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Capstone Continues to Expand CHP Business with Order for Newly Constructed Educational Campus in Arizona

VAN NUYS, Calif., Sept. 17, 2018 (GLOBE NEWSWIRE) -- Capstone Turbine Corporation (www.capstoneturbine.com) (Nasdaq: CPST), the world's leading clean technology manufacturer of microturbine energy systems, announced today it continues to expand into the combined heat and power (CHP) market with a project to provide thermal and electrical power at a private high school in Arizona. The order, secured by new distribution partner, Lone Star Power Solutions, is expected to be commissioned in early November 2018.

School officials sought a scalable CHP solution that could be easily expanded in the future to accommodate the growing energy needs of the expanding campus. A four-bay C800S enclosure, with one C200 microturbine installed initially, provides a long-term scalable solution. Every Capstone microturbine is modular and can be expanded to accommodate an increase in site loads. Once additional microturbines are added, this will allow the facility to operate part of the system when powering a partial load or when being serviced. The system will also utilize Capstone's factory engineered Heat Recovery Module (HRM).

The natural gas-fueled microturbine will be installed in a CHP application in one of Arizona's rapidly expanding cities. The configuration will operate in parallel with the grid to provide base load power for the over 100,000-square-foot building. With overall system efficiency of up to 80%, the microturbine is expected to lower operating costs while significantly decreasing the high school's carbon footprint.

"It is great to see our distribution partner's creativity in capitalizing on the flexibility of our C1000 Signature Series product," said Jim Crouse, Capstone's Executive Vice President of Sales and Marketing. "We continue to see expanding growth opportunities in the North American CHP market as customers are finding great value in our compact, quiet and reliable microturbines," added Mr. Crouse.

A recent ICF study estimated that during 2008 to 2013, microturbines had approximately a 17% market share and that more recently from 2013 to 2017, the microturbine market share increased to a record 25% of installations larger than 100 kW and smaller than 5 MW in the United States. The majority of the microturbine market share improvement was the result of gains from traditional reciprocating engine competitors that have historically dominated the global CHP market.

"We continue to successfully diversify our market verticals by concentrating on CHP and

CCHP as energy efficiency is a growth market for us globally,” said Darren Jamison, Capstone’s President and Chief Executive Officer.

The C800 Signature Series configuration provides the same ultra-low emissions and low maintenance benefits as other Capstone products. The small modular design allows for easy and low-cost installation to their clean exhaust.

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,” “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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