

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

	May 31, 2004	August 31, 2003
ASSETS		
Current assets		
Cash and cash equivalents	\$ 596,164	\$ 699,748
Accounts receivable, net	720,490	759,696
Inventories	656,994	510,218
Refundable income taxes	5,922	27,757
Prepaid expenses and other current assets	73,807	62,942
Deferred income taxes	79,590	33,586
	2,132,967	2,093,947
Property, plant and equipment, net	742,987	746,204
Goodwill and intangible assets, net	361,671	381,319
Other assets	13,386	23,275
	\$ 3,251,011	\$ 3,244,745
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Current installments of notes payable, long-term debt and long-term lease obligations	\$ 4,332	\$ 347,237
Accounts payable	892,484	712,697
Accrued expenses	213,220	203,284
	1,110,036	1,263,218
Notes payable, long-term debt and long-term lease obligations, less current installments	295,192	297,018
Deferred income taxes	25,434	19,223
Other liabilities	62,328	76,810
	1,492,990	1,656,269
Stockholders' equity		
Common stock	201	199
Additional paid-in capital	969,400	944,145
Retained earnings	745,695	623,053
Accumulated other comprehensive income	42,725	21,079
	1,758,021	1,588,476
	\$ 3,251,011	\$ 3,244,745

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

	Three months ended		Nine months ended	
	May 31, 2004	May 31, 2003	May 31, 2004	May 31, 2003
Net revenue	\$ 1,625,850	\$ 1,219,304	\$ 4,626,720	\$ 3,433,467
Cost of revenue	1,489,935	1,106,673	4,226,029	3,118,405
Gross profit	135,915	112,631	400,691	315,062
Operating expenses:				
Selling, general and administrative	65,913	62,462	197,908	178,612
Research and development	3,318	2,353	9,408	7,400
Amortization of intangibles	10,792	8,489	32,903	24,356
Acquisition-related charges (1)	-	3,920	1,339	11,332
Restructuring and impairment charges (2)	-	32,863	-	76,350
Operating income	55,892	2,544	159,133	17,012
Other loss (income) (3)	6,370	-	6,370	(2,600)
Interest income	(2,087)	(1,465)	(5,558)	(5,236)
Interest expense	5,584	3,862	15,120	11,773
Income before income taxes	46,025	147	143,201	13,075
Income tax expense (benefit)	5,894	(4,319)	20,559	(9,860)
Net income	<u>\$ 40,131</u>	<u>\$ 4,466</u>	<u>\$ 122,642</u>	<u>\$ 22,935</u>
Earnings per share:				
Basic	<u>\$ 0.20</u>	<u>\$ 0.02</u>	<u>\$ 0.61</u>	<u>\$ 0.12</u>
Diluted	<u>\$ 0.19</u>	<u>\$ 0.02</u>	<u>\$ 0.59</u>	<u>\$ 0.11</u>
Common shares used in the calculation of earnings per share:				
Basic	<u>200,716</u>	<u>198,596</u>	<u>200,203</u>	<u>198,306</u>
Diluted	<u>206,371</u>	<u>202,132</u>	<u>206,151</u>	<u>201,404</u>

(1) During the nine-months ended May 31, 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. During the three-months and nine-months ended May 31, 2003, we recorded acquisition-related charges of \$3.9 million (\$2.5 million after-tax) and \$11.3 million (\$7.1 million after-tax), respectively, in connection with the acquisitions of certain operations of Quantum Corporation, Alcatel Business Systems, Valeo, Lucent Technologies of Shanghai, Seagate Technologies- Reynosa, S. de R.L. de C.V. and Royal Philips Electronics.

(2) During the three-months and nine-months ended May 31, 2003, we recorded restructuring and impairment charges of \$32.9 million (\$23.9 million after-tax) and \$76.4 million (\$52.4 million after-tax), respectively, related to the restructuring of our business.

(3) During the three-months and nine-months ended May 31, 2004, we recorded an other loss of \$6.4 million (\$4.0 million after-tax) on the write-off of unamortized issuance costs associated with our \$345 million, 20-year, 1.75% convertible subordinated notes ("Convertible Notes"). The Convertible Notes were retired in May 2004. During the nine-months ended May 31, 2003, we recorded \$2.6 million (\$1.6 million after-tax) of other income related to proceeds received in connection with facility closure costs.

JABIL CIRCUIT, INC. AND SUBSIDIARIES
SUPPLEMENTAL DATA
RECONCILIATION FOR GAAP FINANCIAL RESULTS TO NON-GAAP MEASURES
(In thousands, except for per share data)
(Unaudited)

	Three months ended		Nine months ended	
	May 31, 2004	May 31, 2003	May 31, 2004	May 31, 2003
Operating income (GAAP)	\$ 55,892	\$ 2,544	\$ 159,133	\$ 17,012
Amortization of intangibles	10,792	8,489	32,903	24,356
Acquisition-related charges	-	3,920	1,339	11,332
Restructuring and impairment charges	-	32,863	-	76,350
Core operating income (Non-GAAP)	<u>\$ 66,684</u>	<u>\$ 47,816</u>	<u>\$ 193,375</u>	<u>\$ 129,050</u>
Net Income (GAAP)	\$ 40,131	\$ 4,466	\$ 122,642	\$ 22,935
Amortization of intangibles, net of tax	8,972	7,257	26,799	20,473
Acquisition-related charges, net of tax	-	2,491	987	7,143
Restructuring and impairment charges, net of tax	-	23,938	-	52,419
Other loss (income), net of tax	3,975	-	3,975	(1,622)
Core earnings (Non-GAAP)	<u>\$ 53,078</u>	<u>\$ 38,152</u>	<u>\$ 154,403</u>	<u>\$ 101,348</u>
Earnings per share: (GAAP)				
Basic	<u>\$ 0.20</u>	<u>\$ 0.02</u>	<u>\$ 0.61</u>	<u>\$ 0.12</u>
Diluted	<u>\$ 0.19</u>	<u>\$ 0.02</u>	<u>\$ 0.59</u>	<u>\$ 0.11</u>
Core earnings per share: (Non-GAAP)				
Basic	<u>\$ 0.26</u>	<u>\$ 0.19</u>	<u>\$ 0.77</u>	<u>\$ 0.51</u>
Diluted	<u>\$ 0.26</u>	<u>\$ 0.19</u>	<u>\$ 0.75</u>	<u>\$ 0.50</u>
Common shares used in the calculations of earnings per share:				
Basic	<u>200,716</u>	<u>198,596</u>	<u>200,203</u>	<u>198,306</u>
Diluted	<u>206,371</u>	<u>202,132</u>	<u>206,151</u>	<u>201,404</u>