

December 14, 2017



Capstone Signature Series Product to Power Onshore Oil and Gas Operation in California

CHATSWORTH, Calif., Dec. 14, 2017 (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 received an order for a C600 Signature Series microturbine to power an oil and gas facility in California. Cal Microturbine, one of Capstone's distributors for California, secured the order.

The C600 Signature Series microturbine will utilize the associated gas that occurs as a natural byproduct of the oil extraction process. Typically, this gas is sold off as a separate byproduct or flared into the atmosphere. However, the Signature Series microturbine converts this wasted gas into clean and green electricity. The facility has recognized that the value of the electricity produced with the microturbine is greater than what it would make selling the gas on its own.

"Because Brent crude oil prices have remained above fifty dollars a barrel since August we are starting to see an increase in our oil and gas business," said Darren Jamison, President and Chief Executive Officer of Capstone. "Many of the headwinds we have faced over the last three years are now easing and potentially becoming tailwinds. Oil being above fifty dollars a barrel, our continued efforts to restructure our key Russian distribution channel and the growth of our aftermarket service business are three critical factors that are contributing to our focused effort to get to Adjusted EBITDA breakeven for the very first time in company history. These top-line revenue growth drivers, when combined with our extraordinary reduction in operating expenses, will drive future profitability," added Mr. Jamison.

The Signature Series unit will be deployed in a grid-connect mode. The microturbine will help reduce the facility's dependence on the local utility by reducing the company's operating costs while improving on-site reliability should the grid ever fail. Additionally, California has some of the strictest emissions in the world, but Capstone microturbines easily meet these restrictions and reduce the impact on the environment compared to other technologies.

"Capstone has a long history of successful operation in all phases of oil and gas industry around the world," said Jim Crouse, Executive Vice President of Sales and Marketing for Capstone. "As the oil and gas market continues to recover, we expect to see more companies adopt our technology to reduce their operational expenses while simultaneously reaching their environmental goals," added Mr. Crouse.

Adjusted EBITDA is defined as net income before interest, provision for income taxes, depreciation and amortization expense, stock-based compensation expense, the change in

warrant valuation and restructuring charges. Adjusted EBITDA is not a measure of our liquidity or financial performance under GAAP and should not be considered as an alternative to net income or any other performance measure derived in accordance with GAAP, or as an alternative to cash flows from operating activities as a measure of our liquidity.

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 UL-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.

This press release contains "forward-looking statements," as that term is used in the federal securities laws, about the advantages of our CHP applications and sales into the oil and gas industry. 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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Source: Capstone Turbine Corporation