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Capstone Announces New Distributor Agreement for the Pennsylvania and Mid-Atlantic Regions

CHATSWORTH, Calif.--

Capstone Turbine Corporation (www.microturbine.com) (NASDAQ:CPST), the world's leading manufacturer of microturbine energy systems, today announced the signing of a new Distributor Agreement with E-Finity Corporation (www.E-Finity.com), a company focused on providing energy services to electrical contractors, distributors, utilities, and government end-users since its establishment in 1991.

Headquartered in Wayne, Pennsylvania, E-Finity's exclusive geographic sales territory will include the states of Delaware, Maryland, Pennsylvania, Virginia, West Virginia, Washington, D.C., and Southern New Jersey. E-Finity has completed projects throughout the Mid-Atlantic region for numerous prestigious clients such as BWX Technologies, IKEA Wholesale, Mobil Oil, AFG Industries, Unisys, Citibank, UPS, and Bell Atlantic. E-Finity strives to exceed customers' expectations from the design phase through the installation.

"Signing E-Finity is another good step in rebuilding and strengthening our distribution network as part of my 100 Day Plan. E-Finity has a proven track record of completing innovative energy conservation projects on time and on budget," said Darren Jamison, Capstone's President and Chief Executive Officer. "I am very excited about our partnership with E-Finity as it will open up new business opportunities for both our companies. Additionally, E-Finity successfully participates in the New Jersey Clean Energy Program, the PSE&G Standard Offer, and the Pennsylvania Re-Investment Fund, among others," added Jamison.

"E-Finity's team members pride themselves on the years of contribution in development of the enterprise level applications. E-Finity's Enterprise Division is working with utilities, ESCO's and end users to develop customized Enterprise Solutions that add value to our offerings and services. In addition, E-Finity provides capital improvements while delivering energy savings and energy conservation for our clients," said Justin Beiter, Director of Technology of E-Finity Corporation. "We believe that Capstone's undisputed leadership in the microturbine technology and as a manufacturer of proven and reliable equipment will be an excellent addition to our current business. We are looking forward to a successful long-term relationship between our two companies," added Beiter.

About Capstone Turbine

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 thousands of Capstone MicroTurbine(TM) 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 certified company; Capstone Turbine is headquartered in the Los Angeles area with sales and/or service centers in New York, Mexico City, Milan, Nottingham, 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 particular, in the Delaware, Maryland, Pennsylvania, Virginia, West Virginia, Washington, D.C., and Southern New Jersey regions. 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