Investor Presentation

November 18, 2013

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CanadianSolar

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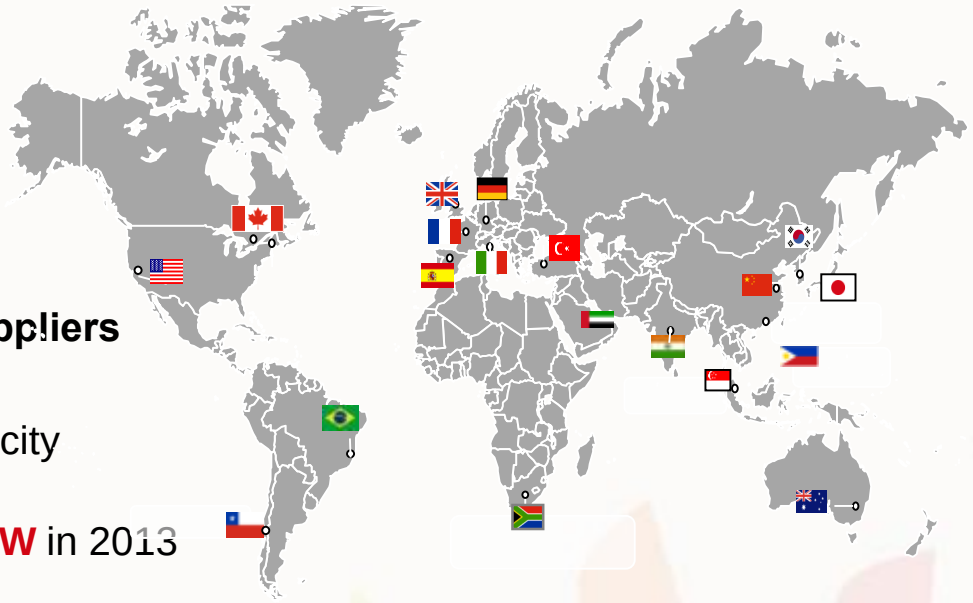
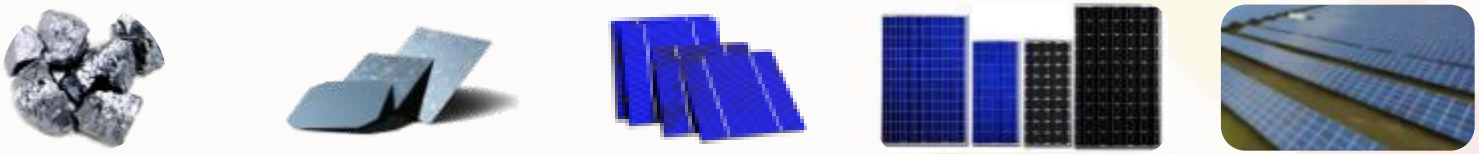
Company Description

- **A Canadian company with global reach**
  - Founded in Ontario, 2001
  - Listed on NASDAQ (CSIQ) in 2006
  - Over 7,000 employees globally
  - Present in **20** countries/territories



- **One of the world's largest solar module suppliers**
  - Module shipments of **1.54 GW** in 2012
  - **2.4GW** annual module manufacturing capacity in Q4-2012
  - Expected module shipments of **1.75-1.77GW** in 2013

- **Vertically integrated manufacturer of ingots, wafers, cells, modules and solar system and solutions**



Poly-silicon → **Ingots & Wafers** → **Cells** → **Modules** → **Systems and Solutions**

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Industry Rank (Shipments)

	2009	2010	2011	2012		GW*
1st	First Solar	Suntech	Suntech	1st	Yingli	2.30
2nd	Suntech	First Solar	First Solar	2nd	Suntech	1.80
3rd	Sharp	Sharp	Yingli	3rd	Trina Solar	1.59
4th	Yingli	Yingli	Trina Solar		Canadian Solar	1.54
5th	SunPower	Trina Solar	Canadian Solar		First Solar	1.53
6th	Kyocera	Canadian Solar	Sharp	4th	Sharp	1.10
7th	Trina Solar	Hanwha Solar	SunPower	5th	JA Solar	0.94
8th	Canadian Solar	Kyocera	Jinko Solar	6th	Jinko Solar	0.91
9th	Hanwha Solar	SunPower	Hanwha Solar	7th	SunPower	0.86
10th	Solar World	Solar World	Kyocera	8th	Hanwha Solar	0.83

Source: Company issued press releases, analyst reports, Canadian Solar analysis

* Estimates based on shipments recognized into revenue indicate Canadian Solar is tied and among top three suppliers in 2012

Business Focus

Project Development & Total Solutions

- Residential system kits
- Commercial rooftops
- Development and construction of utility scale power plants

EPC Services

- Leverage competitive supply chain
- Build on core expertise
- Capture additional margin

Module Sales

- Virtually integrated flexible business model
- Leading cost position
- Bankable brand
- Global footprint

EPC Services, Project Development and Total Solutions are targeted to represent ~50% revenue in 2013

Investment Highlights

Differentiated Business Model

- Canadian Solar's solar power project pipeline in Canada (499MW), U.S. (198MW), Japan (278MW) and China (40MW) currently is over 1.0 GW (dc)
  - Currently assessing 200MW of additional project opportunities in Japan and multiple GW globally.
  - Soft project pipeline in China and other markets exceeds 3.5 GW (dc)
- Landmark agreement to build 130MWdc solar power plant for phase 1 of Samsung's renewable energy initiative in Ontario, Canada. Phases 2 and 3 may add an additional 260MWdc, when and if approved.

Industry Leading Cost Structure

- All-in module manufacturing cost at $0.55 per watt in the third quarter of 2013
- Virtually-integrated ~2GW wafer-to-module platform drives manufacturing efficiencies while minimizing capital expenditure
- Strategic wafer partnership guarantees reliable supply at industry leading cost structure

Global Footprint and Bankable Brand

- Track record of growing shipments and increasing market share
- Over 5.0 GW of modules installed in more than 70 countries
- Industry leading, tier-1 customer base
- 10-yr workmanship and 25-yr linear power output performance warranty backed by investment grade insurance policy

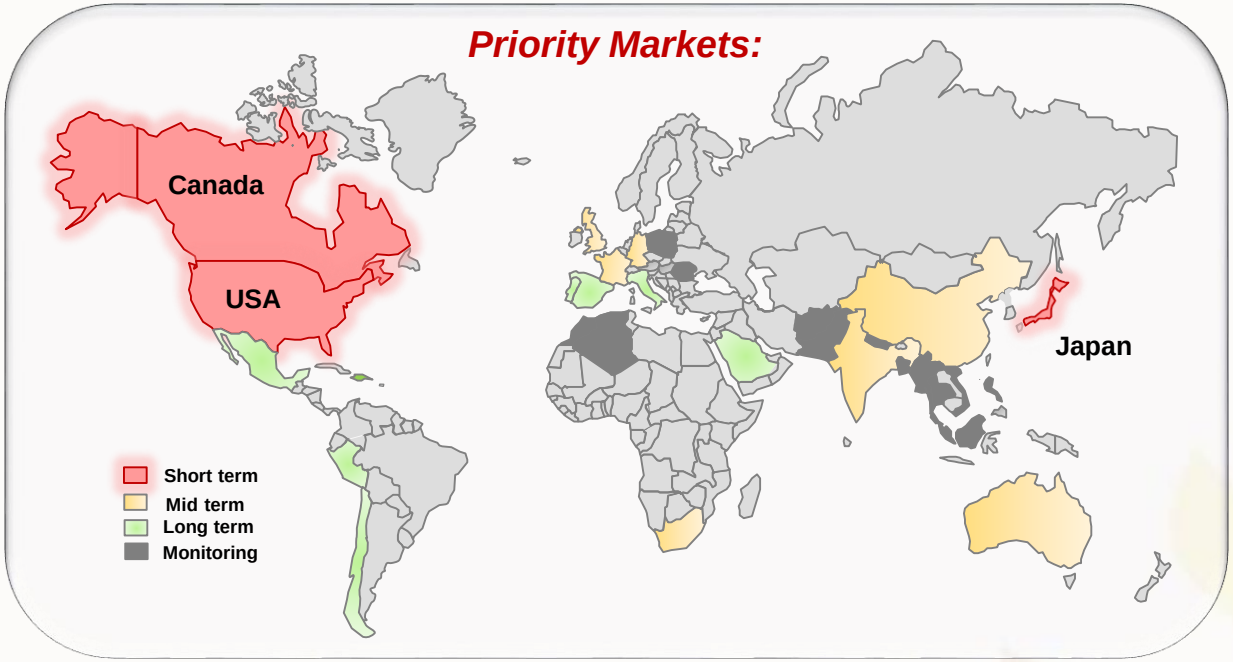
Large and Growing Market

- Market is expected to grow as solar energy adoption accelerates in 2014 and beyond
- Growth drivers include: retail grid-parity, concern for the environment, energy security, move away from nuclear, demand for distributed energy in emerging markets, among other factors.

Business Differentiator: Our Project Strategy

Where we see opportunity

1. Short term focus on markets where we believe it is more likely to sell projects upfront, before starting construction
2. Professionalize the development activity through partnerships with developers that do not have the financial capability to complete their projects
3. Mid- and long-term focus on markets where grid parity at utility scale most likely to happen



Contracted/Late-Stage Project Backlog[1]:

1.0 GW(dc)

Early to Mid-Stage of Development Pipeline[2]:

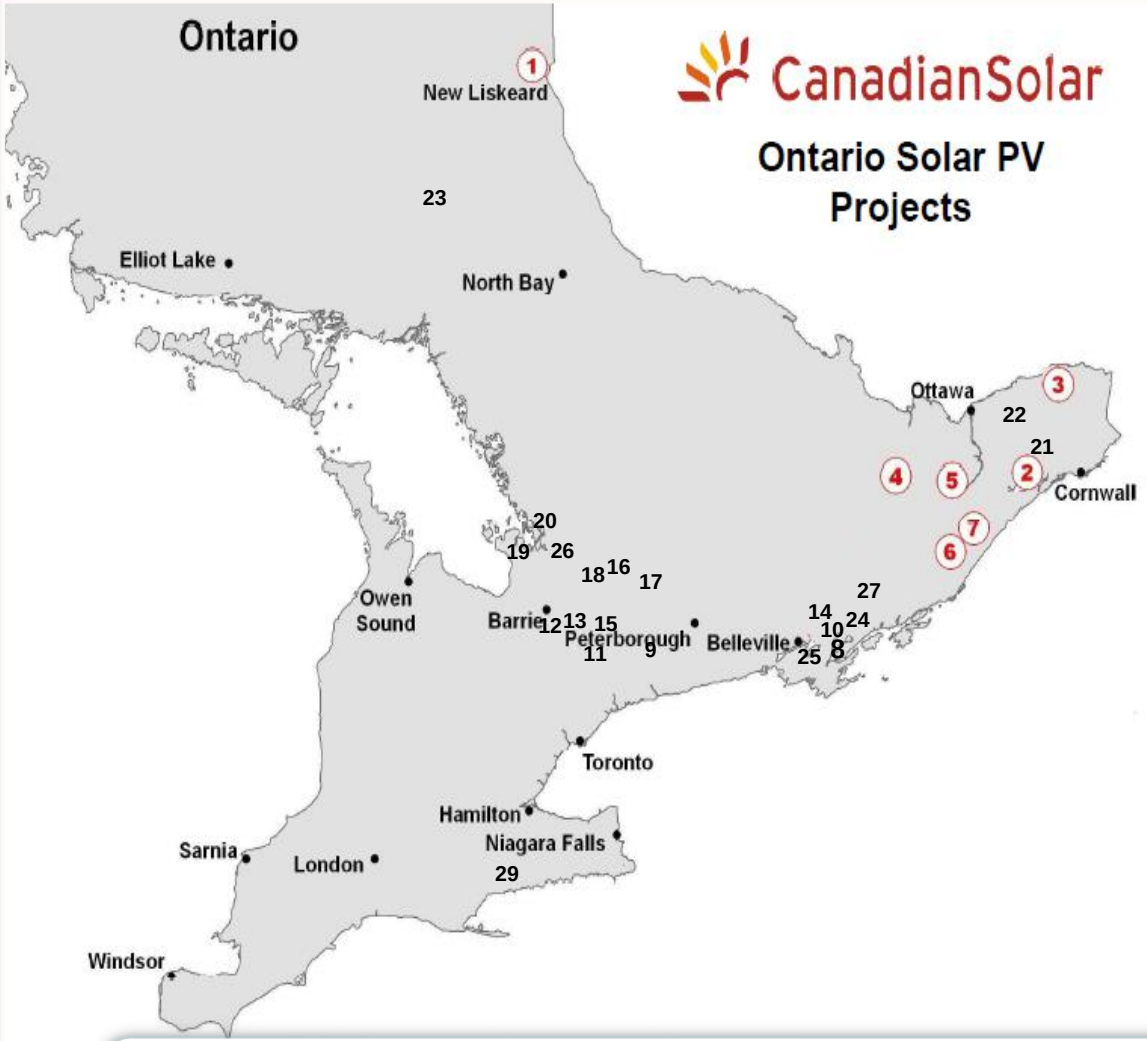
>3.5GW(dc)

Key success factors

1. Canadian Solar has a strong **team** with experience in project development, EPC, and M&A
2. Our team has the ability to conduct **risk assessment**, and understand impact on cash flows
3. **Speed**, we have a process in place for quick decision making
4. We have proven access to **finance** and expect to develop risk insurance options for difficult regions
5. We have developed **partnerships** with **developers** and **end buyers** for quick access to **equity**

1. Late-stage project and EPC contract backlog as of the end of Q3 2013: nearly all projects have an energy off-take agreement and are expected to be built within the next 2 years; Over 200 MW(dc) are currently under construction.
2. Early to mid-stage of development: includes projects under assessment for co-development and acquisition, as well as projects being self-developed where the land has been identified or secured, and an energy off-take agreement is in place or there is a reasonable probability that an energy off-take agreement can be secured.

Business Differentiators: Canadian Project Backlog



	Owned Projects	Size	Status	End Buyer
1	Liskeard 1, 3 and 4	30 MW AC	In Construction (COD 2014)	TransCanada
2	William Rutley	10 MW AC	Commercial Operation	TransCanada
3	Alfred	10 MW AC	COD 2015	TransCanada
4	Mississippi Mills	10 MW AC	Commercial Operation	TransCanada
5	Burritts Rapids	7 MW AC	SALE CLOSED in 3Q13	TransCanada
6	Brockville 1	10 MW AC	SALE CLOSED in 2Q13	TransCanada
7	Brockville 2	9 MW AC	SALE CLOSED in 3Q13	TransCanada
8	Foto Light LP	10 MW AC	COD 2014	TBD
9	Illumination LP	10 MW AC	COD 2015	DIF
10	Little Creek	8.5 MW AC	In Construction (COD 2014)	BluEarth
11	Gold Light LP	10 MW AC	COD 2014	DIF
12	Beam Light LP	10 MW AC	COD 2015	DIF
13	Earth Light LP	10 MW AC	COD 2015	Concord
14	Lunar Light LP	10 MW AC	COD 2015	BluEarth
15	Discovery Light LP	10 MW AC	COD 2014	TBD
16	Sparkle Light LP	10 MW AC	COD 2014	BluEarth
17	Glen Arm	10 MW AC	COD 2014	DIF
18	Good Light LP	10 MW AC	In Construction (COD 2014)	BluEarth
19	Aria LP	9 MW AC	COD 2015	Concord
20	Ray Light LP	10 MW AC	In Construction (COD 2014)	Concord
21	Mighty Solar LP	10 MW AC	In Construction (COD 2014)	Concord
22	City Lights LP	10 MW AC	COD 2014	TBD
23	Highlight (Val Caron)	10 MW AC	In Construction (COD 2014)	Concord
24	Taylor Kidd	10 MW AC	In Construction (COD 2014)	BlackRock
25	Demorestvile	10 MW AC	In Construction (COD 2014)	BlackRock
26	Oro-Medonte 4	10 MW AC	COD 2014	TBD
27	Westbrook	10 MW AC	In Construction (COD 2014)	TBD
	EPC Projects	**Size**	**Status**	**End Buyer**
28	Penn Energy	29 MW AC	In Construction (COD 2014)	NA
29	Samsung Phase I	100 MW AC	In Construction (COD 2015)	NA

Note: Construction schedules are subject to change without notice

Canadian Solar Owned Projects and EPC backlog in Ontario is expected to generate over C$1.7 Billion in revenue over the next 18-24 months.

Business Differentiators: Canadian Presence

Project Development Hub

- Track record as EPC provider on over 40MW of utility-scale and commercial rooftop projects
- Contracted EPC on 160MW utility-scale projects in Ontario
- Developer on 29 utility-scale projects scheduled to be built through 2015

Module Capacity:
330 MW

Ontario Pipeline:
>400 MW

Only Tier 1 Supplier to Establish (Fully Automated) Module Plant in Ontario

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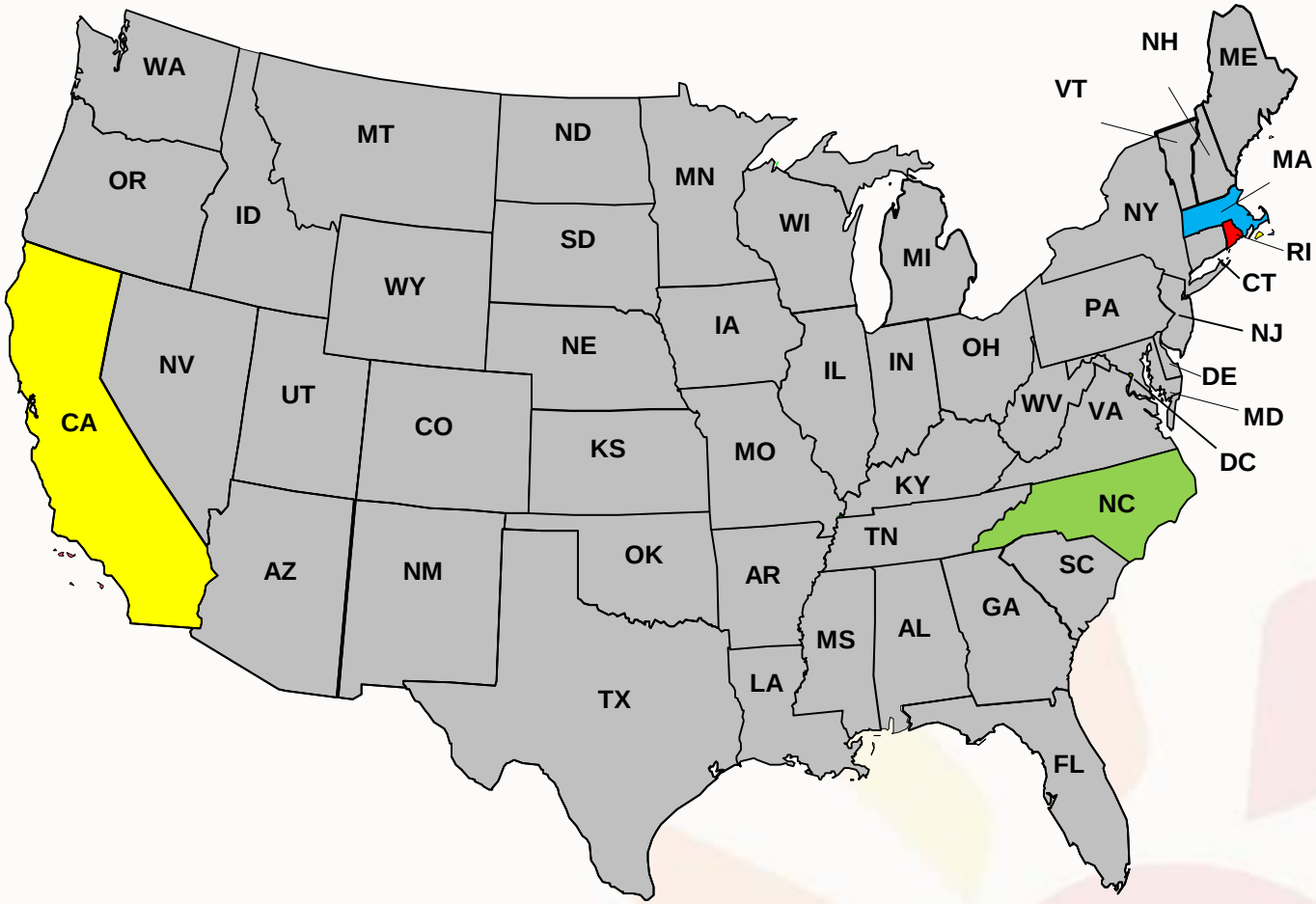
Business Differentiators: U.S. Late Stage Pipeline



Active Projects

- California
- North Carolina
- Massachusetts

Canadian Solar late-stage solar power project pipeline in the U.S. totals 198MW$_{dc}$, with 91MW$_{dc}$ expected to be completed in 2013

Business Differentiators: Japan Utility-Scale Opportunity

Late Stage Development Pipeline:

278 MW

Early-stage Preliminary Assessment Opportunities:

200 MW

Sample Project

- Land to be leased
- Project size 12.5 MWp
- Expected yield 1,130 kWh/kWp
- Connection voltage 110 kV
- Substation on site
- FiT 40 JPY/kWh
- METI and utility permits obtained

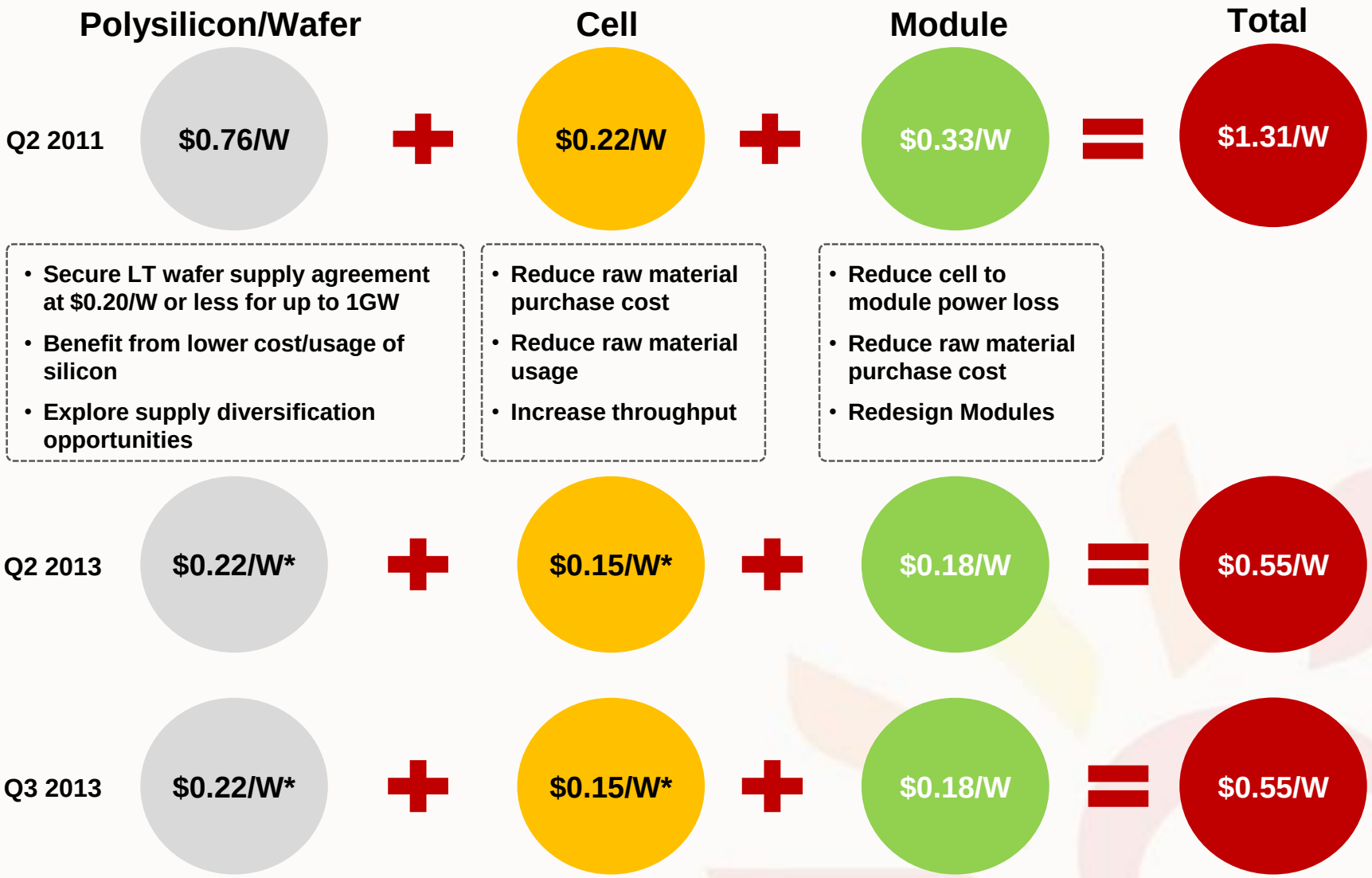
Business Differentiators: Japanese Residential Market

System Kits

Market Entry:
2009

2012 Revenue:
$120m

All-in Pure Manufacturing Cost in China



* Includes purchased silicon, wafers and cells.

Capacity Expansion Plan

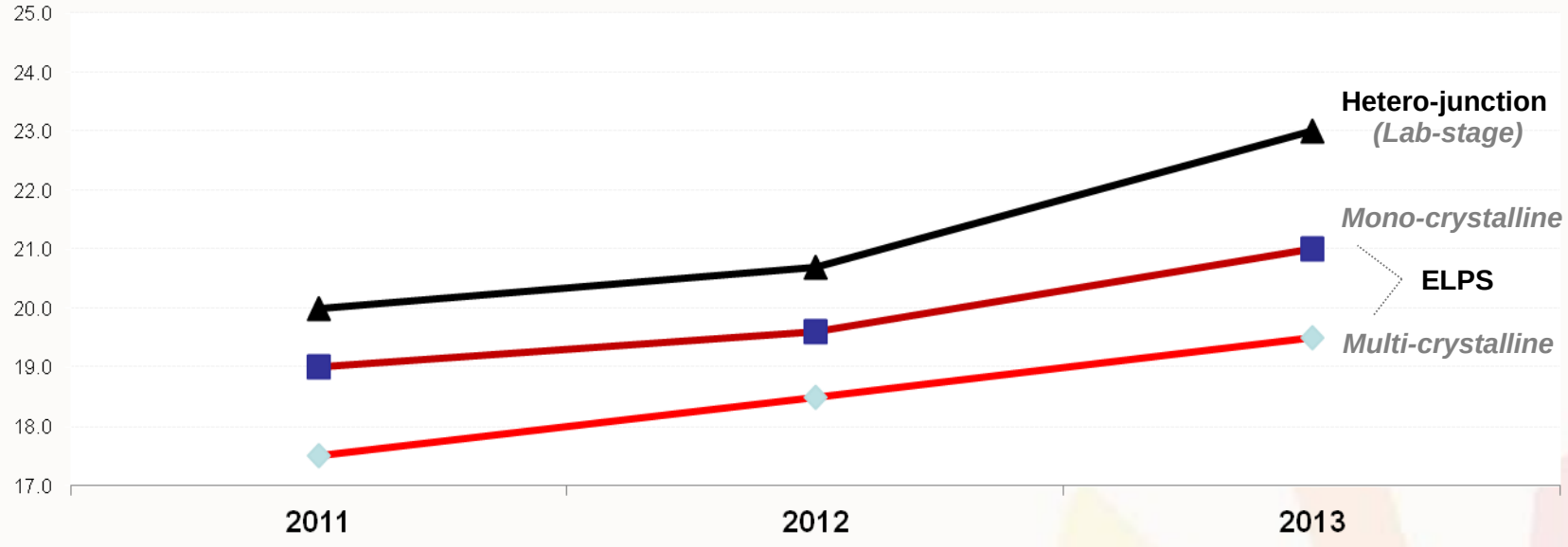
Desired Capacity = Differentiated Products with Industry Leading Cost Structure

	Ingot / Wafers	Cells	Modules
Capacity in Q4 2013	300/200 MW	1,500 MW	2,400 MW
Capacity by 2014-2015	~2,000 MW*	~2,100 MW	~3,000 MW

- Ingot/wafer capacity of ~2,000 MW* for 2014 and beyond include: (a) ~300MW internal (b) 600MW GCL joint-venture and (c) 1GW LT supply agreement (d) other external suppliers
- Cell capacity expansion include 600MW through external supply partners
- In-house cell capacity targeted at 75% of module shipments

Cell Efficiency Roadmap

Existing Cell lines can be converted to ELPS technology



17.5% to 20.0%

- Enhanced selective emitter structure currently in production
- ELPS break-through technology to be introduced in June-September 2011

18.5% to 21%

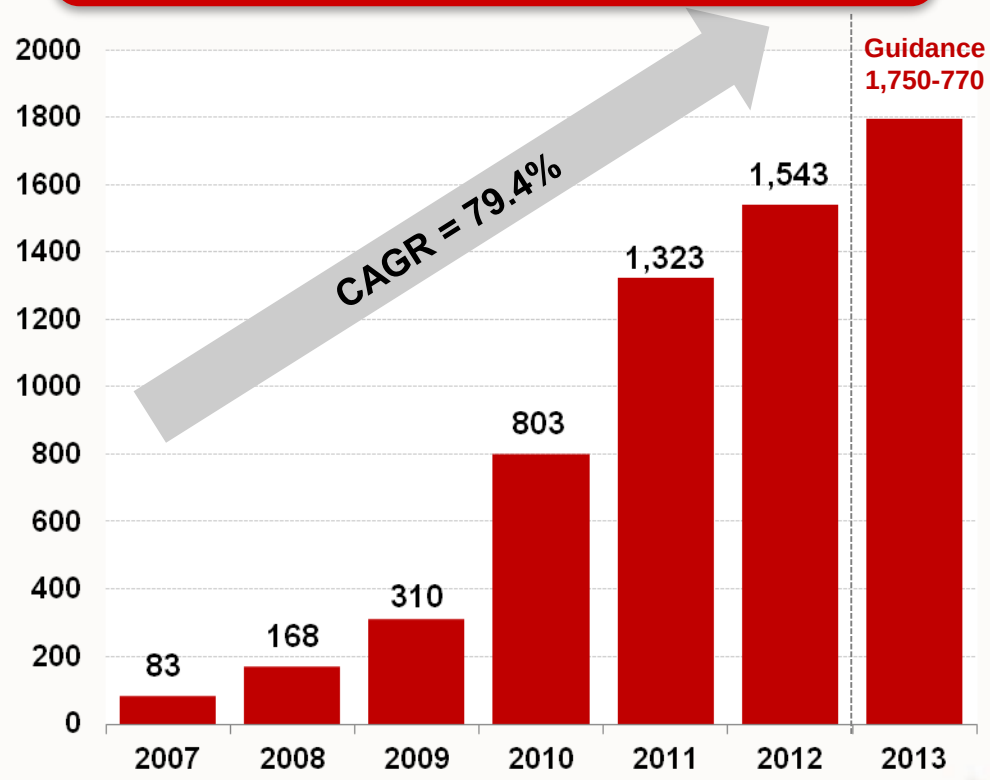
- Second generation ELPS
- ELPS + SE=ELPS2.0
- ELPS2.0 : 21.1% (lab)
- HIT: 20.1%

>21.0%

- N-type
- ELPS + HIT
- IBC structure

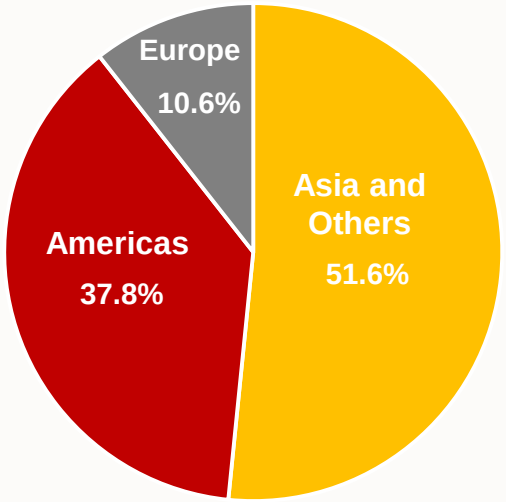
Global Footprint and Growing Market Share

Canadian Solar Module Shipments - MW

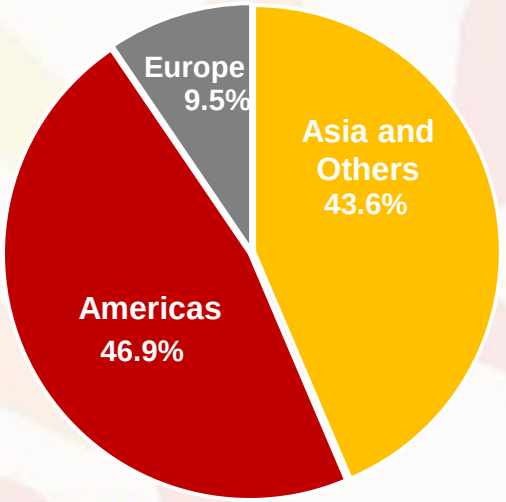


Well positioned as one of the world's largest PV module suppliers with over 5GW delivered to customers in over 70 countries.

Second Quarter 2013*



Third Quarter 2013*



* Based on revenue

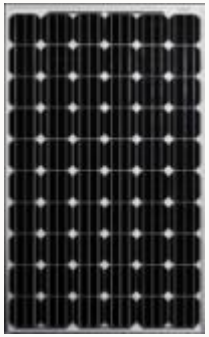
World Class Product Portfolio

Commercial & Utility

CS6P-P

MaxPower CS6X-P

CS6P-M



MaxPower CS6X-M

ELPS CS6P-MM

Residential

CS5A-M

CS6A-P

All-black CS5A-M

Quality and Performance Certification

International Environmental & Quality Management Standards

- ISO 9001:2008 Quality Management System
- QC080000:2005 HSPM Hazardous Substance Process Management
- ISO 14001 Environment Management System
- ISO TS16949:2009 First PV manufacturer to adopt ISO TS16949 for PV quality control
- OHSAS 18001 Occupational Health and Safety

International Testing Standards

- IEC 61215 & IEC 61730, UL 1703 & UL 790 & CEC
- CE conformity, MCS (EN45011)
- REACH Compliance

√ IEC 61215
√ IEC 61730
√ IEC 61701: Salt Mist Corrosion
√ Ammonia Resistance
√ PID free
√ REACH Compliant

Industry Leading Warranty

Product Workmanship and Power Output Performance Warranty…

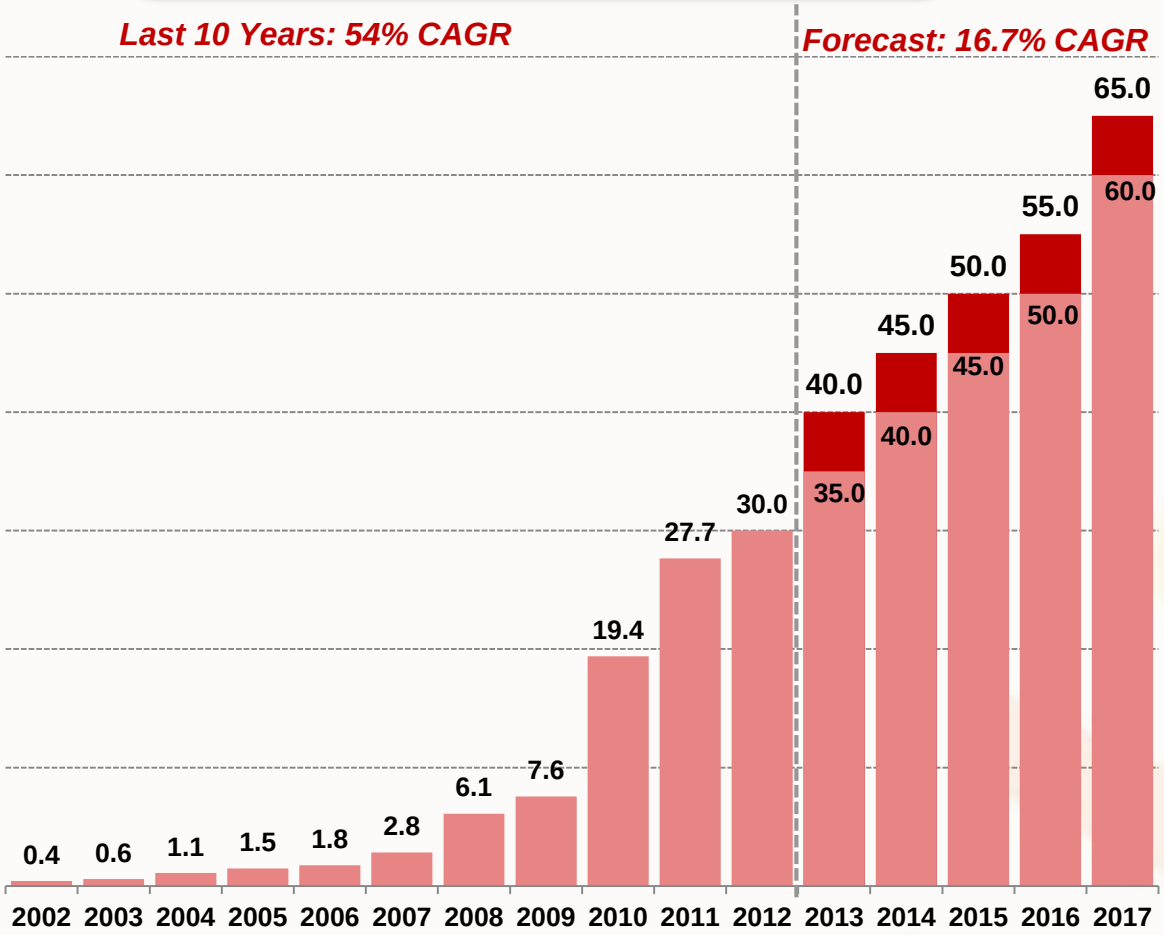
- **10-year product workmanship warranty**
- **25-year linear power output performance guarantee**
  - Guarantee 97% of the labeled power output in the first year
  - Decline of no more than 0,7% annually
  - By year 25 the actual power output will be no less than 80% of the module's labeled power output

….Backed by an Investment Grade Insurance Policy

- **Insurance policy matches Canadian Solar's standard warranty terms**
- **Coverage starts immediately and lasts for 25 years**
- **Covers worldwide modules sales from all CSI subsidiaries to most countries**
- **The policy is non cancelable and allows third party bankruptcy rights (satisfying investors/ lenders requirements)**
- **Insurance purchased underwritten by:**
  - International Insurance Company of Hannover Limited AM Best Rating: A XV. www.inter-hannover.com
  - RSUI Indemnity Company AM Best Rating: A XII. www.rsui.com

Large and Growing Market Opportunity

Global PV Module Demand - GW



Source: Solarbuzz, IMS

Key Drivers

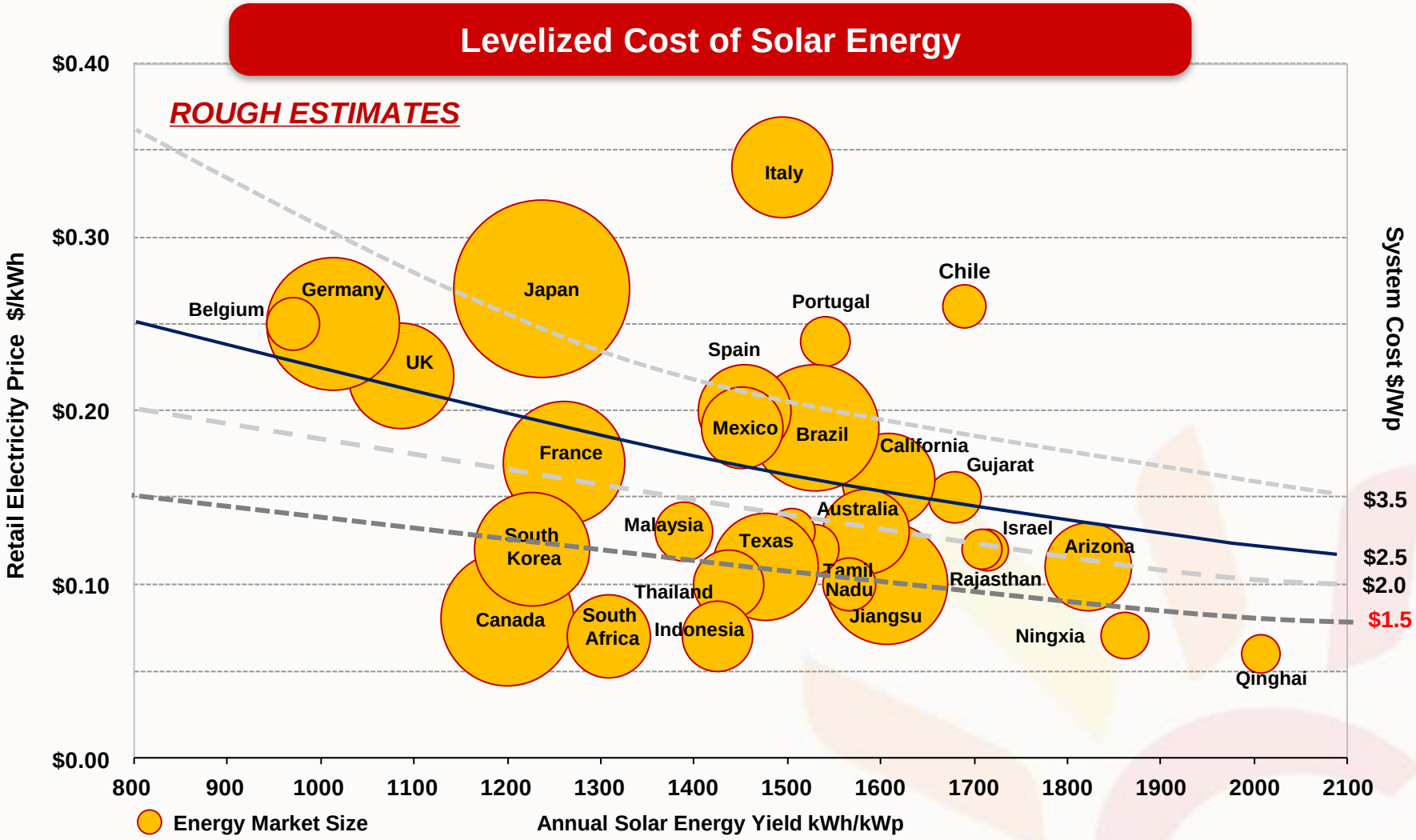
Past:

- ✓ Government incentives
- ✓ Lower system prices

Future:

- ✓ Grid parity
- ✓ Rural electrification
- ✓ Energy security
- ✓ Fuel substitution
- ✓ Energy diversity
- ✓ Environment preservation
- ✓ Distributed energy
- ✓ Move away from nuclear

Retail Grid-parity in Selected Markets



Source: PHOTON Consulting analysis based on data from EIA and Eurostat

Management Team and Board

International Background + Extensive Industry Experience

	Name / Title	Working Experience
	**Dr. Shawn Qu (Xiaohua)** *Chairman, President & CEO (Director)*	• Director & VP, Photowatt International S.A. • Research scientist, Ontario Power Generation Corp.
	**Michael G. Potter** *SVP and Chief Financial Officer*	• Corporate Vice President and CFO of Lattice Semiconductor Corp. • Senior Vice President and CFO of NeoPhotonics Corp.
	**Yan Zhuang** *SVP and Chief Commercial Officer*	• Head of Asia of Hands-on Mobile, Inc. • Asia Pacific regional director of marketing planning and consumer insight, Motorola Inc.
	**Guangchun Zhang** *Chief Operating Officer*	• Vice President for R&D and Industrialization of Manufacturing Technology, Suntech Power Holdings • Centre for Photovoltaic Engineering at the University of New South Wales and Pacific Solar Pty. Limited.

Experienced Independent Directors

Robert McDermott *Chairperson of the Corporate Governance , Nominating and Compensation Committees*	Lärs-Eric Johansson *Chairperson of the Audit Committee*	Dr. Harry E. Ruda *Member of the Audit Committee and Compensation Committee*
• Partner with McMillan LLP, a business and commercial law firm • Director and senior officer of Boliden Ltd.	• CEO of Ivanhoe Nickel & Platinum Ltd. • Chairperson of the audit committee of Harry Winston Diamond Corp.	• Director of the Centre for Advanced Nanotechnology, the Stanley Meek Chair in Nanotechnology and Prof. of Applied Science and Engineering at the University of Toronto, Canada

The Key Levers of our Strategy

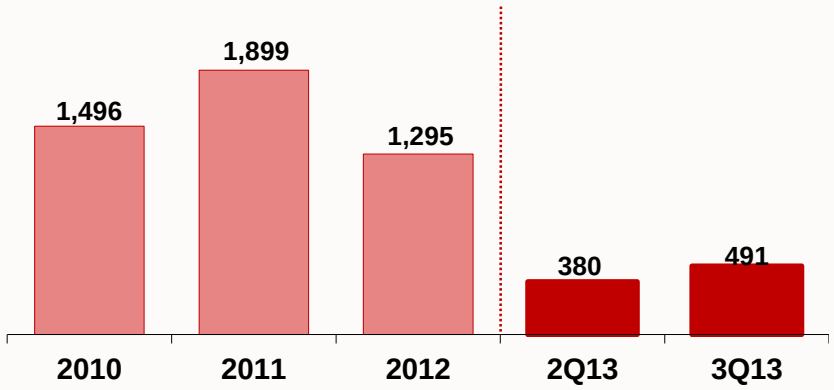
Differentiate Business Model	Leverage CSI's existing expertise to expand and monetize utility scale project opportunity (e.g. Canada, U.S., Japan, China) Expand residential system kits
Maintain Lowest Manufacturing Cost	Reduce manufacturing costs to remain competitive
Leverage Manufacturing Scale	Increase market share to remain among the Top-4 manufacturers and on the short list of key accounts
Introduce New Technologies	ELPS, Smart Module, QUADTECH

Goal is to be profitable and among the top-4 global module manufacturers, with over 10% share of the global PV module market

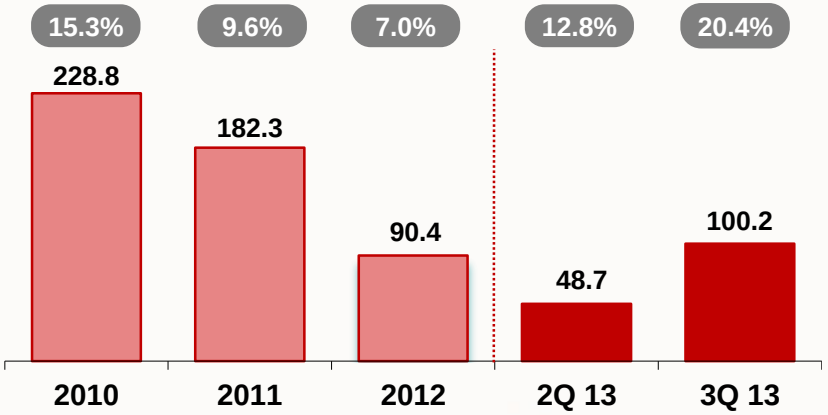
Financial Highlights

Key Performance Indicators

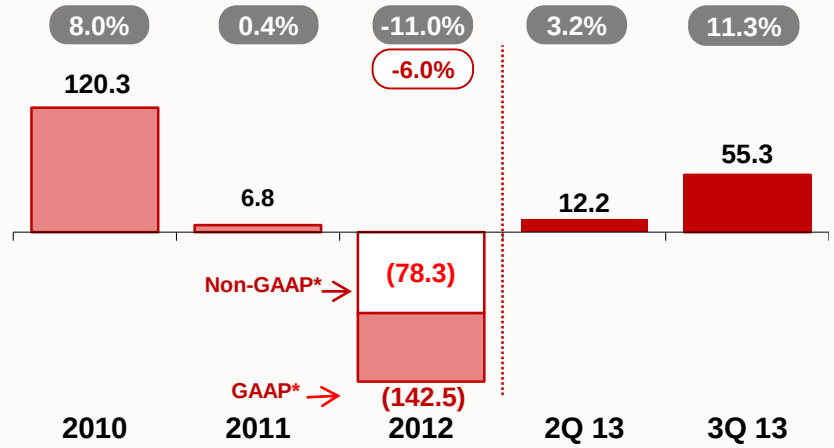
Revenue - US$ million



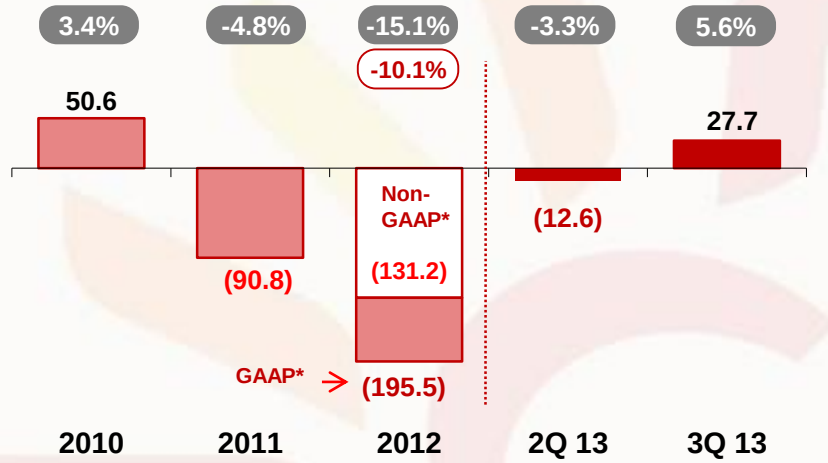
Gross Profit - US$ million



Operating Income (Loss) - US$ million



Net Income (Loss) - US$ million



Margin

- *Non-GAAP measure excludes non-cash charges for A/R and Arbitration Award.*
- *Reconciliation of GAAP to Non-GAAP is found at the end of this presentation.*

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Key Performance Indicators

Operating Leverage

	2011	2012	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013	Q3 2013
Selling	3.7%	7.0%	6.2%	7.0%	6.6%	8.5%	7.1%	5.2%	4.3%
G&A	4.5%	5.0%*	4.7%	5.3%	5.2%	5.8%*	6.2%**	3.5%	4.2%
R&D	1.0%	1.0%	0.9%	1.0%	1.0%	1.1%	0.9%	0.8%	0.6%
Operating Expense	9.2%	13.0%*	11.8%	13.3%	12.8%	15.4%*	14.2%	9.5%	9.2%

*Fourth quarter of 2012 excludes $61.3 million non-cash provision for bad debt and arbitration award. Including these provisions, fourth quarter 2012 G&A and operating expenses represented 26.5% and 36.1% respectively. Fiscal year 2012 excludes $64.2 million non-cash provision for bad debt and arbitration award. Including these provisions, G&A and operating expenses for fiscal 2012 represented 10.0% and 18.0% respectively ; **Excludes arbitration award reversal totaling $30 million.

Summary Balance Sheet

US$ million	September 30, 2013	June 30, 2013	December 31, 2012	December 31, 2011
Cash and Restricted Cash	681.7	540.6	564.3	522.3
Accounts Receivable	271.8	262.9	254.9	292.2
Inventories	220.6	218.5	274.5	296.6
Other Current Assets	479.0	566.0	348.5	184.5
Total Current Assets	1,653.1	1,588.0	1,442.2	1,295.6
Property, Plant and Equipment	426.8	441.9	469.6	510.1
Other Non-current Assets	273.7	229.5	347.5	74.1
Total Assets	2,444.3	2,259.4	2,259.3	1,879.8
Short Term Borrowings	801.6	813.6	858.9	743.7
Accounts Payable	589.7	463.1	461.6	306.0
Other Current Liabilities	308.4	282.1	219.8	186.8
Total Current Liabilities	1,699.8	1,558.8	1,540.3	1,236.5
Non-current Liabilities	348.8	389.8	372.3	176.3
Redeemable non-control. interest	22.6	33.2	45.1	-
Total Equity	373.0	288.6	301.6	467.0
Total Liabilities and Equity	2,444.3	2,259.4	2,259.3	1,879.8

Outlook and Guidance

Fourth Quarter and Full Year 2013 Guidance

	Q4 2013*	FY 2013*
Shipments	480 MW – 500 MW	1,750–1,770MW
Gross Margin	13.0% to 15.0%	NA

- Company Press Release, *Nov 13, 2013

Selected Projects: Canada

Brockville I, Ontario Canada
CSI Role: Project Owner and Developer
Status: Connected to the grid
Note: Sale to TransCanada closed

Brockville II, Ontario Canada
CSI Role: Project Owner and Developer
Status: Connected to the grid
Note: Sale to TransCanada pending

Selected Projects: Canada

William Rutley, Ontario Canada
CSI Role: Project Owner and Developer
Status: Connected to the grid
Note: Sale to TransCanada pending

Reconciliation of GAAP to Non-GAAP Measures

To supplement its financial disclosures presented in accordance with GAAP, Canadian Solar uses non-GAAP measures which are adjusted from the most directly comparable GAAP results for certain items, as described below. The Company presents non-GAAP adjusted net loss so that readers of the press release can better understand the underlying operating performance of the business before the impact of the provision for the arbitration decision and the bad debt allowance for doubtful accounts in the fourth quarter of 2012. The non-GAAP adjusted net loss is not a measure of financial performance under U.S. GAAP, and should not be considered in isolation or as an alternative to operating cash flows and other measures determined in accordance with GAAP.

Statement of Operations Data:
(In Thousands of US Dollars)

	Twelve Months Ended	
	December 31,2012	**December 31,2011**
GAAP net loss attributable to Canadian Solar Inc.	(195,469)	(90,804)
Non-GAAP loss adjustment items:		
Bad debt allowances	34,191	18,537
Loss accruals for an arbitration in favor of LDK	30,054	-
Non-GAAP net loss attributable to Canadian Solar Inc.	(131,224)	(72,267)

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