



May 25, 2011

## **Clean Diesel Technologies, Inc. Receives Orders to Supply Diesel Retrofit Products for CARB Special Compliance Option**

VENTURA, Calif., May 25, 2011 /PRNewswire/ -- Clean Diesel Technologies, Inc. (NASDAQ: CDTI) ("Clean Diesel"), a cleantech emissions reduction company, announced today that its Heavy Duty Diesel Systems division has received nearly \$2.0 million in orders for its verified (approved) emission reduction products. Clean Diesel's receipt of these orders, which represent approximately 200 emission reduction systems, follows the announcement on April 6, 2011 by the State of California's Air Resources Board (CARB) of a special compliance option for California on-road diesel fleets pertaining to the current "Truck and Bus Regulation." CARB offered an early action compliance credit for trucking fleets that install a diesel particulate filter by July 1, 2011 or that made a commitment to purchase a diesel particulate filter by May 1, 2011. The early action "buy-one-get-one-free" credit applies to heavier trucks and there is no limit on how many trucks in the fleet can earn the early adoption credit.

Charles Call, Chief Executive Officer of Clean Diesel Technologies, Inc., said, "The orders that we have been anticipating to meet California's aggressive on-road diesel emissions standards have started to flow. This first wave is preliminary but it is the signal we have been waiting for. Ultimately, we believe that well over 100,000 trucks will have to comply with the regulations, largely between 2012 and 2014. This is excellent news and comes as a result of CARB's leadership and commitment; California continues to meet its air quality obligations by providing businesses with a variety of options to reduce soot from diesel engines. Our customers' need for economical solutions that satisfy environmental regulations has been at the heart of our technology strategy. The CARB incentive program clearly demonstrates that this technology can be good for business and the environment.

"Our existing broad portfolio of verified products coupled with additional technologies that we are in the process of obtaining approval for, are a huge benefit for us. We now have customer-ready products to sell throughout 2011 with potentially more products available in 2012 and beyond. Our customers can have confidence in the technology choice they must make to meet emissions standards. We, as a company, are prepared to meet this expected growth in demand in 2011 and beyond."

The recently announced CARB incentive program means that if fleet owners install a diesel particulate filter early on one truck, they will have the option to defer compliance for a second truck in the fleet until January 1, 2017. Air Resources Board (ARB) Chairman, Marcy D. Nichols, made the following statement in the CARB announcement, "California fleets need to act now in order to take advantage of this special offer to clean up their fleets so that they are further along in complying with ARB's diesel reduction regulations. Acting now not only makes good business sense, it also means communities can breathe cleaner air sooner."

The Truck and Bus Regulation, introduced by CARB in 2008, was established to control emissions, from nearly all existing diesel powered heavy-duty trucks and buses operating in California, with phase-in compliance beginning in 2012. The regulation includes a mandate that all 1996 through 2006 class 7 and 8 diesel trucks, or "heavier" trucks meet state emission standards between 2012 and 2016, with 90% required by January 1, 2014. Clean Diesel's analysis suggests that approximately 125,000 existing registered trucks in the State of California which are subject to this regulation can achieve compliance utilizing Clean Diesel's retrofit solutions. Although owners of these trucks have a number of options, Clean Diesel believes a significant portion will choose to retrofit their trucks to meet regulatory compliance. With its broad portfolio of verified emission reduction products - recently enhanced by CARB's expanded verification of certain key diesel particulate filters — and additional solutions being developed, Clean Diesel considers itself well positioned to provide emission reduction products to help customers meet increasing regulatory requirements while improving air quality.

### **About Clean Diesel Technologies, Inc.**

Clean Diesel is a vertically integrated global manufacturer and distributor of emissions control systems and products, focused on the heavy duty diesel and light duty vehicle markets. Clean Diesel utilizes its proprietary patented Mixed Phase Catalyst (MPC®) technology, as well as its ARIS® selective catalytic reduction, Platinum Plus® fuel-borne catalyst, and other technologies to provide high-value sustainable solutions to reduce emissions, increase energy efficiency and lower the carbon intensity of on- and off-road engine applications. Clean Diesel is headquartered in Ventura, California, along with its wholly owned subsidiary, Catalytic Solutions, Inc., and currently has operations in the U.S., Canada, U.K., France, Japan and Sweden. For more information, please visit [www.cdti.com](http://www.cdti.com) and [www.catsolns.com](http://www.catsolns.com).

### **Forward-Looking Statements Safe Harbor**

Certain statements in this news release, such as the estimate of the number of trucks that will need to comply with the CARB regulations and the number of trucks that can achieve compliance using Clean Diesel's retrofit solutions, constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known or unknown risks, including those detailed in Clean Diesel's filings with the U.S. Securities and Exchange Commission, uncertainties and other factors that may cause the actual results, performance or achievements of Clean Diesel to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. Clean Diesel assumes no obligation to update the forward-looking information contained in this release.

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