

JABIL CIRCUIT, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In thousands)

	November 30, 2004 (Unaudited)	August 31, 2004
ASSETS		
Current assets		
Cash and cash equivalents	\$ 619,836	\$ 621,322
Accounts receivable, net	1,066,416	777,357
Inventories	751,127	656,681
Prepaid expenses and other current assets	85,177	70,143
Deferred income taxes	56,915	57,172
Total current assets	2,579,471	2,182,675
Property, plant and equipment, net	807,297	776,353
Goodwill and intangible assets, net	360,506	352,426
Deferred income taxes	14,572	5,923
Other assets	13,330	11,979
Total assets	\$ 3,775,176	\$ 3,329,356
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Current installments of notes payable, long-term debt and long-term lease obligations	\$ 1,966	\$ 4,412
Accounts payable	1,213,068	937,636
Accrued expenses	253,498	213,418
Income taxes payable	11,691	3,618
Total current liabilities	1,480,223	1,159,084
Notes payable, long-term debt and long-term lease obligations, less current installments	294,993	305,194
Other liabilities	51,771	45,738
Total liabilities	1,826,987	1,510,016
Stockholders' equity		
Common stock	202	201
Additional paid-in capital	989,149	976,129
Retained earnings	845,868	789,953
Deferred compensation	(10,048)	-
Accumulated other comprehensive income	123,018	53,057
Total stockholders' equity	1,948,189	1,819,340
Total liabilities and stockholders' equity	\$ 3,775,176	\$ 3,329,356

JABIL CIRCUIT, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EARNINGS
(In thousands, except for per share data)
(Unaudited)

	Three months ended	
	November 30, 2004	November 30, 2003
Net revenue	\$ 1,833,375	\$ 1,508,994
Cost of revenue	1,678,517	1,375,545
Gross profit	154,858	133,449
Operating expenses:		
Selling, general and administrative	68,089	66,009
Research and development	5,919	2,906
Amortization of intangibles	10,545	10,159
Acquisition-related charges (1)	-	1,339
Operating income	70,305	53,036
Interest income	(1,865)	(1,656)
Interest expense	5,386	4,760
Income before income taxes	66,784	49,932
Income tax expense	10,869	7,436
Net income	\$ 55,915	\$ 42,496
Earnings per share:		
Basic	\$ 0.28	\$ 0.21
Diluted	\$ 0.27	\$ 0.20
Common shares used in the calculation of earnings per share:		
Basic	201,467	199,626
Diluted	205,843	213,940

(1) There were no acquisition-related charges recorded during the three months ended November 30, 2004. During the three months ended November 30, 2003, we recorded acquisition-related charges of \$1.3 million (\$1.0 million after-tax) primarily in connection with the acquisitions of certain operations of Royal Philips Electronics and NEC Corporation.

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	
	November 30, 2004	November 30, 2003
Operating income (GAAP)	\$ 70,305	\$ 53,036
Amortization of intangibles	10,545	10,159
Acquisition-related charges	-	1,339
Core operating income (Non-GAAP)	<u>\$ 80,850</u>	<u>\$ 64,534</u>
Net income (GAAP)	\$ 55,915	\$ 42,496
Amortization of intangibles, net of tax	9,040	8,117
Acquisition-related charges, net of tax	-	987
Core earnings (Non-GAAP)	<u>\$ 64,955</u>	<u>\$ 51,600</u>
Earnings per share: (GAAP)		
Net income	\$ 55,915	\$ 42,496
Interest expensed on convertible debt, net of tax (1)	-	942
Adjusted net income	<u>\$ 55,915</u>	<u>\$ 43,438</u>
Basic	<u>\$ 0.28</u>	<u>\$ 0.21</u>
Diluted	<u>\$ 0.27</u>	<u>\$ 0.20</u>
Core earnings per share: (Non-GAAP)		
Core earnings	\$ 64,955	\$ 51,600
Interest expensed on convertible debt, net of tax (1)	-	942
Adjusted core earnings	<u>\$ 64,955</u>	<u>\$ 52,542</u>
Basic	<u>\$ 0.32</u>	<u>\$ 0.26</u>
Diluted	<u>\$ 0.32</u>	<u>\$ 0.25</u>
Common shares used in the calculations of earnings per share:		
Basic	<u>201,467</u>	<u>199,626</u>
Diluted (2)	<u>205,843</u>	<u>213,940</u>

(1) The computation of earnings per diluted share and core earnings per diluted share for the three months ended November 30, 2003 includes the elimination of \$0.9 million in interest expense, net of tax, on the then outstanding convertible subordinated notes, which would have been extinguished had the conversion occurred, as the effect of the conversion would have been dilutive. The notes were redeemed for cash in the third quarter of fiscal year 2004.

(2) Diluted common shares for the three months ended November 30, 2003 include 8,406,960 shares of common stock issuable upon the conversion of the then outstanding convertible subordinated notes as the effect of the conversion would have been dilutive. The notes were redeemed for cash in the third quarter of fiscal year 2004.