



December 19, 2012

Jabil Posts First Quarter Results

Impressive Strength in Specialized Services

[Slide Presentation](#)

[Statement of Income and Balance Sheet Data for First Quarter 2013](#)

[Forward - Looking Statement](#)

St. Petersburg, FL - December 19, 2012... Today Jabil Circuit, Inc. (NYSE: JBL), announced its preliminary, unaudited financial results for the first quarter of fiscal year 2013. The company reported first quarter revenue of \$4.6 billion. "Diversified Manufacturing Services increased to 47 percent of our overall business, paced by outstanding growth in Specialized Services," said Timothy L. Main, President and CEO of Jabil.

Jabil's Diversified Manufacturing Services business grew 20 percent in the first quarter of fiscal 2013 when compared to results of the first quarter of fiscal year 2012. The company's Enterprise & Infrastructure business increased 17 percent from the first quarter of fiscal year 2012 while Jabil's High Velocity business declined 20 percent during the first quarter of fiscal year 2013, as compared to fiscal 2012.

Generally accepted accounting principles (GAAP) operating income for the first quarter of fiscal year 2013 was \$170 million. Excluding amortization of intangibles and stock-based compensation, core operating income was \$193 million. GAAP diluted earnings per share was \$0.51 cents and core diluted earnings per share was \$0.61 cents.

"We are pleased to have generated cash flow from operations of \$152 million during the quarter. As a result of this outstanding performance and the ongoing strength of our balance sheet, we were able to return \$148 million in capital to shareholders during the first quarter of fiscal year 2013 through dividends and share repurchases," said Chief Financial Officer Forbes Alexander. "We see this positive performance continuing and continue to estimate operating cash flow of \$1 billion in fiscal 2013," Alexander noted.

(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, settlement of receivables and related charges and loss on disposal of subsidiaries. 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, settlement of receivables and related charges, loss on disposal of subsidiaries, 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 determined under GAAP. Jabil calculates 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 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 income and GAAP earnings per share, its calculation of core return on invested capital and additional information in the supplemental information.)

Operational Highlights Fiscal Q1 2013 versus Fiscal Q1 2012

- | Diversified Manufacturing Services increased 20 percent.
 - | Specialized Services revenue expanded 51 percent.
 - | Healthcare & Instrumentation revenue declined 22 percent.
 - | Industrial & Clean Tech revenue declined 9 percent.
- | Enterprise & Infrastructure revenue increased 17 percent.
- | High Velocity revenue decreased 20 percent.
- | Cash flow from operations increased to \$152 million.

Quarterly Results	Q1 2013	Q1 2012
Net revenue	\$4.6 billion	\$4.3 billion
GAAP operating income	\$170.3 million	\$170.8 million
GAAP net income	\$105.8 million	\$112.9 million
GAAP diluted earnings per share	\$0.51	\$0.54
GAAP return on invested capital	21%	26%
Core operating income	\$192.5 million	\$194.6 million
Core earnings	\$127.8 million	\$136.2 million
Core diluted earnings per share	\$0.61	\$0.65
Core return on invested capital	24%	30%

Repurchased \$129 million worth of shares and returned \$19 million to shareholders via dividends during the quarter.

Business Update

"Expectations for the second fiscal quarter of 2013 are consistent with seasonal patterns of demand," said Jabil CEO Timothy Main. "End market demand remains muted in business sectors exposed to government and business spending. Although environmental conditions continue to be uncertain, we maintain our expectation that fiscal 2013 will be another record year for Jabil."

Fiscal Q2 2013 Guidance Range

Net revenue	\$4.3 billion to \$4.5 billion
Core operating income	\$165 million to \$185 million
Core earnings per share	\$0.50 to \$0.58 per diluted share
GAAP earnings per share	\$0.40 to \$0.48 per diluted share

(GAAP earnings per share for the second quarter of fiscal 2013 are currently estimated to include \$0.02 per share for amortization of intangibles and \$0.08 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, settlement of receivables and related charges, loss on disposal of subsidiaries, 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 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 first fiscal quarter 2013 earnings 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 December 19, 2012 at approximately 7:30 p.m. ET through midnight on December 31, 2012. 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: 77599645. 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 aftermarket product management services to global electronics and technology companies. Offering complete product supply chain management from facilities in 29 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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