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Capstone's Russian Distributor Upgrades Industrial Paper Mill in Minsk, Belarus

CHATSWORTH, Calif., July 11, 2016 (GLOBE NEWSWIRE) -- Capstone Turbine Corporation (www.capstoneturbine.com) (Nasdaq:CPST), the world's leading clean technology manufacturer of microturbine energy systems, announced today that it recently shipped two C1000 microturbines to upgrade an industrial unitary enterprise "paper mill" in Minsk, Belarus.

BPC Engineering, Capstone's largest distributor in Russia, secured the order, which shipped in late June and will be commissioned later this year. BPC has traditionally been one of Capstone's largest distribution partners, with over 1,400 microturbines operating in Russia, Belarus, Kazakhstan and Ukraine. The company is a leading supplier of energy efficient solutions and state-of-the-art equipment for distributed power generation.

The microturbine installation will serve as part of the paper mill's boiler house renovation due to the expansion of production lines and an increase in power demand. Capstone microturbines were selected for their ability to significantly reduce the customer's energy costs as well as make the paper production facility significantly more energy efficient.

The natural gas-fueled C1000 microturbines will be installed in a combined heat and power (CHP) application to provide primary power to the facility. Additionally, the heat from the clean exhaust will be used to generate approximately four tons of steam per hour for technological processes, heating and hot water production. The two-megawatt system will operate in dual mode at over 80 percent system efficiency and cover about 80 to 90 percent of the facility's electrical needs.

"I am pleased that BPC's business continues to recover and they are again prepaying and taking delivery of Capstone products. As BPC product shipments play a critical role in Capstone's cash planning process, BPC is required to pay prior to shipment for all future product releases from backlog, and to pay an additional 15 percent of the total value for each shipment in order to lower their past-due accounts receivable balance," said Darren Jamison, Capstone's President and Chief Executive Officer.

"Onsite CHP will not only make the paper mill more efficient, it will generate electricity at about half the price of the standard utility rates in the region," said Jim Crouse, Executive Vice President of Sales and Marketing at Capstone. "BPC estimates that the annual estimated savings will be US \$500,000 through the microturbine implementation," added Mr. Crouse.

About Capstone Turbine Corporation

Capstone Turbine Corporation (www.capstoneturbine.com) (Nasdaq:CPST) is the world's

leading producer of low-emission microturbine systems and was the first to market commercially viable microturbine energy products. Capstone has shipped approximately 8,800 Capstone Microturbine systems to customers worldwide. These award-winning systems have logged millions of documented runtime operating hours. Capstone is a member of the U.S. Environmental Protection Agency's Combined Heat and Power Partnership, which is committed to improving the efficiency of the nation's energy infrastructure and reducing emissions of pollutants and greenhouse gases. A UL-Certified ISO 9001:2008 and ISO 14001:2004 certified company, Capstone is headquartered in the Los Angeles area with sales and/or service centers in the United States, Latin America, Europe, Middle East, China and Singapore.

This press release contains "forward-looking statements," as that term is used in the federal securities laws, about the advantages of our CHP applications, the recovery of the Russian economy and the market growth in Russia. Forward-looking statements may be identified by words such as "expects," "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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