

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

	<u>May 31,</u> <u>2011</u>	<u>August 31,</u> <u>2010</u>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 911,145	\$ 744,329
Trade accounts receivable, net	1,045,238	1,408,319
Inventories	2,257,984	2,094,135
Prepaid expenses and other current assets	807,666	349,165
Income taxes receivable	35,467	35,560
Deferred income taxes	19,040	22,510
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Total current assets	5,076,540	4,654,018
Property, plant and equipment, net	1,593,406	1,451,392
Goodwill and intangible assets, net	129,080	132,568
Deferred income taxes	69,051	55,101
Other assets	87,491	74,668
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Total assets	<u>\$ 6,955,568</u>	<u>\$ 6,367,747</u>
<b>LIABILITIES AND EQUITY</b>		
Current liabilities:		
Current installments of notes payable and long-term debt	\$ 80,449	\$ 167,566
Accounts payable	2,752,668	2,741,719
Accrued expenses	863,887	672,252
Income taxes payable	34,270	19,236
Deferred income taxes	4,584	4,401
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Total current liabilities	3,735,858	3,605,174
Notes payable and long-term debt, less current installments	1,107,195	1,018,930
Income tax liability	86,718	86,351
Deferred income taxes	6,709	1,462
Other liabilities	69,713	63,058
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Total liabilities	5,006,193	4,774,975
Equity:		
Jabil Circuit, Inc. stockholders' equity		
Common stock	224	220
Additional paid-in capital	1,619,003	1,541,507
Retained earnings	342,725	123,303
Accumulated other comprehensive income	190,188	122,062
Treasury stock at cost	(218,785)	(209,046)
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Total Jabil Circuit, Inc. stockholders' equity	1,933,355	1,578,046
Noncontrolling interests	16,020	14,726
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Total equity	1,949,375	1,592,772
Total liabilities and equity	<u>\$ 6,955,568</u>	<u>\$ 6,367,747</u>

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

	Three months ended		Nine months ended	
	May 31, 2011	May 31, 2010	May 31, 2011	May 31, 2010
Net revenue	\$ 4,227,688	\$ 3,455,578	\$ 12,238,532	\$ 9,548,478
Cost of revenue	3,909,312	3,193,464	11,313,165	8,831,842
Gross profit	318,376	262,114	925,367	716,636
Operating expenses:				
Selling, general and administrative	154,112	151,409	438,368	429,226
Research and development	6,544	6,331	18,825	21,453
Amortization of intangibles	5,187	6,206	16,821	19,954
Restructuring and impairment charges	-	1,635	628	5,705
Loss on disposal of subsidiaries	-	-	23,944	15,722
Settlement of receivables and related charges	-	-	13,607	-
Operating income	152,533	96,533	413,174	224,576
Interest, net and other	26,023	19,837	73,020	60,595
Income before income taxes	126,510	76,696	340,154	163,981
Income tax expense	22,222	24,009	72,737	52,591
Net income	104,288	52,687	267,417	111,390
Net income (loss) attributable to noncontrolling interests, net of income tax expense	(407)	656	642	1,241
Net income attributable to Jabil Circuit, Inc.	\$ 104,695	\$ 52,031	\$ 266,775	\$ 110,149
Earnings per share:				
Income attributable to the stockholders of Jabil Circuit, Inc.:				
Basic	\$ 0.49	\$ 0.24	\$ 1.24	\$ 0.51
Diluted	\$ 0.47	\$ 0.24	\$ 1.21	\$ 0.51
Weighted average shares outstanding:				
Basic	215,705	213,881	215,092	214,051
Diluted	222,337	216,522	220,773	218,089

**JABIL CIRCUIT, INC. AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(in thousands)  
(Unaudited)

	Nine months ended	
	May 31, 2011	May 31, 2010
Cash flows from operating activities:		
Net income .....	\$ 267,417	\$ 111,390
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization .....	234,312	211,943
Recognition of deferred grant proceeds.....	(1,466)	(1,467)
Amortization of loss on hedge arrangement.....	2,963	2,963
Amortization of debt issuance costs and discount.....	3,990	2,770
Write-off of debt issuance costs .....	219	—
Recognition of stock-based compensation expense.....	59,854	67,980
Deferred income taxes .....	(2,305)	(8,230)
Restructuring and impairment charges .....	628	5,705
Provision (recovery) for allowance for doubtful accounts and notes receivable ....	1,150	(222)
Excess tax benefit from options exercised.....	(178)	(118)
Loss on sale of property .....	3,061	4,607
Settlement of receivables and related charges .....	12,673	—
Loss on disposal of subsidiaries .....	23,944	12,756
Change in operating assets and liabilities, exclusive of net assets acquired:		
Trade accounts receivable .....	100,226	(70,093)
Inventories .....	(187,146)	(607,742)
Prepaid expenses and other current assets .....	(145,384)	(126,005)
Other assets .....	(10,011)	1,556
Accounts payable and accrued expenses .....	148,289	509,838
Income taxes payable .....	12,181	24,545
Net cash provided by operating activities .....	<u>524,417</u>	<u>142,176</u>
Cash flows from investing activities:		
Cash paid for business and intangible asset acquisitions, net of cash acquired.....	3,985	—
Acquisition of property, plant and equipment.....	(320,965)	(245,118)
Proceeds from sale of property, plant and equipment .....	13,669	7,257
Cost of receivables acquired, net of cash collections .....	(521)	—
Proceeds on disposal of available for sale investments.....	5,800	—
Net cash used in investing activities .....	<u>(298,032)</u>	<u>(237,861)</u>
Cash flows from financing activities:		
Borrowings, net of repayments, under debt agreements .....	(8,243)	(109,500)
Net proceeds from exercise of stock options and issuance of common stock under employee stock purchase plan .....	17,778	6,210
Treasury stock minimum tax withholding related to vesting of restricted stock.....	(9,739)	(5,487)
Dividends paid to stockholders .....	(45,306)	(44,901)
Bond issuance costs.....	(14,549)	—
Net proceeds from issuance of ordinary shares of certain subsidiaries .....	—	586
Bank overdraft of subsidiary .....	—	9,665
Excess tax benefit from options exercised .....	179	118
Net cash used in financing activities .....	<u>(59,880)</u>	<u>(143,309)</u>
Effect of exchange rate changes on cash and cash equivalents .....	311	(36,929)
Net increase (decrease) in cash and cash equivalents .....	166,816	(275,923)
Cash and cash equivalents at beginning of period .....	744,329	876,272
Cash and cash equivalents at end of period .....	<u>\$ 911,145</u>	<u>\$ 600,349</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		Nine months ended	
	May 31, 2011	May 31, 2010	May 31, 2011	May 31, 2010
<b>Operating income (GAAP)</b>	\$ 152,533	\$ 96,533	\$ 413,174	\$ 224,576
Amortization of intangibles	5,187	6,206	16,821	19,954
Stock-based compensation expense and related charges	20,053	27,487	59,854	67,980
Restructuring and impairment charges	-	1,635	628	5,705
Settlement of receivables and related charges	-	-	13,607	-
Loss on disposal of subsidiaries	-	-	23,944	15,722
<b>Core operating income (Non-GAAP)</b>	<b>\$ 177,773</b>	<b>\$ 131,861</b>	<b>\$ 528,028</b>	<b>\$ 333,937</b>
<b>Net income (GAAP)</b>	\$ 104,695	\$ 52,031	\$ 266,775	\$ 110,149
Amortization of intangibles, net of tax	5,174	6,191	16,785	19,919
Stock-based compensation expense and related charges, net of tax	19,268	26,825	58,279	66,713
Restructuring and impairment charges, net of tax	-	1,693	628	5,777
Settlement of receivables and related charges, net of tax	-	-	13,607	-
Loss on disposal of subsidiaries, net of tax	-	-	23,944	15,722
<b>Core earnings (Non-GAAP)</b>	<b>\$ 129,137</b>	<b>\$ 86,740</b>	<b>\$ 380,018</b>	<b>\$ 218,280</b>
<b>Earnings per share: (GAAP)</b>				
Basic	\$ 0.49	\$ 0.24	\$ 1.24	\$ 0.51
Diluted	\$ 0.47	\$ 0.24	\$ 1.21	\$ 0.51
<b>Core earnings per share: (Non-GAAP)</b>				
Basic	\$ 0.60	\$ 0.41	\$ 1.77	\$ 1.02
Diluted	\$ 0.58	\$ 0.40	\$ 1.72	\$ 1.00
<b>Common shares used in the calculations of earnings per share (GAAP):</b>				
Basic	215,705	213,881	215,092	214,051
Diluted	222,337	216,522	220,773	218,089
<b>Common shares used in the calculations of earnings per share (Non-GAAP):</b>				
Basic	215,705	213,881	215,092	214,051
Diluted	222,337	216,522	220,773	218,089

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

**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 calculation 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 May 31, 2011
<b>Numerator:</b>	
<b>Operating income (GAAP)</b>	\$ 152,533
Tax effect (1)	(22,381)
After-tax operating income	130,152
	x4
<b>Annualized after-tax operating income</b>	\$ 520,608
<b>Core operating income (Non-GAAP)</b>	\$ 177,773
Tax effect (2)	(23,153)
After-tax core operating income	154,620
	x4
<b>Annualized after-tax core operating income</b>	\$ 618,480
<b>Denominator:</b>	
Average total Jabil Circuit, Inc. stockholders' equity (3)	\$ 1,862,771
Average notes payable and long-term debt, less current installments (3)	1,103,871
Average current installments of notes payable and long-term debt (3)	108,979
Average cash and cash equivalents (3)	(906,731)
<b>Net invested capital asset base</b>	\$ 2,168,890
<b>Return on Invested Capital (GAAP)</b>	<b>24.0%</b>
<b>Adjustments noted above</b>	<b>4.5%</b>
<b>Core Return on Invested Capital (Non-GAAP)</b>	<b>28.5%</b>

(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.