

Third Quarter Fiscal 2012 Financial Results



Quarter Ended June 30, 2012

What we make, makes a difference

Safe Harbor Statement

Certain of the following statements, including the discussion regarding our fourth quarter fiscal 2012 outlook and expectations for revenue and margin expansion, 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 a deterioration in the markets for the Company's customers' products; inability of customers to pay for the Company's products due to bankruptcy filings or otherwise, which could reduce the Company's revenue and net income; reduction or cancellation of customer orders that would reduce revenues, margins and net income; the sufficiency of the Company's cash position and other sources of liquidity to operate and expand its business; an increase in short-term rates that would increase the Company's interest expense; component shortages, which could result in production delays or increases in manufacturing costs; the impact of the restrictions contained in the Company's credit agreements and indentures upon the Company's ability to operate and expand its business; competition negatively impacting the Company's revenues and margins; any failure of the Company to effectively assimilate acquired businesses and achieve the anticipated benefits of its acquisitions; the need to adopt future restructuring plans as a result of changes in the Company's business, which would increase the Company's costs and decrease its net income; 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 from GAAP to Non-GAAP for such information is contained in our third quarter earnings release, which is available at www.sanmina-sci.com, as well as at the conclusion 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

	Q3'12 (A)	Q3'12 Outlook <u>WAS</u>
Revenue:	\$1.55B	\$1.475 - \$1.525B
Diluted earnings per share:	\$0.26	\$0.26 - \$0.32

Financial Results

(Unaudited)

	Three Month Periods		
(\$ in millions, except per share data)	Q3'12	Q2'12	Q3'11
GAAP:			
Revenue	\$1,549	\$1,463	\$1,674
Net income (loss)	\$9	(\$1)	\$9
Diluted earnings (loss) per share	\$0.11	(\$0.02)	\$0.11
Non-GAAP⁽¹⁾:			
Revenue	\$1,549	\$1,463	\$1,674
Gross profit	\$106	\$108	\$134
Operating expense	\$62	\$63	\$69
Operating income	\$44	\$45	\$65
Other expense	\$18	\$18	\$23
Taxes	\$4	\$4	\$7
Net income	\$22	\$23	\$35
Diluted earnings per share	\$0.26	\$0.27	\$0.42

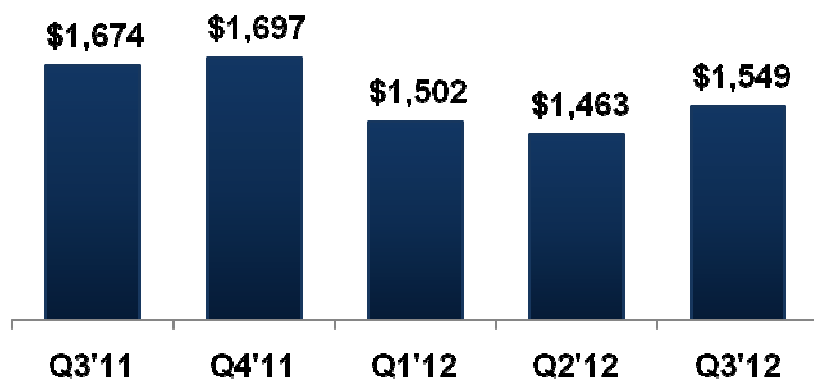
⁽¹⁾Non-GAAP financial results exclude charges or gains relating to: stock-based compensation expenses, restructuring costs (including employee severance and benefits costs and charges related to excess facilities and assets), acquisition and integration costs (consisting of costs associated with the acquisition and integration of acquired businesses into our operations), impairment charges for goodwill and intangible assets, amortization expense and other infrequent or unusual items, to the extent material or which we consider to be of a non-operational nature in the applicable period. Please refer to "Reconciliation of GAAP to Non-GAAP Measures" in our Q3 earnings release available at www.sanmina-sci.com as well as at the conclusion of this presentation.

Numbers may not foot due to rounding.

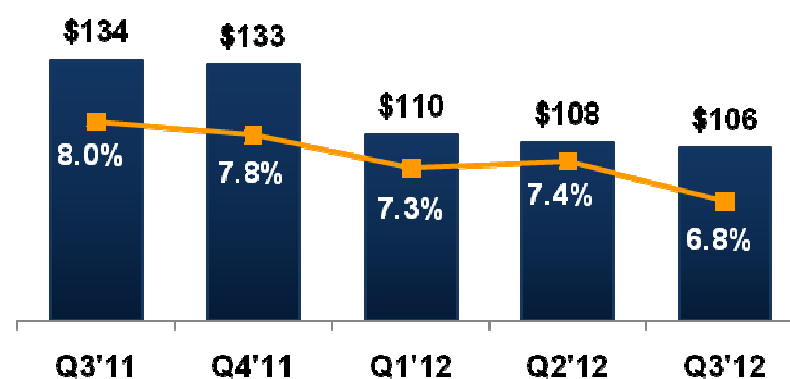


Non-GAAP P&L Metrics (\$ in Millions)

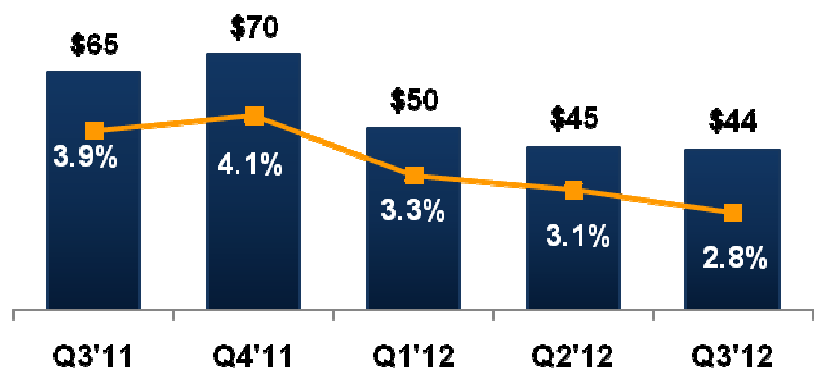
Revenue



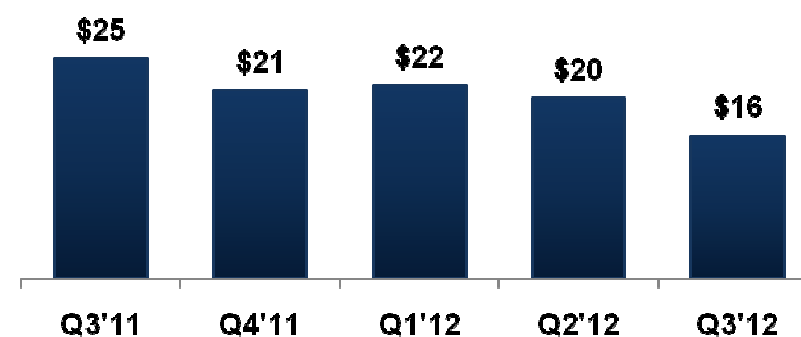
Gross Profit / Margin



Operating Income / Margin



Net Interest Expense



Summary Balance Sheet

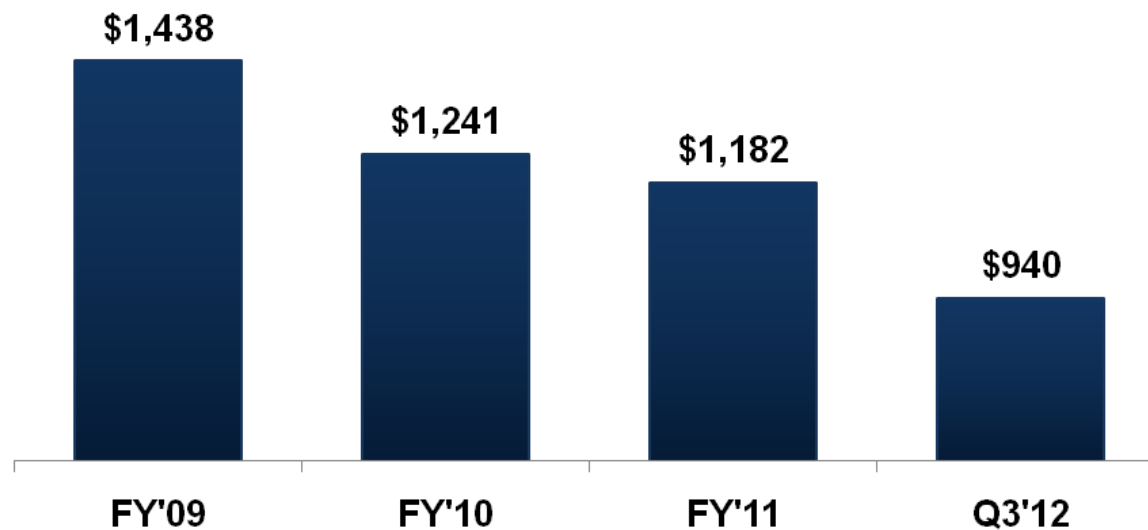
(\$ in Millions)

	6/30/2012	3/31/2012
Cash and cash equivalents	\$395	\$464
Accounts receivable, net	\$1,017	\$929
Inventories	\$827	\$862
Property, plant and equipment, net	\$566	\$577
Other assets	\$228	\$198
Total assets	<u>\$3,033</u>	<u>\$3,031</u>
Accounts payable	\$896	\$834
Long-term debt	\$940	\$1,033
Other liabilities	\$391	\$371
Total stockholders' equity	\$806	\$793
Total liabilities and stockholders' equity	<u>\$3,033</u>	<u>\$3,031</u>



Long-term Debt Reduced

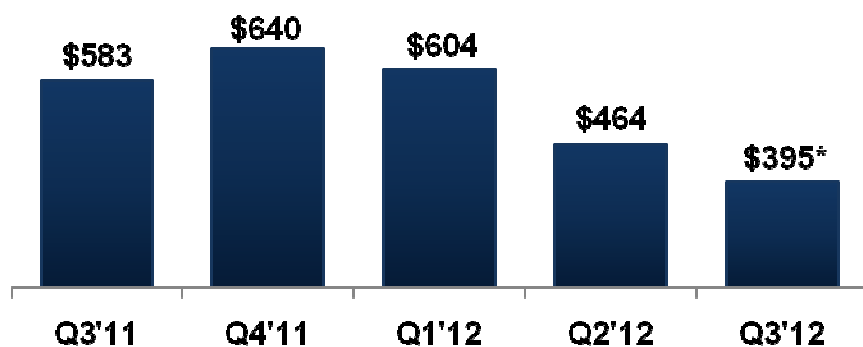
- Debt reduced by \$500 million
- Retired 2016 notes today
- Next maturity is 2014



Balance Sheet Metrics

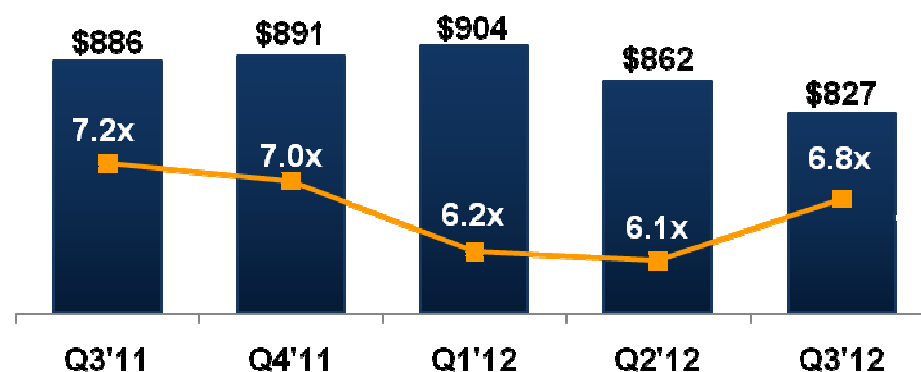
(\$ in Millions)

Cash and Cash Equivalents

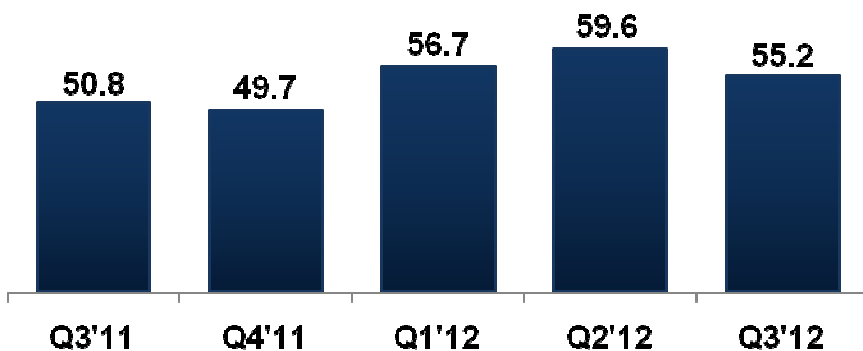


* \$100 million in cash used to redeem long-term debt.

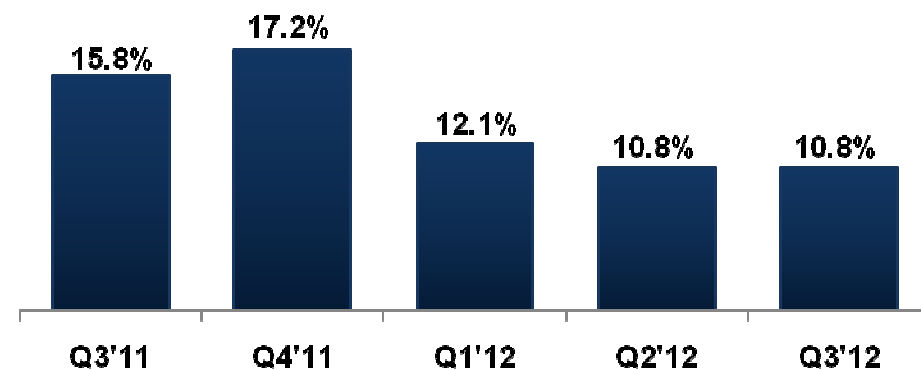
Inventory \$ / Turns



Cash Cycle Days



ROIC



Q4'12 Outlook⁽¹⁾

The following forecast is for the fourth fiscal quarter ending September 29, 2012. These statements are forward-looking and actual results may differ materially.

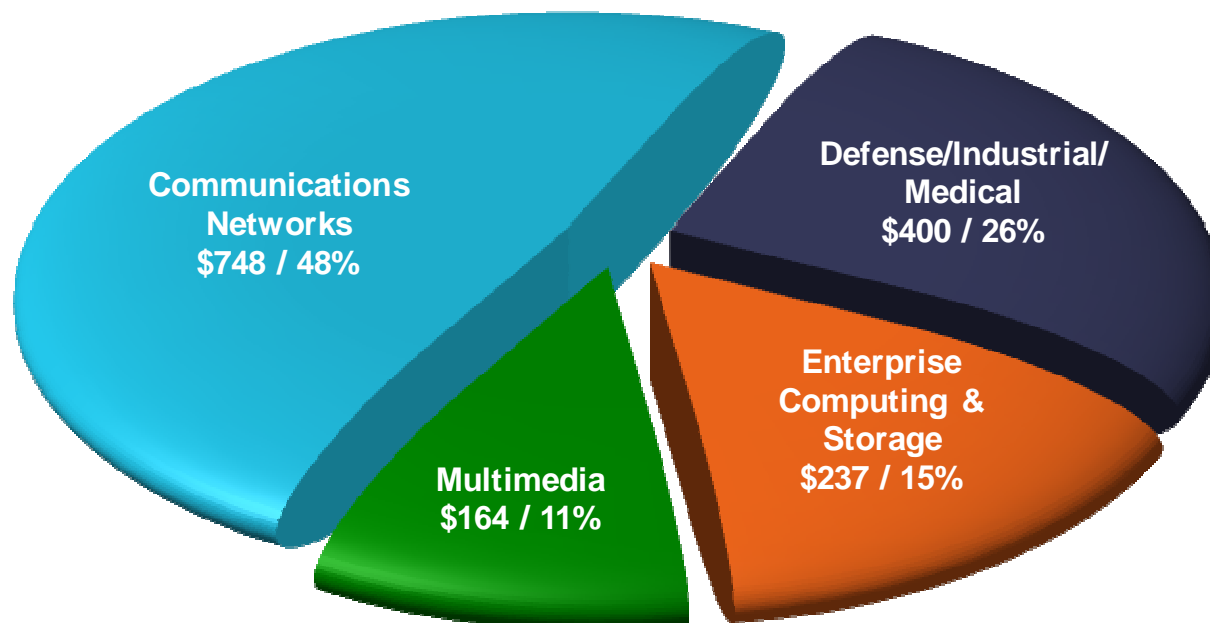
Revenue:	\$1.575 - \$1.625B
Non-GAAP EPS:	\$0.32 - \$0.38

⁽¹⁾ The above identified outlook for the quarter ending September 29, 2012 is on a non-GAAP basis. The comparable GAAP earnings or loss per share amount is not accessible 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-SCI's restructuring costs, as well as debt security repurchases, if any, that could result in gains or losses reported in GAAP earnings.



Q3'12 Revenue Breakdown By End-Market

(\$ in Millions)



Sequential Change

	Communications Networks (Networking, Wireline & Wireless Infrastructure)	Enterprise Computing & Storage (High-end enterprise servers and storage)	Defense/Industrial/Medical (Industrial equipment, aerospace and defense, MRI and CT machines and clean-tech)	Multimedia (Gaming equipment, set-top boxes, cinematography, point-of-sale systems, automotive electronics)
Sequential	↑ 12.9%	↓ 1.5%	↑ 8.6%	↓ 14.3%

Numbers may not foot due to rounding.

Top 10 Customers - 50.8% of Revenue

Q4'12 End-Market Outlook

	Q4'12
Communications Networks (Networking, Wireline & Wireless Infrastructure)	↑
Enterprise Computing & Storage (High-end enterprise servers and storage)	↑
Defense/Industrial/Medical (Industrial equipment, aerospace & defense, MRI and CT machines and clean-tech)	↑
Multimedia (Gaming equipment, set-top boxes, cinematography, point-of-sale systems and automotive electronics)	↓



In Summary

- Good revenue growth in Q3'12
- Positive growth momentum for Q4'12
- Strong pipeline of new projects
- Expect to continue to generate positive cash flow from operations
- Cautiously optimistic about near-term growth



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Consolidated Financial Statements

Reconciliation of GAAP vs. Non-GAAP



Quarter Ended June 30, 2012

What we make, makes a difference

GAAP Condensed Consolidated Balance Sheet

	June 30, 2012 (Unaudited)	October 1, 2011
<u>ASSETS</u>		
Current assets:		
Cash and cash equivalents	\$ 394,862	\$ 640,288
Accounts receivable, net	1,017,355	1,014,121
Inventories	826,725	891,325
Prepaid expenses and other current assets	95,953	83,512
Total current assets	<u>2,334,895</u>	<u>2,629,246</u>
Property, plant and equipment, net	566,339	588,097
Other non-current assets	131,687	136,630
Total assets	<u>\$ 3,032,921</u>	<u>\$ 3,353,973</u>
<u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>		
Current liabilities:		
Accounts payable	\$ 895,859	\$ 984,014
Accrued liabilities	116,525	109,478
Accrued payroll and related benefits	115,070	112,193
Short-term debt	30,000	60,200
Total current liabilities	<u>1,157,454</u>	<u>1,265,885</u>
Long-term liabilities:		
Long-term debt	940,016	1,182,308
Other	129,699	135,263
Total long-term liabilities	<u>1,069,715</u>	<u>1,317,571</u>
Total stockholders' equity	805,752	770,517
Total liabilities and stockholders' equity	<u>\$ 3,032,921</u>	<u>\$ 3,353,973</u>



GAAP Condensed Consolidated Statement of Operations

(Unaudited)

	Three Months Ended		Nine Months Ended	
	June 30, 2012	July 2, 2011	June 30, 2012	July 2, 2011
Net sales	\$ 1,549,302	\$ 1,674,200	\$ 4,514,750	\$ 4,905,709
Cost of sales	1,444,050	1,542,599	4,194,125	4,529,230
Gross profit	105,252	131,601	320,625	376,479
Operating expenses:				
Selling, general and administrative	60,965	67,043	183,046	187,726
Research and development	5,587	5,797	15,643	14,877
Amortization of intangible assets	672	958	2,395	2,875
Restructuring and integration costs	3,932	6,336	13,472	15,885
Asset impairment	-	-	2,077	85
Gain on sales of long-lived assets	(1,298)	(1,440)	(1,298)	(3,465)
Total operating expenses	69,858	78,694	215,335	217,983
Operating income	35,394	52,907	105,290	158,496
Interest income	369	356	1,095	1,490
Interest expense	(16,131)	(24,843)	(58,361)	(77,773)
Other income (expense), net	(6,835)	(14,767)	(13,194)	(11,489)
Interest and other, net	(22,597)	(39,254)	(70,460)	(87,772)
Income before income taxes	12,797	13,653	34,830	70,724
Provision for income taxes	3,849	4,248	18,746	19,895
Net income	\$ 8,948	\$ 9,405	\$ 16,084	\$ 50,829
Basic income per share	\$ 0.11	\$ 0.12	\$ 0.20	\$ 0.63
Diluted income per share	\$ 0.11	\$ 0.11	\$ 0.19	\$ 0.61
Weighted-average shares used in computing per share amounts:				
Basic	81,519	80,579	81,213	80,223
Diluted	83,566	83,141	83,469	83,275



Reconciliation of GAAP to Non-GAAP Measures

(Unaudited)

	Three Month Periods			Nine Month Periods	
	Q3'12	Q2'12	Q3'11	FY12	FY11
(\$ in thousands, except per share data)					
GAAP Gross Profit	\$ 105,252	\$ 106,348	\$ 131,601	\$ 320,625	\$ 376,479
GAAP gross margin	6.8%	7.3%	7.9%	7.1%	7.7%
Adjustments					
Stock compensation expense (1)	706	983	1,773	2,596	3,825
Amortization of intangible assets	-	-	157	104	471
Customer bankruptcy reorganization (2)	-	325	-	325	(759)
Non-GAAP Gross Profit	\$ 105,958	\$ 107,656	\$ 133,531	\$ 323,650	\$ 380,016
Non-GAAP gross margin	6.8%	7.4%	8.0%	7.2%	7.7%
GAAP Operating Expenses	\$ 69,858	\$ 76,140	\$ 78,694	\$ 215,335	\$ 217,983
Adjustments					
Stock compensation expense (1)	(3,821)	(3,546)	(4,284)	(10,524)	(10,156)
Amortization of intangible assets	(672)	(767)	(958)	(2,395)	(2,875)
Customer bankruptcy reorganization (2)	-	(2,469)	-	(2,469)	-
Restructuring, acquisition and integration costs	(4,834)	(5,486)	(6,336)	(14,374)	(15,885)
Gain on sales of long-lived assets	1,298	-	1,460	1,298	3,485
Asset impairment	-	(1,024)	-	(2,077)	(85)
Non-GAAP Operating Expenses	\$ 61,829	\$ 62,848	\$ 68,576	\$ 184,794	\$ 192,467
GAAP Operating Income	\$ 35,394	\$ 30,208	\$ 52,907	\$ 105,290	\$ 158,496
GAAP operating margin	2.3%	2.1%	3.2%	2.3%	3.2%
Adjustments					
Stock compensation expense (1)	4,527	4,529	6,057	13,120	13,981
Amortization of intangible assets	672	767	1,115	2,499	3,346
Customer bankruptcy reorganization (2)	-	2,794	-	2,794	(759)
Restructuring, acquisition and integration costs	4,834	5,486	6,336	14,374	15,885
Gain on sales of long-lived assets	(1,298)	-	(1,460)	(1,298)	(3,485)
Asset impairment	-	1,024	-	2,077	85
Non-GAAP Operating Income	\$ 44,129	\$ 44,808	\$ 64,955	\$ 138,856	\$ 187,549
Non-GAAP operating margin	2.8%	3.1%	3.9%	3.1%	3.8%



Reconciliation of GAAP to Non-GAAP Measures (Continued)

(Unaudited)

(\$ in thousands, except per share data)	Three Month Periods			Nine Month Periods	
	Q3'12	Q2'12	Q3'11	FY12	FY11
GAAP Provision for Income Taxes	\$ 3,849	\$ 6,881	\$ 4,248	\$ 18,746	\$ 19,895
Adjustments					
Nonrecurring tax items	16	(2,906)	2,425	(6,883)	(1,355)
Non-GAAP Provision for Income Taxes	\$ 3,865	\$ 3,975	\$ 6,673	\$ 11,863	\$ 18,540
GAAP Net Income (Loss)	\$ 8,948	\$ (1,439)	\$ 9,405	\$ 16,084	\$ 50,829
Adjustments:					
Operating income adjustments (see above)	8,735	14,600	12,048	33,566	29,053
Loss on repurchase of debt (3)	4,236	6,461	16,098	10,697	16,098
Nonrecurring tax items	(16)	2,906	(2,425)	6,883	1,355
Non-GAAP Net Income	\$ 21,903	\$ 22,528	\$ 35,126	\$ 67,230	\$ 97,335
GAAP Income (Loss) Per Share:					
Basic	\$ 0.11	\$ (0.02)	\$ 0.12	\$ 0.20	\$ 0.63
Diluted	\$ 0.11	\$ (0.02)	\$ 0.11	\$ 0.19	\$ 0.61
Non-GAAP Income Per Share:					
Basic	\$ 0.27	\$ 0.28	\$ 0.44	\$ 0.83	\$ 1.21
Diluted	\$ 0.26	\$ 0.27	\$ 0.42	\$ 0.81	\$ 1.17
Weighted-average shares used in computing per share amounts:					
Basic - GAAP	81,519	81,225	80,579	81,213	80,223
Diluted - GAAP	83,566	81,225	83,141	83,469	83,275
Basic - Non-GAAP	81,519	81,225	80,579	81,213	80,223
Diluted - Non-GAAP	83,566	84,051	83,141	83,469	83,275

(1) Stock compensation expense was as follows:

	Three Month Periods			Nine Month Periods	
	Q3'12	Q2'12	Q3'11	FY12	FY11
Cost of sales	\$ 706	\$ 983	\$ 1,773	\$ 2,596	\$ 3,825
Selling, general and administrative	3,793	3,519	4,209	10,442	9,998
Research and development	28	27	75	82	158
Stock compensation expense - total company	\$ 4,527	\$ 4,529	\$ 6,057	\$ 13,120	\$ 13,981

(2) Relates to inventory and bad debt reserves associated with customer bankruptcy reorganizations.

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



Thank You



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