



December 20, 2005

## Jabil Reports First Quarter Fiscal Year 2006 Results

Growth Momentum Continues

20 December 2005  
St. Petersburg, FL

[Statement of Income and Balance Sheet data for First Quarter 2006](#)

[Forward - Looking Statement](#)

**ST. PETERSBURG, FL – March 22, 2006** – Jabil Circuit, Inc. (NYSE: JBL), a global electronic product solutions company, today reported results for the first quarter of fiscal year 2006, ended November 30, 2005.

Net revenue for the first quarter of fiscal 2006 increased 31 percent to \$2.4 billion compared to \$1.8 billion for the same period of fiscal 2005.

Under accounting principles generally accepted in the United States of America ("GAAP"), operating income for the first quarter of fiscal 2006 increased 26 percent to \$88.8 million compared to \$70.3 million for the same period of fiscal 2005. On a GAAP basis, net income for the first quarter of fiscal 2006 increased 38 percent to \$76.9 million compared to \$55.9 million for the same period in fiscal 2005. GAAP diluted earnings per share for the first quarter of fiscal 2006 increased 37 percent to \$0.37 compared to \$0.27 for the same period of fiscal 2005.

Jabil's first quarter of fiscal 2006 core operating income increased 38 percent to \$111.8 million or 4.7 percent of net revenue compared to \$80.9 million or 4.4 percent of net revenue for the first quarter of fiscal 2005. Core earnings increased 43 percent to \$92.8 million compared to \$65.0 million for the first quarter of fiscal 2005. Core earnings per share increased 38 percent to \$0.44 per diluted share for the period compared to \$0.32 for the first quarter of fiscal 2005. *(Jabil defines core operating income as GAAP operating income before amortization of intangibles, stock-based compensation expense, acquisition-related charges and restructuring and impairment charges. Jabil defines core earnings as GAAP net income before amortization of intangibles, stock-based compensation expense, acquisition-related charges, restructuring and impairment charges and other income/loss, net of tax. 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 its investors with an alternative method for assessing operating income, earnings and earnings per share from what it believes to be 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 below.)*

### Quarterly Highlights

- | Cash flow from operations was approximately \$144 million for the first quarter of fiscal 2006.
- | Sales cycle for the first quarter of fiscal 2006 was 15 days.
- | Annualized inventory turns for the first quarter of fiscal 2006 were nine.
- | Capital expenditures for the first quarter of fiscal 2006 were approximately \$67 million.
- | Depreciation for the first quarter of fiscal 2006 was approximately \$42 million.
- | Cash and cash equivalent balances were \$876 million at the end of the first quarter of fiscal 2006.
- | Return on Invested Capital (ROIC) was 23 percent for the first quarter of fiscal 2006.

### Business Outlook

"Fiscal Q1 was an excellent start to what we expect will be another year of robust growth," said Jabil President and CEO Timothy L. Main. "Demand for Jabil's outsourcing services is very strong and broad based across many industry sectors. Our focus on execution in this high demand environment is resulting in solid financial performance particularly in return on invested capital."

### 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, acquisition-related charges, restructuring and impairment charges and other income) 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 earnings and core earnings per share to provide its investors with an alternative method for assessing operating income, earnings and earnings per share from what it believes to be its core manufacturing operations. Included in this release is a Consolidated Statement of Earnings as well as a reconciliation of the disclosed core financial measures to the most directly comparable GAAP financial measures.

## Company Conference Call Information

Jabil Circuit will conduct a conference call to announce its first quarter fiscal year 2006 earnings today at 4:30 p.m. EDT live on the Internet at <http://jabil.com>. This earnings conference call will be recorded and archived for playback on the web at <http://www.jabil.com>.

The news release and information about Jabil's earnings will also be available in the investor relations' section of the web site ([jabil.com](http://jabil.com)) by approximately 4:00 p.m., EST. A taped replay of the conference call will also be available December 20, 2005 at approximately 7:30 p.m. EST through midnight on December 22, 2005. To access the replay, call (800) 642-1687 from within the United States, or (706) 645-9291 outside the United States. The passcode is 3354207. An archived webcast of the conference call will be available at <http://www.jabil.com/investors/>.

Jabil is an electronic product solutions company providing comprehensive electronics design, manufacturing and product management services to global electronics and technology companies. Jabil helps bring electronics products to the market faster and more cost effectively by providing complete product supply chain management around the world. With more than 50,000 employees and facilities in 20 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 the company's website: [jabil.com](http://jabil.com).

Investor & Media Contact:  
Beth Walters  
Jabil Circuit, Inc.  
(727) 803-3349  
[investor\\_relations@jabil.com](mailto:investor_relations@jabil.com)

This news release contains forward-looking statements, including those regarding the anticipated outlook for our business, our currently estimated second quarter and full fiscal year 2006 net revenue and earnings results and our long-term outlook for our company, our industry and our business sectors. These statements 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: fluctuations in operating results; changes in technology; competition; anticipated growth for us and our industry that may not occur; managing rapid growth; managing any rapid declines in customer demand that may occur; our ability to successfully consummate acquisitions; managing the integration of businesses we acquire; risks associated with international sales and operations; retaining key personnel; our dependence on a limited number of 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, 2005, subsequent Reports on Form 10-Q and Form 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.