BROADWIND ENERGY, INC.

FORM 10-Q/A
(Amended Quarterly Report)

Filed 03/11/14 for the Period Ending 03/31/13

Address	3240 S. CENTRAL AVENUE CICERO, IL 60804
Telephone	708-780-4800
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Symbol	BWEN
SIC Code	3360 - Nonferrous Foundries (castings)
Industry	Misc. Capital Goods
Sector	Capital Goods
Fiscal Year	12/31

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q/A

(Amendment No. 1)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2013

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission file number 0-31313

BROADWIND ENERGY, INC.

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	**88-0409160** (I.R.S. Employer Identification No.)

3240 S. Central Avenue , Cicero, IL 60804
(Address of principal executive offices)

(708) 780-4800
(Registrant's telephone number, including area code)

Not applicable
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act:

Large accelerated filer ☐	Accelerated filer ☐
Non-accelerated filer ☐ (Do not check if a smaller reporting company)	Smaller reporting company ☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Number of shares of registrant's common stock, par value $0.001, outstanding as of April 30, 2013: 14,403,157.

BROADWIND ENERGY, INC. AND SUBSIDIARIES

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Explanatory Note

As used herein, the terms “we,” “us,” “our,” “Broadwind,” and the “Company” refer to Broadwind Energy, Inc., a Delaware corporation headquartered in Cicero, Illinois, and its wholly-owned subsidiaries. We are filing this Amendment No. 1 (the “Amended Filing”) to our Quarterly Report on Form 10-Q for the quarter ended March 31, 2013, originally filed with the United States Securities and Exchange Commission on May 9, 2013 (the “Original Filing”), to amend and restate our unaudited financial statements and related disclosures for the period then ended and amend certain other information as indicated below. This Amended Filing is being filed following the restatement of our financial statements for the first three quarters of the fiscal year ended December 31, 2013. The details of the restatement are discussed below and in Note 2 to the accompanying restated condensed consolidated financial statements.

In this Amended Filing, we are:

- restating our Condensed Consolidated Balance Sheet as of March 31, 2013, our Condensed Consolidated Statements of Operations for the three months ended March 31, 2013, our Condensed Consolidated Statements of Cash Flows for the three months ended March 31, 2013 and the Notes to our Condensed Consolidated Financial Statements;
- amending Part I, Item 2, Management’s Discussion and Analysis of Financial Condition and Results of Operations, as it relates to the three months ended March 31, 2013; and
- amending Part I, Item 4, disclosure regarding Controls and Procedures.

In addition, the Company’s Chief Executive Officer and Chief Financial Officer have provided new certifications in connection with this Amended Filing (Exhibits 31.1, 31.2, 32.1 and 32.2).

Except as described above, no other amendments have been made to the Original Filing. This Amended Filing continues to speak as of the date of the Original Filing, and the Company has not updated the disclosure contained herein to reflect events that have occurred since the date of the Original Filing. Accordingly, this Amended Filing should be read in conjunction with the Company’s other filings made with the SEC subsequent to the filing of the Original Filing, including any amendments to those filings.

Background on the Restatement

On January 31, 2014, the audit committee of our board of directors (the “Audit Committee”) concluded that the previously issued financial statements contained in our quarterly reports on Form 10-Q for the periods ended March 31, 2013, June 30, 2013 and September 30, 2013 should no longer be relied upon because of errors in those financial statements. In addition to the financial statements for these periods, related press releases furnished on Current Reports on Form 8-K and reports and stockholder communications describing our financial statements for these periods should no longer be relied upon.

The errors relate to the overstatement of cost of sales in the total amount of approximately $938 during the nine months ended September 30, 2013. The overstatement arose in, and was included in the results of, our Towers and Weldments segment. The Audit Committee completed an independent investigation into the identified errors, which determined that accounting personnel in the Towers and Weldments segment intentionally created reserves in the aforementioned quarters in a manner inconsistent with generally accepted accounting principles and our own accounting policies and procedures.

Coincident with restating our financial statements due to the above mentioned errors, we also adjusted the financial statements to address unrecorded adjustments which were previously deemed insignificant. The restatement adjustments did not impact our previously reported tax provision or benefit in any of the affected periods, as we have recorded full valuation allowances against net deferred tax assets and loss carryforwards. For more information related to the impact of the restatement adjustments on our financial statements contained in this Amended Filing for the three months ended March 31, 2013, refer to Note 2, Restatement of Previously Issued Financial Statements.

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

BROADWIND ENERGY, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per share data)

	March 31, 2013 (Restated and Unaudited)	December 31, 2012
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 537	$ 516
Restricted cash	331	330
Accounts receivable, net of allowance for doubtful accounts of $298 and $453 as of March 31, 2013 and December 31, 2012, respectively	26,350	20,039
Inventories, net	30,046	21,988
Prepaid expenses and other current assets	4,184	3,836
Assets held for sale	8,039	8,042
Total current assets	69,487	54,751
Property and equipment, net	78,273	79,889
Intangible assets, net	6,790	7,454
Other assets	751	816
TOTAL ASSETS	$ 155,301	$ 142,910
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Lines of credit and notes payable	$ 6,172	$ 955
Current maturities of long-term debt	330	352
Current portions of capital lease obligations	1,749	2,217
Accounts payable	24,681	16,377
Accrued liabilities	5,838	6,012
Customer deposits	8,212	4,063
Liabilities held for sale	3,609	3,860
Total current liabilities	50,591	33,836
LONG-TERM LIABILITIES:		
Long-term debt, net of current maturities	2,816	2,956
Long-term capital lease obligations, net of current portions	539	641
Other	2,240	2,169
Total long-term liabilities	5,595	5,766
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' EQUITY:		
Preferred stock, $0.001 par value; 10,000,000 shares authorized; no shares issued or outstanding	—	—
Common stock, $0.001 par value; 30,000,000 shares authorized; 14,357,053 and 14,197,792 shares issued and outstanding as of March 31, 2013 and December 31, 2012, respectively	14	14
Additional paid-in capital	374,171	373,605
Accumulated deficit	(275,070)	(270,311)
Total stockholders' equity	99,115	103,308
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 155,301	$ 142,910

The accompanying notes are an integral part of these condensed consolidated financial statements.

BROADWIND ENERGY, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(UNAUDITED)
(in thousands, except per share data)

	Three Months Ended March 31,	
	2013 (Restated)	2012
Revenues	$ 45,506	$ 54,443
Cost of sales	42,881	51,822
Restructuring	455	389
Gross profit	2,170	2,232
OPERATING EXPENSES:		
Selling, general and administrative	5,388	5,883
Intangible amortization	665	215
Restructuring	601	75
Total operating expenses	6,654	6,173
Operating loss	(4,484)	(3,941)
OTHER (EXPENSE) INCOME, net:		
Interest expense, net	(391)	(262)
Other, net	335	363
Gain (loss) on sale of assets and restructuring	13	—
Total other (expense) income, net	(43)	101
Net loss from continuing operations before provision for income taxes	(4,527)	(3,840)
Provision for income taxes	22	20
LOSS FROM CONTINUING OPERATIONS	(4,549)	(3,860)
LOSS FROM DISCONTINUED OPERATIONS, NET OF TAX	(210)	—
NET LOSS	$ (4,759)	$ (3,860)
NET LOSS PER COMMON SHARE - BASIC AND DILUTED:		
Loss from continuing operations	$ (0.32)	$ (0.28)
Loss from discontinued operations	(0.01)	—
Net loss	$ (0.33)	$ (0.28)
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING - Basic and diluted	14,267	13,980

The accompanying notes are an integral part of these condensed consolidated financial statements.

BROADWIND ENERGY, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)
(in thousands)

	Three Months Ended March 31,	
	2013 (Restated)	2012
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (4,759)	$ (3,860)
Loss from discontinued operations	210	—
Loss from continuing operations	(4,549)	(3,860)
Adjustments to reconcile net cash used in operating activities:		
Depreciation and amortization expense	3,986	3,950
Impairment charges	—	—
Stock-based compensation	427	665
Allowance for doubtful accounts	(154)	134
Common stock issued under defined contribution 401(k) plan	138	—
Loss on disposal of assets	15	23
Changes in operating assets and liabilities:		
Accounts receivable	(6,156)	1,988
Inventories	(8,058)	(9,007)
Prepaid expenses and other current assets	(503)	932
Accounts payable	7,852	7,588
Accrued liabilities	(69)	(1,118)
Customer deposits	4,149	(2,729)
Other non-current assets and liabilities	82	35
Net cash used in operating activities of continuing operations	(2,840)	(1,399)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of logistics business and related note receivable	—	125
Purchases of property and equipment	(1,375)	(715)
Proceeds from disposals of property and equipment	4	6
Decrease in restricted cash	—	472
Net cash used in investing activities of continuing operations	(1,371)	(112)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payments on lines of credit and notes payable	(44,606)	(708)
Proceeds from lines of credit and notes payable	49,408	—
Principal payments on capital leases	(570)	(264)
Net cash provided by (used in) financing activities of continuing operations	4,232	(972)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	21	(2,483)
CASH AND CASH EQUIVALENTS, beginning of the period	516	13,340
CASH AND CASH EQUIVALENTS, end of the period	$ 537	$ 10,857
Supplemental cash flow information:		
Interest paid, net of capitalized interest	$ 334	$ 268
Income taxes paid	$ 13	$ 6
Non-cash investing and financing activities:		
Issuance of restricted stock grants	$ 317	$ 409
Common stock issued under defined contribution 401(k) plan	$ 138	$ —

The accompanying notes are an integral part of these condensed consolidated financial statements.

BROADWIND ENERGY, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)
(In thousands, except share and per share data)

NOTE 1 — BASIS OF PRESENTATION

The accompanying restated and unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP") for interim financial information and in accordance with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, the financial statements do not include all of the information and notes required by GAAP for complete financial statements. In the opinion of management, all adjustments, including normal recurring accruals, considered necessary for a fair presentation have been included. Operating results for the three months ended March 31, 2013 are not necessarily indicative of the results that may be expected for the twelve months ending December 31, 2013. The December 31, 2012 condensed consolidated balance sheet was derived from audited financial statements, but does not include all disclosures required by GAAP. This financial information should be read in conjunction with the condensed consolidated financial statements and notes included in the Company's Annual Report on Form 10-K for the year ended December 31, 2012.

The restated and unaudited condensed consolidated financial statements presented herein include the accounts of Broadwind Energy, Inc. and its wholly-owned subsidiaries Broadwind Towers, Inc. ("Broadwind Towers"), Brad Foote Gear Works, Inc. ("Brad Foote") and Broadwind Services, LLC ("Broadwind Services") (collectively, the "Subsidiaries"). All intercompany transactions and balances have been eliminated.

There have been no material changes in the Company's significant accounting policies during the three months ended March 31, 2013 as compared to the significant accounting policies described in the Company's Annual Report on Form 10-K for the year ended December 31, 2012.

Company Description

As used in this Quarterly Report on Form 10-Q/A, the terms "we," "us," "our," "Broadwind," and the "Company" refer to Broadwind Energy, Inc., a Delaware corporation headquartered in Cicero, Illinois, and the Subsidiaries.

Broadwind provides technologically advanced high-value products and services to energy, mining and infrastructure sector customers, primarily in the U.S. The Company's most significant presence is within the U.S. wind industry, although it has increasingly diversified into other industrial markets in order to improve its capacity utilization and reduce its exposure to uncertainty related to favorable governmental policies currently supporting the U.S. wind industry. For the first three months of 2013, 57% of the Company's revenue was derived from sales associated with new wind turbine installations, down from 64% for the same period of 2012.

The Company's product and service portfolio provides its wind energy customers, including wind turbine manufacturers, wind farm developers and wind farm operators, with access to a broad array of component and service offerings. Outside of the wind market, the Company provides precision gearing and specialty weldments to a broad range of industrial customers for oil and gas, mining and other industrial applications.

Liquidity

During the third quarter of 2012, the Company established a three-year $20,000 credit agreement with AloStar Bank of Commerce ("AloStar"). Pursuant to this agreement, AloStar will advance funds against the Company's borrowing base, which consists of approximately 85% of eligible receivables and approximately 50% of eligible inventory. Under this borrowing structure, borrowings are continuous and all cash proceeds received by the Company and the Subsidiaries are automatically applied to the outstanding borrowed balance. As a result of this structure, the Company anticipates that cash balances will remain at a minimum while there are outstanding borrowed amounts on the line of credit.

As discussed further in Note 19, "Subsequent Event" of these condensed consolidated financial statements, the Company increased its liquidity in April 2013 by approximately $8 million as a result of the sale of its idle wind tower manufacturing facility in Brandon, South Dakota (the "Brandon Facility"). A portion of the proceeds from the sale were used to repay the remaining balance of the mortgage on the Brandon Facility.

The Company has a limited history of operations and has incurred operating losses since inception, partly due to large non-cash charges attributable to significant capital expenditures and acquisition outlays during 2007 and 2008. The Company anticipates that current cash resources, amounts available on the AloStar line of credit, and cash to be generated from operations and asset sales over the next twelve months will be adequate to meet the Company's liquidity needs for at least the next twelve months. As discussed

further in Note 9, “Debt and Credit Agreements” of these condensed consolidated financial statements, as of March 31, 2013, the Company was obligated to make principal payments on outstanding debt totaling $330 during the next twelve months and had a $6,172 balance on the AloStar line of credit. If assumptions regarding the Company’s production, sales and subsequent collections from several of the Company’s large customers, as well as revenues generated from new customer orders, are not materially consistent with management’s expectations, the Company may in the future encounter cash flow and liquidity issues. If the Company cannot make scheduled payments on its debt, or comply with applicable covenants, it may lose operational flexibility or have to delay planned operational objectives. Any additional equity financing, if available, may be dilutive to stockholders, and additional debt financing, if available, will likely require new financial covenants or impose other restrictions on the Company. While the Company believes that it will continue to have sufficient cash flows to operate its businesses and to meet its financial obligations and debt covenants, there can be no assurances that its operations will generate sufficient cash, that it will be able to comply with applicable loan covenants or that credit facilities will be available in an amount sufficient to enable the Company to pay its indebtedness or to fund its other liquidity needs.

In addition, please refer to Note 18, “Restructuring” of these condensed consolidated financial statements for a discussion of the restructuring plan which the Company initiated in the third quarter of 2011. To date, the Company has incurred $7,600 of costs in conjunction with its restructuring plan. Including costs incurred to date, the Company expects that a total of approximately $12,800 of net costs will be incurred to implement this restructuring plan. Of the total projected expenses, the Company anticipates that approximately $5,000 will be non-cash expenditures. The Company anticipates cash flow savings of approximately $6,000 annually from the restructuring efforts.

NOTE 2 — R **ESTATEMENT OF PREVIOUSLY ISSUED FINANCIAL STATEMENTS**

Background on the Restatement

On January 31, 2014, the audit committee of the Company’s board of directors (the “Audit Committee”) concluded that the previously issued financial statements contained in the Company’s quarterly reports on Form 10-Q for the periods ended March 31, 2013, June 30, 2013 and September 30, 2013 should no longer be relied upon because of errors in those financial statements. In addition to the financial statements for these periods, related press releases furnished on Current Reports on Form 8-K and reports and stockholder communications describing its financial statements for these periods should no longer be relied upon.

The errors relate to the overstatement of cost of sales in the total amount of approximately $938 during the nine months ended September 30, 2013. The overstatement arose in, and was included in the results of, the Company’s Towers and Weldments segment. The Audit Committee completed an independent investigation into the identified errors, which determined that accounting personnel in the Towers and Weldments segment intentionally created reserves in the aforementioned quarters in a manner inconsistent with generally accepted accounting principles and the Company’s own accounting policies and procedures.

Coincident with restating its financial statements due to the above mentioned error, the Company also adjusted the financial statements to address unrecorded adjustments which were previously deemed insignificant. The restatement adjustments did not impact the Company’s previously reported tax provision or benefit in any of the affected periods, as the Company has recorded full valuation allowances against net deferred tax assets and loss carryforwards.

Restatement Adjustments

Adjustments Related to Towers and Weldments Overstatement of Cost of Sales

Towers and Weldments cost of sales for the quarter ended March 31, 2013, was originally overstated by $199. The restated results reflect an increase in gross profit and a decrease in accounts payable of $199.

Other Operating Statement Adjustments

Other adjustments were made to correct items previously identified but deemed immaterial to our financial statements. The principal changes are described as follows: Towers and Weldments revenue was reduced by $158 and related cost of sales was reduced by $110 to correct revenue recognition timing errors related to certain tower transactions. Gearing cost of sales was increased by a $117 charge to inventory reserves to adjust the inventory to its lower of cost or market value. In addition, the Company reversed a $288 other expense item related to property and equipment charges that were originally recorded in the first quarter of 2013 and subsequently determined to belong in the second quarter of 2013. The impact of other miscellaneous adjustments resulted in an increase to cost of sales of $30 and a decrease to selling, general and administrative expenses of $8.

Balance Sheet Adjustments

The primary impact to the balance sheet were changes to the accounts receivable, inventory, accounts payable and accumulated deficit accounts related to items described in the above sections.

The unaudited restated condensed consolidated balance sheet as of March 31, 2013 is presented below (in thousands, except per share data):

	March 31, 2013		
	As Previously Reported	Restatement Adjustments	Restated
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	$ 537	$ —	$ 537
Restricted cash	331	—	331
Accounts receivable, net of allowance for doubtful accounts of $298 and $453 as of March 31, 2013 and December 31, 2012, respectively	26,508	(158)	26,350
Inventories, net	30,052	(6)	30,046
Prepaid expenses and other current assets	4,184	—	4,184
Assets held for sale	8,039	—	8,039
Total current assets	69,651	(164)	69,487
Property and equipment, net	77,985	288	78,273
Intangible assets, net	6,790	—	6,790
Other assets	751	—	751
TOTAL ASSETS	$ 155,177	$ 124	$ 155,301
LIABILITIES AND STOCKHOLDERS' EQUITY			
CURRENT LIABILITIES:			
Lines of credit and notes payable	$ 6,172	$ —	$ 6,172
Current maturities of long-term debt	330	—	330
Current portions of capital lease obligations	1,749	—	1,749
Accounts payable	24,880	(199)	24,681
Accrued liabilities	5,815	23	5,838
Customer deposits	8,212	—	8,212
Liabilities held for sale	3,609	—	3,609
Total current liabilities	50,767	(176)	50,591
LONG-TERM LIABILITIES:			
Long-term debt, net of current maturities	2,816	—	2,816
Long-term capital lease obligations, net of current portions	539	—	539
Other	2,240	—	2,240
Total long-term liabilities	5,595	—	5,595
COMMITMENTS AND CONTINGENCIES			
STOCKHOLDERS' EQUITY:			
Preferred stock, $0.001 par value; 10,000,000 shares authorized; no shares issued or outstanding	—	—	—
Common stock, $0.001 par value; 30,000,000 shares authorized; 14,357,053 and 14,197,792 shares issued and outstanding as of March 31, 2013 and December 31, 2012, respectively	14	—	14
Additional paid-in capital	374,171	—	374,171
Accumulated deficit	(275,370)	300	(275,070)
Total stockholders' equity	98,815	300	99,115
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 155,177	$ 124	$ 155,301

The unaudited restated condensed quarterly consolidated statement of operations for the three months ended March 31, 2013 is presented below (in thousands, except per share data):

	Three Months Ended March 31, 2013		
	As previously Reported	Restatement Adjustments	Restated
Revenues	$ 45,664	$ (158)	$ 45,506
Cost of sales	43,043	(162)	42,881
Restructuring	455	—	455
Gross profit	2,166	4	2,170
OPERATING EXPENSES:			
Selling, general and administrative	5,396	(8)	5,388
Intangible amortization	665	—	665
Restructuring	601	—	601
Total operating expenses	6,662	(8)	6,654
Operating loss	(4,496)	12	(4,484)
OTHER (EXPENSE) INCOME, net:			
Interest expense, net	(391)	—	(391)
Other, net	335	—	335
Gain (loss) on sale of assets and restructuring	(275)	288	13
Total other (expense) income, net	(331)	288	(43)
Net loss from continuing operations before provision for income taxes	(4,827)	300	(4,527)
Provision for income taxes	22	—	22
LOSS FROM CONTINUING OPERATIONS	(4,849)	300	(4,549)
LOSS FROM DISCONTINUED OPERATIONS, NET OF TAX	(210)	—	(210)
NET LOSS	$ (5,059)	$ 300	$ (4,759)
NET LOSS PER COMMON SHARE - BASIC AND DILUTED:			
Loss from continuing operations	$ (0.34)	$ 0.02	$ (0.32)
Loss from discontinued operations	(0.01)	—	(0.01)
Net loss	$ (0.35)	$ 0.02	$ (0.33)
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING - Basic and diluted	14,267	—	14,267

The unaudited restated condensed consolidated statement of cash flows for the three months ended March 31, 2013 is presented below (in thousands):

	Three Months Ended March 31,		
	As previously Reported	Restatement Adjustments	Restated
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net loss	$ (5,059)	$ 300	$ (4,759)
Loss from discontinued operations	210	—	210
Loss from continuing operations	(4,849)	300	(4,549)
Adjustments to reconcile net cash used in operating activities:			
Depreciation and amortization expense	3,986	—	3,986
Impairment charges	288	(288)	—
Stock-based compensation	427	—	427
Allowance for doubtful accounts	(154)	—	(154)
Common stock issued under defined contribution 401(k) plan	138	—	138
Loss on disposal of assets	15	—	15
Changes in operating assets and liabilities:		—	
Accounts receivable	(6,314)	158	(6,156)
Inventories	(8,064)	6	(8,058)
Prepaid expenses and other current assets	(503)	—	(503)
Accounts payable	8,051	(199)	7,852
Accrued liabilities	(92)	23	(69)
Customer deposits	4,149	—	4,149
Other non-current assets and liabilities	82	—	82
Net cash used in operating activities of continuing operations	(2,840)	—	(2,840)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Proceeds from sale of logistics business and related note receivable	—		—
Purchases of property and equipment	(1,375)	—	(1,375)
Proceeds from disposals of property and equipment	4	—	4
Decrease in restricted cash	—	—	—
Net cash used in investing activities of continuing operations	(1,371)	—	(1,371)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Payments on lines of credit and notes payable	(44,606)	—	(44,606)
Proceeds from lines of credit and notes payable	49,408	—	49,408
Principal payments on capital leases	(570)	—	(570)
Net cash provided by (used in) financing activities of continuing operations	4,232	—	4,232
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	21	—	21
CASH AND CASH EQUIVALENTS, beginning of the period	516	—	516
CASH AND CASH EQUIVALENTS, end of the period	$ 537	$ —	$ 537

NOTE 3 — EARNINGS PER SHARE

The following table presents a reconciliation of basic and diluted earnings per share for the three months ended March 31, 2013 and 2012, as follows:

	Three Months Ended March 31,	
	2013 (Restated)	2012
Basic earnings per share calculation:		
Net loss	$ (4,759)	$ (3,860)
Weighted average number of common shares outstanding	14,267,149	13,979,567
Basic net loss per share	$ (0.33)	$ (0.28)
Diluted earnings per share calculation:		
Net loss	$ (4,759)	$ (3,860)
Weighted average number of common shares outstanding	14,267,149	13,979,567
Common stock equivalents:		
Stock options and unvested restricted stock units (1)	—	—
Weighted average number of common shares outstanding	14,267,149	13,979,567
Diluted net loss per share	$ (0.33)	$ (0.28)

(1) Stock options and unvested restricted stock units granted and outstanding of 953,899 and 465,128 as of March 31, 2013 and 2012, respectively, are excluded from the computation of diluted earnings per share due to the anti-dilutive effect as a result of the Company's net loss for these respective periods.

NOTE 4 — DISCONTINUED OPERATIONS

In December 2010, the Company's Board of Directors approved a plan to divest the Company's wholly-owned subsidiary Badger Transport, Inc. ("Badger"), which formerly comprised the Company's Logistics segment. In March 2011, the Company completed the sale of Badger to BTI Logistics, LLC. As a component of the proceeds from the sale, the Company received a $1,500 secured promissory note payable from the purchaser. During the first quarter of 2013, the Company recorded a $210 discontinued operation charge to adjust the net balance of the Company's note receivable down to $150 estimated value of the Company's security interest. The $150 note receivable is recorded as other current assets in the condensed consolidated balance sheet as of March 31, 2013.

NOTE 5 — CASH AND CASH EQUIVALENTS

Cash and cash equivalents typically comprise cash balances and readily marketable investments with original maturities of three months or less, such as money market funds, short-term government bonds, Treasury bills, marketable securities and commercial paper. The Company's treasury policy is to invest excess cash in money market funds or other investments, which are generally of a short-term duration based upon operating requirements. Income earned on these investments is recorded to interest income in the Company's condensed consolidated statements of operations. As of March 31, 2013 and December 31, 2012, cash and cash equivalents totaled $537 and $516, respectively, and existed all in the form of cash balances.

NOTE 6 — INVENTORIES

The components of inventories as of March 31, 2013 and December 31, 2012 are summarized as follows:

	March 31, 2013 (Restated)	December 31, 2012
Raw materials	$ 14,332	$ 8,697
Work-in-process	11,541	9,505
Finished goods	4,880	4,558
	30,753	22,760
Less: Reserve for excess and obsolete inventory	(707)	(772)
Net inventories	$ 30,046	$ 21,988

NOTE 7 — INTANGIBLE ASSETS

Intangible assets represent the fair value assigned to definite-lived assets such as trade names and customer relationships as part of the Company's acquisition of Brad Foote completed during 2007. Intangible assets are amortized on a straight-line basis over their estimated useful lives, which range from 10 to 20 years. The Company tests intangible assets for impairment when events or circumstances indicate that the carrying value of these assets may not be recoverable. During the first quarter of 2013, the Company identified triggering events associated with the Company's current period operating loss combined with its history of continued operating losses. As a result, the Company evaluated the recoverability of certain of its identifiable intangible assets. Based upon the Company's assessment, the recoverable amount was substantially in excess of the carrying amount of the intangible assets, and no impairment to these assets was indicated as of March 31, 2013.

As of March 31, 2013 and December 31, 2012, the cost basis, accumulated amortization and net book value of intangible assets were as follows:

	March 31, 2013			December 31, 2012		
	Cost Basis	Accumulated Amortization	Net Book Value	Cost Basis	Accumulated Amortization	Net Book Value
Intangible assets:						
Customer relationships	$ 3,979	$ (3,008)	$ 971	$ 3,979	$ (2,444)	$ 1,535
Trade names	7,999	(2,180)	5,819	7,999	(2,080)	5,919
Intangible assets	$ 11,978	$ (5,188)	$ 6,790	$ 11,978	$ (4,524)	$ 7,454

NOTE 8 — ACCRUED LIABILITIES

Accrued liabilities as of March 31, 2013 and December 31, 2012 consisted of the following:

	March 31, 2013 (Restated)	December 31, 2012
Accrued payroll and benefits	$ 2,641	$ 2,913
Accrued property taxes	190	367
Income taxes payable	451	443
Accrued professional fees	820	526
Accrued warranty liability	693	707
Accrued environmental reserve	352	352
Accrued other	691	704
Total accrued liabilities	$ 5,838	$ 6,012

NOTE 9 — DEBT AND CREDIT AGREEMENTS

The Company's outstanding debt balances as of March 31, 2013 and December 31, 2012 consisted of the following:

	March 31, 2013	December 31, 2012
Lines of credit	$ 6,172	$ 955
Term loans and notes payable	3,146	3,308
Less: Current portion	(6,502)	(1,307)
Long-term debt, net of current maturities	$ 2,816	$ 2,956

Credit Facilities

AloStar Credit Facility

On August 23, 2012, the Company and the Subsidiaries entered into a Loan and Security Agreement (the "Loan Agreement") with AloStar, providing the Company and the Subsidiaries with a new $20,000 secured credit facility (the "Credit Facility"). The Credit Facility is a secured three-year asset-based revolving credit facility, pursuant to which AloStar will advance funds against a borrowing base consisting of approximately 85% of the face value of eligible receivables of the Company and the Subsidiaries and approximately 50% of the book value of eligible inventory of the Company and the Subsidiaries. Borrowings under the Credit Facility bear interest at a per annum rate equal to the one-month London Interbank Offered Rate plus a margin of 4.25%, with a minimum interest rate of 5.25% per annum. The Company must also pay an unused facility fee to AloStar equal to 0.50% per annum on the unused portion of the Credit Facility along with other standard fees. The initial term of the Loan Agreement ends on August 23, 2015.

The Loan Agreement contains customary representations and warranties applicable to the Company and the Subsidiaries. It also contains a requirement that the Company, on a consolidated basis, maintain a minimum monthly fixed charge coverage ratio and minimum monthly earnings before interest, taxes, depreciation, amortization, restructuring and share-based payments ("Adjusted EBITDA"), along with other customary restrictive covenants, certain of which are subject to materiality thresholds, baskets and customary exceptions and qualifications.

The obligations under the Loan Agreement are secured by, subject to certain exclusions, (i) a first priority security interest in all of the accounts, inventory, chattel paper, payment intangibles, cash and cash equivalents and other working capital assets and stock or other equity interests in the Subsidiaries and (ii) a first priority security interest in all of the equipment of Brad Foote.

As of March 31, 2013, the total outstanding indebtedness under the Credit Facility was $6,172, the Company had the ability to borrow up to an additional $12,316 and the per annum interest rate was 5.25%. The Company was not in compliance with the fixed charge coverage ratio covenant under the Loan Agreement (the "FCCR Covenant") as of March 31, 2013. On February 13, 2013, in conjunction with the Company obtaining a waiver of its non-compliance with the FCCR Covenant as of December 31, 2012, AloStar also agreed to waive any non-compliance with the FCCR Covenant as of March 31, 2013 unless the Company had completed the disposition of the Brandon Facility by that date. The Company was otherwise in compliance with all other applicable covenants under the documents evidencing and securing the Credit Facility as of March 31, 2013.

Great Western Bank Loans

On April 28, 2009, Broadwind Towers entered into a Construction Loan Agreement with Great Western Bank ("GWB"), pursuant to which GWB agreed to provide up to $10,000 in financing (the "GWB Construction Loan") to fund construction of the Brandon Facility. Pursuant to a Change in Terms Agreement dated April 5, 2010 between GWB and Broadwind Towers, the GWB Construction Loan was converted to a term loan (the "GWB Term Loan") providing for monthly payments of principal plus interest, extending the maturity date to November 5, 2016, reducing the principal amount to $6,500, and changing the per annum interest rate to 8.5%.

The GWB Term Loan was secured by a first mortgage on the Brandon Facility and all fixtures and proceeds relating thereto, pursuant to a Mortgage and a Commercial Security Agreement, each between Broadwind Towers and GWB, and by a Commercial Guaranty from the Company. In addition, the Company agreed to subordinate all intercompany debt with Broadwind Towers to the GWB Term Loan. The documents evidencing and securing the GWB Term Loan contained representations, warranties and covenants that are customary for a term financing arrangement and contained no financial covenants. As of March 31, 2013, the total outstanding indebtedness under the GWB Term Loan of $3,609 was recorded as Liabilities Held for Sale within the condensed consolidated balance sheet. The Company was in compliance with all covenants associated with GWB Term Loan as of March 31, 2013.

As described further in Note 19, “Subsequent Event” of these condensed consolidated financial statements, the Brandon Facility was sold in April 2013 and the GWB Term Loan was repaid and satisfied in its entirety with a portion of the proceeds.

Other

Included in Long Term Debt, Net of Current Maturities is $2,600 associated with the New Markets Tax Credit transaction described further in Note 17, “New Markets Tax Credit Transaction” of these condensed consolidated financial statements. Additionally, the Company has approximately $546 of other term loans outstanding.

NOTE 10 — FAIR VALUE MEASUREMENTS

The Company measures its financial assets and liabilities at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., exit price) in an orderly transaction between market participants at the measurement date. Additionally, the Company is required to provide disclosure and categorize assets and liabilities measured at fair value into one of three different levels depending on the assumptions (i.e., inputs) used in the valuation. Level 1 provides the most reliable measure of fair value while Level 3 generally requires significant management judgment. Financial assets and liabilities are classified in their entirety based on the lowest level of input significant to the fair value measurement. Financial instruments are assessed quarterly to determine the appropriate classification within the fair value hierarchy. Transfers between fair value classifications are made based upon the nature and type of the observable inputs. The fair value hierarchy is defined as follows:

Level 1 — Valuations are based on unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 — Valuations are based on quoted prices for similar assets or liabilities in active markets, or quoted prices in markets that are not active for which significant inputs are observable, either directly or indirectly.

Level 3 — Valuations are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. Inputs reflect management’s best estimate of what market participants would use in valuing the asset or liability at the measurement date.

Fair value of financial instruments

The carrying amounts of the Company’s financial instruments, which include cash and cash equivalents, accounts receivable, accounts payable and customer deposits approximate their respective fair values due to the relatively short-term nature of these instruments. Based upon interest rates currently available to the Company for debt with similar terms, the carrying value of the Company’s long-term debt is approximately equal to its fair value.

Assets measured at fair value on a nonrecurring basis

The fair value measurement approach for long-lived assets utilizes a number of significant unobservable inputs or Level 3 assumptions. These assumptions include, among others, projections of the Company’s future operating results, the implied fair value of these assets using an income approach by preparing a discounted cash flow analysis and a market-based approach based on the Company’s market capitalization, and other subjective assumptions. During the first quarter of 2013, the Company identified triggering events associated with the Company’s current period operating loss combined with its history of continued operating losses. As a result, the Company evaluated the recoverability of certain of its identifiable intangible assets and certain property and equipment assets. Based upon the Company’s assessment, no additional impairment to these assets was identified as of March 31, 2013.

NOTE 11 — INCOME TAXES

Effective tax rates differ from federal statutory income tax rates primarily due to changes in the Company’s valuation allowance, permanent differences and provisions for state and local income taxes. As of March 31, 2013, the Company had no net deferred income taxes due to the full recorded valuation allowance. During the three months ended March 31, 2013, the Company recorded a provision for income taxes of $22 compared to a provision for income taxes of $20 during the three months ended March 31, 2012.

The Company files income tax returns in U.S. federal and state jurisdictions. As of March 31, 2013, open tax years in federal and some state jurisdictions date back to 1996 due to the taxing authorities’ ability to adjust operating loss carryforwards. As of December 31, 2012, the Company had net operating loss carryforwards of $153,629 expiring in various years through 2032.

It is reasonably possible that unrecognized tax benefits will decrease by up to approximately $285 as a result of the expiration of the statute of limitations within the next 12 months. In addition, Section 382 of the Internal Revenue Code of 1986, as amended

(the "IRC"), generally imposes an annual limitation on the amount of net operating loss carryforwards and associated built-in losses that may be used to offset taxable income when a corporation has undergone certain changes in stock ownership. The Company's ability to utilize net operating loss carryforwards and built-in losses may be limited, under this section or otherwise, by the Company's issuance of common stock or by other changes in stock ownership. Upon completion of the Company's analysis of IRC Section 382, the Company has determined that aggregate changes in stock ownership have triggered an annual limitation of net operating loss carryforwards and built-in losses available for utilization. To the extent the Company's use of net operating loss carryforwards and associated built-in losses is significantly limited in the future due to additional changes in stock ownership, the Company's income could be subject to U.S. corporate income tax earlier than it would if the Company were able to use net operating loss carryforwards and built-in losses without such limitation, which could result in lower profits and the loss of benefits from these attributes.

The Company announced on February 13, 2013, that its Board of Directors had adopted a Stockholder Rights Plan (the "Rights Plan") designed to preserve the Company's substantial tax assets associated with net operating loss carryforwards under IRC Section 382. The Rights Plan is intended to act as a deterrent to any person or group, together with its affiliates and associates, being or becoming the beneficial owner of 4.9% or more of the Company's common stock. In connection with the adoption of the Rights Plan, the Board of Directors declared a non-taxable dividend of one preferred share purchase right (a "Right") for each outstanding share of the Company's common stock to the Company's stockholders of record as of the close of business on February 22, 2013. Each Right entitles its holder to purchase from the Company one-thousandth of a share of the Company's Series A Junior Participating Preferred Stock at an exercise price of $14.00 per Right, subject to adjustment. As a result of the Rights Plan, any person or group that acquires beneficial ownership of 4.9% or more of the Company's common stock without Board of Directors approval would be subject to significant dilution in the ownership interest of that person or group. Stockholders who owned 4.9% or more of the outstanding shares of the Company's common stock as of February 12, 2013 will not trigger the preferred share purchase rights unless they acquire additional shares. The Rights Plan was subsequently approved by the Company's stockholders at the Company's 2013 Annual Meeting of Stockholders.

As of March 31, 2013, the Company has $464 of unrecognized tax benefits, all of which would have a favorable impact on income tax expense. The Company recognizes interest and penalties related to uncertain tax positions as income tax expense. The Company has accrued interest and penalties of $178 as of March 31, 2013. As of December 31, 2012, the Company had unrecognized tax benefits of $454, of which $168 represented accrued interest and penalties.

NOTE 12 — SHARE-BASED COMPENSATION

Overview of Share-Based Compensation Plans

2007 Equity Incentive Plan

The Company has granted incentive stock options and other equity awards pursuant to the Amended and Restated Broadwind Energy, Inc. 2007 Equity Incentive Plan (the "2007 EIP"), which was approved by the Company's Board of Directors in October 2007 and by the Company's stockholders in June 2008. The 2007 EIP has been amended periodically since its original approval. Specifically, (i) the 2007 EIP was amended by the Company's stockholders in June 2009 to increase the number of shares of common stock authorized for issuance under the 2007 EIP, (ii) the 2007 EIP was further amended and restated in March 2011 by the Company's Board of Directors to limit share recycling under the 2007 EIP, to include a minimum vesting period for time-vesting restricted stock awards and restricted stock units ("RSU's") and to add a clawback provision, and (iii) the 2007 EIP was further amended at the Company's Annual Meeting of Stockholders on May 4, 2012 to increase the number of shares of common stock authorized for issuance under the 2007 EIP to provide sufficient authorized shares to settle certain awards granted in December 2011.

The 2007 EIP reserved 691,051 shares of the Company's common stock for grants to officers, directors, employees, consultants and advisors upon whose efforts the success of the Company and its affiliates depend to a large degree. As of March 31, 2013, the Company had reserved 110,285 shares for issuance upon the exercise of stock options outstanding and 135,551 shares for issuance upon the vesting of RSU awards outstanding. As of March 31, 2013, 175,669 shares of common stock reserved for stock options and RSU awards under the 2007 EIP have been issued in the form of common stock.

2012 Equity Incentive Plan

On March 8, 2012, the Company's Board of Directors approved the Broadwind Energy, Inc. 2012 Equity Incentive Plan (the "2012 EIP;" together with the 2007 EIP, the "Equity Incentive Plans"), and at the Company's Annual Meeting of Stockholders on May 4, 2012, the Company's stockholders approved the adoption of the 2012 EIP. The purposes of the 2012 EIP are (i) to align the interests of the Company's stockholders and recipients of awards under the 2012 EIP by increasing the proprietary interest of such recipients in the Company's growth and success; (ii) to advance the interests of the Company by attracting and retaining officers, other employees, non-employee directors, and independent contractors; and (iii) to motivate such persons to act in the long-term best interests of the Company and its stockholders. Under the 2012 EIP, the Company may grant (i) non-qualified stock options; (ii) "incentive stock options" (within the meaning of IRC Section 422); (iii) stock appreciation rights; (iv) restricted stock and RSU's; and (v) performance awards.

The 2012 EIP reserves 1,200,000 shares of the Company's common stock for grants to officers, directors, employees, consultants and advisors upon whose efforts the success of the Company and its affiliates will depend to a large degree. As of March 31, 2013, the Company had reserved 138,590 shares for issuance upon the exercise of stock options outstanding and 569,473 shares for issuance upon the vesting of RSU awards outstanding. As of March 31, 2013, 10,053 shares of common stock reserved for stock options and RSU awards under the 2012 EIP have been issued in the form of common stock.

Stock Options. The exercise price of stock options granted under the Equity Incentive Plans is equal to the closing price of the Company's common stock on the date of grant. Stock options generally become exercisable on the anniversary of the grant date, with vesting terms that may range from one to five years from the date of grant. Additionally, stock options expire ten years after the date of grant. The fair value of stock options granted is expensed ratably over their vesting term.

Restricted Stock Units. The granting of RSU's is provided for under the Equity Incentive Plans. RSU's generally vest on the anniversary of the grant date, with vesting terms that may range from one to five years from the date of grant. The fair value of each RSU granted is equal to the closing price of the Company's common stock on the date of grant and is generally expensed ratably over the vesting term of the RSU award.

The following table summarizes stock option activity during the three months ended March 31, 2013 under the Equity Incentive Plans, as follows:

	Options		Weighted Average Exercise Price
Outstanding as of December 31, 2012	286,455	$	26.80
Forfeited	(37,580)	$	15.94
Outstanding as of March 31, 2013	248,875	$	28.44
Exercisable as of March 31, 2013	76,040	$	72.76

The following table summarizes RSU activity during the three months ended March 31, 2013 under the Equity Incentive Plans, as follows:

	Number of RSU's		Weighted Average Grant-Date Fair Value Per RSU
Outstanding as of December 31, 2012	761,662	$	6.01
Granted	248,633	$	3.00
Vested	(110,666)	$	9.08
Forfeited	(194,605)	$	4.51
Outstanding as of March 31, 2013	705,024	$	4.88

The fair value of each stock option award is estimated on the date of grant using the Black-Scholes option pricing model. The determination of the fair value of each stock option is affected by the Company's stock price on the date of grant, as well as assumptions regarding a number of highly complex and subjective variables. These variables include, but are not limited to, the Company's expected stock price volatility over the expected life of the awards and actual and projected stock option exercise behavior. There were no stock options granted during the three months ended March 31, 2013 or 2012.

The Company utilized a forfeiture rate of 25% during the three months ended March 31, 2013 and 2012 for estimating the forfeitures of stock compensation granted.

The following table summarizes share-based compensation expense included in the Company's condensed consolidated statements of operations for the three months ended March 31, 2013 and 2012, as follows:

	Three Months Ended March 31,	
	2013	2012
Share-based compensation expense:		
Cost of sales	$ 31	$ —
Selling, general and administrative	396	665
Income tax benefit (1)	—	—
Net effect of share-based compensation expense on net loss	$ 427	$ 665
Reduction in earnings per share:		
Basic and diluted earnings per share (2)	$ 0.03	$ 0.05

(1) Income tax benefit is not illustrated because the Company is currently operating at a loss and an actual income tax benefit was not realized for the three months ended March 31, 2013 and 2012. The result of the loss situation creates a timing difference, resulting in a deferred tax asset, which is fully reserved for in the Company's valuation allowance.

(2) Diluted earnings per share for the three months ended March 31, 2013 and 2012 does not include common stock equivalents due to their anti-dilutive nature as a result of the Company's net losses for these respective periods. Accordingly, basic earnings per share and diluted earnings per share are identical for all periods presented.

As of March 31, 2013, the Company estimates that pre-tax compensation expense for all unvested share-based awards, including both stock options and RSU's, in the amount of approximately $2,563 will be recognized through 2016. The Company expects to satisfy the exercise of stock options and future distribution of shares of restricted stock by issuing new shares of common stock.

NOTE 13 — LEGAL PROCEEDINGS

Shareholder Lawsuits

On February 11, 2011, a putative class action was filed in the United States District Court for the Northern District of Illinois, Eastern Division (the "Court"), against the Company and certain of its current or former officers and directors. The lawsuit was purportedly brought on behalf of purchasers of the Company's common stock between March 17, 2009 and August 9, 2010. A lead plaintiff was appointed and an amended complaint was filed on September 13, 2011. The amended complaint named as additional defendants certain of the Company's current and former directors, certain Tontine entities, and Jeffrey Gendell, a principal of Tontine. The complaint sought to allege that the defendants violated Section 10(b) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and Rule 10b-5 promulgated thereunder, and/or Section 20(a) of the Exchange Act by issuing or causing to be issued a series of allegedly false and/or misleading statements concerning the Company's financial results, operations, and prospects, including with respect to the January 2010 secondary public offering of the Company's common stock. The plaintiffs alleged that the Company's statements were false and misleading because, among other things, the Company's reported financial results during the class period allegedly violated generally accepted accounting principles because they failed to reflect the impairment of goodwill and other intangible assets, and the Company allegedly failed to disclose known trends and other information regarding certain customer relationships at Brad Foote. In support of their claims, the plaintiffs relied in part upon six alleged confidential informants, all of whom are alleged to be former employees of the Company. On November 18, 2011, the Company filed a motion to dismiss. On April 19, 2012, the Court granted in part and denied in part the Company's motion. The Court dismissed all claims with prejudice against each of the named current and former officers except for J. Cameron Drecoll and held that the plaintiffs had failed to state a claim for any alleged misstatements made after March 19, 2010. In addition, the Court dismissed all claims with prejudice against the named Tontine entities and Mr. Gendell. The Court denied the motion with respect to certain of the claims asserted against the Company and Mr. Drecoll. The Company filed its answer and affirmative defenses on May 21, 2012. The plaintiffs' class certification was filed on June 22, 2012, and the parties agreed to a briefing schedule. The parties participated in a mediation session on August 20, 2012, and have reached agreement on a settlement of the matter in the amount of $3,915, which is payable by the Company's insurance carrier. The Court preliminarily approved the settlement on March 14, 2013 and has set a final approval hearing for June 27, 2013.

Between February 15, 2011 and March 30, 2011, three putative shareholder derivative lawsuits were filed in the Court against certain of the Company's current and former officers and directors, and certain Tontine entities, seeking to challenge alleged breaches of fiduciary duty, waste of corporate assets, and unjust enrichment, including in connection with the January 2010 secondary public offering of the Company's common stock. One of the lawsuits also alleged that certain directors violated Section 14(a) of the Exchange Act in connection with the Company's Proxy Statement for its 2010 Annual Meeting of Stockholders. Two of the matters

pending in the federal court were subsequently consolidated, and on May 15, 2012, the Court granted the defendants' motion to dismiss the consolidated cases and also entered an order dismissing the third case. The Company received a request from the Tontine defendants for indemnification in the derivative suits and the class action lawsuit from Tontine and/or Mr. Gendell pursuant to various agreements related to shares owned by Tontine. The Company maintains directors and officers liability insurance; however, the costs of indemnification for Mr. Gendell and/or Tontine would not be covered by any Company insurance policy. The Company has entered into an agreement with Tontine that provides, among other things, for a settlement of these indemnification claims and related matters for a payment of $495 which was accrued for as of March 31, 2013. Because of the preliminary nature of these matters, the Company is not able to estimate any additional loss or range of loss, if any, that may be incurred in connection with these matters at this time.

SEC Inquiry

In August 2011, the Company received a subpoena from the United States Securities and Exchange Commission ("SEC") seeking documents and other records related to certain accounting practices at Brad Foote. The subpoena was issued in connection with an informal inquiry that the Company received from the SEC in November 2010 arising out of a whistleblower complaint received by the SEC related to revenue recognition, cost accounting and intangible and fixed asset valuations at Brad Foote. The Company has been voluntarily providing information to the SEC as a part of this inquiry and has completed its production of documents called for by the subpoena. The Company has been in regular contact with the SEC, and in its communications the SEC has clarified or supplemented its requests. The Company has produced documents responsive to such requests and has completed the process of responding to the subpoena with respect to the outstanding requests. The Company cannot currently predict the outcome of this investigation. The Company does not believe that the resolution of this matter will have a material adverse effect on the Company's consolidated financial position or results of operations. No estimate regarding the loss or range of loss, if any, that may be incurred in connection with this matter is possible at this time. All pending reimbursement requests from Tontine related to the SEC inquiry were resolved in the above-referenced settlement.

Environmental

The Company is aware of an investigation commenced by the United States Attorney's Office, Northern District of Illinois ("USAO"), for potential violation of federal environmental laws. On February 15, 2011, pursuant to a search warrant, officials from the United States Environmental Protection Agency ("USEPA") entered and conducted a search of one of Brad Foote's facilities in Cicero, Illinois (the "Cicero Avenue Facility"), in connection with the alleged improper disposal of industrial wastewater to the sewer. Also on or about February 15, 2011, in connection with the same matter, the Company received a grand jury subpoena requesting testimony and the production of certain documents relating to the Cicero Avenue Facility's past compliance with certain environmental laws and regulations relating to the generation, discharge and disposal of wastewater from certain of its processes between 2004 and the present. On or about February 23, 2011, the Company received another grand jury subpoena relating to the same investigation, requesting testimony and the production of certain other documents relating to certain of the Cicero Avenue Facility's employees, environmental and manufacturing processes, and disposal practices. On April 5, 2012, the Company received a letter from the USAO requesting the production of certain financial records from 2008 to the present. The Company has completed its response to the subpoenas and to the USAO's request. The Company has also voluntarily instituted corrective measures at the Cicero Avenue Facility, including changes to its wastewater disposal practices. On April 12, 2012, the Company received a letter from the USAO advising that Brad Foote is a target of the criminal investigation of the Cicero Avenue Facility, and requesting that Brad Foote agree to a tolling of the applicable statute of limitations for any criminal charges relating to the investigation. Subsequently, Brad Foote has agreed to several extensions to the tolling agreement, and the tolling period now extends to July 18, 2013. There can be no assurances that the conclusion of the investigation will not result in a determination that the Company has violated applicable environmental, health and safety laws and regulations. Any violations found, or any criminal or civil fines, penalties and/or other sanctions imposed could be substantial and materially and adversely affect the Company. The Company had recorded a liability of $675 at December 31, 2010, which represented the low end of its estimate of remediation-related costs and expenses; as of March 31, 2013, those initial costs have been incurred, and additional costs have been expensed as incurred. No additional remediation related expenses are anticipated or have been accrued; however, the outcome of the investigation, the liability in connection therewith, and the impact to the Company's operations cannot be predicted at this time. No estimate regarding the loss or range of loss, if any, that may be incurred in connection with this matter is possible at this time.

Other

The Company is also a party to additional claims and legal proceedings arising in the ordinary course of business. Due to the inherent uncertainty of litigation, there can be no assurance that the resolution of any particular claim or proceeding would not have a material adverse effect on the Company's results of operations, financial position or liquidity. It is possible that if one or more of the matters described above were decided against the Company, the effects could be material to the Company's results of operations in the period in which the Company would be required to record or adjust the related liability and could also be material to the Company's cash flows in the periods the Company would be required to pay such liability.

NOTE 14 — RECENT ACCOUNTING PRONOUNCEMENTS

The Company reviews new accounting standards as issued. Although some of these accounting standards issued or effective after the end of the Company's previous fiscal year may be applicable to the Company, the Company has not identified any new standards that it believes merit further discussion. The Company believes that none of the new standards will have a significant impact on its condensed consolidated financial statements.

NOTE 15 — SEGMENT REPORTING

The Company is organized into reporting segments based on the nature of the products and services offered and business activities from which it earns revenues and incurs expenses for which discrete financial information is available and regularly reviewed by the Company's chief operating decision maker. The Company's segments and their product and service offerings are summarized below:

Towers and Weldments

The Company manufactures towers for wind turbines, specifically the large and heavier wind towers that are designed for 2 megawatt ("MW") and larger wind turbines. Production facilities, located in Manitowoc, Wisconsin and Abilene, Texas, are situated in close proximity to the primary U.S. domestic energy and equipment manufacturing hubs. The two facilities have a combined annual tower production capacity of approximately 500 towers, sufficient to support turbines generating more than 1,200 MW of power. This product segment also encompasses the manufacture of specialty fabrications and specialty weldments for mining and other industrial customers.

Gearing

The Company engineers, builds and remanufactures precision gears and gearing systems for wind, oil and gas, mining and other industrial applications. The Company uses an integrated manufacturing process, which includes machining and finishing processes in Cicero, Illinois, and heat treatment in Neville Island, Pennsylvania.

Services

The Company offers a comprehensive range of services, primarily to wind farm developers and operators. The Company specializes in non-routine maintenance services for both kilowatt and megawatt turbines. The Company also offers comprehensive field services to the wind industry. The Company is increasingly focusing its efforts on the identification and/or development of product and service offerings which will improve the reliability and efficiency of wind turbines, and therefore enhance the economic benefits to its customers. The Company provides wind services across the U.S., with primary service locations in South Dakota and Texas. In February 2011, the Company put into operation its Abilene, Texas gearbox service facility (the "Gearbox Facility"), which is focused on servicing the growing installed base of MW wind turbines as they come off warranty and to a limited extent, industrial gearboxes requiring precision repair and testing.

Corporate and Eliminations

"Corporate" includes the assets and selling, general and administrative expenses of the Company's corporate office. "Eliminations" comprises adjustments to reconcile segment results to consolidated results.

Summary financial information by reportable segment for the three months ended March 31, 2013 and 2012 was as follows:

For the Three Months Ended March 31, 2013:	Towers and Weldments	Gearing	Services	Corporate	Eliminations	Consolidated
	(Restated)	(Restated)		(Restated)		(Restated)
Revenues from external customers	$ 29,868	$ 8,169	$ 7,469	$ —	$ —	$ 45,506
Intersegment revenues (1)	3	2,551	15	—	(2,569)	—
Operating profit (loss)	2,154	(2,977)	(702)	(2,961)	2	(4,484)
Depreciation and amortization	951	2,710	313	12	—	3,986
Capital expenditures	242	643	213	277	—	1,375

For the Three Months Ended March 31, 2012:	Towers and Weldments	Gearing	Services	Corporate	Eliminations	Consolidated
Revenues from external customers	$ 35,169	$ 15,832	$ 3,442	$ —	$ —	$ 54,443
Intersegment revenues (1)	—	200	—	—	(200)	—
Operating profit (loss)	1,005	(1,121)	(1,623)	(2,216)	14	(3,941)
Depreciation and amortization	876	2,672	385	17	—	3,950
Capital expenditures	31	365	242	77	—	715

Segments:	Total Assets as of March 31, 2013 (Restated)	Total Assets as of December 31, 2012
Towers and Weldments	$ 58,977	$ 50,801
Gearing	71,977	71,371
Services	18,410	13,976
Assets held for sale	8,039	8,042
Corporate	312,949	308,336
Eliminations	(315,051)	(309,616)
	$ 155,301	$ 142,910

(1) Intersegment revenues generally include a 10% markup over costs and primarily consist of sales from Gearing to Services. Sales from Gearing to Services totaled $2,551 and $200 for the three months ended March 31, 2013 and 2012, respectively.

NOTE 16 — COMMITMENTS AND CONTINGENCIES

Environmental Compliance and Remediation Liabilities

The Company's operations and products are subject to a variety of environmental laws and regulations in the jurisdictions in which the Company operates and sells products governing, among other things, air emissions, wastewater discharges, the use, handling and disposal of hazardous materials, soil and groundwater contamination, employee health and safety, and product content, performance and packaging. Certain environmental laws can impose the entire cost or a portion of the cost of investigating and cleaning up a contaminated site, regardless of fault, upon any one or more of a number of parties, including the current or previous owners or operators of the site. These environmental laws can also impose liability on any person who arranges for the disposal or treatment of hazardous substances at a contaminated site. Third parties may also make claims against owners, operators and/or users of disposal sites for personal injuries and property damage associated with releases of hazardous substances from those sites.

In connection with the Company's ongoing restructuring initiatives, the Company identified a $352 liability associated with the planned sale of the Cicero Avenue Facility. The liability is associated with environmental remediation costs that were identified while preparing the site for sale.

Warranty Liability

The Company provides warranty terms that range from one to seven years for various products and services supplied by the Company. In certain contracts, the Company has recourse provisions for items that would enable recovery from third parties for amounts paid to customers under warranty provisions. As of March 31, 2013 and 2012, estimated product warranty liability was $693 and $924, respectively, and is recorded within accrued liabilities in the Company's condensed consolidated balance sheets.

The changes in the carrying amount of the Company's total product warranty liability for the three months ended March 31, 2013 and 2012 were as follows:

	For the Three Months Ended March 31, 2013	For the Three Months Ended March 31, 2012
Balance, beginning of period	$ 707	$ 983
Reduction of warranty reserve	(6)	(9)
Warranty claims	(8)	(50)
Balance, end of period	$ 693	$ 924

Allowance for Doubtful Accounts

Based upon past experience and judgment, the Company establishes an allowance for doubtful accounts with respect to accounts receivable. The Company's standard allowance estimation methodology considers a number of factors that, based on its collections experience, the Company believes will have an impact on its credit risk and the collectability of its accounts receivable. These factors include individual customer circumstances, history with the Company and other relevant criteria.

The Company monitors its collections and write-off experience to assess whether or not adjustments to its allowance estimates are necessary. Changes in trends in any of the factors that the Company believes may impact the collectability of its accounts receivable, as noted above, or modifications to its credit standards, collection practices and other related policies may impact the Company's allowance for doubtful accounts and its financial results. The activity in the accounts receivable allowance liability for the three months ended March 31, 2013 and 2012 consists of the following:

	For the Three Months Ended March 31,	
	2013	2012
Balance at beginning of period	$ 453	$ 438
Bad debt expense	99	132
Write-offs	(254)	(31)
Balance at end of period	$ 298	$ 539

Collateral

In select instances, the Company has pledged specific inventory and machinery and equipment assets to serve as collateral on related payable or financing obligations.

Liquidated Damages

In certain customer contracts, the Company has agreed to pay liquidated damages in the event of qualifying delivery or production delays. These damages are typically limited to a specific percentage of the value of the product in question. As a result of production delays experienced, as of March 31, 2013 the Company has accrued $60 related to potential liquidated damages. The Company does not believe that any additional potential exposure will have a material adverse effect on the Company's consolidated financial position or results of operations.

Other

As of March 31, 2013, approximately 22% of the Company's employees were covered by two collective bargaining agreements with United Steelworkers local unions in Cicero, Illinois and Neville Island, Pennsylvania, which are scheduled to remain in effect through February 2014 and October 2017, respectively.

On July 20, 2011, the Company executed a strategic financing transaction (the "NMTC Transaction") involving the following third parties: AMCREF Fund VII, LLC ("AMCREF"), a registered community development entity; COCRF Investor VIII, LLC ("COCRF"); and Capital One, National Association ("Capital One"). The NMTC Transaction allows the Company to receive below market interest rate funds through the federal New Markets Tax Credit ("NMTC") program; see Note 17, "New Markets Tax Credit Transaction" of these condensed consolidated financial statements. Pursuant to the NMTC Transaction, the gross loan and investment in the Gearbox Facility of $10,000 will generate $3,900 in tax credits over a period of seven years, which the NMTC Transaction makes available to Capital One. The Gearbox Facility must operate and be in compliance with the terms and conditions of the NMTC Transaction during the seven year compliance period, or the Company may be liable for the recapture of $3,900 in tax credits to which Capital One is otherwise entitled. The Company does not anticipate any credit recaptures will be required in connection with the NMTC Transaction.

NOTE 17 — NEW MARKETS TAX CREDIT TRANSACTION

On July 20, 2011, the Company received $2,280 in proceeds via the NMTC Transaction. The NMTC Transaction qualifies under the NMTC program and included a gross loan from AMCREF to Broadwind Services in the principal amount of $10,000, with a term of fifteen years and interest payable at the rate of 1.4% per annum, largely offset by a gross loan in the principal amount of $7,720 from the Company to COCRF, with a term of fifteen years and interest payable at the rate of 2.5% per annum.

The NMTC regulations permit taxpayers to claim credits against their federal income taxes for up to 39% of qualified investments in the equity of community development entities. The NMTC Transaction could generate $3,900 in tax credits, which the

Company has made available under the structure by passing them through to Capital One. The proceeds have been applied to the Company's investment in the Gearbox Facility assets and operating costs, as permitted under the NMTC program.

The Gearbox Facility must operate and be in compliance with various regulations and restrictions for seven years to comply with the terms of the NMTC Transaction, or the Company may be liable under its indemnification agreement with Capital One for the recapture of tax credits. In the event the Company does not comply with these regulations and restrictions, the NMTC program tax credits may be subject to 100% recapture for a period of seven years as provided in the IRC. The Company does not anticipate that any tax credit recapture events will occur or that it will be required to make any payments to Capital One under the indemnification agreement.

The Capital One contribution, including a loan origination payment of $320, has been included as other assets in the Company's condensed consolidated balance sheet. The NMTC Transaction includes a put/call provision whereby the Company may be obligated or entitled to repurchase Capital One's interest in the third quarter of 2018. Capital One may exercise an option to put its investment and receive $130 from the Company. If Capital One does not exercise its put option, the Company can exercise a call option at the then fair market value of the call. The Company expects that Capital One will exercise the put option at the end of the tax credit recapture period. The Capital One contribution other than the amount allocated to the put obligation will be recognized as income only after the put/call is exercised and when Capital One has no ongoing interest. However, there is no legal obligation for Capital One to exercise the put, and the Company has attributed only an insignificant value to the put option included in this transaction structure.

The Company has determined that two pass-through financing entities created under this transaction structure are variable interest entities ("VIE's"). The ongoing activities of the VIE's—collecting and remitting interest and fees and complying with NMTC program requirements—were considered in the initial design of the NMTC Transaction and are not expected to significantly affect economic performance throughout the life of the VIE's. Management also considered the contractual arrangements that obligate the Company to deliver tax benefits and provide various other guarantees under the transaction structure, Capital One's lack of a material interest in the underlying economics of the project, and the fact that the Company is obligated to absorb losses of the VIE's. The Company has concluded that it is required to consolidate the VIE's because the Company has both (i) the power to direct those matters that most significantly impact the activities of each VIE and (ii) the obligation to absorb losses or the right to receive benefits of each VIE.

The $262 of issue costs paid to third parties in connection with the NMTC Transaction are recorded as prepaid expenses, and are being amortized over the expected seven year term of the NMTC arrangement. Capital One's net contribution of $2,600 is included in Long Term Debt, Net of Current Maturities in the condensed consolidated balance sheet. Incremental costs to maintain the transaction structure during the compliance period will be recognized as they are incurred.

NOTE 18 — RESTRUCTURING

During the third quarter of 2011, the Company conducted a review of its business strategies and product plans based on the outlook for the economy at large, the forecast for the industries it serves, and its business environment. The Company concluded that its manufacturing footprint and fixed cost base were too large and expensive for its medium-term needs and has begun restructuring its facility capacity and its management structure to consolidate and increase the efficiencies of its operations.

The Company is executing a plan to reduce its facility footprint by approximately 40% through the sale and/or closure through the end of 2014 of facilities comprising a total of approximately 600,000 square feet. As part of this plan, in the third quarter of 2011, the Company determined that the Brandon Facility should be sold, and as a result the Company reclassified the Brandon Facility property and equipment to Assets Held for Sale and the related indebtedness to Liabilities Held for Sale. As discussed in more detail in Note 19, "Subsequent Event" of these condensed consolidated financial statements, in April 2013 the Company completed the sale of the Brandon Facility, generating approximately $8,000 in net proceeds after closing costs and the repayment of the mortgage on the Brandon Facility. Including the sale of the Brandon Facility, the Company has so far closed or reached agreement to close or reduce its leased presence at six facilities and achieved an eventual reduction of approximately 400,000 square feet. The most significant remaining reduction relates to the Cicero Avenue Facility. The Company believes the remaining locations will be sufficient to support its Towers and Weldments, Gearing, Services and general corporate and administrative activities, while allowing for growth for the next several years.

In the third quarter of 2012, the Company identified a $352 liability associated with the planned sale of the Cicero Avenue Facility. The liability is associated with environmental remediation costs that were identified while preparing the site for sale. The expenses associated with this liability have been recorded as a restructuring charge.

Additional restructuring plans were approved in the fourth quarter of 2011. To date, the Company has incurred approximately $7,600 of costs in conjunction with its restructuring plan. Including costs incurred to date, the Company expects that a total of

approximately $12,800 of net costs will be incurred to implement this restructuring plan. The Company's restructuring charges generally include costs to close or exit facilities, costs to move equipment, the related costs of building infrastructure for moved equipment and employee related costs. Of the total projected expenses, the Company anticipates that a total of approximately $5,000 will consist of non-cash charges. The table below details the Company's total net restructuring charges incurred to date and the total net expected restructuring charges as of March 31, 2013:

	2011 Actual	2012 Actual	Q1 '13 Actual (Restated)	Total Incurred (Restated)	Total Projected (Restated)
Capital expenditures:					
Gearing	$ 5	$ 2,072	$ 359	$ 2,436	$ 5,059
Corp	—	524	277	801	801
Total capital expenditures	5	2,596	636	3,237	5,860
Cash expenses:					
Cost of sales:					
Gearing	131	308	157	596	3,120
Services	—	225	119	344	444
Total cost of sales	131	533	276	940	3,564
Selling, general, and administrative expenses:					
Towers	—	130	78	208	208
Gearing	35	520	65	620	620
Services	—	40	—	40	40
Corporate	406	49	458	913	913
Total selling, general and administrative expenses	441	739	601	1,781	1,781
Other - Towers expected gain on Brandon Facility:	—	—	—	—	(3,400)
Non-cash expenses:					
Towers	—	—	2	2	290
Gearing	247	1,166	179	1,592	4,652
Services	—	58	(15)	43	43
Corporate	50	—	—	50	50
Total non-cash expenses	297	1,224	166	1,687	5,035
Grand total	$ 874	$ 5,092	$ 1,679	$ 7,645	$ 12,840

NOTE 19 — SUBSEQUENT EVENT

In April 2013 the Company announced the sale of the Brandon Facility. Proceeds from the sale, net of closing costs, totaled approximately $11,800. A portion of these proceeds was used to repay the remaining balance of approximately $3,500 on the underlying GWB Term Loan, and the remainder will be available for general corporate purposes. Pursuant to the sale agreement, the Company transferred all of real property, trade fixtures and certain personal property related to the Brandon Facility to the purchaser. The Brandon Facility was recorded as held for sale at March 31, 2013, and the gain of approximately $3,400 associated with the sale will be recorded in the second quarter of 2013 as other income.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our condensed consolidated financial statements and related notes thereto in Item 1, "Financial Statements," of this Quarterly Report and the audited consolidated financial statements and related notes and Management's Discussion and Analysis of Financial Condition and Results of Operations contained in our Annual Report on Form 10-K for the year ended December 31, 2012. The discussion below contains forward-looking statements that are based upon our current expectations and are subject to uncertainty and changes in circumstances including, but not limited to, those identified in "Cautionary Note Regarding Forward-Looking Statements" at the end of Item 2. Actual results may differ materially from these expectations due to inaccurate assumptions and known or unknown risks and uncertainties.

(Dollars are presented in thousands except per share data or unless otherwise stated)

Explanatory Note

As used herein, the terms "we," "us," "our," "Broadwind," and the "Company" refer to Broadwind Energy, Inc., a Delaware corporation headquartered in Cicero, Illinois, and its wholly-owned subsidiaries. We are filing this Amendment No. 1 (the "Amended Filing") to our Quarterly Report on Form 10-Q for the quarter ended March 31, 2013, originally filed with the United States Securities and Exchange Commission on May 9, 2013 (the "Original Filing"), to amend and restate our unaudited financial statements and related disclosures for the period then ended and amend certain other information as indicated below. This Amended Filing is being filed following the restatement of our financial statements for the first three quarters of the fiscal year ended December 31, 2013. The details of the restatement are discussed below and in Note 2 to the accompanying restated condensed consolidated financial statements.

In this Amended Filing, we are:

- restating our Condensed Consolidated Balance Sheet as of March 31, 2013, our Condensed Consolidated Statements of Operations for the three months ended March 31, 2013, our Condensed Consolidated Statements of Cash Flows for the three months ended March 31, 2013 and the Notes to our Condensed Consolidated Financial Statements;
- amending Part I, Item 2, Management's Discussion and Analysis of Financial Condition and Results of Operations, as it relates to the three months ended March 31, 2013; and
- amending Part I, Item 4, disclosure regarding Controls and Procedures.

In addition, the Company's Chief Executive Officer and Chief Financial Officer have provided new certifications in connection with this Amended Filing (Exhibits 31.1, 31.2, 32.1 and 32.2).

Except as described above, no other amendments have been made to the Original Filing. This Amended Filing continues to speak as of the date of the Original Filing, and the Company has not updated the disclosure contained herein to reflect events that have occurred since the date of the Original Filing. Accordingly, this Amended Filing should be read in conjunction with the Company's other filings made with the SEC subsequent to the filing of the Original Filing, including any amendments to those filings.

Background on the Restatement

On January 31, 2014, the audit committee of our board of directors (the "Audit Committee") concluded that the previously issued financial statements contained in our quarterly reports on Form 10-Q for the periods ended March 31, 2013, June 30, 2013 and September 30, 2013 should no longer be relied upon because of errors in those financial statements. In addition to the financial statements for these periods, related press releases furnished on Current Reports on Form 8-K and reports and stockholder communications describing our financial statements for these periods should no longer be relied upon.

The errors relate to the overstatement of cost of sales in the total amount of approximately $938 during the nine months ended September 30, 2013. The overstatement arose in, and was included in the results of, our Towers and Weldments segment. The Audit Committee completed an independent investigation into the identified errors, which determined that accounting personnel in the Towers and Weldments segment intentionally created reserves in the aforementioned quarters in a manner inconsistent with generally accepted accounting principles and our own accounting policies and procedures.

Coincident with restating our financial statements due to the above mentioned errors, we also adjusted the financial statements to address unrecorded adjustments which were previously deemed insignificant. The restatement adjustments did not impact our previously reported tax provision or benefit in any of the affected periods, as we have recorded full valuation allowances against net deferred tax assets and loss carryforwards. For more information related to the impact of the restatement adjustments on our financial statements contained in this Amended Filing for the three months ended March 31, 2013, refer to Note 2, Restatement of

Previously Issued Financial Statements.

OUR BUSINESS

First Quarter Overview

Although we have significantly expanded our weldments revenues, our Towers and Weldments segment is largely linked to new wind installations. Wind tower demand was strong in most of 2012, but weakened in the last quarter of the year as the market reacted to the scheduled expiration of the federal production tax credit ("PTC") supporting the U.S. wind industry. Due to the scheduled expiration of the PTC and a trade case affecting imports of wind towers from certain Asian countries, a number of competitors, both foreign and domestic, have exited the market or repurposed some of their wind tower production assets. This has improved the near-term balance between supply and demand in the U.S. wind tower industry. New supporting legislation was approved in early 2013 that extended the PTC for new wind projects started in calendar year 2013. In late 2012 and early 2013 we announced that we had won follow-on towers orders from two large turbine manufacturers and, as of March 31, 2013, we had $104 million in towers backlog to be shipped in 2013. In our Gearing segment, we have successfully diversified into industrial products for oil and gas, mining and rail customers; however, sales to support the natural gas industry softened in 2012, and continued in the first quarter of 2013. Consequently, we experienced reduced orders and revenues from large customers in our Gearing segment. In addition, our Gearing business experienced production delays in the first quarter of 2013. In our Services segment, first quarter 2013 revenue increased due to a one-time industrial project performed by our Abilene, Texas gearbox service facility (the "Gearbox Facility"), partially offset by lower blade maintenance and repair activity and reduced field service activity.

During 2011, we conducted a review of our business strategies and product plans given the outlook for the economy at large, the forecast for the industries we serve and our own business environment. As a result, we have been executing a restructuring plan to rationalize our facility capacity and our management structure, and to consolidate and increase the efficiencies of our operations.

In 2011, we concluded that our manufacturing footprint and fixed cost base were too large and expensive for our medium-term needs. We are executing a plan to reduce our facility footprint by approximately 40% through the sale and/or closure of facilities comprising a total of approximately 600,000 square feet through the end of 2014. In April 2013, we completed the sale of our idle Brandon, South Dakota tower manufacturing facility (the "Brandon Facility"), generating approximately $8,000 in net proceeds after closing costs and the repayment of the mortgage on the Brandon Facility. To date, we have closed or reached agreement to close or reduce our leased presence at six facilities and achieved an eventual reduction of approximately 400,000 square feet. The most significant remaining reduction relates to of one of our Cicero, Illinois gearing facilities. We believe the remaining locations will be sufficient to support our Towers and Weldments, Gearing, Services and general corporate and administrative activities while allowing for growth for the next several years. These factors have required management to reassess its estimates of the fair value of some of our assets.

We expect to incur net restructuring costs associated with the restructuring plan totaling an estimated $12,800, of which $7,600 has been incurred through March 31, 2013. Costs are expected to include approximately $5,900 in capital expenditures and $6,900 in net expenses, of which approximately $5,000 is anticipated to be non-cash expenses and $1,900 is anticipated to be cash expenses. We anticipate annual savings going forward of approximately $6,000 related to the restructuring.

During 2012, we established a three-year $20,000 revolving credit agreement with AloStar Bank of Commerce ("AloStar"). We anticipate that we will be able to satisfy the cash requirements associated with, among other things, working capital needs, capital expenditures and debt and lease commitments through at least the next 12 months primarily with current cash on hand, amounts available under our credit line, and cash generated by operations and asset sales. Our ability to meet financial debt covenants on our debt and other financial obligations will depend on our future financial and operating performance. If we cannot make scheduled payments on our debt, or comply with applicable covenants, we will be in default and we may lose operational flexibility.

RESULTS OF OPERATIONS

Three Months Ended March 31, 2013, Compared to Three Months Ended March 31, 2012

The summary of selected financial data table below should be referenced in connection with a review of the following discussion of our results of operations for the three months ended March 31, 2013, compared to the three months ended March 31, 2012.

	Three Months Ended March 31,				2013 vs. 2012	
	2013 (Restated)	% of Total Revenue	2012	% of Total Revenue	$ Change	% Change
Revenues	$ 45,506	100.0%	$ 54,443	100.0%	$ (8,937)	-16.4%
Cost of sales	42,881	94.2%	51,822	95.2%	(8,941)	-17.3%
Restructuring	455	1.0%	389	0.7%	66	17.0%
Gross profit	2,170	4.8%	2,232	4.1%	(62)	-2.8%
Operating expenses						
Selling, general and administrative expenses	5,388	11.8%	5,883	10.8%	(495)	-8.4%
Intangible amortization	665	1.5%	215	0.4%	450	209.3%
Restructuring	601	1.3%	75	0.1%	526	701.3%
Total operating expenses	6,654	14.6%	6,173	11.3%	481	7.8%
Operating loss	(4,484)	-9.8%	(3,941)	-7.2%	(543)	-13.8%
Other (expense) income						
Interest expense, net	(391)	-0.8%	(262)	-0.5%	(129)	-49.2%
Other, net	335	0.7%	363	0.7%	(28)	-7.7%
Gain (loss) on sale of assets and restructuring	13	0.0%	—	0.0%	13	N/A
Total other (expense) income, net	(43)	-0.1%	101	0.2%	(144)	-142.6%
Net loss from continuing operations before provision for income taxes	(4,527)	-9.9%	(3,840)	-7.0%	(687)	-17.9%
Provision for income taxes	22	0.0%	20	0.0%	2	10.0%
Loss from continuing operations	(4,549)	-10.0%	(3,860)	-7.0%	(689)	-17.8%
Loss from discontinued operations, net of tax	(210)	-0.4%	—	0.0%	(210)	N/A
Net loss	$ (4,759)	-10.4%	$ (3,860)	-7.0%	$ (899)	-23.3%

Consolidated

Revenues decreased by $8,937, from $54,443 during the three months ended March 31, 2012, to $45,506 during the three months ended March 31, 2013. We experienced increased revenue in our Services business segment, but we experienced a decline in revenue in our Towers and Weldments and Gearing business segments. Weldments revenue increased 109% over the prior year quarter. Tower sections sold decreased 15% and current quarter tower revenue experienced a reduction of $4,448 attributable to fabrication-only towers sold in the current quarter when compared with no fabrication-only towers sold in the prior year quarter. Our Services segment revenues increased 117% due to a one-time industrial project performed by the Gearbox Facility in the first quarter of 2013 compared to 2012. Our Gearing segment revenues declined 33% due to softness in industrial markets and delays in production.

Gross profit decreased by $62, from $2,232 during the three months ended March 31, 2012, to $2,170 during the three months ended March 31, 2013. The decrease in gross profit was attributable to a volume-related decrease in Gearing, offset by improvements in Towers and Weldments and in Services. The increase in gross profit in Towers and Weldments was attributable to increased margins on the current mix of towers, and the expansion of weldments revenue. The increase in Services gross profit was related to increased volume in the drivetrain business. As a result, our gross margin increased from 4.1% during the three months ended March 31, 2012, to 4.8% during the three months ended March 31, 2013. Gross profit margin excluding restructuring charges increased to 5.8% in the current year period, from 4.8% in the prior year quarter.

Selling, general and administrative expenses decreased by $495, from $5,883 during the three months ended March 31, 2012, to $5,388 during the three months ended March 31, 2013. The decrease was primarily attributable to lower employee compensation expenses, as well as reductions in various other general costs. Selling, general and administrative expenses as a percentage of sales increased from 10.8% in the prior year quarter to 11.8% in the current year quarter.

Intangible amortization expense increased from $215 during the three months ended March 31, 2012, to $665 during the three months ended March 31, 2013. The increase was attributable to accelerating the amortization of a portion of the customer

relationship intangible assets. Restructuring expenses included in operating expenses increased from $75 during the three months ended March 31, 2012, to $601 during the three months ended March 31, 2013.

Net loss increased from $3,860 during the three months ended March 31, 2012, to $4,759 during the three months ended March 31, 2013, as a result of the factors described above and a $210 loss on discontinued operations in the current year quarter.

Towers and Weldments Segment

The following table summarizes the Towers and Weldments segment operating results for the three months ended March 31, 2013 and 2012:

	Three Months Ended March 31,	
	2013 (Restated)	2012
Revenues	$ 29,871	$ 35,169
Operating income	2,154	1,005
Operating margin	7.2%	2.9%

Towers and Weldments revenues decreased by $5,298, from $35,169 during the three months ended March 31, 2012, to $29,871 during the three months ended March 31, 2013. Towers and Weldments revenues decreased 15%, while towers sections sold also decreased by 15% in the current period. We produced fabrication-only towers in the current period and none in the prior year period, and consequently our current period revenue and direct materials were $4,448 lower than if we had sold these units on a complete-tower basis. Weldments revenue for large industrial customers increased 109% as compared to the prior year period, consistent with our strategic focus on diversifying our end markets.

Towers and Weldments segment operating income increased by $1,149, from $1,005 during the three months ended March 31, 2012, to $2,154 during the three months ended March 31, 2013. The increase in operating income was attributable to increased margins on the current mix of towers which includes fewer new tower designs than were produced in the prior year quarter, and also the expansion of weldments revenue. Operating margin increased from 2.9% during the three months ended March 31, 2012, to 7.2% during the three months ended March 31, 2013.

Gearing Segment

The following table summarizes the Gearing segment operating results for the three months ended March 31, 2013 and 2012:

	Three Months Ended March 31,	
	2013 (Restated)	2012
Revenues	$ 10,720	$ 16,032
Operating loss	(2,977)	(1,121)
Operating margin	-27.8%	-7.0%

Gearing segment revenues decreased by $5,312, from $16,032 during the three months ended March 31, 2012, to $10,720 during the three months ended March 31, 2013. The 33% decrease in total revenues was attributable to production delays and decreased industrial sales due to a slowed industrial demand, as compared to the prior year quarter.

Gearing segment operating loss increased by $1,856, from $1,121 during the three months ended March 31, 2012, to $2,977 during the three months ended March 31, 2013. The increase in operating loss was due to a volume related decrease in margins somewhat offset by lower fixed costs and lower operating expenses. Operating expenses decreased as a $450 increase in accelerated intangible amortization was more than offset by lower employee compensation expenses of $306, and lower cost of bad debt, legal and professional expenses. As a result of the factors described above, operating margin deteriorated from (7.0%) during the three months ended March 31, 2012, to (27.8%) during the three months ended March 31, 2013.

Services Segment

The following table summarizes the Services segment operating results for the three months ended March 31, 2013 and 2012:

	Three Months Ended March 31,	
	2013	2012
Revenues	$ 7,484	$ 3,442
Operating loss	(702)	(1,623)
Operating margin	-9.4%	-47.2%

Services segment revenues increased by $4,042, from $3,442 during the three months ended March 31, 2012, to $7,484 during the three months ended March 31, 2013. The increase in revenue was primarily the result of a one-time industrial project performed by the Gearbox Facility, partially offset by lower blade maintenance and repair activity compared to the prior year quarter.

Services segment operating loss improved by $921, from $1,623 during the three months ended March 31, 2012, to $702 during the three months ended March 31, 2013. The improvement was due to increased gross profit and lower operating expenses. Operating margin improved from (47.2%) during the three months ended March 31, 2012, to (9.4%) during the three months ended March 31, 2013.

Corporate and Other

Corporate and Other expenses increased by $757, from $2,202 during the three months ended March 31, 2012, to $2,959 during the three months ended March 31, 2013. The increase in expense was primarily attributable to increased restructuring expense of $447, increased professional expenses of $161, and increased employee compensation costs of $153.

SELECTED FINANCIAL DATA

The following non-GAAP financial measure presented below relates to earnings before interest, taxes, depreciation, amortization, restructuring and share-based payments (“Adjusted EBITDA”) and is presented for illustrative purposes as an accompaniment to our unaudited financial results of operations for the three months ended March 31, 2013 and 2012. Adjusted EBITDA should not be considered an alternative to, nor is there any implication that it is more meaningful than, any measure of performance or liquidity promulgated under GAAP. We believe that Adjusted EBITDA is particularly meaningful due principally to the role acquisitions have played in our development. Historically, our growth through acquisitions has resulted in significant non-cash depreciation and amortization expense, which was primarily attributable to a significant portion of the purchase price of our acquired businesses being allocated to depreciable fixed assets and definite-lived intangible assets. The following Adjusted EBITDA calculation is derived from our unaudited condensed consolidated financial results for the three months ended March 31, 2013 and 2012, as follows:

	Three Months Ended March 31,	
	2013	2012
	(Unaudited)	
	(Restated)	
Operating loss	$ (4,484)	$ (3,941)
Depreciation and amortization	3,806	3,656
Restructuring	1,056	464
Other income	335	363
Share-based compensation and other stock payments	624	850
Adjusted EBITDA	$ 1,337	$ 1,392

SUMMARY OF CRITICAL ACCOUNTING POLICIES

We have identified significant accounting policies that, as a result of the judgments, uncertainties, uniqueness and complexities of the underlying accounting standards and operations involved could result in material changes to our financial

condition or results of operations under different conditions or using different assumptions. Our most critical accounting policies are related to the following areas: revenue recognition, warranty liability, inventories, intangible assets, long-lived assets and income taxes. Details regarding our application of these policies and the related estimates are described fully in our Annual Report on Form 10-K for the year ended December 31, 2012 and are supplemented by the following additional disclosure regarding our assessment of Intangible Assets and Long-Lived Assets.

Intangible Assets

We review intangible assets for impairment whenever events or circumstances indicate that carrying amounts may not be recoverable. If such events or changes in circumstances occur, we will recognize an impairment loss if the undiscounted future cash flows expected to be generated by the assets are less than the carrying value of the related asset. The impairment loss would adjust the asset to its fair value.

In evaluating the recoverability of intangible assets, we must make assumptions regarding estimated future cash flows and other factors to determine the fair value of such assets. If our fair value estimates or related assumptions change in the future, we may be required to record impairment charges related to intangible assets. Asset recoverability is first measured by comparing the assets' carrying amounts to their expected future undiscounted net cash flows to determine if the assets are impaired. If such assets are considered to be impaired, the impairment recognized is measured based on the amount by which the carrying amount of the assets exceeds the fair value.

During the first quarter of 2013, we identified a triggering event associated with the Gearing segment current period operating loss combined with its history of continued operating losses. As a result, we evaluated the recoverability of certain of our intangible assets associated with our Gearing segment. Based upon our assessment, the recoverable amount was in excess of the carrying amount of the related assets by 48%, and no impairment to these assets was indicated as of March 31, 2013. To the extent the projections used in our analysis are not achieved, there may be a negative effect on the valuation of these assets.

Long-Lived Assets

We review property and equipment and other long-lived assets for impairment whenever events or circumstances indicate that carrying amounts may not be recoverable. If such events or changes in circumstances occur, we will recognize an impairment loss if the undiscounted future cash flows expected to be generated by the assets are less than the carrying value of the related asset. The impairment loss would adjust the asset to its fair value.

In evaluating the recoverability of long-lived assets, we must make assumptions regarding estimated future cash flows and other factors to determine the fair value of such assets. If our fair value estimates or related assumptions change in the future, we may be required to record impairment charges related to property and equipment and other long-lived assets. Asset recoverability is first measured by comparing the assets' carrying amounts to their expected future undiscounted net cash flows to determine if the assets are impaired. If such assets are considered to be impaired, the impairment recognized is measured based on the amount by which the carrying amount of the assets exceeds the fair value.

During the first quarter of 2013, we identified triggering events associated with the Services and Gearing segments' current period operating losses combined with their history of continued operating losses. As a result, we evaluated the recoverability of certain of the long-lived assets associated with our Services and Gearing segments. Based upon our assessment, the recoverable amount of undiscounted cash flows based upon our most recent projections exceeded the carrying amount of invested capital by 52% and 48% for the Services and Gearing segments, respectively, and no impairment to these assets was indicated as of March 31, 2013. The Services business is expected to continue its revenue growth with improvement in profitability as we match the fixed operations costs with the scale of the business. To the extent these projections are not achieved, there may be a negative effect on the valuation of these assets.

Recent Accounting Pronouncements

We review new accounting standards as issued. Although some of the accounting standards issued or effective after the end of our previous fiscal year may be applicable to us we believe that none of the new standards will have a significant impact on our condensed consolidated financial statements.

LIQUIDITY, FINANCIAL POSITION AND CAPITAL RESOURCES

During the third quarter of 2012, we established a three-year $20,000 revolving credit agreement with AloStar Bank of Commerce ("AloStar"). In connection with this agreement, AloStar will advance funds against our borrowing base, which consists of approximately 85% of eligible receivables and approximately 50% of eligible inventory. Under this borrowing structure, borrowings

are continuous and all cash receipts are automatically applied to the outstanding borrowed balance. As a result of this structure, we anticipate that cash balances will remain at a minimum at all times when there are amounts outstanding under the credit line.

As of March 31, 2013, total cash assets equaled $868 and we had the ability to borrow an additional $12,316. In addition, we increased our liquidity by approximately $8,000 as a result of the sale of the Brandon Facility in April 2013. We anticipate that we will be able to satisfy the cash requirements associated with, among other things, working capital needs, capital expenditures and lease commitments through at least the next 12 months primarily with current cash on hand and cash generated by operations and asset sales.

Our ability to meet financial debt covenants on our financial obligations will depend on our future financial and operating performance. If we cannot make scheduled payments on our debt, or comply with applicable covenants, we may in the future encounter cash flow and liquidity issues which could limit our operational flexibility. We were not in compliance with the fixed charge coverage ratio covenant under our credit agreement with AloStar (the “FCCR Covenant”) as of March 31, 2013. On February 13, 2013, in conjunction with granting a waiver of our non-compliance with the FCCR Covenant as of December 31, 2012, AloStar also agreed to waive any non-compliance with the FCCR Covenant as of March 31, 2013 unless we had completed the disposition of the Brandon Facility by that date. We were otherwise in compliance with all other applicable covenants as of March 31, 2013. While we believe that we will continue to have sufficient cash flows to operate our businesses and meet our financial obligations and debt covenants, there can be no assurances that our operations will generate sufficient cash, we will be able to comply with applicable loan covenants or that credit facilities will be available to us in an amount sufficient to enable us to pay our indebtedness or to fund our other liquidity needs.

Sources and Uses of Cash

Operating Cash Flows

During the three months ended March 31, 2013 and 2012, net cash used in operating activities totaled $2,840 and $1,399, respectively. The increase in net cash used in operating activities was primarily attributable to the increase in our accounts receivable balance due to a ramp-up of tower production activity during the first quarter of 2013, partially offset by the receipt of a customer deposit associated with a large tower order.

Investing Cash Flows

During the three months ended March 31, 2013 and 2012, net cash used in investing activities totaled $1,371 and $112, respectively. The increase in net cash used in investing activities as compared to the prior year period was primarily attributable to increased capital expenditures primarily related to the ongoing restructuring efforts.

Financing Cash Flows

During the three months ended March 31, 2013, net cash provided by financing activities totaled $4,232 compared to net cash used in financing activities of $972 during the three months ended March 31, 2012. The increase in net cash used in financing activities as compared to the prior year period was attributable to increased borrowings on our AloStar line of credit in order to finance increases in our operating working capital.

Cautionary Note Regarding Forward-Looking Statements

The preceding discussion and analysis should be read in conjunction with our condensed consolidated financial statements and related notes included in Item 1 of Part I of this Quarterly Report on Form 10-Q/A and the audited consolidated financial statements and related notes and Management’s Discussion and Analysis of Financial Condition and Results of Operations contained in our Annual Report on Form 10-K for the year ended December 31, 2012. Portions of this Quarterly Report on Form 10-Q/A, including the discussion and analysis in this Item 2, contain “forward-looking statements”— that is, statements related to future, not past, events—as defined in Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), that reflect our current expectations regarding our future growth, results of operations, financial condition, cash flows, performance and business prospects, and opportunities, as well as assumptions made by, and information currently available to, our management. Forward-looking statements include any statement that does not directly relate to a current or historical fact. We have tried to identify forward-looking statements by using words such as “anticipate,” “believe,” “expect,” “intend,” “will,” “should,” “may,” “plan” and similar expressions, but these words are not the exclusive means of identifying forward-looking statements. These statements are based on information currently available to us and are subject to various risks, uncertainties, and other factors, including, but not limited to, those discussed in Item 1A “Risk Factors” in Part I of our Annual Report on Form 10-K for the year ended December 31, 2012, that could cause our actual growth, results of operations, financial condition, cash flows, performance and business prospects, and opportunities to differ materially from those expressed in, or implied by, these statements. Our forward-looking statements may

include or relate to the following: (i) our plans to continue to grow our business through organic growth; (ii) our beliefs with respect to the sufficiency of our liquidity and our plans to evaluate alternate sources of funding if necessary; (iii) our plans and assumptions, including estimated costs and saving opportunities, regarding our ongoing restructuring efforts designed to improve our financial performance; (iv) our expectations relating to state, local and federal regulatory frameworks affecting the industries in which we compete, including the wind energy industry and the related extension, continuation or renewal of federal tax incentives and grants and state renewable portfolio standards; (v) our expectations with respect to our customer relationships and efforts to diversify our customer base and sector focus and leverage customer relationships across business units; (vi) our ability to realize revenue from customer orders and backlog; (vii) our plans with respect to the use of proceeds from financing activities and our ability to operate our business efficiently, manage capital expenditures and costs effectively, and generate cash flow; (viii) our beliefs and expectations relating to the economy and the potential impact it may have on our business, including our customers; (ix) our beliefs regarding the state of the wind energy market and other energy and industrial markets generally and the impact of competition and economic volatility in those markets; (x) our expectations relating to the impact of pending securities litigation, the inquiry by the U.S. Securities and Exchange Commission, and environmental compliance matters; and (xi) the potential loss of tax benefits if we experience an “ownership change” under Section 382 of the Internal Revenue Code. You should not consider any list of such factors to be an exhaustive statement of all of the risks, uncertainties, or potentially inaccurate assumptions that could cause our current expectations or beliefs to change. Except as expressly required by the federal securities laws, we undertake no obligation to update such factors or to publicly announce the results of any of the forward-looking statements contained herein to reflect future events, developments, or changed circumstances or for any other reason.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

There has been no significant change in our exposure to market risk during the three months ended March 31, 2013. For a discussion of our exposure to market risk, refer to “Quantitative and Qualitative Disclosures About Market Risk,” contained in Part II, Item 7A, of our Annual Report on Form 10-K for the year ended December 31, 2012.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We seek to maintain disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) that are designed to ensure that information required to be disclosed in our reports filed under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms. This information is also accumulated and communicated to management, including our Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”), as appropriate, to allow timely decisions regarding required disclosure. Our management, under the supervision and with the participation of our CEO and CFO, evaluated the effectiveness of the design and operation of our disclosure controls and procedures as of the end of the most recent fiscal quarter reported on herein. Based on that evaluation, our CEO and CFO concluded that our disclosure controls and procedures were not effective as of March 31, 2013 because of the material weaknesses in internal control over financial reporting described below.

Identification of Material Weaknesses

As part of our quarterly evaluation of the effectiveness of our internal control over financial reporting described above we considered the restatement of quarterly information included in this Form 10-Q/A. As a result, we have concluded that the following material weaknesses in internal control over financial reporting that were identified in connection with the restatement of this Form 10-Q/A also existed as of March 31, 2013:

Segregation of duties, account reconciliations and communication of policies and procedures

On January 31, 2014, the Audit Committee of our Board (the “Audit Committee”) concluded that the previously issued financial statements contained in our Quarterly Reports on Form 10-Q for the periods ended March 31, 2013, June 30, 2013 and September 30, 2013 should no longer be relied upon because of errors in those financial statements that originated in our Towers and Weldments segment. In addition to the financial statements for these periods, related press releases furnished on Current Reports on Form 8-K and reports and stockholder communications describing our financial statements for these periods should no longer be relied upon.

The Audit Committee has completed an independent investigation into the errors that were identified in the quarterly financial statements of our Towers and Weldments segment. The Audit Committee’s investigation found that we understated gross profit and overstated net loss in the 2013 quarterly financial statements of our Towers and Weldments segment by $938 for the nine-months ended

September 30, 2013. We have restated the quarterly financial statements because of the above understatement, and have corrected the quarterly figures to address other unrecorded errors which were previously deemed insignificant.

The investigation also found that during this period deficiencies in the design and effectiveness of certain internal controls over financial reporting allowed accounting errors to occur, some of which arose from instances of intentional misstatement relating to the deferral of income within the affected business segment. As a result of this investigation, management concluded that three material weaknesses exist as described below:

1) We did not maintain effective controls over the preparation, support, review and approval of journal entries. Specifically, effective controls were not in place to ensure proper segregation of duties between the preparation and approval of journal entries.

2) We did not maintain effective control over the reconciliation of the accrual account for inventory items that have been received for which the related vendor invoice is pending. Specifically, the reconciliation was not properly designed to identify, investigate and resolve reconciling items on a timely basis.

3) We did not maintain effective controls over ensuring our commitment to integrity and ethical values. Specifically, our controls over internal communications regarding the importance of maintaining effective internal control over financial reporting and a commitment to integrity and ethical values were not operating effectively.

The above material weaknesses resulted in material misstatements in accounts payable and cost of sales that required us to restate the Company's quarterly financial statements included in this Form 10-Q/A.

Inventory Accounting

We did not maintain effective controls over the costing and valuation of inventory. Specifically, controls over standard cost updates, capitalization of variances into ending inventory, elimination of intercompany profits in inventory and valuation of inventory related reserves were not properly designed to prevent or detect material misstatements on a timely basis, that we concluded in the aggregate, constitute a material weakness. This material weakness resulted in inventory misstatements that were corrected prior to the issuance of this Form 10-Q/A and give rise to a reasonable possibility that material misstatements of inventory in our annual or interim financial statements will not be prevented or detected on a timely basis.

Revenue Accounting

As previously disclosed under "Item 4 — Controls and Procedures" on Form 10-Q for the quarter ended June 30, 2013, management identified a material weakness in our internal control over financial reporting related to the revenue recognition process in our Towers and Weldments segment, specifically related to management's requisite knowledge regarding the application of revenue recognition accounting guidance. This material weakness resulted in revenue misstatements that were corrected prior to the issuance of this Form 10-Q/A and give rise to a reasonable possibility that material misstatements of revenue in our annual or interim financial statements will not be prevented or detected on a timely basis.

Management's remediation plan

As part of our commitment to strengthening our internal control over financial reporting, we have implemented various personnel actions and will initiate other remedial actions under the oversight of the Audit Committee, including:

Segregation of duties, account reconciliations and communication of policies and procedures

- We will conduct comprehensive training of all appropriate management regarding the importance of full and transparent communication and disclosure over matters that impact our internal controls and financial reporting and disclosure. This will include a program of continuous education for new managers and refresher courses for all managers on an ongoing basis.
- We will enhance separation of incompatible duties surrounding preparation and approval of journal entries and account analysis.
- We will enhance controls over the review and approval of manual journal entries.

Inventory Accounting

- We will review and revise the design of controls with respect to standard cost updates, capitalization of variances into inventory, elimination of intercompany profits in inventory and the calculation of our inventory reserves.

- We will train existing staff in the specific requirements of generally accepted accounting principles related to inventory costing and valuation.

Revenue Accounting

- We will implement participation in SEC reporting and revenue recognition training classes by relevant personnel.
- We will implement a formal contract review control to identify and account for key terms affecting revenue recognition covering all contracts and purchase orders related to sales of towers.

We can give no assurance that the measures we take will remediate the material weaknesses that we identified or that any additional material weaknesses will not arise in the future. We will continue to monitor the effectiveness of these and other processes, procedures and controls and will make any further changes management determines appropriate.

Changes in Internal Control over Financial Reporting

Other than the material weaknesses identified above, there were no changes in our internal control over financial reporting during the three months ended March 31, 2013 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

The information required by this item is incorporated herein by reference to Note 13, “Legal Proceedings” in Part I, Item 1 of this Quarterly Report on Form 10-Q/A.

Item 1A. Risk Factors

There are no material changes to our risk factors as previously disclosed in Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2012.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None

Item 3. Defaults Upon Senior Securities

None

Item 4. Mine Safety Disclosures

Not Applicable

Item 5. Other Information

None

Item 6. Exhibits

The exhibits listed on the Exhibit Index following the signature page are filed as part of this Quarterly Report.

SIGNATURES

In accordance with the requirements of the Securities Exchange Act of 1934, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

BROADWIND ENERGY, INC.

March 11, 2014	By:	/s/ Peter C. Duprey Peter C. Duprey President and Chief Executive Officer *(Principal Executive Officer)*
March 11, 2014	By:	/s/ Stephanie K. Kushner Stephanie K. Kushner Executive Vice President and Chief Financial Officer *(Principal Financial Officer)*

EXHIBIT INDEX
BROADWIND ENERGY, INC.
FORM 10-Q/A FOR THE QUARTER ENDED MARCH 31, 2013

Exhibit Number	Exhibit
10.1	Amendment Agreement dated as of April 1, 2013, among Broadwind Energy, Inc., a Delaware corporation; Tontine Capital Management, L.L.C., a Delaware limited liability company; Tontine Capital Overseas GP, L.L.C., a Delaware limited liability company; Tontine Management, L.L.C., a Delaware limited liability company; Tontine Overseas Associates, L.L.C., a Delaware limited liability company; Tontine Capital Overseas Master Fund II, L.P., a Cayman Islands limited partnership; Tontine Power Partners, L.P., a Delaware limited partnership; Tontine Associates, L.L.C., a Delaware limited liability company; Tontine Partners, L.P., a Delaware limited partnership; Tontine Capital Partners, L.P., a Delaware limited partnership; Tontine Overseas Fund, LTD., a Cayman Islands exempted company; Tontine 25 Overseas Master Fund, L.P., a Cayman Islands limited partnership; and Tontine Capital Overseas Master Fund, L.P., a Cayman Islands limited partnership*
31.1	Rule 13a-14(a) Certification of Chief Executive Officer*
31.2	Rule 13a-14(a) Certification of Chief Financial Officer*
32.1	Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 of Chief Executive Officer*
32.2	Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 of Chief Financial Officer*

* Filed herewith.

Exhibit 10.1

AMENDMENT AGREEMENT

THIS AMENDMENT AGREEMENT, dated as of April 1, 2013 (this " Amendment Agreement "), among BROADWIND ENERGY, INC., a Delaware corporation (the " Company "); TONTINE CAPITAL MANAGEMENT, L.L.C., a Delaware limited liability company (" TCM "); TONTINE CAPITAL OVERSEAS GP, L.L.C., a Delaware limited liability company (" TCO "); TONTINE MANAGEMENT, L.L.C., a Delaware limited liability company (" TM "); TONTINE OVERSEAS ASSOCIATES, L.L.C., a Delaware limited liability company (" TOA "); TONTINE CAPITAL OVERSEAS MASTER FUND II, L.P., a Cayman Islands limited partnership (" TCP 2 "); TONTINE POWER PARTNERS, L.P., a Delaware limited partnership (" TPP "); TONTINE ASSOCIATES, L.L.C., a Delaware limited liability company (" TA "); TONTINE PARTNERS, L.P., a Delaware limited partnership (" TP "); TONTINE CAPITAL PARTNERS, L.P., a Delaware limited partnership (" TCP "); TONTINE OVERSEAS FUND, LTD., a Cayman Islands exempted company (" TOF "); TONTINE 25 OVERSEAS MASTER FUND, L.P., a Cayman Islands limited partnership (" T25 "); and TONTINE CAPITAL OVERSEAS MASTER FUND, L.P., a Cayman Islands limited partnership (" TCOM ," and collectively with TCM, TCO, TM, TOA, TCP 2, TPP, TA, TP, TCP, TOF and T25 and their affiliates, " Tontine ," and each, a " Tontine Entity ").

W I T N E S S E T H:

WHEREAS, certain of the parties hereto are parties to a Securities Purchase Agreement dated as of March 1, 2007 (the " March 2007 Purchase Agreement ");

WHEREAS, certain of the parties hereto are parties to a Securities Purchase Agreement dated as of August 22, 2007 (the " August 2007 Purchase Agreement ");

WHEREAS, certain of the parties hereto are parties to an Amended and Restated Securities Purchase Agreement dated as of January 3, 2008 (the " January 2008 Purchase Agreement ");

WHEREAS, certain of the parties hereto are parties to a Securities Purchase Agreement dated as of April 22, 2008 (the " April 2008 Purchase Agreement ");

WHEREAS, Tontine has entered into various agreements from time to time with certain of the Company's current and former stockholders (the " Stockholder Agreements ");

WHEREAS, the parties have agreed to certain amendments and waivers related to the March 2007 Purchase Agreement, August 2007 Purchase Agreement, January 2008 Purchase Agreement, April 2008 Purchase Agreement (together, the " Purchase Agreements ") and the Stockholder Agreements;

WHEREAS, Tontine is seeking the reimbursement by the Company of fees and expenses incurred by Tontine in connection with its defense in the litigation captioned *Brasher v. Broadwind Energy, Inc., et al.* , Case No. 1:11-cv-00991, United States District Court for the Northern District of Illinois; *Mitchell v. Broadwind Energy, Inc., et al.* , Case No. 1:11-cv-01059,

United States District Court for the Northern District of Illinois; *Friedman v. Broadwind Energy, Inc., et al.* , Case No. 1:11-cv-01313, United States District Court for the Northern District of Illinois; *Hopf v. Broadwind Energy, Inc., et al.* , Case No. 1:11-cv-01519, United States District Court for the Northern District of Illinois; *Campbell v. Broadwind Energy, Inc., et al.* , Case No. 11-CH-08933, Circuit Court of Cook County, Illinois, Chancery Division; *Markowitz v. Broadwind Energy, Inc., et al.* , Case No. 11-CH-11048, Circuit Court of Cook County, Illinois, Chancery Division; *Olson, et al. v. Broadwind Energy, Inc., et al.* , Case No. 11-CH-12197, Circuit Court of Cook County, Illinois, Chancery Division; and *Gendur v. Broadwind Energy, Inc., et al.* , Case No. 11-CH-12198, Circuit Court of Cook County, Illinois, Chancery Division (collectively, " Litigation "), and the Company has agreed to reimburse Tontine for a portion of such fees and expenses; and

WHEREAS, the Company and Tontine have agreed to enter into this Amendment Agreement to provide for the amendment of the Purchase Agreements and the Stockholder Agreements, the waivers set forth herein, and the reimbursement by the Company of certain fees and expenses incurred by Tontine, all on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

Section 1. Amendments to the March 2007 Purchase Agreement . The Company and Tontine hereby agree to amend the March 2007 Purchase Agreement as follows:

(a) Section 5.5 (Board Designee(s)) of the March 2007 Purchase Agreement is hereby deleted in its entirety.

(b) Section 5.6 (Observation Rights) of the March 2007 Purchase Agreement is hereby deleted in its entirety.

(c) Section 5.7 (Participation in Future Issuances) of the March 2007 Purchase Agreement is hereby deleted in its entirety.

(d) Section 5.8 (Future Acquisitions) of the March 2007 Purchase Agreement is hereby deleted in its entirety.

Section 2. Amendments to the August 2007 Purchase Agreement . The Company and Tontine hereby agree to amend the August 2007 Purchase Agreement as follows:

(a) Section 5.5 (Board Designee(s)) of the August 2007 Purchase Agreement is hereby deleted in its entirety.

(b) Section 5.6 (Observation Rights) of the August 2007 Purchase Agreement is hereby deleted in its entirety.

(c) Section 5.7 (Future Acquisitions) of the August 2007 Purchase Agreement is hereby deleted in its entirety.

Section 3. Amendments to the January 2008 Purchase Agreement . The Company and Tontine hereby agree to amend the January 2008 Purchase Agreement as follows:

(a) Section 5.5 (Board Designee(s)) of the January 2008 Purchase Agreement is hereby deleted in its entirety.

(b) Section 5.6 (Observation Rights) of the January 2008 Purchase Agreement is hereby deleted in its entirety.

(c) Section 5.8 (Participation in Future Issuances) of the January 2008 Purchase Agreement is hereby deleted in its entirety.

Section 4. Amendments to the April 2008 Purchase Agreement . The Company and Tontine hereby agree to amend the April 2008 Purchase Agreement as follows:

(a) Section 5.5 (Board Designee(s)) of the April 2008 Purchase Agreement is hereby deleted in its entirety.

(b) Section 5.6 (Observation Rights) of the April 2008 Purchase Agreement is hereby deleted in its entirety.

(c) Section 5.8 (Participation in Future Issuances) of the April 2008 Purchase Agreement is hereby deleted in its entirety.

Section 5. Waivers Related to the Stockholder Agreements . Each Tontine Entity hereby agrees to forever waive and forbear from exercising any rights it may have in connection with any Stockholder Agreement that relate to the deleted provisions of each of the Purchase Agreements, including, but not limited to, the right to designate any member(s) of the Company's Board of Directors, the right to observe meetings of the Company's Board of Directors and the right to participate in future issuances of Company capital stock. Each Tontine Entity hereby further agrees to forever waive and forbear from exercising any rights it may have in connection with any Stockholder Agreement that include any appointment of an irrevocable proxy, voting agreements related to the election of directors or officers of the Company and any first right of refusal or preemptive rights for the purchase of Company capital stock.

Section 6. Effectiveness of Amendments . Upon the execution and delivery hereof, the Purchase Agreements shall thereupon be deemed to be amended as hereinabove set forth as fully and with the same effect as if the amendments made hereby were originally set forth in the original of each such Purchase Agreement, and this Amendment Agreement and each of the Purchase Agreements shall henceforth be read, taken and construed as one and the same instrument and references herein, therein or in any ancillary agreements to such agreements, including the Stockholder Agreements, shall be deemed to refer to such agreements as so amended, but such amendments shall not operate so as to render invalid or improper any action heretofore taken under the Purchase Agreements.

Section 7. Agreement Regarding Indemnification . By letters dated October 14, 2011 and March 31, 2011, Tontine sought indemnification from the Company with respect to the Litigation (collectively, the " Indemnification Demand "). In consideration of the payment by the

Company provided for in Section 8 hereof, each Tontine Entity hereby agrees to forever waive and release all currently pending requests for reimbursement by the Company of fees and expenses made by Tontine pursuant to the Indemnification Demand (the " Tontine Claims "), discontinue any action related to the Tontine Claims and forbear from bringing any action in the future with respect to the Tontine Claims. Each Tontine Entity hereby further agrees that, except for the payment contemplated by Section 8 hereof, it has not incurred any other fees or expenses to date for which it intends to pursue indemnification and no further payment will be due from or on behalf of the Company for any Tontine Claim. For the avoidance of doubt, the parties acknowledge, however, that nothing in this Amendment Agreement shall modify or terminate (a) Tontine's right to seek reimbursement pursuant to the Indemnification Demand of fees and expenses incurred from and after the date of this Amendment Agreement in connection with the Litigation, or (b) other than with respect to the Tontine Claims, the Company's continuing obligation to indemnify Tontine, and Tontine's continuing right to indemnification, arising under the Purchase Agreements, that certain Registration Rights Agreement dated as of March 1, 2007, or otherwise, with respect to claims, suits, actions or other matters existing on or prior to the date hereof or in the future, including without limitation, the Company's obligation to indemnify Tontine in connection with certain discovery and regulatory investigatory matters.

Section 8. Payment to Tontine . Contemporaneous with the execution and delivery of this Amendment Agreement, the Company shall pay to Tontine in immediately available funds the amount of $495,000. Such amount shall constitute reimbursement of certain legal fees and expenses incurred by Tontine, representing a portion of the Tontine Claims, and additional consideration in exchange for the amendments, waivers, releases and covenants set forth herein.

Section 9. Representations and Warranties of the Company . The Company represents and warrants to Tontine as follows:

(a) Authority . The Company has the full corporate power and authority to enter into this Amendment Agreement and to comply with the terms, conditions and provisions hereof. The execution, delivery and performance by the Company of this Amendment Agreement have been duly and validly authorized by all necessary corporate action on the part of the Company. This Amendment Agreement has been duly authorized, executed and delivered by the Company and is the legal, valid and binding obligation of the Company enforceable in accordance with its terms.

Section 10. Representations and Warranties of Tontine . Each of the Tontine Entities, jointly and severally, represents and warrants to the Company as follows:

(a) Authority . Each Tontine Entity has the full corporate or other power and authority to enter into this Amendment Agreement and to comply with the terms, conditions and provisions hereof. The execution, delivery and performance by each Tontine Entity of this Amendment Agreement has been duly and validly authorized by all necessary action and no other proceedings on the part of any Tontine Entity and no votes or approvals by any holder of interests in any Tontine Entity are necessary to authorize this Amendment Agreement. This Amendment Agreement has been duly authorized, executed and delivered by each Tontine Entity and is the legal, valid and binding obligation of each Tontine Entity enforceable in accordance with its terms.

Section 11. Further Assurances . Each of the parties hereto agrees to use all commercially reasonable efforts to take, or cause to be taken, all action, and to do, or cause to be done, all things necessary, proper and advisable under applicable law to fulfill the intent of this Amendment Agreement. If at any time after the execution and delivery of this Amendment Agreement any further action is necessary or desirable to carry out the purposes of this Amendment Agreement, including the execution of additional instruments among the parties hereto or with any third parties, the parties to this Amendment Agreement shall take all such necessary action.

Section 12. General Provisions .

(a) Miscellaneous . This Amendment Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement and shall become effective when one or more counterparts have been signed by each of the parties hereto and delivered to the other parties hereto. This Amendment Agreement may be executed by facsimile or electronic signature.

(b) Effect . Except as specifically provided for in this Amendment Agreement, the Purchase Agreements shall remain in full force and effect.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment Agreement to be signed by their respective officers (or general partner or managing member, as applicable) thereunto duly authorized all as of the date first written above.

BROADWIND ENERGY, INC.

By: /s/ Peter C. Duprey
Name: Peter C. Duprey
Title: President and Chief Executive Officer

TONTINE CAPITAL MANAGEMENT, L.L.C.

By: /s/ Jeffrey L. Gendell
Name: Jeffrey L. Gendell
Title: Managing Member

TONTINE CAPITAL OVERSEAS GP, L.L.C.

By: /s/ Jeffrey L. Gendell
Name: Jeffrey L. Gendell
Title: Managing Member

TONTINE MANAGEMENT, L.L.C.

By: /s/ Jeffrey L. Gendell
Name: Jeffrey L. Gendell
Title: Managing Member

TONTINE OVERSEAS ASSOCIATES, L.L.C.

By: /s/ Jeffrey L. Gendell
Name: Jeffrey L. Gendell
Title: Managing Member

TONTINE CAPITAL OVERSEAS MASTER FUND II, L.P

By: TONTINE ASSET ASSOCIATES, L.L.C., its general partner

By: /s/ Jeffrey L. Gendell
Name: Jeffrey L. Gendell
Title: Managing Member

TONTINE POWER PARTNERS, L.P.

By: TONTINE MANAGEMENT, L.L.C., its general partner

By: /s/ Jeffrey L. Gendell
Name: Jeffrey L. Gendell
Title: Managing Member

TONTINE ASSOCIATES, L.L.C

By: /s/ Jeffrey L. Gendell
Name: Jeffrey L. Gendell
Title: Managing Member

TONTINE PARTNERS, L.P.

By: TONTINE MANAGEMENT, L.L.C., its general partner

By: /s/ Jeffrey L. Gendell
Name: Jeffrey L. Gendell
Title: Managing Member

TONTINE CAPITAL PARTNERS, L.P.

By: TONTINE CAPITAL MANAGEMENT, L.L.C., its general partner

By: /s/ Jeffrey L. Gendell
Name: Jeffrey L. Gendell
Title: Managing Member

TONTINE OVERSEAS FUND, LTD.

By: TONTINE OVERSEAS ASSOCIATES, L.L.C., its investment advisor

By: /s/ Jeffrey L. Gendell
Name: Jeffrey L. Gendell
Title: Managing Member

TONTINE 25 OVERSEAS MASTER FUND, L.P.

By: TONTINE CAPITAL MANAGEMENT, L.L.C., its general partner

By: /s/ Jeffrey L. Gendell
Name: Jeffrey L. Gendell
Title: Managing Member

TONTINE CAPITAL OVERSEAS MASTER FUND, LTD.

By:TONTINE CAPITAL OVERSEAS GP, L.L.C., its general partner

By: /s/ Jeffrey L. Gendell
Name: Jeffrey L. Gendell
Title: Managing Member

EXHIBIT 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, Peter C. Duprey, certify that:

1. I have reviewed this quarterly report on Form 10-Q/A of Broadwind Energy, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d- 15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 11, 2014

/s/ PETER C. DUPREY
Peter C. Duprey
President and Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER

I, Stephanie K. Kushner, certify that:

1. I have reviewed this quarterly report on Form 10-Q/A of Broadwind Energy, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d- 15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 11, 2014

/s/ STEPHANIE K. KUSHNER
Stephanie K. Kushner
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

EXHIBIT 32.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the quarterly report on Form 10-Q/A of Broadwind Energy, Inc. (the "Company") for the period ended March 31, 2013, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Peter C. Duprey, President and Chief Executive Officer of the Company, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(i) the Report fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934, as amended; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

March 11, 2014

/s/ PETER C. DUPREY
Peter C. Duprey
President and Chief Executive Officer
(Principal Executive Officer)

This certification accompanies this Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

EXHIBIT 32.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the quarterly report on Form 10-Q/A of Broadwind Energy, Inc. (the "Company") for the period ended March 31, 2013, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Stephanie K. Kushner, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(i) the Report fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934, as amended; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

March 11, 2014

/s/ STEPHANIE K. KUSHNER
Stephanie K. Kushner
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

This certification accompanies this Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.