



Investor Presentation

First Quarter 2016 Update

May 25, 2016

CSIQ NASDAQ Listed

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Renewable Energy Demand Continues to Grow

Investments in renewables continue despite volatile fossil fuel prices.

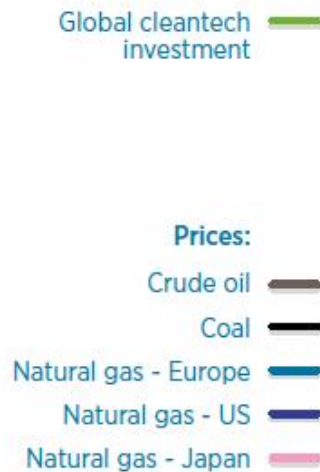
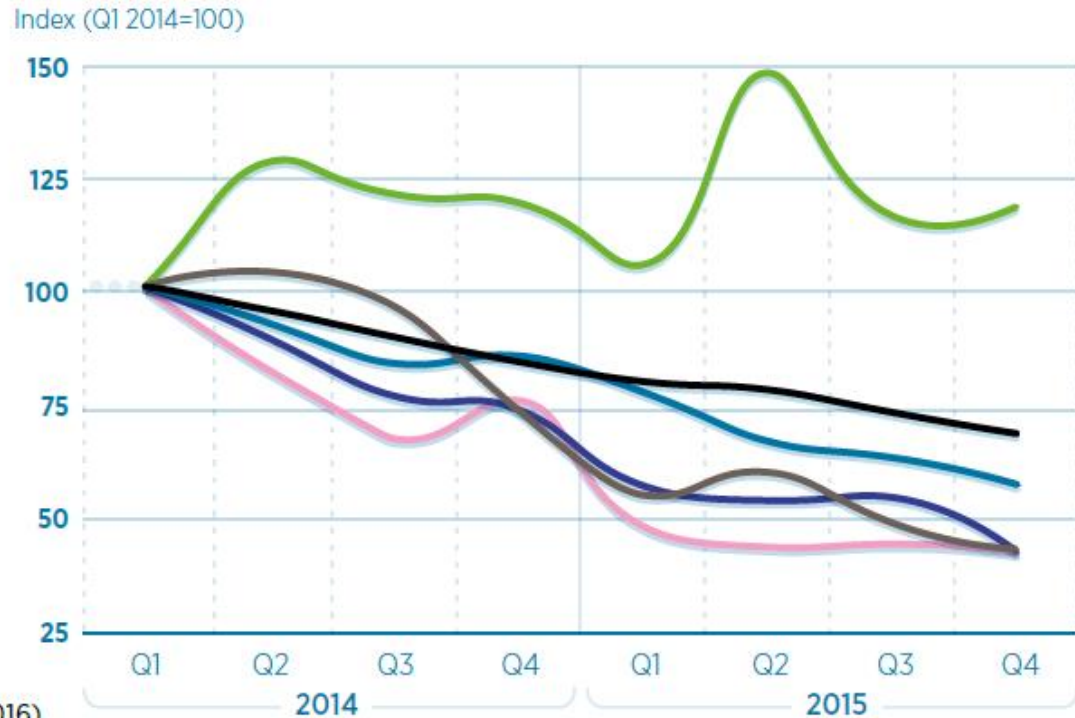


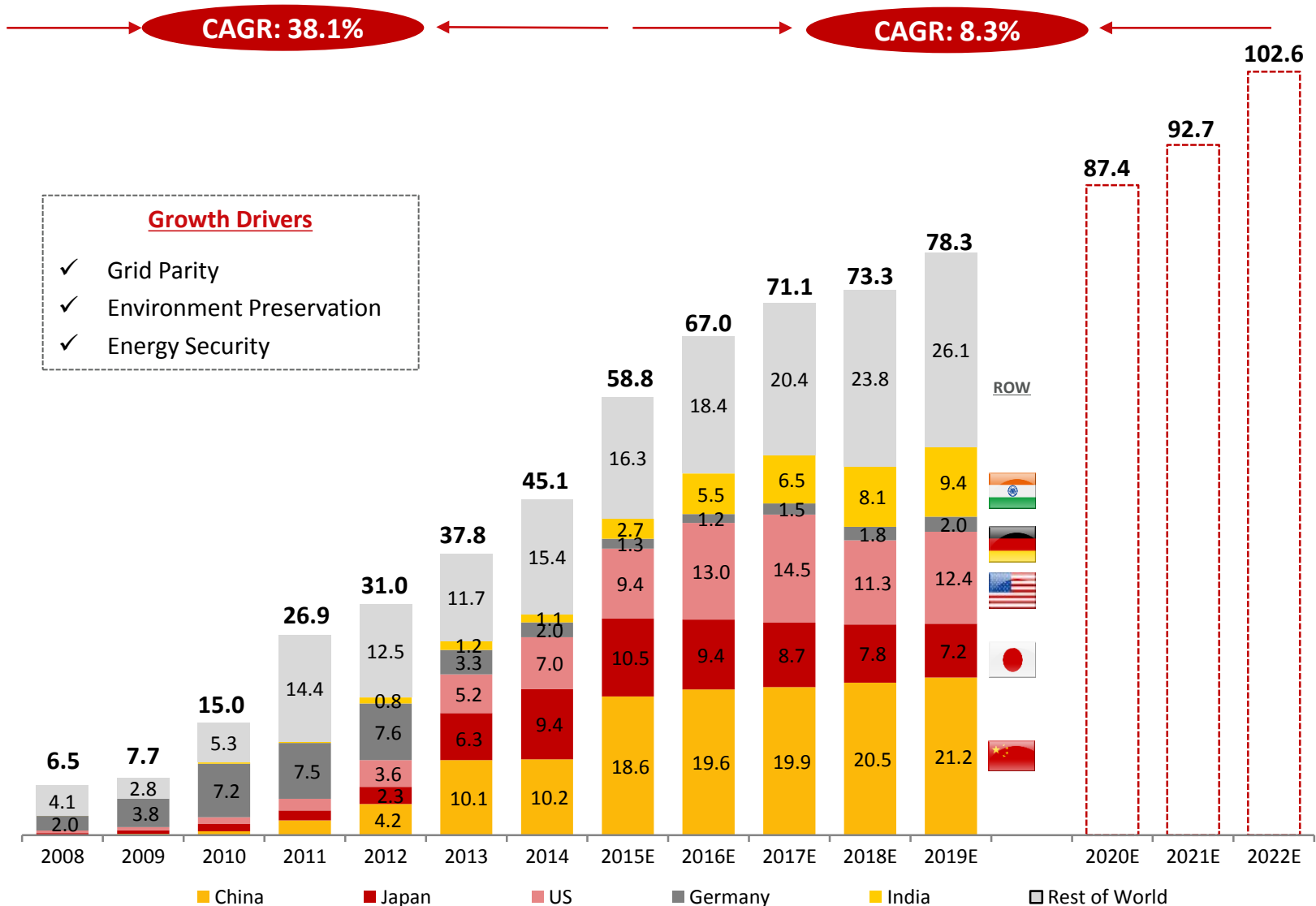
Figure 4: Investments in global cleantech and fossil fuel prices



Sources: BNEF (2015), EIA (2016)

Investment in renewable energy reached a new record despite falling fossil fuel prices

Global Annual PV Installation to Break through 60GW in 2016

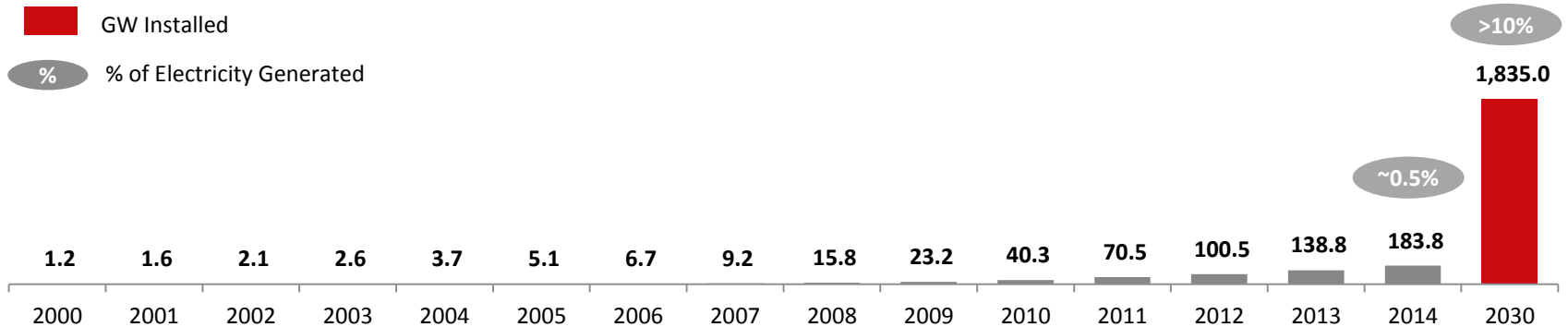


Source: Global PV module demand assumptions from Solarbuzz, IHS, Bloomberg New Energy Finance.

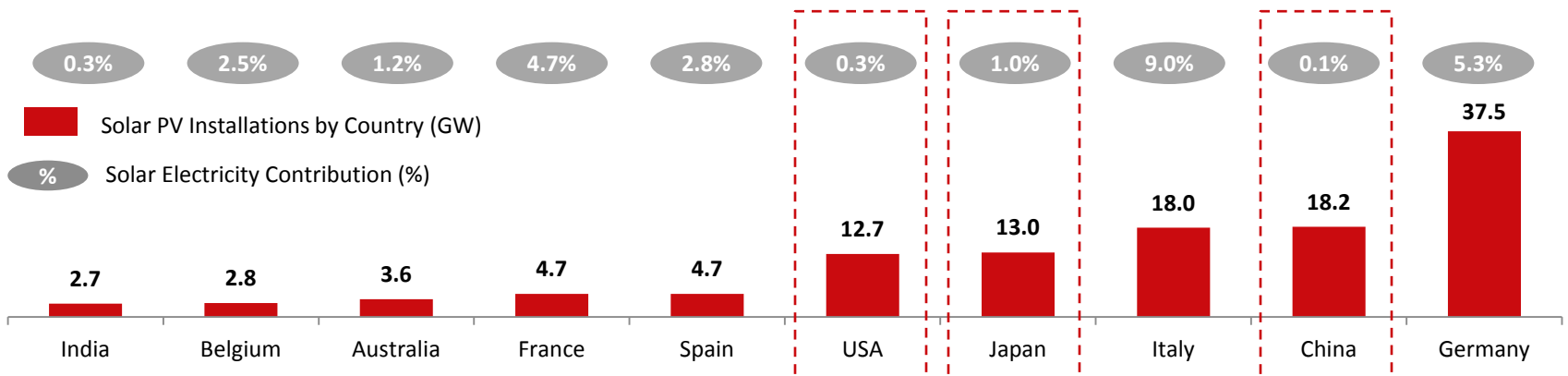
We Are at the Very Early Stages of Solar Adoption

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, Bloomberg New Energy Finance, Canadian Solar Analysis

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

Company Overview

- 🌿 Founded in Ontario, 2001
- 🌿 Listed on NASDAQ (CSIQ) in 2006
- 🌿 Over 8,000 employees globally
- 🌿 Presence in 18 countries / territories
- 🌿 > 14 GW of solar modules shipped cumulatively
- 🌿 > 1.8 GWp solar power plants developed, built and connected (incl. Recurrent)
- 🌿 **Top 2 solar company by MW shipped, revenue and profits in 2015***

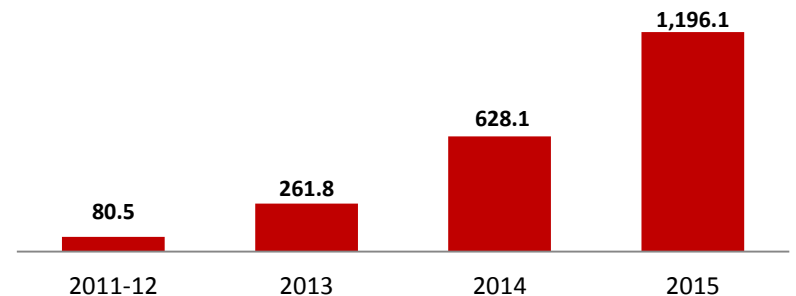
Global Footprint and Brand



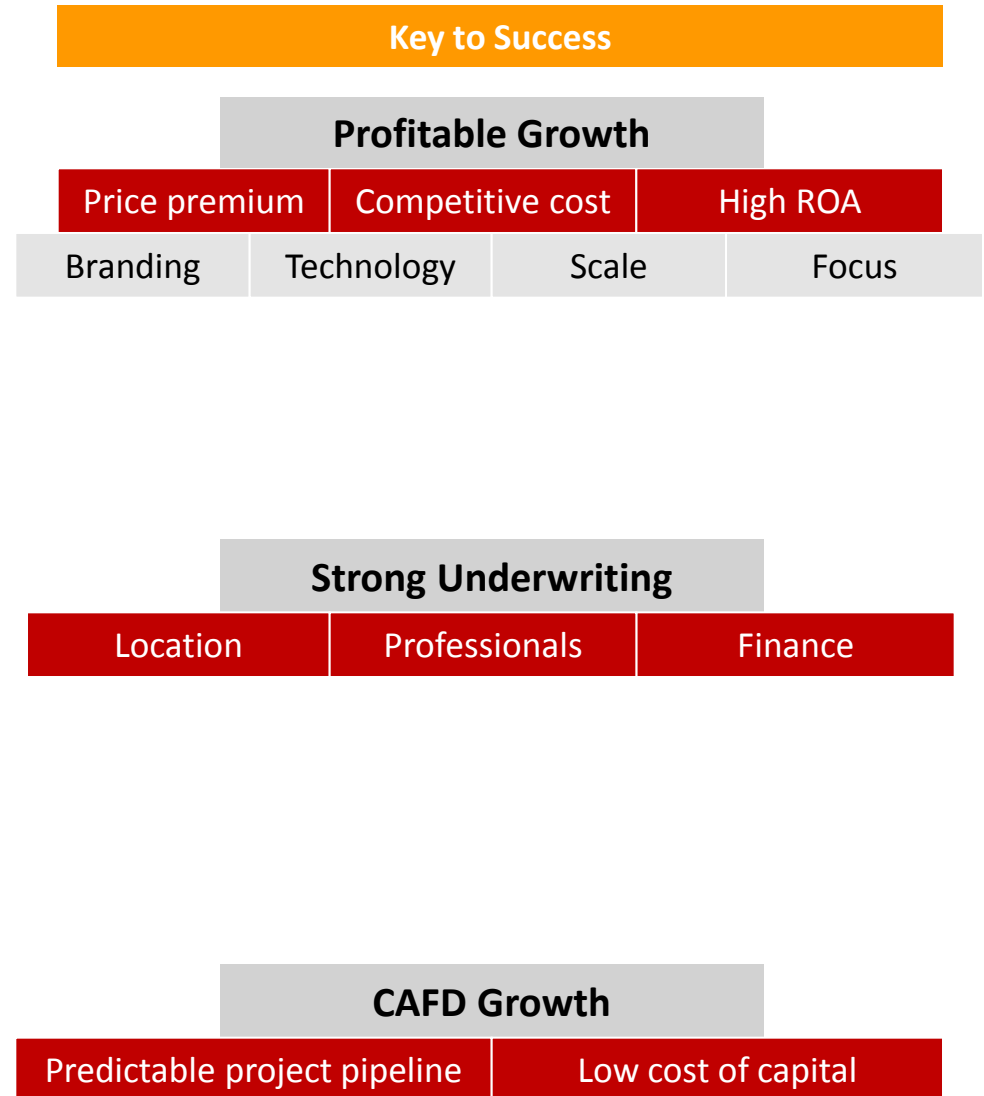
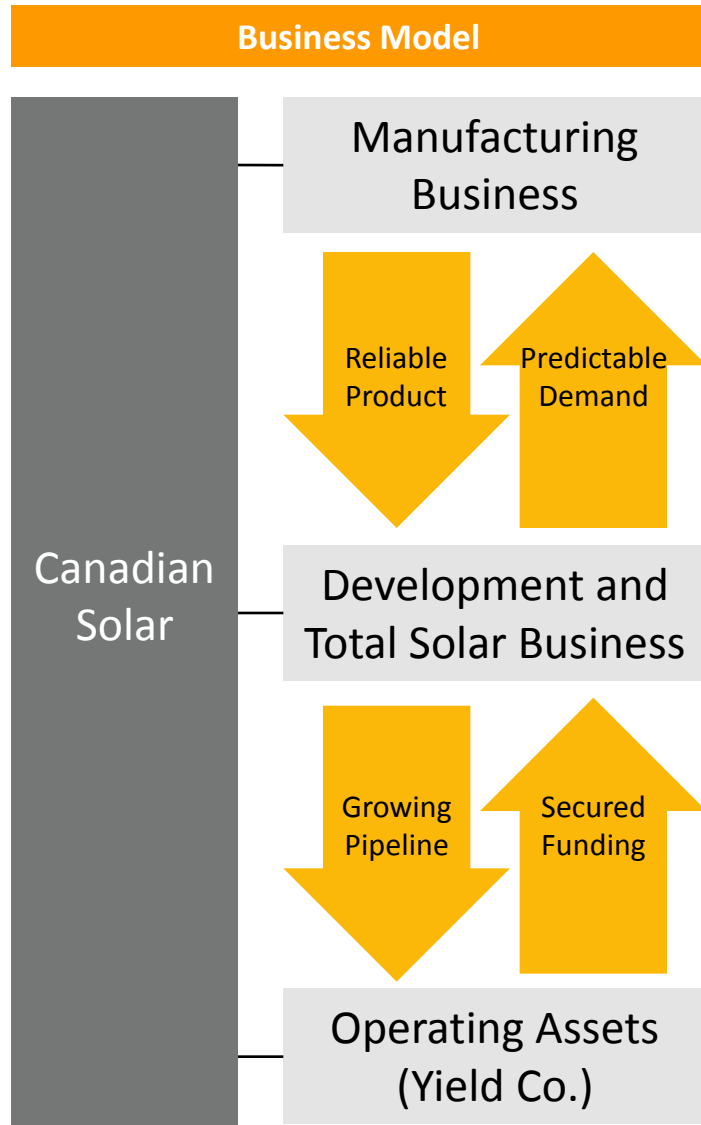
Highlights

- 🌿 2015 Revenue: **\$3.5 Billion**
- 🌿 2015 Shipments*: **4.7 GW**
- 🌿 2015 Net Income: **\$172 Million**
- 🌿 2016 Shipment Guidance: **5.4 – 5.5 GW**

Solar Power Plants Built and Connected**



Strategic Positioning



Energy Business: Industry Leading Globally Diversified Project Pipeline

Priority Markets for Utility-Scale Project Development

13.5 GWp

total project development pipeline

2.1 GWp

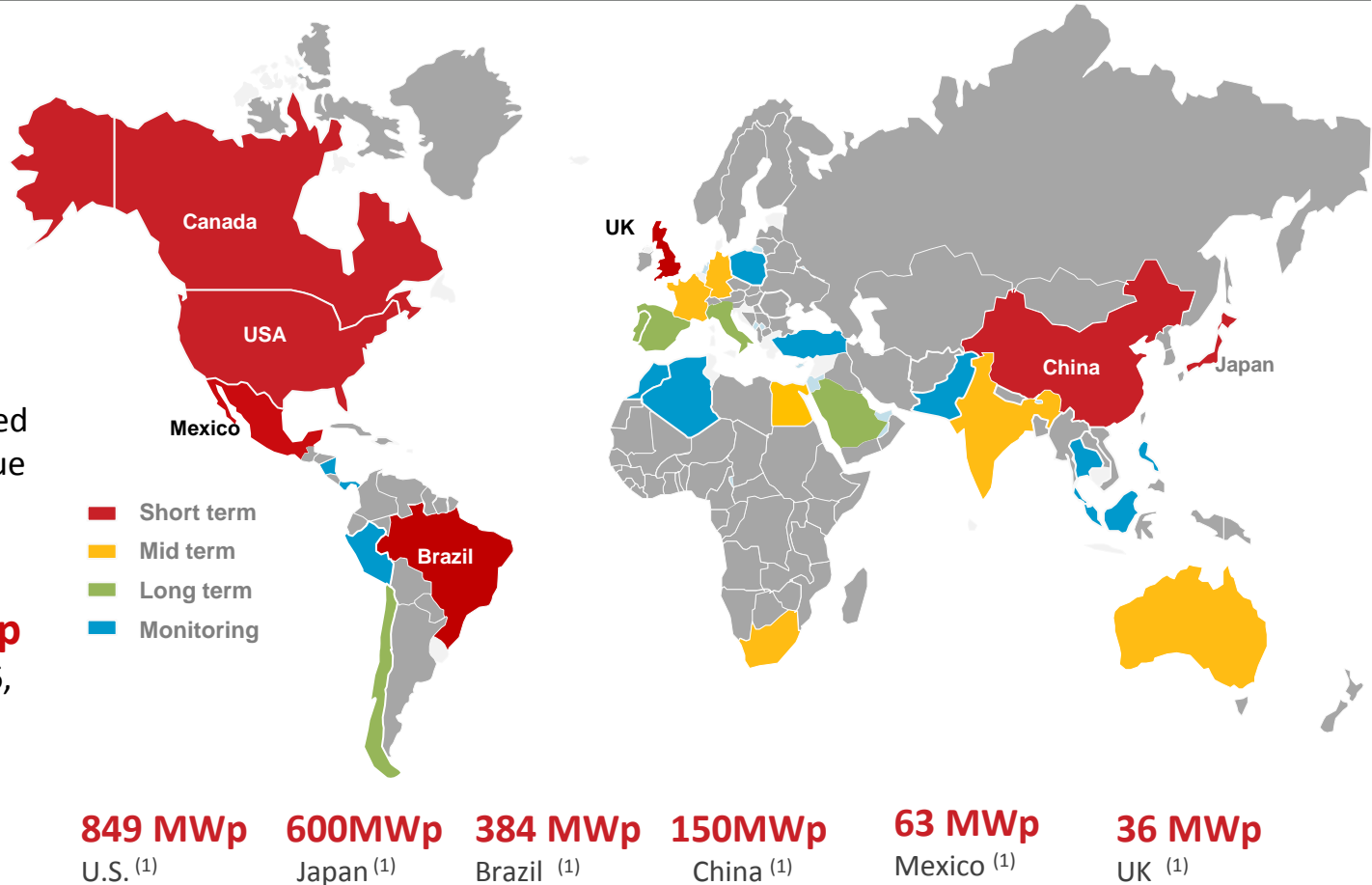
total contracted / late-stage project pipeline⁽¹⁾

~438 MWp

Solar power plants owned and operated resale value of **\$1.0 Billion** and gross margin of **\$200 million**

Additional 1.0 GWp

To be connected in 2016, resale value of **\$2.0 Billion** and gross margin of **\$230 million**

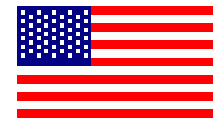


Source: Company information as of May 11, 2016

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 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.

Market Leader in the U.S. with 849 MWp Project Backlog



Includes Recurrent Energy Across North America

3.4 GWp

Early-stage pipeline

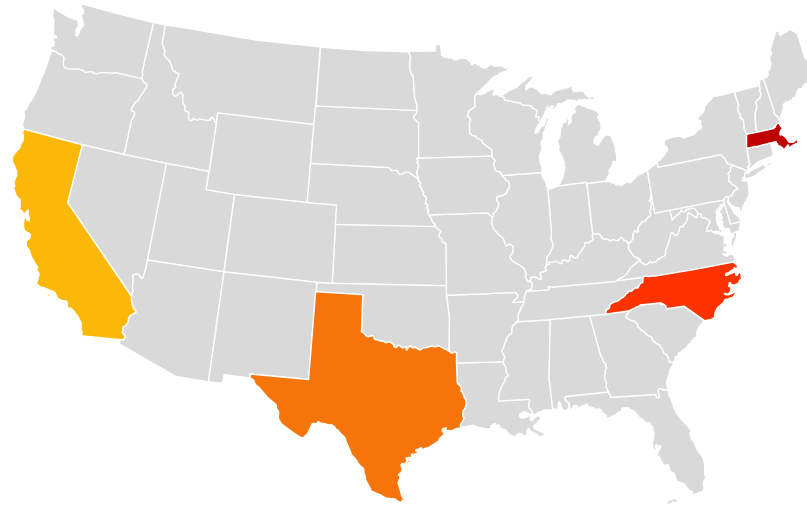
849 MWp

Late-stage pipeline²

>842 MWp¹

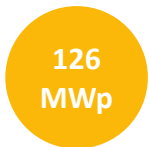
Track record of projects developed and sold in U.S.

U.S. Project Development Business Footprint



Late-stage Pipeline²

Tranquility



Mustang



Astoria 1



Astoria 2



Barren Ridge



Garland



Other



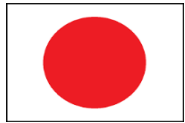
Roserock



Commercial Operation by the end of 2016

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

Japan Utility-Scale Solar Project Pipeline



Total Solutions business – Japan

600 MW_p ⁽¹⁾
pipeline of projects in development

21 MW_p
Owned and operated

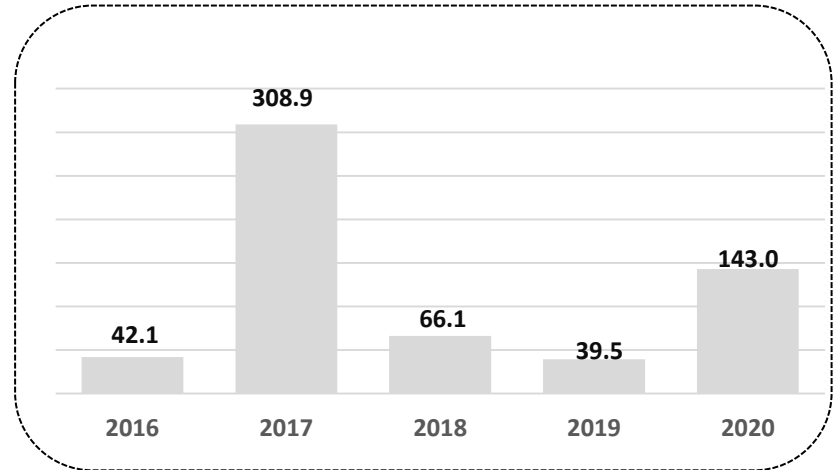


(1) Some of these projects may not progress to completion






Shibushichocho: 1.2MWp

Utility-Scale COD Schedule² - MWp



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

-  Projects in construction **109 MWp**
-  Projects ready-to-build **80 MWp**
-  Projects with signed interconnection agreements **200 MWp**

China Utility-scale Solar Project Pipeline



Energy Business – China



Group I: 0.9 RMB/kWh

Group II: 0.95 RMB/kWh

Group III: 1.0 RMB/kWh

2016 Grid Connection Target

During 2016, the Company expects to connect a total of **150 MWp** solar plants to the grid, including:

- ☀️ three solar plants that have been connected in the first quarter of 2016, totaling **15.7 MWp** ⁽¹⁾.
- ☀️ a **10MWp** ⁽²⁾ project in Jiangsu, a **22 MWp** ⁽³⁾ project in Xinjiang and other projects in Shanxi, Hebei, Shandong and Jiangsu provinces.

Source: Company information as of May 11, 2016

Module Business: Global Footprint With Diversified Customer Base

> **14.0 GW**

cumulative modules
sold to date

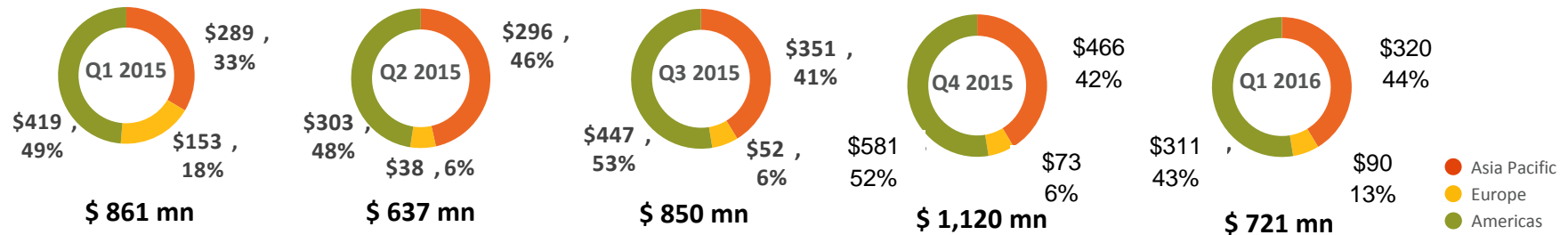
**Customers in over 90
countries**

with offices in
18 countries

Operational footprint

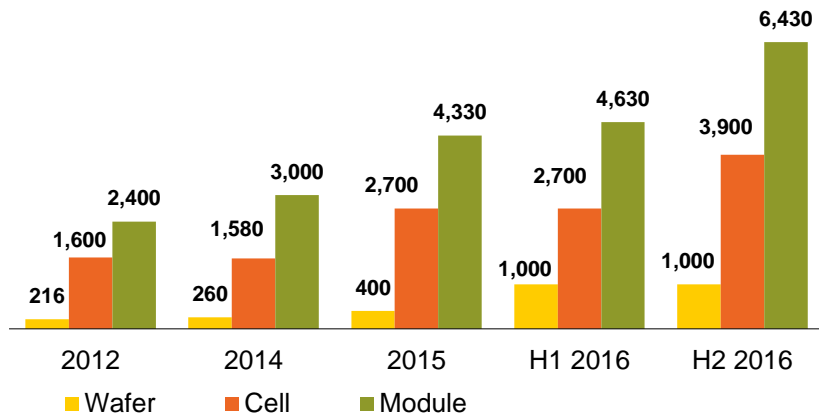


Sales breakdown by region



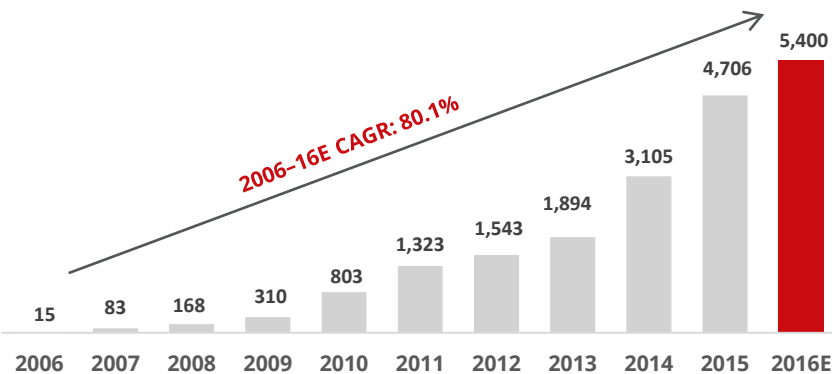
Capacity Expansion to Optimize Technology and Cost

Manufacturing Capacity - MW



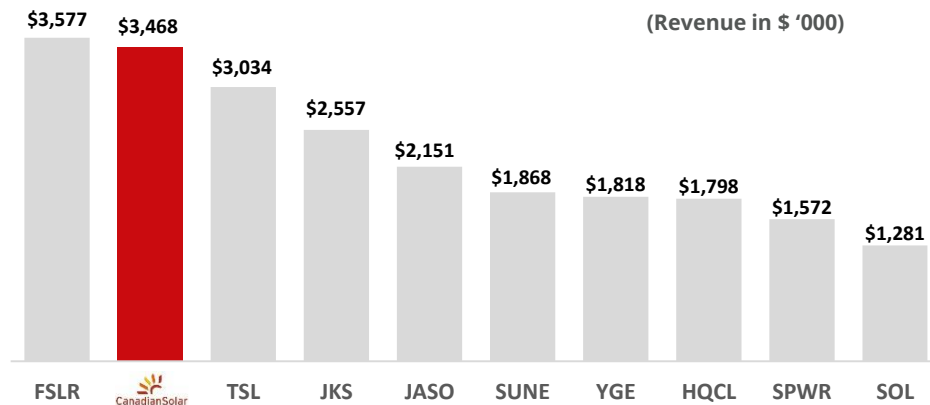
- **Technology upgrade - New products, new process, new design**
 - ✓ Diamond wire saw wafer
 - ✓ Black silicon
 - ✓ Mono PERC
 - ✓ Super 5
- **Global Manufacturing Footprint - China, Canada, Vietnam, Indonesia, Thailand, Brazil**
 - ✓ China
 - ✓ Thailand
 - ✓ Canada
 - ✓ Vietnam
 - ✓ Brazil
- **Operation 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

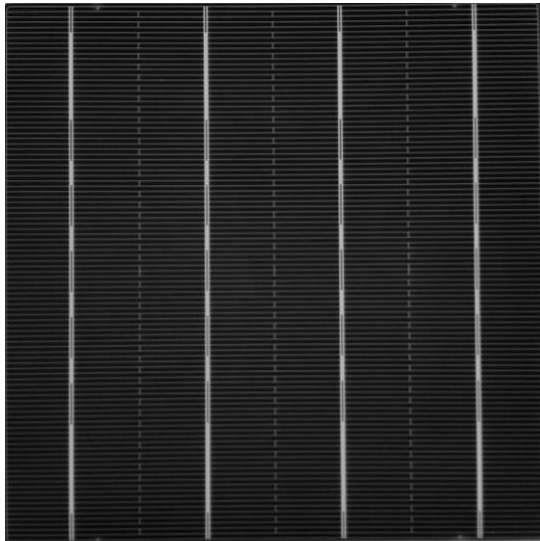


Source: Company information

1. Blended manufacturing cost in China
2. Based on internal ingot, wafer, cell and module manufacturing in China

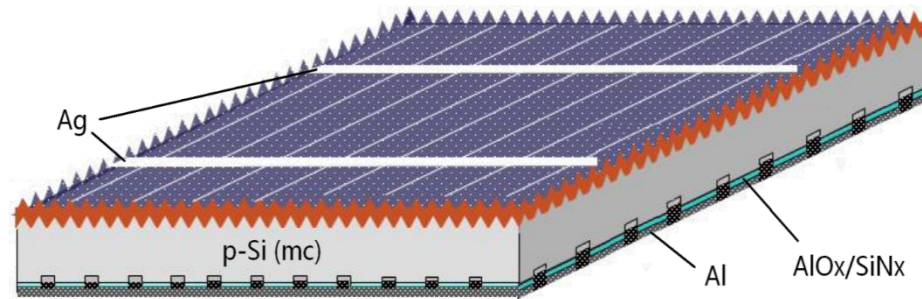
Competitive Pipeline of Homegrown Technologies

ONYX I – Black Silicon



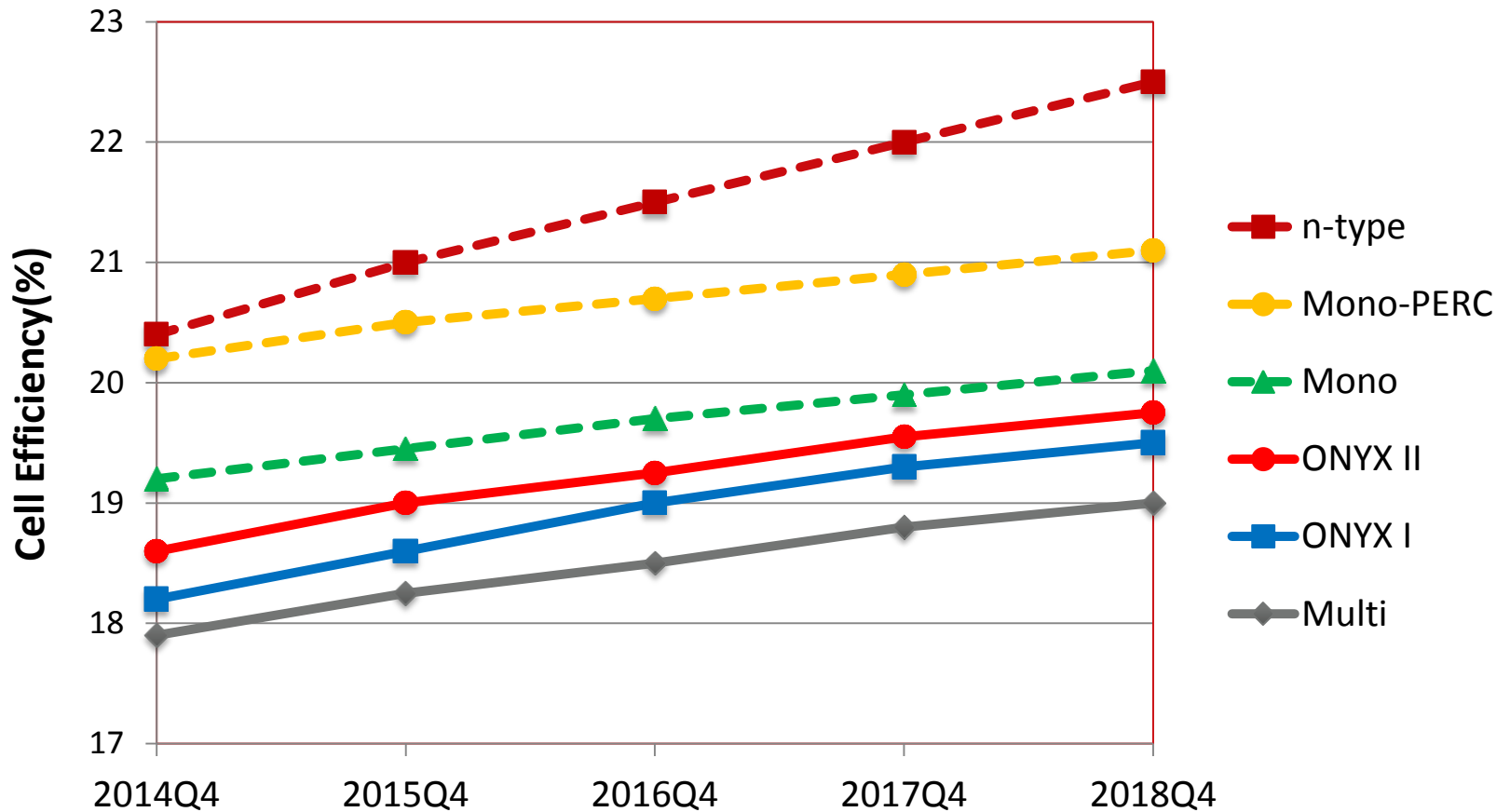
- ☀️ 0.4% cell efficiency and 4 watts module power gain over baseline to over 19% by end of 2016
- ☀️ Over 3 years in-house R&D, **self-owned IPs**
- ☀️ Production roll out begun in 2015 Q1
- ☀️ Ramp up as future multi baseline
- ☀️ Pleasing aesthetics

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 begin in 2016 Q1, will gradually ramp up within the year

Cell Efficiency Roadmap



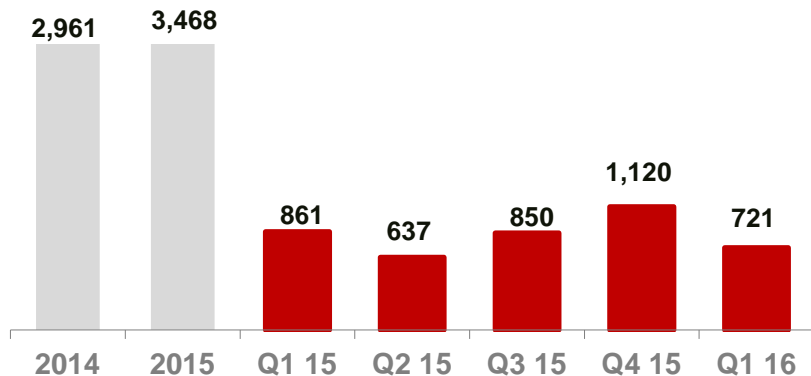
Experienced Board & Senior Management

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>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. 	
Experienced Independent Directors	<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.

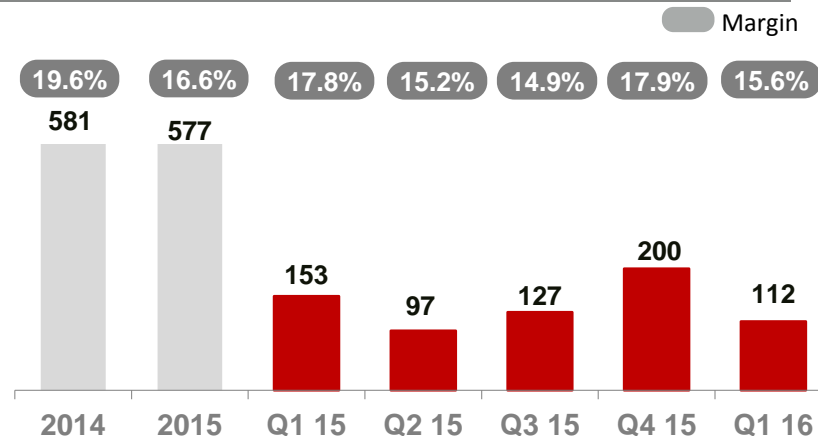
Source: Company information

Income Statement Summary

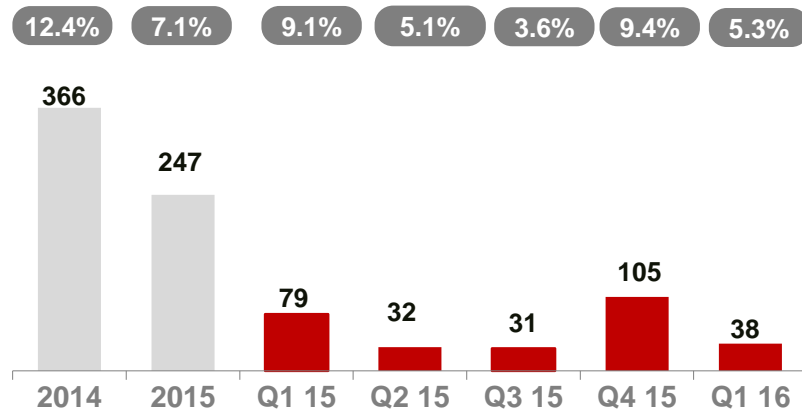
Revenue – US\$ million



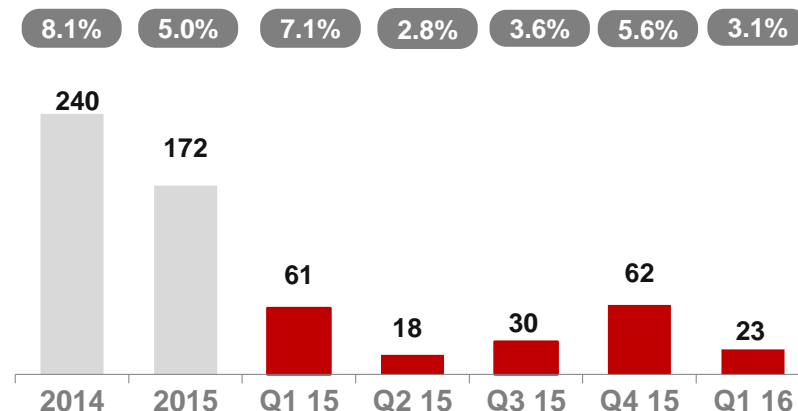
Gross Profit – US\$ million



Operating Income – US\$ million

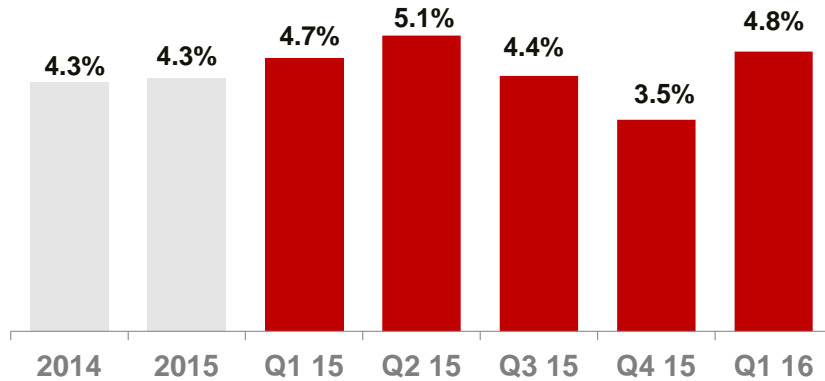


Net Income – US\$ million

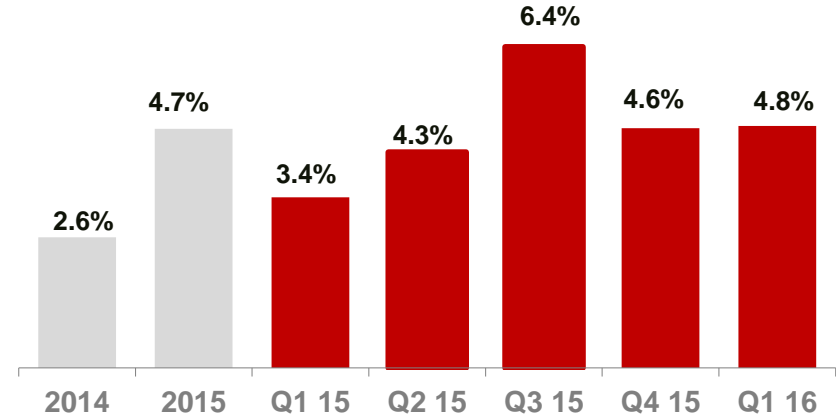


Operating Expenses as % of Net Revenue

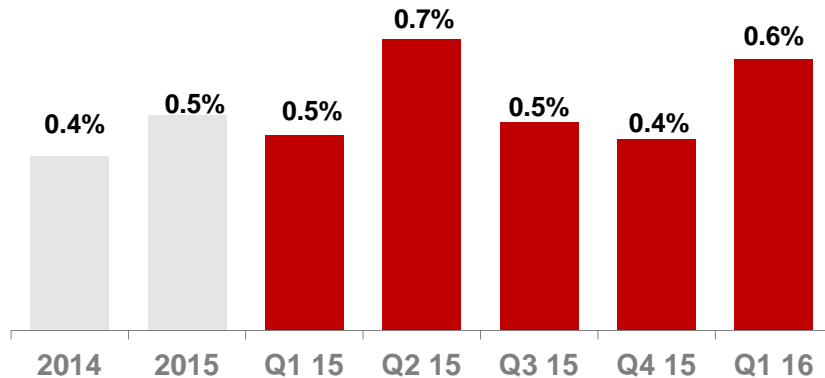
Selling expenses



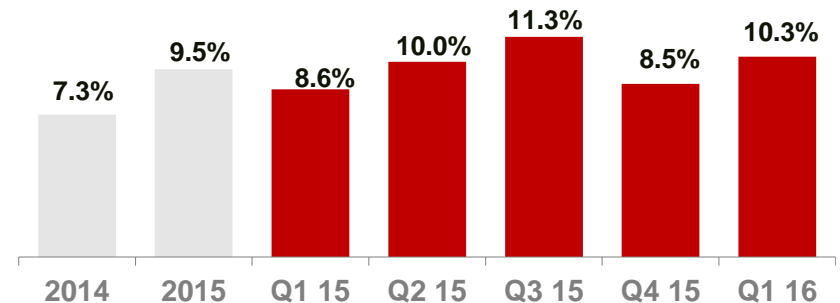
General & administrative expenses



Research & development expenses



Total operating expenses

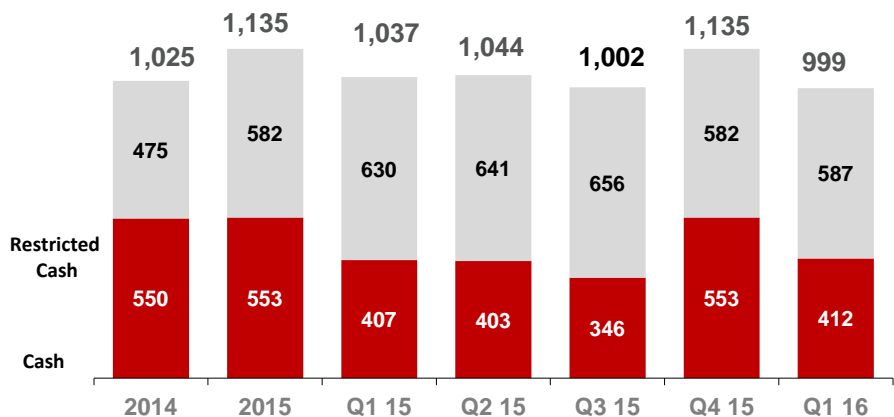


Source: Company filings

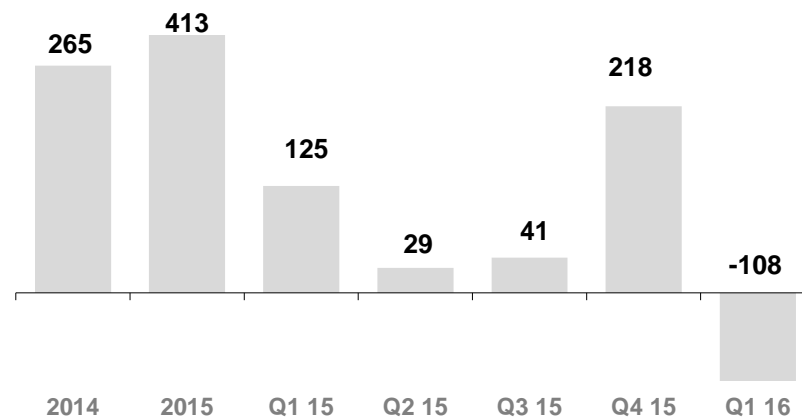
Note: Percentages are of the total net revenue in the corresponding period.

Selected Balance Sheet & Cash Flow Items

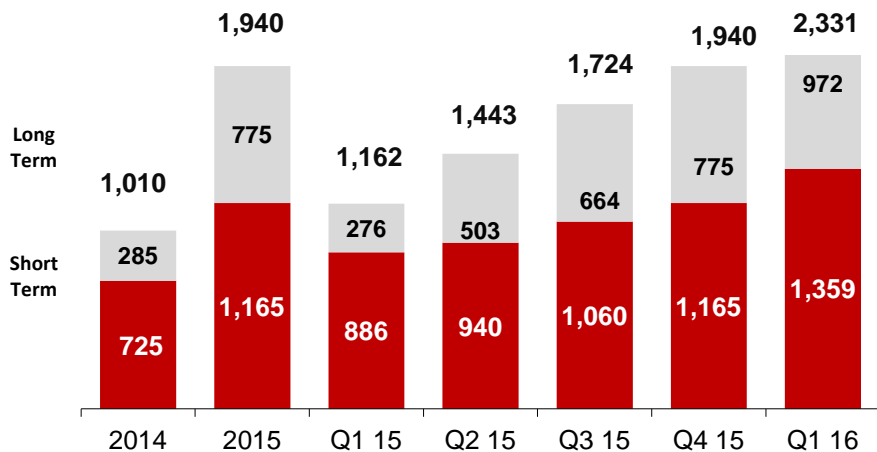
Cash & cash equivalents – US\$ million



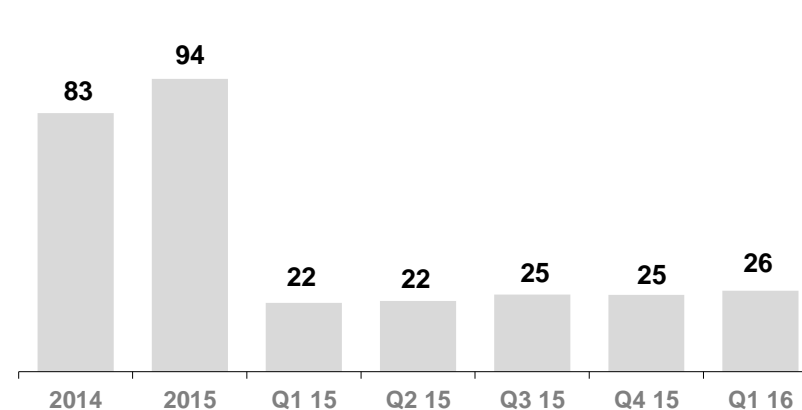
Cash flow from operations – US\$ million(1)



Total debt – US\$ million



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.

Guidance as of May 11, 2016

	Q1 2016	Q2 2016
Module shipments	1,198 MW	1,200 MW – 1,250 MW
Revenue	\$ 721 m	\$ 710m to \$ 760 m
Gross margin	15.6%	15% – 17% ⁽¹⁾

	FY2015	FY2016	YoY Δ%
Module shipments	4.7GW	5.4 GW – 5.5 GW	+14.9%
Revenue	\$3.47 bn	\$3.0 bn to \$3.2 bn	-10.7%
Gross margin	NA	NA	NA

1-Includes module business and project business

Canadian Solar may consider selling some of its OECD plants, in which case revenue for the full year 2016 is expected to be in the range of \$3.2 billion to \$3.6 billion.

**THANK
YOU!**

May 2016