

April 17, 2019



Capstone Turbine Reports Select Preliminary Q4 Fiscal 2019 Financial Results

Year-over-Year Quarterly Product Revenue Growth of Approximately 11% and New Gross Product Orders Estimated at \$18.0 Million

Q4 Fiscal 2019 Financial Results Webcast to be Held June 11, 2019, at 1:45 PM PT, 4:45 PM ET

VAN NUYS, Calif., April 17, 2019 (GLOBE NEWSWIRE) -- Capstone Turbine Corporation (www.capstoneturbine.com) (NASDAQ: CPST), the world's leading clean technology manufacturer of microturbine energy systems is announcing select preliminary financial results for its fiscal fourth quarter ended March 31, 2019 as part of its ongoing effort of continuing transparency.

Select Preliminary Financial Highlights of Fiscal 2019 Fourth Quarter:

- Quarterly product revenue increased by approximately 11% year-over-year
- New gross product orders were approximately \$18.0 million during the fourth quarter, a 17% year-over-year increase
- Book-to-bill ratio estimated at 1.4:1 for the fourth quarter
- Total revenue for the quarter increased approximately 4% year-over-year
- Total cash and cash equivalents as of March 31, 2019, are estimated to be \$29.7 million, compared to \$16.7 million as of December 31, 2018

Darren Jamison, President and Chief Executive Officer of Capstone, stated, "We are pleased to report an approximately 11% product revenue increase in the fourth quarter versus the same period last year and another quarter of total revenue growth. We continue to see product revenue increase as we execute on our strategic objectives to diversify the company into new market verticals and new geographies. Adding back the units that were allocated to our new long-term rental program this year, our product revenue growth in fiscal 2019 would have been 9% when compared to fiscal 2018," added Mr. Jamison.

Capstone's preliminary results show total revenue for the fourth quarter of fiscal 2019 increased by approximately 4%, to \$22.0 million, from \$21.1 million in the same period last year. Capstone's product revenue increased approximately 11% during the fourth quarter of fiscal 2019 to approximately \$12.8 million compared to \$11.5 million in the same period last year.

Capstone booked new gross product orders of approximately \$18.0 million during the fourth quarter of fiscal 2019, for a 1.4:1 book-to-bill ratio, compared with \$13.2 million of new gross product orders booked during the prior quarter, which was a 1.3:1 book-to-bill ratio and with \$15.4 million of new gross product orders booked during the year-ago fourth quarter, which was a 1.4:1 book-to-bill ratio.

Total cash and cash equivalents as of March 31, 2019, were approximately \$29.7 million, compared to cash, cash equivalents and restricted cash of \$16.7 million as of December 31, 2018. On February 4, 2019, Capstone entered into a \$30.0 million three-year term note with Goldman Sachs to replace the existing \$15.0 million revolving credit facility with Bridge Bank.

“The conversion to a three-year term note was a key event in that it strengthens our balance sheet and provides us with additional flexibility to operate and grow our business. This is an important addition to help us expand our new long-term rental business with key customers and also improve quarterly working capital and cash flow as the timing of cash receipts can be uncertain. For example, the payment from Turbine International that was expected at the end of March has been delayed and is now expected to be received in the first quarter of fiscal 2020,” said Jayme Brooks, Executive Vice President and Chief Financial Officer of Capstone.

“Fiscal 2019 was an important inflection point for Capstone in that we are returning to growth following our ongoing initiatives to lower our overhead and operating costs. We are accomplishing this while keeping our focus on our key long-term strategic initiatives as you can see in our results. There is still much to be accomplished before we reach our long-term growth and profitability goals, but I am pleased with the progress we have made in fiscal 2019 and excited about the prospects in fiscal 2020 and beyond,” concluded Mr. Jamison.

The select financial results presented in this press release are preliminary and may change. This preliminary financial information includes calculations or figures that have been prepared internally by management and have not been reviewed or audited by our independent registered public accounting firm. There can be no assurance that the company’s actual results for the period presented herein will not differ from the preliminary financial data presented herein and such changes could be material. This preliminary financial data should not be viewed as a substitute for full financial statements prepared in accordance with GAAP and is not necessarily indicative of the results to be achieved for any future periods.

Conference Call and Webcast

Capstone will host a live webcast June 11, 2019, at 1:45 PM Pacific Time (4:45 PM Eastern Time) to provide the results of the fourth quarter fiscal 2019 ended March 31, 2019. Capstone will discuss its financial results and will provide an update on its business activities. At the end of the conference call, Capstone will host a question-and-answer session to provide an opportunity for financial analysts to ask questions. Investors and interested individuals are invited to listen to the webcast by logging on to Capstone’s investor relation’s webpage at www.capstoneturbine.com. A replay of the webcast will be available on the website for 30 days.

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 of these systems into 73 countries logging millions of operating hours.

Capstone is committed to improving the efficiency of energy needs around the world, while simultaneously reducing global emissions of pollutants and greenhouse gases. Capstone's systems help end users improve their impact on the environment, while still meeting power and reliability needs. During fiscal year 2019, Capstone saved end-use customers an estimated \$194 million in annual energy costs and 314,000 tons of carbon.

Not only does Capstone enable customers to reduce CO2 and emissions, Capstone applies the same principals to its own environmental footprint and focuses internally on its environmental risks, energy consumption, waste disposal and carbon footprint. Capstone also strives to foster a corporate culture emphasizing its relationship with employees, customers and suppliers in order to ensure that Capstone's corporate values are aligned with those of its employees, customers and suppliers.

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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Source: Capstone Turbine Corporation