July 9, 2014



Capstone Secures First Order in Oman for Oil & Gas Production

CHATSWORTH, Calif., July 9, 2014 (GLOBE NEWSWIRE) -- Capstone Turbine Corporation (<u>www.capstoneturbine.com</u>) (Nasdaq:CPST), the world's leading clean technology manufacturer of microturbine energy systems, announced today that it received its first order in Oman from PipeLine Supply Company, the distributor for Oman and Qatar.

The end use customer, Consolidated Contractors Energy Development (CCED), chose Capstone microturbines because of their perfect fit in flare gas to power roles. Capstone microturbines can run on various fuels, including associated gas or flare gas. This gas is a byproduct of the oil extraction process that is often burned off, or flared. The Capstone microturbines utilize this gas to generate clean and green power for their operations. Instead of wasting this free fuel, CCED has simultaneously improved operational efficiency and reduced operational costs by utilizing this associated gas. They have also eliminated the need to truck diesel out to the middle of the desert, further reducing their costs.

Additionally, Capstone microturbines have the added benefits of their reliable and rugged design, low emissions, and low maintenance cost. Deployed in the middle of the desert, CCED required a solution that could withstand the harsh and isolated environment with minimal maintenance, ensuring their operations remain functional. With longer maintenance intervals than its competitors and no need for lubricants or coolants, Capstone microturbines were the perfect fit.

The order, consisting of two Capstone C65 High Pressure Natural Gas (HPNG) microturbines, was secured by PipeLine Supply Company, Capstone's exclusive distributor for Oman and Qatar. According to Shanly George, General Manager of Pipeline Supply Company, "CCED is a dynamic young oil company which is on an aggressive growth path in developing their oilfield concession area in Oman. CCED was quick in recognizing the wisdom in using a wasted resource, i.e. associated gas, to generate power instead of flaring it. Based on the successful installation, commissioning, and evaluation of the Capstone microturbine units, CCED will decide on their future course of action with regards to more widespread use of stranded gas for power generation."

Jim Crouse, Executive Vice President of Sales and Marketing at Capstone, added, "Flaring of associated gas is significant in this region. We are excited about this order as it will allow us to showcase Capstone technology and allow our distributor to get a foothold in the emerging flare gas market in the Middle East."

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 approximately 7,000 Capstone Microturbine systems to customers worldwide. These awardwinning 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, United Kingdom, Mexico City, Shanghai and Singapore.

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

This press release contains "forward-looking statements," as that term is used in the federal securities laws, about reduced costs, the environmental advantages and reliability of our products and the use of our products in the oil and gas market in the Middle East. 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