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AETI Enters Wind Energy Market, Uncovers Power Infrastructure Risks Company Announces Plans to Address Power Reliability Concerns

HOUSTON (June 2, 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, today announced its formal entry into the wind power market at the American Wind Energy Association's (AWEA) WINDPOWER 2008 conference. The company also released results from a survey they sponsored about the wind energy industry's perceptions about the state of its electrical infrastructure and offered valuable advice to overcome risks associated with a wind farm's sub-optimal electric infrastructure.

In conjunction with the company's wind power market entry, AETI also announced today a new West Texas wind farm construction operation and the addition of a wind power construction veteran to help bring the company's traditional engineering and instrumentation (E&I) construction and electrical maintenance services to the West Texas wind farm market.

"With our formal entry into the wind market, we are leveraging our power distribution and control technology, our 60 years of technical expertise, and our construction and services capabilities to enable the wind power industry to reach its maximum potential," said Charles Dauber, president of the M&I Electric business of AETI.

During the conference, Dauber presented the key survey findings of the AETI-sponsored electrical infrastructure perception and risks survey conducted two weeks ago. The survey polled AWEA members including wind farm developers, owner/operators, engineering and consulting firms, and other wind professionals. Survey respondents reported the following industry perceptions:

- 91% understood the importance of a wind farm's electrical distribution system by ranking it as "critical" or "important" to the industry's success
- Respondents ranked the top three industry challenges as: Transmission Line Availability, Grid Connection Issues, and Keeping Up With Growth and Demand
- Reliability, Power Output Capacity and Operational/Maintenance Costs topped the three most important concerns of a wind farm's electrical infrastructure, with reliability and power output capacity ranking highest on the concern list
- 67% were unsure or thought there wasn't sufficient expertise available in the industry to provide quality electrical infrastructure solutions
- 60% didn't know if they were using converter/inverter technology on their wind projects
- More than 75% admitted that more education is needed when it comes to the importance of power distribution systems to the industry
- 65% understood the requirement for offshore power experience as "critical" or "important" when considering the development of offshore wind farm electrical distribution projects



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"It is clear from the survey results that the wind energy industry recognizes the criticality of the wind farm electrical infrastructure to the success of their operations," Dauber said. "Like our customers in the traditional energy industry, those involved in wind energy also have grave concerns about the lack of quality resources available to enable them to meet these challenges."

AETI indicated five out of six of the industry's top challenges or concerns about Balance of Plant (BoP) electrical infrastructure directly tie back to the implementation of efficient power distribution solutions and expertise outside of the wind turbine. The company also advised the industry that focusing on electrical infrastructure education and training will be critical going forward, and recommended developers ensure the same level of project planning and focus is given to the BoP electrical infrastructure as is given to the wind turbines.

Dauber added, "The industry needs to work together to assure not only that up-front project costs are considered when planning new wind farm developments, but also that operational and maintenance costs are prioritized. Expertise across the entire spectrum of electrical infrastructure products and construction is required to design and implement an optimized wind farm operation."

AETI has applied its technical solutions and services to help companies within the traditional energy sector that have similar wind energy electrical infrastructure challenges, and expects to bring the new industry only the highest quality, broad-range products and solutions that have been proven effective. The company provides a variety of switchgear and breaker products, inverters and converters, and other power distribution and control products. To view a complete listing of the American Electric Technologies' wind power products, visit: http://www.aeti.com/market/windproducts.php.

AETI Announces West Texas Construction Operations

The company announced it is furthering its commitment to the wind energy industry with the addition of seasoned electrical infrastructure construction veteran, Gary Collins. Serving as the company's new wind farm construction manager, Collins will be responsible for strengthening AETI's wind energy construction operations and will operate from Midland, Texas.

"AETI is excited to have Gary Collins join our wind energy team. His more than 10 years of wind farm construction expertise, coupled with our ability to provide a complete set of wind power solutions and maintenance services, will allow us to comprehensively address the fast growing West Texas wind farm market," Dauber said.

With 27 years of experience in energy construction projects, Collins joins AETI most recently from C&C Technical Services, a construction consulting firm providing high voltage construction services for a variety of utility projects. His wind farm construction experience includes projects for Renewable Energy Systems including Woodward Mesa and King Mountain wind farms.



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Collins was also involved with the construction of transmission lines, distribution systems and 138kv substations for American Electric Power and Enron Wind Farms, including Trent Mesa and Delaware Mountain wind farms.

EDITORIAL NOTE: A copy of AETI's WINDPOWER 2008 presentation is available upon request.

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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 located in Xian, China and Singapore. AETI's SEC filings, news and product/service information are available at <u>www.aeti.com</u>.

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Forward Looking Statements

Except for the historical and present factual information contained herein, the matters set forth in this document, including statements regarding the anticipated results of our international joint ventures are forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. There are many risks, uncertainties and other factors that can prevent the achievement of our goals or cause results to differ from those expressed or implied by these forward-looking statements including, without limitation, the risks inherent in doing business outside of the U. S. such as political, social and economic instability, currency fluctuations and conversion restrictions. These and other risks which may impact management's expectations are described in greater detail in filings made by the Company with the Securities and Exchange Commission. The Company assumes no obligation to publicly update or revise its forward-looking statements even if experience or future events make it clear that any of the anticipated results expressed or implied herein will not be realized.