



September 20, 2001

## Jabil Circuit Reports Fourth Quarter & Fiscal Year 2001 Results

Fiscal Year Revenue Increases 22 Percent

20 September 2001  
St. Petersburg, Florida

[Statement of Income and Balance Sheet data for Fourth Quarter and Fiscal Year End 2001](#)

[Forward - Looking Statement](#)

Electronics manufacturing services provider Jabil Circuit, Inc. (NYSE: JBL) today reported results for its fourth fiscal quarter and fiscal year 2001, ended August 31, 2001.

### Fiscal Fourth Quarter 2001

Revenue for the fourth fiscal quarter of 2001 was \$944 million, compared to \$1.1 billion for the same period of fiscal 2000, an 11 percent decrease. Operating income excluding intangible amortization and non-recurring charges for the fourth fiscal quarter of 2001 was \$35 million\* or 3.7 percent of revenue compared to \$65 million or 6 percent of revenue for the fourth fiscal quarter of 2000. The company recorded \$13.7 million in business restructuring and integration costs during the quarter relating to the Marconi Communications acquisition and other non-recurring charges.

Jabil's fourth fiscal quarter of fiscal 2001 net earnings excluding amortization of intangibles and non-recurring charges were \$26.0 million\*, compared with \$47.6 million for the fourth fiscal quarter of 2000, a 45 percent decrease. Earnings per share on this basis were \$0.13 per diluted share, compared to \$0.24 for the fourth quarter of fiscal 2000.

On a GAAP basis, net income was \$11.2 million for the fourth fiscal quarter of 2001, compared to \$47.1 million for the fourth fiscal quarter of 2000. GAAP earnings per share for the fourth fiscal quarter of 2001 were \$0.06, compared to \$0.24 for the same quarter of fiscal 2000.

\*During the quarter ended August 31, 2001 Jabil recorded charges of \$1.9 million (\$1.2 million after-tax), related to the acquisition of certain manufacturing facilities of Marconi Communications and charges of \$11.8 million (\$11.0 million after-tax) related to restructuring of the business and other non-recurring charges.

### Sequential Income Statement Highlights (excluding intangible amortization and non-recurring charges)

- | Fourth quarter revenue declined 10 percent compared to the prior quarter.
- | Operating income decreased to \$35 million.
- | Earnings after taxes were \$26.0 million or 2.8 percent of revenue.
- | Fully diluted cash earnings per share for the quarter were \$0.13 on 199,621,000 average shares. class="udrline"

### Sequential Balance Sheet Highlights

- | Accounts receivable decreased by \$12 million to \$528 million in the fourth quarter.
- | Calculated DSO was 50 days.
- | Inventories decreased by \$99 million in the quarter to \$431 million.
- | Calculated inventory turns were 8, compared to 7 in the prior quarter.
- | Debt to capitalization ratio was 20.7 percent at the end of the quarter.
- | Cash flow from operations was \$124 million

"We achieved solid execution through this difficult quarter, achieved manufacturing efficiencies from our cost re-alignment and completed the integration of the majority of the Marconi operations." said Tim Main, Jabil Circuit President and CEO. "During the quarter we also reduced inventory by \$99 million and improved our industry-leading inventory turns."

### Fiscal Year 2001

Fiscal year revenues increased 22 percent to \$4.3 billion, compared to \$3.6 billion in fiscal 2000. Operating income excluding intangible amortization and non-recurring charges for fiscal year 2001 was \$204 million compared to \$221 million in fiscal 2000. Earnings excluding intangible amortization and non-recurring charges for fiscal 2001 were \$0.73 diluted per share, compared to \$0.81 per share for fiscal 2000. On a GAAP basis, earnings for fiscal 2001 were \$0.59 per diluted share, compared to \$0.78 per share for fiscal 2000.

"In what turned out to be an extremely challenging year, we are pleased with the performance and responsiveness of the Jabil model. The year began with robust growth and abruptly changed to an extremely downsized demand scenario. We are pleased to have grown revenue by 22 percent during the year and have made \$119 million in after tax income, especially during a time when many companies are suffering significant re-structuring charges and overall losses," said Chris Lewis, Jabil's Chief Financial Officer.

## **New Customer Announcements, Acquisitions and Outlook**

"We believe Jabil's position in the EMS industry continues to be very strong, despite current market conditions. We are gaining share with our top customers as many of them move to reduce their total number of suppliers and we are winning production opportunities with new customers," said Main.

Some of the most exciting programs that Jabil has landed over the past few months include:

- | Selected by Agilent Technologies to be a principal worldwide supplier;
- | Won a new set-top box program with Hughes;
- | Selected by a large U.S. based OEM to perform manufacturing for a new server platform;
- | Several smaller accounts that will utilize Jabil's New Customer Development facilities in California and Massachusetts.

In addition, the company said that Jabil is aggressively pursuing strategic acquisition opportunities. Jabil announced that it has signed a three-year manufacturing agreement with Intel, through its subsidiaries, to assume production of certain peripheral products. "This transaction will expand Jabil's manufacturing technology in the RF access area, will broaden our solid relationship with Intel and is a strategic expansion of our low cost Asian manufacturing capability," Main said.

As part of the agreement, Jabil will purchase a facility in Penang, Malaysia acquired by Intel, through a subsidiary, as part of the Xircom Acquisition. The 150,000 square-foot operation will add approximately 900 people and includes acquiring the assets, including inventory and buildings. Consummation of this transaction requires the approval of various Malaysian governmental agencies. Closing of the transaction is expected in Jabil's first quarter of 2002.

## **About Jabil**

Jabil Circuit, Inc. is an electronic manufacturing services provider for international electronics companies in the communications, personal computer, peripheral, consumer and automotive markets. Jabil offers circuit design, board design from schematic, prototype assembly, volume board assembly, system assembly, repair and warranty services from facilities in the Americas, Europe, and Asia. Further information about Jabil can be found on the World Wide Web at <http://www.jabil.com>.

The company will report results and provide further guidance for fiscal year 2002 on a September 20, 2001 conference call at 4:30 p.m.. The call can be accessed on the company website at <http://www.jabil.com>.

*This news release contains forward-looking statements regarding the anticipated outlook for our business, our expected fourth-quarter earnings results and restructuring charges, and our long-term outlook for the company, our industry and our customers 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: the length and severity of the current economic downturn and our ability to manage customer demand through the downturn; fluctuations in operating results; changes in technology; competition; managing rapid growth; managing rapid declines in customer demand; our ability to successfully consummate the remaining portions of our acquisition of certain assets from Marconi Communications; managing the integration of businesses we acquire; risks associated with international sales and operations; retaining key personnel; our dependence on a limited number of customers; the consolidation of our customer base; 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, 2000, any 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.*