



September 27, 2010

Jabil Closes Record Year with Strong Fourth Quarter

Operating Income Increases 7 Percent Sequentially

[Slide Presentation](#)

[Statement of Income and Balance Sheet Data for Fourth Quarter 2010](#)

[Forward - Looking Statement](#)

St. Petersburg, FL - September 27, 2010...Jabil Circuit, Inc. (NYSE: JBL), reported its preliminary, unaudited financial results for the fourth quarter of fiscal year 2010, ended August 31, 2010. "Our business continued to show strength through the quarter, allowing us to post record revenue and earnings for Jabil's fourth quarter and the full fiscal year," said Timothy L. Main, President and CEO of Jabil. "We are particularly pleased to post core operating margins above four percent as we continue our push into differentiated services and a more cost effective operating model."

(Definitions used: "GAAP" means U.S. generally accepted accounting principles. Jabil defines core operating income as GAAP operating income before amortization of intangibles, stock-based compensation expense and related charges, restructuring and impairment charges, goodwill impairment charges, certain distressed customer charges and loss on disposal of subsidiary. Jabil defines core earnings as GAAP net income before amortization of intangibles, stock-based compensation expense and related charges, restructuring and impairment charges, goodwill impairment charges, certain distressed customer charges, loss on disposal of subsidiary, certain other expenses, net of tax and certain deferred tax valuation allowance charges. Jabil defines core earnings per share as core earnings divided by the weighted average number of outstanding shares determined under GAAP. Jabil reports core operating income, core earnings and core earnings per share to provide investors with an additional method for assessing operating income, earnings and earnings per share from what it believes are its core manufacturing operations. See the accompanying reconciliation of Jabil's core operating income to its GAAP operating income and Jabil's core earnings and core earnings per share to its GAAP net income and GAAP earnings per share and additional information in the supplemental information.)

Fourth Quarter 2010

Net revenue for the fourth quarter of fiscal 2010 was \$3.9 billion compared to \$2.8 billion for the same period of fiscal 2009.

GAAP results:

GAAP operating income for the fourth quarter of fiscal 2010 was \$103.0 million compared to \$43.1 million for the same period of fiscal 2009.

GAAP net income for the fourth quarter of fiscal 2010 was \$58.7 million compared to \$5.5 million for the same period of fiscal 2009.

GAAP diluted earnings per share for the fourth quarter of fiscal 2010 was \$0.27 compared to \$0.03 for the same period of fiscal 2009.

Core results:

Core operating income for the fourth quarter of fiscal 2010 was \$157.0 million or 4.1 percent of net revenue compared to \$65.4 million or 2.3 percent of net revenue for the same period of fiscal 2009.

Core earnings for the fourth quarter of fiscal 2010 were \$112.1 million compared to \$33.4 million for the same period of fiscal 2009.

Core diluted earnings per share for the fourth quarter of fiscal 2010 was \$0.52 compared to \$0.16 for the same period of fiscal 2009.

Fiscal Year 2010

Net revenue for the fiscal year was \$13.4 billion compared to \$11.7 billion for fiscal 2009.

GAAP results:

GAAP operating income for the fiscal year was \$327.6 million compared to a loss of \$910.2 million for fiscal 2009.

GAAP net income for the fiscal year was \$168.8 million compared to a loss of \$1.2 billion for fiscal 2009.

GAAP diluted earnings per share for the fiscal year was \$0.78 compared to a loss per share of \$5.63 for fiscal 2009.

Core results:

Core operating income for the fiscal year was \$490.9 million or 3.7 percent of net revenue compared to \$246.8 million or 2.1 percent of net revenue for fiscal 2009.

Core earnings for the fiscal year were \$330.4 million compared to \$132.0 million for fiscal 2009.

Core diluted earnings per share for the fiscal year was \$1.52 compared to \$0.62 for fiscal 2009.

**Sequential Fourth Quarter Fiscal 2010
Operational Highlights**

- | GAAP operating income increased 6.7 percent.
- | GAAP earnings increased \$0.03 per fully diluted share.
- | Core operating income increased 19.1 percent.
- | Core earnings increased \$0.12 per fully diluted share.

Balance Sheet and Cash Flow Highlights

- | Cash flow from operations for the quarter was approximately \$285 million.
- | Sales cycle was 13 days for the fourth quarter of fiscal 2010.
- | Annualized inventory turns were seven for the fourth quarter of fiscal 2010.
- | Capital expenditures for the fourth quarter of fiscal 2010 were approximately \$154 million.
- | Depreciation for the fourth quarter of fiscal 2010 was approximately \$65 million.
- | Cash and cash equivalent balances were \$744 million at the end of the fourth quarter of fiscal 2010.
- | Core return on invested capital was 26 percent for the fourth quarter of fiscal 2010.
- | A \$0.07 dividend was paid on September 1, 2010.

Business Update

"As underlying demand trends appear to be stable, our continuing penetration into high growth markets and differentiated services are driving continued revenue growth and margin expansion," said Timothy L. Main, Jabil's President and CEO. "Expectations for our first fiscal quarter of 2011 place the company on path to post another record year in fiscal 2011," Main said.

Jabil management indicated that it expects net revenue for its first quarter of fiscal 2011 to range from \$3.9 billion to \$4.0 billion.

Jabil estimated that its core operating income for its first quarter of fiscal 2011 will range from \$165 to \$175 million or 4.2 to 4.4 percent of net revenue.

Jabil indicated that it expects its core earnings per share for its first quarter of fiscal 2011 to range from \$0.53 to \$0.57 per diluted share.

GAAP earnings per share are expected to be in a range from \$0.43 to \$0.47 per diluted share for its first quarter of fiscal 2011. (GAAP earnings per share for the first quarter of fiscal 2011 is currently estimated to include \$0.03 per share for amortization of intangibles and \$0.07 per share for stock-based compensation.)

Supplemental Information

The financial results disclosed in this release include certain measures calculated and presented in accordance with GAAP. In addition to the GAAP financial measures, Jabil provides supplemental, non-GAAP financial measures to facilitate evaluation of Jabil's core operating performance. The non-GAAP financial measures disclosed in this release exclude certain amounts that are included in the most directly comparable GAAP measures. The non-GAAP or core financial measures disclosed in this release do not have standard meanings and may vary from the non-GAAP financial measures used by other companies. Management believes core financial measures (which exclude the effects of the amortization of intangibles, stock-based compensation expense and related charges, restructuring and impairment charges, goodwill impairment charges, certain distressed customer charges, loss on disposal of subsidiary, certain other expenses, net of tax and certain deferred tax valuation allowance charges) are a useful measure that facilitates evaluating the past and future performance of Jabil's ongoing operations on a comparable basis. Jabil reports core operating income, core return on invested capital, core earnings and core earnings per share to provide investors with an additional method for assessing

operating income, earnings and earnings per share from what it believes are its core manufacturing operations. Included in this release are Condensed Consolidated Statements of Operations as well as a reconciliation of the disclosed core financial measures to the most directly comparable GAAP financial measures.

Company Conference Call Information

Jabil will hold a conference call to discuss the fourth fiscal quarter 2010 earnings tomorrow at 7:45 a.m. ET live on the Internet at <http://www.jabil.com>. The earnings conference call will be recorded and archived for playback on the web at <http://www.jabil.com>. A taped replay of the conference call will also be available September 28, 2010 at approximately 9:45 a.m. ET through midnight on October 5, 2010. To access the replay, call (800) 642-1687 from within the United States, or (706) 645-9291 outside the United States. The pass code is 11901025. An archived webcast of the conference call will be available at <http://www.jabil.com/investors/>.

About Jabil

Jabil is an electronic product solutions company providing comprehensive electronics design, manufacturing and product management services to global electronics and technology companies. Offering complete product supply chain management from facilities in 22 countries, Jabil provides comprehensive, individualized-focused solutions to customers in a broad range of industries. Jabil common stock is traded on the New York Stock Exchange under the symbol, "JBL". Further information is available on Jabil's website: [jabil.com](http://www.jabil.com).

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