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Capstone Turbine Corporation Enters Marine Onboard-Power Market; Selects Kilo-Pak as OEM for Marine Industry

CHATSWORTH, Calif., Oct. 28, 2010 (GLOBE NEWSWIRE) -- Capstone Turbine Corporation (www.capstoneturbine.com) (Nasdaq:CPST), the world's leading manufacturer of clean technology microturbines, has entered into an original equipment manufacturer (OEM) agreement with Kilo-Pak for microturbine-based onboard power packages for the marine industry.

Onboard power plays a crucial role on commercial vessels and luxury yachts, providing all power for navigation, communication and computer systems; on-board lights; heat; galley and elevator operations; helicopter landing pads; and much more.

Kilo-Pak, a Reagan Equipment subsidiary, developed a traditional onboard-power generator for the luxury yacht market in 2008 that uses diesel engines. Recently, in response to interest across the marine industry in cleaner generating systems, Kilo-Pak developed the Klean-Pak power package, powered by Capstone's low-emission, clean-and-green 30-kilowatt or 65-kilowatt microturbines. In addition to low emissions, Klean-Pak offers a zero-vibration, quiet and more efficient operation than traditional internal combustion engine generator sets.

"Emissions are a top-of-mind issue for many in the marine sector, especially since ports around the world are instituting strict emissions requirements," said Jim Crouse, Capstone's Executive Vice President of Sales and Marketing. "Fortunately, Kilo-Pak is working to help solve the problem by replacing older technologies with environmentally friendly Capstone microturbines in the Klean-Pak power package."

Unlike traditional marine generators, low-maintenance microturbines do not require oil, lubricants or coolants because of Capstone's patented air-bearing technology – thus further reducing the microturbines' environmental impact beyond just low emissions.

"As navigation, communication, computer and lighting systems on commercial vessels and luxury yachts become more complex, they require higher levels of power," said Victor McCullough, Director of Sales, Reagan Equipment. "Over the years, traditional engines to drive onboard equipment have become larger and larger, emitting more emissions into the atmosphere. We knew about the low emissions and high reliability of Capstone microturbines, so we said, 'why not use them on boats?'"

"Everyone wants to be more environmentally responsible – boat builders, boat owners and port authorities," McCullough added. "Today more manufacturers are building green boats. Capstone manufactures the cleanest and most sophisticated microturbine in the world. If I'm

going to supply and install a microturbine on a commercial ship or luxury yacht, I want it to be the best."

About Capstone Turbine Corporation

Capstone Turbine Corporation (www.capstoneturbine.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 5,000 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 9001:2008 and ISO 14001:2004 certified company, Capstone is headquartered in the Los Angeles area with sales and/or service centers in the New York Metro Area, Mexico City, Nottingham, Shanghai and Singapore.

The Capstone Turbine Corporation logo is available at <https://www.globenewswire.com/newsroom/prs/?pkgid=6212>

This press release contains "forward-looking statements," as that term is used in the federal securities laws, about the advantages of our products and use of our products in marine applications. 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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