



NEWS

Canadian Solar Signs Wafer Supply Agreement

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June 30, 2008

Jiangsu, China: Canadian Solar Signs Wafer Supply Agreement

Canadian Solar (CSI) has signed a ten-year supply contract with LDK Solar, a manufacturer of multi-crystalline and mono-crystalline solar wafers. LDK has been a key supplier to CSI since summer of 2006. This new ten-year supply contract is in addition to the three-year supply contract signed between CSI and LDK in October 2007. LDK expects to begin the ramp up of its in-house polysilicon manufacturing project in the second half of 2008.

Under the terms of the new agreement, LDK will supply an additional 800 megawatts (MW) of solar wafers to CSI through 2018. Delivery under the new agreement is expected to start in July 2009, with approximately 40MW being shipped in 2009 and approximately 80MW annually in 2010 and beyond. This will bring total contracted wafer deliveries from LDK to CSI to 120MW in 2009 and 170MW in 2010, respectively.

With this contract, CSI has secured 70% of feedstock under favorably priced long-term contracts for its targeted 500-550MW module output in 2009. Mr. Xiaofeng Peng, Chairman and CEO of LDK Solar commented, "We are excited to sign this new contract with CSI. The delivery schedule coincides with the expected timelines of our in-house polysilicon projects. This new contract is a testament to our commitment to delivering high quality wafers at prices competitive with any other supplier. CSI is an important and strategic customer and this contract represents another milestone in our ongoing partnership. By combining our solar wafer manufacturing capabilities with CSI's market leading cell, module and custom-designed applications, we are able to deliver a dynamic, integrated and effective solution."

Dr. Shawn Qu, CEO of CSI, said, "LDK supplies high-quality solar wafers and has been a long-term and strategic partner in the execution of our flexible vertical integration model. We are pleased to enter into this new agreement and believe that it will significantly boost our ability to continue to grow and improve our gross margin prospects, even under scenarios of reduced solar feed-in-tariff. Furthermore, by increasing our supply visibility for 2009 and beyond, we are once again demonstrating our ability to build strong and loyal alliances with our suppliers along the solar value chain."

Further details about: [Canadian Solar Inc.](#) and [LDK Solar](#)

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