AMSC Receives Orders for Its D-VAR ("STATCOM") Solution from Two Electric Utilities

-- More Than 20 Electric Utilities Worldwide Adopt AMSC's Proprietary D-VAR Solution to Increase Power Grid Reliability
-- Over 60 AMSC STATCOM Solutions Sold Worldwide - More Than All Other STATCOM Manufacturers Combined

DEVENS, Mass.--(BUSINESS WIRE)--Feb. 12, 2008--American Superconductor Corporation (NASDAQ: AMSC), a leading energy technologies company, announced today that it has received orders from two electric utilities for its proprietary D-VAR® (Dynamic VAR) reactive compensation solution. One of the utilities is Entergy Mississippi, Inc., part of Entergy Corporation, which provides electricity to 2.7 million utility customers in Arkansas, Louisiana, Mississippi and Texas. The second utility is located outside the U.S.

D-VAR systems are classified as Static Compensators, or "STATCOMs," a member of the FACTS (Flexible AC-Transmission System) family of power electronic solutions for alternating current (AC) power grids. D-VAR solutions detect and instantaneously compensate for voltage disturbances by dynamically injecting leading or lagging reactive power into the power grid. AMSC has now received orders for well over 60 STATCOM devices worldwide, more than all other manufacturers combined. The company's STATCOM customers include more than 20 electric utilities worldwide.

"Our broad experience with electric utilities around the world combined with our technologically advanced power grid technologies is yielding a rapid influx of new orders from this sector," stated Chuck Stankiewicz, executive vice president and general manager of AMSC's Power Systems business unit. "Our highly reliable D-VAR and Static VAR Compensator (SVC) systems are enabling electric utilities today to address complex stability and reliability issues on their transmission networks. In fact, AMSC has emerged as the world's leading provider of STATCOM devices - a position that continues to strengthen with the two orders we announced today."

The D-VAR system purchased by Entergy Mississippi, Inc. will be installed in a substation in Mississippi to help improve the reliability of the local power grid. Entergy first purchased an AMSC STATCOM solution in 2000 to bolster grid reliability in the Houston, Texas area and placed a second order in 2001.

A modular and scalable solution, D-VAR systems are customized to meet specific customer needs. These solutions are being utilized in a wide range of applications, including voltage regulation and grid reliability, optimization of power transfer capacity on stability-limited transmission networks, and reactive power support for wind farm interconnection to the grid.

About American Superconductor (NASDAQ: AMSC)

AMSC is a leading energy technologies company offering an array of solutions based on two proprietary technologies: programmable power electronic converters and high temperature superconductor (HTS) wires. The company's products, services and system-level solutions enable cleaner, more efficient and more reliable generation, delivery and use of electric power. AMSC is a leader in alternative energy, offering grid interconnection solutions as well as licensed wind energy designs and electrical systems. As the world's principal supplier of HTS wire, the company is enabling a new generation of compact, high-power electrical products, including power cables, grid-level surge protectors, Secure Super Grids™ technology, motors, generators, and advanced transportation and defense systems. AMSC also provides utility and industrial customers worldwide with voltage regulation systems that dramatically enhance power grid capacity, reliability and security, as well as industrial productivity. The company's technologies are protected by a broad and deep intellectual property portfolio consisting of hundreds of patents and licenses worldwide. More information is available at www.amsc.com.

Any statements in this release about future expectations, plans and prospects for the company, including statements containing the words "believes," "anticipates," "plans," "expects," "will" and similar expressions, constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. There are a number of important factors

that could cause actual results to differ materially from those indicated by such forward-looking statements. Such factors include: uncertainties regarding the company's ability to obtain anticipated funding from corporate and government contracts, to successfully develop, manufacture and market commercial products, and to secure anticipated orders; the risk that a robust market may not develop for the company's products; the risk that strategic alliances and other contracts may be terminated; the risk that certain technologies utilized by the company will infringe intellectual property rights of others; the competition encountered by the company, including several large Japanese companies. Reference is made to these and other factors discussed in the "Management's Discussion and Analysis of Financial Condition and Results of Operation" section of the company's most recent quarterly or annual report filed with the Securities and Exchange Commission. In addition, the forward-looking statements included in this press release represent the company's views as of the date of this release. While the company anticipates that subsequent events and developments may cause the company's views to change, the company specifically disclaims any obligation to update these forward-looking statements. These forward-looking statements should not be relied upon as representing the company's views as of any date subsequent to the date this press release is issued.

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