

Second Quarter 2017 Supplementary Slides

August 1, 2017

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 expectations for our residential business, including momentum in the second half of 2017, continuing adoption of Equinox and our ability to expand partnerships and our dealer channel in Japan; (b) our outlook for our commercial business, including continuing demand for Helix, policy developments and our ability to execute on solar plus storage solutions; (c) expectations for our power plant business, including market conditions, project development execution and the continuing transition to our SunPower Solutions model; (d) our outlook for our upstream business, including cost reductions, fab utilization and development of our next generation technology; (e) our ability to execute on our key strategies, including sustainable profitability in 2018, and our ability to simplify our company structure, operations and financial reporting, divest non-core assets and effectively focus on our downstream businesses; (f) potential implications to the solar industry in general, and our company in particular, of the Section 201 trade action and any remedies imposed; (g) our third quarter fiscal 2017 guidance, including GAAP revenue, gross margin, and net loss, as well as non-GAAP revenue, gross margin, Adjusted EBITDA and MW deployed and recognized and (h) full year fiscal 2017 guidance, including GAAP and non-GAAP revenue, operational expenditures, capital expenditures, gigawatts deployed, cash flow, Adjusted EBITDA, and restructuring charges. 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) competition in the solar and general energy industry and downward pressure on selling prices and wholesale energy pricing; (2) our liquidity, substantial indebtedness, and ability to obtain additional financing for our projects and customers; (3) regulatory changes and the availability of economic incentives promoting use of solar energy; (4) challenges inherent in constructing certain of our large projects; (5) 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; (6) fluctuations in our operating results; (7) appropriately sizing our manufacturing capacity and containing manufacturing difficulties that could arise; (8) challenges managing our joint ventures and partnerships; (9) challenges executing on our HoldCo and YieldCo strategies, including our current plan to divest our interest in 8point3 Energy Partners; (10) fluctuations or declines in the performance of our solar panels and other products and solutions; and (11) our ability to identify and successfully implement concrete actions to meet our cost reduction targets, reduce capital expenditures, and implement our restructuring initiatives, including plans to streamline our business and focus investment and realign our manufacturing operations and power plant segment. 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.

Agenda

- **Q2 2017 segment performance**
- **Strategic update**
- **Section 201 Trade Case**
- **Q2 2017 financial overview**
- **Financial highlights**
- **Holdco status**
- **Guidance**

- **Q2 overview**

- Solid execution – strong X-Series / Equinox demand
- Continued modest shift to lease in US – customer driven model
- International - EU / Japan results ahead of plan
- New Homes – achieved 1,000 community milestone, strong bookings

- **Outlook**

- Expect strong 2H17 momentum
- Continued adoption of Equinox – 85% of Q2 bookings
- Expanding partnerships / dealer channel in Japan



- **Q2 Overview**

- Continued Helix complete solution traction, ~\$2B C&I pipeline
- Q2 highlights
 - Commenced construction of 4-MW of projects at Campbell's Soup
 - Awarded 5-MW + 500-kw storage project at UC Merced
 - Awarded 1-MW storage contract to complement 10-MW Redstone Arsenal Army project
- CVAR – strong performance, 100% booked for Q3

- **Outlook**

- Continued Helix demand traction – ground, roof, carport
- Solar + storage – becoming more important, solid bookings YTD
- Promising new market policy developments – NJ, MA, IL



- **Q2 overview**

- Completed panel install at El Pelicano in Chile (110MW) – expected sale in Q417
- Sold 46-MW Tono project in Japan
- Awarded 10-MW project for Oklahoma Gas & Electric
- SunPower Solutions – strong momentum
 - Q2 shipments to 28 countries
 - Booked / contracted 250-MW in Q217, fully booked for Q3

- **Outlook**

- On plan for 2H17 project completions – >500-MW
- Continued transition from development to SunPower Solutions model



Manufacturing & Technology

- **Q2 overview**

- Achieved output, yield and cost manufacturing targets
- Fab 4 – ahead of cost / efficiency roadmaps
- Initial “P-19” production at China JV – 600-MW capacity by EOY
- NextGen IBC technology – first cells/panels produced in San Jose, CA

- **Outlook**

- Long-term cost reduction roadmaps on track
- 2H17 – 100% fab utilization



SunPower Strategy

- **Return to sustainable profitability in 2018 while investing in key areas:**
 - Digitize the customer experience and channel delivery model
 - Deploy Smart Energy offers, initially focused on solar + storage solutions for the C&I segment
 - Develop disruptive rooftop solar panel solutions
 - Finalize development of NGT cell / module – initial production in 2H18
- **Simplify company structure, operations, and financial reporting**
- **Divest non-core assets to fund innovation / delever balance sheet**
- **Downstream focus: Residential (Global Channels), Commercial and SPWR Solutions**

Implications of Section 201 Trade Action

- **Actively involved in US solar industry association response to filing by 2 foreign-owned US companies**
- **Remedies would burden manufacturers – significantly impact continued adoption of solar**
 - Runs counter to long-established free trade principles, working to ensure Commission and Administration understand negative implications
 - Would raise prices across all end segments – residential, commercial and utility
 - Material risk to high-paying US energy jobs - >260,000 currently employed in US industry, trade action supports <1,000 foreign owned US jobs
- **US impact**
 - Seeing positioning of inventory for safe harbor purposes, stable / rising ASPs in some markets
 - Certain projects may be delayed or are being delayed pending outcome
- **SunPower evaluating strategic set of options to address potential governmental actions**
 - Demand for our high performance products remains strong
 - Successful track record of addressing various global policy shifts over last 20 years

Q217 Financial Overview

(\$ millions, except percentages and per share data)	Quarter Ending 7/2/17	Quarter Ending 4/1/17	Quarter Ending 7/3/16
Revenue (Non-GAAP)	\$341.5	\$429.5	\$401.8
Power Plant	\$79.9	\$160.8	\$104.7
Commercial	\$105.8	\$134.0	\$110.5
Residential	\$155.8	\$134.7	\$186.6
Gross Margin (Non-GAAP)	12.2%	6.5%	17.0%
Power Plant	3.2%	1.5%	7.8%
Commercial	7.1%	3.6%	13.1%
Residential	20.3%	15.3%	24.6%
Non-GAAP Operating Expense	\$79.4	\$81.1	\$103.4
Adjusted EBITDA	\$13.5	\$8.6	\$45.8
Tax Rate (Non-GAAP)	(2.8%)	(2.2%)	(7.1%)
Net Income (Loss) – (GAAP)	(\$93.8)	(\$134.5)	(\$70.0)
Net Income (Loss) – (Non-GAAP)	(\$49.3)	(\$50.4)	(\$14.2)
<i>Diluted Wtg. Avg. Shares Out. (GAAP)</i>	139.4	138.9	138.1
<i>Diluted Wtg. Avg. Shares Out. (Non-GAAP)</i>	139.4	138.9	138.1
Diluted EPS (GAAP)	(\$0.67)	(\$0.97)	(\$0.51)
Diluted EPS (Non-GAAP)	(\$0.35)	(\$0.36)	(\$0.10)

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

Q217 Financial Highlights

- **Strong execution - exited Q2 with \$325 million in cash**
- **Successfully managed working capital - cash flow remains near term focus**
- **Monetization of resi lease assets – currently own ~400-MW**
- **Potential sale of 8point3 / non-core assets**
 - Funding of strategic investments
 - Retire / refinance 2018 convert
 - Monetize certain ROFO assets in 2H17

Q2 Current Holdco Project Summary

	Operating	In Construction	Contracted	TOTAL
Residential	340	22	25	386
Commercial	124	100	14	238
Power Plants	62	181	770	1,014
Total MW	525	303	808	1,637

*Includes minority ownership of Boulder Solar 1 Project

Q3 2017 Financial Guidance

	Q3'17
GAAP Revenue	\$300 to \$350m
GAAP Gross Margin	(3%) to (1%)
GAAP Net Income (Loss)	(\$120) to (\$100)m
Non-GAAP Revenue	\$320 to \$370m
Non-GAAP Gross Margin	5% to 7%
Adjusted EBITDA	\$0 to \$20m
MW Deployed	405 to 435

FY 2017 Financial Guidance

	FY'17
GAAP Revenue	\$1,850 – \$2,050 million
Non-GAAP Revenue	\$2,100 – \$2,300 million
Non-GAAP Opex	\$330 – \$350 million
Operating Cash Flow	Positive
Adjusted EBITDA	Positive
Capital Expenditures	\$110 – \$130 million
MW Deployed	1.3 – 1.45 GW
Restructuring Charges	\$20 – \$60 million

* Please see the press release dated February 15, 2017 for additional information regarding the company's fiscal year 2017 guidance

Second Quarter 2017 Supplementary Slides

Appendix

Q3 2017 Financial Guidance

	Q3'17
Residential MW Deployed	90 to 100 MW
Commercial MW Deployed	105 to 115 MW
Power Plant MW Deployed	210 to 220 MW
TOTAL MW Deployed	405 to 435 MW
TOTAL MW Recognized	290 to 320 MW

Residential Energy Systems

	Q2'17	Cumulative
MW Booked	30.9 MW	385.5 MW
MW Installed	19.5 MW	345.0 MW
MW Deployed	20.5 MW	358.4 MW
Nominal Contract Payments Added	\$82 M	\$1,490 M
Residential Energy Contracts Added	3,645	45,616
Average System Size	8.5kW	8.5kW

- Cumulative numbers were adjusted to exclude leased systems sold to 8point3 Energy Partners on June 24, 2015 and other sales:
 - Total MW: 53.86 MW
 - Lease count: 6,650
 - Net contract payments: \$291.8 million.

Second Quarter 2017 Supplementary Slides

Financial Reconciliations

Q2'17 Segment Reporting Reconciliation

(In thousands):	Three Months Ended		Six Months Ended	
	July 2, 2017	July 3, 2016	July 2, 2017	July 3, 2016
Adjusted EBITDA as reviewed by CODM (Non-GAAP)				
Distributed Generation				
Residential	44,875	45,643	86,813	82,877
Commercial	3,004	7,020	7,292	8,661
Power Plant	4,006	9,310	4,072	21,453
Total Segment EBITDA as reviewed by CODM	51,884	61,973	98,178	112,991
Reconciliation to Consolidated Statements of Loss				
8point3	(2,458)	(18,039)	(10,559)	(28,758)
Utility and power plant projects	(2,378)	(4,128)	(29,552)	(7,685)
Sale of operating lease assets	-	(2,979)	-	(6,099)
Sale-leaseback	173	(2,988)	2,015	(2,988)
Stock-based compensation expense	(8,606)	(16,475)	(15,981)	(32,995)
Cash interest expense, net of interest income	(19,886)	(13,144)	(38,415)	(25,328)
Depreciation	(40,917)	(37,730)	(79,849)	(71,556)
Amortization of intangible assets	(4,227)	(3,168)	(7,253)	(11,333)
Non-cash interest expense	(35)	(309)	(70)	(655)
Restructuring Expense	(4,969)	(117)	(14,759)	(213)
Loss on arbitration ruling	-	5,852	-	5,852
Other	-	12	-	12
IPO-related costs	196	(35)	82	(35)
Equity in earnings of unconsolidated investees	(5,449)	(8,350)	(6,501)	(7,585)
Net loss attributable to Noncontrolling Interests	(19,062)	(22,189)	(36,223)	(38,197)
Cost of above-market polysilicon	(21,826)	(15,901)	(51,641)	(28,615)
Corporate and Unallocated	(38,358)	(16,168)	(76,051)	(48,168)
Loss before taxes & equity in earnings of unconsolidated investees	(115,918)	(93,883)	(266,579)	(191,355)

GAAP to Non-GAAP Guidance Reconciliation – Q1'17 / FY'17

- (1) Estimated non-GAAP amounts above for Q3 2017 include net adjustments that increase revenue by approximately \$20 million related to sale-leaseback transactions. Estimated non-GAAP amounts above for fiscal 2017 include net adjustments that increase (decrease) revenue by approximately \$(60) million related to 8point3, and \$310 million related to sale-leaseback transactions.
- (2) Estimated non-GAAP amounts above for Q3 2017 include net adjustments that increase gross margin by approximately \$6 million related to utility and power plant projects, \$3 million related to sale-leaseback transactions, \$3 million related to stock-based compensation expense, \$1 million related to amortization of intangible assets, and \$21 million related to cost of above-market polysilicon.
- (3) Estimated Adjusted EBITDA amounts above for Q3 2017 include net adjustments that decrease net loss by approximately \$6 million related to utility and power plant projects, \$3 million related to sale-leaseback transactions, \$10 million related to stock-based compensation expense, \$3 million related to amortization of intangible assets, \$1 million related to non-cash interest expense, \$10 million related to restructuring, \$21 million related to interest expense, \$2 million related to income taxes, \$43 million related to depreciation, and \$21 million related to cost of above-market polysilicon.

GAAP to Non-GAAP Reconciliation

SUNPOWER CORPORATION
RECONCILIATIONS OF GAAP MEASURES TO NON-GAAP MEASURES
(In thousands, except percentages and per share data)
(Unaudited)

Adjustments to Revenue:

	THREE MONTHS ENDED			SIX MONTHS ENDED	
	Jul. 2, 2017	Apr. 2, 2017	Jul. 3, 2016	Jul. 2, 2017	Jul. 3, 2016
GAAP revenue	\$ 337,446	\$ 399,076	\$ 420,452	\$ 736,522	\$ 805,327
Adjustments based on IFRS:					
8point3	(223)	713	(1,400)	490	(16,574)
Utility and power plant projects	335	(23,780)	(40,085)	(23,445)	13,453
Sale of operating lease assets	-	-	10,183	-	20,586
Sale-leaseback transactions	3,927	53,478	12,646	57,405	12,646
Non-GAAP revenue	<u>\$ 341,485</u>	<u>\$ 429,487</u>	<u>\$ 401,796</u>	<u>\$ 770,972</u>	<u>\$ 835,438</u>

Adjustments to Gross margin:

	THREE MONTHS ENDED			SIX MONTHS ENDED	
	Jul. 2, 2017	Apr. 2, 2017	Jul. 3, 2016	Jul. 2, 2017	Jul. 3, 2016
GAAP gross margin	\$ 15,235	\$ (30,932)	\$ 41,294	\$ (15,697)	\$ 92,831
Adjustments based on IFRS:					
8point3	870	1,189	(210)	2,059	(4,852)
Utility and power plant projects	2,378	27,174	4,128	29,552	7,685
Sale of operating lease assets	-	-	2,966	-	6,078
Sale-leaseback transactions	(2,270)	(3,144)	2,988	(5,414)	2,988
Other adjustments:					
Stock-based compensation expense	1,052	1,184	5,464	2,236	9,589
Amortization of intangible assets	2,567	2,567	1,530	5,134	2,544
Non-cash interest expense	10	10	284	20	603
Cost of above-market polysilicon	21,826	29,815	15,901	51,641	28,615
Arbitration ruling	-	-	(5,852)	-	(5,852)
Non-GAAP gross margin	<u>\$ 41,668</u>	<u>\$ 27,863</u>	<u>\$ 68,493</u>	<u>\$ 69,531</u>	<u>\$ 140,229</u>
GAAP gross margin (%)	4.5%	-7.8%	9.8%	-2.1%	11.5%
Non-GAAP gross margin (%)	12.2%	6.5%	17.0%	9.0%	16.8%

GAAP to Non-GAAP Reconciliation

Adjustments to Net income (loss):

	THREE MONTHS ENDED			SIX MONTHS ENDED	
	Jul. 2, 2017	Apr. 2, 2017	Jul. 3, 2016	Jul. 2, 2017	Jul. 3, 2016
GAAP net loss attributable to stockholders	\$ (93,760)	\$ (134,479)	\$ (69,992)	\$ (228,239)	\$ (155,401)
Adjustments based on IFRS:					
8point3	2,458	8,101	18,039	10,559	28,758
Utility and power plant projects	2,378	27,174	4,128	29,552	7,685
Sale of operating lease assets	-	-	2,979	-	6,099
Sale-leaseback transactions	(173)	(1,842)	2,988	(2,015)	2,988
Other adjustments:					
Stock-based compensation expense	8,606	7,375	16,475	15,981	32,995
Amortization of intangible assets	4,227	3,026	3,168	7,253	11,333
Non-cash interest expense	35	35	309	70	655
Restructuring expense	4,969	9,790	117	14,759	213
Arbitration ruling	-	-	(5,852)	-	(5,852)
IPO-related costs	(196)	114	35	(82)	35
Cost of above-market polysilicon	21,826	29,815	15,901	51,641	28,615
Other	-	-	(12)	-	(11)
Tax effect	350	513	(2,454)	863	(770)
Non-GAAP net loss attributable to stockholders	\$ (49,280)	\$ (50,378)	\$ (14,171)	\$ (99,658)	\$ (42,658)

GAAP to Non-GAAP Reconciliation

Adjustments to Net income (loss) per diluted share:

	THREE MONTHS ENDED			SIX MONTHS ENDED	
	Jul. 2, 2017	Apr. 2, 2017	Jul. 3, 2016	Jul. 2, 2017	Jul. 3, 2016
Net income (loss) per diluted share					
Numerator:					
GAAP net loss available to common stockholders ¹	\$ (93,760)	\$ (134,479)	\$ (69,992)	\$ (228,239)	\$ (155,401)
Non-GAAP net loss available to common stockholders ¹	\$ (49,280)	\$ (50,378)	\$ (14,171)	\$ (99,658)	\$ (42,658)
Denominator:					
GAAP weighted-average shares	139,448	138,902	138,084	139,175	137,644
Effect of dilutive securities:					
Stock options	-	-	-	-	-
Restricted stock units	-	-	-	-	-
Upfront warrants (held by Total)	-	-	-	-	-
Warrants (under the CSO2015)	-	-	-	-	-
0.75% debentures due 2018	-	-	-	-	-
Non-GAAP weighted-average shares ¹	139,448	138,902	138,084	139,175	137,644
GAAP net loss per diluted share	\$ (0.67)	\$ (0.97)	\$ (0.51)	\$ (1.64)	\$ (1.13)
Non-GAAP net loss per diluted share	\$ (0.35)	\$ (0.36)	\$ (0.10)	\$ (0.72)	\$ (0.31)

¹ In accordance with the if-converted method, net income (loss) available to common stockholders excludes interest expense related to the 0.75%, 0.875%, and 4.0% debentures if the debentures are considered converted in the calculation of net income (loss) per diluted share. If the conversion option for a debenture is not in the money for the relevant period, the potential conversion of the debenture under the if-converted method is excluded from the calculation of non-GAAP net income (loss) per diluted share.

GAAP to Non-GAAP Reconciliation

Adjusted EBITDA:

	THREE MONTHS ENDED			SIX MONTHS ENDED	
	Jul. 2, 2017	Apr. 2, 2017	Jul. 3, 2016	Jul. 2, 2017	Jul. 3, 2016
GAAP net loss attributable to stockholders	\$ (93,760)	\$ (134,479)	\$ (69,992)	\$ (228,239)	\$ (155,401)
Adjustments based on IFRS:					
8point3	2,458	8,101	18,039	10,559	28,758
Utility and power plant projects	2,378	27,174	4,128	29,552	7,685
Sale of operating lease assets	-	-	2,979	-	6,099
Sale-leaseback transactions	(173)	(1,842)	2,988	(2,015)	2,988
Other adjustments:					
Stock-based compensation expense	8,606	7,375	16,475	15,981	32,995
Amortization of intangible assets	4,227	3,026	3,168	7,253	11,333
Non-cash interest expense	35	35	309	70	655
Restructuring expense	4,969	9,790	117	14,759	213
Arbitration ruling	-	-	(5,852)	-	(5,852)
IPO-related costs	(196)	114	35	(82)	35
Cost of above-market polysilicon	21,826	29,815	15,901	51,641	28,615
Other	-	-	(12)	-	(11)
Cash interest expense, net of interest income	19,886	18,529	13,144	38,415	25,328
Provision for income taxes	2,353	2,031	6,648	4,384	9,829
Depreciation	40,917	38,932	37,730	79,849	71,556
Adjusted EBITDA	<u>\$ 13,526</u>	<u>\$ 8,601</u>	<u>\$ 45,805</u>	<u>\$ 22,127</u>	<u>\$ 64,825</u>

GAAP to Non-GAAP Reconciliation

SUPPLEMENTAL DATA (In thousands, except percentages)												
THREE MONTHS ENDED												
July 3, 2017												
Revenue			Gross margin			Operating expenses						
Residential	Commercial	Power Plant	Residential	Commercial	Power Plant	Research and development	Selling, general and administrative	Restructuring charges	Other income (expense), net	Benefit from (provision for) income taxes	Equity in earnings of unconsolidated investees	Net income (loss) attributable to stockholders
\$ 157,125	\$ 100,105	\$ 80,216	\$ 26,138	\$ 2,075	\$ (13,478)	-	-	-	1,060	-	528	\$ (93,760)
GAAP												
Adjustments based on IFRS:												
Spint3	1,319	1,470	(374)	(477)	456	-	-	-	-	-	-	2,458
Utility and power plant projects	-	327	-	327	2,051	-	-	-	-	-	-	2,378
Safe-leaseback transactions	-	3,927	-	-	(45)	-	-	-	2,097	-	-	(173)
Other adjustments:	-	-	-	-	-	-	-	-	-	-	-	-
Stock-based compensation expense	-	-	314	293	445	1,035	6,518	-	-	-	-	8,606
Amortization of intangible assets	-	-	870	672	1,201	-	409	-	-	-	-	4,227
Non-cash interest expense	-	-	2	2	6	-	21	-	-	-	-	35
Restructuring expense	-	-	-	-	-	4	-	4,969	-	-	-	4,969
IPD-related costs	-	-	-	-	-	-	(196)	-	-	-	-	(196)
Cost of above-market polysilicon	-	-	4,731	5,000	12,095	-	-	-	-	-	-	21,826
Tax effect	-	-	-	-	-	-	-	-	-	350	-	350
Non-GAAP	\$ 155,806	\$ 105,828	\$ 79,850	\$ 31,578	\$ 7,535	\$ 2,555	\$ 3,2%					\$ (49,280)
April 2, 2017												
Revenue			Gross margin			Operating expenses						
Residential	Commercial	Power Plant	Residential	Commercial	Power Plant	Research and development	Selling, general and administrative	Restructuring charges	Other income (expense), net	Benefit from (provision for) income taxes	Equity in earnings of unconsolidated investees	Net income (loss) attributable to stockholders
\$ 136,031	\$ 108,263	\$ 154,782	\$ 15,274	\$ (2,866)	\$ (43,840)	-	-	-	6,066	-	846	\$ (134,479)
GAAP												
Adjustments based on IFRS:												
Spint3	(1,337)	2,667	(617)	(503)	(1)	-	-	-	-	-	-	8,101
Utility and power plant projects	-	-	(21,780)	-	27,174	-	-	-	-	-	-	27,174
Safe-leaseback transactions	-	23,041	30,437	(2,665)	(479)	-	-	-	1,302	-	-	(1,842)
Other adjustments:	-	-	-	-	-	-	-	-	-	-	-	-
Stock-based compensation expense	-	-	210	249	725	1,528	4,663	-	-	-	-	7,375
Amortization of intangible assets	-	-	1,214	836	517	-	459	-	-	-	-	3,026
Non-cash interest expense	-	-	4	3	-	-	4	-	-	-	-	35
Restructuring expense	-	-	-	-	-	-	-	9,790	-	-	-	9,790
IPD-related costs	-	-	-	-	-	-	114	-	-	-	-	114
Cost of above-market polysilicon	-	-	4,351	7,132	18,332	-	-	-	-	-	-	29,815
Tax effect	-	-	-	-	-	-	-	-	-	513	-	513
Non-GAAP	\$ 134,694	\$ 133,971	\$ 160,822	\$ 20,550	\$ 4,882	\$ 2,431	\$ 1.5%					\$ (50,378)
July 3, 2016												
Revenue			Gross margin			Operating expenses						
Residential	Commercial	Power Plant	Residential	Commercial	Power Plant	Research and development	Selling, general and administrative	Restructuring charges	Other income (expense), net	Benefit from (provision for) income taxes	Equity in earnings of unconsolidated investees	Net income (loss) attributable to stockholders
\$ 177,715	\$ 97,846	\$ 144,891	\$ 38,756	\$ 8,323	\$ (5,785)	-	-	-	1,061	-	17,188	\$ (69,992)
GAAP												
Adjustments based on IFRS:												
Spint3	(1,287)	-	(113)	(419)	179	-	-	-	-	-	-	18,039
Utility and power plant projects	-	-	(40,085)	-	4,128	-	-	-	-	-	-	4,128
Safe-leaseback transactions	-	12,646	2,966	2,988	-	-	-	-	13	-	-	2,979
Other adjustments:	-	-	-	-	-	-	-	-	-	-	-	2,988
Stock-based compensation expense	-	-	1,652	745	3,067	2,965	8,046	-	-	-	-	16,475
Amortization of intangible assets	-	-	576	608	1,187	-	458	-	-	-	-	3,168
Non-cash interest expense	-	-	63	52	169	3	22	-	-	-	-	309
Restructuring expense	-	-	-	-	-	-	-	117	-	-	-	117
Arbitration ruling	-	-	(1,345)	(922)	(3,585)	-	-	-	-	-	-	(5,852)
IPD-related costs	-	-	-	-	-	-	35	-	-	-	-	35
Cost of above-market polysilicon	-	-	3,619	2,531	9,751	-	-	-	-	-	-	15,901
Other	-	-	-	-	-	-	-	-	(12)	-	-	(12)
Tax effect	-	-	-	-	-	-	-	-	-	(2,454)	-	(2,454)
Non-GAAP	\$ 186,611	\$ 110,492	\$ 104,693	\$ 45,868	\$ 14,504	\$ 8,121	\$ 7.8%					\$ (14,171)
SIX MONTHS ENDED												
July 2, 2017												
Revenue			Gross margin			Operating expenses						
Residential	Commercial	Power Plant	Residential	Commercial	Power Plant	Research and development	Selling, general and administrative	Restructuring charges	Other income (expense), net	Benefit from (provision for) income taxes	Equity in earnings of unconsolidated investees	Net income (loss) attributable to stockholders
\$ 293,156	\$ 208,368	\$ 234,998	\$ 41,412	\$ 209	\$ (57,318)	-	-	-	7,126	-	1,374	\$ (228,239)
GAAP												
Adjustments based on IFRS:												
Spint3	(2,656)	4,137	(991)	(980)	455	-	-	-	-	-	-	10,559
Utility and power plant projects	-	327	(21,772)	-	20,225	-	-	-	-	-	-	29,552
Safe-leaseback transactions	-	26,968	30,437	(4,890)	(526)	-	-	-	3,399	-	-	(2,015)
Other adjustments:	-	-	-	-	-	-	-	-	-	-	-	-
Stock-based compensation expense	-	-	524	542	1,170	2,564	11,181	-	-	-	-	15,081
Amortization of intangible assets	-	-	2,084	1,508	1,542	1,201	918	-	-	-	-	7,253
Non-cash interest expense	-	-	6	5	9	8	42	-	-	-	-	70
Restructuring expense	-	-	-	-	-	-	-	14,750	-	-	-	14,750
IPD-related costs	-	-	-	-	-	-	(82)	-	-	-	-	(82)
Cost of above-market polysilicon	-	-	9,082	12,132	30,427	-	-	-	-	-	-	51,641
Tax effect	-	-	-	-	-	-	-	-	-	863	-	863
Non-GAAP	\$ 290,500	\$ 239,800	\$ 240,672	\$ 52,128	\$ 12,417	\$ 4,986	\$ 2.1%					\$ (99,658)
July 3, 2016												
Revenue			Gross margin			Operating expenses						
Residential	Commercial	Power Plant	Residential	Commercial	Power Plant	Research and development	Selling, general and administrative	Restructuring charges	Other income (expense), net	Benefit from (provision for) income taxes	Equity in earnings of unconsolidated investees	Net income (loss) attributable to stockholders
\$ 325,522	\$ 150,087	\$ 325,718	\$ 72,403	\$ 15,338	\$ 5,090	-	-	-	2,123	-	31,487	\$ (155,401)
GAAP												
Adjustments based on IFRS:												
Spint3	(2,599)	-	(13,975)	(904)	179	(4,127)	-	-	-	-	-	28,758
Utility and power plant projects	-	-	13,453	6,078	7,685	-	-	-	-	-	-	7,685
Safe-leaseback transactions	20,586	12,646	-	-	-	-	-	-	21	-	-	6,099
Other adjustments:	-	-	-	-	-	-	-	-	-	-	-	2,988
Stock-based compensation expense	-	-	2,479	2,997	5,713	5,997	17,409	-	-	-	-	32,995
Amortization of intangible assets	-	-	987	1,234	323	3,007	5,782	-	-	-	-	11,333
Non-cash interest expense	-	-	134	91	378	10	42	-	-	-	-	655
Restructuring expense	-	-	-	-	-	-	-	213	-	-	-	213
Arbitration ruling	-	-	(1,345)	(922)	(3,585)	-	-	-	-	-	-	(5,852)
IPD-related costs	-	-	-	-	-	-	35	-	-	-	-	35
Cost of above-market polysilicon	-	-	7,054	4,070	17,491	-	-	-	-	-	-	28,615
Other	-	-	-	-	-	-	-	-	(12)	-	-	(12)
Tax effect	-	-	-	-	-	-	-	-	-	(770)	-	(770)
Non-GAAP	\$ 347,509	\$ 162,733	\$ 325,196	\$ 85,886	\$ 24,375	\$ 15.0%	\$ 28,968	\$ 8.9%				\$ (42,650)

Second Quarter 2017 Supplementary Slides

August 1, 2017