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Capstone's Russian Distributor, BPC Engineering, Secures Another C1000 Signature Series Project and Executes a New Three Year Distribution Agreement

CHATSWORTH, Calif., Aug. 22, 2016 (GLOBE NEWSWIRE) -- Capstone Turbine Corporation (www.capstoneturbine.com) (Nasdaq:CPST), the world's leading clean technology manufacturer of microturbine energy systems, announced today that BPC Engineering, Capstone's distributor in Belarus and Russia, secured another order for a C1000 Signature Series microturbine that is expected to ship in the second quarter. The natural gas-fueled C1000S microturbine will be installed in a combined heat and power (CHP) application for a commercial customer in Belarus. In addition, BPC Engineering and Capstone entered into a new three-year distribution agreement for Belarus and Russia.

"Despite the challenges in the marketplace, BPC continues to secure business in the region," said Jim Crouse, Capstone's Executive Vice President of Sales and Marketing. "This is the fifth C1000 series product secured by BPC in the last four months after approximately eleven months of no product shipments. As difficult as this situation has been for both companies, we are now benefiting from our mutual respect, patience and teamwork," added Mr. Crouse.

According to the International Energy Agency (IEA), Russia, Belarus and other countries with economies in transition can benefit from utilizing cogeneration plants for both residential and commercial facilities. The availability of reliable and affordable heat supply in Belarus is extremely important due to the severe climate.

"BPC and Capstone are looking forward to working together to foster renewed growth in the region as demonstrated by signing a new three-year distribution agreement. The new agreement continues BPC's requirement to pay cash upfront prior to shipment for all product releases from backlog, and raises the additional 15 percent overpayment of the total value for each shipment to 20 percent for new C1000 Signature Series orders in order to accelerate the reduction of BPC's past-due accounts receivable balance," said Darren Jamison, Capstone's President and Chief Executive Officer. "With BPC's demonstrated success implementing CHP and other projects in the area, we are excited to see more Signature Series systems being deployed in the region to help stimulate new growth and maximize the customer microturbine experience," added Mr. Jamison.

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 has shipped approximately 8,800 Capstone Microturbine systems to customers worldwide. These award-winning systems have logged millions of documented runtime operating hours. Capstone 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 United States, Latin America, Europe, Middle East, China and Singapore.

This press release contains "forward-looking statements," as that term is used in the federal securities laws, about the advantages of our CHP applications, potential sales into Belarus and Russia, BPC payment terms and sales of Signature Series 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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CONTACT:

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

INVESTORS:

Dian Griesel Int'l
Cheryl Schneider
212-825-3210



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