SANMINA CORP/DE
Form S-4/A
November 02, 2001

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As filed with the Securities and Exchange Commission on November 2, 2001

Registration No. 333-67326

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

AMENDMENT NO. 3
TO
Form S-4
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

Sanmina Corporation

(Exact name of registrant as specified in its charter)

Delaware **3672** **77-0228183** *(State or other jurisdiction of incorporation or organization)* *(Primary Standard Industrial Classification Code Number)* *(I.R.S. Employer Identification Number)*

Jure Sola
Chairman and Chief Executive Officer
Sanmina Corporation
2700 North First Street
San Jose, California 95134
(408) 964-3500
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

Christopher D. Mitchell, Esq.
Jon Layman, Esq.
Mark Metcalf, Esq.
Wilson Sonsini Goodrich & Rosati
Professional Corporation
650 Page Mill Road
Palo Alto, CA 94304
(650) 493-9300 **G. William Speer, Esq.**
Powell, Goldstein, Frazer & Murphy LLP
191 Peachtree Street, N.E., 16th Floor
Atlanta, GA 30303
(404) 572-6600

Approximate date of commencement of proposed sale to the public: Upon consummation of the merger referred to herein.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. o

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement number for the same offering. o

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered(1)	Proposed Maximum Offering Price Per Share	Proposed Maximum Aggregate Offering Price(2)	Amount of Registration Fee
Common Stock $0.01 par value	200,809,742 shares	$28.105	$5,643,757,799	$1,410,941(3)

(1) Based upon the maximum number of shares of common stock, par value $0.01 per share, of Sanmina Corporation that may be issued pursuant to the merger.

(2) Estimated solely for purposes of calculating the registration fee required by the Securities Act of 1933, as amended, and computed pursuant to Rules 457(f) and (c) under the Securities Act based on (i) $28.105 the average of the high and low per share prices of common stock, par value $0.10 per share, of SCI Systems, Inc. on the New York Stock Exchange on August 9, 2001. $1,395,451 was previously paid and $15,490 is being paid simultaneously with this filing.

(3) Previously paid.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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To the stockholders of Sanmina Corporation
and the stockholders of SCI Systems, Inc.

After careful consideration, the boards of directors of Sanmina and SCI have approved a merger between Sanmina and SCI.

In the merger, each share of SCI common stock will be exchanged for 1.36 shares of Sanmina common stock. Sanmina common stock is traded on the Nasdaq National Market under the trading symbol SANM. On October 30, 2001, the closing price of Sanmina common stock was $14.31 per share.

Following the merger, Sanmina s board of directors will be composed of ten members: seven will be from the current Sanmina board and three will be from the current SCI board. The executive leadership will include officers from both companies, with Jure Sola, current chairman and chief executive officer of Sanmina, as co-chairman and chief executive officer of Sanmina, and Randy Furr, current president and chief operating officer of Sanmina, continuing in his current positions. A. Eugene Sapp, Jr., current chairman and chief executive officer of SCI, will be appointed as co-chairman of Sanmina, and Robert C. Bradshaw, current president and chief operating officer of SCI, will be the president of EMS operations of Sanmina.

The merger cannot be completed unless a quorum of the outstanding shares are represented in person or by proxy at each of the special meetings described below, and a majority of the Sanmina shares outstanding and entitled to vote, and a majority of the SCI shares outstanding and entitled to vote, are voted in favor of the proposals presented. The attached joint proxy statement/prospectus provides detailed information concerning Sanmina, SCI, the merger and the proposals related to the merger. Please give all of the information contained in the joint proxy statement/prospectus your careful attention. In particular, you should carefully consider the discussion in the section entitled Risk Factors on page 18 of this joint proxy statement/prospectus.

After careful consideration, the boards of directors of both Sanmina and SCI have determined the merger to be fair to you and in your best interests. The boards of directors of Sanmina and SCI have adopted the merger agreement and approved the merger, and recommend adoption of these proposals and your voting in favor of the proposals presented in the attached joint proxy statement/prospectus.

Stockholders of Sanmina and SCI are cordially invited to attend the special meeting of their company to vote on the merger:

The special meeting of Sanmina stockholders will be held on December 6, 2001 at 8:00 a.m. local time at the offices of Wilson Sonsini Goodrich & Rosati, One Market, Spear Tower, Suite 3300, San Francisco, California. Only stockholders who hold shares of Sanmina at the close of business on October 9, 2001 will be entitled to vote at this special meeting.

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The special meeting of SCI stockholders will be held on December 6, 2001 at 8:00 a.m. local time at the Mandarin Oriental Hotel, 222 Sansome Street, San Francisco, California. Only stockholders who hold shares of SCI at the close of business on October 23, 2001 will be entitled to vote at this special meeting.

Please use this opportunity to take part in the affairs of Sanmina and SCI by voting on the merger. Whether or not you plan to attend the Sanmina or SCI special meeting, please complete, sign, date and return the accompanying proxy card in the enclosed self-addressed stamped envelope. You may also vote your shares by telephone or on the Internet. Returning the proxy card or voting by telephone or on the Internet does NOT deprive you of your right to attend the meeting and to vote your shares in person. YOUR VOTE IS VERY IMPORTANT.

We appreciate your consideration of this matter.

Jure Sola
Chairman and Chief Executive Officer
Sanmina Corporation

A. Eugene Sapp, Jr.
Chairman and Chief Executive Officer
SCI Systems, Inc.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this joint proxy statement/prospectus. Any representation to the contrary is a criminal offense.

This joint proxy statement/prospectus is dated November 2, 2001 and was first mailed to holders of Sanmina common stock and SCI common stock on or about November 6, 2001.

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WHERE TO OBTAIN ADDITIONAL INFORMATION

The enclosed joint proxy statement/prospectus incorporates important business and financial information about Sanmina and SCI from documents filed with the Securities and Exchange Commission that are not included in or delivered with the enclosed joint proxy statement/prospectus. A list of documents from which Sanmina and SCI have incorporated information by reference along with other related information may be found under the caption Where You Can Find More Information in this joint proxy statement/prospectus on page 105. This information is available without charge upon your written or oral request. You can obtain the information incorporated by reference in the joint proxy statement/prospectus at the Internet website that the Securities and Exchange Commission maintains at http://www.sec.gov, as well as from Sanmina Corporation and SCI Systems, Inc.

Sanmina Corporation
2700 North First Street
San Jose, California 95134
By email: info@sanmina.com
Attention: Investor relations
By telephone: (408) 964-3500

SCI Systems, Inc.
2101 West Clinton Avenue
Huntsville, Alabama 35805
By email: shareholder.info@scimail.sci.com
By telephone: (256) 882-4800

If you would like to request any information, please do so by November 29, 2001, in order to receive it before the special meetings.

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SANMINA CORPORATION

2700 North First Street
San Jose, California 95134

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS
December 6, 2001
at the offices of
Wilson Sonsini Goodrich & Rosati
One Market, Spear Tower, Suite 3300
San Francisco, California

To Our Stockholders:

A special meeting of stockholders of Sanmina Corporation will be held at the offices of Wilson Sonsini Goodrich & Rosati located at One Market, Spear Tower, Suite 3300, San Francisco, California on December 6, 2001 at 8:00 a.m., local time, for the following purposes:

1. To approve the issuance of shares of Sanmina common stock in the merger of Sun Acquisition Subsidiary, Inc., a wholly-owned subsidiary of Sanmina, with and into SCI Systems, Inc., as contemplated by the Amended and Restated Agreement and Plan of Reorganization dated as of July 13, 2001, by and among Sanmina, Sun Acquisition Subsidiary and SCI. Sanmina will issue 1.36 shares of its common stock in exchange for each share of outstanding SCI common stock.

2. To approve an amendment to Sanmina s Restated Certificate of Incorporation to change Sanmina s corporate name to Sanmina-SCI Corporation effective upon the consummation of the merger provided for in the Amended and Restated Agreement and Plan of Reorganization dated as of July 13, 2001, by and among Sanmina, Sun Acquisition Subsidiary and SCI.

3. To approve an amendment to Sanmina s 1993 Employee Stock Purchase Plan to increase the number of shares of Sanmina common stock reserved for issuance thereunder and make certain other changes.

4. To transact any other business that properly comes before the special meeting or any adjournment or postponement thereof.

The accompanying joint proxy statement/prospectus describes the proposed merger and other proposals in more detail. We encourage you to read the entire document carefully. In particular, you should carefully consider the discussion entitled Risk Factors.

Stockholders of record at the close of business on October 9, 2001 are entitled to notice of, and to vote at, the special meeting and any adjournment or postponement thereof. Holders of shares of Sanmina common stock on the record date will be entitled to one vote for each share of Sanmina common stock held on each matter submitted to a vote at the special meeting. The affirmative vote of at least a majority of the shares of Sanmina common stock present or represented by proxy at the special meeting is required to approve the issuance of Sanmina common stock to SCI stockholders in connection with the merger. The affirmative vote of at least a majority of the shares of Sanmina s common stock outstanding and entitled to vote on the record date is required to approve the change of Sanmina s corporate name.

Directors and certain executive officers of Sanmina who, as of October 9, 2001, collectively had voting control over less than 1% of the outstanding shares of Sanmina common stock have agreed to vote FOR the adoption of the merger agreement and the approval of the merger, the share issuance and the name change.

The Sanmina board of directors carefully considered the terms of the proposed merger, determined that the merger agreement and the merger are in the best interests of Sanmina and its stockholders, and unanimously recommends that you vote FOR the issuance of Sanmina common stock and the change of Sanmina s corporate name.

By Order of the Board of Directors of
Sanmina Corporation

Christopher D. Mitchell, Esq.
Secretary

San Jose, California
November 2, 2001

To assure that your shares are represented at the meeting, please complete, date and sign the enclosed proxy card and mail it promptly in the postage-paid envelope provided, whether or not you plan to attend the meeting. You may also vote your shares by granting a proxy by telephone or on the Internet. You can revoke your proxy at any time before it is voted at the meeting.

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SCI SYSTEMS, INC.

2101 West Clinton Avenue
Huntsville, Alabama 35805

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS
December 6, 2001
at 8:00 a.m.
Mandarin Oriental Hotel
222 Sansome Street
San Francisco, California

To Our Stockholders:

We invite you to attend a special meeting of stockholders of SCI Systems, Inc. to be held at 8:00 a.m., on December 6, 2001 at the Mandarin Oriental Hotel, 222 Sansome Street, San Francisco, California, for the following purposes:

1. To consider and vote upon a proposal to approve and adopt the Amended and Restated Agreement and Plan of Reorganization dated as of July 13, 2001 by and among Sanmina Corporation, a Delaware corporation, Sun Acquisition Subsidiary, Inc., a Delaware corporation and a wholly-owned subsidiary of Sanmina, and SCI Systems, Inc., a Delaware corporation, and to approve the merger provided for therein, as described in more detail in the joint proxy statement/prospectus that accompanies this notice.

2. To transact any other business that may properly come before the meeting or any adjournment or postponement thereof.

The accompanying joint proxy statement/prospectus describes the proposed merger and the other proposals in more detail. We encourage you to read the entire document carefully. In particular, you should carefully consider the discussion in the section entitled Risk Factors.

Stockholders of record at the close of business on October 23, 2001 are entitled to notice of, and to vote at, the special meeting and any adjournment or postponement thereof. Holders of shares of SCI common stock on the record date will be entitled to one vote for each share of SCI common stock held on each matter submitted to a vote at the special meeting. The affirmative vote of at least a majority of the votes entitled to be cast by holders of shares of SCI common stock outstanding and entitled to vote is required to approve and adopt the merger agreement and approve the merger.

Directors and certain executive officers of SCI who, as of October 23, 2001, had voting control over approximately 2.5% of the outstanding shares of SCI common stock have agreed to vote FOR the approval and adoption of the merger agreement and the approval of the merger.

The board of directors of SCI has approved and adopted the merger agreement and has determined that the merger, upon the terms and conditions contained in the merger agreement, is in the best interests of, and is on terms that are fair to, SCI s stockholders. The board of directors unanimously recommends that you vote FOR the proposal to approve and adopt the merger agreement and approve the merger.

By Order of the Board of Directors of
SCI Systems, Inc.

Michael M. Sullivan, Esq.
General Counsel and Secretary

Huntsville, Alabama
November 2, 2001

To assure that your shares are represented at the meeting, please complete, date and sign the enclosed proxy card and mail it promptly in the postage-paid envelope provided, whether or not you plan to attend the meeting. You may also vote your shares by granting a proxy by telephone or on the Internet. You can revoke your proxy at any time before it is voted at the meeting.

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SUMMARY OF THE JOINT PROXY STATEMENT/PROSPECTUS

This joint proxy statement/prospectus pertains to the merger of a wholly-owned subsidiary of Sanmina with and into SCI, and it is being sent to the holders of Sanmina common stock and the holders of SCI common stock. This summary may not contain all of the information that is important to you. You should read carefully this entire document, including the merger agreement and its exhibits and other documents attached to this joint proxy statement/prospectus and the other documents referenced in it, for a more complete understanding of the merger. In particular, you should read the merger agreement (and the exhibits thereto), which is attached as Annex A, the opinion of Merrill Lynch, Pierce, Fenner & Smith Incorporated, which is attached as Annex B, and the opinion of Goldman, Sachs & Co., which is attached as Annex C.

The Companies

Sanmina Corporation
2700 North First Street
San Jose, California 95134
(408) 964-3500
www.sanmina.com

Sanmina is a leading supplier of customized integrated electronics manufacturing services, including turnkey electronic assembly and turnkey manufacturing management services, to original equipment manufacturers in the electronics industry. Sanmina s electronic manufacturing services consist primarily of the manufacture of complex printed circuit board assemblies using surface mount and pin-through-hole interconnection technologies, the manufacture of custom design backplane assemblies, fabrication of complex multilayer printed circuit boards, electronic enclosure systems manufacture and testing and assembly of completed systems. In addition to assembly, turnkey manufacturing management also involves procurement and materials management, as well as consultation on printed circuit board design and manufacturability. Sanmina also manufactures custom cable and wire harness assemblies for electronics industry OEMs. These manufacturing services are provided by Sanmina personnel at Sanmina s facilities.

SCI Systems, Inc.
2101 West Clinton Avenue
Huntsville, Alabama 35805
(256) 882-4800
www.sci.com

SCI is one of the world s premier providers of electronic manufacturing services and one of the leaders in surface mount technology production capacity. SCI pioneered the electronic contract manufacturing services industry, which encompasses a full range of outsourcing services to U.S. and international OEMs for the global production and assembly of electronic products, including engineering, advanced supply chain management and inventory management, testing, distribution and depot repair services. SCI designs, manufactures, distributes, and services electronic products for virtually every market segment, including the computer, peripheral, datacom, telecom, medical, industrial, consumer, aerospace, defense and entertainment industries, as well as the U.S. government.

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WE ARE PROPOSING A MERGER OF SANMINA AND SCI

Q: What is the proposed merger? (see page 42)

A. In the proposed merger, SCI will merge with a wholly-owned subsidiary of Sanmina. SCI will survive the merger as a wholly-owned subsidiary of Sanmina. The merger agreement is attached to this joint proxy statement/prospectus as Annex A. You are encouraged to read it carefully.

Q: What will I receive in the merger? (see pages 42 and 69)

A. Following the merger:

SCI stockholders will receive, in exchange for each of their shares of SCI common stock, 1.36 shares of Sanmina common stock.

Each option to purchase SCI common stock outstanding immediately before the completion of the merger will automatically become an option to purchase shares of Sanmina common stock. The number of shares of Sanmina common stock which may be purchased under each assumed option will be equal to the product of the number of SCI shares that were purchasable before the merger multiplied by 1.36, rounded down to the nearest number of whole shares of Sanmina common stock. The exercise price per share will be the pre-merger exercise price divided by 1.36 and rounded up to the nearest whole cent.

Instead of fractional shares in the merger, SCI stockholders will receive cash in an amount equal to the fraction multiplied by the average closing prices reported on the Nasdaq National Market System for Sanmina common stock for the five trading days immediately preceding the effective date of the merger.

Q: What percentage of the combined company will former SCI stockholders own following the merger?

A. Following the merger, former stockholders of SCI will own approximately 38.4% of the combined company.

Q: When do you expect the merger to be completed?

A. Sanmina and SCI are working toward completing the merger as quickly as possible. We hope to complete the merger no later than the end of the fourth calendar quarter of 2001.

Q: Are there risks involved in undertaking the merger? (see page 18)

A. Yes. In evaluating the merger, you should carefully consider the factors discussed in the section of the joint proxy statement/prospectus entitled Risk Factors beginning on page 18.

Q: What are the expected United States federal income tax consequences of the merger? (see pages 65-66)

A. Sanmina and SCI each expect the merger to qualify as a reorganization for U.S. federal income tax purposes. SCI stockholders will not recognize gain or loss for U.S. federal income tax purposes by exchanging their SCI shares for shares of Sanmina common stock. However, SCI stockholders will recognize gain or loss with respect to cash received in lieu of a fractional share of Sanmina common stock.

A description of the material United States federal tax consequences of the merger is set forth in The Merger Material United States Federal Income Tax Consequences of the Merger. The tax consequences to each SCI stockholder will depend on the facts of that stockholder s own situation. Therefore, SCI stockholders are urged to consult their own tax advisors to determine their particular tax consequences.

Q: Am I entitled to dissenters or appraisal rights in connection with the merger? (see page 68)

A.

No. Under Delaware law, stockholders of SCI are not entitled to dissenters or appraisal rights in connection with the merger. Similarly, under Delaware law, stockholders of Sanmina are not entitled to

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dissenters or appraisal rights in connection with the issuance of Sanmina common stock to SCI stockholders.

Q: Are there conditions to completion of the merger? (see pages 75-76)

A. Yes. Sanmina s and SCI s respective obligations to complete the merger are subject to the satisfaction or waiver of certain specified closing conditions. If either Sanmina or SCI waives any conditions, each company will consider the facts and circumstances at that time and make a determination whether a resolicitation of proxies from its respective stockholders is appropriate.

Q: Is the merger subject to governmental approvals? (see pages 67-68)

A. Yes. This merger is subject to review by the Department of Justice and the Federal Trade Commission to determine whether it is in compliance with applicable antitrust laws. The merger is also subject to the approval of the European Commission under the competition laws of the European Union, and the Competition Bureau of Canada under the competition laws of Canada and the Antitrust Authority of Israel under the competition laws of Israel. On September 9, 2001, the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, expired. On September 20, 2001, the European Commission advised Sanmina and SCI that it would not oppose the merger on the basis that it would be in violation of the competition laws of the European Union. The companies have also filed notifications under the competition laws of Canada and Israel. On September 25, 2001, the Commission of Competition for Canada informed Sanmina and SCI that the Competition Bureau of Canada would not oppose the merger on the basis that it would be in violation of the Canadian Competition Act. On October 10, 2001, the Israel Antitrust Authority advised Sanmina and SCI that it would not oppose the merger on the basis that it would be in violation of the Competition Restrictive Trade Practices Act of Israel. Accordingly, the merger has received clearance in the United States, the European Union, Canada and Israel. Sanmina and SCI also have filed a premerger notification forms with the antitrust agencies in Brazil, Mexico and Hungary. The companies do not need to observe waiting periods in these jurisdictions before closing the merger. The merger may also be subject to regulatory review by other U.S. governmental authorities and by regulatory authorities in other jurisdictions.

Q: What stockholder approvals are required for the merger? (see page 74)

A. The affirmative vote of the holders of at least a majority of the shares of Sanmina common stock present or represented by proxy at the special meeting must approve the issuance of Sanmina common stock to SCI stockholders in the merger. The affirmative vote of the holders of at least a majority of the shares of Sanmina common stock outstanding and entitled to vote on the record date must approve the changing of Sanmina s corporate name to Sanmina-SCI Corporation effective upon the consummation of the merger.

The affirmative vote of the holders of at least a majority of the shares of SCI common stock outstanding and entitled to vote on the record date must approve and adopt the merger agreement and approve the merger.

Q: Are there any stockholders already committed to voting in favor of the merger and the share issuance? (see page 79)

A. Yes.

The directors and certain executive officers of Sanmina having voting control over less than 1% of the outstanding Sanmina common stock as of October 9, 2001 entered into voting agreements requiring them to vote their shares in favor of approving the share issuance and the name change.

The directors and certain executive officers of SCI having voting control over approximately 2.5% of the SCI common stock outstanding as of October 23, 2001 entered into voting agreements requiring them to vote their shares for approval and adoption of the merger agreement and approval of the merger.

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Q: Who will be the directors of Sanmina following the merger? (see page 74)

A. Following the merger, the board of directors of Sanmina is expected to consist of the seven current members of Sanmina s board of directors and three members of SCI s current board of directors.

Q: Who will be the principal executive officers of Sanmina following the merger? (see pages 80-84)

A. Following the merger, the executive management team of Sanmina is expected to include:

Jure Sola, as co-chairman and chief executive officer of Sanmina;

A. Eugene Sapp, Jr., as co-chairman of Sanmina;

Randy Furr, as president and chief operating officer of Sanmina;

Rick R. Ackel, as chief financial officer of Sanmina; and

Robert C. Bradshaw, as president of EMS operations of Sanmina.

OUR REASONS FOR PROPOSING THE MERGER OF SANMINA AND SCI

Q: Why are Sanmina and SCI proposing the merger? (see page 45)

A. The boards of directors of Sanmina and SCI believe that a combined company would be better positioned to compete in the global electronics manufacturing services market and will create the opportunity for Sanmina and SCI to:

build an industry-leading electronics manufacturing services company that is able to provide customers with a full range of manufacturing services;

enhance their ability to serve their existing customer base through increased scale and a broader global presence;

utilize Sanmina s fabrication capabilities across a larger revenue base to realize additional operating efficiencies; and

compete more effectively for original equipment manufacturer divestitures and other acquisition transactions.

Q: Does the board of directors of Sanmina recommend voting in favor of approving the share issuance, the name change, and the purchase plan amendment? (see pages 45-47)

A. Yes. After careful consideration, the members of Sanmina s board of directors unanimously recommends that Sanmina stockholders vote in favor of approving the issuance of Sanmina common stock in the merger, the change of Sanmina s corporate name, and the amendment to Sanmina s 1993 Employee Stock Purchase Plan.

Q: Does the board of directors of SCI recommend voting in favor of the merger agreement and the merger? (see pages 47-49)

A. Yes. After careful consideration, SCI s board of directors unanimously recommends that its stockholders vote in favor of approval and adoption of the merger agreement and the approval of the merger.

Q: Do persons involved in the merger have interests which may conflict with mine? (see page 63-64)

A. Yes. When considering the recommendations of Sanmina s and SCI s respective boards of directors, you should be aware that certain SCI directors and officers have interests in the merger that are different from, or are in addition to, yours. These interests include:

the employment of the SCI executive officers by Sanmina or the SCI subsidiary after the merger;

the appointment of A. Eugene Sapp, Jr., Wayne Shortridge and Jackie M. Ward to Sanmina s board of directors;

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- the acceleration of, and increase in the amount of, payments to nonmanagement directors of SCI under the SCI directors deferred compensation plan;

- the extension of time for nonmanagement directors of SCI to exercise options; and

- the indemnification of directors and officers of SCI, as provided in the merger agreement, against certain liabilities both before and after the merger.

In addition, Sanmina director Joseph M. Schell serves as chairman of global technology investment banking of Merrill Lynch & Co. Merrill Lynch, Pierce, Fenner & Smith Incorporated, the corporate parent of Merrill Lynch & Co., served as Sanmina s financial advisor on the merger. Mr. Schell abstained from voting on proposals related to the merger.

Q: Did Sanmina s and SCI s financial advisors render opinions concerning the fairness of the exchange ratio from a financial point of view? (see pages 49-63)

A. Yes.

In connection with the merger:

- Sanmina s board of directors considered the opinion it received from Merrill Lynch, Pierce, Fenner & Smith Incorporated, as to the fairness, from a financial point of view, on the date of such opinion, to Sanmina of the exchange ratio provided for in the merger agreement; and

- SCI s board of directors considered the opinion it received from Goldman, Sachs & Co. that, as of the date of such opinion, the exchange ratio pursuant to the merger agreement was fair from a financial point of view to the holders of SCI common stock.

The full text of the written opinions of Merrill Lynch and Goldman Sachs dated July 13, 2001, which set forth assumptions made, matters considered and limitations on the review undertaken in connection with the opinions, are contained in Annex B and Annex C, respectively. Merrill Lynch and Goldman Sachs provided their respective opinions for the information and assistance of the board of directors of Sanmina and SCI, respectively, in connection with its consideration of the merger. Neither the Merrill Lynch opinion nor the Goldman Sachs opinion is a recommendation as to how any stockholder should vote with respect to the transaction. We urge you to read the opinions in their entirety.

Q: What happens if an SCI stockholder does not vote? (see page 40)

A. If an SCI stockholder fails to grant a proxy or vote at the special meeting, it will have the same effect as a vote against approval and adoption of the merger agreement and approval of the merger. If you return your proxy and do not indicate how you want to vote, your proxy will be counted as a vote to approve and adopt the merger agreement and approve the merger.

If you submit a proxy and affirmatively elect to abstain from voting, your proxy will be counted as present for the purpose of determining the presence of a quorum but will not be voted at the special meeting. Consequently, your abstention will have the same effect as a vote against approval and adoption of the merger agreement and approval of the merger.

Q: What happens if a Sanmina stockholder does not vote? (see page 37)

A. If a Sanmina stockholder does not grant a proxy or vote at the special meeting on the issuance of Sanmina common stock to SCI stockholders in connection with the merger or the amendment to Sanmina s 1993 Employee Stock Purchase Plan, the shares will not be counted as present for purposes of determining the presence of absence of a quorum and will have no effect on the outcome of those proposals. If a Sanmina stockholder fails to grant a proxy or vote at the special meeting on the change of Sanmina s corporate name to Sanmina-SCI Corporation, it will have the same effect as a vote against the proposal.

If you submit a proxy card and do not indicate how you want to vote, your proxy will be counted as a vote to approve these proposals.

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If you grant a proxy and affirmatively elect to abstain from voting, your shares will be counted as present for the purpose of determining the presence of a quorum but will not be voted at the special meeting. Consequently, your abstention will have the same effect as a vote against the issuance of Sanmina common stock, the change of Sanmina s corporate name, and the amendment to Sanmina s 1993 Employee Stock Purchase Plan.

OTHER MATTERS TO CONSIDER

Q: How do the market prices of Sanmina and SCI common stock compare? (see pages 16-17)

A. Shares of Sanmina common stock are listed on the Nasdaq National Market System and shares of SCI are listed on the New York Stock Exchange. Sanmina s trading symbol is SANM and SCI s trading symbol is SCI. On July 13, 2001, the last full trading day prior to the public announcement of the proposed merger, the last reported sale prices were:

$22.14 per share of Sanmina common stock, and

$25.17 per share of SCI common stock.

On October 30, 2001 the last reported sale prices were:

$14.31 per share of Sanmina common stock, and

$19.26 per share of SCI common stock.

Sanmina and SCI urge you to obtain current market quotations.

Q: How will the merger be accounted for? (see page 67)

A. The merger will be accounted for as a purchase business combination in accordance with accounting principles generally accepted in the United States. Accordingly, the cost to acquire SCI will be allocated to the tangible and identifiable intangible assets acquired and liabilities assumed based on their fair values, with any excess being treated as goodwill. Goodwill under the recently issued Statements of Financial Accounting Standards Nos. 141 and 142 Business Combinations and Goodwill and Other Intangibles will no longer be subject to periodic amortization, but rather goodwill is subject to at least an annual assessment for impairment applying a fair-value based test. Identified intangible assets with finite lives will be amortized over those lives.

Q. What are the conditions that must be satisfied for the merger to occur? (see pages 75-76)

A. Completion of the merger is subject to the satisfaction or waiver of a number of conditions, including (but not limited to):

holders of a majority of the outstanding shares of SCI common stock must vote in favor of approval and adoption of the merger agreement and approval of the merger;

holders of a majority of the shares of Sanmina common stock present or represented by proxy at the special meeting must approve the share issuance and the holders of a majority of the outstanding shares of Sanmina common stock entitled to vote on the record date must approve the name change;

the registration statement, of which this joint proxy statement/prospectus is a part, must be declared and remain effective by the Securities and Exchange Commission;

no law, regulation or order preventing the completion of the merger shall be in effect;

the applicable waiting periods under antitrust laws must expire or be terminated;

each company must receive an opinion from its tax counsel that the merger will qualify as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended;

the shares of Sanmina common stock to be issued in the merger must be approved for listing on the Nasdaq National Market;

each company must not have breached any covenant, representation or warranty in a material manner;

SCI must have obtained all consents, waivers and approvals required under the merger agreement; and

neither Sanmina nor SCI shall have had a Material Adverse Effect (as defined on p. 76 of this joint proxy statement/prospectus) since July 13, 2001.

Q: Does the merger agreement permit termination of the merger? (see pages 76-77)

A. Yes. Sanmina and SCI may mutually agree to terminate the merger agreement without completing the merger. Additionally, either SCI or Sanmina may terminate the merger agreement under any of the following circumstances:

if the merger is not completed by December 31, 2001;

if a final court order prohibiting the merger is issued and is not appealable;

if the Sanmina stockholders do not approve the share issuance and the name change;

if the SCI stockholders do not approve and adopt the merger agreement and approve the merger; or

if the conditions to completion of the merger would not be satisfied because of a breach of a representation or warranty in the merger agreement resulting in a Material Adverse Effect or a failure to comply in all material respects with a covenant or agreement in the merger agreement.

Sanmina may terminate the merger agreement if:

SCI s board of directors withdraws, amends or modifies in a manner adverse to Sanmina, its recommendation in favor of the merger;

SCI s board of directors fails to include its recommendation in favor of the merger agreement and merger in any proxy statement or prospectus to be sent to SCI stockholders;

SCI s board of directors recommends any acquisition proposal from a party other than Sanmina or enters into a definitive agreement for an acquisition transaction with a party other than Sanmina, or resolves to take any such action;

SCI breaches its agreement not to solicit alternative proposals for a business combination with SCI; or

SCI s board of directors fails to send its stockholders a recommendation to reject any tender or exchange offer by a third party within 10 days of commencement of the offer.

SCI may terminate the merger agreement if it executes a definitive agreement relating to an Acquisition Transaction (as defined on p. 73 of this joint proxy statement/prospectus).

Q: Could payment of a termination fee be required in connection with the merger? (see pages 77-78)

A. Yes. If the merger agreement is terminated upon some specified occurrences, SCI may be required to pay to Sanmina a termination fee of up to $150.0 million. In addition, either party may be required to pay the other a fee of $3.0 million if the matters in this joint proxy statement/prospectus are not approved by that party s stockholders and the merger does not occur as a result.

Q: May SCI negotiate with other parties? (see pages 72-74)

A.

No. SCI agreed, subject to limited exceptions for responses to unsolicited bona fide offers, not to initiate or engage in discussions with another party concerning a business combination with a party other than Sanmina while the merger is pending.

Nothing in the merger agreement prevents the SCI board of directors from withdrawing or changing its recommendation in favor of the merger if, as a result of a Superior Offer (as defined on page 74 of this joint proxy statement/prospectus) from a third party, the board reasonably concludes in good faith, after

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consultation with its outside counsel, that the failure to so withdraw or change its recommendation would result in a reasonable likelihood that the SCI board of directors would not fulfill its fiduciary duties to SCI s stockholders under Delaware law.

Q: Are there restrictions on the ability to sell Sanmina stock received as a result of the merger? (see page 68)

A. All Sanmina common stock received by SCI stockholders in connection with the merger will be freely transferable unless the holder is considered an affiliate of either Sanmina or SCI under the Securities Act of 1933, as amended. Shares of Sanmina received by affiliates of SCI in the merger may only be resold in compliance with Rule 145 under the Securities Act.

Generally, an affiliate is considered to be someone who is an executive officer or director of a company or someone who owns more than 10% of the outstanding stock of a company.

RECENT DEVELOPMENTS

Sanmina

On October 24, 2001, Sanmina announced its results of operations for the fourth quarter of fiscal 2001 and for the entire fiscal year. Revenues for the year were $4.05 billion and revenues for the fourth quarter were $600.7 million. Diluted earnings per share for the year and the fourth quarter were $0.79 per share and $0.01 per share, respectively, and basic earnings per share for the year and the fourth quarter were $0.83 per share and $0.01 per share, respectively, excluding in both cases merger, restructuring and other infrequent or unusual charges. Net income for the year and the fourth quarter was $266.4 million and $3.6 million, respectively, before giving effect to these charges. After giving effect to these charges, net income for the year was $40.4 million and basic and diluted earnings per share for the year were $0.13 and $0.12, respectively. For the fourth quarter after giving effect to these charges, Sanmina incurred a net loss of $167.8 million or a basic and diluted loss per share of $0.52.

On October 12, 2001, Sanmina purchased certain assets of Electro Mechanical Solutions, Inc., a privately-held manufacturer of electronic enclosures. The cash purchase price for this transaction was $110.65 million, $20.0 million of which is subject to reduction based on a post-closing audit of E-M-Solutions balance sheet.

On August 24, 2001, Sanmina entered into purchase and sale agreements providing for Sanmina s acquisition of certain assets of Alcatel USA Sourcing, L.P. in Richardson, Texas and Raleigh, North Carolina. Sanmina and Alcatel also entered into a multi-year manufacturing services agreement and other related agreements on the same date.

SCI

On October 30, 2001, SCI announced its results of operations for the first quarter of fiscal 2002. Revenues for the quarter were $1.77 billion. For the quarter SCI reported a net loss of $0.42 per share. Excluding asset impairments, operating losses associated with plants that SCI has closed or is closing, increased credit reserves, and certain investment impairments, pro forma diluted and basic earnings per share for the quarter were $0.10 per share.

On October 18, 2001, SCI lowered its earnings guidance for its September quarter due to charges for certain contract issues, increased inventory reserves and lower than expected demand from certain major telecommunications customers. SCI also announced an aggressive plan to reduce capacity further in light of continued market softness, especially in telecommunications. SCI anticipates charges up to $200 million could be incurred in the first six months of fiscal 2002 as the Company expects to undertake further realignment program actions. In the first quarter of fiscal 2002, SCI incurred $54.2 million in asset and investment impairment charges and $31.8 million in credit related charges related to this plan. SCI has made no other final decisions regarding further realignment plans.

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On July 12, 2001, SCI and Nokia UK Ltd entered into an asset purchase agreement providing for SCI s acquisition of Nokia UK Ltd s Camberley, U.K. test and repair center. The parties expect the acquisition to close on August 13, 2001. At closing, SCI and Nokia intend to enter into a multi-year repair service agreement and other related agreements. Under the repair service agreement, SCI will provide wireless diagnostics, testing and repair services to Nokia for its mobile communication base station products located in Europe, the Middle East and Africa.

On June 28, 2001, SCI and Nortel Networks, Inc. entered into an asset purchase agreement providing for SCI s purchase of manufacturing equipment and inventory located at Nortel Network s Boston, Massachusetts systems house. This transaction closed on August 3, 2001, at which time SCI and Nortel Networks entered into a multi-year supply agreement under which SCI will manufacture products for Nortel Networks.

On August 31, 2001, SCI entered into an asset purchase agreement with Nortel Networks, Ltd. and Nortel Networks, U.K., Ltd. for the purchase of certain of their assets located in St. Laurent, Quebec and Monkstown, Northern Ireland. SCI anticipates that the St. Laurent transaction will close September 28, 2001 and the Monkstown transaction will close October 31, 2001.

On September 28, 2001, pursuant to an asset purchase agreement and related agreements with International Business Machines Corporation, or IBM, and IBM Japan Limited, or IBM Japan, SCI acquired IBM s design and product testing and engineering and electronic manufacturing services, or EMS, operations based in Yasu, Japan.

In connection with the acquisition, an SCI subsidiary, AET Holdings Limited, or AET, and IBM entered into two five year supply agreements under which AET will provide to IBM card design and product testing and engineering services, fulfillment and manufacturing coordination, and EMS services for products developed by IBM s Storage Technology and Personal Computer Divisions, including mobile computing products. The products to be supplied by AET include certain electronic cards for IBM s ThinkPad® computers and storage devices. AET will design and coordinate the manufacture of electronic cards for IBM as an IBM preferred supplier, but is required to remain competitive under terms described in the supply agreements, which relate primarily to market terms for price, delivery and quality of product.

As part of the acquisition, another subsidiary of SCI, SCI Japan Technologies, Ltd., or SCI Japan, also agreed to use certain employees of IBM Japan under employment arrangements which may last two or three years. During that period, SCI Japan may retain certain employees of IBM Japan. The companies also entered into other transition service arrangements. SCI is actively pursuing similar transactions, and may enter into similar arrangements as other manufacturers outsource component manufacturing.

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SUMMARY SELECTED FINANCIAL DATA

Selected Historical Financial Data

We are providing the following financial information to aid you in your analysis of the financial aspects of the merger. We derived this information from the audited consolidated financial statements of Sanmina and SCI for the fiscal years ended September 30, 1996, 1997 and 1998, the fiscal year ended October 2, 1999, and the fiscal year ended September 30, 2000 with respect to Sanmina, and the fiscal years ended June 30, 1997, 1998, 1999, 2000 and 2001 with respect to SCI, and the unaudited consolidated financial statements for the interim periods presented. The interim financial data reflect normal recurring adjustments, which are considered necessary to present fairly the financial information for such periods. The information is only a summary and you should read it in conjunction with each company s historical financial statements and related notes incorporated by reference in this document. The results of any interim period are not necessarily indicative of results for a full fiscal year, and historical results are not necessarily indicative of future results. All share and per share amounts have been adjusted for all stock splits completed prior to the date of this joint proxy statement/prospectus.

Sanmina s financial data

The audited consolidated balance sheets of Sanmina as of October 2, 1999 and September 30, 2000 and the consolidated statements of operations, comprehensive income, stockholders equity and cash flows for each of the years in the three-year period ended September 30, 2000 are incorporated by reference in this document. The selected historical financial data of Sanmina as of and for the nine months ended June 30, 2001 have been derived from Sanmina s unaudited financial statements, which are incorporated by reference in this joint proxy statement/prospectus, and include, in the opinion of Sanmina s management, all adjustments consisting of normal recurring adjustments that Sanmina considers necessary to present fairly the results of operations and financial position of Sanmina in those periods.

Sanmina

Selected Consolidated Financial Data

(in thousands, except per share data)

	Fiscal Years Ended					Nine Months Ended	
	September 30,						
	1996	1997	1998	October 2, 1999	September 30, 2000	July 1, 2000	June 30, 2001
						(Unaudited)	
Historical Consolidated Statement of Operations Data:							
Net sales	$1,077,367	$1,713,239	$2,171,427	$2,620,623	$4,239,102	$2,871,895	$3,453,311
Operating income	145,440	107,403	119,118	197,034	361,456	199,019	317,940
Income before provision for income taxes	144,083	95,706	96,148	169,367	357,969	193,985	334,809
Net income before extraordinary charge	$92,016	$26,156	$39,185	$104,716	$215,053	$112,676	$208,293

Basic net income per share, before extraordinary charge	$0.40	$0.11	$0.15	$0.37	$0.71	$0.37	$0.65
Basic net income per share, after extraordinary charge	$0.40	$0.11	$0.15	$0.37	$0.69	$0.37	$0.65
Diluted net income per share, before extraordinary charge	$0.36	$0.10	$0.14	$0.35	$0.67	$0.36	$0.62

Diluted net income per share, after extraordinary charge	$0.36	$0.10	$0.14	$0.35	$0.65	$0.36	$0.62
Shares used in computing diluted per share amounts	266,215	276,477	286,368	300,328	337,350	317,352	349,266

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	As of					
	September 30,			October 2,	September 30,	June 30,
	1996	1997	1998	1999	2000	2001
						(unaudited)
Historical Consolidated Balance Sheet Data:						
Cash and cash equivalents	$201,442	$76,850	$100,700	$149,281	$998,242	$618,219
Net working capital	280,425	336,826	444,308	764,877	1,913,617	2,143,376
Total assets	739,176	1,185,341	1,601,339	2,124,809	3,835,600	3,772,142
Long-term debt	135,633	232,694	434,382	696,386	1,200,764	1,213,632
Stockholders equity	387,353	581,935	726,884	886,455	1,758,793	2,005,858

SCI s financial data

The audited consolidated balance sheets of SCI as of June 30, 2000 and 2001, and the consolidated statements of income, shareholders equity, cash flows and comprehensive income for each of the years in the three-year period ended June 30, 2001 are incorporated by reference in this document.

SCI

Selected Consolidated Financial Data

(in thousands)

	Fiscal Years Ended June 30,				
	1997	1998	1999	2000	2001
Net Sales	$5,762,656	$6,805,893	$6,710,785	$8,342,580	$8,713,938
Intangible amortization	534	1,478	6,642	24,443	42,546
Restructuring and asset impairment charges	0	0	0	0	25,390
Operating income	206,176	257,101	234,802	321,671	230,560
Net interest expense	17,993	21,304	16,938	30,909	81,839
Net income	112,713	145,085	137,848	196,735	99,869
Basic earnings per share	0.94	1.21	1.11	1.36	0.69
Diluted earnings per share	0.84	1.06	1.00	1.34	0.68
Total assets	1,869,852	1,944,728	2,322,660	3,351,304	4,008,229
Long-term debt	454,308	440,502	140,853	748,402	1,405,161

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SUMMARY UNAUDITED PRO FORMA COMBINED CONDENSED FINANCIAL DATA

We are providing the following summary unaudited pro forma combined condensed financial data to give you a picture of what the results of operations and financial position of the combined businesses of Sanmina and SCI might have looked like had the merger occurred at an earlier date. These statements give effect to the merger accounted for as a purchase business combination. This information is provided for illustrative purposes only and does not show what the results of operations or financial position of Sanmina would have been if the merger actually occurred on the dates assumed. In addition, this information is not an indicator of what Sanmina s future consolidated operating results or consolidated financial position will be.

The unaudited pro forma combined financial data are presented for illustrative purposes only and are not necessarily indicative of the combined financial position or results of operations of future periods or the results that actually would have been realized had the entities been a single entity during these periods. The unaudited pro forma combined financial data are derived from the unaudited pro forma combined condensed financial statements included elsewhere in this joint proxy statement/prospectus and should be read in conjunction with those statements and related notes. See UNAUDITED PRO FORMA COMBINED CONDENSED FINANCIAL STATEMENTS.

These pro forma financial statements have been based on assumptions

We prepared these pro forma statements on the basis of assumptions described in the notes to them. The pro forma adjustments made in connection with the development of the pro forma information are preliminary and have been made solely for purposes of developing such pro forma information for illustrative purposes necessary to comply with the disclosure requirements of the Securities and Exchange Commission. The unaudited pro forma combined financial statements do not purport to be indicative of the results of operations for future periods or the combined financial position or the results that actually would have been realized had the entities been a single entity during these periods.

Costs resulting from the acquisition

Sanmina and SCI estimate that they will incur direct transaction costs of approximately $18.5 million and $26.8 million, respectively, associated with the merger. The unaudited pro forma combined condensed balance sheet and the unaudited pro forma combined condensed statements of operations give effect to such costs of Sanmina, which will be included as part of the purchase cost, as if they had been incurred as of June 30, 2001 and October 1, 2000, respectively. Such charges of SCI, which will be expensed, will be reflected in SCI s consolidated financial statements in the period in which the merger is consummated.

You should read these summary pro forma financial statements with the historical financial statements

The Sanmina summary unaudited pro forma combined condensed financial data should be read in conjunction with the Sanmina unaudited pro forma combined condensed financial statements and the related notes, which begin on page 86. They should also be read in conjunction with the historical audited and unaudited financial statements of Sanmina and SCI which are incorporated by reference in this document. The Sanmina summary unaudited pro forma combined condensed financial data are not necessarily indicative of what the actual results of operations and financial position would have been had the merger taken place on the dates indicated, and do not indicate future results of operations or financial position.

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Sanmina and SCI

Selected Unaudited Pro Forma Combined Financial Data

(in thousands, except per share data)

	Fiscal Year Ended September 30, 2000	Nine Months Ended June 30, 2001
Pro forma combined statements of operations data:		
Net sales	$12,531,969	$10,107,533
Operating income	638,718	444,957
Income before provision for income taxes	607,195	391,478
Net income before extraordinary charge	383,721	248,219
Basic net income per share, before extraordinary charge(1)	$0.77	$0.48
Diluted net income per share, before extraordinary charge(1)	$0.73	$0.46
Shares used in computing basic per share amount	500,990	518,843
Shares used in computing diluted per share amount	536,886	535,047

	As of June 30, 2001
Pro forma combined balance sheet data:	
Cash and cash equivalents	$724,687
Net working capital	2,940,017
Total assets	10,693,917
Long-term debt	1,875,069
Stockholders equity	6,366,172

(1) The pro forma combined basic and diluted net income per share are computed by dividing pro forma combined net income by the pro forma combined weighted-average number of common and common equivalent shares outstanding of Sanmina and SCI for each period at an assumed exchange ratio of 1.36 shares of Sanmina common stock for each share of SCI common stock. Diluted pro forma combined earnings per share for the periods presented includes dilutive common stock equivalents using the treasury stock method, and, if dilutive, assumes that the convertible debt instruments were converted into common stock.

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Comparative Per Share Information

The following table summarizes per share information for Sanmina and SCI on a historical, pro forma combined and equivalent pro forma combined basis. The following information should be read in conjunction with the audited consolidated financial statements of Sanmina and SCI, the unaudited interim consolidated financial statements of Sanmina and SCI, and the unaudited pro forma combined condensed financial statements included elsewhere or incorporated by reference in this joint proxy statement/prospectus. The pro forma information is presented for illustrative purposes only and is not necessarily indicative of the operating results or financial position that would have occurred if the merger had been consummated on the dates indicated, nor is it necessarily indicative of the future operating results or financial position of the combined companies. All per share data presented have been restated to retroactively reflect all previous stock splits.

Sanmina

	Fiscal Years Ended			Nine Months Ended
	September 30, 1998	October 2, 1999	September 30, 2000	June 30, 2001
				(unaudited)
Historical Per Common Share Data:				
Basic net income per share, before extraordinary charge(1)	$0.15	$0.37	$0.71	$0.65
Basic net income per share, after extraordinary charge(1)	0.15	0.37	0.69	0.65
Diluted net income per share, before extraordinary charge(1)	0.14	0.35	0.67	0.62
Diluted net income per share, after extraordinary charge(1)	0.14	0.35	0.65	0.62
Book value per common share(2) (unaudited)	2.62	3.07	5.56	6.26

(1) The historical basic net income per share is computed by dividing net income for each respective period by the number of weighted average common shares outstanding during the respective time period. The historical diluted net income per share is computed by dividing net income after adding back interest expense, net of related income tax effect, associated with convertible subordinated debt from each respective period by the common equivalent shares outstanding during the respective time period assuming the conversion of convertible subordinated debt, unless antidilutive.

(2) The historical book value per share is computed by dividing total stockholders equity at the end of each respective period by the number of common shares outstanding at the end of each respective period.

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SCI

	Years Ended June 30,		
	1999	2000	2001
Historical Per Common Share Data:			
Basic net income per share(1)	$1.11	$1.36	$0.69
Diluted net income per share(1)	1.00	1.34	0.68
Book value per common share(2)	8.09	9.46	10.03

(1) The historical basic net income per share is computed by dividing net income for each respective period by the weighted average common shares outstanding during the respective time period. The historical diluted net income per share is computed by dividing net income after adding back the interest expense, net of related income tax effect, associated with outstanding convertible subordinated notes from each respective period by the common equivalent shares outstanding during the respective time period.

(2) The historical book value per share is computed by dividing total stockholders equity at the end of each respective period by the number of common shares outstanding at the end of each respective period.

Unaudited Pro Forma Combined and Equivalent Pro Forma Combined

	Fiscal Year Ended	Nine Months Ended
	September 30, 2000	June 30, 2001
	(unaudited)	
Pro Forma Combined per Sanmina Common Share Data:		
Basic net income per share, before extraordinary charge(1)	$0.77	$0.48
Diluted net income per share, before extraordinary charge(1)	$0.73	$0.46
Book value per common share(2)	$11.91	$12.26
Equivalent Pro Forma Combined per SCI Common Share Data:		
Basic net income per share(3)	$1.03	$0.65
Diluted net income per share(3)	$0.99	$0.64
Book value per common share(3)	$16.20	$16.68

(1) The unaudited pro forma combined basic and diluted net income per Sanmina common share data are based upon the unaudited pro forma combined net income divided by the unaudited pro forma combined, weighted average number of common and common equivalent shares outstanding of Sanmina and SCI of each respective period at an assumed exchange ratio of 1.36 shares of Sanmina common stock for each share of SCI common stock. The unaudited pro forma combined net income for the nine months ended June 30, 2001 combines Sanmina s nine months ended June 30, 2001 with SCI s nine months ended June 30, 2001. The unaudited pro forma combined net income for the year ended September 30, 2000 combines Sanmina s fiscal year end of September 30, 2000 with SCI s fiscal year end of June 30, 2000, respectively. The unaudited pro forma combined and equivalent pro forma combined data do not present like periods. The use of different closing dates is necessary as each entity has different year ends. The pro forma reporting with respect to combining Sanmina and SCI s annual period results with different fiscal year ends that are within 93 days is in accordance with Securities and Exchange Commission

guidance. Subsequent to the close of the merger, the combined company will adopt Sanmina s current fiscal year end which is a 52- or 53-week year ending on the Saturday nearest September 30.

(2) The unaudited pro forma combined book value per Sanmina share is computed by dividing the unaudited pro forma combined stockholders equity at the end of each respective period by the number of pro forma combined common shares outstanding at the end of the period, at an assumed exchange ratio of 1.36 shares of Sanmina common stock for each share of SCI common stock.

(3) The unaudited equivalent pro forma combined basic and diluted net income per SCI share amounts and the unaudited equivalent pro forma book value per SCI share amount are calculated by multiplying the respective unaudited pro forma combined Sanmina per share amounts by an assumed exchange ratio of 1.36 shares of Sanmina common stock for each share of SCI common stock.

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COMPARATIVE PER SHARE MARKET PRICE DATA

Sanmina common stock is traded on the Nasdaq National Market under the symbol SANM. SCI common stock is traded on the New York Stock Exchange under the symbol SCI. Because the market price of Sanmina common stock that you will receive in the merger may increase or decrease before the merger, you are urged to obtain current market quotations.

The following table sets forth, for the quarters indicated, the intraday high and low prices per share of Sanmina common stock as reported on the Nasdaq National Market and SCI common stock as reported on the New York Stock Exchange. Sanmina common stock began trading on the Nasdaq National Market on June 23, 1993 and SCI common stock began trading on the New York Stock Exchange on March 18, 1997.

	High	Low
Sanmina Common Stock		
Fiscal 2002		
Quarter Ending December 29, 2001 (through October 30, 2001)	$17.39	$12.94
Fiscal 2001		
Quarter Ended September 29, 2001	$24.00	$11.64
Quarter Ended June 30, 2001	38.20	17.53
Quarter Ended March 31, 2001	54.75	18.50
Quarter Ended December 30, 2000	60.50	29.59
Fiscal 2000		
Quarter Ended September 30, 2000	$59.97	$40.32
Quarter Ended July 1, 2000	43.91	21.07
Quarter Ended April 1, 2000	34.00	22.50
Quarter Ended January 1, 2000	27.32	18.69
Fiscal 1999		
Quarter Ended October 2, 1999	$20.82	$16.03
Quarter Ended July 3, 1999	20.32	14.03
Quarter Ended April 3, 1999	18.89	12.38
Quarter Ended January 2, 1999	15.63	5.85

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	High	Low
SCI Common Stock		
Fiscal 2002		
Quarter Ending December 30, 2001 (through October 30, 2001)	$23.40	$17.20
Quarter Ended September 30, 2001	$31.51	$16.25
Fiscal 2001		
Quarter Ended June 30, 2001	$29.90	$15.58
Quarter Ended March 25, 2001	35.13	15.53
Quarter Ended December 24, 2000	47.00	22.56
Quarter Ended September 24, 2000	65.13	35.81
Fiscal 2000		
Quarter Ended June 30, 2000	$58.38	$32.75
Quarter Ended March 26, 2000	55.13	33.50
Quarter Ended December 26, 1999	43.16	19.53
Quarter Ended September 26, 1999	28.44	21.13
Fiscal 1999		
Quarter Ended June 30, 1999	$25.00	$12.63
Quarter Ended March 28, 1999	29.69	14.59
Quarter Ended December 26, 1998	28.97	10.38
Quarter Ended September 27, 1998	22.25	10.63

(1) Per share amounts of Sanmina common stock have been restated to retroactively reflect two-for-one stock splits effected in June 1998, March 2000 and January 2001.

(2) Per share amounts of SCI common stock have been restated to retroactively reflect a two-for-one stock split effected in February 2000.

The following table sets forth the closing prices per share of Sanmina common stock as reported on the Nasdaq National Market and the closing prices per share of SCI common stock as reported on the New York Stock Exchange on (a) July 13, 2001, the last full trading day preceding public announcement that Sanmina and SCI had entered into the merger agreement and (b) October 30, 2001, the last full trading day for which it was practicable to obtain closing prices at the time of the printing of this joint proxy statement/prospectus.

	Sanmina Common Stock	SCI Common Stock	SCI Equivalent Common Stock
July 13, 2001	$22.14	$25.17	$30.11
October 30, 2001	$14.31	$19.26	$19.46

DIVIDEND POLICY

Neither Sanmina nor SCI has paid cash dividends on their common stock. SCI s bank agreements restrict its ability to pay dividends by requiring it to maintain a certain consolidated net worth which required amount at June 30, 2001 was $1,000,000,000. After the merger is completed, Sanmina does not anticipate paying any cash dividends.

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RISK FACTORS

In evaluating the merger, you should carefully consider the discussion of risks and uncertainties below and you should refer to the matters discussed under the caption Forward Looking Statements in this joint proxy statement/prospectus on page 34.

By voting in favor of the merger, SCI stockholders will be choosing to invest in Sanmina common stock. An investment in Sanmina common stock involves a high degree of risk. In addition to the other information contained in this joint proxy statement/prospectus, you should carefully consider all of the following risk factors relating to the proposed merger, the combined company, Sanmina and SCI in deciding whether to vote for the merger.

Risks Related to the Merger

Sanmina faces uncertainties relating to the integration of Sanmina s and SCI s operations, systems and personnel.

Integrating the operations, systems and personnel of Sanmina and SCI will be a complex process, and Sanmina and SCI are uncertain that the integration will be completed in a timely manner or will achieve the anticipated benefits of the merger. The challenges involved in this integration include:

- retaining existing customers, suppliers and other business partners of each company;
- retaining and integrating management and other key employees of both Sanmina and SCI;
- combining product and service offerings effectively, quickly and without disruption to Sanmina s or SCI s ongoing businesses;
- transitioning all systems to a common information technology system;
- persuading employees that the business cultures of Sanmina and SCI are compatible; and
- developing, maintaining and combining uniform standards, controls, procedures and policies.

The combined company may not succeed in addressing these risks or any other problems encountered in connection with the merger. The diversion of the attention of Sanmina s and SCI s management and any difficulties encountered in the process of combining the companies could cause the disruption of, or a loss of momentum in, the activities of Sanmina s and SCI s businesses. In addition, there may be unanticipated expenses related to integration of the two companies. Further, neither Sanmina nor SCI can assure you that the growth rate of the combined company will equal the historical growth rates experienced by either company.

Current Sanmina stockholders will face substantial dilution of their ownership interests following the merger.

In connection with the merger, Sanmina intends to issue approximately 200,809,742 shares of its common stock to SCI stockholders. Following the merger, Sanmina stockholders will own approximately 61.6% of the combined company. Therefore, by voting in favor of the issuance of shares pursuant to the merger, Sanmina stockholders are voting for a transaction that will result in substantial dilution of their ownership interest in Sanmina.

The value of the Sanmina common stock to be received by SCI stockholders will fluctuate with Sanmina s share price, and no adjustment to the exchange ratio will be made as a result of changes in the market price of Sanmina or SCI common stock.

At the closing of the merger, each share of SCI common stock will be exchanged for 1.36 shares of Sanmina common stock. This exchange ratio will not be adjusted for changes in the market price of Sanmina common stock or SCI common stock. SCI stockholders will not know the exact market value of Sanmina s

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common stock which will be issued to them in the merger at the time of the special meeting of SCI stockholders. Neither Sanmina nor SCI may terminate or renegotiate the merger agreement, and SCI may not resolicit the vote of its stockholders solely because of changes in the market price of Sanmina common stock or SCI common stock. If Sanmina s common stock price declines prior to or on the closing of the merger, the Sanmina common stock received by SCI stockholders at the closing will have a market value less than the current market value of Sanmina common stock.

The market price of Sanmina s common stock, like that of the shares of many other technology companies, has been and is expected to continue to be volatile. For example, during the twelve months ended on October 30, 2001, Sanmina common stock traded as high as $58.19 per share and as low as $11.64 per share. The market price of Sanmina common stock is expected to continue to fluctuate significantly.

Customer and employee uncertainty about the merger could harm the combined company.

Sanmina s and SCI s customers may, in response to the announcement or consummation of the merger, seek alternative sources of product supply or service, or change orders for products due to uncertainty over the integration of the two companies or the strategic position of the combined company. As a result, the combined company may experience some customer attrition prior to or following the merger which could harm the combined company s results of operations. In addition, employees of both companies may experience uncertainty about their future roles with the combined company until or after Sanmina announces and executes its integration plan with regard to employees. This may adversely affect the combined company s ability to attract and retain key management, marketing and technical personnel.

If Sanmina does not successfully integrate SCI or the merger s benefits do not meet the expectations of investors or financial or industry analysts, the market price of Sanmina common stock may decline after the merger.

The market price of Sanmina common stock may decline as a result of the merger if:

- the integration of Sanmina and SCI is not completed in a timely and efficient manner;
- the perceived benefits of the merger are not achieved as rapidly or to the extent anticipated by financial or industry analysts;
- the effect of the merger on the combined company s financial results is not consistent with the expectations of financial or industry analysts; or
- significant stockholders of Sanmina decide to dispose of their shares after the merger because the results of the merger are not consistent with their expectations.

Failure to complete the merger could negatively impact the market price of Sanmina common stock and SCI common stock.

If the merger is not completed for any reason, Sanmina and SCI will be subject to a number of material risks, including:

- the provision in the merger agreement which provides that SCI could be required to pay Sanmina fees aggregating up to $150.0 million for terminating the merger agreement, entering into a merger agreement with another company or consummating a business combination transaction with another company within 15 months after termination of the merger agreement;
- the market prices of Sanmina common stock and SCI common stock may decline to the extent that the current market price of those shares reflects a market assumption that the merger will be completed;
- significant costs related to the merger, such as filing fees, printing costs, legal and accounting fees and a portion of the investment banking fees, must be paid even if the merger is not completed; and

benefits that Sanmina and SCI expect to realize from the merger, such as the potentially enhanced competitive position of the combined company, may not be realized.

If the merger agreement is terminated and the SCI board of directors seeks another merger or business combination, SCI stockholders cannot be certain that SCI will be able to find another party willing to pay an equivalent or more attractive price than the price to be paid by Sanmina in the merger.

The merger will result in significant costs to Sanmina and SCI.

Costs associated with combining the operations of the two companies are difficult to estimate. Direct transaction costs to Sanmina, which will be included as part of the total purchase price for accounting purposes, are estimated at approximately $18.5 million. Direct transaction costs of SCI, which will be expensed in the quarter that the merger closes, are estimated at approximately $26.8 million. These costs are expected to consist primarily of fees for investment bankers, attorneys, accountants, filing fees and financial printing. The aggregate amount of these costs may be greater than currently anticipated. A substantial amount of these costs will be incurred whether or not the merger is completed. Sanmina believes the combined company may incur charges to operations, which are not currently reasonably estimable, in the quarter in which the merger is completed or the following quarters, to reflect costs associated with integrating the businesses and operations of Sanmina and SCI. There can be no assurance that the combined company will not incur additional material charges in subsequent quarters to reflect additional costs associated with the merger.

Purchase business combination accounting treatment and the impact of amortization of identifiable intangibles could adversely affect Sanmina s operating results.

Under United States generally accepted accounting principles that apply to Sanmina, Sanmina will account for the merger as a purchase business combination. Sanmina will record the following as the cost of acquiring SCI:

- the market value of Sanmina common stock issued in connection with the merger;
- the fair value of the options to purchase SCI common stock that will be converted into options to purchase Sanmina common stock in connection with the merger; and
- the amount of direct transaction costs incurred by Sanmina.

Sanmina will allocate the cost of the items described above to the individual assets acquired and liabilities assumed, including deferred compensation and identifiable intangible assets such as technology-based intangible assets, based on their respective fair values. Identifiable intangible assets with finite lives will be amortized over those lives. Intangible assets, including goodwill, with indefinite lives will not be amortized. The amount of purchase cost allocated to goodwill and identifiable intangibles are estimated to be approximately $3.0 billion and $0.4 million, respectively, computed using the estimated purchase price of $4.4 billion which is based on the average closing price of Sanmina s common stock during the five trading day period ended July 17, 2001, or $20.87 per share. Identified intangible assets will be amortized over estimated lives of five to eight years, or six years on average. Deferred compensation will be amortized over the remaining vesting period of SCI s outstanding stock options of up to three years. The amount of purchase cost allocated to deferred compensation is estimated at $6.6 million. If identifiable intangible assets were amortized in equal quarterly amounts over a six year period following the completion of the merger, and deferred compensation were amortized in equal quarterly amounts over the average remaining vesting period of the related stock options, the accounting charge attributable to these items would be approximately $17.2 million per quarter and $68.9 million per fiscal year in the year following the closing date of the merger. As a result, business combination accounting treatment of the merger will decrease the net income of Sanmina in the foreseeable future, which could have a material adverse effect on the market value of Sanmina common stock following the completion of the merger. These amounts are only estimates, however, and actual amounts may differ from these estimates.

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During the pendency of the merger, SCI may not be able to enter into a merger or business combination with another party at a favorable price because of restrictions in the merger agreement.

Until the merger is completed or the merger agreement is terminated, subject to specified exceptions, SCI is prohibited from entering into or soliciting, initiating or encouraging any inquiries or proposals that may lead to a proposal or offer for a merger, consolidation, business combination, sale of substantial assets, tender offer, sale of shares of capital stock or other similar transactions regarding SCI as a whole with any person or entity other than Sanmina. In addition, SCI agreed to pay a termination fee of up to $150.0 million in specified circumstances. These provisions could discourage other companies from seeking to acquire SCI even though those other companies might be willing to offer greater value to SCI stockholders than Sanmina has offered in the merger. The payment of the termination fee could also have a material adverse effect on SCI s financial condition.

Governmental clearances are required in order for Sanmina and SCI to consummate the merger.

This merger is conditioned upon the expiration or termination of the applicable waiting period under the U.S. Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, the European Union Council Regulation No. 4064/89, the Competition Act of Canada and the competition laws of Israel. On September 9, 2001, the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, expired. On September 20, 2001, the European Commission advised Sanmina and SCI that it would not oppose the merger on the basis that it would be in violation of the competition laws of the European Union. The companies have also filed notifications under the competition laws of Canada and Israel. On September 25, 2001, the Commission of Competition for Canada informed Sanmina and SCI that the Competition Bureau of Canada would not oppose the merger on the basis that it would be in violation of the Canadian Competition Act. On October 10, 2001, the Israel Antitrust Authority advised Sanmina and SCI that it would not oppose the merger on the basis that it would be in violation of the competition Restrictive Trade Practices Act of Israel. Accordingly, the merger has received clearance in the United States, the European Union, Canada and Israel. Sanmina and SCI also have filed premerger notification forms with the antitrust agencies in Brazil, Mexico and Hungary. Sanmina and SCI are seeking to obtain all other required regulatory clearances prior to the scheduled completion of these transactions. However, all required regulatory clearances may not be obtained on that timetable.

Even if regulatory approvals are obtained, any federal, state or non-U.S. governmental entity or any private person may challenge the merger at any time before or after its completion.

SCI executive officers and directors have interests that may influence them to support and approve the merger.

Some of the directors and executive officers of SCI will receive continuing indemnification against liabilities and have SCI stock options and employment or other offers that provide them with interests in the merger that are different from, or are in addition to, your interests in the merger. For example, A. Eugene Sapp, Jr., SCI s chief executive officer and an SCI director, has agreed to enter into an agreement with SCI and Sanmina, and James E. Moylan, Jr., SCI s senior vice president and chief financial officer, intends to enter into an employment agreement with Sanmina and SCI. Robert C. Bradshaw, SCI s president and chief operating officer, also intends to enter into an employment agreement with Sanmina. Mr. Sapp s agreement provides that he will receive an annual salary of $50,000 and a bonus of $1,814,000 and will be the co-chairman of SCI and Sanmina for one year following the completion of the merger. Mr. Sapp will also receive an option to purchase 125,000 shares of Sanmina common stock. Mr. Bradshaw s three-year employment agreement provides that he will be the president of the EMS operations of Sanmina for a $477,000 base salary, a targeted annual bonus of $650,000, and an option to purchase 100,000 shares of Sanmina common stock. In addition, upon the completion of the merger, Mr. Bradshaw is to receive a bonus of $500,000 from Sanmina under the employment agreement and an additional $1,000,000 immediately prior to the merger under a separate agreement between Mr. Bradshaw and SCI. However, these bonus payments may be required to be repaid to Sanmina in the event Mr. Bradshaw s employment is terminated under specified circumstances. Mr. Moylan s six-month agreement provides that he will be the chief financial officer of SCI for a $367,000

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annual base salary and a $200,000 stay bonus upon the completion of the six months of employment. The agreements for Mr. Sapp, Mr. Bradshaw and Mr. Moylan each provide for continuation of certain health and welfare benefits following the termination of their services as well as specific provisions for the vesting and exercise periods for stock options granted by SCI prior to the merger.

Nonmanagement directors of SCI will receive a lump sum payment upon the merger of amounts due them under the SCI directors deferred compensation plan, increased by 30% to partially cover taxes due by reason of the accelerated payment, and their options to purchase SCI common stock will fully vest and remain exercisable for 36 months.

Further, Mr. Sapp, Wayne Shortridge and Jackie M. Ward, currently directors of SCI, will become members of the board of directors of Sanmina upon completion of the merger.

As a result of these agreements and arrangements, these directors and officers may be more likely to vote to adopt and approve the merger agreement and approve the merger than if they did not have these interests. See the section entitled THE MERGER Interests of SCI Directors and Officers in the Merger beginning on page 63 of this document.

Risks Associated with Combined Company Operations

Sanmina and SCI are heavily dependent on the electronics industry in general and the communications sector in particular, and changes in the industry could harm the combined company s business and operating results.

Sanmina s and SCI s businesses are heavily dependent on the health of the electronics industry. Sanmina s customers are manufacturers in the communications, industrial and medical instrumentation and high-speed computer systems sectors of the electronics industry. SCI s customers are manufacturers of electronics products in various sectors, including the computer, peripheral, communications, medical, industrial, consumer, aerospace, defense and entertainment sectors. These industry sectors, and the electronics industry as a whole, are subject to rapid technological change and product obsolescence. Sanmina s and SCI s customers can discontinue or modify products containing components manufactured by them. Any discontinuance or modification of orders or commitments could harm Sanmina s and SCI s operating results.

A substantial portion of Sanmina s revenues are derived from the communications sector. SCI also has several significant customers in this sector. During 2001, the communications sector has undergone a significant downturn and many major communications companies have reported declining sales and operating results. The downtown in this sector has resulted in rescheduling of customer orders and shipments and has adversely affected Sanmina s, and to a lesser extent, SCI s, operating results. In the event this downtown continues, the combined company s operating results will continue to be harmed.

The electronics industry is also subject to economic cycles and has in the past experienced, and is likely in the future to experience, recessionary periods. In particular, many sectors of the electronics industry are currently experiencing the effects of a downturn in economic conditions. This downturn is leading to reduced demand for the services provided by electronic manufacturing services companies. These changes in demand and in economic conditions have resulted and may continue to result in customer cancellation or rescheduling of orders and shipments, which could affect the combined company s results of operations. In addition, a protracted general recession in the electronics industry could have a material adverse effect on the combined company s business, financial condition and results of operations.

In addition, Sanmina and SCI have experienced, and the combined company may continue to experience, the risk that customers will be unable or unwilling to pay for products and services already provided to them. On June 13, 2001, Sanmina filed a complaint against Metricom, Inc. in California state court. The complaint arose out of a July 2, 1999 agreement for electronic manufacturing services and seeks compensation for cancellation charges arising under this agreement. Sanmina s damages consist of the cost of certain materials and work-in-process. Metricom has filed for Chapter 11 bankruptcy and, as a result, Sanmina s claim has been stayed. Accordingly, Sanmina has filed a claim for its damages in the bankruptcy proceedings. Based on Sanmina s reserves allocated for the Metricom situation as well as current estimates of funds that will be available to satisfy claims of trade creditors in the Metricom bankruptcy proceeding,

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Sanmina currently estimates its potential exposure on this matter will not exceed $10 million (after exhausting reserves). The actual amount of exposure will depend on actions taken by the bankruptcy court, and the amount realized from Metricom s assets in the bankruptcy proceeding that are available to be distributed to unsecured creditors. Accordingly, Sanmina s actual exposure in this matter could be in excess of the estimated amount.

Sanmina and SCI typically do not obtain long-term volume purchase commitments from customers, and cancellations and rescheduling of purchase orders could harm the combined company s operating results and cause the combined company s stock price to decline.

Sanmina and SCI typically do not obtain long-term volume purchase commitments from their customers. Customer orders may be canceled and volume levels may be changed or delayed. For example, Sanmina and SCI have recently experienced certain cancellation and rescheduling of shipment dates of customer orders. As a result, Sanmina s and SCI s results of operations for the second calendar quarter of 2001 were adversely affected. Results of operations in future fiscal periods may continue to be affected by customer cancellations and reschedulings as well as by changes in shipment volumes. Sanmina and SCI cannot assure you that they will be able to replace canceled, delayed or reduced contracts or purchase orders with new business. As a result, future cancellations or rescheduling of orders or commitments could cause the combined company s operating results to be below expectations, which would likely cause the combined company s stock price to decline.

The combined company s operating results may fluctuate substantially, which may cause its stock price to fall.

Sanmina s and SCI s quarterly and annual results of operations have varied in the past, and the combined company s operating results may vary significantly in the future due to a number of factors including, but not limited to, the following:

- timing of orders from major customers;
- mix of products ordered by and shipped to major customers;
- the volume of orders as related to each company s capacity;
- pricing and other competitive pressures;
- component shortages, which could cause the combined company to be unable to meet customer delivery schedules;
- fluctuations in component prices;
- economic conditions in the electronics industry;
- the combined company s ability to effectively manage inventory and fixed assets; and
- the combined company s ability to time expenditures in anticipation of future sales.

The combined company s results can also be significantly influenced by the development and introduction of new products by its customers. From time to time, Sanmina and SCI experience changes in the volume of sales to each of their principal customers, and operating results may be affected on a period-to-period basis by these changes. Sanmina s and SCI s customers generally require short delivery cycles, and a substantial portion of each of their backlogs are typically scheduled for delivery within six months. Quarterly sales and operating results therefore depend in large part on the volume and timing of bookings received during the quarter, which are difficult to forecast.

Sanmina s and SCI s backlogs also affect their ability to plan production and inventory levels, which could lead to fluctuations in operating results. In addition, a significant portion of Sanmina s and SCI s operating expenses are relatively fixed in nature and planned expenditures are based in part on anticipated orders. Any inability to adjust spending quickly enough to compensate for any revenue shortfall may magnify

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the adverse impact of such revenue shortfall on Sanmina s and SCI s results of operations. Results of operations in any period should not be considered indicative of the results to be expected for the combined company in any future period. In addition, fluctuations in operating results may also result in fluctuations in the price of the combined company s common stock.

The combined company will rely on a limited number of customers for a substantial part of its revenues, and declines in sales to major customers could harm the combined company s operating results.

Sales to a limited number of customers have accounted for a significant portion of each of Sanmina s and SCI s revenues in each fiscal period. Sanmina and SCI expect that sales to a limited number of customers will continue to account for a substantial portion of the combined company s total revenues in future periods. Sanmina and SCI each has experienced periods in which sales to some of their respective major customers, as a percentage of total revenues, have fluctuated due to delays or failures to place expected orders.

During fiscal 2000, 1999 and 1998, sales to Sanmina s ten largest customers accounted for approximately 55%, 48% and 40%, respectively, of Sanmina s net sales. For fiscal 2000, only sales to one customer, Nortel Networks, represented more than 10% of Sanmina s net sales. For fiscal 1999 and 1998, no single customer accounted for more than 10% of net sales. This customer information gives effect to the restatement of Sanmina s results of operations to reflect its recent acquisition of AB Segerstrom and Svensson.

During fiscal 2001, 2000 and 1999, SCI s ten largest customers contributed more than 70% of SCI s revenues. For fiscal 2001, sales to Hewlett-Packard Company, Dell Computer Corporation and Nortel Networks Corporation each represented more than 10% of SCI s revenues. For fiscal 2000, sales to Hewlett-Packard Company and Nortel Networks Corporation each represented more than 10% of SCI s revenues and for fiscal 1999, sales to Hewlett-Packard, Dell and Compaq each represented more than 10% of SCI s revenues.

Although Sanmina and SCI cannot assure you that the combined company s principal customers will continue to purchase products and services at current levels, if at all, Sanmina and SCI expect that the combined company will continue to depend upon its principal customers for a significant portion of their net sales. The combined company s customer concentration could increase or decrease, depending on future customer requirements, which will depend in large part on market conditions in the electronics industry segments in which the combined company s customers participate. The loss of one or more major customers or declines in sales to major customers could significantly harm the combined company s business and operating results and lead to declines in the price of the combined company s common stock.

Sanmina and SCI are each subject to risks associated with acquisitions, and these risks could harm the combined company s operating results and cause its stock price to decline.

Sanmina and SCI each have, for the past several fiscal years, pursued a strategy of growth through acquisitions. In Sanmina s case, these acquisitions have primarily involved acquisitions of entire companies. In addition, Sanmina and SCI have acquired selected assets from electronics industry OEMs, principally equipment, inventory and in certain cases facilities or facility leases. These transactions also typically involve new supply agreements with OEMs. Acquisitions of companies and businesses and expansion of operations involve certain risks, including the following:

- the potential inability to successfully integrate acquired operations and businesses or to realize anticipated synergies, economies of scale or other value;
- diversion of management s attention;
- difficulties in scaling up production at new sites and coordinating management of operations at new sites;
- difficulties associated with managing and integrating operations in distant geographic locations, such as Europe, the Middle East, Asia and Latin America;

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the possible need to restructure, modify or terminate customer relationships of the acquired company; and

loss of key employees of acquired operations.

Accordingly, the combined company may experience problems in integrating operations recently acquired by Sanmina or SCI or operations associated with any future acquisition. Sanmina and SCI therefore cannot assure you that any recent or future acquisition will result in a positive contribution to the combined company s results of operations. Furthermore, Sanmina and SCI cannot assure you that the combined company will realize value from any acquisition which equals or exceeds the consideration paid. In particular, the successful combination of the combined company with any businesses the combined company acquires in the future will require substantial effort from each company, including the integration and coordination of sales and marketing efforts. The diversion of the attention of management and any difficulties encountered in the transition process, including, the interruption of, or a loss of momentum in, the activities of any future acquisition, problems associated with integration of management information and reporting systems, and delays in implementation of consolidation plans, could harm the combined company s ability to realize the anticipated benefits of any future acquisition. Any failure by the combined company to realize the anticipated benefits of its acquisitions could harm its business and operating results, and could cause the price of the combined company s common stock to decline. In addition, future acquisitions may result in dilutive issuances of equity securities, the incurrence of additional debt, large one-time write-offs and the creation of goodwill or other intangible assets that could result in amortization expense or impairment charges. These factors could harm the combined company s business and operating results and cause the price of the combined company s common stock to decline.

OEM asset divestiture transactions involve significant risks that could harm the combined company.

Sanmina and SCI have pursued and both companies expect to continue to pursue opportunities to acquire assembly operations being divested by electronics industry OEMs. For example, Sanmina recently acquired a manufacturing operation located in Richardson, Texas from Alcatel USA. Sanmina and SCI expect that competition for these opportunities among electronics manufacturing services firms will be intense as these transactions typically enable the acquiror to enter into long-term supply arrangements with the divesting OEM. Accordingly, the combined company s future results of operations could be harmed if it is not successful in consummating a significant portion of the OEM divestiture transactions it pursues. In addition, due to the large scale and long-term nature of supply arrangements typically entered into in OEM divestiture transactions and because cost reductions are generally a major reason why the OEM is divesting operations, pricing of manufacturing services may be less favorable to the manufacturer than in standard contractual relationships. For example, Sanmina experienced declines in gross margins during fiscal 2000 due to Sanmina s increase in sales to Nortel Networks under Sanmina s supply agreement relating to the operations it acquired. In addition, premiums paid to the divesting OEM may be in excess of the value that can be realized from the transaction. Furthermore, because these transactions involve customers, they can present difficult managerial and organizational challenges, particularly with respect to excess inventory, excess capacity and similar problems. If the combined company enters into OEM divestiture transactions, it may experience erosion in gross margins as a result of the pricing structure in such transactions as well as problems arising from excess inventory and capacity.

The combined company may experience component shortages, which would cause it to delay shipments to customers, resulting in potential declines in revenues and operating results.

Recently, a number of components purchased by each of Sanmina and SCI and incorporated into assemblies and subassemblies they each produce have been subject to shortages. These components include application-specific integrated circuits, capacitors and connectors. Unanticipated component shortages caused Sanmina to be unable to make certain scheduled shipments to customers during fiscal 2000 and may do so in the future. SCI also has experienced shipment delays due to component shortages. The inability to make scheduled shipments in the future could cause the combined company to experience a shortfall in revenues and cost absorption. The combined company could also experience negative customer goodwill due to the

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delay in shipment. Component shortages may also increase the combined company s cost of goods due to premium charges it must pay to purchase components in short supply and due to changes in the mix of assemblies shipped to customers. For example, shortages in certain components negatively affected Sanmina s and SCI s operating results and contributed to an increase in inventory levels during fiscal 2001. Accordingly, component shortages could harm the combined company s operating results for a particular fiscal period due to the resulting revenue shortfall, cost absorption or cost increases and could also damage customer relationships over a longer-term period.

The combined company is subject to competition and technological change, and its business may be harmed by competitive pressures and failure to adapt to technological changes.

Because SCI and Sanmina operate to a considerable degree in different markets, each of SCI and Sanmina will be affected differently by competition and technological change. The combined company will be affected by competition and technological change in the same manner as each company is affected, in addition to facing new competitive and technological challenges as a result of the merger.

The electronics manufacturing services industry is highly competitive. Sanmina and SCI compete on a worldwide basis to provide electronics manufacturing services to OEM s. Sanmina and SCI must continually develop improved manufacturing processes to accommodate customers needs for increasingly complex products. Sanmina s and SCI s competitors include large independent manufacturers such as Solectron Corporation, Flextronics International Ltd., Celestica, Inc. and Jabil Circuit, Inc. Some of these companies have greater manufacturing and financial resources than Sanmina and SCI individually and as a combined company. In addition, Sanmina and SCI face competition from OEMs that manufacture their own products.

The communications equipment industry is highly fragmented and characterized by intense competition. Sanmina offers products and services in the communications equipment product space, which is highly competitive but is less fragmented than the electronics manufacturing services industry as a whole. Sanmina s competitors also manufacture communications equipment products, and some of these competitors have greater manufacturing and financial resources than Sanmina, as well as greater surface mount assembly capacity. Consequently, as a participant in the communications equipment product space, Sanmina must continually develop improved manufacturing processes to accommodate Sanmina s customers needs for increasingly complex products. During periods of recession in the electronics industry, Sanmina s competitive advantages in the areas of quick turnaround manufacturing and responsive customer service may be of reduced importance to OEMs, who may become more price sensitive. Sanmina may also be at a competitive disadvantage with respect to price when compared to manufacturers with lower cost structures, particularly those with offshore facilities where labor and other costs are lower.

SCI competes against numerous domestic and international companies which participate in the electronics manufacturing services industry. Additionally, SCI faces competition from current and prospective customers who evaluate SCI s services and capabilities against the merits of internal manufacturing.

The combined company will experience intense competition which is expected to intensify further as more companies enter markets in which the combined company operates, as existing competitors expand capacity and as the industry consolidates. To remain competitive, the combined company must develop and provide technologically advanced engineering services, information systems and manufacturing processes. In addition, the combined company must maintain high quality products and services, offer flexible delivery schedules and deliver products on a timely basis. Failure to satisfy these or other requirements could adversely affect the combined company.

The combined company may be affected by consolidation in the electronics industry.

As a result of the current economic climate, consolidation in the electronics industry may increase. For example, Hewlett-Packard and Compaq, two major electronics companies, have recently announced an agreement to merge. Consolidation in the electronics industry could result in an increase in excess manufacturing capacity as companies seek to close plants or take other steps to increase efficiencies and realize synergies of mergers. The availability of excess manufacturing capacity could create increased pricing

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and competitive pressures for the electronics manufacturing services industry as a whole and the combined company in particular. In addition, consolidation could also result in an increasing number of very large electronics companies offering products in multiple sectors of the electronics industry. The growth of these large companies, with significant purchasing power and market power, could also result in increased pricing and competitive pressures for the combined company. Accordingly, industry consolidation could harm the combined company s business.

The combined company s operating results may be affected by seasonality.

Although SCI s business historically has not been consistently seasonal, seasonal demands for products produced by SCI for its customers and sold by them to consumers may impact the combined company s quarterly revenues. The effect of seasonality has increased in recent quarters, as the proportion of SCI s customers products ultimately sold at retail, has increased. SCI s operating margins have undergone seasonal fluctuations in the past, particularly in the first fiscal quarter due to the slowing effects of the summer season. Sanmina and SCI believe these seasonality effects may continue at the combined company.

Environmental matters are a key consideration in each of Sanmina s and SCI s business and failure to comply with the requirements of environmental laws could harm its business.

Both Sanmina and SCI are subject to a variety of local, state and federal environmental laws in the United States and elsewhere and regulations relating to the storage, use, discharge and disposal of chemicals, solid waste and other hazardous materials used during their manufacturing processes, as well as air quality regulations and restrictions on water use. Proper waste disposal is a major consideration for printed circuit board manufacturers, such as Sanmina, because metals and chemicals are used in the manufacturing process. Maintenance of environmental controls is also important in the electronics assembly process. When violations of environmental laws occur, Sanmina and SCI can be held liable for damages and the costs of remedial actions and can also be subject to revocation of permits necessary to conduct their businesses. There can be no assurance that violations of environmental laws will not occur in the future as a result of the inability to obtain permits, human error, equipment failure or other causes. Any permit revocations could require the combined company to cease or limit production at one or more facilities, which could seriously harm the combined company s business, financial condition and results of operations. Moreover, the failure to comply with present and future regulations could restrict the combined company s ability to expand facilities or could require the combined company to acquire costly equipment or to incur other significant expenses to comply with environmental regulations.

Environmental laws could become more stringent over time, imposing greater compliance costs and increasing risks and penalties associated with violations. The combined company will operate in several environmentally sensitive locations and will be subject to potentially conflicting and changing regulatory agendas of political, business and environmental groups. Changes or restrictions on discharge limits, emissions levels, permitting requirements and material storage or handling may require a higher than anticipated level of capital investment or, depending on the severity of the impact of the foregoing factors, plant relocation. Compliance with new or existing regulations could seriously harm the combined company s business, financial condition and results of operations.

Sanmina is subject to environmental contingencies at sites operated by acquired companies and could incur substantial costs for environmental remediation and related activities at these sites.

In November 1997, Sanmina acquired Elexsys International Inc., which became a wholly-owned subsidiary of Sanmina. Several facilities owned or occupied by Elexsys at the time of the acquisition, or formerly owned or occupied by Elexsys or companies acquired by Elexsys, had either soil or groundwater contamination underneath or near the facility. For example, the Von Karman Avenue, Irvine, California facility, a printed circuit board manufacturing plant, has solvent contamination in soil and groundwater and is currently under investigation by the California Regional Water Quality Control Board (RWQCB). Sanmina has been pumping and treating groundwater for a number of years. By letter dated June 8, 2001, the RWQCB threatened to issue a Clean-up and Abatement Order to address concerns about additional investigation and

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remediation. No such order has been issued, and Sanmina is working with the RWQCB to address their concerns. To date, the cost of the various investigations and of operating the remediation system at the Irvine facility have not materially affected Sanmina s financial condition. In the event Sanmina is required to undertake additional groundwater or soil cleanup, the cost of such cleanup is likely to be substantial. However, Sanmina believes, based on the information currently available to it, that the potential cost of any groundwater or soil clean-up would not materially affect Sanmina s financial condition. Currently, Sanmina is unable to anticipate whether any third party claims will be brought against it for the existence of the contamination at the Irvine facility.

At two facilities formerly owned or occupied by a predecessor company to Elexsys in Mountain View, California, Sanmina has been required by the California Department of Toxic Substances Control (DTSC) to undertake investigation of soil and groundwater. DTSC has advised Sanmina that no further investigation will be required at one of the two facilities. At the other facility, test results have not been sufficient to enable Sanmina to determine whether or not cleanup activities will be required; however, Sanmina does not believe any such activities will be required. Sanmina has not been ordered to undertake any soil or groundwater cleanup activities at either of the two former Mountain View facilities. Nevertheless, the process of remediating contaminated soil and groundwater is costly, and if Sanmina is required to undertake substantial remediation activities at one or more of the former Elexsys facilities, the costs of such activities may materially affect Sanmina s financial condition.

In November 1998, Sanmina acquired Altron Incorporated, which became a wholly-owned subsidiary of Sanmina. Altron was advised in 1993 by Olin Corporation that contamination resulting from activities of prior owners of property owned by Olin and located close to the Altron manufacturing plant in Wilmington, Massachusetts, had migrated under the Altron plant. Olin has assumed full responsibility for any remediation activities that may be required and has agreed to indemnify and hold Altron harmless from any and all costs, liabilities, fines, penalties, charges and expenses arising from and relating to any action or requirement, whether imposed by statute, ordinance, rule, regulation, order, decree or by general principles of law to remediate, clean up or abate contamination emanating from the Olin site. Although Sanmina believes that Olin s assumption of responsibility will result in no remediation cost to Altron from the contamination, there can be no assurance that Altron will not be subject to some costs regarding this matter. Sanmina does not anticipate costs relating to this matter, if any, will materially affect its financial condition.

Sanmina has been named as a potentially responsible party at several contaminated disposal sites as a result of the past disposal of hazardous waste by companies acquired by Sanmina or their corporate predecessors. While liabilities for such historic disposal activities have not materially affected Sanmina s financial condition to date, there can be no guarantee that past disposal activities will not result in liability which will materially affect Sanmina in the future.

Hadco, a wholly-owned subsidiary of Sanmina, is subject to environmental contingencies at sites currently or formerly operated by it and could incur substantial costs for environmental remediation and related activities at these sites.

Hadco is aware of certain chemicals that exist in the ground at certain of its facilities. Hadco has notified various governmental agencies and continues to work with them to monitor and resolve these matters. During March 1995, Hadco received a Record Of Decision (ROD) from the New York State Department of Environmental Conservation (NYSDEC), regarding soil and groundwater contamination at its Owego, New York facility. Based on a Remedial Investigation and Feasibility Study (RIFS) for apparent on-site contamination at that facility and a Focused Feasibility Study (FFS), each prepared by environmental consultants of Hadco, the NYSDEC has approved a remediation program of groundwater withdrawal and treatment and iterative soil flushing. Hadco has executed a Modification of the Order on Consent to implement the approved ROD. Capital equipment for this remediation has already been acquired by Hadco, and future operation and maintenance costs, which will be incurred and expended over the estimated life of the program of the next 28 years, are estimated at between $40,000 and $100,000 per year. In the summer of 1998, NYSDEC took additional samples from a wetland area near Hadco s Owego facility. Analytical reports of earlier sediment samples indicated the presence of certain inorganics. The new samples showed elevated

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levels of certain metals, but NYSDEC has not made a determination as to the potential source of such metals, the remedial action to be taken, or the persons to undertake and/or pay for any remediation. There can be no assurance that Hadco and/or other third parties will not be required to conduct additional investigations and remediation at that location, the costs of which are currently indeterminable.

Hadco has commenced the operation of a groundwater extraction system at its Derry, New Hampshire, facility to address certain groundwater contamination and migration control issues. It is not possible to make a reliable estimate of the length of time remedial activity will have to be performed. However, it is anticipated that the groundwater extraction system will be operated for at least 30 years. There can be no assurance that Hadco will not be required to conduct additional investigations and remediation relating to the Derry facility. The total costs of such groundwater extraction system and of conducting any additional investigations and remediation relating to the Derry facility are not fully determinable.

From 1974 to 1980, Hadco operated a printed circuit manufacturing facility in Florida as a lessee. In June 1999, Hadco, Gould Electronics, Inc. and the Florida Department of Environmental Protection (FDEP) entered into a Settlement Agreement which provides that Hadco and Gould will undertake remedial action based on a Supplemental Contamination Assessment Report and a later Feasibility Study, which has been prepared by a consultant to Hadco and Gould and approved by the FDEP. The remedial capital costs are estimated to be $1.4 million. In addition, ongoing monitoring and operation and maintenance costs are estimated to be $1.4 million, which includes operation of the remediation system for 8 years and monitoring for 30 years. Actual remedial activities have not yet commenced.

In March 1993, the EPA notified Hadco Santa Clara of its potential liability for maintenance and remediation costs in connection with a hazardous waste disposal facility operated by Casmalia Resources, a California Limited Partnership, in Santa Barbara County, California. In June 1997, the United States District Court in Los Angeles, California, approved and entered a Consent Decree among the EPA and 49 entities (including Hadco Santa Clara) acting through the Casmalia Steering Committee (CSC). The Consent Decree sets forth the terms and conditions under which the CSC will carry out work aimed at final closure of the site. Certain closure activities will be performed by the CSC. Under the Consent Decree, the settling parties will work with the EPA to pursue the non-settling parties to ensure they participate in contributing to the closure and long-term operation and maintenance of the facility.

In May 2000, Sanmina was notified by the city of Santa Clara, California, of a number of alleged wastewater discharge and other violations of environmental laws by one of Sanmina s plants. Sanmina cooperated with Santa Clara to address the city s concerns regarding the plant s operations and subsequently settled this matter with the city. Santa Clara did not file any lawsuit against Sanmina in connection with this matter.

In March 2001, Sanmina acquired approximately 94% of the outstanding shares and convertible debentures of Segerstrom. It is possible that previous operations have contaminated soil and/or groundwater at Segerstrom facilities. At the current time, Sanmina believes that the estimated environmental liabilities associated with the Segerstrom facilities are approximately $4.4 million. Sanmina believes, based on the limited information currently available, that the cost of any groundwater or soil clean-up that may be required would not harm Sanmina s business, financial condition and results of operations. Nevertheless, the process of remediating contaminated soil and groundwater is costly, and if Sanmina is required to undertake substantial remediation activities at one or more of the former Segerstrom facilities, there can be no assurance that the costs of such activities would not harm Sanmina s business, financial condition and results of operations.

SCI is subject to environmental contingencies at sites operated by SCI and could incur substantial costs for environmental remediation and related activities at these sites.

SCI Plant One reported the removal of an underground concrete vault to the Alabama Department of Environmental Management, known as ADEM. ADEM required that SCI conduct groundwater monitoring to determine if the groundwater at Plant One was impacted by hazardous constituents that may have been in the vault. Analytical results indicated that the groundwater was not contaminated. Accordingly, ADEM granted no further action status to this facility on April 17, 2001.

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SCI Plant Four reported a release of treated wastewater to the ground at the facility to ADEM. ADEM required groundwater monitoring. Analytical results indicated that although hazardous constituents are present in the groundwater, the levels are well below drinking water standards. Accordingly, ADEM granted no further action status to this facility on January 30, 2001.

In addition, Plant 34 in Brockville, Ontario, Canada has groundwater contamination that Nortel Networks is remediating to comply with applicable standards. Nortel Networks has agreed to indemnify SCI for any loss it incurs as a result of claims by third parties relating to the groundwater contamination or the work associated with the cleanup of the contamination. The treatment system has been in operation since 1992 at a cost of $100,000 a year to Nortel Networks and SCI therefore does not believe that the contamination has migrated off-site. However, there may also be soil and/or groundwater contamination at other current or former SCI manufacturing facilities which has yet to be discovered and could give rise to material remediation obligations and/or other liabilities.

In the course of preparing its plants located in Arab, Alabama, and Colorado Springs, Colorado, for sale, SCI conducted a Phase I Environmental Site Assessment and Limited Compliance Review at both facilities. Both procedures indicated the presence of lead in wipe samples obtained from surfaces in the interior of these plants. While there are no standards for lead on surfaces in commercial buildings, these concentrations are above residential standards not applicable to these facilities. Remediation activities to reduce the lead concentrations are currently underway at both plants. Lead dust has also been identified at SCI s San Jose, California, facility. The estimated clean up costs for identified remediation activities at these plants is approximately $900,000. In addition, lead contamination is suspected at Plant 11 in Rapid City, South Dakota because of the age of the facility and the nature of the manufacturing activities at the facility. Based on remediation costs at the facilities discussed above, the clean-up costs for remediation activities at Plant 11 are expected to be approximately $300,000.

As the manufacturing equipment that generated the lead dust is used at most SCI manufacturing facilities, it is possible that lead dust could be present in the interior of some or all of its current and former manufacturing facilities. While SCI regularly monitors for airborne concentrations of lead in its buildings and is not aware of any significant lead concentrations in excess of the applicable OSHA standards, the presence of lead dust in these facilities could give rise to affirmative remediation obligations and/or other liabilities if the levels are found to be sufficiently high. Possible lead contamination at other SCI facilities in being addressed through increased maintenance activities.

Asbestos is present at several SCI manufacturing facilities. While this asbestos is being managed in place pursuant to asbestos operations and maintenance plans, the presence of asbestos could give rise to affirmative remediation obligations and other liabilities and no third-party claims have been brought at this time.

On February 1, 2000, SCI was named as a third-party defendant in an action brought pursuant to the Comprehensive Environmental Response, Compensation and Liability Act based on releases of hazardous substances to the soil and groundwater at the Allworth, Inc. solvent recycling facility in Tarrant City, Alabama. Plaintiff Southdown, Inc., former owner of Allworth, initially brought this cost recovery action against other prior owners of Allworth and current and former customers of Allworth. In turn, the customer defendants named additional customers, including SCI. On November 7, 2000, the District Court dismissed the claims against all former customer defendants with prejudice. On December 4, 2000, Southdown, Inc. and Southdown Environmental LLC, an indirect wholly-owned subsidiary of Southdown, Inc., filed a notice of appeal of the District Court s November 7, 2000 Order, which appeal is pending. The parties to this action have agreed to settle the case and dismiss all claims with prejudice with each party bearing its own costs. The District Court entered an Order of Dismissal on August 21, 2001 dismissing all claims, counter-claims and cross-claims with prejudice. A motion to dismiss the appeal has been filed and is pending before the U.S. Court of Appeals for the Eleventh Circuit. The current owners of the Allworth facility have agreed to indemnify the customers of the facility, including SCI, for all necessary remediation costs. However, should the current owner of the Allworth facility not be able to honor its indemnification of SCI, it is possible that state or federal authorities could require SCI to participate, along with the numerous other potentially responsible parties, in the remediation of the soil and groundwater at the Allworth facility.

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Some executive officers and key personnel are critical to the business of the combined company and these officers and key personnel may not remain with the company in the future.

The success of the combined company depends upon the continued service of some executive officers and other key personnel. Generally, neither Sanmina s nor SCI s employees are bound by employment or noncompetition agreements, and there can be no assurance that the combined company will retain its officers and key employees, particularly its highly skilled design, process and test engineers involved in the manufacture of existing products and the development of new products and processes. The competition for these employees is intense, and the loss of key employees could negatively affect the combined company. Upon completion of the merger, A. Eugene Sapp, Jr., chief executive officer of SCI, will become co-chairman of Sanmina and Robert C. Bradshaw, president and chief operating officer of SCI, will become president of EMS operations of Sanmina. If the combined company loses the services of Jure Sola, chairman and chief executive officer of Sanmina, Randy Furr, president and chief operating officer of Sanmina, Mr. Sapp, Mr. Bradshaw, one or more of its other executive officers or key employees, or if one or more of these individuals decides to join a competitor or otherwise compete directly or indirectly with the combined company, the combined company s business, operating results and financial condition could be seriously harmed.

The combined company will have substantial indebtedness, some of which is variable interest debt that is affected by interest rate fluctuations.

In May 1999, Sanmina raised approximately $350 million through an offering of four and one-quarter percent convertible subordinated notes due 2004 to qualified institutional investors. In September 2000, Sanmina raised approximately $750 million through an offering of zero coupon convertible subordinated debentures due 2020 to qualified institutional investors. For a description of Sanmina s outstanding indebtedness, refer to Sanmina s audited and unaudited financial statements incorporated into this joint proxy statement/prospectus by reference. Sanmina s other indebtedness is principally comprised of operating, synthetic and capital leases.

In July 1996, SCI borrowed $100 million under adjustable rate senior notes due 2006 issued to a group of institutional investors. In March 2001, SCI borrowed $600 million under adjustable rate senior notes due 2006 issued to a second group of institutional investors. The interest rates under these issues of senior notes adjust on the basis of certain changes in financial covenants applicable to SCI. SCI also has in place two credit facilities with a group of domestic and international banks under which SCI may borrow principal amounts up to $325 million under a 364-day revolving credit line and up to $200 million under a five-year credit line. SCI further has a $210 million asset securitization program expiring November 2001 under which certain accounts receivable may be sold by a special purpose subsidiary of SCI, with limited recourse. In March 2000, SCI issued $575 million of its 3% convertible subordinated notes due March 2007. The notes are convertible into SCI s common stock and will become convertible into Sanmina common stock following the merger. For a complete description of SCI s outstanding indebtedness, refer to SCI s audited and unaudited financial statements incorporated herein by reference. SCI s other debt-related liabilities include lease or guarantee obligations under industrial revenue bonds.

Included in the debt described above is approximately $205 million of variable interest debt, at June 30, 2001, incurred by SCI. Short term interest rate changes can impact SCI s interest expense on this debt, as well as the discount (reflected in interest expense) on its accounts receivable sold under SCI s asset securitization agreement. The fluctuations in interest rates may have an effect on operating results of the combined company.

The level of the combined company s indebtedness, among other things, could:

- make it difficult for the combined company to make payments on the notes and leases;
- make it difficult for the combined company to obtain any necessary future financing for working capital, capital expenditures, debt service requirements or other purposes;

require the combined company to dedicate a substantial portion of its expected cash flow from operations to service its indebtedness, which would reduce the amount of its expected cash flow available for other purposes, including working capital and capital expenditures;

limit its flexibility in planning for, or reacting to, changes in the combined company s business; and

make the combined company more vulnerable in the event of a downturn in its business.

The combined company may incur substantial additional indebtedness in the future.

Failure to manage the combined company s growth may seriously harm its business.

Sanmina s and SCI s businesses have grown in recent years through both internal expansion and acquisitions, and continued growth may cause a significant strain on the combined company s infrastructure and internal systems. To manage the combined company s growth effectively, the combined company must continue to improve and expand its management information systems. The combined company will face additional growth management challenges, particularly as a result of Sanmina s recent acquisitions in Europe and Brazil. Future acquisitions, both in the United States and internationally, could place additional strains on the combined company s management infrastructure. If the combined company is unable to manage growth effectively, its results of operations could be harmed.

Risks associated with international operations may harm the operations of the combined company.

Sanmina s and SCI s existing international operations and plans to expand international operations involve risks, and the failure to effectively expand internationally could harm the combined company s operating results. Sanmina opened its first overseas facility, located in Dublin, Ireland, in June 1997. During June 2000 and July 2000, Sanmina acquired operations in Ireland, Sweden, Finland, Malaysia and China. In October 2000, Sanmina acquired a 49.9% ownership interest in INBOARD, a wholly-owned subsidiary of Siemens AG, located in Germany. By virtue of the Segerstrom acquisition, Sanmina acquired operations in Sweden, Finland, Brazil, Hungary, and Scotland. SCI currently generates more than half of its revenue from its non-U.S. operations. Additionally, much of SCI s manufacturing material is provided by international suppliers.

U.S. export sales by SCI approximated $274 million, $175 million, and $116 million for fiscal 2001, 2000 and 1999, respectively. Sales by SCI s non-U.S. operations amounted to $5.0 billion in fiscal 2001, $4.2 billion in fiscal 2000, and $2.8 billion in fiscal 1999. Non-U.S. sales represented 57.9% of consolidated sales in fiscal 2001, 50.5% in fiscal 2000, and 41.8% in fiscal 1999. Property, plant and equipment investments by SCI in non-U.S. operations were $474 million, $427 million, and $308 million at June 30, 2001, 2000, and 1999, respectively.

Sanmina s and SCI s international sales and operations may be limited or disrupted by the imposition of government controls, export license requirements, political and economic instability, trade restrictions, changes in tariffs, labor unrest and difficulties in staffing, coordinating communications among and managing international operations. Additionally, the combined company s business and operating results may be harmed by fluctuations in international currency exchange rates as well as increases in duty rates, earnings expatriation restrictions, difficulties in obtaining export licenses, misappropriation of intellectual property, constraints on the combined company s ability to maintain or increase prices and competition. Sanmina and SCI cannot assure you that the combined company will realize the anticipated strategic benefits of its international expansion or that international operations will contribute positively to the combined company s business and operating results.

To respond to competitive pressures and customer requirements, the combined company may further expand internationally in lower cost locations, particularly additional locations in Asia, Central Europe and Latin America. As a result of this possible expansion, the combined company could encounter difficulties in scaling up production at overseas facilities and in coordinating its U.S. and international operations. The combined company may not realize anticipated revenue growth at new international operations. The combined company may elect to establish start-up operations rather than acquiring existing businesses, which would require it to recruit management and other personnel and build a customer base at a completely new operation. Accordingly, unanticipated problems the combined company encounters in establishing new international operations could harm its business and operating results and cause its stock price to decline.

The combined company s operating results may be affected by fluctuations in international currencies.

SCI currently primarily conducts its international sales and purchase transactions in U.S. dollars or under customer contract provisions that protect against most major currency risks. SCI s largest currency risk is that associated with its Brazilian operation. Unlike SCI s other international operations, its Brazilian plant is directly exposed to the effects of currency devaluation on certain customers contracts until forward pricing is adjusted accordingly (normally quarterly). Other currency exchange risks associated with SCI s international operations primarily relate to current assets and liabilities denominated in currencies other than the U.S. dollar. Although SCI endeavors to balance such items against each other where possible at individual operations, no assurance can be given that it will be successful in mitigating the effects of changes in currency exchange rates upon such international dollar transactions. Changes in some international currency exchange rates impact the geographic areas where SCI s revenue is derived. When international currencies are devalued, manufacturing costs of plants in those countries may become more competitive with other established plants. Sanmina s international purchase and sale transactions are also primarily denominated in U.S. dollars, except that Segerstrom s transactions are denominated primarily in Euros, Swedish kronors or other European currencies. Accordingly, the combined company will be subject to risks associated with currency fluctuations and devaluations.

Sanmina and SCI are subject to risks related to intellectual property rights held by third parties.

Sanmina and SCI are subject to risks related to intellectual property rights held by third parties. In certain cases, the combined company may find it necessary or desirable to license or otherwise acquire rights to intellectual property held by others. In July 2000, Sanmina settled one such dispute through a licensing arrangement with the Lemelson Foundation. SCI is currently in litigation with the Lemelson Foundation regarding claims that certain activities of SCI infringe United States patents held by the Lemelson Foundation. Other such disputes, which could involve the combined company in litigation or in administrative proceedings before the United States Patent and Trademark Office or patent authorities in other countries, could arise in the future. These proceedings could be costly to conduct and could also result in the diversion of management time and attention. In addition, adverse determinations in any proceedings of this nature could require the combined company to pay monetary damages and could also result in the loss of intellectual property rights. In the event the combined company was able to settle disputes through licensing or similar arrangements, the costs of these licenses could be substantial. Accordingly, future disputes regarding intellectual property rights could harm the combined company s business, financial condition and results of operations.

On February 14, 2001, Gemstar-TV Guide International, Inc. and StarSight Telecast, Inc. filed a complaint against SCI and four other respondents with the United States International Trade Commission. With respect to SCI, the complaint alleged certain unfair acts, including patent infringement, in the importation of set top boxes manufactured by SCI for EchoStar Communications Corporation, another respondent in the case. The Commission instituted an investigation following publication of its notice in the Federal Register on March 21, 2001. The matter is in the discovery phase, and trial is currently scheduled to commence on December 3, 2001. The International Trade Commission is scheduled to release a ruling on this matter in the spring of 2002. If it is determined that SCI infringes certain patents of Gemstar TV Guide International, Inc. and StarSight Telecast Inc., the International Trade Commission may prohibit the importation of infringing products into the United States. To the extent that SCI s customer, EchoStar Communications Corp., cannot design around the allegedly infringing design or build the product in the United States avoiding importation of potentially infringing products, revenue from this customer, and potentially other like customers utilizing the allegedly infringing technology, could be at risk. Any design around would by necessity originate with EchoStar. Labor costs in United States may make production of

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alledgedly infringing products in United States uncompetitive. SCI does not believe that the outcome of this matter will have a material adverse effect upon its business.

The combined company s business may be harmed by the California electrical power crisis.

A significant portion of Sanmina s customer base and operations are located in the State of California, which is in the midst of an energy crisis that could disrupt Sanmina s operations and increase Sanmina s expenses. In the event of an acute power shortage, that is, when power reserves for the State of California fall below 1.5%, California has on some occasions implemented, and may in the future continue to implement, rolling blackouts throughout California. If blackouts interrupt Sanmina s power supply, Sanmina could be temporarily unable to continue operations at certain of its California facilities. In addition, concerns exist that the California energy crisis could lead to worsening of economic conditions in California which could affect the combined company s customers in California. Power shortages in California have also caused the wholesale price of electricity to increase, which will likely cause operating expenses for California facilities to increase. Accordingly, the California energy situation could adversely affect the combined company s business and results of operations.

The combined company may be subject to a securities class action suit if its stock price falls.

Following periods of volatility in the market price of a company s stock, some stockholders may file a securities class action litigation. Any future securities class action litigation could be expensive and divert management s attention and harm the combined company s business, regardless of its merits.

The trading price of the combined company s securities, including common stock and convertible subordinated debentures, may be volatile, and the value of your investment could decline.

The trading price of Sanmina s common stock and SCI s common stock has been and could in the future be subject to significant fluctuations in response to variations in quarterly operating results, developments in the electronics industry, changes in general economic conditions and economic conditions in the electronics industry and the communications sector in particular, changes in securities analysts recommendations regarding Sanmina s and SCI s securities and other factors. In addition, the stock market in recent years has experienced significant price and volume fluctuations which have affected the market prices of technology companies and which have been unrelated to or disproportionately impacted by the operating performance of those companies. For example, Sanmina s common stock price has fluctuated from a high of approximately $58.19 to a low of approximately $11.64 during the 52 weeks ended October 30, 2001, and SCI s common stock price has fluctuated from a high of approximately $47.00 to a low of approximately $15.53 during the 52 weeks ended October 30. These broad market fluctuations may cause the market price of the combined company s common stock to decline, which could diminish the value of your investment.

In addition, Sanmina and SCI each have outstanding several classes of convertible subordinated notes. The Sanmina notes are not traded on a national securities exchange or market. However, inter-institutional trading markets do exist for these securities. The SCI 3% convertible subordinated notes are listed on the New York Stock Exchange and will remain outstanding as an obligation of SCI following the merger. As a result of the merger, the SCI 3% notes may not qualify for continued listing on the New York Stock Exchange. The market price of these securities is likely to be affected by the same factors that will affect the market price for the combined company s common stock.

FORWARD LOOKING STATEMENTS

You should not rely on forward looking statements in this joint proxy statement/prospectus. This joint proxy statement/prospectus and the documents incorporated by reference into this joint proxy statement/prospectus contain forward looking statements within the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 with respect to Sanmina s and SCI s financial conditions, operating results and businesses and on the expected impact of the merger on Sanmina s financial performance. We use words such as anticipates, believes, plans, expects, future, intends, may, will, should, estimates,

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predicts, potential, continue and similar expressions to identify such forward looking statements. These forward looking statements are not guarantees of future performance and are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated by the forward looking statements.

Some of the factors that may cause actual results to differ materially from those contemplated by such forward looking statements include, but are not limited to, the following possibilities:

successfully integrating Sanmina s and SCI s operations, systems and personnel may be more difficult than we expect;

the combined company may not be able to retain and hire key executives, technical personnel and other employees;

the transaction may not close due to the failure to obtain required regulatory or stockholder approvals;

the combined company may not effectively manage its growth;

relationships with customers, suppliers, and strategic partners may change to the combined company s disadvantage;

the combined company s operating costs may be higher than anticipated;

general economic conditions or conditions in securities markets may be less favorable than we currently anticipate; and

costs related to the merger may be more than we currently anticipate.

Some of these factors and additional risks and uncertainties are further discussed under the other factors identified in the Risk Factors section beginning on page 18. Because such statements are subject to risks and uncertainties, actual results may differ materially from those expressed or implied by such statements. Sanmina and SCI stockholders are cautioned not to place undue reliance on such statements, which speak only as of the date of this joint proxy statement/prospectus or the date of any document incorporated by reference.

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THE SPECIAL MEETING OF SANMINA STOCKHOLDERS

Joint Proxy Statement/Prospectus

This joint proxy statement/prospectus is being furnished to you in connection with the solicitation of proxies by Sanmina s board of directors in connection with the proposed merger. This joint proxy statement/prospectus is first being furnished to stockholders of Sanmina on or about November 6, 2001.

Date, Time and Place of the Special Meeting

The special meeting of stockholders of Sanmina is scheduled to be held as follows:

December 6, 2001
8:00 a.m., local time
Wilson Sonsini Goodrich & Rosati
One Market, Spear Tower, Suite 3300
San Francisco, California

Purpose of the Special Meeting

The special meeting is being held to approve the issuance of shares of Sanmina common stock to SCI stockholders in connection with the merger, to change Sanmina s corporate name to Sanmina-SCI Corporation effective upon the consummation of the merger, to approve the amendment to Sanmina s 1993 Employee Stock Purchase Plan and to transact any other business that properly comes before the special meeting or any adjournment thereof.

If the Sanmina stockholders do not approve the proposal to change Sanmina s corporate name to Sanmina-SCI Corporation, SCI will not be obligated to complete the merger. Accordingly, unless SCI waives this condition, the merger would not be consummated even if Sanmina s stockholders approved the issuance of Sanmina common stock to the SCI stockholders.

If the stockholders of Sanmina approve the proposals and the other conditions to the completion of the merger are satisfied or waived, Sun Acquisition Subsidiary will merge with and into SCI, and SCI will survive the merger as a wholly-owned subsidiary of Sanmina. You will not receive any additional shares of Sanmina common stock or be required to exchange your Sanmina stock certificates in connection with the merger.

Recommendation of the Sanmina Board of Directors

The members of the board of directors of Sanmina, excluding Joseph M. Schell who abstained from voting, unanimously concluded that the merger agreement and the merger are fair to and in the best interests of Sanmina s stockholders, and the board unanimously recommends that the stockholders vote FOR the proposal to approve the issuance of Sanmina common stock to SCI stockholders in connection with the merger, the change of Sanmina s corporate name to Sanmina-SCI Corporation effective upon the consummation of the merger, and the amendment to Sanmina s 1993 Employee Stock Purchase Plan.

Stockholder Record Date for the Special Meeting

Sanmina s board of directors has fixed the close of business on October 9, 2001 as the record date for determination of Sanmina stockholders entitled to notice of, and to vote at, the special meeting. On the record date, there were 321,557,426 shares of Sanmina common stock outstanding, held by approximately 1,675 holders of record.

Majority Vote of Sanmina Stockholders Required to Approve the Stockholder Proposals

A majority of the outstanding shares of Sanmina common stock entitled to vote at the special meeting must be represented, either in person or by proxy, to constitute a quorum at the special meeting. The affirmative vote of the holders of at least a majority of the shares of Sanmina common stock represented at the special meeting is required to approve the issuance of Sanmina common stock in connection with the merger and the amendment to Sanmina s 1993 Employee Stock Purchase Plan. The affirmative vote of the holders of

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at least a majority of the shares of Sanmina common stock outstanding and entitled to vote is required to approve the change of Sanmina s corporate name to Sanmina-SCI Corporation effective upon the consummation of the merger. You are entitled to one vote for each share of Sanmina common stock held by you on the record date on each proposal to be presented to stockholders at the special meeting.

Sanmina s directors and certain Sanmina executive officers, in their capacity as stockholders, have agreed, subject to the terms and conditions of a voting agreement with Sanmina and SCI, to vote their shares of Sanmina common stock in favor of the approval of share issuance, the name change and the purchase plan amendment. As of the record date these stockholders held approximately 119,327 shares of Sanmina common stock representing less than 1% of the outstanding shares of Sanmina common stock as of the record date.

Proxies

Voting By Proxy Card

All shares of Sanmina common stock represented by properly executed proxy card received before or at the special meeting will, unless the proxies are revoked, be voted in accordance with the instructions indicated on the proxy cards. If no instructions are indicated on a properly executed proxy card, the shares will be voted FOR approval of the share issuance, the name change and the purchase plan amendment. You are urged to mark a box on the proxy card to indicate how to vote your shares.

If a properly executed proxy card is returned and the stockholder has instructed the proxies to abstain from voting on the share issuance in connection with the merger or the purchase plan amendment, the Sanmina common stock represented by the proxy will be considered present at the special meeting for purposes of determining a quorum, but will not be voted for or against such stockholder proposals, thereby having the effect of being a vote against such stockholder proposals. If your shares are held in an account at a brokerage firm or bank, you must instruct such institution how to vote your shares. If an executed proxy card is returned by a broker holding shares in the name of a brokerage firm or bank, which indicates that the broker or bank does not have instructions or discretionary authority to vote on approval of the proposals, the shares will be considered present at the meeting for the purpose of determining a quorum, but will not be considered to have been voted in favor of approval of the stockholder proposals. Your broker or bank will vote your shares only if you provide instructions on how to vote by following the information provided to you by your broker or bank.

Because the approval of the name change requires the affirmative vote of a majority of the shares of Sanmina common stock outstanding on the record date, abstentions, failures to vote and broker non-votes will have the same effect as a vote against this proposal.

Sanmina does not expect that any matters other than those set forth above will be brought before the special meeting. If, however, other matters are properly presented, the persons named as proxies will vote in accordance with their judgment with respect to those matters, unless authority to do so is withheld in the proxy.

Voting by Telephone or on the Internet

Many stockholders of Sanmina will have the option to submit their proxies or voting instructions via the Internet or by telephone. Please note that there are separate arrangements for using the Internet and telephone depending on whether your shares are registered in Sanmina s stock records in your name or in the name of a brokerage firm or bank. Stockholders should check their proxy card or voting instructions forwarded by their broker, bank or other holder of record to see which options are available.

Registered stockholders of Sanmina can simplify their voting and save us expense by calling 1-800-240-6326 or by voting via the Internet at http://www.eproxy.com/sanm/. We provide telephone and Internet voting information on the proxy card. A company number and a control number, located at the top right on the back of the proxy card, is designed to verify the stockholder s identity, allow the stockholder to vote such stockholder s shares and confirm that we have properly recorded such stockholder s voting instructions. Stockholders submitting proxies or voting instructions via the Internet should understand that

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there may be costs associated with electronic access such as usage charges from Internet service providers and telephone companies that would be borne by the stockholder.

If you do not choose to vote by telephone or Internet, you may still return your proxy card, properly signed, and we will vote the shares in accordance with your directions. You can specify your choices by marking the appropriate boxes on your proxy card. If you sign and return your proxy card without specifying choices, we will vote the shares as recommended by our board of directors. **If you do vote by telephone or on the Internet, it is not necessary to return your proxy card.**

Revocation of Proxies

You may revoke your proxy at any time before it is voted by:

- notifying in writing the secretary of Sanmina at 2700 North First Street, San Jose, California 95134;
- properly submitting a subsequent proxy card;
- properly submitting a subsequent proxy by telephone or on the Internet; or
- appearing in person and voting at the special meeting.

Attendance at the special meeting will not in and of itself constitute the revocation of a proxy.

Solicitation of Proxies

Sanmina and SCI will share the expenses incurred in connection with the printing and mailing of this joint proxy statement/prospectus. Sanmina will also request banks, brokers and other intermediaries holding shares of Sanmina common stock beneficially owned by others to send this joint proxy statement/prospectus to, and obtain proxies from, the beneficial owners and will reimburse the holders for their reasonable expenses in so doing. Sanmina has retained D.F. King & Co., Inc. to aid in the solicitation of proxies and to verify records related to the solicitations. D.F. King & Co., Inc. will receive a fee of approximately $10,000 plus a fee of $4.00 for each telephone contact, plus reasonable out-of-pocket expenses for such services. Solicitation of proxies by mail may be supplemented by telephone, telegram and other electronic means, advertisements and personal solicitation by the directors, officers or employees of Sanmina. No additional compensation will be paid to directors, officers or employees for such solicitation.

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THE SPECIAL MEETING OF SCI STOCKHOLDERS

Joint Proxy Statement/Prospectus

This joint proxy statement/prospectus is being furnished to you in connection with the solicitation of proxies by SCI s board of directors in connection with the proposed merger. This joint proxy statement/prospectus is first being furnished to stockholders of SCI on or about November 6, 2001.

Date, Time and Place of the Special Meeting

The special meeting of stockholders of SCI is scheduled to be held as follows:

December 6, 2001
8:00 a.m., local time
Mandarin Oriental Hotel
222 Sansome Street
San Francisco, California

Purpose of the Special Meeting

At the special meeting, SCI will ask you to consider and vote upon a proposal to approve and adopt the Amended and Restated Agreement and Plan of Reorganization, dated as of July 13, 2001, by and among Sanmina Corporation, a Delaware corporation, Sun Acquisition Subsidiary, Inc., a Delaware corporation and a wholly-owned subsidiary of Sanmina, and SCI Systems, Inc., a Delaware corporation, and the merger provided for therein.

If the stockholders of SCI approve and adopt the merger agreement and approve the merger and the other conditions to completion of the merger are satisfied or waived, Sun Acquisition Subsidiary will merge with and into SCI, and SCI will survive the merger as a wholly-owned subsidiary of Sanmina. You will be entitled to receive 1.36 shares of Sanmina common stock for each share of SCI common stock you hold at the effective time of the merger.

Recommendation of the SCI Board of Directors

The board of directors of SCI has approved and adopted the merger agreement and has determined that the merger, upon the terms and conditions contained in the merger agreement, is in the best interests of, and is on terms that are fair to, SCI s stockholders. The board of directors unanimously recommends that the stockholders vote FOR the proposal to approve and adopt the merger agreement and approve the merger.

Stockholders Record Date for the Special Meeting

SCI s board of directors has fixed the close of business on October 23, 2001 as the record date for determination of SCI stockholders entitled to notice of, and to vote at, the special meeting. On the record date, there were approximately 147,266,424 shares of SCI common stock outstanding, held by approximately 1,675 holders of record.

Majority Vote of SCI Stockholders Required for Adoption and Approval of the Merger Agreement

You are entitled to one vote for each share of SCI common stock held by you on the record date on each proposal to be presented to stockholders at the special meeting. A majority of the outstanding shares of SCI common stock entitled to vote at the special meeting must be represented, either in person or by proxy, to constitute a quorum at the special meeting. SCI will count shares of its common stock represented in person or by proxy for the purpose of determining whether a quorum is present at the special meeting. SCI will also treat shares that abstain from voting as shares that are present and entitled to vote at the special meeting for purposes of determining whether a quorum exists.

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The affirmative vote of the holders of at least a majority of the shares of SCI common stock outstanding on the record date is required to approve and adopt the merger agreement and approve the merger.

SCI directors and certain SCI executive officers, in their capacity as stockholders, have agreed, subject to the terms and conditions of a voting agreement with SCI and Sanmina, to vote their shares of SCI common stock in favor of the approval and adoption of the merger agreement and approval of the merger. These executive officers and directors have delivered proxies to Sanmina which give Sanmina the initial right to vote such shares in favor of the merger. As of the record date these stockholders held approximately 3,703,506 shares of SCI common stock representing approximately 2.5% of the outstanding shares of SCI common stock as of the record date.

Proxies

Voting By Proxy Card

All shares of SCI common stock represented by properly executed proxy cards received before or at the special meeting will, unless the proxies are revoked, be voted in accordance with the instructions indicated on the proxy cards. If no instructions are indicated on a properly executed proxy card, the shares will be voted FOR approval and adoption of the merger agreement and the merger. You are urged to mark a box on the proxy card to indicate how to vote your shares.

If a properly executed proxy card is returned and the stockholder has instructed the proxies to abstain from voting on approval and adoption of the merger agreement and approval of the merger, the SCI common stock represented by the proxy will be considered present at the special meeting for purposes of determining a quorum, but will not be voted for or against approval of the merger, thereby having the effect of being a vote against approval of the merger. If your shares are held in an account at a brokerage firm or bank, you must instruct such institution how to vote your shares. If an executed proxy card is returned by a broker holding shares in the name of a brokerage firm or bank, which indicates that the broker or bank does not have instructions or discretionary authority to vote on adoption of the merger agreement, the shares will be considered present at the meeting for the purpose of determining a quorum, but will not be considered to have been voted in favor of approval and adoption of the merger agreement and the approval of merger. Your broker or bank will vote your shares only if you provide instructions on how to vote by following the information provided to you by your broker or bank.

Because approval and adoption of the merger agreement and approval of the merger require the affirmative vote of a majority of the shares of SCI common stock outstanding on the record date, abstentions, failures to vote and broker non-votes will have the same effect as a vote against the merger.

SCI does not expect that any matter other than approval and adoption of the merger agreement and approval of the merger will be brought before the special meeting. If, however, other matters are properly presented, the persons named as proxies will vote in accordance with their judgment with respect to those matters, unless authority to do so is withheld in the proxy.

Voting by Telephone or on the Internet

Registered stockholders of SCI can simplify their voting and save us expense by calling 1-800-250-9081 or by voting via the Internet at www.votefast.com. We provide telephone and Internet voting information on the proxy card. A control number, located above the stockholder s name and address on the lower left of the proxy card, is designed to verify the stockholder s identity, allow the stockholder to vote such stockholder s shares and confirm that we have properly recorded such stockholder s voting instructions.

If you do not choose to vote by telephone or Internet, you may still return your proxy card, properly signed, and we will vote the shares in accordance with your directions. You can specify your choices by marking the appropriate boxes on your proxy card. If you sign and return your proxy card without specifying choices, we will vote the shares as recommended by our board of directors. **If you do vote by telephone or on the Internet, it is not necessary to return your proxy card.**

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Revocability of Proxies

Any proxy you give may be revoked at any time before it is voted at the special meeting. You may revoke a proxy by doing any of the following:

- sending a signed written notice stating that you would like to revoke your proxy;
- completing and submitting a new proxy card;
- attending the special meeting and voting in person; or
- properly submitting a subsequent proxy by telephone or on the Internet.

Simply attending the special meeting will not revoke your proxy; you must request a ballot and vote at the special meeting.

To be effective, any written notice of revocation or any new proxy card must be received by SCI Systems, Inc., 2101 West Clinton Avenue, Huntsville, Alabama 35805, Attention: Michael M. Sullivan, Secretary, prior to the time of the special meeting. Attendance at the special meeting will not in and of itself constitute the revocation of a proxy.

Solicitation of Proxies

Sanmina and SCI will share the expenses incurred in connection with the printing and mailing of this joint proxy statement/prospectus. SCI will also request banks, brokers and other intermediaries holding shares of SCI common stock beneficially owned by others to send this joint proxy statement/prospectus to, and obtain proxies from, the beneficial owners and will reimburse the holders for their reasonable expenses in so doing. SCI has retained D.F. King & Co., Inc. to assist in the solicitation of proxies and to provide information to SCI stockholders with respect to matters to be considered by them at the special meeting. D.F. King will receive a fee of $10,000 plus a fee of $4.00 for each telephone contact, plus certain out of pocket expenses. Solicitation of proxies by mail may be supplemented by telephone, telegram and other electronic means, advertisements and personal solicitation by the directors, officers or employees of SCI. No additional compensation will be paid to directors, officers or employees for such solicitation.

You should not send in any SCI stock certificates with your proxy card. A transmittal letter with instructions for the surrender of stock certificates will be mailed to you as soon as possible after completion of the merger.

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THE MERGER

This section of the joint proxy statement/prospectus describes material aspects of the proposed merger, including the merger agreement. While we believe that the description covers the material terms of the merger, this summary may not contain all of the information that is important to you. You should read this entire joint proxy statement/prospectus and the other documents we refer to carefully for a more complete understanding of the merger. In addition, we incorporate important business and financial information about Sanmina and SCI into this joint proxy statement/prospectus by reference. You may obtain the information incorporated by reference into this joint proxy statement/prospectus without charge by following the instructions in the section entitled WHERE YOU CAN FIND MORE INFORMATION on page 105 of this joint proxy statement/prospectus.

Effect of the Merger and Conversion of SCI Common Stock

Upon the closing of the merger, Sun Acquisition Subsidiary, Inc., a wholly-owned subsidiary of Sanmina, will merge with and into SCI, and SCI will survive the merger as a wholly-owned subsidiary of Sanmina. Following the merger, SCI will continue its operations as a wholly-owned subsidiary of Sanmina. SCI stockholders will become Sanmina stockholders, and their rights as stockholders will be governed by the Sanmina certificate of incorporation, as amended, the Sanmina bylaws and the laws of the State of Delaware. See COMPARISON OF RIGHTS OF HOLDERS OF SANMINA COMMON STOCK AND SCI COMMON STOCK on page 97 of this joint proxy statement/prospectus.

At the closing of the merger, by virtue of the merger and without any action on the part of Sanmina, Sun Acquisition Subsidiary, SCI or any of their stockholders, each share of SCI common stock issued and outstanding immediately prior to the effective time will be cancelled, extinguished and automatically converted into the right to receive 1.36 shares of Sanmina common stock upon surrender of the certificate representing such share of SCI common stock in the manner provided for in the merger agreement, or in the case of a lost, stolen or destroyed certificate, upon delivery of an affidavit and bond, if required. The exchange ratio in the merger will be appropriately adjusted in the event of any stock split, stock dividend, reorganization, recapitalization, reclassification or similar change with respect to Sanmina common stock or SCI common stock occurring prior to the closing of the merger. However, no adjustment in the exchange ratio will be made for changes in the relative market prices of SCI s and Sanmina s shares. No fractional shares of Sanmina common stock will be issued in connection with the merger. SCI stockholders will receive cash, without interest, in lieu of the issuance of any fractional shares of Sanmina common stock which would have been otherwise issuable to SCI stockholders as a result of the merger. Each share of SCI common stock held by SCI or any direct or indirect wholly-owned subsidiary of SCI immediately prior to the closing of the merger will be cancelled and extinguished.

Background of the Merger

During the latter half of calendar year 2000 and early calendar year 2001, Sanmina management began considering and exploring various strategic alternatives to broaden Sanmina s global electronics manufacturing services presence. The objective of this strategic initiative was to expand Sanmina s global footprint and overall electronics manufacturing services offerings in order to better position Sanmina to meet the increasingly global manufacturing and product requirements of Sanmina s current and potential future customers. In particular, Sanmina s senior management believed that a larger, more global presence and a broader range of full electronics manufacturing services would be necessary to successfully compete for the growing number of divestiture transactions being proposed by OEMs in the electronics industry.

In April and May 2001, Jure Sola and Randy Furr, Sanmina s chairman and president, respectively, and A. Eugene Sapp, Jr., SCI s chairman and chief executive officer, engaged in informal discussions regarding a possible business combination through a series of telephone calls and meetings. Mr. Sola and Mr. Furr had previously discussed with Mr. Sapp the possible benefits of combining Sanmina and SCI on a number of occasions over the past few years. In the past, Mr. Sapp had expressed SCI s view that it wanted to pursue an independent growth strategy. Based on a reassessment of the strategic positioning of the two companies,

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Messrs. Sola, Furr and Sapp agreed in May 2001 that there were significant merits in considering a possible combination of the two companies. Mr. Sapp invited Mr. Sola to provide a proposal to SCI which Mr. Sapp could present to SCI s board of directors for its consideration.

On May 24, 2001, Mr. Sapp received a letter from Mr. Sola proposing a stock for stock merger at a one to one exchange ratio. Mr. Sapp advised the executive committee of the SCI board of the proposal by Mr. Sola and of his intention to reject the proposed exchange ratio, as to which the executive committee concurred. Mr. Sapp responded by telephone on May 25 and expressed SCI s view that the exchange ratio was not adequate for SCI stockholders and that an exchange ratio should be based on relative financial contributions by each of SCI and Sanmina to the combined company. Mr. Sapp nonetheless agreed that the parties should further develop their understanding of each others businesses and the strategic merits of a possible combination and should engage in a valuation discussion to see if the parties could come to an agreement.

In May 2001, SCI reached agreement with Goldman Sachs as to the terms upon which Goldman Sachs would act as SCI s financial advisor in a potential sale of SCI.

On May 30, 2001, Sanmina and Merrill Lynch executed an engagement letter pursuant to which Sanmina retained Merrill Lynch as its financial advisor for a possible business combination with SCI. The terms of this engagement letter were approved by Sanmina s board of directors, with director Joseph M. Schell, chairman of Merrill Lynch s technology investment banking practice, abstaining.

In late May and early June 2001, a series of telephone conversations involving Mr. Sapp and Mr. Sola took place. In these conversations, both parties engaged in preliminary discussions regarding the possibility of combining the companies. As a result of these conversations, Mr. Sapp and Sanmina s senior management concluded that a common ground for proceeding with additional discussions existed, and the parties determined to meet again during the week of June 11.

On June 6, 2001, at a regularly scheduled meeting of the SCI board of directors, Mr. Sapp apprised the board of his discussions with Mr. Sola and the engagement of Goldman Sachs as SCI s financial advisor. SCI s board of directors agreed that discussions with Sanmina should proceed.

On June 11, 2001, a regularly scheduled meeting of Sanmina s board of directors took place. Representatives of Merrill Lynch attended this meeting and gave a presentation regarding SCI and the strategic benefits and synergies expected to result from the merger, as provided by Sanmina management, that the combined company could potentially realize. Messrs. Sola and Furr presented their strategic rationale for the transaction to the Sanmina board. The Merrill Lynch representatives then presented a range of possible exchange ratios and other financial analyses related to a possible combination of Sanmina and SCI.

On June 12, 2001, Sanmina and SCI entered into a mutual nondisclosure agreement.

On June 12 and 13, 2001, Sanmina and SCI senior management, together with representatives of Merrill Lynch and Goldman Sachs, met to exchange and review information regarding the respective companies and discuss the merits of a possible combination. At this meeting, it was agreed that the parties needed to review more detailed financial information regarding the respective companies, and a follow-up meeting was scheduled for this review.

On June 15 and 16, 2001, Mr. Sola and Mr. Sapp had several telephone conversations in which various exchange ratios were discussed but not agreed to.

On July 2 and 3, 2001, Sanmina and SCI senior management, together with representatives of Merrill Lynch and Goldman Sachs, met again and discussed the business and financial prospects of the two companies, potential exchange ratios and other transaction terms. At these meetings, the parties agreed in principle upon a fixed exchange ratio of 1.36 shares of Sanmina common stock per share of SCI common stock, subject to mutual due diligence investigations, agreement on a definitive merger agreement and approval by the respective boards of directors. The parties also discussed other concerns including composition of the combined company s board of directors, roles of senior SCI management, employment arrangements for key SCI personnel and other matters.

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On July 5, 2001, Sanmina and SCI and each of their legal and accounting advisors began the process of conducting detailed business, legal and accounting due diligence with respect to each other. Over the course of the next eight days, Sanmina and SCI and their representatives and their respective legal and financial advisors conducted negotiations relating to a definitive merger agreement and related documents. Due diligence activities also continued during this time.

On July 9, 2001, the board of directors of SCI met in Atlanta and received a report from Mr. Sapp regarding the discussions held with representatives of Sanmina and with respect to SCI s current condition and prospects. Representatives of Goldman Sachs and counsel to SCI also attended this meeting. G. William Speer of Powell, Goldstein, Frazer & Murphy LLP, SCI s outside legal counsel, advised the members of the board concerning their legal requirements as directors generally and, more particularly, in the context of a merger transaction. The board of directors of SCI considered the terms of the proposed merger, discussed the advantages and disadvantages to SCI and its stockholders as a result of the proposed merger, discussed with Goldman Sachs certain financial aspects of the proposed merger and authorized management to continue discussions relating to the proposed merger, subject to further action by the board of directors of SCI.

On July 13, 2001, the board of directors of SCI held a meeting in the offices of Goldman Sachs in New York to discuss and review the draft merger agreement. All directors participated in the meeting. Mr. Sapp reviewed the current conditions of SCI, the history of the meetings and discussions held between SCI and Sanmina and the possible effects of a combination of SCI and Sanmina. Mr. Sapp, James E. Moylan, Jr., SCI s senior vice president and chief financial officer, and Mr. Speer briefed the directors on the results of the business and legal due diligence investigation conducted with respect to Sanmina and Mr. Speer reviewed the draft merger agreement and related agreements and summarized the few remaining open issues. Representatives of Goldman Sachs presented financial analysis with respect to certain aspects of the proposed merger and Goldman Sachs delivered its oral opinion, later confirmed in writing, that as of such date, the exchange ratio was fair from a financial point of view to the holders of SCI common stock. The board of directors voted unanimously to approve and adopt the merger agreement, subject to resolution to the satisfaction of SCI officers of the few remaining items, and determined that the merger, upon the terms and conditions contained in the merger agreement, is in the best interests of, and is on terms that are fair to, SCI s stockholders.

On July 13, 2001, the board of directors of Sanmina held a meeting by telephone conference call and all directors participated to discuss and review a draft of the merger agreement in detail. Members of Sanmina s management, including Messrs. Furr and Sola and Rick Ackel, Sanmina s chief financial officer, reviewed the business and legal due diligence conducted on SCI. Christopher D. Mitchell of Wilson Sonsini Goodrich & Rosati, Sanmina s outside legal counsel, reviewed the draft merger agreement and related agreements and summarized the few remaining open issues. Mr. Mitchell also reviewed with the Sanmina board of directors the legal principles applicable to the proposed merger, including the board s fiduciary duties and authority in considering the proposed merger and the share issuance by Sanmina. Representatives of Merrill Lynch then presented a report concerning certain financial aspects of the proposed merger and Merrill Lynch delivered its oral opinion, subsequently confirmed in writing, that as of the date of such opinion, the exchange ratio was fair from a financial point of view to Sanmina. The board of directors, excluding Mr. Schell who abstained from voting due to his relationship with Merrill Lynch, voted unanimously to approve the merger agreement, the merger, the issuance of Sanmina common stock to SCI stockholders in the merger and the change of Sanmina s corporate name.

Negotiations regarding the remaining open issues in the merger agreement continued during the afternoon and evening of July 13, 2001. During the late evening on July 13, SCI and Sanmina entered into the merger agreement. At 12:01 a.m. on Monday, July 16, 2001, Sanmina and SCI issued a joint press release announcing the merger.

On August 10, 2001, Sanmina and SCI amended the merger agreement to remove the requirement that Sanmina stockholders adopt the merger agreement and approve the merger by executing and delivering the amended and restated merger agreement. Sanmina will solicit stockholder approval of the issuance of shares of Sanmina common stock to SCI stockholders in accordance with the requirements of the Nasdaq National Market.

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On September 14, 2001, SCI and Sanmina amended the merger agreement to permit each company to effect repurchases of its common stock in an amount that would not exceed either $250.0 million or 5% of its outstanding shares of common stock.

Joint Reasons for the Merger

The boards of directors of Sanmina and SCI have determined that a combined company would be positioned to compete more effectively in the global electronics manufacturing services market, thereby increasing the potential for improved long-term operating and financial results. In particular, the boards believe that the merger will create the opportunity for Sanmina and SCI to:

- build an industry-leading electronics manufacturing services company offering customers technology leadership and the ability to provide end-to-end system solution capabilities;
- enhance their ability to serve their existing customer base through increased scale, the ability to provide a broader range of manufacturing services, and enhanced global order fulfillment capabilities;
- combine, and thereby broaden and diversify, their customer bases and revenue streams in high growth sectors of the electronics industry;
- utilize Sanmina s vertical integration in the areas of printed circuit board fabrication, backplane assembly, enclosures, cable assemblies and other components and subsystems across a larger revenue base and thereby realize additional operating efficiencies; and
- use their combined financial strength to better position the combined company to compete more effectively for original equipment manufacturer divestitures or other acquisition opportunities.

Recommendation of Sanmina s Board of Directors and Sanmina s Reasons for the Merger

In reaching its decision to adopt the merger agreement and approve the merger, the share issuance and the name change, the Sanmina board of directors consulted with Sanmina s management, its financial advisor, Merrill Lynch, and legal counsel. The Sanmina board of directors believed that the combined experience of its members and Sanmina management enabled the Sanmina board of directors to make an informed decision regarding the merger agreement, the merger, the share issuance and the name change.

At a meeting held on July 13, 2001, the board of directors of Sanmina, excluding Joseph M. Schell who abstained from voting due to his relationship with Merrill Lynch, unanimously concluded that the merger is consistent with and in furtherance of the long-term business strategy of Sanmina and is fair to, and in the best interests of, Sanmina and the Sanmina stockholders. Accordingly, the board of directors determined to recommend that the Sanmina stockholders approve the issuance of the shares of Sanmina common stock to SCI stockholders in connection with the merger and the change of Sanmina s corporate name. The summary set forth below briefly describes certain of the reasons, factors and information taken into account by the Sanmina board in reaching its conclusion. The Sanmina board did not assign any relative or specific weights to the factors considered in reaching such determination, and individual directors may have given differing weights to different factors.

In reaching its determination, the Sanmina board consulted with Sanmina s management and legal and financial advisors, and carefully considered a number of factors, including:

- the potential strategic benefits of the merger, including without limitation, the expanded global presence of the combined company and the ability of the combined company to provide a full range of electronics manufacturing services in major technology centers throughout the world;
- the strength of the combined company as a global EMS business, including the ability of the combined company to effectively compete for major multinational OEM asset divestiture transactions and other new business;
- historical information concerning Sanmina s and SCI s respective businesses, prospects, financial performance and condition, operations, technology, management and competitive position, including

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public reports concerning results of operations for each company filed with the Securities and Exchange Commission;

Sanmina management s view of the financial condition, results of operations and businesses of Sanmina and SCI before and after giving effect to the merger;

current financial market conditions and historical market prices, volatility and trading information with respect to Sanmina common stock and SCI common stock;

the consideration to be received by SCI stockholders in the merger and the relationship between the current and historical market values of Sanmina common stock and SCI common stock and a comparison of comparable acquisition transactions;

the belief that the terms of the merger agreement, including the parties respective representations, warranties and covenants, and the conditions to their respective obligations, are reasonable;

the prospects of Sanmina independent of SCI;

the potential for other parties to enter into strategic relationships with or to acquire Sanmina or SCI, and the available acquisition candidates for Sanmina to pursue in furtherance of its globalization strategy;

the opinion of Merrill Lynch that, as of the date of such opinion, the exchange ratio was fair from a financial point of view to Sanmina. Merrill Lynch s opinion was subject to the assumptions made, matters considered and certain qualifications and limitations on the scope of the review undertaken noted in the opinion and described under Opinion of Merrill Lynch, Pierce, Fenner & Smith Incorporated beginning on page 49 of this joint proxy statement/prospectus. You should carefully read both that section and the opinion that is attached to this document as Annex B;

the impact of the merger on Sanmina s customers and employees; and

reports from management, legal and financial advisors as to the results of the due diligence investigation of SCI.

In its deliberations, the Sanmina board of directors identified several potential negative factors, including the following:

the risk that the potential benefits of the merger may not be realized;

the challenges of integrating the management teams, strategies, cultures and organizations of the two companies, particularly given the geographic separation of their facilities;

the risk that SCI s financial results will not meet expectations given the current slowdown in demand for electronics products sold by SCI s principal customers;

the risk of disruption of sales momentum as a result of uncertainties created by the announcement of the merger or customers concerns regarding integration of the combined company s operations and the ability of the combined company to continue to provide a high level of service;

the risk that the merger might not occur despite the parties efforts, even if approved by the holders of each company s common stock;

the substantial costs and financial statement charges to be incurred in connection with the merger, including costs of integrating the businesses and transaction expenses arising from the merger;

the effect of the public announcement of the merger and the possibility that the merger might not be consummated on (a) Sanmina s sales and operating results and (b) Sanmina s ability to attract and retain key management, marketing and technical personnel; and

other applicable risks described in the section of this joint proxy statement/prospectus entitled Risk Factors beginning on page 18.

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The foregoing discussion of the information and factors considered by the Sanmina board of directors is not intended to be exhaustive but includes the material factors considered by the Sanmina board of directors. In view of the complexity and wide variety of information and factors, both positive and negative, considered by the Sanmina board of directors, it did not find it practical to quantify, rank or otherwise assign relative or specific weights to the factors considered. In addition, the Sanmina board did not reach any specific conclusion with respect to each of the factors considered, or any aspect of any particular factor. Instead, the Sanmina board of directors conducted an overall analysis of the factors described above, including discussions with Sanmina s management and Sanmina s legal, financial and accounting advisors. In considering the factors described above, individual members of the Sanmina board of directors may have given different weights to different factors.

The Sanmina board considered all these factors as a whole and believed the factors supported its determination to approve the merger.

After taking into consideration all of the factors set forth above, the members of Sanmina s board of directors, excluding Joseph M. Schell who abstained from voting due to his relationship with Merrill Lynch, unanimously concluded that the merger is consistent with and in furtherance of the long-term business strategy of Sanmina and is fair to, and in the best interests of, Sanmina and Sanmina stockholders and that Sanmina should proceed with the merger.

Recommendation of, and Factors Considered by, the SCI Board of Directors

In reaching its decision to approve and adopt the merger agreement and the merger, the SCI board of directors consulted with SCI s management and its legal counsel and financial advisor. SCI did not seek out alternative acquirers or merger partners. The SCI board determined that Sanmina offered the greatest potential for long-term value to the SCI stockholders. The SCI board of directors believed that the combined experience of the members of the board of directors and the executive officers of SCI enabled the SCI board of directors to make an informed decision with respect to the terms of the proposed merger and a decision not to seek alternative acquirers or merger partners. Among the factors considered by the SCI board of directors in its deliberations were the following:

Terms of the Transaction. In reaching its decision, the SCI board of directors reviewed SCI s business, results of operations, and near- and long-term prospects as an independent entity, its business model, and the financial aspects and timing of the merger as compared to continuing as an independent company. SCI s board of directors also considered SCI s strategic position in its industry, its management succession planning, its near-and long-term prospects and the anticipated value of the combined company resulting from the merger. The SCI board of directors viewed Sanmina as having a track record that demonstrates a clear ability to compete effectively in the electronic manufacturing services industry and, in particular, the high-end communications segment of the electronic manufacturing services industry, a segment in which SCI has a much smaller presence. In analyzing the terms of the proposed transaction with Sanmina, the SCI board of directors took into account:

- the current and historical market prices of Sanmina common stock;
- the risks and possible rewards associated with the ownership of Sanmina common stock;
- the substantial number of shares of Sanmina common stock to be delivered to SCI stockholders in the merger, which reflected, in the view of the SCI board of directors, a fair valuation of SCI;
- the terms of the merger agreement, including representations and warranties, conditions to closing and rights of termination;
- the anticipated favorable impact of the merger on customers, suppliers and employees of SCI and Sanmina;
- the expected qualification of the merger as a tax free reorganization under Section 368 of the Internal Revenue Code;

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the likelihood that the merger would be completed; and

the opinion of Goldman Sachs to the effect that, as of the date of its opinion, the exchange ratio pursuant to the merger agreement was fair, from a financial point of view, to SCI s stockholders (the full text of such opinion, which sets forth assumptions made, matters considered and limitations on the review undertaken in connection with the opinion, is attached hereto as Annex C).

Industry Trends. The SCI board of directors was aware of the continuing industry trend toward consolidation which it believed would result in a smaller number of industry participants able to offer a more diverse range of services and thus compete more effectively in the marketplace. Further, because of the continued trend on the part of original equipment manufacturers to outsource most of their manufacturing requirements, SCI s board of directors noted that a number of OEM asset divestitures are expected in the near term on the part of many of those manufacturers. To avail itself of new growth opportunities, both in terms of acquiring new customers as well as participating in OEM asset divestitures, and thus not lose market share to its competitors, SCI would require increasing amounts of capital. Because of SCI s narrowing net margins and a substantial slowdown in the personal computer industry, one of the areas in which SCI has an industry leading presence, and because of the decline in the price of its common stock, increasing amounts of capital were becoming harder to obtain on acceptable terms.

Strategic Alternatives and Factors Relating to Sanmina. The SCI board of directors deliberations included consideration of the likelihood of effecting alternative transactions and the alternative of continuing as an independent company. The SCI board of directors also considered the financial terms of the transaction in view of certain industry valuation metrics (including revenue, gross margins, net after tax profits and historical growth rates) and comparable transactions. The SCI board of directors took into account the views expressed by SCI management that Sanmina occupies a prominent position in the electronic manufacturing services industry generally, and as a provider of products for communications products specifically, and that Sanmina appears to be a good strategic fit for SCI. The SCI board of directors believes that Sanmina would be a good strategic fit based on:

the larger scale of the combined company bringing greater credibility to customers for new business and to original equipment manufacturers with respect to asset divestitures;

the opportunity to expand relationships with common customers and the opportunity for each company to establish relationships with customers of the other company;

the economies of scale and control, especially in purchasing and supply chain management;

the perception of a compatible product mix, cultural fit and customer base between the two companies;

Sanmina s enhanced product line removing SCI from being what has historically been a commodity style business;

Sanmina s historically higher margins and SCI s sales resulting in the combined company potentially having operating margins higher than average operating margins in the industry;

the opportunities to utilize Sanmina s vertical integration capabilities in SCI s business;

the strong balance sheet of the combined company providing financial capital and flexibility;

Sanmina s traditional strength in areas of the industry where SCI has traditionally been weak, in particular the communications segment, resulting in a diversified combined company with strength across all areas of the electronic manufacturing services spectrum;

other synergies expected to be realized from the combined companies operations; and

the increased global footprint and customer presence of the combined company.

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The SCI board of directors also identified and considered a number of potentially negative factors in its deliberations concerning the merger, including:

- the risk that its operations might not be successfully integrated with the operations of Sanmina;
- the risk that, despite efforts after the merger to retain them, key personnel might leave the combined company;
- the risk that the combined company will have increased exposure to the communications sector and could be adversely affected in the event of a substantial slowdown in this sector;
- the risk that gross margins may decline as more competitors enter the higher margin electronic manufacturing service sectors in which Sanmina competes;
- the difficulty of managing operations in the different geographic locations in which SCI and Sanmina operate and will continue to operate; and
- the risk that the potential synergistic benefits of the merger might not be fully realized.

The SCI board of directors believes that, overall, these negative factors are outweighed by the potential benefits of the merger.

Tax Treatment of the Transaction. The SCI board of directors noted that the merger is expected to be generally tax-free for federal income tax purposes to SCI stockholders receiving Sanmina common stock.

The foregoing discussion of the information and factors considered by SCI s board of directors is not intended to be exhaustive, but includes the material factors considered by the SCI board of directors. In view of the complexity and wide variety of information and factors, both positive and negative, considered by the SCI board of directors, it did not find it practicable to quantify, rank or otherwise assign relative or specific weights to the factors considered. In addition, the SCI board of directors did not reach any specific conclusion with respect to each of the factors considered, or any aspect of any particular factor. Instead, the SCI board of directors conducted an overall analysis of the factors described above, including discussions with SCI s management and its legal and financial advisors. In considering the factors described above, individual members of the SCI board of directors may have given different weights to different factors. The SCI board of directors, after consideration of all of these factors as a whole, believes the factors support its determination to approve the proposed merger.

After considering the recommendation of the board of directors with respect to the merger agreement, you should be aware that some directors and officers of SCI have interests in the merger that are different from, or are in addition to, the interests of SCI stockholders generally. Please see the section entitled Interests of SCI Directors and Officers in the Merger beginning on page 63 of this joint proxy statement/prospectus.

Opinion of Merrill Lynch, Pierce, Fenner & Smith Incorporated

Sanmina retained Merrill Lynch, Pierce, Fenner & Smith Incorporated to act as its financial advisor in connection with the proposed merger of Sanmina and SCI. As part of the engagement, Sanmina requested that Merrill Lynch evaluate whether the exchange ratio in the proposed merger was fair from a financial point of view to Sanmina. On July 13, 2001, Merrill Lynch delivered to the board of directors of Sanmina an oral opinion, subsequently confirmed by delivery of a written opinion dated July 13, 2001, to the effect that, as of that date, and based upon and subject to the factors and the assumptions set forth in the opinion, the exchange ratio was fair, from a financial point of view, to Sanmina.

The full text of the Merrill Lynch opinion, which sets forth the assumptions made, matters considered and certain qualifications and limitations on the scope of the review undertaken by Merrill Lynch, is attached as Annex B and is incorporated herein by reference. The summary of the Merrill Lynch opinion set forth below is qualified in its entirety by reference to the full text of the opinion and you are urged to read the Merrill Lynch opinion in its entirety and consider it carefully.

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The Merrill Lynch opinion was addressed to the Sanmina board of directors for its information and was directed only to the fairness, from a financial point of view, of the exchange ratio to Sanmina. The Merrill Lynch opinion did not address any other aspect of the merger, including the underlying decision by Sanmina to engage in the merger, and does not constitute, nor should it be construed as, a recommendation to any Sanmina stockholder as to how such stockholder should vote on the proposed issuance of shares of Sanmina in the merger or any other matter related to the merger. In addition, Merrill Lynch did not express any opinion as to the prices at which the Sanmina common stock might trade subsequent to the merger.

In arriving at its opinion, Merrill Lynch, among other things:

- reviewed certain publicly available business and financial information relating to Sanmina and SCI that Merrill Lynch deemed to be relevant;

- reviewed certain information, including financial forecasts, relating to the business, earnings, cash flow, assets, liabilities and prospects of Sanmina and SCI, furnished to or discussed with Merrill Lynch by Sanmina and SCI, as well as the amount and timing of any cost savings and related expenses and synergies expected to result from the merger, furnished to or discussed with Merrill Lynch by Sanmina and SCI;

- conducted discussions with members of senior management and representatives of Sanmina and SCI concerning the matters described in the above clauses, as well as their respective businesses and prospects before and after giving effect to the merger and any cost savings and related expenses and synergies expected to result from the merger;

- reviewed the historical market prices and valuation multiples for shares of Sanmina common stock and shares of SCI common stock and compared them with those of certain publicly traded companies that Merrill Lynch deemed to be relevant;

- reviewed the results of operations of Sanmina and SCI and compared them with those of certain publicly traded companies that Merrill Lynch deemed to be relevant;

- compared the proposed financial terms of the merger with the financial terms of certain other transactions that Merrill Lynch deemed to be relevant;

- participated in certain discussions among representatives of Sanmina and SCI and their respective financial and legal advisors;

- considered the potential pro forma impact of the merger on Sanmina;

- reviewed the merger agreement and other related agreements; and

- reviewed such other financial studies and analyses and took into account such other matters as Merrill Lynch deemed necessary, including its assessment of general economic, market and monetary conditions.

In preparing its opinion, Merrill Lynch assumed and relied on the accuracy and completeness of all information supplied or otherwise made available to it, discussed with or reviewed by or for it, or publicly available. Merrill Lynch did not assume any responsibility for independently verifying any such information and did not undertake an independent evaluation or appraisal of any assets or liabilities (contingent or otherwise) of Sanmina or SCI, and was not furnished with any such evaluation or appraisal. In addition, Merrill Lynch did not assume any obligation to conduct, nor did it conduct, any physical inspection of the properties or facilities of Sanmina and SCI. With respect to the financial forecasts information and the information concerning any cost savings and related expenses and synergies expected to result from the merger furnished to or discussed with Merrill Lynch by Sanmina and SCI, Merrill Lynch assumed that such information had been reasonably prepared and reflected the best currently available estimates and judgements of Sanmina s or SCI s management as to the expected future financial performance of Sanmina or SCI, as the case may be, and any cost savings and related expenses and synergies expected to result from the merger. Merrill Lynch further assumed that the merger will qualify as a tax-free reorganization for U.S. federal income tax purposes.

The Merrill Lynch opinion was necessarily based upon market, economic and other conditions as they existed and could be evaluated on, and on the information made available to it, as of July 13, 2001. Merrill Lynch assumed that in the course of obtaining the necessary regulatory or other consents or approvals (contractual or otherwise) for the merger, no restrictions, including any divestiture requirements or amendments or modifications, would be imposed that will have a material adverse effect on the contemplated benefits of the merger. Merrill Lynch also assumed that the merger would be consummated in accordance with the terms of the merger agreement without waiver of any material condition.

In performing its analyses, Merrill Lynch made numerous assumptions with respect to industry performance, general business, economic, market and financial conditions and other matters, many of which are beyond the control of Merrill Lynch, Sanmina or SCI. Any estimates contained in the analyses performed by Merrill Lynch are not necessarily indicative of actual values or future results, which may be significantly more or less favorable than suggested by such analyses. Additionally, estimates of the value of businesses or securities do not purport to be appraisals or to reflect the prices at which such businesses or securities might actually be sold. Accordingly, such analyses and estimates are inherently subject to substantial uncertainty. In addition, as described above, the Merrill Lynch opinion was among several factors taken into consideration by the Sanmina board of directors in making its determination to approve the merger agreement and the merger. Consequently, Merrill Lynch s analyses should not be viewed as determinative of the decision of the Sanmina board of directors or Sanmina s management with respect to the fairness to Sanmina of the exchange ratio set forth in the merger agreement.

At the meeting of the Sanmina board of directors held on July 13, 2001, Merrill Lynch presented certain financial analyses accompanied by written materials in connection with the delivery of its oral opinion at that meeting and the delivery of its written opinion as of July 13, 2001.

The following is a summary of the material financial analyses performed by Merrill Lynch in arriving at its opinion. Some of the financial analyses summarized below include information presented in a tabular format. In order to understand fully Merrill Lynch s financial analyses, the tables must be read together with the text of the summary. The tables alone do not constitute a complete description of the financial analyses. Considering the data set forth below in tables without considering the full narrative description of the financial analyses, including the methodologies and assumptions underlying the analyses, could create a misleading or incomplete view of the financial analyses performed by Merrill Lynch.

Historical Relative Trading Performance

Merrill Lynch reviewed the recent historical stock market performance of SCI common stock and Sanmina common stock in relation to each other and reviewed the exchange ratios implied by those relative trading values. In addition, Merrill Lynch compared the merger agreement exchange ratio of 1.36x to the average implied exchange ratios over certain specified time periods and noted the amount by which the 1.36x exchange ratio constituted a premium to the average implied exchange ratios for such periods, including the information set forth below:

Period Ending July 12, 2001	Average Implied Exchange Ratio	Range of Implied Exchange Ratios: Low	Range of Implied Exchange Ratios: High	Premium to Average Implied Exchange Ratio
1 day prior (July 12, 2001)	1.087x			25.1%
1 Month	1.054x	0.974x	1.130x	29.0%
1 Year	0.836x	0.519x	1.213x	62.7%
3 Year	1.235x	0.519x	2.160x	10.1%
5 Year	1.649x	0.519x	3.113x	(17.5)%

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Merrill Lynch also reviewed the per share closing price trading data of shares of SCI common stock and shares of Sanmina common stock for the three month and one year periods prior to and including July 12, 2001. These analyses indicated the following trading ranges and the range of implied exchange ratios derived from the relative per share values of SCI common stock and Sanmina common stock:

	Trading Range per Share of SCI Common Stock		Trading Range per Share of Sanmina Common Stock		Range of Implied Exchange Ratios	
Period Ending July 12, 2001	**Low**	**High**	**Low**	**High**	**Low to High**	**High to Low**
Three Months	$20.12	$29.46	$19.92	$38.00	0.529x	1.479x
One Year	$15.90	$64.00	$17.88	$59.00	0.269x	3.580x

Publicly Traded Comparable Companies Analysis

Merrill Lynch compared selected financial and operating data of Sanmina and SCI with corresponding data for certain publicly traded comparable companies that Merrill Lynch deemed relevant for the purposes of its analyses. The SCI comparable companies and the Sanmina comparable companies were as follows (Sanmina and SCI were excluded from the Sanmina comparable companies and the SCI comparable companies, respectively):

Sanmina and SCI Comparable Companies

Celestica, Inc.	Sanmina Corporation
Flextronics International Ltd.	SCI Systems, Inc.
Jabil Circuit, Inc.	Solectron Corporation

Using publicly available information and estimates of future results published as of July 12, 2001 (i) by First Call and (ii) by Wall Street equity analysts, Merrill Lynch compared selected financial data of SCI based on (i) projections by SCI management for the fiscal years ending September 30, 2001 and 2002 and publicly available research and discussions with Sanmina management for the fiscal years ending September 30, 2003 through 2006, which is collectively referred to below as the SCI Management Case, and (ii) publicly available research and consensus First Call estimates of cash earnings per share, commonly referred to as cash EPS, for the fiscal years ending September 30, 2001 and 2002 and publicly available research and discussions with Sanmina management for the fiscal years ending September 30, 2003 through 2006, which is collectively referred to below as the SCI Street Case.

Using publicly available information and estimates of future results published as of July 12, 2001 (i) by First Call and (ii) by Wall Street equity analysts, Merrill Lynch compared selected financial data of Sanmina based on (i) projections by Sanmina management for the fiscal years ending September 30, 2001 and 2002 and publicly available research and discussions with Sanmina management for the fiscal years ending September 30, 2003 through 2006, which is collectively referred to below as the Sanmina Management Case, and (ii) publicly available research and consensus First Call estimates of cash EPS for the fiscal years ending September 30, 2001 and 2002 and publicly available research and discussions with Sanmina management for the fiscal years ending September 30, 2003 through 2006, which is collectively referred to below as the Sanmina Street Case.

Merrill Lynch analyzed the total enterprise value (defined as market value of common equity plus book value of total debt, preferred stock and minority interest less cash) of the SCI comparable companies and the Sanmina comparable companies as a multiple of, among other things, projected earnings before interest, taxes, depreciation and amortization, commonly referred to as EBITDA, for the fiscal year ending September 30, 2001 and the ratio of the trading value per share to cash EPS for the fiscal years ending September 30, 2001 and 2002.

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Applying the ranges of multiples derived from the SCI comparable companies information to selected financial data from the SCI Street Case and the SCI Management Case, Merrill Lynch estimated the following implied equity value ranges per share of SCI common stock, before giving effect to the synergies expected to result from the merger:

			Implied Equity Value per Share of SCI Common Stock			
Fiscal Year Ending September 30th Financial Statistics	**Comparable Company Multiples**		**SCI Street Case**		**SCI Management Case**	
2001 Estimated EBITDA	9.0x	14.0x	$22.64	$39.57	$22.33	$39.08
2001 Estimated Cash EPS	20.0x	26.0x	$25.00	$32.50	$24.60	$31.98
2002 Estimated Cash EPS	20.0x	26.0x	$28.80	$37.44	$34.40	$44.72

Applying the ranges of multiples derived from the Sanmina comparable companies information to selected financial data from the Sanmina Street Case and the Sanmina Management Case, Merrill Lynch estimated the following implied equity value ranges per share of Sanmina common stock, before giving effect to the synergies expected to result from the merger:

			Implied Equity Value per Share of Sanmina Common Stock			
Fiscal Year Ending September 30th Financial Statistics	**Comparable Company Multiples**		**Sanmina Street Case**		**Sanmina Management Case**	
2001 Estimated EBITDA	9.0x	14.0x	$19.05	$28.11	$18.75	$27.63
2001 Estimated Cash EPS	20.0x	26.0x	$19.20	$24.96	$18.80	$24.44
2002 Estimated Cash EPS	22.0x	28.0x	$18.04	$22.96	$30.14	$38.36

Based upon these analyses, Merrill Lynch calculated the following range of implied exchange ratios based on the relative implied equity value per share, before giving effect to the synergies expected to result from the merger, of SCI common stock and Sanmina common stock based on the SCI Management Case and the Sanmina Management Case, respectively:

SCI Management Case and Sanmina Management Case

	Range of Implied Exchange Ratios	
Fiscal Year Ending September 30th Financial Statistics	**Low to High**	**High to Low**
2001 Estimated EBITDA	0.808x	2.084x
2001 Estimated Cash EPS	1.007x	1.701x
2002 Estimated Cash EPS	0.897x	1.484x

Based upon these analyses, Merrill Lynch calculated the following range of implied exchange ratios, before giving effect to the synergies expected to result from the merger, based on the relative implied equity value per share of SCI common stock and Sanmina common stock based on the SCI Street Case and the Sanmina Street Case, respectively:

SCI Street Case and Sanmina Street Case

Fiscal Year Ending September 30th Financial Statistics	Range of Implied Exchange Ratios	
	Low to High	High to Low
2001 Estimated EBITDA	0.806x	2.077x
2001 Estimated Cash EPS	1.002x	1.693x
2002 Estimated Cash EPS	1.254x	2.075x

None of the SCI comparable companies or the Sanmina comparable companies utilized in the above analyses for comparative purposes is, of course, identical to SCI or Sanmina. Accordingly, a complete analysis of the results of the foregoing calculations cannot be limited to a quantitative review of such results and involves complex considerations and judgments concerning differences in financial and operating characteris-

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tics of the SCI comparable companies and the Sanmina comparable companies and other factors that could affect the public trading value of the comparable companies.

Comparable Acquisition Analysis

Merrill Lynch also reviewed the financial terms of certain other precedent transactions that it deemed to be relevant. The comparable acquisitions considered by Merrill Lynch were the following:

Target/Acquiror

Omni Industries Limited/Celestica, Inc.
Primetech Electronics, Inc./Celestica, Inc.
AB Segerstrom & Svensson/Sanmina Corporation
NatSteel Electronics Ltd./Solectron Corporation
JIT Holdings Limited/Flextronics International Ltd.
Chatham Technologies/Flextronics International Ltd.
Ocean Manufacturing Ltd./Sanmina Corporation
Keltek Holdings Ltd./Plexus Corp.
InterWorks Computer Products/Sanmina Corporation
Essex AB/Sanmina Corporation
Bluegum Group Ltd./Solectron Corporation
Hadco Corporation/Sanmina Corporation
GSS Array Technology Public Company Ltd./ACT Manufacturing, Inc.
DII Group, Inc./Flextronics International Ltd.
Smart Modular Technologies, Inc./Solectron Corporation
Shure, Inc. Circuitry Plant, IL/Plexus Corp.
GET Manufacturing, Inc./Jabil Circuit, Inc.
Avex Electronics, Inc./Benchmark Electronics, Inc.
CMC Industries, Inc./ACT Manufacturing, Inc.
SeaMED Corporation/Plexus Corp.
International Manufacturing Services, Inc./ Celestica, Inc.
Altron Incorporated/Sanmina Corporation
Continental Circuits Corp./Hadco Corporation
Micron Custom Manufacturing Services/ Cornerstone Equity Investors, LLC.
Neutronics Electronic Industries AG/Flextronics International Ltd.
Elexsys International, Inc./Sanmina Corporation
Forward Group PLC/Hicks, Muse, Tate & First, Inc.
Zycon Corporation/Hadco Corporation
Circo Craft Co., Inc./Hicks, Muse, Tate & First, Inc.
Advance Circuits, Inc./Johnson Matthey Plc

Based on information publicly available as of July 12, 2001, Merrill Lynch calculated the transaction values (defined as offer value plus net debt) for the comparable acquisitions as a multiple of, among other things, the last twelve months EBITDA, to the extent publicly available over the relevant time period, and offer values for the comparable acquisitions as multiples of the last twelve months cash EPS, to the extent publicly available over the relevant time period.

Applying the ranges of multiples derived from its review of the comparable acquisitions, Merrill Lynch estimated the following implied equity value ranges per share of SCI common stock, before giving effect to the synergies expected to result from the merger:

Financial Statistics	Comparable Acquisitions Multiple	Implied Equity Value per Share of SCI Common Stock
Last Twelve Months EBITDA	12.0x 14.0x	$34.15 $41.15
Last Twelve Months Cash EPS	30.0x 34.0x	$44.70 $50.66

Based upon (i) the implied equity values per share of SCI common stock derived from the comparable acquisitions analyses and (ii) the implied equity values per share of Sanmina common stock derived from the Sanmina comparable companies analyses, Merrill Lynch calculated the following range of implied exchange ratios, before giving effect to the synergies expected to result from the merger:

	Range of Implied Exchange Ratios	
	Low	High

Sanmina Management Case	1.236x	2.195x
Sanmina Street Case	1.215x	2.160x

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No company or transaction examined in the comparable acquisitions analysis was identical to SCI or the proposed merger. Accordingly, an analysis of the results of the foregoing comparable acquisitions analysis is not purely mathematical. Rather, it involves complex considerations and judgments concerning differences in financial and operating characteristics of the companies included in the comparable acquisitions transaction analysis and other factors that could affect the offer value and the transaction consideration.

Merger Premium Analysis

Based on information publicly available as of July 12, 2001, Merrill Lynch examined for each of the comparable acquisitions the premium paid to (i) market price one day prior to announcement, (ii) average market price during the week prior to announcement and (iii) average market price during the four weeks prior to announcement and compared this information to the implied premium per share of SCI common stock, over each relevant time period, based on the merger agreement exchange ratio of 1.36x. This analysis indicated the following results:

Trading Performance Statistics	Implied Premium per Share of SCI Common Stock	Average Premium of Comparable Acquisitions
1 day prior (July 12, 2001)	25.1%	38.9%
1 Week Average	34.7%	47.4%
4 Weeks Average	36.8%	56.2%

Discounted Cash Flow Analysis

Merrill Lynch performed a discounted cash flow analysis of SCI using the SCI Management Case and the SCI Street Case for the fiscal years ending September 30, 2002 through 2006. Merrill Lynch calculated a range of equity values per share of SCI common stock based upon the sum of the respective discounted net present value of SCI s five-year stream of projected unlevered free cash flows plus the discounted net present value of SCI s terminal value based on a range of multiples of its projected EBITDA for the fiscal year ending September 30, 2006. Using discount rates ranging from 18% to 20%, based on a weighted average cost of capital analysis of the SCI comparable companies, and terminal value multiples of 2006 EBITDA ranging from 8.0x to 13.0x, based on an analysis of the SCI comparable companies, Merrill Lynch calculated the following range of implied equity values per share of SCI common stock:

	Implied Equity Value per Share of SCI Common Stock	
SCI Management Case (excluding expected synergies)	$19.40	$38.84
SCI Street Case (excluding expected synergies)	$16.18	$32.62

Merrill Lynch also performed a discounted cash flow analysis of Sanmina using the Sanmina Management Case and the Sanmina Street Case for the fiscal years ending September 30, 2002 through 2006. Merrill Lynch calculated a range of equity values per share of Sanmina common stock based upon the sum of the respective discounted net present value of Sanmina s five-year stream of projected unlevered free cash flows plus the discounted net present value of Sanmina s terminal value based on a range of multiples of its projected EBITDA for the fiscal year ending September 30, 2006. Using discount rates ranging from 18% to 20%, based on a weighted average cost of capital analysis of the Sanmina comparable companies, and terminal value multiples of 2006 EBITDA ranging from 8.0x to 13.0x, based on an analysis of the Sanmina comparable companies, Merrill Lynch calculated the following implied equity values per share of Sanmina common stock:

	Implied Equity Value per Share of Sanmina Common Stock	
Sanmina Management Case (excluding expected synergies)	$25.00	$39.39
Sanmina Street Case (excluding expected synergies)	$21.25	$33.11

Value of Expected Synergies

Based upon the estimates provided by Sanmina management, Merrill Lynch performed a discounted cash flow analysis of the synergies expected to result from the merger. The discounted cash flow valuation was

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calculated assuming a discount rate of 19% (the midpoint of the discounted cash flow analysis discount rate range as discussed above) and was comprised of the sum of the present values of (i) the projected after-tax synergies expected to result from the merger, net of after tax costs incurred to achieve the synergies expected to result from the merger, for the fiscal years ending September 30, 2002 through 2006; and (ii) the terminal value of the synergies expected to result from the merger, for the fiscal year ending September 30, 2006, using a terminal value multiple of 10.5x (the midpoint of the discounted cash flow analysis terminal multiple range as previously discussed). Based upon this discounted cash flow analysis, Merrill Lynch valued the synergies expected to result from the merger at $3.32 per share of SCI common stock.

Relative Discounted Cash Flow Analysis

Merrill Lynch utilized the SCI stand-alone discounted cash flow analysis and the Sanmina stand-alone discounted cash flow analysis (both as described above) to calculate the implied exchange ratio both before giving effect to the synergies expected to result from the merger and after giving effect to the present value to SCI of the synergies expected to result from the merger. The analysis yielded the following range of implied exchange ratios:

	SCI Management Case and Sanmina Management Case		SCI Street Case and Sanmina Street Case	
Implied Discounted Cash Flow	**Low to High**	**High to Low**	**Low to High**	**High to Low**
Implied Exchange Ratio (excluding expected synergies)	0.492x	1.554x	0.489x	1.536x
Implied Exchange Ratio (including expected synergies to SCI)	0.577x	1.687x	0.589x	1.692x

Relative Contribution Analysis

Using publicly available actual results for the twelve months ending March 31, 2001 and using the Sanmina Management Case and the SCI Management Case for the twelve-month periods ending June 30, 2001, September 30, 2001, June 30, 2002, and September 30, 2002, Merrill Lynch calculated the relative contributions of Sanmina and SCI to historical and projected EBITDA and cash net income of the pro forma combined entity both before and after giving effect to the synergies expected to result from the merger to SCI. Based upon the analysis Merrill Lynch calculated the following range of implied exchange ratios:

	Range of Implied Exchange Ratios	
Relative Contribution Analysis Management Case	**Low**	**High**
Implied Exchange Ratio (excluding expected synergies)	1.073x	1.461x
Implied Exchange Ratio (including expected synergies to SCI)	1.330x	1.879x

Merrill Lynch also analyzed the relative contributions of Sanmina and SCI to cash net income of the pro forma combined entity using publicly available actual results for the twelve months ending March 31, 2001 and using First Call estimates publicly available as of July 12, 2001 for the twelve-month periods ending June 30, 2001, September 30, 2001, June 30, 2002 and September 30, 2002, Merrill Lynch calculated the relative contributions of Sanmina and SCI to cash net income both before and after giving effect to the synergies expected to result from the merger to SCI. Based upon the analysis Merrill Lynch calculated the following range of implied exchange ratios:

	Range of Implied Exchange Ratios	
Relative Contribution Analysis Street Case	**Low**	**High**

Implied Exchange Ratio (excluding expected synergies)	1.212x	2.081x
Implied Exchange Ratio (including expected synergies to SCI)	1.597x	2.784x

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Pro Forma Combination Analysis

Merrill Lynch analyzed the pro forma impact of the merger on Sanmina s cash EPS for the fiscal year ending September 30, 2002. Such analysis was based on the Sanmina Management Case, the Sanmina Street Case, the SCI Management Case, and the SCI Street Case, the merger agreement s exchange ratio of 1.36x, and the synergies expected to result from the merger as provided by management of Sanmina. The analysis indicated that the merger could be accretive (excluding the income statement impact of merger-related costs) to Sanmina s cash EPS for the fiscal year ending September 30, 2002 after giving effect to the synergies expected to result from the merger.

Other Factors

In preparing its opinion to the board of directors of Sanmina, Merrill Lynch performed a variety of financial and comparative analyses, including those described above. The summary set forth above does not purport to be a complete description of the analyses underlying the Merrill Lynch opinion or the presentation made by Merrill Lynch to the board of directors of Sanmina. The preparation of a fairness opinion is a complex analytic process involving various determinations as to the most appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances and, therefore, a fairness opinion is not readily susceptible to partial analysis or summary description. In arriving at its opinion, Merrill Lynch did not attribute any particular weight to any analysis or factor considered by it, but rather made qualitative judgments regarding the significance and relevance of each analysis and factor. Accordingly, Merrill Lynch believes its analyses must be considered as a whole and that selecting only portions of its analyses and factors, or focusing on information presented in tabular format, without considering all of the analyses and factors or the narrative description of the analyses, could create an incomplete or misleading view of the processes underlying its opinion.

The board of directors of Sanmina selected Merrill Lynch to render a fairness opinion because Merrill Lynch is an internationally recognized investment banking firm with substantial experience in transactions similar to the merger. Merrill Lynch continually is engaged in the valuation of businesses and their securities in connection with mergers and acquisitions and for other purposes and has substantial experience in transactions similar to the merger. Joseph M. Schell, chairman of global technology investment banking of Merrill Lynch & Co., abstained from voting on the proposal to select Merrill Lynch as Sanmina s financial advisor due to his relationship with Merrill Lynch.

Sanmina has agreed to pay Merrill Lynch a transaction fee of $13 million and also agreed to reimburse Merrill Lynch for its reasonable out-of-pocket expenses (including reasonable fees and expenses of its legal counsel) incurred in connection with its engagement as financial advisor. All of Merrill Lynch s fee will be paid upon consummation of the merger. In addition, Sanmina has agreed to indemnify Merrill Lynch and certain related persons against certain liabilities arising out of or in conjunction with the services rendered by Merrill Lynch under its engagement, including certain liabilities under federal securities laws.

In the ordinary course of business, Merrill Lynch may actively trade the equity and debt securities of Sanmina and SCI for its own account and for the accounts of its customers and, accordingly, may at any time hold a long or short position in such securities and loans.

Opinion of Goldman, Sachs & Co.

On July 13, 2001, Goldman Sachs delivered its oral opinion to the board of directors of SCI that as of the date of that opinion, the exchange ratio pursuant to the merger agreement was fair from a financial point of view to the holders of SCI common stock. Goldman Sachs subsequently confirmed its oral opinion by delivery of its written opinion dated July 13, 2001.

The full text of the written opinion of Goldman Sachs, dated July 13, 2001, which sets forth assumptions made, matters considered and limitations on the review undertaken in connection with the opinion, is attached as Annex C and is incorporated herein by reference. Goldman Sachs provided its opinion for the information and assistance of SCI s board of directors in connection with its consideration of the

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merger. The Goldman Sachs opinion is not a recommendation as to how any holder of SCI common stock should vote with respect to the transaction. We urge you to read the opinion in its entirety.

In connection with its opinion, Goldman Sachs reviewed, among other things:

the merger agreement;

Annual Reports to Stockholders and Annual Reports on Form 10-K of SCI and Sanmina for the five fiscal years ended June 30, 2000 and September 30, 2000, respectively;

certain Current Reports on Form 8-K of Sanmina, including such reports dated June 23, 2000 and September 5, 2000 regarding Sanmina s acquisition of Hadco Corporation and dated January 31, 2001 and May 14, 2001 regarding Sanmina s acquisition of AB Segerstrom & Svensson;

certain interim reports to stockholders and Quarterly Reports on Form 10-Q of SCI and Sanmina;

certain other communications from SCI and Sanmina to their respective stockholders;

certain internal financial analyses and forecasts for Sanmina prepared by the management of Sanmina;

certain financial analyses and forecasts for Sanmina prepared by the management of SCI;

certain internal financial analyses and forecasts for SCI prepared by the management of SCI; and

certain cost savings and operating synergies projected by the management of SCI to result from the transaction contemplated by the merger agreement.

Goldman Sachs also held discussions with members of the senior management of SCI and Sanmina regarding their assessment of the strategic rationale for, and the potential benefits of, the transaction contemplated by the merger agreement, including their respective views of the importance of global scale in the electronic manufacturing services industry, and the past and current business operations, financial condition and future prospects of their respective companies. In addition, Goldman Sachs:

reviewed the reported price and trading activity for the SCI common stock and the Sanmina common stock;

compared certain financial and stock market information for SCI and Sanmina with similar information for certain other companies the securities of which are publicly traded;

reviewed the financial terms of certain recent business combinations in the electronic manufacturing services industry specifically and in other industries generally; and

performed such other studies and analyses as Goldman Sachs considered appropriate.

Goldman Sachs relied upon the accuracy and completeness of all of the financial, accounting and other information discussed with or reviewed by it and assumed such accuracy and completeness for purposes of rendering its opinion. In that regard, Goldman Sachs assumed, with the consent of SCI s board of directors, that the internal financial analyses and forecasts for SCI prepared by the management of SCI, the financial analyses and forecasts for Sanmina prepared by the management of SCI and the cost savings and operating synergies projected by the management of SCI to result from the proposed merger were reasonably prepared on a basis reflecting the best currently available estimates and judgments of SCI and that such cost savings and operating synergies will be realized in the amounts and time periods contemplated. In addition, Goldman Sachs did not make an independent evaluation or appraisal of the assets and liabilities of SCI or Sanmina or any of their respective subsidiaries and was not furnished with any such evaluation or appraisal.

The following is a summary of the material financial analyses used by Goldman Sachs in connection with providing its opinion to SCI s board of directors on July 13, 2001. Some of the summaries of the financial analyses include information presented in tabular format. In order to more fully understand the financial analyses used by Goldman Sachs, the tables must be read together with the full text of each summary. The tables alone are not a complete description of Goldman Sachs financial analyses.

(1) *Exchange Ratio Analysis.* For selected time periods ending on July 12, 2001, Goldman Sachs calculated (i) the average ratio of the closing price of the SCI common stock to the closing price of the Sanmina common stock, (ii) the highest ratio of the closing price of the SCI common stock to the closing price of the Sanmina common stock and (iii) the lowest ratio of the closing price of the SCI common stock to the closing price of the Sanmina common stock. In addition, with respect to each of the foregoing ratios, Goldman Sachs calculated the implied premium being paid in the merger based on the exchange ratio pursuant to the merger agreement of 1.36 shares of Sanmina common stock for each share of SCI common stock. The results of such analysis are set forth below:

Period (ending on July 12, 2001)	Average Ratio of Closing Prices	Implied Premium	High Ratio of Closing Prices	Implied Premium	Low Ratio of Closing Prices	Implied Premium
July 12, 2001	1.09x	25%	NA	NA	NA	NA
5 Trading Days	1.10x	24%	1.13x	20%	1.09x	25%
30 Trading Days	1.03x	32%	1.13x	20%	0.87x	56%
90 Trading Days	0.90x	51%	1.13x	20%	0.56x	143%
180 Trading Days	0.80x	70%	1.13x	20%	0.52x	162%
1 Year	0.84x	62%	1.21x	12%	0.52x	162%
3 Years	1.24x	10%	2.16x	(37)%	0.52x	162%

(2) *Selected Companies Analysis.* Goldman Sachs reviewed and compared certain financial information and public market multiples for SCI and Sanmina to corresponding financial information and public market multiples for selected publicly traded corporations in the electronic manufacturing services industry, focusing particularly on the following large capitalization (market capitalization greater than $3 billion as of July 12, 2001) companies:

Celestica, Inc.;

Flextronics International Ltd.;

Jabil Circuit, Inc.; and

Solectron Corporation.

Goldman Sachs calculated the financial information and public market multiples based on financial data as of July 12, 2001, information it obtained from publicly available financial statements, and estimates from Goldman Sachs Research, Institutional Brokers Estimate System (IBES) and other sources. With respect to each of the selected companies, Goldman Sachs analyzed:

calendarized price-earnings ratio;

five-year compound annual growth rate of earnings per share; and

last-twelve-months earnings before interest and taxes (EBIT) as a percentage of last-twelve-months revenue.

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The results of these analyses are summarized below:

	Selected Large Capitalization Companies			
	Mean(a)	Median(a)	SCI	Sanmina
GS Calendarized P/E Ratios(b)				
2001.	31.4x	30.9x	21.8x	33.5x
2002.	22.1x	23.1x	17.8x	23.1x
IBES Calendarized P/E Ratios(c)				
2001.	32.1x	31.3x	21.1x	35.0x
2002.	24.5x	22.8x	15.6x	30.4x
5-Yr. Compound Annual Growth Rate of Earnings Per Share(c)	30.0%	30.0%	25.0%	30.0%
Last-Twelve-Months EBIT Margin(d)	5.0%	3.8%	4.0%	13.3%

(a) Data for Sanmina is included for purposes of calculating mean and median.
(b) Based on Goldman Sachs Research cash EPS estimates.
(c) Based on median IBES estimates.
(d) Based on latest publicly available financial statements.

(3) *Premium Analysis.* Goldman Sachs analyzed the premiums paid in 97 transactions announced from March 1989 to December 2000 in which the target stockholders ownership of the combined company ranged from 30% to 50% and where the combined company s pro forma market capitalization exceeded $1 billion one day prior to announcement of the transaction. Goldman Sachs calculated the premiums paid in such transactions based on the closing stock prices of the target and acquiror on the last trading day prior to announcement of the transaction. Goldman Sachs performed such analysis for purposes of comparison with the 25% premium being paid to SCI stockholders in the proposed transaction (based on the exchange ratio pursuant to the merger agreement and the closing prices of the SCI common stock and Sanmina common stock on July 12, 2001). Such analysis indicated that:

the premium exceeded 25% in 21 of the selected transactions;

the premium exceeded 50% in 8 of the selected transactions;

the median premium for the selected transactions was 11.3%;

the mean premium for the selected transactions was 13.6%;

the lowest premium in the top quartile of the selected transactions in terms of premiums paid was 21.5%; and

the highest premium in the bottom quartile of the selected transactions in terms of premiums paid was 0.6%.

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(4) *Contribution Analysis.* Goldman Sachs reviewed the cash net income of SCI, Sanmina and the pro forma combined company resulting from the merger for various time periods, and calculated the contribution each of SCI and Sanmina would make to the cash net income of the pro forma combined company with respect to each such period and the implied exchange ratio based on such relative contributions, for purposes of comparison with the exchange ratio pursuant to the merger agreement of 1.36 shares of Sanmina common stock for each share of SCI common stock. The results of such analysis are set forth below:

	Sanmina Contribution to Combined Company	SCI Contribution to Combined Company	Implied Exchange Ratio
Cash Net Income			
Last-Twelve-Months ended June 30, 2001(a)	66.0%	34.0%	1.200x
Calendar Year 2001(a)	63.2%	36.8%	1.350x
Forward-Twelve-Months Beginning July 1, 2001(a)	61.6%	38.4%	1.442x
Fiscal Year 2002 Base Case(a)	65.1%	34.9%	1.247x
Fiscal Year 2002 Adjusted Case(b)	61.9%	38.1%	1.425x

(a) Based on estimates and forecasts provided by management of SCI and Sanmina.
(b) Based on forecasts for SCI provided by management of SCI and SCI management s revision to forecasts for Sanmina provided by management of Sanmina.

Goldman Sachs also calculated the implied exchange ratio based on the quarterly contribution of each of SCI and Sanmina to the earnings per share of the combined company, based on estimates of earnings per share for SCI and Sanmina by management of SCI and Sanmina, respectively, Goldman Sachs Research, Merril Lynch Research and IBES, for purposes of comparison with the exchange ratio pursuant to the merger agreement of 1.36 shares of Sanmina common stock for each share of SCI common stock. The results of such analysis are set forth below:

	Implied Exchange Ratios			
Source of EPS Estimates	Management(a)	Goldman Sachs Research	Merrill Lynch Research	IBES
Quarter Ended:				
June 2001	2.41	2.54	2.09	2.69
September 2001	2.14	2.60	2.02	2.90
December 2001	1.24	2.04	1.45	2.75
March 2002	1.29	1.46	1.02	2.35
June 2002	1.40	1.40	1.07	2.19
September 2002	0.97	1.20	1.05	1.81

(a) Based on estimates and forecasts provided by management of SCI and Sanmina.

(5) *Incremental Cash Net Income Analysis.* Goldman Sachs analyzed the fiscal year 2002 estimated cash net income for each of SCI, Sanmina and the pro forma combined company, assuming $100 million of pre-tax synergies ($62 million after-tax) (based on forecasts provided by SCI management) and based on forecasts for SCI provided by management of SCI and forecasts for Sanmina provided by management of Sanmina as well as SCI management s revision of the forecasts for Sanmina provided by management of Sanmina. For each scenario, Goldman Sachs calculated the amount of cash net income of the combined company that could be considered to be attributable to the former SCI stockholders, based on the former SCI stockholders pro forma ownership of the combined company. This analysis indicated that, under each scenario, the merger could be accretive to the cash net income attributable to SCI s stockholders as compared to SCI s standalone cash net income.

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(6) *Accretion/Dilution Analysis.* Goldman Sachs analyzed the accretion or dilution in earnings per share of the combined company (based on different estimates of the standalone earnings per share of SCI and Sanmina) as compared to the standalone estimated earnings per share of Sanmina. Goldman Sachs performed such analysis assuming no synergies in the merger and assuming $100 million in pre-tax synergies ($62 million after-tax) (based on forecasts provided by SCI management). The results of such analysis are set forth below:

	Source of EPS Estimates					
	Management Base Case(a)	Management Adjusted Case(b)	Merrill Lynch Research	Goldman Sachs Research	IBES	First Call
No Synergies						
Fiscal Year 2002 Accretion/Dilution(%)	(1.9)	3.0	(4.8)	9.3	27.8	16.2
Calendar Year 2002 Accretion/Dilution(%)	(4.1)	1.3	(7.2)	4.9	21.9	11.5
$100 Million in Pre-Tax Synergies						
Fiscal Year 2002 Accretion/Dilution(%)	6.0	12.1	6.9	22.4	44.4	30.2
Calendar Year 2002 Accretion/Dilution(%)	2.7	9.3	3.2	15.8	36.0	23.4

(a) Forecasts for SCI provided by SCI management and forecasts for Sanmina provided by Sanmina management.

(b) Forecasts for SCI provided by SCI management; forecasts for Sanmina based on SCI management s revisions to forecasts provided by Sanmina management.

(7) Value Creation/Dilution Analysis. Goldman Sachs analyzed potential value creation or dilution to the stockholders of SCI and Sanmina by comparing the price of the SCI common stock and the Sanmina common stock (based on their respective closing prices on July 12, 2001) with various estimates of the value of the shares of Sanmina common stock to be held by such stockholders after consummation of the proposed transaction. Goldman Sachs performed such analysis based on (i) IBES, First Call, Goldman Sachs Research and Merrill Lynch Research estimates of the earnings per share of SCI and Sanmina, and the pro forma earnings per share of the combined company based on such estimates, in each case for calendar year 2002, (ii) various assumptions with respect to the price-earnings ratio at which the Sanmina common stock could trade after consummation of the proposed transaction and (iii) the exchange ratio pursuant to the merger agreement of 1.36 shares of Sanmina common stock for each share of SCI common stock. Goldman Sachs performed such analysis assuming no synergies would be achieved in the proposed transaction and assuming that $100 million in pre-tax synergies ($62 million after-tax) (based on forecasts provided by SCI management) would be achieved. Such analysis indicated that the proposed transaction could be value accretive to SCI s stockholders in each of the scenarios considered in such analysis, except the scenarios in which the combined company s earnings per share are based on IBES or First Call estimates and the common stock of the combined company trades in line with the price-earnings ratio of the SCI common stock prior to the merger using the IBES or First Call estimates, respectively.

The preparation of a fairness opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. Selecting portions of the analyses or of the summary set forth above, without considering the analyses as a whole, could create an incomplete view of the processes underlying Goldman Sachs opinion. In arriving at its fairness determination, Goldman Sachs considered the results of all such analyses. No company or transaction used in the above analyses as a comparison is directly comparable to SCI or Sanmina or the contemplated transaction.

The analyses were prepared solely for purposes of Goldman Sachs providing its opinion to the SCI board of directors as to the fairness from a financial point of view of the exchange ratio pursuant to the merger agreement. These analyses do not purport to be appraisals or necessarily reflect the prices at which businesses or securities actually may be sold. Analyses based upon forecasts of future results are not necessarily indicative of actual future results, which may be significantly more or less favorable than suggested by such analyses. Because such analyses are inherently subject to uncertainty, being based upon numerous factors or events beyond the control of the parties or their respective advisors, none of SCI, Sanmina, Goldman Sachs or any other person assumes responsibility if future results are materially different from those forecast.

As described above, Goldman Sachs opinion to the board of directors of SCI was one of many factors taken into consideration by the SCI board of directors in making its determination to approve the merger agreement. The foregoing summary does not purport to be a complete description of the analyses performed by Goldman Sachs.

Goldman Sachs, as part of its investment banking business, is continually engaged in the valuation of businesses and their securities in connection with mergers and acquisitions, negotiated underwritings, competitive biddings, secondary distributions of listed and unlisted securities, private placements and valuations for estate, corporate and other purposes. Goldman Sachs is familiar with SCI having provided certain investment banking services to SCI from time to time, including having acted as its financial advisor in connection with, and having participated in certain of the negotiations leading to, the merger agreement.

SCI selected Goldman Sachs as its financial advisor because it is a nationally recognized investment banking firm that has substantial experience in transactions similar to the merger.

Goldman Sachs provides a full range of financial advisory and securities services and, in the course of its normal trading activities, may from time to time effect transactions and hold securities, including derivative securities, of SCI or Sanmina for its own account and for the accounts of customers.

Pursuant to a letter agreement dated May 1, 2001, SCI engaged Goldman Sachs to act as its financial advisor in connection with the possible sale of all or a portion of the company. Pursuant to the terms of this engagement letter, upon consummation of the merger, Goldman Sachs will be entitled to a transaction fee equal to 0.40% of the aggregate consideration paid in the merger.

SCI has agreed to reimburse Goldman Sachs for its reasonable out-of-pocket expenses, including attorneys fees, and to indemnify Goldman Sachs against certain liabilities, including certain liabilities under the federal securities laws.

Interests of SCI Directors and Officers in the Merger

When considering the recommendation of SCI s board of directors, you should be aware that the SCI directors and executive officers identified below have interests in the merger that are different from, or are in addition to, yours. The SCI board of directors was aware of these potential conflicts and considered them in making its recommendation.

Employment Agreements

Sanmina and SCI have agreed to enter into an employment agreement with A. Eugene Sapp, Jr., and Sanmina and SCI have agreed to enter into an employment agreement with James E. Moylan, Jr. which will become effective upon consummation of the merger. Sanmina has agreed to enter into an employment agreement with Robert C. Bradshaw which will become effective upon completion of the merger. See AGREEMENTS RELATED TO THE MERGER Employment Agreements for a description of the material terms of these employment agreements.

Employee Severance Agreements

Sanmina will enter into employee severance agreements with certain of SCI s officers which will become effective upon completion of the merger. Each of the agreements provides that in the event employment is terminated for any reason other than cause or the employee voluntarily terminates his employment because of the occurrence of certain events, the employee will be entitled to receive severance payments equal to 1.5 times annual salary at the date of termination and 1.5 times his average annualized bonus for the preceding

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two years. In addition, in such event all outstanding stock options will fully vest on the date of termination and will be required to be exercised within 90 days of such date. See AGREEMENTS RELATED TO THE MERGER Employee Severance Agreements for a description of the material terms of the employee severance agreements.

Director and Officer Indemnification

SCI s directors and officers will receive, for a period of six years after the completion of the merger, directors and officers insurance coverage with terms substantially the same as SCI s existing directors and officers insurance policy for events occurring on or prior to the completion of the merger through one of the following mechanisms:

a directors and officers insurance policy whose annual premium is not greater than 125% of the premium of SCI s policy in effect on the date of the merger agreement; or

obtaining six-year tail coverage under SCI s existing directors and officers insurance policy.

SCI Representative Directors

Three representatives of SCI, A. Eugene Sapp, Jr., Wayne Shortridge and Jackie M. Ward, will become members of Sanmina s board of directors when the merger is completed. Sanmina also has agreed to place Messrs. Sapp s and Shortridge s and Ms. Ward s names on its slate of nominees for the Sanmina board of directors at the next three annual meetings of the Sanmina stockholders, provided that the SCI representative s attendance at meetings of the Sanmina board of directors for the prior year is at least equal to the average of the attendance of all Sanmina directors for the same year. Each of these directors who is not an employee of Sanmina or one of its subsidiaries will be entitled to participate in the compensation and benefit plans to the same extent as other nonemployee directors of Sanmina and will become a party to an indemnification agreement with Sanmina that is substantially similar to the indemnification agreements between Sanmina and its nonemployee directors who were not formerly directors of SCI.

Assumption of SCI Stock Options

In connection with the merger, Sanmina will assume any outstanding options to purchase SCI common stock and those options will be converted to options to purchase Sanmina common stock. Each stock option which is assumed will continue to have the same terms and conditions which applied prior to consummation of the merger except that each option will be exercisable for the number of whole shares of Sanmina common stock equal to the product of the number of shares of SCI common stock that were issuable upon exercise of such option immediately prior to completion of the merger multiplied by the exchange ratio of 1.36, rounded down to the nearest whole share, and the per share exercise price will be equal to the quotient determined by dividing the exercise price per share of SCI common stock at which such option was exercisable immediately prior to completion of the merger by the exchange ratio, rounded up to the nearest whole cent. As of October 23, 2001, the directors and officers of SCI held options to purchase 1,520,000 shares of SCI common stock which are vested or will become vested within 60 days of that date. The exercise period of the options held by certain SCI officers will, pursuant to their employment agreements, be extended in certain circumstances. The remaining options held by the officers and directors of SCI will continue to vest on their original schedules.

Exchange of SCI Stock Certificates for Sanmina Stock Certificates

Following the completion of the merger, Sanmina s exchange agent will mail to SCI stockholders a letter of transmittal and instructions for surrendering SCI stock certificates in exchange for Sanmina stock certificates. When SCI stockholders deliver their SCI stock certificates to the exchange agent along with an executed letter of transmittal and any other required documents, their SCI stock certificates will be canceled and they will receive Sanmina stock certificates representing the number of full shares of Sanmina common stock to which they are entitled under the merger agreement. SCI stockholders will not receive any fractional shares of Sanmina common stock in the merger, but will instead receive cash equal to their proportionate

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interest of the aggregate fractional shares. In this case, the market value of the fractional shares will be based on the average closing price of Sanmina common stock for the five trading days ending immediately preceding the trading day on which the effectiveness of the merger occurs.

SCI stockholders should not submit their SCI stock certificates for exchange until they receive instructions and a form of letter of transmittal from the exchange agent.

SCI stockholders are not entitled to receive any dividends or other distributions on Sanmina common stock until the merger is completed and they have surrendered their SCI stock certificates in exchange for Sanmina stock certificates. Subject to the effect of applicable laws, SCI stockholders will receive payment for any dividend or other distribution on Sanmina common stock with a record date after the merger and a payment date prior to the date SCI stockholders surrender their stock certificates after Sanmina stock certificates are issued. SCI stockholders will receive payment for any dividend or other distribution on Sanmina common stock with a record date after the merger and a payment date after the date SCI stockholders surrender their stock certificates following the payment date.

Sanmina will only issue a Sanmina stock certificate or a check in lieu of a fractional share in a name other than the name in which a surrendered SCI stock certificate is registered if the SCI stockholder presents the exchange agent all documents required to show and effect the unrecorded transfer of ownership and show payment of any applicable stock transfer taxes. Any SCI stockholder that has a stock certificate that has been lost, stolen or destroyed, may be required to deliver an affidavit and bond prior to receiving Sanmina stock certificate.

Material United States Federal Income Tax Consequences of the Merger

In the opinion of Wilson Sonsini Goodrich & Rosati, Professional Corporation, counsel to Sanmina, and Powell, Goldstein, Frazer & Murphy LLP, counsel to SCI, the following are the material U.S. federal income tax consequences of the merger, assuming that the merger is effected as described in the merger agreement and this joint proxy statement/prospectus. This opinion and the following discussion are based on currently existing provisions of the Internal Revenue Code of 1986, as amended, existing Treasury Regulations thereunder and current administrative rulings and court decisions, all of which are subject to change. Any such change, which may or may not be retroactive, could alter the tax consequences to Sanmina, SCI or SCI stockholders as described herein. The Internal Revenue Code of 1986, as amended, is referred to as the Code.

The discussion does not address all U.S. federal income tax considerations that may be relevant to particular SCI stockholders in light of their particular circumstances. The discussion assumes that the SCI stockholders hold their shares of SCI common stock as capital assets (generally for investment). In addition, the following discussion does not address the tax consequences of the merger under foreign, state or local tax laws or the tax consequences of transactions effectuated prior or subsequent to or concurrently with the merger (whether or not such transactions are in connection with the merger), including, without limitation, transactions in which SCI common stock is acquired or Sanmina common stock is disposed of.

ACCORDINGLY, SCI STOCKHOLDERS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS AS TO THE SPECIFIC TAX CONSEQUENCES OF THE MERGER, INCLUDING THE APPLICABLE FEDERAL, STATE, LOCAL AND FOREIGN TAX CONSEQUENCES TO THEM OF THE MERGER IN THEIR PARTICULAR CIRCUMSTANCES.

Consummation of the merger is conditioned upon the receipt by Sanmina and SCI of tax opinions from their respective counsel that the merger will be treated as a reorganization within the meaning of Section 368(a) of the Code. The tax opinions will be subject to certain assumptions, limitations and qualifications, and are based upon the truth and accuracy of certain factual representations of Sanmina, Sun Acquisition Subsidiary, Inc. and SCI.

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Provided that the merger qualifies as a reorganization, subject to the assumptions, limitations and qualifications referred to herein:

Holders of SCI common stock will recognize no gain or loss upon the receipt of Sanmina common stock solely in exchange for their SCI common stock in the merger, except with respect to cash received in lieu of fractional shares of Sanmina common stock.

The aggregate tax basis of the Sanmina common stock received by the SCI stockholders in the merger will be the same as the aggregate tax basis of the SCI common stock surrendered in exchange therefor (reduced by any basis allocable to fractional shares for which cash is received).

The holding period of the Sanmina common stock received by each SCI stockholder in the merger will include the holding period of the SCI common stock surrendered in exchange therefor.

A holder of SCI common stock receiving cash in the merger in lieu of a fractional interest in Sanmina common stock will be treated as if such holder actually received such fractional share interest which was subsequently redeemed by Sanmina. An SCI stockholder should recognize gain or loss with respect to a cash payment in lieu of a fractional share measured by the difference, if any, between the amount of cash received and the basis in such fractional share.

None of Sanmina, Sun Acquisition Subsidiary or SCI will recognize gain or loss solely as a result of the merger.

No ruling has been or will be obtained from the Internal Revenue Service in connection with the merger. SCI stockholders should be aware that the tax opinions do not bind the Internal Revenue Service and that the Internal Revenue Service is therefore not precluded from asserting a contrary opinion. The tax opinions are also subject to certain assumptions and qualifications and will be based on the truth and accuracy of certain representations made by Sanmina, Sun Acquisition Subsidiary and SCI, including, without limitation, representations in certificates to be delivered to counsel by the respective management of Sanmina, Sun Acquisition Subsidiary and SCI. The closing conditions regarding receipt of tax opinions may not be waived by either Sanmina or SCI and, accordingly, are irrevocable.

A successful Internal Revenue Service challenge to the reorganization status of the merger would result in SCI stockholders recognizing taxable capital gain or loss with respect to each share of SCI common stock surrendered equal to the difference between the SCI stockholder s tax basis in such share and the fair market value, as of the closing of the merger, of the Sanmina common stock and any other consideration received in exchange therefor. In such event, an SCI stockholder s aggregate basis in the Sanmina common stock so received would equal its fair market value as of the closing of the merger and the holding period for such stock would begin the day after the closing of the merger. However, even in that event, neither Sanmina, Sun Acquisition Subsidiary nor SCI would recognize gain or loss solely as a result of the merger.

Certain noncorporate SCI stockholders may be subject to backup withholding at a rate of 30.5% on cash payments received in the merger. Backup withholding will not apply, however, to a stockholder who furnishes a correct taxpayer identification number and certifies that he or she is not subject to backup withholding on the substitute Form W-9 included in the letter of transmittal, who provides a certificate of foreign status on an appropriate Form W-8, or who is otherwise exempt from backup withholding. A stockholder who fails to provide the correct taxpayer identification number on Form W-9 may be subject to a $50 penalty imposed by the Internal Revenue Service.

THE PRECEDING DISCUSSION IS INTENDED ONLY AS A SUMMARY OF CERTAIN UNITED STATES INCOME TAX CONSEQUENCES OF THE MERGER AND DOES NOT PURPORT TO BE A COMPLETE ANALYSIS OR DISCUSSION OF ALL POTENTIAL TAX EFFECTS RELEVANT THERETO. THUS, SCI STOCKHOLDERS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS AS TO THE SPECIFIC TAX CONSEQUENCES TO THEM OF THE MERGER, INCLUDING TAX RETURN REPORTING REQUIREMENTS, THE APPLICABILITY AND EFFECT OF NON-U.S., FEDERAL, STATE, LOCAL, AND OTHER APPLICABLE TAX LAWS AND THE EFFECT OF ANY PROPOSED CHANGES IN THE TAX LAWS.

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Accounting Treatment of the Merger

The merger will be accounted for as a purchase business combination for financial accounting purposes in accordance with accounting principles generally accepted in the United States. For purposes of preparing Sanmina s consolidated financial statements, Sanmina will establish a new accounting basis for SCI s assets and liabilities based upon their fair values, the merger consideration and the costs of the merger. Sanmina believes that any excess of cost over the fair value of the net tangible and identifiable intangible assets of SCI will be recorded as goodwill. Pursuant to Statements of Financial Accounting Standards No. 141, Business Combinations and No. 142, Goodwill and Other Intangible Assets, goodwill will no longer be subject to amortization over its estimated useful life. Rather, goodwill will be subject to at least annual assessment for impairment based on a fair value test. Identified intangible assets with finite lives will be amortized over those lives. A final determination of the intangible asset values and required purchase accounting adjustments, including the allocation of the purchase price to the assets acquired and liabilities assumed based on their respective fair values, has not yet been made. Sanmina will determine the fair value of SCI s assets and liabilities and will make appropriate business combination accounting adjustments. However, for purposes of disclosing pro forma information in this joint proxy statement/prospectus, Sanmina has made a preliminary determination of the purchase price allocation, based upon current estimates and assumptions, which is subject to revision upon consummation of the merger.

Regulatory Filings and Approvals Required to Complete the Merger

U.S. Antitrust. This merger is subject to review by the Department of Justice and the Federal Trade Commission to determine whether it is in compliance with applicable antitrust laws. Under the provisions of the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, the merger may not be consummated until the specified waiting period requirements of that act have been satisfied. Sanmina and SCI filed notification reports, together with requests for early termination of the waiting period, with the Department of Justice and the Federal Trade Commission under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended. On September 9, 2001, the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, expired.

European Union. Both Sanmina and SCI conduct business in member states of the European Union. European Union Council Regulation No. 4064/89 and accompanying regulations require notification of and approval by the European Commission of specific mergers or acquisitions involving parties with aggregate worldwide sales and individual European Union sales exceeding specified thresholds before these mergers and acquisitions can be implemented. Sanmina and SCI have filed formal notifications with the European Commission. On September 20, 2001, the European Commission advised Sanmina and SCI that it would not oppose the merger on the basis that it would be in violation of the competition laws of the European Union.

Canada. Both Sanmina and SCI conduct business in Canada. The Competition Act of Canada and accompanying regulations require notification to and approval by Canada s Competition Bureau of specific mergers or acquisitions involving parties whose aggregate Canadian assets or whose revenues from sales to and from Canada exceed a predetermined threshold, or if the amount of the Canadian assets being acquired exceeds a specific dollar value. Sanmina and SCI filed notifications with the Competition Bureau of Canada. On September 25, 2001, the Commission of Competition for Canada informed Sanmina and SCI that the Competition Bureau of Canada would not oppose the merger on the basis that it would be in violation of the Canadian Competition Act.

Israel. SCI conducts business in Israel. The Restrictive Trade Practices Law of Israel and accompanying regulations require notification to and approval by Israel s Antitrust Authority of specific mergers or acquisitions involving parties whose aggregate Israeli assets or whose revenues from sales to and from Israel exceed a predetermined threshold, or if the amount of the Israeli assets being acquired exceeds a specified dollar value. Sanmina and SCI filed notifications with the Antitrust Authority of Israel. On October 10, 2001, the Israel Antitrust Authority advised Sanmina and SCI that it would not oppose the merger on the basis that it would be in violation of the Competition Restrictive Trade Practices Act of Israel.

Sanmina and SCI also have filed premerger notification forms with the antitrust agencies in Brazil, Mexico and Hungary. Sanmina and SCI do not anticipate that they will be required to await approvals in Brazil, Mexico or Hungary.

Stock Exchanges. The completion of this merger is subject to compliance with the rules of the Nasdaq National Market and the New York Stock Exchange.

Third-party Approvals. SCI is a party to a number of loan agreements, lease agreements and other agreements. Pursuant to the merger agreement, SCI has agreed to use commercially reasonable efforts to obtain all consents, approvals and waivers from third parties.

Rights Plan. In December 2000, SCI s board of directors adopted a stockholders rights agreement. Pursuant to the terms of the rights agreement, each right entitles the holder to purchase a share of SCI common stock at a specified exercise price. The rights agreement further provides that no right is exercisable until the occurrence of certain events.

On July 13, 2001, prior to approving the merger agreement, SCI s board of directors amended the rights agreement to render it inapplicable to the merger and related transaction described herein.

Certain Securities Laws Considerations

The shares of Sanmina common stock to be issued in the merger will be registered under the Securities Act of 1933, as amended. These shares will be freely transferable under the Securities Act, except for Sanmina common stock issued to any person who is deemed to be an affiliate of SCI. Persons who may be deemed to be affiliates include individuals or entities that control, are controlled by, or are under common control with SCI and may include SCI s officers and directors, as well as its principal stockholders. SCI s affiliates may not sell their Sanmina common stock acquired in the merger except pursuant to:

an effective registration statement under the Securities Act covering the resale of those shares;

an exemption under paragraph (d) of Rule 145 promulgated by the Securities and Exchange Commission under the Securities Act; or

any other applicable exemption under the Securities Act.

No Appraisal Rights

In accordance with the Delaware General Corporation Law, there will be no appraisal rights or dissenters rights available to holders of SCI common stock in connection with the merger.

Listing on the Nasdaq National Market System of Sanmina Common Stock to be Issued in the Merger

Sanmina has agreed to cause the shares of Sanmina common stock to be issued and to be reserved for issuance in connection with the merger to be approved for listing on the Nasdaq National Market System, subject to official notice of issuance.

Delisting and Deregistration of SCI Common Stock After the Merger

If the merger is completed, SCI s common stock will be delisted from the New York Stock Exchange and will be deregistered under the Securities Exchange Act of 1934, as amended. As a result of the merger, SCI s 3% convertible subordinated notes may not qualify for continued listing on the New York Stock Exchange.

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THE MERGER AGREEMENT

This section of the joint proxy statement/prospectus describes the merger agreement. While Sanmina and SCI believe that the description covers the material terms of the merger agreement, this summary may not contain all of the information that is important to you. The merger agreement is attached to this joint proxy statement/prospectus as Annex A, and Sanmina and SCI urge you to read it carefully.

General

Following the adoption of the merger agreement, the approval of the merger, the issuance of shares of Sanmina common stock to SCI stockholders in connection with the merger and the change Sanmina s corporate name to Sanmina-SCI Corporation, and the satisfaction or waiver of the other conditions to the merger, Sun Acquisition Subsidiary, Inc., a wholly-owned subsidiary of Sanmina, will merge with and into SCI. SCI will survive the merger as a wholly-owned subsidiary of Sanmina. If all conditions to the merger are satisfied or waived, the merger will become effective at the time of the filing of certificate of merger with the Secretary of State of the State of Delaware.

The Exchange Ratio and Treatment of SCI Common Stock

At the effective time of the merger, each issued and outstanding share of SCI common stock will be converted into the right to receive 1.36 shares of Sanmina common stock. However, any shares owned by SCI, Sanmina or any of their direct or indirect wholly-owned subsidiaries will be cancelled without conversion. Sanmina will adjust the exchange ratio to reflect any stock split, stock dividend, reorganization, recapitalization, reclassification or other similar change with respect to Sanmina common stock or SCI common stock occurring before the effective time of the merger.

Based on the exchange ratio of 1.36, and based on the number of shares of SCI common stock and options to purchase SCI common stock outstanding as of October 23, 2001, a total of approximately 200,809,742 shares of Sanmina common stock and options to purchase Sanmina common stock will be issued or granted in the merger.

Treatment of Restricted Stock of SCI

Any shares of SCI capital stock outstanding at the effective time of the merger which are subject to a repurchase option, risk of forfeiture or other condition under any restricted stock purchase agreement or other arrangements will be converted into unvested shares of Sanmina common stock based on the exchange ratio and will remain subject to the same terms, restrictions and vesting schedules as were applicable prior to the effective time of the merger. Sanmina will assume any rights SCI held prior to the effective time of the merger to repurchase these unvested shares.

Treatment of SCI Stock Options

At the effective time of the merger, Sanmina will assume all outstanding options, whether vested or unvested, to purchase shares of SCI common stock and convert them into options to purchase Sanmina common stock subject to the same terms and conditions as were applicable prior to the effective time of the merger, including, without limitation, any repurchase rights or vesting provisions. The number of shares of Sanmina common stock issuable upon the exercise of these stock options will be adjusted based on the exchange ratio. Any fractional share of Sanmina common stock resulting from such adjustment will be rounded down to the nearest whole number. The exercise price per share of Sanmina common stock issuable under each assumed SCI option will equal the exercise price per share of the SCI common stock purchasable under the SCI option divided by the exchange ratio. The exercise price will be rounded up to the nearest whole cent.

Sanmina will reserve for issuance a sufficient number of shares of its common stock for delivery upon an SCI optionholder s exercise of his or her option. Sanmina has agreed that within 10 business days of the closing of the merger, Sanmina will file a registration statement on Form S-8 covering the shares of Sanmina common stock issuable with respect to assumed SCI stock options.

The exercise period for options held by certain SCI officers may, pursuant to their employment agreements, be extended in certain circumstances following the merger.

Exchange of Certificates

Exchange Agent; Exchange Procedures; No Further Ownership Rights. After the effective time of the merger, Sanmina s exchange agent will mail a letter of transmittal and instructions for surrendering SCI certificates to each record holder of SCI common stock. Only those holders who properly surrender their certificates in accordance with the instructions will receive certificates representing Sanmina common stock, cash in lieu of any fractional Sanmina common stock and any dividends or distributions to which they are entitled. The surrendered certificates representing shares of SCI common stock will be cancelled. After the effective time of the merger, each certificate representing shares of SCI common stock that have not been surrendered will only represent:

- the number of whole shares of common stock of Sanmina into which such shares have been converted;
- the right to receive cash in lieu of any fractional share of Sanmina common stock; and
- any dividends or distributions that may be applicable.

Following the closing of the merger, SCI will not register any transfers of SCI common stock on its stock transfer books.

No Fractional Shares. Sanmina will not issue any fractional shares of common stock in the merger. Instead, each holder of shares of SCI common stock exchanged in the merger who would otherwise be entitled to receive a fraction of a share of common stock of Sanmina will receive cash, without interest, equal to such fraction multiplied by the average closing price per share of Sanmina common stock on the Nasdaq National Market for the five trading days immediately preceding the trading day on which the effective time of the merger occurs.

Distributions With Respect to Unexchanged Shares. After the effective date of the merger, no dividends or other distributions declared or made after the closing of the merger with respect to Sanmina common stock will be paid to the holder of any unsurrendered SCI certificate until the holder surrenders his or her SCI certificate in accordance with the letter of transmittal.

Lost Certificates. If any SCI common stock certificate is lost, stolen or destroyed, an SCI stockholder must provide an appropriate affidavit certifying that fact to Sanmina s exchange agent. Sanmina or its exchange agent may require an SCI stockholder to deliver a bond as indemnity against any claim that may be made against Sanmina or its exchange agent with respect to any lost, stolen or destroyed certificate.

Holders of SCI common stock should not send in their certificates until they receive a letter of transmittal from Sanmina s exchange agent.

Representations and Warranties

Sanmina and SCI each made a number of representations and warranties in the merger agreement regarding aspects of their respective businesses, financial condition, structure and other facts pertinent to the merger. Each of the companies made representations and warranties as to:

- corporate organization and qualification to do business;
- certificate of incorporation and bylaws;
- capitalization;
- authorization of the merger agreement by the respective companies;
- the effect of the merger on obligations of the respective companies under applicable laws;

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regulatory approvals required to complete the merger;

compliance with applicable laws;

filings and reports with the Securities and Exchange Commission;

liabilities;

changes in the respective companies business since March 25, 2001, with respect to SCI, and March 31, 2001, with respect to Sanmina;

litigation;

environmental matters;

employee matters and benefit plans;

information supplied by the respective companies in this joint proxy statement/prospectus and the related registration statement filed by Sanmina;

restrictions on the activities of each company;

title to property and condition of equipment;

taxes;

payments, if any, required to be made to brokers and agents on account of the merger;

intellectual property;

material agreements;

insurance;

the fairness opinion received by each company;

approval by the board of directors;

the vote of holders of each company s common stock required to approve the stockholder proposals;

ownership of the other party s capital stock;

the inapplicability of state takeover statutes to the merger;

product warranties;

inventory; and

payments to foreign officials and political contributions;

In addition, Sanmina and Sun Acquisition Subsidiary made representations and warranties as to the operations of Sun Acquisition Subsidiary.

All representations and warranties of Sanmina and SCI expire at the closing of the merger.

The representations and warranties contained in the merger agreement are complicated and not easily summarized. You are urged to carefully read the articles of the merger agreement entitled Representations and Warranties of Company, relating to SCI and Representations and Warranties of Parent and Merger Sub, relating to Sanmina and Sun Acquisition Subsidiary.

Conduct of Business Before Completion of the Merger

Sanmina and SCI agreed that, until the earlier of the completion of the merger or termination of the merger agreement or unless the other company consents in writing, each company will conduct its business in all material respects in the ordinary course, consistent with past practice, pay its debts and taxes when due, and pay or perform material obligations and use its commercially reasonable efforts consistent with past practices and policies to:

- preserve intact its present business organization;
- keep available the services of its present officers and employees; and
- preserve its relationships with customers, suppliers, distributors, licensors, licensees and others with which it has business dealings.

Sanmina and SCI also agreed to promptly notify the other company of any material event involving each company s respective business or operations.

Sanmina and SCI also agreed that until the earlier of the completion of the merger or termination of the merger agreement or unless the other company consents in writing, each company will conduct its business in compliance with certain specific restrictions relating to the following:

- restricted stock and stock options;
- employees and employee benefits, including severance and termination payments;
- the declaration or issuance of dividends or other distributions;
- the purchase, encumbrance and redemption of securities;
- the issuance of any capital stock other than pursuant to outstanding stock options or employee stock purchase plans or the granting of stock options in the ordinary course of business consistent with past practice;
- amendment to its certificate of incorporation and bylaws;
- the acquisition of assets or other entities;
- the sale, lease, license and disposition of assets;
- the incurrence of indebtedness;
- the adoption, amendment or increase of employee benefit plans, policies or arrangements;
- modification, amendment or termination of material contracts;
- material changes of accounting methods, principles or practices;
- the making of any tax election that would adversely affect the tax liability or tax attributes of each company; and
- actions which could be expected to impact treatment of the merger as a reorganization under the Internal Revenue Code.

Sanmina and SCI also agreed to change Sanmina s corporate name effective upon the consummation of the merger and Sanmina agreed to submit the name change to its stockholders for approval.

The agreements related to the conduct of SCI s and Sanmina s businesses in the merger agreement are complicated and not easily summarized. You are urged to carefully read the section of the merger agreement entitled Conduct Prior to the Effective Time .

No Solicitation By SCI

SCI further agreed to cease, as of the date of the merger agreement, any and all existing activities, discussions or negotiations with any parties conducted prior to that date with respect to any Acquisition Proposal (as defined below) and request that all confidential information provided to any such party be returned.

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An Acquisition Proposal is any inquiry, offer or proposal relating to any Acquisition Transaction, other than an offer or proposal by Sanmina.

An Acquisition Transaction is any transaction or series of related transactions, other than the merger of Sanmina and SCI, involving any of the following:

- the acquisition or purchase from SCI of more than a 15% interest in the total outstanding voting securities of SCI or any of its subsidiaries;
- any tender offer or exchange offer that if consummated would result in any person or group beneficially owning 15% or more of the total outstanding voting securities of SCI or any of its subsidiaries;
- any merger, consolidation, business combination or similar transaction involving SCI pursuant to which the SCI stockholders immediately preceding such transaction hold less than 85% of the equity interests in the surviving or resulting entity;
- any sale, lease outside the ordinary course of business, exchange, transfer, license outside the ordinary course of business, acquisition or disposition of more than 50% of the assets of SCI; or
- any liquidation or dissolution of SCI.

Until the merger is completed or the merger agreement is terminated, SCI and its subsidiaries agreed not to directly or indirectly take any of the following actions:

- solicit, initiate, encourage or knowingly induce the making, submission or announcement of any Acquisition Proposal;
- participate in any discussions or negotiations regarding, or furnish to any person any non-public information with respect to any Acquisition Proposal;
- take any other action to facilitate any inquiries or the making of any proposal that constitutes or would reasonably be expected to lead to any Acquisition Proposal;
- subject to limited exceptions, approve, endorse or recommend any Acquisition Proposal; or
- enter into any letter of intent or similar agreement or any contract, agreement or commitment contemplating or relating to any Acquisition Transaction.

SCI s board of directors may, without breaching the merger agreement, respond to an unsolicited, bona fide written Superior Proposal (as defined below) by discussing the proposal with the party making the proposal, furnishing information to the party making the proposal, recommending a Superior Proposal to SCI stockholders or withdrawing its recommendation of the merger agreement with Sanmina, if all of the following conditions are met:

- SCI and its subsidiaries have not violated the restrictions set forth above regarding Acquisition Proposals and Acquisition Transactions;
- SCI s board determines in good faith, after consulting with its outside legal counsel, that not recommending the Superior Proposal would result in a reasonable likelihood that SCI s board will not fulfill its fiduciary obligations to SCI stockholders under Delaware law;
- SCI receives from such person an executed confidentiality agreement;
- SCI gives prior written notice to Sanmina of the identity of the party making the proposal and of any discussions or negotiations with, or the furnishing of information to, the party making the proposal; and
- when furnishing nonpublic information to the party making the proposal, SCI contemporaneously furnishes the same information to Sanmina, to the extent it has not already been received by Sanmina, or complies with Rules 14d-9 and 14e-2 under the Exchange Act, if applicable.

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For purposes of the foregoing, any action by any officer, director or affiliate of SCI or any of its subsidiaries or any investment banker, attorney or auditor of SCI or any of its subsidiaries is deemed to be an action by SCI.

A Superior Proposal is an unsolicited, bona fide offer made by a third party to consummate any of:

- a sale or other disposition by SCI of all or substantially all of its assets; or
- the acquisition by any person or group, including by way of merger, tender offer or exchange offer or issuance by SCI, directly or indirectly, of beneficial ownership or a right to acquire beneficial ownership of shares representing a majority of the then outstanding voting power of SCI.

In addition, to qualify as a Superior Proposal, SCI s board of directors must determine in its good faith (after consultation with its financial advisor):

- that the offer is more favorable to SCI stockholders than the merger with Sanmina; and
- that any financing required by the offering party has already been committed or in the reasonable judgment of its financial advisor is likely to be obtained on a timely basis.

SCI has agreed to promptly inform Sanmina of any request for information that SCI reasonably believes would lead to an Acquisition Proposal, or of any Acquisition Proposal, or any inquiry with respect to which SCI reasonably believes would lead to any Acquisition Proposal, the material terms and conditions of such request, Acquisition Proposal or inquiry, and the identity of the person or group making any such request, Acquisition Proposal or inquiry. SCI further agreed to keep Sanmina informed in all material respects of the status and details, including material amendments or proposed amendments, of any such request, Acquisition Proposal or inquiry, and to provide Sanmina with advance notice of any meeting of the SCI board of directors at which the board of directors is reasonably expected to consider an Acquisition Proposal or recommend a Superior Offer to SCI stockholders.

SCI Stockholders Meeting

SCI is obligated under the merger agreement to hold and convene the SCI special meeting of stockholders for purposes of voting for approval and adoption of the merger agreement and approval of the merger. Unless SCI s board of directors withdraws its recommendations and recommends a Superior Offer, SCI s board of directors will continue to recommend that SCI stockholders vote in favor of approval and adoption of the merger agreement and approval of the merger.

Sanmina Stockholders Meeting

Sanmina is obligated under the merger agreement to hold and convene the Sanmina special meeting of stockholders for purposes of voting for the approval of the issuance of shares of Sanmina common stock in the merger, the change of Sanmina s corporate name and the amendment to Sanmina s 1993 Employee Stock Purchase Plan. Sanmina s board of directors will recommend that Sanmina s stockholders vote in favor of these proposals in connection with the merger.

Sanmina s Board of Directors After the Transaction

Sanmina has agreed to amend its bylaws at the effective time of the transaction to increase the size of its board of directors from seven to ten persons and to appoint three representatives of SCI to fill these vacancies. Sanmina also agreed to nominate these SCI representatives for election to Sanmina s board of directors at Sanmina s annual meetings in 2002, 2003 and 2004 provided that the SCI representative s attendance for the prior year is at least equal to the average of the attendance of all Sanmina directors for the same year. The SCI representatives will be A. Eugene Sapp, Jr., Wayne Shortridge, and Jackie M. Ward.

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Sanmina and SCI Rights Plans

Sanmina and SCI have agreed to take any action necessary to render the SCI or Sanmina rights plans, as the case may be, not applicable to the merger.

Conditions to Completion of the Merger

The obligations of Sanmina and SCI to complete the merger and the other transactions contemplated by the merger agreement are subject to the satisfaction or waiver, to the extent legally permissible, of each of the following conditions before completion of the merger:

- the merger agreement must be adopted and the merger must be approved by the requisite vote of holders of SCI stock under applicable law;
- the issuance of Sanmina common stock to SCI stockholders and the change of Sanmina s corporate name must be approved by the requisite vote of Sanmina stockholders under applicable laws and the rules of the Nasdaq National Market System;
- Sanmina s registration statement on Form S-4 must be effective, no stop order suspending its effectiveness can be in effect and no proceedings for suspension of its effectiveness can have been initiated or threatened by the Securities and Exchange Commission;
- no law, regulation or order shall have been enacted or issued which has the effect of making the merger illegal or otherwise prohibiting completion of the merger;
- all applicable waiting periods under applicable antitrust laws must have expired or been terminated;
- Sanmina and SCI must each receive from their respective tax counsel an opinion to the effect that the merger will constitute a reorganization within the meaning of Section 368 of the Internal Revenue Code; and
- the shares of Sanmina s common stock to be issued in the merger must have been authorized for listing on the Nasdaq National Market System.

SCI s obligations to complete the merger and the other transactions contemplated by the merger agreement are subject to the satisfaction or waiver of each of the following additional conditions before completion of the merger:

- Sanmina s representations and warranties must be true and correct as of July 13, 2001, and at and as of the date the merger is to be completed as if made at and as of that time except:
  - to the extent Sanmina s representations and warranties address matters only as of a particular date, they must be true and correct as of that date; and
  - if any of Sanmina s representations and warranties are not true and correct but the effect, in the aggregate, of the inaccuracies of these representations and breaches of these warranties does not have a Material Adverse Effect (as defined below) on Sanmina, then this condition will be deemed satisfied;
- Sanmina must perform or comply in all material respects with all of its agreements and covenants required by the merger agreement to be performed or complied with by Sanmina at or before completion of the merger; and
- Sanmina shall not have had a Material Adverse Effect (as defined below) since July 13, 2001.