



December 17, 2007

Clean Diesel to Demonstrate Emissions Reduction Technologies in California Showcase for Off-Road Diesel Equipment Fleets

STAMFORD, Conn., Dec 17, 2007 (BUSINESS WIRE) -- Clean Diesel Technologies (NASDAQ: CDTI; AIM: CDT/CDTI; XETRA: CDI), a provider of innovative technologies and solutions that reduce emissions, conserve fuel and improve engine performance, today announced that it will demonstrate the emissions reduction effectiveness and operational benefits of its Platinum Plus(R) fuel-borne catalyst and diesel particulate filter through the California Showcase program.

The Showcase presents an opportunity for technology providers like Clean Diesel to participate with off-road construction equipment fleet owners to demonstrate ways to reduce harmful particulate matter (PM) and NOx emissions, to meet California Air Resources Board (CARB) regulations adopted in July 2007. Clean Diesel will be demonstrating three different Level III+ passive particulate reduction solutions that also meet California's objective of reduced oxides of nitrogen (NOx), a smog-forming pollutant. Clean Diesel's participation involves collaboration with six different fleets and multiple pieces of off-road equipment in varied service conditions.

"We are pleased to have been selected to be part of this initiative, which will enable fleet owners to identify emission control technologies that meet current and future standards, are reliable, cost-effective and durable," said Bernhard Steiner, CEO of Clean Diesel. "Through evaluation of proven technologies like Clean Diesel's, the California Showcase provides an opportunity and a roadmap to achieve compliance with the new CARB requirements that will be an asset to fleet owners' businesses and have a positive impact on the environment."

A key requirement of the program is that manufacturers have experience with equipment verification processes and have previously had some element of control equipment for on- or off-road vehicles verified by CARB, US EPA or the European Union. Clean Diesel's diesel particulate systems have been verified through the European VERT protocol, received the London Low Emission Zone (LEZ) certification, and been accepted for use by the US Mine Safety and Health Administration. Participants also must commit to pursuing CARB verification of their product during the program, and provide on-site support for the equipment.

Across California, construction and mining equipment has been estimated to emit 20% of all diesel PM emissions and 15% of all mobile diesel NOx. CARB's new emissions standards apply to most off-road diesel vehicles of 25 hp and greater. Some 35,000 vehicles are expected to be retrofitted or repowered by 2010.

The California Showcase is a collaboration of multiple organizations, including the Mobile Source Air Pollution Reduction Review Committee (MSRC), California Air Resources Board (CARB) and South Coast Air Quality Management District (AQMD). In Q4 2007, the MSRC released over \$3.6 million in Clean Transportation Funding to showcase cleaner construction equipment technologies that help fleet operators comply with CARB regulations. The South Coast AQMD added \$1.2 million to increase funding of the program, for a total of approximately \$4.8 million.

About Clean Diesel Technologies

Clean Diesel Technologies, Inc., together with its wholly-owned subsidiary, Clean Diesel International, LLC, is a clean energy and environmental technology company that provides innovative solutions to reduce harmful engine emissions and conserve energy. Clean Diesel's patented technologies, products and solutions enable cost-effective reduction of harmful emissions from internal combustion engines while also improving fuel economy and power. Products include Platinum Plus(R) fuel-borne catalysts, the Platinum Plus Purifier Systems, the ARIS(R) urea injection systems for selective catalytic reduction of NOx, diesel particulate filter and biofuels technologies. Their products are in commercial use around the world. Platinum Plus and ARIS are registered trademarks of Clean Diesel Technologies, Inc. For more information, visit Clean Diesel at www.cdti.com or contact the Company directly.

SOURCE: Clean Diesel Technologies, Inc.

Clean Diesel Technologies
Ann Ruple, +1 203-327-7050
CFO
aruple@cdti.com

or

Glen Reid, +1 203-327-7050

greid@cdti.com

or

Matter Communications

Jacqueline Volovich, +1 978-499-9250 x236

jackie@matternow.com

Copyright Business Wire 2007

News Provided by COMTEX