

March 5, 2018



Capstone Receives Substantial Follow-On Order for Recovering Russian Market

VAN NUYS, Calif., March 05, 2018 (GLOBE NEWSWIRE) -- Capstone Turbine Corporation (www.capstoneturbine.com) (Nasdaq:CPST), the world's leading clean technology manufacturer of microturbine energy systems, announced today a follow-on order for thirteen C65 microturbines to be deployed in western Russia. Electrosystems LLC, Capstone's distributor for the Northwest and Central Federal Districts of Russia, secured the substantial follow-on order.

In 2017, Electrosystems secured an initial eleven unit order for an industrial park in western Russia for a combined heat and power (CHP) application. As the industrial park grew, additional power capacity was needed. Due to the demonstrated reliability, rugged performance and low maintenance of the Capstone microturbines, the customer decided to expand their microturbine-based power plant.

"The Russian market represented almost \$30 million in annual revenue for Capstone back in fiscal 2012 when the Russian government instituted regulations limiting the flaring of associated gas and Brent crude oil prices were above \$100 per barrel," said Darren Jamison, President and Chief Executive Officer of Capstone. "This order is a good indicator that our efforts to reestablish the Russian market are beginning to pay dividends and should lead to continued year-over-year revenue growth," added Mr. Jamison.

The natural-gas fueled microturbines generate electricity and thermal energy for the industrial park with the higher priced and less reliable local utility providing back-up power to the microturbines. With the modular building block design of the microturbines, expanding the microturbine array is simple, saving the customer time and money.

The Russian and Commonwealth of Independent States (CIS) markets continue to recover from the financial crisis and the collapse of crude oil prices, which both began in 2014. Capstone's strategy to overcome this challenging period in this region was to expand its distribution network by adding new partners, like Electrosystems. Although both the ruble and the price per barrel have begun to recover, they are not at the same levels as before the collapse.

"The Russian market represents a significant growth opportunity for Capstone," said Jim Crouse, Executive Vice President of Sales and Marketing of Capstone. "Diversifying the distribution network in all of the districts of Russia was a difficult change to make but is already paying dividends and positioning us well for future growth in Russia and the CIS states."

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.

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.

"Capstone" and "Capstone Microturbine" are registered trademarks of Capstone Turbine Corporation. All other trademarks mentioned are the property of their respective owners.

CONTACT: Capstone Turbine Corporation
Investor and investment media inquiries:
818-407-3628
ir@capstoneturbine.com



Source: Capstone Turbine Corporation