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# Capstone Turbine (NASDAQ:CPST) Continues to Expand its Rental Fleet as it Executes Against its Near-Term Positive Adjusted EBITDA Plan Despite Impact of COVID-19 Pandemic

*One of the World's Largest Oil and Gas Companies Expands Long-Term Microturbine Rental Fleet with Another Capstone 1 MW in the Permian Basin*

**VAN NUYS, CA / ACCESSWIRE / April 14, 2020** /Capstone Turbine Corporation ([www.capstoneturbine.com](http://www.capstoneturbine.com)) (NASDAQ:CPST), the world's leading clean technology manufacturer of microturbine energy systems, announced today that it continues to focus on achieving its near-term positive adjusted EBITDA goal as it expanded its long-term microturbine rental fleet with another 1 megawatt (MW) C1000 Signature Series microturbine for the Permian Basin with one of the world's largest oil and gas companies seeking to improve free cash flow.

The new long-term rental contract was secured by Lone Star Power Solutions, Capstone's exclusive distributor in Arizona, Texas, and the Gulf states ([www.lonestarpowersolutions.com](http://www.lonestarpowersolutions.com)). The 1 MW C1000S microturbine is expected to be delivered later this summer and commissioned in the fall of 2020.

"Capstone's long-term rental program, multi-year service contract business, and innovative distributor support system (DSS) program all continue to grow according to plan despite the COVID-19 pandemic and are the driving forces behind our adjusted positive EBITDA initiative," said Darren Jamison, President and Chief Executive Officer of Capstone Turbine. "Like most companies, we are seeing a downturn in new product shipments as a result of the COVID-19 virus pandemic, but that should be offset by the reduction in expenses keeping the Company on track for a potential positive Adjusted EBITDA result in the upcoming June quarter," added Mr. Jamison.

The C1000S long-term rental order increases Capstone's existing microturbine long-term rental fleet from 7.6 MWs to 8.6 MWs. During fiscal 2020, Capstone's rental fleet revenue grew 230% compared to fiscal 2019 as the company continues to expand the current factory long-term rental fleet to a target of 10 MW as part of management's focus to achieve sustainable positive Adjusted EBITDA in the June quarter and beyond.

"Capstone had previously announced its near-term goal of reaching positive Adjusted EBITDA in the upcoming June quarter by focusing on improving the business with high margin repetitive revenue streams in areas that we have direct control over and that are not

directly impacted by external factors such as macroeconomic conditions, project delays, geopolitical events, exchange rates, crude oil prices, trade wars and now we can add global pandemics to the list of external factors we can mitigate with our recurring revenues," added Mr. Jamison.

Capstone microturbines align perfectly with the needs of the oil and gas industry and are currently used in all phases of oil production, including upstream, midstream, and downstream operations in both onshore and offshore applications. Capstone rentals provide oil and gas customers low operational cost, high availability, and high reliability.

"Despite lower oil prices, our customers still need reliable on-site power, and in partnership with Capstone Turbine, we are able to provide our customers with one of the most reliable on-site power generation units available today," said Douglas Demaret, President of Lone Star Power Solutions. "Customers today are extremely focused on lowering capital expenditures and maximizing free cash flows in which long-term rentals are a good solution. The overall energy industry has slowed, but we are still seeing significant activity with midstream customers," concluded Mr. Demaret.

### **About Capstone Turbine Corporation**

Capstone Turbine Corporation ([www.capstoneturbine.com](http://www.capstoneturbine.com)) (NASDAQ:CPST) is the world's leading producer of highly efficient, low-emission, resilient microturbine energy systems. Capstone microturbines serve multiple vertical markets worldwide, including natural resources, energy efficiency, renewable energy, critical power supply, transportation and microgrids. Capstone offers a comprehensive product lineup, via our direct sales team, as well as our global distribution network. Capstone provides scalable solutions from 30 kW to 10 MWs that operate on a variety of fuels and are the ideal solution for today's multi-technology distributed power generation projects.

For customers with limited capital or short-term needs, Capstone offers rental systems, for more information contact: [rentals@capstoneturbine.com](mailto:rentals@capstoneturbine.com). To date, Capstone has shipped nearly 10,000 units to 73 countries and in FY19, saved customers an estimated \$253 million in annual energy costs and 350,000 tons of carbon.

For more information about the company, please visit [www.capstoneturbine.com](http://www.capstoneturbine.com). For information on sales contact: [sales@capstoneturbine.com](mailto:sales@capstoneturbine.com) or [rentals@capstoneturbine.com](mailto:rentals@capstoneturbine.com). Follow Capstone Turbine on [Twitter](#), [LinkedIn](#), [Instagram](#), and [YouTube](#).

### **Forward-Looking Statements**

This press release contains "forward-looking statements," as that term is used in the federal securities laws. Forward-looking statements may be identified by words such as "expects," "believes," "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

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