

Canadian Solar Subsidiary Recurrent Energy Closes North Carolina Project Sale to Falck Renewables

MILAN, Italy and GUELPH, Ontario, Canada, December 4, 2017 – Recurrent Energy LLC (“Recurrent Energy”), a wholly owned subsidiary of Canadian Solar Inc. (“Canadian Solar” or the “Company”) (NASDAQ: CSIQ), and Falck Renewables S.p.A. (“Falck Renewables”) (FKR.MI) today announced the closing of the sale of 99 percent of the partnership that owns the Class B membership interest in the 92 MWp/71 MWac IS-42 solar project. Falck Renewables indirectly acquired 99 percent of the interests through its wholly owned subsidiary Falck Renewables IS 42 LLC, for an all-cash outlay of approximately 43 million U.S. dollars. In April of this year, debt and tax equity financing for the project was secured from Prudential Capital Group and U.S. Bancorp Community Development Corporation.

The North Carolina project, which reached commercial operation at the end of September, is delivering electricity to Duke Energy Progress under a power purchase agreement. Recurrent Energy is providing asset management services to the project, with DEPCOM Power (“DEPCOM”) serving as the operations and maintenance contractor. DEPCOM also provided EPC services to the project.

“The closing of our first deal in the U.S. energy market represents a major milestone for our team who has been working relentlessly from the beginning of the year on strategic geographic expansion,” said Toni Volpe, chief executive officer of Falck Renewables. “Recurrent Energy has been an outstanding partner on our first opportunity to grow our assets outside Europe.”

“The IS-42 project is Recurrent Energy’s first solar project in the North Carolina market and another example of the company’s ability to grow its U.S. footprint,” said Dr. Shawn Qu, chairman and chief executive officer of Canadian Solar. “We are very pleased to partner with Falck Renewables on their first project in the U.S. and look forward to continuing our collaboration in the U.S. and other markets.”

Cornerstone Financial Advisors LLC advised Falck Renewables on the transaction, with CohnReznick Capital acting as an advisor to Canadian Solar and Recurrent Energy.

About Falck Renewables

Falck Renewables S.p.A., listed in the STAR segment of the Italian Stock Exchange, develops, designs, builds and manages power production plants from renewable energy sources. Falck Renewables consolidates installed capacity of 858 MW in 2017 (821 MW according to the IFRS 11 reclassification) in Italy, United Kingdom, Spain, France, and produces more than 2 billion KWh of energy per year, generated by wind, solar, biomass, and waste-to-energy technologies. Through its Madrid-based, wholly owned company Vector Cuatro, Falck Renewables delivers commercial and technical asset management, engineering, and M&A advisory services with a track record

exceeding 1.7GW of solar and wind and presence in 24 Countries worldwide. For additional information about the company visit www.falckrenewables.eu.

About Recurrent Energy

Recurrent Energy is a leading utility-scale solar project developer, delivering competitive, clean electricity to large energy buyers. Based in the U.S., Recurrent Energy is a wholly owned subsidiary of Canadian Solar, Inc. and functions as Canadian Solar's U.S. project development arm. Recurrent Energy has more than 4 GW of solar projects in development in the U.S. Additional details are available at www.recurrentenergy.com.

About Canadian Solar Inc.

Founded in 2001 in Canada, Canadian Solar is one of the world's largest and foremost solar power companies. As a leading manufacturer of solar photovoltaic modules and a provider of solar energy solutions, Canadian Solar has a geographically diversified pipeline of utility-scale power projects in various stages of development. In the past 16 years, Canadian Solar has successfully delivered over 24 GW of premium quality modules to over 100 countries around the world. Furthermore, Canadian Solar is one of the most bankable companies in the solar industry, having been publically listed on NASDAQ since 2006. For additional information about the company, follow Canadian Solar on [LinkedIn](#) or visit www.canadiansolar.com.

Canadian Solar's Safe Harbor/Forward-Looking Statements

Certain statements in this press release regarding the Company's expected future shipment volumes, gross margins, business prospects and future results, are forward-looking statements that involve a number of risks and uncertainties that could cause actual results to differ materially. These statements are made under the "Safe Harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995. In some cases, you can identify forward-looking statements by such terms as "believes," "expects," "anticipates," "intends," "estimates," the negative of these terms, or other comparable terminology. Factors that could cause actual results to differ include general business and economic conditions and the state of the solar industry; governmental support for the deployment of solar power; future available supplies of high-purity silicon; demand for end-use products by consumers and inventory levels of such products in the supply chain; changes in demand from significant customers; changes in demand from major markets such as Japan, the U.S., India and China; changes in customer order patterns; changes in product mix; capacity utilization; level of competition; pricing pressure and declines in average selling prices; delays in new product introduction; delays in utility-scale project approval process; delays in utility-scale project construction; cancelation of utility-scale feed-in-tariff contracts in Japan; continued success in technological innovations and delivery of products with the features customers demand; shortage in supply of materials or capacity requirements; availability of financing; exchange rate fluctuations; litigation and other risks as described in the Company's SEC filings, including its annual report on Form 20-F filed on April 27, 2017. Although the Company believes that the expectations reflected in the forward-looking statements are reasonable, it cannot guarantee future results, level of activity, performance, or achievements. Investors should not place undue reliance on these forward-looking statements. All information provided in this press release is as of today's date, unless otherwise stated, and Canadian Solar undertakes no duty to update such information, except as required under applicable law.

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