



The future of energy and infrastructure is now.

Dear Broadwind Energy Stockholders:

2010 was another challenging year for the U.S. wind energy market. A recovering economy combined with low natural gas prices, reduced demand for electricity and an uncertain regulatory environment has led our customers to adjust their short-term outlook for investments in wind projects. However, with challenges come opportunities. Even in this difficult environment, some of our businesses were still able to increase their share of the U.S. wind market. Moreover, we see opportunities to expand our capabilities into other industrial markets.

In our tower business, revenues declined 18% due in large part to lower steel prices. Our market share increased from approximately 5% in 2009 to more than 10% in 2010, which shows that our early focus on the larger, more complex multi-megawatt towers is paying off as turbine sizes increase.

Revenues declined 24% in our gearing business. The decline was due primarily to delayed customer orders as a result of the lower demand for wind turbines and industrial gearing. Our market share in the wind business increased from approximately 7% in 2009 to roughly 17% in 2010. We also saw increased demand for gears in the mining, and oil and gas segments in the second half of the year, and we expect this to be a very good growth opportunity for Broadwind going forward.

The absence of a large one-time contract for blade refurbishment, which the company received in 2009, drove a dramatic revenue drop of 56% in our services business. However, with our recently completed drivetrain service center now online, we will be well positioned to take advantage of the large number of wind turbines that are coming off warranty in the U.S. We believe our extensive gearbox service and blade repair capabilities will position us to win this non-routine maintenance work as well as long-term operations and maintenance agreements.

Although 2010 was difficult, there were a number of positives that came out of the year. Let me highlight a few...

- Concluded a successful stock offering of \$53.3 million, net of underwriting costs, which improved our liquidity position, enabled us to repay debt and provided capital to support key investments. Our stronger balance sheet provides greater flexibility to navigate this challenging environment.
- Closed a \$10 million line of credit that remains untapped.
- Completed a \$7 million investment in gearbox remanufacturing with the grand opening of our new multi-megawatt drivetrain service center in Abilene, Texas in February 2011.
- Opened an office in Hamburg, Germany to stay close to existing and prospective European customers.
- Announced key wind turbine tower sales to Vestas and Gamesa.
- Added talent to our services team to enhance our ability to deliver essential gearbox, blade and operations and maintenance services to our customers.
- Decided to exit the non-core logistics business due to fundamental shifts in customer needs and the competitive landscape.
- Embarked on a plan to diversify our revenue mix to a healthier balance between wind and industrial customers.

Broadwind's core welding, gearing and services capabilities provide a strong foundation to build upon. Our tower business is showing signs of growth and diversification, as our experience in building almost 1,800 MWs of multi-megawatt towers is starting to pay off. The U.S. market has been dominated by the 1.5 MW machine; however, that trend is changing as the overall industry moves to larger wind turbines. We have developed a broad base of new wind turbine OEM customers. As they grow, we will be able to grow with them. Additionally, our skill in welding large structures, including wind turbine towers, is being recognized by other industries. We are welding specialty structures in the mining, heavy equipment and medical fields. This will help our tower business to diversify as we leverage our core welding competency.

Our gearing experience stretches back to 1924 and includes production of open gearing as well as our own line of robust industrial gearboxes. More recently, as a leading North American provider of wind turbine gearing, Broadwind has built a reputation for precision and quality. The specialized knowledge and process capability that we have gained working in wind is being transferred into our renewed efforts in the industrial gearing market. We believe that some of the industrial applications for gearing in oil and gas, mining and steel represent strong growth opportunities for Broadwind.

Finally, on the services side, our gearing expertise is enabling in-house gearbox remanufacturing through our new drivetrain service center. Customers see real value in deploying remanufactured gearboxes across their wind turbine fleets — in some cases opting to remanufacture rather than purchase new gearboxes. Our experience in gearbox remanufacturing and blade repair uniquely positions us in the industry as one of the most experienced non-routine maintenance providers for wind turbine services. With 40,000 MWs of installed wind turbines, of which 20,000 MWs have been installed in the last three years, we see promising growth potential in the service market. We also believe that we can apply our capabilities in gearbox remanufacturing to other industries that utilize gearing technology.

The future holds strong opportunities for Broadwind. During 2011, we hope to see the U.S. economy continue to recover, and bring stability to the wind energy market. We will focus on growing our tower, gearing and services businesses. At the same time, we plan to continue to diversify into new markets by leveraging our wind energy experience. Broadwind is well positioned to help customers maximize their investments in the energy and infrastructure sectors. We are excited about the opportunities ahead of us.

One of the things I'm proud to note is that Broadwind is proof that we can bring manufacturing jobs back to the United States. Moreover, we can compete in a global market with excellent quality and a productive labor force.

Next year, I expect to report strong progress in our gearbox remanufacturing strategy, expansion of our services business, good growth in towers and expansion into other specialty welding markets. I believe that Broadwind Energy has the right people, products and capabilities to create long-term value for stockholders.

Sincerely,



Peter C. Duprey
President and Chief Executive Officer
April 4, 2011

Forward Looking Statements. *This letter includes certain forward-looking statements within the meaning of the meaning of the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995 regarding the Company's results of operation, financial position and strategy. These forward-looking statements are based on current information and expectations, and are subject to risks and uncertainties discussed in our filings with the Securities and Exchange Commission, which could cause the Company's actual results to differ materially from expected results. We undertake no obligation to update or revise forward-looking statements, whether as a result of new information, future events, or otherwise. All forward looking statements are qualified in their entirety by this cautionary statement.*