



September 24, 2014

Jabil Posts Fourth Quarter & Fiscal Year 2014 Results

Results Exceed Expectations

[Slide Presentation](#)

[Statement of Income and Balance Sheet Data for Fourth Quarter 2014](#)

[Forward-Looking Statement](#)

St. Petersburg, FL - September 24, 2014...Today Jabil Circuit, Inc. (NYSE: JBL), announced preliminary, unaudited financial results for its fourth quarter and full fiscal year, ended August 31, 2014.

"We saw strength from a variety of our end-markets in our fiscal fourth quarter and are pleased with the momentum of the business as we head into Fiscal 2015," said Jabil's Chief Executive Officer, Mark Mondello.

The company reported fourth quarter revenue of \$4.1 billion and fiscal year revenue of \$15.8 billion.

Jabil's reporting segments delivered the following revenue results for the company's fourth fiscal quarter:

- | Diversified Manufacturing Services: \$1.8 billion.
- | Enterprise & Infrastructure: \$1.4 billion.
- | High Velocity Systems: \$0.9 billion.

Generally accepted accounting principles (GAAP) operating income for the fourth quarter of fiscal year 2014 was \$46.6 million and GAAP net diluted loss per share was (\$0.13) for the fourth quarter. The company indicated that \$19.7 million in restructuring activity impacted the fourth quarter GAAP operating income.

GAAP operating income for the full fiscal year, ended August 31, 2014, was \$204.1 million. GAAP net diluted earnings per share was \$1.19 for the fiscal year. The company indicated that \$85.4 million in restructuring costs during the year negatively impacted GAAP operating income and that \$223.3 million in gain on sale of discontinued operations, net of tax positively impacted the fiscal year GAAP net income.

Core operating income (as defined below) for the full fiscal year was \$345.4 million and core diluted earnings per share (as defined below) was \$0.53.

(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 related charges, distressed customer charges, acquisition costs and certain purchase accounting adjustments, loss on disposal of subsidiaries, settlement of receivables and related charges, impairment of notes receivable and related charges and goodwill impairment charges. Jabil defines core earnings as GAAP net (loss) income before amortization of intangibles, stock-based compensation expense and related charges, restructuring and related charges, distressed customer charges, acquisition costs and certain purchase accounting adjustments, loss on disposal of subsidiaries, settlement of receivables and related charges, impairment of notes receivable and related charges, goodwill impairment charges, income (loss) from discontinued operations, gain on sale of discontinued operations and certain other expenses, net of tax and certain deferred tax valuation allowance charges. Jabil defines core diluted earnings per share as core earnings divided by the weighted average number of outstanding diluted shares as determined under GAAP. Jabil calculates its core return on invested capital by annualizing its after-tax core operating income for its most recently ended quarter and dividing that by a two quarter average net invested capital base. Jabil reports core operating income, core earnings, core diluted and basic earnings per share and core return on invested capital to provide investors an additional method for assessing operating income, earnings, diluted earnings per share and return on invested capital from what it believes are its core manufacturing operations. See the accompanying reconciliation of Jabil's core operating income to its GAAP operating income, its calculation of core earnings and core diluted earnings per share to its GAAP net (loss) income and GAAP (loss) earnings per share, its calculation of core return on invested capital and additional information in the supplemental information.)

Quarterly Results:	Q4 2014	Q4 2013
Net revenue	\$4.1 billion	\$4.5 billion
GAAP operating income	\$46.6 million	\$72.6 million
GAAP net (loss) income	(\$26.2) million	\$127.0 million
GAAP net diluted (loss) earnings per share	(\$0.13)	\$0.61
GAAP return on invested capital	1.5%	20.6%
Core operating income	\$79.5 million	\$159.2 million
Core earnings	\$10.2 million	\$95.2 million
Core diluted earnings per share	\$0.05	\$0.46
Core return on invested capital	5.8%	17.7%

Fiscal Year Results	Fiscal 2014	Fiscal 2013
Net revenue	\$15.8 billion	\$17.2 billion
GAAP operating income	\$204.1 million	\$452.4 million
GAAP net income	\$241.3 million	\$371.5 million
GAAP net diluted earnings per share	\$1.19	\$1.79
GAAP return on invested capital	4.1%	15.3%
Core operating income	\$345.4 million	\$642.1 million
Core earnings	\$108.1 million	\$397.8 million
Core diluted earnings per share	\$0.53	\$1.91
Core return on invested capital	7.8%	18.0%

Business Update

"Fiscal 2014 was a challenging year in which we made several tough, but thoughtful, decisions and investments. We believe these investments will support future growth opportunities for Jabil," said Mark Mondello, Chief Executive Officer. "We remain confident in our ability to deliver core earnings per share in the range of \$1.65 to \$1.95 in fiscal 2015," Mondello added.

Management maintains its fiscal year 2015 outlook of \$1.65 to \$1.95 core earnings per share. Jabil will be reporting its business in two segments: Electronics Manufacturing Services and Diversified Manufacturing Services. Electronics Manufacturing includes business formerly reported in High Velocity, Enterprise & Infrastructure and Industrial & Energy. Diversified Manufacturing will include Jabil's Nypro businesses of healthcare & packaging, as well as its Green Point business, including mobility, consumer lifestyles and wearables.

Year over Year First Quarter Segment Revenue Guidance:

- | Diversified Manufacturing Services to increase 6 percent.
- | Electronics Manufacturing Services to decline 5 percent.

Fiscal Q1 2015 Guidance:

Net revenue	\$4.2 billion to \$4.4 billion
GAAP operating income	\$99 million to \$139 million
GAAP net diluted earnings per share	\$0.24 to \$0.40 per diluted share
Core operating income	\$135 million to \$165 million
Core earnings per share	\$0.41 to \$0.53 per diluted share

GAAP net diluted earnings per share for the first quarter of fiscal year 2015 are currently estimated to include \$0.03 per share for amortization of intangibles, \$0.07 per share for stock-based compensation expense and related charges and \$0.03 to \$0.07 per share for restructuring and related charges.

FORWARD LOOKING STATEMENT: *This news release contains forward-looking statements, including those regarding our anticipated financial results for our fourth quarter of fiscal year 2014 and full fiscal year 2014; the momentum of the business as we head into fiscal 2015; our belief that the investments we made in fiscal 2014 will support future growth opportunities for Jabil; our goal of delivering certain core earnings per share performance in fiscal 2015; and our currently expected first quarter of fiscal year 2015 net revenue (including that of our segments), core and GAAP operating income, core and GAAP earnings per share results and the components thereof. 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: our determination as we finalize our financial results for our fourth quarter of fiscal year 2014 and our full fiscal year 2014 that our financial results and*

conditions differ from our current preliminary unaudited numbers set forth herein; fluctuations in our stock's market price; fluctuations in operating results and cash flows; unexpected, adverse seasonal impacts on demand; changes in macroeconomic conditions, both in the U.S. and internationally; the occurrence of, success and expected financial results from, the expected multiple product ramps; our financial performance during and after the current economic conditions; our ability to maintain and improve costs, quality and delivery for our customers; risks and costs inherent in litigation; whether our realignment of our capacity will adversely affect our cost structure, ability to service customers and labor relations; our ability to take advantage of perceived benefits of offering customers vertically integrated services; changes in technology; competition; anticipated growth for us and our industry that may not occur; managing rapid growth; managing rapid declines in customer demand and other related customer challenges that may occur; our ability to successfully consummate acquisitions and divestitures; 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, 2013, subsequent Reports on Forms 10-Q and 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.

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 related charges, distressed customer charges, acquisition costs and certain purchase accounting adjustments, loss on disposal of subsidiaries, settlement of receivables and related charges, impairment of notes receivable and related charges, goodwill impairment charges, income (loss) from discontinued operations, gain on sale of discontinued operations and 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 diluted and basic earnings per share to provide investors 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 earnings for the fourth quarter and full fiscal year, ended August 31, 2014, today at 4:30 p.m. ET live on the Internet at <http://www.jabil.com>. The call will be recorded and archived on the web at <http://www.jabil.com>. A taped replay of the conference call will also be available September 24, 2014 at approximately 7:30 p.m. ET through midnight on October 1, 2014. To access the replay, call (855) 859-2056 from within the United States, or (404) 537-3406 outside the United States. The pass code is: 2929222. 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 and manufacturing product management services to global electronics and technology companies. Offering complete product supply chain management from facilities in 24 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.

Investor & Media Contact:

Beth Walters
Senior Vice President, Investor Relations & Communications
Jabil Circuit, Inc.
(727) 803-3511
beth_walters@jabil.com