

SANMINA CORP
Form DEF 14A
January 24, 2019

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

**Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material under §240.14a-12

Sanmina Corporation

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
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(3) Filing Party:

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SANMINA CORPORATION
NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
To Be Held on March 11, 2019

The Annual Meeting of Stockholders of Sanmina Corporation will be held on March 11, 2019, at 11:00 a.m., Pacific Standard Time, at Sanmina Corporation's corporate offices, located at 30 E. Plumeria Drive, San Jose, California 95134, for the following purposes (as more fully described in the Proxy Statement accompanying this Notice):

1. To elect nine directors of Sanmina Corporation.
2. To ratify the appointment of PricewaterhouseCoopers LLP as Sanmina Corporation's independent registered public accounting firm for the fiscal year ending September 28, 2019.
3. To approve the 2019 Equity Incentive Plan of Sanmina Corporation.
4. To approve, on an advisory (non-binding) basis, the compensation of Sanmina Corporation's named executive officers.
5. To transact such other business as may properly come before the meeting.

These items of business are more fully described in the Proxy Statement accompanying this Notice of Annual Meeting.

Pursuant to the Internet proxy rules promulgated by the Securities and Exchange Commission, Sanmina Corporation has elected to provide access to its proxy materials over the Internet. Accordingly, stockholders of record at the close of business on January 17, 2019 will receive a Notice of Internet Availability of Proxy Materials and may vote at the Annual Meeting and any adjournment or postponement of the meeting. Sanmina Corporation expects to mail the Notice of Internet Availability of Proxy Materials on or about January 24, 2019.

All stockholders are cordially invited to attend the Annual Meeting in person. You should bring a brokerage statement or other evidence of your Sanmina shareholdings for entrance to the Annual Meeting. Even if you plan to attend the Annual Meeting, please vote, as instructed in the Notice of Internet Availability of Proxy Materials, via the Internet or the telephone as promptly as possible to ensure that your vote is recorded. Alternatively, you may follow the procedures outlined in the Notice of Internet Availability of Proxy Materials to request a paper proxy card to submit your vote by mail. Any stockholder attending the Annual Meeting may vote in person even if he or she previously voted by another method.

FOR THE BOARD OF DIRECTORS

Christopher K. Sadeghian
Corporate Secretary

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SANMINA CORPORATION

**30 E. Plumeria Drive
San Jose, California 95134**

**PROXY STATEMENT
FOR THE 2019 ANNUAL MEETING OF STOCKHOLDERS**

QUESTIONS AND ANSWERS ABOUT PROCEDURAL MATTERS

Q1:

Why am I receiving these proxy materials?

A:

The Board of Directors of Sanmina Corporation ("Sanmina," "we," "us" or "our") is providing these proxy materials to you in connection with the solicitation of proxies for use at the 2019 Annual Meeting of Stockholders (the "Annual Meeting") to be held on Monday, March 11, 2019 at 11:00 a.m., Pacific Standard Time, and at any adjournment or postponement thereof, for the purpose of considering and acting upon the matters described in this document.

Q2:

What is the Notice of Internet Availability of Proxy Materials?

A:

In accordance with rules and regulations adopted by the Securities and Exchange Commission (the "SEC"), instead of mailing a printed copy of our proxy materials to all stockholders entitled to vote at the Annual Meeting, we are furnishing the proxy materials to our stockholders over the Internet. If you received a Notice of Internet Availability of Proxy Materials (the "Notice of Internet Availability") by mail, you will not receive a printed copy of the proxy materials. Instead, the Notice of Internet Availability will instruct you as to how you may access and review the proxy materials and submit your vote via the Internet. If you received a Notice of Internet Availability by mail and would like to receive a printed copy of the proxy materials, please follow the instructions for requesting such materials included in the Notice of Internet Availability.

We expect to mail the Notice of Internet Availability on or about January 24, 2019, to all stockholders entitled to vote at the Annual Meeting. On the date of mailing of the Notice of Internet Availability, all stockholders and beneficial owners will have the ability to access all of our proxy materials on a website referred to in the Notice of Internet Availability. These proxy materials will be available free of charge.

Q3:

Where is the Annual Meeting?

A:

The Annual Meeting will be held at our corporate offices, located at 30 E. Plumeria Drive, San Jose, California 95134. The telephone number at the meeting location is (408) 964-3500.

Q4:

Can I attend the Annual Meeting?

A:

You are invited to attend the Annual Meeting if you were a stockholder of record or a beneficial owner as of January 17, 2019. You should bring a brokerage statement or other evidence of your Sanmina shareholdings for entrance to the Annual Meeting. The meeting will begin promptly at 11:00 a.m., Pacific Standard Time.

Stock Ownership

Q5:

What is the difference between holding shares as a stockholder of record and as a beneficial owner?

A:

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Stockholders of Record. If your shares are registered directly in your name with Sanmina's transfer agent, Wells Fargo Shareowner Services, you are considered, with respect to those

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shares, the stockholder of record, and the Notice of Internet Availability has been sent directly to you.

Beneficial Owners. Many stockholders hold their shares through a broker, trustee or other nominee, rather than directly in their own name. If your shares are held in a brokerage account or by a bank or another nominee, you are considered the "beneficial owner" of shares held in "street name." The Notice of Internet Availability should be forwarded to you by your broker, trustee or nominee who is considered, with respect to those shares, the stockholder of record. As the beneficial owner, you have the right to direct your broker, trustee or other nominee on how to vote your shares. For directions on how to vote shares beneficially held in street name, please refer to the voting instruction card provided by your broker, trustee or nominee. Because a beneficial owner is not the stockholder of record, you may not vote these shares in person at the Annual Meeting unless you obtain a "legal proxy" from the broker, trustee or nominee that holds your shares, giving you the right to vote the shares at the Annual Meeting.

Quorum and Voting

Q6: Who is entitled to vote at the Annual Meeting?

A: Holders of record of our common stock at the close of business on January 17, 2019 are entitled to receive notice of and to vote their shares at the Annual Meeting. Such stockholders are entitled to cast one vote for each share of common stock held as of January 17, 2019. As of the close of business on January 17, 2019, there were 68,401,044 shares of common stock outstanding and entitled to vote at the Annual Meeting held by approximately 832 stockholders of record.

Q7: How many shares must be present or represented to conduct business at the Annual Meeting?

A: The presence of the holders of a majority of the shares of our common stock entitled to vote at the Annual Meeting is necessary to constitute a quorum at the Annual Meeting. Such stockholders are counted as present at the meeting if they are present in person at the Annual Meeting or have properly submitted a proxy.

Under the General Corporation Law of the State of Delaware, abstentions and broker "non-votes" are counted as present and entitled to vote and are, therefore, included for purposes of determining whether a quorum is present at the Annual Meeting.

Q8: What is a broker "non-vote" and how are they counted at the Annual Meeting?

A: A broker "non-vote" occurs if you are a beneficial owner of shares held in street name and you do not provide the organization that holds your shares with specific voting instructions. At the Annual Meeting, broker non-votes will be counted toward the presence of a quorum for the transaction of business at the meeting, but will not be counted as votes cast on any matter being voted upon at the Annual Meeting. As a result, broker non-votes will have no effect on the outcome of any proposal being voted upon at the Annual Meeting.

Q9: Can I vote my shares in person at the Annual Meeting?

A: Yes. Whether you hold shares directly as the stockholder of record or beneficially in street name, you may vote your shares at the Annual Meeting by following the procedures described below.

Stockholders of Record. Shares held in your name as the stockholder of record may be voted in person at the Annual Meeting even if previously voted by another method.

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Beneficial Owners. Shares held beneficially in street name may be voted in person at the Annual Meeting only if you obtain a legal proxy from the broker, trustee or other nominee that holds your shares giving you the right to vote the shares.

Even if you plan to attend the Annual Meeting, we recommend that you submit your vote as described in the Notice of Internet Availability and below, so that your vote will be counted if you later decide not to attend the Annual Meeting.

Q10: Can I vote my shares without attending the Annual Meeting?

A: Yes. Whether you hold shares directly as the stockholder of record or beneficially in street name, you may direct how your shares are voted without attending the Annual Meeting, as summarized below.

Internet. Stockholders of record with Internet access may submit proxies by following the "Vote by Internet" instructions on the Notice of Internet Availability until 11:59 p.m., Eastern Standard Time, on March 10, 2019 or by following the instructions at www.proxyvote.com. Most of our stockholders who hold shares beneficially in street name may vote by accessing the website specified in the voting instructions provided by their brokers, trustees or nominees. A large number of banks and brokerage firms are participating in the Broadridge Financial Solutions, Inc. ("Broadridge") online program. This program provides eligible stockholders the opportunity to vote over the Internet or by telephone. Voting forms will provide instructions for stockholders whose bank or brokerage firm is participating in the Broadridge program.

Telephone. Depending on how your shares are held, you may be able to vote by telephone. If this option is available to you, you will have received information with the Notice of Internet Availability explaining this procedure.

Mail. If you are a record holder (i.e. you own your shares directly and not through a broker), you may request a proxy card from Sanmina on which you can indicate your vote by completing, signing and dating the card where indicated and by returning it in the prepaid envelope that will be included with the proxy card. If you hold your shares in street name, the voting instructions provided by your broker, trustee or nominee will indicate how you may vote by mail.

Q11: How will my shares be voted if I submit a proxy via the Internet, by telephone or by mail and do not make specific choices?

A: If you submit a proxy via the Internet, by telephone or by mail and do not make voting selections, the shares represented by that proxy will be voted "FOR" Proposals One, Two, Three and Four.

Q12: What happens if additional matters are presented at the Annual Meeting?

A: If any other matters are properly presented for consideration at the Annual Meeting, including, among other things, consideration of a motion to adjourn the Annual Meeting to another time or place or adjournment for the purpose of soliciting additional proxies, the proxy holders will have discretion to vote on those matters in accordance with their best judgment. We do not currently anticipate that any other matters will be raised at the Annual Meeting.

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Q13: Can I change or revoke my vote?

A: Yes, by following the instructions below:

Stockholders of Record. If you are a stockholder of record, you may change your vote by:

Delivering to Sanmina's Corporate Secretary, prior to your shares being voted at the Annual Meeting, a written notice of revocation or a duly executed proxy card, in either case dated later than the prior proxy relating to the same shares, or

Attending the Annual Meeting and voting in person (although attendance at the Annual Meeting will not, by itself, revoke a proxy).

Any written notice of revocation or subsequent proxy card must be received by Sanmina's Corporate Secretary prior to the taking of the vote at the Annual Meeting.

A stockholder of record who has voted via the Internet or by telephone may also change his or her vote by making a timely and valid Internet or telephone vote no later than 11:59 p.m., Eastern Standard Time, on March 10, 2019.

Beneficial Owners. If you are a beneficial owner of shares held in street name, you may change your vote by submitting new voting instructions to your broker, trustee or other nominee, or if you have obtained a legal proxy from the broker, trustee or other nominee that holds your shares giving you the right to vote the shares, by attending the Annual Meeting and voting in person.

Q14: What proposals will be voted on at the Annual Meeting?

A: At the Annual Meeting, stockholders will be asked to vote on:

Proposal One. The election of nine directors to hold office until the 2020 Annual Meeting of Stockholders or until their respective successors have been duly elected and qualified;

Proposal Two. The ratification of the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the fiscal year ending September 28, 2019;

Proposal Three. The approval of the 2019 Equity Incentive Plan; and

Proposal Four. The approval on an advisory (non-binding) basis of the compensation of our named executive officers.

Q15: What is the voting requirement to approve each of the proposals and how does the Board of Directors recommend that I vote?

A: *Proposal One.* A nominee for director shall be elected to the Board if the votes cast for such nominee's election exceed the votes cast against such nominee's election. Abstentions and broker non-votes do not count as "votes cast" with respect to this proposal and therefore will not affect the outcome of the election. Pursuant to our Corporate Governance Guidelines, should a nominee for director fail to receive the required number of votes for election, he or she is required to tender his or her resignation to the Board. In such a case, the Nominating and Governance Committee of the Board has the option of accepting or declining such resignation, considering any factors that the Committee deems relevant.

You may vote "FOR," "AGAINST" or "ABSTAIN" on each of the nine nominees for election as director. **The Board of Directors recommends that you vote your shares "FOR" each of the nine nominees listed in Proposal One.**

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Proposal Two. The affirmative vote of a majority of the votes cast is required to ratify the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm. Abstentions have the same effect as a vote against this proposal. However, broker non-votes are not deemed to be votes cast and, therefore, have no effect on the outcome of this proposal.

You may vote "FOR," "AGAINST" or "ABSTAIN" on this proposal. **The Board of Directors recommends that you vote your shares "FOR" Proposal Two.**

Proposal Three. The affirmative vote of a majority of the votes cast is required to approve the 2019 Equity Incentive Plan. Abstentions have the same effect as a vote against this proposal. However, broker non-votes are not deemed to be votes cast and, therefore, have no effect on the outcome of this proposal.

You may vote "FOR," "AGAINST" or "ABSTAIN" on this proposal. **The Board of Directors recommends that you vote your shares "FOR" Proposal Three.**

Proposal Four. The affirmative vote of a majority of the votes cast is required to approve on an advisory (non-binding) basis the compensation of our named executive officers, as disclosed in the Proxy Statement for the 2019 Annual Meeting of Stockholders pursuant to the compensation disclosure rules of the Securities and Exchange Commission, including the Compensation Discussion and Analysis, the compensation tables and the other related disclosure. Abstentions have the same effect as a vote against this proposal. However, broker non-votes are not deemed to be votes cast and, therefore, have no effect on the outcome of this proposal.

You may vote "FOR," "AGAINST" or "ABSTAIN" on this proposal. **The Board of Directors recommends that you vote your shares "FOR" Proposal Four.**

Q16:

Who will bear the cost of soliciting votes for the Annual Meeting?

A:

Sanmina will bear all expenses of soliciting proxies. We must reimburse brokerage firms, custodians, nominees, fiduciaries and other persons representing beneficial owners of common stock for their reasonable expenses in forwarding solicitation material to such beneficial owners. Directors, officers and employees of Sanmina may also solicit proxies in person or by other means of communication. Such directors, officers and employees will not be additionally compensated but may be reimbursed for reasonable out-of-pocket expenses in connection with such solicitation.

Q17:

Where can I find the voting results of the Annual Meeting?

A:

We intend to announce the voting results of the Annual Meeting in a Current Report on Form 8-K to be filed with the Securities and Exchange Commission within four business days of the meeting date.

Stockholder Proposals and Director Nominations

Q18:

What is the deadline to propose actions for consideration at next year's Annual Meeting of Stockholders or to nominate individuals to serve as directors?

A:

You may submit proposals, including director nominations, for consideration at future stockholder meetings. All notices of proposals by stockholders should be sent to Sanmina Corporation, Attention: Corporate Secretary, 30 E. Plumeria Drive, San Jose, California 95134.

Requirements for stockholder proposals to be considered for inclusion in our proxy materials. Stockholders may present proper proposals to be considered for inclusion in Sanmina's proxy statement and for consideration at the next Annual Meeting of Stockholders by

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submitting their proposals in writing to our Corporate Secretary in a timely manner. In order to be considered for inclusion in the proxy statement for the 2020 Annual Meeting of Stockholders, stockholder proposals must be received by Sanmina's Corporate Secretary no later than September 26, 2019 and must otherwise comply with the requirements of Rule 14a-8 of the Securities Exchange Act of 1934, as amended (the "Exchange Act").

Requirements for stockholder proposals to be brought before an Annual Meeting of Stockholders. In addition, our bylaws establish an advance notice procedure for stockholders who wish to present matters before an Annual Meeting of Stockholders, provided that the stockholders are stockholders of record when notice is given and on the record date for the determination of the stockholders entitled to vote at the Annual Meeting. To be timely for the 2020 Annual Meeting, a stockholder's notice must be delivered to or mailed and received by our Corporate Secretary at our principal executive offices between November 10, 2019 and December 10, 2019. For all matters that a stockholder proposes to bring before the Annual Meeting, the notice must set forth:

A brief description of the business intended to be brought before the Annual Meeting and the reasons for conducting such business at the Annual Meeting;

The name and address, as they appear on our books, of the stockholder proposing the business, and any beneficial owner on whose behalf the stockholder is proposing the business or proposing a director nomination and any person controlling, directly or indirectly, or acting in concert with, the stockholder or beneficial owner (a "Stockholder Associated Person");

The class and number of shares of Sanmina that are held of record or are beneficially owned by the stockholder or any Stockholder Associated Person and any derivative positions held or beneficially held by the stockholder or any Stockholder Associated Person;

Whether and the extent to which any hedging or other transaction or series of transactions has been entered into by or on behalf of the stockholder or any Stockholder Associated Person with respect to any securities of Sanmina, or whether any other agreement, arrangement or understanding (including any short position or any borrowing or lending of shares) has been made, the effect or intent of which is to mitigate loss to or manage risk or benefit from share price changes for, or to increase or decrease the voting power of, the stockholder or any Stockholder Associated Person with respect to any securities of Sanmina;

Any material interest of the stockholder or any Stockholder Associated Person in the business intended to be brought before the Annual Meeting; and

A statement whether either the stockholder or any Stockholder Associated Person will deliver a proxy statement and form of proxy to holders of at least the percentage of Sanmina's voting shares required under applicable law to carry the proposal.

Additional Information

Q19:

What should I do if I receive more than one Notice of Internet Availability or set of proxy materials?

A:

If you received more than one Notice of Internet Availability or set of proxy materials, your shares are registered in more than one name or brokerage account. Please follow the voting instructions on each Notice of Internet Availability or voting instruction card that you receive to ensure that all of your shares are voted.

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Q20: **How may I obtain a separate copy of the Notice of Internet Availability?**

A: If you share an address with another stockholder, each stockholder may not receive a separate copy of the Notice of Internet Availability because some brokers and other nominee record holders may be participating in the practice of "householding," which reduces duplicate mailings and saves printing and postage costs. If your Notice of Internet Availability is being househanded and you would like to receive separate copies, or if you are receiving multiple copies and would like to receive a single copy, please contact our Investor Relations Department at (408) 964-3610 or write to us at 30 E. Plumeria Drive, San Jose, California 95134, Attention: Investor Relations.

Q21: **Can I access Sanmina's proxy materials and Annual Report on Form 10-K over the Internet?**

A: Yes. All stockholders and beneficial owners will have the ability to access our proxy materials, free of charge, at www.proxyvote.com with their control number referred to in the Notice of Internet Availability. Sanmina's Annual Report on Form 10-K for the fiscal year ended September 29, 2018 is also available on the Internet as indicated in the Notice of Internet Availability.

Q22: **What is the mailing address for Sanmina's principal executive offices?**

A: Our principal executive offices are located at 30 E. Plumeria Drive, San Jose, California 95134. Any written requests for additional information, copies of the proxy materials and the 2018 Annual Report on Form 10-K, notices of stockholder proposals, recommendations for candidates to the Board of Directors, communications to the Board of Directors or any other communications should be sent to 30 E. Plumeria Drive, San Jose, California 95134, Attention: Investor Relations.

NO PERSON IS AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION OTHER THAN THOSE CONTAINED IN THIS PROXY STATEMENT, AND, IF GIVEN OR MADE, SUCH INFORMATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED AND THE DELIVERY OF THIS PROXY STATEMENT SHALL, UNDER NO CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF SANMINA SINCE THE DATE OF THIS PROXY STATEMENT.

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ELECTION OF DIRECTORS****Identification of Nominees**

Our Board of Directors (the "Board") currently consists of ten members. The Nominating and Governance Committee of the Board has nominated the nine members of the Board listed below for reelection at this meeting. Current director Wayne Shortridge is not standing for reelection.

Unless otherwise instructed, the proxy holders will vote the proxies received by them for Jure Sola, Michael J. Clarke, Eugene A. Delaney, William J. DeLaney, John P. Goldsberry, Rita S. Lane, Joseph G. Licata, Jr., Mario M. Rosati and Jackie M. Ward. If any such nominee is unable or declines to serve as a director at the time of the Annual Meeting, the proxies will be voted for any nominee who shall be designated by the Nominating and Governance Committee to fill the vacancy. If stockholders nominate additional persons for election as directors, the proxy holders will vote all proxies received by them to assure the election of as many of the nominees listed below as possible, with the proxy holder making any required selection of specific nominees to be voted for. The term of office of each person elected as a director will continue until that person's successor has been elected by the holders of the outstanding shares of Common Stock and qualified, or until his or her earlier death, resignation or removal in the manner provided in our bylaws.

Name of Nominee	Age	Principal Occupation	Director Since
Jure Sola	68	Executive Chairman of Sanmina Corporation	1989
Michael J. Clarke	64	Chief Executive Officer of Sanmina Corporation	2013
Eugene A. Delaney	62	Consultant	2013
William J. DeLaney	63	Former Chief Executive Officer, Sysco Corporation	2018
John P. Goldsberry	64	Former Chief Financial Officer, GLOBALFOUNDRIES Inc.	2008
Rita S. Lane	56	Consultant	2016
Joseph G. Licata, Jr.	58	Managing Partner, BlueArc Capital Management	2007
Mario M. Rosati	72	Member, Wilson Sonsini Goodrich & Rosati, P.C.	1997
Jackie M. Ward	80	Former Chair of the Board of Sysco Corporation and Chair of the Board of Luna-C Clothing	2001

Jure Sola has served as Sanmina's Executive Chairman since October 2017, Chief Executive Officer from April 1991 to October 2017, as Chairman of Sanmina's Board from April 1991 to December 2001 and from December 2002 to October 2017, and Co-Chairman of Sanmina's Board from December 2001 to December 2002. In 1980, Mr. Sola co-founded Sanmina Corporation and initially held the position of Vice President of Sales. In October 1987, he became Vice President and General Manager of Sanmina Corporation, responsible for manufacturing operations and sales and marketing. In July 1989, Mr. Sola was elected as a director and in October 1989 was appointed as President of Sanmina Corporation.

Michael J. Clarke has served as the Chief Executive Officer of Sanmina since October 2018 and as a director of Sanmina since December 2013. Mr. Clarke is also a member of the board of directors of U.S. LBM Holdings, Inc., a privately-held specialty building materials distributor. From December 2011 through July 2016, Mr. Clarke was a member of the Board of Directors, President and Chief Executive Officer of Nortek, Inc., a manufacturer of products for remodeling, residential and new construction, manufactured housing and personal and enterprise computer markets. From 2005 until joining Nortek, Mr. Clarke served as President, Flex Infrastructure and Group President of Integrated Network Solutions of Flextronics International, Ltd, a publicly traded provider of design and electronics manufacturing services to original equipment manufacturers.

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Eugene A. Delaney has served as a director of Sanmina since December 2013. Mr. Delaney previously served as Executive Vice President, Product and Business Operations of Motorola Solutions, Inc., a worldwide provider of communications infrastructure, devices, software and services to government and enterprise customers, from January 2011 through July 2013. Prior to that time, Mr. Delaney held the positions of Executive Vice President, Product and Business Operations, Enterprise Mobility Solutions, Motorola, Inc., from August 2010 to January 2011; Executive Vice President, President, Enterprise Mobility Solutions from January 2009 to August 2010; Senior Vice President, Government and Public Safety from May 2007 to January 2009; and Senior Vice President, International Sales Operations, Networks and Enterprise from May 2006 to May 2007. Prior to that time, Mr. Delaney served in other senior management roles with Motorola, Inc., including Senior Vice President of the Cellular Infrastructure Group, President of Asia/Pacific region and Chairman of Motorola China Ltd.

William J. DeLaney has served as a director of Sanmina since January 2018. Mr. DeLaney served as Chief Executive Officer of Sysco Corporation, a food marketing and distribution company, from March 2009 until December 2017 and as a director of Sysco from January 2009 until December 2017. He held the additional title of President from March 2010 through December 2015. Previously, Mr. DeLaney held various finance, management and executive positions with Sysco, which he joined in 1987. Mr. Delaney also serves as a director of Cigna Corporation, a global health service company, and Union Pacific Corporation, a rail transportation company.

John P. Goldsberry has served as a director of Sanmina since January 2008. Mr. Goldsberry served as Chief Financial Officer of GLOBALFOUNDRIES Inc., a semiconductor foundry company from January 2016 to January 2018 and as Chief Accounting Officer from June 2013 until January 2016. Mr. Goldsberry served as Chief Financial Officer of American Traffic Solutions, Inc., the leading traffic camera services company, from July 2010 until November 2012, and as Chief Financial Officer of TPI Composites, Inc., a manufacturer of composites products for the wind energy markets, from July 2008 until July 2010. Mr. Goldsberry previously served as Senior Vice President and Chief Financial Officer of Gateway, Inc., a computer manufacturer, from August 2005 to April 2008. He also served as Senior Vice President, Operations, Customer Care and Information Technology from April 2005 to August 2005, as Senior Vice President, Strategy and Business Development from March 2004 to April 2005 and as Chief Financial Officer of eMachines, Inc., a PC manufacturer acquired by Gateway, from January 2004 until March 2004. Previously, Mr. Goldsberry held Chief Financial Officer positions at TrueSpectra, Inc., an imaging solutions company, Calibre, Inc., a wireless technology company, Quality Semiconductor, Inc., a semiconductor company, DSP Group, Inc., a semiconductor company and The Good Guys, Inc., an electronics retailer, and worked for Salomon Brothers and Morgan Stanley in a number of corporate finance positions.

Rita S. Lane has served as a director of Sanmina since September 2016. Since January 2014, she has been the Principal at Hajime, LLC a supply chain advisor for start-up companies. Ms. Lane also serves as a Supervisory Board member of Signify Holdings (formerly Philips Lighting), a global lighting systems manufacturer, and as a board member of L3 Technologies, Inc., a provider of aerospace, communication, electronic and sensor systems. She served as Vice President, Operations, for Apple Inc. from July 2008 through January 2014. From June 2006 through July 2008, she was Senior Vice President, Integrated Supply Chain/Chief Procurement Officer for Motorola Solutions, Inc. and prior to that time held senior supply chain positions at International Business Machines Corporation for more than ten years. Ms. Lane also served for five years in the United States Air Force as a Captain.

Joseph G. Licata, Jr. has served as a director of Sanmina since August 2007. Since April 2014, he has been the Managing Partner Private Equity, of BlueArc Capital Management. Mr. Licata is currently Chairman of the Board of Choice Adhesives, Brunswick Bowling Products HealPros Corp., all privately-held companies. From January 2011 until April 2014, he was the Chief Executive Officer of Synergy Leadership, LLC, a firm specializing in Board and CEO advisory services in the areas of

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corporate and growth strategy, sales, performance improvement, operational full potential and customer value creation, a company which he also founded. He served as Chief Executive Officer of Peopleclick Authoria, Inc., a vendor of human resources process management software and services, from April 2010 through November 2010. He also served as President and Chief Executive Officer of SER Solutions, Inc., a global call management and speech analytics solutions company, from July 2007 through October 2008 when the company was acquired. Mr. Licata also served as President of Siemens Enterprise Networks, LLC, a leader of open communications solutions for enterprises, from 2001 to 2006.

Mario M. Rosati has served as a director of Sanmina since 1997. He has been an attorney with the law firm of Wilson Sonsini Goodrich & Rosati, Professional Corporation, since 1971. Mr. Rosati serves as a member of the Board of Directors of Aehr Test Systems, a manufacturer of electronics device testing equipment. Mr. Rosati also serves as a director of several privately held companies.

Jackie M. Ward has served as a director of Sanmina since December 2001. From 1992 until December 2001 when we merged with SCI Systems, Inc., she served as a director of SCI. During the past five years, Ms. Ward also served as a director of Sysco Corporation (Chair of the Board), Anthem, Inc. (Chair of the Board) and Flowers Foods, Inc. (Lead Director). Ms. Ward also serves as Chair of the Board of Luna-C Clothing, a sports clothing company. From December 2000 to October 2006, Ms. Ward was the Outside Managing Director of Intec Telecom Systems, USA, a provider of turnkey telecommunication systems and products. From 1968 to 2000, she served as President, Chief Executive Officer and Chairman of the Board of Computer Generation Incorporated, which company she also co-founded.

Qualifications of Nominees

The Nominating and Governance Committee believes its slate of nominees possess the strategic development, financial, operational and industry-specific skills necessary to effectively guide and oversee our business. In evaluating the qualifications of the nominees listed above, the Nominating and Governance Committee considered a number of factors, including the nominees' experience as shown in the following chart:

*
Board Level Only

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The Nominating and Governance Committee does not require that each nominee have experience in each of these areas, instead evaluating nominees as a group to ensure that the Board as a whole possesses the appropriate mix of experience and knowledge. The Nominating and Governance Committee does not explicitly consider diversity in identifying nominees for director. Below are listed the primary factors considered by the Nominating and Governance Committee with respect to each nominee in determining to nominate him or her for election to the Board and for service as a member of one of our Board committees, if applicable.

Name of Nominee	Board Nominating Factors	Committee Nomination Factors
Jure Sola	Mr. Sola's role as the co-founder of Sanmina as well as his more than 35 years of experience in the electronics manufacturing industry and deep knowledge of the company and its operations	N/A
Michael J. Clarke	Mr. Clarke's more than 25 years of senior executive, business development and operational experience managing global companies in numerous industries, including electronics, telecommunications, industrial, aerospace and automotive	N/A
Eugene A. Delaney	Mr. Delaney's more than 20 years of senior management experience with a major global communications technology company, particularly in the areas of business transformation and corporate finance	Mr. Delaney's numerous roles and extensive expertise overseeing the financial performance and operations of large divisions within a major multinational firm (Audit and Compensation)
William J. DeLaney	Mr. DeLaney's over 30 years' experience and knowledge in the areas of leadership and management development, corporate strategy development, finance and accounting and distribution and supply chain management	Mr. DeLaney's broad-based experience as a Chief Executive Officer of a large publicly-traded company and in senior finance and management roles (Audit and Nominating and Governance)
John P. Goldsberry	Mr. Goldsberry's understanding of hardware and manufacturing businesses (computers, renewable energy, electronic equipment and semiconductors), providing knowledge to help Sanmina refine and improve its strategy and execution	Mr. Goldsberry's experience as chief financial officer of a number of public and private technology and manufacturing companies (Audit and Compensation)
Rita S. Lane	Ms. Lane's more than 30 years experience in global supply chain, technology products and hardware operations for Fortune 100 companies	Ms. Lane's executive level and board experience giving her insights into operational and financial matters and best governance practices (Audit and Nominating and Governance)

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Name of Nominee	Board Nominating Factors	Committee Nomination Factors
Joseph G. Licata, Jr.	Mr. Licata's more than 10 years of experience as chief executive of technology companies, giving him excellent visibility into operational and financial issues	Mr. Licata's role in several companies as chief executive officer and as a Board member of several privately-held companies (Audit and Compensation)
Mario M. Rosati	Mr. Rosati's senior and significant role in a major Silicon Valley law firm serving technology companies and service on multiple company boards, giving him unique viewpoints on the technology industry and strategies for growth	N/A
Jackie M. Ward	Ms. Ward's wealth of experience as a current or former board member of a number of leading Fortune 500 companies and her long-term service as a technology company chief executive officer	Ms. Ward's prior experience as a chief executive officer and her experience as a board, compensation and governance committee member of a number of leading Fortune 500 companies (Compensation and Nominating and Governance)

Vote Required; Recommendation of the Board of Directors

A nominee for director shall be elected to the Board if the votes cast for such nominee's election exceed the votes cast against such nominee's election. Abstentions and broker non-votes do not count as "votes cast" with respect to this proposal and therefore will not affect the outcome of the election. Pursuant to our Corporate Governance Guidelines, should a nominee for director fail to receive the required number of votes for election, he or she is required to tender his or her resignation to the Board. In such a case, the Nominating and Governance Committee of the Board has the option of accepting or declining such resignation, considering any factors that the Nominating and Governance Committee deems relevant.

OUR BOARD UNANIMOUSLY RECOMMENDS VOTING "FOR" THE NOMINEES LISTED ABOVE FOR ELECTION TO THE BOARD.

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**PROPOSAL TWO:
RATIFICATION OF APPOINTMENT OF
INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

The Audit Committee has approved the engagement of PricewaterhouseCoopers LLP ("PwC") as our independent registered public accounting firm for the fiscal year ending September 28, 2019. In the event stockholders do not ratify the Audit Committee's selection of PwC as our independent registered public accounting firm, the Audit Committee may reconsider its selection. Representatives of PwC are expected to be present at the Annual Meeting, with the opportunity to make a statement if they desire to do so, and are expected to be available to respond to appropriate questions.

The following is a summary of fees billed by our independent registered public accounting firm for the fiscal years ended September 30, 2017 ("fiscal 2017") and September 29, 2018 ("fiscal 2018"). The Audit Committee considers the non-audit and tax fees in its assessment of the independence of the Company's independent registered public accounting firm.

Audit Fees

The aggregate fees billed for professional services rendered by PwC for the audit of our annual consolidated financial statements, various statutory audits and reviews of the condensed consolidated financial statements included in our Quarterly Reports on Form 10-Q for fiscal 2017 and fiscal 2018 were as follows:

Fiscal 2017	Fiscal 2018
\$ 3,027,000	\$ 2,635,000

Audit-Related Fees

The aggregate fees billed for audit-related services, exclusive of the fees disclosed above relating to audit fees, rendered by PwC during fiscal 2017 and fiscal 2018 were as follows:

Fiscal 2017	Fiscal 2018
\$ 51,000	\$ 172,000

Tax Fees

The aggregate fees billed for tax services rendered by PwC during fiscal 2017 and fiscal 2018 are set forth below. These services consisted primarily of tax compliance and tax consultation services.

Fiscal 2017	Fiscal 2018
\$ 667,000	\$ 373,000

All Other Fees

Fiscal 2017	Fiscal 2018
\$ 4,000	\$ 4,000

The Audit Committee has concluded that the non-audit services provided by PwC were compatible with maintaining the independence of PwC.

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Audit Committee Pre-Approval Policy with Respect to Audit Services and Permissible Non-Audit Services

All services provided by our independent registered public accounting firm require prior approval of the Audit Committee, with limited exceptions as permitted by the SEC's Rule 2-01 of Regulation S-X. Our independent registered public accounting firm periodically reports to the Audit Committee services for which the independent registered public accounting firm has been engaged and the aggregate fees incurred and to be incurred. During fiscal 2018, all services provided by our independent registered public accounting firm were pre-approved in accordance with this policy.

Vote Required; Recommendation of the Board of Directors

The affirmative vote of a majority of the votes duly cast is required to ratify the appointment of PwC as our independent registered public accounting firm. Abstentions have the same effect as a vote against this proposal. However, broker non-votes are not deemed to be votes cast and, therefore, have no effect on the outcome of this proposal.

THE BOARD BELIEVES THE APPOINTMENT OF PRICEWATERHOUSE COOPERS LLP IS IN THE BEST INTERESTS OF THE COMPANY AND ITS STOCKHOLDERS AND UNANIMOUSLY RECOMMENDS VOTING "FOR" THE RATIFICATION OF PRICEWATERHOUSECOOPERS LLP AS OUR INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR THE FISCAL YEAR ENDING SEPTEMBER 28, 2019.

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**PROPOSAL THREE:
APPROVAL OF THE 2019 Equity Incentive Plan**

Request for Stockholder Approval of 2019 Equity Incentive Plan

The stockholders are being asked to approve our 2019 Equity Incentive Plan (the "2019 Plan"). The 2019 Plan is intended to replace our 2009 Incentive Plan, as amended (the "2009 Plan"), which will expire as to future grants on January 26, 2019. Approval of the 2019 Plan will allow the Company to continue to provide equity awards as part of the Company's compensation program, an important tool for motivating, attracting and retaining talented employees and for creating stockholder value. Non-approval of the 2019 Plan will compel the Company to significantly increase the cash component of employee compensation to attract and retain key employees because the Company would need to replace components of compensation previously delivered in equity awards and which would therefore reduce our operating cash flow.

The Board believes that long-term incentive compensation programs align the interests of management, employees and the stockholders to create long-term stockholder value. Equity plans such as the 2019 Plan increase Sanmina's ability to achieve this objective, and, by allowing for several different forms of long-term incentive awards, helps Sanmina to recruit, reward, motivate, and retain talented personnel. The Board believes that the approval of the 2019 Plan is essential to Sanmina's continued success, in particular, Sanmina's ability to attract and retain outstanding and highly skilled individuals in the extremely competitive labor markets in which Sanmina competes. Such awards are also crucial to Sanmina's ability to motivate employees to achieve its goals.

Stockholders are being asked to approve an aggregate of 3,993,000 shares for future issuance under the 2019 Plan (the "Shares"). This amount includes 2,393,006 shares that remained available for grant under the 2009 Plan as of January 4, 2019, which plan, as stated above, will expire on January 26, 2019 and therefore will no longer be available for grant under that plan. We expect that the share reserve under the 2019 Plan will allow us to continue to grant equity-based compensation at levels we deem necessary and appropriate for approximately the next two years. We base this belief upon our historical annual equity award grant rate (otherwise known as burn rate), our historical forfeiture rate and our estimates of the number of Shares that we estimate will be needed to attract new senior and executive hires and in connection with potential merger and acquisition transactions. This belief could change, however, based upon a number of factors, including the need to increase our burn rate over historical averages in order to attract and retain key talent and the price of our common stock (because we determine the size of equity awards to be granted in part based on the price of our common stock at the time of grant, if our stock price on the date the award is granted is significantly lower than the stock price assumed in our forecast, we would need to grant a larger number of Shares than anticipated to deliver the same value to participants).

Key Plan Provisions

The 2019 Plan has a ten year term;

The 2019 Plan provides for the grant of stock options, both incentive stock options and nonqualified stock options, stock appreciation rights, restricted stock, restricted stock units, performance units, performance shares, and such other cash or stock awards to eligible individuals as the plan's administrator (as defined below) may determine;

3,993,000 shares will be authorized for issuance pursuant to awards under the 2019 Plan, inclusive of 2,393,006 shares that remained available for grant under the 2009 Plan as of January 4, 2019, which plan, as stated above, will be expiring on January 26, 2019 and therefore no longer available for grant under that plan;

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Shares subject to outstanding awards under the 2009 Plan that are forfeited, cancelled, or otherwise expire under will be rolled into the 2019 Plan;

Any Shares subject to awards other than options or stock appreciation rights (e.g., "full value" awards) will be counted against numerical share limits as 1.36 Shares for every one Share subject thereto; and

The 2019 Plan will be administered by the Compensation Committee.

Key Reasons stockholder considerations

Stockholders should consider the following in determining whether to approve our 2019 Plan:

1. *Our share repurchases in the last three fiscal years have more than offset the dilutive effect of grants made under the Incentive Plan during the same time period.* During the last three fiscal years, we have repurchased approximately 16.1 million shares of our common stock in the open market, more than offsetting the potential dilution from the 5.0 million shares granted under the Incentive Plan during that same time period. Since the end of fiscal 2014, we have reduced the number of shares of our common stock outstanding from 78.1 million shares to 67.7 million shares.
2. *Our burn rate is reasonable compared to our peers.* Sanmina's three-year average net burn rate (grants less cancellations divided by outstanding shares) of 1.6% is well within the range of (1.2%) to 3.0% of the peer companies listed in the "Compensation Discussion and Analysis" on page 45 of the Proxy Statement for their most recently completed fiscal year for which data is publicly available.
3. *The 2019 Plan follows best market practices.* Our 2019 Plan has been designed consistent with the qualitative standards of proxy advisory firms and equity plan best practices. As a result, the Incentive Plan:
 - a. Does not permit the repricing of awards granted under the 2019 Plan unless approved by stockholders;
 - b. Provides for responsible share counting in that any Shares tendered or withheld to pay taxes or an option's exercise price are not available for reissuance;
 - c. Does not provide for automatic acceleration of vesting of awards upon an acquisition of Sanmina;
 - d. Includes a fungible share ratio, which reduces the dilution of the plan for stockholders by decreasing the plan pool at a higher rate (1.36:1) for full-value awards, like the restricted stock unit awards that Sanmina typically grants, than for stock options; and
 - e. The 2019 Plan does not provide for any tax gross-ups.
4. *Overhang.* As of January 4, 2019, 6.4 million shares were subject to outstanding equity awards under our 2009 Plan and 8.8 million shares were reserved for issuance under our 2009 Plan, inclusive of outstanding equity awards, representing 10% and 14% of our shares outstanding, respectively. This "overhang" is reasonable compared to that of our peers. And although our overhang has been adversely impacted by our high rates of share repurchases, such repurchases have more than offset the dilution from our share issuances under the 2009 Plan over the last three fiscal years.

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5.

Adherence to Proxy Advisory Firm Guidelines. In light of our significant institutional stockholder base, we have implemented several plan features recommended by proxy advisory firms in the 2019 Plan, including:

- a. All awards granted under the 2019 Plan must have a minimum vesting period of at least one year, subject to certain de minimus exceptions;
- b. All shares received by the Chief Executive Officer upon exercise, settlement or issuance of an award must be held for a minimum of one year before being sold or, if earlier, until the termination of the Chief Executive Officer's service;
- c. Reasonable and appropriate change in control provisions;
- d. No dividends payable on unvested awards; and
- e. No liberal recycling of full value awards.

Summary of the 2019 Plan

A summary of the principal provisions of the 2019 Plan is set forth below. However, this summary is not a complete description of all of the provisions of the 2019 Plan and is qualified in its entirety by the specific language of the 2019 Plan, which is attached as Appendix A to this proxy statement.

Administration

Our Board of Directors has delegated administration of the 2019 Plan to the Compensation Committee. Our Board of Directors and the Compensation Committee may further delegate administration of the 2019 Plan to any committee of our Board of Directors, or a committee of individuals satisfying applicable laws appointed by our Board of Directors in accordance with the terms of the 2019 Plan. Our Board of Directors may delegate authority to one or more officers of the Company the authority to do one or both of the following: (i) designate employees or consultants of the Company or any of its subsidiaries who are not officers to be recipients of options, restricted stock and restricted stock units under the terms of the 2019 Plan, and (ii) determine the number of Shares to be subject to such awards; provided, however, that the Board resolutions regarding such delegation shall specify the total number of Shares that may be subject to the awards granted by such officer.

For purposes of this summary of the 2019 Plan, the term "administrator" will refer to our Board of Directors or any committee designated by our Board of Directors to administer the 2019 Plan. To make grants to certain officers and key employees, the members of the committee must qualify as "non-employee directors" under Rule 16b-3 of the Securities Exchange Act of 1934, as amended.

Subject to the terms of the 2019 Plan, the administrator has the authority, in its discretion, to (i) determine the fair market value of a Share, (ii) select the service providers to whom awards may be granted, (iii) determine the number of Shares to be covered by each award granted under the 2019 Plan, (iv) to approve forms of award agreement for use under the 2019 Plan, (v) determine the terms and conditions of any award granted under the 2019 Plan, provided these are not inconsistent with the terms of the 2019 Plan, (vi) construe and interpret the terms of the 2019 Plan and awards granted under the 2019 Plan, (vii) prescribe, amend and rescind rules and regulations relating to the 2019 Plan, (viii) modify or amend each award, subject to the terms of the 2019 Plan; provided that the administrator may not modify or amend an option or stock appreciation right to reduce the exercise price after it has been granted (except for adjustments made pursuant to the terms of the 2019 Plan), and the administrator may not implement any type of exchange program, unless such action is approved by stockholders prior to such action being taken, (ix) allow participants to satisfy tax withholding obligations in a manner prescribed under the terms of the 2019 Plan, (x) authorize any person to execute on behalf of the Company any instrument required to effect the grant of an award

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previously granted by the administrator, (xi) allow a participant to defer receipt of the payment of cash or the delivery of shares that would otherwise be due to such participant under an award pursuant to such procedures as the administrator may determine, and (xii) make all other determinations deemed necessary or advisable for administering the 2019 Plan. The administrator's decisions, determinations and interpretations will be final and binding on all participants and any other holders of awards.

Eligibility

All types of awards other than incentive stock options may be granted to our non-employee directors and to employees and consultants of the Company or any parent or subsidiary corporation of the Company. Incentive stock options may be granted only to employees of the Company or any parent or subsidiary corporation of the Company. As of December 29, 2018, we had approximately 48,000 eligible participants, including employee directors, outside directors and consultants.

Shares Available for Issuance

Subject to the adjustment provisions contained in the 2019 Plan, our stockholders are being asked to approve a number of Shares for issuance under the 2019 Plan equal to 3,993,000 Shares, plus any Shares subject to stock options or similar awards granted under the 2009 Plan that, after the date of stockholder approval of this Plan, expire or otherwise terminate without having been exercised in full and Shares issued pursuant to awards granted under the 2009 Plan that, after the date of stockholder approval of this Plan, are forfeited to or repurchased by the Company, with the maximum number of Shares to be added to the Plan pursuant to the 2009 Plan equal to 6,436,840 Shares. The 3,993,000 Shares our stockholders are being asked to approve includes 2,393,006 shares that remain available for grant under the 2009 Plan as of January 4, 2019, which plan, as stated above, will be expiring on January 26, 2019 and therefore no longer available for grant under that plan. The Shares may be authorized, but unissued, or reacquired Common Stock.

Any Shares subject to awards other than options or stock appreciation rights will be counted against the numerical limits of the 2019 Plan as 1.36 Shares for every one Share subject thereto. Further, if Shares acquired pursuant to any such award are forfeited or repurchased by the Company and would otherwise return to the 2019 Plan, 1.36 times the number of Shares so forfeited or repurchased will return to the 2019 Plan and will again become available for issuance.

If an award under the 2019 Plan expires or becomes unexercisable without having been exercised in full, or, with respect to restricted stock, restricted stock units, performance shares or performance units which are to be settled in Shares, is forfeited to or repurchased by the Company, the unpurchased Shares (or for awards other than options and stock appreciation rights, the forfeited or repurchased Shares) which were subject thereto will become available for future grant or sale under the 2019 Plan (unless the plan has terminated). Upon exercise of a stock appreciation right settled in Shares, the gross number of Shares covered by the portion of the award so exercised will cease to be available under the 2019 Plan. If unvested Shares of restricted stock, or unvested Shares issued pursuant to awards of restricted stock units, performance shares or performance units are repurchased by or forfeited to the Company, such Shares will become available for future grant under the 2019 Plan. Shares used to pay the tax and exercise price of an award will not become available for future grant or sale under the 2019 Plan. To the extent an award under the 2019 Plan is paid out in cash rather than Shares, such cash payment will not result in reducing the number of Shares available for issuance under the 2019 Plan.

Adjustments

In the event of any dividend or other distribution (whether in the form of cash, Shares, other securities, or other property), recapitalization, stock split, reverse stock split, reorganization, merger,

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consolidation, split-up, spin-off, combination, repurchase or exchange of Shares or other securities or other change in the corporate structure affecting our common stock, the 2019 Plan administrator, in order to prevent diminution or enlargement of the benefits or potential benefits intended to be made available under the 2019 Plan, will adjust the number and class of Shares that may be delivered under the 2019 Plan and/or the number, class, and price of Shares covered by each outstanding award, and the numerical Share or value limits, as applicable, set forth in the 2019 Plan.

Stock Options

An option gives a participant the right to purchase a specified number of Shares for a fixed exercise price during a specified period of time. Each option granted under the 2019 Plan will be evidenced by an award agreement specifying the number of Shares subject to the option and the other terms and conditions of the option, consistent with the requirements of the 2019 Plan.

The exercise price per share of each option may not be less than the fair market value of a share of our common stock on the date of grant. However, any incentive stock option granted to a person who at the time of grant owns stock possessing more than 10% of the total combined voting power of all classes of our stock or any parent or subsidiary corporation of ours (a "ten percent stockholder") must have an exercise price per share equal to at least 110% of the fair market value of a share on the date of grant. The aggregate fair market value of the shares (determined on the grant date) covered by incentive stock options which first become exercisable by any participant during any calendar year also may not exceed \$100,000. The fair market value of the common stock is generally the closing sales price of our stock as reported on the Nasdaq Global Select Stock Market.

Options will be exercisable at such times or under such conditions as determined by the administrator and set forth in the award agreement.

Upon the termination of a participant's service, the unvested portion of the participant's option generally expires. The vested portion of the option will remain exercisable for the period following the participant's termination of service that was determined by the administrator and specified in the participant's award agreement, and if no such period was determined by the administrator, the vested portion of the option will remain exercisable for: (i) 90 days following a termination of the participant's service for reasons other than death or disability or (ii) 5 years following a termination of the participant's service due to death or disability. In no event will the option be exercisable after the end of the option's term. In the event of termination of service due to participant's death, the award becomes vested in full.

The term of an option will be specified in the award agreement but may not be more than ten years (or five years for an incentive stock option granted to a ten percent stockholder).

The 2019 Plan provides that the administrator will determine the acceptable form(s) of consideration for exercising an option. An option will be deemed exercised when we receive the notice of exercise and full payment for the Shares to be exercised, together with applicable tax withholdings.

Stock Appreciation Rights

A stock appreciation right gives a participant the right to receive the appreciation in the fair market value of our common stock between the date an award is granted and the date it is exercised. Upon exercise of a stock appreciation right, the holder of the award will be entitled to receive an amount determined by multiplying: (i) the difference between the fair market value of a share on the date of exercise and the exercise price by (ii) the number of exercised stock appreciation rights. We may pay the appreciation in cash, in Shares, or a combination of both. Each stock appreciation right granted under the 2019 Plan will be evidenced by an award agreement specifying the exercise price and the other terms and conditions of the award.

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The exercise price per share of each stock appreciation right may not be less than the fair market value of a share of our common stock on the date of grant.

Stock appreciation rights will be exercisable at such times or under such conditions as determined by the administrator and set forth in the award agreement.

The term of a stock appreciation right may not be more than ten years. The terms and conditions relating to the period of exercise of stock appreciation rights following the termination of a participant's service are similar to those for options described above. In the event of termination of service due to participant's death, the award becomes vested in full.

Restricted Stock Awards

Awards of restricted stock are rights to acquire or purchase Shares that vest in accordance with the terms and conditions established by the administrator in its sole discretion. Unless otherwise provided by the administrator, a participant will forfeit any Shares of restricted stock that have not vested by the termination of the participant's service. However, in the event of termination of service due to participant's death, the award becomes vested in full. Each restricted stock award granted will be evidenced by an award agreement specifying the number of Shares subject to the award and the other terms and conditions of the award. The administrator will determine the vesting conditions that apply to an award of restricted stock.

Unless the administrator provides otherwise, participants holding Shares of restricted stock will have voting rights without regard to vesting, but will not have rights to dividends and other distributions with respect to such Shares until the Shares vest. The administrator has the discretion to reduce or waive any restrictions and to accelerate the time at which any restrictions will lapse or be removed.

Restricted Stock Units

A restricted stock unit represents a right to receive cash or a share of our common stock if the performance goals or other vesting criteria set by the administrator are achieved or the restricted stock unit otherwise vests. Each award of restricted stock units granted under the 2019 Plan will be evidenced by an award agreement specifying the number of Shares subject to the award and other terms and conditions of the award. The administrator will determine the vesting conditions that apply to an award of restricted stock units.

After an award of restricted stock units has been granted, the administrator has the discretion to reduce or waive any restrictions or vesting criteria that must be met to receive a payout or to accelerate the time at which any restrictions will lapse or be removed. A participant will forfeit any unearned restricted stock units upon termination of his or her service. However, In the event of termination of service due to participant's death, the award becomes vested in full. The administrator in its sole discretion may pay earned restricted stock units in cash, Shares, or a combination of both.

Performance Units and Performance Shares

Performance units and performance shares are awards that will result in a payment to a participant only if performance goals established by the administrator are achieved or the awards otherwise vest. Performance units will have an initial value established by the administrator on or before the date of grant. Each performance share will have an initial value equal to the fair market value of a share on the grant date. Performance units and performance shares will result in a payment to a participant only if the performance goals or other vesting criteria set by the administrator are achieved or the awards otherwise vest.

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Each award of performance units or performance shares granted under the 2019 Plan will be evidenced by an award agreement specifying the performance period and other terms and conditions of the award. The administrator may set vesting criteria based upon the achievement of company-wide, divisional, or individual goals (including, but not limited to, continued employment or service), or any other basis determined by the administrator, in its discretion.

After an award of performance units or performance shares has been granted, the administrator has the discretion to accelerate, reduce or waive any performance objectives or other vesting provisions for such performance units or performance shares, but may not increase the amount payable at a given level of performance.

The administrator has the discretion to pay earned performance units or performance shares in the form of cash, Shares (which will have an aggregate fair market value equal to the earned performance units or performance shares at the close of the applicable performance period), or a combination of both.

A participant will forfeit any performance units or performance shares that have not been earned or have not vested as of the termination of his or her service with us. However, in the event of termination of service due to participant's death, the award will accelerate, with such acceleration assuming that all performance goals and other vesting criteria are deemed achieved at target performance levels and any additional service conditions satisfied.

Transferability

Awards generally are not transferable other than by will or by the laws of descent or distribution and may be exercised, during the lifetime of the participant, only by the participant. With the approval of the administrator, a participant may transfer an award, in a manner specified by the administrator, to a spouse or former spouse pursuant to certain court-approved domestic relations orders, and transfer an option by gift to an immediate family member or certain trusts, partnerships or other entities or foundations in accordance with the terms of the 2019 Plan.

Outside Director Limitations

No non-employee director may be granted, in any fiscal year of the Company, awards with a grant date fair value (determined in accordance with U.S. generally accepted accounting principles) of greater than \$900,000. Any awards granted to an individual for his or her services as an employee, or for his or her services as a consultant (other than as a non-employee director), will not count for purposes of this limitation.

One-Year Vesting Requirement; Chief Executive Officer Holding Requirement

Awards granted under the 2019 Plan shall vest no earlier than the one year anniversary of the award's date of grant, provided that the administrator, in its sole discretion, may provide that an award may accelerate vesting by reason of the participant's death, disability or retirement, or termination of the participant's service, including a termination that occurs in connection with a change in control, and provided further that awards that result in the issuance of an aggregate of up to 5% of the Shares reserved for issuance under the 2019 Plan may be granted to service providers, or outstanding awards modified, without regard to such minimum vesting, exercisability and distribution provisions. In addition, Shares received by the Chief Executive Officer upon exercise, settlement or issuance of an Award granted to him or her while serving as Chief Executive Officer may not be sold or otherwise transferred (other than for estate planning purposes) for at least one year following delivery of such Shares or, if earlier, upon the termination of the Chief Executive Officer's service to us.

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Dissolution or Liquidation

In the event of a proposed dissolution or liquidation of our company, the administrator will notify each participant as soon as practicable prior to the effective date of such proposed transaction. An award will terminate immediately prior to consummation of such proposed action to the extent the award has not been previously exercised.

Change in Control

The 2019 Plan provides that, in the event of a merger or change in control of the Company, each award will be treated as the administrator determines, including that that each Award be assumed or an equivalent option or right substituted by the successor corporation.

If the successor corporation does not assume or substitute for the award, the participant will fully vest in and have the right to exercise all of his or her outstanding options and stock appreciation rights, all restrictions on restricted stock and restricted stock units will lapse. With respect to awards with performance-based vesting that are not assumed or substituted for, all performance goals or other vesting criteria will be deemed achieved based on actual performance measured through the last date that the award remains outstanding (or such earlier date, as determined by the administrator, in its sole discretion), with any performance period shortened proportionately and applicable performance goals or other vesting criteria adjusted proportionately to reflect the shortened performance period (or to the extent applicable, the value of the consideration to be received by the Company's stockholders in connection with the merger or change in control), as determined by the administrator, in its sole discretion. In addition, if an option or stock appreciation right is not assumed or substituted for, the administrator will notify the participant in writing or electronically that the option or stock appreciation right will be exercisable for a period of time determined by the administrator, in its sole discretion, and the option or stock appreciation right will terminate upon the expiration of such period.

For awards granted to our non-employee directors, in the event of a change in control in which such awards are assumed or substituted for, if on the date of or following such assumption or substitution the participant's status as a director or a director of the successor corporation, as applicable, is terminated other than upon a voluntary resignation by the participant (unless such resignation is at the request of the acquirer), then the participant will fully vest in and have the right to exercise options and/or stock appreciation rights as to all of the Shares underlying such award, including those Shares which would not otherwise be vested or exercisable, all restrictions on restricted stock and restricted stock units will lapse, and, with respect to awards with performance-based vesting, unless specifically provided otherwise under the applicable award agreement, a Company policy applicable to the participant, or other written agreement between the participant and the Company, all performance goals or other vesting criteria will be deemed achieved at one hundred percent (100%) of target levels and all other terms and conditions met.

Amendment and Termination

The 2019 Plan will automatically terminate ten years from the date of its adoption by our Board of Directors, unless terminated at an earlier time by our Board of Directors. The administrator may amend, alter, suspend, or terminate the 2019 Plan at any time, provided that no amendment may be made without stockholder approval to the extent approval is necessary or desirable to comply with any applicable laws. No amendment, alteration, suspension, or termination may materially impair the rights of any participant unless mutually agreed otherwise between the participant and the administrator.

Summary of U.S. Federal Income Tax Consequences

The following summary is intended only as a general guide to the U.S. federal income tax consequences of participation in the 2019 Plan. The summary is based on existing U.S. laws and

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regulations as of January 24, 2019, and there can be no assurance that those laws and regulations will not change in the future. The summary does not purport to be complete and does not discuss the tax consequences upon a participant's death, or the provisions of the income tax laws of any municipality, state or foreign country in which the participant may reside. As a result, tax consequences for any particular participant may vary based on individual circumstances.

Incentive Stock Options

A participant recognizes no taxable income for regular income tax purposes as a result of the grant or exercise of an option that qualifies as incentive stock option under Section 422 of the Code. If a participant exercises the option and then later sells or otherwise disposes of the Shares acquired through the exercise of the option after both the two-year anniversary of the date the option was granted and the one-year anniversary of the exercise, the participant will recognize a capital gain or loss equal to the difference between the sale price of the Shares and the exercise price, and we will not be entitled to any deduction for federal income tax purposes.

However, if the participant disposes of such Shares either on or before the two-year anniversary of the date of grant or on or before the one-year anniversary of the date of exercise (a "disqualifying disposition"), any gain up to the excess of the fair market value of the Shares on the date of exercise over the exercise price generally will be taxed as ordinary income, unless the Shares are disposed of in a transaction in which the participant would not recognize a loss (such as a gift). Any gain in excess of that amount will be a capital gain. If a loss is recognized, there will be no ordinary income, and such loss will be a capital loss. Any ordinary income recognized by the participant upon the disqualifying disposition of the Shares generally should be deductible by us for federal income tax purposes, except to the extent such deduction is limited by applicable provisions of the Code.

For purposes of the alternative minimum tax, the difference between the option exercise price and the fair market value of the Shares on the exercise date is treated as an adjustment item in computing the participant's alternative minimum taxable income in the year of exercise. In addition, special alternative minimum tax rules may apply to certain subsequent disqualifying dispositions of the Shares or provide certain basis adjustments or tax credits for purposes.

Nonstatutory Stock Options

A participant generally recognizes no taxable income as the result of the grant of such an option. However, upon exercising the option, the participant normally recognizes ordinary income equal to the amount that the fair market value of the Shares on such date exceeds the exercise price. If the participant is an employee, such ordinary income generally is subject to withholding of income and employment taxes. Upon the sale of the Shares acquired by the exercise of a nonstatutory stock option, any gain or loss (based on the difference between the sale price and the fair market value on the exercise date) will be taxed as capital gain or loss. No tax deduction is available to us with respect to the grant of a nonstatutory stock option or the sale of the Shares acquired through the exercise of the nonstatutory stock option.

Stock Appreciation Rights

In general, no taxable income is reportable when a stock appreciation right is granted to a participant. Upon exercise, the participant generally will recognize ordinary income in an amount equal to the fair market value of any Shares received. Any additional gain or loss recognized upon any later disposition of the Shares would be capital gain or loss.

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Restricted Stock Awards

A participant acquiring Shares of restricted stock generally will recognize ordinary income equal to the fair market value of the Shares on the vesting date. If the participant is an employee, such ordinary income generally is subject to withholding of income and employment taxes. The participant may elect, pursuant to Section 83(b) of the Code to accelerate the ordinary income tax event to the date of acquisition by filing an election with the Internal Revenue Service no later than thirty days after the date the Shares are acquired. Upon the sale of Shares acquired pursuant to a restricted stock award, any gain or loss, based on the difference between the sale price and the fair market value on the date the ordinary income tax event occurs, will be taxed as capital gain or loss.

Restricted Stock Unit Awards

There are no immediate tax consequences of receiving an award of restricted stock units. A participant who is awarded restricted stock units generally will be required to recognize ordinary income in an amount equal to the fair market value of Shares issued to such participant at the end of the applicable vesting period or, if later, the settlement date elected by the administrator or a participant. Any additional gain or loss recognized upon any later disposition of any Shares received would be capital gain or loss.

Performance Shares and Performance Unit Awards

A participant generally will recognize no income upon the grant of a performance share or a performance unit award. Upon the settlement of such awards, participants normally will recognize ordinary income in the year of receipt in an amount equal to the cash received and the fair market value of any cash or unrestricted Shares received. If the participant is an employee, such ordinary income generally is subject to withholding of income and employment taxes. Upon the sale of any Shares received, any gain or loss, based on the difference between the sale price and the fair market value on the date the ordinary income tax event occurs, will be taxed as capital gain or loss.

Section 409A

Section 409A provides certain requirements for non-qualified deferred compensation arrangements with respect to an individual's deferral and distribution elections and permissible distribution events. Awards granted under the 2019 Plan with a deferral feature will be subject to the requirements of Section 409A. If an award is subject to and fails to satisfy the requirements of Section 409A, the recipient of that award may recognize ordinary income on the amounts deferred under the award, to the extent vested, which may be prior to when the compensation is actually or constructively received. Also, if an award that is subject to Section 409A fails to comply with Section 409A's provisions, Section 409A imposes an additional 20% federal income tax on compensation recognized as ordinary income, as well as interest on such deferred compensation.

Tax Effect for Sanmina

We generally will be entitled to a tax deduction in connection with an award under the 2019 Plan in an amount equal to the ordinary income realized by a participant and at the time the participant recognizes such income (for example, the exercise of a nonstatutory stock option) except to the extent such deduction is limited by applicable provisions of the Code. Special rules limit the deductibility of compensation paid to our chief executive officer and other "covered employees" as determined under Section 162(m) and applicable guidance. Under Section 162(m), the annual compensation paid to any of these specified executives will be deductible only to the extent that it does not exceed \$1,000,000.

THE FOREGOING IS ONLY A SUMMARY OF THE EFFECT OF U.S. FEDERAL INCOME TAXATION UPON PARTICIPANTS AND SANMINA WITH RESPECT TO AWARDS UNDER

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THE 2019 PLAN. IT DOES NOT PURPORT TO BE COMPLETE AND DOES NOT DISCUSS THE IMPACT OF EMPLOYMENT OR OTHER TAX REQUIREMENTS, THE TAX CONSEQUENCES OF A PARTICIPANT'S DEATH, OR THE PROVISIONS OF THE INCOME TAX LAWS OF ANY MUNICIPALITY, STATE, OR FOREIGN COUNTRY IN WHICH THE PARTICIPANT MAY RESIDE.

Number of Awards Granted to Employees, Consultants and Directors

The number of awards that an employee, director, or consultant may receive under the 2019 Plan is in the discretion of the administrator and therefore cannot be determined in advance. The following table sets forth: (i) the aggregate number of shares of Common Stock subject to options granted under the 2009 Plan during fiscal year 2018 to each of our named executive officers; executive officers, as a group; directors who are not executive officers, as a group; and all employees who are not executive officers, as a group; (ii) the average per share exercise price of such options; (iii) the aggregate number of shares subject to restricted stock units ("RSUs") granted under the 2009 Plan during fiscal year 2018 to each of our named executive officers; executive officers, as a group; directors who are not executive officers, as a group; and all employees who are not executive officers, as a group; and (iv) the grant-date value of shares subject to such RSUs.

Name of Individual or Group	Number of Shares Subject to Options Granted	Average Per Share Exercise Price of Option Grants(1)	Number of Shares Subject to RSUs Granted	Dollar Value of Shares Subject to RSUs Granted(1)
Jure Sola <i>Executive Chairman</i>			200,000	\$ 7,690,000
Robert K. Eulau <i>Former Chief Executive Officer</i>	200,000	\$ 38.45	200,000(2)	\$ 7,690,000
Gerry Fay <i>Former Chief Business Officer</i>				
David Anderson <i>Executive Vice President and Chief Financial Officer</i>			40,000(3)	\$ 1,538,000
Alan McW. Reid <i>Executive Vice President, Global Human Resources</i>			10,000	\$ 305,500
All executive officers, as a group	200,000	\$ 38.45	450,000	\$ 17,223,500
All directors who are not executive officers, as a group			90,207	\$ 2,516,775
All employees who are not executive officers, as a group			561,750	\$ 17,185,625

- (1) Reflects the aggregate grant date fair value of awards computed in accordance with ASC 718.
- (2) Award canceled as a result of Mr. Eulau's resignation.
- (3) An aggregate of 5,000 RSU's have been canceled as a result of non-performance of Company performance criteria.

Other Equity Compensation Plan Information

The following table summarizes the number of shares issuable upon exercise of outstanding options and deliverable upon vesting of restricted stock units granted to our service providers and

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directors, as well as the number of shares of common stock remaining available for future issuance under Sanmina's equity compensation plans as of September 29, 2018. Sanmina has no stock appreciation rights or other awards outstanding that are convertible into or exchangeable for common stock. Additionally, there are no awards outstanding under equity compensation plans not approved by stockholders.

Plan Category	Number of Common Shares to be Issued Upon Exercise of Outstanding Options and Rights	Weighted-Average Exercise Price of Outstanding Options	Number of Common Shares Remaining Available for Future Issuance Under Equity Compensation Plans
Equity compensation plans approved by stockholders	6,628,772(1)\$	13.52(2)	3,547,304

- (1) Includes 3,302,278 shares deliverable upon vesting of Restricted Stock Units.
- (2) Weighted average remaining term of options is 3.40 years.

Vote Required; Recommendation of the Board of Directors

The affirmative vote of a majority of the votes duly cast is required to approve this proposal to approve the 2019 Equity Incentive Plan. Abstentions are deemed to be votes cast and have the same effect as a vote against this proposal. However, broker non-votes are not deemed to be votes cast and, therefore, have no effect on the outcome of this proposal.

THE BOARD UNANIMOUSLY RECOMMENDS VOTING "FOR" THE ADOPTION OF THE 2019 EQUITY INCENTIVE PLAN.

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**PROPOSAL FOUR:
APPROVAL, ON AN ADVISORY (NON-BINDING) BASIS, OF COMPENSATION OF
NAMED EXECUTIVE OFFICERS**

The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, or the Dodd-Frank Act, requires that we provide our stockholders an opportunity to vote to approve, on an advisory or non-binding basis, the compensation of our named executive officers as disclosed in this proxy statement in accordance with the SEC's rules. This proposal, commonly known as a "say-on-pay" proposal, gives our stockholders the opportunity to express their views on our named executive officers' compensation as a whole. This vote is not intended to address any specific item of compensation or any specific named executive officer, but rather the overall compensation of all of our named executive officers and the philosophy, policies and practices described in this proxy statement.

The say-on-pay vote is advisory, and therefore not binding on us, the Compensation Committee or our Board of Directors. However, our Board of Directors and our Compensation Committee value the opinions of our stockholders and to the extent there is any significant vote against the named executive officer compensation as disclosed in our proxy statement, we will consider our stockholders' concerns and the Compensation Committee will evaluate whether any actions are necessary to address those concerns.

As described under the heading "Compensation Discussion and Analysis," our executive compensation programs are designed to reward executives for improvement in our financial results and shareholder value and to provide alignment between the interests of executives and our stockholders.

See "Compensation Discussion and Analysis" on page 34, the tabular disclosure regarding such compensation and the accompanying narrative disclosure set forth in this proxy statement for additional details about our executive compensation programs, including information about the fiscal 2018 compensation of our named executive officers.

Accordingly, our Board of Directors is asking our stockholders to cast a non-binding advisory vote "FOR" the following resolution at the annual meeting:

"RESOLVED, that the Company's stockholders approve, on an advisory basis, the compensation of the named executive officers, as disclosed in the Proxy Statement for the 2019 Annual Meeting of Stockholders pursuant to the compensation disclosure rules of the Securities and Exchange Commission, including the Compensation Discussion and Analysis, the 2018 Summary Compensation Table and other related tables and disclosure."

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT STOCKHOLDERS VOTE "FOR" THE APPROVAL OF THE COMPENSATION FOR OUR NAMED EXECUTIVE OFFICERS.

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CORPORATE GOVERNANCE

Sanmina has long upheld a set of basic beliefs to guide its actions. Among those beliefs is the responsibility to conduct business with the highest standards of ethical behavior when relating to customers, suppliers, employees and investors. Accordingly, we have implemented governance policies and practices which we believe meet or exceed regulatory standards and which reflect current corporate governance best practices.

Corporate Governance Guidelines

Sanmina has adopted a set of Corporate Governance Guidelines that are intended to serve, among other things, as a charter for the full Board. These guidelines contain various provisions relating to the operation of the Board and set forth the Board's policies regarding various matters. The guidelines can be found on our website at <http://ir.sanmina.com/investor-relations/corporate-governance/default.aspx>.

Code of Business Conduct and Ethics

Sanmina has adopted a Code of Business Conduct and Ethics (the "Code") that includes a conflict of interest policy and applies to the Board and all officers and employees. Sanmina provides training to familiarize employees with the requirements of the Code. An ethics reporting resource is available to all employees to enable confidential and anonymous reporting of suspected violations, as well as to the Chairs of the Audit Committee and the Nominating and Governance Committee, if desired. The Code can be found on our website at <http://ir.sanmina.com/investor-relations/corporate-governance/default.aspx>.

Independent Directors

The Board of Directors has determined that all of the non-employee members of the Board satisfy the definition of independence under applicable Nasdaq rules. There are no family relationships among our directors or executive officers. The non-management directors regularly meet in executive session, without members of management, as part of the normal agenda of our regularly scheduled board meetings.

Role of Lead Independent Director

During 2018, Wayne Shortridge served as lead independent director. The duties of lead independent director include: serving as the principal contact between the independent directors and the Executive Chairman; assisting the Executive Chairman in establishing the agenda for Board meetings; coordinating with the Executive Chairman in regard to meetings with stockholders and, if requested by stockholders, ensuring that he is available for consultation and direct communication; recommending the retention of outside advisors and consultants; and monitoring the quality, quantity and timeliness of information sent to the Board. Assuming the reelection of Jackie Ward at the Annual Meeting, Ms. Ward will serve as lead independent director in 2019. The charter for the lead independent director can be found on our website at <http://ir.sanmina.com/investor-relations/corporate-governance/default.aspx>.

Role of Executive Chairman

In October 2017, as part of Sanmina's succession planning process, we separated the roles of Chairman of the Board and Chief Executive Officer and Mr. Sola assumed the role of Executive Chairman. Prior to that, the positions of Chairman of the Board and Chief Executive Officer were held by Mr. Sola for more than 15 years. In addition to performing the customary duties of Chairman of the Board, Mr. Sola, in his role as Executive Chairman, supports the Chief Executive Officer by interacting with current and prospective customers and advising on the strategic direction of Sanmina. Mr. Sola also provided management and operational support during two CEO transitions that occurred during

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2018. The Board believes that this leadership structure, coupled with the appointment of Jackie Ward as Lead Independent Director, effective upon her reelection at the Annual Meeting, provides balance, continuity and currently is in the best interest of Sanmina and its stockholders.

Board Meetings

The Board held seven meetings during fiscal 2018. No director attended fewer than 75 percent of the meetings of the Board or of committees on which such person served.

Board Committees

The Board currently maintains three standing committees: an Audit Committee, a Compensation Committee, and a Nominating and Governance Committee.

Audit Committee

The Audit Committee currently consists of directors Eugene A. Delaney, William DeLaney, John P. Goldsberry, Rita S. Lane, Joseph G. Licata, Jr. and Wayne Shortridge, each of whom is "independent" as that term is defined for Audit Committee members by the Nasdaq listing standards. Mr. Goldsberry currently serves as the Chairman of the Audit Committee. Messrs. Delaney, DeLaney, Goldsberry and Licata all meet the definition of "audit committee financial expert" as defined by the SEC.

The Audit Committee oversees our corporate financial reporting and external audit, including, among other things, our control functions, the results and scope of the annual audit and other services provided by our independent registered public accounting firm and our internal audit function. In addition, the Audit Committee is responsible for the appointment, compensation, oversight and assessment of the performance of our independent registered public accounting firm and is involved in the selection of the lead audit partner. Among the factors considered by the Audit Committee in evaluating the performance of the independent registered public accounting firm are service quality, responsiveness, quality of audit team personnel and lead audit partner, management of the overall annual audit process, and understanding of Sanmina's industry, business and internal control environment. The Audit Committee also oversees certain risks relating to the preparation of our financial statements, investment policies, casualty risk insurance policies and legal and regulatory compliance, among others. Finally, the Audit Committee oversees our ethics program and reviews related party transactions and legal matters that could have a significant impact on our financial statements. The Audit Committee held nine formal meetings during fiscal 2018. The Annual Report of the Audit Committee appears in this proxy statement under the caption "Report of the Audit Committee of the Board of Directors."

The Audit Committee has adopted a written charter approved by the Board, a copy of which is available at our website at <http://ir.sanmina.com/investor-relations/corporate-governance/default.aspx>.

Compensation Committee

The Compensation Committee currently consists of directors Eugene Delaney, John Goldsberry, Joseph G. Licata, Wayne Shortridge and Jackie M. Ward. Mr. Shortridge currently serves as the Chairman of the Compensation Committee. Each such member of the Committee is an "independent director" and satisfies the requirements for compensation committee membership under the Nasdaq listing requirements and is a "non-employee director" under Rule 16b-3 of the Securities Exchange Act of 1934.

The Compensation Committee reviews and approves the salaries and equity, incentive and other compensation of our executive officers. The Committee also approves the terms of our annual bonus

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program, monitors our global compensation policies and practices and serves as the administrator under our equity compensation plans. Finally, the Compensation Committee assists in the oversight of risks relating to recruitment, retention, labor standards compliance and bonus and equity compensation plans and practices and reviews our succession planning process for our executive officers. The Compensation Committee held seven meetings during fiscal 2018.

The Compensation Committee has adopted a written charter approved by the Board, a copy of which is available at our website at <http://ir.sanmina.com/investor-relations/corporate-governance/default.aspx>.

The Compensation Committee has established the Performance Award Subcommittee to administer previously granted equity compensation that is intended to qualify as "performance-based compensation" under Section 162(m) of the Internal Revenue Code to persons who would be considered "covered employees" within the meaning of such rule. The subcommittee currently includes all members of the Compensation Committee. The written charter for such subcommittee is available at our website at <http://ir.sanmina.com/investor-relations/corporate-governance/default.aspx>.

Nominating and Governance Committee

The Nominating and Governance Committee currently consists of directors William DeLaney, Rita S. Lane, Wayne Shortridge and Jackie M. Ward, each of whom is "independent" as that term is defined by the Nasdaq listing standards. Ms. Ward currently serves as the Chairman of the Nominating and Governance Committee during fiscal 2018.

The Nominating and Governance Committee is responsible for evaluating the size and structure of the Board and its committees, determining the appropriate qualifications for directors and nominating candidates for election to the Board. The Nominating and Governance Committee also develops overall governance guidelines for the Board, including director succession planning policies, conducts an annual Board and committee evaluation and considers stockholder proposals for action at stockholder meetings, including stockholder nominees for director. Finally, the Nominating and Governance Committee reviews and recommends for Board approval our non-employee Board member compensation program. The Nominating and Governance Committee held four meetings during fiscal 2018.

The Nominating and Governance Committee has adopted a written charter approved by the Board, a copy of which is available at our website at <http://ir.sanmina.com/investor-relations/corporate-governance/default.aspx>.

Director Succession Planning, Tenure and Refreshment

The Board believes that its ability to promote the long-term, sustainable growth of Sanmina depends on attracting and retaining board members with a high level of industry-specific experience who have a deep familiarity with the Company's business and who actively engage with management and other stakeholders. The Board seeks to assure these characteristics in board members through regular succession planning activities and through its Board evaluation process intended to identify board members in need of improvement. The Board recognizes concerns expressed in the corporate governance community that long-tenured board members can be perceived as less independent than those with shorter tenures. At the same time, the Board does not believe that term limits are an appropriate means of addressing this concern as they can serve to disqualify otherwise knowledgeable, engaged and effective board members. Instead, the Board regularly considers new potential board members as a matter of succession planning.

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Role of the Board of Directors in Risk Management Practices and Policies

The Board has developed an enterprise risk management framework that assigns oversight of various enterprise-level risks to either the full Board or one of its committees. Pursuant to this framework, the Board and its Committees regularly receive presentations from management concerning enterprise-level risks that could have a significant adverse impact on Sanmina's business and operations. This process permits the Board and its Committees to provide guidance to management in scoping and managing each of the company's enterprise risk areas.

Stock Ownership Guidelines

In order to better align the interests of our Board and executive officers with those of our stockholders, we have adopted stock ownership guidelines. Under these guidelines, Board members must acquire and hold Sanmina shares with a dollar value of at least four times the amount of the cash retainer for Board service within three years of becoming a director. Shares counted towards satisfaction of the guideline include shares held through our non-management director deferred compensation plan, shares issued upon vesting or exercise of restricted stock units or stock options issued to directors and shares purchased on the open market, if any. All of our directors currently meet this standard or are within the period for initial compliance. For executive officers, the guidelines provide that such officers should hold equity with a value equal to a specified multiple of their base salary, as follows: Executive Chairman: four times; Chief Executive Officer: four times; Chief Financial Officer: three times; and other executive officers: one and one half times. Covered officers have five years from commencement of their service as executive officers, whichever is later, to reach their recommended equity position. The equity counted towards achievement of the executive ownership guidelines includes shares owned outright, shares deemed to be beneficially owned under the rules of the Securities and Exchange Commission and shares underlying unvested time-based restricted stock units. All of our current named executive officers meet this guideline or are within the period for initial compliance.

Hedging and Pledging of Company Securities

Sanmina believes that "hedging," a term used to describe certain practices taken to reduce the economic risk of Sanmina stock ownership (e.g., to prevent losses if Sanmina's stock price were to fall) is inappropriate when undertaken by employees, officers or directors as such techniques reduce alignment with the interests of our stockholders. Similarly, Sanmina believes that "pledging" of Sanmina stock by employees, officers or directors (i.e., using Sanmina stock as collateral for a loan, such as in a margin account) can be inappropriate when such practice could cause shares to be sold when the trading window is closed or the individual is in possession of material non-public information and would otherwise be prohibited from selling under this policy. Therefore, Sanmina prohibits employees, officers and directors from (i) purchasing any financial instrument that is intended to hedge or offset any decrease in the market value of Sanmina's common stock or (ii) engaging in short sales related to Sanmina's common stock. In addition, Sanmina prohibits officers and directors from (i) depositing any Sanmina common stock in a margin account or (ii) pledging Sanmina securities as collateral for a loan.

Attendance at Annual Meeting of Stockholders by the Board of Directors

Sanmina encourages, but does not require, its Board members to attend the Annual Meeting of Stockholders. Our annual meetings of stockholders typically coincide with a regular Board meeting date, which facilitates the attendance of Board members at the stockholder meetings. All Board members attended the 2018 Annual Meeting of Stockholders.

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Contacting the Board of Directors

Our Board welcomes the submission of any comments or concerns from stockholders. If you wish to submit any comments or express any concerns to the Board, please send them to the Board, c/o Sanmina Corporation, Attention: Corporate Secretary, 30 E. Plumeria Drive, San Jose, California 95134. If a communication does not relate in any way to matters of the Board, our Corporate Secretary will handle the communication as appropriate. If the communication does relate to the Board, the Corporate Secretary will forward the message to the Chair of the Nominating and Governance Committee, who will determine whether to inform the entire Board or the non-management directors.

Stockholder Proposals and Nominations to the Board

Stockholders may submit proposals for inclusion in our proxy statement and may recommend candidates for election to the Board, both of which shall be considered by the Nominating and Governance Committee. Stockholders should send such proposals to Nominating and Governance Committee, c/o Sanmina Corporation, Attention: Corporate Secretary, 30 E. Plumeria Drive, San Jose, California 95134.

Any stockholder submitting the name of a candidate for election to the Board must include all of the following information with their request:

The candidate's name, age, business address and residence address;

The candidate's principal occupation or employment;

The class and number of shares of Sanmina that are beneficially owned by the candidate;

Whether and the extent to which any hedging or other transaction or series of transactions has been entered into by or on behalf of the candidate with respect to any securities of Sanmina, or whether any other agreement, arrangement or understanding (including any short position or any borrowing or lending of shares) has been made, the effect or intent of which is to mitigate loss to or manage risk or benefit of share price changes for, or to increase or decrease the voting power of the candidate;

A description of all arrangements or understandings between the stockholder and each candidate and any other person or persons (naming such person or persons) pursuant to which the nominations are to be made by the stockholder;

Any other information relating to the candidate that would be required to be disclosed about such candidate if proxies were being solicited for the election of the candidate as a director, or that is otherwise required, in each case pursuant to Regulation 14A under the Securities Exchange Act of 1934 (including without limitation the candidate's written consent to being named in the proxy statement, if any, as a nominee and to serving as a director if elected); and

A statement whether such person, if elected, intends to tender, promptly following such person's election or re-election, an irrevocable resignation effective upon such person's failure to receive the required vote for re-election at the next meeting at which such person would face re-election and upon acceptance of such resignation by the Board, in accordance with Sanmina's Corporate Governance Guidelines.

For all other matters that a stockholder proposes to bring before the Annual Meeting, the notice must set forth:

A brief description of the business intended to be brought before the Annual Meeting and the reasons for conducting such business at the Annual Meeting;

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The name and address, as they appear on our books, of the stockholder proposing the business, and any beneficial owner on whose behalf the stockholder is proposing the business or proposing a director nomination and any person controlling, directly or indirectly, or acting in concert with, the stockholder or beneficial owner (a "Stockholder Associated Person");

The class and number of shares of Sanmina that are held of record or are beneficially owned by the stockholder or any Stockholder Associated Person and any derivative positions held or beneficially held by the stockholder or any Stockholder Associated Person;

Whether and the extent to which any hedging or other transaction or series of transactions has been entered into by or on behalf of the stockholder or any Stockholder Associated Person with respect to any securities of Sanmina, or whether any other agreement, arrangement or understanding (including any short position or any borrowing or lending of shares) has been made, the effect or intent of which is to mitigate loss to or manage risk or benefit from share price changes for, or to increase or decrease the voting power of, the stockholder or any Stockholder Associated Person with respect to any securities of Sanmina;

Any material interest of the stockholder or any Stockholder Associated Person in the business intended to be brought before the Annual Meeting; and

A statement whether either the stockholder or any Stockholder Associated Person will deliver a proxy statement and form of proxy to holders of at least the percentage of Sanmina's voting shares required under applicable law to carry the proposal.

Stockholders must comply with certain deadlines in order for proposals submitted by them be considered for inclusion in our proxy statement or brought to a vote at the Annual Meeting. Please see "**Q18 What is the deadline to propose actions for consideration at next year's Annual Meeting of Stockholders or to nominate individuals to serve as directors?**" above.

Compensation Committee Interlocks and Insider Participation

None of the members of the Compensation Committee are employees of Sanmina. During fiscal 2018, no executive officer of Sanmina (i) served as a member of the compensation committee (or other board committee performing similar functions or, in the absence of any such committee, the board of directors) of another entity, one of whose executive officers served on Sanmina's Compensation Committee, (ii) served as a director of another entity, one of whose executive officers served on Sanmina's Compensation Committee, or (iii) served as a member of the compensation committee (or other board committee performing similar functions or, in the absence of any such committee, the board of directors) of another entity, one of whose executive officers served as a director of Sanmina.

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Management continued to emphasize sustainable and profitable growth during fiscal 2018, achieving an eighth consecutive year of profitability for our company. In addition, during fiscal 2018, the Company further increased the diversification of its end market customer base and increased its liquidity by \$125 million through an amendment to its credit facility to support future growth. Although results were positive in some respects, they failed to meet the goals established in our Board-approved budget for fiscal 2018, particularly for revenue, non-GAAP operating margin, operating cash flow, inventory turns, non-GAAP EBITDA and pre-tax ROIC, due in part to parts shortages and delays in new program ramps caused by customer design changes, yield issues and other factors. This resulted in only a 14% payout percentage under our annual cash bonus plan. Even so, as explained more fully in this CD&A, payouts under this plan for our named executive officers were eliminated for fiscal 2018.

The following table illustrates our fiscal 2018 results in terms of revenue, non-GAAP operating margin, pre-tax return on invested capital, non-GAAP EBITDA, cash flow from operations and inventory turns:

	FY18	FY17	Change
Revenue	\$ 7,110	\$ 6,869	3.5%
Non-GAAP(1) Operating Margin	3.0%	4.0%	(25%)
Pre-tax Return on Invested Capital (ROIC) exiting Q4	17.6%	19.9%	(2.3) percentage points
Non-GAAP EBITDA	\$ 325	\$ 387	(16%)
Cash Flow from Operations	\$ 156	\$ 251	(38%)
Inventory Turns	5.4x	6.2x	(0.8x)

(in millions, except for percentages and turns)

(1)

All non-GAAP measures contained in this CD&A exclude the impact of stock-based compensation expenses, restructuring costs, asset impairment charges, intangible asset amortization expense and other infrequent or unusual items (including, when applicable, charges or recoveries associated with distressed customers, litigation settlements, gains and losses on sales of assets and redemptions of debt, discrete tax events and deferred tax changes), to the extent material in the applicable period. Included as *Appendix B* to this proxy statement is a reconciliation of the non-GAAP measures contained in this Compensation Discussion and Analysis to their most directly comparable GAAP measures.

Responses to 2018 Say-on-Pay Vote

Stockholders did not approve our say-on-pay proposal at our 2018 annual meeting and, as a result, we have resumed our process of comprehensively engaging with stockholders to better understand their concerns and to incorporate their feedback into Sanmina's executive pay program. To address stockholder and stockholder advisory group concerns, we have enhanced our stockholder engagement process, made significant changes to our pay programs to continue to tightly tie our executive pay to financial results and stockholder value creation and have also significantly increased the level of detail in our disclosures in this CD&A. A comprehensive list of this engagement activity, together with the significant pay program changes we have made, appears in "Last Year's Say-on-Pay Vote and Stockholder Outreach."

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Changes in Chief Executive Officer in Fiscal 2018 and 2019

Fiscal 2018 was an unusual year for us in terms of a planned change in our CEO at the beginning of the year and the need to offer a competitive compensation package necessary to retain him. In August 2018, our CEO resigned and we appointed Michael Clarke as our new CEO beginning in fiscal 2019. As a result, we were again required to provide a competitive compensation package designed to attract and retain the new CEO. The references to CEO compensation in this CD&A are to our CEO who served during fiscal 2018 and not to Mr. Clarke, unless noted otherwise.

Alignment of Incentive Pay Results with Company Performance

The total compensation opportunities of our executives in fiscal 2018 were heavily weighted towards performance-based compensation and equity awards that will deliver value to executives only if Sanmina's financial and stock price performance continues to improve, with approximately 61% of our Chief Executive Officer's total target compensation (base, bonus and value of equity awards at the time of grant) being tied directly to performance. Key features of our performance-based executive pay arrangements include:

1. Our executives' annual bonus opportunities under our fiscal 2018 bonus plan were contingent upon achievement of financial objectives covering multiple critical operating metrics (including revenue, non-GAAP operating margin, pre-tax return on invested capital, non-GAAP EBITDA, cash flow, and inventory turns) that were more stringent than the goals contained in the previous year's plan. Although corporate performance in fiscal 2018 resulted in a 14% payout rate under the fiscal 2018 bonus plan, due to the underperformance of the Company's goals as a whole, the Committee determined that no executive officers should receive any cash bonuses under the fiscal 2018 plan.
2. We grant equity awards to executive officers that require achievement of stringent performance criteria, typically, revenue, non-GAAP earnings per share, non-GAAP operating margin or stock price increases or lengthy service period requirements of three to four years.
3. As a result of our heavy emphasis on performance-based executive compensation programs, executive pay remains well aligned with corporate performance, stockholder returns and our pay-for-performance philosophy. For example, underperformance of corporate measures in fiscal 2018 will result in the cancelation of 260,000 performance stock units that had been granted in years prior to fiscal 2018 to named executive officers.

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The following tables illustrate the linkage between our performance and our CEO's compensation opportunities:

-
- (1) Compensation as reported on our former CEO's W-2 form for 2018, excluding \$5.4 million of compensation resulting from the vesting of certain equity awards in connection with his resignation for which the performance criteria had already been achieved and which vesting would otherwise have occurred in 2018. See "Employment, Termination and Change in Control Arrangements" on page 62.
 - (2) Compensation as reported on our former CEO's W-2 form for 2018, \$5.4 million of which resulted from the vesting of certain equity awards in connection with his resignation for which the performance criteria had already been achieved and which vesting would otherwise have occurred in 2018. See "Employment, Termination and Change in Control Arrangements" on page 62.

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Before the Lenders may exercise their respective rights to convert the Amended and Restated Notes into the Conversion Shares, the Company is required to seek the approval of its stockholders to (i) increase the number of authorized shares of Common Stock available for issuance under its Certificate of Incorporation, as amended and (ii) issue the Conversion Shares pursuant to AMEX rules as well as to obtain the approval of AMEX to list the Initial Conversion Shares and the Conversion Shares on AMEX. The Company is required to obtain these approvals within one year of the issuance date of the Amended and Restated Notes. In the event that these required approvals are not obtained by that time, then the interest rate on the Amended and Restated Notes will increase to a rate of 15% per annum. If the Initial Conversion Shares and Conversion Shares are not registered under the Registration Rights Agreement by the 15 month anniversary of the issuance date of the Amended and Restated Notes, then the then-current interest rate will increase by a rate of 1% per annum each month thereafter until the Initial Conversion Shares and Conversion Shares are registered, up to the default rate of the lower of 20% per annum or the highest amount permitted by law.

Assuming the Amended and Restated Notes are not converted until maturity, approximately 58.5 million shares of Common Stock would be required to be issued upon conversion, for both principal and interest.

2006 Convertible Debt

During June 2006 the Company entered into a Securities Purchase Agreement (the "Agreement") and convertible notes (the "2006 Notes") with Alexander Finance, L.P., and Manchester Securities Corporation L.P. (together, the "Lenders"), pursuant to which the Lenders have agreed, to each loan us \$2,500,000, or an aggregate of \$5,000,000, in convertible debt. The Lenders, including affiliates, are our two largest shareholders and the lenders of the 2002 Credit Line (replaced by the 2007 Convertible Debt) referenced above.

The 2006 Notes will mature on June 22, 2010 and bear an interest rate of 5% due at maturity. Both the principal amount and any accrued interest on the Notes are convertible into the Company's common stock at a rate of \$0.33 per share, subject to certain anti-dilution adjustments. The Lenders have the right to convert the 2006 Notes, both principal and accrued interest, into shares of common stock at the rate of \$0.33 per share at any time. We have the right to redeem the 2006 Notes in full in cash at any time beginning two years after the date of the Agreement (June 2008). The conversion rate of the 2006 Notes is subject to customary anti-dilution protections, provided that the number of additional shares of common stock issuable as a result of changes to the conversion rate will be capped so that the aggregate number of shares of common stock issuable upon conversion of the 2006 Notes will not exceed 19.99% of the aggregate number of shares of common stock presently issued and outstanding.

The Notes are secured on a first priority basis by all the Company's intangible and tangible property and assets. Payment of the Notes is guaranteed by our two inactive subsidiaries, Spectral Solutions, Inc. and Illinois Superconductor Canada Corporation. The Company filed a registration statement covering the resale of the shares of common stock issuable upon conversion of the 2006 Notes with the Securities and Exchange Commission. Concurrently with the execution of the Agreement, the Lenders waived their right under the 2002 Credit Line to receive the financing proceeds from the issuance of the Notes, allowing the Company to use the funds for product development or general working capital purposes.

Assuming the 2006 Notes are held for the full four year term, 18.5 million shares of common stock would be required upon settlement, for both principal and interest.

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Note 7 - Income Taxes

The Company adopted the provisions of FASB Interpretation 48, Accounting for Uncertainty in Income Taxes, on January 1, 2007. Previously, the Company had accounted for tax contingencies in accordance with Statement of Financial Accounting Standards 5, Accounting for Contingencies. As required by FIN 48, which clarifies Statement 109, Accounting for Income Taxes, the Company recognizes the financial statement benefit of a tax position only after determining that the relevant tax authority would more likely than not sustain the position following an audit. For tax positions meeting the more-likely-than-not threshold, the amount recognized in the financial statements is the largest benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement with the relevant tax authority. At the adoption date, the Company applied FIN 48 to all tax positions for which the statute of limitations remained open. As a result of the implementation of FIN 48, there was no effect on the Company's 2007 financial statements, nor have there been any material changes in unrecognized tax benefits during 2007.

The Company is subject to income taxes in the U.S. federal jurisdiction and various states jurisdictions. Tax regulations within each jurisdiction are subject to the interpretation of the related tax laws and regulations and require significant judgment to apply. As the Company has sustained losses since inception, a large number of tax years are open (1992-2006) as the losses have not been utilized by the Company.

The Company is currently not aware of any current or threatened examination by any jurisdiction. The Company has elected to classify interest and penalties related to unrecognized tax benefits as a component of income tax expense, if applicable. No accrual is required as of September 30, 2007 for interest and penalties.

Note 8 – Subsequent Events

As a subsequent event, we announced on October 15, 2007 that we had executed a letter of intent to acquire Clarity, and subsequently announced on November 13, 2007 that a definitive merger agreement had been reached. We communicated the intent to present the merger and all related elements to our shareholders for approval, as well as the need to obtain certain regulatory approvals. Please see Note 2 for a discussion on anticipated debt in conjunction with this proposed merger. The outcome of this process is not guaranteed. We also announced on October 15, 2007 the resignation of our Chief Executive Officer, Mr. John Thode, indicating that Mr. Ralph Pini (Chairman of the Board) would serve as interim CEO while a search for a replacement is conducted. In conjunction with that change, we appointed Dr. George Calhoun interim Chairman of the Board while Mr. Pini serves in the interim CEO role.

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Item 2. Management’s Discussion and Analysis of Financial Conditions and Results of Operations.

Forward Looking Statements

Because we want to provide investors with more meaningful and useful information, this Quarterly Report on Form 10-Q contains, and incorporates by reference, certain forward-looking statements that reflect our current expectations regarding its future results of operations, performance and achievements. We have tried, wherever possible, to identify these forward-looking statements by using words such as “anticipates,” “believes,” “estimates,” “expects,” “designs,” “plans,” “intends,” “looks,” “may,” and similar expressions. These statements reflect our current beliefs and are based on information currently available to us. Accordingly, these statements are subject to certain risks, uncertainties and contingencies, including the factors set forth under Item 1A, Risk Factors of our Annual Report on Form 10-K for the year ended December 31, 2006, which could cause our actual results, performance or achievements for 2007 and beyond to differ materially from those expressed in, or implied by, any of these statements. You should not place undue reliance on any forward-looking statements. Except as otherwise required by federal securities laws, we undertake no obligation to release publicly the results of any revisions to any such forward-looking statements that may be made to reflect events or circumstances after the date of this prospectus or to reflect the occurrence of unanticipated events.

General

We have shifted from manufacturing in-house to an outsourced manufacturing model wherein we supply parts and raw materials to third parties, who then complete the products to our specifications. This system has allowed us to begin to outsource procurement and realize additional manufacturing efficiencies. Our products are designed for efficient production in this manner, emphasizing solid-state electronics over mechanical devices with moving parts. The decrease in cost associated with these developments, coupled with enhanced product functionality, have significantly reduced overhead costs since 2002 and allowed us to realize improved margins. In addition, because we have built upon and expanded upon our earlier developed technology, based on substantial input from customers, we have generally controlled total research and development (“R&D”) costs.

Wireless telecommunications has undergone significant merger activity in recent years, a trend which we believe will continue. These activities often result in operators with disparate technologies and spectrum assets, and the need to integrate those assets. In addition, the deployment of data applications is adding to the industry requirement to integrate disparate technologies into base stations and other fixed points of access, resulting in the need to manage multiple wireless signals and keep them from interfering with each other. We are focused on providing solutions that address these types of requirements. During 2006 and 2007 (year to date), we bid on substantially larger business opportunities than we had in recent years. These proposals often are accompanied by long approval cycles and we may bear up-front product development costs. We believe the potential benefits to outweigh these costs, and expect to continue to bid on these types of business opportunities.

The wireless telecommunications industry is subject to risks beyond our control that can negatively impact customer capital spending budgets (as occurred during 2003) and/or spending patterns (as occurred during 2004 and to a lesser extent on a quarterly basis after 2004, including the current year). For these and other reasons, our financial statements have been prepared assuming we will continue as a going concern.

From a company-specific view, we have invested in measured infrastructure growth to allow for potentially substantial revenue expansion. This has caused spending to increase from 2004 levels. We believe that we now have the infrastructure largely in place to allow for such potential revenue expansion, and therefore as a general guideline do not expect fixed costs to rise, except for some R&D associated with product initiatives, during the remainder of 2007. We also announced the addition of a new director (Mr. John Owings), and the retirement of another director

(Mr. Tom Powers) when his term expired during June 2007, as well as the departure of another director (Dr. Martin Singer) during March 2007. Our Governance Committee has an ongoing program designed to identify and retain qualified external directors on our Board.

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During October 2007, we announced that we signed a letter of intent to acquire Clarity. We subsequently announced that a definitive merger agreement had been signed with Clarity during November 2007. We have expressed an interest in broadening our reach and quickly expanding our capabilities in telecommunications handset software, an area in which Clarity excels. We believe a combined entity would be able to accelerate the expansion of our Adaptive Interference Management (“AIM”) platform from the base station (cell tower) into mobile devices and other types of wireless architectures. We view significant synergies in the combination of our product platforms, customer bases, and sales channels.

We also announced on October 15, 2007, the resignation of our Chief Executive Officer, Mr. John Thode, indicating that Mr. Ralph Pini (Chairman of the Board) would serve as interim CEO while a search for a replacement is conducted. In conjunction with that change, we appointed Dr. George Calhoun interim Chairman of the Board while Mr. Pini serves in the interim CEO role.

We are pursuing digital technologies, evidenced by the deployment of our digital (front end) ANF solution platform during 2006, subsequent extensions of that platform, and our expectation to complete a fully digital ANF platform during 2007 that creates the more descriptive Adaptive Interference Management (“AIM”) product platform. We believe that by producing solutions in digital format, we will extend coverage across additional wireless telecommunications spectrum and technologies as well as start to address new opportunities in the non-cellular market. If we are successful in this effort, we expect to open a much broader addressable market and thus have the opportunity to enjoy substantially larger revenues. Digitizing the ANF platform has already led to a new revenue stream from software, as evidenced by our deferred software-related revenue beginning during the fourth quarter 2006 and growing during 2007. We expect software-related revenue as a percentage of our total revenue to increase over time as we implement our fully digital product platform.

The Company was founded in 1989 by ARCH Development Corporation, an affiliate of the University of Chicago, to commercialize superconductor technologies initially developed by Argonne National Laboratory. The Company was incorporated in Illinois on October 18, 1989 and reincorporated in Delaware on September 24, 1993. Its facilities and principal executive offices are located at 1001 Cambridge Drive, Elk Grove Village, IL 60007 and telephone number is (847) 391-9400.

Results of Operations

Three Months Ended September 30, 2007 and 2006

Our net sales decreased \$4,509,000 or 70%, to \$1,924,000 for the three months ended September 30, 2007 from \$6,433,000 for the same period in 2006, which we attribute to the timing and magnitude of new customer orders and overall business conditions in North America. Gross margins decreased to 37% from 40% for the same periods, primarily due to the lower volume. Cumulative deferred software revenue, the amount of revenue that will be recognized in future periods related to currently installed equipment and related software, increased to \$0.3 million at September 30, 2007. This item did not exist at September 30, 2006. We, along with many in the industry, expected higher levels of customer spending during the second half of 2007, as compared to the first half of 2007, and more comparable with that of the prior year. We, like many similar entities, found sales cycles longer and more difficult during the current period. Based on our broad market expectations and including the approximately \$1 million of product backlog with which we enter the fourth quarter 2007, we expect revenue during the fourth quarter 2007 to be greater than the third quarter 2007.

Cost of sales decreased by \$2,629,000, or 68%, to \$1,221,000 for the three months ended September 30, 2007 from \$3,850,000 for the same period in 2006. The decrease in cost of sales was primarily due to the reduction in sales volume, as gross margin declined from 40% to 37% on reduced sales volume.

Our research and development (“R&D”) expenses increased by \$269,000 or 59%, to \$721,000 for the three months ended September 30, 2007, from \$452,000 for the same period in 2006. This increase was due in part to increased spending associated with the addition of a significant number of products to our RF² and dANF product families, but primarily to the investment we are making in a fully digital ANF product platform. We expect to continue to invest more in R&D during the remainder of 2007 than we did during the comparable period of 2006, likely at a rate similar to the third quarter of 2007, as we expand both our existing product families and develop new products that would be applicable in wireless technologies beyond cellular telecommunications.

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Selling and marketing expenses decreased by \$435,000, or 44%, to \$554,000 for the three months ended September 30, 2007, from \$989,000 for the same period in 2006. The decrease in expense was attributable to higher personnel in this area during 2006 as we had an overlap of personnel when Mr. Wetterling and others joined the Company and their predecessors were here simultaneously, and when we were completing an extensive marketing analysis. Lower sales revenue also contributed to this decrease. We expect selling and marketing expenses to increase during the fourth quarter of 2007 as we look to add new customers and launch new products, particularly the fully digital ANF product platform.

General and administrative expenses decreased by \$90,000, or 8%, to \$1,004,000 for the three months ended September 30, 2007, from \$1,094,000 for the same period in 2006. This decrease was attributable to a decrease in a number of areas of cost and not any one item in particular. Of the cost components that decreased, favorable trends in the insurance industry were the largest driver of this favorable change. We expect legal, accounting and financial service expenses to increase during the fourth quarter 2007 as result of the proposed Clarity merger

Nine Months Ended September 30, 2007 and 2006

Our net sales decreased \$4,905,000, or 44%, to \$6,300,000 for the nine months ended September 30, 2007 from \$11,205,000 for the same period in 2006, which we attribute to the timing of closing new customer orders and the deferral of certain software-related revenue. Gross margins increased to 42% from 40% for the same periods, primarily due to the benefit of cost reduction activities in product design and materials. Cumulative deferred software revenue, the amount of revenue that will be recognized in future periods related to currently installed equipment and related software, increased to \$0.3 million at September 30, 2007. This item did not exist at September 30, 2006. We, along with many in the industry, expected customer spending to increase during the second half of 2007, as compared to the first half of 2007. This was not evident during the third quarter 2007, particularly the North American market, though we expects improvement during the fourth quarter 2007, as compared to the third quarter 2007, in part because of an approximately \$1 million in order backlog entering the fourth quarter 2007.

Cost of sales decreased by \$3,106,000, or 46%, to \$3,633,000 for the nine months ended September 30, 2007 from \$6,739,000 for the same period in 2006. The decrease in cost of sales was due to the reduction in revenue, above.

Our R&D expenses increased by \$614,000 or 44%, to \$2,004,000 for the nine months ended September 30, 2007, from \$1,390,000 for the same period in 2006. This increase was due to increased spending associated with the addition of a significant number of products to our RF² and dANF product families, but primarily to the investment we are making in a fully digital ANF product platform. We expect to continue to invest more in R&D during the remainder of 2007 than we did during the comparable period of 2006, likely at a rate similar to this second quarter 2007, as we expand both our existing product families and develop new products that would be applicable in wireless technologies beyond cellular telecommunications.

Selling and marketing expenses decreased by \$663,000, or 27%, to \$1,809,000 for the nine months ended September 30, 2007, from \$2,472,000 for the same period in 2006. The decrease in expense was attributable to higher personnel in this area during 2006 as we had an overlap of personnel when Mr. Wetterling (EVP Sales) and others joined the Company and their predecessors were here simultaneously, and when we were completing an extensive marketing analysis. We expect selling and marketing expenses to increase during the fourth quarter 2007, as compared to the third quarter 2007 as we look to add new customers and launch new products, particularly the fully digital ANF product platform.

General and administrative expenses increased by \$32,000 or 1%, to \$3,185,000 for the nine months ended September 30, 2007, from \$3,153,000 for the same period in 2006. This increase reflects overall cost controls and not any single line item. We expect legal, accounting and financial expenses to increase during the fourth quarter 2007 as

a result of the proposed acquisition of Clarity.

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As of September 30, 2007, the Company's cash and cash equivalents were \$2.8 million, a decrease of \$0.1 million from the balance at December 31, 2006 of \$2.9 million.

During the nine months of 2007, the Company utilized approximately \$4.2 million in cash from the realization of receivables and inventory, net of additions, and paid out approximately \$1.1 million in cash toward the reduction in accrued expenses, net of additions. The remainder was the approximately \$3.0 million of business expenses incurred during the period.

The continuing development of, and expansion in, sales of our product lines, the proposed transaction with Clarity and any other potential merger and acquisition activity, as well as any required defense of our intellectual property, will require a commitment of funds to undertake product line development and to market and sell our RF products. The actual amount of our future funding requirements will depend on many factors, including: the amount and timing of future revenues, the level of product marketing and sales efforts to support our commercialization plans, the magnitude of our research and product development programs, our ability to improve or maintain product margins, and the costs involved in protecting our patents or other intellectual property.

To date, we have financed our operations primarily through public and private equity and debt financings. Additional capital will be required as part of the costs anticipated with the proposed acquisition of Clarity, and potentially to support working capital requirements. As a condition to closing the proposed acquisition of Clarity, we will be required to obtain \$1.5 million in financing to fund the initial operations of the combined entity, which we expect to obtain through one of our existing lenders and on terms substantially similar to our current debt arrangements. Until recently, more than \$11 million had been due in August 2007. However, on June 26, 2007, the Company and its lenders, Manchester Securities Corporation ("Manchester") and Alexander Finance, L.P. ("Alexander" and together with Manchester, the "Lenders"), including their affiliates, entered into a restructuring of the Company's line of credit arrangements as more fully described in Notes 5 and 6 herein.

Contractual Obligations, Commitments, and Off Balance Sheet Arrangements

The following table lists the contractual obligations and commitments that existed as of September 30, 2007:

Contractual Obligations	Payments Due by Period				
	Total	Less than 1 Year	1-3 Years	3-5 Years	More than 5 Years
Long Term Debt Obligations	\$ 17,837,000	\$ -	\$ 17,837,000	\$ -	\$ -
Operating Lease Obligations	\$ 1,509,000	\$ 204,000	\$ 417,000	\$ 434,000	\$ 454,000
Total	\$ 19,346,000	\$ 204,000	\$ 18,254,000	\$ 434,000	\$ 454,000

Long term debt obligations include the June 2007 restructuring event as described in Note 6.

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Item 3. Quantitative and Qualitative Disclosures About Market Risk.

We do not have any material market risk sensitive instruments.

Item 4. Controls and Procedures.

- (a) An evaluation was performed under the supervision and with the participation of the Company's management, including its Chief Executive Officer, or CEO, and Chief Financial Officer, or CFO, of the effectiveness of the Company's disclosure controls and procedures, as such term is defined under Rule 13a-15(e) promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act") as of September 30, 2007. Based on that evaluation, the Company's management, including the CEO and CFO, concluded that the Company's disclosure controls and procedures are effective to ensure that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act, is recorded, processed, summarized and reported as specified in Securities and Exchange Commission rules and forms.
- (b) There were no changes in the Company's internal control over financial reporting identified in connection with the evaluation of such controls that occurred during the Company's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

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PART II. OTHER INFORMATION

Item 1A. Risk Factors.

We have updated certain risk factors as disclosed in our Form 10-K for the fiscal year ended December 31, 2006. The complete list of risk factors are disclosed in our Form 10-K for the fiscal year ended December 31, 2006.

Risks of future acquisitions

In the future, we may pursue acquisitions to obtain products, services and technologies that we believe would complement or enhance our current product or services offerings. On November 13, 2007, we announced the signing of a definitive merger agreement to acquire Clarity Communication Systems Inc. There is no assurance that the proposed merger will be consummated, and if the proposed merger is consummated, there is no assurance that we will be able to successfully integrate the Clarity business. At the present time, no other definitive agreements or similar arrangements exist with respect to any other acquisition. An acquisition, such as the merger with Clarity, may not produce the revenue, earnings or business synergies as anticipated and may attach significant unforeseen liabilities, and an acquired product, service or technology might not perform as expected. Our management could spend a significant amount of time and effort in identifying and completing the acquisition and may be distracted from the operations of the business. In addition, management would probably have to devote a significant amount of resources toward integrating the acquired business with the existing business, and that integration may not be successful. The process is resource intensive, both in time and financial resources, and thus incorporates a cost to the company.

The merger is subject to conditions to closing that could result in the merger being delayed or not consummated, which could negatively our stock price and future business and operations

The merger is subject to conditions to closing as set forth in the merger agreement, including obtaining the approval of our stockholders. If any of the conditions to the merger are not satisfied or, where permissible, not waived, the merger will not be consummated. Failure to consummate the merger could negatively impact our stock price, future business and operations, and financial condition. Any delay in the consummation of the merger or any uncertainty about the consummation of the merger may adversely affect the future business, growth, revenue and results of operations of our company or the combined company.

Failure to complete the merger could negatively impact the market price of our common stock and our future business and financial results.

If the merger is not completed for any reason, our ongoing business may be adversely affected and will be subject to a number of risks, including:

- the market price of our common stock might decline to the extent that the current market price reflects a market assumption that the merger will be completed; and
- our unreimbursed costs incurred related to the merger must be paid even if the merger is not completed.

If we fail to obtain necessary funds for our operations, we may be unable to maintain or improve on our technology position and unable to develop and commercialize our products

To date, we have financed our operations primarily through public and private equity and debt financings, and most recently through several financings with affiliates of our two largest shareholders. As a condition to closing the proposed acquisition of Clarity, we will be required to obtain \$1.5 million in financing to fund the initial operations of the combined entity, which we expect to obtain through one of our existing lenders and on terms substantially similar to our current debt arrangements. Additionally, we may have additional working capital requirements that may require additional financial resources. As such, we will require additional capital. We intend to look into augmenting

our existing capital position by continuing to evaluate potential short-term and long-term sources of capital whether from debt, equity, hybrid, or other methods. The primary covenant in our existing debt arrangement involves the right of the lenders to receive debt repayment from the proceeds of new financing activities. This covenant may restrict our ability to obtain new sources of financing and/or to apply the proceeds of a financing event toward operations until the debt is repaid in full.

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Our continued existence is therefore dependent upon our continued ability to raise funds through the issuance of our equity securities or borrowings. Our plans in this regard are to obtain other debt and equity financing until such time as profitable operation and positive cash flow are achieved and maintained. Although we believe, based on the fact that we have raised funds through sales of common stock and from borrowings over the past several years, that we will be able to secure suitable additional financing for our operations, there can be no guarantee that such financing will continue to be available on reasonable terms, or at all. As a result, there is no assurance that we will be able to continue as a going concern.

The actual amount of future funding requirements will depend on many factors, including: the amount and timing of future revenues, the level of product marketing and sales efforts to support our commercialization plans, the magnitude of research and product development programs, the ability to improve or maintain product margins, the completion of the proposed merger with Clarity, Clarity's successful integration into our business as well as any other merger and acquisition activity, and the costs involved in protecting patents or other intellectual property.

Management of our growth

Growth may cause a significant strain on our management, operational, financial and other resources. The ability to manage growth effectively may require us to implement and improve our operational, financial, manufacturing and management information systems and expand, train, manage and motivate employees. These demands may require the addition of new management personnel and the development of additional expertise by management. Any increase in resources devoted to product development and marketing and sales efforts could have an adverse effect on financial performance in future fiscal quarters. If we were to receive substantial orders, we may have to expand current facilities, which could cause an additional strain on our management personnel and development resources. The failure of the management team to effectively manage growth could have a material adverse effect on our business, operating results and financial condition. In addition, the proposed acquisition of Clarity will require substantial attention and resources in order to integrate Clarity's operations into our business.

Risk of dilution

If stockholders approve the issuances of common stock pursuant to the proposed merger with Clarity and in connection with our June 2007 debt restructuring, and if we issue the full number of shares issuable pursuant to these two transactions, we will be issuing up to 40 million additional shares of common stock, or approximately 20% of the total number of shares currently outstanding as October 30, 2007. As a result, these issuances will be dilutive to existing stockholders and may have an adverse effect on the market value of our common stock.

Retention of Key Personnel

Our success depends on our ability to attract and retain the appropriate personnel needed to operate our business. We have announced the departure of our CEO during October 2007 and subsequent search process employed for a new CEO, with Mr. Ralph Pini, who had been Chairman of the Board until this change, serving as interim CEO on a temporary basis. Our success depends, in part, on finding an appropriate person to fill this necessary role within our Company.

Additionally, the value of the Clarity acquisition to our shareholders rests in large part on the continuity of the key personnel within the Clarity organization. While we believe we have devised appropriate incentives to retain Clarity's employees, there can be no guarantee that they will choose to remain with the Company after the merger completes, should it complete, which may have an adverse impact on our operations and financial condition.

On June 26, 2007, we filed a Current Report on Form 8-K (the “8-K”) to report the restructuring of our outstanding debt. The amendment to the loan documents, the amended and restated notes, and the registration rights agreement referenced in the 8-K are being filed as exhibits to this Quarterly Report on Form 10-Q.

Table of Content**Item 6. Exhibits**

Exhibits: A list of exhibits is set forth in the Exhibit Index found on page 19 of this report.

EXHIBIT INDEX

Exhibit Number	Description of Exhibit
10.1	Amendment to Loan Documents dated June 26, 2007 between ISCO International, Inc., Manchester Securities Corporation, Alexander Finance, L.P., ISCO International, Inc. , Spectral Solutions, Inc. and Illinois Superconductor Corporation
10.2	Amended and Restated 7% Senior Secured Convertible Note by and between ISCO International, Inc. and Manchester Securities Corporation, dated June 26, 2007, in the amount of \$2,520,441.39
10.3	Amended and Restated 7% Senior Secured Convertible Note by and between ISCO International, Inc. and Manchester Securities Corporation, dated June 26, 2007, in the amount of \$1,522,687.06
10.4	Amended and Restated 7% Senior Secured Convertible Note by and between ISCO International, Inc. and Manchester Securities Corporation, dated June 26, 2007, in the amount of \$147,240.00
10.5	Amended and Restated 7% Senior Secured Convertible Note by and between ISCO International, Inc. and Manchester Securities Corporation, dated June 26, 2007, in the amount of \$1,121,625.00
10.6	Amended and Restated 7% Senior Secured Convertible Note by and between ISCO International, Inc. and Alexander Finance, LLC, dated June 26, 2007, in the amount of \$1,622,405.00
10.7	Amended and Restated 7% Senior Secured Convertible Note by and between ISCO International, Inc. and Alexander Finance, LLC, dated June 26, 2007, in the amount of \$1,314,300.00
10.8	Amended and Restated 7% Senior Secured Convertible Note by and between ISCO International, Inc. and Alexander Finance, LLC, dated June 26, 2007, in the amount of \$1,375,000.00
10.9	Amended and Restated 7% Senior Secured Convertible Note by and between ISCO International, Inc. and Alexander Finance, LLC, dated June 26, 2007, in the amount of \$550,000.00

- 10.10 Registration Rights Agreement dated June 26, 2007, by and among ISCO International, Inc., Manchester Securities Corp. and Alexander Finance, L.P.
- 31.1 Certification by Chief Executive Officer pursuant to Rule 13a-14(a) and 15d-14(a) as adopted pursuant to Section 302 of the Sarbanes Oxley Act of 2002.
- 31.2 Certification by Chief Financial Officer pursuant to Rule 13a-14(a) and 15d-14(a) as adopted pursuant to Section 302 of the Sarbanes Oxley Act of 2002.
- 32.1 Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

Table of Content

Signatures

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized on the 14th day of November 2007.

ISCO International, Inc.

By: /s/ Ralph Pini

Ralph Pini
Interim Chief Executive Officer
(Principal Executive Officer)

By: /s/ Frank Cesario

Frank Cesario
Chief Financial Officer
(Principal Financial and Accounting Officer)

