

## Capstone Turbine Secures Substantial Order for Mexican Pipeline Project

CHATSWORTH, Calif., Dec. 15, 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 an order for six C800 microturbines and sixteen C30 microturbines for the second phase of the Los Ramones pipeline project in Eastern Mexico.

Industrias Energetícas, Capstone's distributor in Mexico, secured the order, which is one of the largest in Capstone's history.

The pipeline project is a part of the Mexican Energy Reform, which was established as a way to reduce electricity and gas prices in the country over a span of two years. The Energy Reform will also expedite natural gas production, from 5,700 million cubic feet a day (Mcf/d) in 2013 to 8,000 Mcf/d in 2018 and 10,400 Mcf/d in 2025. The entire project will cost US \$2.5 billion and carry natural gas over a distance of 1,021 kilometers, supplying one-third of Mexico's natural gas needs at a much lower cost than that which is currently being shipped in liquefied form from the Middle East, Africa and South America.

Six C800 high-pressure natural gas microturbines will be installed at two compression stations of the pipeline project and sixteen C30 microturbines at metering stations in between. The microturbine systems will all operate in stand-alone mode, acting as the primary source of power at each location.

Capstone microturbines are ideal for pipeline applications because there is no need for lubricants or coolants and they require minimal maintenance. This ensures around the clock availability and uptime, ensuring the flow of gas to the market will not be interrupted. Remote sites like these benefit from highly reliable and proven technology without the cost of extending the local power grid. Capstone microturbines are also extremely efficient and clean, ensuring the pipeline project is compliant with current and future emissions regulations.

"Natural gas demand in Mexico has increased at a rate of 5.7 percent and 5.9 percent in the Midwestern region, so there was an immediate need for a natural gas power production system to support the Los Ramones pipeline project," said Juan Carlos Hernandez, President of Industrias Energetícas. "Capstone microturbines were chosen for their low maintenance, reliability, and proven track record in the oil and gas industry worldwide."

"Capstone microturbines can be used in all facets of the natural gas market, including exploration, production, compression, and transmission," said Darren Jamison, President and Chief Executive Officer at Capstone Turbine. "This order is one of the biggest in Capstone history and demonstrates the larger project opportunities that we have been

chasing. We are fully committed to provide the solutions needed to support these larger load regime projects," added Jamison.

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 8,000 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, 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 growth of the Mexican market and opportunities for larger projects using 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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