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Capstone Receives HEV Bus Order for \$5 Million from DesignLine International

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 a 150 unit order for C30 Capstone MicroTurbines(R) to be deployed in ECOSaver IV hybrid electric buses manufactured by DesignLine International. This is the largest order to date for Capstone products in a Hybrid Electric Vehicle (HEV) application.

Headquartered in Charlotte, North Carolina, with manufacturing facilities in Charlotte and Ashburton, New Zealand, DesignLine was established in 1985 and produces high quality coaches, buses and specialty vehicles for the worldwide market with particular focus on its industry leading ECOSaver IV hybrid vehicle.

"This substantial order from our partner, DesignLine International, calls for shipments through June 2009 to their new plant in North Carolina," said Jim Crouse, Capstone's Executive Vice President of Sales and Marketing. "One of DesignLine's business goals is to work closely with its customers and encourage public transportation as an attractive option to private vehicles. Thus, the vehicles designed and built by DesignLine feature wide entry doors, super low floors, and spacious and comfortable interiors," added Crouse.

"We are very pleased with the success DesignLine has had in deploying our microturbines in their buses for a number of years. Hybrid electric buses, built by DesignLine and equipped with Capstone microturbines, have been operating in various parts of the world for approximately 10 years. In recent product demonstrations the ECOSaver IV hybrid buses when equipped with our turbine have seen up to a 100% improvement in fuel economy over a traditional diesel bus which equates to fuel savings of up to 6,000 gallons per year according to DesignLine," said Darren Jamison, President and Chief Executive Officer of Capstone Turbine Corporation. "In addition, as responsible members of the world community, DesignLine takes environmental preservation seriously. Therefore, they have been designing and manufacturing their buses for maximum fuel efficiency and the lowest possible emissions to make every effort to protect the environment including aluminum floors to remove the structurally weaker and environmentally harmful marine grade plywood," added Jamison.

"The foundation of our company's success is based on our innovative designs, cost competitiveness and the high quality of our products. Our vehicles are constructed with advanced extruded aluminum technology making them lightweight and very strong. The end result is the most fuel efficient vehicle available," said Brad C. Glosson, Chief Executive Officer of DesignLine International. "A new day has dawned on the transit industry where the status quo is no longer acceptable and we, as a global community, must respond to the

demand for the most fuel efficient, lowest emission and most reliable transit solutions possible. The ECOSaver IV hybrids provide unparalleled performance in all of these key areas. To achieve the goal of being the most environmentally-friendly hybrid available, DesignLine searches tirelessly for partners like Capstone. We employ the Capstone microturbine because we are impressed with the overall performance, the incredible reduction in the carbon footprint, reliable products and innovative solutions. We look forward to expanding further our successful relationship with Capstone," added Glosson.

Capstone MicroTurbines(R) are the only turbine systems being sold in volume on urban transit vehicles. Three primary attributes make Capstone-energized systems almost maintenance-free:

- A Single Moving Part - A single turbine/compressor shaft with integrated generator.
- Patented Air Bearings - The single moving part rides on a cushion of air. Consequently, Capstone MicroTurbines(R) never need oil or lubrication maintenance.
- Air Cooled - No radiator, water pump, thermostat, hoses, belts or external accessories.

DesignLine's ECOSaver IV hybrid electric buses feature innovative styling, exceptional ride quality with improved gas mileage and lower emissions. During zero emission mode the noise level is near zero and with the Capstone unit running the noise level is approximately 75% lower than a traditional diesel bus. DesignLine calculates a 40% reduction in overall lifecycle cost compared to a traditional diesel bus.

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 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 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.

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This press release contains "forward-looking statements," as that term is used in the federal securities laws, about the fuel efficiency, reliability and environmental advantages of our products for use in hybrid electric buses and a successful relationship between DesignLine International and Capstone. 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