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# Q2 Fiscal 2025 Financial Results



April 28, 2025

# Today's Presenters

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**Jure Sola**  
Chairman & CEO



**Jon Faust**  
EVP & CFO



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# Safe Harbor Statement

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Certain statements made during this presentation, including our financial outlook for the third quarter fiscal 2025 and expectations for fiscal 2025 generally, 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; significant uncertainties that can cause our future sales and net income to be variable, including uncertainties related to trade policy; reliance on a small number of customers for a substantial portion of our sales; risks arising from our international operations; geopolitical uncertainty and the other risk factors set forth in the Company's annual and quarterly reports filed with the Securities Exchange Commission. In addition, during the course of today's presentation, we will refer to certain non-GAAP financial information. A reconciliation of such non-GAAP financial information to their most directly comparable GAAP measures are included on slide 22 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 earnings 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.



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# Financial Overview

## Jon Faust





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# Non-GAAP Financial Highlights

	Q2 FY'25	Outlook <u>WAS</u>
Revenue	\$1.98B	\$1.9B - \$2.0B
Gross Margin	9.1%	8.4% - 8.8%
Operating Margin	5.6%	5.3% - 5.7%
Diluted EPS	\$1.41	\$1.30 - \$1.40

**Solid First Half of Fiscal 2025**

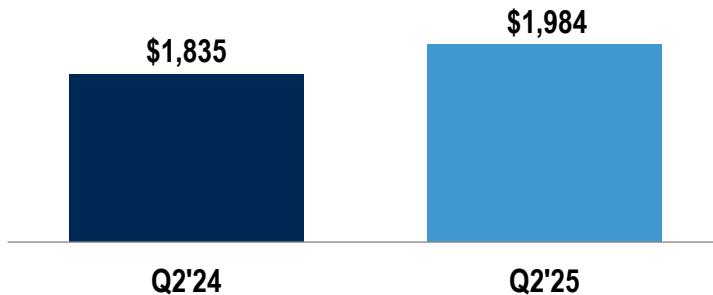
# Q2 FY'25 Non-GAAP P&L Performance



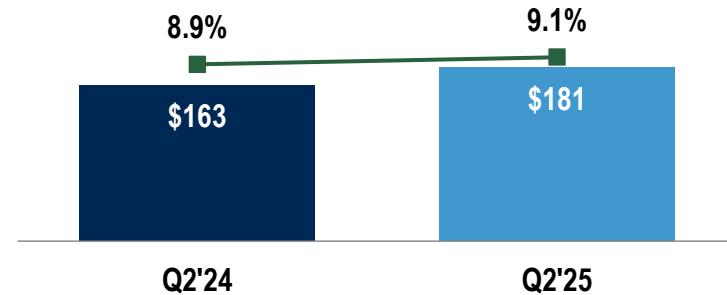
(\$ in millions, except per share data)

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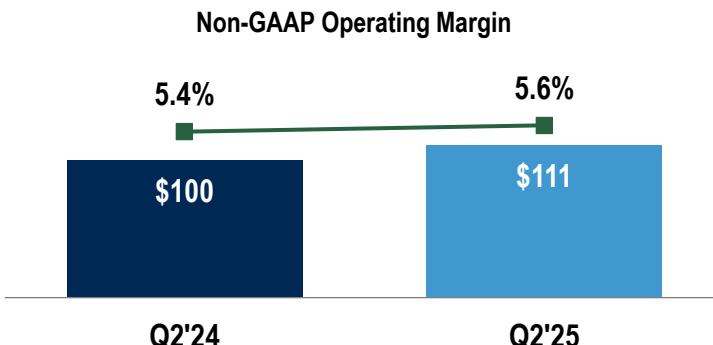
Revenue



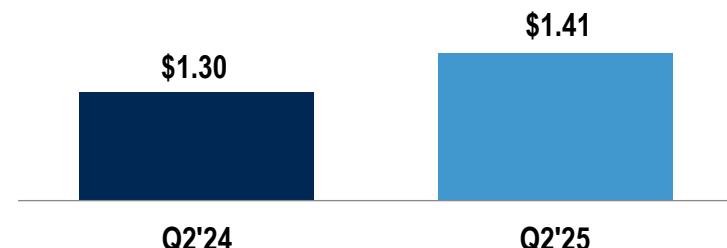
Non-GAAP Gross Margin



Non-GAAP Operating Margin



Non-GAAP Diluted Earnings Per Share



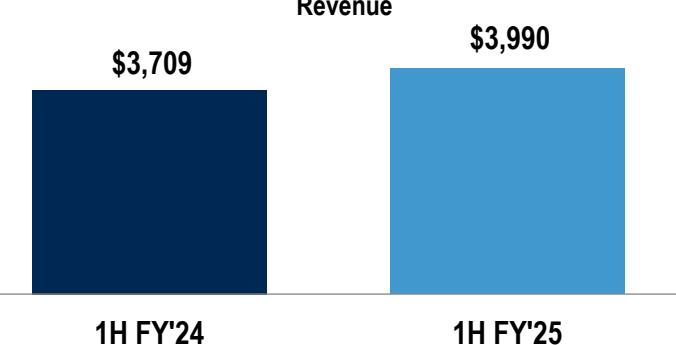
# YTD FY'25 Non-GAAP P&L Performance

(\$ in millions, except per share data)

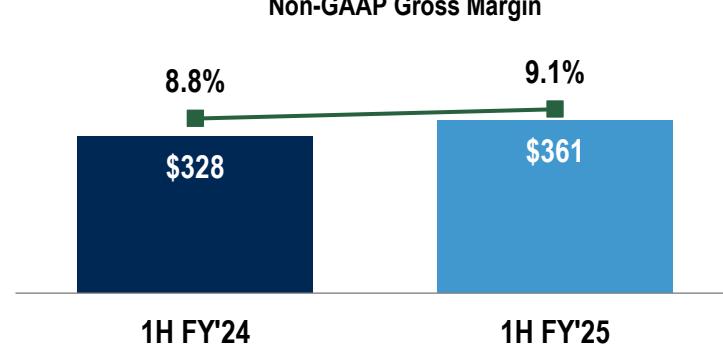


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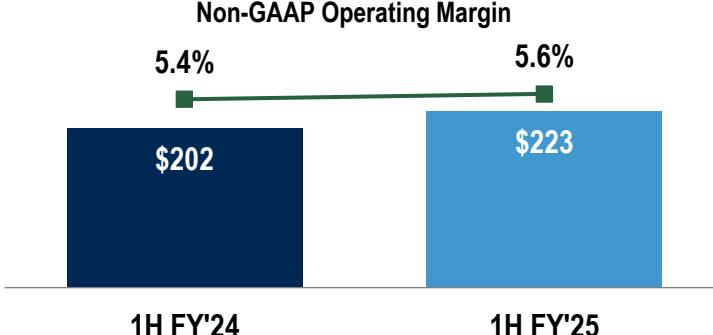
Revenue



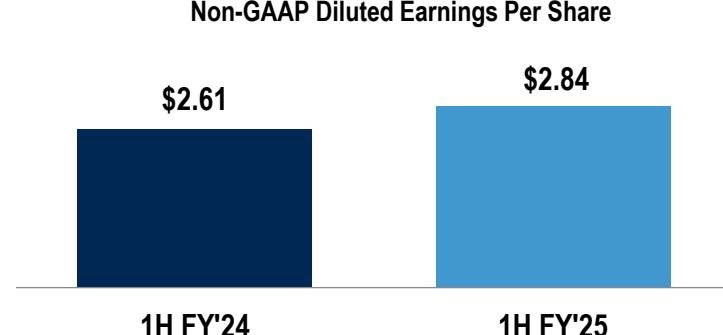
Non-GAAP Gross Margin



Non-GAAP Operating Margin



Non-GAAP Diluted Earnings Per Share

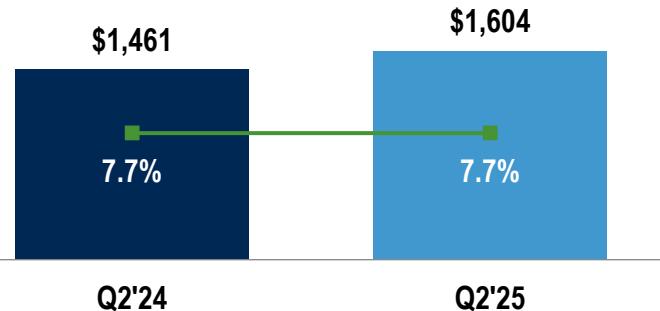


# Segment Reporting: Revenue and Non-GAAP Gross Margin

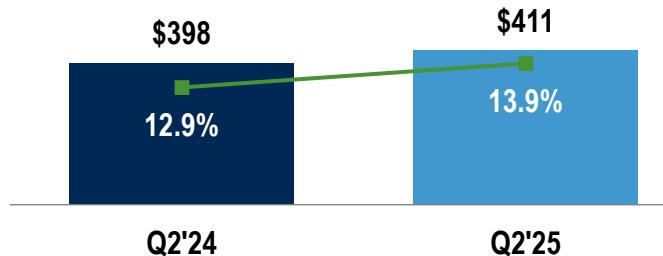
(\$ in millions)



## Integrated Manufacturing Solutions



## Components, Products and Services





# Balance Sheet Highlights

(\$ in millions)

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3/29/2025

Cash and cash equivalents	\$ 647
Accounts receivable, net	1,383
Contract assets	385
Inventories	1,548
Property, plant and equipment, net	609
Deferred income tax assets	156
Other assets	239
Total assets	<u>\$ 4,967</u>
Accounts payable	\$ 1,351
Deferred revenue and customer advances	444
Short-term debt	18
Long-term debt	291
Other liabilities	467
Total stockholders' equity	<u>2,396</u>
Total liabilities and stockholders' equity	<u>\$ 4,967</u>

## Key Takeaways:

- Strong cash position
- No borrowings under \$800M Revolver at quarter end
- Substantial liquidity: ~\$1.5B
- Q2 non-GAAP pre-tax ROIC: 23%
- No net debt; gross leverage ratio of 0.48x

## Industry Leading Balance Sheet

### Notes:

Liquidity is the sum of cash and cash equivalents, and availability on the revolver and other foreign facilities.

See reconciliation of GAAP pre-tax ROIC to non-GAAP pre-tax ROIC on slide 24.

Leverage ratio is the ratio of debt to cash and cash equivalents.

Refer to full balance sheet on slide 20.

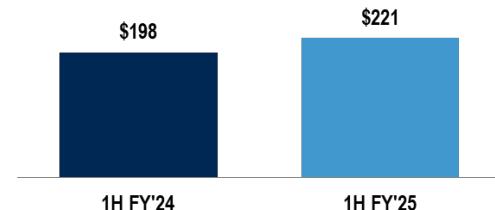


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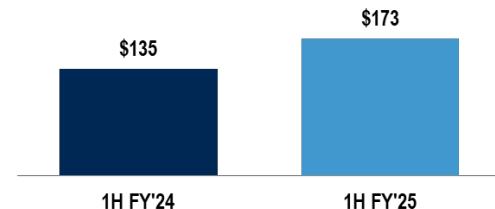
# Q2 FY'25 Cash Flow Highlights

<b>Cash Flow from Operations:</b>	▪ \$157 million
<b>Net CapEx:</b>	▪ \$31 million
<b>Free Cash Flow:</b>	▪ \$126 million
<b>Non-GAAP EBITDA</b>	▪ \$139 million
<b>Share Repurchases:</b>	▪ 1.03 million shares for \$84 million ▪ \$253 million available under the authorized share repurchase program at end of Q2

Cash Flow From Operations



Free Cash Flow



## Solid Cash Generation

Notes:

Free cash flow = Net cash provided by operating activity adjusted for net purchases of property and equipment. Refer to slide 23 for a reconciliation of free cash flow.

Refer to GAAP to non-GAAP EBITDA reconciliation on slide 25.

# Q3 FY'25 Outlook



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The following outlook is for the third fiscal quarter ending June 28, 2025.

Q3 FY'25	
Revenue:	\$1.925B - \$2.025B
GAAP Diluted EPS:	\$1.05 - \$1.15
Non-GAAP Diluted EPS:	\$1.35 - \$1.45

Note:

The outlook and certain statements made during this presentation, including our financial outlook for the third quarter of fiscal 2025 and expectations for growth in fiscal 2025 generally, 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; significant uncertainties that can cause our future sales and net income to be variable, including uncertainties related to trade policy; reliance on a small number of customers for a substantial portion of our sales; risks arising from our international operations; geopolitical uncertainty, and the other risk factors set forth in the Company's annual and quarterly reports filed with the Securities Exchange Commission.

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# Business Overview Jure Sola



# Q2 FY'25 Overview

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- Solid execution
- Revenue and non-GAAP operating margin towards the high end of our outlook
- Non-GAAP gross margin and EPS exceeded our outlook
- New programs ramping
- Challenging market environment

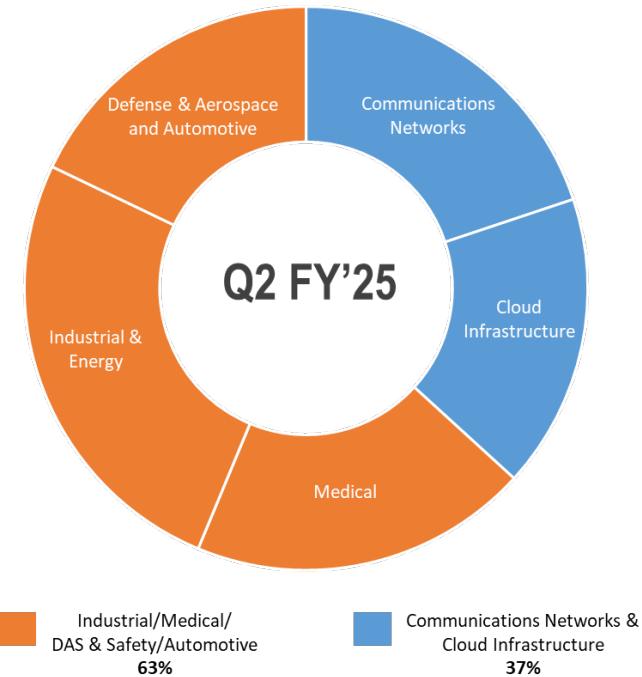
**Strong Momentum**



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# Revenue by End-Market

(\$ in millions)	Q2 FY'24	Q2 FY'25
Industrial & Energy/Medical/ Defense & Aerospace/Automotive	\$1,226	\$1,251
Communications Networks and Cloud Infrastructure	\$609	\$733
<b>Total</b>	<b>\$1,835</b>	<b>\$1,984</b>



**Q2 FY'25 Top 10 Customers – 51% of Revenue**

# FY'25 Outlook



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Revenue Growth

Margin Expansion

EPS Growth

Cash Generation

**Maximizing Shareholder Value**



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# Tariff Update

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- It's still too early, and uncertainty remains
- We remain in constant communication with our customers
- Our single IT system is agile and responsive
- Our global/regional footprint is strategically aligned to meet customer needs
- We have established capacity in the U.S.

**Remain Focused on Executing Our Strategy**

# Sanmina's Global/Regional Manufacturing Footprint

## UNITED STATES

Huntsville, AL	Carrollton, TX
Costa Mesa, CA	El Paso, TX
Fremont, CA	Houston, TX
Newark, CA	Salt Lake City, UT
San Jose, CA	Kenosha, WI
Manchester, NH	Turtle Lake, WI
Austin, TX	

## CANADA / MEXICO

Ottawa, Canada
Guadalajara, Mexico
Juarez, Mexico
Monterrey, Mexico
Reynosa, Mexico

## EMEA

Plovdiv, Bulgaria	Ma'alot, Israel	Ornskoldsvik, Sweden
Haukipudas, Finland	Gunzenhausen, Germany	Basingstoke, UK
Fermoy, Ireland	Tatabanya, Hungary	Port Glasgow, UK

## ASIA PACIFIC

Chennai, India	Penjuru, Singapore
Penang, Malaysia	Pathum-Thani, Thailand
Chai-Chee, Singapore	

## CHINA

Kunshan, China
Shenzhen, China
Wuxi, China



**Capacity Available To Support Our Customers**



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# Summary

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- Our manufacturing footprint is well aligned to support customer needs
- We are strategically expanding within end-markets that provide higher margin opportunities
- We are consistently generating cash to fund the business
- We will continue to execute on our strategy
- We will remain focused on the fundamentals and future financial performance

**Solid Execution In A Dynamic Environment**



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## Consolidated Financial Statements Reconciliation of GAAP vs. Non-GAAP



Quarter Ended: March 29, 2025



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

	March 29, 2025	September 28, 2024
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 647,141	\$ 625,860
Accounts receivable, net	1,383,116	1,337,562
Contract assets	384,629	384,077
Inventories	1,548,093	1,443,629
Prepaid expenses and other current assets	104,080	79,301
Total current assets	4,067,059	3,870,429
Property, plant and equipment, net	608,749	616,067
Deferred income tax assets	155,685	160,703
Other assets	135,139	175,646
Total assets	<u>\$ 4,966,632</u>	<u>\$ 4,822,845</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable	\$ 1,351,087	\$ 1,441,984
Accrued liabilities	125,655	132,513
Deferred revenue and customer advances	443,983	215,553
Accrued payroll and related benefits	134,879	133,129
Short-term debt, including current portion of long-term debt	17,500	17,500
Total current liabilities	<u>2,073,104</u>	<u>1,940,679</u>
Long-term liabilities:		
Long-term debt	291,394	299,823
Other liabilities	206,564	220,835
Total long-term liabilities	<u>497,958</u>	<u>520,658</u>
Stockholders' equity	2,395,570	2,361,508
Total liabilities and stockholders' equity	<u>\$ 4,966,632</u>	<u>\$ 4,822,845</u>



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

	Three Months Ended		Six Months Ended	
	March 29, 2025	March 30, 2024	March 29, 2025	March 30, 2024
Net sales	\$ 1,984,080	\$ 1,834,595	\$ 3,990,428	\$ 3,709,393
Cost of sales	1,807,845	1,679,838	3,646,278	3,393,796
Gross profit	176,235	154,757	344,150	315,597
Operating expenses:				
Selling, general and administrative	76,313	69,199	147,158	133,984
Research and development	7,316	6,323	14,340	12,612
Restructuring	990	3,274	2,426	5,464
Total operating expenses	84,619	78,796	163,924	152,060
Operating income	91,616	75,961	180,226	163,537
Interest income	3,723	3,412	7,119	7,069
Interest expense	(4,979)	(8,218)	(9,980)	(16,630)
Other income (expense), net	(1,955)	3,276	(2,684)	2,143
Interest and other, net	(3,211)	(1,530)	(5,545)	(7,418)
Income before income taxes	88,405	74,431	174,681	156,119
Provision for income taxes	17,890	19,122	33,282	40,446
Net income before noncontrolling interest	70,515	55,309	141,399	115,673
Less: Net income attributable to noncontrolling interest	6,307	2,824	12,188	6,120
Net income attributable to common shareholders	\$ 64,208	\$ 52,485	\$ 129,211	\$ 109,553
Net income attributable to common shareholders per share:				
Basic	\$ 1.18	\$ 0.94	\$ 2.38	\$ 1.95
Diluted	\$ 1.16	\$ 0.93	\$ 2.32	\$ 1.91
Weighted-average shares used in computing per share amounts:				
Basic	54,405	55,585	54,304	56,062
Diluted	55,511	56,699	55,681	57,470



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

(Unaudited)

	Three Months Ended		Six Months Ended	
	March 29, 2025	March 30, 2024	March 29, 2025	March 30, 2024
GAAP Gross profit	\$ 176,235	\$ 154,575	\$ 344,150	\$ 315,597
GAAP Gross margin	8.9 %	8.4 %	8.6 %	8.5 %
Adjustments				
Stock compensation expense (1)	4,931	4,416	9,955	8,466
Legal (2)	—	1,350	450	1,350
Distressed customer charges (recoveries) (3)	159	2,602	6,862	2,602
<b>Non-GAAP Gross profit</b>	<b>\$ 181,325</b>	<b>\$ 163,125</b>	<b>\$ 361,417</b>	<b>\$ 328,015</b>
<b>Non-GAAP Gross margin</b>	<b>9.1 %</b>	<b>8.9 %</b>	<b>9.1 %</b>	<b>8.8 %</b>
GAAP Operating expenses	\$ 84,619	\$ 78,796	\$ 163,924	\$ 152,060
Adjustments				
Stock compensation expense (1)	(10,859)	(10,235)	(21,127)	(18,770)
Distressed customer (charges) / recoveries (3)	—	(1,697)	(169)	(1,697)
Restructuring and other	(3,081)	(3,274)	(4,517)	(5,464)
<b>Non-GAAP Operating expenses</b>	<b>\$ 70,679</b>	<b>\$ 63,590</b>	<b>\$ 138,111</b>	<b>\$ 126,129</b>
GAAP Operating income	\$ 91,616	\$ 75,961	\$ 180,226	\$ 163,537
GAAP Operating margin	4.6 %	4.1 %	4.5 %	4.4 %
Adjustments				
Stock compensation expense (1)	15,790	14,651	31,082	27,236
Legal (2)	—	1,350	450	1,350
Distressed customer charges (recoveries) (3)	159	4,299	7,031	4,299
Restructuring and other	3,081	3,274	4,517	5,464
<b>Non-GAAP Operating income</b>	<b>\$ 110,646</b>	<b>\$ 99,535</b>	<b>\$ 223,306</b>	<b>\$ 201,886</b>
<b>Non-GAAP Operating margin</b>	<b>5.6 %</b>	<b>5.4 %</b>	<b>5.6 %</b>	<b>5.4 %</b>
GAAP Interest and other, net	\$ (3,211)	\$ (1,530)	\$ (5,545)	\$ (7,418)
Adjustments				
Legal (2)	—	(4,967)	—	(4,967)
<b>Non-GAAP Interest and other, net</b>	<b>\$ (3,211)</b>	<b>\$ (6,497)</b>	<b>\$ (5,545)</b>	<b>\$ (12,385)</b>
GAAP Provision for income taxes	\$ 17,890	\$ 19,122	\$ 33,282	\$ 40,446
Adjustments for taxes (4)	5,201	(2,849)	14,081	(6,810)
<b>Non-GAAP Provision for income taxes</b>	<b>\$ 23,091</b>	<b>\$ 16,273</b>	<b>\$ 47,363</b>	<b>\$ 33,636</b>
GAAP Net income attributable to common shareholders	\$ 64,208	\$ 52,485	\$ 129,211	\$ 109,553
Adjustments:				
Operating income adjustments (see above)	19,030	23,574	43,080	38,349
Legal (2)	—	(4,967)	—	(4,967)
Adjustments for taxes (4)	(5,201)	2,849	(14,081)	6,810
<b>Non-GAAP Net income attributable to common shareholders</b>	<b>\$ 78,037</b>	<b>\$ 73,941</b>	<b>\$ 158,210</b>	<b>\$ 149,745</b>
<b>GAAP Net income attributable to common shareholders per share:</b>				
Basic	\$ 1.18	\$ 0.94	\$ 2.38	\$ 1.95
Diluted	\$ 1.16	\$ 0.93	\$ 2.32	\$ 1.91
<b>Non-GAAP Net income attributable to common shareholders per share:</b>				
Basic	\$ 1.43	\$ 1.33	\$ 2.91	\$ 2.67
Diluted	\$ 1.41	\$ 1.30	\$ 2.84	\$ 2.61
<b>Weighted-average shares used in computing per share amounts:</b>				
Basic	54,405	55,585	54,304	56,062
Diluted	55,511	56,699	55,681	57,470
(1) Stock compensation expense was as follow s:				
	Three Months Ended		Six Months Ended	
	March 29, 2025	March 30, 2024	March 29, 2025	March 30, 2024
Cost of sales	\$ 4,931	\$ 4,416	\$ 9,955	\$ 8,466
Selling, general and administrative	10,580	9,984	20,542	18,324
Research and development	279	251	585	446
<b>Total</b>	<b>\$ 15,790</b>	<b>\$ 14,651</b>	<b>\$ 31,082</b>	<b>\$ 27,236</b>
(2) Represents charges and recoveries associated with certain legal matters.				
(3) Relates to accounts receivable and inventory write-downs (recoveries) associated with distressed customers.				
(4) Adjustments for taxes include the tax effects of the various adjustments that we exclude from our non-GAAP measures, and adjustments related to deferred tax and discrete tax items.				
<b>Q3 FY25 Earnings Per Share Outlook*:</b>				
	Q3 FY25 EPS Range			
	Low	High		
GAAP diluted earnings per share	\$ 1.05	\$ 1.15		
Stock compensation expense	\$ 0.30	\$ 0.30		
<b>Non-GAAP diluted earnings per share</b>	<b>\$ 1.35</b>	<b>\$ 1.45</b>		

\* Due to uncertainty regarding the timing of recognition of restructuring, acquisition and integration expenses, impairment charges and other unusual or infrequent items, if any, that could be incurred during the third quarter of FY25, an estimate of such items is not included in the outlook for Q3 FY25 GAAP EPS.



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**Sanmina Corporation**  
**Condensed Consolidated Cash Flow**  
(in thousands)  
(GAAP)  
(Unaudited)

	Three Months Ended		Six Months Ended	
	March 29, 2025	March 30, 2024	March 29, 2025	March 30, 2024
Net income before noncontrolling interest	\$ 70,515	\$ 55,309	\$ 141,399	\$ 115,673
Depreciation	28,208	30,274	60,053	61,000
Other, net	13,921	18,634	35,075	36,819
Net change in net working capital	<u>44,214</u>	<u>(31,900)</u>	<u>(15,731)</u>	<u>(15,150)</u>
Cash provided by operating activities	<u>156,858</u>	<u>72,317</u>	<u>220,796</u>	<u>198,342</u>
Purchases of long-term investments	(14,340)	(700)	(14,640)	(1,300)
Proceeds from long-term investments	49,309	—	49,309	—
Net purchases of property & equipment	<u>(30,647)</u>	<u>(29,611)</u>	<u>(47,568)</u>	<u>(63,827)</u>
Cash used in investing activities	<u>4,322</u>	<u>(30,311)</u>	<u>(12,899)</u>	<u>(65,127)</u>
Net share repurchases	(84,340)	(1,255)	(100,453)	(107,605)
Net borrowing activities	(4,375)	(4,375)	(8,750)	(17,195)
Payments for tax withholding on stock-based compensation	<u>(29,312)</u>	<u>(16,222)</u>	<u>(37,655)</u>	<u>(25,491)</u>
Cash used in financing activities	<u>(118,027)</u>	<u>(21,852)</u>	<u>(146,858)</u>	<u>(150,291)</u>
Effect of exchange rate changes	<u>1,165</u>	<u>(886)</u>	<u>(179)</u>	<u>364</u>
Net change in cash, cash equivalents & restricted cash equivalents	<u>\$ 44,318</u>	<u>\$ 19,268</u>	<u>\$ 60,860</u>	<u>\$ (16,712)</u>
Free cash flow :				
Cash provided by operating activities	\$ 156,858	\$ 72,317	\$ 220,796	\$ 198,342
Net purchases of property & equipment	<u>(30,647)</u>	<u>(29,611)</u>	<u>(47,568)</u>	<u>(63,827)</u>
	<u>\$ 126,211</u>	<u>\$ 42,706</u>	<u>\$ 173,228</u>	<u>\$ 134,515</u>



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**Sanmina Corporation**  
**Pre-Tax Return on Invested Capital (ROIC)**  
(\$ in thousands)  
(Unaudited)

	<b>Three Months Ended</b>	
	<b>March 29, 2025</b>	<b>March 30, 2024</b>
GAAP Operating income	\$ 91,616	\$ 75,961
	x 4.0	4.0
Annualized GAAP Operating income	366,464	303,844
Average invested capital (1)	÷ 1,920,145	1,810,627
<b>GAAP Pre-tax ROIC</b>	<b>19.1 %</b>	<b>16.8 %</b>
Non-GAAP Operating income	\$ 110,646	\$ 99,535
	x 4.0	4.0
Annualized non-GAAP Operating income	442,584	398,140
Average invested capital (1)	÷ 1,920,145	1,810,627
<b>Non-GAAP Pre-tax ROIC</b>	<b>23.0 %</b>	<b>22.0 %</b>

(1) Invested capital is defined as total assets (not including cash and cash equivalents and deferred tax assets) less total liabilities (excluding short-term and long-term debt). Average invested capital is the average of invested capital as at the end of current and prior quarter.



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**Sanmina Corporation**  
**Reconciliation of GAAP to Non-GAAP Measures: EBITDA**  
(in thousands)  
(Unaudited)

	<b>Three Months Ended</b>	
	<b>March 29, 2025</b>	<b>March 30, 2024</b>
<b>EBITDA</b>		
GAAP Operating Income	\$ 91,616	\$ 75,961
Depreciation	28,208	30,274
<b>GAAP EBITDA</b>	<b>\$ 119,824</b>	<b>\$ 106,235</b>
<b>GAAP EBITDA Margin</b>	<b>6.0 %</b>	<b>5.8 %</b>
Non-GAAP Operating Income	\$ 110,646	\$ 99,535
Depreciation	28,208	30,274
<b>Non-GAAP EBITDA</b>	<b>\$ 138,854</b>	<b>\$ 129,809</b>
<b>Non-GAAP EBITDA Margin</b>	<b>7.0 %</b>	<b>7.1 %</b>



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Thank You

