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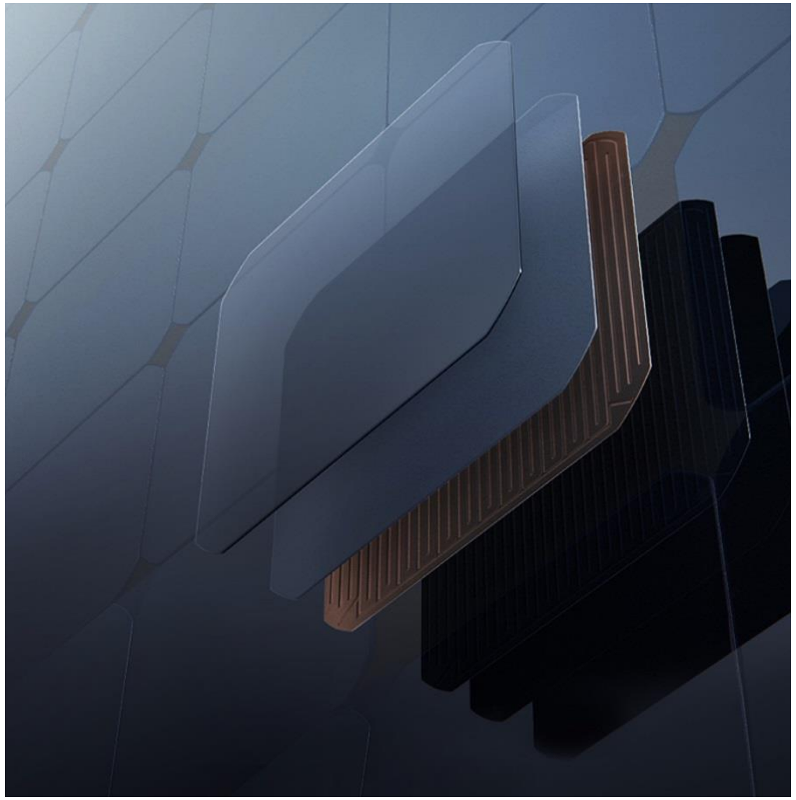

# Q3 2019 Supplementary Slides

**October 30, 2019**

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# Safe Harbor Statement

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including, but not limited to, statements regarding: (a) our plans and expectations regarding manufacturing expansion, and production goals and ramps, including the timing of our ramp of Maxeon 5 and P-Series production expansion; (b) our plans and expectations for our safe harbor program and our joint venture with Hannon Armstrong; (c) our expectations regarding demand, margins and margin expansion, opportunities in storage and services, growth projections, and trends in our sales channels; (d) our plans and expectations regarding potential investment to expand our Maxeon 5 production, including timing and certainty; (e) our plans and expectations for initiatives to improve execution and performance in our commercial business, including timing and anticipated impact on financial performance; (f) our planned cost initiatives, including expected results and our ability to achieve our financial goals though these initiatives; (g) our expectations and plans for short- and long-term strategy, including our anticipated areas of focus and investment, market expansion, product and technology focus, and projected growth and profitability; (g) our financial plans, including target business models for each of our business units and their ability to generate operating cash in Q4; (h) our fourth quarter fiscal 2019 guidance, including GAAP revenue, gross margin, and net loss, as well as non-GAAP revenue, gross margin, Adjusted EBITDA, and MW deployed; and (i) full year fiscal 2019 guidance, including GAAP and non-GAAP revenue, operational expenditures, Adjusted EBITDA, capital expenditures, and gigawatts deployed, and assumptions underlying such guidance. These forward-looking statements are based on our current assumptions, expectations and beliefs and involve substantial risks and uncertainties that may cause results, performance or achievement to materially differ from those expressed or implied by these forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to: (1) challenges in executing transactions key to our strategic plans, including regulatory and other challenges that may arise; (2) the success of our ongoing research and development efforts and our ability to commercialize new products and services, including products and services developed through strategic partnerships; (3) competition in the solar and general energy industry and downward pressure on selling prices and wholesale energy pricing; (4) our liquidity, substantial indebtedness, and ability to obtain additional financing for our projects and customers; (5) changes in public policy, including the imposition and applicability of tariffs; (6) regulatory changes and the availability of economic incentives promoting use of solar energy; (7) fluctuations in our operating results; (8) appropriately sizing our manufacturing capacity and containing manufacturing and logistics difficulties that could arise; and (9) challenges managing our acquisitions, joint ventures and partnerships, including our ability to successfully manage acquired assets and supplier relationships. A detailed discussion of these factors and other risks that affect our business is included in filings we make with the Securities and Exchange Commission (SEC) from time to time, including our most recent reports on Form 10-K and Form 10-Q, particularly under the heading "Risk Factors." Copies of these filings are available online from the SEC or on the SEC Filings section of our Investor Relations website at investors.sunpower.com. All forward-looking statements in this presentation are based on information currently available to us, and we assume no obligation to update these forward-looking statements in light of new information or future events.


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# Q3'19 Results

- **Met / exceeded key financial metrics (revenue, margins, adjusted EBITDA, MW)**
- **SPES**
  - Continued DG demand, launched Equinox Storage residential offering
  - Record residential / new homes bookings quarter, record new homes shipments
  - C&I Helix Storage – all installs performing at or above commitments
- **SPT**
  - Record quarterly shipments / strong ongoing global DG demand
  - Continuing capacity ramp of NGT, expected P-Series shipments from JV up >4.5x in 2019
- **Strengthened balance sheet**
  - Q3 BU cash generation
  - Closed financing for safe harbor program with Hannon – highly capital efficient / provides flexibility


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# Q319 SPES Highlights

| Non-GAAP Revenue | EBITDA |
|---|---|
| $294m | $1.5m |

**Residential**

- Non-GAAP Revenue - $195m, deployed 73MW
- 12% Revenue growth YOY, >$10M EBITDA
- Record quarterly bookings of 89MW
- Added >10,000 customers in Q3, >295,000 total

**Commercial**

- Non-GAAP Revenue: $99m, deployed 51MW
- MW Deployed up ~10% sequentially
- 80% projects booked in Q3 had storage (CA)
- Focus on Commercial direct profitability

## Q319 Highlights

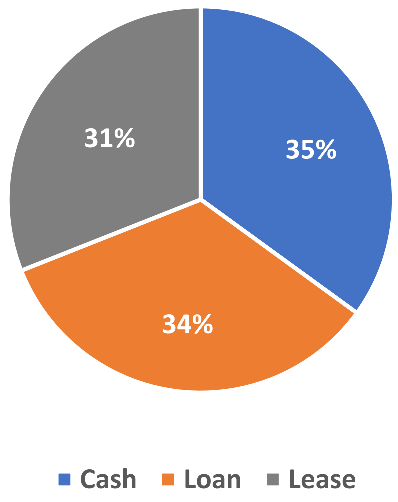
### Residential

- A-Series demand high – 400, 415W panel
- Opened 80 New Home communities in Q3
- Launched Equinox storage and SunPower Design Studio at SPI

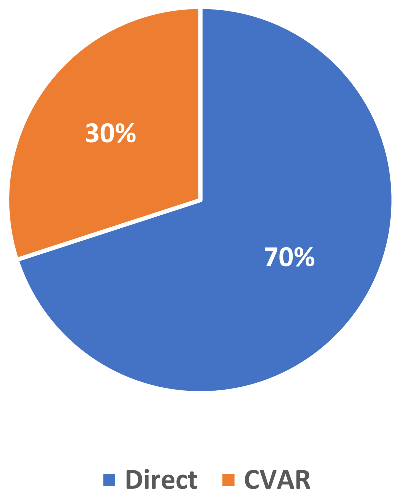
### Commercial

- Strong Q4 Momentum: Direct / CVAR channels
- Storage Pipeline: >145MW, ~30MW awarded
- Oregon: P-Series deployed (Chevron, Walmart)

## Q3 Residential Revenue by Type




## Q3 C&I Revenue by Type





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# SunPower Energy Services Re-Alignment

## Residential and Commercial Channels

**New Home Builders**

**Residential Dealers**

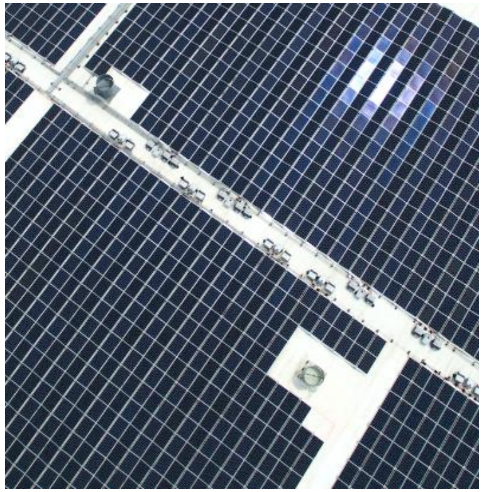
**Commercial Dealers**

- Largest Residential/Small Commercial franchise
- >$1B annual revenue, 400-500MW
- >300k customers, >1.7-GW installed base, >40 states

- > 500 dealers, >200 dealers 100% loyal
- #1 New Homes Market Share - >50%
- Target >10% EBITDA, Q319 at 5%

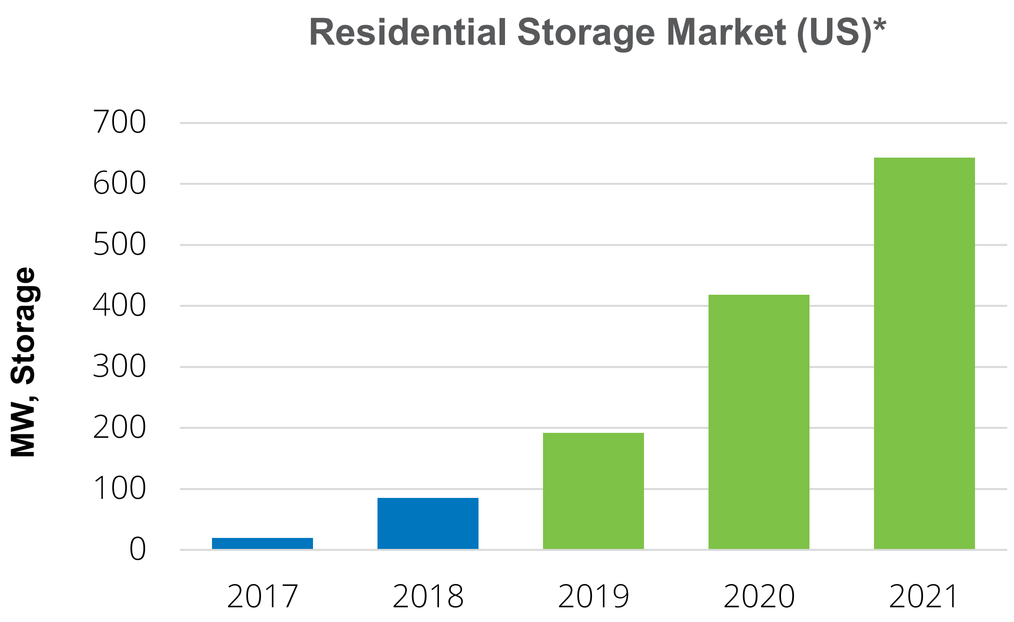
## Commercial Direct

**Large C&I Customers**



- >$250M annual revenue, 100-150MW
- #1 US Market share for 3rd year in a row
- $3B pipeline, 35% storage attach
- Target EBITDA > 5%

# SunPower Equinox® Storage Opportunity





| Features | SunPower | Competitors |
|---|---|---|
| Comprehensive solar + storage warranty | Yes | No |
| Whole home backup support | Yes | Mixed |
| Power Capacity/Cycles | 2x/6000 | 1x/3000 |
| Two-box installation | Yes | No |
| Modular sizing options (kWh) | 6.5, 13, 19.5, 26+ | Limited |

- Increases revenue per customer
- Upsell opportunity at 300K customers
- California outages increasing demand
- Enhances Equinox platform value

* Wood Mackenzie, Energy Storage Alliance, 2019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# Q319 SPT Highlights

**Non-GAAP Revenue***

**$334m**

**EBITDA***

**$36m**

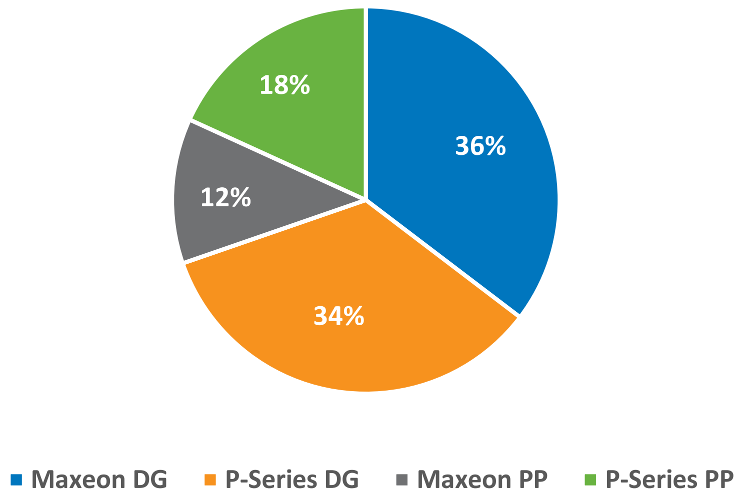
- Record 677 MW deployment
- >10% YoY cost/w reduction
- Prudent inventory mgmt - in line with forecast
- 2019 volume – 1.2-GW IBC / 1.3-GW P-Series

- DG deployments – 470 MW, up >70% Y/Y
- PP deployments – 207 MW, 60% P-Series
- DG: ~70% of MW and 73% of revenue for Q3
- Q319 P-Series deployments - >350 MW

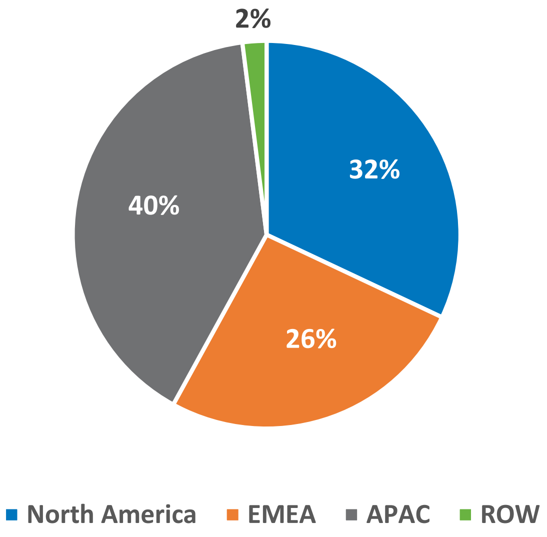
## Q319 Highlights

- Exceeded Q319 MW shipment forecast
- NGT - on plan for full LP1 ramp by end of Q4
- Record quarterly production in Fab 3
- SPMOR at >300MW annual run rate
- DG strength in EU / Korea / AUS / SE Asia
- Global footprint – shipments to >80 countries
- Progress towards finalizing potential investment to expand Maxeon-5 production – expected Q419

## Q319 MW Mix




## Q319 MW by Region




*SPT revenue results, Adjusted EBITDA and MW mix includes intercompany sales to SPES
*SPT EBITDA excludes ~$21m benefit related to the completion of the sale-leaseback transaction for its OR manufacturing facility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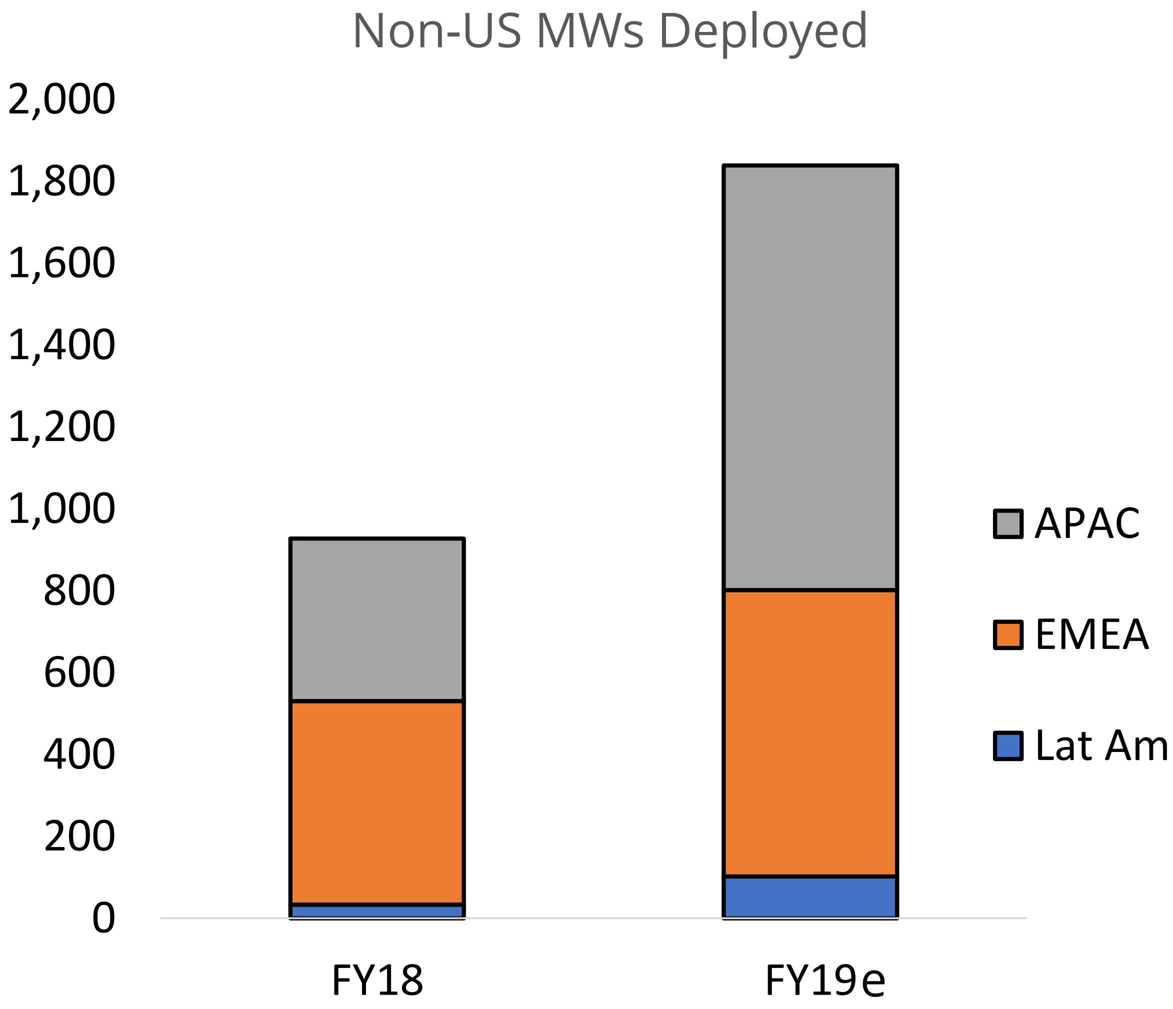
# SPT – Strong Deployment Growth into Global Markets

- **~100% growth in 2019 across non-US markets, sales to > 80 countries**
- **> 40% growth in EMEA DG, strong multi-channel GTM strategy**
- **160% growth in APAC, strong demand in Australia, Korea, SE Asia**
- **> 3x volume growth in Latin America, continuing expansion of sales footprint**

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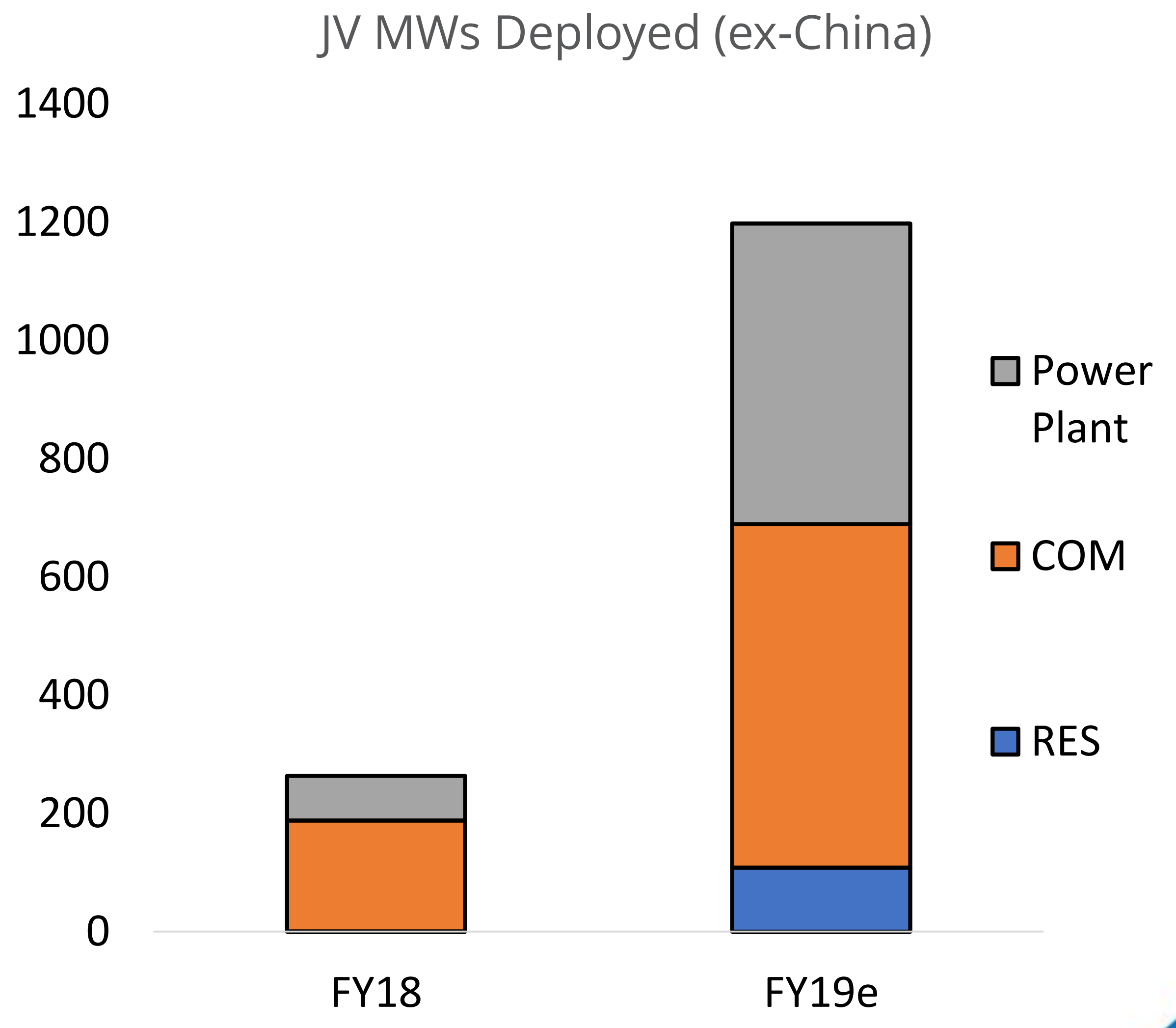
# Leveraging Scale through P-Series Manufacturing Joint Ventures

- **Successful manufacturing partnership with TZS, SPWR GTM outside China**
- **Superior technology: higher efficiency; better reliability & energy yield**
- **Key patents granted in USA, Europe, China, Japan and Taiwan**
- **Products to address both DG and power plant applications**





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# Summary

- **Q319 – met / exceeded key metric forecasts**
- **Residential / commercial dealer channel performing well**
- **Proactive actions in commercial direct business to improve results**
- **Continued strength in global DG demand – EU / Korea / AUS /  SE Asia**
- **Strong execution with P-Series manufacturing JV**
- **Strengthened balance sheet – Q3 BU cash generation**


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# Q319 Financial Overview

| ($ millions, except percentages and per share data) | Quarter Ending 9/29/19 | Quarter Ending 6/30/19 | Quarter Ending 10/1/18 |
|---|---|---|---|
| **Revenue (Non-GAAP)*** | **$491.7** | **$481.9** | **$443.4** |
| SPES | $293.5 | $257.3 | $279.0 |
| SPT | $198.2 | $224.5 | $164.4 |
| **Gross Margin (Non-GAAP)** | **15.9%** | **10.5%** | **4.7%** |
| SPES | 10.4% | 9.4% | 14.0% |
| SPT | 15.9% | 7.8% | 0.2% |
| **Non-GAAP Operating Expense** | **$68.3** | **$61.4** | **$65.9** |
| **Adjusted EBITDA** | **$42.0** | **$8.0** | **$6.7** |
| **Tax Rate (Non-GAAP)** | **26.7%** | **(31.5%)** | **(4.4%)** |
| **Net Income (Loss) – (GAAP)*** | **($15.0)** | **$121.5** | **($89.8)** |
| **Net Income (Loss) – (Non-GAAP)** | **$10.6** | **($31.1)** | **($40.9)** |
| *Diluted Wtg. Avg. Shares Out. (GAAP)*<br>*Diluted Wtg. Avg. Shares Out. (Non-GAAP)* | *142.5*<br>*147.4* | *166.8*<br>*142.5* | *141.0*<br>*141.0* |
| **Diluted EPS (GAAP)*** | **($0.11)** | **$0.75** | **($0.64)** |
| **Diluted EPS (Non-GAAP)** | **$0.07** | **($0.22)** | **($0.29)** |

*Note: Information concerning non-GAAP measures, including non-GAAP to GAAP reconciliations, can be found in the company's October 30, 2019 press release available on the company's website.
Non-GAAP results exclude the impact of the company's above market polysilicon contracts and net of intercompany eliminations


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# Q319 Financial Highlights

- **Q319 – met / exceeded key metric forecasts**
  - >10% yoy revenue increase, MW up 70%
  - SPT and Channels performing well, commercial direct underperformance
- **Continued balance sheet strength**
  - Generated Q319 cash; reiterate 2019 EOY balance of >$200m
  - Closed financing for safe harbor program with Hannon – highly capital efficient / provides flexibility
- **Well positioned for BU margin expansion, corporate shrinking further <2% of revenue**
  - Executing on technology roadmaps – NGT ramp, Equinox Storage launch, Helix Storage performance
  - BU cost initiatives – operational synergies in channels, commercial direct right sizing, SPT cost roadmap


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# Generated Cash in Q3'19

| | 3Q 2019 | FY 2019E |
|---|---|---|
| **Opening cash** | **$167** | **$309** |
| Legacy liabilities | (54) | (150) |
| Capex | (17) | (65) |
| Corporate items | (5) | (55) |
| BU cash generation | 98 | >160 |
| **Closing cash** | **$189** | **>200** |

- **Working capital efficient model for SPES**
- **Further reducing legacy liabilities**
- **Investing in NGT, storage and digital**
- **Sale of 1 million Enphase shares**
- **Expecting BU's to generate positive Q4'19 cash**

- Legacy liability – includes Hemlock out of market poly, AUO and Solarworld Americas transaction costs
- Corporate items – includes debt service, corp opex and restructuring; also includes sale of 1 million Enphase shares
- BU cash generation – includes cash from project finance activities and proceeds from OR sale leaseback

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# Q4 2019 Financial Guidance

| | Q4'19 |
|---|---|
| GAAP Revenue | $520 to $720m |
| GAAP Gross Margin | 11% to 12% |
| GAAP Net Income (Loss) | ($28) to ($8)m |
| Non-GAAP Revenue | $520 to $720m |
| Non-GAAP Gross Margin | 16% to 19% |
| Adjusted EBITDA | $74 to $94m |
| MW Deployed | 445 to 645MW |

- Please see the press release October 30, 2019 for additional information regarding the company's fiscal year 2019 guidance


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# FY 2019 Financial Guidance

| | FY 2019 |
|---|---|
| **GAAP Revenue** | **$1.8 - $2.0 billion** |
| **Non-GAAP Revenue** | **$1.9 - $2.1 billion** |
| **Non-GAAP Opex** | **<$270 million** |
| **Adjusted EBITDA** | **$100 - $120 million** |
| **Capital Expenditures** | **~$65 million** |
| **GW Deployed*** | **2.10 – 2.30 GW** |

- GW deployed excludes approximately 200-MW of production for the company's U.S. ITC Safe Harbor program
- Please see the press release October 30, 2019 for additional information regarding the company's fiscal year 2019 guidance


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# Third Quarter 2019 Supplementary Slides

## Appendix

October 30, 2019

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# FY 2019 Financial Guidance – MW Deployed

| | Q419 | FY 2019 |
|---|---|---|
| SPES Residential MW Deployed | 75 to 100 MW | 270 to 300 MW |
| SPES Commercial MW Deployed | 70 to 110 MW | 200 to 240 MW |
| SPT MW Deployed* | 300 to 435 MW | 1.63 to 1.75 GW |
| TOTAL MW Deployed* | 445 to 645 MW | 2.10 to 2.30 GW |
| TOTAL MW Recognized | 445 to 645 MW | 2.10 to 2.30 GW |

- 2019 GW deployed excludes approximately 200-MW of production for the company's U.S. ITC Safe Harbor program
- Please see the press release dated October 30, 2019 for additional information regarding the company's fiscal year 2019 guidance
- SPT MW Deployed and Recognized is net of intercompany segment eliminations between SPES and SPT


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# GAAP to Non-GAAP Reconciliation

| *(in millions)* | THREE MONTHS ENDED Sep 29, 2019 | June. 30, 2019 | Sep 30, 2018 | NINE MONTHS ENDED Sep 29, 2019 | Sep 30, 2018 |
|---|---|---|---|---|---|
| **GAAP net loss attributable to stockholders** | $ (15) | $ 121 | $ (90) | $ 17 | $ (653) |
| Interest expense, net of interest income | 10 | 11 | 20 | 31 | 62 |
| Provision for (benefit from) income taxes | 5 | 6 | 4 | 17 | 9 |
| Depreciation and amortization | 17 | 21 | 25 | 58 | 99 |
| **EBITDA** | **$ 17** | **$ 159** | **$ (41)** | **$ 123** | **$ (483)** |
| 1 Cost of above-market polysilicon | 24 | 26 | 15 | 99 | 50 |
| 2 IFRS-based adjustments | (28) | (66) | 9 | (121) | 5 |
| 3 Non-cash items | 10 | 2 | 9 | 15 | 30 |
| 4 Loss/(gain) on business divestitures | 5 | (121) | (9) | (114) | 87 |
| 5 Other non-recurring items | 14 | 8 | 24 | 24 | 40 |
| 6 Impairment of property, plant and equipment | - | - | - | - | 369 |
| **Adjusted EBITDA** | $ 42 | $ 8 | $ 7 | $ 26 | $ 98 |

1 Adjustment relates to cost of above-market cost of polysilicon, including the effect on product costs, as well as, loss on direct sales to third parties.

2 Adjustments made to align IFRS, the accounting framework followed by our parent, TOTAL S.A. Adjustments primarily relate to change in fair value of marketable equity investments that is recorded in equity under IFRS, instead of earnings under GAAP.

3 Adjustments for non-cash charges primarily relate to stock-based compensation charges and amortization of intangibles

4 Adjustment relate to the gain on sale of commercial sale-leaseback portfolio, gain on sale of microinverter business (Q3'18) offset by loss on sale and impairment of residential lease portfolio

5 Adjustments relate to non-recurring expenses on business process improvements, business reorganization, and restructuring

6 Adjustments primarily relate to the impairment of property, plant and equipment

Note: Please see the company's press release dated October 30, 2019 for additional information on the above GAAP to non-GAAP reconciliation.


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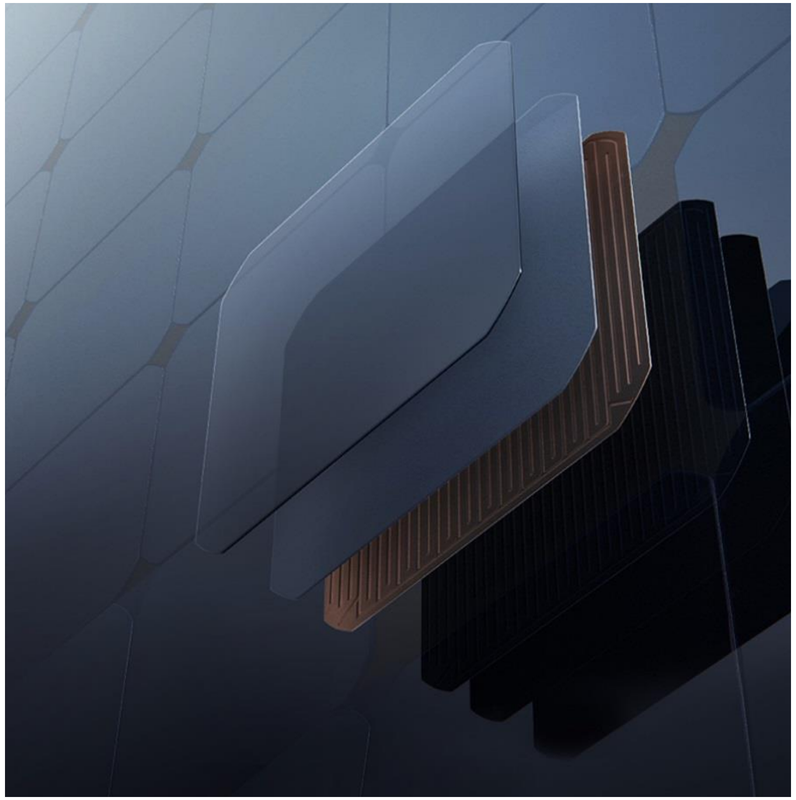

# Q3 2019 Supplementary Slides

**October 30, 2019**

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