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Capstone Receives Factory Protection Plan Order From Dominion Transmission for Approximately \$2 Million

CHATSWORTH, Calif., Aug. 5, 2010 (GLOBE NEWSWIRE) -- Capstone Turbine Corporation (www.capstoneturbine.com) (Nasdaq:CPST), the world's leading clean-technology manufacturer of microturbine energy systems, today announced that it has signed a comprehensive fleet-wide Factory Protection Plan (FPP) contract with Dominion Transmission.

The FPP will cover the entire Dominion Transmission microturbine fleet. The fleet currently includes 46 Capstone MicroTurbines(R), which together produce more than 3MW of on-site electricity at 10 compressor station sites throughout the Eastern United States.

E-Finity Distributed Generation (www.e-finity.com), Capstone's Mid-Atlantic distributor that has provided energy services to electrical contractors, distributors, utilities, and government end users since 1991, sold the nine-year FPP service contract.

"The Capstone Factory Protection Plan is designed to give customers peace of mind and ensure that the integrity of the microturbines is not compromised, resulting in the highest available up time in the industry," said Jeff Beiter, Managing Partner of E-Finity. "By signing this multi-year agreement, E-Finity will provide 24x7 remote monitoring and complete all service and maintenance on the units for up to nine years," added Beiter.

"With the Dominion service contract, which represents more than 5% of our total FPP fleet today, the total number of microturbines covered under FPP will exceed 600 units," said Shelby Ahmann, Capstone's Senior Vice President of Customer Service. "Our field service staff and management at E-Finity made the effort to work hard with Dominion to come to this arrangement, and we are pleased to have these critical systems in our fleet. Capstone's service contracts guarantee product performance and system reliability for our customers and provide us with a long-term recurring revenue stream."

Capstone launched the FPP program approximately three years ago to improve the reliability and service of its microturbine solutions. Typical FPP service contracts vary in length from a minimum of one year to a maximum of 15 years with most between five and nine years. Customer payments are generally received quarterly in advance 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 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 factory protection plan and the product performance and system reliability for our customers. 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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