

SANMINA CORPORATION
CONSOLIDATED BALANCE SHEETS

	As of	
	September 30, 2017	October 1, 2016
	(In thousands, except par value)	
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 406,661	\$ 398,288
Accounts receivable, net of allowances of \$14,334 and \$15,081 as of September 30, 2017 and October 1, 2016, respectively	1,110,334	973,680
Inventories	1,051,669	946,239
Prepaid expenses and other current assets	47,586	57,445
Total current assets	2,616,250	2,375,652
Property, plant and equipment, net	640,275	617,524
Deferred income tax assets, net	476,554	514,314
Other	114,284	117,732
Total assets	\$ 3,847,363	\$ 3,625,222
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 1,280,106	\$ 1,121,135
Accrued liabilities	116,582	124,386
Accrued payroll and related benefits	130,939	127,326
Short-term debt, including current portion of long-term debt	88,416	28,416
Total current liabilities	1,616,043	1,401,263
Long-term liabilities:		
Long-term debt	391,447	434,059
Other	192,189	180,097
Total long-term liabilities	583,636	614,156
Commitments and Contingencies (Note 7)		
Stockholders' equity:		
Preferred stock, \$.01 par value, authorized 5,000 shares, none issued and outstanding	—	—
Common stock, \$.01 par value, authorized 166,667 shares; 101,672 and 98,141 shares issued and 71,664 and 73,031 shares outstanding as of September 30, 2017 and October 1, 2016, respectively	717	730
Treasury stock, 30,008 and 25,110 shares as of September 30, 2017 and October 1, 2016, respectively, at cost	(633,740)	(456,796)
Additional paid-in capital	6,184,371	6,119,779
Accumulated other comprehensive income	76,794	65,381
Accumulated deficit	(3,980,458)	(4,119,291)
Total stockholders' equity	1,647,684	1,609,803
Total liabilities and stockholders' equity	\$ 3,847,363	\$ 3,625,222

See accompanying notes to the consolidated financial statements.

SANMINA CORPORATION
CONSOLIDATED STATEMENTS OF INCOME

	Year Ended		
	September 30, 2017	October 1, 2016	October 3, 2015
(In thousands, except per share amounts)			
Net sales	\$ 6,868,619	\$ 6,481,181	\$ 6,374,541
Cost of sales	6,348,708	5,966,899	5,890,685
Gross profit	519,911	514,282	483,856
Operating expenses:			
Selling, general and administrative	251,568	244,604	239,288
Research and development	33,716	37,746	33,083
Other	8,160	7,147	8,384
Total operating expenses	293,444	289,497	280,755
Operating income	226,467	224,785	203,101
Interest income	1,265	680	1,096
Interest expense	(21,934)	(24,911)	(25,011)
Other income, net	7,682	4,063	767
Loss on extinguishments of debt	—	—	(3,760)
Interest and other, net	(12,987)	(20,168)	(26,908)
Income before income taxes	213,480	204,617	176,193
Provision for (benefit from) income taxes	74,647	16,779	(201,068)
Net income	\$ 138,833	\$ 187,838	\$ 377,261
Net income per share:			
Basic	\$ 1.86	\$ 2.50	\$ 4.61
Diluted	\$ 1.78	\$ 2.38	\$ 4.41
Weighted-average shares used in computing per share amounts:			
Basic	74,481	75,094	81,818
Diluted	78,128	78,787	85,641

See accompanying notes to the consolidated financial statements.

SANMINA CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year Ended		
	September 30, 2017	October 1, 2016	October 3, 2015
	(In thousands)		
CASH FLOWS PROVIDED BY (USED IN) OPERATING ACTIVITIES:			
Net income	\$ 138,833	\$ 187,838	\$ 377,261
Adjustments to reconcile net income to cash provided by operating activities:			
Depreciation and amortization	118,751	111,910	100,567
Stock-based compensation expense	37,920	26,907	20,653
Deferred income taxes	37,892	(16,829)	(242,274)
Other, net	4,188	1,587	280
Changes in operating assets and liabilities, net of acquisitions:			
Accounts receivable	(136,072)	(36,913)	40,207
Inventories	(104,468)	5,614	(13,726)
Prepaid expenses and other assets	12,303	68	11,117
Accounts payable	130,648	95,193	(116,899)
Accrued liabilities	10,966	14,741	(2,290)
Cash provided by operating activities	250,961	390,116	174,896
CASH FLOWS PROVIDED BY (USED IN) INVESTING ACTIVITIES:			
Purchases of property, plant and equipment	(111,833)	(120,400)	(119,097)
Proceeds from sales of property, plant and equipment	3,935	4,740	30,561
Cash paid for business combinations, net of cash acquired	—	(58,878)	(13,887)
Cash used in investing activities	(107,898)	(174,538)	(102,423)
CASH FLOWS PROVIDED BY (USED IN) FINANCING ACTIVITIES:			
Repayments of short-term borrowings (1)	—	(18,014)	(10,221)
Proceeds from revolving credit facility borrowings	932,770	2,962,450	2,692,900
Repayments of revolving credit facility borrowings	(872,770)	(3,047,450)	(2,582,900)
Repayments of long-term debt	(43,416)	(4,382)	(123,994)
Net proceeds from stock issuances	27,129	18,221	18,724
Repurchases of common stock	(176,944)	(142,246)	(122,762)
Other, net	(2,262)	—	1,492
Cash used in financing activities	(135,493)	(231,421)	(126,761)
Effect of exchange rate changes	803	1,878	(66)
Increase (decrease) in cash and cash equivalents	8,373	(13,965)	(54,354)
Cash and cash equivalents at beginning of year	398,288	412,253	466,607
Cash and cash equivalents at end of year	\$ 406,661	\$ 398,288	\$ 412,253
Cash paid during the year:			
Interest, net of capitalized interest	\$ 17,983	\$ 21,316	\$ 18,746
Income taxes, net of refunds	\$ 20,417	\$ 29,342	\$ 44,751
Unpaid purchases of property, plant and equipment at end of period	\$ 49,831	\$ 22,072	\$ 31,913

(1) 2016 amount represents repayment of a promissory note issued in conjunction with a business combination in the second quarter of 2016. The note was repaid in the third quarter of 2016.

See accompanying notes to the consolidated financial statements.