

Fourth Quarter and Fiscal Year 2013 Financial Results

September 25, 2013

JABIL

Forward-Looking Statement

This presentation contains forward-looking statements, including those regarding our anticipated financial results for our fourth quarter of fiscal year 2013 and our full fiscal year 2013; our thoughtful investment of capital back into the business, both organically and acquisitively, with an eye on long term earnings growth; our balance sheet, capabilities, employees and customers as we head into fiscal year 2014; and our currently expected first quarter of fiscal year 2014 net revenue (including that of our segments), core operating income, GAAP operating income, core and GAAP earnings per share results and the components thereof. The statements in this presentation 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: our determination as we finalize our financial results for our fourth quarter of fiscal year 2013 and our full fiscal year 2013 that our financial results and conditions differ from our current preliminary unaudited numbers set forth herein; changes to our capital investment strategy over time; our ability to generate long term earnings growth from our capital investments; fluctuations in our stock's market price; fluctuations in operating results and cash flows; unexpected, adverse seasonal impacts on demand; changes in macroeconomic conditions, both in the U.S. and internationally; our financial performance during and after the current economic conditions; our ability to maintain and improve costs, quality and delivery for our customers; risks and costs inherent in litigation; whether our realignment of our capacity will adversely affect our cost structure, ability to service customers and labor relations; our ability to take advantage of perceived benefits of offering customers vertically integrated services; changes in technology; competition; anticipated growth for us and our industry that may not occur; managing rapid growth; managing rapid declines in customer demand and other related customer challenges that may occur; our ability to successfully consummate acquisitions and divestitures; managing the integration of businesses we acquire; risks associated with international sales and operations; retaining key personnel; our dependence on a limited number of large 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, 2012, subsequent Reports on Forms 10-Q and 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.

Fourth Quarter 2013 Income Highlights

	Three months ended	
	August 31, 2013	August 31, 2012
Net revenue	\$4,814.9	\$4,338.1
GAAP operating income	\$88.4	\$144.3
GAAP net income	\$127.0	\$82.8
GAAP diluted earnings per share	\$0.61	\$0.39
Core operating income¹	\$181.4	\$175.1
Core earnings⁴	\$117.2	\$113.3
Core diluted earnings per share²	\$0.56	\$0.54

(In millions, except EPS)

Fiscal Year 2013 Income Highlights

	Twelve months ended	
	August 31, 2013	August 31, 2012
Net revenue	\$18,336.9	\$17,151.9
GAAP operating income	\$511.4	\$621.9
GAAP net income	\$371.5	\$394.7
GAAP diluted earnings per share	\$1.79	\$1.87
Core operating income¹	\$721.1	\$736.2
Core earnings⁴	\$469.9	\$507.1
Core diluted earnings per share²	\$2.26	\$2.40

(In millions, except EPS)

Fourth Quarter 2013 Segment Results

■ Diversified Manufacturing – 44%

- Annual increase of 11%
- Core operating income¹ 4.9%

■ Enterprise & Infrastructure – 29%

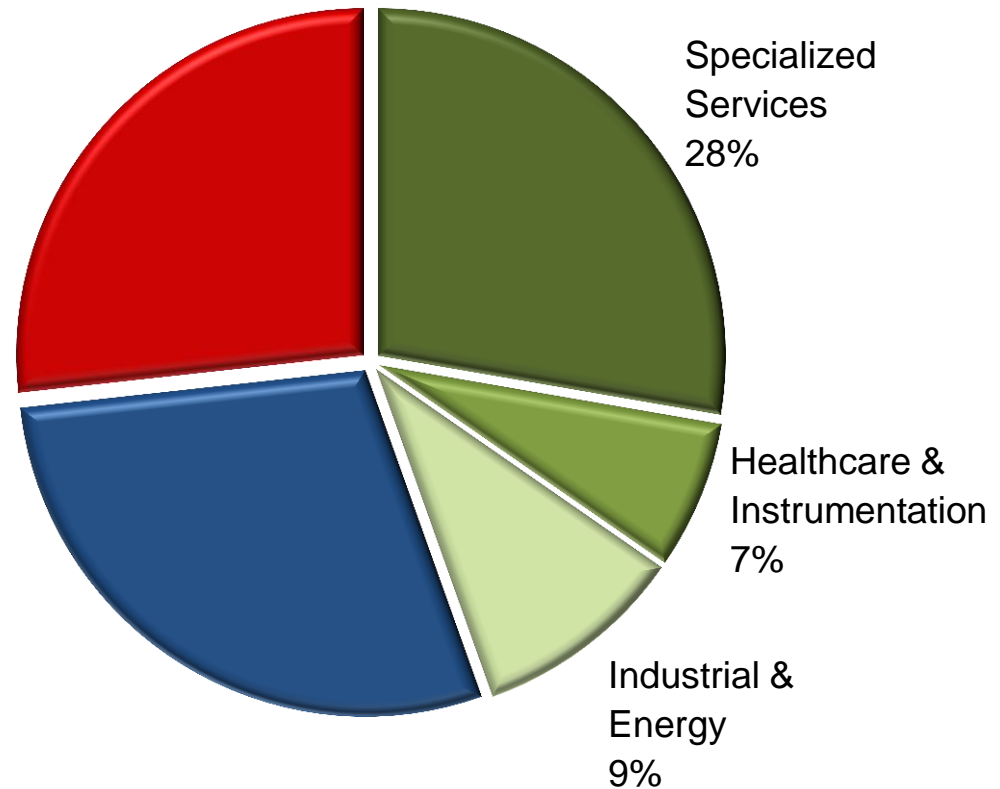
- Annual increase of 3%
- Core operating income¹ 3.3%

■ High Velocity – 27%

- Annual increase of 21%
- Core operating income¹ 2.5%

■ Total Company

- Annual increase of 11%
- Core operating income¹ 3.8%



Fiscal Year 2013 Segment Results

■ Diversified Manufacturing – 45%

- Annual increase of 9%
- Core operating income¹ 5.4%

■ Enterprise & Infrastructure – 30%

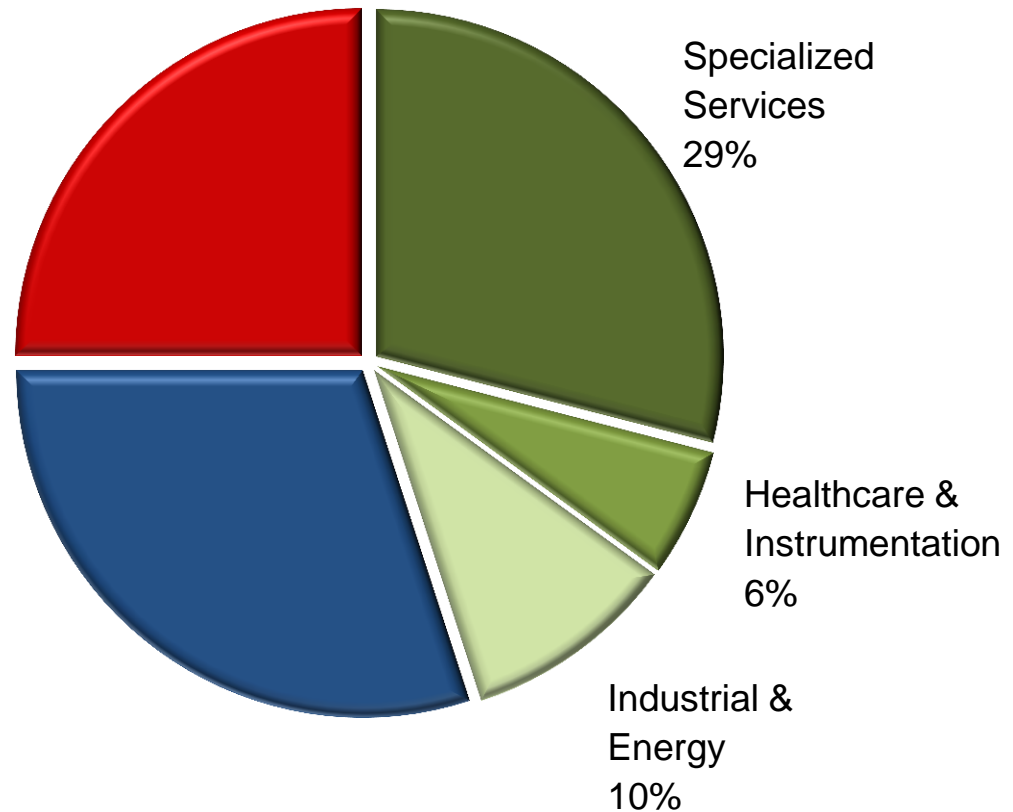
- Annual increase of 9%
- Core operating income¹ 2.7%

■ High Velocity – 25%

- Annual increase of 1%
- Core operating income¹ 2.9%

■ Total Company

- Annual increase of 7%
- Core operating income¹ 3.9%



Fiscal Year 2013 Cash Management

	Aug-31 2013
Cash Balance	\$1,011M
Cash Flow from Operations	\$1,214M
EBITDA ³	\$1,123M
EBITDA Margin ¹¹	6.1%
Core ROIC ⁷	21%

Restructuring Update

	Q3 FY 2013	Q4 FY 2013	FY 2014	FY 2015
June-13 Restructuring	\$28M	\$61M	\$70M - \$90M	\$9M - \$29M
September-13 Restructuring	-	-	\$35M - \$85M	-
Total	\$28M	\$61M	\$105M - \$175M	\$9M - \$29M

-A majority of the actual cash outlay estimated to be incurred in FY14

First Quarter Outlook

First Fiscal Quarter 2014 Guidance

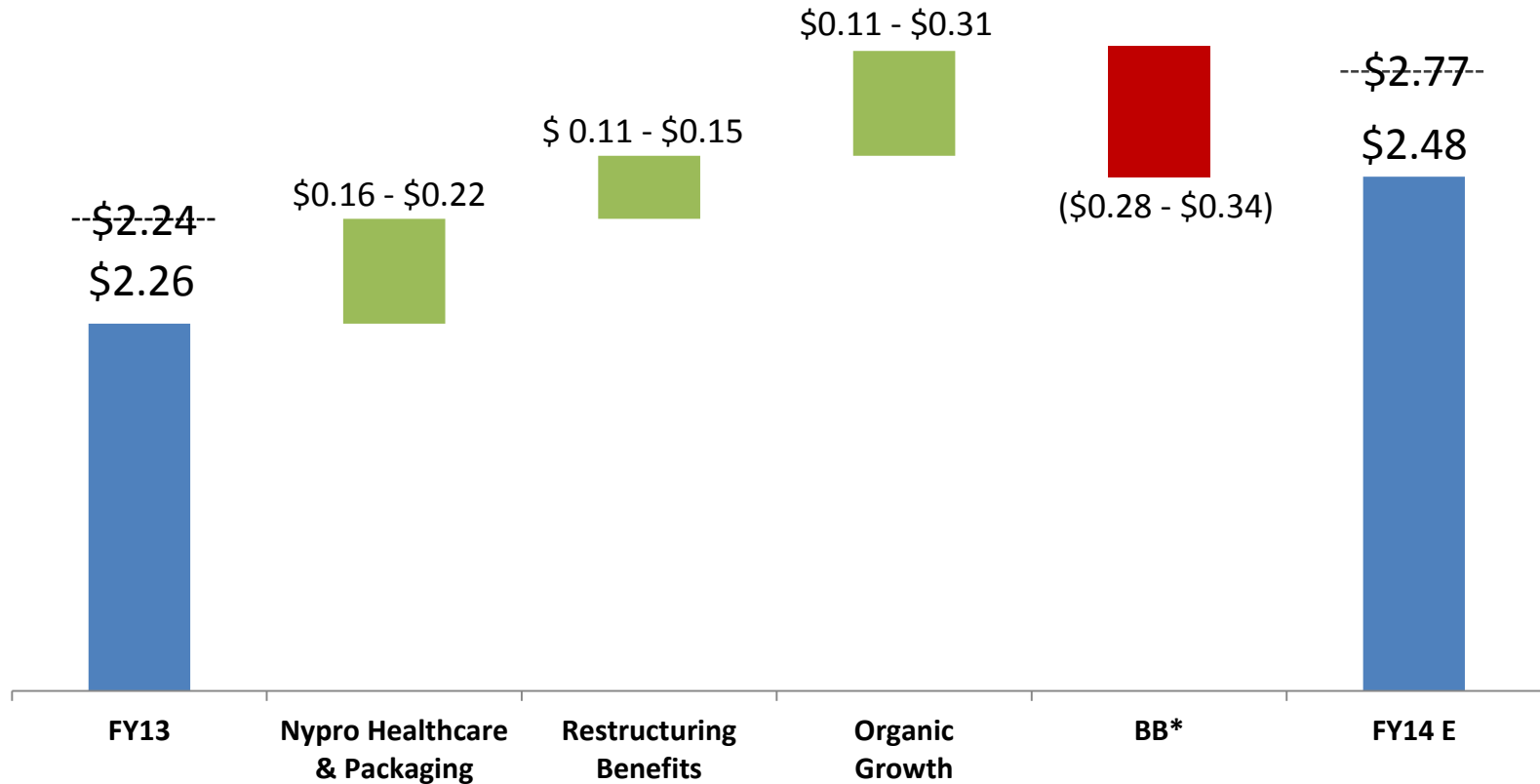
	Guidance
Net Revenue	\$4.35B - \$4.65B
GAAP Operating Income	\$110M - \$140M
GAAP Diluted EPS	\$0.25 - \$0.35
Core Operating Income ¹	\$165M - \$195M
Core Diluted EPS ²	\$0.50 - \$0.60

First Quarter 2014 Segment Guidance

- **Diversified Manufacturing** - estimated to increase 7% year-on-year
- **Enterprise & Infrastructure** - estimated to remain consistent year-on-year
- **High Velocity** - estimated to decline 25% year-on-year

CEO Remarks & Business Outlook

Fiscal Year 2014 – Core EPS Update



*Loss of income, infrastructure & overhead

Appendix

Fourth Quarter 2013

Operating Performance

	Q4 2013
Sales, General & Administrative	\$168.3M
Research & Development	\$7.1M
Amortization of Intangibles	\$5.8M
Stock-Based Compensation	\$16.2M
Net Interest Expense	\$32.6M
Core Tax Rate ⁵	21%
Net Capital Expenditures	\$279.3M

Quarterly Sectors

Percentage of Net Revenue

	Q1 FY13	Q2 FY13	Q3 FY13	Q4 FY13
<ul style="list-style-type: none"> ■ Diversified Manufacturing <ul style="list-style-type: none"> ■ Specialized Services ■ Healthcare & Instrumentation ■ Industrial & Energy 	31%	31%	25%	28%
<ul style="list-style-type: none"> ■ Healthcare & Instrumentation ■ Industrial & Energy 	5%	6%	5%	7%
<ul style="list-style-type: none"> ■ Industrial & Energy 	11%	10%	10%	9%
Subtotal	47%	47%	40%	44%
■ Enterprise & Infrastructure	30%	31%	31%	29%
■ High Velocity	23%	22%	29%	27%

First Quarter 2014 Operating Guidance

	Q1 2014
Sales, General & Administrative	3.9%
Research & Development	\$7M
Amortization of Intangibles	\$7M
Stock-Based Compensation	\$19M
Net Interest Expense	\$33M
Core Tax Rate ⁵	22%

Balance Sheet & Ratio Trends

	Q4 FY12	Q4 FY13
Sales cycle*	7 days	4 days
Inventory turns	7	8
Core return on invested capital “ROIC”⁷	22%	21%

*Days in accounts receivable + days in inventory – days in accounts payable

Reconciliation of Non-GAAP Financial Measures

The financial results disclosed in this presentation 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 presentation exclude certain amounts that are included in the most directly comparable GAAP measures. The non-GAAP or core financial measures disclosed in this presentation do not have standard meaning and may vary from non-GAAP financial measures used by other companies. Management believes core financial measures are a useful measure that facilitate 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.

1. Core operating income excludes amortization of intangibles, stock-based compensation expense and related charges, restructuring and related charges, impairment of notes receivable and related charges, goodwill impairment charges, certain distressed customer charges, certain acquisition costs and purchase accounting adjustments, settlement of receivables and related charges and loss on disposal of subsidiaries.
2. Core EPS excludes amortization of intangibles, stock-based compensation expense and related charges, restructuring and related charges, impairment of notes receivable and related charges, goodwill impairment charges, certain distressed customers charges, certain acquisition costs and purchase accounting adjustments, settlement of receivables and related charges, loss on disposal of subsidiaries, certain other expenses, net of tax and certain deferred tax valuation allowance charges.
3. Core operating income¹ + depreciation expense.
4. Core Earnings excludes amortization of intangibles, stock-based compensation expense and related charges, restructuring and related charges, impairment of notes receivable and related charges, goodwill impairment charges, certain distressed customers charges, certain acquisition costs and purchase accounting adjustments, settlement of receivables and related charges, loss on disposal of subsidiaries, certain other expenses, net of tax and certain deferred tax valuation allowance charges.

Reconciliation of Non-GAAP Financial Measures

5. Core Tax Rate excludes amortization of intangibles, stock-based compensation expense and related charges, restructuring and related charges, impairment of notes receivable and related charges, goodwill impairment charges, certain distressed customers charges, certain acquisition costs and purchase accounting adjustments, settlement of receivables and related charges, loss on disposal of subsidiaries, certain other expenses, net of tax and certain deferred tax valuation allowance charges.
6. Core operating income¹ / net revenue
7. Year-to-date Core Return on Invested Capital (ROIC) is calculated by annualizing the Company's after-tax non-GAAP fiscal year-to-date operating income and dividing that by an average net invested capital asset base. After-tax non-GAAP operating income excludes expenses and charges relating to the amortization of intangibles, stock-based compensation expense and related charges, restructuring and related charges, impairment of notes receivable and related charges, goodwill impairment charges, certain distressed customer charges, certain acquisition costs and purchase accounting adjustments, settlement of receivables and related charges and loss on disposal of subsidiaries, net of tax. The net invested capital is defined as the sum of the averages of stockholders' equity and current and non-current portions of notes payable and long term debt, adjusted for the average cash and cash equivalents. The average is based on the addition of the account balance as of the end of the Company's third fiscal quarter to the account balance as of the end of the Company's prior fiscal year and dividing by two.
8. Free Cash Flow defined as Cash Provided by Operating Activities less Net Cash used in Investing Activities.
9. FCF Yield defined as Free Cash Flow⁸ as a percentage of EBITDA.
10. GAAP ROIC defined as $((\text{GAAP operating income} * (1 - \text{tax rate})) + (\text{interest expense} * \text{tax rate}))*2 / (\text{average stockholders' equity} + \text{average notes payable and long-term debt, less current installment} + \text{average current installments of notes payable and long-term debt less average cash and cash equivalents})$.
11. Core EBITDA margin defined as core operating income¹ before depreciation expense divided by net revenue.