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Capstone Receives Order for C200 Microturbines for China Southern Power Grid Pilot Project

CHATSWORTH, Calif., May 26, 2009 (GLOBE NEWSWIRE) -- Capstone Turbine Corporation (www.microturbine.com) (Nasdaq:CPST), the world's leading clean technology manufacturer of microturbine energy systems, today announced that it has received an order for three C200 microturbine systems for China Southern Power Grid Co., Ltd. ("CSG").

CSG was established on December 29th, 2002 as a result of the power sector deregulatory reform in China. CSG is one of two state-owned power grid companies in China. CSG invests in, constructs and operates the transmission and distribution networks in Guangdong, Guangxi, Yunnan, Guizhou and Hainan provinces and regions.

The low-emission, highly efficient, natural-gas powered turbines will be installed in a 330,000-square-foot CSG dispatch building and serve as a pilot project to show the benefits of microturbines in a combined cooling heat and power ("CCHP") application. The project also is designed to illustrate how CCHP projects can easily and safely connect to the CSG grid.

The Chinese Science Academy proposed the CCHP pilot project, which will produce 570-kilowatts of clean electricity and about 1,000-kilowatts per hour of thermal energy for the dispatch building. The electricity will supplement power from the local utility, while the exhaust-heat energy generated by the compact C200 microturbines will be captured and run through an absorption chiller to produce air conditioning.

China currently does not have a standard grid-interconnection policy for distributed power generation. If successful this project will allow the Chinese government to develop technical codes and incentive programs to support market development of CCHP and combined heating and power ("CHP") projects.

Capstone's China distributor, Shanghai Aerospace Energy Co., will oversee the installation this fall.

"CSG is committed to exploring energy-saving and emission-reducing technologies, such as Capstone microturbines," said Mr. Fan Zhengbang, CSG Project General Manager. "CSG's Green Action initiatives are designed to upgrade technologies used by Chinese utilities, strengthen customer service, and use economic and technical methods to regulate power utilization. This pilot project with Capstone Turbine Corporation is an outstanding example of CSG's focus on using innovative solutions that reduce greenhouse gases and improve efficiency."

"Worldwide interest in Capstone's C200 and C1000 family of products has been strong since it was introduced over a year ago, and makes up over 50% of our preliminary total product backlog of \$61.4 million as of March 31, 2009," said Darren Jamison, Capstone's President and Chief Executive Officer. "Our C200 and C1000 series systems have already been sold in Australia, the Caribbean, Europe, Russia, the United States and South America. China and Southeast Asia are markets that we want to further develop," added Jamison.

The C200 provides the same low emissions and low maintenance benefits as other Capstone products. It features Capstone's patented air bearing, remote monitoring and diagnostic capabilities, and integrated utility synchronization and protection. The small, modular systems allow for easy and low-cost installation. Five and nine year Factory Protection Plans ("FPP") are also available, providing customers with fixed maintenance costs over the term of the FPP.

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 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 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, Singapore and Tokyo.

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 pilot project with CSG and the economic and environmental advantages of our products. 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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