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Capstone Signs National Account Agreement with GESS Inc. and Receives a 9.6 MW Initial Order for Multiple U.S. Renewable Natural Gas Projects

VAN NUYS, Calif., May 14, 2019 (GLOBE NEWSWIRE) -- Capstone Turbine Corporation (www.capstoneturbine.com) (Nasdaq: CPST), the world's leading clean technology manufacturer of microturbine energy systems, today announced that it signed a long-term national account agreement with Green Energy Sustainable Solutions, Inc. (GESS). As part of this agreement, Capstone secured an initial order for 9.6 MWs made up of twelve Signature Series microturbines complete with Capstone's proprietary roof mounted heat recovery modules as well as Capstone's PowerSync control platform.

The initial 9.6 MW order is the largest received by Capstone in over four years and is the largest order in the growing renewable energy market vertical in the company's history. Payment terms will be secured by a letter of credit set up 30 days prior to each microturbine shipment, with shipments estimated to commence in early 2020 and conclude by the end of that year.

Since 1997, the GESS team has been offering customers custom designed and built, green energy and energy efficiency solutions worldwide. Providing solutions for over 21 years, GESS has completed over 350 projects worldwide. The initial biogas projects will be developed in six U.S. locations in Idaho, Missouri and North Carolina.

All projects will be covered by a comprehensive 10-year Capstone Factory Protection Plan (FPP). The Capstone 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.

The biogas for the projects will be developed utilizing pig manure, cow manure, and agricultural green waste. The biogas will be compressed and cleaned before being injected into the natural gas pipeline to create renewable natural gas (RNG) thereby creating a renewable fuel to provide a lower carbon environment and a clean energy future.

According to a 2018 Navigant Consulting report for Southern California Gas Co., replacing less than 20 percent of the traditional natural gas supply with RNG captured from sources like dairies, wastewater treatment plants and landfills can achieve greenhouse gas (GHG) emissions reductions equivalent to converting 100 percent of buildings in Southern California to electric only energy by 2030. And using a mix of in and out of state RNG is three times more cost-effective in reducing GHGs than an electrification pathway.

“Capstone is excited to be partnering with GESS on the development of these biogas projects and helping create renewable natural gas as the fuel of choice in the new green economy,” said Darren Jamison, Capstone’s President and Chief Executive Officer.

“Capstone’s strategy has been and will continue to be focused on strengthening our core markets while diversifying into additional market verticals like biogas and renewable natural gas. The recent growth in our product bookings indicates the improving conditions in the U.S. economy, as current industry fundamentals remain favorable across most sectors where our clean and green products serve,” added Mr. Jamison.

“The GESS team has spent years developing its biodigester solutions, securing the necessary land leases and manure rights to now be in a position to begin the large-scale rollout of U.S. based biogas and renewable natural gas projects,” stated Shaun Lee, Chief Executive Officer at GESS International. “I have long been a champion of the Capstone microturbine technology by installing my first Capstone C30 back in 1997,” concluded Mr. Lee.

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 units to 73 countries and have 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. Follow Capstone Turbine on [Twitter](#), [LinkedIn](#) and [YouTube](#).

About Green Energy Sustainable Solutions, Inc.

Green Energy Sustainable Solutions, Inc. (GESS) is a highly experienced and globally established renewable energy service company and distributor for Capstone in Ukraine, whose global headquarters are located in Raleigh, North Carolina. With over 350 completed projects worldwide, GESS, Inc. has over 21 years of expertise in providing energy efficient solutions using co-generation and renewable energy resources such as solar and biogas. From consulting to managing operations of our completed projects, GESS, Inc. offers design and implementation solutions with a direct economic impact for its customers and their communities.

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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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



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