

**JABIL CIRCUIT, INC. AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**

(In thousands)

	<u>May 31,</u> <u>2012 (Unaudited)</u>	<u>August 31,</u> <u>2011</u>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 742,129	\$ 888,611
Accounts receivable, net	1,127,794	1,100,926
Inventories	2,377,485	2,227,339
Prepaid expenses and other current assets	1,126,950	868,892
Income taxes receivable	7,410	33,855
Deferred income taxes	26,382	15,737
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Total current assets	5,408,150	5,135,360
Property, plant and equipment, net	1,659,484	1,641,335
Goodwill and intangible assets, net	216,425	125,305
Deferred income taxes	69,788	74,989
Income tax receivable	15,393	-
Other assets	76,711	80,951
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Total assets	<u>\$ 7,445,951</u>	<u>\$ 7,057,940</u>
<b>LIABILITIES AND EQUITY</b>		
Current liabilities:		
Current installments of notes payable and long-term debt	\$ 296,418	\$ 74,160
Accounts payable	2,900,664	2,885,168
Accrued expenses	893,957	892,391
Income taxes payable	30,196	32,987
Deferred income taxes	3,116	5,182
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Total current liabilities	4,124,351	3,889,888
Notes payable and long-term debt, less current installments	1,140,154	1,112,594
Other liabilities	69,607	67,423
Income tax liability	74,792	88,451
Deferred income taxes	21,170	15,761
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Total liabilities	5,430,074	5,174,117
Commitments and contingencies		
Equity:		
Jabil Circuit, Inc. stockholders' equity:		
Common stock	231	225
Additional paid-in capital	1,723,910	1,649,431
Retained earnings	701,367	441,793
Accumulated other comprehensive income	109,265	194,706
Treasury stock, at cost	(521,207)	(419,035)
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Total Jabil Circuit, Inc. stockholders' equity	2,013,566	1,867,120
Noncontrolling interests	2,311	16,703
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Total equity	2,015,877	1,883,823
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Total liabilities and equity	<u>\$ 7,445,951</u>	<u>\$ 7,057,940</u>

**JABIL CIRCUIT, INC. AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**

(In thousands, except for per share data)

(Unaudited)

	Three months ended		Nine months ended	
	May 31, 2012	May 31, 2011	May 31, 2012	May 31, 2011
Net revenue	\$ 4,250,918	\$ 4,227,688	\$ 12,813,861	\$ 12,238,532
Cost of revenue	3,921,595	3,909,312	11,822,364	11,313,165
Gross profit	329,323	318,376	991,497	925,367
Operating expenses:				
Selling, general and administrative	162,748	154,112	481,382	438,368
Research and development	6,518	6,544	19,053	18,825
Amortization of intangibles	3,454	5,187	13,399	16,821
Restructuring and impairment charges	-	-	-	628
Settlement of receivables and related charges	-	-	-	13,607
Loss on disposal of subsidiaries	-	-	-	23,944
Operating income	156,603	152,533	477,663	413,174
Interest and other, net	27,628	26,023	83,227	73,020
Income before income tax	128,975	126,510	394,436	340,154
Income tax expense	27,377	22,222	80,812	72,737
Net income	101,598	104,288	313,624	267,417
Net income (loss) attributable to noncontrolling interests, net of income tax expense	278	(407)	1,734	642
Net income attributable to Jabil Circuit, Inc.	\$ 101,320	\$ 104,695	\$ 311,890	\$ 266,775
Earnings per share attributable to the stockholders of Jabil Circuit, Inc.:				
Basic	\$ 0.49	\$ 0.49	\$ 1.51	\$ 1.24
Diluted	\$ 0.48	\$ 0.47	\$ 1.47	\$ 1.21
Weighted average shares outstanding:				
Basic	206,298	215,705	206,326	215,092
Diluted	211,541	222,337	211,749	220,773

**JABIL CIRCUIT, INC. AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**

(in thousands)  
(Unaudited)

	Nine months ended	
	May 31, 2012	May 31, 2011
Cash flows from operating activities:		
Net income .....	\$ 313,624	\$ 267,417
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization .....	262,186	234,312
Recognition of stock-based compensation expense.....	59,857	59,854
Settlement of receivables and related charges .....	—	12,673
Loss on disposal of subsidiaries .....	—	23,944
Other, net .....	6,959	8,062
Changes in operating assets and liabilities, exclusive of net assets acquired:		
Accounts receivable .....	(22,634)	100,226
Inventories .....	(162,076)	(187,146)
Prepaid expenses and other current assets .....	(274,827)	(145,384)
Other assets .....	(3,302)	(10,011)
Accounts payable and accrued expenses .....	20,673	148,289
Income taxes payable .....	(8,933)	12,181
Net cash provided by operating activities .....	<u>191,527</u>	<u>524,417</u>
Cash flows from investing activities:		
Cash paid for business and intangible asset acquisitions, net of cash acquired.....	(125,098)	3,985
Acquisition of property, plant and equipment.....	(291,792)	(320,965)
Proceeds from sale of property, plant and equipment .....	12,555	13,669
Proceeds from disposal of available for sale investments .....	—	5,800
Cost of receivables acquired, net of cash collections .....	517	(521)
Net cash used in investing activities .....	<u>(403,818)</u>	<u>(298,032)</u>
Cash flows from financing activities:		
Payments toward debt agreements .....	(6,783,726)	(5,714,853)
Borrowings under debt agreements .....	7,033,854	5,706,610
Dividends paid to stockholders .....	(48,716)	(45,306)
Dividends paid to noncontrolling interest .....	(333)	—
Net proceeds from exercise of stock options and issuance of common stock under employee stock purchase plan .....	18,576	17,778
Payments to acquire treasury stock .....	(70,991)	—
Treasury stock minimum tax withholding related to vesting of restricted stock.....	(31,181)	(9,739)
Debt issuance costs .....	(5,014)	(14,549)
Excess tax benefit related to stock awards .....	750	179
Cash paid to purchase noncontrolling interest.....	(20,501)	—
Net cash provided by (used in) financing activities .....	<u>92,718</u>	<u>(59,880)</u>
Effect of exchange rate changes on cash and cash equivalents.....	(26,909)	311
Net (decrease) increase in cash and cash equivalents .....	(146,482)	166,816
Cash and cash equivalents at beginning of period .....	888,611	744,329
Cash and cash equivalents at end of period .....	<u>\$ 742,129</u>	<u>\$ 911,145</u>

**JABIL CIRCUIT, INC. AND SUBSIDIARIES**  
**SUPPLEMENTAL DATA**  
**RECONCILIATION OF GAAP FINANCIAL RESULTS TO NON-GAAP MEASURES**

(In thousands, except for per share data)  
(Unaudited)

	Three months ended		Nine months ended	
	May 31, 2012	May 31, 2011	May 31, 2012	May 31, 2011
<b>Net Revenue (GAAP)</b>	\$ 4,250,918	\$ 4,227,688	\$ 12,813,861	\$ 12,238,532
<b>Operating income (GAAP)</b>	\$ 156,603	\$ 152,533	\$ 477,663	\$ 413,174
Amortization of intangibles	3,454	5,187	13,399	16,821
Distressed customer charge	10,149	-	10,149	-
Stock-based compensation and related charges	20,123	20,053	59,857	59,854
Restructuring and impairment charges	-	-	-	628
Loss on disposal of business	-	-	-	23,944
Settlement of receivables and related charges	-	-	-	13,607
<b>Core operating income (Non-GAAP)</b>	\$ 190,329	\$ 177,773	\$ 561,068	\$ 528,028
<b>Operating income margin (GAAP)</b>	3.7%	3.6%	3.7%	3.4%
<b>Core operating income margin (Non-GAAP)</b>	4.5%	4.2%	4.4%	4.3%
<b>Net income attributable to Jabil Circuit, Inc. (GAAP)</b>	\$ 101,320	\$ 104,695	\$ 311,890	\$ 266,775
Amortization of intangibles, net of tax	3,180	5,174	13,099	16,785
Distressed customer charge, net of tax	10,149	-	10,149	-
Stock-based compensation and related charges, net of tax	19,792	19,268	58,656	58,279
Restructuring and impairment charges, net of tax	-	-	-	628
Loss on disposal of business, net of tax	-	-	-	23,944
Settlement of receivables and related charges, net of tax	-	-	-	13,607
<b>Core earnings (Non-GAAP)</b>	\$ 134,441	\$ 129,137	\$ 393,794	\$ 380,018
<b>Earnings per share: (GAAP)</b>				
Basic	\$ 0.49	\$ 0.49	\$ 1.51	\$ 1.24
Diluted	\$ 0.48	\$ 0.47	\$ 1.47	\$ 1.21
<b>Core earnings per share: (Non-GAAP)</b>				
Basic	\$ 0.65	\$ 0.60	\$ 1.91	\$ 1.77
Diluted	\$ 0.64	\$ 0.58	\$ 1.86	\$ 1.72
<b>Weighted average shares outstanding used in the calculations of earnings per share (GAAP and Non-GAAP):</b>				
Basic	206,298	215,705	206,326	215,092
Diluted	211,541	222,337	211,749	220,773

**JABIL CIRCUIT, INC. AND SUBSIDIARIES**  
**SUPPLEMENTAL DATA**  
**RECONCILIATION OF GAAP FINANCIAL RESULTS TO NON-GAAP MEASURES**  
(In thousands)  
(Unaudited)

**CALCULATION OF RETURN ON INVESTED CAPITAL AND  
CORE RETURN ON INVESTED CAPITAL**

The Company calculates (1) "Return on Invested Capital" by annualizing its "after-tax GAAP operating income" for its most recently-ended quarter and dividing that by a two quarter average of its "net invested capital asset base" and (2) "Core Return on Invested Capital" by annualizing its "after-tax non-GAAP core operating income" for its most recently-ended quarter and dividing that by a two quarter average of its "net invested capital asset base."

The Company calculates: (1) its "after-tax GAAP operating income" by subtracting a certain tax effect (the calculation of which is explained below) from its GAAP operating income and (2) its "after-tax non-GAAP core operating income" by subtracting a certain tax effect (the calculation of which is explained below) from its non-GAAP core operating income. See elsewhere in this earnings release for a reconciliation of the Company's non-GAAP core operating income to its GAAP operating income.

The Company calculates "net invested capital asset base" as the sum of the averages (the calculation of which are explained below) of (1) its stockholders' equity, (2) the non-current portion of its notes payable and long term debt and (3) the current portion of its notes payable and long term debt, less the average (the calculation of which is explained below) of its cash and cash equivalents.

The following table reconciles (1) "Return on Invested Capital," as calculated using "after-tax GAAP operating income" to (2) "Core Return on Invested Capital," as calculated using "after-tax non-GAAP core operating income":

	Three months ended May 31, 2012
<b>Numerator:</b>	
<b>Operating income (GAAP)</b>	\$ 156,603
Tax effect (1)	(27,625)
After-tax operating income	128,978
	x4
<b>Annualized after-tax operating income</b>	<u>\$ 515,912</u>
<b>Core Operating Income (Non-GAAP)</b>	\$ 190,329
Tax effect (2)	(28,183)
After-tax core operating income	162,146
	x4
<b>Annualized after-tax core operating income</b>	<u>\$ 648,584</u>
<b>Denominator:</b>	
Average total Jabil Circuit, Inc. stockholders' equity (3)	\$ 2,007,199
Average notes payable and long-term debt, less current installments (3)	1,126,315
Average current installments of notes payable and long-term debt (3)	289,010
Average cash and cash equivalents (3)	(724,740)
<b>Net invested capital asset base</b>	<u>\$ 2,697,784</u>
<b>Return on Invested Capital (GAAP)</b>	<b>19.1%</b>
<b>Adjustments noted above</b>	<b>4.9%</b>
<b>Core Return on Invested Capital (Non-GAAP)</b>	<b>24.0%</b>

- (1) This amount is calculated by adding the amount of income taxes attributable to its operating income (GAAP) and its interest expense.
- (2) This amount is calculated by adding the amount of income taxes attributable to its core operating income (Non-GAAP) and its interest expense.
- (3) The average is based on the addition of the account balance at the end of the most recently-ended quarter to the account balance at the end of the prior quarter and dividing by two.

**JABIL CIRCUIT, INC. AND SUBSIDIARIES**  
**SUPPLEMENTAL DATA**  
**RECONCILIATION OF GAAP FINANCIAL RESULTS TO NON-GAAP MEASURES**  
(In thousands)  
(Unaudited)

**CALCULATION OF Core EBITDA Margin**

The Company calculates Core EBITDA margin as operating income (calculated in accordance with U.S. GAAP) 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 the disposal of subsidiaries and depreciation expense divided by net revenue.

The following table reconciles core EBITDA to net income and operating income in accordance with US GAAP as follows:

	Three months ended	
	May 31, 2012	May 31, 2011
<b>Numerator:</b>		
<b>Net income attributable to Jabil Circuit, Inc. (GAAP)</b>	\$ 101,320	\$ 104,695
Other expense	1,899	1,771
Interest income	(733)	(897)
Interest expense	26,462	25,149
Income tax expense	27,377	22,222
Net income (loss) attributable to non controlling interests, net of income tax expense	278	(407)
<b>Operating income (GAAP)</b>	<b>\$ 156,603</b>	<b>\$ 152,533</b>
Amortization of intangibles	3,454	5,187
Depreciation expense	84,997	77,250
Distressed customer charge	10,149	-
Stock-based compensation and related charges	20,123	20,053
<b>Core EBITDA (Non-GAAP)</b>	<b>\$ 275,326</b>	<b>\$ 255,023</b>
<b>Denominator:</b>		
<b>Net revenue</b>	<b>\$ 4,250,918</b>	<b>\$ 4,227,688</b>
<b>Core EBITDA Margin</b>	<b>6.5%</b>	<b>6.0%</b>