

SANMINA CORP
Form 10-Q
February 04, 2013

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
Form 10-Q
(Mark one)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended December 29, 2012
or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____.

Commission File Number 0-21272
Sanmina Corporation
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

77-0228183
(I.R.S. Employer
Identification Number)

2700 N. First St., San Jose, CA
(Address of principal executive
offices)

95134
(Zip Code)

(408) 964-3500
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (Section 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company
(Do not check if a smaller reporting company)

Edgar Filing: SANMINA CORP - Form 10-Q

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes No

As of January 25, 2013, there were 82,516,454 shares outstanding of the issuer's common stock, \$0.01 par value per share.

SANMINA CORPORATION

INDEX

	Page
	PART I. FINANCIAL INFORMATION
Item 1.	Interim Financial Statements (Unaudited) <u>3</u>
	Condensed Consolidated Balance Sheets <u>3</u>
	Condensed Consolidated Statements of Operations <u>4</u>
	Condensed Consolidated Statements of Cash Flows <u>6</u>
	Notes to Condensed Consolidated Financial Statements <u>7</u>
Item 2.	Management's Discussion and Analysis of Financial Condition and Results of Operations <u>19</u>
Item 3.	Quantitative and Qualitative Disclosures About Market Risk <u>27</u>
Item 4.	Controls and Procedures <u>28</u>
	PART II. OTHER INFORMATION
Item 1.	Legal Proceedings <u>29</u>
Item 1A.	Risk Factors <u>30</u>
Item 6.	Exhibits <u>44</u>
Signatures	<u>45</u>

SANMINA CORPORATION

CONDENSED CONSOLIDATED BALANCE SHEETS

	As of December 29, 2012 (Unaudited) (In thousands)	September 29, 2012
ASSETS		
Current assets:		
Cash and cash equivalents	\$490,693	\$409,618
Accounts receivable, net of allowances of \$12,340 and \$12,032, respectively	897,069	1,001,543
Inventories	779,859	826,539
Prepaid expenses and other current assets	81,140	88,599
Total current assets	2,248,761	2,326,299
Property, plant and equipment, net	563,065	569,365
Other	267,526	272,122
Total assets	\$3,079,352	\$3,167,786
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$834,307	\$937,737
Accrued liabilities	100,386	104,741
Accrued payroll and related benefits	113,949	117,074
Short-term debt	162,641	59,995
Total current liabilities	1,211,283	1,219,547
Long-term liabilities:		
Long-term debt	734,929	837,364
Other	146,794	147,094
Total long-term liabilities	881,723	984,458
Commitments and contingencies (Note 6)		
Stockholders' equity	986,346	963,781
Total liabilities and stockholders' equity	\$3,079,352	\$3,167,786

See accompanying notes.

SANMINA CORPORATION

CONDENSED CONSOLIDATED STATEMENTS OF INCOME

	Three Months Ended	
	December 29, 2012	December 31, 2011
	(Unaudited)	
	(In thousands, except per share data)	
Net sales	\$1,494,945	\$1,502,366
Cost of sales	1,398,017	1,393,341
Gross profit	96,928	109,025
Operating expenses:		
Selling, general and administrative	59,868	59,141
Research and development	5,395	4,133
Amortization of intangible assets	474	956
Restructuring and integration costs	3,947	4,054
Asset impairments	—	1,053
Gain on sale of long-lived asset	(4,218)	—
Total operating expenses	65,466	69,337
Operating income	31,462	39,688
Interest income	198	284
Interest expense	(13,084)	(21,863)
Other expense, net	(14,922)	(1,518)
Interest and other, net	(27,808)	(23,097)
Income before income taxes	3,654	16,591
Provision for income taxes	3,033	8,016
Net income	\$621	\$8,575
Net income per share:		
Basic	\$0.01	\$0.11
Diluted	\$0.01	\$0.10
Weighted average shares used in computing per share amounts:		
Basic	81,920	80,833
Diluted	84,011	82,668

See accompanying notes.

SANMINA CORPORATION

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Three Months Ended	
	December 29, 2012 (Unaudited) (In thousands)	December 31, 2011
Net income	\$621	\$8,575
Other comprehensive income:		
Foreign currency translation adjustments	(137)	(1,656)
Net unrealized gain on derivative financial instruments	18,180	3,136
Changes in unrecognized actuarial loss and unrecognized transition cost	(187)	(133)
Comprehensive income	\$18,477	\$9,922

See accompanying notes.