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Capstone Receives Order from Italian Hybrid Electric Bus Manufacturer

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 15 microturbines to be deployed in 12 hybrid electric buses in the Abruzzi region of Italy and 3 for the Ministry of the Protection of the Environment.

Eco Power Technology (E.P.T.) (www.ecopowertechnology.com) ordered the 30 kW microturbine systems, which will be installed in 8 meter electric buses. This is an important regional government initiative to be implemented by three local bus operators.

"As we announced during our last earnings call, we anticipated receiving a significant order from our European bus partner, E.P.T. We are delighted by this order and are extremely enthusiastic about the additional sales opportunities in the hybrid electric bus market in the United States and in European countries," said Jim Crouse, Capstone's Executive Vice President, Sales and Marketing. "In this application, the onboard Capstone microturbine keeps batteries charged and serves as an extra source of electricity for rapid acceleration, climate control and full passenger loads without the range limitations. Electric buses powered by our turbines provide lower emissions, less noise and vibration, and improved fuel mileage," added Crouse.

"Businesses and transportation companies in various countries continue to seek clean, cost-effective, and reliable energy solutions. When you combine the high reliability of our microturbines and low total cost of ownership, it is a natural fit for transit properties around the world looking to cut emissions, improve bus pullout rates, lower operating expenses and improve overall customer satisfaction," said Darren Jamison, Capstone's President and Chief Executive Officer. "This order represents the first commercial introduction of the hybrid electric bus market in Italy. Eco Power Technology is an innovative and fast-response company. We are very proud to be working with this outstanding organization, its leadership and their commitment to the environment. We look forward to continued successes in the future," added Jamison.

"We are very impressed with Capstone's leadership as a manufacturer of proven, reliable equipment," said Mario Ruggeri, President of Eco Power Technology. "This is an important project with Capstone's microturbines in the electric bus market, and we are proud to be able to make the benefits of Capstone products available to our customers. We are looking forward to a great working relationship in the future."

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 never need oil or lubrication maintenance.
- Air Cooled - No radiator, water pump, thermostat, hoses, belts, or external accessories anywhere.

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 new sales opportunities for Capstone for hybrid electric buses in Italy and other countries, the advantages of our products for use in hybrid electric buses, and a successful relationship between E.P.T. 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