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Capstone's Russian Distributor Secures Another 3MW as Business Rebounds

CHATSWORTH, Calif., Oct. 12, 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 BPC Engineering, Capstone's distributor in Belarus and Russia, secured another order for three C1000 Signature Series microturbines that are expected to ship late October and are scheduled to be commissioned by January.

The natural gas-fueled C1000S microturbines will be installed in a combined heat and power (CHP) application at a greenhouse for a major Belarusian plant growth facility in the Minsk region of Belarus.

BPC and Capstone recently entered into a new three-year distribution agreement for Belarus and Russia. The agreement continues BPC's requirement to pay cash upfront prior to shipment for all product releases from backlog. BPC has also agreed that the 15 percent premium of the total value for each shipment that will remain applicable for non-Signature Series products will be raised to 20 percent with respect to new Signature Series products that ship after January 1, 2017. BPC's previously reserved past due receivable and money owed on a certain product shipment dropped approximately \$1.5 million from \$8.1 million to \$6.6 million as of September 30, 2016.

"Despite the geopolitical tensions and economic challenges in the region, BPC continues to reinvigorate and strengthen its power generation business," said Darren Jamison, Capstone's President and Chief Executive Officer. "This marks the eighth C1000 series product secured by BPC in the last four months as we are now benefiting from a rebound in the region and the return of BPC to our top ten list of distribution partners," added Mr. Jamison.

According to a recent clean energy technology assessment methodology study by the International Energy Administration (IEA), Belarus has an opportunity to "leapfrog" energy-intensive phases of economic development due to the availability of affordable energy efficiency technologies. Belarus has made significant progress in curbing energy demand growth by deploying these technologies across various sectors.

"With demonstrated success installing clean-and-green CHP plants around the world, we are excited to see more being deployed in the capital region of Belarus," said Jim Crouse, Executive Vice President of Sales and Marketing at Capstone.

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 success of our relationship with BPC, new opportunities in Belarus and Russia and the advantages of our CHP applications. 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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