

FOR IMMEDIATE RELEASE

Clean Diesel Technologies, Inc. Supplies Products for the Retrofit of School Buses in Northern California

Ventura, CA – October 13, 2011 -- 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 \$1.3 million in new orders for its verified (approved) emission reduction products under the California Air Resources Board’s Lower-Emission School Bus Program to be used in the retrofitting of Northern California school buses. Shipments and revenue recognition began in the third quarter and are expected to be completed in the fourth quarter of 2011.

The orders were received from Emissions Retrofit Group, a key distributor of Clean Diesel’s ECS-branded emission reduction products. The orders consist primarily of Purifilter® Plus diesel particulate filter (DPF) emissions reduction systems. This hybrid DPF system employs both passive and active regeneration and is verified by the Environmental Protection Agency and California Air Resources Board. Reducing harmful emissions from school buses is an important step in reducing children’s exposure to harmful effects of toxic particulate matter emissions. Clean Diesel’s Purifilter® Plus reduces diesel particulate matter by more than 85% and is ideally suited for the retrofit of school buses providing a simple plug-in regeneration that can be executed mid-day, resulting in minimal interruption to a typical school bus schedule.

Peter Tuckerman, President of Emissions Retrofit Group, said, “The School Bus Program is a demanding and critical application for DPF technology, requiring extensive collaboration between our companies. The Purifilter® Plus system has been an ideal solution for the retrofit of school bus fleets and has consistently delivered the trouble-free utilization results we expect. We have chosen to offer this line of products for their exceptional efficiency, quality and durability.”

“Purifilter® Plus is a critical member of the Purifilter® family of products, aimed at satisfying the ongoing regulatory demands for emissions reduction,” said Lyndon Smith, Vice President and General Manager of Clean Diesel Technologies, Inc. “The combination of our technology solutions and the abilities of our trained distributors and installers enables us to satisfy our customers’ needs, as represented by the School Bus Program. We are delighted to improve the environment through the

deployment of our products.”

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 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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