



December 21, 2009

Jabil Results Top Expectations

Operating income increases more than 50 percent sequentially

[Slide Presentation](#)

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

[Forward - Looking Statement](#)

St. Petersburg, FL - December 21, 2009...Jabil Circuit, Inc. (NYSE: JBL), reported its preliminary, unaudited financial results for the first quarter of fiscal year 2010, ended November 30, 2009. "Jabil demonstrated solid execution during the quarter, delivering significant margin expansion and revenue growth on a sequential basis," said President and CEO Timothy L. Main.

(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 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, 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 alternative 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.)

First Quarter 2010

Net revenue for the first quarter of fiscal 2010 was \$3.1 billion compared to \$3.4 billion for the same period of fiscal 2009.

GAAP operating income for the first quarter of fiscal 2010 was \$66.3 million compared to a loss of \$240.0 million for the same period of fiscal 2009.

GAAP net income for the first quarter of fiscal 2010 was \$28.3 million compared to a net loss of \$275.9 million for the same period of fiscal 2009.

GAAP diluted earnings per share for the first quarter of fiscal 2010 was \$0.13 compared to a loss per share of \$1.34 for the same period of fiscal 2009.

Core operating income for the first quarter of fiscal 2010 was \$106.5 million or 3.4 percent of net revenue compared to \$101.2 million or 3.0 percent of net revenue for the same period of fiscal 2009.

Core earnings for the first quarter of fiscal 2010 were \$68.3 million compared to \$62.8 million for the same period of fiscal 2009.

Core diluted earnings per share for the first quarter of fiscal 2010 was \$0.32 compared to \$0.29 for the same period of fiscal 2009.

Sequential First Quarter Fiscal 2010 Operational Highlights

- | GAAP operating income increased 53.6 percent.
- | GAAP earnings increased \$0.10 per fully diluted share.
- | Core operating income increased 62.8 percent.
- | Core earnings increased \$0.16 per fully diluted share.

Balance Sheet Highlights

- | Cash flow from operations for the quarter was approximately \$74 million.
- | Sales cycle was 16 days for the first quarter of fiscal 2010.
- | Annualized inventory turns were eight turns for the quarter.
- | Capital expenditures for the first quarter of fiscal 2010 were approximately \$38 million.
- | Depreciation for the first quarter of fiscal 2010 was approximately \$66 million.
- | Cash and cash equivalent balances were \$852 million at the end of the quarter.
- | Core Return on Invested Capital was 19.8 percent for the quarter.
- | A \$0.07 dividend was paid on December 1, 2009.

Business Update

"We believe that we have a good pipeline of new business, a stable to improving end-market environment and a keen focus on cost, quality and delivery for our valuable customers," said President and CEO Timothy L. Main. "We also think that we have established positive momentum toward a much improved fiscal 2010 and we expect to provide further evidence of this in our second fiscal quarter."

Jabil management indicated that it expects its net revenue for its second quarter of fiscal 2010 to be in a range from \$2.9 billion to \$3.1 billion, reflecting typical seasonality and anticipated continued improvement in end markets. Jabil estimated that its core operating income would be in a range from \$75 million to \$105 million. Jabil indicated that it expects its core earnings per share for its second quarter of fiscal 2010 to range from \$0.20 to \$0.32 per diluted share. GAAP earnings per share are expected to be in a range from \$0.09 to \$0.21 per diluted share. (GAAP earnings or loss per share for the second quarter of fiscal 2010 is currently estimated to include \$0.03 per share for amortization of intangibles; \$0.07 per share for stock-based compensation and related charges; and \$0.01 per share for restructuring.)

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, 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 alternative 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 2010 earnings today at 4:30 p.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 December 21, 2009 at approximately 7:30 p.m. ET through midnight on December 31, 2009. 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 46636087. 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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