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Capstone Turbine (NASDAQ:CPST) Executes Another 5-Year Long-Term FPP Service Contract in Italy as Europe Rebounds

Service Agreement for 600 KW Microturbine at a Biogas Purification Plant

VAN NUYS, CA / ACCESSWIRE / September 3, 2020 /Capstone Turbine Corporation (www.capstoneturbine.com) (NASDAQ:CPST), the world's leading clean technology manufacturer of microturbine energy systems, announced today that IBT Connecting Energies GmbH (www.ibtgroup.at), Capstone's exclusive distributor for Italy, signed a new Factory Protection Plan (FPP) long-term service contract for a Capstone C600 Signature Series microturbine installed in a biogas purification plant.

The C600S microturbine runs grid-connected, using digester gas as a fuel source. This innovative application uses the microturbine exhaust to pre-heat the digester while selling the electricity produced to the grid and reducing flared gas emissions.

"This biogas purification application in Tuscany, which is in Northern Italy, further shows the return of business in this area that was very hard hit by the COVID-19 pandemic," stated Jeff Foster, Capstone's Senior Vice President of Customer Service and Product Development. "Green energy sites and long-term service contracts like this highlight the economic and environmental value that Capstone's distributed energy solutions can provide globally," added Mr. Foster.

This new 600 kilowatt (kW) service contract is further proof of the rebound that Capstone is experiencing in the European energy markets. Capstone has recently secured both product and service contracts from the United Kingdom, Germany, Austria, Italy and Slovenia as people in Europe return to work following the devastating impact of the global COVID-19 pandemic.

"Our aftermarket business, with its recurring revenue and higher margins, is critical to our stated goals to achieve long-term sustainable profitability," stated Darren Jamison, President and Chief Executive Officer of Capstone Turbine Corporation. "Our company achieved positive adjusted EBITDA in our recently completed fiscal first quarter, with an almost \$4.0 million improvement over the previous fiscal first quarter, on the strength and resiliency of our aftermarket business during the pandemic and we expect to deliver at least a \$10.0 million improvement in adjusted EBITDA by fiscal year end," concluded Mr. Jamison.

Capstone's innovative Factory Protection Plan, or FPP, is a comprehensive maintenance

program designed to give financial peace of mind to Capstone customers by providing product life cycle costs at a fixed rate for both scheduled and unscheduled maintenance for the life of the microturbine system. Additionally, the recently updated FPP protects microturbine customers from potentially dramatic future increases in life cycle costs associated with changes in replacement spare parts pricing, commodity price increases, import tariffs, and interest rate changes.

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, via our direct sales team, as well as our global distribution network. Capstone provides scalable solutions from 30 kW to 10 MWs that operate on a variety of fuels and are the ideal solution for today's multi-technology distributed power generation projects.

For customers with limited capital or short-term needs, Capstone offers rental systems; for more information, contact: rentals@capstoneturbine.com. To date, Capstone has shipped nearly 10,000 units to 83 countries and in FY20, saved customers an estimated \$219 million in annual energy costs and 368,000 tons of carbon.

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