



PRESS RELEASE

Westport Reports Third Quarter Fiscal 2008 Financial Results

February 12, 2008

Quarterly Revenues Increase 34% in US Dollars

VANCOUVER, BC – Westport Innovations Inc. (TSX:WPT), a global leader in alternative fuel, low-emissions transportation technologies, today reported financial results for the third quarter of Fiscal Year 2008 ended December 31, 2007 (Q3 FY2008), and provided an update on operations.

"Quarter after quarter we are observing increasing awareness among both fleets and manufacturers that natural gas represents a cost-effective as well as environmentally superior alternative to oil-based fuels," said David Demers, Westport's CEO. "Revenue from our mid-range engine joint venture, Cummins Westport, continues to grow very respectably, and our recent agreement with PACCAR, one of the world's most-respected truck manufacturers, to produce heavy-duty Class 8 LNG trucks is a great start to our new heavy-duty business in North America and Australia."

Financial and Business Highlights

- Consolidated quarterly revenues of \$19.3 million for Q3 FY2008 increased 15% from \$16.8 million for Q3 FY2007. Consolidated quarterly revenues in US dollar terms increased by 34%. Year to date consolidated revenues (9 months ended Dec 31, 2007) increased 37% to \$56.2 million (49% growth in US dollars).
- Third quarter FY2008 net income of \$7.4 million (\$0.08 profit per share, \$0.07 profit per share on a diluted basis) compared to a net loss of \$5.8 million (\$0.08 loss per share) for Q3 FY2007. Year to date net loss (9 months ended Dec 31, 2007) declined 83% to \$2.2 million (\$0.03 loss per share). Results include a \$9.4 million gain on the sale of long-term investments in the third quarter.
- Kenworth Truck Company will commence production of Kenworth T800 LNG (liquefied natural gas) trucks at its manufacturing facility in Renton, Washington, in 2009.
- Westport to open a new LNG Fuel System Assembly Center in British Columbia to support the Kenworth factory initiative and to rapidly increase production capacities of LNG fuel systems to meet growing market demand.
- Westport received U.S. Environmental Protection Agency (EPA) and California Air Resources Board (CARB) certification of the HPDI LNG fuel system to 0.8g/bhp-hr oxides of nitrogen (NOx) and 0.01g/bhp-hr Particulate Matter (PM).
- IRS Tax Credit eligibility for both the Westport HPDI LNG Cummins ISX (US\$28,800) and the Cummins Westport ISL G (up to US\$32,000).
- Tony Picarello appointed Vice President of Sales and Marketing of Westport's Global Heavy-Duty Business Unit.
- Westport and Cummins Inc. shared the 2007 Canadian American Business Achievement Award from the Canadian American Business Council.
- The Ports of Los Angeles and Long Beach approved a new \$1.6 billion Clean Truck Superfund. The fund will help replace 16,800 Class 8 trucks serving the ports with new clean trucks. The ports also introduced a new progressive truck ban that will remove all pre-2007 trucks by 2012.

Third Quarter Fiscal Year 2008 Financial Results in Detail

For the three months ended December 31, 2007, consolidated revenues were \$19.3 million, up from \$16.8 million in the same quarter of the prior year. The increase in revenues resulted from increased CWI shipments in North America and Europe which offset lower shipments to Asia. Revenues in US dollar terms increased by 34% but with the US dollar weakening in the same period, in Canadian dollar terms, revenue growth was 15%.

Consolidated net income for the three months ended December 31, 2007 was \$7.4 million compared to a net loss of \$5.8 million for the three months ended December 31, 2006. Included in net income is a gain on the sale of long-term investments of \$9.4 million, which represents a \$6.7 million gain on the sale of approximately 600,000 of our 2 million shares of Clean Energy Fuels Corp. ("Clean Energy"), and a \$2.7 million gain on the sale of substantially all of our shares of Wild River Resources Inc. ("Wild River"). CWI also recognized \$5.9 million in future income tax benefits, half of which is included in our net income for the period.

For the nine months ended December 31, 2007, consolidated revenues were up 37% to \$56.2 million, compared to \$41.2 million in the same period in the prior year on higher CWI shipments and the launch of Westport's LNG systems for heavy-duty trucks. Revenues in US dollar terms increased by 49% but this increase was offset by the decline in the US dollar in the period.

Our net loss for the nine months ended December 31, 2007 was \$2.2 million compared to \$13.0 million in the same period of the prior year. The \$10.8 million decrease in net loss was primarily attributable to a \$10.1 million gain recognized on the sale of approximately a

third of our interest in Clean Energy and substantially all of our remaining shares in Wild River compared to a \$3.9 million gain on the sale of 45% of our interest in Wild River in the nine months to December 31, 2006 as well as the future tax benefit recognized by CWI. Excluding the gain on sale of investments, net loss improved by \$1.9 million to \$15.0 million from \$16.9 million, primarily because of higher gross margins (\$3.7 million), lower research and development costs (\$1.6 million), higher net interest and other income (\$0.5 million) offset by higher sales and marketing expenses (\$1.2 million) and foreign exchange loss of \$1.1 million. Cummins' share of CWI before taxes also increased by \$1.7 million as CWI's pre-tax income for the nine months ended December 31, 2007 increased by \$3.5 million to \$7.2 million.

Cash and short term investments at December 31, 2007 increased \$1.8 million to \$24.9 million compared to \$23.1 million as at March 31, 2007. During the quarter, we received a limited recourse loan from a partner for \$4.0 million, repayable only from certain receipts of sales of LNG systems, to allow us to begin upfit work on approximately 50 LNG systems in anticipation of deliveries to identified customers in 2008.

Cummins Westport Inc. (CWI) Business Unit Highlights

CWI continued its global business growth, achieving quarterly shipments of 798 units and quarterly revenues of US\$18.9 million, representing growth of 34% compared to Q3 FY2007. Unaudited revenues for CWI's fiscal year ended December 31, 2007 grew 46% to US\$66.4 million with CWI's operating contribution growing 169% to US\$11.4 million dollars compared to the prior fiscal year.

Westport Global Heavy Duty Business Unit Highlights

To date, Westport has assembled 119 heavy-duty LNG trucks. Of those, 19 have been delivered to non-Port customers in central and southern California. The remaining 100 trucks are reserved for port drayage fleets serving the Ports of Los Angeles and Long Beach. In October 2007, the Port of Los Angeles and South Coast Air Quality Management District (SCAQMD) approved funding for 158 trucks totalling US\$27.5 million. Westport and its partners are now awaiting execution of contracts and associated funding between the Ports and the drayage fleets.

Subsequent to the end of the quarter, Kenworth announced that it will commence production of Kenworth T800 LNG trucks at its manufacturing facility in Renton, Washington in 2009. Kenworth and Westport continue to collaborate on a dealer upfit basis to equip Kenworth T800s with LNG fuel systems.

Westport will open a new assembly center in British Columbia to support the Kenworth factory initiative and to rapidly increase production capacities of LNG engines and fuel systems to meet growing market demand. The Westport Assembly Center will facilitate significant capability for fuel system assembly and engine conversions for delivery direct to the Kenworth plant.

Westport's 2007 HPDI heavy-duty truck engine completed certification testing and received U.S. EPA and CARB certification to 0.8g/bhp-hr NOx and 0.01g/bhp-hr PM.

Also subsequent to quarter end, Westport announced that Wal-Mart Stores, Inc. will introduce four LNG-fuelled Peterbilt 386 trucks into service at their distribution centre in Apple Valley, California. The deployment will be supported in part by funding from the Mojave Desert Air Quality Management District's (MDAQMD) Mobile Source Emission Reductions Competitive Bidding Program. The four trucks in this proposal will be used in Wal-Mart's over-the-road (OTR) goods distribution operations in the MDAQMD.

In Australia, Westport's four demonstration on-road LNG trucks achieved over 100,000 kms of operation to December 31, 2007. Subsequent to the quarter end, the Australian Department of Infrastructure, Transport, Regional Development and Local Government certified Westport's LNG fuel system adapted to the 2008 Cummins ISX heavy-duty engine to the 2008 Australian Design Rules (ADR 80/02 and ADR 30/01). Westport has received 4 pre-orders for trucks and deliveries are anticipated to begin in the fourth quarter of calendar 2008.

In late 2007, the Ports of Los Angeles and Long Beach approved a new US\$1.6 billion Clean Truck Superfund. The fund will assist replacing many of the 16,800 Class 8 trucks serving the ports with LNG-powered vehicles. The ports have also introduced a new progressive ban that will remove all pre-2007 trucks by 2012. Westport's LNG fuel system is the only alternative fuel technology currently qualified for financial support under the ports' Clean Truck program.

Results Conference Call

Westport has scheduled a conference call for today, Tuesday, February 12, 2008 at 8:00AM Pacific Time (11:00AM Eastern Time) to discuss these results. The public is invited to listen to the conference call in real time or by replay. To access the conference call by telephone, please dial: 1-800-762-8795 (North America Toll-Free) or 1-480-248-5085 (Toll-International). Alternatively, the web cast of the conference call can be accessed through the Westport website at www.westport.com by selecting "Investors" and then "Investor Overview" from the menu. Replays will be available in streaming audio on the same website shortly after the conclusion of the conference call.

To view Westport's full Third Quarter FY2008 financials, please point your browser to the following link:
<http://www.westport.com/investor/financial.php>.

About Westport

Westport, a division of Westport Fuel Systems Inc., engineers the world's most advanced natural gas engines and vehicles. We work

with original equipment manufacturers worldwide from design through to production, creating products to meet the growing demand for vehicle technology that will reduce both emissions and fuel costs. To learn more about our business, visit www.westport.com, subscribe to our RSS feed, or follow us on Twitter [@WestportDotCom](https://twitter.com/WestportDotCom).

Cautionary Note Regarding Forward Looking Statements

This document contains forward-looking statements, including statements regarding the demand for our products, the future success of our business and technology strategies, investment, cash and capital requirements, intentions of partners and potential customers, the performance and competitiveness of our products and expansion of product coverage, future market opportunities, speed of adoption of natural gas for transportation, growth in demand as a result of new emission standards and terms of future agreements. These statements are neither promises nor guarantees, but involve known and unknown risks and uncertainties and are based on 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 assumptions 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 and regulation, technology innovations, fluctuations in foreign exchange rates, global government stimulus packages, the acceptance of natural gas vehicles in fleet markets, the relaxation or waiver of fuel emission standards, the inability of fleets to access capital or government funding to purchase natural gas vehicles, the sufficiency of bio methane for use in our vehicles, the development of competing technologies as well as other risk factors and assumptions that may affect our actual results, performance or achievements or financial position discussed in our most recent Annual Information Form and other filings 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 the forward looking statements except as required by National Instrument 51-102.

More Information

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