





Recurrent Energy Acquisition

February 4, 2015

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Overview of Transaction

- On February 3, 2015 Canadian Solar entered into definitive agreement with Sharp Corporation to acquire Recurrent Energy, a leading North American solar energy developer
- Total consideration for the acquisition is \$265 million in cash
 - \$200 million will be paid at closing and \$65 million will be paid 30 days after closing
 - To be funded from available cash and committed financing
- Expected to close prior to the end of the first quarter of 2015, subject to customary closing conditions and regulatory approvals
- The transaction significantly expands and diversifies Canadian Solar's global solar project pipeline in low risk geographies
 - Global solar project pipeline increases by 4.0 GW_{DC} to 8.5 GW_{DC}
 - Late-stage project pipeline increases by 1.0 GW_{DC} to 2.4 GW_{DC}
- Strengthens North American development capabilities with Recurrent's proven solar energy development track record in the US and Canada
- Enhances Company position for creating Canadian Solar YieldCo in quarters ahead

Overview of Recurrent Energy

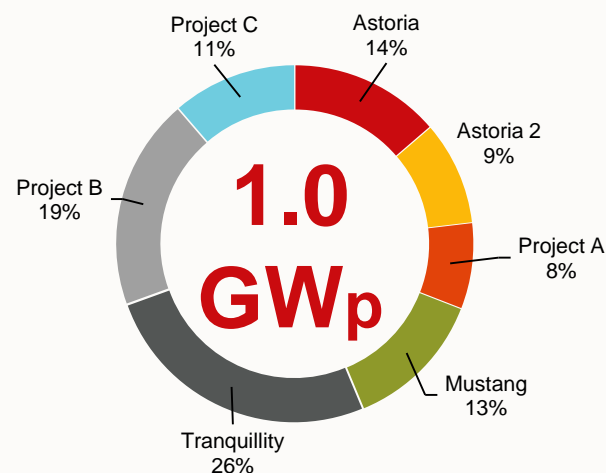
- Founded in 2006, Recurrent Energy develops, constructs, and finances utility-scale projects ranging from 20 to 200 MW in US and Canada
- Leading North American solar developer based on contracted capacity in 2014
- Has historically delivered $>682 \text{ MW}_{\text{DC}}$ of solar PV power plants
- Project pipeline of $\sim 4.0 \text{ GW}_{\text{DC}}$ with $\sim 1.0 \text{ GW}_{\text{DC}}$ of projects with PPAs in the US
- Core competencies:
 - Experienced project management team with track record of delivering high quality solar PV projects
 - Proven platform with established relationships and experience with off-takers, suppliers, EPC contractors, real estate, interconnection, and environmental bodies in multiple geographies
 - \$4 billion in project debt and equity secured to date from leading lenders and investors
- Headquarters: San Francisco, CA

Recurrent adds 1.0 GW of ITC eligible near-term project pipeline

- One of the largest portfolios of utility-scale projects in California and Texas that can be constructed pre ITC expiration
- All 1.0 GW_{DC} projects are expected to be completed prior to end of 2016
- Revenue opportunity of **\$2.3 billion**
- Significantly strengthens Canadian Solar's position in North America

Near term project contribution

(% of portfolio by capacity)



Astoria

	Astoria	Astoria 2	Project A*	Mustang	Tranquillity	Project B*	Project C*
State	California	California	California	California	California	Texas	California
MW _{DC}	131	100	78	133	257	200	120
COD	2016	2016	2016	2016	2016	2016	2016
Site Control	✓	✓	✓	✓	✓	✓	✓
Permitting	✓	✓	✓	✓	✓	NR	Jun. 2015
Anchor PPA	✓	✓	✓	✓	✓	✓	In Progress
Project life (years)	35	35	35	35	35	35	35

*Project names omitted to preserve confidentiality

Recurrent expands Canadian Solar's portfolio in low risk geographies

4.0 GW_{DC}

total project pipeline ⁽¹⁾

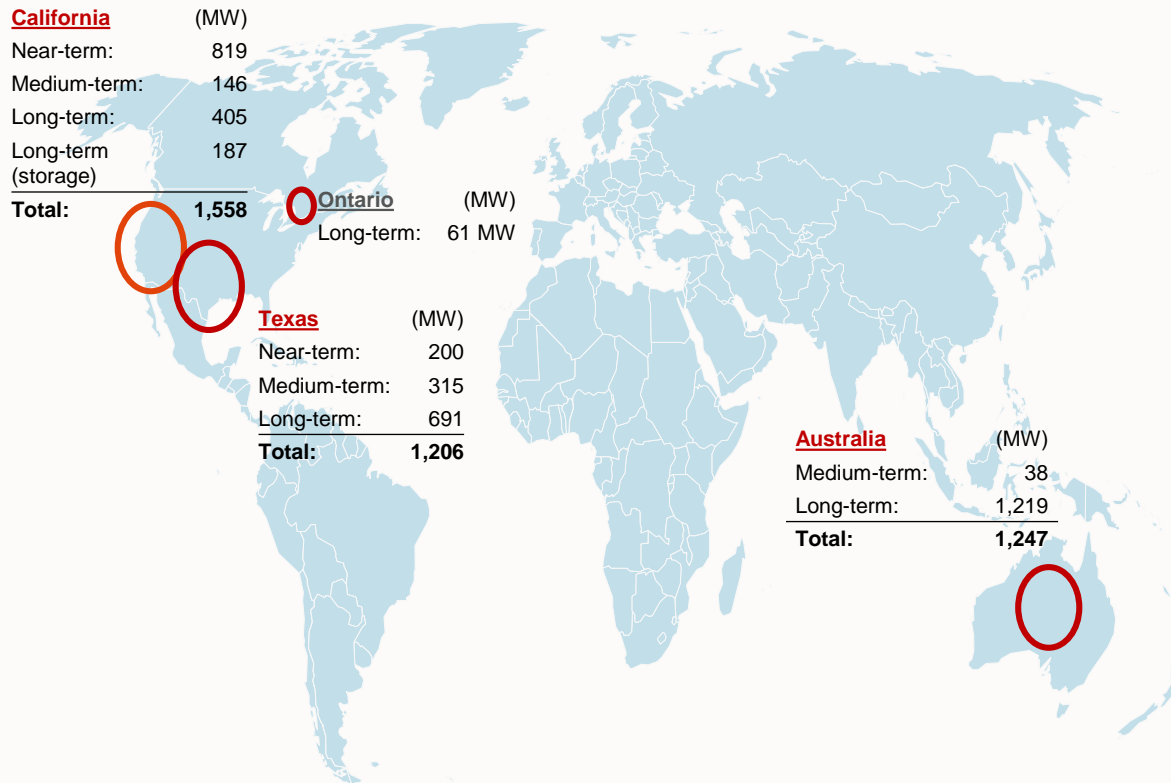
1.0 GW_{DC}

near term project pipeline

\$2.3 billion

revenue opportunity from near-term projects

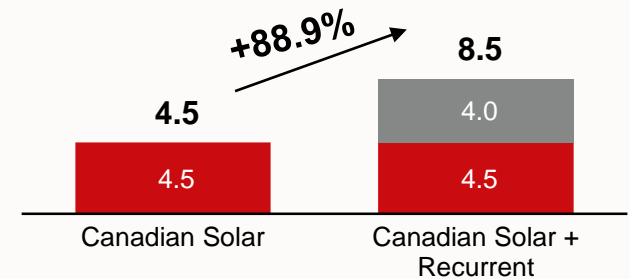
Recurrent Energy's global solar project pipeline



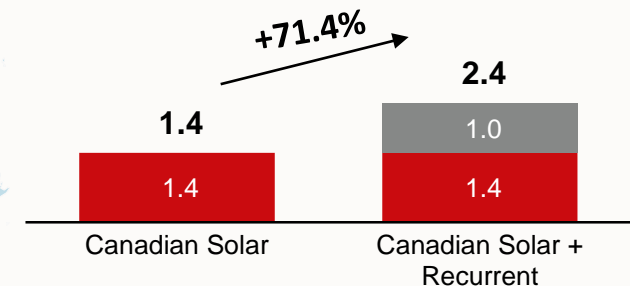
Canadian Solar Pipeline

Total project pipeline

(GW_{DC})



Contracted / late-stage pipeline



Note:

(1) All project capacity shown in MW_{DC}. Long term pipeline converted to MW_{DC} at conversion factor of 1.27.