

SunPower and PowerLight Receive \$10.5 Million Department of Energy Solar America Initiative Award

Companies Advance Integrated Solar Products and Manufacturing, and Optimize Supply Chain Efficiency

SAN JOSE, Calif., March 8, 2007 /PRNewswire-FirstCall via COMTEX News Network/ -- SunPower Corporation (Nasdaq: SPWR), a Silicon Valley-based manufacturer of high efficiency, commercially available solar cells, solar panels and solar systems, and its subsidiary, PowerLight Corporation, a leading global provider of large-scale solar power systems, today announced that the two companies have been selected for an award, pending finalization of the grant agreement, under the Department of Energy's Solar America Initiative (SAI). Once negotiations of the grant agreement are complete, SunPower and PowerLight may be awarded up to \$10.5 million in funding for 2007.

"We are honored to be selected by the Department of Energy for this award, which will accelerate our drive to lower solar costs to compete with retail electric rates," said Dr. Richard Swanson, SunPower chief technology officer, founder and president. "Public policy incentives make solar power affordable today for many homes and businesses across the country. With SAI funding support, we will expand our R&D investments in product design and manufacturing processes, as well as supply chain and customer delivery efficiencies."

SunPower and PowerLight will use the funding to implement cost improvements across the value chain, including innovations in producing ingots, wafers, high-efficiency solar cells and panels, system design, as well as improved delivery and installation efficiency. In addition, the two companies will work to reduce solar system costs through improvements in the design and manufacture of integrated photovoltaic systems. This work will be conducted with a team of technology and institutional partners.

"Solar technology will be advanced most effectively by teams that cross the value chain, from solar cell manufacturing to turnkey project implementation," said Tom Dinwoodie, PowerLight CEO and founder. "With this award, the Department of Energy endorses our teams' integrated approach to radically improve the cost and delivery of solar systems to customers. We support DOE's catalyzing role in launching solar power as a near-term, meaningful solution to our peak electricity demand challenges."

The Solar America Initiative is focused on accelerating widespread commercialization of clean solar energy technologies by 2015 and to provide the U.S. additional electricity supply options while reducing dependence on fossil fuels and improving the environment. It aims to achieve market competitiveness for solar electric power through government partnerships with industry, universities, national laboratories, states, and other public entities by funding new research and development activities.

"Solar technology can play a crucial role in moving toward affordable net zero energy homes and businesses -- which combine energy efficiency and renewable energy produced on-site," said Energy Secretary Samuel Bodman. "Efficient buildings with solar power generation can help reduce peak demand and ease the need for expensive new generating capacity, transmission, and distributions lines as our economy grows."

About SunPower

SunPower Corp. designs, manufactures and markets high-performance solar electric technology worldwide. SunPower's high-efficiency solar cells and panels generate up to 50 percent more power per unit area than conventional solar technologies and have a uniquely attractive, all-black appearance. SunPower's PowerLight subsidiary is a leading global provider of large-scale solar power systems, with over 100 megawatts installed. For more information on SunPower please visit the SunPower website at www.sunpowercorp.com. SunPower is a majority-owned subsidiary of Cypress Semiconductor Corp. (NYSE: CY).

Forward-Looking Statement

This press release contains forward-looking statements within the meaning of the Private Securities Litigation reform Act of 1995. We use the word "will," "may," "can," and other expressions about the future to identify such forward-looking statements. These forward-looking statements involve risks and uncertainties that may cause our actual results, performance or achievements to be materially different from those expressed or implied by the forward-looking statements. You should not place undue reliance on these forward-looking statements. Factors that could cause actual results to differ materially from those predicted in such forward-looking statements include, but are not limited to, the ability of SunPower and PowerLight to successfully conclude negotiations of the grant agreement with the U.S. Department of Energy, business and economic

conditions and growth trends in the solar power industry, the success of our ongoing research and development efforts, our ability to successfully develop and introduce new products and services, technological changes in the solar power industry that may affect the competitiveness of our products, our ability to ramp new production lines, our ability to realize expected manufacturing efficiencies, production difficulties that could arise, the continuation of governmental and related economic incentives promoting the use of solar power, and other risk factors. Please refer to these and other risks described in our Annual Report on Form 10-K and other filings with the Securities and Exchange Commission. All forward-looking statements included in this release are based upon information available to SunPower as of the date of this release and, except as required by law, we assume no obligation to update any such forward-looking statements.

NOTE: SunPower is a registered trademark of SunPower Corp. Cypress is a registered trademark of Cypress Semiconductor Corp. All other trademarks are the property of their respective owners.

SOURCE SunPower Corporation

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