UPDATE 1-Canadian Solar cuts 2009 shipment outlook

Tue Feb 17, 2009 9:32am EST

Feb 17 (Reuters) - China's Canadian Solar Inc (CSIQ.O: Quote, Profile, Research, Stock Buzz) cut its 2009 shipment outlook, citing uncertainty in financial markets, and does not expect revenue to cover input costs in the fourth quarter of 2008.

"Gross margin in the fourth quarter is expected to be negative, reflecting the weak euro, a decline in module pricing in December and an inventory revaluation provision," Canadian Solar said.

The solar-cell maker forecast 2009 shipments of 300 to 350 megawatts (MW), down from its prior outlook of 500 to 550 MW.

The company said that near-term solar demand and pricing were being hit by the current credit environment, winter weather in Germany and market-wide inventory clearance efforts.

For the fourth quarter of 2008, the company forecast revenue of $66 million to $71 million, compared with analysts' average estimate of $69.3 million.
(Reporting by Arup Roychoudhury in Bangalore; Editing by Pratish Narayanan)

© Thomson Reuters 2008. All rights reserved. Users may download and print extracts of content from this website for their own personal and non-commercial use only. Republication or redistribution of Thomson Reuters content, including by framing or similar means, is expressly prohibited without the prior written consent of Thomson Reuters. Thomson Reuters and its logo are registered trademarks or trademarks of the Thomson Reuters group of companies around the world.

Thomson Reuters journalists are subject to an Editorial Handbook which requires fair presentation and disclosure of relevant interests.