

August 21, 2019



Capstone Executes Additional 1.7 MW Long-Term Service Contracts in Marcellus and Utica Shale Regions as Factory Protection Plan Adoption Rates Continue to Accelerate in the Oil and Gas Market

VAN NUYS, CA / ACCESSWIRE / August 21, 2019 /Capstone Turbine Corporation (www.capstoneturbine.com) (NASDAQ:CPST), the world's leading clean technology manufacturer of microturbine energy systems, announced today that E-Finity Distributed Generation, Capstone's exclusive distributor for the Mid-Atlantic and Southeastern United States, and the Caribbean, signed Factory Protection Plan (FPP) long-term service contracts covering 1.7 megawatts (MWs) of Capstone microturbines in the Marcellus and Utica shale regions in the Appalachian Basin.

This large oil and gas end-use customer of Capstone microturbine energy systems had already placed 3.2 MWs under FPP service contracts in June 2019 and now has their entire fleet of 4.9 MWs operating in the Appalachian Basin covered under Capstone's industry-leading FPP product. The Capstone microturbines, commissioned between 2011 and 2016, are used for 24x7 prime power in nine separate midstream central gathering facilities.

"We knew that it was only a matter of time before this customer would put their entire fleet under FPP," said Anthony Colletti, Director of Service for E-Finity Distributed Generation. Mr. Colletti further added, "As customers experience the benefits and peace-of-mind that the FPP offers, it becomes an obvious and easy decision to make."

The Capstone FPP enables customers to have predictable and stable maintenance costs and protects customers from future cost increases associated with changes in replacement spare parts pricing, commodity price increases, import tariffs and interest rate changes.

"With a continued dynamic geopolitical and macroeconomic environment, the peace of mind that comes with Capstone's industry-leading FPP continues to draw large oil and gas customers over to our FPP," said Jeff Foster, Capstone's Senior Vice President of Customer Service and Product Development. "Our recently revamped FPP now provides our customers with many standard options, for up to 20 years, to develop their own unique service plan, therefore enabling them to see a return on their investment in a Capstone microturbine for many, many years," added Mr. Foster.

"The transition of oil and gas customers to the Capstone FPP service contracts is a strong indicator for the continued top and bottom-line growth of our aftermarket service business,"

stated Darren Jamison, Capstone's President and Chief Executive Officer. "The aftermarket service business was approximately 47% of Capstone's fiscal Q1 2020 revenue and accounted for approximately 97% of the gross margin," concluded Mr. Jamison.

About Capstone Turbine Corporation

Capstone Turbine Corporation (www.capstoneturbine.com) (Nasdaq: CPST) is the world's leading producer of highly efficient, low-emission, resilient microturbine energy systems. Capstone microturbines serve multiple vertical markets worldwide, including natural resources, energy efficiency, renewable energy, critical power supply, transportation and microgrids. Capstone offers a comprehensive product lineup, providing scalable systems focusing on 30 kW to 10 MWs that operate on a variety of gaseous or liquid fuels and are the ideal solution for today's distributed power generation needs. To date, Capstone has shipped over 9,000 units to 73 countries and have saved customers an estimated \$253 million in annual energy costs and 350,000 tons of carbon.

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

"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

Integra Investor Relations
Shawn M. Severson
415-226-7747
cpst@integra-ir.com

SOURCE: Capstone Turbine Corporation

View source version on accesswire.com:

<https://www.accesswire.com/556888/Capstone-Executes-Additional-17-MW-Long-Term-Service-Contracts-in-Marcellus-and-Utica-Shale-Regions-as-Factory-Protection-Plan-Adoption-Rates-Continue-to-Accelerate-in-the-Oil-and-Gas-Market>