SECURITIES AND EXCHANGE COMMISSION
Washington D.C. 20549

FORM 10-Q

(Mark One)

X -----	Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
	For the quarterly period ended May 31, 1999.
----	Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
	For the transition period from ______________ to _____________.

Commission file number: 0-21308

JABIL CIRCUIT, INC.

(Exact name of registrant as specified in its charter)

DELAWARE	38-1886260
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

10800 Roosevelt Blvd.
St. Petersburg, FL 33716
(Address of principal executive offices, including zip code)

Registrant's Telephone No., including area code: (727) 577-9749

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days:

Yes X No ----

As of June 30, 1999, there were 82,074,386 shares of the Registrant's Common Stock outstanding.

JABIL CIRCUIT, INC. AND SUBSIDIARIES

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PART I. FINANCIAL INFORMATION

PART II. OTHER INFORMATION

PART I. FINANCIAL INFORMATION

JABIL CIRCUIT, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In thousands)

	August 31, 1998	May 31, 1999 (Unaudited)
ASSETS		
Current assets		
Cash and cash equivalents	$ 23,139	$158,469
Accounts receivable - Net	126,276	208,274
Inventories	123,097	137,845
Prepaid expenses and other current assets	1,772	9,384
Deferred income taxes	16,095	9,826
Total current assets	290,379	523,798
Property, plant and equipment, net	224,680	300,111
Other assets	11,644	17,954
	$526,703	$841,863
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Current installments of long term debt	$ 8,333	$ 16,666
Accounts payable	132,601	201,314
Accrued expenses	40,460	46,734
Income taxes payable	5,325	13,286
Total current liabilities	186,719	278,000
Long term debt, less current installments	81,667	33,334
Deferred income taxes	7,724	11,850
Deferred grant revenue	2,227	2,003
Total liabilities	278,337	325,187
Stockholders' equity		
Common stock	75	82
Additional paid-in capital	71,542	274,539
Retained earnings	176,749	242,055
Total stockholders' equity	248,366	516,676
	$526,703	$841,863

See Accompanying Notes to Consolidated Financial Statements

JABIL CIRCUIT, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EARNINGS
(IN THOUSANDS, EXCEPT FOR PER SHARE DATA)
(UNAUDITED)

	Three months ended May 31,		Nine months ended May 31,	
	1998	1999	1998	1999
Net revenue	$309,599	$ 522,497	$959,799	$1,463,801
Cost of revenue	269,826	463,066	834,621	1,298,282
Gross profit	39,773	59,431	125,178	165,519
Operating expenses:				
Selling, general and administrative	12,941	21,237	36,876	59,143
Research and development	1,065	952	2,856	3,007
Operating income	25,767	37,242	85,446	103,369
Interest (income)/expense, net	722	(301)	2,569	2,889
Income before income taxes	25,045	37,543	82,877	100,480
Income taxes	7,764	13,139	26,386	35,174
Net income	$ 17,281	$ 24,404	$ 56,491	$ 65,306
Earnings per share:				
Basic	$ 0.23	$ 0.30	$ 0.76	$ 0.85
Diluted	$ 0.22	$ 0.29	$ 0.73	$ 0.81
Common shares used in the calculations of earnings per share:				
Basic	74,334	81,441	74,178	76,952
Diluted	77,230	85,325	77,236	80,453

See Accompanying Notes to Consolidated Financial Statements

JABIL CIRCUIT, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(IN THOUSANDS)
(UNAUDITED)

	Nine months ended May 31, 1998	1999
Cash flows from operating activities:		
Net income	$ 56,491	65,306
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	23,545	43,311
Recognition of grant revenue	324	(620)
Deferred income taxes	706	10,395
Loss on sale of property	638	2,703
Changes in operating assets and liabilities:		
Accounts receivable	(6,876)	(81,998)
Inventories	12,536	(14,748)
Prepaid expenses and other current assets	(756)	(7,612)
Other assets	(721)	(7,248)
Accounts payable and accrued expenses	(16,406)	83,605
Net cash provided by operating activities	69,481	93,094
Cash flows from investing activities:		
Acquisition of property, plant and equipment	(70,862)	(121,194)
Proceeds from sale of property and equipment	328	688
Net cash used in investing activities	(70,534)	(120,506)
Cash flows from financing activities:		
Increase in note payable to bank	--	40,000
Repayment of note payable to bank	--	(80,000)
Payments of long-term debt	(2,475)	--
Net proceeds from issuance of common stock	1,419	202,347
Proceeds from Scottish grant	--	395
Net cash provided (used) by financing activities	(1,056)	162,742
Net increase (decrease) in cash and cash equivalents	(2,109)	135,330
Cash and cash equivalents at beginning of period	45,457	23,139
Cash and cash equivalents at end of period	$ 43,348	$158,469

See Accompanying Notes to Consolidated Financial Statements

JABIL CIRCUIT, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PRESENTATION

The accompanying consolidated financial statements of Jabil Circuit, Inc. and subsidiaries ("the Company") are unaudited and have been prepared based upon prescribed guidance of the Securities and Exchange Commission ("SEC"). As such, they do not include all disclosures required by generally accepted accounting principles, and should be read in conjunction with the annual audited consolidated financial statements as of and for the year ended August 31, 1998 contained in the Company's 1998 annual report on Form 10-K. In the opinion of management, the accompanying consolidated financial statements include all adjustments, consisting of normal and recurring adjustments necessary for a fair presentation of the financial position, results of operations and cash flows for the periods presented when read in conjunction with the annual audited consolidated financial statements and related notes thereto. The results of operations for the three and nine-month periods ended May 31, 1999 are not necessarily indicative of the results that should be expected for a full fiscal year.

REVENUE RECOGNITION

The Company typically recognizes revenue at the time of product shipment. Such revenue is recognized net of estimated product returns and warranty costs. At May 31, 1999 such estimated amounts for returns and warranties are not considered material.

In connection with the August 3, 1998 acquisition of the net assets of Hewlett-Packard Company ("HP") laser printer operations, the Company entered into an agreement with HP to produce laser printer component products. During the first year of the agreement, the Company receives compensation for available capacity, as well as compensation for the raw material content of actual units produced. The available capacity compensation is recorded on a units produced basis.

EARNINGS PER SHARE
(Unaudited)

In thousands	Three months ended May 31,		Nine months ended May 31,	
	1998	1999	1998	1999
Numerator:				
Net income	$17,281	$24,404	$56,491	$65,306
Denominator:				
Denominator for basic EPS - weighted-average shares	74,334	81,441	74,178	76,952
Effect of dilutive securities:				
Employee stock options	2,896	3,884	3,058	3,501
Denominator for diluted EPS- adjusted weighted-average shares	77,230	85,325	77,236	80,453
Basic EPS	$ 0.23	$ 0.30	$ 0.76	$ 0.85
Diluted EPS	$ 0.22	$ 0.29	$ 0.73	$ 0.81

For the three-month and nine-month periods ended May 31, 1999, options to purchase 5,500 and 0, respectively, shares of common stock were outstanding during the period but were not included in the computation of diluted earnings per share because the options' exercise prices were greater than the average market price of the common shares, and therefore, the effect would be anti-dilutive. For the three-month and nine-month periods ended May 31, 1998, 120,000 and 80,000, respectively, such options existed.

STOCK SPLIT

All share and per share information presented herein and in the Company's Consolidated Financial Statements has been retroactively restated to reflect a two-for-one stock split of the Company's Common

Stock, par value $.001 per share ("Common Stock"), on February 18, 1999, paid in the form of a stock dividend, to holders of record on February 5, 1999.

EQUITY OFFERING

On March 10, 1999, the Company completed an equity offering of 12,075,000 shares of its Common Stock (including 1,575,000 shares that were issued to cover the underwriters' over-allotments). The Company sold 6,900,000 shares and certain Company

stockholders sold 5,175,000 shares at $30 per share. Net proceeds to the Company were approximately $199 million.

COMMITMENTS AND CONTINGENCIES

On March 2, 1999, the Company received correspondence from legal counsel for the Lemelson Medical, Education & Research Foundation Limited Partnership ("Lemelson") advising that it had been named as a defendant, along with 87 other companies engaged in the electronics and other industries, in a patent infringement lawsuit filed by Lemelson in the U.S. District Court for the District of Arizona on February 26, 1999. The defendants include suppliers, customers, and competitors of the Company. The complaint alleges that the Company and the other defendants are each infringing as many as 18 patents held by Lemelson relating to the defendants' manufacturing processes and products. The Company is currently reviewing the complaint and has not yet determined how it will respond. The complaint seeks to enjoin the defendants from further alleged acts of infringement, an unspecified amount of damages to compensate Lemelson for alleged past infringement, together with interest and costs, such damages to be trebled due to alleged willful infringement, reasonable attorney's fees, and such other relief that the court may award. The correspondence from Lemelson's legal counsel, however, advised the Company that Lemelson is offering to license the patents alleged to be infringed. Based on management's understanding of the terms that Lemelson has made available to certain licensees, the Company believes that obtaining a license from Lemelson under the same or similar terms would not have a material adverse effect on results of operations or financial condition. The Company has not yet determined, however, whether to seek to obtain such a license, and cannot be assured that it will be offered the same or similar terms or that the ultimate resolution of this matter will not have a material adverse effect on the Company's consolidated financial statements.

The Company is party to certain other lawsuits in the ordinary course of business. Management does not believe that these proceedings, individually or in aggregate, are material or that any adverse outcomes of these lawsuits will have a material adverse effect on the Company's consolidated financial statements.

SUBSEQUENT EVENT

On July 6, 1999, the Company announced that it had signed a letter of intent to purchase EFTC Corporation's service and repair business, EFTC Services, Inc. The business has locations in Memphis, Tennessee; Louisville, Kentucky and Tampa, Florida. The purchase price of approximately $30 million will be paid in cash. The closing of the transaction is subject to the completion of due diligence and other terms and conditions and is expected to be completed on or about August 31, 1999 and be accounted for as a purchase. Following the closing, the acquired operations will continue to offer repair services for existing customers and EFTC customers.

NEW ACCOUNTING PRONOUNCEMENTS

Effective September 1, 1998, the Company adopted Statement of Financial Accounting Standards No. 130, Reporting Comprehensive Income. Statement 130 establishes standards for reporting comprehensive income. The Statement defines comprehensive income as the change in equity of an enterprise except those resulting from shareholder transactions. During the nine months ended May 31, 1999 comprehensive income as defined by Statement 130 was equal to net income as shown in the accompanying unaudited Consolidated Statement of Earnings.

In June 1997, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 131, Disclosures About Segments of an Enterprise and Related Information. Statement 131 establishes standards for related disclosures about the products and services, geographic areas, and major customers of an enterprise. The Company will be required to adopt this Statement in its 1999 annual consolidated financial statements. As this Statement addresses reporting and disclosure issues only, there will be no impact on earnings from its adoption.

Statement 133 - Accounting for Derivative Instruments and Hedging Activities. Statement 133 establishes methods of accounting for derivative financial instruments and hedging activities related to those instruments as well as other hedging activities. The Company is currently evaluating this Statement and has yet to form an opinion on whether its adoption will have any significant impact on the Company's consolidated financial statements. The Company will be required to implement Statement 133 for its fiscal year ending August 31, 2001.

Statement of Position 98-5 Reporting on the Costs of Start Up Activities. SOP 98-5 establishes standards on the financial reporting of start-up costs and organization costs. SOP 98-5 requires costs of start-up activities and organization costs to be expensed as incurred. The SOP is effective for financial statements for fiscal years beginning after December 15, 1998. As the Company has historically made a practice of expensing costs related to both the establishment of greenfield manufacturing facilities and the set-up of production lines as such costs are incurred, it does not anticipate that the adoption of SOP 98-5 will have any material impact on its consolidated financial statements.

NOTE 2. BALANCE SHEET DETAIL

The components of inventories consist of the following:

In thousands	August 31, 1998	May 31, 1999 (Unaudited)
Finished goods	5,823	3,271
Work-in-process	15,955	11,434
Raw materials	101,319	123,140
	123,097	137,845

JABIL CIRCUIT, INC. AND SUBSIDIARIES

This Management's Discussion and Analysis of Financial Condition and Results of Operations contains certain forward-looking statements within the meaning of that term in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Factors that could cause actual events or results to differ materially from those referenced in such forward-looking statements include those described in the section entitled "Factors Affecting Future Results" in the Company's other filings with the Securities and Exchange Commission. The words "believe," "expect," "intend," "anticipate," "plan" and similar expressions and variations thereof identify certain of such forward-looking statements, which speak only as of the dates on which they are made. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Readers are cautioned that any such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and that actual events and results may differ materially from those indicated in the forward-looking statements as a result of various factors. Readers are cautioned not to place undue reliance on any forward-looking statements.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The Company's net revenue for the third quarter and first nine months of fiscal 1999 increased 68.8% and 52.5% to $522 million and $1.5 billion, respectively, from $310 million and $960 million in the third quarter and first nine months of fiscal 1998. These increases from the previous fiscal year were primarily due to increased production of communications products as well as incremental revenue due to the recent acquisition of certain manufacturing and related assets comprising the "Formatter Manufacturing Organization" business unit of Hewlett-Packard Company ("HP acquisition"). Foreign source revenue represented 31% of net revenue for the third quarter and first nine months of fiscal 1999 compared to 33% for the same periods of fiscal 1998. The decrease in foreign source revenue in the nine-month period as compared to the prior year was attributable to increased production at the Company's domestic locations in addition to the incremental revenue due to the HP acquisition.

Gross margin decreased to 11.4% in the third quarter of fiscal 1999 from 12.8% for the same period of fiscal 1998 reflecting a higher content of material-based revenue from the HP acquisition and underutilization of assets in certain international factories. Gross margin decreased to 11.3% in the first nine months of fiscal 1999 from 13.0% for the same period of fiscal 1998 reflecting a higher content of material-based revenue from the HP acquisition and underutilization of assets in certain international factories.

Selling, general and administrative expenses in the third quarter of fiscal 1999 decreased to 4.1% of net revenue compared to 4.2% in the prior fiscal year, while increasing in absolute dollars from $12.9 million in the third quarter of fiscal 1998 to $21.2 million in the third quarter of fiscal 1999. Selling, general and administrative expenses in the first nine months of fiscal 1999 increased to 4.0% of net revenue compared to 3.8% in the prior fiscal year, while increasing in absolute dollars from $36.9 million in fiscal 1998 to $59.1 million in fiscal 1999. The dollar increases were primarily due to increased staffing and related departmental expenses at all the Company's

locations, increased information systems staff to support the expansion of the Company's business, and staffing at the acquired HP sites.

Research and development expenses decreased to 0.2% of net revenue for the third quarter and first nine months of fiscal 1999 as compared to 0.3% for the same periods of fiscal 1998. In absolute dollars, the expenses decreased approximately $0.1 million and increased approximately $0.2 million, respectively, versus the same periods of fiscal 1998.

Interest (income) expense, net decreased $1.0 million in the third quarter of fiscal 1999 to $(0.3) million as a result of the Company utilizing net proceeds of the equity offering to repay debt under the credit facility. Interest (income) expense, net increased $0.3 million for the first nine months of fiscal 1999 as a result of increased borrowings to support the HP acquisition and increased working capital requirements.

The Company's effective tax rate increased to 35.0% in the third quarter and first nine months of fiscal 1999 from 31.0% and 31.8% in the third quarter and first nine months of fiscal 1998. The fiscal 1999 tax rate is higher primarily due to increased levels of domestic income as compared to the same period of fiscal 1998.

BUSINESS FACTORS

Due to the nature of turnkey manufacturing and the Company's relatively small number of customers, the Company's quarterly operating results are affected by the level and timing of orders, the level of capacity utilization of its manufacturing facilities and associated fixed costs, fluctuations in material costs, and by the mix of material costs versus manufacturing costs. Similarly, operating results are affected by price competition, level of experience in manufacturing a particular product, degree of automation used in the assembly process, efficiencies achieved by the Company in managing inventories and fixed assets, timing of expenditures in anticipation of increased sales, customer product delivery requirements, and shortages of components or labor. In the past, some of the Company's customers have terminated their manufacturing arrangement with the Company, and other customers have significantly reduced or delayed the volume of manufacturing services ordered from the Company. Any such termination of a manufacturing relationship or change, reduction or delay in orders could have an adverse affect on the Company's results of operations.

LIQUIDITY AND CAPITAL RESOURCES

At May 31, 1999, the Company's principal sources of liquidity consisted of cash and available borrowings under the Company's credit facilities. The Company and its subsidiaries have committed line of credit facilities in place with a syndicate of banks that provide up to $225 million of working capital borrowing capacity. As of May 31, 1999, the Company was not utilizing its revolving credit facility.

The Company generated $93.1 million of cash in operating activities for the nine months ended May 31, 1999. The generation of cash was primarily due to net income of $65.3 million,

depreciation and amortization of $43.3 million, an increase of $83.6 million in accounts payable and accrued expenses, offset by an increase in accounts receivable of $82.0 million, an increase in inventories of $14.7 million, and an increase in prepaid expenses and other assets of $14.9 million.

Net cash used in investing activities of $120.5 million for the nine months ended May 31, 1999 was a result of the Company's capital expenditures for equipment worldwide in order to support increased activities as well as building and land activity for the Boise, Guadalajara and St. Petersburg facilities.

On March 10, 1999, the Company completed an equity offering of 12,075,000 shares of its Common Stock (including 1,575,000 shares that were issued to cover the underwriters' over-allotments). The Company sold 6,900,000 shares and certain Company stockholders sold 5,175,000 shares at $30 per share. Net proceeds to the Company were approximately $199 million. Certain of the net proceeds from the offering of shares sold by the Company were used for repayment of debt under the Company's credit facility. The remaining proceeds will be used for capital expenditures and for general corporate purposes, including working capital and possible acquisitions.

The Company believes that cash on-hand, funds provided by operations and available borrowings under the credit facility will be sufficient to satisfy its currently anticipated working capital and capital expenditure requirements for the next twelve months.

"YEAR 2000" READINESS

The Company is aware of and is addressing the Year 2000 issue. The Year 2000 issue creates risks for the Company from unforeseen problems in its own computer systems and from third parties with whom the Company deals. Failure of the Company's and/or third parties computer systems, manufacturing equipment and control systems could have a material adverse effect on the Company's results from operations.

The Company is actively taking steps to ensure that its global information technology infrastructure and business system applications, manufacturing equipment and systems will be Year 2000 compliant while seeking adequate assurances from third parties with whom the Company conducts business, that any such systems shall be Year 2000 compliant. A global team, overseen by a corporate officer, has been formed and has implemented a proactive multi-phase approach, which includes assessing the scope of work, prioritizing, certifying compliance, and testing compliance.

As of the end of fiscal 1998 the Company was substantially complete in its compliance certification process of its global information technology infrastructure. Most of the Company's global business systems are currently being replaced by a Year 2000 compliant application; for the majority of factories this process is expected to be complete by November 1, 1999. As a contingency, however, legacy systems have been upgraded to be Year 2000 compliant and are in the process of being tested.

As of the end of fiscal 1998, manufacturing and test equipment and local plant business systems had been identified and prioritized in terms of

Year 2000 compliance. As of June 23, 1999, 96% of all equipment and systems had been certified and assessed for compliance. It is anticipated that the remaining 4% will be certified or replaced by November 1, 1999.

The Company is also in the process of assessing its suppliers. The initial phase of the assessment has been completed as of the end of calendar 1998. The Company joined the High Technology Y2K Consortium in early 1999, and will have completed validating its suppliers' representations where deemed appropriate by the end of August 1999. In September 1999, the Company will begin implementation of sourcing contingency plans in areas where the Company assesses that supplier readiness is insufficient.

The Company estimates the total cost to complete its remediation to be approximately $3.8 million. The Company is unable to fully determine the effect of failure of its own systems or those of third parties with which it does business, but any significant failures could have an material adverse effect on the Company's financial position, results of operations and cash flows.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

There have been no material changes in the Company's market risk during the nine months ended May 31, 1999. Market risk information is contained under the caption "Quantitative And Qualitative Disclosures About Market Risk" of the Company's 1998 Annual Report on Form 10-K for the fiscal year ended August 31, 1998 and is incorporated herein by reference.

JABIL CIRCUIT, INC. AND SUBSIDIARIES

PART II - OTHER INFORMATION

ITEM 6: EXHIBITS AND REPORTS ON FORM 8-K

(a) Exhibits

27. Financial Data Schedule.

(b) Reports on Form 8-K

There were no reports on Form 8-K filed by the Registrant during the quarter ended May 31, 1999.

SIGNATURES

Pursuant to the requirements of the Securities and Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Jabil Circuit, Inc.
Registrant

Date: July 15, 1999 By: /s/ Timothy L. Main

Timothy L. Main
President

Date: July 15, 1999 By: /s/ Chris A. Lewis

Chris A. Lewis
Chief Financial Officer

<ARTICLE> 5
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THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE CONSOLIDATED BALANCE SHEET AND THE CONSOLIDATED STATEMENT OF JABIL CIRCUIT, INC.'S INCOME FILED AS PART OF THE QUARTERLY REPORT ON FORM 10-Q AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.
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