

SunPower Closes the Industry's First Solar Project Bonds

72-Megawatt Montalto di Castro Solar Power Plant Completed; One of the World's Highest Generating Solar Plants

SAN JOSE, Calif., Dec. 15, 2010 /PRNewswire-FirstCall/ -- SunPower Corp. (Nasdaq: SPWRA, SPWRB) today announced that it has closed its euro 195.2 million solar bond issuance associated with the company's 44-megawatt (MW) Montalto di Castro solar park in Italy. The proceeds will be used to pay for the development and construction of the solar park, which is now complete and connected to the local electrical grid. SunPower also announced that the sale of the 44-MW solar park is scheduled to close before the end of this year.

"This is the world's first publicly rated bond issue for a solar project, as well as Italy's first rated project bond. It opens up a new global-scale pool of capital to fund solar projects beyond traditional project financing from banks," said Dennis Arriola, SunPower CFO. "Achieving investment grade ratings is a milestone for the solar sector and further demonstrates the bankability of SunPower's turnkey solar energy systems. Our success is a culmination of an exhaustive due diligence process which resulted in various independent parties recognizing the technical, financial and operating expertise that SunPower delivers."

The solar bonds were issued in two classes:

- Class A1 bonds of euro 97.6m in fixed rate notes paying 5.715 percent, due in 2028
- Class A2 bonds of euro 97.6m in fixed rate notes paying 4.839 percent, due in 2028

The Class A1 benefit from a loan guarantee by SACE (an insurance and financial group controlled by Italy's Ministry of Economy and Finance) and its Aa2 credit rating from Moody's. The class A2 bonds have been rated Baa3 from Moody's and were purchased by the European Investment Bank.

Concurrently, SunPower announced the completion of the entire 72-MW Montalto di Castro solar park, which is one of the world's largest solar parks in terms of energy generation. All phases of the project have been constructed using high-efficiency SunPower solar panels and SunPower T0 Tracker technology to generate approximately 140 gigawatt hours of electricity per year.

"The Montalto di Castro solar park is the first and largest solar project of its kind and we are proud to announce its completion," said Yoram Amiga, president, utility and power plants international for SunPower. "Today, Italy is experiencing a strong demand for solar, as it can be installed quickly, is cost-competitive and a reliable source of power. SunPower's ability to finance the final phases of the park through solar bonds underscores the strong appeal of predictable cash flows from our systems technology and utility-scale project execution expertise."

The SunPower developed solar park is located in the Lazio region of Italy near Rome, where the 20-MW first phase was connected to the grid in November of 2009, several weeks ahead of schedule. The 8-MW second phase was commissioned earlier this fall, and the third and fourth phases, totaling 44 MW, were completed earlier this month. SunPower will provide operations and maintenance services for the solar park.

The lead managers for the bonds were BNP Paribas, London Branch and Societe Generale (Corporate & Investment Banking). Societe Generale is also the lead manager for the VAT Loan. The company was advised by Allen & Overy (London and Rome) on legal matters and by Deloitte LLP (Rome) on tax and accounting matters.

Editors' Note: The capacity of power plants in this release is described in approximate megawatts on an alternating current (AC) basis unless otherwise noted. On a direct current (DC) basis, the final two phases of the Montalto di Castro solar park total approximately 51 MW in capacity and form part of a multi-phase solar park with a capacity of approximately 85 MW (DC).

About SunPower

Founded in 1985, SunPower Corp. (Nasdaq: SPWRA, SPWRB) designs, manufactures and delivers the planet's most powerful solar technology broadly available today. Residential, business, government and utility customers rely on the company's

experience and proven results to maximize return on investment. With headquarters in San Jose, Calif., SunPower has offices in North America, Europe, Australia and Asia. For more information, visit www.sunpowercorp.com.

SunPower's Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are statements that do not represent historical facts and may be based on underlying assumptions. SunPower uses words and phrases such as "will" and "scheduled to" to identify forward-looking statements in this press release, including forward-looking statements regarding (a) the use of proceeds for the development and construction of the solar park, and (b) the sale of equity of the 44-MW solar park before the end of 2010. Such forward-looking statements are based on information available to SunPower as of the date of this press release and involve a number of risks and uncertainties, some beyond SunPower's control, that could cause actual results to differ materially from those anticipated by these forward-looking statements, including risks and uncertainties such as: (i) SunPower's ability to sell the equity of the 44-MW solar park, and investor interest in purchasing the solar park; (ii) general business and economic conditions, including seasonality of the industry; (iii) growth trends in the solar power industry; (iv) the continuation of governmental and related economic incentives promoting the use of solar power in Italy; (v) unanticipated delays or difficulties securing necessary permits, licenses or other governmental approvals; and (vi) other risks described in SunPower's Annual Report on Form 10-K for the year ended January 3, 2010 and Quarterly Report on Form 10-Q for the quarter ended October 3, 2010, and other filings with the Securities and Exchange Commission. These forward-looking statements should not be relied upon as representing SunPower's views as of any subsequent date, and 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.

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