

JABIL CIRCUIT, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

(in thousands)

| | <u>February 28, 2013 (Unaudited)</u> | <u>August 31, 2012</u> |
|---|--|----------------------------|
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 1,061,655 | \$ 1,217,256 |
| Accounts receivable, net | 1,300,046 | 1,125,015 |
| Inventories | 2,496,618 | 2,268,949 |
| Prepaid expenses and other current assets | 997,647 | 989,326 |
| Income taxes receivable..... | 11,312 | 10,949 |
| Deferred income taxes | 29,995 | 27,833 |
| | <hr/> | <hr/> |
| Total current assets | 5,897,273 | 5,639,328 |
| Property, plant and equipment, net | 1,961,492 | 1,779,155 |
| Goodwill and intangible assets, net | 212,363 | 214,071 |
| Deferred income taxes | 72,621 | 73,411 |
| Other assets..... | 103,892 | 97,176 |
| | <hr/> | <hr/> |
| Total assets | <u>\$ 8,247,641</u> | <u>\$ 7,803,141</u> |
| LIABILITIES AND EQUITY | | |
| Current liabilities: | | |
| Current installments of notes payable and long-term debt | \$ 109,598 | \$ 18,031 |
| Accounts payable..... | 3,142,825 | 2,992,865 |
| Accrued expenses | 951,169 | 808,480 |
| Income taxes payable..... | 20,130 | 35,665 |
| Deferred income taxes | 4,866 | 3,955 |
| | <hr/> | <hr/> |
| Total current liabilities..... | 4,228,588 | 3,858,996 |
| Notes payable and long-term debt, less current installments..... | 1,653,708 | 1,658,326 |
| Other liabilities | 86,042 | 85,714 |
| Income tax liabilities | 75,968 | 68,525 |
| Deferred income taxes | 25,345 | 24,245 |
| | <hr/> | <hr/> |
| Total liabilities..... | 6,069,651 | 5,695,806 |
| Commitments and contingencies | | |
| Equity: | | |
| Jabil Circuit, Inc. stockholders' equity: | | |
| Preferred stock..... | — | — |
| Common stock..... | 237 | 232 |
| Additional paid-in capital | 1,800,595 | 1,752,847 |
| Retained earnings | 927,361 | 766,934 |
| Accumulated other comprehensive income | 118,624 | 106,275 |
| Treasury stock, at cost | (670,714) | (521,231) |
| | <hr/> | <hr/> |
| Total Jabil Circuit, Inc. stockholders' equity..... | 2,176,103 | 2,105,057 |
| Noncontrolling interests | 1,887 | 2,278 |
| | <hr/> | <hr/> |
| Total equity..... | 2,177,990 | 2,107,335 |
| | <hr/> | <hr/> |
| Total liabilities and equity | <u>\$ 8,247,641</u> | <u>\$ 7,803,141</u> |

JABIL CIRCUIT, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(in thousands, except for per share data)

(Unaudited)

| | Three months ended | | Six months ended | |
|--|----------------------|----------------------|----------------------|----------------------|
| | February 28, 2013 | February 29, 2012 | February 28, 2013 | February 29, 2012 |
| Net revenue | \$ 4,417,251 | \$ 4,236,174 | \$ 9,054,269 | \$ 8,562,943 |
| Cost of revenue | 4,092,724 | 3,914,010 | 8,379,147 | 7,900,769 |
| Gross profit | 324,527 | 322,164 | 675,122 | 662,174 |
| Operating expenses: | | | | |
| Selling, general and administrative | 164,360 | 160,811 | 333,960 | 318,634 |
| Research and development | 7,655 | 6,264 | 14,918 | 12,535 |
| Amortization of intangibles | 3,471 | 4,871 | 6,922 | 9,945 |
| Operating income | 149,041 | 150,218 | 319,322 | 321,060 |
| Interest and other, net | 30,314 | 27,953 | 60,977 | 55,599 |
| Income before income tax | 118,727 | 122,265 | 258,345 | 265,461 |
| Income tax expense | 30,638 | 24,020 | 64,672 | 53,435 |
| Net income | 88,089 | 98,245 | 193,673 | 212,026 |
| Net (loss) income attributable to noncontrolling interests, net of income tax expense | (444) | 547 | (707) | 1,456 |
| Net income attributable to Jabil Circuit, Inc. | \$ 88,533 | \$ 97,698 | \$ 194,380 | \$ 210,570 |
| Earnings per share attributable to the stockholders of Jabil Circuit, Inc.: | | | | |
| Basic | \$ 0.44 | \$ 0.47 | \$ 0.96 | \$ 1.02 |
| Diluted | \$ 0.43 | \$ 0.46 | \$ 0.94 | \$ 1.00 |
| Weighted average shares outstanding: | | | | |
| Basic | 202,458 | 207,287 | 203,393 | 206,337 |
| Diluted | 206,804 | 212,148 | 207,474 | 211,410 |

JABIL CIRCUIT, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands)
(Unaudited)

| | Six months ended | |
|--|----------------------|----------------------|
| | February 28, 2013 | February 29, 2012 |
| Cash flows from operating activities: | | |
| Net income | \$ 193,673 | \$ 212,026 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | |
| Depreciation and amortization | 195,022 | 173,734 |
| Recognition of stock-based compensation expense..... | 36,513 | 39,734 |
| Other, net | 5,519 | (7,661) |
| Changes in operating assets and liabilities, exclusive of net assets acquired: | | |
| Accounts receivable | (172,161) | (1,024) |
| Inventories | (222,645) | (119,816) |
| Prepaid expenses and other current assets | (6,349) | (31,761) |
| Other assets | (2,799) | (1,719) |
| Accounts payable and accrued expenses | 288,004 | (259,021) |
| Income taxes payable | (9,093) | 736 |
| Net cash provided by operating activities | <u>305,684</u> | <u>5,228</u> |
| Cash flows from investing activities: | | |
| Cash paid for business and intangible asset acquisitions, net of cash acquired..... | (5,862) | (128,462) |
| Acquisition of property, plant and equipment | (371,472) | (180,506) |
| Proceeds from sale of property, plant and equipment | 9,504 | 9,666 |
| Investments in non-marketable equity securities | (2,942) | — |
| Cost of receivables acquired, net of cash collections | — | 497 |
| Net cash used in investing activities | <u>(370,772)</u> | <u>(298,805)</u> |
| Cash flows from financing activities: | | |
| Borrowings under debt agreements | 2,178,021 | 4,633,328 |
| Payments towards debt agreements..... | (2,091,043) | (4,425,749) |
| Dividends paid to stockholders | (34,748) | (32,148) |
| Net proceeds from exercise of stock options and issuance of common stock under employee stock purchase plan | 10,867 | 14,403 |
| Payments to acquire treasury stock | (129,262) | (39,964) |
| Treasury stock minimum tax withholding related to vesting of restricted stock | (20,221) | (31,056) |
| Excess tax benefit related to stock awards | 330 | 750 |
| Capital contribution to noncontrolling interest | 316 | — |
| Net cash (used in) provided by financing activities | <u>(85,740)</u> | <u>119,564</u> |
| Effect of exchange rate changes on cash and cash equivalents | (4,773) | (7,248) |
| Net decrease in cash and cash equivalents..... | (155,601) | (181,261) |
| Cash and cash equivalents at beginning of period | 1,217,256 | 888,611 |
| Cash and cash equivalents at end of period | <u>\$ 1,061,655</u> | <u>\$ 707,350</u> |

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, 2013 | February 29, 2012 | February 28, 2013 | February 29, 2012 |
| Operating income (GAAP) | \$ 149,041 | \$ 150,218 | \$ 319,322 | \$ 321,060 |
| Amortization of intangibles..... | 3,471 | 4,871 | 6,922 | 9,945 |
| Stock-based compensation and related charges | 17,710 | 21,069 | 36,513 | 39,734 |
| Core operating income (Non-GAAP) | \$ 170,222 | \$ 176,158 | \$ 362,757 | \$ 370,739 |
| Net income attributable to Jabil Circuit, Inc. | | | | |
| (GAAP) | \$ 88,533 | \$ 97,698 | \$ 194,380 | \$ 210,570 |
| Amortization of intangibles, net of tax..... | 3,333 | 4,858 | 6,651 | 9,919 |
| Stock-based compensation and related charges, net of tax | 17,479 | 20,595 | 36,071 | 38,864 |
| Core earnings (Non-GAAP) | \$ 109,345 | \$ 123,151 | \$ 237,102 | \$ 259,353 |
| Earnings per share: (GAAP) | | | | |
| Basic..... | \$ 0.44 | \$ 0.47 | \$ 0.96 | \$ 1.02 |
| Diluted..... | \$ 0.43 | \$ 0.46 | \$ 0.94 | \$ 1.00 |
| Core earnings per share: (Non-GAAP) | | | | |
| Basic..... | \$ 0.54 | \$ 0.59 | \$ 1.17 | \$ 1.26 |
| Diluted..... | \$ 0.53 | \$ 0.58 | \$ 1.14 | \$ 1.23 |
| Weighted average shares outstanding used in the calculations of earnings per share (GAAP and Non-GAAP): | | | | |
| Basic..... | 202,458 | 207,287 | 203,393 | 206,337 |
| Diluted..... | 206,804 | 212,148 | 207,474 | 211,410 |

JABIL CIRCUIT, INC. AND SUBSIDIARIES
SUPPLEMENTAL DATA
RECONCILIATION OF GAAP FINANCIAL RESULTS TO NON-GAAP MEASURES
(in thousands)
(Unaudited)

**CALCULATION OF RETURN ON INVESTED CAPITAL AND
CORE RETURN ON INVESTED CAPITAL**

The Company calculates (1) "Return on Invested Capital" by annualizing its "after-tax GAAP operating income" for its most recently-ended quarter and dividing that by a two quarter average of its "net invested capital asset base" and (2) "Core Return on Invested Capital" by annualizing its "after-tax non-GAAP core operating income" for its most recently-ended quarter and dividing that by a two quarter average of its "net invested capital asset base."

The Company calculates: (1) its "after-tax GAAP operating income" by subtracting a certain tax effect (the calculation of which is explained below) from its GAAP operating income and (2) its "after-tax non-GAAP core operating income" by subtracting a certain tax effect (the calculation of which is explained below) from its non-GAAP core operating income. See elsewhere in this earnings release for a reconciliation of the Company's non-GAAP core operating income to its GAAP operating income.

The Company calculates "net invested capital asset base" as the sum of the averages (the calculations of which are explained below) of (1) its stockholders' equity, (2) the non-current portion of its notes payable and long term debt and (3) the current portion of its notes payable and long term debt, less the average (the calculation of which is explained below) of its cash and cash equivalents.

The following table reconciles (1) "Return on Invested Capital," as calculated using "after-tax GAAP operating income" to (2) "Core Return on Invested Capital," as calculated using "after-tax non-GAAP core operating income":

| | Three months ended | |
|--|----------------------|----------------------|
| | February 28, 2013 | February 29, 2012 |
| Numerator: | | |
| Operating income (GAAP) | \$ 149,041 | \$ 150,218 |
| Tax effect (1) | (30,930) | (24,340) |
| After-tax operating income | 118,111 | 125,878 |
| | x4 | x4 |
| Annualized after-tax operating income | \$ 472,444 | \$ 503,512 |
| Core operating income (Non-GAAP) | \$ 170,222 | \$ 176,158 |
| Tax effect (2) | (31,258) | (24,777) |
| After-tax core operating income | 138,964 | 151,381 |
| | x4 | x4 |
| Annualized after-tax core operating income | \$ 555,856 | \$ 605,524 |
| Denominator: | | |
| Average total Jabil Circuit, Inc. stockholders' equity (3)..... | \$ 2,124,908 | \$ 1,949,666 |
| Average notes payable and long-term debt, less current installments (3)..... | 1,654,883 | 1,112,501 |
| Average current installments of notes payable and long-term debt (3) | 59,624 | 182,731 |
| Average cash and cash equivalents (3) | (1,045,845) | (784,627) |
| Net invested capital asset base | \$ 2,793,570 | \$ 2,460,271 |
| Return on Invested Capital (GAAP) | 16.9% | 20.5% |
| Adjustments noted above | 3.0% | 4.1% |
| Core Return on Invested Capital (Non-GAAP) | 19.9% | 24.6% |

- (1) This amount is calculated by adding the amount of income taxes attributable to its operating income (GAAP) and its interest expense.
- (2) This amount is calculated by adding the amount of income taxes attributable to its core operating income (Non-GAAP) and its interest expense.
- (3) The average is based on the addition of the account balance at the end of the most recently-ended quarter to the account balance at the end of the prior quarter and dividing by two.