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Clean Diesel Technologies, Inc. Wins Additional \$1.7 Million in Orders Under New Jersey and California Diesel Retrofit Programs

VENTURA, Calif., Dec. 8, 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 won new orders valued in excess of \$1.7 million for its verified (approved) emission reduction products. The new orders were received under the New Jersey Department of Environmental Protection ("NJDEP") Mandatory Diesel Retrofit Program and Air Resources Board's Lower Emission School Bus Program in Northern California. Shipments of these new orders have commenced and are expected to be completed in early 2012.

The new orders include approximately \$1.1 million under the NJDEP Mandatory Diesel Retrofit Program and are in addition to the \$1.7 million in orders received and announced in October 2011 under the same program. Clean Diesel's ECS-branded Purifilter® Plus diesel particulate filter (DPF) emissions reduction system was approved by the NJDEP for retrofitting under the Mandatory Diesel Retrofit Program which requires owners of certain diesel-powered vehicles and equipment, such as dump, recycling and tow trucks, to install control devices to reduce the emissions of fine particulate matter, commonly called "soot." The State is investing in this program, which requires the retrofitting of a variety of vehicles and equipment by established deadlines.

The remaining new orders of approximately \$0.6 million pertain to the Air Resources Board's Lower Emission School Bus Program and are in addition to the \$1.3 million received and announced in October 2011 under the same program. The orders consist primarily of Purifilter® Plus DPF emissions reduction systems used for the retrofit of school buses in Northern California. This program, established to reduce schoolchildren's exposure to smog-forming and cancer-causing pollution, provides grants to upgrade the State's aging school bus fleets, which includes retrofitting with verified emission reduction equipment.

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 and currently has operations in the U.S., Canada, U.K., France, Japan and Sweden. For more information, please visit www.cdti.com.

About the New Jersey Mandatory Diesel Retrofit Program

While there are federal engine emission standards in place for newer vehicles, heavy-duty diesel engines have a long service life allowing an older technology, higher-emitting engine to pollute for many decades before it is replaced with a newer, cleaner engine. To address this gap, the Diesel Retrofit Law was passed in 2005 to clean up emissions from certain on-road, diesel-powered motor vehicles and non-road vehicles/equipment through the use of retrofit emission control technology. The benefits of this law and the subsequent regulations adopted by the NJDEP are a reduction of the harmful diesel exhaust that NJ citizens are exposed to every day. The regulations require a variety of vehicles and equipment to install retrofits by established deadlines at State expense. There is no cost to the owners of regulated vehicles to install the Best Available Retrofit Technology (BART); the purchase and installation costs for the retrofit technology are reimbursed by the State.

About the Lower-Emission School Bus Program

The primary goal of the Air Resources Board's Lower-Emission School Bus Program is to reduce schoolchildren's exposure to both cancer-causing and smog-forming pollution. The program provides grant funding for new, safer school buses and to put air pollution control equipment (i.e., retrofit devices) on buses that are already on the road.

Forward-Looking Statements Safe Harbor

Certain statements in this news release, such as the timing of product shipments, 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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