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Capstone Announces New Distributor Agreement for the United Kingdom & the Republic of Ireland

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 Cogenco (www.cogenco.co.uk), a company with over 20 years' experience, and Europe's leading specialist in combined heat and power generation (CHP).

Headquartered in the United Kingdom, with subsidiaries in France and Italy, Cogenco's distributor network has expanded into Korea, Greece, Estonia, Latvia, Lithuania, Serbia and Ireland. Cogenco systems are working around the world, twenty four hours a day, 365 days a year to deliver cost-efficient electricity, heating, chilling and hot water with the minimum impact on the environment.

"We've long seen Europe as a market with strong potential and signing this agreement with Cogenco opens additional new sales opportunities in Europe," said Darren Jamison, President and CEO of Capstone Turbine Corporation. "We have been impressed with Cogenco's team of dedicated employees, and in-house facilities for all aspects of design, assembly, development, project management, remote monitoring, and lifetime service support. In addition, combined heat and power (CHP) is inherently better for the environment and our microturbines have the lowest NOx emissions in the industry now!" added Jamison.

"Cogenco specializes in high quality small scale cogeneration units that can operate on a variety of fuels including natural gas, biogas, and landfill gas," said Tony Hynes, Vice President, Sales, Europe, the Middle East and Africa. "The Cogenco range of products gives customers a greater choice and more flexibility," Hynes added.

"We are proud to offer a combined heat and power solution to numerous markets in Europe. Each unit of heat and power generated using a Cogenco system means less CO_2 released to the atmosphere. We represent the highest quality suppliers and supply the highest quality and most appropriate cogeneration unit for a project," said Julian Packer, Director of Cogenco. "Capstone Turbine has been a recognized leader in clean and green microturbine solutions for many years as well as a manufacturer of proven and reliable equipment. We are very pleased to be working with the Capstone team and look forward to a successful long-term relationship between our two companies," added Packer.

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.

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 Europe and the United Kingdom, and the relationship between Capstone and Cogenco. 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