



SUPPLEMENTAL FINANCIAL INFORMATION
Q3 FISCAL YEAR 2020 (QUARTER ENDED DEC 31, 2019)

Q3 FY 2020 FINANCIAL HIGHLIGHTS

\$903 million Revenue	5% YoY Sales Growth	37.6% Non-GAAP Gross Margin	\$152 million Non-GAAP Operating Income	\$0.84 per share Non-GAAP Diluted EPS	\$181 million Cash Flow from Operations
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Results listed in non-GAAP. Sales are net sales and comparisons are YoY and on a constant currency basis.

Quarterly Financial Trends

Preliminary results *

In \$ millions except per share and %

	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20
GAAP Results											
Net Sales	530	632	812	592	608	691	864	624	644	720	903
Gross Margin	36.5%	36.0%	33.9%	35.8%	36.8%	37.1%	37.5%	37.3%	37.1%	37.8%	37.1%
Operating Expenses	162	169	175	173	191	191	201	191	192	204	206
Operating Income	31	59	100	39	32	65	123	42	47	68	129
Operating Margin	5.9%	9.3%	12.3%	6.6%	5.3%	9.4%	14.3%	6.8%	7.4%	9.5%	14.3%
Net Income	37	56	81	34	38	64	113	42	45	73	118
Diluted EPS	\$0.22	\$0.33	\$0.48	\$0.20	\$0.23	\$0.38	\$0.67	\$0.25	\$0.27	\$0.43	\$0.69
Avg. Diluted Shares Outstanding	168	169	169	169	169	169	169	169	169	169	170
Non-GAAP Results											
Net Sales	530	632	812	592	608	691	864	624	644	720	903
Gross Margin	37.0%	36.5%	34.4%	36.4%	37.4%	37.6%	38.1%	38.0%	37.8%	38.4%	37.6%
Operating Expenses	153	159	162	161	167	175	186	173	176	187	188
Operating Income	43	71	117	55	61	85	143	64	67	89	152
Operating Margin	8.1%	11.3%	14.4%	9.3%	9.9%	12.2%	16.6%	10.3%	10.4%	12.4%	16.8%
Net Income	40	66	111	55	57	83	134	65	66	85	143
Diluted EPS	\$0.24	\$0.39	\$0.65	\$0.32	\$0.34	\$0.49	\$0.79	\$0.38	\$0.39	\$0.50	\$0.84
Net Sales by Product Category											
Pointing Devices	122	124	141	130	128	128	149	132	122	133	155
Keyboards & Combos	116	119	126	137	128	132	144	132	129	139	156
PC Wecams	26	27	27	32	30	28	33	30	28	29	32
Tablet & Other Accessories	23	31	27	27	32	37	36	23	38	34	31
Video Collaboration	36	46	46	55	59	57	74	69	73	90	92
Mobile Speakers	63	91	147	14	34	77	96	23	50	57	93
Audio & Wearables	50	62	84	55	52	62	99	65	59	68	82
Gaming	78	114	174	127	136	161	214	138	135	161	246
Smart Home	16	18	39	16	9	9	20	12	10	9	16
Other	0	0	0	0	0	0	0	0	0	0	0
Total Net Sales	530	632	812	592	608	691	864	624	644	720	903

Cash Flow and Operational Trends ^{1,2}

Preliminary results *

In \$ millions except working capital metrics

	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20
Balance Sheet											
Cash and ST Investments	528	406	565	642	604	426	586	605	598	575	656
Debt	0	0	0	0	0	0	0	0	0	0	0
Accounts Receivable	221	278	352	215	386 ²	460 ²	484 ²	383 ²	419	466	531
Inventory	279	330	279	260	273	359	342	293	297	338	307
Accounts Payable	313	387	429	294	344	441	436	284	339	411	439
Net Working Capital ¹	188	221	202	181	315	378	390	393	377	393	400
Working Capital Metrics											
Days Sales Outstanding	38	40	39	33	57 ²	60 ²	50 ²	55 ²	59	58	53
Days Inventory Outstanding	75	73	47	62	64	74	57	67	66	68	49
Days Payables Outstanding	84	86	72	70	80	91	73	65	75	83	70
Cash Conversion Cycle	29	27	14	25	41 ²	43 ²	34 ²	57 ²	50	43	32
Cash Flow from Operations	(1)	68	189	90	12	85	176	32	37	107	181
Capital Return											
Dividends Paid	0	104	0	0	0	114	0	0	0	124	0
Shares Repurchased	1	10	10	10	10	10	3	10	15	0	0
Total Capital Return	1	114	10	10	10	124	3	10	15	124	0
LTM Capital Return	153	156	145	135	144	154	147	147	152	152	149

1. Net Working Capital is defined here as Accounts Receivables + Inventory - Accounts Payable.

2. Q1'19, Q2'19, Q3'19, and Q4'19 accounts receivables, DSO, and cash conversion cycle include the implementation of ASC 606.

GAAP to Non-GAAP Reconciliations ^{(A), (D)}

Preliminary results *

In \$ millions except per share and %

	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20
Gross Profit - GAAP	194	228	276	212	224	256	324	233	239	272	334
Share-based compensation expense	1	1	1	1	1	1	1	1	1	1	1
Amortization of intangible assets and purchase accounting effect on inventory	2	2	3	3	2	3	5	3	3	3	4
Gross Profit - Non-GAAP	196	231	279	216	227	260	330	237	243	277	340
Operating Expenses - GAAP	162	169	175	173	191	191	201	191	192	204	206
Share-based compensation expense	10	10	11	10	12	11	11	12	11	13	13
Amortization of intangible assets and acquisition-related costs	1	2	2	3	3	4	4	4	4	4	5
Change in fair value of contingent consideration for business acquisition	(2)	(3)	0	0	0	0	0	0	0	0	0
Restructuring charges (credits), net	(0)	(0)	0	0	10	0	(0)	2	0	(0)	(0)
Investigation and related expenses	0	0	0	0	0	0	0	0	0	0	0
Operating Expenses - Non-GAAP	153	160	162	161	167	175	186	173	176	187	188
Operating Income - GAAP	31	59	100	39	32	65	123	42	47	68	129
Share-based compensation expense	11	11	12	11	13	12	12	13	12	14	14
Amortization of intangible assets	3	4	4	5	5	5	7	7	7	7	8
Purchase accounting effect on inventory	0	0	1	0	0	0	1	0	0	0	0
Acquisition-related costs	0	1	0	0	0	1	0	0	0	1	1
Change in fair value of contingent consideration for business acquisition	(2)	(3)	0	0	0	0	0	0	0	0	0
Restructuring charges (credits), net	(0)	(0)	0	0	10	0	(0)	2	0	(0)	(0)
Investigation and related expenses	0	0	0	0	0	0	0	0	0	0	0
Operating Income - Non-GAAP	43	71	117	55	61	85	143	64	67	89	152
Net Income From Continuing Operations - GAAP	37	56	81	34	38	64	113	42	45	73	118
Share-based compensation expense	11	11	12	11	13	12	12	13	12	14	14
Amortization of intangible assets	3	4	4	5	5	5	7	7	7	7	8
Purchase accounting effect on inventory	0	0	1	0	0	0	1	0	0	0	0
Acquisition-related costs	0	1	0	0	0	1	0	0	0	1	1
Change in fair value of contingent consideration for business acquisition	(2)	(3)	0	0	0	0	0	0	0	0	0
Restructuring charges (credits), net	(0)	(0)	0	0	10	0	(0)	2	0	(0)	(0)
Investigation and related expenses	0	0	0	0	0	0	0	0	0	0	0
Investment impairment (recovery)	0	0	0	0	0	0	0	0	0	0	0
Loss (gain) on investments	0	(1)	(0)	(0)	0	(0)	(0)	(0)	(0)	0	1
Non-GAAP tax adjustment	(9)	(2)	13	4	(9)	(0)	1	1	1	(10)	2
Net Income From Continuing Operations - Non-GAAP	40	66	111	55	57	83	134	65	66	85	143
Net Income from Continuing Operations Per Share											
Diluted- GAAP	\$0.22	\$0.33	\$0.48	\$0.20	\$0.23	\$0.38	\$0.67	\$0.25	\$0.27	\$0.43	\$0.69
Diluted - Non-GAAP	\$0.24	\$0.39	\$0.65	\$0.32	\$0.34	\$0.49	\$0.79	\$0.38	\$0.39	\$0.50	\$0.84

Note: These preliminary results for the month ended December 31, 2019 are subject to adjustments, including subsequent events that may occur through the date of filing our Quarterly Report on Form 10-Q.

GAAP TO NON-GAAP RECONCILIATION NOTES

Note: These preliminary results for the three months ended December 31, 2019 are subject to adjustments, including subsequent events that may occur through the date of filing our Quarterly Report on Form 10-Q.

Non-GAAP Financial Measures

This presentation includes **forward-looking statements** within the meaning of the U.S. federal securities laws, including, without limitation, statements regarding: our preliminary financial results for the three and nine months ended December 31, 2019, macroeconomic trends, secular trends, our growth, our execution, our product portfolio, growth categories, growth opportunities, investments in our business, regional growth trends, sustainability leadership, goals and disclosure, product category sales, trends and momentum, our business-to-business capability, period-over-period comparisons, innovation, ergonomic products, product distribution, diversification, ability to deliver results and targets in spite of challenges, focus, long-term potential of categories, long-term gross margin target range, cost reductions and efficiencies, operating expenses, fiscal year 2020 fourth quarter gross margin and cash flow, fiscal year 2020 cash flow, tariffs and the timing of their implementation, seasonality, fiscal year 2021 outlook, strategies, and outlook for fiscal year 2020 results, sales growth, operating income, effective tax rate, cash from operations, capital expenditures and related assumptions. These statements are subject to risks and uncertainties that may cause actual results and events to differ materially, including without limitation: if our product offerings, marketing activities and investment prioritization decisions do not result in the sales, profitability or profitability growth we expect, or when we expect it; if we fail to innovate and develop new products in a timely and cost-effective manner for our new and existing product categories; if we do not successfully execute on our growth opportunities or our growth opportunities are more limited than we expect; the effect of pricing, product, marketing and other initiatives by our competitors, and our reaction to them, on our sales, gross margins and profitability; if our products and marketing strategies fail to separate our products from competitors' products; if we are not able to maintain and enhance our brands; if we do not fully realize our goals to lower our costs and improve our operating leverage; if there is a deterioration of business and economic conditions in one or more of our sales regions or product categories, or significant fluctuations in exchange rates; changes in trade policies and agreements and the imposition of tariffs that affect our products or operations and our ability to mitigate; risks associated with acquisitions; the effect of changes to our effective income tax rates. These and other risks and uncertainties are detailed in Logitech's filings with the Securities and Exchange Commission, including its Annual Report on Form 10-K for the fiscal year ended March 31, 2019 and its Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2019, available at www.sec.gov, under the caption Risk Factors and elsewhere. Logitech does not undertake any obligation to update any forward-looking statements to reflect new information or events or circumstances occurring after the date of this presentation.

To facilitate comparisons to Logitech's historical results, we have included **non-GAAP adjusted measures** in this presentation, which exclude primarily share-based compensation expense, amortization of intangible assets, purchase accounting effect on inventory, acquisition-related costs, restructuring charges (credits), loss (gain) on investments, non-GAAP income tax adjustment, and other items detailed under "Supplemental Financial Information" in our quarterly earnings press release and posted to our website at <http://ir.logitech.com>. Historical GAAP and corresponding non-GAAP measures are provided with our earnings releases and presentations in the Investors section of our website. We also present percentage sales growth in constant currency ("CC") to show performance unaffected by fluctuations in currency exchange rates. Percentage sales growth in constant currency is calculated by translating prior period sales in each local currency at the current period's average exchange rate for that currency and comparing that to current period sales. Logitech believes this information will help investors to evaluate its current period performance, outlook and trends in its business. For historical financials provided in this presentation, reconciliation between non-GAAP amounts and GAAP amounts is provided on the Investors page of our website, together with this presentation and with our earnings releases. With respect to financial outlook, most of the excluded amounts pertain to events that have not yet occurred and are not currently possible to estimate with a reasonable degree of accuracy. Therefore, no reconciliation to GAAP amounts has been provided for non-GAAP outlook.

(A) Preliminary Valuation from the Business Acquisition

The preliminary fair value of assets acquired and liabilities assumed from the business acquisition in the third quarter of Fiscal Year 2020 is included in the tables. The fair value of identifiable intangible assets acquired was based on estimates and assumptions made by us at the time of the acquisition. As additional information becomes available, such as the finalization of the estimated fair value of the assets acquired and liabilities assumed, we may revise our preliminary or interim estimated fair value of the assets acquired and liabilities assumed during the remainder of the measurement period (which will not exceed 12 months from the acquisition date). Any such revisions or changes may be material, and may have a material impact over our financial conditions and results of operations.

(D) Non-GAAP Financial Measures

To supplement our condensed consolidated financial results prepared in accordance with GAAP, we use a number of financial measures, both GAAP and non-GAAP, in analyzing and assessing our overall business performance, for making operating decisions and for forecasting and planning future periods. We consider the use of non-GAAP financial measures helpful in assessing our current financial performance, ongoing operations and prospects for the future as well as understanding financial and business trends relating to our financial condition and results of operations. For full GAAP to non-GAAP reconciliation information and cautionary information regarding the use of non-GAAP measures, please refer to "Supplemental Financial Information" in our earnings press release or "Financial Statements only" posted to our website under "Quarterly Results" at <http://ir.logitech.com>.