

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

	February 28, 2005 (Unaudited)	August 31, 2004
ASSETS		
Current assets		
Cash and cash equivalents	\$ 779,776	\$ 621,322
Accounts receivable, net	795,432	777,357
Inventories	677,087	656,681
Prepaid expenses and other current assets	80,562	70,143
Deferred income taxes	51,971	57,172
Total current assets	2,384,828	2,182,675
Property, plant and equipment, net	803,734	776,353
Goodwill and intangible assets, net	352,940	352,426
Deferred income taxes	23,571	5,923
Other assets	13,664	11,979
Total assets	\$ 3,578,737	\$ 3,329,356
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Current installments of notes payable, long-term debt and long-term lease obligations	\$ 644	\$ 4,412
Accounts payable	1,009,467	937,636
Accrued expenses	195,535	213,418
Income taxes payable	10,699	3,618
Total current liabilities	1,216,345	1,159,084
Notes payable, long-term debt and long-term lease obligations, less current installments	289,888	305,194
Other liabilities	51,785	45,738
Total liabilities	1,558,018	1,510,016
Stockholders' equity		
Common stock	202	201
Additional paid-in capital	1,001,072	976,129
Retained earnings	891,915	789,953
Unearned compensation	(9,524)	-
Accumulated other comprehensive income	137,054	53,057
Total stockholders' equity	2,020,719	1,819,340
Total liabilities and stockholders' equity	\$ 3,578,737	\$ 3,329,356

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

	Three months ended		Six months ended	
	February 28, 2005	February 29, 2004	February 28, 2005	February 29, 2004
Net revenue	\$ 1,716,006	\$ 1,491,876	\$ 3,549,381	\$ 3,000,870
Cost of revenue	1,575,555	1,360,549	3,254,072	2,736,094
Gross profit	140,451	131,327	295,309	264,776
Operating expenses:				
Selling, general and administrative	66,137	65,986	134,226	131,995
Research and development	6,175	3,184	12,094	6,090
Amortization of intangibles	10,365	11,952	20,910	22,111
Acquisition-related charges (1)	-	-	-	1,339
Operating income	57,774	50,205	128,079	103,241
Interest income	(2,928)	(1,815)	(4,793)	(3,471)
Interest expense	5,682	4,776	11,068	9,536
Income before income taxes	55,020	47,244	121,804	97,176
Income tax expense	8,973	7,229	19,842	14,665
Net income	<u>\$ 46,047</u>	<u>\$ 40,015</u>	<u>\$ 101,962</u>	<u>\$ 82,511</u>
Earnings per share:				
Basic	<u>\$ 0.23</u>	<u>\$ 0.20</u>	<u>\$ 0.51</u>	<u>\$ 0.41</u>
Diluted	<u>\$ 0.22</u>	<u>\$ 0.19</u>	<u>\$ 0.49</u>	<u>\$ 0.39</u>
Common shares used in the calculation of earnings per share:				
Basic	<u>201,930</u>	<u>200,267</u>	<u>201,699</u>	<u>199,946</u>
Diluted	<u>206,459</u>	<u>214,738</u>	<u>206,112</u>	<u>214,413</u>

(1) There were no acquisition-related charges recorded during the six months ended February 28, 2005. During the six months ended February 29, 2004, 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		Six months ended	
	February 28, 2005	February 29, 2004	February 28, 2005	February 29, 2004
Operating income (GAAP)	\$ 57,774	\$ 50,205	\$ 128,079	\$ 103,241
Amortization of intangibles	10,365	11,952	20,910	22,111
Acquisition-related charges	-	-	-	1,339
Core operating income (Non-GAAP)	\$ 68,139	\$ 62,157	\$ 148,989	\$ 126,691
Net income (GAAP)	\$ 46,047	\$ 40,015	\$ 101,962	\$ 82,511
Amortization of intangibles, net of tax	8,876	9,709	17,916	17,827
Acquisition-related charges, net of tax	-	-	-	987
Core earnings (Non-GAAP)	\$ 54,923	\$ 49,724	\$ 119,878	\$ 101,325
Earnings per share: (GAAP)				
Net income	\$ 46,047	\$ 40,015	\$ 101,962	\$ 82,511
Interest expense on convertible debt, net of tax (1)	-	942	-	1,884
Adjusted net income	\$ 46,047	\$ 40,957	\$ 101,962	\$ 84,395
Basic	\$ 0.23	\$ 0.20	\$ 0.51	\$ 0.41
Diluted	\$ 0.22	\$ 0.19	\$ 0.49	\$ 0.39
Core earnings per share: (Non-GAAP)				
Core earnings	\$ 54,923	\$ 49,724	\$ 119,878	\$ 101,325
Interest expense on convertible debt, net of tax (1)	-	942	-	1,884
Adjusted core earnings	\$ 54,923	\$ 50,666	\$ 119,878	\$ 103,209
Basic	\$ 0.27	\$ 0.25	\$ 0.59	\$ 0.51
Diluted	\$ 0.27	\$ 0.24	\$ 0.58	\$ 0.48
Common shares used in the calculations of earnings per share:				
Basic	201,930	200,267	201,699	199,946
Diluted (2)	206,459	214,738	206,112	214,413

(1) The computation of earnings per diluted share and core earnings per diluted share for the three and six months ended February 29, 2004 includes the elimination of \$0.9 million and \$1.9 million, respectively, in interest expense, net of tax. This interest expense is related to 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 and six months ended February 29, 2004 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.