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## Capstone to Supply Hybrid Electric Drive System to TATSA for Transit Bus Application

CHATSWORTH, Calif., Aug. 16, 2010 (GLOBE NEWSWIRE) -- Capstone Turbine Corporation ([www.capstoneturbine.com](http://www.capstoneturbine.com)) (Nasdaq:CPST) the world's leading clean technology manufacturer of microturbine energy systems, announced today it has initiated a demonstration project with TATSA, an Argentine bus manufacturer that will use a Capstone hybrid electric drive system -- which features a C65 microturbine -- as a clean, efficient range extender for a transit bus.

This will be one of the first applications of Capstone's new Drive Solution in a transit bus. In addition to a natural gas 65-kilowatt microturbine, Capstone will provide the series hybrid drive solution, including drive motor, inverter system, and vehicle power interface module. The Capstone Drive Solution offers significant advantages over more traditional prime movers because it achieves high efficiency with alternative fuels while maintaining ultra-low emissions.

"We are pursuing eco-friendly drive train solutions for our range of buses and recognize the benefits the Capstone microturbine system offers our customers," said TATSA CEO Vicente San Salvador. "The demonstration project is for a transit bus operating on natural gas. We have a unique opportunity to manufacture a high efficiency, low emissions bus and then have our parent company, Grupo Plaza, validate the performance and financial benefits in actual transit operation."

The Capstone Drive Solution is suitable for a range of electric vehicle applications, from passenger cars to Class 8 trucks, delivery vehicles, busses, as well as construction equipment and marine applications. The Capstone Drive Solution makes it easy for vehicle, equipment manufacturers and boat builders to integrate Capstone C30 and C65 microturbines into a series hybrid electric vehicle or vessel.

The inverters and traction motors are mobile-hardened and engineered for these demanding applications.

"We are working with vehicle OEMs and boat builders that want to improve efficiency and reduce emissions of their products," said Jim Crouse, Capstone's Executive Vice President of Sales and Marketing. "This project with TATSA demonstrates that transit companies are seeking new technologies to meet increasingly stringent emissions requirements and to reduce the carbon footprint of their fleets."

"A successful demonstration of the Capstone Drive Solution in this transit application can

have an immediate impact, because the bus manufacturer also is the bus operator," said Darren Jamison, Capstone President and CEO. "This latest project will build on our recent success with other hybrid electric vehicles and vessels."

TATSA (Tecnologia Avanzada en Transporte S.A.) ([www.tatsa.com.ar](http://www.tatsa.com.ar)) is a forerunner in the development of public transport vehicles. The company is a member of GRUPO PLAZA, one of the largest transportation companies in South America founded 50 years ago. Among the diverse segments of transportation in Argentina and its neighboring countries, GRUPO PLAZA moves 180 million passengers annually with over 1,700 buses.

#### About Capstone Turbine Corporation

Capstone Turbine Corporation ([www.capstoneturbine.com](http://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 increased usage of Capstone's products in the hybrid vehicle market and the efficiency and emissions benefits of these products. 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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CONTACT: Capstone Turbine Corporation  
Investor and investment media inquiries:  
818-407-3628  
[ir@capstoneturbine.com](mailto:ir@capstoneturbine.com)