

**<DARREN SEED speaking>  
<Westport's Vice President, Investor Relations  
and Communications>**

Thank you, and good morning, everyone. Welcome to our conference call regarding the acquisition of OMVL and 100% of Juniper Engines. It is being held to coincide with the disclosure of our press release earlier this morning. For those who haven't seen the release yet, it can be found on Westport's website at [www.westport.com](http://www.westport.com).

Speaking on behalf of the Company will be Westport's CEO, David Demers; Juniper Engines' President, Ian Scott; and Westport's Executive Vice President of Strategic Development, Elaine Wong.

Attendance at this call is open to the public and the media, but for the sake of brevity, we're restricting questions to analysts and institutional investors.

You are reminded that certain statements made in this conference call and our responses to various questions may constitute forward-looking statements within the meaning of US and applicable Canadian securities law, and such forward-looking statements are made based on our current expectations and involve certain risks and uncertainties. Actual (risks) -- actual results may differ materially from those projected in the forward-looking statements.

Information contained in this conference call is subject to and qualified in its entirety by information contained in the Company's public filings and, except as required by applicable securities laws, we do not have any intention or obligation to update forward-looking information after this conference call. You are cautioned not to place undue reliance on any forward-looking statements.

Now, I will turn the call over to Ian Scott, President of Juniper Engines.

**<IAN SCOTT speaking>  
<Juniper Engines' President>**

Thank you, Darren. As President of Juniper Engines, this is an exciting day. Juniper and Westport have taken a large step towards leadership in the light-duty alternative fuels market. Through the OMVL acquisition, Juniper acquires a global business that includes products and technologies, assembly facilities and, most

importantly, people that will allow our new company to become a leading player in our market.

The road to today's announcement began in October 2007 when Westport and OMVL formed Juniper Engines Inc., a joint venture. At that time, Westport was present in the heavy-duty and high horsepower segment through the Westport heavy-duty business, and in medium duty through Cummins Westport.

The addition of Juniper in light-duty rounded out Westport's presence in all major segments from heavy-duty through light-duty. This is a position that I believe, was and still is, today, unique in the alternative fuels industry.

The goal of Juniper was clear from the outset; to generate sustainable profits by becoming the OEM partner of choice for alternative fuel light-duty solutions. Juniper would emulate the Westport heavy-duty and Cummins Westport models by achieving success through superior products and customer support in a focused segment of the market, light-duty.

The Juniper strategy had three key phases. First was to enter and aggressively grow in the mobile industrial segment, second; to migrate to stationary industrial, and finally, to enter and grow in automotive. Today's announcement is the culmination of that strategy.

In Phase 1, the mobile industrial segment, we're now supplying LPG engines to our lead forklift customer, Clark Material Handling and look to further expand our customer base in the forklift and construction applications.

In non-mobile industrial, Phase II, Juniper is conducting field tests in stationary oilfield applications, and we look to also formalize customer relationships in power generation and agriculture.

Now, with today's acquisition of OMVL we enter the third phase of our plan; automotive. OMVL brings immediate access and strong positioning in automotive to their world-class products, facilities, relationships and people.

Juniper, Westport and OMVL have largely complementary strengths. OMVL brings its proven multipoint injection fuel systems, high-volume manufacturing excellence, and strong engineering capabilities.

Westport strengths include engine calibration, testing and certification capabilities and a portfolio of high efficiency products and technologies for future product lines, and, of course, leading engineering capabilities.

OMVL is strong in Europe and sells products globally, largely with the exception of North America. Westport's main market is North America with additional global sales that are largely outside of Europe.

On the facility side Juniper and Westport facilities are largely concentrated in North America and Asia, specifically in Vancouver, Beijing and Los Angeles. OMVL facilities provide a strong footprint in Europe and Latin America, mainly through OMVL's headquarters, engineering center and assembly plant in Pernumia, Italy, and a second assembly plant in Buenos Aries, Argentina.

The acquisition of OMVL provides Juniper with immediate access to the automotive market with key relationships already in place. It generates new revenues for Juniper and Westport, and now Juniper has vertically integrated the supply of fuel systems for the industrial product line, creating incremental value for this business. Today, Juniper sources the OMVL fuel system for industrial products.

As we look forward, Juniper will grow the business through new OEM relationships and continued strong aftermarket sales. Strategic investments in new markets such as North America and OEM class products and in installation capabilities will allow Juniper to compete for leadership in the light-duty alternative fuels segments.

OMVL and Juniper's current OEM customers include PSA, Magna-GAZ, and Clark Material Handling, and we have a strong customer base from which to grow.

It's important to member that through the Juniper joint venture, Westport and OMVL have worked together as partners for close to three years. During that time, we have come to know very well the other party's strategies, operations and people. We largely view this acquisition as strengthening our existing partnership. OMVL's leadership team is strong and focused, and we will all work together to rapidly grow the business.

I will close by reiterating that Juniper firmly believes in the near and long-term growth potential of the alternative fuels market globally. The acquisition of OMVL provides a strong foundation that will allow our

Company to grow aggressive in automotive and small engine industrial well into the future by providing our customers with world-class solutions and support.

We are extremely excited about the road that lies ahead. Thank you.

**<DARREN SEED speaking>**  
**<Westport's Vice President, Investor Relations and Communications>**

And at this time, I would like to open the call for any questions. Operator?

**<Q&A SESSION>**

**Operator**

First question is from Lawrence Alexander, Jefferies & Co. Please go ahead.

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**Lucy Watson, Jefferies & Company**

Hi, this is Lucy Watson on for Lawrence today, just a couple of quick ones. Are there any milestones that need to be accomplished in the first three years before that second payment is made to complete the transaction?

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**Elaine Wong, EVP Strategic Development**

I'll take that one, Lucy. It's Elaine here. No, there's no milestones it's a deferred payment that's going to be made three years from closing.

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**Lucy Watson, Jefferies & Company**

Okay. And what's the trajectory for ASPs in the light-duty vehicle market?

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**Elaine Wong, EVP Strategic Development**

Ian or David, do you want to take that one?

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**David Demers, Chief Executive Officer**

I'll let Ian take that one on. Trajectory like -- that's a great word I like it.

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**Ian Scott, President, Juniper Engines**

What I will say is that the ASPs of the OMVL fuel systems are in the range of USD300. On the -- to comment on the trajectories, I will hold off on that.

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**David Demers, Chief Executive Officer**

Well, I'm not afraid of that one, Ian. I'll pontificate...and you can criticize me, how's that?

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**Ian Scott, President, Juniper Engines**

Thank you, David.

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**David Demers, Chief Executive Officer**

I think what we're seeing, and we've kind of hinted at this in earlier conference calls, Lucy, is that there's going to be a transition in the market from what is really a component-oriented market where manufactures are selling bits and pieces of systems to a very broad range of really what are systems integrators, aftermarket systems integrators in very few OEM systems. And really until Juniper, I don't think there was anybody who was a dedicated engine manufacturer.

So if you look at the business today, it's mostly small components and from various suppliers that are being put together by literally hundreds or thousands of aftermarket shops. And we think the market five years from now is going to be almost all OEM and OEM systems all the way up to fully integrated engines and fuel storage.

So if we are right, you should expect considerable consolidation in that supply base to a few Tier Ones who have relatively high ASPs compared to where things are today. And, certainly, that's the strategy that we put in front of Juniper, is to take that space and become that lead Tier One supplier.

Is that fair, Ian? Do you have want to -- do you any color on that one?

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**Ian Scott, President, Juniper Engines**

No, I think that's good, David. I think we're good.

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**Lucy Watson, Jefferies & Company**

Okay. And is OMVL on its own a profitable business?

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**Elaine Wong, EVP Strategic Development**

It does have a history of profitability. In 2009, like most, like a lot of other companies, it did lose money, but that was the first time in five years it had lost money. So it is a profitable company, and we do expect them to return to profitability.

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**Lucy Watson, Jefferies & Company**

Okay. Thanks very much.

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**Operator**

Your next question comes from Graham Mattison of Lazard Capital Markets. Please go ahead.

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**Graham Mattison, Lazard Capital Markets**

Hi, good morning, guys. Wondering if you could just comment -- I know with -- on the stationary engine side that you guys will probably be working with Cummins because they have a lot of presence there. How will the joint venture, or rather, how will Juniper work with Cummins and how will that impact the Westport CWI joint venture?

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**David Demers, Chief Executive Officer**

Ian, you may as well jump in on that one.

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**Ian Scott, President, Juniper Engines**

Sure. If we work with Cummins, to answer your second question, we will not -- anything that we do is not competing with Cummins Westport. So it's important to think of these as, obviously, separate segments.

On the Juniper industrial side, we would love to work with Cummins, obviously, in the future. But again, it would be -- Cummins does not offer engines in our space, so it would be a different relationship to what we -- to what Cummins Westport has today. So, these are separate segments.

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**Graham Mattison, Lazard Capital Markets**

All right, great. And then, are there any CapEx needs, or could you just give us a sense of what the CapEx needs are for this business going forward?

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**Elaine Wong, EVP Strategic Development**

It's not a hugely capital-intensive business in terms of the maintenance for the appliance equipment and so on, Graham. They've been running about EUR1 million, EUR1.5 million per year, and I expect that will probably continue over the next three years.

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**Graham Mattison, Lazard Capital Markets**

Okay, great. And then one last question if I could. Do you guys have any plans to enter into the US automotive market?

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**David Demers, Chief Executive Officer**

Yes.

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**Graham Mattison, Lazard Capital Markets**

Could you put some timing on that?

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**Ian Scott, President, Juniper Engines**

Hopefully soon, I mentioned in my notes, Graham, that that is something that we're obviously looking at strategically. And we will -- obviously this could be a

large part of that today's news. So we will be looking at that very hard in the near term.

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**Graham Mattison, Lazard Capital Markets**

All right, great. Thanks very much guys. Happy Fourth of July.

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**Elaine Wong, EVP Strategic Development**

Thanks, Graham.

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**Darren Seed, Moderator**

Thanks, Graham.

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**Operator**

Your next question comes from the line of Rob Brown with Craig-Hallum. Please go ahead.

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**Rob Brown, Craig-Hallum**

Good morning. Did OMVL have any aftermarket business, or was it mostly an OEM business?

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**David Demers, Chief Executive Officer**

Ian, go ahead.

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**Ian Scott, President, Juniper Engines**

OMVL has both aftermarket and OEM. Primarily they sell to the OEM business today. I believe the ratio is probably about 75/25. But they do have quite a strong aftermarket business too.

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**Rob Brown, Craig-Hallum**

Good. And then just maybe some more color on your plans for growth. Where do you see the key markets other than the US in terms of adding growth and more OEMs to this mix? Is it sort of worldwide; is it Europe

and US; or maybe just a little more color on how you see the growth going forward?

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**Ian Scott, President, Juniper Engines**

The US is obviously a primary focus. I think those of us that know the South American market see some big opportunities in there, and then I would say South Asia, Southeast Asia. So it's the usual suspects as far as countries that are showing a very high growth rate from a very small base today. So we are going to aggressively look at a number of countries globally.

It's important to note that OMVL today sells into I believe more than 40 countries. So, when you look at new markets, the US is obviously the prize going forward. But there are some young markets such as Venezuela, India, these types of countries as well that are definitely on our radar and others' radar as well.

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**David Demers, Chief Executive Officer**

I think the real issue for me, Rob, because Ian has got to run the business and make these decisions and of course, he's got some pretty aggressive financial plans. But if you layer above that, the macro trend we see is to much more OEM integration. And behind that, there's going to be a technology shift. We're convinced that our direct injection technologies and our experience are going to position us well for the next generation of passenger cars, which is right upon us, that are going to need extremely high-performance, energy-efficient fuel injection systems and tightly integrated with the whole vehicle systems. So that's where we think the world is going.

We're not trying to get into every market with an aftermarket conversion system. What we're trying to do is tying this as best as we can to where we really do see the major global automotive OEMs launching alternative fuel products. And just as we've done on the heavy-duty side, we want to set that technology standard. And then, of course, have the supply chain ready to deliver.

So it's not all that much different than our heavy-duty strategy. Obviously, the technology and the scale and the volume create some pretty significant differences, but in principle, we think the world is following the same path. We are going to see an evolution away from oil-

based fuels all across these markets, and we just want to be in every one of them. Pretty simple.

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**Rob Brown, Craig-Hallum**

Okay, great. Thank you.

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**Operator**

Your next question comes from Michael Willemse of CIBC. Please go ahead.

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**Michael Willemse, CIBC**

Great. Thank you. Happy belated Canada Day. Just on the mix. And sorry; I just missed the beginning, but maybe you might have mentioned this. What percentage is automotive and what percentage of sales would be kind of other light engine, light-duty engine markets?

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**Ian Scott, President, Juniper Engines**

I think compared to Juniper overall is the question.

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**David Demers, Chief Executive Officer**

Yes. I think OMVL is 100%, isn't it, Ian? And then Juniper is the industrial side. So --.

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**Ian Scott, President, Juniper Engines**

Exactly.

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**David Demers, Chief Executive Officer**

So the two together, you will see them both, but OMVL has historically been just automotive, and hence, the formation of Juniper joint venture to give OMVL an entry into a new market.

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**Michael Willemse, CIBC**

Okay, okay. And the Magna-GAZ, I guess is -- are there sales already to that venture? I didn't think GAZ sold much in automotive.

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**Ian Scott, President, Juniper Engines**

Yes, there are sales that commenced a couple of months ago. And they actually announced in, I believe it was in April, at the Moscow auto show. So there are sales that have commenced to Magna-GAZ and this is an LPG product and looks like a pickup truck.

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**Michael Willemse, CIBC**

Okay. And I know in the press release, you don't mention Fiat as a customer, but on the OMLV website, Fiat is listed as a customer. Just wonder -- is Fiat a customer?

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**Ian Scott, President, Juniper Engines**

No, not today, no.

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**Michael Willemse, CIBC**

Okay. But Fiat has a natural gas engine in their car fleet, correct?

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**Ian Scott, President, Juniper Engines**

Yes, Fiat does alternative fuels and it's -- Fiat today mainly uses the Landi Renzo product.

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**Michael Willemse, CIBC**

Okay, okay. And then, just maybe you've covered this. What was the motivation of the seller SIT Group?

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**Ian Scott, President, Juniper Engines**

David, do you want to have that one?

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**David Demers, Chief Executive Officer**

Oh, I think that the -- properly, we should have had Federico on the line. I guess we should ask him.

Pretty straightforward, again, I think we have been working together for three years. The SIT Group is a very large industrial manufacturer, doing a lot of other natural gas components. I think we described this in Westport calls before. They're focused on things like home heating and fireplace valves and cooking equipment and a lot of specialized components. And they were hit pretty hard by the downturn in the housing in North America.

So there were a number of other new strategic initiatives in the natural gas distribution industry. And it became pretty clear about a year ago, just kind of at the heart of the financial crisis that Juniper was actually doing really well. It was going to need some strategic focus. And over the past year, we built a strategic plan, primarily led by Westport, I can say, because we're the ones that know this business. And it just seemed to make sense to everybody to put OMVL and Juniper together, it was logical. I don't think there's any great sense from SIT's sense that this is something they want to get out of or it's a failure. It just says it was logical to put the two together, and so then, we had to negotiate a reasonable financial price, and that's what's done.

I think the focus now is to have the single team focus on creating a new business plan and a new strategy, and if that requires investment, Westport will support it. And it's just another internal business unit at this point. So I would say it was more for clarity of direction and because Westport had more focus on this specific market aspect, that we concluded that we should merge it rather than SIT.

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**Michael Willemse, CIBC**

Right, right, okay. Thank you.

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**Operator**

Your next question comes from Eric Stine of Northland Capital Markets. Please go ahead sir.

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**Eric Stine, Northland Capital Markets**

Thanks for taking the questions. I was wondering if you could maybe update us on just how the launch has gone of Juniper since April. And then also, if you can maybe speak to how some of the conversations have gone beyond the business with Clark.

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**David Demers, Chief Executive Officer**

Ian, do you want to -- I'll kick off so that Ian doesn't have to brag too much. I think the launch has had all the usual challenges from a launch. And anytime you have a joint venture launching a new product in a new market, you also are going to expect a number of challenges and issues that are unique. And we layer on top of this the fact that we aren't vertically integrated and we've outsourced production of the engines.

On balance, I think it's gone really well. It's gone better than expected, and that's why the confidence from the Westport side that this model is viable and that we can expand it around the world and do some interesting things. So it's early days, we are just shipping. Engines are being shipped to Clark since April. Isn't that right, Ian?

And we're just seeing product coming -- actual forklift products are hitting the shores pretty much as we speak.

So I would say it's gone quite well. Ian, I will let you chime in and talk a little bit more about the experience and then where you want to go.

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**Ian Scott, President, Juniper Engines**

Yes, the -- as David indicated, we started shipping engines in April. Clark started installing those engines on their line in May and the launch itself has gone fine. The engines are assembled in Busan in Korea and the base engine comes out of Hyundai in Ulsan. So we have assembly in Busan, and then Clark's facility is literally within an hour as well, so everything is concentrated in Korea.

And from there, the product is being shipped globally not only to the US, but too many other markets as well, non-certified markets. And this is the same model that we will be utilizing for other customers. We will still be assembling in Korea in the near term regardless of

where our customer base is. So within forklift, we're obviously looking and working with other potential customers right now.

And I think as far as feedback, so far, this product isn't really in customers' hands as David alluded to. It's in Clark's hands but not in users' yet but obviously from all of the testing of the new product, we're getting some very positive response with respect to our -- the capabilities of our product compared to what's out in the marketplace today.

So we're very encouraged that what we saw during the development is being proven in the actual product that is being manufactured.

We are, as I mentioned in my notes earlier, that we are looking to other segments as well quite aggressively, and we have continuous operation engines in field trials. And, obviously, that opens up a whole sector in the non-mobile stationary segment, where you have applications like oilfield and power generation, agriculture, these sorts of applications. And so, once we validate the product there and start working within customers, then we will have some very nice coverage outside of the automotive that we've been talking about today.

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**Eric Stine, Northland Capital Markets**

Okay, thanks.

Now that you, going forward, will be consolidating the Juniper results, could you just refresh us on kind of near-term revenue levels we should think about and then also the margin profile of that product?

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**Elaine Wong, EVP Strategic Development**

Yes, I guess I will take that one. I think what we said in the press release is we're expecting about USD25 million in revenue, so you will see that consolidated in our financial results. And we will start consolidating effective today, the closing date.

And then in terms of the margins, historically, OMVL has been in that 25%, 30% of gross margin range. So, you can probably expect to see that going forward.

The one caveat I will put on that is initially, we will have to mark up the inventory as part of our purchase price

adjustment, so you may not see those margins in the first quarter or two, but you will see that going forward.

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**Eric Stine, Northland Capital Markets**

Okay. The 25 -- approximately USD25 million, that is for what we should think about for Juniper or OMVL?

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**Elaine Wong, EVP Strategic Development**

For Juniper combined with OMVL. Well, actually, just OMVL I would say, yes, OMVL.

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**Eric Stine, Northland Capital Markets**

Okay. But we should think about Juniper right now as a pretty small part of that?

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**Elaine Wong, EVP Strategic Development**

Yes, Juniper is still growing.

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**Eric Stine, Northland Capital Markets**

Okay.

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**David Demers, Chief Executive Officer**

Yes. And I think the -- correct me if I'm wrong, Elaine, that's for balance of the fiscal year, is your estimate for the balance of the fiscal year?

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**Elaine Wong, EVP Strategic Development**

That's a good point, David. That is the balance of the fiscal year; it's three quarters.

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**Eric Stine, Northland Capital Markets**

Okay. And then last question, just on the 2009 results that you gave in the release for the calendar '09 for OMVL, can you just talk about how we should think about 2010 just in light of the fact that you had the

incentives in Italy which are not there anymore, and how that maybe impacts OMVL in the short term?

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**Elaine Wong, EVP Strategic Development**

Well, OMVL is not dependent on the incentives in Italy. Ian, you might want to speak a little bit more in terms of their business model and strategy compared to that.

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**Ian Scott, President, Juniper Engines**

Yes, the incentives in Italy highly favored the OEM or delayed OEM model in Italy. So, in reality, OMVL's result -- and OMVL didn't play in that OEM arena in Italy. And hence, the removal of the incentives in Italy won't significantly affect OMVL's results in Italy and OMVL's results overall.

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**Eric Stine, Northland Capital Markets**

Okay. Very helpful. Thanks a lot.

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**Operator**

Your next question is from Dilip Warriar of Thomas Weisel Partners. Please go ahead.

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**Dilip Warriar, Thomas Weisel Partners**

Good morning. Thanks. I just wanted to reconfirm -- was that USD25 million expected over the next three quarters in revenue?

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**Elaine Wong, EVP Strategic Development**

That's right. Balance of the year.

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**Dilip Warriar, Thomas Weisel Partners**

Okay. And what does the acquisition do for the operating expense profile at a Westport level?

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**Elaine Wong, EVP Strategic Development**

It will increase expenses; obviously if you're adding USD25 million of revenue, you're going to be adding expenses as well.

Yes. It's -- I'm not sure I'm going to disclose that right now, so I suggest you wait for the (first) second-quarter results and then you will see them there.

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**Dilip Warrior, Thomas Weisel Partners**

Okay, very good. And then just sort of bigger picture question. Clearly, with Italy it's probably still one of the largest end markets for natural gas vehicles. I was wondering is the strategy for growth at least in the near term in Italy and other countries, are you expecting to be adding more sort of OEM relationships there?

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**Ian Scott, President, Juniper Engines**

Absolutely. That's the objective, is to primarily focus on OEM relationships. So as I just said on the last question, that in Italy itself, OMVL didn't have a large presence in the delayed OEM market in Italy. OMVL's revenues have generally been mainly outside of Italy. But, from a high-level perspective, to echo what David said earlier, regardless of the market, we see the OEM model as the way that the future will go, and definitely that's what we will focus on regardless of our markets.

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**Dilip Warrior, Thomas Weisel Partners**

Okay, thanks. And just one last question, what did peak revenue for OMVL look like I guess in maybe 2007, 2008?

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**Ian Scott, President, Juniper Engines**

Sorry, can you repeat?

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**David Demers, Chief Executive Officer**

Elaine, do you want to --?

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**Elaine Wong, EVP Strategic Development**

Sure. Yes --.

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**David Demers, Chief Executive Officer**

Just looking backwards with some historical facts with the meltdown in '09; but '08, what was the total revenue, Elaine?

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**Elaine Wong, EVP Strategic Development**

I mean, they peaked close to EUR40 million pre the meltdown, that side. The growth rate going forward, we're expecting it to grow in the same sort of growth range as coming to Westport, on that 30% range going forward, CAGR going forward.

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**Dilip Warrior, Thomas Weisel Partners**

Got it. Thank you.

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**Operator**

Your next question is from Sumeet Mahesh of Dundee Securities. Please go ahead.

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**Sumeet Mahesh, Dundee Securities**

Good morning. One quick question. Going forward, will you be breaking out the Juniper and OMVL as separate business entities or in your financial statements or as combined?

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**Elaine Wong, EVP Strategic Development**

Well, we'll be combining them; they will be one business unit.

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**Sumeet Mahesh, Dundee Securities**

Okay, thank you.

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**Operator**

Your next question is from Matt Gowing of Mackie Research Capital. Please go ahead sir.

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**Matt Gowing, Mackie Research Capital**

Thanks, and good morning, everyone. Just with respect to your comments about some of the numbers in the press release; USD25 million in revenue in 2009 and the 300,000 unit shipments as well. If you use those numbers, you come to an ASP closer to USD83, but you discussed the USD300 number on the call. Just wondering if you could provide some more color on that or how we should reconcile those numbers.

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**David Demers, Chief Executive Officer**

Two different things I think we're talking about. Ian, you can jump in, in a minute. You know, as we described earlier, most of this business, including OMVL, has the bulk of the volume in component sales to people who are putting together their own systems, typically aftermarket. And, the growing business is system sales to OEMs, and all the way up to what Juniper is doing, which is complete engines, which obviously have completely different price points. It's probably, from the top to the bottom, its two orders of magnitude in terms of difference in price.

So depending on your product mix you're going to have a really wild swing in ASP if you just kind of count components and divide it into revenue. So really what you need to do is say, how much of this is just high-volume components business? How much is systems sales and how much is value-added products like complete engines?

I think what we are expecting to do is to ship the product mix more to the top end. That being said, the component business helped keep the plant busy. So all of -- these are all important things, but on balance, our strategic focus is for the highest value-add product.

Ian, do you want to contribute?

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**Ian Scott, President, Juniper Engines**

No, I think -- just a bit, David, I think you covered it. And when -- in the press release when we talked about those units shipped, that is a mix that would be heavily favored towards components. So, as David indicated, going forward, obviously, there will be a strong effort to move to complete systems. But if you're trying to do the math from that, it's because there is a higher mix of components in there.

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**Matt Gowing, Mackie Research Capital**

Okay. Thanks for that. And question around the balance sheet impact. Wondering what the cash balance, working capital and debt position of OMVL looks like.

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**Elaine Wong, EVP Strategic Development**

Yes, you'll see all of that probably actually in our Q1 -- either Q1 notes or our Q1 financial statements or in Q2. We will be adding a bunch of working capital, I'll tell you that. So you'll see inventory go up, accounts receivable and accounts payable go up. Probably expecting about EUR10 million of that, approximately, being added.

In terms of cash and debt, there's very little debt in the Company, and the cash will vary.

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**Matt Gowing, Mackie Research Capital**

Great. And one last question. Just wondering the highest percentage contribution from your largest customer and who that would be?

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**Elaine Wong, EVP Strategic Development**

We're not -- I don't think we're disclosing any customer information today.

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**Matt Gowing, Mackie Research Capital**

Okay. Thank you.

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**Operator**

There is a follow-up question from Michael Willemse of CIBC. Please go ahead.

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**Michael Willemse, CIBC**

Great, thank you. Just, David, going back to the last conference call, there's some talk about Westport still on track of a 30% sales CAGR, you know, over say a three-year period. Would this include acquisitions like this, that was all organic, correct?

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**David Demers, Chief Executive Officer**

Oh, Darren, what are we going to do? I think we want to stick to our 30%, which includes a bunch of things, with the clear understanding that 30% CAGR is a minimum target. So we want to be able to make our numbers however we make them.

Clearly, as we announced, Elaine, going into an M&A business that implies that there's a sense of consolidation being part of that growth over the next few years. So I'm not going to say that you should just automatically add every acquisition plus 30% organic growth.

I think everybody has understood, and certainly I've seen it in some of your comments, that the potential for growth in things like heavy-duty trucking is spectacularly beyond 30%.

How do we plan for that? We can't because there's just no real evidence on which of these markets can grow. We can look at our experience from Cummins Westport. We can see some lumpiness; it goes up and down, but we're pretty confident that that's a base achievable growth plan.

Clearly, if we go acquire new markets and new revenue, that should be incremental and on top of that. But, am I going to tell you we're now at 42% CAGR with this deal? No, I can't. We've got too many unknowns and how all of these markets are coming together. The feel is that every one of these markets is accelerating, very rapid growth potential because of the fears around oil security and the price of oil and the rapid introduction of natural gas infrastructure.

So all of that is very encouraging, on the other hand, we still got day-to-day turmoil in the financial markets, and that's creating a lot of uncertainty in our customers who are usually businesses and fleets. So the timing of these investments and when the markets are going to emerge is still highly uncertain.

So, as we do our saw off, in terms of what we can tell you, we're pretty confident that we can achieve more than that 30% CAGR, which is why we put the number out there. But is that the top-line business plan going forward? No; clearly not.

Darren, any other comment, or Elaine?

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**Darren Seed, Moderator**

I think it's great to stick within the 30% CAGR, just given that we don't provide guidance by practice.

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**Michael Willemse, CIBC**

Okay. And just on the purchase price, and I don't know how much you want to disclose and how you came up to that purchase price, but it looks like just under one-time sales, if you look at where you are at now, it's pretty conservative multiple for alternative energy space. I guess the one question would be how did you manage to get attractive price? Or I guess the other question would be; how did you come up with the valuation; I don't how much you are willing to disclose there?

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**Elaine Wong, EVP Strategic Development**

I would like to think it was good negotiating, Mike, but I mean we went through a typical valuation process looking at revenues and EBITDA multiples and what other people were paying, and our standard DCF as well, right? So just the normal parameters and then negotiating a price that both the buyer and seller would agree on.

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**Michael Willemse, CIBC**

Okay. Thank you very much.

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**Operator**

There are no more questions at this time. I'd like to turn the conference back to Darren Seed.

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**Darren Seed, Moderator**

Thank you, everyone, for joining us, especially on what is the middle of a Canadian holiday and potentially forthcoming US holiday. And look forward to seeing everyone on the next quarterly conference call.

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**Elaine Wong, EVP Strategic Development**

Thanks, everybody.

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**Operator**

Ladies and gentlemen, this concludes the conference call for today. You may disconnect your telephones. Thank you for joining, have a pleasant day. Goodbye.

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