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Capstone Turbine (NASDAQ:CPST) Executes Another Long-Term FPP Service Contract in Mexico as Factories Resume Operation

Aftermarket Business Growth Key Part of Near-Term Positive Adjusted EBITDA Plan

VAN NUYS, CA / ACCESSWIRE / June 19, 2020 /Capstone Turbine Corporation (www.capstoneturbine.com) (NASDAQ:CPST), the world's leading clean technology manufacturer of microturbine energy systems, announced today that DTC Ecoenergia (www.dtc.mx), Capstone's exclusive distributor for the Energy Efficiency, Renewable Energy and Critical Power Supply market verticals in Mexico, signed a new 10-year Factory Protection Plan (FPP) long-term service contract for a 1.0 megawatt (MW) Capstone microturbine installed in Mexico at a latex-based product manufacturing plant.

Commissioned on June 1, 2019, the Capstone C1000 microturbine is owned and operated by one of the world's largest latex-based product manufacturers and is being used for 24x7 electrical & thermal generation. The hot exhaust from the microturbine is fed to a very large oven used to dry the latex as part of their manufacturing process. Installation of the Capstone microturbine has resulted in energy consumption savings of approximately 62% and is estimated to have an impressive return on investment (ROI) of approximately two years for the entire project. The FPP will provide complete service coverage, including scheduled and unscheduled maintenance for the next 10 years, beginning in December 2020 after the expiration of the current Capstone product warranty.

"We are always pleased to see a customer that benefits from not only the considerable value returned by our products for their complex manufacturing operations but also the value from our strong aftermarket warranties and FPP products that can provide peace of mind in an uncertain world," stated Jeff Foster, Capstone's Senior Vice President of Customer Service and Product Development. "By signing on early for a long-term FPP in advance of the warranty expiration, this customer has secured attractively priced, clean and green energy for well over a decade," added Mr. Foster.

"We are very pleased with DTC's leadership in supporting this critical market segment as this project in particular highlights the significant financial value that customers can achieve using both the electrical and thermal output from our microturbines for many, many years of operation," stated Darren Jamison, President and Chief Executive Officer of Capstone Turbine Corporation. "The continued growth of our long-term maintenance contract business is a key element to our near-term positive adjusted EBITDA plan and is expected to pay dividends for years to come," 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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