

October 18, 2007



Capstone Announces Launch of Ultra Low Emissions Product

CHATSWORTH, Calif.--

Capstone Turbine Corporation (www.microturbine.com) (NASDAQ:CPST), the world's leading clean technology manufacturer of microturbine energy systems, today announced that it has released a 65 kilowatt microturbine that meets extremely low global emission requirements including California's stringent distributed generation emissions standard.

The California Air Resources Board (CARB) has established extremely high industry standards for distributed generation technologies by requiring them to meet emissions levels comparable to the Best Available Control Technology for large state-of-the-art central utility power plants. Capstone's microturbines have become even "greener" with the ultra low emissions product designed to meet this CARB 2007 standard which was reduced from previous requirements for NOx by 86%, carbon monoxide (CO) by 98%, and volatile organic compounds (VOCs) by 98%. In addition to the emission reductions, test results showed that the microturbine removed concentrations of unburned hydrocarbons (HC) in the ambient air.

The ultra low emissions performance was attained without sacrificing Capstone's signature low maintenance costs. The microturbine system combines ultra low emission lean premix combustion technology with a catalyst that requires no scheduled maintenance for the life of the system. This is in contrast to exhaust cleanup systems used by traditional reciprocating engine driven generation equipment that uses chemicals such as ammonia or urea and need frequent adjustments to maintain proper function and air quality. Fuel cells are the only other distributed generation technology to date to successfully meet the stringent CARB 2007 emission standard. Capstone microturbines provide these ultra low emissions at a fraction of the cost per kW of a fuel cell.

"This CARB certification allows Capstone microturbines to be sited in the majority of California's Air Quality Management Districts without costly and time consuming air permitting requirements, and makes the product eligible for state incentive rebate programs," said Jim Crouse, Capstone's Executive Vice President of Sales and Marketing. "Now Capstone's microturbines have become even greener, a benefit not just to California, but globally for customers looking to voluntarily improve the environment by reducing harmful emissions."

Capstone microturbines are green energy solutions that reduce the amount of fuel consumed compared with traditional energy solutions, smog-forming NOx, and greenhouse gas emissions. Installing six 65 kW microturbines operating 24 hours a day reduces nitrogen oxide emissions approximately 5 tons per year which equates to the same environmental impact of taking 258 cars off the road, based on EPA emissions and efficiency data for the average US power plant and average passenger vehicle.

"The advantage that the ultra low emission Capstone product has over zero emission technologies such as wind or solar is the microturbine can operate 24 hours a day, 365 days a year with or without the electric grid and provides emission reduction benefits to our customers at a lower cost per kilowatt than other distributed generation solutions," stated Crouse.

"This is an important technical achievement for Capstone. We should note that part of this development was supported by the United States Department of Energy, indicating the importance our government places on green technologies like ours," said Darren Jamison, President and Chief Executive Officer of Capstone Turbine Corporation. "We fully support California's effort to mandate ultra low emissions for distributed generation, and see this certification milestone as another example of our company's commitment to build products that reduce greenhouse gases, promote energy efficiency and slow climate change," added Jamison.

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 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 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 California and the environmental advantages of our product. 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