



June 19, 2001

## Jabil Circuit Reports Fiscal Year 2001 Third Quarter Results

19 June 2001  
St. Petersburg, Florida

[Forward - Looking Statement](#)

Electronics manufacturing services provider Jabil Circuit, Inc. (NYSE: JBL) today reported results for its fiscal 2001 third quarter, ended May 31, 2001. Revenue for the quarter increased 8.3 percent to \$1.05 billion compared to \$966 million for the same period of fiscal 2000.

Jabil's third quarter of fiscal 2001 cash earnings decreased to \$32.3 million (excluding business restructuring and acquisition integration costs), compared with \$38.7 million for the third fiscal quarter of 2000. Cash earnings per share were \$0.16 per diluted share, compared to \$0.21 for the third quarter of fiscal 2000. On a GAAP basis net income was \$18.8 million for the quarter as compared to \$38.2 million for the third quarter of fiscal 2000. GAAP earnings per share were \$0.09 and \$0.21 respectively.

Gross profit for the fiscal 2001 third quarter decreased 4.5 percent to \$90.3 million or 8.6 percent of revenue compared to \$94.5 million or 9.8 percent of revenue for the corresponding quarter of fiscal 2000.

Cash operating income for the third fiscal quarter of 2001 decreased to \$42.5 million or 4.1 percent of revenue (excluding business restructuring and acquisition integration costs) compared to \$59.1 million or 6.1 percent of revenue for the third fiscal quarter of 2000. The company recorded \$15.6 million in business restructuring and \$3.8 million integration costs during the quarter relating to the Marconi Communications acquisition.

### Income Statement -- Sequential Highlights (excluding non-recurring charges)

- | Third quarter revenue declined 14 percent compared to the prior quarter.
- | Cash operating income decreased to \$42.5 million.
- | Cash earnings after taxes were \$32.3 million or 3.1 percent of revenue.
- | Fully diluted cash earnings per share for the quarter were \$0.16 on 198,101,000 average shares.

### Balance Sheet Review -- Sequential Highlights

- | Accounts receivable increased by \$4 million to \$540 million in the third quarter.
- | Calculated DSO was 46 days; collection experience was 40 days.
- | Inventories decreased by \$102 million in the quarter to \$530 million.
- | Calculated inventory turns were 7, comparable to the prior quarter.
- | Debt to capitalization ratio was 21 percent at the end of the quarter.
- | Average return on assets was 5.7 percent.
- | Average return on equity was 9.3 percent for the fiscal third quarter.

"We are pleased that our third quarter results met the expectations we set for our business in March because this is a very difficult and uncertain market in which to operate a business," said Tim Main, Jabil President and CEO. Main said the company was pleased to achieve both positive cash flow from operations and significant reductions in inventory balances through solid operational execution in a changing and challenging environment.

"We still believe the secular trend to outsourcing has been and will continue to be more powerful than end-market demand growth for the electronics manufacturing services industry. In fact, the last recession in 1991 and 1992 prompted an 8 year run of compound annual growth rates in excess of 40 percent for Jabil and the balance of the top tier players. We believe we have positioned Jabil to resume profitable growth as the markets recover," said Main.

### Fourth Quarter Guidance

For its fiscal fourth quarter, the company currently expects revenue in the range of \$ 950 million to \$1.05 billion and cash earnings of \$0.13 to \$0.15 per share. Jabil said it expects to incur non-recurring charges for reductions in the company's

cost structure and acquisition integration costs totaling \$30 million for the fiscal year.

## **About Jabil**

Jabil Circuit, Inc. is an electronic manufacturing services provider for international electronics companies in the communications, personal computer, peripheral, consumer and automotive markets. Jabil offers circuit design, board design from schematic, prototype assembly, volume board assembly, system assembly, repair and warranty services from facilities in the North America, Europe, Asia and Latin America. Further information about Jabil can be found on the World Wide Web at <http://www.jabil.com>

*This news release contains forward-looking statements regarding the anticipated outlook for our business, our expected fourth-quarter earnings results and restructuring charges, and our long-term outlook for the company, our industry and our customers 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: the length and severity of the current economic downturn and our ability to manage customer demand through the downturn; fluctuations in operating results; changes in technology; competition; managing rapid growth; managing rapid declines in customer demand; our ability to successfully consummate the remaining portions of our acquisition of certain assets from Marconi Communications; 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; the consolidation of our customer base; 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, 2000, any 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.*