

January 17, 2014



Capstone Receives Multiple Orders for Customers in the Permian Basin Shale Play

CHATSWORTH, Calif., Jan. 17, 2014 (GLOBE NEWSWIRE) -- Capstone Turbine Corporation (www.capstoneturbine.com) (Nasdaq:CPST), the world's leading clean technology manufacturer of microturbine energy systems, announced today that it has received orders for two Capstone C1000s and an order for 25 Capstone C65 microturbines to be used for oil and gas production in the Permian Basin located beneath west Texas and southeastern New Mexico.

According to an October 2013 article in Investors Daily, the Permian Basin receives a fraction of the press coverage accorded the Bakken and Eagle Ford, but it has more production potential than these two shale formations combined. The Permian is not just a shale oil play, nor is it a recently developed basin. The Permian currently produces some 900,000 barrels per day of crude, about 12 percent of US oil production. Some analysts expect Permian production to more than double by 2018 to 2 million barrels per day — a level last reached during the 1970s. The Permian Basin is projected to still contain recoverable oil and natural gas resources exceeding what has already been produced. Industry experts estimate that, at current prices, more than \$3 trillion worth of oil and more than \$300 billion of natural gas are yet to be extracted. These projections dwarf the combined estimated reserves for the Bakken and Eagle Ford.

Horizon Power Systems secured the order for the two Capstone C1000 microturbines to be used by an independent oil and gas producer in the area. This marks Capstone's first multiple megawatt project in the Permian Basin after previously installing multiple C30s and C65s at project sites in the region. The C1000s will replace unreliable grid service from the local utility and be used to power the client-owned electric grid. This small local grid will supply power to various well locations in addition to the field operations office. The site is expected to be commissioned in March.

Horizon Power Systems also ordered 25 Capstone C65 microturbines to expand operations for multiple existing clients in the Permian Basin. This repeat business demonstrates a high level of customer satisfaction with Capstone microturbines, helping to cement microturbine technology as a preferred option in the U.S. oil and gas industry.

Capstone microturbines were chosen due to their reduced maintenance costs, low exhaust emissions, and higher reliability than traditional engine based generation. The microturbines easily meet Tier 4 emission standards without requiring aftertreatment.

"The Permian Basin currently contributes about 14 percent of the nation's overall oil and gas production," said Sam Henry, Horizon Power Systems President. "Horizon is pleased to

continue to expand our presence in this dynamic area. This sale – the first multiple megawatt Capstone microturbine installation in the Permian Basin – follows several other C65s and C30s already in place there. Low-emission, low-noise, and low-maintenance Capstone microturbines are the go-to solution for running onsite equipment and meeting customers' power requirements in the Permian Basin."

About Capstone Turbine Corporation

Capstone Turbine Corporation (www.capstoneturbine.com) (Nasdaq: CPST) is the world's leading producer of low-emission microturbine systems and was the first to market commercially viable microturbine energy products. Capstone Turbine has shipped approximately 7,000 Capstone Microturbine systems to customers worldwide. These award-winning systems have logged millions of documented runtime operating hours. Capstone Turbine is a member of the U.S. Environmental Protection Agency's Combined Heat and Power Partnership, which is committed to improving the efficiency of the nation's energy infrastructure and reducing emissions of pollutants and greenhouse gases. A UL-Certified ISO 9001:2008 and ISO 14001:2004 certified company, Capstone is headquartered in the Los Angeles area with sales and/or service centers in the New York Metro Area, Mexico City, Nottingham, Shanghai and Singapore.

The Capstone Turbine Corporation logo is available at <https://www.globenewswire.com/newsroom/prs/?pkgid=6212>

This press release contains "forward-looking statements," as that term is used in the federal securities laws, about the use of our products in the oil and gas market and opportunities in the Permian Basin Shale Play. Forward-looking statements may be identified by words such as "expects," "objective," "intend," "targeted," "plan" and similar phrases. These forward-looking statements are subject to numerous assumptions, risks and uncertainties described in Capstone's filings with the Securities and Exchange Commission that may cause Capstone's actual results to be materially different from any future results expressed or implied in such statements. Capstone cautions readers not to place undue reliance on these forward-looking statements, which speak only as of the date of this release. Capstone undertakes no obligation, and specifically disclaims any obligation, to release any revisions to any forward-looking statements to reflect events or circumstances after the date of this release or to reflect the occurrence of unanticipated events.

"Capstone" and "Capstone MicroTurbine" are registered trademarks of Capstone Turbine Corporation. All other trademarks mentioned are the property of their respective owners.

CONTACT: Capstone Turbine Corporation
Investor and investment media inquiries:
818-407-3628
ir@capstoneturbine.com

Source: Capstone Turbine Corporation