



Q2 2016

CONFERENCE CALL

PRESENTATION

August 9, 2016

stock symbols	
TSX	NASDAQ
WPT	WPRT



# NANCY GOUGARTY

» Chief Executive Officer

# Immediate Priorities

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1. Cash flow positive and profitable on a sustainable basis
2. Align operating expenses with revenues
3. Strategic review of the entire portfolio

*“My priority is to unlock the value of this combined company – the value of our assets, our technology & our people”*



# ASHOKA ACHUTHAN

» Chief Financial Officer

# Streamlining Operations

- » Rationalize worldwide manufacturing footprint
- » Aggressive working capital improvement
- » Focus on cost control

(\$ in millions & only include one month of Fuel Systems' results)

	Three months ended June 30,		Six months ended June 30,	
	2016	2015	2016	2015
Revenues – Westport	\$22.7	\$24.6	\$45.9	\$52.1
Revenues – Fuel Systems	12.6	-	12.6	-
<b>Total Segment Revenues</b>	<b>\$35.3</b>	<b>\$24.6</b>	<b>\$58.5</b>	<b>\$52.1</b>
Gross Margin – Westport	\$4.1	\$6.1	\$9.7	\$10.4
GM% - Westport	18.1%	24.8%	21.1%	20.0%
Gross Margin – Fuel Systems	2.9	-	2.9	-
GM% – Fuel Systems	23.0%	-	23.0%	-
<b>Total Segment Gross Margin</b>	<b>\$7.0</b>	<b>\$6.1</b>	<b>\$12.6</b>	<b>\$10.4</b>
Total Segment GM%	19.8%	24.8%	21.5%	20.0%

# Continued Market Stability

- » Operational footprint rationalization
- » Focus on working capital

(\$ in millions & only include one month of Fuel Systems' results)

	Three months ended June 30,		Six months ended June 30,	
	2016	2015	2016	2015
Total Revenues	\$8.2	-	\$8.2	-
<b>Total Gross Margin</b>	<b>\$2.1</b>	-	<b>\$2.1</b>	-
GM%	25.6%	-	25.6%	-

# Disciplined Approach

- » Product portfolio focus
- » Cost reductions are underway

(\$ in millions & only include one month of Fuel Systems' results)	Three months ended June 30,		Six months ended June 30,	
	2016	2015	2016	2015
Automotive – Westport	\$3.1	\$3.0	\$5.2	\$6.3
Automotive – Fuel Systems	1.5	-	1.5	-
Industrial	0.5	-	0.5	-
Corporate & Technology Investment	10.3	9.8	19.9	19.9
<b>Total Research &amp; Development</b>	<b>\$15.4</b>	<b>\$12.8</b>	<b>\$27.1</b>	<b>\$26.2</b>
Automotive – Westport	\$5.5	\$5.2	\$9.6	\$10.6
Automotive – Fuel Systems	2.4	-	2.4	-
Industrial	0.8	-	0.8	-
Corporate & Technology Investment	10.1	7.8	19.7	15.3
<b>Total Selling General &amp; Administrative</b>	<b>\$18.8</b>	<b>\$13.0</b>	<b>\$32.5</b>	<b>\$25.9</b>

# Westport™ HPDI Technology

HPDI 1.0  
Launched

HPDI 1.0  
Production  
Ended

LAUNCH\*

2010

2011

2012

2013

2014

2015

2016

2017

Start HPDI 2.0  
Program





# Leveraging Near-Zero NOx

» Continued adoption by existing transit customers

(\$ in millions)	Three months ended June 30,		Six months ended June 30,	
	2016	2015	2016	2015
<b>Total Revenues</b>	<b>\$73.6</b>	<b>\$93.1</b>	<b>\$138.6</b>	<b>\$166.1</b>
<b>Gross Margin</b>	<b>\$21.0</b>	<b>\$24.7</b>	<b>\$41.6</b>	<b>\$51.3</b>
GM%	28.5%	26.5%	30.0%	30.9%
Research & Development	10.6	7.7	19.7	14.3
General & Administrative	0.2	0.3	0.5	0.5
Sales & Marketing	6.3	5.0	12.7	10.0
<b>Income for the period</b>	<b>\$2.9</b>	<b>\$6.8</b>	<b>\$6.4</b>	<b>\$16.3</b>



# Q&A

# Cautionary Note Regarding Forward Looking Statements

■ This presentation contains forward-looking statements, including statements regarding the result, timing and financial metrics associated with Westport's and Fuel Systems' combined operating business units and consolidated business, revenue and cash usage expectations, the effect of the proposed reorganization and restructuring of our business, continued research and development investment, future of our development programs, timing for launch, delivery and completion of milestones related to the products referenced herein and to the integration of Westport's and Fuel Systems' businesses, future sales of assets and the benefits therefrom, the demand for our products, the future success of our business and technology strategies, investment in new product and technology development and otherwise, cash and capital requirements, intentions of partners and potential customers, the performance and competitiveness of Westport's products and expansion of product coverage, future market opportunities, speed of adoption of natural gas for transportation and terms and timing of future agreements as well as the combined company's management's response to any of the aforementioned factors. These statements are neither promises nor guarantees, but involve known and unknown risks and uncertainties and are based on both the views of management and assumptions that may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activities, performance or achievements expressed in or implied by these forward looking statements. These risks and uncertainties include risks and assumptions related to our revenue growth, operating results, industry and products, the general economy, conditions of and access to the capital and debt markets, governmental policies, regulation and approvals, technology innovations, fluctuations in foreign exchange rates, operating expenses, the availability and price of natural gas, global government stimulus packages, the acceptance of and shift to natural gas vehicles, the relaxation or waiver of fuel emission standards, the inability of fleets to access capital or government funding to purchase natural gas vehicles, the development of competing technologies, our ability to adequately develop and deploy our technology, the actions and determinations of our

joint venture and development partners, as well as other risk factors and assumptions that may affect our actual results, performance or achievements or financial position discussed in Westport's most recent Annual Report on Form 40-F for the year ended December 31, 2015, as amended and Fuel System's Annual Report on Form 10-K for the year ended December 31, 2015, and other filings made by the companies with securities regulators. Readers should not place undue reliance on any such forward-looking statements, which speak only as of the date they were made. We disclaim any obligation to publicly update or revise such statements to reflect any change in our expectations or in events, conditions or circumstances on which any such statements may be based, or that may affect the likelihood that actual results will differ from those set forth in these forward looking statements except as required by National Instrument 51-102. The contents of any website, RSS feed or twitter account referenced in this presentation are not incorporated by reference herein.

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