



December 20, 2011

Jabil Posts First Quarter Results

Quarter Reflects Strength in Specialized Services

[Slide Presentation](#)

[Statement of Income and Balance Sheet Data for First Quarter 2012](#)

[Forward - Looking Statement](#)

St. Petersburg, FL - December 20, 2011... Jabil Circuit, Inc. (NYSE: JBL), today reported preliminary, unaudited financial first quarter of fiscal year 2012 net revenue of \$4.3 billion, a six percent increase from the first quarter of fiscal 2011. "Jabil posted another company record quarter in revenue and earnings per share, driven by strength in Diversified Manufacturing Services and High Velocity segments," said Timothy L. Main, President and CEO of Jabil. "We are especially pleased with our operating margin performance in the quarter as the emphasis on operational efficiency and business diversity delivered positive results in a period of economic uncertainty."

Revenue from Diversified Manufacturing Services increased 30 percent year over year, climbing to 42 percent of total revenue in the first fiscal quarter of 2012. Jabil saw seasonal strength in its High Velocity segment during the first fiscal quarter, although it declined to 30 percent of total revenue, reflecting the company's increased emphasis on shifting the mix of its business. Revenue from Enterprise & Infrastructure increased four percent from the prior year period, which was lower than expected primarily due to inventory adjustments from specific customers unrelated to weakness in end-market demand. The company expects revenue levels in this segment to increase sequentially in the second fiscal quarter of 2012.

Improving business mix and diversification, combined with an emphasis on operational efficiency, enabled Jabil to expand margins and earnings at lower revenue growth rates in a tepid economic environment.

(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 earnings per share as core earnings divided by the weighted average number of outstanding 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 earnings per share and core return on invested capital to provide investors an additional method for assessing operating income, earnings, 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, Jabil's core earnings and core 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.)

Quarterly Results	Q1 2012	Q1 2011
Net revenue	\$4.3 billion	\$4.1 billion
GAAP operating income	\$170.8 million	\$156.0 million
GAAP net income	\$112.9 million	\$106.7 million
GAAP diluted earnings per share	\$0.54	\$0.49
GAAP return on invested capital	26%	24%
Core operating income	\$194.6 million	\$181.9 million
Core earnings	\$136.2 million	\$132.1 million
Core diluted earnings per share	\$0.65	\$0.61
Core return on invested capital	30%	28%

Sequential First Quarter Fiscal 2012 Operational Highlights

- | GAAP operating income increased 3.2 percent.
- | GAAP earnings increased \$0.02 per fully diluted share.
- | Core operating income increased 4.0 percent.
- | Core earnings increased \$0.03 per fully diluted share.

Business Update

"Expectations for the second fiscal quarter of 2012 are consistent with seasonal patterns of demand," said Jabil CEO Timothy Main. "Although the economic environment has a number of uncertainties, we are on track to deliver another record year in fiscal 2012."

	Fiscal Q2 2012 Guidance Range	Y/Y Fiscal Q2 2012 *
Net revenue	\$4.0 billion - \$4.2 billion	4%
Core operating income	\$160 million - \$185 million	2%
Core earnings per share	\$0.52 to \$0.62 per diluted share	6%
GAAP earnings per share	\$0.41 to \$0.51 per diluted share	84%

(GAAP earnings per share for the second quarter of fiscal 2012 are currently estimated to include \$0.02 per share for amortization of intangibles and \$0.09 per share for stock-based compensation).

* Annual growth based on mid-point of guidance.

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 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 2012 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 20, 2011 at approximately 7:30 p.m. ET through midnight on December 30, 2011. 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: 34177568. 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 25 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.

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