

## Sanmina Corporation

**Benefited from mix, below the line items;  
inventory correction continues**

Reiterate Rating: UNDERPERFORM | PO: 51.00 USD | Price: 50.63 USD

**CPS margins +220bps q/q, we model lower for F2Q**

SANM reported F1Q24 operating margin of 5.46%, which came in marginally lower than the mid-point of guidance as gross margins at the high end of guidance (8.8%) were offset by higher than expected OpEx (\$63mn vs. guidance of \$58-60mn). Gross margin benefited from a 220bps q/q improvement in CPS (Components, Products and Services) segment margin to 13%, which partly benefited from mix and partly from operational improvements. We model CPS margins sequentially lower at 12% for F2Q. EPS of \$1.30 came in at the high-end of guidance range (\$1.20-1.30) and included \$0.09 benefit from lower interest and other expense (-\$6mn vs. guidance of -\$12mn), and a slight benefit from slightly lower share count, which offset \$0.01 hurt from higher tax rate. We remain concerned about Communications revenue & inventory correction. It remains unclear how long the correction will take. SANM is vertically integrated with fixed costs, and a slowdown in revenue could result in negative operating leverage. We reiterate our Underperform rating given near-term revenue challenges stemming from weak end markets and on-going inventory correction in the channel.

**End markets trending as expected**

SANM saw soft demand and continued inventory adjustment in the communications market, and some softness in cloud. Cloud revs can benefit from upgrade of cloud networks to meet AI (Artificial Intelligence) traffic needs. SANM saw some inventory adjustments and softness in the Medical sector (approx. 20% of total revenue). Industrial represented 27% of total revenue in F1Q. SANM can benefit from new program ramps in renewable energy and electric vehicles. Demand was strong in Defense and Aerospace.

**Continue to model sequential growth in F2H24**

We continue to model q/q revenue growth in F2H (we now model revenues up 1% q/q for F3Q, followed by +11% q/q growth in F4Q). Inventories declined 6% q/q in F1Q and SANM generated good free cash flow of \$92mn. SANM repurchased 2.1mn shares for \$106mn, and \$174mn buyback authorization remains.

**Adjusting estimates, PO moves to \$51 (from \$45)**

Our F24 rev/EPS moves to \$7.8bn/\$5.31, from \$7.65bn/\$5.00. Our PO moves to \$51 (from \$45) on 9x (unchanged) C24E EPS of \$5.50 (prior \$5.19).

Estimates (Sep) (US\$)	2022A	2023A	2024E	2025E	2026E
EPS	4.68	6.26	5.31	6.32	7.08
GAAP EPS	3.82	5.18	4.20	5.26	6.02
EPS Change (YoY)	17.9%	33.8%	-15.2%	19.0%	12.0%
Consensus EPS (Bloomberg)			5.22	6.20	NA
DPS	0	0	0	0	0
Valuation (Sep)					
P/E	10.8x	8.1x	9.5x	8.0x	7.2x
GAAP P/E	13.3x	9.8x	12.1x	9.6x	8.4x
EV / EBITDA*	5.3x	4.2x	5.0x	4.4x	4.0x
Free Cash Flow Yield*	7.1%	1.6%	8.6%	6.1%	5.2%

\* For full definitions of *IQmethod™* measures, see page 5.

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30 January 2024

## Equity

**Key Changes**

(US\$)	Previous	Current
Price Obj.	45.00	51.00
2024E Rev (m)	7,650.5	7,834.0
2025E Rev (m)	8,614.6	8,819.5
2026E Rev (m)	9,163.8	9,378.3
2024E EPS	5.00	5.31
2025E EPS	5.97	6.32
2026E EPS	6.76	7.08

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**Stock Data**

Price	50.63 USD
Price Objective	51.00 USD
Date Established	30-Jan-2024
Investment Opinion	C-3-9
52-Week Range	43.41 USD - 65.58 USD
Mkt Val (mn) / Shares Out (mn)	2,824 USD / 55.8
Free Float	96.4%
Average Daily Value (mn)	21.52 USD
BofA Ticker / Exchange	SANM / NAS
Bloomberg / Reuters	SANM US / SANM.OQ
ROE (2024E)	12.9%
Net Dbt to Eqty (Sep-2023A)	-14.2%
ESGMeter™	High

ESGMeter is not indicative of a company's future stock price performance and is not an investment recommendation or rating. ESGMeter is independent of BofA Global Research's equity investment rating, volatility risk rating, income rating, and price objective for that company. For full details, refer to "BofA ESGMeter Methodology".

# iQprofile<sup>SM</sup> Sanmina Corporation

## iQmethod<sup>SM</sup> – Bus Performance\*

(US\$ Millions)	2022A	2023A	2024E	2025E	2026E
Return on Capital Employed	13.5%	16.8%	12.4%	13.3%	13.3%
Return on Equity	16.0%	18.1%	12.9%	13.8%	13.5%
Operating Margin	5.0%	5.8%	5.4%	5.6%	5.8%
Free Cash Flow	201	45	242	172	146

## iQmethod<sup>SM</sup> – Quality of Earnings\*

(US\$ Millions)	2022A	2023A	2024E	2025E	2026E
Cash Realization Ratio	1.1x	0.6x	1.3x	0.9x	0.7x
Asset Replacement Ratio	1.2x	1.6x	1.3x	1.3x	1.2x
Tax Rate	18.6%	17.2%	17.6%	18.0%	18.0%
Net Debt-to-Equity Ratio	-10.1%	-14.2%	-14.4%	-18.5%	-20.8%
Interest Cover	17.8x	14.3x	12.5x	14.6x	16.2x

## Income Statement Data (Sep)

(US\$ Millions)	2022A	2023A	2024E	2025E	2026E
Sales	7,920	8,935	7,834	8,819	9,378
% Change	17.2%	12.8%	-12.3%	12.6%	6.3%
Gross Profit	638	763	675	756	830
% Change	12.2%	19.6%	-11.5%	12.0%	9.7%
EBITDA	508	638	540	609	666
% Change	14.6%	25.7%	-15.4%	12.8%	9.3%
Net Interest & Other Income	(37)	(46)	(38)	(40)	(40)
<b>Net Income (Adjusted)</b>	<b>295</b>	<b>374</b>	<b>303</b>	<b>353</b>	<b>395</b>
<b>% Change</b>	<b>10.9%</b>	<b>26.8%</b>	<b>-19.1%</b>	<b>16.6%</b>	<b>12.0%</b>

## Free Cash Flow Data (Sep)

(US\$ Millions)	2022A	2023A	2024E	2025E	2026E
Net Income from Cont Operations (GAAP)	240	345	265	326	376
Depreciation & Amortization	109	118	119	119	119
Change in Working Capital	(96)	(292)	(30)	(148)	(222)
Deferred Taxation Charge	NA	NA	NA	NA	NA
Other Adjustments, Net	78	63	41	27	19
Capital Expenditure	(130)	(190)	(152)	(152)	(146)
<b>Free Cash Flow</b>	<b>201</b>	<b>45</b>	<b>242</b>	<b>172</b>	<b>146</b>
<b>% Change</b>	<b>-26.0%</b>	<b>-77.5%</b>	<b>435.1%</b>	<b>-29.0%</b>	<b>-15.0%</b>
Share / Issue Repurchase	(329)	(104)	(228)	(10)	0
Cost of Dividends Paid	0	0	0	0	0
Change in Debt	17	(18)	(9)	0	0

## Balance Sheet Data (Sep)

(US\$ Millions)	2022A	2023A	2024E	2025E	2026E
Cash & Equivalents	530	668	674	835	981
Trade Receivables	1,139	1,231	1,218	1,329	1,387
Other Current Assets	2,222	1,981	2,028	2,221	2,493
Property, Plant & Equipment	575	633	665	698	725
Other Non-Current Assets	370	362	352	352	352
<b>Total Assets</b>	<b>4,836</b>	<b>4,874</b>	<b>4,937</b>	<b>5,434</b>	<b>5,939</b>
Short-Term Debt	18	26	18	18	18
Other Current Liabilities	2,454	2,007	2,006	2,161	2,269
Long-Term Debt	329	312	312	312	312
Other Non-Current Liabilities	215	210	214	214	214
<b>Total Liabilities</b>	<b>3,016</b>	<b>2,555</b>	<b>2,550</b>	<b>2,705</b>	<b>2,813</b>
<b>Total Equity</b>	<b>1,820</b>	<b>2,319</b>	<b>2,387</b>	<b>2,730</b>	<b>3,125</b>
<b>Total Equity &amp; Liabilities</b>	<b>4,836</b>	<b>4,874</b>	<b>4,937</b>	<b>5,434</b>	<b>5,939</b>

\* For full definitions of iQmethod<sup>SM</sup> measures, see page 5.

## Company Sector

Electronics Manufacturing Services

## Company Description

Sanmina Corp. headquartered in San Jose, CA, is an EMS provider serving the following end markets: Industrial/Medical/Defense/Automotive (60%), and Communications Networks and Cloud Infrastructure (40%). The company has two reporting segments: Integrated Manufacturing Solutions (IMS) which accounts for 80% of revenues, and Components, Products and Services (CPS) which accounts for 20%. The company derives approximately 80% of its revenues from products manufactured in its non-U.S. operations.

## Investment Rationale

Our Underperform rating is based on 1) demand weakness in end markets, 2) on-going inventory correction in the channel, 3) negative operating leverage from being vertically integrated in a declining revenue environment, 4) increased risk to new program ramps in the weaker macro environment, and 5) margin challenges in the Components, Products and Services (CPS) segment.

## Stock Data

Average Daily Volume 425,056

## Quarterly Earnings Estimates

	2023	2024
Q1	1.72A	1.30A
Q2	1.59A	1.24E
Q3	1.55A	1.26E
Q4	1.42A	1.51E

# Model

**Figure 1: Sanmina Income Statement**

We model F24 revenue/EPS of \$7.8bn/\$5.31

	F2023A					F2024E					FY2022A	FY2023A	FY2024E	FY2025E	FY2026E
	1Q23A	2Q23A	3Q23A	4Q23A	1Q24A	2Q24E	3Q24E	4Q24E							
Sales	2,356	2,320	2,207	2,052	1,875	1,903	1,924	2,133			7,920	8,935	7,834	8,819	9,378
COGS	2,156	2,125	2,018	1,873	1,710	1,739	1,762	1,948			7,282	8,172	7,159	8,063	8,548
<b>Gross profit</b>	<b>200</b>	<b>195</b>	<b>189</b>	<b>179</b>	<b>165</b>	<b>164</b>	<b>162</b>	<b>185</b>			<b>638</b>	<b>763</b>	<b>675</b>	<b>756</b>	<b>830</b>
SG&A	54	54	56	53	56	55	56	62			219	218	229	238	253
R&D	5	6	7	7	6	6	6	7			20	26	25	29	30
<b>Operating earnings</b>	<b>141</b>	<b>135</b>	<b>126</b>	<b>118</b>	<b>102</b>	<b>102</b>	<b>100</b>	<b>116</b>			<b>399</b>	<b>520</b>	<b>421</b>	<b>490</b>	<b>547</b>
Interest Income	3	3	4	4	4	4	4	4			2	14	15	15	15
Interest Expense	(9)	(9)	(10)	(8)	(8)	(8)	(8)	(8)			(22)	(36)	(34)	(34)	(34)
Other Income	(7)	(6)	(3)	(8)	(1)	(8)	(5)	(5)			(16)	(24)	(19)	(21)	(21)
<b>Pretax earnings</b>	<b>128</b>	<b>122</b>	<b>118</b>	<b>105</b>	<b>96</b>	<b>90</b>	<b>90</b>	<b>106</b>			<b>362</b>	<b>473</b>	<b>383</b>	<b>450</b>	<b>507</b>
Taxes	22	21	20	18	17	16	16	19			67	82	67	81	91
Rate	17%	17%	17%	17%	18%	18%	18%	18%			19%	17%	18%	18%	18%
adjustment for non-consolidating income	-3	-6	-5	-4	-3	-3	-3	-3			-18	-13	-16	-16	-20
<b>Net income before FAS123R</b>	<b>103</b>	<b>95</b>	<b>92</b>	<b>84</b>	<b>76</b>	<b>71</b>	<b>71</b>	<b>84</b>			<b>295</b>	<b>374</b>	<b>303</b>	<b>353</b>	<b>395</b>
<b>Non-GAAP Diluted EPS, excl FAS123</b>	<b>\$1.72</b>	<b>\$1.59</b>	<b>\$1.55</b>	<b>\$1.42</b>	<b>\$1.30</b>	<b>\$1.24</b>	<b>\$1.26</b>	<b>\$1.51</b>			<b>\$4.68</b>	<b>\$6.26</b>	<b>\$5.31</b>	<b>\$6.32</b>	<b>\$7.08</b>
Diluted Shares Outstanding	60	60	60	59	58.2	57.0	56.5	56.0			63.0	59.8	57.0	55.8	55.8
<b>Special Charges</b>															
Operating income adjustments	(12)	(14)	(19)	(19)	(15)	(15)	(15)	(15)			(49)	(64)	(59)	(59)	(59)
Gain on sale of surplus real estate	-	-	-	-	-	-	-	-			-	-	-	-	-
Impairment of long-term investment	-	-	-	-	-	-	-	-			-	-	-	-	-
Net gain on derivative financial instruments	-	-	-	-	-	-	-	-			-	-	-	-	-
Loss on redemption of debt/SBC	-	-	-	-	-	-	-	-			-	-	-	-	-
Discrete tax items	-	-	-	-	-	-	-	-			-	-	-	-	-
Gain from litigation settlement	-	4	-	-	-	-	-	-			(11)	4	-	-	-
Acquisition and Integration Costs	-	-	-	-	-	-	-	-			-	-	-	-	-
Tax effect of above items	2	(5)	3	(4)	(4)	-	-	-			5	(4)	(4)	-	-
<b>Net Income (GAAP)</b>	<b>92</b>	<b>80</b>	<b>76</b>	<b>62</b>	<b>57</b>	<b>56</b>	<b>56.69</b>	<b>70</b>			<b>240</b>	<b>310</b>	<b>240</b>	<b>294</b>	<b>336</b>
<b>GAAP EPS</b>	<b>\$1.54</b>	<b>\$1.33</b>	<b>\$1.28</b>	<b>\$1.04</b>	<b>\$0.98</b>	<b>\$0.98</b>	<b>\$1.00</b>	<b>\$1.24</b>			<b>\$3.82</b>	<b>\$5.18</b>	<b>\$4.20</b>	<b>\$5.26</b>	<b>\$6.02</b>
<b>As % of Revenue</b>															
COGS	91.5%	91.6%	91.4%	91.3%	91.2%	91.4%	91.6%	91.3%			91.9%	91.5%	91.4%	91.4%	91.1%
Gross profit	8.5%	8.4%	8.6%	8.7%	8.8%	8.6%	8.4%	8.7%			8.1%	8.5%	8.6%	8.6%	8.9%
SG&A	2.3%	2.3%	2.6%	2.6%	3.0%	2.9%	2.9%	2.9%			2.8%	2.4%	2.9%	2.7%	2.7%
R&D	0.2%	0.3%	0.3%	0.4%	0.3%	0.3%	0.3%	0.3%			0.2%	0.3%	0.3%	0.3%	0.3%
Operating earnings	6.0%	5.8%	5.7%	5.7%	5.5%	5.4%	5.2%	5.4%			5.0%	5.8%	5.4%	5.6%	5.8%
Interest Income	0.1%	0.1%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%			0.0%	0.2%	0.2%	0.2%	0.2%
Interest Expense	-0.4%	-0.4%	-0.5%	-0.4%	-0.4%	-0.4%	-0.4%	-0.4%			-0.3%	-0.4%	-0.4%	-0.4%	-0.4%
Other Income	-0.3%	-0.3%	-0.1%	-0.4%	-0.1%	-0.4%	-0.3%	-0.3%			-0.2%	-0.3%	-0.2%	-0.2%	-0.2%
Pretax earnings	5.5%	5.2%	5.3%	5.1%	5.1%	4.7%	4.7%	5.0%			4.6%	5.3%	4.9%	5.1%	5.4%
Net income before FAS123R	4.4%	4.1%	4.2%	4.1%	4.0%	3.7%	3.7%	4.0%			3.7%	4.2%	3.9%	4.0%	4.2%
<b>Year-Over-Year Growth</b>															
Sales	34%	21%	9%	-8%	-20%	-18%	-13%	4%			17%	13%	-12%	13%	6%
COGS	34%	20%	9%	-9%	-21%	-18%	-13%	4%			18%	12%	-12%	13%	6%
Gross profit	37%	31%	14%	2%	-17%	-16%	-14%	3%			12%	20%	-12%	12%	10%
SG&A	-5%	-2%	4%	1%	5%	1%	-1%	16%			2%	-1%	5%	4%	6%
R&D	15%	27%	49%	28%	13%	0%	-4%	-8%			-4%	29%	0%	13%	6%
Operating earnings	65%	51%	18%	1%	-27%	-24%	-21%	-1%			20%	30%	-19%	16%	12%
Interest Income	849%	628%	680%	809%	25%	44%	-13%	-6%			76%	735%	8%	0%	0%
Interest Expense	78%	91%	79%	16%	-3%	-9%	-16%	2%			15%	61%	-7%	0%	0%
Other Income	-424%	321%	-68%	-3%	-83%	18%	93%	-34%			-420%	52%	-20%	10%	1%
Pretax earnings	55%	46%	25%	3%	-25%	-26%	-23%	1%			13%	31%	-19%	18%	13%
Tax	54%	32%	20%	-10%	-22%	-25%	-22%	4%			25%	21%	-17%	20%	13%
Net income before FAS123R	51%	41%	19%	2%	-26%	-25%	-22%	1%			11%	27%	-19%	17%	12%
Diluted EPS	67%	52%	23%	3%	-24%	-22%	-18%	6%			18%	34%	-15%	19%	12%
Diluted Shares Outstanding	-10%	-7%	-3%	-1%	-3%	-5%	-5%	-5%			-6%	-5%	-5%	-2%	0%

Source: Company reports, BofA Global Research estimates

BofA GLOBAL RESEARCH



## Price objective basis & risk

### Sanmina Corporation (SANM)

Our PO of \$51 is based on 9x our C24E EPS. This multiple is the median of the long-term range of 6-12x. We believe this multiple is justified as it takes into account near-term revenue challenges stemming from weak end markets, on-going inventory correction in the channel, new program ramps which may also be impacted by the weak macro, some lingering component availability issues, delays and program pushouts, and balances those against leverage in the model and long-term opportunity to grow margins as component shortages abate and mix shifts to higher margin end markets.

Upside risks to our PO include a faster than expected recovery in the macro and higher than expected end market demand, faster than expected clearing of channel inventory, unexpected new wins, better than expected availability of components, and faster than expected ramp of new programs. Downside risks include protracted supply shortage of components which could delay revenue recognition or lead to revenue loss, inconsistent execution, drag from the components business if revenues decelerate, weaker-than-anticipated end demand or slowing outsourcing trends leading to slower revenue growth, increased competition from Asian competitors, increasing labor costs, increasing tax rates and inability to use NOLs, and unfavorable mix that could offset margin improvement.

## Analyst Certification

I, Ruplu Bhattacharya, hereby certify that the views expressed in this research report accurately reflect my personal views about the subject securities and issuers. I also certify that no part of my compensation was, is, or will be, directly or indirectly, related to the specific recommendations or view expressed in this research report.

### US - IT Hardware and Technology Supply Chain Coverage Cluster

Investment rating	Company	BofA Ticker	Bloomberg symbol	Analyst
<b>BUY</b>				
	Amphenol	APH	APH US	Wamsi Mohan
	Apple Inc.	AAPL	AAPL US	Wamsi Mohan
	Corning Inc.	GLW	GLW US	Wamsi Mohan
	Dell Technologies Inc.	DELL	DELL US	Wamsi Mohan
	Flex Ltd.	FLEX	FLEX US	Ruplu Bhattacharya
	HP Inc.	HPQ	HPQ US	Wamsi Mohan
	International Business Machines Corp.	IBM	IBM US	Wamsi Mohan
	Jabil Inc.	JBL	JBL US	Ruplu Bhattacharya
	Nutanix Inc	NTNX	NTNX US	Wamsi Mohan
	Roku, Inc.	ROKU	ROKU US	Ruplu Bhattacharya
	Seagate Technology	STX	STX US	Wamsi Mohan
	Sensata Technologies Holdings Plc	ST	ST US	Wamsi Mohan
	TE Connectivity Ltd.	TEL	TEL US	Wamsi Mohan
	Teradata Corporation	TDC	TDC US	Wamsi Mohan
	Western Digital Corporation	WDC	WDC US	Wamsi Mohan
<b>NEUTRAL</b>				
	Arrow Electronics Inc.	ARW	ARW US	Ruplu Bhattacharya
	Avnet Inc.	AVT	AVT US	Ruplu Bhattacharya
	CDW Corp	CDW	CDW US	Ruplu Bhattacharya
	Concentrix Corporation	CNXC	CNXC US	Ruplu Bhattacharya
	Hewlett-Packard Enterprise	HPE	HPE US	Wamsi Mohan
	Pure Storage	PSTG	PSTG US	Wamsi Mohan
<b>UNDERPERFORM</b>				
	DigitalOcean	DOCN	DOCN US	Wamsi Mohan
	NetApp Inc.	NTAP	NTAP US	Wamsi Mohan
	Sanmina Corporation	SANM	SANM US	Ruplu Bhattacharya
	Vishay Intertechnology, Inc.	VSH	VSH US	Ruplu Bhattacharya
	Vizio	VZIO	VZIO US	Wamsi Mohan

## US - IT Hardware and Technology Supply Chain Coverage Cluster

Investment rating	Company	BofA Ticker	Bloomberg symbol	Analyst
<b>RSTR</b>	TD Synnex Corp	SNX	SNX US	Ruplu Bhattacharya

**iQmethod<sup>SM</sup> Measures Definitions****Business Performance**

Return On Capital Employed

Return On Equity  
Operating Margin  
Earnings Growth  
Free Cash Flow

**Quality of Earnings**

Cash Realization Ratio  
Asset Replacement Ratio  
Tax Rate  
Net Debt-To-Equity Ratio  
Interest Cover

**Valuation Toolkit**

Price / Earnings Ratio  
Price / Book Value  
Dividend Yield  
Free Cash Flow Yield  
Enterprise Value / Sales

EV / EBITDA

**Numerator**

$\text{NOPAT} = (\text{EBIT} + \text{Interest Income}) \times (1 - \text{Tax Rate}) + \text{Goodwill Amortization}$   
Net Income  
Operating Profit  
Expected 5 Year CAGR From Latest Actual  
Cash Flow From Operations – Total Capex

**Numerator**

Cash Flow From Operations  
Capex  
Tax Charge  
Net Debt = Total Debt – Cash & Equivalents  
EBIT

**Numerator**

Current Share Price  
Current Share Price  
Annualised Declared Cash Dividend  
Cash Flow From Operations – Total Capex  
 $\text{EV} = \text{Current Share Price} \times \text{Current Shares} + \text{Minority Equity} + \text{Net Debt} + \text{Other LT Liabilities}$   
Enterprise Value

**Denominator**

Total Assets – Current Liabilities + ST Debt + Accumulated Goodwill  
Amortization  
Shareholders' Equity  
Sales  
N/A  
N/A

**Denominator**

Net Income  
Depreciation  
Pre-Tax Income  
Total Equity  
Interest Expense

**Denominator**

Diluted Earnings Per Share (Basis As Specified)  
Shareholders' Equity / Current Basic Shares  
Current Share Price  
Market Cap = Current Share Price × Current Basic Shares  
Sales

Basic EBIT + Depreciation + Amortization

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Sanmina Corporation (SANM) Price Chart



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Equity Investment Rating Distribution: Electronics Group (as of 31 Dec 2023)

Coverage Universe	Count	Percent	Inv. Banking Relationships <sup>R1</sup>	Count	Percent
Buy	32	54.24%	Buy	13	40.63%
Hold	11	18.64%	Hold	3	27.27%
Sell	16	27.12%	Sell	4	25.00%

Equity Investment Rating Distribution: Global Group (as of 31 Dec 2023)

Coverage Universe	Count	Percent	Inv. Banking Relationships <sup>R1</sup>	Count	Percent
Buy	1895	53.62%	Buy	1083	57.15%
Hold	832	23.54%	Hold	454	54.57%
Sell	807	22.84%	Sell	383	47.46%

<sup>R1</sup> Issuers that were investment banking clients of BofA Securities or one of its affiliates within the past 12 months. For purposes of this Investment Rating Distribution, the coverage universe includes only stocks. A stock rated Neutral is included as a Hold, and a stock rated Underperform is included as a Sell.

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Investment rating	Total return expectation (within 12-month period of date of initial rating)	Ratings dispersion guidelines for coverage cluster <sup>R2</sup>
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Neutral	≥ 0%	≤ 30%
Underperform	N/A	≥ 20%

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