

March 8, 2021



## **Capstone Turbine (NASDAQ:CPST) Secures Two New Long-Term Rentals and Announces Expansion of Its Rental Fleet, From 8.6 MW to 10.6 MW**

***Rental Microturbines To Be Deployed at One of the World's Largest Oil & Gas Producers in Texas, and a New Industrial Agricultural Operation in California***

**VAN NUYS, CA / ACCESSWIRE / March 8, 2021** /Capstone Turbine Corporation ([www.capstoneturbine.com](http://www.capstoneturbine.com)) (NASDAQ:CPST), the world's leading manufacturer of clean energy technology microturbine systems, announced today that it continues to expand its long-term microturbine rental business as part of expanding its Energy as a Service (EaaS) business model, with an additional 1.6 megawatts (MWs) of new long-term rental contracts. As a result, Capstone also announced today that it will now expand its low emission microturbine rental fleet from today's 8.6 MW to 10.6 MW by March 31, 2021.

### **Capstone Rental Unit Temporarily Installed at Leading Oil & Gas Producer**

One of the two new long-term rental contracts is a one-year rental agreement for a five-bay C600S for one of the world's largest oil and gas producers in Texas. This contract is a follow-on long-term rental secured by Capstone distribution partner Lone Star Power Solutions ([www.lonestarpowersolutions.com](http://www.lonestarpowersolutions.com)). Lone Star Power Solutions is Capstone's exclusive distributor for Texas, Arizona and the Gulf States. The microturbine rental system is expected to be delivered and commissioned in the spring of 2021.

The second long-term rental contract is a one-year rental agreement for a C1000S for a new industrial agricultural operation in California. This contract was secured by Capstone's distribution partner, Cal Microturbine, Capstone's exclusive distributor for California, Hawaii & Nevada and nonexclusive for Oregon and Washington ([www.calmicroturbine.com](http://www.calmicroturbine.com)). The one-year rental is expected to be commissioned later this summer.

"Expanding Capstone's Energy as a Service business, which includes the long-term rental program, is an important element for the company achieving its near-term profitability goals. Capstone is a proud green energy company, having focused for a long time on transforming the way businesses think about on-site energy production," said Darren Jamison, President and Chief Executive Officer of Capstone Turbine. "Today, we are even more excited to be able to offer our customers Energy as a Service, to strengthen our commitment in creating smarter energy for a cleaner future, as carbon reduction has increasing value to our customers," added Mr. Jamison.

"We currently have over 50 MW of gross, pending long-term rental contract quotations out for consideration with potential customers, and I expect the new U.S. administration will create even more positive momentum toward green initiatives, as President Biden recently signed an executive order to rejoin the U.S. into the Paris climate accord, his first major action to tackle global warming," concluded Mr. Jamison.

"The business plan that we developed in conjunction with amending the Goldman Sachs Note Purchase Agreement on October 1, 2020, included the strategic expansion of the long-term rental fleet from 8.6 MW to 14.85 MW by June 30, 2021, and to 21.1 MW by March 2022," said Eric Hencken, Chief Financial Officer of Capstone Turbine. "Long-term rentals are a key to our financial success as the recurring revenue stream they generate improves our gross margin and expense absorption," concluded Mr. Hencken.

The large oil and gas company continued its pursuit of a flexible and scalable low emission energy solution that could be quickly and easily deployed and increase power capacity and accommodate its Permian basin installations' growing energy needs. The industrial agricultural facility selected the natural gas C1000S due to its lower emission profile when compared to the environmental impact of traditional diesel rental generators.

### **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 83 countries and in FY20, saved customers an estimated \$219 million in annual energy costs and 368,000 tons of carbon.

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

### **Cautionary Note Regarding Forward-Looking Statements**

This release contains forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995, including statements regarding the generation of improvement in gross margin and expense absorption and other statements regarding expectations, beliefs, plans, intentions and strategies of the Company. The Company has tried to identify these forward-looking statements by using words such as "expect," "anticipate," "believe," "could," "should," "estimate," "intend," "may," "will," "plan," "goal" and similar terms and phrases, but such words, terms and phrases are not the exclusive means of identifying such statements. Actual results, performance and achievements could differ materially from those expressed in, or implied by, these forward-looking statements due to a variety of risks, uncertainties and other factors, including, but not limited to, the following: the ongoing

effects of the COVID-19 pandemic; the availability of credit and compliance with the agreements governing the Company's indebtedness; the Company's ability to develop new products and enhance existing products; intense competition; financial performance of the oil and natural gas industry and other general business, industry and economic conditions; the Company's ability to adequately protect its intellectual property rights; and the impact of pending or threatened litigation. For a detailed discussion of factors that could affect the Company's future operating results, please see the Company's filings with the Securities and Exchange Commission, including the disclosures under "Risk Factors" in those filings. Except as expressly required by the federal securities laws, the Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, changed circumstances or future events or for any other reason. "Capstone" and "Capstone Microturbine" are registered trademarks of Capstone Turbine Corporation. All other trademarks mentioned are the property of their respective owners.

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