

September 5, 2007



Capstone Signs Strategic Agreement With UTC Power for the Commercial Launch of a New 200kW Microturbine Product

CHATSWORTH, Calif.--

Capstone Turbine Corporation (NASDAQ:CPST) and UTC Power, a United Technologies Corp. (NYSE:UTX) company, today announced the companies are extending their collaborative relationship to develop and launch a 200kW microturbine product.

Capstone CEO Darren Jamison said, "We are very pleased to announce this important business development with a well-respected company like UTC Power. As one of the market leaders in on-site power solutions, UTC Power's continuing commitment to developing environmentally advanced products makes them the ideal strategic partner for Capstone."

UTC Power and Capstone Turbine Corporation have collaborated for several years in the development, marketing and sales of UTC Power PureComfort(R) low-emission combined cooling, heating and power systems. These systems, which generate between 195 and 390 kW of electricity, capture exhaust energy from the Capstone MicroTurbines to power an absorption chiller, thereby producing seasonal cooling and heating in the same unit. When a PureComfort system is integrated with a facility's central heating or cooling system, the energy efficiencies can exceed 80 percent.

"We are excited to build on our past success with Capstone," said John Fox, UTC Power on-site Product Manager. "This new C200 product will expand our offerings and allow us to bring the PureComfort on-site power system benefits to a larger number of customers."

Rising electricity rates as well as the availability of incentive funding for clean energy alternatives in several states have sparked growing interest in low-emission PureComfort systems, which have been installed at hotels, hospitals, supermarkets, data centers and schools.

"The new C200 system will provide these same technology advantages but also be able to power applications up to 2 megawatts and comply with the strict 2007 requirements established by the California Air Resources Board (CARB)," said Mark Gilbreth, Executive Vice President and Chief Technology Officer of Capstone Turbine Corporation.

Conference Call

The company will host a conference call today September 5, 2007 at 4:30 p.m. Eastern Daylight Time. Access to the live broadcast and a replay of the webcast will be available for 30 days through the Investor Relations page on the Company's website:

www.microturbine.com. Capstone today made an 8-K filing with the Securities and Exchange Commission.

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 four thousand 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.

About UTC Power

United Technologies Corp., based in Hartford, Connecticut, provides high-technology products and services to the building and aerospace industries. Its UTC Power unit in South Windsor, Conn., is a full-service provider of environmentally advanced power solutions. UTC Power is a world leader with nearly 50 years' experience in developing and producing fuel cells for on-site power, transportation, space and defense applications, as well as a leader in innovative renewable energy solutions and combined cooling, heating and power solutions for the distributed energy market.

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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, in particular, with the development, commercialization, and sale of the C200 microturbine system. 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