

SUNPOWER CORP
Form 10-Q
May 07, 2013

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 March 31, 2013

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)

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

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 May 3, 2013 was 120,831,758.

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

SunPower Corporation

Condensed Consolidated Balance Sheets

(In thousands, except share data)

(unaudited)

	March 31, 2013	December 30, 2012
Assets		
Current assets:		
Cash and cash equivalents	\$505,587	\$457,487
Restricted cash and cash equivalents, current portion	11,061	15,568
Accounts receivable, net	303,009	398,150
Costs and estimated earnings in excess of billings	37,244	36,395
Inventories	281,367	291,386
Advances to suppliers, current portion	64,681	50,282
Project assets - plants and land, current portion	90,429	75,911
Prepaid expenses and other current assets (1)	432,337	613,053
Total current assets	1,725,715	1,938,232
Restricted cash and cash equivalents, net of current portion	18,106	31,396
Restricted long-term marketable securities	10,860	10,885
Property, plant and equipment, net	806,143	774,909
Project assets - plants and land, net of current portion	8,364	7,596
Other intangible assets, net	597	744
Advances to suppliers, net of current portion	291,043	301,123
Other long-term assets (1)	301,889	276,063
Total assets	\$3,162,717	\$3,340,948
Liabilities and Equity		
Current liabilities:		
Accounts payable (1)	\$333,684	\$414,335
Accrued liabilities	281,687	247,372
Billings in excess of costs and estimated earnings	222,853	225,550
Short-term debt	117,079	14,700
Customer advances, current portion (1)	70,127	59,648
Total current liabilities	1,025,430	961,605
Long-term debt	116,638	375,661
Convertible debt	442,710	438,629
Customer advances, net of current portion (1)	223,828	236,082
Other long-term liabilities	411,357	335,619
Total liabilities	2,219,963	2,347,596
Commitments and contingencies (Note 7)		
Equity:	—	—

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Preferred stock, \$0.001 par value; 10,000,000 shares authorized; none issued and outstanding as of both March 31, 2013 and December 31, 2012		
Common stock, \$0.001 par value, 367,500,000 shares authorized; 125,804,792 shares issued, and 120,812,930 outstanding as of March 31, 2013; 123,315,990 shares issued, and 119,234,280 shares outstanding as of December 30, 2012	121	119
Additional paid-in capital	1,940,781	1,931,947
Accumulated deficit	(956,781) (902,085)
Accumulated other comprehensive loss	(1,562) (2,521)
Treasury stock, at cost; 4,991,862 shares of common stock as of March 31, 2013; 4,081,710 shares of common stock as of December 30, 2012	(44,847) (34,108)
Total stockholders' equity	937,712	993,352
Noncontrolling interest in subsidiary	5,042	—
Total equity	942,754	993,352
Total liabilities and equity	\$3,162,717	\$3,340,948

The Company has related party balances in connection with transactions made with unconsolidated entities in which the Company has a direct equity investment. These related party balances are recorded within the "Prepaid (1) expenses and other current assets," "Other long-term assets," "Accounts payable," "Customer advances, current portion," and "Customer advances, net of current portion" financial statement line items in the Condensed Consolidated Balance Sheets (see Note 4, Note 7, and Note 8).

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

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

	Three Months Ended	
	March 31, 2013	April 1, 2012
Revenue	\$635,433	\$494,131
Cost of revenue	576,120	448,883
Gross margin	59,313	45,248
Operating expenses:		