

24 February 2014

Listed Company Relations  
New Zealand Exchange Limited  
PO Box 2959  
**WELLINGTON**

Dear Sir/Madam

**HTS-110 – EQUITY INCREASE TO 100%**

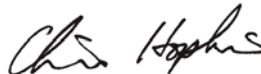
Scott Technology is pleased to announce that the company has entered into agreements to acquire the 49% of HTS-110 Ltd held by Callaghan Industrial Research Ltd and American Superconductor Corporation. This will take our shareholding to 100% and will enable us to fully integrate the business into Group operations. We expect the transfers to be complete by 31<sup>st</sup> March 2014.

The consideration is a combination of cash and intangibles in the form of agreements that release, modify and create obligations between the parties.

Yours faithfully

A handwritten signature in blue ink, appearing to read "S J McLauchlan".

**S J McLauchlan**  
Chairman  
(03) 477 8192

A handwritten signature in blue ink, appearing to read "C C Hopkins".

**C C Hopkins**  
Chief Executive  
(03) 478 8110