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Agenda Today

<table>
<thead>
<tr>
<th>Topic</th>
<th>Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategy Overview</td>
<td>10:00 a.m. – 10:30 a.m.</td>
</tr>
<tr>
<td>Module Business</td>
<td>10:30 a.m. – 12:00 p.m.</td>
</tr>
<tr>
<td>Technology and Cost Roadmaps</td>
<td></td>
</tr>
<tr>
<td>Sales and Marketing</td>
<td></td>
</tr>
<tr>
<td>Q &amp; A</td>
<td></td>
</tr>
<tr>
<td>Lunch Break</td>
<td>12:00 p.m. – 1:00 p.m.</td>
</tr>
<tr>
<td>Energy Business</td>
<td>1:00 p.m. – 2:00 p.m.</td>
</tr>
<tr>
<td>Global Project Segment</td>
<td></td>
</tr>
<tr>
<td>U.S. Project Segment (Recurrent)</td>
<td></td>
</tr>
<tr>
<td>YieldCo Opportunity and Guidance</td>
<td></td>
</tr>
<tr>
<td>Q &amp; A</td>
<td></td>
</tr>
<tr>
<td>Closing Remarks</td>
<td>2:00 p.m. – 2:30 p.m.</td>
</tr>
</tbody>
</table>
Industry Leading Globally Diversified Pipeline

9.0 GW_{DC}
total project development pipeline

2.4 GW_{DC}
total contracted / late-stage project pipeline\(^{(1)}\)

> 6.6 GW_{DC}
total early-mid stage development pipeline\(^{(2)}\)

C$600 million
revenue expected for Canadian project pipeline over next 6 – 9 months

184 MW_{DC}
Canada \(^{(1)}\)

1,054 MW_{DC}
U.S. \(^{(1)}\)

114 MW_{DC}
Brazil \(^{(1)}\)

115 MW_{DC}
UK \(^{(1)}\)

340 MW_{DC}
China \(^{(1)}\)

605 MW_{DC}
Japan \(^{(1)}\)

Priority markets for utility-scale project development

Canadian Solar has a globally diversified pipeline of contracted / late stage projects in low risk geographies

Source: Company information as of May 18, 2015
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 2-3 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.
Our Core Processes

Project development

Project Valuation Committee

- Project Valuation
  1. Basic Engineering (production estimation and CAPEX and OPEX estimation)
  2. Financial Modeling
  3. Risk Assessment

- Securing Land and Connection Point
- Permitting Process
- Valuation of existing permits and acquisition
- Partnerships

Project Execution

Contracts Negotiation
1. EPC + O&M
2. Insurance
3. Finance

- EPC and Project Management
  1. Engineering
  2. Procurement
  3. Construction
  4. Project Management

- Commissioning and Acceptance

Monetization

Dropdown into CSIQ Yield Co

- Bridge financing

Third Party Sale

Alternatively

Projects Memorandum

Our Core Processes
Engineering Oversight during Project Life Cycle

Development Permitting Financing
- Preliminary Engineering
- Technical Specification
- Vendor Qualification
- Design Review
- Use only quality suppliers
- Comprehensive Technical Requirements
- In house design basis
- Engineering Procurement Construction
- Construction Monitoring
- Quality Control
- High level of oversight during detailed engineering
- Commissioning Performance Testing
- Functional Testing
- Performance Testing
- O&M Support & Performance monitoring
- O&M Support

RTB  NTC  ISD  COD

20 years

Canadian Solar
Make The Difference
Achieving Lower LCOE Through Learning and Innovation

- Lessons Learned and Root Cause Analysis
- Monitor Performance of Project Under O&M Contract
- Maintain Detail Project Cost Models

Projects Evaluation and Sponsorship
- Market and Technology Intelligence
- Evaluate New Suppliers And Technologies
- Assess ‘Make Vs Buy’ To Maintain Competitive Advantage
We have an Industry Leading Track Record Delivering Utility Scale Power Plants

Cumulative Installations – MWp

Note: Excludes Recurrent
Our Track Record in Canada

24 DEVELOPER PROJECTS IN OPERATION\(^1\)
310.4 MW DC

6 ENGINEERING, PROCUREMENT & CONSTRUCTION PROJECTS IN OPERATION
189 MW DC

<table>
<thead>
<tr>
<th>Year</th>
<th># of projects</th>
<th>MW DC</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>2</td>
<td>19.0</td>
</tr>
<tr>
<td>2012</td>
<td>4</td>
<td>38.9</td>
</tr>
<tr>
<td>2013</td>
<td>3</td>
<td>36.4</td>
</tr>
<tr>
<td>2014</td>
<td>17</td>
<td>232.0</td>
</tr>
<tr>
<td>2015 (to date)</td>
<td>4</td>
<td>173.1</td>
</tr>
<tr>
<td>Total</td>
<td>30</td>
<td>499.4</td>
</tr>
</tbody>
</table>

1. Projects are not owned by Canadian Solar and not eligible for YieldCo.
Samsung Phase I – Haldimand, Ontario

- Project Size: 133 MW DC
- Conner Clark & Lunn, Samsung, & Six Nations
- Finance: RBC (lead) syndicate of 8 banks ($525mil)
- Energy Injected Into Grid: 165,000 MWh / Year
- Substantial Completion: Forecast Q2 2015
Samsung Phase II – Kingston, Ontario

- Project Size: 141 MW DC
- Conner Clark & Lunn & Samsung
- RBC (lead) syndicate of 8 banks ($458mil)
- Energy Injected Into Grid: 183,000 MWh / Year
- Substantial Completion: Forecast Sept 2015
- Largest solar farm in Canada
Thunder Bay, Ontario Canada
CSI Role: 8.5 MW DC EPC Solution and O&M Provider
Owner: Skypower LTD (FWFN)
Construction Finance: Minsheng Bank
Project Debt: Deutsche Bank
Status: Completed December 2011

Thunder Bay, Ontario Canada
CSI Role: 10.8 MW DC EPC Solution and O&M Provider
Owner: Skypower LTD (FWFN)
Construction Finance: Minsheng Bank
Project Debt: Deutsche Bank
Status: Completed March 2012
Our Track Record in the U.S.

26 U.S PROJECTS IN OPERATION\(^1\)
161.8 MW

<table>
<thead>
<tr>
<th>Connected</th>
<th># of Projects</th>
<th>MW DC</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>15</td>
<td>73.7</td>
</tr>
<tr>
<td>2014</td>
<td>11</td>
<td>88.1</td>
</tr>
<tr>
<td>Total</td>
<td>26</td>
<td>161.8</td>
</tr>
</tbody>
</table>

1. Projects are not owned by Canadian Solar and not eligible for YieldCo. Does not include Recurrent Energy.
Acacia - Lancaster California, USA

- 28.4MW DC
- 252 acres
- Connected Nov 2014
- Sold to Dominion Nov 2014
- Single Axis Trackers
Our Track Record in China

23 DEVELOPER PROJECTS IN OPERATION\(^1,2\)

99 MW DC

<table>
<thead>
<tr>
<th>Year</th>
<th># of projects</th>
<th>MW DC</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>1</td>
<td>10.0</td>
</tr>
<tr>
<td>2013</td>
<td>20</td>
<td>80.0</td>
</tr>
<tr>
<td>2014</td>
<td>4</td>
<td>29.0</td>
</tr>
<tr>
<td>Total</td>
<td>25</td>
<td>119.0</td>
</tr>
</tbody>
</table>

2 ENGINEERING, PROCUREMENT & CONSTRUCTION PROJECTS IN OPERATION

20 MW DC

1. Includes 30MW of Golden Sun projects that are counted as one project, 5MW of which is in process of grid-connection; Also includes a 15MW project that was only partially connected to the grid in December of 2014
2. All self-developed projects are owned by Canadian Solar; 17 projects built under the Golden Sun program
Our Track Record in the UK

4 PROJECTS IN OPERATION\(^1\)

40.2 MW DC

<table>
<thead>
<tr>
<th>Project</th>
<th>MW DC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Moat Farm</td>
<td>4.6</td>
</tr>
<tr>
<td>Coombe</td>
<td>7.4</td>
</tr>
<tr>
<td>Hoplass</td>
<td>10.3</td>
</tr>
<tr>
<td>Church Farm</td>
<td>17.9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>40.2</strong></td>
</tr>
</tbody>
</table>

1. Projects are owned by Canadian Solar and eligible for YieldCo.
Moat Farm – Nottinghamshire, UK

- 4.6MW DC
- Connected Mar 2015
The Regional Breakdown of our Project Pipeline

**Late-Stage**
- Japan: 1,054
- China: 605
- U.S.: 340
- UK: 184
- Brazil: 114
- Canada: 115

**Total: 2.4 GW DC**

**Early-Stage**¹
- Recurrent Energy: 50%
- APAC: 27%
- EMEA: 20%
- Americas: 4%

**Total: 6.6 GW DC**

¹ Excludes China, India and Pakistan MOUs
The Utility Scale Project Opportunity in Canada

Market Environment

- LRP 140 MW 2016 and 140 MW 2017
- FIT program running out
- Transition to RFP system and then a cap and trade market
- No future local content requirement

Active Pipeline COD Schedule*

<table>
<thead>
<tr>
<th>Canadian Solar developed</th>
<th>MW_{DC}</th>
<th>Status</th>
<th>Expected COD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alfred</td>
<td>14.1</td>
<td>Engineering</td>
<td>2015 Q4</td>
</tr>
<tr>
<td>Illumination LP</td>
<td>14.0</td>
<td>In Construction</td>
<td>2015 Q4</td>
</tr>
<tr>
<td>Beam Light LP</td>
<td>14.0</td>
<td>In Construction</td>
<td>2015 Q4</td>
</tr>
<tr>
<td>Earth Light LP</td>
<td>14.1</td>
<td>Engineering</td>
<td>2015 Q4</td>
</tr>
<tr>
<td>Lunar Light LP</td>
<td>14.0</td>
<td>In Construction</td>
<td>2015 Q2</td>
</tr>
<tr>
<td>Aria LP</td>
<td>14.8</td>
<td>In Construction</td>
<td>2015 Q4</td>
</tr>
<tr>
<td><strong>Total CSIQ Developed (SALE in 2015)</strong></td>
<td><strong>85.0</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>3rd Party Developed (EPC)</th>
<th>MW_{DC}</th>
<th>Status</th>
<th>Expected COD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Samsung Phase I</td>
<td>133.6</td>
<td>In Construction</td>
<td>2015 Q2</td>
</tr>
<tr>
<td>Samsung Phase II</td>
<td>141.0</td>
<td>In Construction</td>
<td>2015 Q3</td>
</tr>
<tr>
<td><strong>Total EPC Projects</strong></td>
<td><strong>274.6</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| EPC MW Recognized into Revenue in Prior Quarters | **175.4** |
| **Total Project Backlog** | **184.2** |

* As of May 18th 2015
The Utility Scale Project Opportunity in Japan

Market Environment

- In 5 utility areas (Hokkaido, Tohoku, Shikoku, Kyushu and Okinawa) grid capacity is saturated.
- For newly approved projects in the above regions, developers need to bear curtailment risk or add storage.
- Kansai region has room to accept solar, but grid capacity in Tokyo and Chubu areas approach saturation.
+ No major impact in our pipeline: In Kyushu we have 95 MW, only one 2 MW project is affected. In Tohoku, around 124 MW can potentially be exposed to risk of unlimited curtailment.
+ The current FIT stands at ¥29 per kWh, which is equivalent to ~$0.24 per kWh, and remains the highest in the world.
+ TEPCO announced that they are increasing grid capacity in Fukushima; 5 nuclear power plants to be demolished (which can free-up grid capacity).

Canadian Solar Position

- Weighted average FIT for the entire pipeline ¥36.2/kWh
- ~90 MW at NTP/RTB

COD Schedule

1. Actual results may differ materially from current expectations. The forecasted COD schedule is subject to change without notice.
The Utility Scale Project Opportunity in China

**Market Environment**

- The current FIT ranges from at RMB0.90 to RMB1.0 per kWh, which is equivalent to ~$0.15 per kWh.
- The government has set targets for solar PV installations to reach a cumulative total of 70 GW by 2017, and 100 GW by 2020.
- Cumulative installations reached ~35GW in March 2015, implying ~65GW has yet to be installed to reach the 2020 target.
- There is a possibility China will increase solar installation targets when the next 5 year plan is published.

**Canadian Solar Position**

- Canadian Solar has approximately 85 MW connected to the grid in China and generating electricity.
- Canadian solar expects to connect 320 MW in 2015.
- We have approximately 65 MW in construction in China today, with the balance in late stages of permitting.

**Challenges**

- FIT payment delays of up to 2 years.
- High curtailment in the west part of the country.

**Project in Operation**

- 99MW

**Our Late-Stage Pipeline**

- 340MW

---

1. One 15MW project is partially connected, and one 5MW Golden Sun project is pending grid-connection.
The Utility-Scale Project Opportunity in the UK

Market Environment

- The UK government introduced the ROC in 2002, FiT in 2010 and CfD in 2014.
- The current ROC ranges from at £0.113 to £0.120 per kWh, which is equivalent to ~$0.177 per kWh. Current FiT ranges from at £0.114 to £0.118 per kWh (~$0.176 per kWh).
- The government has set targets for solar PV installations to reach a cumulative total of 20GW by 2020. (1)
- Cumulative installations reached 5.7GW in March 2015 (2), implying a demand of ~3.3GW range per year to reach the 2020 target.
- Overall, Solar PV capacity at the end of 2014 stood at 5.1GW, an increase of 79% compared to 2013 year end. (3)
- Deutsche Bank estimates $1.71 per watt to build utility scale plant by 2017. Currently $2.00. (4)

Canadian Solar Position

- Canadian Solar has 40.2 MW connected to the grid in the UK and generating electricity.
- Canadian Solar will connect to the grid in Q2 2015 6.16 MW and is expecting to connect additionally 46.5 MW in Q3 2015 and 62.2 MW in Q4 2015.
- In addition to the 40.2MW connected in Q1, Canadian Solar expects to connect a total of 114.86MW by 2015 close.

Challenges

- ROC program for large utility projects (>5MW) no longer in existence.
- CfD program for large utility projects challenging because of the low strike price. (Low Project IRR)
- UK new government policy actually unpredictable.

(4) Source: Deutsche Bank
## Selected Latin America Opportunities

<table>
<thead>
<tr>
<th>Country</th>
<th>Overview</th>
<th>Challenges</th>
</tr>
</thead>
</table>
| Brazil | • 26% of total LATAM market by 2019  
• Remarkable irradiation values  
• Two tenders are scheduled for 2015 and regional tender is expected  
• Challenges: Limited PPA prices, cumbersome tax system, grid quality concerns, local content requirement, currency risk | |
| Mexico | • Over 14% of total LATAM market by 2019  
• Outstanding irradiation values  
• Structure reforms may bring a positive impact  
• Challenges – Mexico: Grid quality concerns, New “Energy Reform” causing delays, legal framework under development | |
Canadian Solar Late-Stage Project COD schedule

1. Projects that COD in Q1-Q4 2015, ignores Percent of Completion, includes projects that we have agreed to sell to third parties
2. Excludes mid-stage projects that will move into late-stage

Projects Eligible for Dropdown 2015-2017: 1,824 MW

MW

2015

- Canada: 788.1
- US: 155.1
- China: 320
- Japan: 45
- UK
- Brazil

2016

- Canada: 1,021
- US: 275

2017

- Canada: 414
- US: 300
- China: 114

Mid-stage projects expected to move into late-stage
Leading Solar Project Developer Transforming Our World To Sustainably Meet Its Energy Needs With Clean Electricity
Contracts include Power Purchase Agreements (“PPAs”), Interconnection Agreements (“IAs”), land purchase agreements, Module Supply Agreements (“MSAs”), Engineering Procurement and Construction (“EPC”) agreements, Operation and Maintenance (“O&M”) agreements, project debt and equity agreements and Management Service agreements (“MASAs”).

Recurrent Energy is founded and incorporated

Investment from Hudson Clean Energy Partners

Received funding from Mohr Davidow Ventures

Acquisition of UPC Solar pipeline, which included a 220 MW Ontario project portfolio

Sharp acquires Recurrent Energy

Awarded approximately 430 MW of contracts¹

Project financing deal with Mitsubishi Corporation and Osaka Gas for 108 MW

Awarded 845 MW of solar power project contracts

First project financing deal with Google and KKR for 88 MW

Finalized more than $1.1 billion in equity financing, $750 million in debt financing, construction of 24 projects, totaling 313 MW

Recurrent Energy History

Canadian Solar acquires Recurrent Energy

¹ Contracts include Power Purchase Agreements (“PPAs”), Interconnection Agreements (“IAs”), land purchase agreements, Module Supply Agreements (“MSAs”), Engineering Procurement and Construction (“EPC”) agreements, Operation and Maintenance (“O&M”) agreements, project debt and equity agreements and Management Service agreements (“MASAs”)
## Capabilities – An Integrated Team Approach

### In-House Core Competencies

<table>
<thead>
<tr>
<th>Policy</th>
<th>Development &amp; Origination</th>
<th>Finance</th>
<th>EPC</th>
<th>O&amp;M, Asset Management</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advocates with political officials</td>
<td>Site Acquisitions, Permitting, Entitlements, interconnection, M&amp;A, Power Marketing (PPAs and structured)</td>
<td>Debt, Equity, Tax Equity, Credit/LCs, Corporate, Mezzanine</td>
<td>Directly manages contractors, throughout development and construction process, Procures equipment directly</td>
<td>Works with 3rd party providers, Directly manages operating portfolio, Currently manages 312 MWp of projects</td>
</tr>
</tbody>
</table>
Leading Off-takers, Counterparties & Partners

Offtakers

Debt Finance

Equity Finance

Partners

SMUD™
SOUTHERN CALIFORNIA EDISON
ONTARIO POWER AUTHORITY
Sonoma Clean Power
PG&E
SFPUC
WATER WASTEWATER POWER

Sun Life Financial
Bank of Tokyo-Mitsubishi UFJ
MIZUHO
PRUDENTIAL CAPITAL GROUP
NATIONAL BANK

Google
KKR
nr
Duke Energy

MetLife
Mitsubishi Corporation

FIERA AXIUM INFRASTRUCTURE
OSAKA GAS
Dominion

SAIC
Swinerton Incarcerated
PCL
AWS Truepower™

BLACK & VEATCH
TETRA TECH
AMEC
59 projects totaling more than 680 MWp developed and/or sold

More than $4B in project finance secured to date

More than 1.5 GWp of contracts won
**Market Leader Across North America**

Recurrent Energy Totals Across North America

- **4.3 GWp** pipeline
- **>1.5 GWp** contracted
- **>680 MWp** operating – developed and/or sold
- **>1 GWp** breaking ground in 2015

**Project Development Business**

- **>400 MWp** Operating
- **>700 MWp** Total Contracted
- **>1.2 GWp** Pipeline

**Late-stage Pipeline**

- **Tranquility**: 288 MW
- **Mustang**: 134 MW
- **Astoria**: 131 MW
- **Astoria 2**: 100 MW
- **Project A**: 81 MW
- **Project C**: 120 MW
- **Project B**: 200 MW

- **220 MWp** Operating
- **>70 MWp** Pipeline
- **200 MWp** Total Contracted
- **>600 MWp** Pipeline

*Operating by the end of 2016*
Recurrent Energy’s 1.0 GW late-stage pipeline is one of the largest solar project portfolios scheduled to be built by the end of 2016.
## Project Finance Mechanics

<table>
<thead>
<tr>
<th>Tax Equity</th>
<th>Monetizes the ITC and Modified Accelerated Cost Recovery System (MACRS) depreciation, which can not be efficiently used by developers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debt</td>
<td>Robust market of banks, institutions and public bonds; 30-45 active lenders</td>
</tr>
<tr>
<td>Sponsor Equity</td>
<td>Contributed to project by the developer</td>
</tr>
</tbody>
</table>
Financings for six of the seven projects in the late-stage portfolio are in process.

Debt Process

Tax Equity
Continued growth for Solar is expected, despite 10% ITC, in TX and CA in 2018-2020.

- Long-term growth driven by California carbon reduction policies and consumer interest
- Near-term procurement driven by satisfying remaining current RPS and municipal demand
- Long-term growth driven by load growth and coal retirements
- Near-term procurement driven by an increase in customer and municipal demand
- Storage-friendly policies in 2013-14 created near-term procurement demand
- Will leverage experience in PV market to expand into storage and other complementary technologies
Macro Customer, Policy, and Cost Trends will drive clean energy transformation and demand in the U.S.
US Solar Market Outlook

USA - Baseline Demand Forecast by Segment

Source: IHS
Agenda Today

- Strategy Overview
- Module Business
- Lunch Break
- Energy Business
- **YieldCo Opportunity and Guidance**
- Closing Remarks
Income Statement Summary

Revenue – US$ million

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
<th>Q3 14</th>
<th>Q4 14</th>
<th>Q1 15</th>
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<tbody>
<tr>
<td>1,654</td>
<td>2,961</td>
<td>914</td>
<td>956</td>
<td>861</td>
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</table>

Gross Profit – US$ million

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
<th>Q3 14</th>
<th>Q4 14</th>
<th>Q1 15</th>
</tr>
</thead>
<tbody>
<tr>
<td>276</td>
<td>581</td>
<td>209</td>
<td>185</td>
<td>153</td>
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</tr>
</tbody>
</table>

Operating Income – US$ million

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
<th>Q3 14</th>
<th>Q4 14</th>
<th>Q1 15</th>
</tr>
</thead>
<tbody>
<tr>
<td>131</td>
<td>366</td>
<td>156</td>
<td>116</td>
<td>79</td>
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</tr>
</tbody>
</table>

Net Income – US$ million

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
<th>Q3 14</th>
<th>Q4 14</th>
<th>Q1 15</th>
</tr>
</thead>
<tbody>
<tr>
<td>32</td>
<td>240</td>
<td>104</td>
<td>76</td>
<td>61</td>
<td></td>
</tr>
</tbody>
</table>
Operating Expenses as % of Net Revenue

<table>
<thead>
<tr>
<th>Year</th>
<th>Selling expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>5.4%</td>
</tr>
<tr>
<td>2014</td>
<td>4.3%</td>
</tr>
<tr>
<td>Q3 14</td>
<td>3.9%</td>
</tr>
<tr>
<td>Q4 14</td>
<td>3.8%</td>
</tr>
<tr>
<td>Q1 15</td>
<td>4.7%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>General &amp; administrative expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>2.7%</td>
</tr>
<tr>
<td>2014</td>
<td>2.6%</td>
</tr>
<tr>
<td>Q3 14</td>
<td>1.6%</td>
</tr>
<tr>
<td>Q4 14</td>
<td>3.1%</td>
</tr>
<tr>
<td>Q1 15</td>
<td>3.4%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>Research &amp; development expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>0.7%</td>
</tr>
<tr>
<td>2014</td>
<td>0.4%</td>
</tr>
<tr>
<td>Q3 14</td>
<td>0.3%</td>
</tr>
<tr>
<td>Q4 14</td>
<td>0.3%</td>
</tr>
<tr>
<td>Q1 15</td>
<td>0.5%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>Total operating expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>8.8%</td>
</tr>
<tr>
<td>2014</td>
<td>7.3%</td>
</tr>
<tr>
<td>Q3 14</td>
<td>5.8%</td>
</tr>
<tr>
<td>Q4 14</td>
<td>7.2%</td>
</tr>
<tr>
<td>Q1 15</td>
<td>8.6%</td>
</tr>
</tbody>
</table>

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**
  - 2013: 679
  - 2014: 475
  - Q3 14: 817
  - Q4 14: 475
  - Q1 15: 630
- **Restricted Cash**
  - 2013: 451
  - 2014: 550
  - Q3 14: 409
  - Q4 14: 550
  - Q1 15: 407

Cash flow from operations – US$ million(1)

- 2013: 229.5
- 2014: 265
- Q3 14: 204
- Q4 14: 259
- Q1 15: 125

Total debt – US$ million

- **Long Term**
  - 2013: 930
  - 2014: 1,010
  - Q3 14: 1,015
  - Q4 14: 1,010
  - Q1 15: 1,162
- **Short Term**
  - 2013: 779
  - 2014: 726
  - Q3 14: 718
  - Q4 14: 726
  - Q1 15: 886

Depreciation & amortization – US$ million

- 2013: 81
- 2014: 83
- Q3 14: 21
- Q4 14: 22
- Q1 15: 22

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

<table>
<thead>
<tr>
<th></th>
<th>Q1 2015</th>
<th>Q2 2015</th>
<th>FY2014</th>
<th>FY2015</th>
<th>YoY ∆%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Module shipments</strong></td>
<td>1,000 MW –</td>
<td>950 MW –</td>
<td>3.1 GW</td>
<td>4.0 GW –</td>
<td>+33.1%</td>
</tr>
<tr>
<td></td>
<td>1,030 MW</td>
<td>1,000 MW</td>
<td>4.3 GW</td>
<td>4.0 GW –</td>
<td></td>
</tr>
<tr>
<td><strong>Revenue</strong></td>
<td>$ 725 m to</td>
<td>$ 570 m to</td>
<td>$2.96 bn</td>
<td>$2.8 bn to</td>
<td>Flat (2)</td>
</tr>
<tr>
<td></td>
<td>$ 775 m</td>
<td>$ 620 m</td>
<td>$3.0 bn</td>
<td>$3.0 bn</td>
<td></td>
</tr>
<tr>
<td><strong>Gross margin</strong></td>
<td>16% – 18%(1)</td>
<td>13% – 15%(1)</td>
<td>19.6%</td>
<td>NA</td>
<td>NA</td>
</tr>
</tbody>
</table>

1-Includes module business and project business
2-Absent change in energy business model from build to sell, to build and operate, revenue for 2015 would be higher by over $1.0 billion.
Evolution of our Business

- 2001 – founded in Canada
- Module production in China

- 2007 – began cell production in China

- 2009 – moved into project development starting in Canada
- 2015 – leading global solar developer

- Transition into a long-term asset owner under a Yieldco platform is the next logical step
Why Launch a Yieldco?

**Build-to-Sell**

- Trade long term cash flow for shorter term profit
- Recycles equity faster
- Higher revenue and EPS under GAAP

**Yieldco**

- Cash from sale of projects to Yieldco plus recurring cash flow from dividends and IDRs drives greater retained value
- Look-through value of Energy business enhanced by Yieldco
- Capture more total value for shareholders
- Competitive cost of capital

We do not control many parts of the timing of a potential Yield Co launch, especially regulatory reviews, project development and construction including permitting.
Effect of Change in Business Model – Build to Hold

<table>
<thead>
<tr>
<th>Short-term Effects:</th>
<th>Revenue</th>
<th>Cash Requirement</th>
</tr>
</thead>
</table>

Projects that would have been sold are now being kept, which results in a reduction of an estimated $1 Billion in revenue in 2015.

Because we are not selling projects at NTP cash burden to build the projects increases:

- No deposits, or milestone payments

We are responsible for all financing, e.g., tax equity, construction loans.

Projects are now fixed assets, instead of current assets.

Depending on timing of Yieldco launch and other opportunities may require additional capital.
These CAFD estimates are internal modeling numbers and represent the run rate at end of each year.

- Assume only late-stage projects from OECD+ countries are included – USA, Japan, UK and Canada
- Assumes a more conservative COD schedule than planned to allow for risk
- Does not include project acquisitions or partnerships under consideration that are potentially accretive
- May not be the actual numbers used in any Yieldco offering should one be launched.

1. Cash available for distribution after assumed project level financing and tax equity