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Jabil Reports First Quarter Results

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St. Petersburg, Florida

[Statement of Income and Balance Sheet data for First Quarter 2003](#)

St. Petersburg, FL - December 19, 2002...Jabil Circuit, Inc. (NYSE: JBL), electronics manufacturing services provider, today reported results for the first quarter of fiscal 2003, ended November 30, 2002. Revenue for the quarter increased 21 percent to \$1.07 billion compared to \$885 million for the same period of fiscal 2002.

On a GAAP basis, net income of \$8.4 million for the first quarter of fiscal 2003, was consistent with the first quarter of fiscal 2002. GAAP diluted earnings per share for the first quarter of fiscal 2003 of \$0.04, was also consistent with the same quarter of fiscal 2002.

Jabil's first quarter of fiscal 2003 core earnings after taxes increased 38 percent to \$30.6 million, compared with \$22.1 million for the first fiscal quarter of 2002. (Core earnings are defined as net income before amortization of intangibles, acquisition related charges, restructuring charges and other income.) Core earnings per share increased 36 percent to \$0.15 per diluted share for the period, compared to \$0.11 for the first quarter of fiscal 2002.

Gross profit for the first quarter of fiscal 2003 increased 20 percent to \$97.5 million or 9.1 percent of revenue compared to \$81.6 million or 9.2 percent of revenue for the corresponding quarter of fiscal 2002.

Operating income before amortization of intangibles, acquisition related charges and restructuring charges for the first quarter of fiscal 2003 increased 30 percent to \$39.1 million or 3.7 percent of revenue compared to \$30.1 million or 3.4 percent of revenue for the first quarter of fiscal 2002.

"We are very pleased with our first fiscal quarter, executing to our third successive quarter of increasing core earnings and revenue, while maintaining our solid balance sheet metrics. Late in the quarter we added six new Philips sites and look forward to adding the remaining sites in our second fiscal quarter. Recent acquisitions and new business wins have given Jabil a solid platform for growth as we head into the remainder of this fiscal year," said Chris Lewis, Chief Financial Officer.

Sequential Income Statement Highlights

- | First quarter revenue increased eight percent compared to the prior quarter
- | Operating income (before amortization of intangibles, acquisition related charges and restructuring charges) increased two percent to \$39.1 million from the fourth quarter of fiscal 2002
- | GAAP earnings after taxes were \$8.4 million or 0.8 percent of revenue
- | Core earnings after taxes were \$30.6 million or 2.9 percent of revenue
- | Fully diluted GAAP earnings per share for the quarter were \$0.04 on 200,099,000 average shares
- | Fully diluted core earnings per share for the quarter were \$0.15 on 200,099,000 average shares

Sequential Balance Sheet Highlights

- | Inventories increased by \$48 million in the quarter to \$444 million
- | Calculated inventory turns were 9, consistent with the prior quarter
- | Sales cycle improved by 1 day to 36
- | Debt-to-capitalization ratio was 25 percent at the end of the quarter
- | Cash flow from operations was approximately \$90 million

Business Outlook Guidance

The company provided guidance for its second fiscal quarter of 2003 indicating it expects revenue to increase sequentially five to 12 percent (\$1.1 to \$1.2 billion). Jabil executives said they expect gross margin will be 9.0 to 9.4 percent, reflecting its current mix of business while taking into account impact from the recent acquisitions. Jabil said it expects operating income, before amortization of intangibles, acquisition-related charges and restructuring charges, to range from 3.6 percent to 3.9

percent of revenue, depending upon exact levels of production. Jabil estimates core earnings per share to be \$0.15 to \$0.17 in its second fiscal quarter of 2003. The Company also noted that its cost reduction activities are on track and reiterated previous estimates that it plans to record \$60 to \$80 million in restructuring charges over the course of the fiscal year 2003.

"Our goals for the year are straightforward: reduce costs; diversify through acquisitive and new business wins; and consistently improve our financial results. We look forward to continuing to improve our operating performance through the remainder of this fiscal year," said Tim Main, President and CEO.

Statement of Operations and Balance Sheet data for First Quarter 2003

About Jabil

Jabil Circuit, Inc. is one of the world's largest electronic manufacturing services providers. Jabil manufactures for international electronics companies in the automotive, computing and storage, consumer, instrumentation and medical, networking, peripheral and telecommunications markets. Jabil offers circuit design, board design from schematic, prototype assembly, volume board assembly, system assembly, repair and warranty services from facilities in the Americas, Europe and Asia. Further information about Jabil can be found on the World Wide Web at <http://www.jabil.com>.

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