

SUNPOWER CORP  
Form 10-Q  
October 29, 2014  
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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 28, 2014

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number 001-34166

SunPower Corporation  
(Exact Name of Registrant as Specified in Its Charter)

Delaware

94-3008969

(State or Other Jurisdiction of Incorporation or Organization)

(I.R.S. Employer Identification No.)

77 Rio Robles, San Jose, California 95134

(Address of Principal Executive Offices and Zip Code)

(408) 240-5500

(Registrant's Telephone Number, Including Area Code)

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Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Sections 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

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Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer       Accelerated filer       Non-accelerated filer       Smaller reporting company   
(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act).

Yes  No

The total number of outstanding shares of the registrant’s common stock as of October 24, 2014 was 131,330,619.

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## PART I. FINANCIAL INFORMATION

## ITEM 1. FINANCIAL STATEMENTS

## SunPower Corporation

## Consolidated Balance Sheets

(In thousands, except share data)

(unaudited)

	September 28, 2014	December 29, 2013
Assets		
Current assets:		
Cash and cash equivalents	\$922,729	\$762,511
Restricted cash and cash equivalents, current portion	17,156	13,926
Accounts receivable, net <sup>1</sup>	520,166	360,594
Costs and estimated earnings in excess of billings <sup>1</sup>	46,256	31,787
Inventories	195,342	245,575
Advances to suppliers, current portion	87,837	58,619
Project assets - plants and land, current portion	25,244	69,196
Prepaid expenses and other current assets <sup>1</sup>	795,119	646,270
Total current assets	2,609,849	2,188,478
Restricted cash and cash equivalents, net of current portion	23,894	17,573
Restricted long-term marketable securities	7,182	8,892
Property, plant and equipment, net	538,321	533,387
Solar power systems leased and to be leased, net	361,727	345,504
Project assets - plants and land, net of current portion	67,152	6,411
Advances to suppliers, net of current portion	314,054	324,695
Long-term financing receivables, net	252,382	175,273
Other long-term assets <sup>1</sup>	233,977	298,477
Total assets	\$4,408,538	\$3,898,690
Liabilities and Equity		
Current liabilities:		
Accounts payable <sup>1</sup>	\$440,613	\$443,969
Accrued liabilities	352,724	358,157
Billings in excess of costs and estimated earnings	349,090	308,650
Short-term debt	17,728	56,912
Convertible debt, current portion	240,213	455,889
Customer advances, current portion <sup>1</sup>	37,274	36,883
Total current liabilities	1,437,642	1,660,460
Long-term debt	149,848	93,095
Convertible debt, net of current portion <sup>1</sup>	700,079	300,079
Customer advances, net of current portion <sup>1</sup>	153,493	167,282
Other long-term liabilities	520,116	523,991

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Total liabilities	2,961,178	2,744,907
Commitments and contingencies (Note 7)		
Redeemable noncontrolling interests in subsidiaries	28,588	—
Equity:		
Preferred stock, \$0.001 par value; 10,000,000 shares authorized; none issued and outstanding as of both September 28, 2014 and December 29, 2013	—	—
Common stock, \$0.001 par value, 367,500,000 shares authorized; 138,398,641 shares issued, and 131,304,479 outstanding as of September 28, 2014; 126,946,763 131 shares issued, and 121,535,913 outstanding as of December 29, 2013		122
Additional paid-in capital	2,197,790	1,980,778
Accumulated deficit	(695,313	) (806,492 )
Accumulated other comprehensive loss	(5,752	) (4,318 )
Treasury stock, at cost; 7,094,162 shares of common stock as of September 28, 2014; 5,410,850 shares of common stock as of December 29, 2013	(109,937	) (53,937 )
Total stockholders' equity	1,386,919	1,116,153
Noncontrolling interests in subsidiaries	31,853	37,630
Total equity	1,418,772	1,153,783
Total liabilities and equity	\$4,408,538	\$3,898,690

The Company has related-party balances for transactions made with Total and its affiliates as well as unconsolidated entities in which the Company has a direct equity investment. These related-party balances are recorded within the "Accounts Receivable, net," "Costs and estimated earnings in excess of billings," "Prepaid expenses and other current assets," "Other long-term assets," "Accounts payable," "Customer advances, current portion," "Convertible debt, net of current portion," and "Customer advances, net of current portion" financial statement line items in the Consolidated Balance Sheets (see Note 2, Note 4, Note 7, Note 8, and Note 9).

The accompanying notes are an integral part of these consolidated financial statements.

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SunPower Corporation  
Consolidated Statements of Operations  
(In thousands, except per share data)  
(unaudited)

Three Months Ended		Nine Months Ended	
September 28, 2014	September 29, 2013	September 28, 2014	September 29, 2013