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Capstone Announces New Distributor Agreement for the State of New York and Northern New Jersey

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 Cogeneration Contractors, Inc., (CCI) (www.cogenerationcontractors.com), a company with expertise in designing, building, operating and servicing cogeneration, heating, cooling and emergency generator systems.

Headquartered in the Bronx, New York, Cogeneration Contractors' exclusive geographic sales territory will include the following areas in the state of New York: Manhattan, the Bronx, Staten Island, Queens, Brooklyn, Westchester County, and Long Island. They will also provide the same levels of expert sales and service to Northern New Jersey. Cogeneration Contractors works with leaders in the cogeneration and power manufacturing industry and is the premier factory authorized installation and service cogeneration contractor in the New York, New Jersey and Northeast U.S. regions.

"Signing quality distributors and rebuilding and strengthening our distribution network are part of my 100 Day Plan. This agreement opens the door for additional sales opportunities as well as servicing capabilities for Capstone," said Darren Jamison, Capstone's President and Chief Executive Officer. "Cogeneration Contractors has a very strong foundation embedded in the experience of its co-founders' 40 plus years of electrical and mechanical contracting and service business history. CCI is supported by a staff of expert engineers, consultants, and field technicians. With its complete mechanical contracting and full service capabilities providing 24/7 field support, the company has the ability to expertly design and build Cogeneration/Trigeneration projects virtually in house," added Jamison.

"We are proud to offer our professional team to the greater New York market. Incorporating construction and the facility integration process, then providing all levels of service and maintenance programs gives the owner a single source of contact over the life cycle of the Cogeneration Systems," said Cory Glick, President of Cogeneration Contractors Inc. "We have been very impressed over the past several years with Capstone's undisputed leadership in microturbine technology and as a manufacturer of proven and reliable equipment. We have installed and serviced many Capstone MicroTurbines(TM) while developing our relationship with the Capstone group and it is clearly superior to all other brands on the market. We are very pleased to be working with Darren Jamison and his team and look forward to a successful long-term relationship between our two companies," added Glick.

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 New York, New Jersey and Northeast 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