

Capstone Unveils Several New Products at Annual Meeting of Stockholders

CHATSWORTH, Calif., Aug. 31, 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 it will unveil several new products along with an updated product development roadmap at its annual meeting of stockholders. A live webcast of the meeting will be available today at 10 a.m. PDT on the company website.

New products include new C200 and C600 Signature Series microturbine products featuring the same benefits as the recently launched C1000 Signature Series microturbine. Capstone's Signature Series is designed to further penetrate the global CHP markets with integrated heat recovery, two-stage air filtration, improved enclosure design, relocated exhaust stacks and 12-year marine grade paint.

Other product releases include new fuel capabilities, the development of a new universal control board and a new system control platform, the continuation of the alumina-forming austenitic (AFA) materials effort with the U.S. Department of Energy and an overall cost reduction program for the Signature Series.

"We are very enthusiastic about the new products, in particular the ability to run on 100 percent butane, 100 percent ethane, and synthetic fuels with hydrogen content, which opens up several new markets," said Jim Crouse, Capstone's Executive Vice President of Sales and Marketing. "In addition, we have released our C65, C200 and C1000 series products to run on fuels with up to 5% percent high-hydrogen sulfide, which will allow us to run on a broader range of flare gasses," added Mr. Crouse.

According to the International Energy Agency (IEA), the global context for biofuels, including synthetic fuels or "syngas", is changing as a result of the significant reduction in crude oil prices. A considerable rise in global biofuel production is forecasted in the medium term.

"Capstone's product development group is doing an excellent job moving the technology forward despite our approximate 50 percent reduction in research and development spend year over year," said Darren Jamison, Capstone's President and Chief Executive Officer. "I am very confident that we can deliver significant developments to our products despite the lower spend associated with our three-pronged profitability plan. Once we achieve profitability we will look to increase our development spend and resume our C250 and C370 development and product launch initiative," added Mr. 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 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 Capstone's new product development and release plan, C250 and C370 product development and launch, cost reduction initiatives, global biofuel production, and future microturbine fuel capabilities. 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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