

TELECOMMUNICATIONS

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# Third Quarter 2007

## *Financial Results*

June 21, 2007

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# JABIL

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# Forward-Looking Statement

*This presentation contains forward-looking statements, including those regarding the anticipated outlook for our business, our currently expected fourth quarter fiscal year 2007 net revenue and earnings results, our long-term outlook for our company and improvements in our operational efficiency and in our financial performance. The statements in this news release are based on current expectations, forecasts and assumptions involving risks and uncertainties that could cause actual outcomes and results to differ materially. These risks and uncertainties include, but are not limited to: the Securities and Exchange Commission having views different from ours on the results of the review of our past stock option grants conducted by a Special Committee of our Board and Governmental Authorities and the review of our historical recognition of our revenue by our Audit Committee; the impact of the restatement of our financial statements and any other actions that may be taken or required as a result of any of such reviews; risks and costs inherent in litigation, including any pending or future litigation relating to our stock option grants, the restatement of our financial statements as a result of the evaluation of our historical stock option practices and revenue recognition and associated financial statements or any declines on the price of our stock; whether our realignment of our capacity will adversely affect our cost structure, ability to service customers and labor relations; and our ability to successfully address the challenges associated with integrating our acquisition of Green Point; our ability to take advantage of perceived benefits of offering customers vertically integrated services; our ability to effectively address certain operational issues that have adversely affected certain of our US operations; changes in technology; competition; anticipated growth for us and our industry that may not occur; managing rapid growth; managing any rapid declines in customer demand that may occur; our ability to successfully consummate acquisitions; managing the integration of businesses we acquire; risks associated with international sales and operations; retaining key personnel; our dependence on a limited number of large customers; business and competitive factors generally affecting the electronic manufacturing services industry, our customers and our business; other factors that we may not have currently identified or quantified; and other risks, relevant factors and uncertainties identified in our Annual Report on Form 10-K for the fiscal year ended August 31, 2006, subsequent Reports on Form 10-Q and Form 8-K and our other securities filings. Jabil disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.*

## Third Quarter 2007 Summary Results

**Net revenue:** Increased 2 percent over the second quarter (increased 16 percent on a year over year) to \$3.0 billion.

**Core Operating Income\*:** Increased 57 percent sequentially (decreased 7 percent on a year over year) to \$87.1 million.

**Core Earnings Per Diluted Share\*:** Increased 64 percent sequentially (decreased 36 percent on a year over year) to \$0.23.

\* Core operating income and core EPS excludes amortization of intangibles, stock-based compensation expense and related charges, acquisition-related charges, restructuring and impairment charges and other income/loss.

# Third Quarter 2007 Income Highlights

|                        | Three months ended               |                                  |
|------------------------|----------------------------------|----------------------------------|
|                        | May 31, 2007                     | May 31, 2006                     |
|                        | <i>(In millions, except EPS)</i> | <i>(In millions, except EPS)</i> |
| Net revenue            | \$ 3,001.9                       | \$ 2,592.5                       |
| GAAP operating income  | \$ 33.6                          | \$ 77.3                          |
| Core operating income* | \$ 87.1                          | \$ 93.4                          |
| GAAP net income        | \$ 6.2                           | \$ 64.2                          |
| Core earnings*         | \$ 47.4                          | \$ 78.5                          |
| Diluted GAAP EPS       | \$ 0.03                          | \$ 0.30                          |
| Diluted Core EPS*      | \$ 0.23                          | \$ 0.36                          |

\* Core operating income, core earnings and core EPS excludes amortization of intangibles, stock-based compensation expense and related charges, acquisition-related charges, restructuring and impairment charges and other income/loss.



## Third Quarter 2007 Sequential Sector Results

**Automotive: Increased 16 percent.**

**Computing & Storage: Consistent.**

**Consumer: Decreased 9 percent.**

**Instrumentation & Medical: Increased 7 percent.**

**Networking: Increased 6 percent.**

**Peripherals: Increased 19 percent.**

**Telecommunications: Increased 4 percent.**

## Quarterly Sectors (Percentage of Net Revenue)

|                              | Q4<br>FY06 | Q1<br>FY07 | Q2<br>FY07 | Q3<br>FY07 |
|------------------------------|------------|------------|------------|------------|
| Automotive                   | 5%         | 4%         | 5%         | 5%         |
| Computing & Storage          | 12%        | 11%        | 12%        | 11%        |
| Consumer                     | 31%        | 36%        | 29%        | 26%        |
| Instrumentation &<br>Medical | 17%        | 15%        | 17%        | 18%        |
| Networking                   | 18%        | 18%        | 20%        | 21%        |
| Peripherals                  | 6%         | 6%         | 7%         | 9%         |
| Telecommunications           | 6%         | 5%         | 5%         | 5%         |
| Other                        | 5%         | 5%         | 5%         | 5%         |

## Balance Sheet & Ratio Trends

|   | Q4<br>FY06 | Q1<br>FY07 | Q2<br>FY07 | Q3<br>FY07 |
|---|------------|------------|------------|------------|
| Sales cycle (1)                               | 14 days    | 23 days    | 29 days    | 26 days    |
| Inventory turns                               | 8          | 8          | 7          | 8          |
| Core return on invested capital<br>"ROIC" (2) | 17%        | 14%        | 7%         | 10%        |
| Debt to capitalization (3)                    | 15%        | 20%        | 37%        | 35%        |

- (1) Days in accounts receivable + days in inventory – days in accounts payable
- (2) (Core operating income, net of tax + tax benefit of interest expense)/ (average debt + average stockholders' equity – average cash)
- (3) Total debt/ (total debt + stockholders' equity)



## Third Quarter 2007 Financial Metrics

**Cash flow from operations:** Approximately \$192 million.

**Capital expenditures:** Approximately \$88 million.

**Depreciation:** Approximately \$55 million.

**Core EBITDA:** Approximately \$142 million.

**Cash and cash equivalent balances:** \$558 million at May  
31, 2007.



## Third Quarter 2007 Balance Sheet Highlights

|                            | May 31,<br>2007<br><i>(In millions)</i> | August 31,<br>2006<br><i>(In millions)</i> |
|----------------------------|---|--|
| Cash & cash equivalents    | \$ 558                                  | \$ 774                                     |
| Total assets               | \$ 6,227                                | \$ 5,412                                   |
| Total debt                 | \$ 1,324                                | \$ 393                                     |
| Retained earnings          | \$ 1,134                                | \$ 1,116                                   |
| Total stockholders' equity | \$ 2,432                                | \$ 2,294                                   |



## Fourth Quarter 2007 Guidance

**Net revenue is estimated to be \$3.0 billion.**

**Core operating margin is expected to be in a range of 3.0 percent to 3.5 percent.**

**Core EPS\* is estimated to be in a range of \$0.25 to \$0.31 per diluted share for the fourth fiscal quarter.**

\* Core operating margin and core EPS exclude amortization of intangibles, stock-based compensation expense and related charges, acquisition-related charges, restructuring and impairment charges and other income/loss.



## Fourth Quarter 2007 Sequential Sector Expectations

**Automotive: Decrease 10 percent.**

**Computing & Storage: Increase 5 percent.**

**Consumer: Consistent.**

**Instrumentation & Medical: Consistent.**

**Networking: Consistent.**

**Peripherals: Increase 5 percent.**

**Telecommunications: Decrease 10 percent.**

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