

SANMINA CORPORATION
CONSOLIDATED BALANCE SHEETS

	As of	
	September 29, 2018	September 30, 2017
	(In thousands, except par value)	
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 419,528	\$ 406,661
Accounts receivable, net of allowances of \$12,211 and \$14,334 as of September 29, 2018 and September 30, 2017, respectively	1,177,219	1,110,334
Inventories	1,374,004	1,051,669
Prepaid expenses and other current assets	43,676	47,586
Total current assets	3,014,427	2,616,250
Property, plant and equipment, net	642,913	640,275
Deferred income tax assets, net	344,124	476,554
Other	83,669	114,284
Total assets	\$ 4,085,133	\$ 3,847,363
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 1,547,399	\$ 1,280,106
Accrued liabilities	136,427	116,582
Accrued payroll and related benefits	124,748	130,939
Short-term debt, including current portion of long-term debt	593,321	88,416
Total current liabilities	2,401,895	1,616,043
Long-term liabilities:		
Long-term debt	14,346	391,447
Other	196,048	192,189
Total long-term liabilities	210,394	583,636
Commitments and Contingencies (Note 8)		
Stockholders' equity:		
Preferred stock, \$.01 par value, authorized 5,000 shares, none issued and outstanding	—	—
Common stock, \$.01 par value, authorized 166,667 shares; 103,128 and 101,672 shares issued and 67,777 and 71,664 shares outstanding as of September 29, 2018 and September 30, 2017, respectively	678	717
Treasury stock, 35,351 and 30,008 shares as of September 29, 2018 and September 30, 2017, respectively, at cost	(791,366)	(633,740)
Additional paid-in capital	6,222,310	6,184,371
Accumulated other comprehensive income	73,944	76,794
Accumulated deficit	(4,032,722)	(3,980,458)
Total stockholders' equity	1,472,844	1,647,684
Total liabilities and stockholders' equity	\$ 4,085,133	\$ 3,847,363

See accompanying notes to the consolidated financial statements.

SANMINA CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS

	Year Ended		
	September 29, 2018	September 30, 2017	October 1, 2016
(In thousands, except per share amounts)			
Net sales	\$ 7,110,130	\$ 6,868,619	\$ 6,481,181
Cost of sales	6,646,347	6,348,708	5,966,899
Gross profit	463,783	519,911	514,282
Operating expenses:			
Selling, general and administrative	250,924	251,568	244,604
Research and development	30,754	33,716	37,746
Restructuring costs	29,146	1,339	2,701
Goodwill impairment	30,610	—	—
Other	2,908	6,821	4,446
Total operating expenses	344,342	293,444	289,497
Operating income	119,441	226,467	224,785
Interest income	1,268	1,265	680
Interest expense	(27,734)	(21,934)	(24,911)
Other income, net	4,564	7,682	4,063
Interest and other, net	(21,902)	(12,987)	(20,168)
Income before income taxes	97,539	213,480	204,617
Provision for income taxes	193,072	74,647	16,779
Net income (loss)	\$ (95,533)	\$ 138,833	\$ 187,838
Net income (loss) per share:			
Basic	\$ (1.37)	\$ 1.86	\$ 2.50
Diluted	\$ (1.37)	\$ 1.78	\$ 2.38
Weighted-average shares used in computing per share amounts:			
Basic	69,833	74,481	75,094
Diluted	69,833	78,128	78,787

See accompanying notes to the consolidated financial statements.

SANMINA CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year Ended		
	September 29, 2018	September 30, 2017	October 1, 2016
	(In thousands)		
CASH FLOWS PROVIDED BY (USED IN) OPERATING ACTIVITIES:			
Net income (loss)	\$ (95,533)	\$ 138,833	\$ 187,838
Adjustments to reconcile net income (loss) to cash provided by operating activities:			
Depreciation and amortization	118,820	118,751	111,910
Stock-based compensation expense	32,825	37,920	26,907
Deferred income taxes	173,591	37,892	(16,829)
Impairment of goodwill	30,610	—	—
Other, net	1,777	4,188	1,587
Changes in operating assets and liabilities, net of acquisitions:			
Accounts receivable	(69,076)	(136,072)	(36,913)
Inventories	(324,168)	(104,468)	5,614
Prepaid expenses and other assets	7,797	12,303	68
Accounts payable	268,421	130,648	95,193
Accrued liabilities	11,360	10,966	14,741
Cash provided by operating activities	156,424	250,961	390,116
CASH FLOWS PROVIDED BY (USED IN) INVESTING ACTIVITIES:			
Purchases of property, plant and equipment	(118,881)	(111,833)	(120,400)
Proceeds from sales of property, plant and equipment	4,722	3,935	4,740
Purchases of long-term investments	(2,019)	—	—
Cash paid for business combinations, net of cash acquired	—	—	(58,878)
Cash used in investing activities	(116,178)	(107,898)	(174,538)
CASH FLOWS PROVIDED BY (USED IN) FINANCING ACTIVITIES:			
Repayments of short-term borrowings (1)	—	—	(18,014)
Proceeds from revolving credit facility borrowings	4,040,600	932,770	2,962,450
Repayments of revolving credit facility borrowings	(3,910,600)	(872,770)	(3,047,450)
Repayments of long-term debt	(3,416)	(43,416)	(4,382)
Net proceeds from stock issuances	4,407	27,129	18,221
Repurchases of common stock	(157,625)	(176,944)	(142,246)
Other, net	(1,701)	(2,262)	—
Cash used in financing activities	(28,335)	(135,493)	(231,421)
Effect of exchange rate changes	956	803	1,878
Increase (decrease) in cash and cash equivalents	12,867	8,373	(13,965)
Cash and cash equivalents at beginning of year	406,661	398,288	412,253
Cash and cash equivalents at end of year	\$ 419,528	\$ 406,661	\$ 398,288
Cash paid during the year:			
Interest, net of capitalized interest	\$ 26,156	\$ 17,983	\$ 21,316
Income taxes, net of refunds	\$ 34,819	\$ 20,417	\$ 29,342
Unpaid purchases of property, plant and equipment at end of period	\$ 49,546	\$ 49,831	\$ 22,072
Acquisition-date fair value of promissory notes issued in conjunction with business combinations (see Note 13)	\$ —	\$ —	\$ 30,105

(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.