



Investor Presentation

Third Quarter 2016 Update

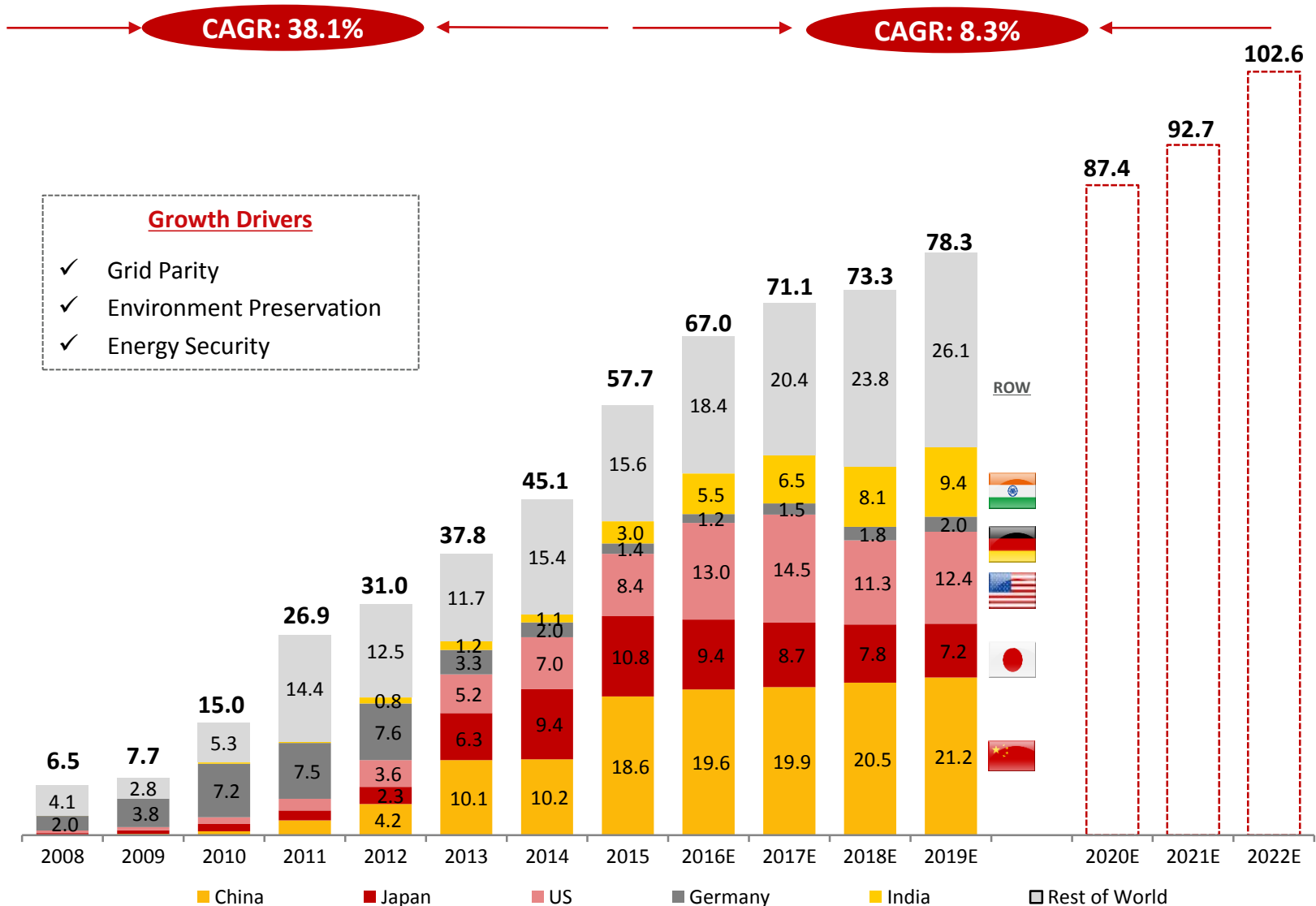
November 2016

CSIQ NASDAQ Listed

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Global Annual PV Installation to Break through 60GW in 2016

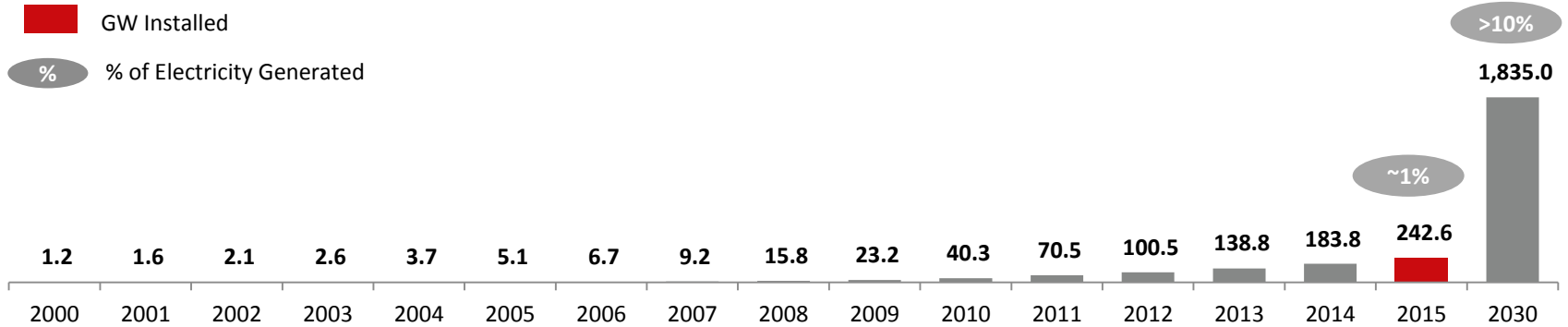


Source: Global PV module demand assumptions from Solarbuzz, IHS, Bloomberg New Energy Finance.

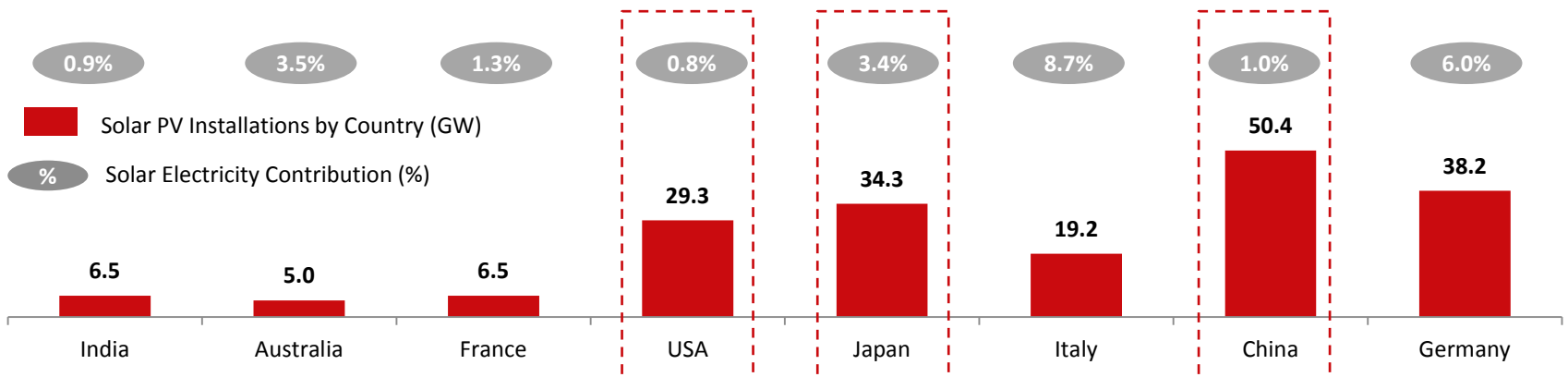
We Are at the Very Early Stages of Solar Adoption

Solar energy will grow from ~0.5% of global electricity generation today to >10% by 2030

Global Cumulative Solar PV Installations (GW)



Canadian Solar's key markets such as US, Japan and China are significantly under-penetrated



Source: EPIA, IHS, Canadian Solar Analysis

Solar PV Installed Capacity is Forecast to Grow to over 1,835 GW in 2030.

Company Overview

- 🌿 Founded in Ontario, 2001
- 🌿 Listed on NASDAQ (CSIQ) in 2006
- 🌿 Over 9,000 employees globally
- 🌿 Presence in 18 countries / territories
- 🌿 > 17 GW of solar modules shipped cumulatively
- 🌿 > 2.3 GWp solar power plants developed, built and connected (incl. Recurrent)
- 🌿 **Top 2 solar company by MW shipped, revenue and profits in 2015**

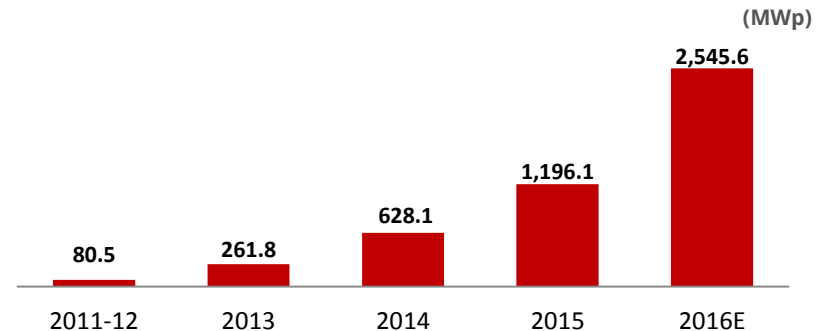
Global Footprint and Brand



Highlights

- 🌿 2015 Revenue: **\$3.5 Billion**
- 🌿 2015 Shipments: **4.7 GW**
- 🌿 2015 Net Income: **\$172 Million**
- 🌿 2016 Shipment Guidance: **5.073 GW – 5.173 GW**

Solar Power Plants Built and Connected



Energy Business: Industry Leading Globally Diversified Project Pipeline

Priority Markets for Utility-Scale Project Development

9.5 GWp

Total project development pipeline

7.5 GWp

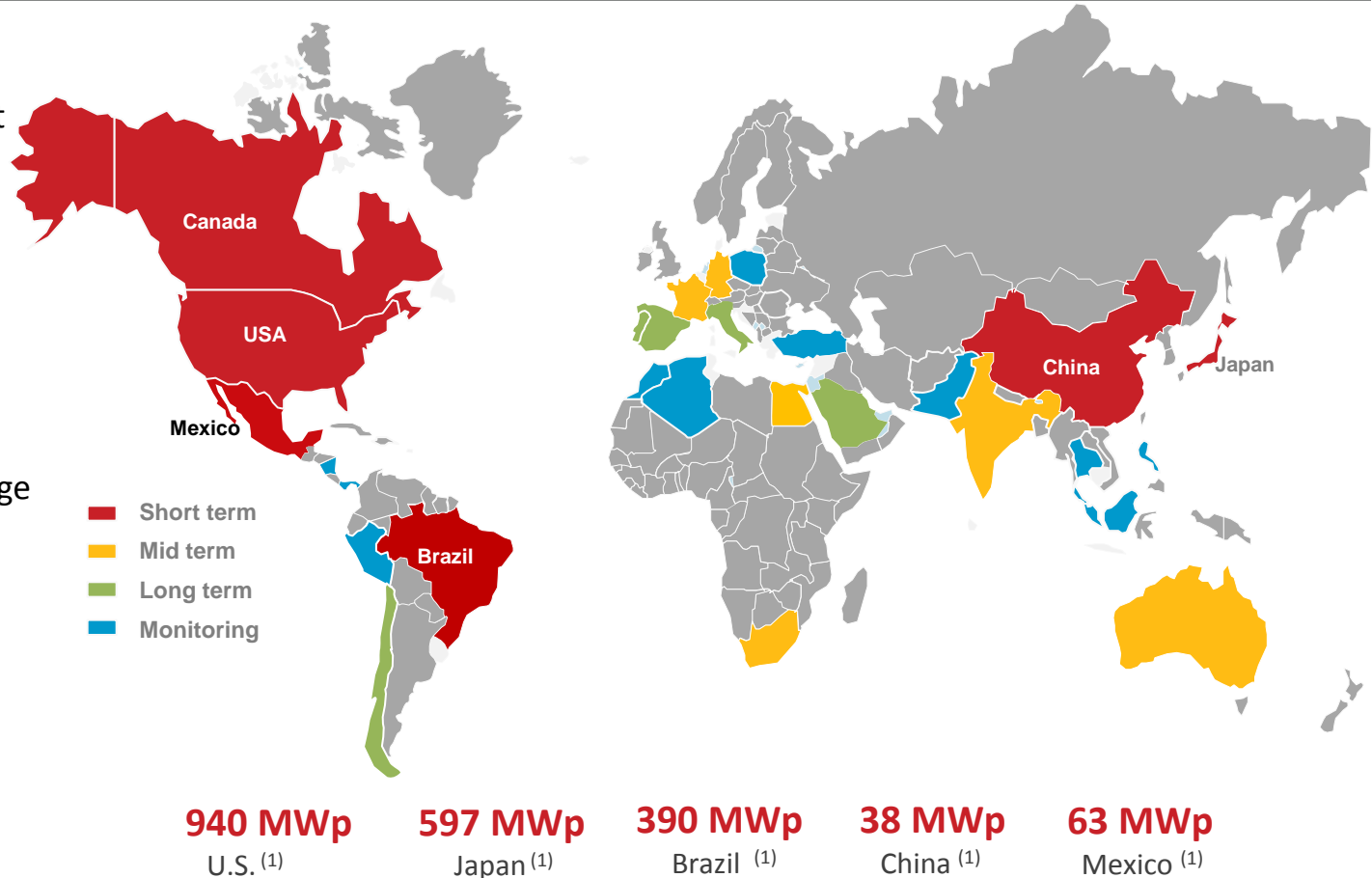
Early to mid-stage development pipeline ⁽²⁾

2.0 GWp

Total contracted / late-stage project pipeline ⁽¹⁾

~948 MWp

Solar power plants owned and operated, with resale value of **\$1.4 Billion** and profit margin contribution in the low double digits.



Source: Company information as of November 21, 2016

Note: (1) Late-stage project and EPC contract pipeline, nearly all projects have an energy off-take agreement and are expected to be built within the next 2-4 years. Some projects may not reach completion due to failure to secure permits or grid connection, among other risk factors.

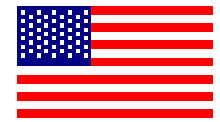
(2) Early to mid-stage of development: includes only those projects that have been approved by our internal Investment Committee or projects that are expected to be brought to the Investment Committee in the near term. In Q3, we reevaluated the attractiveness of the existing projects and decided to focus on a smaller set of opportunities. The projects included in the prior quarter's 20.4 GW have not been lost and are still being developed.

Project Summary

Late-stage Projects Expected COD Schedule

Country/Region	Plants In Operation at 9/30/2016	(Gross MWp)			Total Late-stage Projects
		Q4'16	2017	2018 and After	
US	483	715	-	225	940
China	218	38	-	-	38
UK	120	10	5	-	15
Canada	100	-	-	-	-
Japan	22	41	121	435	597
Spain	5	-	-	-	-
Brazil	-	-	191	199	390
Mexico	-	-	-	63	63
Africa	-	-	-	6	6
Total Gross MWp	948	804	317	928	2,049
Gross Resale Value (\$ in M)	\$ 1,400	\$ 800	\$ 600	\$ 2,300	\$ 3,700

Market Leader in the U.S.



Includes Recurrent Energy Across North America

3 GWp

Early-stage pipeline

940 MWp

Late-stage pipeline²

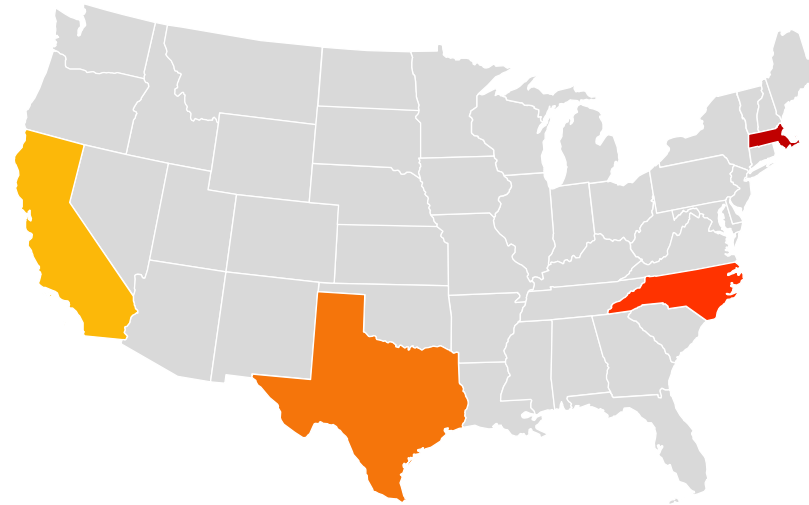
483 MWp

Owned and operated

>842 MWp¹

Track record of projects developed and sold in U.S.

U.S. Project Development Business Footprint



Late-stage Pipeline²

Astoria 1

131
MWp

Astoria 2

100
MWp

Garland

272
MWp

Roserock

212
MWp

Tranquility 8

197
MWp

Project B

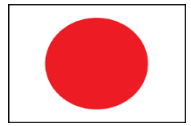
28
MWp

Commercial Operation by the end of 2016

Commercial Operation by the end of 2018

1. Includes all of Recurrent Energy's and Canadian Solar (US only) projects developed and delivered; 2. Gross MWp owned by Canadian Solar

Japan Utility-scale Solar Project Pipeline



Total Solutions business – Japan

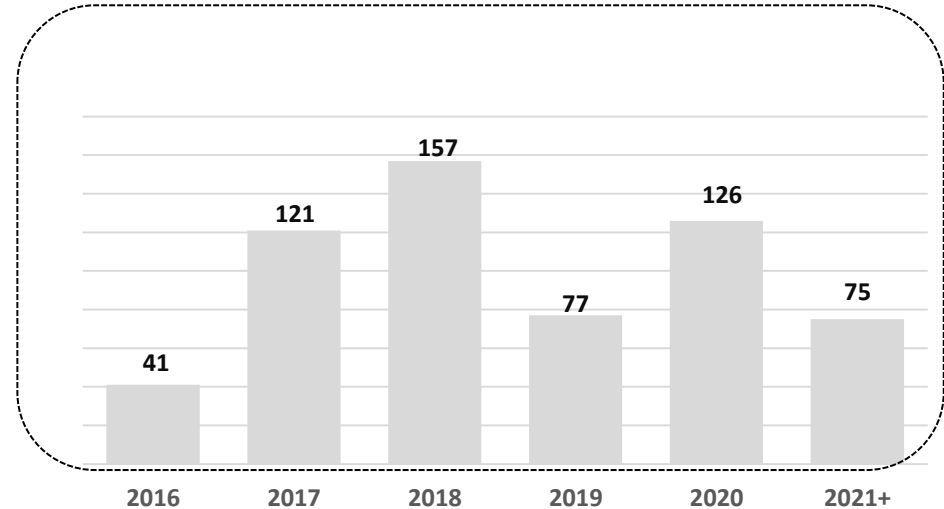
597 MW_p
Late-stage pipeline

22 MW_p
Owned and operated



Yamaguchi plant: 24 MWp

Utility-Scale COD Schedule¹ - MWp



Note: (1) Expected COD are tentative estimates subject to change, due to delays in securing all the necessary permits among other risk factors.

- Projects in construction **191 MWp**
- Projects ready-to-build **66 MWp**
- As of 8/1/2016, projects with signed interconnection agreements **397 MWp**
- In November 2016, the **24 MWp** Yamaguchi plant started commercial operation
- By 4/1/2017, additional projects with signed interconnection agreements **130 MWp**

Brazil Utility-scale Solar Project Pipeline



Late-stage Pipeline

<u>Project</u>	<u>Gross MWp</u>	<u>Status</u>	<u>Expected COD</u>
Pirapora I ⁽¹⁾	191	Construction	2017
Pirapora II ⁽¹⁾	109	Development	2018
Vazante ⁽²⁾	90	Development	2018
Total	390		



Canadian Solar sold 80% of equity interest in the Pirapora I solar project to EDF EN do Brasil. We will supply modules for this project from our new 360MWp module factory established in Brazil to support the local market.

Source: Company information as of November 21, 2016

China Utility-scale Solar Project Pipeline



Energy Business – China



Group I: 0.8 RMB/kWh Group II: 0.88 RMB/kWh Group III: 0.98 RMB/kWh

Source: Company information as of November 21, 2016

Q4 2016 Grid Connection Target

In Q4 2016, we expect to connect a total of **38 MWp** solar plants to the grid in China, including 3 plants in Jiangsu Province, totaling **32 MWp** and a **6 MWp** plant in Henan Province. The total plants in operation in China by 2016 is expected to reach **256 MWp**.

Utility-scale Solar Power Plants Monetization Progress

Monetization Schedule

Country	MWp	Target Sale Date
Canada	100	December 2016 or early 2017
China	134	December 2016 or early 2017
U.S.	1,200	2017
Japan		IPO of JREIT in Q2 or Q3 2017

- ☀️ The total value of the 234 MWp solar power plants in Canada and China is estimated at approximately \$500 million, with a blended gross margin in high teens.
- ☀️ We have started the sale process of the 1.2 GWp projects in the U.S. as these projects reaching COD.
- ☀️ We are preparing to potentially form a solar J-REIT to be listed in Tokyo exchange and are currently targeting the IPO of the J-REIT in Q2 or Q3 of 2017.

We are well on track to monetize our utility-scale solar power plants in various countries.

Source: Company information as of November 21, 2016

Module Business: Global Footprint With Diversified Customer Base

> 17.0 GW

cumulative modules
sold to date

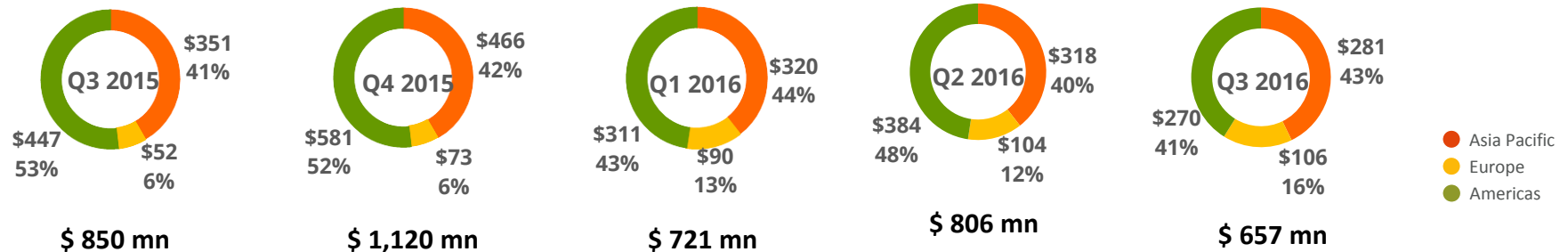
Customers in over 90
countries

with offices in
18 countries

Operational footprint

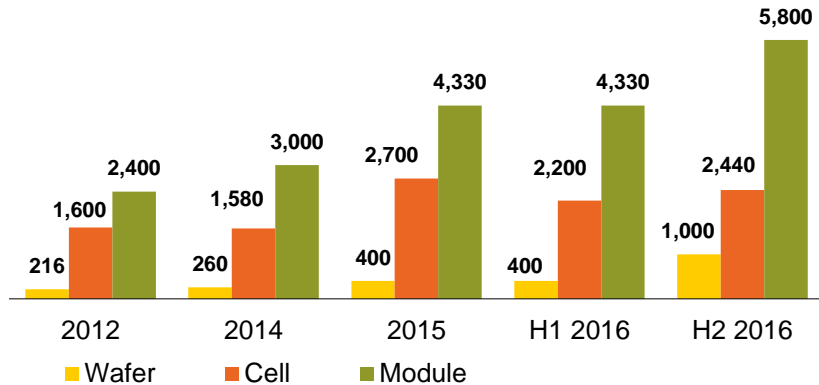


Sales breakdown by region



Capacity Expansion to Optimize Technology and Cost

Manufacturing Capacity - MW



Technology upgrade - New products, new process, new design

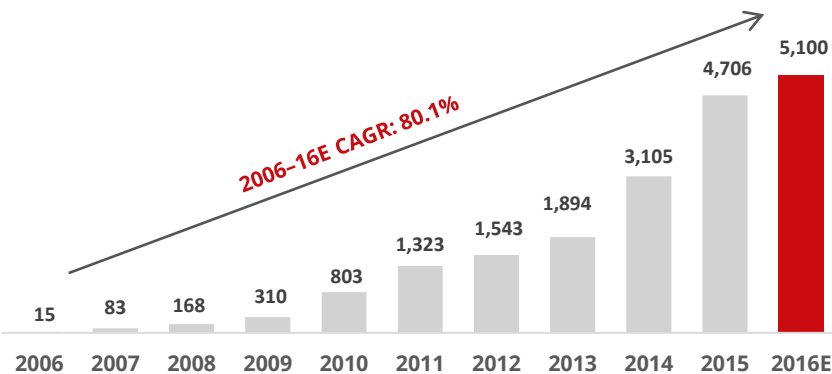
- ✓ Diamond wire saw wafer
- ✓ Black silicon
- ✓ Mono PERC
- ✓ Super 5

Global Manufacturing Footprint

- ✓ Brazil
- ✓ Canada
- ✓ China
- ✓ Indonesia
- ✓ Thailand
- ✓ Vietnam

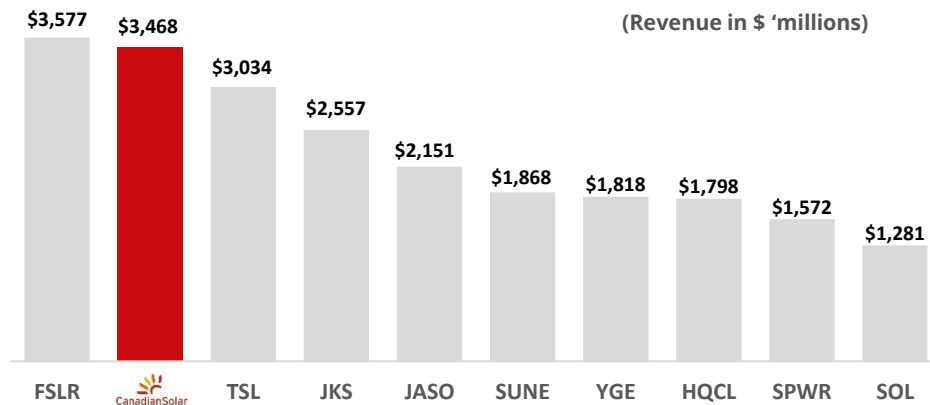
Operation efficiency improvements: Shorter cycle time and lower inventory

Total Module Shipments - MW



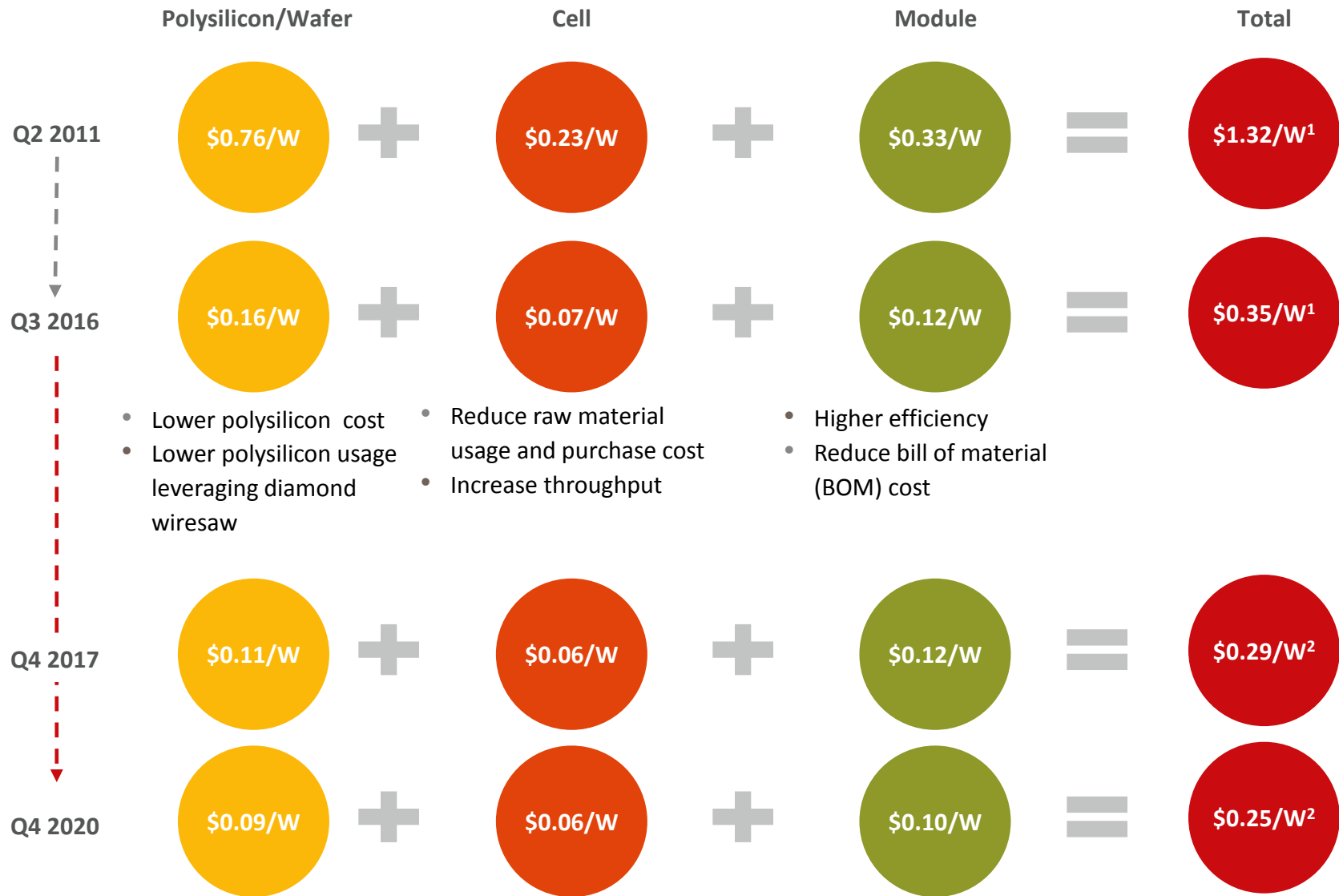
Source: Company information

#2 Solar Energy Solutions Company by Revenue in 2015



Source: FactSet Data;

Industry Leading Manufacturing Cost Structure

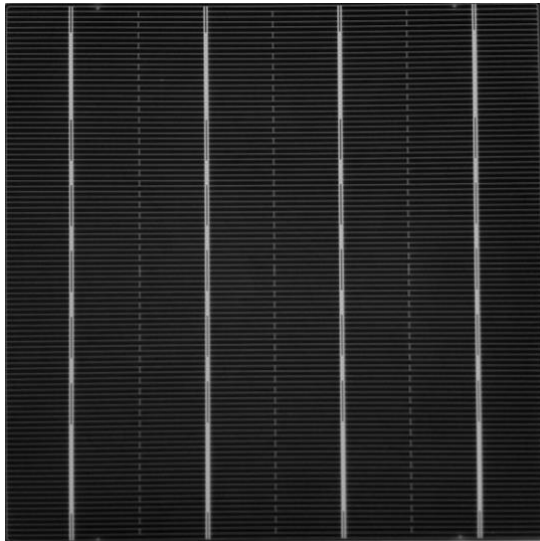


Source: Company information

1. Blended manufacturing cost in China, includes depreciation but excludes shipping, warranty and tariff costs
2. Based on internal ingot, wafer, cell and module manufacturing in China

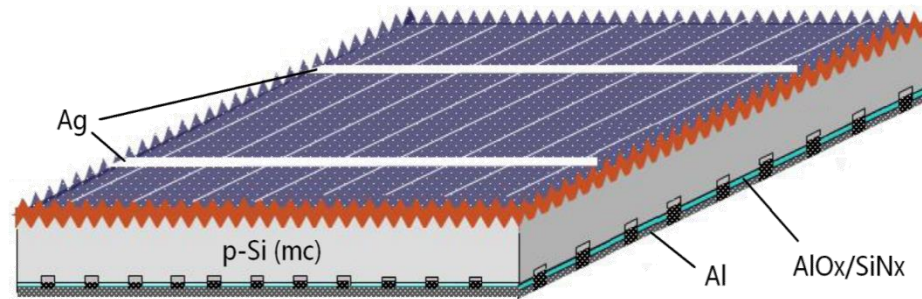
Competitive Pipeline of Homegrown Technologies

ONYX I – Black Silicon



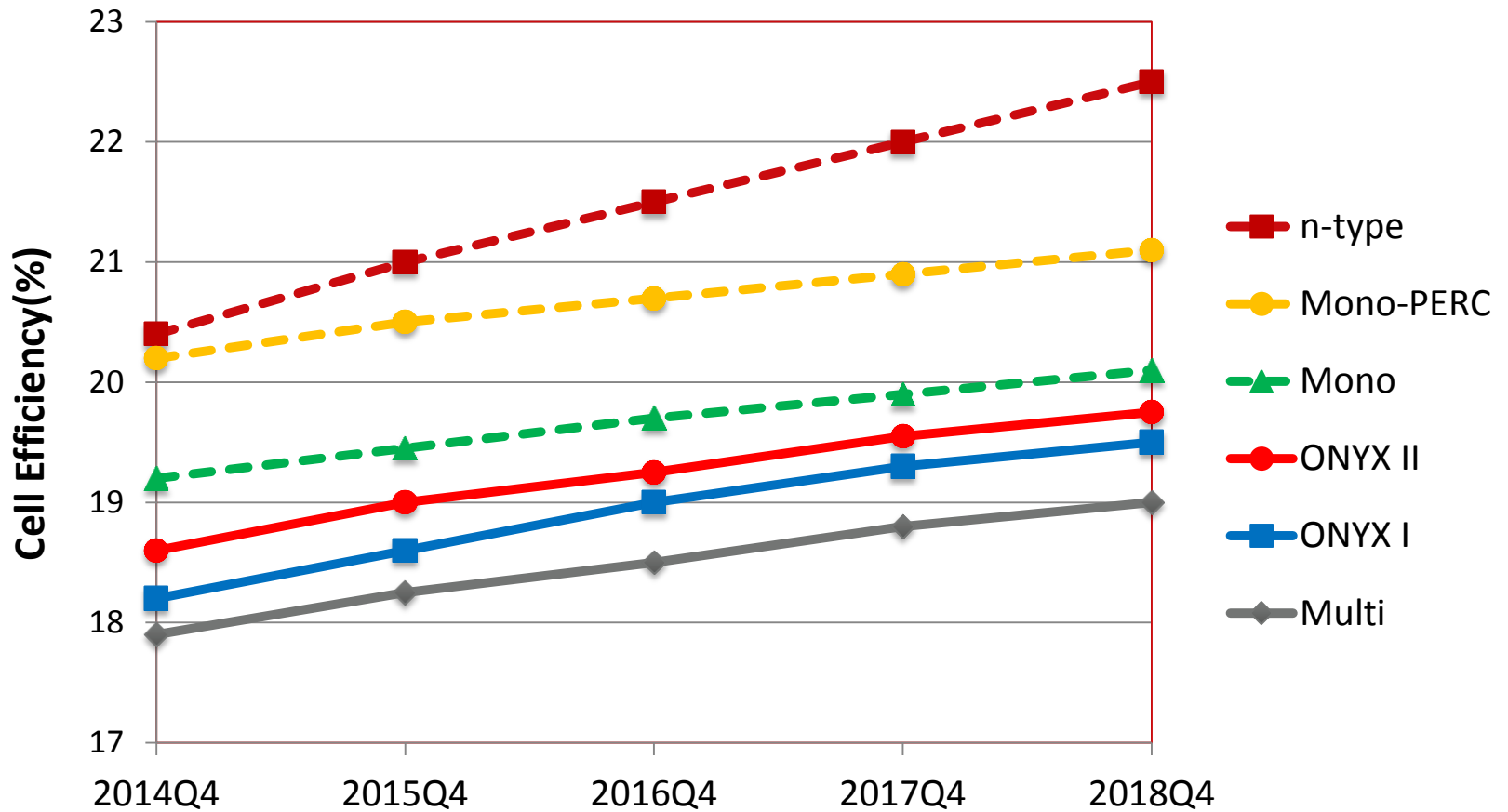
- ☀️ 0.4% cell efficiency and 4 watts module power gain over baseline to over 19% by end of 2016
- ☀️ Over 3 years in-house R&D, **self-owned IPs**
- ☀️ Production roll out begun in 2015 Q1
- ☀️ Ramp up as future multi baseline
- ☀️ Pleasing aesthetics

Mono PERC



- ☀️ Mono PERC enhances back side passivation and increases cell efficiency to near 21%
- ☀️ Low Light Induced Degradation (LID), and Potential Induced Degradation (PID) resistant
- ☀️ Premium product: 60-cell module power to reach 290 Watt
- ☀️ Production roll out begun in 2016 Q1, will gradually ramp up within the year

Cell Efficiency Roadmap



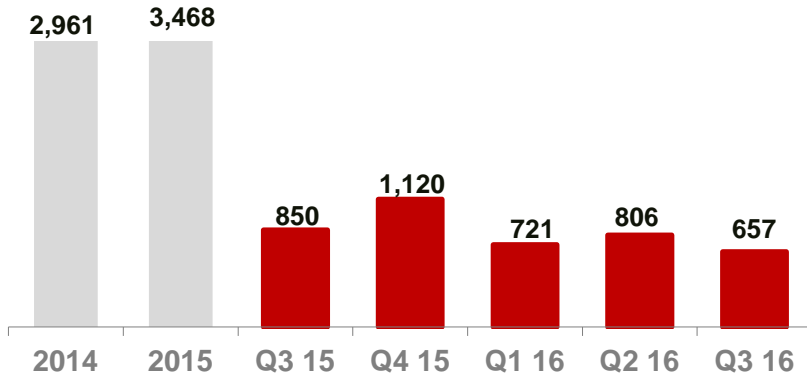
Experienced Board & Senior Management

Name / Title	Work Experience	
 <p>Dr. Shawn Qu <i>Chairman, President & CEO (Director)</i></p>	<ul style="list-style-type: none"> ■ Founded Canadian Solar in 2001, and has since then, firmly established the company as a global leader of the solar industry ■ Director & VP at Photowatt International S.A. ■ Research scientist at Ontario Hydro (Ontario Power Generation Corp.) 	
 <p>Dr. Huifeng Chang <i>SVP, Chief Financial Officer</i></p>	<ul style="list-style-type: none"> ■ Co-Head of Sales & Trading at CICC US in New York ■ CEO of CSOP Asset Management in Hong Kong ■ Vice President of Citigroup Equity Proprietary Investment in New York 	
 <p>Yan Zhuang <i>SVP and Chief Commercial Officer</i></p>	<ul style="list-style-type: none"> ■ Head of Asia of Hands-on Mobile, Inc. ■ Asia Pacific regional director of marketing planning and consumer insight at Motorola Inc. 	
 <p>Guangchun Zhang <i>SVP and Chief Operating Officer</i></p>	<ul style="list-style-type: none"> ■ Vice President for R&D and Industrialization of Manufacturing Technology at Suntech Power Holdings ■ Centre for Photovoltaic Engineering at the University of New South Wales and Pacific Solar Pty. Limited. 	
 <p>Arthur Chien <i>SVP and Chief Strategic Officer</i></p>	<ul style="list-style-type: none"> ■ CEO at Talesun Solar Co., CFO at Canadian Solar Inc. ■ Managing director of Beijing Yinke Investment Consulting Co. Ltd. ■ Chief financial officer of China Grand Enterprises Inc. 	
 <p>Jianyi Zhang <i>SVP and Chief Compliance Officer</i></p>	<ul style="list-style-type: none"> ■ Senior advisor to several Chinese law firms ■ Senior assistant general counsel at Walmart Stores, Inc. ■ Managing Partner at Troutman Sanders LLP 	
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Experienced Independent Directors</p>	<p>Robert McDermott <i>Chairperson of the Corporate Governance, Nominating and Compensation Committees</i></p>	<ul style="list-style-type: none"> ■ Partner with McMillan LLP, a business and commercial law firm ■ Director and senior officer of Boliden Ltd.
	<p>Lars-Eric Johansson <i>Chair of the Audit and member of Governance, and Compensation Committees</i></p>	<ul style="list-style-type: none"> ■ CEO of Ivanhoe Nickel & Platinum Ltd. ■ Chairperson of the Audit Committee of Harry Winston Diamond
	<p>Dr. Harry E. Ruda <i>Chair of Technology and member of the Audit, Governance, Compensation Committees</i></p>	<ul style="list-style-type: none"> ■ Director of the Centre for Advanced Nanotechnology, Stanley Meek Chair in Nanotechnology and Prof. of Applied Science and Engineering at the University of Toronto, Canada
	<p>Andrew Wong <i>Member of the Audit, Corporate Governance, Compensation Committees</i></p>	<ul style="list-style-type: none"> ■ Senior Advisor to Board of Directors of Henderson Land Development Co. ■ Director of Ace Life Insurance Co. Ltd., China CITIC Bank Corp., Intime Retail (Group) Co. Ltd. And Shenzhen Yantian Port (Group) Co. Ltd.

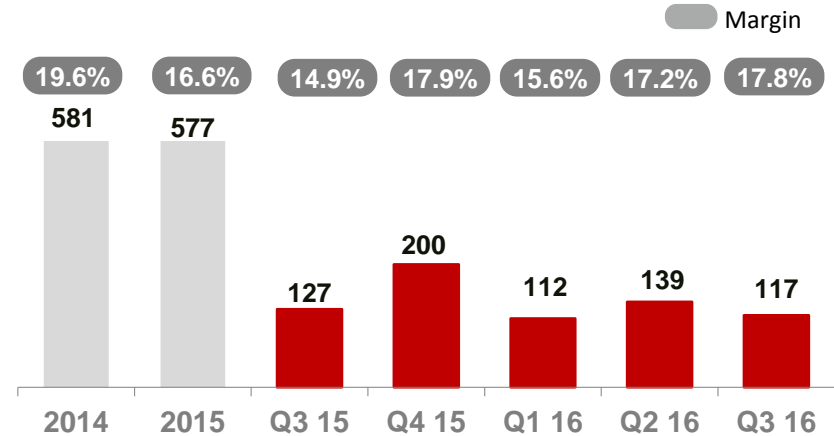
Source: Company information

Income Statement Summary

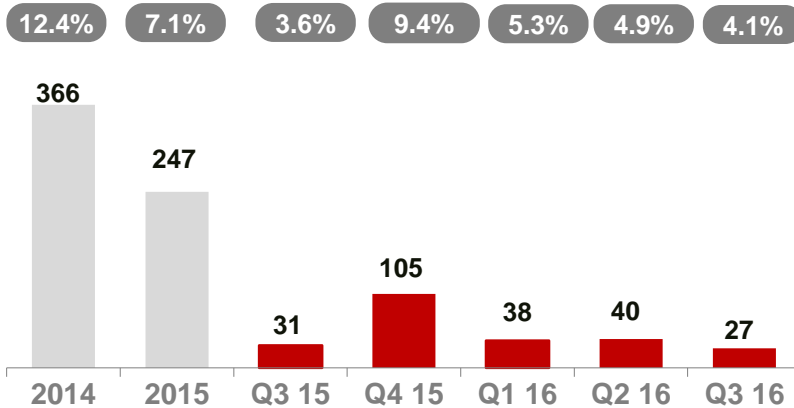
Revenue – US\$ million



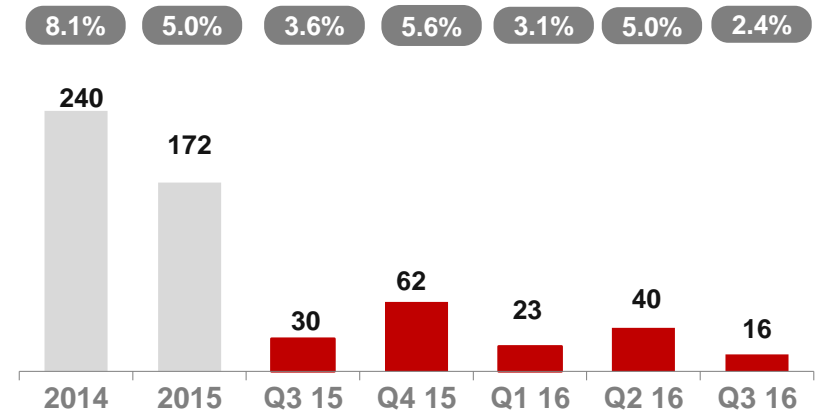
Gross Profit – US\$ million



Operating Income – US\$ million

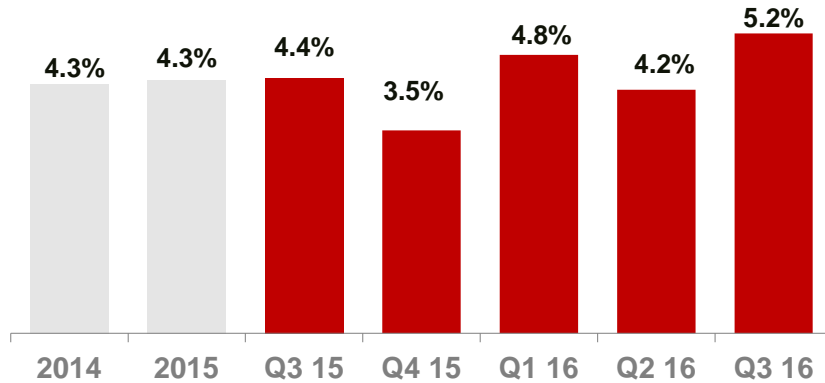


Net Income – US\$ million

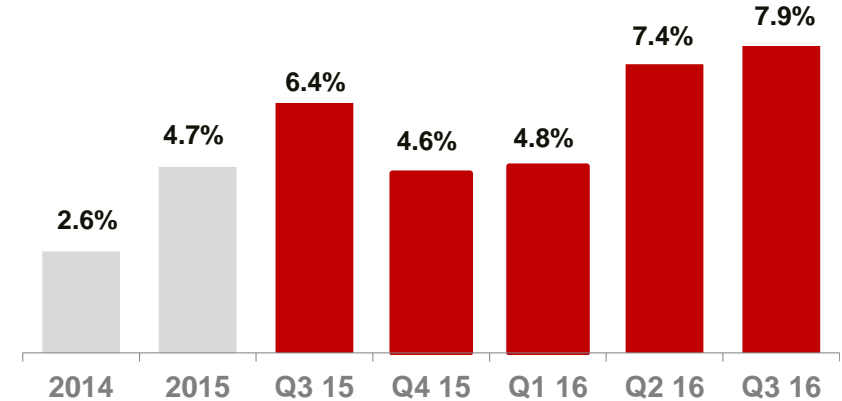


Operating Expenses as % of Net Revenue

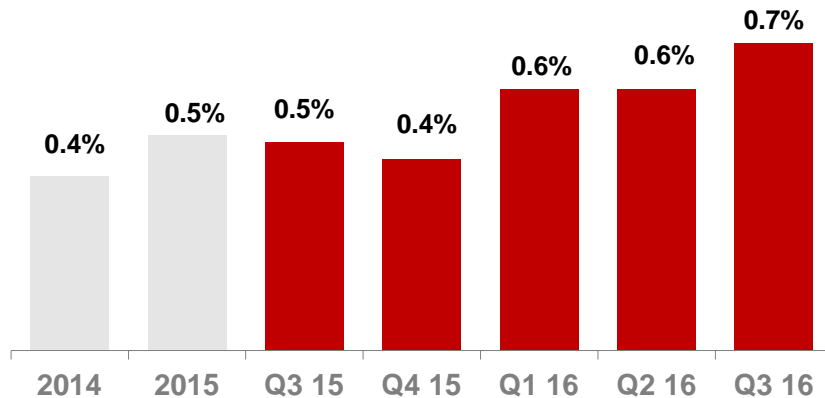
Selling expenses



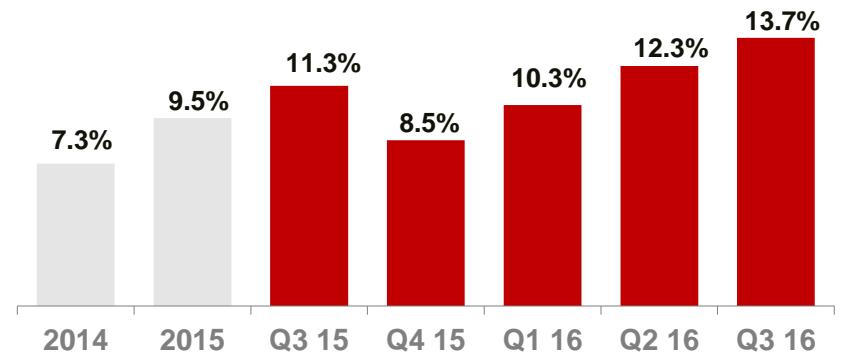
General & administrative expenses



Research & development expenses



Total operating expenses

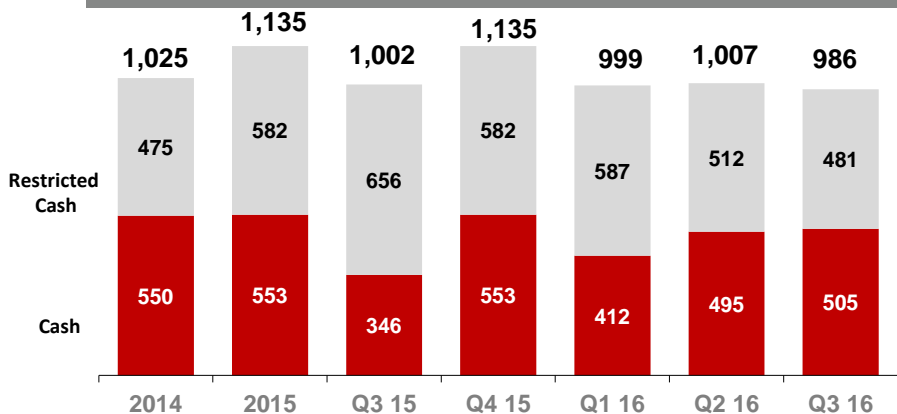


Source: Company filings

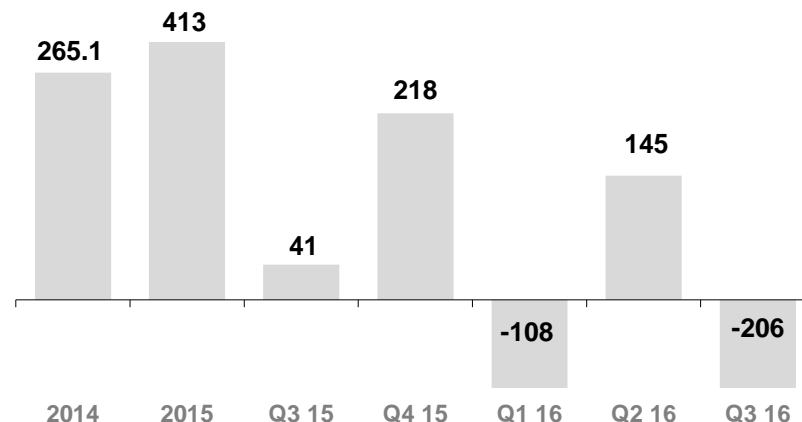
Note: Percentages are of the total net revenue in the corresponding period.

Selected Balance Sheet & Cash Flow Items

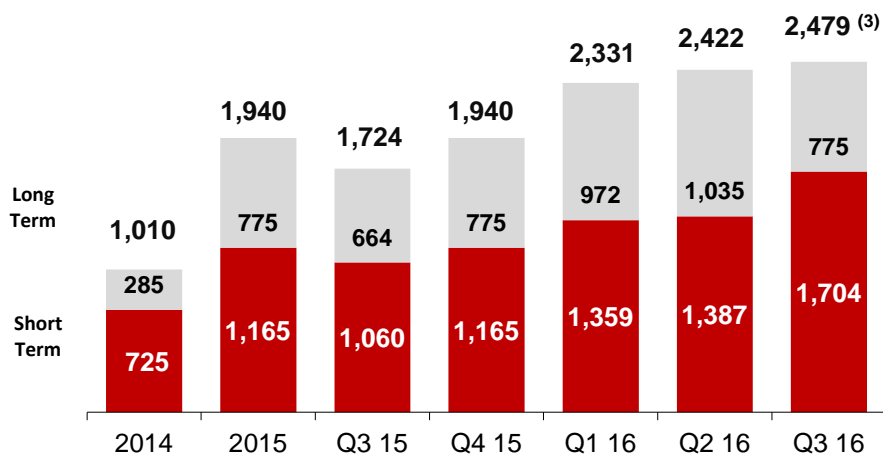
Cash & cash equivalents – US\$ million



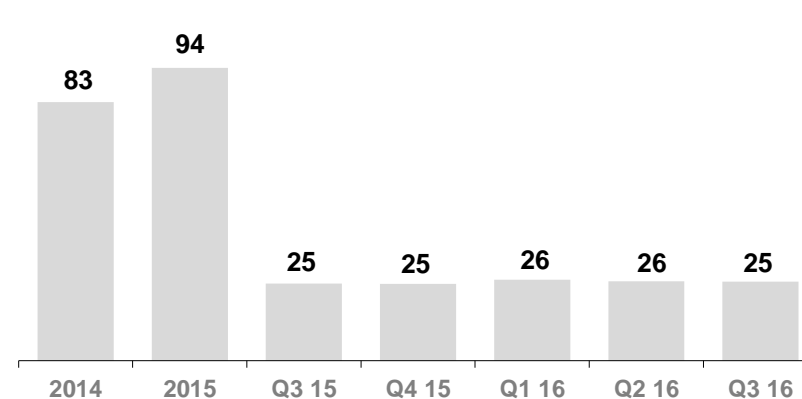
Cash flow from operations – US\$ million(1)



Total debt – US\$ million (2)



Depreciation & amortization – US\$ million



Source: Company filings

Note: (1) Working capital calculated as total current assets less total current liabilities

(2) Including US\$150 million in aggregate principal amount of 4.25% convertible senior notes due 2019 and capital lease liabilities. The amount of the convertible senior notes as of Q3 2016 is US\$125million.

(3) Q3'16 debt excluded \$356 million of liabilities held-for-sale associated with the assets held-for-sale.

Guidance as of November 21, 2016

	Q3 2016	Q4 2016	FY2015	FY2016	YoY Δ%
Module shipments	1,161 MW	1,400 MW – 1,500 MW	4.7 GW	5.073 GW – 5.173 GW	+8.5%
Revenue	\$657 mn	\$600 mn to \$750 mn	\$3.47 bn	\$2.78 bn to \$2.94 bn	-15.3%
Gross margin	17.8%	11% – 16% ⁽¹⁾	NA	NA	NA

1-Includes module business and project business

We expect to complete the sale of certain utility-scale solar power plants in Canada and China either in Q4 2016 or early 2017. We expect to reach the high end of the revenue and gross margin guidance if all these solar power plant sales are completed in Q4 2016, or the low end of the revenue and gross margin guidance if all these projects sales are closed in 2017 instead.

**THANK
YOU!**

November 2016