

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

In re SOLYNDRA LLC, et al.

Case No. 11-12799 (MFW)
Reporting Period: OCTOBER 2011

MONTHLY OPERATING REPORT

File with Court and submit copy to United States Trustee within 20 days after end of month

Submit copy of report to any official committee appointed in the case.

REQUIRED DOCUMENTS	Form No.	Document Attached	Explanation Attached	Affidavit/Supplement Attached
Schedule of Cash Receipts and Disbursements	MOR-1	X		
Bank Reconciliation (or copies of debtor's bank reconciliations)	MOR-1a	X		
Schedule of Professional Fees Paid	MOR-1b	X		
Copies of bank statements		N/A		
Cash disbursements journals		N/A		
Statement of Operations	MOR-2	X		
Balance Sheet	MOR-3	X		
Status of Postpetition Taxes	MOR-4	X		
Copies of IRS Form 6123 or payment receipt		N/A		
Copies of tax returns filed during reporting period		N/A		
Summary of Unpaid Postpetition Debts	MOR-4	X		
Listing of aged accounts payable	MOR-4	X		
Accounts Receivable Reconciliation and Aging	MOR-5	X		
Debtor Questionnaire	MOR-5	X		

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the attached documents are true and correct to the best of my knowledge and belief.

Signature of Debtor

Date

Signature of Joint Debtor

Date

Signature of Authorized Individual*

Date

SHIG HAMAMATSU
Printed Name of Authorized Individual

VP, FINANCE
Title of Authorized Individual

*Authorized individual must be an officer, director or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company.

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
(MOR-1)
(in thousands)

Cash Balance -Beginning of Period	\$	2,505
<u>Operating Receipts</u>		
Sales of Inventory - SPV		9,296
Collections on SPV AR		180
Inventory & Accounts Receivable Trust Funds		(9,476)
Sales of Inventory - Solyndra		1,834
Collections on Solyndra AR		938
Collections on AR Facility		1,146
Asset sale proceeds (misc. not incl. Bldg/Land)		284
Other Misc		204
Total Operating Receipts	\$	4,406
<u>Operating Disbursements</u>		
Payroll Wages & Benefits	\$	1,255
First Day Motion Payments		482
Chapter 11 Fees		1,778
Equipment Operations shut down		88
Utilities (Electricity, Gas, Telecom, IT)		284
Building (incl. CAM, ins., taxes, scrty., janitorial, R&M)		1,831
Warehousing, Freight & Logistics		690
Travel Expense/Reimbursement		17
Contingency		48
Total Operating Disbursements	\$	6,473
Net Cash Flow from Operations	\$	(2,067)
Beginning Cash Balance	\$	2,505
Net Cash Flow from Operations	\$	(2,067)
DIP Borrowing / (Repayment)	\$	-
Ending Cash Balance - Unrestricted	\$	438
Reconciliation to the Cash Balance per November 5, 2011 Balance Sheet		
Chapter 11 fees reserved but not paid		291
Inventory & Accounts Receivable Trust Funds not yet transferred		10,799
Outstanding Checks		(442)
Ending Cash Balance per November 5, 2011 Balance Sheet	\$	11,087

In re: Solyndra LLC, et al.
(Debtor)

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BANK RECONCILIATION
(MOR-1a)

<u>Account Description</u>		<u>Balance at</u> <u>November 5, 2011</u>
Wells Fargo Operating Account	\$	10,308,114
Wells Fargo Multi-Currency Account		44,825
US Bank Dollar Revenue Account		734,378
	\$	<u>11,087,316</u>

We have reconciled the book and bank balances for each of the accounts listed.

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SCHEDULE OF PROFESSIONAL FEES PAID
(MOR-1b)

The Debtors did not pay any professional fees.

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(Debtor)

Reporting period: October 2011

**SOLYNDRA LLC
(DEBTOR-IN-POSSESSION)
STATEMENT OF OPERATIONS
(MOR-2)**

	Month ended	
	November 5, 2011	
Revenue	\$	3,486
Cost of revenue		4,680
Gross profit (loss)		<u>(1,194)</u>
Operating expenses:		
Sales and marketing		134
General and administrative		10,207
Total operating expenses		<u>10,341</u>
Loss from continuing operations		(11,535)
Reorganization items		(1,793)
Interest expense		(151)
Other income/(expense), net		<u>1,133</u>
Net loss	\$	<u>(12,346)</u>

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**SOLYNDRA LLC
(DEBTOR-IN-POSSESSION)
BALANCE SHEET
(MOR-3)**

(In thousands)	(Unaudited) October 1, 2011
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 11,087
Accounts receivable, net	16,448
Intercompany receivable	4,825
Inventories	14,975
Prepaid expenses and other current assets	11,439
Total current assets	<u>58,774</u>
Property, plant and equipment, net	630,074
Restricted cash	8,469
Other assets	<u>38,827</u>
Total assets	<u>\$ 736,144</u>
LIABILITIES AND STOCKHOLDERS' EQUITY	
Current liabilities:	
Accounts payable - postpetition	\$ 32
Accrued liabilities - postpetition	14,471
Intercompany payable	-
Debtor-in-possession financing	500
Total current liabilities	<u>15,003</u>
Liabilities subject to compromise	912,802
Deferred rent	<u>10,225</u>
Total liabilities	<u>938,030</u>
Stockholders' equity:	
Common stock and additional paid-in capital	993,712
Accumulated deficit	<u>(1,195,598)</u>
Total stockholders' equity	<u>(201,886)</u>
Total liabilities and stockholders' equity	<u>\$ 736,144</u>

BALANCE SHEET DETAIL
(MOR-3)
(in thousands)

Inventory:

	<u>November 5, 2011</u>	
Raw materials	\$	12,806
Work-in-progress		-
Finished goods		2,169
Total	\$	<u>14,975</u>

Property, plant and equipment, net:

	<u>November 5, 2011</u>	
Land	\$	32,984
Buildings		265,772
Furniture, fixtures, computer equipment and software		19,898
Machinery and equipment		332,139
Leasehold improvements		65,195
Construction in progress		75,643
Gross total		<u>791,631</u>
Less: Accumulated depreciation and amortization		<u>(161,557)</u>
Net total	\$	<u>630,074</u>

Accrued liabilities - postpetition

	<u>November 5, 2011</u>	
Inventory & Accounts Receivable Trust Funds not yet transferred	\$	10,799
Chapter 11 fees		2,757
Employee-related expenses		429
Facilities expenses		274
Legal expenses		139
IT expenses		68
Other expenses		5
Total	\$	<u>14,471</u>

Liabilities subject to compromise:

	<u>November 5, 2011</u>	
Accounts payable - prepetition	\$	76,791
Accrued liabilities - prepetition		36,928
Long-term debt - prepetition		799,083
Total	\$	<u>912,802</u>

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STATUS OF POSTPETITION TAXES
(MOR-4)

The Debtors are current with respect to postpetition tax obligations.

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SUMMARY OF ACCOUNTS PAYABLE AGING
(MOR-4)

Current	\$	1,994
31-60 days past due		15,925
61-90 days past due		14,243
Over 90 days past due		-
Total	\$	<u>32,162</u>

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SUMMARY OF ACCOUNTS RECEIVABLE AGING
(MOR-5)

Current	\$	-
31-60 days past due		2,679,097
61-90 days past due		34,944
91-120 days past due		-
120+ days past due		13,733,946
Total	\$	<u>16,447,988</u>

**DEBTOR QUESTIONNAIRE
(MOR-5)**

Must be completed each month	Yes	No
1. Have any assets been sold or transferred outside the normal course of business this reporting period? If yes, provide an explanation below.	X	
2. Have any funds been disbursed from any account other than a debtor in possession account this reporting period? If yes, provide an explanation below.		X
3. Have all postpetition tax returns been timely filed? If no, provide an explanation below.	X	
4. Are workers compensation, general liability and other necessary insurance coverages in effect? If no, provide an explanation below.	X	
5. Has any bank account been opened during the reporting period? If yes, provide documentation identifying the opened account(s). If an investment account has been opened provide the required documentation pursuant to the Delaware Local Rule 4001-3.		X

Explanation to question #1 above:

During the month of October 2011, the Debtors have sold certain raw materials inventory (selenium) for aggregate cash proceeds of approximately \$284,000.

IN THE UNITED STATES BANKRUPTCY COURT

FOR THE DISTRICT OF DELAWARE

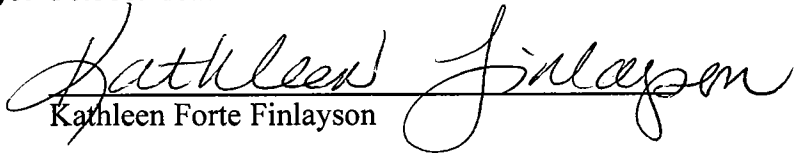
In re:)	Chapter 11
)	
Solyndra LLC, <i>et al.</i> , ¹)	Case No.: 11-12799(MFW)
)	(Jointly Administered)
Debtors.)	

AFFIDAVIT OF SERVICE

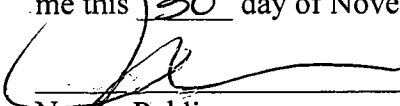
STATE OF DELAWARE)
) ss:
 COUNTY OF NEW CASTLE)

Kathleen Forte Finlayson, being duly sworn according to law, deposes and says that she is employed by the law firm of Pachulski Stang Ziehl & Jones LLP, attorneys for the Debtors in the above-captioned action, and that on the 30th day of November 2011 she caused a copy of the following document(s) to be served upon the parties on the attached service lists in the manner indicated:

Operating Report for October 2011


 Kathleen Forte Finlayson

Sworn to and Subscribed before me this 30 day of November 2011



Notary Public
 Commission Exp.: 12/10/12

K A JOHN BOWER
NOTARY PUBLIC
STATE OF DELAWARE
 My commission expires Dec. 10, 2012

¹ The Debtors in these proceedings and the last four digits of each Debtor's federal taxpayer identification number are as follows: Solyndra LLC (9771) and 360 Degree Solar Holdings, Inc. (5583). The Debtors' address is 47488 Kato Road, Fremont, CA 94538.

Solyndra LLC Core & Fee App Service List
Case No. 11-12799
Document No. 173262
04 – Hand Delivery
02 – Interoffice Pouch
05 – First Class Mail

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