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Capstone Sells Proprietary Air Bearing Kits to Fortune 500 Manufacturer of Industrial Gas Facility Solutions

VAN NUYS, Calif., May 24, 2018 (GLOBE NEWSWIRE) -- Capstone Turbine Corporation (www.capstoneturbine.com) (Nasdaq:CPST), the world's leading clean technology manufacturer of microturbine energy systems, announced today its first commercial order to sell air bearing assemblies to be used by a Fortune 500 industrial manufacturer of gas facility solutions for one of their commercial gas handling products.

The industrial manufacturer is a leader in the production of industrial gas solutions, with a strong engineering heritage in the design and operation of specialty gas handling equipment. The company is committed to increasing energy efficiency and reducing waste when evaluating applications of any new technologies, and worked collaboratively with Capstone engineers regarding the potential use of its proprietary air bearings. Capstone air bearings have lower parasitic loss compared to traditional oil bearings. The air bearings, unlike traditional oil bearings, have no lubricants that would require frequent maintenance or the disposal of environmental waste.

"Capstone is proud to have been able to work collaboratively with an adjacent industrial manufacturing leader to validate the use of our proprietary air bearing technology in applications other than microturbines," said Darren Jamison, President and Chief Executive Officer of Capstone. "We expect to see repeat orders as additional production units are built and put into commercial operation. An important component to Capstone's growth strategy is to increase our quarterly aftermarket parts and service revenue, and expand aftermarket gross margins to the level that they cover 100% of our quarterly operating costs," added Mr. Jamison.

The industrial manufacturer conducted a lengthy engineering feasibility study to verify the potential use of Capstone's air bearing assemblies, and a prototype was constructed to confirm improved performance. After successful laboratory tests, several pre-production units were then put into field operation within existing industrial gas facilities. Results confirmed the viability of using the Capstone microturbine air bearings in the manufacturer's gas handling product, resulting in the decision to proceed into full production.

"Capstone has invested heavily over the years in the development of its proprietary air bearing technology, and has proven the efficiency and environmental advantages of this technology in over 9,000 microturbines sold worldwide," said Jim Crouse, Executive Vice President of Sales and Marketing of Capstone. "We always believed that this same cutting-edge bearing technology could bring similar advantages in other types of rotating equipment, and we are delighted that we found a partner that had the vision and engineering strength to integrate our air bearing technology into their gas handling equipment,"

concluded 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 over 9,000 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 DQS-Certified ISO 9001:2015 and ISO 14001:2015 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 and Asia.

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

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," "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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