

SUNPOWER CORP  
Form 425  
November 15, 2006

Filed by SunPower  
Corporation Pursuant to Rule  
425 Under the Securities Act of 1933 And Deemed  
Filed Pursuant to 14a-12 Under the Securities Act  
of 1934

Subject Company: SunPower  
Corporation  
Commission File No.: 000-51593

PowerLight Acquisition  
November, 2006

This presentation contains forward looking statements as defined in the Private Securities Litigation Reform Act of 1995. This press release contains forward looking statements as defined in the Private Securities Litigation Reform Act of 1995. We use words such as believes, plans and expects and similar expressions to identify forward-looking statements. Forward-looking

statements in this presentation include, but are not limited to, statements related to the benefits of the proposed transaction between SunPower and PowerLight, the completion of the transaction, our plans and expectations for financial performance, the accretive nature of the transaction and our ability to meet our long term financial model and margin projections, and the development and future cost structure of the solar power industry. These forward-looking statements involve a number of risks and uncertainties that could cause actual results to differ materially from those anticipated by these forward-looking statements including difficulties encountered in integrating the merged businesses; the risk that the transaction does not close, including the risk that requisite stockholder and regulatory approvals may not be obtained; the possibility that expected synergies and cost savings will not be obtained; the uncertainty of business and economic conditions and growth trends in the solar power industry; our ability to obtain adequate supply of polysilicon and silicon ingots to manufacture our

products  
and  
the  
price  
we  
pay  
for  
such

material, our ability to ramp new production lines, our ability to realize expected manufacturing efficiencies, the possibility of production difficulties, the risk of continuation of supply of products and components from suppliers to PowerLight, including competitors of SunPower, and the continuation of existing large-scale PowerLight customer projects, and other risk factors are contained in documents that the company files with the SEC, including the Form 10-K for fiscal 2005 and its recent 10-Qs, as well as filings we make with regard to this transaction. SunPower is under no obligation to, and expressly disclaims any responsibility to update or alter, its forward-looking statements, whether as a result of new information, future events or otherwise.

Note that the financial information includes and identifies as such, non-GAAP financial information. Management will provide reconciliation to GAAP for this financial information.

Safe Harbor Statement

SunPower plans to file with the SEC a Registration Statement on Form S-4 in connection with the transaction.

The Registration Statement will contain important information about SunPower, PowerLight, the transaction and related matters. Investors and security holders are urged to read the Registration Statement carefully when they are available.

Investors and security holders will be able to obtain free copies of the

Registration Statement and other documents filed with the SEC by  
SunPower

through the web site maintained by the SEC at [www.sec.gov](http://www.sec.gov). In addition,  
investors and security holders will be able to obtain free copies of the  
Registration Statement from SunPower by contacting Investor Relations at  
408-240-5588 or <http://investors.sunpowercorp.com/sec.cfm>.

Important Registration Information



PowerLight Agreement Summary

\$265 MM upfront consideration

\$67.5 MM retention carve-out vesting over 2-4 years

Tax-free merger; 40% cash and 60% stock

Definitive agreement signed November 15, 2006

Closing Q1 07 subject to customary closing conditions

PowerLight Acquisition Benefits

Investor Value

Accelerate revenue and EPS growth

EPS accretive (Non-GAAP)

Maintain long-term financial model objectives: 30/10/20

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Strategic Objectives

Extend leadership in key applications and markets

Apply technology leadership across the value chain

Accelerate product innovation to drive channel efficiency

Radically simplify & improve customer experience

SunPower / PowerLight Goals

Market Leadership

Commercial & residential in target markets

US production homes

Top solar brand

Technology Leadership

Highest efficiency solar cells and panels

Lowest cost / kWh system solutions

Compete with retail electric rates

Reduce installed system cost 50% by 2012



Residential Retrofit  
New Production Homes  
Commercial & Public  
Power Plants  
SunPower and PowerLight Applications

Wafer  
Solar Cell  
Solar Panel  
System  
Ingot

Highest conversion efficiency

Unique, proprietary technology

Manufacturing excellence

Low engineering labor cost locations

Polysilicon

SunPower Value Chain Focus

PowerLight System Value Chain

Large-scale customer focus

Differentiated, high-value technology

More than 50 U.S. and international patents

Innovative financial solutions tailored to application

Engineering

Proj. Mngt.

Monitor

Service

Finance

Commercial  
Public Sector  
Marquee Customer Base  
Home Builders

Germany  
New Jersey  
Broad Geographic Footprint  
Nevada  
Hawaii  
Portugal  
Serpa

Ground Breaking Q2 06  
California  
Spain  
Korea  
November 2006



#1 US solar roofing product

Light-weight, no roof penetrations

Rapid installation, low labor cost

Insulation and protection value

Leverages high-efficiency panels

PowerLight Technology Leadership: PowerGuard®

PowerLight Software Tools

Web-based solar  
system performance  
monitoring

Includes real-time home

power consumption data

Automated design  
software facilitates  
system layout

Reduces system design  
and costing effort

Web-based solar  
system performance  
simulation

Validated with 100s of  
systems over 20 years  
System Design Tools  
PVGrid  
Home Services Network

SunPower Technology Leadership  
SunPower  
215 Watt Panel  
Conventional  
165 Watt Panel  
Superior Performance  
Superior Aesthetics

solar

PowerLight s  
Bavaria Solarpark  
6.3 MW:  
Conventional  
8.3 MW:  
SunPower

Synergy Example: PowerTilt

Patented next-gen  
commercial roofing system

Product design incorporates mounting functionality



Factory assembled by SunPower

Integrated design reduces site labor

Lowest cost / kWh system solution

TM

Synergy Example: SunTile®

Attractive aesthetics

Maximum power

Space efficient

Easy-install design  
PowerLight SunTile®  
Roof Integrated  
System

2007\*  
Revenue  
> \$600 MM  
EPS (Non-GAAP)  
Immediately accretive  
Acquisition Financials  
Post

Acquisition

Post

Acquisition

Short

Term Impact

Accelerates revenue and earnings growth

Gross margin deviates by 250

350 bps from model during 2007

Long

Term Goals

\$1 billion run-rate revenue (2008)

Achieve 30 / 10 / 20 financial model by late 2008

\*Assumes consolidation in the beginning of Q1 '07.



Appendix Slides

PowerLight Profile

Over 100 MW deployed or in deployment

Global presence: US, Germany, Southern Europe, Korea

Strong market position for U.S. commercial systems



Strong market position for US solar production new homes

Early market leader in solar power plants

Complementary team and scope, low integration risk

Executive leaders: 50 + years of solar expertise

System Design Leadership Opportunities

Components:

Supply chain:

Monitoring:

Features:

Assembly:

Mark-ups:

Five  
Efficient  
Performance + load  
Integrated and efficient  
Factory  
30% gross margin model  
Today  
Today  
Tomorrow  
Tomorrow  
Nine  
Complex  
Performance  
Redundancy  
Field & factory  
Multiple  
Opportunity  
Opportunity

Lowest cost tracker

Up to 35% more energy

Single controller drives 250 kW

Leverages high-efficiency cells  
Extend Technology Leadership : PowerTracker®

Radically Simplify and Improve the Experience

Educate solar customers

Reduce design and order time

Rationalize equipment delivery

Design to limit installation time

Design to meet needs

Roof life

Insulation value

Aesthetics

Develop and train installers

Integrate performance monitoring

Reward customers

(\$40)  
(\$20)  
\$0  
\$20  
\$40  
\$60  
1



3

5

7

9

11

13

15

17

19

21

23

25

Year

2006 - CA Incentives

2016 - No Incentives

2016

Goal: No Incentives

2006

CA Incentives

Solar Customer Cash Flow

(\$ Thousands)

California Residential Solar Customer Economics

\$0  
\$10  
\$20  
\$30  
\$40  
\$50  
\$60

\$70  
Q1  
Q2  
Q3  
Q4  
Q1  
Q2  
Q3  
Q4F  
Quarterly Revenue  
(\$ Millions)  
\$11  
\$16  
\$22  
\$29  
\$55  
2005  
2006  
\$70-72  
SunPower  
Revenue Growth  
\$42  
\$65

Actual  
9/30/05  
Actual  
9/30/05  
Sales  
(1)  
Gross Margin

Operating Expense

Operating Margin

19%

18%

0.4%

\$22

Actual

9/30/06

Actual

9/30/06

25%

12%

13%

\$65

Q4 2006

(Street)

Q4 2006

(Street)

26%

11%

15%

\$71

Long Term

Target

Long Term

Target

30%

10%

20%

Note: Excludes non-cash charges.

(1) Sales estimates are First Call Consensus estimates.

30%+ CAGR

(\$ Millions)

SunPower

Financial Results and Plan

0  
100  
200  
300  
400  
At IPO  
Today

Q4 2006

2007F

2008F

Installed Capacity

(MW / year)

Line 1

Lines 1-3

Lines 1-4

Lines 8-12

Lines 5-7

Cell Manufacturing Ramp Plan

Wafer  
Solar Cell  
Solar Panel  
System  
Ingot  
Polysilicon  
Upstream Landscape



High concentration of poly and ingot suppliers

Poly prices and margins are attracting new entrants

Approach: partner with new capacity providers

Ingot manufacturing is next supply bottleneck

Approach: JV in ingot manufacturing for 2007 and beyond

Growth Aligned With Silicon Supply

Silicon Supply Position (MW)

0

50

100

150

200

250  
2007F  
2008F  
Jan 1 Capacity  
Annual Silicon

Conventional  
Solar Cell  
14 -  
17%  
Efficiency  
SunPower's  
Solar Cell

20 -  
22%  
Efficiency  
P  
N  
Light  
Electrical  
contacts  
P  
P  
P  
N  
N  
N  
Electrical contacts  
Backside mirror  
Light  
Solar Cell Technology Comparison  
Silicon wafer  
Silicon wafer