

June 8, 2011



Capstone Receives Another Follow-On Order From Oil Company for C600 and C800 Power Packages

CHATSWORTH, Calif., June 8, 2011 (GLOBE NEWSWIRE) -- Capstone Turbine Corporation (www.capstoneturbine.com) (Nasdaq:CPST), the world's leading clean-technology manufacturer of microturbine energy systems, received another follow-on order from the Oil and Gas industry. This new order is for C600 and C800 Power Packages from Tatneft, one of the largest internationally recognized Russian oil companies.

The 600 and 800 kilowatt microturbines will be installed at two prominent oil fields in Russia and will replace a portion of grid electricity currently powering infrastructure at the Tatneft sites. Tatneft selected Capstone turbines for their high reliability in remote locations and for decreased energy costs. In addition, the microturbines will help the company meet its goal to use 95 percent of associated gas produced from its oil wells for power generation by 2012. This will help Tatneft comply with a Russian government resolution for oil and gas producers to decrease air pollution from gas flaring sources.

Capstone distributor BPC Engineering in Moscow secured the follow-on order and will supply and commission the microturbines.

When commissioned in December, the C600, fueled by associated petroleum gas, will operate alongside three existing C65s to supplement grid electricity that provides power to Tatneft's OAO Tatoiigaz site in the Urmyshla oil field. The C600 and C65 microturbines will operate in grid-connect mode, which will significantly limit the site's grid reliance. BPC Engineering will also install and commission the associated petroleum-gas fueled, stand-alone C800 in December at Tatneft's ZAO Tatex site in the Onbiyskoye oil field.

Associated gas at oil fields throughout Russia contains high amounts of hydrogen sulfides – 4 percent at the Urmyshla oil field and 2.5 percent at Onbiyskoye. Because Capstone microturbines can run on wet gas and tolerate gas with hydrogen sulfide content up to 7 percent, Tatneft will use associated gas directly from the separator to fuel the microturbines, which reduces operating costs and avoids costly gas treatment systems.

"We estimate generation of power with Capstone microturbines to be three times cheaper than the existing tariff associated with the grid utility," said Alexander Skorokhodov, BPC Engineering Chief Executive Officer. "This will significantly reduce electricity costs and help Tatneft avoid emission penalties," added Skorokhodov.

"BPC has successfully sold hundreds of C30 and C65 Capstone microturbines to Russian oil sites over the years and now with Capstone's C1000 series product they can meet customers' needs in the larger load regimes," said Jim Crouse, Capstone's Executive Vice

President of Sales and Marketing. "All Capstone's family of products from 30kW to 5MW are ideal for continuous operations and are compliant with strict Russian air-quality requirements. With the government's recent resolution to decrease air pollution from gas flaring, our largest and fastest growing distributor is experiencing a huge surge in sales activity," added Crouse.

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 Turbine has shipped over 5,000 Capstone MicroTurbine(R) systems to customers worldwide. These award-winning systems have logged millions of documented runtime operating hours. Capstone Turbine 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 9001:2008 and ISO 14001:2004 certified company, Capstone is headquartered in the Los Angeles area with sales and/or service centers in the New York Metro Area, Mexico City, Nottingham, Shanghai and Singapore.

The Capstone Turbine Corporation logo is available at <https://www.globenewswire.com/newsroom/prs/?pkgid=6212>

This press release contains "forward-looking statements," as that term is used in the federal securities laws, about use of our products with associated gas, reduced costs, increased reliability, compliance with government regulations, demand for our products in Russia and the success of BPC as our distributor. 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

Image: company logo

Source: Capstone Turbine Corporation