

**JABIL CIRCUIT, INC. AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**

(In thousands)

	<u>November 30,</u> <u>2011 (Unaudited)</u>	<u>August 31,</u> <u>2011</u>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 861,904	\$ 888,611
Accounts receivable, net	1,112,721	1,100,926
Inventories	2,384,555	2,227,339
Prepaid expenses and other current assets	910,333	868,892
Income taxes receivable	28,314	33,855
Deferred income taxes	19,179	15,737
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Total current assets	5,317,006	5,135,360
Property, plant and equipment, net	1,628,855	1,641,335
Goodwill and intangible assets, net	117,054	125,305
Deferred income taxes	66,392	74,989
Other assets	70,067	80,951
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Total assets	<u>\$ 7,199,374</u>	<u>\$ 7,057,940</u>
<b>LIABILITIES AND EQUITY</b>		
Current liabilities:		
Current installments of notes payable and long-term debt	\$ 83,859	\$ 74,160
Accounts payable	3,098,467	2,885,168
Accrued expenses	795,620	892,391
Income taxes payable	19,534	32,987
Deferred income taxes	1,903	5,182
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Total current liabilities	3,999,383	3,889,888
Notes payable and long-term debt, less current installments	1,112,526	1,112,594
Income tax liability	90,736	88,451
Deferred income taxes	15,540	15,761
Other liabilities	65,476	67,423
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Total liabilities	5,283,661	5,174,117
Equity:		
Jabil Circuit, Inc. stockholders' equity:		
Common stock	230	225
Additional paid-in capital	1,672,013	1,649,431
Retained earnings	537,287	441,793
Accumulated other comprehensive income	138,872	194,706
Treasury stock, at cost	(449,903)	(419,035)
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Total Jabil Circuit, Inc. stockholders' equity	1,898,499	1,867,120
Noncontrolling interests	17,214	16,703
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Total equity	1,915,713	1,883,823
Total liabilities and equity	<u>\$ 7,199,374</u>	<u>\$ 7,057,940</u>

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

(In thousands, except for per share data)

(Unaudited)

	Three months ended	
	November 30, 2011	November 30, 2010
Net revenue	\$ 4,326,769	\$ 4,082,181
Cost of revenue	3,986,759	3,771,590
Gross profit	340,010	310,591
Operating expenses:		
Selling, general and administrative	157,823	142,449
Research and development	6,271	5,741
Amortization of intangibles	5,074	5,969
Restructuring and impairment charges	-	432
Operating income	170,842	156,000
Interest and other, net	27,646	21,112
Income before income tax	143,196	134,888
Income tax expense	29,415	27,477
Net income	113,781	107,411
Net income attributable to noncontrolling interests, net of income tax expense	909	734
Net income attributable to Jabil Circuit, Inc.	\$ 112,872	\$ 106,677
Earnings per share attributable to the stockholders of Jabil Circuit, Inc.:		
Basic	\$ 0.55	\$ 0.50
Diluted	\$ 0.54	\$ 0.49
Weighted average shares outstanding:		
Basic	205,388	214,395
Diluted	209,937	217,405

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

(in thousands)  
(Unaudited)

	Three months ended	
	November 30, 2011	November 30, 2010
Cash flows from operating activities:		
Net income .....	\$ 113,781	\$ 107,411
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation and amortization .....	85,861	74,950
Recognition of stock-based compensation expense.....	18,665	19,500
Other, net .....	(561)	(1,045)
Changes in operating assets and liabilities, exclusive of net assets acquired:		
Accounts receivable .....	(29,659)	11,241
Inventories .....	(173,336)	(150,065)
Prepaid expenses and other current assets .....	(49,009)	(17,184)
Other assets .....	6,319	(955)
Accounts payable and accrued expenses .....	147,107	(139,783)
Income taxes payable .....	(4,595)	13,202
Net cash provided by (used in) operating activities .....	<u>114,573</u>	<u>(82,728)</u>
Cash flows from investing activities:		
Acquisition of property, plant and equipment.....	(103,234)	(101,269)
Proceeds from sale of property, plant and equipment .....	8,148	1,990
Proceeds from disposal of available for sale investments .....	—	5,800
Cost of receivables acquired, net of cash collections .....	510	(14,880)
Net cash (used in) investing activities .....	<u>(94,576)</u>	<u>(108,359)</u>
Cash flows from financing activities:		
Borrowings under debt agreements .....	2,380,710	2,339,058
Payments towards debt agreements.....	(2,370,864)	(2,233,084)
Dividends paid to stockholders .....	(15,528)	(15,194)
Net proceeds from exercise of stock options and issuance of common stock under employee stock purchase plan .....	3,183	635
Debt issuance costs .....	—	(8,942)
Treasury stock minimum tax withholding related to vesting of restricted stock.....	(30,868)	(9,633)
Excess tax benefit related to stock awards .....	888	72
Bank overdraft of subsidiary .....	—	5,322
Net cash (used in) provided by financing activities .....	<u>(32,479)</u>	<u>78,234</u>
Effect of exchange rate changes on cash and cash equivalents.....	(14,225)	(1,322)
Net (decrease) in cash and cash equivalents .....	(26,707)	(114,175)
Cash and cash equivalents at beginning of period .....	888,611	744,329
Cash and cash equivalents at end of period .....	<u>\$ 861,904</u>	<u>\$ 630,154</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	
	November 30, 2011	November 30, 2010
<b>Operating income (GAAP)</b>	\$ 170,842	\$ 156,000
Amortization of intangibles	5,074	5,969
Stock-based compensation and related charges	18,665	19,500
Restructuring and impairment charges	-	432
<b>Core operating income (Non-GAAP)</b>	<b>\$ 194,581</b>	<b>\$ 181,901</b>
<b>Net income attributable to Jabil Circuit, Inc. (GAAP)</b>	\$ 112,872	\$ 106,677
Amortization of intangibles, net of tax	5,061	5,958
Stock-based compensation and related charges, net of tax	18,269	19,005
Restructuring and impairment charges, net of tax	-	432
<b>Core earnings (Non-GAAP)</b>	<b>\$ 136,202</b>	<b>\$ 132,072</b>
<b>Earnings per share: (GAAP)</b>		
Basic	\$ 0.55	\$ 0.50
Diluted	\$ 0.54	\$ 0.49
<b>Core earnings per share: (Non-GAAP)</b>		
Basic	\$ 0.66	\$ 0.62
Diluted	\$ 0.65	\$ 0.61
<b>Common shares used in the calculations of earnings per share (GAAP and Non-GAAP):</b>		
Basic	205,388	214,395
Diluted	209,937	217,405

**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 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 November 30, 2011
<b>Numerator:</b>	
<b>Operating income (GAAP)</b>	\$ 170,842
Tax effect (1)	(29,852)
After-tax operating income	140,990
	x4
<b>Annualized after-tax operating income</b>	<u>\$ 563,960</u>
<b>Core Operating Income (Non-GAAP)</b>	\$ 194,581
Tax effect (2)	(30,204)
After-tax core operating income	164,377
	x4
<b>Annualized after-tax core operating income</b>	<u>\$ 657,508</u>
<b>Denominator:</b>	
Average total Jabil Circuit, Inc. stockholders' equity (3)	\$ 1,882,810
Average notes payable and long-term debt, less current installments (3)	1,112,560
Average current installments of notes payable and long-term debt (3)	79,010
Average cash and cash equivalents (3)	(875,258)
<b>Net invested capital asset base</b>	<u>\$ 2,199,122</u>
<b>Return on Invested Capital (GAAP)</b>	<b>25.6%</b>
<b>Adjustments noted above</b>	<b>4.3%</b>
<b>Core Return on Invested Capital (Non-GAAP)</b>	<b>29.9%</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.