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Capstone Turbine Announces Initial Orders for Its New Upsource Product for Data Center Applications

CHATSWORTH, Calif.--

Capstone Turbine Corporation (NASDAQ:CPST) (www.microturbine.com), the world's leading clean technology manufacturer of microturbine energy systems, announced today that it has received two orders totaling over \$1.3 Million for its innovative UPSource product, an Uninterruptible Power Source (UPS) for data center applications. The systems will be delivered to customers in Arlington, Virginia and Houston, Texas.

"Capstone's UPSource Secure Power product is designed, configured and priced to be competitive in the Tier II - IV data center market as the prime IT power source," said Beau Follis, Capstone's sales consultant for the UPSource product. Customers' previous options were redundant "big-box" UPS systems and large diesel generators for extended power outages. Because these systems can have hundreds of batteries and weigh thousands of pounds, data centers face the challenge and cost of disposing thousands of tons of waste lead, copper and battery acids in an environmentally proper manner.

"Instead of an air-conditioned room with rows of batteries on raised floors periodically used to provide emergency back-up, Capstone's UPSource Secure Power product uses multiple highly reliable, natural-gas fueled microturbines that provide continuous power independent of the electric utility," said Jim Crouse, Capstone's Executive Vice President, Sales and Marketing. "The turbines offer digital power electronics that deliver quality power and can be placed outside, which means no extra construction costs and easy access."

Secure Power offers eight 9's of reliability for N + 1 configurations, all with less maintenance, less cost and greater safety than traditional UPS battery systems. Since each turbine has only one moving part and uses no fluids, it is almost maintenance-free. In fact, each power module is designed to run continuously for over 40,000 hours before its first major maintenance cycle.

"On average, Secure Power is 20 percent less expensive than traditional UPS in N + 1 requirements. Cost savings come from Secure Power's extremely low maintenance and operational costs. Natural gas is less expensive to use in day-to-day operations than utility electricity, and Secure Power's 100 percent up-time means more production time," said Darren Jamison, President and Chief Executive Officer of Capstone Turbine Corporation.

Secure Power is more environmentally friendly than traditional UPS systems. It has extremely low NOx and CO2 emissions - so low, in fact, that it meets the strict California emissions requirements. The UL 2200 and UL 1731 certified turbines contain no hazardous

materials, so there is no chance for indoor explosive-gas buildup as there is in batteries.

About Capstone Turbine Corporation

Capstone Turbine Corporation (www.microturbine.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 4,000 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 9001:2000 and ISO 14001:2004 certified company; Capstone Turbine is headquartered in the Los Angeles area with sales and/or service centers in New Jersey, New York, Mexico City, Milan, Bath, Shanghai and Tokyo.

This press release contains "forward-looking statements," as that term is used in the federal securities laws, about the economic and environmental advantages of Capstone Turbine's Secure Power systems. 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.

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