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American Electric Technologies Appoints Neal Hare Chief Technology Officer

HOUSTON (January 24, 2008) — American Electric Technologies, Inc. (NASDAQ: AETI), the premium supplier of custom-designed power distribution and control solutions for the traditional and alternative energy industries, announced today that Neal Hare has been appointed to the newly-created position of chief technology officer for AETI. This appointment is one of the cornerstones of a new organizational structure being rolled out by the company's chief executive officer and chairman, Arthur G. Dauber, to accelerate the company's growth and further augment AETI's innovative customer solutions.

"Neal has been a key member of our leadership team for 17 years, during which time he has provided outstanding leadership, knowledge and a great passion for our business," said Dauber. "His experience in research and development is invaluable, and I expect he will continue to have a significant and positive impact on the company. I am pleased to bring his perspective to this important new position."

Hare joined the company in 1992, but his service in the energy industry spans almost 40 years. He most recently served as the senior vice president and chief operating officer of the Technical Products and Services segment and has been responsible for much of the design and manufacturing of AETI's products during his tenure with the company.

In Hare's new role as chief technology officer, he will work closely with the CEO and his major initiatives will include advancing technology in AETI's new and existing product lines as well as production cost improvement through his research and developments efforts as the company continues to identify innovative customer solutions. He will be responsible for defining the manufacturing rationalizations associated with AETI's various domestic and international manufacturing facilities and identify the benefits and costs of rationalization opportunities, including corporate joint venture operations in China and Singapore. Additionally, he will oversee new product engineering and estimating for AETI's drives and marine products. Finally, he will oversee the evaluation and integration of new business development opportunities via mergers and acquisition targets from a technical process, operational and strategic fit perspective.

He is one of the world's leading experts of electrical drive equipment and power control systems for both land and offshore drilling and marine applications. His prior experience includes 10 years as one of the principals and vice president of operations at Ross Hill Controls (DC Oilfield Drives), which was acquired by National Oilwell Varco, and 10 years as vice president of operations at Powell Electrical Manufacturing (Switchgear and Controls).

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AETI Appoints Neal Hare CTO/2

While at Ross Hill, he led the team that was responsible for the design of 12 product lines of DC drive systems, one of which has remained the de-facto world standard drive for land drilling electrical equipment and was brought to market as a tremendous success.

At Powell Electric Manufacturing Company Inc., Hare had operational responsibilities for the company's Houston manufacturing facility, including the heavy lift waterfront yard for offshore power generation packages. He managed all operational facets, which included the launch of the "Powell Vac" power circuit breaker, research and development, new product development and alignment, information technologies, as well as divisional and corporate strategic planning.

Hare has a Bachelor of Science degree in Electrical Engineering from California State University at Long Beach. His post-graduate work at Rice University, Houston included business and economics.

Hare said, "Our team will continue to build on our strengths, invest in R&D to bring state-of-the-art new products to market, and manage costs by continuous process improvements -- all key elements to our growth strategy. We expect 2008 to be an outstanding year for American Electric Technologies from both a top and bottom line perspective."

American Electric Technologies, Inc. (NASDAQ: AETI) is the premium supplier of customdesigned power delivery solutions to the traditional and alternative energy industries. AETI offers M&I Electric[™] power distribution and control products, electrical services, and E&I construction services, as well as American Access Technologies zone enclosures, and Omega Metals custom fabrication services. South Coast Electric Systems L.L.C., a subsidiary, services Gulf Coast marine and vessel customers.

AETI is headquartered in Houston and has global sales, support and manufacturing operations in Beaumont, Texas, Keystone Heights, Fla. and Bay St. Louis, Miss. In addition, AETI has minority interests in two joint ventures which have facilities in Singapore and Xian, China. The company holds a 49 percent interest in M&I Electric Far East, Ltd. ("MIEFE"), a joint venture with Oakwell Engineering, Ltd., in Singapore, and BOMAY Electric Industries Company, Ltd., in which AETI holds a 40 percent interest with Baoji Oilfield Machinery Co., Ltd. (a subsidiary of China National Petroleum Corporation), which holds 51 percent, and AA Energies, Inc., headquartered in Xian, China, which holds 9 percent. AETI's SEC filings, news and product/service information are available at <u>www.aeti.com</u>.