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Jabil Circuit Reports Fourth Quarter & Fiscal Year 2000 Results

Quarterly Earnings Increase 71 Percent

19 September 2000
St. Petersburg, Florida

[Forward - Looking Statement](#)

Jabil Circuit, Inc. (NYSE: JBL), electronics manufacturing services provider, today reported record earnings for its fourth fiscal quarter and the fiscal year ended August 31, 2000. Revenue for the fourth quarter of fiscal 2000 increased 77 percent and revenue for the fiscal year increased 59 percent compared to the same periods of fiscal 1999.

Fiscal Fourth Quarter 2000

Revenue for the fourth fiscal quarter of 2000 increased 77 percent to \$1.1 billion compared to \$602.3 million for the same period of fiscal 1999. Net income increased 73 percent to \$47 million, compared to \$27.2 million for the same period of fiscal 1999. Earnings per share increased 71 percent to \$0.24, compared to fiscal 1999 fourth quarter of \$0.14. (This excludes the impact of an acquisition charge of \$7.0 million or \$0.04 per diluted share recorded in the fourth quarter of fiscal 1999.)

Fiscal Year 2000

Fiscal year revenues increased 59 percent to \$3.6 billion, compared to \$2.2 billion in fiscal 1999. Operating income for fiscal year 2000 increased 49 percent to \$218.1 million, compared to \$146.5 million for fiscal year 1999.

Net income increased 58 percent to \$150.8 million, compared with net income of \$95.4 million. Fiscal year earnings per share increased 47 percent to \$0.80 per share compared to \$0.55 per share for fiscal 1999. (All fiscal 1999 data excludes a one-time acquisition-related charge of \$10.6 million or \$0.06 per diluted share. All fiscal 2000 data excludes a one-time acquisition-related charge of \$5.2 million, or \$0.02 per diluted share.)

Jabil Circuit President Tim Main said, "We are pleased to report record fourth quarter and fiscal 2000 results. These results were made possible through the dedication of our employees who continue to deliver world-class results in a high-growth environment. We applaud their efforts."

Income Statement -- Sequential Trend Highlights

- | Fourth-quarter revenue grew by 10 percent over the prior quarter.
- | Gross margin increased to 10 percent of revenue, reflecting an increase in manufacturing-based revenue, offset in part by start-up costs in greenfield locations.
- | Operating income increased from \$58.4 million to \$64.5 million or 6.1 percent of revenue
- | Net income after taxes was \$47.0 million or 4.4 percent of revenues.
- | EPS of \$0.24 on an average 197.5 million shares during the period, fully diluted.

Balance Sheet -- Sequential Trend Highlights

- | Accounts receivables increased by \$86 million to \$523 million in the 4th quarter compared to \$437 million in the 3rd quarter. Calculated DSO was 44 days, while collection experience was 40 days.
- | Inventories increased by \$68 million in the quarter to \$478 million, compared to \$410 million at the end of May. On a forward basis, inventory turns were 9, consistent with the previous quarter.
- | Debt to capitalization ratio was 3 percent.
- | Average return on assets was 10.8 percent.
- | Average return on equity of 19.2 percent.

Business Outlook

The Company's current production outlook positions fiscal 2001 for 50 percent revenue growth and 50 percent operating income growth. This outlook is significantly above the Company's historical goals, reflecting new business and increased production schedules in several business sectors. During the quarter, the company announced the establishment of new manufacturing relationships with Redback Networks, Sycamore, Kestral, JetStream and Adtran. "The overall business fundamentals are robust. We are well positioned to capitalize on growth opportunities with a comprehensive set of services, a strong global footprint and great employees around the world. We look forward to producing outstanding results for our customers and shareholders in Fiscal 2001," Main said.

The Company also announced the promotion of Timothy L. Main to Chief Executive Officer. Main will remain President, a title he's held since January 1999. "The Jabil Board of Directors believe this is the perfect opportunity to acknowledge the role that Tim has earned. Over the past year, Tim has continued to assume a broad range of chief executive roles, so we view this shift in title as a formality," said William D. Morean, Chairman. "We are confident that Tim and his management team will continue to provide the leadership needed for Jabil's continued success in the growing electronic manufacturing services industry," he said. Morean will continue his work with the company, serving as Chairman of the Jabil Board of Directors and participating with customer relationships. Morean will also play an integral role in strategic planning and advising key business development and operations officers.

About Jabil

Jabil Circuit, Inc. is an electronic manufacturer of circuit board assemblies and systems for communications, personal computers, peripherals, automotive and consumer products. Jabil offers circuit design, board design from schematic, prototype assembly, volume board assembly, system assembly, repair and warranty services from facilities in the U.S., Mexico, Europe and Asia. Further information about Jabil can be found on the World Wide Web at <http://www.jabil.com>.

This release contains certain forward-looking statements, which are subject to a number of risks and uncertainties. Some factors that could cause actual results to differ materially include: business conditions and growth in the contract manufacturing industry and the general economy; variability of operating results; dependence on a limited number of customers; limited availability of components; dependence on certain industries; variability of customer requirements; and other risk factors described in the company's most recently filed SEC documents such as the Form 10-K, filed 12/7/98.