

March 19, 2019



Growing California and New York Markets Add Approximately 5.5 MW of New Capstone Factory Protection Plan Contracts

VAN NUYS, Calif., March 19, 2019 (GLOBE NEWSWIRE) -- Capstone Turbine Corporation (www.capstoneturbine.com) (Nasdaq: CPST), the world's leading clean technology manufacturer of microturbine energy systems, announced today that Cal Microturbine, its exclusive distributor for California, Oregon and Washington, and RSP Systems, its exclusive distributor for Connecticut and New York (The Bronx, Brooklyn, Long Island, Manhattan, Queens, Staten Island and Westchester County) have increased their fleet of Capstone microturbines covered under Capstone's industry-leading Factory Protection Plan ("FPP") with a combined total of 7.6 MWs placed under contract since January 1, 2019, including the addition of approximately 5.5 megawatts (MW) being placed under contract in the last two weeks.

The newly expanded Capstone FPP product enables microturbine end-use customers to have predictable and stable maintenance costs over the entire life-cycle of the equipment and protects the installation from potentially costly unscheduled maintenance. In addition, the program shields microturbine customers from future increases in life-cycle costs associated with changes in replacement spare parts pricing, commodity price increases, import tariffs, and interest rate changes.

"The FPP long-term service product allows Capstone to safeguard our end-use customers in such a way that we can also work collaboratively with our local distributors to have a positive impact on the environment through the operational performance of the efficient low emission installations as well as earn revenue together," stated Darren Jamison, Capstone's President and Chief Executive Officer. "Conversely, our traditional engine-based competitors typically do not heavily promote all-inclusive long-term service agreements as they profit considerably more from customers buying spare parts for unscheduled failures and system breakdowns than by offering long-term life cycle guarantees," added Mr. Jamison.

Cal Microturbine and RSP Systems now have a combined fleet of 70 MWs of operating Capstone Microturbines in their respective territories with 81% covered by either a standard Capstone system warranty, an extended system warranty or a long-term Capstone FPP contract.

"Our sales and service teams, working closely with our distributors, have been diligently working to better educate the end-users of our microturbines on the value in securing a long-term service contract," stated Jim Crouse, Capstone's Executive Vice President of Sales and Marketing. "Both the recent boom in construction activity in New York City and last year's distribution changes in California have yielded new product orders and strong growth in our long-term FPP service contracts," added Mr. Crouse.

"Both Cal Microturbine and RSP Systems are leading the way in aggressively educating end-users and closing long-term service contracts," said Jeff Foster, Capstone's Senior Vice President of Customer Service. "With these high adoption rates, customers in these regions are getting the best microturbine energy solution with the highest quality service and highest system reliability," concluded Mr. Foster.

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, providing scalable systems focusing on 30 kW to 10 MWs that operate on a variety of gaseous or liquid fuels and are the ideal solution for today's distributed power generation needs. To date, Capstone has shipped over 9,000 of these systems into 73 countries logging millions of operating hours.

Capstone is committed to improving the efficiency of energy needs around the world, while simultaneously reducing global emissions of pollutants and greenhouse gases. Capstone's systems help end users improve their impact on the environment, while still meeting power and reliability needs. During fiscal year 2019, Capstone saved end-use customers an estimated \$194 million in annual energy costs and 314,000 tons of carbon.

Not only does Capstone enable customers to reduce CO2 and emissions, Capstone applies the same principals to its own environmental footprint and focuses internally on its environmental risks, energy consumption, waste disposal and carbon footprint. Capstone also strives to foster a corporate culture emphasizing its relationship with employees, customers and suppliers in order to ensure that Capstone's corporate values are aligned with those of its employees, customers and suppliers.

For more information about the company, please visit www.capstoneturbine.com. Follow Capstone Turbine on [Twitter](#), [LinkedIn](#) 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.

"Capstone" and "Capstone Microturbine" are registered trademarks of Capstone Turbine Corporation. All other trademarks mentioned are the property of their respective owners.

CONTACT:

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

Integra Investor Relations
Shawn M. Severson
415-226-7747
cpst@integra-ir.com



Source: Capstone Turbine Corporation