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Capstone Turbine (NASDAQ:CPST) Continues to Grow Latin America Market with First Long-Term FPP Service Contract in Bolivia

10-Year Agreement for a 600 kW Microturbine System Installed at a Large Ceramic Factory

VAN NUYS, CA / ACCESSWIRE / June 10, 2020 /Capstone Turbine Corporation (www.capstoneturbine.com) (NASDAQ:CPST), the world's leading clean technology manufacturer of microturbine energy systems, announced today that it continues to expand its market presence in Latin America with its first long-term Factory Protection Plan (FPP) service agreement in Bolivia for a 600 kilowatt (kW) microturbine system. Despite the recent impact from Covid-19, the countries in Latin America represented 13% of Capstone's total revenues in the fiscal year ended March 31, 2020, compared to 12% of total revenues in the prior fiscal year.

Monelco SRL (www.monelco.com.bo), the Capstone exclusive distributor for Bolivia, signed the long-term service contract. The innovative, factory-backed FPP agreement will provide complete service coverage for 10-years, including scheduled and unscheduled maintenance, for a Capstone Signature Series C600S Microturbine (600 kW) installed at a large ceramic factory in Southern Bolivia.



600 kW Microturbine System Installed at a Ceramic Factory in Bolivia

The Capstone C600S was shipped in August 2019 and then quickly commissioned in November 2019. The Capstone microturbine is being used for 24x7 electrical and thermal energy generation. A Capstone Logic Controller provides complete automated system control, including load following and custom logic, to protect against expensive local utility demand charges. One bay of the five-bay system is configured for Capstone's Dual Mode operation providing electrical power to mission-critical facility loads in the event of a utility grid outage. All of the microturbine exhaust thermal energy is being reclaimed for use in the factory's manufacturing ceramic tile drying process.

The system shipped in a five-bay configuration that allows the end-use customer to add two more 200 kW microturbines in the future to increase their total onsite power production from 600 kW to 1000 kW without any change to the existing site footprint, even if their business power demands expand over time.

"With this first, long-term FPP maintenance contract in Bolivia, we are continuing to see the growth of our aftermarket business in the Latin America region," stated Jeff Foster, Capstone's Senior Vice President of Customer Service and Product Development. "This new contract supports an important part of our long-term plan for sustainable profitability contributing to both a geographically diverse and a predictable revenue stream for many years that will help fund the operating expenses of Capstone," added Mr. Foster.

"This innovative energy project highlights the flexibility of the Capstone microturbine Signature Series family of products for our customers," stated Darren Jamison, President and Chief Executive Officer of Capstone Turbine Corporation. "We expect many customers can follow this model that uses the modular architecture of our product to enable easy,

inexpensive energy expansion for future growth, while current operations are economically supported with our industry-leading comprehensive service agreement," concluded Mr. Jamison.

Capstone's innovative Factory Protection Plan is a comprehensive maintenance program designed to give financial peace of mind to Capstone customers by providing product life cycle costs at a fixed rate for both scheduled and unscheduled maintenance for the life of the microturbine system. Additionally, the recently updated FPP protects microturbine customers from potentially dramatic future increases in life cycle costs associated with changes in replacement spare parts pricing, commodity price increases, import tariffs, and interest rate changes.

About Capstone Turbine Corporation

Capstone Turbine Corporation (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. 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. For information on sales contact: sales@capstoneturbine.com or 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 release or to reflect the occurrence of unanticipated events.

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