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Capstone Turbine (NASDAQ: CPST) Secures Follow-on Order from One of the World's Largest Latex-Based Product Manufacturers

Microturbine Will Provide Low Emission Electrical and Thermal Energy for the Plant

VAN NUYS, CA / ACCESSWIRE / December 22, 2020 /Capstone Turbine Corporation (www.capstoneturbine.com) (NASDAQ:CPST), the world's leading clean technology manufacturer of microturbine energy systems, announced today that it has received another follow-on order, this time for a five-bay C600 Signature Series microturbine to be installed in a combined heat and power (CHP) application for one of the world's largest latex-based product manufacturers. DTC Ecoenergía (www.dtc.mx), Capstone's exclusive distributor for Mexico, secured the order, which is expected to be commissioned by the end of the year.

"Many don't realize that in 2012, Mexico became the first, large oil-producing emerging economy to adopt climate legislation with common-sense goal setting, which is the first step for every country in advancing the world's efforts to address global climate change," said Darren Jamison, President and Chief Executive Officer. "An additional 2018 decree brought Mexico's domestic emission reduction targets in line with the Paris Agreement on climate change, which currently put it ahead of the U.S. on climate change initiatives. However, the new U.S. President-elect Joe Biden pledged recently to rejoin the Paris climate accord on the first day of his presidency," said Mr. Jamison.

The natural gas-fueled C600S package is expected to be installed at the industrial manufacturer's Guadalajara facility and is intended to provide 24/7 reliable and continuous electrical power and thermal energy for the plant. The clean exhaust will be fed into an industrial oven to dry the latex. The innovative drying process has helped the plant lower energy costs, improve efficiency, and reduce on-site emissions. A five-bay microturbine enclosure will be installed to easily and quickly allow the plant's future expansion from 600 kilowatts (kW) up to a full 1 megawatt (MW).

The initial order for a 1 MW microturbine has resulted in a customer-estimated energy consumption savings of approximately 62% and has been reported by DTC Ecoenergía to have an investment payback period of approximately two years. This follow-on order adds an additional 600 kW of clean and reliable power generation.

"These efficiency improvements directly translate to significantly lower energy costs and higher profit margins for our industrial customers in Mexico," said Alejandro Muñoz, President of DTC Ecoenergía. "As utility rates continue to rise, manufacturers are opting to take matters into their own hands by adopting energy-efficient solutions like Capstone

microturbines to increase resiliency and lower their carbon footprint," concluded Mr. Muñoz.

Utilizing the heat by-product from a microturbine allows operators to reduce emissions and save added costs that would otherwise be required to produce heat or steam in a separate unit. While traditional electricity from the grid with coal and gas-fired plants produce power at 33% efficiency, Capstone CHP systems can reach efficiencies of more than 80%.

A 10-year Factory Protection Plan (FPP) long-term service contract was ordered along with each of the two microturbines. Capstone's innovative FPP is a comprehensive maintenance program designed to give financial peace of mind to microturbine customers by providing product life cycle costs at a fixed rate for both scheduled and unscheduled maintenance for the life of the microturbine system.

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 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. 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 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.

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