

SunPower Corporation Announces Common Stock Offering

SAN JOSE, Calif., May 17, 2006 /PRNewswire-FirstCall via COMTEX News Network/ -- SunPower Corporation (Nasdaq: SPWR), a Silicon Valley-based manufacturer of high efficiency, commercially-available solar cells and solar panels, today announced that it has filed a registration statement with the Securities and Exchange Commission relating to a proposed follow-on public offering of 7,000,000 shares of its common stock. SunPower intends to grant the underwriters of the proposed offering an option to purchase up to an additional 1,050,000 shares to cover over-allotments.

Credit Suisse and Lehman Brothers will act as joint book-running managers for the offering and Deutsche Bank Securities, Cowen and Company, First Albany Capital, and Jefferies & Company will serve as co-managers.

SunPower anticipates that it will use the net proceeds of the offering for general corporate purposes, including working capital and capital expenditures, and potentially for further expansion of SunPower's Philippines manufacturing facilities. In addition, SunPower may use proceeds of the offering for the acquisition of, or investment in, complementary businesses, technologies or other assets, and to invest in joint ventures. Any such transactions may be undertaken in furtherance of SunPower's strategy to broaden its supply-chain opportunities, increase the efficiency of the downstream channel and reduce the cost of SunPower's products delivered to end customers. SunPower may also use a portion of the proceeds for prepayments to vendors of polysilicon, ingots and wafers.

A registration statement relating to these securities has been filed with the Securities and Exchange Commission, but has not yet become effective. These securities may not be sold, nor may offers to buy be accepted, prior to the time the registration statement becomes effective. This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities, in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such state or jurisdiction. The offering of these securities is made only by means of a prospectus, copies of which, when available, may be obtained by contacting the prospectus department of Credit Suisse, One Madison Avenue, New York, NY 10010, (tel: 1-800-221-1037), or the prospectus department of Lehman Brothers, c/o ADP Financial Services, Integrated Distribution Services, 1155 Long Island Avenue, Edgewood, NY 11717, Monica_Castillo@adp.com, (fax: 631-254-7268).

NOTE: This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding the offering and the use of the net proceeds therefrom. These forward-looking statements involve risks and uncertainties. Factors that could cause actual events to differ materially from those predicted in such forward-looking statements include market conditions, potential fluctuations in SunPower's stock price and management's broad discretion over the use of the net proceeds of the offering. Certain of these risks and others are detailed from time to time in SunPower's periodic reports filed with the Securities and Exchange Commission, including, but not limited to, its annual report on Form 10-K for the year ended December 31, 2005 and its quarterly report on Form 10-Q for the quarter March 31, 2006.

SOURCE SunPower Corporation

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