

Sanmina Corporation (SANM)

\$146.88 (Stock Price as of 11/21/2025)

Price Target (6-12 Months): **\$194.00**

Long Term: 6-12 Months

Zacks Recommendation:

Outperform

(Since: 11/06/25)

Prior Recommendation: Neutral

Short Term: 1-3 Months

Zacks Rank: (1-5)

1-Strong Buy

Zacks Style Scores:

VGM: A

Value: B

Growth: A

Momentum: B

Summary

Sanmina reported strong fourth-quarter fiscal 2025 results, with both the top and bottom lines surpassing the Zacks Consensus Estimate. Its Integrated Manufacturing Solutions segment is benefiting from solid demand in the communications networks, cloud and AI infrastructure end markets. The company's diverse portfolio and end-to-end product lifecycle management allow customers to rely on a single partner and reduce complexity in operations. Strategic expansion into high-growth industries backed by its strong global network, deep expertise in advanced electronics manufacturing is a tailwind. Strong liquidity and robust cash flow are positives. However, Sanmina is affected by inflationary pressure resulting from geopolitical unrest and macroeconomic uncertainty worldwide. The rising costs of raw materials and transportation are worrisome.

Data Overview

52 Week High-Low	\$178.39 - \$63.67
20 Day Average Volume (sh)	797,770
Market Cap	\$8.0 B
YTD Price Change	94.1%
Beta	1.17
Dividend / Div Yld	\$0.00 / 0.0%
Industry	Electronics - Manufacturing Services
Zacks Industry Rank	Top 2% (5 out of 243)

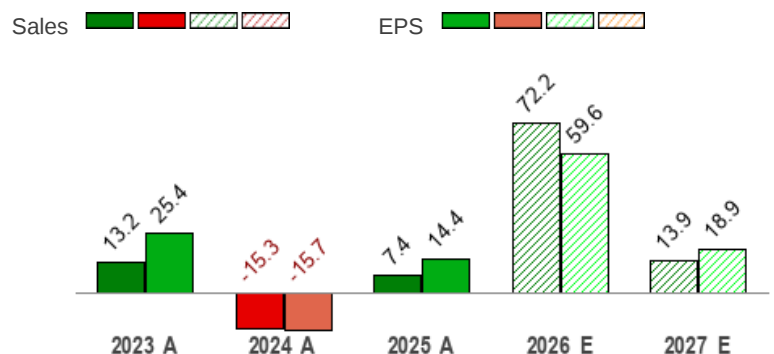
Last EPS Surprise	6.4%
Last Sales Surprise	2.3%
EPS F1 Est- 4 week change	32.4%
Expected Report Date	01/26/2026
Earnings ESP	0.0%

P/E TTM	24.3
P/E F1	15.2
PEG F1	0.4
P/S TTM	1.0

Price, Consensus & Surprise⁽¹⁾



Sales and EPS Growth Rates (Y/Y %)⁽¹⁾



Sales Estimates (millions of \$)⁽¹⁾

	Q1	Q2	Q3	Q4	Annual*
2027	3,820 E	3,940 E	4,060 E	4,130 E	15,950 E
2026	3,100 E	3,490 E	3,640 E	3,770 E	14,000 E
2025	2,006 A	1,984 A	2,042 A	2,096 A	8,128 A

EPS Estimates⁽¹⁾

	Q1	Q2	Q3	Q4	Annual*
2027	2.65 E	2.88 E	3.02 E	3.10 E	11.46 E
2026	2.15 E	2.36 E	2.56 E	2.70 E	9.64 E
2025	1.44 A	1.41 A	1.53 A	1.67 A	6.04 A

*Quarterly figures may not add up to annual.

(1) The data in the charts and tables, including the Zacks Consensus EPS and sales estimates, is as of 11/21/2025.

(2) The report's text and the price target are as of 11/08/2025.

Overview

Headquartered in San Jose, CA, Sanmina Corporation is a global provider of electronics contract manufacturing services. It focuses on engineering and fabricating complex components and also on providing complete end-to-end supply chain solutions to Original Equipment Manufacturers across various end markets, including industrial, medical, defense and aerospace, automotive, communications and cloud infrastructure.

The company's services include product design and engineering, including initial development, detailed design, prototyping, validation, preproduction services and manufacturing design release; manufacturing of components, sub-assemblies and complete systems; final system assembly and test; direct order fulfillment and logistics services, and after-market product service and support.

The company reported revenues of \$8.13 billion in fiscal 2025.

It has two reporting segments: Integrated Manufacturing Solutions (IMS) and Components, Products and Services (CPS).

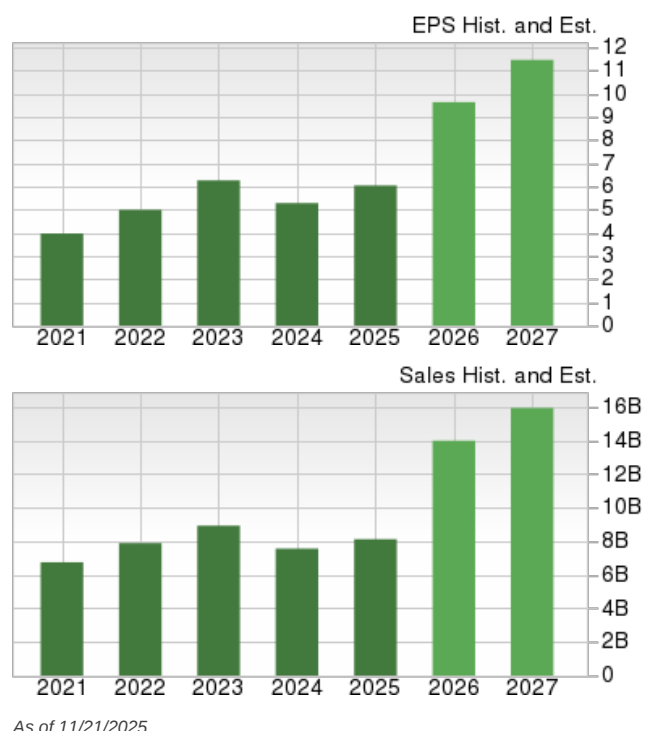
IMS (80.2% of total revenues in 2025): The segment includes business related to printed circuit board ("PCBs") assembly and test, high-level assembly and test and direct order fulfillment.

CPS (19.8%): Its business consists of advanced printed circuit boards, backplanes and backplane assemblies, cable assemblies, fabricated metal parts, precision-machined parts and plastic-injected molded parts. Products from Sanmina's Viking Technology, Viking Enterprise and 42Q divisions are reported in this segment. Moreover, defense and aerospace products, design, manufacturing, repair and refurbishment services from Sanmina's subsidiary SCI Technology, Inc. are also included in this segment.

The company's customer base includes Nokia and Motorola.

Celestica, Flex, Jabil, Benchmark Electronics and Hon Hai Precision Industry Co., Ltd. are Sanmina's major competitors.

Sanmina generated 44% of its total revenues from the Americas. Asia-Pacific (APAC) contributed 37% of revenues, while 19% came from the Europe, the Middle East and Africa (EMEA) region.



Reasons To Buy:

- ▲ Sanmina offers end-to-end solutions that include product designing, manufacturing, assembling, testing, and aftermarket support. Such an end-to-end approach allows clients to rely on a single partner throughout the product lifecycle management. Its vertically integrated manufacturing process brings several other advantages. This approach streamlines processes and lowers costs, enabling Sanmina to achieve greater economies of scale. It significantly accelerates time to market and time to volume production. In-house management of all components from the initial phase to the final product ensures flexibility and responsiveness in operations. The company can quickly reallocate its investments and change its production processes in alignment with evolving market dynamics. Vertical integration allows the company to easily develop customized solutions that cater to varied customer specifications operating in multiple sectors.
- ▲ Sanmina has a strong presence across multiple end markets, including medical, defense, aerospace, communication, cloud infrastructure, automotive, industrial and energy. Such a diverse market presence strengthens its business resilience by mitigating risks associated with economic downturns in any single industry.
- ▲ Strengthening technology leadership combined with a customer-focused approach is the cornerstone of Sanmina's long-term growth strategy. Sanmina closely works with its customers to anticipate future manufacturing requirements and modify its R&D initiatives accordingly. For instance, the traditional method of collecting and processing information from all the different factories and suppliers takes a lot of time and delays the critical decision-making process. Recognizing the issue, Sanmina recently unveiled 42Q connected manufacturing that effectively integrates data from customers' global factories and suppliers' fleets and creates an up-to-date information base. It offers a unified data ecosystem with real-time data analytics capabilities that significantly improve visibility across the enterprise's distributed manufacturing and accelerate the decision-making process. Sanmina prioritizes expanding into high-growth industries backed by its strong global network, deep expertise and unique value proposition in advanced electronics manufacturing. Attracting and developing strong customer relationships by delivering high-level customer service is one of the key strategies to drive commercial expansion.
- ▲ As of Sept. 27, 2025, the company had \$926.3 million in cash and cash equivalents and \$282.3 million in long-term debt. In the fiscal fourth quarter, the times interest earned was 17.8. Higher times interest earned indicates the company is better equipped to cover interest expenses. SANM's current ratio (a measure of liquidity) stood at 1.72 at the end of fourth-quarter fiscal 2024. A current ratio of more than 1 suggests the company is well-positioned to pay off its short-term debt obligations. Such a strong liquidity position will enable Sanmina to steadily invest in growth initiatives and capitalize on emerging market opportunities.

End-to-end product lifecycle management, technological prowess, customer-oriented strategy and strong liquidity position are major growth drivers for Sanmina.

Risks⁽²⁾

- Sanmina has significant international exposure. It generates about 80% of its net sales from products manufactured outside the United States. This exposes it to political and economic disruptions in the operating countries. Foreign exchange fluctuations can also negatively impact its net sales. The company generates a significant part of its revenue from the Americas region. The company also has major production facilities in China. The recent imposition of tariffs on these countries by the U.S. government can increase the cost of sales and strain margins.
 - Sanmina has been heavily impacted by supply-chain disruptions over the past few years. Restrictions during the COVID-19 pandemic, followed by the war in Europe and the Middle East, have impacted its suppliers and port operations. Owing to current geopolitical events, the company is currently experiencing delays and shortages of critical components, including capacitors, resistors and more. The lack of availability of such components is piling up the inventory of other components, as the company cannot manufacture the finished good without all the components. This has led to a delay in customer delivery. Moreover, its reliance on a limited number of key suppliers further heightened the problem. Management expects supply chain issues will likely persist in the short to medium term.
 - Sanmina is affected by inflationary pressure resulting from geopolitical unrest and macroeconomic uncertainty worldwide. The continuous rise of components used in production and growing transportation costs is worrisome. The company's effort to shift the burden on consumers by increasing prices is not sustainable in the long run.
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Last Earnings Report

Sanmina Q4 Earnings Surpass Estimates, Revenues Rise Y/Y

Sanmina reported strong fourth-quarter fiscal 2025 results, with both the top and bottom lines surpassing the Zacks Consensus Estimate.

This California-based global electronics manufacturing services provider reported revenue growth year over year, owing to solid momentum across multiple end markets. Strong growth in free cash flow is a positive.

FY Quarter Ending **9/30/2025**

Earnings Reporting Date	Nov 03, 2025
Sales Surprise	2.26%
EPS Surprise	6.37%
Quarterly EPS	1.67
Annual EPS (TTM)	6.05

Net Income

Net income on a GAAP basis in the quarter was \$48.1 million or 88 cents per share compared with \$61.4 million or \$1.09 per share in the prior-year quarter. Despite top-line growth, higher operating expenses and higher income taxes impacted the bottom line.

Non-GAAP net income in the reported quarter was \$91.5 million or \$1.67 per share compared with \$80.3 million or \$1.43 in the prior-year quarter. The bottom line surpassed the Zacks Consensus Estimate of \$1.57.

In 2025, the company reported a GAAP net income of \$245.9 million or \$4.46 per share compared to \$222.5 million or \$3.91 per share in 2024. Non-GAAP net income was \$333.2 million or \$6.04 per share compared to \$300.9 million or \$5.28 per share in 2024.

Revenues

Net sales during the quarter increased to \$2.09 billion from \$2.01 billion reported in the year-ago quarter, primarily driven by growth across multiple end markets. The top line beat the consensus estimate by \$46 million.

For 2025, revenues increased to \$8.13 billion from \$7.56 billion in 2024

In the fiscal fourth quarter, Integrated Manufacturing Solutions generated \$1.68 billion in revenues, up 3.3% year over year. The segment contributed 80.2% to revenues. Solid sales growth was primarily driven by the communications networks, cloud and AI infrastructure end markets.

Components, Products and Services revenues increased to \$448 million, up 7.3% year over year, backed by growth in several end markets.

End-market-wise, Industrial & Energy, Medical, Defense & Aerospace, and Automotive markets generated \$1.247 billion in revenues, down from \$1.253 billion. The company generated \$849 million from Communications Networks and Cloud Infrastructure, up from \$765 million a year ago.

Other Details

Non-GAAP gross profit was \$196.4 million compared with \$175.5 million in the year-ago quarter. The improvement is driven by a favorable mix and improved operational efficiency. Non-GAAP operating income totaled \$126.4 million compared with \$107.3 million in the year-ago period. Non-GAAP operating margin was 6%, marginally up from 5.6% in the prior-year quarter.

Cash Flow & Liquidity

In the fourth quarter of fiscal 2025, Sanmina generated \$199.1 million of net cash from operating activities compared with \$51.9 million in the previous year's quarter. In 2025, the company generated \$620.7 million in cash compared to \$340.2 million in 2024. As of Sept. 27, 2025, the company had \$926.3 million in cash and cash equivalents and \$282.3 million in long-term debt. In 2025, it repurchased approximately 1.44 million shares for roughly \$113.7 million.

Outlook

For the first quarter of fiscal 2026, revenues are expected to be in the range of \$2.05-\$2.15 billion. Management estimates non-GAAP earnings per share in the band of \$1.95-\$2.25. Non-GAAP operating margin is expected in the band of 5.6-6.1%.

Valuation

Sanmina's shares are up 117.7% in the trailing 12-month period and up 111.3% in the past six months. Stocks in the Zacks sub-industry are up 104.4% in the past year and up 109.9% in the past six months. Stocks in the Zacks Computer and Technology sector are up 25.4% in the past year and up 36.8% in the past six months.

The S&P 500 Index is up 14.4% in the past year and up 21.4% in the past six months.

The stock is currently trading at 24.47X forward 12-month earnings, which compares to 26.67X for the Zacks sub-industry, 28.64X for the Zacks sector and 23.22X for the S&P 500 Index.

Over the past five years, the stock has traded as high as 28.31X and as low as 8.61X, with a five-year median of 11.19X. Our Neutral recommendation indicates that the stock will perform in line with the market. Our \$194 price target reflects 7.92X forward 12-month earnings.

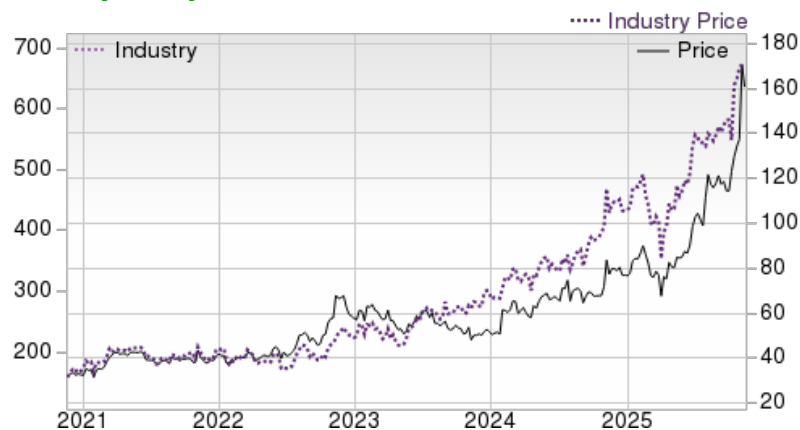
The table below shows summary valuation data for SANM.

Valuation Multiples - SANM					
		Stock	Sub-Industry	Sector	S&P 500
P/E F12M	Current	24.47	26.67	28.64	23.22
	5-Year High	28.31	26.67	29.43	23.58
	5-Year Low	8.61	8.04	18.66	15.72
	5-Year Median	11.19	11.56	26.39	21.18
P/B TTM	Current	3.71	12.23	11.49	7.37
	5-Year High	3.83	12.56	12.02	9.19
	5-Year Low	1.14	2.01	6.54	6.62
	5-Year Median	1.52	2.78	9.5	8
EV/EBITDA TTM	Current	17.75	18.05	19.9	17.99
	5-Year High	18.33	18.53	23.7	22.58
	5-Year Low	4.04	4.18	12.05	13.96
	5-Year Median	6.11	5.91	18.4	18.05

As of 11/06/2025

Source: Zacks Investment Research

Industry Analysis⁽¹⁾ Zacks Industry Rank: Top 2% (5 out of 243)



Top Peers⁽¹⁾

Company (Ticker)	Rec	Rank
Celestica, Inc. (CLS)	Outperform	1
Flex Ltd. (FLEX)	Outperform	2
Cogent Communication...(CCOI)	Neutral	3
Jabil, Inc. (JBL)	Neutral	3
Keysight Technologie...(KEYS)	Neutral	4
Plexus Corp. (PLXS)	Neutral	3
Benchmark Electronic...(BHE)	NA	
Jaco Electronics Inc...(JACO)	NA	

Industry Comparison⁽¹⁾ Industry: Electronics - Manufacturing Services

	SANM	X Industry	S&P 500	CLS	PLXS
Zacks Recommendation (Long Term)	Outperform	-	-	Outperform	Neutral
Zacks Rank (Short Term)	1	-	-	1	3
VGM Score	A	-	-	D	B
Market Cap	8.01 B	8.01 B	37.69 B	32.21 B	3.71 B
# of Analysts	2	3	22	3	3
Dividend Yield	0.00%	0.00%	1.52%	0.00%	0.00%
Value Score	B	-	-	F	B
Cash/Price	0.11	0.09	0.04	0.01	0.08
EV/EBITDA	15.39	14.78	14.28	44.36	14.78
PEG Ratio	0.40	0.95	2.17	NA	NA
Price/Book (P/B)	3.16	3.16	3.28	15.88	2.55
Price/Cash Flow (P/CF)	19.43	14.66	14.45	57.31	14.66
P/E (F1)	15.24	18.15	19.75	47.44	18.49
Price/Sales (P/S)	0.99	0.92	2.99	2.85	0.92
Earnings Yield	6.56%	5.51%	5.04%	2.11%	5.41%
Debt/Equity	0.11	0.19	0.57	0.37	0.06
Cash Flow (\$/share)	7.56	7.56	8.99	4.89	9.44
Growth Score	A	-	-	B	B
Hist. EPS Growth (3-5 yrs)	9.09%	15.30%	8.17%	38.42%	3.79%
Proj. EPS Growth (F1/F0)	59.60%	34.85%	8.30%	52.06%	0.81%
Curr. Cash Flow Growth	10.08%	10.08%	7.00%	34.09%	34.38%
Hist. Cash Flow Growth (3-5 yrs)	5.24%	5.24%	7.32%	22.35%	3.61%
Current Ratio	1.72	1.58	1.18	1.47	1.58
Debt/Capital	10.03%	16.08%	38.16%	27.17%	5.95%
Net Margin	3.03%	3.03%	12.75%	6.35%	4.29%
Return on Equity	11.59%	12.77%	17.03%	30.53%	12.77%
Sales/Assets	1.56	1.56	0.53	1.83	1.30
Proj. Sales Growth (F1/F0)	72.20%	7.79%	5.53%	26.30%	7.80%
Momentum Score	B	-	-	D	F
Daily Price Chg	1.68%	1.68%	0.98%	-0.79%	4.31%
1 Week Price Chg	-5.84%	-3.48%	-2.00%	-3.48%	-2.02%
4 Week Price Chg	10.61%	-0.94%	-2.01%	-0.94%	-7.61%
12 Week Price Chg	23.05%	2.89%	1.56%	31.90%	-0.83%
52 Week Price Chg	84.71%	50.57%	11.00%	206.28%	-13.26%
20 Day Average Volume	797,770	797,770	2,991,164	3,525,707	162,589
(F1) EPS Est 1 week change	0.00%	0.00%	0.00%	0.00%	0.00%
(F1) EPS Est 4 week change	32.42%	3.66%	0.37%	7.32%	-3.51%
(F1) EPS Est 12 week change	32.42%	2.76%	0.57%	7.90%	-3.51%
(Q1) EPS Est Mthly Chg	22.76%	8.52%	-0.08%	17.03%	-4.53%

Zacks Stock Rating System

We offer two rating systems that take into account investors' holding horizons: Zacks Rank and Zacks Recommendation. Each provides valuable insights into the future profitability of the stock and can be used separately or in combination with each other depending on your investment style.

Zacks Recommendation

The Zacks Recommendation aims to predict performance over the next 6 to 12 months. The foundation for the quantitatively determined Zacks Recommendation is trends in the company's estimate revisions and earnings outlook. The Zacks Recommendation is broken down into 3 Levels; Outperform, Neutral and Underperform. Unlike many Wall Street firms, we have an excellent balance between the number of Outperform and Neutral recommendations. Our team of 70 analysts are fully versed in the benefits of earnings estimate revisions and how that is harnessed through the Zacks quantitative rating system. But we have given our analysts the ability to override the Zacks Recommendation for the 1200 stocks that they follow. The reason for the analyst over-rides is that there are often factors such as valuation, industry conditions and management effectiveness that a trained investment professional can spot better than a quantitative model.

Zacks Rank

The Zacks Rank is our short-term rating system that is most effective over the one- to three-month holding horizon. The underlying driver for the quantitatively-determined Zacks Rank is the same as the Zacks Recommendation, and reflects trends in earnings estimate revisions.

Zacks Style Scores

The Zacks Style Score is as a complementary indicator to the Zacks rating system, giving investors a way to focus on the highest rated stocks that best fit their own stock picking preferences.

Academic research has proven that stocks with the best Value, Growth and Momentum characteristics outperform the market. The Zacks Style Scores rate stocks on each of these individual styles and assigns a rating of A, B, C, D and F. We also produce the VGM Score (V for Value, G for Growth and M for Momentum), which combines the weighted average of the individual Style Scores into one score. This is perfectly suited for those who want their stocks to have the best scores across the board.

Value Score	B
Growth Score	A
Momentum Score	B
VGM Score	A

As an investor, you want to buy stocks with the highest probability of success. That means buying stocks with a Zacks Recommendation of Outperform, which also has a Style Score of an A or a B.

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