



# Investor Presentation

**August 18, 2014**

**CSIQ**  
**NASDAQ**  
**LISTED**

 **Canadian Solar**  
Make The Difference



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# Company description

**A rapidly growing solar energy total solution provider with one of the largest global project development pipelines**

- Founded in Ontario, 2001
- Listed on NASDAQ (CSIQ) in 2006
- Over 7,700 employees globally
- Presence in 19 countries / territories
- One of the world's largest solar module suppliers
- Proven project development track record

## Module manufacturing business highlights

- 2013 shipments at **1.9 GW**, #3 rank
- Industry leading cost structure
- Strong bankable brand with global reach

## Global Footprint



## Total solar energy solutions business highlights

- Development and construction of utility-scale solar plants
- EPC services
- Rooftop solar system kits

# Well positioned project development business

**4.5 GW<sub>DC</sub>**

total project development pipeline

**1.3 GW<sub>DC</sub>**

total contracted / late-stage project pipeline<sup>(1)</sup>

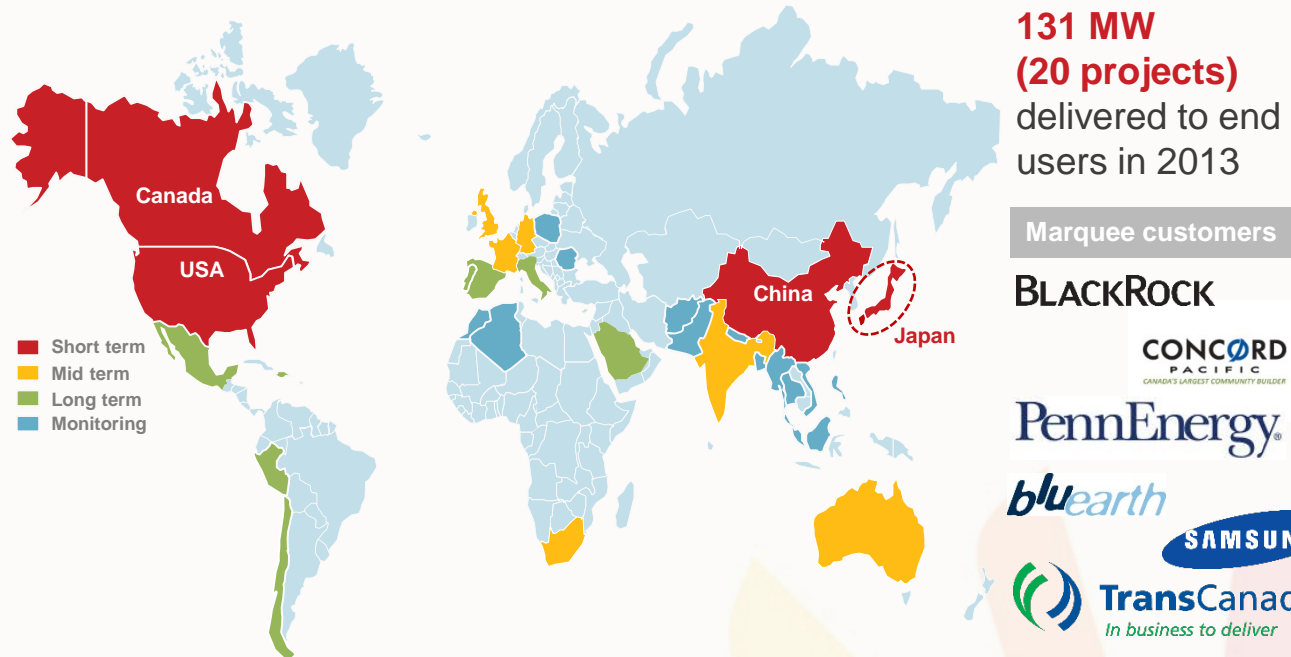
**> 3.2 GW<sub>DC</sub>**

total early-mid stage development pipeline<sup>(2)</sup>

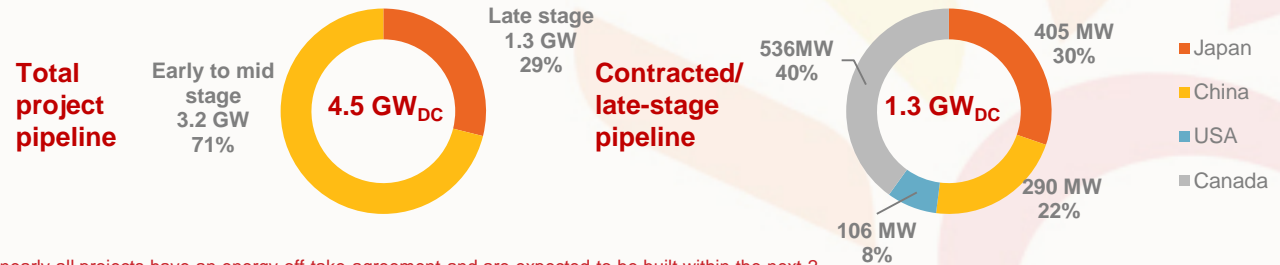
**C\$1.8 billion**

revenue expected for Canadian project pipeline over next 6-13 months

## Global project development business



## Pipeline



Source: Company information as of August 13, 2014

(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 years. Projects are subject to cancellation or delays due to various risk factors, including failure to secure all the permits, failure to secure grid connection, technical problems during 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 it can be secured

# Leading PV module manufacturer

**3.0 GW<sub>DC</sub>**

total module manufacturing capacity including 2.5 GW in China

**3<sup>rd</sup> largest**

module manufacturer globally

**22% YoY growth**

in module shipments from 2012 – 2013

**\$0.53/W**

**module cost**

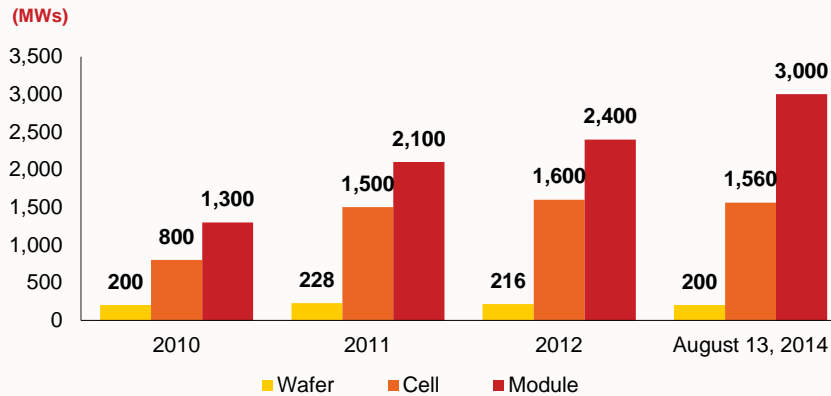
competitive cost structure

**Bankable brand**

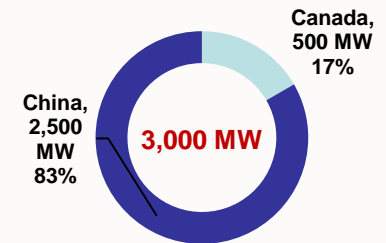
established reputation for high quality products

Source: Company information  
(1) Includes purchased wafers and cells.

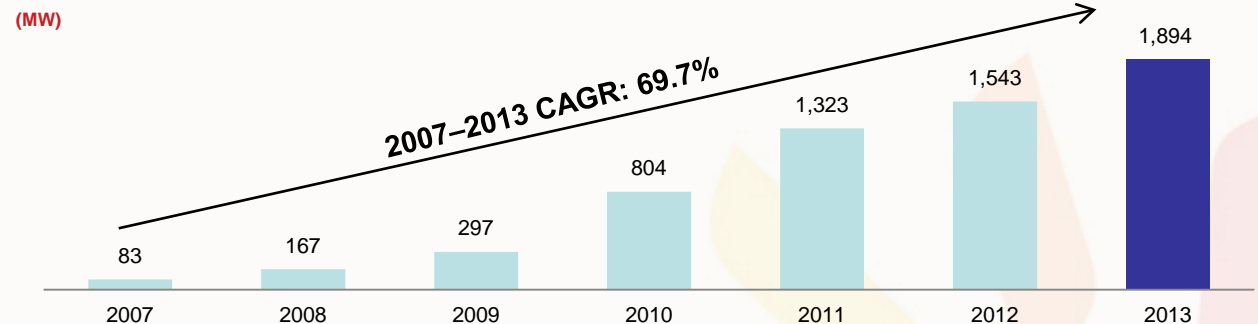
## Canadian Solar manufacturing capacity



Capacity as of August 13, 2014



## Total shipments in module and total solutions businesses



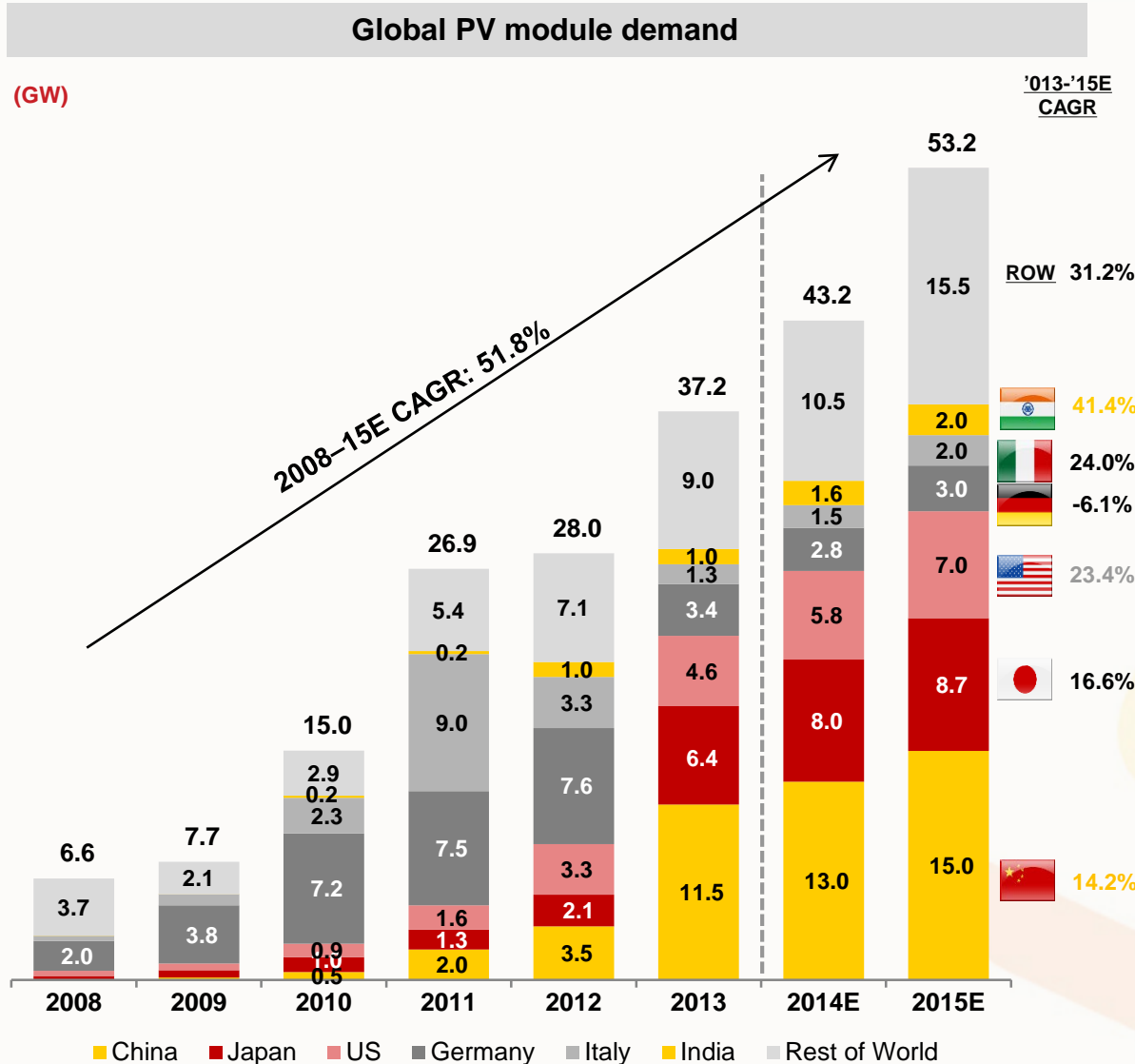
## Q2 2014 module manufacturing cost in China



# Investment highlights

- 1 Beneficiary of strong secular growth in the solar sector
- 2 Rapid growth in project development business
- 3 Leading vertically integrated PV manufacturer
- 4 Competitive cost structure
- 5 Global footprint with diversified and international customer base
- 6 Bankable brand with high quality products
- 7 Management team with proven track record

# 1 Levered to strong, positive demand growth globally



## Key themes

Decline in Europe more than offset by growth in Asia and U.S.

Grid parity in certain markets to drive future growth

Long-term growth in Asia driven by energy security, fuel substitution and environmental factors

China, Japan and U.S. to account for 63% of estimated 2014 demand – Canadian Solar generated 91% of sales from Asia and Americas in Q3 2013

Source: Global PV module demand assumptions from January 6, 2014 Deutsche Bank research report, Bloomberg New Energy Finance, Solarbuzz.

Note:

(1) China portion of 2014E demand adjusted from 12 GW to 13 GW based on the announcement National Energy Administration made on August 5, 2014.

# 2 Project development business with diversified pipeline

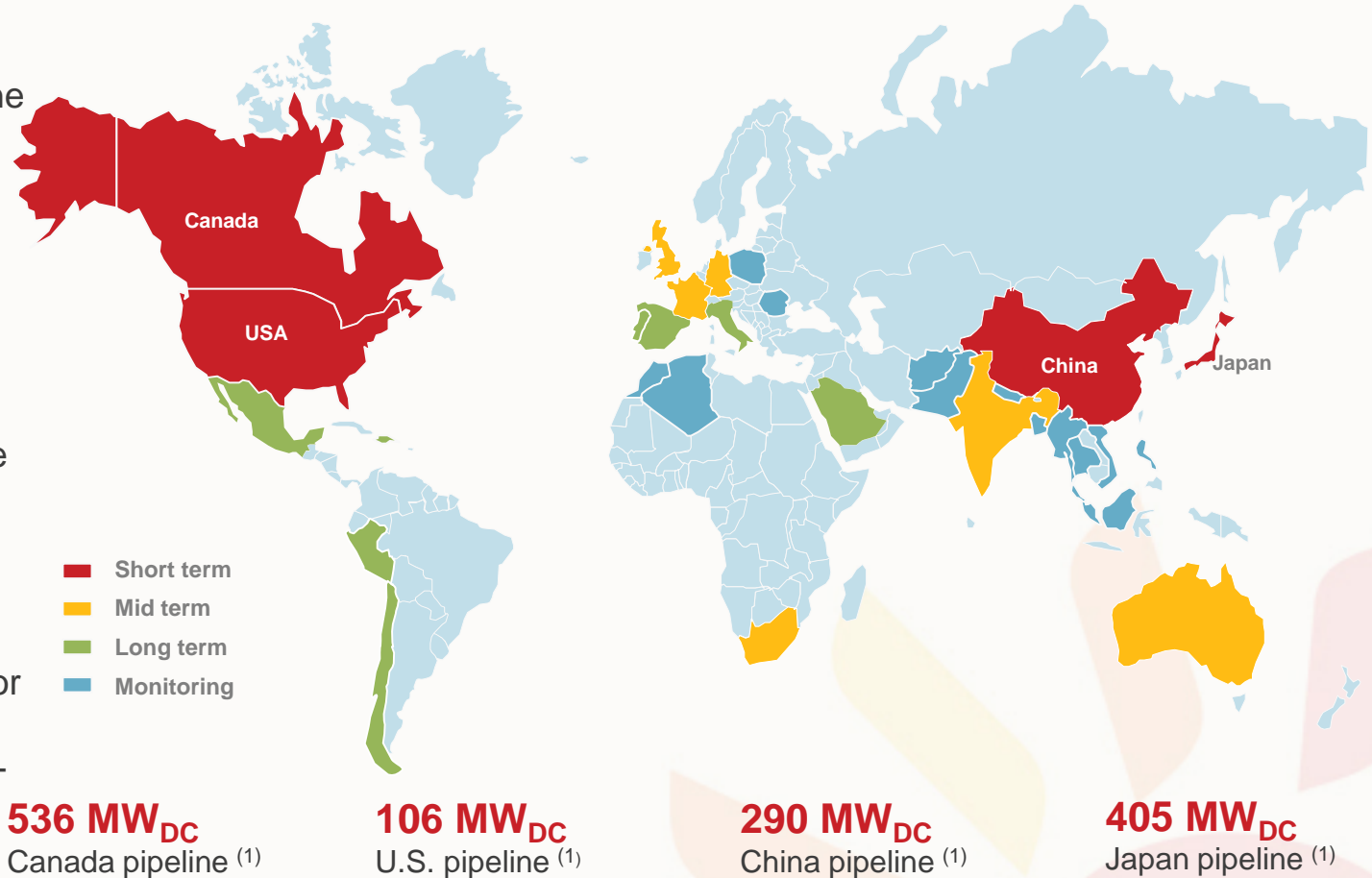
## Priority markets for utility-scale project development

**4.5 GW<sub>DC</sub>**  
total project  
development pipeline

**1.3 GW<sub>DC</sub>**  
total contracted /  
late-stage project  
pipeline<sup>(1)</sup>

**> 3.2 GW<sub>DC</sub>**  
total early-mid stage  
development  
pipeline<sup>(2)</sup>

**C\$1.8 billion**  
revenue expected for  
Canadian project  
pipeline over next 6-  
13 months



**Canadian Solar has a globally diversified pipeline of contracted / late stage projects**


























Source: Company information as of August 13, 2014

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 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 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 it can be secured



# 2 Proven track record in monetizing utility-scale projects

	2010	2011	2012	2013	2014				
<b>FIT/PPA granted or acquired</b>	 <b>2010</b> <ul style="list-style-type: none"> <li>9 FIT projects granted in Ontario</li> </ul>	 <b>2011</b> <ul style="list-style-type: none"> <li># of projects: 1</li> <li>MWs: 8.5</li> </ul>	 <b>Jun 2012</b> <ul style="list-style-type: none"> <li># of projects: 11</li> <li>MWs: 122</li> </ul>	 <b>2012</b> <ul style="list-style-type: none"> <li># of projects: 20</li> <li>MWs: ~200</li> </ul>					
<b>Forward sales agreement</b>		 <b>Dec 2011</b> <ul style="list-style-type: none"> <li># of projects: 9</li> <li>MWs: 86</li> <li>Sale price: C\$470m</li> </ul>	 <b>Mar 2012</b> <ul style="list-style-type: none"> <li># of projects: 1</li> <li>MWs: 8.5</li> <li>Sale price: C\$48m</li> </ul>	 <b>Jun 2013</b> <ul style="list-style-type: none"> <li># of projects: 4</li> <li>MWs: 39</li> <li>Sale price: C\$225m</li> </ul>	 <b>Aug 2013</b> <ul style="list-style-type: none"> <li># of projects: 5</li> <li>MWs: 49</li> <li>Sale price: C\$290m</li> </ul>	 <b>Sep 2013</b> <ul style="list-style-type: none"> <li># of projects: 2</li> <li>MWs: 20</li> </ul>	 <b>Nov 2013</b> <ul style="list-style-type: none"> <li># of projects: 4</li> <li>MWs: 40</li> </ul>	 <b>Jan 2014</b> <ul style="list-style-type: none"> <li># of projects: 1</li> <li>MWs: 10</li> </ul>	 <b>Feb 2014</b> <ul style="list-style-type: none"> <li># of projects: 1</li> <li>MWs: 10</li> </ul>
<b>EPC contracts</b>	 <b>Mar 2011</b> <ul style="list-style-type: none"> <li># of projects: 3</li> <li>MWs: 24.4</li> <li>Completed</li> </ul>	 <b>May 2012</b> <ul style="list-style-type: none"> <li>Ningxia EPC</li> <li># of projects: 1</li> <li>MWs: 10</li> <li>Completed</li> </ul>	 <b>Aug 2012</b> <ul style="list-style-type: none"> <li># of projects: 3</li> <li>MWs: 28.6</li> <li>Contract value: C\$37m</li> </ul>	 <b>Jun 2013</b> <ul style="list-style-type: none"> <li># of projects: 1</li> <li>MWs: 100</li> <li>Contract value: C\$310m</li> </ul>	 <b>2013</b> <ul style="list-style-type: none"> <li>Guodian Inner Mongolia EPC</li> <li># of projects: 1</li> <li>MWs: 10</li> <li>Completed</li> </ul>	 <b>June 2014</b> <ul style="list-style-type: none"> <li># of projects: 1</li> <li>MWs: 100</li> <li>Contract value: Over C\$300m</li> </ul>			
	<b>2013</b>			<b>2014</b>					
<b>Delivery of projects</b>	 <b>Jun 2013</b> <ul style="list-style-type: none"> <li># of projects: 1</li> <li>MWs: 10</li> <li>Sale price: C\$55m</li> </ul>	 <b>Sep 2013</b> <ul style="list-style-type: none"> <li># of projects: 2</li> <li>MWs: 16</li> <li>Sale price: C\$95m</li> </ul>	 <b>2013</b> <ul style="list-style-type: none"> <li># of projects: 4</li> <li>MWs: 70</li> <li>Company holding</li> </ul>	 <b>Dec 2013</b> <ul style="list-style-type: none"> <li># of projects: 1</li> <li>MWs: 10</li> <li>Sale price: C\$61m</li> </ul>	 <b>Mar 2014</b> <ul style="list-style-type: none"> <li># of projects: 1</li> <li>MWs: 8.5</li> <li>Sale price: C\$53m</li> </ul>	 <b>Apr 2014</b> <ul style="list-style-type: none"> <li># of projects: 1</li> <li>MWs: 10</li> </ul>	 <b>June 2014</b> <ul style="list-style-type: none"> <li># of projects: 1</li> <li>MWs: 10</li> <li>Sale price: Over C\$60m</li> </ul>		

Since entering the market in 2009, Canadian Solar has rapidly grown its total solutions business

Source: Company information

Note: All MW shown on this slide are in MW<sub>AC</sub>

## 2 Leading project developer in Canada

### Ontario project location and status

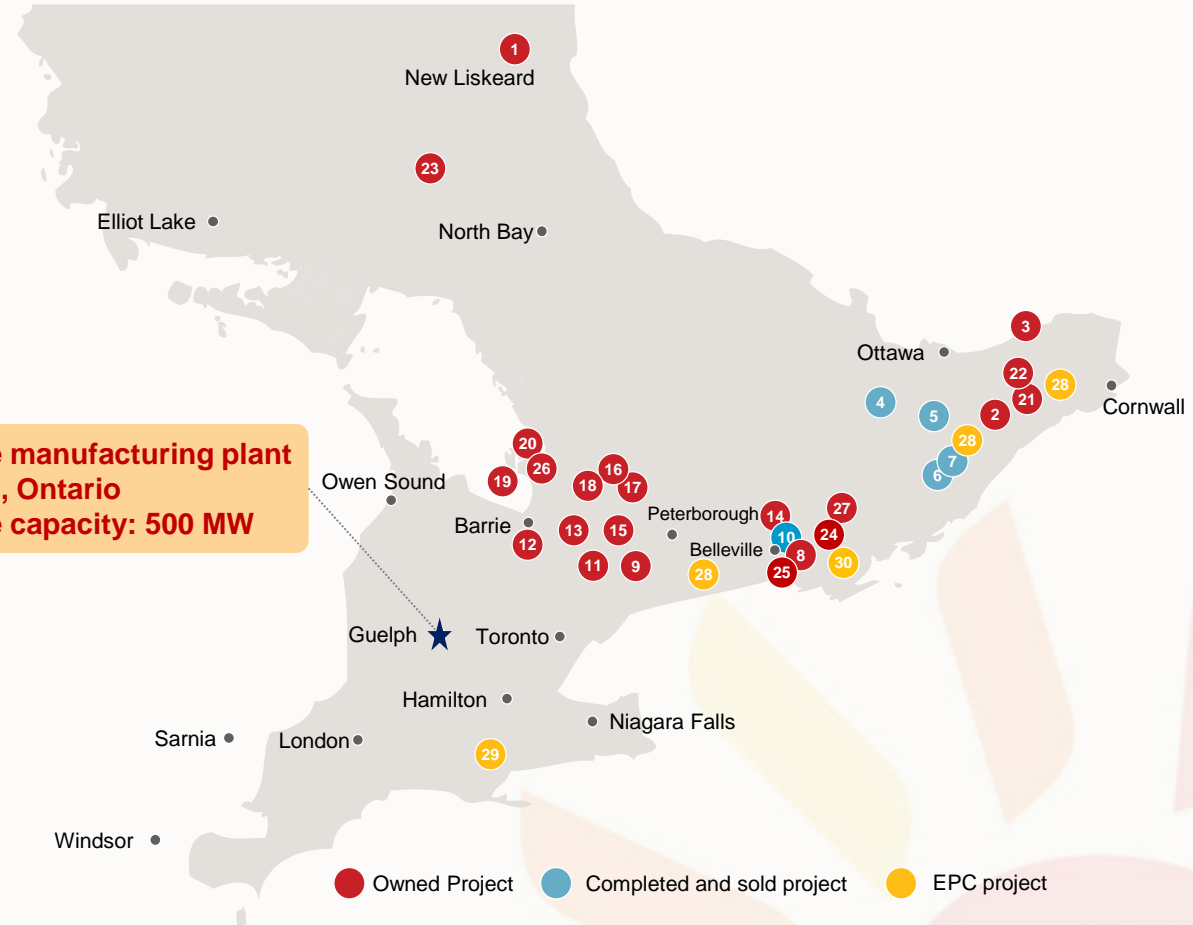
**536 MW<sub>DC</sub>**  
project backlog  
in Ontario<sup>(1)</sup>

**116 MW<sub>DC</sub>**  
projects  
completed and  
delivered to end  
buyers <sup>(2)</sup>

**309 MW<sub>DC</sub>**  
EPC contracts

**500 MW<sub>DC</sub>**  
module  
manufacturing  
facility

Module manufacturing plant  
Guelph, Ontario  
Module capacity: 500 MW



**Canadian Solar expects to generate approximately C\$1.8 bn in revenue over the next 6-13 months from its owned projects and EPC backlog in Ontario with target gross margin of ~20%**

Source: Company information as of August 13, 2014

Note: Construction schedules are subject to change without notice.

(1) Net of 89MW of partially completed construction that was recognized into revenue in prior quarters

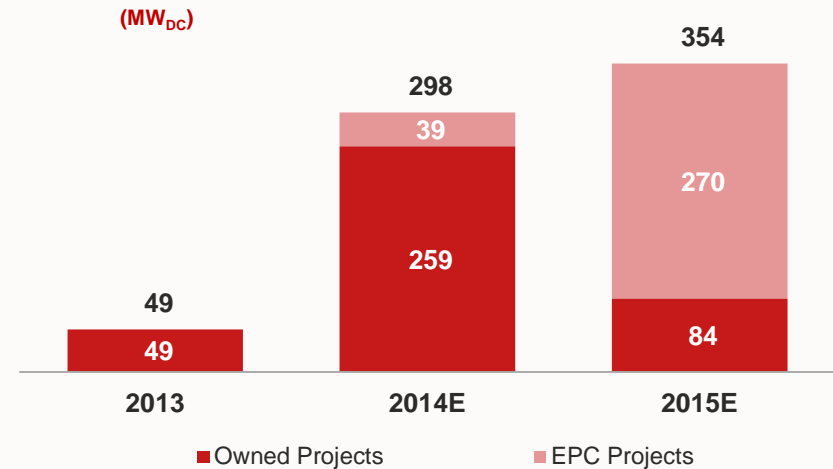
(2) Projects completed from 2011 to the end of June 2014, does not include any partially completed projects

## 2 Leading project developer in Canada (cont'd)

### Late stage projects in Canada

Canadian Solar Developed	MW <sub>DC</sub>	Status	Expected COD	End Buyer
1 Liskeard 1, 3 and 4	42.0	L3&L4 in Operation L1 in Construction	L1: 2014 Q4	TransCanada
2 William Rutley	13.9	Commercial Operation	-	TransCanada
3 Alfred	13.6	Permitting	2015 Q2	TransCanada
4 Mississippi Mills	14.1	SALE CLOSED in 4Q13	-	TransCanada
5 Burritts Rapids	9.8	SALE CLOSED in 3Q13	-	TransCanada
6 Brockville 1	13.2	SALE CLOSED in 2Q13	-	TransCanada
7 Brockville 2	12.5	SALE CLOSED in 3Q13	-	TransCanada
8 Foto Light LP	14.0	In Construction	2014 Q4	TBD
9 Illumination LP	14.0	Engineering	2015 Q2	DIF
10 Little Creek	11.9	SALE CLOSED in 1Q14	-	BluEarth
11 Gold Light LP	14.0	In Construction	2014 Q4	DIF
12 Beam Light LP	14.0	Engineering	2015 Q2	DIF
13 Earth Light LP	14.0	Engineering	2015 Q2	Concord
14 Lunar Light LP	14.0	Engineering	2015 Q2	BluEarth
15 Discovery Light LP	12.6	In Construction	2014 Q4	TBD
16 Sparkle Light LP	14.0	In Construction	2014 Q4	BluEarth
17 GlenArm LP	14.0	In Construction	2014 Q4	DIF
18 Good Light LP	14.0	Commercial Operation	-	BluEarth
19 Aria LP	12.6	Engineering	2015 Q2	Concord
20 Ray Light LP	14.0	In Construction	2014 Q3	Concord
21 Mighty Solar LP	14.0	Commercial Operation	-	Concord
22 City Lights LP	14.0	In Construction	2014 Q4	TBD
23 Highlight (Val Caron)	14.0	SALE CLOSED in 2Q14	2014 Q2	Concord
24 Taylor Kidd	14.0	Commercial Operation	-	BlackRock
25 Demorestville	14.0	Commercial Operation	-	BlackRock
26 Oro-Medonte 4	11.5	In Construction	2014 Q4	BlackRock
27 Westbrook	14.0	Commercial Operation	-	BlackRock
<b>Total CSIQ Developed (SALE NOT CLOSED)</b>	<b>316.2</b>			
3 <sup>rd</sup> Party Developed (EPC)	MW <sub>DC</sub>	Status	Expected COD	End Buyer
28 Penn Energy	39.0	In Construction	2014 Q3	Penn Energy
29 Samsung Phase I	129.8	In Construction	2015 Q1	Grand Renewable
30 Samsung Phase II	140.0	Engineering	2015 Q3	Kingston Solar LP
<b>Total EPC Projects</b>	<b>308.8</b>			
<b>MW Recognized into Revenue in Prior Quarters</b>	<b>89.2</b>	Note: Projects #24-30 above use percent of completion accounting, all others use full accrual accounting.		
<b>Total Project Backlog</b>	<b>535.8</b>			

### Project COD timeline (1)



### Projects Using Percent of Completion Accounting

Projects	MW <sub>DC</sub>	Percent Completed	MW Recognized	MW Remaining
Taylor Kidd	14.0	89.7%	12.6	1.4
Demorestville	14.0	99.2%	13.9	0.1
Oro-Medonte 4	11.5	34.9%	4.0	7.5
Westbrook	14.0	95.0%	13.3	0.7
Penn Energy	39.0	57.6%	22.5	16.5
Samsung Phase II	129.8	17.7%	23.0	106.8
Samsung Phase II	140.0	0.0%	0.0	140.0
<b>Total</b>	<b>362.3</b>	<b>42.7%</b>	<b>89.2</b>	<b>273.1</b>

Source: Company information as of August 13, 2014

Note: Construction schedules are subject to change without notice.

(1) Revenue recognition may differ from COD timeline

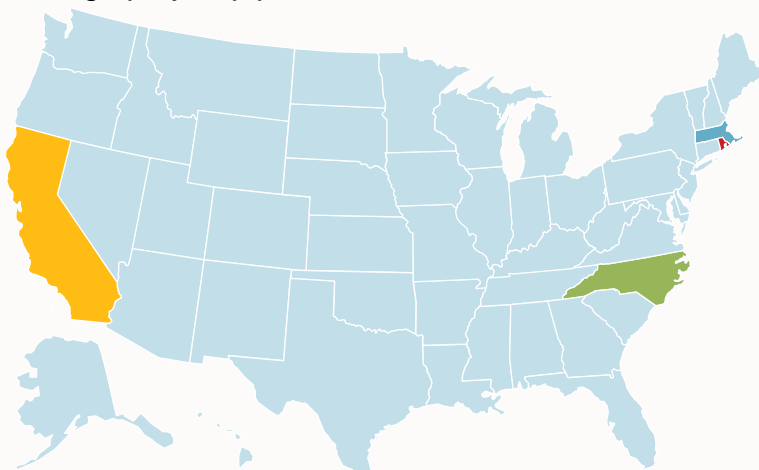


## 2 United States utility-scale project pipeline

### Total Solutions Business – U.S.

**105.4 MW<sub>DC</sub>**  
contracted / late-  
stage project pipeline

**119 MW<sub>DC</sub>**  
projects completed in  
U.S.



#### Active Projects

California North Carolina Massachusetts Rhode Island

- In Q2 2014, CSIQ completed construction of two solar power plants totaling 12.4 MW, sold 28 MW in development and canceled 5.6 MW
- Key module customers include Belectric, SolarCity, Strata Solar, Petersen Dean and WESCO Renewables

Source: Company information as of August 13, 2014

Note: Permitting and construction schedules are subject to delays and the target commercial operation date (COD) may change without notice

US Late Stage Pipeline	MW DC	State	Status	Expected COD
CSI Project Holdco LLC - P2	6.5	NC	Design and Permitting	2014-Q4
Gasna 13P LLC (Oro Loma)	26.0	CA	Design and Permitting	2015-Q3
SE Solarne4 LLC	0.2	MA	Design and Permitting	2014-Q3
SH Solarne3 LLC	0.5	MA	Design and Permitting	2014-Q3
TA Acacia LLC (West Antelope)	28.4	CA	Construction	2014-Q3
Vickers Farm LLC	2.5	NC	Construction	2014-Q3
Gasna 31P LLC Morelos (Twisselman)	19.5	CA	Design and Permitting	2015-Q2
CSI Project Holdco LLC - P3	6.5	NC	Construction	2014-Q3
CRY1 Project LLC	3.0	CA	Design and Permitting	2014-Q3
Other Projects	12.7	NC	Completed	-
<b>Total</b>	<b>105.8</b>			

Projects Completed in 2013	MW DC	State	Status	COD
NC Solar II LLC (Bethea)	2.5	NC	Completed	2013-Q1
CES Sterling LLC	2.4	MA	Completed	2013-Q3
Strata Roof 1 LLC	1.1	NC	Completed	2013-Q1
Fuquay Farm LLC	6.4	NC	Completed	2013-Q1
Berkley East Solar LLC	4	MA	Completed	2013-Q3
Hunt Farm LLC	3.3	MA	Completed	2013-Q3
Haynes Farm LLC	6.5	NC	Completed	2013-Q3
White Cross Farm LLC	6.5	NC	Completed	2013-Q3
Wilson Farm 1 LLC	6.5	NC	Completed	2013-Q3
Lenoir Farm 2 LLC	6.5	NC	Completed	2013-Q2
Lenoir Farm LLC	6	NC	Completed	2013-Q3
Moorings Farm LLC	6.2	NC	Completed	2013-Q3
Marshville Farm LLC	6.2	NC	Completed	2013-Q4
Moore Farm LLC	6.2	NC	Completed	2013-Q4
Yanceyville Farm LLC	6.2	NC	Completed	2013-Q4
Ignite Solar Holdings 1 LLC	4.4	CA	Completed	2013-Q4
<b>Total 2013</b>	<b>80.9</b>			

# 2 Japan utility-scale solar project pipeline

## Total Solutions Business – Japan

**405 MW<sub>DC</sub><sup>(1)</sup>**  
contracted / late-stage project pipeline

**500 MW<sub>DC</sub><sup>(1)</sup>**  
early-stage assessment projects



### Sample project parameters:

- Land lease secured by up-front cash deposit
- 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

Source: Company information as of August 13, 2014

Note:

- (1) Some of these projects may not progress to completion, however the Company broadly expects the Japanese development pipeline to continue growing
- (2) Expected COD are tentative estimates subject to change, due to delays in securing all the necessary permits, technical problems during construction, among other risk factors

### Late Stage Utility-Scale Pipeline

Number of Projects	Total MW <sub>dc</sub>	FIT (Yen/kWh)	Expected COD
2 Projects	2.1	40.0	2014
13 Projects	72.4	36-40	2015
10 Projects	331	32-40	2016
<b>Total Pipeline</b>	<b>405.5</b>		

Near Term Construction Schedule	MW <sub>dc</sub>
1 project started construction and will reach COD in September	1.2
1 project started construction in Q3 2014	24.0
	2.2
	2.2
	1.6
8 projects totalling 15MW may start construction in Q3 2014	0.9
	2.3
	2.3
	1.9
	1.6
1 project may start construction before the end of 2014	3.4
<b>Total</b>	<b>43.6</b>

### Growth in System Kits revenue (rooftop)

**2009** market entry | **\$77m** 2012 revenue | **\$141m** 2013 revenue

# 2 China utility-scale solar project pipeline

## Total Solutions business – China



Province	2014 -15 Late Stage Project Opportunity (MW <sub>DC</sub> )	Feed In Tariff
1 Jiangsu	30 MW	<ul style="list-style-type: none"> <li>RMB 1.0/kWh</li> <li>RMB 0.2/kWh (Prov.)</li> </ul>
2 Shandong	40 MW	<ul style="list-style-type: none"> <li>RMB 1.0/kWh</li> <li>RMB 0.2/kWh (Prov.)</li> </ul>
3 Hebei	40 MW	RMB 0.95
4 Shanxi	50 MW	RMB 0.95
5 Inner Mongolia	50MW	RMB 0.90
6 Qinghai	50 MW	RMB 0.90
7 Xinjiang	30 MW	RMB 0.90 to 0.95/kWh
<b>Total</b>	<b>290 MW<sub>DC</sub></b>	

- Canadian Solar is considering the potential acquisition of 100 MW<sub>DC</sub> of project rights in China

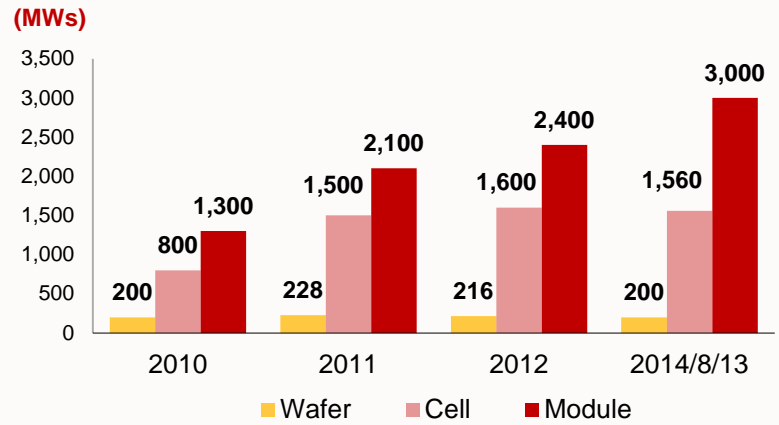
**Canadian Solar plans to start construction of 3 projects totaling 80MWDC in the third quarter of 2014, and continue to work on permitting to build more projects in China from its existing pipeline.**

Source: Company information as of August 13, 2014



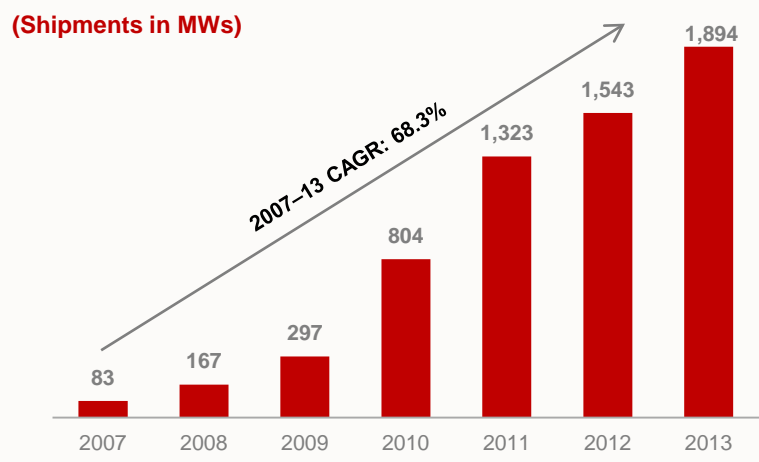
# 3 A leading vertically integrated PV manufacturer

## Canadian Solar manufacturing capacity growth

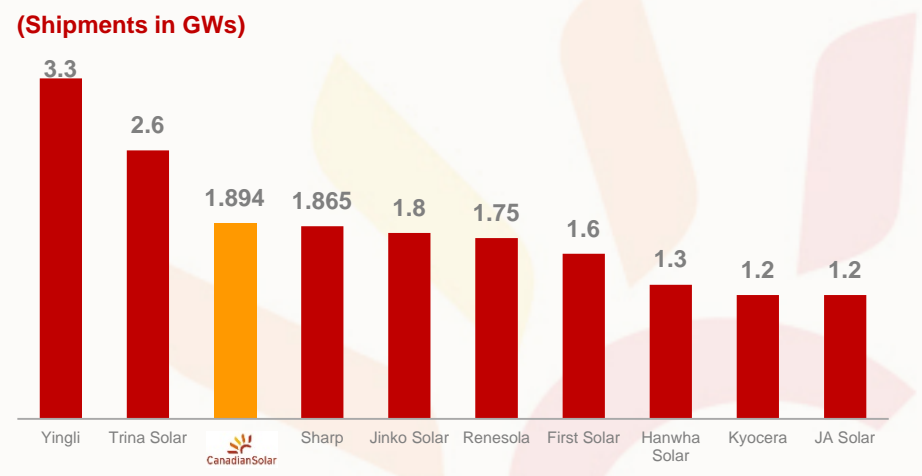


- Module capacity currently at 3,000 MW per year
- Cell capacity expansion in Funing, Jiangsu Province, in JV with GCL. Phase I targets net capacity increase of 60MW to a total of 1,560MW.
- In-house cell capacity targeted at 75% of module shipments

## Total shipments in module and total solutions businesses

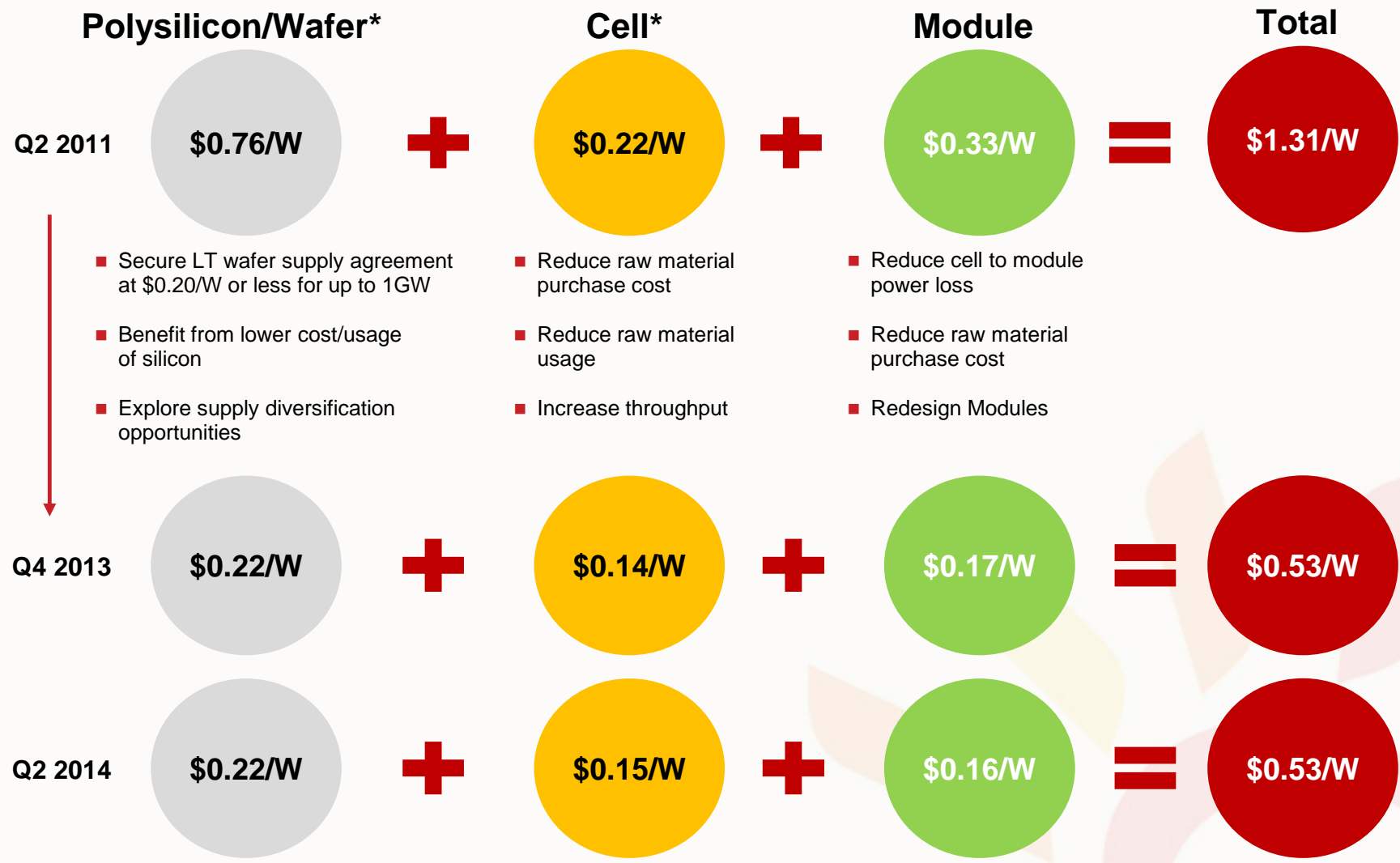


## Leading module manufacturer globally by shipments – 2013



Source: Company information

# 4 All-in pure manufacturing cost in China



Source: Company information  
 \* Includes purchased wafers and cells.

# 5 Global footprint with diversified customer base

**> 7.0 GW**

cumulative modules sold to date

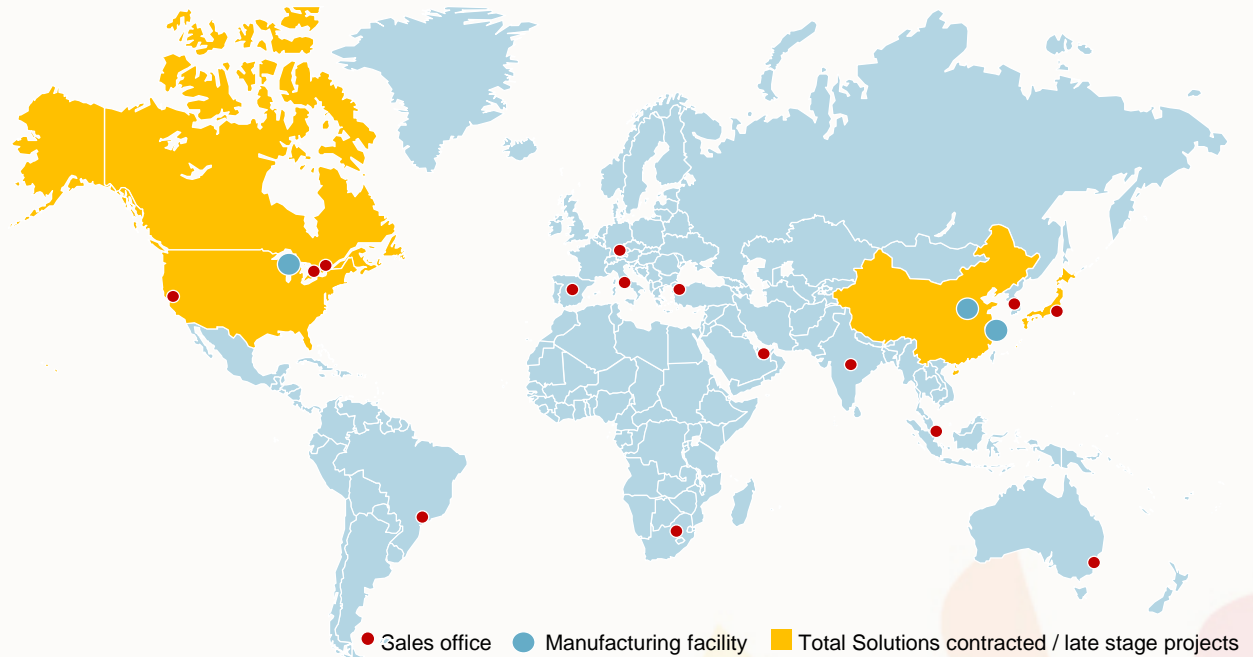
**Customers in over 70 countries**

with offices in 19 countries

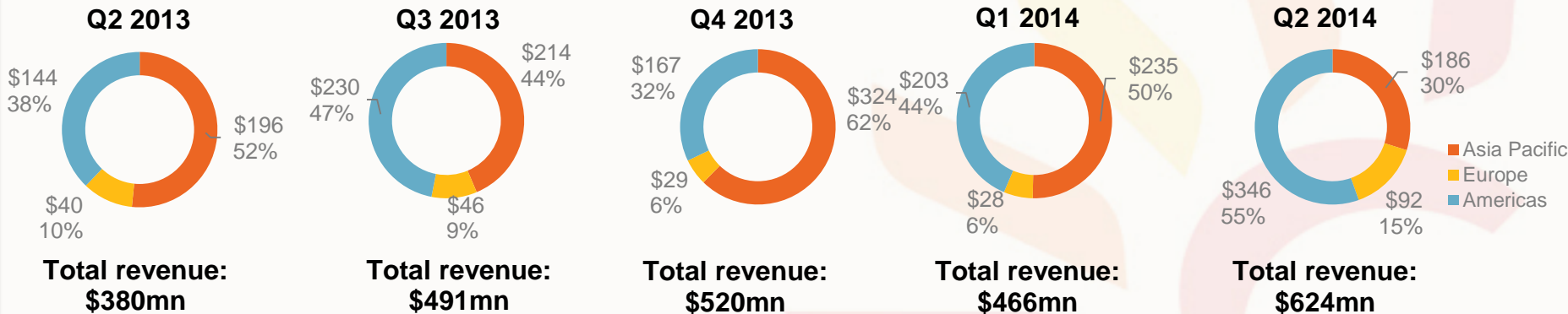
**Established projects business**

currently delivering services in 4 countries

## Operational footprint



## Sales breakdown by region



Source: Company information



# 6 High-quality product portfolio

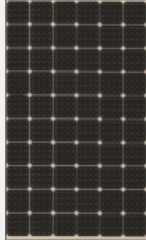
## Product portfolio

### Commercial and utility-scale

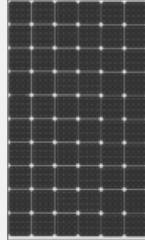
**MaxPower  
CS6X-P**



**ELPS  
CS6P-MM**



**CS6P-M**



**CS6P-P**



### Residential

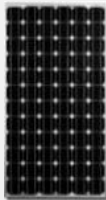
**ELPS  
CS6V-MM**



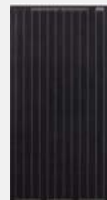
**CS6V-M**



**CS5A-M**



**All-black  
CS5A-M**



**ELPS  
CS6A-MM**



\* Four busbar modules



Source: Company information

## 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

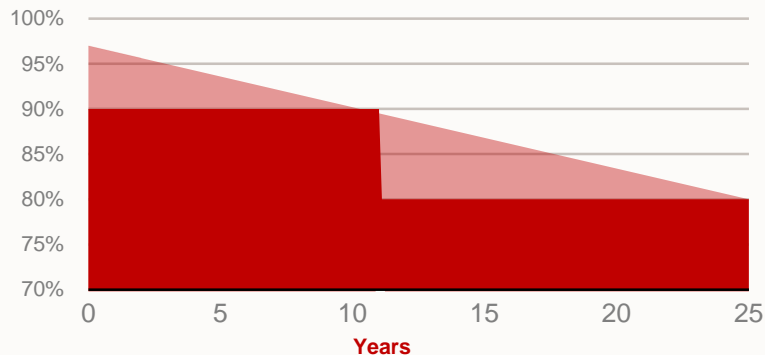
- ✓ IEC 61215
- ✓ IEC 61730
- ✓ IEC 61701: Salt Mist Corrosion
- ✓ Ammonia Resistance
- ✓ PID free
- ✓ REACH Compliant

# 6 Bankable product with insurance backed warranty

## Product workmanship and power output performance....

- 10-year product workmanship warranty
- 25-year power output performance guarantee
  - First year, guarantee of no less than 97% output
  - Second year through 24<sup>th</sup> year, decline of no more than 0.7% per annum
  - By end of year 25 the actual power output will be no less than 80% of the module's labeled power output

## Value from liner power output guarantee - % of name plate rate








Source: Company information

## ...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](http://www.inter-hannover.com)
  - RSUI Indemnity Company AM Best Rating: A XII. [www.rsui.com](http://www.rsui.com)

# 7 Experienced Board and Senior Management

Name / Title	Work Experience
 <p><b>Dr. Shawn Qu</b> <i>Chairman, President &amp; CEO (Director)</i></p>	<ul style="list-style-type: none"> <li>■ Director &amp; VP at Photowatt International S.A.</li> <li>■ Research scientist at Ontario Power Generation Corp.</li> </ul>
 <p><b>Michael Potter</b> <i>SVP and Chief Financial Officer</i></p>	<ul style="list-style-type: none"> <li>■ Corporate Vice President and CFO of Lattice Semiconductor Corp.</li> <li>■ Senior Vice President and CFO of NeoPhotonics Corp.</li> </ul>
 <p><b>Yan Zhuang</b> <i>SVP and General Manager of Module Business</i></p>	<ul style="list-style-type: none"> <li>■ Head of Asia of Hands-on Mobile, Inc.</li> <li>■ Asia Pacific regional director of marketing planning and consumer insight at Motorola Inc.</li> </ul>
 <p><b>Charles Bai</b> <i>SVP and General Manager of Project Business</i></p>	<ul style="list-style-type: none"> <li>■ Chief Strategy Officer / Chief Financial Officer at ReneSola Ltd</li> <li>■ Chief Financial Officer at Fenet Software</li> </ul>
 <p><b>Guangchun Zhang</b> <i>Chief Operating Officer</i></p>	<ul style="list-style-type: none"> <li>■ Vice President for R&amp;D and Industrialization of Manufacturing Technology at Suntech Power Holdings</li> <li>■ Centre for Photovoltaic Engineering at the University of New South Wales and Pacific Solar Pty. Limited.</li> </ul>
<p><b>Robert McDermott</b> <i>Chairperson of the Corporate Governance , Nominating and Compensation Committees</i></p>	<ul style="list-style-type: none"> <li>■ Partner with McMillan LLP, a business and commercial law firm</li> <li>■ Director and senior officer of Boliden Ltd.</li> </ul>
<p><b>Lärs-Eric Johansson</b> <i>Chairperson of the Audit Committee</i></p>	<ul style="list-style-type: none"> <li>■ CEO of Ivanhoe Nickel &amp; Platinum Ltd.</li> <li>■ Chairperson of the Audit Committee of Harry Winston Diamond</li> </ul>
<p><b>Dr. Harry E. Ruda</b> <i>Member of the Audit Committee and Compensation Committee</i></p>	<ul style="list-style-type: none"> <li>■ 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</li> </ul>
<p><b>Andrew Wong</b></p>	<ul style="list-style-type: none"> <li>■ Senior Advisor to Board of Directors of Henderson Land Development Co. Ltd</li> <li>■ Director of Ace Life Insurance Co. Ltd., China CITIC Bank Corp, Intime Retail (Group) Co. Ltd. and Shenzhen Yantian Port (Group) Co. Ltd.</li> </ul>

Experienced Independent Directors

Source: Company information

# 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 Low Manufacturing Cost

- Continue to reduce manufacturing costs to remain competitive

## Leverage Manufacturing Scale

- Expand capacity selectively in a cost-efficient manner and increase market share

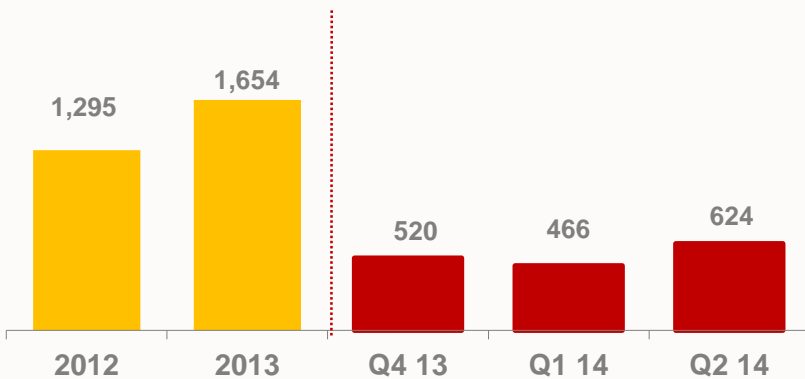
## Introduce New Technologies

- Focus on research and development to achieve solar cell efficiency improvements and introduction of new technologies

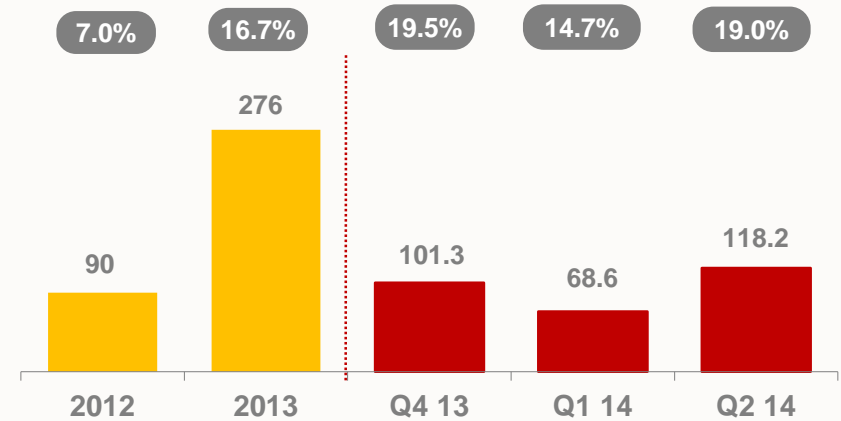
**Canadian Solar aims to maintain profitability and to be the global leader in the development, manufacture and sale of solar module products and a total solutions provider in photovoltaic power generation**

# Income statement summary

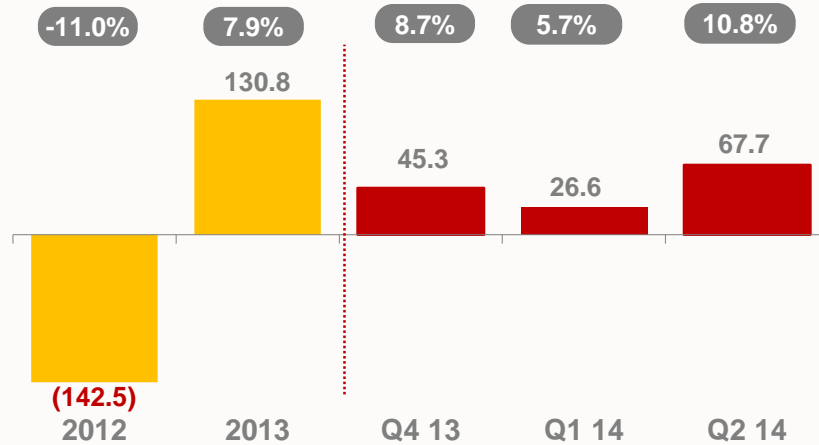
Revenue - US\$ million



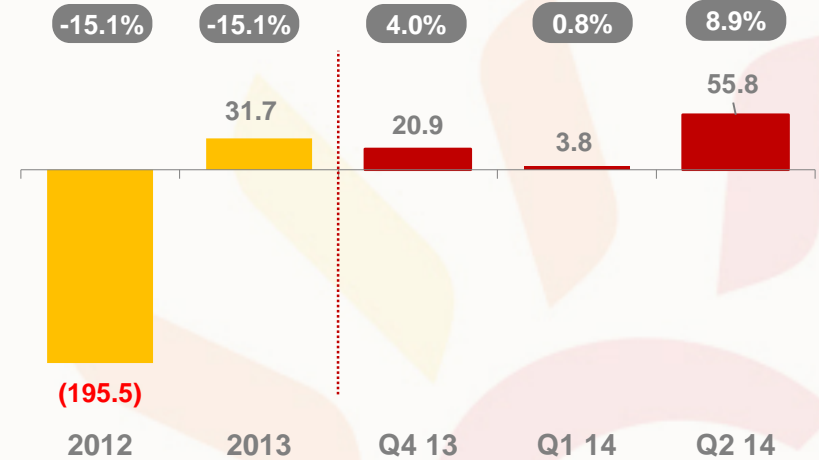
Gross Profit - US\$ million



Operating Income (Loss) - US\$ million



Net Income (Loss) - US\$ million

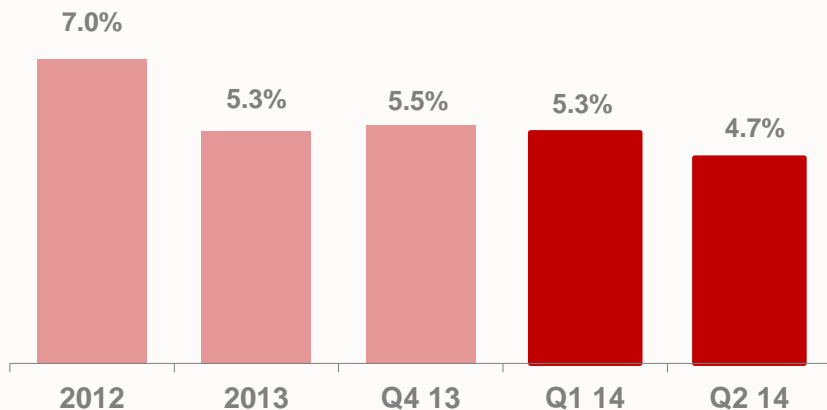


Margin

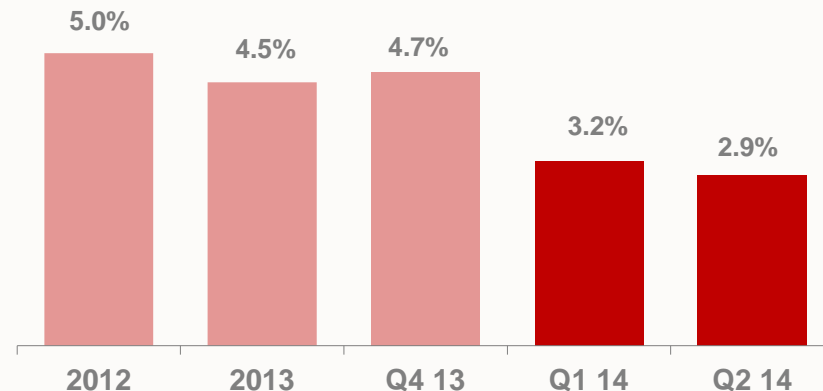


# Operating expenses as % of revenue

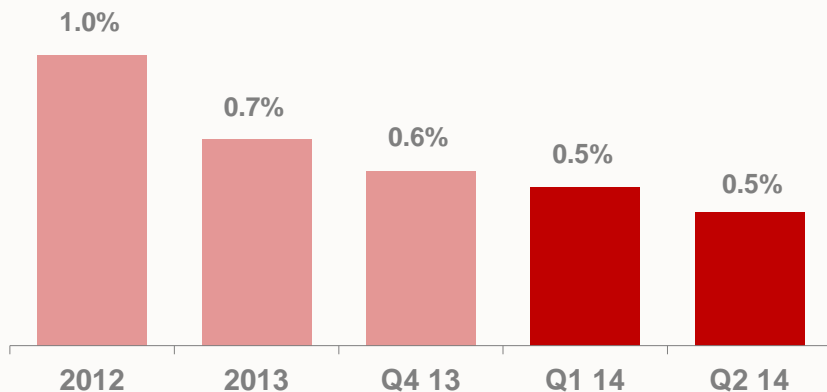
Selling expenses



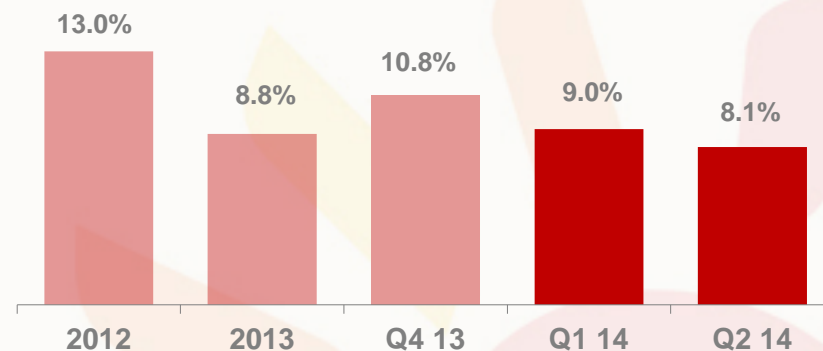
General and administrative expenses <sup>(1) (2)</sup>



Research and development expenses



Total operating expenses <sup>(1) (2)</sup>



Source: Company filings

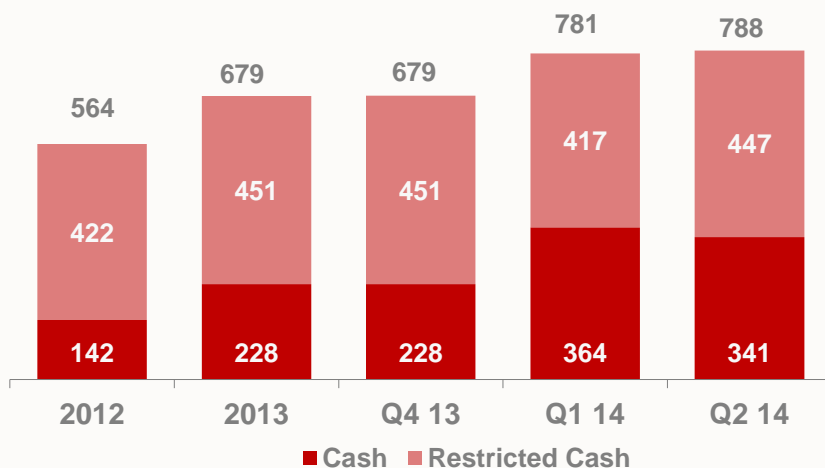
Note: Percentages are of the total net revenues in the corresponding period.

(1) 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.

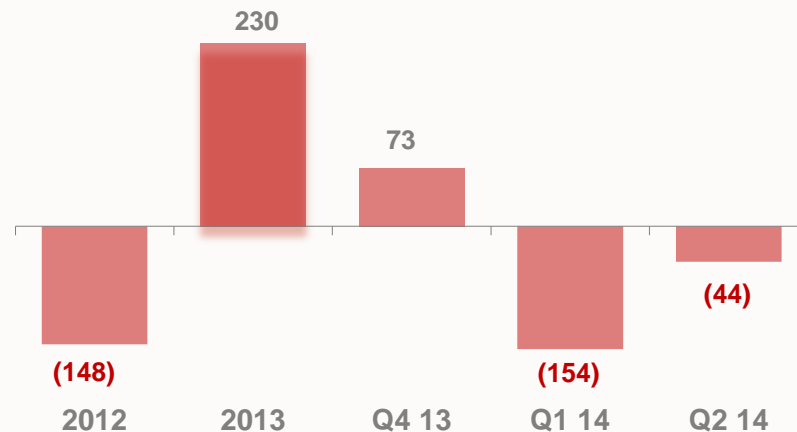
(2) Excludes arbitration award reversal totaling \$30 million in Q1 2013.

# Selected balance sheet and cash flow items

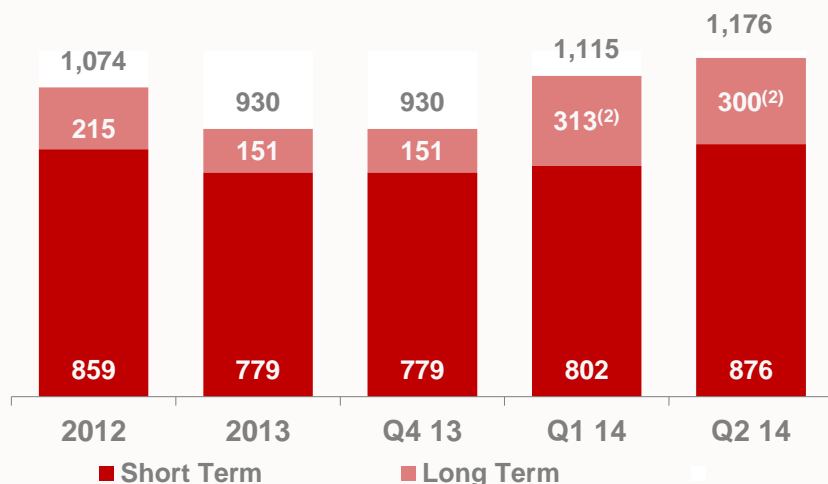
Cash and cash equivalents – US\$ million



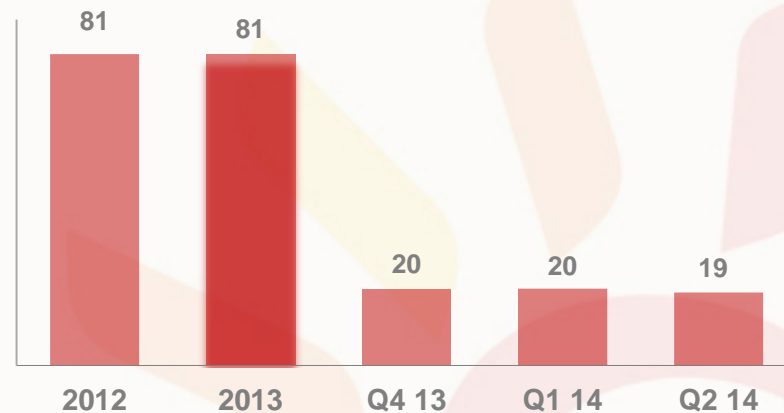
Cash flow from operations – US\$ million <sup>(1)</sup>



Total debt – US\$ million



Depreciation and 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

# Guidance

	Q2 2014	Q3 2014	FY2013	FY2014	YoY $\Delta\%$
<b>Module shipments</b>	646MW	720MW-750MW	1.9GW	2.5GW – 2.7GW	+37%
<b>Revenue</b>	\$623.8 Million	\$760 Million to \$810 Million	1.6 Billion	\$2.7 Billion to \$2.9 Billion	+75%
<b>Gross margin</b>	19.0%	19% – 21% <sup>(1)</sup>	16.7%	NA	NA

Source: Earnings release issued on August 13, 2014

(1) Includes module business and project business



**Thank You!**