



December 17, 2015

## **AMSC Announces \$210M Strategic Agreements With Inox Wind Limited**

- | *Multi-year supply contract for the company's 2MW ECS*
- | *Agreement to collaborate on the development of a 3MW wind turbine design*
- | *AMSC preferred supplier for 2MW ECS and Inox to produce 2MW ECS in India*

DEVENS, Mass., Dec. 17, 2015 (GLOBE NEWSWIRE) -- AMSC (NASDAQ:AMSC), a global solutions provider serving wind and power grid industry leaders, today announced several agreements with Inox Wind Limited (Inox) that strengthen the collaboration between the two companies. The company announced it has entered into a long-term supply contract (Supply Contract) with Inox. Under the Supply Contract, AMSC will provide Inox with electrical control systems (ECS) for Inox's entire 2MW product line. Full deliveries under the Supply Contract are expected to begin during the first quarter of fiscal 2016. Under a separate agreement, Inox will be allowed to internally manufacture a limited portion of the ECS requirements for its 2MW product line as a second source based on AMSC's technology. The aggregate value of these agreements is approximately \$210 million over the next three to four years, when the specified deliveries under this contract are expected to be completed. Once the specified deliveries under the Supply Contract are completed, further revenues are expected for at least an additional three year period during which AMSC will provide Inox with the majority of its 2MW ECS requirements under a preferred supplier arrangement.

The relationship continues in developing new wind turbine products focused on the Indian market. AMSC and Inox entered into a heads of agreement to collaborate on the development of a 3MW wind turbine to extend to Inox's product line. AMSC would develop a 3MW wind turbine design under a license agreement to be negotiated with Inox.

"With the rapid growth of our business, we felt it was important to deepen our partnership with AMSC, while at the same time enhance our internal manufacturing capabilities," said Devansh Jain, director of Inox Wind Limited. "We value the relationship with AMSC, which has allowed us to offer our customers wind turbines with superior technology and performance. We are on track with our wind turbine manufacturing expansion and continue to strengthen our position in the Indian market."

AMSC's ECS are an integrated, high-performance suite of power electronics systems that include the wind turbine power converter cabinet, internal power supply and various controls. Together, these systems serve as the "brains" of the wind turbine and enable reliable, high-performance operation by controlling power flows, regulating voltage, monitoring system performance, controlling the pitch of the wind turbine blades and the yaw of the turbines to maximize efficiency.

"These agreements represent an important milestone for AMSC and solidify our belief that Inox is a trusted and valued long-term partner," said Daniel P. McGahn, President and CEO, AMSC. "We anticipate that our expanded relationship with Inox will provide a solid foundation for our business which we can build around and enable Inox to become the largest wind turbine manufacturer in India."

The Indian government has targeted to grow its installed wind power generating capacity from more than 22GW in 2014 to more than 100GW by 2022.

To learn more about AMSC's product offerings for the wind industry, please visit: <http://www.amsc.com/windtec/index.html>.

### **Conference Call**

In conjunction with this announcement, AMSC management will participate in a conference call with investors beginning at 9:00 am Eastern Time on Monday, December 21, 2015. On this call, management will discuss the business and financial impact of the strategic agreements with Inox discussed in this press release.

Those who wish to listen to the live or archived conference call webcast should visit the "Investors" section of the company's website at <http://www.amsc.com/investors>. The live call also can be accessed by dialing 719-325-2448 and using conference ID 692497.

### **About Inox Wind Limited**

Inox Wind Limited is part of the Inox Group of Companies. Inox Group is a \$2 billion+, professionally managed business group, with interests in diverse businesses including Industrial Gases, Refrigerants, Engineering Plastics, Chemicals, Carbon Credits, Cryogenic Engineering, Renewable Energy and Entertainment. Inox Wind Limited has firm orders for more than 1,200 MW of wind turbines as of September 30, 2015. The INOX Group employs close to 9,000 people at more than 150 business units across the country and has a distribution network that is spread across more than 50 countries around the globe. Each INOX Group company is characterized by three distinct characteristics - early identification of a winning business idea, building it to a size of dominant market leadership in that segment, and attaining a profit leadership position through cutting-edge efficiency in operations. The Inox Group of Companies, besides Inox Wind Limited, includes Inox Air Products Limited, Gujarat Fluorochemicals Limited, Inox India Limited, Inox Renewables Limited, Inox Leisure Limited and Fame India limited. More information is available at [www.inoxwind.com](http://www.inoxwind.com).

#### [About AMSC](#) (NASDAQ:AMSC)

AMSC generates the ideas, technologies and solutions that meet the world's demand for smarter, cleaner ... better energy. Through its Windtec™ Solutions, AMSC provides wind turbine electronic controls and systems, designs and engineering services that reduce the cost of wind energy. Through its Gridtec™ Solutions, AMSC provides the engineering planning services and advanced grid systems that optimize network reliability, efficiency and performance. The company's solutions are now powering gigawatts of renewable energy globally and enhancing the performance and reliability of power networks in more than a dozen countries. Founded in 1987, AMSC is headquartered near Boston, Massachusetts with operations in Asia, Australia, Europe and North America. For more information, please visit [www.amsc.com](http://www.amsc.com).

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#### Forward-Looking Statements

*This press release contains forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Any statements in this release about expectations regarding the value of the agreements with Inox; timing of the commencement of deliveries under the Supply Contract; timing of when deliveries under the Supply Contract are expected to be completed; the availability of further revenues after the completion of deliveries under the Supply Contract; Inox being a trusted and valued long-term partner; effects of our relationship with Inox on our business; Inox becoming the largest wind turbine manufacturer in India; the growth of India's wind installations; and other statements containing the words "believes," "anticipates," "plans," "expects," "will" and similar expressions, constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements represent management's current expectations and are inherently uncertain. There are a number of important factors that could materially impact the value of our common stock or cause actual results to differ materially from those indicated by such forward-looking statements. Such factors include: We have a history of operating losses, which may continue in the future. Our operating results may fluctuate significantly from quarter to quarter and may fall below expectations in any particular fiscal quarter; we have a history of negative operating cash flows, and we may require additional financing in the future, which may not be available to us; Our Term Loans include certain covenants and other events of default. Should we not comply with these covenants or incur an event of default, we may be required to repay our obligation in cash, which could have an adverse effect on our liquidity; We may be required to issue performance bonds or provide letters of credit, which restricts our ability to access any cash used as collateral for the bonds or letters of credit; Changes in exchange rates could adversely affect our results from operations; If we fail to maintain proper and effective internal controls over financial reporting, our ability to produce accurate and timely financial statements could be impaired and may lead investors and other users to lose confidence in our financial data; Our financial condition may have an adverse effect on our customer and supplier relationships; Our success in addressing the wind energy market is dependent on the manufacturers that license our designs; A significant portion of our revenues are derived from a single customer, Our success is dependent upon attracting and retaining qualified personnel and our inability to do so could significantly damage our business and prospects; We may not realize all of the sales expected from our backlog of orders and contracts; Our business and operations would be adversely impacted in the event of a failure or security breach of our information technology infrastructure; We may not be able to ramp up production at our newly leased manufacturing facility in Romania, and, if we are able to do so, we may have manufacturing quality issues, which would negatively affect our revenues and financial position; We rely upon third-party suppliers for the components and subassemblies of many of our Wind and Grid products, making us vulnerable to supply shortages and price fluctuations, which could harm our business; Many of our revenue opportunities are dependent upon subcontractors and other business collaborators; If we fail to implement our business strategy successfully, our financial performance could be harmed; Problems with product quality or product performance may cause us to incur warranty expenses and may damage our market reputation and prevent us from achieving increased sales and market share; New regulations related to conflict-free minerals may force us to incur significant additional expenses; Our contracts with the U.S. government are subject to audit, modification or termination by the U.S. government and include certain other provisions in favor of the government. The continued funding of such contracts remains subject to annual congressional appropriation which, if not approved, could reduce our revenue and lower*

*or eliminate our profit; Many of our customers outside of the United States, particularly in China, are, either directly or indirectly, related to governmental entities, and we could be adversely affected by violations of the United States Foreign Corrupt Practices Act and similar worldwide anti-bribery laws outside the United States; We have limited experience in marketing and selling our superconductor products and system-level solutions, and our failure to effectively market and sell our products and solutions could lower our revenue and cash flow; We may acquire additional complementary businesses or technologies, which may require us to incur substantial costs for which we may never realize the anticipated benefits; Our success depends upon the commercial use of high temperature superconductor (HTS) products, which is currently limited, and a widespread commercial market for our products may not develop; Growth of the wind energy market depends largely on the availability and size of government subsidies and economic incentives; We have operations in and depend on sales in emerging markets, including India and China, and global conditions could negatively affect our operating results or limit our ability to expand our operations outside of these countries. Changes in India's or China's political, social, regulatory and economic environment may affect our financial performance; Our products face intense competition, which could limit our ability to acquire or retain customers; Our international operations are subject to risks that we do not face in the United States, which could have an adverse effect on our operating results; Adverse changes in domestic and global economic conditions could adversely affect our operating results; We may be unable to adequately prevent disclosure of trade secrets and other proprietary information; Our patents may not provide meaningful protection for our technology, which could result in us losing some or all of our market position; There are a number of technological challenges that must be successfully addressed before our superconductor products can gain widespread commercial acceptance, and our inability to address such technological challenges could adversely affect our ability to acquire customers for our products; Third parties have or may acquire patents that cover the materials, processes and technologies we use or may use in the future to manufacture our Amperium products, and our success depends on our ability to license such patents or other proprietary rights; Our technology and products could infringe intellectual property rights of others, which may require costly litigation and, if we are not successful, could cause us to pay substantial damages and disrupt our business; We have filed a demand for arbitration and other lawsuits against our former largest customer, Sinovel, regarding amounts we contend are overdue. We cannot be certain as to the outcome of these proceedings; We have been named as a party in various legal proceedings, and we may be named in additional litigation, all of which will require significant management time and attention, result in significant legal expenses and may result in an unfavorable outcome, which could have a material adverse effect on our business, operating results and financial condition; and Our common stock has experienced, and may continue to experience, significant market price and volume fluctuations, which may prevent our stockholders from selling our common stock at a profit and could lead to costly litigation against us that could divert our management's attention.*

*These and the important factors discussed under the caption "Risk Factors" in Part 1. Item 1A of our Form 10-K for the fiscal year ended March 31, 2015, and our other reports filed with the SEC, among others, could cause actual results to differ materially from those indicated by forward-looking statements made herein and presented elsewhere by management from time to time. Any such forward-looking statements represent management's estimates as of the date of this press release. While we may elect to update such forward-looking statements at some point in the future, we disclaim any obligation to do so, even if subsequent events cause our views to change. These forward-looking statements should not be relied upon as representing our views as of any date subsequent to the date of this press release.*

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