

Third Quarter Fiscal 2015 Results



Communications Networks • Industrial • Medical Systems • Defense & Aerospace • Embedded Computing & Storage

Quarter Ended June 27, 2015

Safe Harbor Statement



SANMINA

Certain statements made during this presentation, including the Company's outlook for the fourth quarter, constitute forward-looking statements within the meaning of the safe harbor provisions of Section 21E of the Securities Exchange Act of 1934. Actual results could differ materially from those projected in these statements as a result of a number of factors, including adverse changes to the key markets we target; credit problems experienced by our customers; risks arising from our international operations; competition that could cause us to lose sales; consolidation among our customers and suppliers that could adversely affect our business; and the other factors set forth in the Company's annual and quarterly reports filed with the Securities Exchange Commission ("SEC"). In addition, during the course of today's presentation, we may refer to certain non-GAAP financial information for historical periods. The corresponding GAAP financial information and a reconciliation of the non-GAAP results disclosed during this presentation to their more directly comparable GAAP measures is included on page 17 of this presentation.

The Company is under no obligation to (and expressly disclaims any such obligation to) update or alter any of the forward-looking statements made in this presentation, the press release, the conference call or the Investor Relations section of our website whether as a result of new information, future events or otherwise, unless otherwise required by law.

Non-GAAP Financial Results Compared to Outlook



SANMINA

	Q3'15 (A)	Q3'15 Outlook <u>WAS</u>
Revenue:	\$1.54B	\$1.50 - \$1.55B
Diluted earnings per share:	\$0.53	\$0.48 - \$0.52

Financial Results

(Unaudited)



SANMINA

Three Month Periods

(\$ in millions, except per share data)	Q3'15	Q2'15	Q3'14
GAAP:			
Revenue	\$1,539	\$1,528	\$1,605
Net income	\$24	\$15	\$21
Diluted earnings per share	\$0.29	\$0.17	\$0.24
Non-GAAP⁽¹⁾:			
Gross profit	\$123	\$117	\$129
Operating expense	\$64	\$61	\$68
Operating income	\$59	\$57	\$61
Other expense	\$6	\$6	\$7
Taxes	\$8	\$7	\$8
Net income	\$45	\$43	\$45
Diluted earnings per share	\$0.53	\$0.50	\$0.53

⁽¹⁾Non-GAAP financial results exclude charges or gains relating to: stock-based compensation expenses, restructuring costs (including employee severance and benefits costs and charges related to excess facilities and assets), acquisition and integration costs (consisting of costs associated with the acquisition and integration of acquired businesses into our operations), impairment charges for goodwill and intangible assets, amortization expense and other infrequent or unusual items, including charges for distressed customers, to the extent material or which we consider to be of a non-operational nature in the applicable period. Please refer to "Reconciliation of Non-GAAP Measures" on slide 17 of this presentation.

Numbers may not foot due to rounding.

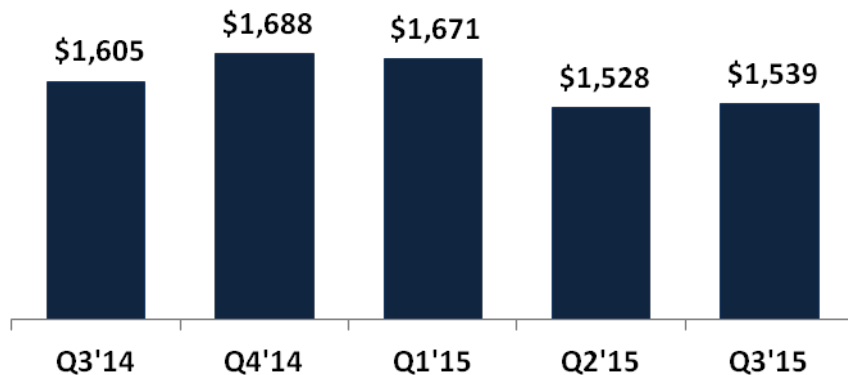
Non-GAAP P&L Metrics

(\$ in Millions)

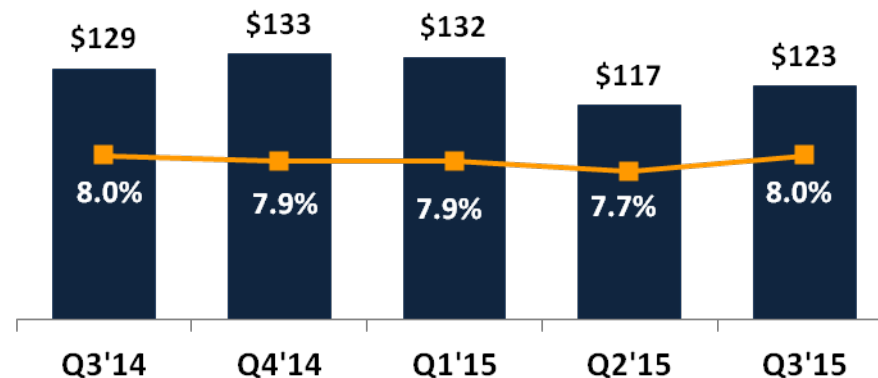


SANMINA

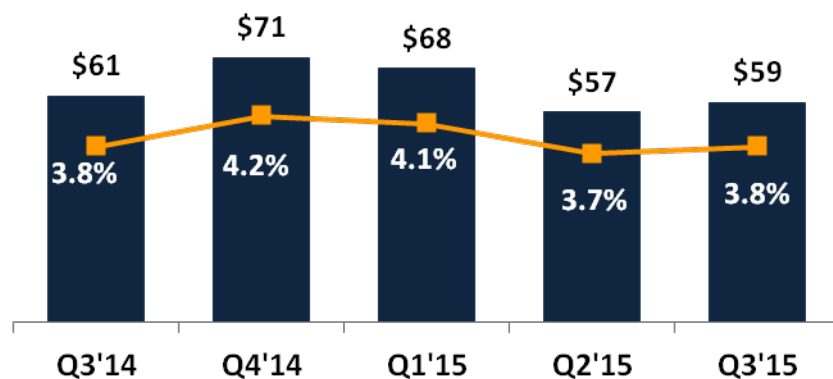
Revenue



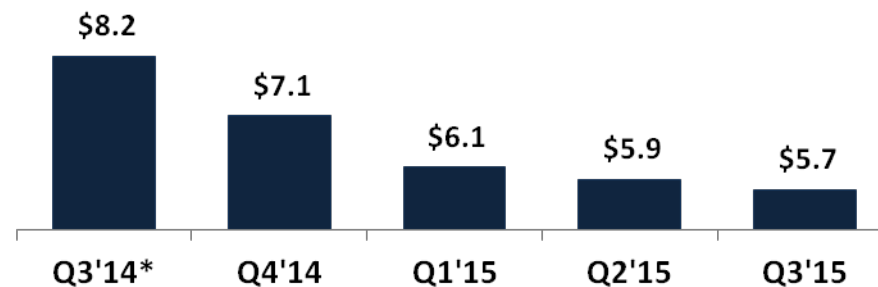
Gross Profit / Margin



Operating Income / Margin



Net Interest Expense



*Q3'14 includes \$1 million of additional interest incurred related to the redemption and refinancing of the 7% Senior Notes due 2019.

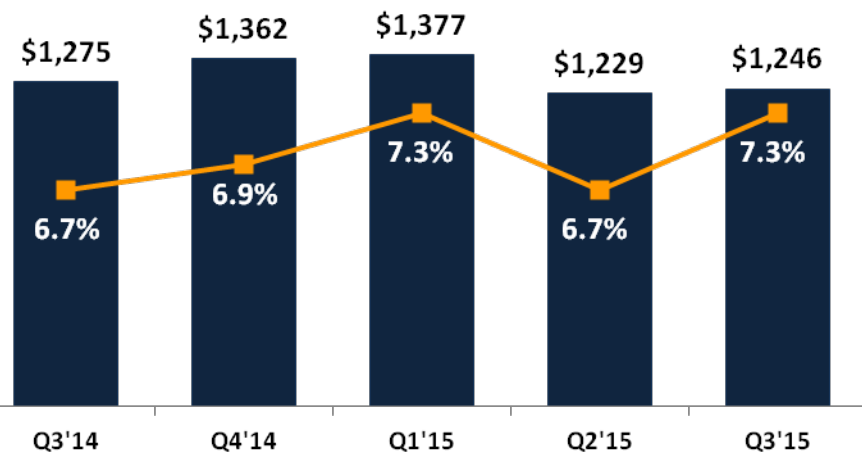
Segment Reporting - Revenue and Non-GAAP Gross Margin*

(\$ in Millions)



SANMINA

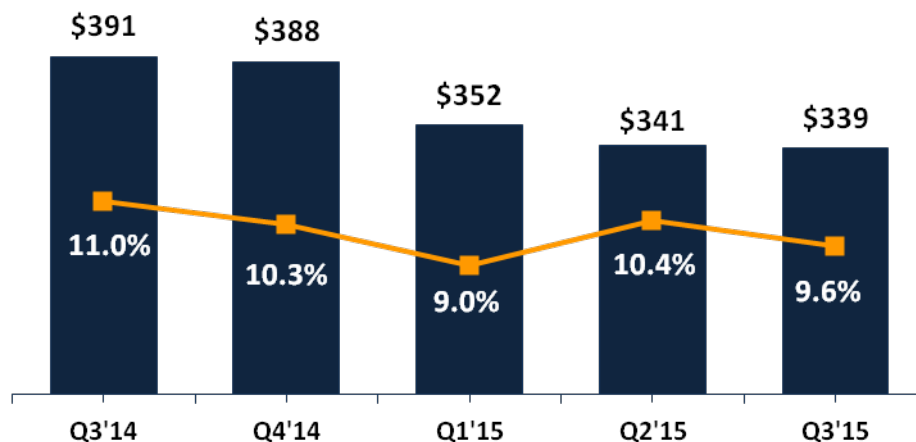
Integrated Manufacturing Solutions



Integrated Manufacturing Solutions

- PCB Assembly & Test
- Final System Assembly & Test
- Direct Order Fulfillment

Components, Products and Services



Components, Products & Services

- Components
 - Interconnect Systems
 - High Technology Printed Circuits
 - Backplane Assemblies
 - Cable Assemblies
 - Mechanical Systems
 - Precision Machining
 - Enclosures
 - Plastics
- Products
 - Computing & Storage
 - Defense & Aerospace
 - Memory & SSD Modules
 - Optical & RF Modules
- Services
 - Design & Engineering
 - Logistics
 - Repair

*Non-GAAP revenue and gross margin for IMS segment and CPS category includes inter-segment revenues that are eliminated under GAAP and exclude the same GAAP items that are excluded from the calculation of non-GAAP gross margin for the consolidated business. The reconciliation of non-GAAP gross margin for the consolidated business to GAAP gross margin is shown on slide 17.

Summary Balance Sheet

(\$ in Millions)



SANMINA

	6/27/15	3/28/15	6/28/14
Cash and cash equivalents	\$416	\$408	\$552
Accounts receivable, net	\$934	\$922	\$973
Inventories	\$874	\$858	\$880
Property, plant and equipment, net	\$565	\$553	\$564
Other assets	\$367	\$376	\$321
Total assets	\$3,157	\$3,116	\$3,290
Accounts payable	\$1,090	\$1,015	\$1,083
Short-term debt	\$8	\$43	\$164
Long-term debt	\$424	\$427	\$537
Other liabilities	\$375	\$354	\$374
Total stockholders' equity	\$1,259	\$1,277	\$1,132
Total liabilities and stockholders' equity	\$3,157	\$3,116	\$3,290

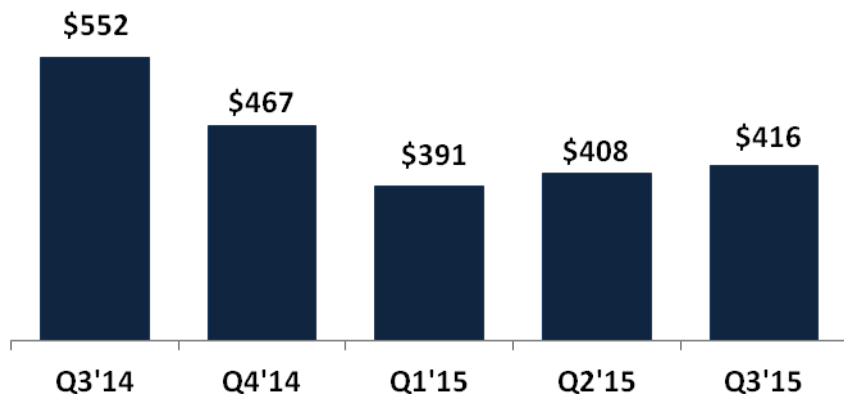
Balance Sheet Metrics

(\$ in Millions)

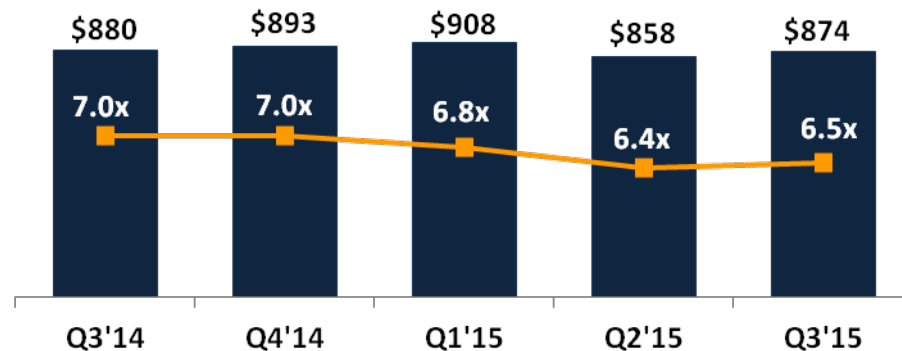


SANMINA

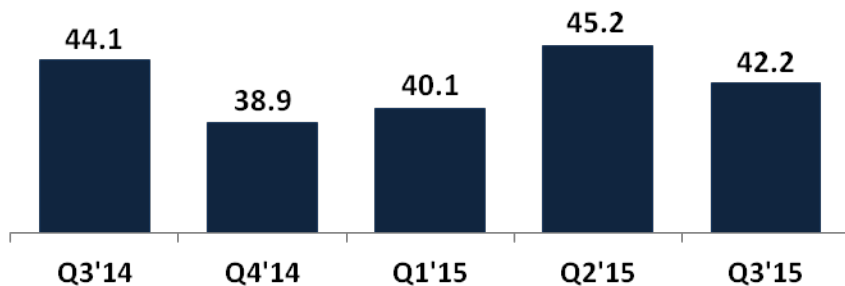
Cash and Cash Equivalents



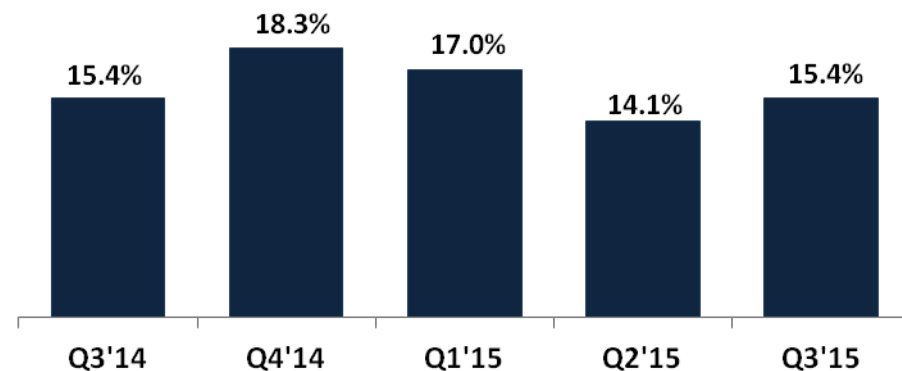
Inventory \$ / Turns



Cash Cycle Days



ROIC



Q4'15 Outlook⁽¹⁾



SANMINA

The following outlook is for the fourth fiscal quarter ending October 3, 2015. These statements are forward-looking and actual results may differ materially.

Revenue:	\$1.55 - \$1.65B
----------	------------------

Non-GAAP EPS:	\$0.52 - \$0.58
---------------	-----------------

⁽¹⁾ Outlook for the quarter ending October 3, 2015 is provided only on a non-GAAP basis. The comparable GAAP earnings or loss per share amount is not determinable without unreasonable effort due to inherent difficulties in predicting certain expenses and gains affecting GAAP earnings or loss, such as the amount and timing of Sanmina's restructuring costs, if any, that would be included in GAAP earnings.

CEO Remarks



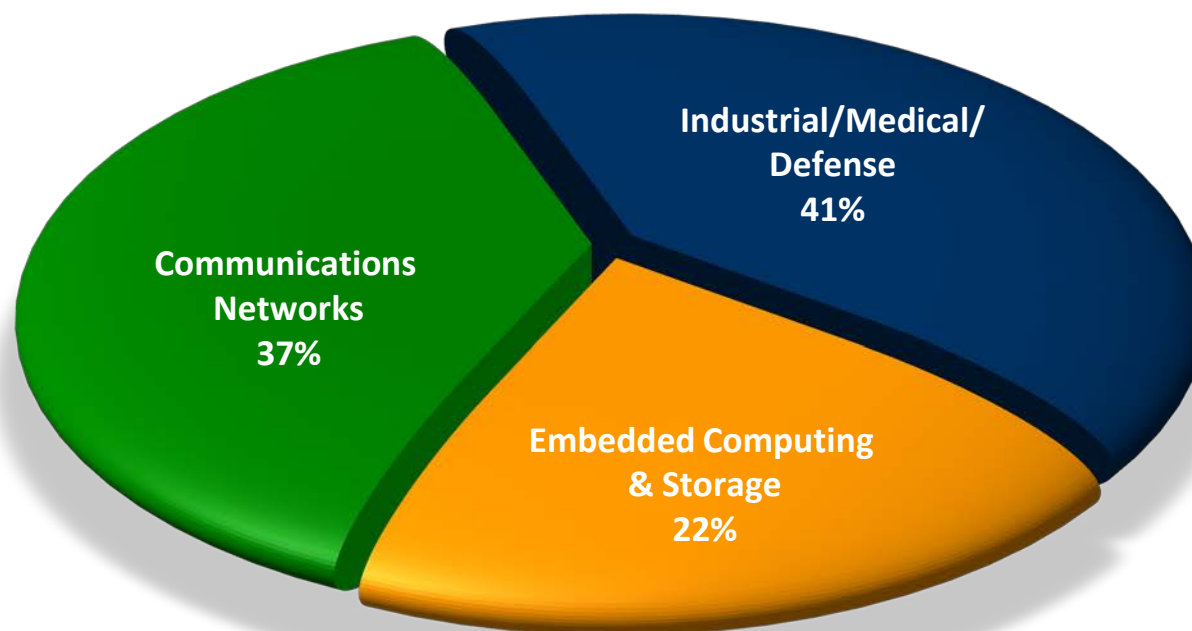
Communications Networks • Industrial • Medical Systems • Defense & Aerospace • Embedded Computing & Storage

What we make, makes a difference™

Q3'15 Revenue Breakdown By End-Market



SANMINA



Communications Networks
(Networking, optical & wireless infrastructure)

Industrial/Medical/Defense
(Industrial equipment, energy, oil and gas, medical equipment and aerospace & defense)

Embedded Computing & Storage
(Casino gaming equipment, set-top boxes, cinematography, point-of-sale equipment, automotive electronics and storage systems)

Sequential

↓ 2.9%

↑ 3.2%

↑ 2.9%

Y-Y

↓ 14.8%

↑ 7.6%

↓ 2.6%

Numbers may not foot due to rounding.

Q3 FY'15 Top 10 Customers - 47.7% of Revenue

Q4'15 End-Market Outlook



SANMINA

Collaborative
Design and
Engineering

Interconnect
Systems

Mechanical
Systems

Optical / RF
Solutions

Integrated
Manufacturing
Solutions

Products and
Services

Direct Order
Fulfillment
and Logistics

Q4'15

Communications Networks

(Networking, optical & wireless infrastructure)



Industrial/Medical/Defense

(Industrial equipment, energy, oil and gas and medical equipment, aerospace & defense)



Embedded Computing & Storage

(Casino gaming equipment, set-top boxes, cinematography, point-of-sale equipment, automotive electronics and storage systems)

Flat



Summary



SANMINA

- Q3'15:
 - Good quarter results in this challenging environment
 - Great free cash flow of \$96M
 - Excellent operational execution
- Q4'15:
 - Demand is stable
 - Continue to diversify our end-markets and grow partnerships
 - Expect to continue to generate cash
- Rest of CY'15
 - We have an opportunity to deliver financial improvements

**Investing in Talent and Technologies as We
Provide More Value to Our Customers**



SANMINA

Consolidated Financial Statements Reconciliation of GAAP vs. Non-GAAP



Communications Networks • Industrial • Medical Systems • Defense & Aerospace • Embedded Computing & Storage

Quarter Ended June 27, 2015

What we make, makes a difference™

Sanmina Corporation
Condensed Consolidated Balance Sheets
(in thousands)
(GAAP)



SANMINA

	June 27, 2015	September 27, 2014
	(Unaudited)	
<u>ASSETS</u>		
Current assets:		
Cash and cash equivalents	\$ 416,471	\$ 466,607
Accounts receivable, net	934,152	979,475
Inventories	874,224	893,178
Prepaid expenses and other current assets	100,524	111,714
Total current assets	<u>2,325,371</u>	<u>2,450,974</u>
Property, plant and equipment, net	564,662	563,016
Other	266,812	299,099
Total assets	<u><u>\$ 3,156,845</u></u>	<u><u>\$ 3,313,089</u></u>
<u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>		
Current liabilities:		
Accounts payable	\$ 1,090,171	\$ 1,139,845
Accrued liabilities	115,906	110,357
Accrued payroll and related benefits	115,771	126,541
Short-term debt	8,416	157,394
Total current liabilities	<u>1,330,264</u>	<u>1,534,137</u>
Long-term liabilities:		
Long-term debt	423,798	386,681
Other	143,531	145,516
Total long-term liabilities	<u>567,329</u>	<u>532,197</u>
Stockholders' equity	1,259,252	1,246,755
Total liabilities and stockholders' equity	<u><u>\$ 3,156,845</u></u>	<u><u>\$ 3,313,089</u></u>

Sanmina Corporation
Condensed Consolidated Statements of Income
(in thousands, except per share amounts)
(GAAP)
(Unaudited)



SANMINA

	Three Months Ended		Nine Months Ended	
	June 27, 2015	June 28, 2014	June 27, 2015	June 28, 2014
Net sales	\$ 1,539,271	\$ 1,604,727	\$ 4,737,963	\$ 4,528,937
Cost of sales	1,418,709	1,477,814	4,375,792	4,172,272
Gross profit	120,562	126,913	362,171	356,665
Operating expenses:				
Selling, general and administrative	59,736	63,029	176,177	184,543
Research and development	8,339	7,829	23,967	24,563
Amortization of intangible assets	314	425	1,164	1,373
Restructuring costs	7,711	2,302	12,451	8,571
Asset impairments	-	-	1,954	-
Gain on sales of long-lived assets	(2,821)	-	(3,957)	(530)
Total operating expenses	73,279	73,585	211,756	218,520
Operating income	47,283	53,328	150,415	138,145
Interest income	273	210	827	1,190
Interest expense	(6,017)	(8,439)	(18,651)	(23,394)
Other expense, net	(1,248)	(6,101)	(3,141)	(4,597)
Interest and other, net	(6,992)	(14,330)	(20,965)	(26,801)
Income before income taxes	40,291	38,998	129,450	111,344
Provision for income taxes	15,816	18,277	67,571	46,682
Net income	\$ 24,475	\$ 20,721	\$ 61,879	\$ 64,662
Basic income per share	\$ 0.30	\$ 0.25	\$ 0.75	\$ 0.78
Diluted income per share	\$ 0.29	\$ 0.24	\$ 0.72	\$ 0.75
Weighted-average shares used in computing per share amounts:				
Basic	81,700	82,467	82,357	82,988
Diluted	85,493	86,235	86,308	86,597

Sanmina Corporation
Reconciliation of Non-GAAP Measures
(in thousands, except per share amounts)
(Unaudited)



S A N M I N A

	Three Month Periods			Nine Month Periods	
	Q3'15	Q2'15	Q3'14	FY15	FY14
GAAP Gross Profit	\$ 120,562	\$ 115,263	\$ 126,913	\$ 362,171	\$ 356,665
GAAP gross margin	7.8%	7.5%	7.9%	7.6%	7.9%
Adjustments					
Stock compensation expense (1)	1,412	1,491	1,298	4,479	3,864
Amortization of intangible assets	460	460	649	1,530	1,426
Contingency item (3)	-	-	-	-	124
Distressed customer charges (2)	1,000	-	-	4,942	383
Non-GAAP Gross Profit	\$ 123,434	\$ 117,214	\$ 128,860	\$ 373,122	\$ 362,462
Non-GAAP gross margin	8.0%	7.7%	8.0%	7.9%	8.0%
GAAP Operating Expenses	\$ 73,279	\$ 65,611	\$ 73,585	\$ 211,756	\$ 218,520
Adjustments					
Stock compensation expense (1)	(2,861)	(3,997)	(2,940)	(10,999)	(9,406)
Amortization of intangible assets	(314)	(425)	(425)	(1,164)	(1,373)
Distressed customer charges (2)	(700)	-	-	140	-
Restructuring costs	(7,711)	(1,740)	(2,302)	(12,451)	(8,571)
Gain on sales of long-lived assets	2,552	1,196	-	3,748	530
Asset impairments	-	-	-	(1,954)	-
Non-GAAP Operating Expenses	\$ 64,245	\$ 60,645	\$ 67,918	\$ 189,076	\$ 199,700
GAAP Operating Income	\$ 47,283	\$ 49,652	\$ 53,328	\$ 150,415	\$ 138,145
GAAP operating margin	3.1%	3.3%	3.3%	3.2%	3.1%
Adjustments					
Stock compensation expense (1)	4,273	5,488	4,238	15,478	13,270
Amortization of intangible assets	774	885	1,074	2,694	2,799
Distressed customer charges (2)	1,700	-	-	4,802	383
Restructuring costs	7,711	1,740	2,302	12,451	8,571
Contingency item (3)	-	-	-	-	124
Gain on sales of long-lived assets	(2,552)	(1,196)	-	(3,748)	(530)
Asset impairments	-	-	-	1,954	-
Non-GAAP Operating Income	\$ 59,189	\$ 56,569	\$ 60,942	\$ 184,046	\$ 162,762
Non-GAAP operating margin	3.8%	3.7%	3.8%	3.9%	3.6%
GAAP Interest and Other, net	\$ (6,992)	\$ (6,297)	\$ (14,330)	\$ (20,965)	\$ (26,801)
Adjustments					
Loss on extinguishment of debt (4)	847	-	8,192	3,760	8,192
Litigation settlements (5)	-	-	(1,310)	(273)	(1,571)
Non-GAAP Interest and Other, net	\$ (6,145)	\$ (6,297)	\$ (7,448)	\$ (17,478)	\$ (20,180)
GAAP Provision for Income Taxes	\$ 15,816	\$ 28,607	\$ 18,277	\$ 67,571	\$ 46,682
Adjustments					
Deferred and non-recurring tax adjustments	(7,860)	(21,698)	(10,074)	(42,586)	(23,156)
Non-GAAP Provision for Income Taxes	\$ 7,956	\$ 6,909	\$ 8,203	\$ 24,985	\$ 23,526
GAAP Net Income	\$ 24,475	\$ 14,748	\$ 20,721	\$ 61,879	\$ 64,662
Adjustments:					
Operating income adjustments (see above)	11,906	6,917	7,614	33,631	24,617
Loss on extinguishment of debt (4)	847	-	8,192	3,760	8,192
Litigation settlements (5)	-	-	(1,310)	(273)	(1,571)
Deferred and non-recurring tax adjustments	7,860	21,698	10,074	42,586	23,156
Non-GAAP Net Income	\$ 45,088	\$ 43,363	\$ 45,291	\$ 141,583	\$ 119,056
GAAP Net Income Per Share:					
Basic	\$ 0.30	\$ 0.18	\$ 0.25	\$ 0.75	\$ 0.78
Diluted	\$ 0.29	\$ 0.17	\$ 0.24	\$ 0.72	\$ 0.75
Non-GAAP Net Income Per Share:					
Basic	\$ 0.55	\$ 0.52	\$ 0.55	\$ 1.72	\$ 1.43
Diluted	\$ 0.53	\$ 0.50	\$ 0.53	\$ 1.64	\$ 1.37
Weighted-average shares used in computing per share amounts:					
Basic	81,700	82,977	82,467	82,357	82,988
Diluted	85,493	86,897	86,235	86,308	86,597

(1) Stock compensation expense was as follows:

	Three Month Periods			Nine Month Periods	
	Q3'15	Q2'15	Q3'14	FY15	FY14
Cost of sales	\$ 1,412	\$ 1,491	\$ 1,298	\$ 4,479	\$ 3,864
Selling, general and administrative	2,810	3,959	2,916	10,872	9,369
Research and development	51	38	24	127	37
Total	\$ 4,273	\$ 5,488	\$ 4,238	\$ 15,478	\$ 13,270

(2) Relates to inventory and bad debt reserves associated with distressed customers.

(3) Represents a non-recurring contingency that the Company ultimately resolved favorably in Q4 FY14.

(4) Represents a loss, including write-off of unamortized debt issuance costs, on debt redeemed, repurchased or otherwise extinguished prior to maturity.

(5) Represents cash received in connection with certain litigation settlements.

What we make, makes a difference™



S A N M I N A