



June 24, 2008

Jabil Reports Third Quarter Results

Electronics Manufacturer Exceeds Street Expectations

[Slide Presentation](#)

[Statement of Income and Balance Sheet Data for Third Quarter 2008](#)

[Forward - Looking Statement](#)

St. Petersburg, FL - June 24, 2008...Jabil Circuit, Inc. (NYSE: JBL), today reported its preliminary, unaudited financial results for its third quarter of fiscal year 2008, ended May 31, 2008. "The results from our third quarter were extremely gratifying given the challenging market conditions," said President and CEO Timothy L. Main.

(Definitions used: "GAAP" means generally accepted accounting principles in the United States of America. Jabil defines core operating income as GAAP operating income before amortization of intangibles, stock-based compensation expense and related charges, acquisition-related charges and restructuring and impairment charges. Jabil defines core operating margin as core operating income divided by net revenue. Jabil defines core earnings as GAAP net income before amortization of intangibles, stock-based compensation expense and related charges, acquisition-related charges, restructuring and impairment charges and certain 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 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.)

Third Quarter 2008

Net revenue for the third quarter of fiscal 2008 increased three percent to \$3.1 billion compared to \$3.0 billion for the same period of fiscal 2007.

GAAP operating income for the third quarter of fiscal 2008 increased 88 percent to \$63.1 million compared to \$33.6 million for the same period of fiscal 2007. GAAP net income for the third quarter of fiscal 2008 increased 517 percent to net income of \$38.4 million compared to \$6.2 million of net income for the same period in fiscal 2007. GAAP diluted earnings per share for the third quarter of fiscal 2008 increased 533 percent to net income per share of \$0.19 compared to \$0.03 of earnings per share for the same period of fiscal 2007.

Jabil's third quarter of fiscal 2008 core operating income decreased 2 percent to \$85.3 million or 2.8 percent of net revenue compared to \$87.1 million or 2.9 percent of net revenue for the third quarter of fiscal 2007. Core earnings increased 12 percent to \$52.8 million compared to \$47.4 million for the third quarter of fiscal 2007. Core earnings per share increased 13 percent to \$0.26 per diluted share for the period compared to \$0.23 for the third quarter of fiscal 2007.

Year-Over-Year Operational and Balance Sheet Highlights

- | GAAP operating margin increased 88 percent.
- | GAAP earnings increased \$0.16 per fully diluted share.
- | Cash flow from operations for the quarter was approximately \$147 million.
- | Sales cycle was 21 days for the third quarter of fiscal 2008.
- | Annualized inventory turns remained constant at eight turns for the third quarter of fiscal 2008.
- | Capital expenditures for the third quarter of fiscal 2008 were approximately \$66 million.
- | Depreciation for the third quarter of fiscal 2008 was approximately \$61 million.
- | Cash and cash equivalent balances were \$860 million at the end of the third fiscal quarter.
- | Core Return on Invested Capital was nine percent for the third quarter of fiscal 2008.
- | A \$0.07 dividend was paid on June 2, 2008.

Business Update

Jabil management said it expects net revenue in the fourth quarter of fiscal 2008 in a range of \$3.2 billion to \$3.3 billion, with an estimated core operating margin range of 3.0 to 3.3 percent. Jabil said its core earnings per share for its fourth quarter of fiscal 2008 are anticipated to be in a range of \$0.29 to \$0.33 per diluted share. GAAP earnings per share are estimated to be \$0.21 to \$0.25 per diluted share. (Expected GAAP earnings per share for the fourth quarter of fiscal 2008 are currently estimated to include \$0.02 per share for amortization of intangibles and \$0.06 per share for stock-based compensation and related charges.)

Jabil said it expects fiscal year 2008 net revenue to range from \$12.7 billion to \$12.8 billion, with full year core operating income estimated to be approximately 3 percent or \$370 million to \$385 million. The company said its core earnings per share are estimated to be \$1.11 to \$1.15 per diluted share. GAAP earnings per share are estimated to be \$0.58 to \$0.62 per diluted share. (Expected GAAP earnings per share for fiscal 2008 are currently estimated to include \$0.13 per share for amortization of intangibles, \$0.17 per share for stock-based compensation and related charges and \$0.23 per share for restructuring and impairment charges.)

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, acquisition-related charges, restructuring and impairment charges and certain other income/loss) 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 operating margin, 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 is a Condensed 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 will hold a conference call to discuss the third fiscal quarter 2008 earnings today at 4:30 p.m. EDT live on the Internet at <http://jabil.com>. The earnings conference call will be recorded and archived for playback on the web at <http://jabil.com>.

A taped replay of the conference call will also be available June 24, 2008 at approximately 7:30 p.m. EDT through midnight on July 1, 2008. 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 52344305. An archived webcast of the conference call will be available at <http://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. Jabil helps bring electronics products to the market faster and more cost effectively by providing complete product supply chain management around the world. With approximately 75,000 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.

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