

Capstone Signs \$1.8 Million in New Long-Term Service Contracts; Service Backlog Increases to Over \$17 Million

CHATSWORTH, Calif., Dec. 1, 2009 (GLOBE NEWSWIRE) -- Capstone Turbine Corporation (www.capstoneturbine.com) (Nasdaq:CPST), the world's leading clean technology manufacturer of microturbine energy systems, today announced that it has signed two C1000 Factory Protection Plan (FPP) contracts in Europe for renewable clean energy projects. The FPP contracts are valued at approximately \$1.8 million over a 15-year period.

The FPP backlog as of May 31, 2009 was approximately \$11 million. These latest contracts increase the total FPP backlog to over \$17 million as of November 30, 2009, growth of over 60% for the six-month period.

"These contracts put the total number of microturbines under FPP contracts in excess of 500 units as of November 30, 2009 with a coverage rate of 39% for our C200 and C1000 Series units in operation," said Shelby Ahmann, Capstone's Senior Vice President of Customer Service. "Capstone's goal, as stated previously, is to have as many new C200 and C1000 Series products as possible signed under the Factory Protection Program to guarantee product performance and system reliability," added Ahmann.

"I continue to be pleased with the customer response to the FPP offering, as it provides Capstone a long-term recurring revenue stream and keeps us close to our customers," stated Capstone's President and Chief Executive Officer, Darren Jamison. "Life cycle costs are the cornerstone of Capstone's value proposition, and with an FPP Capstone customers can guarantee maintenance expenses. Unlike many of our competitors, Capstone is willing to sign long-term service contracts because of the overall reliability and predictability of our products," added Jamison.

Capstone launched the FPP program approximately two years ago to improve the reliability and service of its microturbine solutions. Typical FPP service contracts vary in length from a minimum of one year to a maximum of 15 years with most FPP contracts covering between five and nine years. Customer payments are generally received quarterly in advance over the term of the FPP.

About Capstone Turbine Corporation

Capstone Turbine Corporation (<u>www.capstoneturbine.com</u>) (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 over 5,000 Capstone MicroTurbine(R) 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 9001:2000 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, Singapore and Tokyo.

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 benefits of Capstone's factory protection plan and the reliability and predictability of our products. 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.

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