



IMPORTANT TAX INFORMATION FOR CYPRESS STOCKHOLDERS

Distribution of SunPower Corporation Class B Common Stock Cypress Semiconductor Corporation Stockholder Tax Basis Information

On September 29, 2008, Cypress Semiconductor Corporation, a Delaware corporation (“Cypress”), distributed (the “Distribution”) approximately 42.0 million shares of Class B common stock of SunPower Corporation, a Delaware corporation (“SunPower”), to the holders of record of Cypress common stock as of 5:00 p.m. New York City Time on September 17, 2008 (each, a “Cypress” Stockholder). Cypress and SunPower are now two unaffiliated, publicly-owned companies.

This notice contains a general explanation of certain U.S. Federal income tax consequences of the Distribution for Cypress Stockholders. Attached to this notice is a form for a Tax Information Statement that must be filed by certain U.S. Cypress Stockholders with their 2008 U.S. Federal income tax returns.

CONSULT YOUR TAX ADVISOR

The information contained in this notice represents our general understanding of the application of certain existing U.S. Federal income tax laws and regulations relating to the Distribution. It does not constitute tax advice and does not purport to be complete or to describe the consequences that may apply to particular categories of Cypress Stockholders.

You are urged to consult your own tax advisor regarding the particular consequences of the Distribution to you, including the applicability and effect of all U.S. Federal, state and local and foreign tax laws.

INFORMATION ABOUT THE DISTRIBUTION

In the Distribution, Cypress Stockholders of record received 0.27427234997709 shares of SunPower Class B common stock for every share of Cypress common stock held as of 5:00 p.m. New York City Time on September 17, 2008, or if purchased “with due bills” during the period September 18 through September 29, 2008. Cypress Stockholders also received cash in lieu of any fractional share of SunPower Class S common stock resulting from the Distribution.

If you did not receive the Distribution of SunPower Class B common stock, this notice does not apply to you. Additionally, this notice does not apply to shares of Cypress common stock sold, exchanged or otherwise disposed of prior to the time of the Distribution.

GENERAL TAX INFORMATION

Cypress received a private letter ruling from the Internal Revenue Service that the Distribution of SunPower Class B common stock qualifies as a tax-free distribution for U.S. Federal income tax purposes. As a result, you generally will not recognize gain or loss for U.S. Federal income tax purposes.

on the receipt of SunPower Class B common stock except with respect to the excess of cash received in lieu of any fractional share of SunPower Class B stock over the basis allocable to such fractional share, which shall be treated as capital gain from the sale of such fractional share.

GENERAL GUIDANCE REGARDING TAX BASIS

As a consequence of the Distribution, you will need to allocate the tax basis in your Cypress shares immediately before the Distribution between your Cypress shares and your newly-received SunPower shares. If you purchased your Cypress shares for cash, the tax basis for your Cypress shares would generally equal the cost of these shares including commissions or other fees. If you received your Cypress shares as a gift, through an employee compensation arrangement, or through some other means, *we recommend that you consult your own tax advisor to determine your tax basis in these shares.* If you acquired Cypress shares at different times, you will need to make separate tax basis calculations for each group of shares.

The allocation of tax basis between shares of Cypress common stock and SunPower Class B common stock you received in the Distribution is based on their relative fair market values at the time of the Distribution. U.S. Federal income tax law does not specify how to determine these fair market values. Fair market value generally is the price at which property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or sell and both having reasonable knowledge of the facts.

There are several potential methods for determining the fair market values of Cypress common stock and SunPower Class B common stock. One approach for determining the fair market value is to utilize the closing trading prices of Cypress common stock and SunPower Class B common stock quoted on the New York Stock Exchange and NASDAQ, respectively, on the trading day after the Distribution, which were approximately \$5.22 and \$69.05, respectively, on September 30, 2008. Based on such values and the distribution ratio of 0.27427234997709 of a share of SunPower Class B common stock for each share of Cypress common stock, 21.61% of a Cypress Shareholder's aggregate tax basis in his or her shares of Cypress common stock prior to the Distribution should be allocated to such Cypress Shareholder's shares of Cypress common stock and 78.39% should be allocated to such Cypress Shareholder's shares of SunPower Class B common stock (including the fractional share of SunPower Class B common stock for which cash was received).

The following is an example of how to allocate your aggregate tax basis in your Cypress common stock immediately before the Distribution between your Cypress common stock and your newly-received SunPower Class B common stock. The example is based on the closing prices on the trading day following the Distribution, as described above. The example is provided solely for illustrative purposes and as a convenience to Cypress Stockholders and their tax advisors when establishing their specific tax position. Please remember that neither Cypress nor SunPower provides its stockholders with tax advice.

This notice is not intended to provide tax advice. This notice is not intended or written to be used, and cannot be used, for the purposes of (i) avoiding penalties under the Internal Revenue Code or (ii) promoting, marketing or recommending to another party any transaction or matter addressed herein. Cypress encourages its stockholders to consult with their own tax advisors with their specific questions pertaining to their own tax positions including the application of the tax basis allocation rules to Cypress shares acquired at different times and/or at different prices.

HYPOTHETICAL EXAMPLE OF TAX BASIS ALLOCATION

Assumptions:

Shares of Cypress common stock owned:	100 shares
Purchase price for Cypress shares:	\$20 per share
Aggregate tax basis for Cypress shares:	\$2,000 (100 shares x \$20 per share)
SunPower shares received in Distribution (approx.):	27.4272 shares

Your aggregate tax basis in Cypress shares immediately prior to the Distribution would be allocated between your Cypress common stock and your newly-received SunPower Class B common stock as follows:

Tax Basis Allocation:

	# Shares Owned	NYSE/ NASDAQ Closing Price (9/30/2008)	Fair Market Value (9/30/2008)	Percentage of Total Fair Market Value (9/30/2008) (B)	Allocated Tax Basis = (A) x (B)
Cypress Common Stock	100	\$5.22	\$522.00	21.61%	\$432.15 (21.61% of \$2,000)
SunPower Class B Common Stock	27.4272	\$69.05	\$1,893.85	78.39%	\$1,567.85 (78.39% of \$2,000)
Totals			<u>\$2,415.85</u>	<u>100%</u>	<u>\$2,000.00</u>

Certain Cypress Stockholders (i.e., those stockholders who, immediately before the Distribution, owned 5% or more of Cypress common stock or owned Cypress securities with an aggregate tax basis of \$1 million or more) who received shares of SunPower Class B common stock in the Distribution are required to include a statement related to the Distribution in their U.S. Federal income tax returns for the year in which the Distribution occurs. This statement is attached to this notice for your convenience.

STATEMENT PURSUANT TO TREASURY REGULATIONS

SECTION 1.355-5(b) BY (Name): _____,

(Taxpayer Identification Number or Social Security Number): _____,

A SIGNIFICANT DISTRIBUTE

On September 29, 2008, Cypress Semiconductor Corporation, a Delaware corporation ("Cypress"), distributed (the "Distribution") approximately 42.0 million Class B shares of SunPower Corporation, a Delaware corporation ("SunPower"), to the holders of record of Cypress common stock as of 5:00 p.m. New York City Time on September 17, 2008 (the "Record Date"). As a result of the Distribution, each Cypress Stockholder of record as of the Record Date was entitled to receive 0.27427234997709 share of SunPower Class B common stock for each share of Cypress common stock held by such stockholder as of the Record Date.

1. Name, address and employer identification number of the distributing corporation:

Cypress Semiconductor Corporation
198 Champion Court
San Jose, California 95134
EIN: 94-2885898

2. Name, address and employer identification number of the controlled corporation:

SunPower Corporation
3939 N. First Street
San Jose, CA 95134
EIN: 94-3008969

3. The undersigned was a stockholder owning shares of Cypress common stock as of the Record Date and received shares of SunPower Class B common stock in the Distribution. The undersigned received cash in lieu of a fractional share of SunPower Class B common stock, which fractional shares were aggregated and sold by the transfer agent. The aggregate fair market value of the SunPower Class B common stock and cash received by the stockholder was \$ _____.
4. The undersigned did not surrender any stock or securities in Cypress in connection with the Distribution.
5. Cypress received a private letter ruling from the Internal Revenue Service to the effect that the Distribution will qualify as tax-free under Section 355 of the Internal Revenue Code of 1986, as amended.

Stockholder's Name (please print)

Taxpayer's Signature

Taxpayer Identification Number
or Social Security Number

IF APPLICABLE, THIS STATEMENT SHOULD BE COMPLETED AND ATTACHED TO YOUR 2008 FEDERAL INCOME TAX RETURN. IT SHOULD NOT BE SENT TO YPRESS OR SUNPOWER.