



News Release

Canadian Solar Inc. (CSI)

Toronto, Ontario

For Release on December 9th, 2005

Canadian Solar Inc. (CSI) today announced the completion of a major capital injection led by a wholly owned subsidiary of The HSBC Asian Ventures Fund 2 Limited (HAV2) and JAFCO Investment (Asia Pacific) Ltd. (JAFCO ASIA).

"We are pleased to be represented and supported in this financing by such strong corporate finance partners", said Dr. Shawn Qu, President and CEO of CSI. "The infusion of equity capital at this time will greatly enhance our capabilities and allow us to meet our sales and profit targets for 2006."

"To be selected by HSBC's Asian venture fund and by JAFCO for investment at this stage in our development is indeed an honour," Dr Qu continued. "It is a positive recognition of our progress to-date and the potential of CSI in the future."

"CSI is about to become a significant player in the solar (Photovoltaic) business," stated Dr. Qu. "CSI has experienced exponential growth in the past two years. We are currently selling products worldwide from our China manufacturing plants and this investment will allow us to secure crucial raw materials supply as well as to accelerate our product and market development programs."

Commenting on the deal, Sam Lai, Senior Investment Manager of JAFCO Asia said, "We are excited with the opportunity to work with Dr. Qu and to build CSI into a world leader in solar industry. We hope to contribute to CSI's growth by bringing in JAFCO Asia's experience in guiding seasoned entrepreneurs into building world-class companies."

About Canadian Solar Inc. (CSI)

Canadian Solar Inc. ("CSI") is a Canadian photovoltaic solar module manufacturer and solar turnkey applications developer serving worldwide customers. The company was incorporated in October 2001 and commenced operations immediately. Dr Shawn Qu is the company founder and is its President and CEO.

CSI currently has three 100% owned operating subsidiaries in China: CSI Solartronics Ltd. in Changshu focusing on mass production of solar products, CSI Solar Manufacturing Ltd. in Suzhou New District providing duty Free OEM manufacturing solutions to international clients and CSI Solar Technologies Ltd. also in Suzhou New District focusing on solar-engineered application product development.

The company manufactures a wide range of poly-crystalline and mono-crystalline modules. The modules range from 5 watts up to 300-watt modules. The 160-watt module is currently the main module being manufactured. The manufactured modules are classified in 4-inch, 5-inch and 6-inch cell series. These modules are both OEM or private branded and CSI branded modules. Full product specifications can be found at www.csisolar.com

The solar OEM Application products range from the Battery Saver for the automotive sector, to a solar power driven GPS unit, to solar powered bus stops. Other products are continually being developed in partnership with our customers.

CSI is certified for DIN EN ISO 9001:2000 and ISO/TS16949:2002, by TUV Rheinland. Its solar modules have obtained various product certifications including IEC 61215 and TUV Class II safety.

CSI has achieved phenomenal growth in the past three years. Current plans, CSI believes, will place the company among the TOP three of photovoltaic solar companies based in China.