

July 22, 2008



Capstone Announces Order for Approximately \$4.7 Million for Coal Seam Gas Project in Australia

CHATSWORTH, Calif.--

Capstone Turbine Corporation (www.microturbine.com) (NASDAQ:CPST), the world's leading clean technology manufacturer of microturbine energy systems, today announced that it received an order for approximately \$4.7 million from Aquatec-Maxcon Pty Ltd, its distributor for the Australian market. The order is for primarily C30 microturbines with deliveries over a two-year period.

Established in 1970 and headquartered in Ipswich, Queensland, Australia, Aquatec-Maxcon also has offices in Sydney and, through its sister company, PT Aquatec-Maxcon Indonesia, it has offices in Jakarta and Surabaya. Aquatec-Maxcon is Australia's leading provider of water and wastewater technology and equipment. In many countries, discharge of human and industrial wastes into inland or coastal waterways causes pollution and, in many cases, creates health risks. Professional wastewater treatment systems can eliminate most of the pollutants before they reach the receiving waters and, in some instances, produce water fit for re-use.

"The microturbines will be used in a coal seam gas exploration and production project in Australia," said Jim Crouse, Capstone's Executive Vice President, Sales and Marketing.

"To receive this considerable order from one of our newer distributors, in a market in which we have not had significant penetration, brings us closer to our goal of expanding our global reach," said Darren Jamison, President and Chief Executive Officer of Capstone Turbine Corporation.

"We pride ourselves in providing our customers high quality products and services, while maintaining AS3901/ISO 9001 quality standards," said Ron Howick, Equipment Division Manager of Aquatec-Maxcon. "By signing a distribution agreement with Capstone Turbine Corporation, a recognized leader in microturbine technology, we are in a position to offer green, economical, and reliable energy to our customers," added Howick.

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 over 19 million 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 York, Mexico City, Milan, Bath, Shanghai and Tokyo.

"Capstone Turbine Corporation" and "Capstone MicroTurbine" are registered trademarks of Capstone Turbine Corporation. All other trademarks mentioned are the property of their respective owners.

This press release contains "forward-looking statements," as that term is used in the federal securities laws, about new sales opportunities for Capstone in Australia, and a long and successful relationship between Capstone and Aquatec-Maxcon. 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.

Source: Capstone Turbine Corporation