners for purposes of this prospectus.

To the extent required by the Securities Act and the rules and regulations thereunder, the selling stockholder and any broker-dealer participating in the distribution of the shares of common stock may be deemed to be “underwriters” within the meaning of the Securities Act, and any commission paid, or any discounts or concessions allowed to, any such broker-dealer may be deemed to be underwriting commissions or discounts under the Securities Act. At the time a particular offering of the shares of common stock is made, a prospectus supplement, if required, will be distributed, which will set forth the aggregate amount of shares of common stock being offered and the terms of the offering, including the name or names of any broker-dealers or agents, any discounts, commissions and other terms constituting compensation from the selling stockholder and any discounts, commissions or concessions allowed or re-allowed or paid to broker-dealers.

Under the securities laws of some states, the shares of common stock may be sold in such states only through registered or licensed brokers or dealers. In addition, in some states the shares of common stock may not be sold unless such shares have been registered or qualified for sale in such state or an exemption from registration or qualification is available and is complied with.

There can be no assurance that the selling stockholder will sell any or all of the shares of common stock registered pursuant to the registration statement, of which this prospectus forms a part.

The selling stockholder and any other person participating in such distribution will be subject to applicable provisions of the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder, including, without limitation, to the extent applicable, Regulation M of the Exchange Act, which may limit the timing of purchases and sales of any of the shares of common stock by the selling stockholder and any other participating person. To the extent applicable, Regulation M may also restrict the ability of any person engaged in the distribution of the shares of common stock to engage in market-making activities with respect to the shares of common stock. All of the foregoing may affect the marketability of the shares of common stock and the ability of any person or entity to engage in market-making activities with respect to the shares of common stock.

We will pay all expenses of the registration of the shares of common stock pursuant to the registration rights agreement, estimated to be \$90,000 in total, including, without limitation, Securities and Exchange Commission filing fees and expenses of compliance with state securities or “blue sky” laws; provided, however, the selling stockholder will pay all underwriting discounts and selling commissions, if any. We will indemnify the selling stockholder against liabilities, including some liabilities under the Securities Act in accordance with the registration rights agreements or the selling stockholder will be entitled to contribution. We may be indemnified by the selling stockholder against civil liabilities, including liabilities under the Securities Act that may arise from any written information furnished to us by the selling stockholder specifically for use in this prospectus, in accordance with the related registration rights agreements or we may be entitled to contribution.

VALIDITY OF COMMON STOCK

Latham & Watkins LLP will pass on the validity of the common stock offered by this registration statement.

EXPERTS

The financial statements and financial statement schedule incorporated in this Prospectus by reference to American Superconductor Corporation's Current Report on Form 8-K dated April 13, 2012 and management's assessment of the effectiveness of internal control over financial reporting (which is included in Management's Report on Internal Control over Financial Reporting) incorporated in this Prospectus by reference to the Annual Report on Form 10-K of American Superconductor Corporation for the year ended March 31, 2011 have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports, proxy statements and other information with the SEC. Our SEC filings are available to the public over the Internet at the SEC's website at <http://www.sec.gov>. Copies of certain information filed by us with the SEC are also available on our website at <http://www.amsc.com>. Our website is not a part of this prospectus. You may also read and copy any document we file at the SEC, 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information.

INCORPORATION OF CERTAIN INFORMATION BY REFERENCE

This prospectus is part of a registration statement on Form S-1 filed by us with the SEC. This prospectus does not contain all of the information set forth in the registration statement, certain parts of which are omitted in accordance with the rules and regulations of the SEC. Statements made in this prospectus as to the contents of any contract or other document referred to are not necessarily complete and in each instance reference is made to the copy of that contract or other document filed as an exhibit to the registration statement. For further information about us and the common stock offered by this prospectus we refer you to the registration statement and its exhibits and schedules which may be obtained as described above.

The SEC allows us to "incorporate by reference" the information that we previously filed with them into this prospectus, which means that important information can be disclosed to you by referring you to those documents and those documents will be considered part of this prospectus. The documents listed below (other than portions of these documents deemed to be "furnished" or not deemed to be "filed," including the portions of these documents that are either (1) described in paragraphs (d)(1), (d)(2), (d)(3) or (e)(5) of Item 407 of Regulation S-K promulgated by the SEC or (2) furnished under Item 2.02 or Item 7.01 of a Current Report on Form 8-K, including any exhibits included with such Items) are incorporated by reference herein:

- Our annual report on Form 10-K as of and for the year ended March 31, 2011 (filed on September 23, 2011);
- Our quarterly report on Form 10-Q for the three months ended June 30, 2011 (filed on September 23, 2011);
- Our quarterly report on Form 10-Q for the three and six months ended September 30, 2011 (filed on November 9, 2011);
- Our quarterly report on Form 10-Q for the three and nine months ended December 31, 2011 (filed on February 9, 2012);
- Our current reports on Form 8-K filed on May 24, 2011, June 13, 2011, June 21, 2011, June 30, 2011, July 11, 2011, August 11, 2011, August 18, 2011, October 7, 2011, October 31, 2011, November 29, 2011, December 8, 2011 (as amended on February 6, 2012), April 4, 2012 and April 13, 2012; and

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- The description of our common stock contained in our Registration Statement on Form 8-A filed on November 5, 1991, as updated by the current reports on Form 8-K filed on November 8, 2010 and April 13, 2012 and any other amendments or reports filed for the purpose of updating such description.

The information incorporated by reference contains important information about us and our financial condition, and is considered to be part of this prospectus. Any statement contained in a document incorporated or deemed to be incorporated by reference in this prospectus will be deemed to be modified or superseded to the extent that a statement contained herein modifies or supersedes that statement. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of this prospectus.

If you make a request for such information in writing or by telephone, we will provide you, without charge, a copy of any or all of the information incorporated by reference into this prospectus. Any such request should be directed to:

AMERICAN SUPERCONDUCTOR CORPORATION
64 JACKSON ROAD, DEVENS, MA 01434
TELEPHONE: (978) 842-3000
ATTN: INVESTOR RELATIONS

10,262,311 Shares

Common Stock



PART II**Item 13. Other Expenses of Issuance and Distribution**

The following table sets forth the costs and expenses, other than any discounts and commissions, payable in connection with the sale and distribution of the securities being registered. All amounts are estimated except the SEC registration fee. All the expenses below will be paid by American Superconductor Corporation.

<u>Item</u>	<u>Amount</u>
SEC registration fee	\$ 4,328
Legal fees and expenses	\$50,000
Accounting fees and expenses	\$25,000
Transfer Agent and Registrar fees	\$ 5,000
Miscellaneous fees and expenses	\$ 5,672
Total	<u>\$90,000</u>

Item 14. Indemnification of Directors and Officers

Section 145 of the General Corporation Law of the State of Delaware provides that a corporation has the power to indemnify a director, officer, employee or agent of the corporation and certain other persons serving at the request of the corporation in related capacities against amounts paid and expenses incurred in connection with an action or proceeding to which he is or is threatened to be made a party by reason of such position, if such person shall have acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the corporation, and, in any criminal proceeding, if such person had no reasonable cause to believe his conduct was unlawful; provided that, in the case of actions brought by or in the right of the corporation, no indemnification shall be made with respect to any matter as to which such person shall have been adjudged to be liable to the corporation unless and only to the extent that the adjudicating court determines that such indemnification is proper under the circumstances.

Article VI of the registrant's by-laws provides that a director or officer of the registrant (a) shall be indemnified by the registrant against all expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred in connection with any litigation or other legal proceeding (other than an action by or in the right of the registrant) brought against him by virtue of his position as a director or officer of the registrant if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the registrant, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful and (b) shall be indemnified by the registrant against expenses (including attorneys' fees) incurred in connection with the defense or settlement of any action or suit by or in the right of the registrant by virtue of his position as a director or officer of the registrant if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the registrant, except that no indemnification shall be made with respect to any such matter as to which such director or officer shall have been adjudged to be liable to the registrant, unless and only to the extent that a court determines upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses as the court deems proper. Notwithstanding the foregoing, to the extent that a director or officer has been successful, on the merits or otherwise, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the registrant upon receipt of an undertaking by the director or officer to repay such amount if the registrant ultimately determines that he is not entitled to indemnification.

Indemnification shall be made by the registrant upon a determination that the applicable standard of conduct required for indemnification has been met and that indemnification of a director or officer is proper. Such determination shall be made (a) by the board of directors by a majority vote of a quorum consisting of directors who were not parties to the action, or (b) if such a quorum is not obtainable, or if a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or (c) by the stockholders of the registrant.

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Article VI of the registrant's by-laws further provides that the indemnification provided therein is not exclusive, and provides that to the extent the Delaware General Corporation Law is amended or supplemented, Article V shall be amended automatically and construed so as to permit indemnification and advancement of expenses to the fullest extent permitted by such law.

Section 102(b)(7) of the General Corporation Law of the State of Delaware provides, generally, that the certificate of incorporation may contain a provision providing, and Article EIGHTH of the registrant's certificate of incorporation provides, that no director of the registrant shall be personally liable to the registrant or its stockholders for monetary damages for breach of fiduciary duty as a director, provided, that a director shall remain liable (i) for any breach of such director's duty of loyalty to the registrant or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the General Corporation Law of the State of Delaware, or (iv) for any transaction from which such director derived an improper personal benefit.

The registrant has a directors and officers liability insurance policy covering certain liabilities that may be incurred by its directors and officers.

Item 15. Recent Sales of Unregistered Securities

On April 4, 2012, the registrant issued and sold to the selling stockholder identified in the prospectus that is part of this registration statement \$25 million aggregate principal amount of senior convertible notes and warrants to purchase up to 3,094,060 shares of the registrant's common stock, for an aggregate purchase price of \$25,000,000. The issuance and sale of the senior convertible notes and the warrants was exempt from registration under the Securities Act pursuant to Section 4(2) of the Securities Act. The registrant did not engage in any general solicitation or advertising with regard to the issuance and sale of the senior convertible notes and the warrants and did not offer securities to the public in connection with the issuance and sale. The registrant did not employ any underwriters in connection with the issuance and sale of the senior convertible notes or the warrants. The senior convertible notes and the warrants have the terms described in the registrant's Current Report on Form 8-K filed with the SEC on April 4, 2012.

Item 16. Exhibits and Financial Statement Schedules

(a) Exhibits

The exhibits to this registration statement are listed in the exhibit index, which appears elsewhere herein and is incorporated herein by reference.

(b) Financial Statement Schedules

Schedules have been omitted because the information to be set forth therein is not applicable or is shown in the consolidated financial statements or notes incorporated by reference from the Annual Report on Form 10-K for the year ended March 31, 2011 and Current Report on Form 8-K filed on April 13, 2012.

Item 17. Undertakings

The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed

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that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement.

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) That, for the purpose of determining liability under the Securities Act of 1933 to any purchaser each prospectus filed pursuant to Rule 424(b) as part of a registration statement relating to an offering, other than registration statements relying on Rule 430B or other than prospectuses filed in reliance on Rule 430A, shall be deemed to be part of and included in the registration statement as of the date it is first used after effectiveness; provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such first use, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such date of first use.

(5) That, for the purpose of determining liability of the registrant under the Securities Act of 1933 to any purchaser in the initial distribution of the securities the undersigned registrant undertakes that in a primary offering of securities of the undersigned registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

(i) Any preliminary prospectus or prospectus of the undersigned registrant relating to the offering required to be filed pursuant to Rule 424;

(ii) Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned registrant or used or referred to by the undersigned registrant;

(iii) The portion of any other free writing prospectus relating to the offering containing material information about the undersigned registrant or its securities provided by or on behalf of the undersigned registrant; and

(iv) Any other communication that is an offer in the offering made by the undersigned registrant to the purchaser.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the provisions described in Item 14, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
3.1	Restated Certificate of Incorporation of the Registrant, as amended (1)
3.2	Amended and Restated By-laws, as amended, of the Registrant (2)
4.1	Specimen Common Stock Certificate (3)
4.2	Form of Unsecured Senior Convertible Note (4)
4.3	Form of Unsecured Warrant (4)
5.1	Opinion of Latham & Watkins LLP
10.1	1993 Stock Option Plan (5)
10.2	Amended and Restated 1996 Stock Incentive Plan (6)
10.3	Form of incentive stock option agreement under Amended and Restated 1996 Stock Incentive Plan (7)
10.4	Form of non-statutory stock option agreement under Amended and Restated 1996 Stock Incentive Plan (7)
10.5	Second Amended and Restated 1997 Director Stock Option Plan, as amended (8)
10.6	Form of Stock Option Agreement under Second Amended and Restated 1997 Director Stock Option Plan, as amended (9)
10.7	2004 Stock Incentive Plan, as amended (8)
10.8	Form of incentive stock option agreement under 2004 Stock Incentive Plan, as amended (9)
10.9	Form of non-statutory stock option agreement under 2004 Stock Incentive Plan, as amended (9)
10.10	Form of restricted stock agreement under 2004 Stock Incentive Plan, as amended (9)
10.11	2007 Stock Incentive Plan, as amended (10)
10.12	Form of Incentive Stock Option Agreement under 2007 Stock Incentive Plan, as amended (11)
10.13	Form of Nonstatutory Stock Option Agreement under 2007 Stock Option Plan, as amended (11)
10.14	Form of Restricted Stock Agreement Regarding Awards to Executive Officers under 2007 Stock Option Plan, as amended (11)
10.15	Form of Restricted Stock Agreement Regarding Awards to Employees, under 2007 Stock Option Plan, as amended (11)
10.16	Form of Restricted Stock Agreement (regarding performance-based awards to executive officers and employees) under 2007 Stock Incentive Plan, as amended (12)
10.17	2007 Director Stock Plan, as amended (13)
10.18	Form of Nonstatutory Stock Option Agreement Under 2007 Director Stock Plan, as amended (11)
10.19	Executive Incentive Plan for the fiscal year ending March 31, 2011 (8)
10.20	Executive Incentive Plan for the fiscal year ending March 31, 2012 (14)
10.21	Form of Employee Nondisclosure and Developments Agreement (15)
10.22	Noncompetition Agreement dated as of July 10, 1987 between the Registrant and John Vander Sande (15)
10.23	Retirement and Services Agreement, dated as of May 23, 2011, between the Registrant and Gregory J. Yurek (16)
10.24	Amended and Restated Executive Severance Agreement dated as of December 23, 2008 between the Registrant and David A. Henry (8)

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10.25	Severance Agreement dated as of September 12, 2011 between the Registrant and Charles W. Stankiewicz (14)
10.26	Amended and Restated Executive Severance Agreement, dated as of May 24, 2011, between the Registrant and Daniel P. McGahn (16)
10.27	Amended and Restated Executive Severance Agreement dated as of December 23, 2008 between the Registrant and Timothy D. Poor (8)
10.28	Executive Severance Agreement dated as of September 8, 2009 between the Registrant and Susan J. DiCecco (17)
‡10.29	Severance Agreement dated as of August 22, 2011 between the Registrant and Angelo R. Santamaria
10.30	Stock Purchase Agreement, dated November 28, 2006, between the Registrant and Gerald Hehenberger Privatstiftung (18)
†10.31	Purchase Contract No. 06.7IC014 for the Core Components of the Electrical Control System of FL 1500 Wind Turbine, dated as of December 15, 2006, between Sinovel Wind Co., Ltd and Windtec Systemtechnik Handels GmbH (19)
†10.32	Purchase Contract No. 06.7IC015 for the Software of FL 1500 Wind Turbine, dated as of December 15, 2006, between Sinovel Wind Co., Ltd and Windtec Systemtechnik Handels GmbH (19)
†10.33	Contract Amendment to the Purchase Contract No. 06.7IC014 for the Core Components of the Electrical Control System of FL 1500 Wind Turbine, dated as of March 6, 2007, between Sinovel Wind Co., Ltd and Windtec Systemtechnik Handels GmbH (19)
†10.34	Contract Amendment to the Purchase Contract No. 06.7IC015 for the Software of FL 1500 Wind Turbine, dated as of March 6, 2007, between Sinovel Wind Co., Ltd and Windtec Systemtechnik Handels GmbH (19)
†10.35	Purchase Contract No. FDCG07060 for the Core Components of the Electrical Control System of SL 1500 Wind Turbine, dated as of December 24, 2007, between Sinovel Wind Co., Ltd, China National Machinery & Equipment Import & Export Corporation and Windtec Systemtechnik Handels GmbH (19)
†10.36	Purchase Contract No. FDCG07061 for the Software of SL 1500 Wind Turbine, dated as of December 24, 2007, between Sinovel Wind Co., Ltd, China National Machinery & Equipment Import & Export Corporation and Windtec Systemtechnik Handels GmbH (19)
†10.37	Purchase Contract No. FDCG08050 for the Electrical System of SL 3000 Wind Turbine, dated as of March 7, 2008, between Sinovel Wind Co., Ltd, China National Machinery & Equipment Import & Export Corporation and Windtec Systemtechnik Handels GmbH (19)
†10.38	Purchase Contract No. FDCG08051 for the Core Components of the Electrical Control System of SL 3000 Wind Turbine, dated as of March 7, 2008, between Sinovel Wind Co., Ltd, China National Machinery & Equipment Import & Export Corporation and Windtec Systemtechnik Handels GmbH (19)
†10.39	Purchase Contract No. FDCG08045-01 for the Core Components of the Electrical Control System and Software of SL 1500 Wind Turbine, effective as of June 5, 2008, between Sinovel Wind Co., Ltd and Suzhou AMSC Superconductor Co., Ltd. (20)
†10.40	Amendment No. HB-FDCG08045-01-2, dated July 24, 2009, to Purchase Contract No. FDCG08045-01 for the Core Components of the Electrical Control System and Software of SL 1500 Wind Turbine, effective as of June 5, 2008, between Sinovel Wind Co., Ltd. and Suzhou AMSC Superconductor Co., Ltd. (21)
†10.41	Purchase Contract No. HCG1.5MW-10016-01, effective as of May 12, 2010, between Sinovel Wind Group Co., Ltd. and Suzhou AMSC Superconductor Co., Ltd. (22)
10.42	Share Purchase Agreement, dated March 12, 2011, by and among the Registrant and the shareholders of The Switch Engineering Oy (23)
10.43	Letter Agreement, dated as of June 7, 2011, between the Registrant and The Switch Engineering Oy (24)
10.44	Amendment Agreement, dated June 29, 2011, by and among the Registrant and the shareholders of The Switch Engineering Oy (25)

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10.45	Termination Agreement, dated October 28, 2011, among the shareholders of The Switch Engineering Oy, the Registrant and The Switch Engineering Oy (26)
10.46	Securities Purchase Agreement, dated as of April 4, 2012, by and between American Superconductor Corporation and Capital Ventures International (4)
10.47	Registration Rights Agreement, dated as of April 4, 2012, by and between American Superconductor Corporation and Capital Ventures International (4)
‡21.1	Subsidiaries
23.1	Consent of Latham & Watkins LLP (included in Exhibit 5.1)
‡23.2	Consent of Pricewaterhouse Coopers LLP, independent registered public accounting firm
‡24.1	Power of Attorney (see page II-4)

-
- (1) Incorporated by reference to Exhibit 3.1 to the Quarterly Report on Form 10-Q filed with the Commission on February 9, 2012 (File No. 000-19672).
 - (2) Incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K filed with the Commission on January 30, 2008 (Commission File No. 000-19672).
 - (3) Incorporated by reference to Exhibits to the Registration Statement on Form S-1, filed with the Commission on December 13, 1991 (File No. 33-43647).
 - (4) Incorporated by reference to Exhibits to the Registrant's Current Report on Form 8-K filed with the Commission on April 4, 2012 (Commission File No. 000-19672).
 - (5) Incorporated by reference to Exhibits to the Registrant's Annual Report on Form 10-K filed with the Commission on June 29, 1993 (Commission File No. 000-19672).
 - (6) Incorporated by reference to Exhibit 10.21 to the Registrant's Annual Report on Form 10-K filed with the Commission on June 27, 2001 (Commission File No. 000-19672).
 - (7) Incorporated by reference to Exhibits to the Registrant's Annual Report on Form 10-K filed with the Commission on May 28, 2009 (Commission File No. 000-19672).
 - (8) Incorporated by reference to Exhibits to the Registrant's Current Report on Form 10-Q filed with the Commission on February 5, 2009 (Commission File No. 000-19672).
 - (9) Incorporated by reference to Exhibits to the Registrant's Quarterly Report on Form 10-Q filed with the Commission on November 9, 2004 (Commission File No. 000-19672).
 - (10) Incorporated by reference to Exhibits to the Registrant's Annual Report on Form 10-K filed with the Commission on May 27, 2010 (Commission File No. 000-19672).
 - (11) Incorporated by reference to Exhibits to the Registrant's Current Report on Form 8-K filed with the Commission on August 9, 2007 (Commission File No. 000-19672).
 - (12) Incorporated by reference to Exhibits to the Registrant's Current Report on Form 8-K filed with the Commission on May 20, 2008 (Commission File No. 000-19672).
 - (13) Incorporated by reference to Exhibits to the Registrant's Quarterly Report on Form 10-Q filed with the Commission on August 6, 2009 (Commission File No. 000-19672).
 - (14) Incorporated by reference to Exhibits to the Registrant's Quarterly Report on Form 10-Q filed with the Commission on November 9, 2011 (Commission File No. 000-19672).
 - (15) Incorporated by reference to Exhibits to the Registrant's Registration Statement on Form S-1, filed with the Commission on December 13, 1991 (File No. 333-43647).

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- (16) Incorporated by reference to Exhibits to the Registrant's Current Report on Form 8-K filed with the Commission on May 24, 2011 (Commission file No. 000-19672).
- (17) Incorporated by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q filed with the Commission on November 5, 2009 (Commission File No. 000-19672).
- (18) Incorporated by reference to Exhibit 10.01 to the Registrant's Current Report on Form 8-K filed with the Commission on November 29, 2006 (Commission File No. 000-19672).
- (19) Incorporated by reference to Exhibits to the Registrant's Annual Report on Form 10-K filed with the Commission on May 29, 2008 (Commission File No. 000-19672).
- (20) Incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the Commission on June 11, 2008 (Commission File No. 000-19672).
- (21) Incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the Commission on July 30, 2009 (Commission File No. 000-19672).
- (22) Incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K/A filed with the Commission on September 15, 2010 (Commission File No. 000-19672).
- (23) Incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the Commission on March 14, 2011 (Commission File No. 000-19672).
- (24) Incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the Commission on June 13, 2011 (Commission file No. 000-19672).
- (25) Incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the Commission on June 30, 2011 (Commission file No. 000-19672).
- (26) Incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the Commission on October 31, 2011 (Commission File No. 000-19672).
- † Confidential treatment previously requested and granted with respect to certain portions, which portions were omitted and filed separately with the Commission.
- ‡ Filed herewith.

LATHAM & WATKINS^{LLP}

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April 13, 2012

American Superconductor Corporation
 64 Jackson Road
 Devens, Massachusetts 01434

Re: Registration Statement on Form S-1; 10,262,311 shares of common stock, par value \$0.01 per share

Ladies and Gentlemen:

We have acted as special counsel to American Superconductor Corporation, a Delaware corporation (the "Company"), in connection with the proposed resale from time to time of up to 10,262,311 shares (the "Shares") of the Company's common stock, \$0.01 par value per share (the "Common Stock"), by Capital Ventures International (the "Selling Stockholder"). The Shares include (i) up to 6,185,567 shares of Common Stock issuable upon conversion of a note issued by the Company to the Selling Stockholder on April 4, 2012 (the "Note," and the shares of Common Stock issuable upon conversion of the Note, the "Conversion Shares"), (ii) up to 982,684 shares of Common Stock issuable pursuant to the terms of the Note to pay interest on the Note (the "Interest Shares"), and (iii) up to 3,094,060 shares of Common Stock issuable upon the exercise of a warrant issued by the Company to the Selling Stockholder on April 4, 2012 (the "Warrant," and the shares of Common Stock issuable upon exercise of the Warrant, the "Warrant Shares"). The Shares are included in a registration statement on Form S-1 under the Securities Act of 1933, as amended (the "Act"), filed with the Securities and Exchange Commission (the "Commission") on April 13, 2012 (the "Registration Statement"). This opinion is being furnished in connection with the requirements of Item 601(b)(5) of Regulation S-K under the Act, and no opinion is expressed herein as to any matter pertaining to the contents of the Registration Statement or the prospectus contained therein, other than as expressly stated herein with respect to the issue of the Shares.

As such counsel, we have examined such matters of fact and questions of law as we have considered appropriate for purposes of this letter. With your consent, we have relied upon certificates and other assurances of officers of the Company and others as to factual matters without having independently verified such factual matters. We are opining herein as to General Corporation Law of the State of Delaware, and we express no opinion with respect to any other laws.

Subject to the foregoing and the other matters set forth herein, it is our opinion that, as of the date hereof:

1. The issue of the Conversion Shares has been duly authorized by all necessary corporate action of the Company, and when the Conversion Shares have been duly registered on the books of the transfer agent and registrar therefor in the name or on behalf of the Selling Stockholder, and have been issued by the Company upon conversion of the Note, the Conversion Shares will be validly issued, fully paid and nonassessable.

2. The issue of the Interest Shares has been duly authorized by all necessary corporate action of the Company, and when the Interest Shares have been duly registered on the books of the transfer agent and registrar therefor in the name or on behalf of the Selling Stockholder, and have been issued by the Company to pay interest on the Note in the circumstances contemplated by the Note, the Interest Shares will be validly issued, fully paid and nonassessable.

3. The issue of the Warrant Shares has been duly authorized by all necessary corporate action of the Company, and when the Warrant Shares have been duly registered on the books of the transfer agent and registrar therefor in the name or on behalf of the Selling Stockholder, and have been issued by the Company upon exercise of the Warrant, the Warrant Shares will be validly issued, fully paid and nonassessable.

This opinion is for your benefit in connection with the Registration Statement and may be relied upon by you and by persons entitled to rely upon it pursuant to the applicable provisions of the Act. We consent to your filing this opinion as an exhibit to the Registration Statement and to the reference to our firm in the Prospectus under the heading "Validity of Common Stock." In giving such consent, we do not thereby admit that we are in the category of persons whose consent is required under Section 7 of the Act or the rules and regulations of the Commission thereunder.

Very truly yours,

/s/ Latham & Watkins LLP

SEVERANCE AGREEMENT

This Severance Agreement (the "Agreement") is made as of this 22nd day of August, 2011 by and between American Superconductor Corporation (the "Company"), and Angelo R. Santamaria (the "Executive").

WHEREAS, the Executive currently serves as the Company's Senior Vice President, Global Manufacturing Operations;

WHEREAS, the Company and the Executive believe that it is in their mutual best interests for the Company to terminate the Executive's employment effective August 11, 2011 (the "Termination Date"), as part of the Company's current restructuring of the same date;

WHEREAS, the Executive and the Company are parties to an Amended and Restated Executive Severance Agreement dated December 23, 2008 ("Executive Agreement") and an offer letter dated March 29, 2004 (the "Offer Letter");

WHEREAS, the Executive and the Company believe that it is in their mutual interests to terminate the Executive Agreement and Offer Letter and provide the Executive benefits in accordance with this Agreement;

WHEREAS, the Company has agreed to offer the Executive the severance benefits (as defined below) set forth in Paragraph 1 below, provided that he signs and returns this Agreement to the Company no earlier than the Termination Date but no later than October 7, 2011 and does not revoke it;

WHEREAS, the Company advised the Executive to consult with an attorney of his own choosing prior to executing this Agreement; and

WHEREAS, the Executive requested certain changes to this Agreement, and the Company has made some of the requested changes.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants contained herein, the parties agree as follows:

1. Severance Benefits. Provided the Executive timely signs and returns this Agreement no earlier than his Termination Date, and does not revoke this Agreement, the Company will provide him, subject to the terms and conditions set forth in Attachment A, the following severance benefits (the "Severance Benefits"):

(a) **Severance Pay.** The Company will pay to the Executive \$350,000, less all applicable taxes and withholdings, as severance pay (an amount equivalent to twelve (12) months of his current base salary and \$100,000 of additional consideration) (the "Severance Pay"). The Severance Pay will be paid on a pro-rata basis as salary continuation over twelve (12) months in accordance with the Company's normal payroll

practices, but in no event shall payment begin earlier than the eighth (8th) day after the Executive's execution of the Agreement (provided he has not revoked his acceptance of the Agreement). If the Executive dies before receiving the entire Severance Pay, the remaining payments will be paid to his wife, if living. If she is not alive at the time the payments are to be made, the remaining payments will be made to his estate. The Severance Pay shall be subject to the terms of Attachment A.

(b) Extension of Exercise Period for Option Grant #2967. The Compensation Committee of the Board of Directors of the Company has approved that on the eighth (8th) day after the Executive's execution and timely return of the Agreement (provided he has not revoked his acceptance of the Agreement), the Executive's period to exercise the 80,000 vested options granted pursuant to option grant #2967 made on May 15, 2007 shall remain exercisable until May 14, 2017, unless the exercise period is terminated in accordance with section (e) of this Paragraph 1.

(c) COBRA Continuation. Provided the Executive is eligible for and timely elects to continue receiving group medical insurance pursuant to the federal "COBRA" law, 29 U.S.C. § 1161 et seq., and for so long as he does not become eligible for coverage under another group health plan maintained by a subsequent employer, for a period of up to twelve (12) months following the Termination Date, the Company shall pay the share of the premium for family health and family dental coverage that is paid by the Company for active and similarly situated employees who receive the same type of coverage; provided, however, that (i) the Company and the Executive mutually agree that if such payments by the Company would cause the Company to be subject to material tax liability or penalties, the parties will make reasonable efforts to restructure the arrangement consistent with the intent of this provision so as to avoid such adverse tax consequence, and (ii) to the extent such benefits cannot be provided to non-employees, then the Executive will receive the cash equivalent thereof, based on the cost thereof to the Company, paid proportionately over an twelve (12) month period. All other Company benefits will end on the Termination Date.

(d) Outplacement. The Company will provide the Executive with executive outplacement services at no cost with the firm of Lee Hecht Harrison. The Executive must initiate use of the services by March 31, 2012.

(e) Ability to Terminate Severance Pay Payments. In the event the Executive is in breach of or violates any provision of this Agreement, including but not limited to the post-employment obligations set forth in Paragraphs 5, 6 and 7, the Company shall have the right to immediately cease making any remaining Severance Pay installments and the Company shall have no further payment obligations to the Executive pursuant to this Agreement. Executive further agrees that if the Severance Pay installments cease pursuant to this section (e) of Paragraph 1, the Release of Claims set forth in Paragraph 2 shall remain in full force and effect and that to the extent the Executive has not exercised outstanding options with the Company, such ability to exercise such options will terminate immediately and automatically as of the date the Company notifies the Executive in writing of such termination. Such written notification will be mailed to the Executive's last known address in the Company's records.

2. Release of Claims. (a) In consideration of the Severance Benefits, which the Executive acknowledges he would not otherwise be entitled to receive, the Executive hereby fully, forever, irrevocably and unconditionally releases, remises and discharges the Company, its affiliates, subsidiaries, parent companies, predecessors, and successors, and all of their respective past and present officers, directors, stockholders, partners, members, employees, agents, representatives, plan administrators, attorneys, insurers and fiduciaries (each in their individual and corporate capacities) (collectively, the “Released Parties”) from any and all claims, charges, complaints, demands, actions, causes of action, suits, rights, debts, sums of money, costs, accounts, reckonings, covenants, contracts, agreements, promises, doings, omissions, damages, executions, obligations, liabilities, and expenses (including attorneys’ fees and costs), of every kind and nature that the Executive ever had or now has against any or all of the Released Parties, including, but not limited to, any and all claims arising out of or relating to the Executive’s employment with and/or separation from the Company, including, but not limited to, all claims under Title VII of the Civil Rights Act of 1964, 42 U.S.C. § 2000e et seq., the Age Discrimination in Employment Act, 29 U.S.C. § 621 et seq., the Americans With Disabilities Act of 1990, 42 U.S.C. § 12101 et seq., the Genetic Information Nondiscrimination Act of 2008, 42 U.S.C. § 2000ff et seq., the Family and Medical Leave Act, 29 U.S.C. § 2601 et seq., the Worker Adjustment and Retraining Notification Act (“WARN”), 29 U.S.C. § 2101 et seq., the Rehabilitation Act of 1973, 29 U.S.C. § 701 et seq., Executive Order 11246, Executive Order 11141, the Fair Credit Reporting Act, 15 U.S.C. § 1681 et seq., and the Employee Retirement Income Security Act of 1974 (“ERISA”), 29 U.S.C. § 1001 et seq., all as amended; all claims arising out of the Massachusetts Fair Employment Practices Act., Mass. Gen. Laws ch. 151B, § 1 et seq., the Massachusetts Civil Rights Act, Mass. Gen. Laws ch. 12, §§ 11H and 11I, the Massachusetts Equal Rights Act, Mass. Gen. Laws ch. 93, § 102 and Mass. Gen. Laws ch. 214, § 1C, the Massachusetts Labor and Industries Act, Mass. Gen. Laws ch. 149, § 1 et seq., Mass. Gen. Laws ch. 214, § 1B (Massachusetts right of privacy law), the Massachusetts Maternity Leave Act, Mass. Gen. Laws ch. 149, § 105D, and the Massachusetts Small Necessities Leave Act, Mass. Gen. Laws ch. 149, § 52D, all as amended; all claims arising out of the Wisconsin Fair Employment Act, Wis. Stat. § 111.31 et seq., the Wisconsin Family and Medical Leave Act, Wis. Stat. § 103.10 et seq., and the Wisconsin Business Closing Law, Wis. Stat. § 109.07, all as amended; all common law claims including, but not limited to, actions in defamation, intentional infliction of emotional distress, misrepresentation, fraud, wrongful discharge, and breach of contract (including, without limitation, all claims arising out of or related to the Executive’s Offer Letter, the Executive Agreement; all claims to any non-vested ownership interest in the Company, contractual or otherwise; and any claim or damage arising out of the Executive’s employment with and/or separation from the Company (including a claim for retaliation) under any common law theory or any federal, state or local statute or ordinance not expressly referenced above.

(b) The only claims not being waived, released and discharged by this Paragraph 2 are those that are not waivable as a matter of applicable law; any claims the Executive may have for wrongful act or omission occurring after the date the Executive signs this Agreement; any claims the Executive may have to government-sponsored and administered benefits such as unemployment insurance, state disability insurance and paid family leave insurance benefits; and any benefits that vested on or prior to the Termination

Date pursuant to a written benefit plan sponsored by the Company and governed by the federal law known as "ERISA." Provided further, the Executive is not waiving any claim for payment of the Fiscal Year 2010 Bonus payment based upon his Individual Measurable Objectives for 2010. If eligible, such payment shall only be made after completion of the Fiscal Year 2010 Company audit of the financials.

(c) Nothing in this Agreement prevents the Executive from filing a charge with, cooperating with, or participating in any proceeding before the Equal Employment Opportunity Commission or a state fair employment practices agency (except that he acknowledges that he may not recover any monetary benefits in connection with any such claim, charge or proceeding).

3. Business Expenses and Compensation. The Executive acknowledges that he has been reimbursed by the Company for all business expenses incurred in conjunction with the performance of his employment and that no other reimbursements are owed to him. The Executive further acknowledges that he has received payment in full for all services rendered in conjunction with his employment by the Company and that no other compensation is owed to him except as provided in this Agreement.

4. Return of Company Property. The Executive confirms that he has returned to the Company all keys, files, records (and copies thereof), equipment (including, but not limited to, computer hardware, software and printers, wireless handheld devices, cellular phones, pagers, etc.), Company identification, Company vehicles and any other Company-owned property in his possession or control and has left intact all electronic Company documents, including but not limited to those that the Executive developed or helped to develop during his employment. Other than with respect to computer accounts or professional subscriptions in the Company's name for the Executive's benefit, the Executive further confirms that he has cancelled all other accounts for his benefit, if any, in the Company's name, including but not limited to, credit cards, telephone charge cards, cellular phone and/or pager accounts. With respect to such computer accounts or professional subscriptions, if any, the Executive further agrees to work with the Company to make sure that such computer accounts or professional subscriptions are cancelled as soon as practicable after the Termination Date.

5. Continuing Obligations. The Executive acknowledges and reaffirms his obligations as set forth in the American Superconductor Corporation Employee Nondisclosure and Developments Agreement dated April 1, 2004.

6. Additional Post-Employment Obligations. In consideration of the Severance Pay, the Executive agrees to abide by the following post-employment obligations:

(a) **Noncompetition.** For the period commencing on Termination Date and ending on August 31, 2012 (the "Restricted Period"), and subject to the limitations set forth in this Paragraph 6, the Executive agrees that he shall not, directly or indirectly, either individually or as an employee, agent, partner, shareholder, owner, trustee, beneficiary, co-venturer, distributor, consultant or in any other capacity or through any affiliate, family member or otherwise, anywhere in the United States of America, China or Austria,

participate in, provide assistance to, or have a financial or other interest in any Competing Enterprise. The ownership of less than a one percent (1%) interest in a Competing Enterprise whose shares are traded on a recognized stock exchange or traded on the over-the-counter market shall not be deemed to constitute financial participation by the Executive in a Competing Enterprise.

(b) Non-solicitation. (a) The Executive agrees that during the Restricted Period he will not:

(i) contact, solicit or service any customers or prospective customer of the Company that were solicited or served on behalf of the Company during the Executives employment (hereafter "Active Customers");

(ii) directly or indirectly request or advise Active Customers or suppliers, vendors or other business contacts of the Company who currently have, or have had, business relationships with the Company during the Executives employment, to withdraw, curtail or cancel any of their business or relations with the Company;

(iii) directly or indirectly induce or attempt to induce any employee or contractor of the Company whom the Executive had contact during his employment with the Company to terminate its, his or her relationship or breach its, his or her agreement with the Company.

(c) Nothing in this Agreement shall otherwise prohibit any future employer of the Executive from hiring employees or contractors of the Company without the Executive's involvement or counsel.

(d) For purposes of this Paragraph 6, Competing Enterprise shall have the following meaning: any enterprise, company or business unit of a large company, engaged in the design, development, manufacture, licensing or sale of power electronics for use in large scale products for electric reliability, power quality or utility scale wind turbines (generally at least 1,500 kw). Competing Enterprise shall also include, but not be limited to, any enterprise, organization or business unit of a large company involved in the design, development, manufacture, licensing or sale of high temperature, utility scale superconductor-based products. For example, Competing Enterprise shall include, but not be limited to: S&C Electric, Satcon, SMA, and business units of General Electric, Siemens, ABB Ltd and Schneider Electric which are engaged in the design, development, manufacture, licensing or sale of power electronics for use in large scale products for electric reliability, power quality or utility scale wind turbines (generally at least 1,500 kw). The following shall not be deemed to be a Competing Enterprise: (i) any solar panel manufacturer which sources or manufactures its own utility scale inverters solely for its own use; (ii) any energy storage company which designs or manufactures its own utility scale power electronics solely for its own use; or (iii) any development company which is engaged in the development, construction, ownership and operation of power generation or renewable energy facilities.

(e) The Executive agrees that any breach of the terms of this Paragraph 6 would result in irreparable injury and damage the Company for which the Company would have no adequate remedy at law. The Executive therefore also agrees that in the event of any such breach or any threat of breach, in addition to any other remedies available at law or in equity, the Company shall be entitled to seek immediate injunctive relief, without having to post a bond or other security, and to recover all costs and expenses incurred by the Company, including reasonable attorneys' fees and costs, in the event that the Company prevails in connection with such action. The terms of this Paragraph 6 shall not prevent the Company from pursuing any other available remedies for any breach or threatened breach hereof, including but not limited to, the recovery of damages from the Executive. The Executive further agrees that the covenants set forth in this Paragraph 6 are reasonable and valid, and the Executive waives all defenses to the strict enforcement thereof.

7. Non-Disparagement. The Executive understands and agree that, as a condition of the consideration described herein he shall not make any false, disparaging or derogatory statements to any media outlet, industry group, financial institution or current or former employee, consultant, client or customer of the Company regarding the Company or any of its current or former directors, officers, employees, agents or representatives or about the Company's business affairs or financial condition. The Company agrees to instruct its Senior Management and Board not make any false, disparaging or derogatory statements about the Executive to any media outlet, industry group, financial institution or current or former employee, consultant, client or customer of the Company.

8. Representations and Warranties. The Executive represents and warrants that while he was employed by the Company he complied with all of the Company's policies and practices in effect from time to time and that all of the actions taken by him on behalf of the Company or in furtherance of its business were in compliance with all applicable laws and regulations. The Executive further warrants and represents that he is not aware of any conduct that could give rise to any liability of the Released Parties.

9. Continued Assistance. The Executive agrees that during the time period he is receiving the Severance Benefits stated in this Agreement, he will provide all reasonable cooperation to the Company, including but not limited to, assisting the Company in transitioning his job duties, assisting the Company in defending against and/or prosecuting any litigation or threatened litigation, and performing any other tasks as reasonably requested by the Company. The Company agrees to reimburse the Executive for reasonable business expenses incurred in such cooperation and to be reasonable in its requests for assistance.

10. Amendment. This Agreement shall be binding upon the parties and may not be modified in any manner, except by an instrument in writing of concurrent or subsequent date signed by duly authorized representatives of the parties hereto. This Agreement is binding upon and shall inure to the benefit of the parties and their respective agents, assigns, heirs, executors, successors and administrators.

11. Waiver of Rights. No delay or omission by the Company in exercising any right under this Agreement shall operate as a waiver of that or any other right. A waiver or consent given by the Company on any one occasion shall be effective only in that instance and shall not be construed as a bar to or waiver of any right on any other occasion.

12. Validity. Should any provision of this Agreement be declared or be determined by any court of competent jurisdiction to be illegal or invalid, the validity of the remaining parts, terms or provisions shall not be affected thereby and said illegal or invalid part, term or provision shall be deemed not to be a part of this Agreement .

13. Acknowledgments. The Executive acknowledges that he has been given at least forty-five (45) days to consider this Agreement, including Attachments A, B and C, and that the Company advised him to consult with an attorney of his own choosing prior to signing this Agreement. Executive understands that he may revoke the Agreement for a period of seven (7) days after he signs this Agreement by notifying Susan DiCecco in writing, and the Agreement shall not be effective or enforceable until the expiration of this seven (7) day revocation period. Executive understands and agrees that by entering into this Agreement, he is waiving any and all rights or claims he might have under the Age Discrimination in Employment Act, as amended by the Older Workers Benefit Protection Act, and that he has received consideration beyond that to which you were previously entitled.

14. Eligibility for Severance Program. Attached to this Agreement as Attachment B is a description of (i) any class, unit or group of individuals covered by the program of enhanced severance benefits and any applicable time limits regarding such enhanced severance benefit program; and (ii) the job title and ages of all individuals eligible or selected for such enhanced severance benefit program, and the ages of all individuals in the same job classification or organizational unit who are not eligible or who were not selected for such enhanced severance benefit program. As the Executive was party to the Executive Agreement with the Company, he shall only receive benefits in accordance with this Agreement and not in accordance with the plan.

15. Nature of Agreement. The Executive understands and agrees that this Agreement is a severance agreement and does not constitute an admission of liability or wrongdoing on the part of the Company, or the Executive.

16. Voluntary Assent. The Executive affirms that no other promises or agreements of any kind have been made to or with him by any person or entity whatsoever to cause him to sign this Agreement, and that he fully understands the meaning and intent of this Agreement. The Executive states and represents that he has had an opportunity to fully discuss and review the terms of this Agreement with an attorney. The Executive further states and represents that he has carefully read this Agreement, understands the contents herein, freely and voluntarily assents to all of the terms and conditions hereof, and signs his name of his own free act.

17. Applicable Law. This Agreement shall be interpreted and construed by the laws of the Commonwealth of Massachusetts, without regard to conflict of laws provisions. The Executive hereby irrevocably submits to and acknowledges and recognizes the jurisdiction of the courts of the Commonwealth of Massachusetts, or if appropriate, a federal court located in Massachusetts (which courts, for purposes of this Agreement, are the only courts of competent jurisdiction), over any suit, action or other proceeding arising out of, under or in connection with this Agreement or the subject matter thereof.

18. Entire Agreement. This Agreement contain and constitute the entire understanding and agreement between the parties hereto with respect to the Executive's severance benefits and the settlement of claims against the Company and cancel all previous oral and written negotiations, agreements, commitments and writings in connection therewith, including, without limitation, the Offer Letter and the Executive Agreement. Nothing in this paragraph, however, shall modify, cancel or supersede the Executive's obligations set forth in paragraphs 5 and 6 above.

19. Tax Consequences; Section 409A. The parties intend that the payments and benefits hereunder be exempt from or comply with the provisions of Section 409A of the Internal Revenue Code of 1986, as amended (together with Treasury Regulations and other written guidance, "Section 409A"). The Company makes no representation or warranty and shall have no liability to the Executive or any other person as to the tax consequences of payments or benefits hereunder, including liability that may arise if any provisions of this Agreement and the attachments hereto are determined to constitute deferred compensation subject to Section 409A but do not satisfy the conditions of such section.

AMERICAN SUPERCONDUCTOR CORPORATION

By: /s/ Daniel P. McGahn
Daniel P. McGahn
President and Chief Executive Officer

August 22, 2011
Date

ANGELO R. SANTAMARIA

/s/ Angelo R. Santamaria

August 22, 2011
Date

ATTACHMENT A

PAYMENTS SUBJECT TO SECTION 409A

1. Subject to this Attachment A, any Severance Benefits that may be due under the Agreement to which this Attachment A is attached shall begin only upon the date of the Executive's "separation from service" (determined as set forth below) which occurs on or after the cessation of his employment. The following rules shall apply with respect to distribution of the Severance Benefits, if any, to be provided to the Executive under the Agreement, as applicable:

(a) It is intended that each installment of the Severance Benefits under the Agreement shall be treated as a "separate payment" for purposes of Section 409A. Neither the Company nor the Executive shall have the right to accelerate or defer the delivery of any such payments except to the extent specifically permitted or required by Section 409A.

(b) If, as of the date of the Executive's "separation from service" from the Company, he is not a "specified employee" (within the meaning of Section 409A), then each installment of the Severance Benefits shall be made on the dates and terms set forth in the Agreement.

(c) If, as of the date of the Executive's "separation from service" from the Company, he is a "specified employee" (within the meaning of Section 409A), then:

(i) Each installment of the Severance Benefits due under the Agreement that, in accordance with the dates and terms set forth herein, will in all circumstances, regardless of when the Executive's separation from service occurs, be paid within the short-term deferral period (as defined under Section 409A) shall be treated as a short-term deferral within the meaning of Treasury Regulation Section 1.409A-1(b)(4) to the maximum extent permissible under Section 409A; and

(ii) Each installment of the Severance Benefits due under the Agreement that is not described in this Attachment A, Section 1(c)(i) and that would, absent this subsection, be paid within the six-month period following his "separation from service" from the Company shall not be paid until the date that is six months and one day after such separation from service (or, if earlier, the Executive's death), with any such installments that are required to be delayed being accumulated during the six-month period and paid in a lump sum on the date that is six months and one day following his separation from service and any subsequent installments, if any, being paid in accordance with the dates and terms set forth herein; provided, however, that the preceding provisions of this sentence shall not apply to any installment of payments if and to the maximum extent that such installment is deemed to be paid under a separation pay plan that does not provide for a deferral of compensation by reason of the application of

Treasury Regulation 1.409A-1(b)(9)(iii) (relating to separation pay upon an involuntary separation from service). Any installments that qualify for the exception under Treasury Regulation Section 1.409A-1(b)(9)(iii) must be paid no later than the last day of the Executive's second taxable year following the taxable year in which the separation from service occurs.

2. The determination of whether and when the Executive's separation from service from the Company has occurred shall be made and in a manner consistent with, and based on the presumptions set forth in, Treasury Regulation Section 1.409A-1(h). Solely for purposes of this Attachment A, Section 2, "Company" shall include all persons with whom the Company would be considered a single employer under Section 414(b) and 414(c) of the Code.

3. The Company makes no representation or warranty and shall have no liability to the Executive or to any other person if any of the provisions of the Agreement (including this Attachment) are determined to constitute deferred compensation subject to Section 409A but that do not satisfy an exemption from, or the conditions of, that section.

ATTACHMENT B

**OLDER WORKERS BENEFIT PROTECTION ACT
NOTICE TO EMPLOYEES**

As a result of the Company's efforts to better align its costs with its current cash flow, your employment with the Company is being terminated and you have been selected to receive an offer of enhanced severance benefits in exchange for signing a release and waiver of claims. In selecting you for termination and eligibility for this enhanced severance program, the Company considered position held, skill set and individual performance. In connection with the enhanced severance program, you are being provided with information as to: (i) any class, unit or group of individuals terminated and covered by such program, any eligibility factors for such termination and, therefore, eligibility for such program, and any time limits applicable to such program; and (ii) the job title and ages of all individuals terminated and, therefore, eligible or selected for the program, and the ages of all individuals in the same job classification or organizational unit who are not terminated and, therefore, are not eligible or selected for the program.

The Company determined that all employees in the classes, units or departments in the chart below would be eligible for the enhanced severance program. All persons who are being terminated in connection with this action have been selected for the program and their job titles and ages have been indicated in the chart below. The job titles and ages of individuals who were not selected for the program are also indicated in the below chart.

Employees who were selected and are age forty and over shall have forty-five (45) days to consider the Company's enhanced severance offer and may revoke their agreement to participate in the enhanced severance program within seven (7) days of their execution of such an agreement. Employees who were selected and are under age forty shall have at least seven (7) days to consider the Company's enhanced severance offer and do not have a right of revocation.

See Attached Chart

Massachusetts

Class/Unit/
Department

Manufacturing

Job Title and Ages
of Employees Selected

Job Title and Ages of
Employees Not Selected

Principal Engineer - 36	Associate Electrical Engineer - 35
Principal Facilities Engineer - 66	Buyer - 54
Principal PVD Process Engineer - 41	Chief Maintenance Specialist - 47, 67
Principal Web Handling Equipment Engineer - 60	Documentation Supervisor - 56
Senior VP Global Manufacturing - 48**	Document Control Coordinator - 46
	Engineer - 43
	Facilities Manager - 52
	Inventory Control Clerk - 48
	Lamination Operator - 50
	Materials Manager - 52
	Mechanical Design Engineer - 49
	Process Engineer - 37
	Master Electrician - 47
	Master Technician - 26, 51, 55, 62
	Principal Engineer - 46, 50
	Principal Equipment Engineer - 52, 55, 55, 60
	Principal Manufacturing Engineer - 56
	Principal Process Engineer - 47
	Senior Principal Engineer - 52
	Senior Technical Manager - 65
	Senior Technical Staff Scientist - 58
	Senior Technician - 36, 43, 45, 48, 49, 50, 52, 52, 68
	Senior Engineering Technician - 64
	Senior Equipment Maintenance Technician - 58
	Senior Quality Inspector - 58, 60
	Senior Quality Manager - 53
	Senior Technical Staff - 38
	Senior Technical Manager - 50
	Shipper Receiver - 52
	Team Leader - 41
	Technician - 32, 32, 35, 41, 43, 54
	Technical Manager - 47
	Testing Design Engineer - 61

Massachusetts

Class/Unit/
Department

Job Title and Ages
of Employees Selected

Job Title and Ages of
Employees Not Selected

Class/Unit/ Department	Job Title and Ages of Employees Selected	Job Title and Ages of Employees Not Selected
Projects	Program Manager - 52	Director Superconductor Development Projects - 42 Program Manager - 49 Planning Project Manager - 58 Managing Director Inverter Products - 50 Managing Director Programs - 57 Senior Financial Analyst - 52 Senior Technical Staff Engineer - 46 Senior Technical Staff Engineer - 62 Senior Vacuum Engineer - 59 Senior VP Projects & Engineering - 56
Engineering	Principal Engineer - 66 Senior Program Manager - 46 Senior Technical Staff Engineer - 47	Associate Electrical Engineer - 39 Coil Development Technician - 60 Chief Engineer AMSC Superconductors - 61 Director Superconductors Engineering - 49 Master Technician - 52, 62 Principal Engineer - 37, 46, 49 Senior Technical Staff Scientist - 39, 45, 62 Senior Microscopist - 61 Senior Technician - 32, 50, 53, 55, 57, 61 Senior Mechanical Design Engineer - 48 Senior Technical Staff Engineer - 51, 52 Senior Technical Manager - 52, 59 Team Leader - 54
Sales & Marketing/ Investor Relations	Director Marketing & Communications - 53 Public Relations Specialist - 42	Communications Manager - 29 Marketing & Communications Manager - 64 Managing Director Product Line Manager Generator - 59 Managing Director Americas - 41 Regional Sales Manager - 45, 65 Senior Marketing Coordinator - 25 Strategic Marketing Manager - 29 VP Government Business Development - 55 VP Marketing & Communications - 37

Massachusetts

<u>Class/Unit/ Department</u>	<u>Job Title and Ages of Employees Selected</u>	<u>Job Title and Ages of Employees Not Selected</u>
Administration	Executive Assistant - 49	Executive Assistant - 45 Executive VP Chief Technical Officer - 67 President / CEO - 40 VP GM AMSC Superconductors - 58 VP Government Business Development - 55
Legal	Attorney - 35 Administrative Assistant - 64* Export Compliance Specialist - 46	Contracts Manager - 46 Corporate Counsel - 38 Intellectual Property Paralegal - 62 Senior Corporate Counsel - 41 Managing Director Legal - 45
Finance & Accounting	Accountant - 41 Assistant Treasurer - 57 Corporate Compliance & Controls Manager - 29 Internal Sox Auditor - 31	Accounts Payable Coordinator - 55 Business Unit Controller - 57 Director Corporate Accounting - 38 Executive Finance Secretary - 52 Internal Audit Manager - 35 Managing Director Finance - 38 Payroll Accountant - 63 SEC Reporting Manager - 33 Senior Financial Analyst - 27 Senior VP Chief Financial Officer - 49 Staff Accountant - 45, 47 Staff Accountant - 56 VP Corporate Controller - 50
IT	Manager Business Applications - 49 IT Coordinator - 44 Director Information Technology - 45 Global Business Analyst FICO - 53	Applications DBA - 34 Business Systems Analyst - 46 Business Analyst - 49 Desktop Administrator - 31 Global Business Analyst Non ERP - 49 Global Network Engineer - 43 IT Global Appl\ Security & Compliance Analyst - 40 IT Manager North America User Support - 43 LAN Administrator - 33 Managing Director Business Transformation&Corp Integration - 48 System Administrator - 47

Massachusetts

<u>Class/Unit/ Department</u>	<u>Job Title and Ages of Employees Selected</u>	<u>Job Title and Ages of Employees Not Selected</u>
Human Resources		Corporate Receptionist - 41, 45 Director World Wide Human Resources - 58 Global Human Resources Administrator - 28 Human Resources Process Owner - 32 Senior Human Resources Generalist - 34 VP Corporate Administration - 59
Environmental Health & Safety		Director Global EH&S/Security - 59 Principal EH&S Engineer - 49

* anticipated term date August 31, 2011

** individual is subject to executive severance agreement

ATTACHMENT C

Not applicable

Subsidiaries

AMSC Australia Pty Ltd — incorporated in Australia
AMSC India Private Limited — incorporated in India
AMSC Austria GmbH — incorporated in Austria
AMSC Finland Holdings OY — incorporated in Finland
AMSC Wisconsin Wind LLC — formed in Delaware
AMSC United Kingdom Limited — incorporated in the United Kingdom
ASC Devens LLC — formed in Delaware
ASC Securities Corp. — incorporated in Massachusetts
NST Asset Holding Corporation — incorporated in Delaware
Superconductivity, Inc. — incorporated in Delaware
Suzhou AMSC Super Conductor Co., Ltd. — incorporated in China
American Superconductor Europe LLC — formed in Delaware
American Superconductor Europe GmbH — established in Germany
American Superconductor Korea Co., Ltd. — incorporated in South Korea
American Superconductor Canada Limited — incorporated in Canada
American Superconductor Singapore PTE. Ltd. — incorporated in Singapore
American Superconductor Europe C.V. — incorporated in the Netherlands
American Superconductor Europe B.V. (wholly-owned subsidiary of American Superconductor Europe C.V.) — incorporated in the Netherlands
American Superconductor Spain Holdings S.L. — incorporated in Spain
Blade Dynamics Limited (UK) — incorporated in the United Kingdom.
Tres Amigas, LLC — formed in Delaware

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in this Registration Statement on Form S-1 of our report dated September 22, 2011, except as to the disclosure under the heading *Update as of April 13, 2012* in Note 1 and the disclosure under the heading *Private Placement of 7% Senior Convertible Notes* in Note 18, as to which the date is April 13, 2012, relating to the financial statements, financial statement schedule and the effectiveness of internal control over financial reporting, which appears in American Superconductor Corporation's Current Report on Form 8-K dated April 13, 2012. We also consent to the reference to us under the heading "Experts" in such Registration Statement.

/s/ PricewaterhouseCoopers LLP

Boston, Massachusetts
April 13, 2012