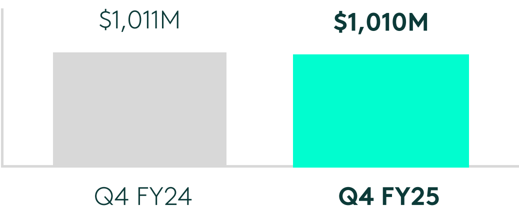
Q4 2025

Shareholder Letter

April 29, 2025

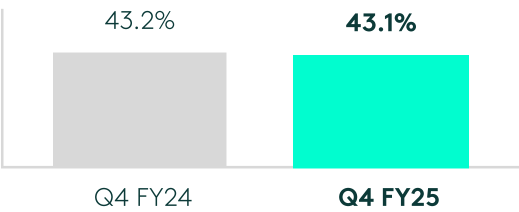
Q4 FY25 Highlights

Net Sales



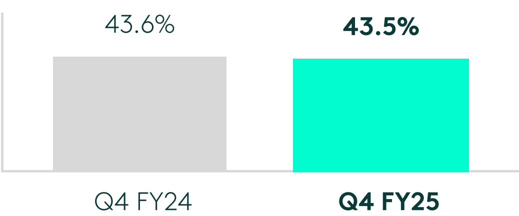
+ 2% (cc) y/y

GAAP Gross Margin



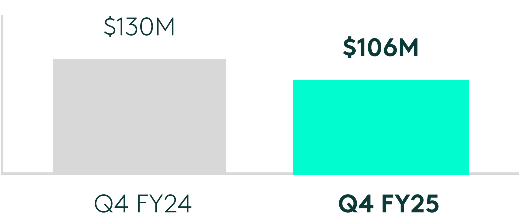
- 10 basis points y/y

Non-GAAP Gross Margin



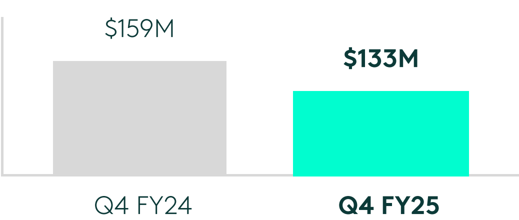
- 10 basis points y/y

GAAP Operating Income



- 19% y/y

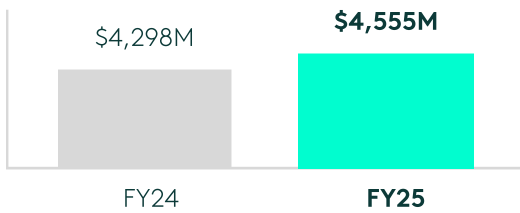
Non-GAAP Operating Income



- 16% y/y

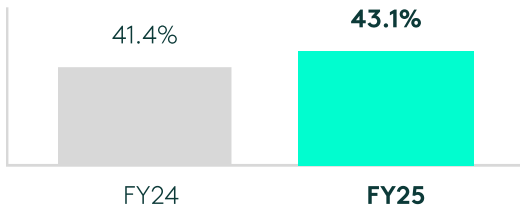
Fiscal Year 2025 Highlights

Net Sales



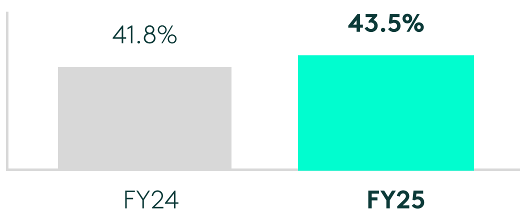
+ 7% (cc) y/y

GAAP Gross Margin



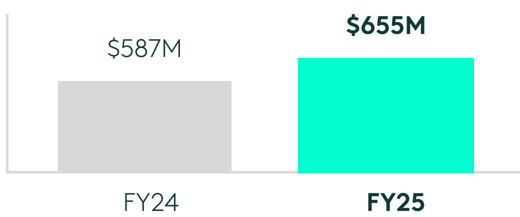
+ 170 basis points y/y

Non-GAAP Gross Margin



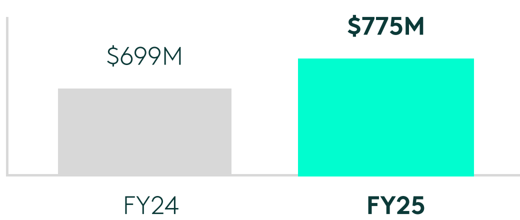
+ 170 basis points y/y

GAAP Operating Income



+ 11% y/y

Non-GAAP Operating Income



+ 11% y/y

FY25 net sales were $4.6 billion, up 7% (cc) versus FY24. We grew market share in Pointing Devices, Non-Gaming PC Headsets, Console Gaming Headsets, Webcams, and Gaming Steering Wheels over the past twelve months.[1]

FY25 non-GAAP gross margin was 43.5%, up 170 basis points versus FY24, driven by continued momentum from product cost reductions, partially offset by strategic promotional investments and FX rates.

FY25 non-GAAP operating income was $775 million, up 11% versus FY24, reflecting operating margin expansion.

Note: Comparisons are year-over-year (y/y) and in constant currency (cc), a non-GAAP measure, unless otherwise specified. For more information, see Non-GAAP Financial Measures below.

[1] Market share data as of February, 2025, and calculated using proprietary commissioned third party data from Circana.

Dear Logitech Shareholder,

Fiscal Year 2025 was a year of outstanding results for Logitech. We returned the business to broad-based, topline growth across our geographies, key product categories and customers. We expanded our market share in strategic product categories like Pointing Devices, Non-Gaming PC Headsets, Console Gaming Headsets, Webcams, and Gaming Steering Wheels – and remain a #1 or #2 player in 11 out of the 13 categories in which we compete[1].

We achieved these results while driving profitability for the year, non-GAAP gross margins expanded by 170 basis points and non-GAAP operating margins expanded by 70 basis points. We grew our business while achieving operating leverage.

Our strategic priorities and unique capabilities drove these results.

[1] Market share data as of February, 2025, and calculated using proprietary commissioned third party data from Circana.

Superior product innovation remains at the heart of our strategy. We launched 39 new products during the year. Some of our most popular global innovations included the Combo Touch Keyboard Case for iPad, the Pro X Superlight Wireless Gaming Mouse and the A50 gaming headset family. In February 2025, the Alto Keys Mechanical Customizable Keyboard became the best-selling personal workspace mechanical keyboard in China[2]. Our innovation was also recognized by 10 Red Dot[3] Awards, for products including the G Pro X TKL, the Sight camera and the Wave Keys, and the Fast Company Innovation by Design Awards[4] for the Zone Learn headset.

We **accelerated momentum in B2B**. Logitech for Business growth was driven by our video conferencing core, as well as headsets and personal workspace products; improved go-to-market capabilities; and double-digit growth in services as well as the new Education vertical.

We continued to drive **excellent execution across geographies**, rapidly reapplying best practices and proven strategies from market to market to strengthen our global performance across the board.

And finally, we leaned into our **foundational strength as an operations powerhouse**. Through disciplined product cost reductions that resulted in record savings, we drove the second highest annual non-GAAP gross margin in the last decade.

Fiscal Year 2025 marked an inflection point for Logitech. We returned to growth, we delivered on our clear strategy and we operated with speed, discipline and purpose.

[1] Market share data as of February, 2025, and calculated using proprietary commissioned third party data from Circana.
[2] February 2025 1 month data, from GFK China.
[3] https://www.logitech.com/blog/2024/05/24/logitech-honored-with-10-design-award-wins-from-red-dot-for-2024/
[4] https://www.fastcompany.com/91128505/logitech-innovation-by-design-2024

Fiscal Year 2026

Fiscal Year 2026 presents an unpredictable global environment shaped by factors including fluctuating tariffs, inflation, geopolitical conflict and dynamic consumer and enterprise sentiment. To operate through these dynamic and uncertain conditions, we will focus on three core principles:

1. **Play offense**: Uncertainty creates opportunity. We will focus on gaining market share in key categories. We intend to continue to invest in R&D, as well as sales and marketing, to expand our competitive advantage.
2. **Control costs**: Cost management is a priority. Our team will remain disciplined and continue to optimize on cost reduction.
3. **Be agile**: In leveraging our diversified manufacturing footprint, as well as taking necessary commercial actions.

These principles reflect lessons learned and experience gained from past periods of economic uncertainty and underscore our belief in prioritized investing through difficult times.

Our confidence in playing offense in Fiscal Year 2026 is based on a simple belief: we begin from a unique position of strength that sets us apart from our competitors.

- **Global reach**: With approximately 65% of net sales generated outside the U.S., Logitech's geographic footprint reduces market-specific risks while creating opportunities for growth.
- **Ability to price**: With a strong brand and superior products, we believe we are uniquely positioned to leverage pricing power to mitigate tariff impact.
- **A diverse, resilient manufacturing and supply chain footprint**: We have a diversified manufacturing base across six countries. This diversification provides resilience to manage various risks, including tariffs. Currently, approximately 40% of our products sold in the US (by value) originate from China, with a plan to reduce to 10% by end of year.
- **A pristine balance sheet**: We have a strong balance sheet with available cash of $1.5 billion and a low cash conversion cycle of 42 days, down 14 days Y/Y. This provides financial flexibility and positions us well for challenging environments.
- **Experienced leadership team**: Our operational expertise, refined through past challenges including COVID-19, provides a strong foundation for navigating the current environment.

Q1 FY26 Outlook

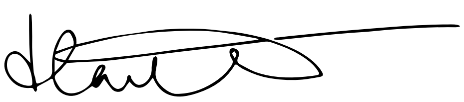
Looking at the first quarter of FY26, we expect a number of dynamics to shape performance and not all of them certain at this point. Despite this uncertainty, we are providing a financial outlook for the first quarter of our 2026 fiscal year. The midpoint of the outlook calls for continued top line growth and healthy margins.

Q1 FY26 Outlook ($ millions)	
	Q1 FY26 Outlook
Net sales	$1,100 - $1,150
Net sales growth (USD, Y/Y)	1 - 6%
Net sales growth (CC, Y/Y)	0 - 5%
Non-GAAP operating income	$155 - $185
Non-GAAP op. inc growth/(decline) (USD, Y/Y)	(15%) - 1%

As we wrap up FY25, we'd like to extend our gratitude to the Logitech team for an outstanding year. They have demonstrated the resilience, collaboration, hunger and humility it takes to deliver such strong results - precisely the qualities that will help us achieve our long-term objectives going forward.

Sincerely,

Hanneke Faber / CEO



Matteo Anversa / CFO

What's New

Logitech for Business: Rally Board 65

We introduced Rally Board 65, a portable video conferencing device with built-in intelligent audio, video, and an interactive 65" touchscreen display. It can be set up quickly to work with Android, PC, or Bring Your Own Device modes. The all-in-one solution can be moved on a cart for use in open spaces, with the option to flip the device 180-degrees to orient the camera at eye level. It can also be installed in meeting rooms, with the camera placed above or below the screen.

Logitech for Business: Rally Board 65

Logitech for Business: Spot

We introduced Logitech Spot, a workplace sensor designed to monitor occupancy and environmental conditions. Easy to deploy in most spaces, it helps automate meeting room reservations and provides recommendations to enhance workplace well-being and reduce energy consumption. Studies from Harvard[1] and the University of California, Berkeley[2] have linked elevated carbon dioxide levels and common pollutants, such as dust and aerosols, to decreased cognitive performance, illness, and absenteeism. Spot addresses these issues by supporting better air quality and more efficient energy use.

Logitech for Business: Spot

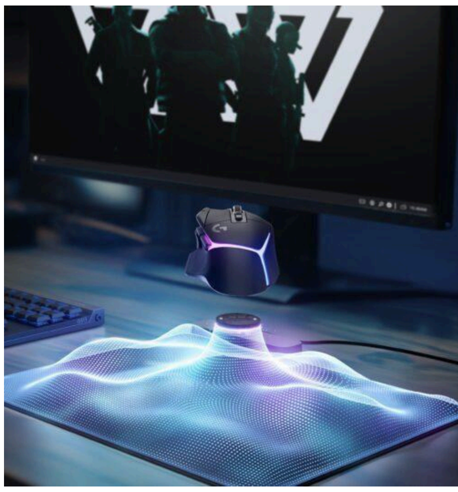
Logitech for Business | Education: Rally Camera Streamline Kit

We introduced the Rally Camera Streamline Kit, a USB Pan-Tilt-Zoom (PTZ) video solution designed for hybrid learning and modern workspaces. The kit allows educators to switch between camera views, work with most platforms, and operate from up to 100 meters away. It also simplifies setup and troubleshooting. As higher education adapts to growing demand for lecture capture and hybrid learning, this kit provides a practical tool for engaging both in-person and virtual audiences.

Logitech for Business | Education: Rally Camera Streamline Kit

Logitech G: POWERPLAY 2

We launched POWERPLAY 2, a wireless charging mouse pad that keeps gaming mice powered at all times, whether in motion or at rest. With a slimmer design and simple plug-and-play setup, it eliminates the need for cables and ensures uninterrupted performance by maintaining consistent battery power during use.



Logitech G: POWERPLAY 2

[1] https://healthybuildings.hsph.harvard.edu/research/,
[2] https://cbe.berkeley.edu/research/impact-ventilation-productivity/

Sustainability

Transition to Paper Packaging

We are fully transitioning from plastic to paper packaging in our flagship mice category. With 90% of the shift now complete, and full transition expected by the end of 2025, this move creates tangible business value.

- **Cost and Operational Efficiency**: Redesigning packaging to replace plastic optimizes weight, size, and logistics, driving cost savings while minimizing environmental impact.
- **Customer Appeal**: Paper-based packaging enhances recyclability and product appeal. According to a GlobeScan report[1], 61% of global consumers prefer recyclable packaging, driving stronger brand differentiation and customer loyalty.
- **Carbon Reduction**: By eliminating an estimated 660 tons of plastic, we are reducing 6,000 tons of CO_2 emissions annually, the equivalent of removing over 37 million single-use plastic water bottles[2].

Joining Prestigious Carbon Disclosure Project (CDP) Climate A List

For the first time, we have been included in the CDP Climate A List. The company was recognized for:

- **Our Design for Sustainability program prioritizes** absolute carbon reductions as part of every design decision, including lower-carbon alternative materials like Next Life Plastics, low carbon aluminum, and optimized printed circuit boards.
- **Activating and supporting suppliers** to obtain high-quality, third-party certified renewable electricity certificates to reduce their Scope 2 emissions. For two years in a row, CDP named us a Supplier Engagement Leader for its actions and strategies to reduce emissions in its supply chain.
- **Fostering transparency and accountability** with over 66% of our product portfolio having a third-party reviewed Product Carbon Footprint study. We are on track to carbon label our entire portfolio by 2025.
- **Shifting manufacturing to renewable energy** by developing on-site renewable electricity and partnering with utilities providers to match 94% of our electricity footprint with direct and indirect renewable electricity purchases.

For details, visit: CDP A List[3].

[1] https://globescan.com/2024/12/10/healthy-sustainable-living-report-2024/

[2] https://news.logitech.com/press-releases/news-details/2025/Smarter-Design-Less-Waste-Logitech-Fully-Transitions-to-Paper-Packaging/default.aspx

[3] https://www.cdp.net/en/data/scores

Financial Discussion

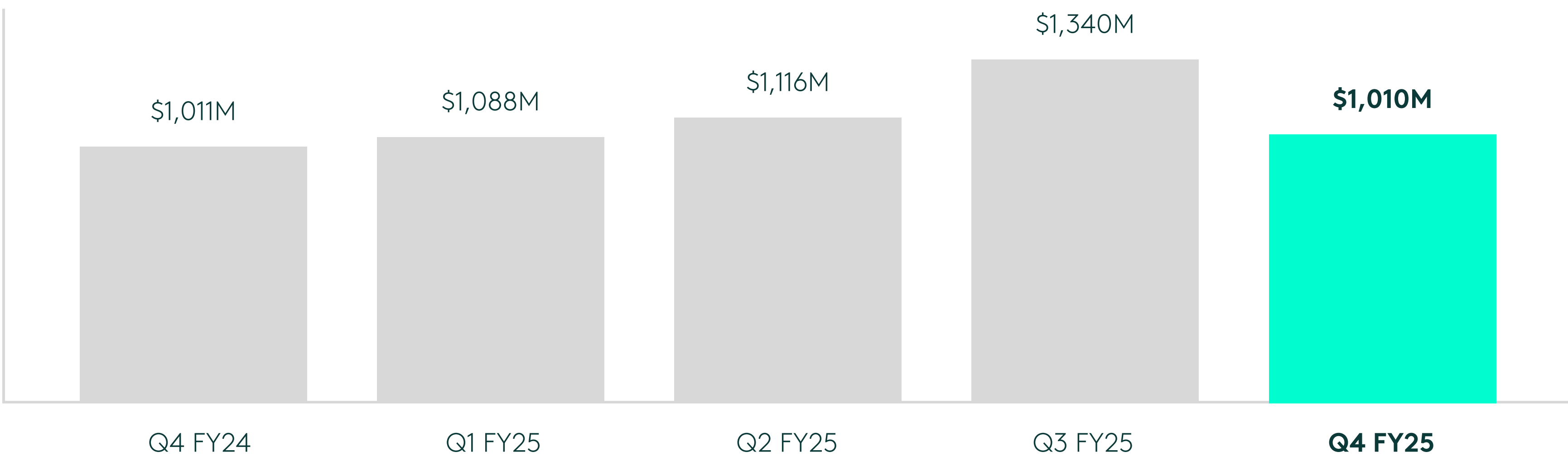
Q4 FY25 Results

Non-GAAP gross margin for the quarter was strong at 43.5%, down 10 bps Y/Y with significant manufacturing cost reductions offset by strategic promotional investment and foreign exchange. Non-GAAP operating margin was 13.2%, down 250 bps, primarily related to a bad debt expense, strategic investments and variable compensation.

In Q4, we gained market share in Pointing Devices, Non-Gaming PC Headsets, Console Gaming Headsets, Webcams, and Gaming Steering Wheels.[1]

The strong operational execution throughout Q4 generated solid operating cash flows of positive $130 million, with a strong ending cash balance of approximately $1.5 billion.

Net Sales



[1] Market share data as of February, 2025, and calculated using proprietary commissioned third party data from Circana.

Fiscal Year 2025 Results

For FY25, net sales increased by 7% (cc) to $4,555 million year over year, driven by our strategic priorities, accelerated momentum in B2B, excellent execution across geographies, and our foundational strength as an operations powerhouse. We ended the fiscal year surpassing the outlook provided at the beginning of the fiscal year, for both non-GAAP gross margin, 43.5%; and non-GAAP operating margin, 17%.

In FY25, we grew market share in Pointing Devices, Non-Gaming PC Headsets, Gaming Wheels, Console Gaming Headsets, and Webcams over the past twelve months.[1]

We generated $843 million in operating cash flow, and ended the year with a cash balance of $1.5 billion. We returned a total of $797 million to shareholders through our annual dividend payment ($208 million) and share repurchases ($589 million).

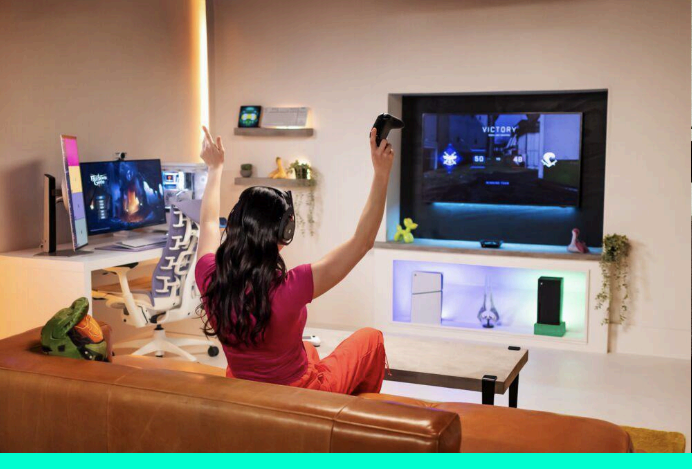
Net Sales

[1] Market share data as of February, 2025, and calculated using proprietary commissioned third party data from Circana.

Net Sales by Product Category

$M	Q4 FY25	Q4FY24	Y/Y	Y/Y (CC)	FY25	FY24	Y/Y	Y/Y (CC)
Gaming[1]	262	273	(4%)	(2%)	1338	1,231	9%	10%
Keyboards & Combos	221	216	2%	5%	883	821	7%	8%
Pointing Devices	186	171	9%	11%	789	743	6%	7%
Video Collaboration	143	148	(3%)	(1%)	626	609	3%	3%
Webcams	78	76	3%	5%	316	325	(3%)	(2%)
Tablet Accessories	58	56	4%	6%	300	254	18%	18%
Headsets	43	45	(6%)	(4%)	180	168	7%	8%
Other[2]	20	26	(21%)	(19%)	124	146	(15%)	(15%)
Net sales	**1,010**	**1,011**	**0%**	**2%**	**4,555**	**4,298**	**6%**	**7%**

Note:
[1] Gaming includes streaming services generated by Streamlabs.
[2] Other primarily consists of Mobile Speakers and PC Speakers.
Net sales in $ millions. Comparisons are Y/Y.
Total net sales may not tie to the sum of product category net sales due to rounding.



Gaming

Gaming sales decreased by 2% (cc) in Q4 and increased by 10% (cc) for the Fiscal Year. End user demand and market shares were strong in Q4, with some reduction of channel inventory post the holiday season. In the quarter, gaming net sales in Asia Pacific grew 1% (cc) year over year, and declined 5% (cc) in the Americas and 2% (cc) in EMEA.

Video Collaboration

Video Collaboration sales decreased by 1% (cc) in Q4 and increased by 3% (cc) for the Fiscal Year. Q4 net sales declined in EMEA by 20% (cc), partially offset by growth in the Americas of 8% (cc) and 19% (cc) in Asia Pacific. Q4 results coincided with a generally more cautious stance among enterprise buyers.

Personal Workspace Solutions

Pointing Devices

Sales in Pointing Devices increased 11% (cc) in Q4 and increased by 7% (cc) for the Fiscal Year. In Q4, we grew market share. EMEA grew 16% (cc), while the Americas and Asia Pacific both grew 9% (cc).

Keyboards & Combos

Keyboards & Combos sales increased 5% (cc) in Q4 and increased by 8% (cc) for the Fiscal Year. The Q4 results were driven by a double digit, 10% (cc), year over year increase in Asia Pacific, and 3% (cc) growth in both the Americas and EMEA. In the quarter, Keyboards & Combos maintained the number one market share position.[1]

Headsets

Headset sales decreased 4% (cc) in Q4 and increased by 8% (cc) for the Fiscal Year. In Q4, we saw strong growth in Asia Pacific at 20% (cc), while EMEA and the Americas decreased 12% (cc) and 7% (cc) respectively.

Tablet Accessories

Sales of Tablet Accessories increased 6% (cc) in Q4 and increased by 18% (cc) for the Fiscal Year. The Q4 results were driven by strong sales in the Education vertical and continued strong sales of the Combo Touch keyboard. We have improved our margins for Tablet Accessories significantly over the past year.

Webcams

Webcams sales increased 5% (cc) in Q4 and decreased by 2% (cc) for the Fiscal Year. We remain the global market leader on webcams, and gained market share in the quarter[1]. Regionally, Webcams sales increased by 7% (cc) in the Americas, 3% (cc) in EMEA, and 1% (cc) in Asia Pacific in Q4.

[1] Market share data as of February, 2025, and calculated using proprietary commissioned third party data from Circana.

Net Sales by Region

In the quarter, sales grew in the Americas and Asia Pacific in constant currency. For the Fiscal Year, all three regions grew in constant currency.

Americas

Sales in the Americas region were up 3% (cc) in Q4 and increased 5% (cc) for the Fiscal Year. In Q4, we grew net sales in the region for the sixth consecutive quarter and drove growth across four of our seven key categories.

EMEA

Sales in the EMEA region were down 2% (cc) in Q4 and increased 9% (cc) for the Fiscal Year. Net sales were down in Q4 as we focussed on aligning our channel inventory with demand following the holiday season.

Asia Pacific

Sales in the Asia Pacific region increased 7% (cc) in Q4 and increased 7% (cc) for the Fiscal Year. For the fifth consecutive quarter, we grew in the region. In the quarter in (cc), Tablet Accessories, Video Collaboration and Headsets all grew by double digits in the quarter.

Fiscal 2025

Net sales ($M)	FY25	FY24	Y/Y (US$)	Y/Y (CC)	Sell-Through (US$)[2]
Net Sales (Global)	**4,555**	**4,298**	**6%**	**7%**	**5%**
Americas	1,973	1,896	4%	5%	3%
EMEA	1,414	1,302	9%	9%	6%
Asia Pacific	1,168	1,101	6%	7%	4%

Q4 FY25

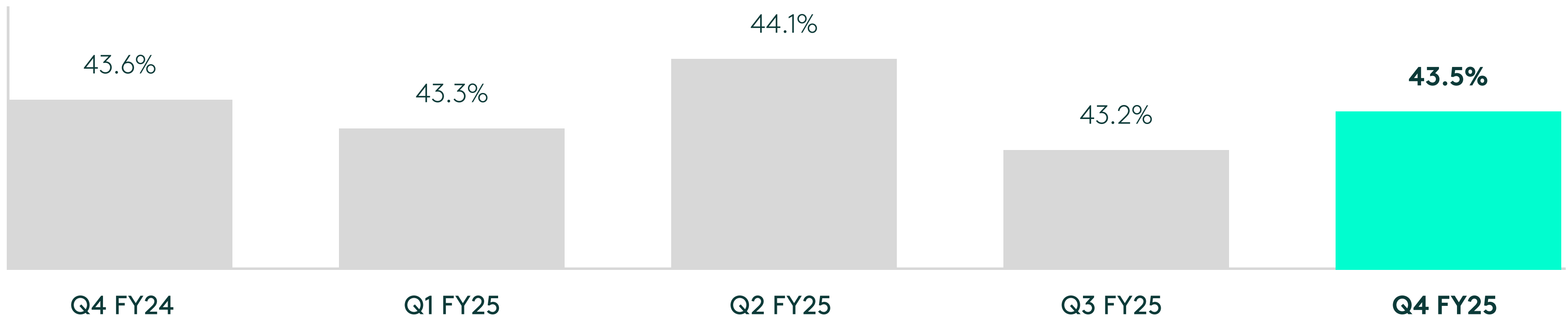
Net sales ($M)	Q4 FY25	Q4 FY24	Y/Y (US$)	Y/Y (CC)	Sell-Through (US$)[2]
Net Sales (Global)	**1,010**	**1,011**	**0%**	**2%**	**2%**
Americas	454	450	1%	3%	5%
EMEA	297	314	(5%)	(2%)	(3%)
Asia Pacific	258	247	5%	7%	4%

Note:
[1] Net sales include the impact of promotions.
[2] Sell-through figures are gross and do not include the impact of promotions.
Net sales in $ millions. Comparisons are Y/Y. See Appendix regarding sell-through data.
Total net sales may not tie to the sum of region net sales due to rounding.

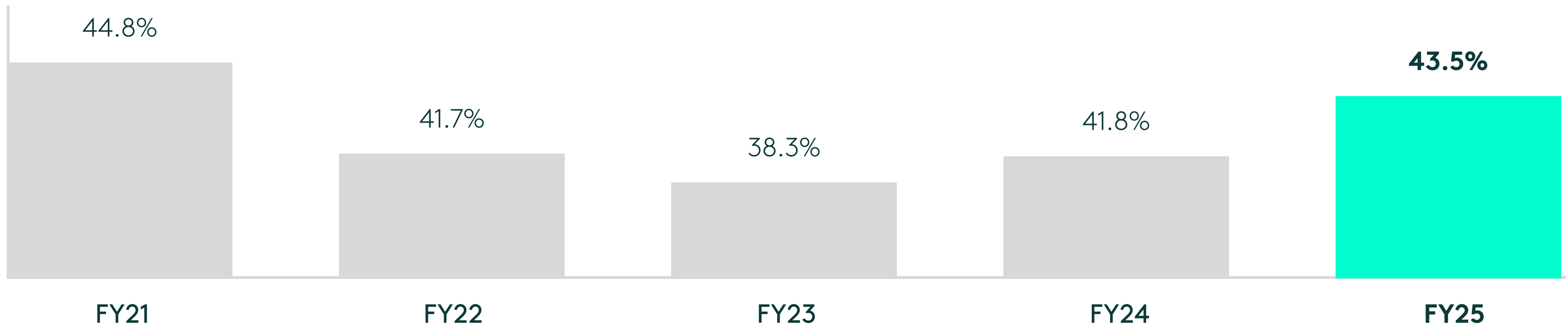
Non-GAAP Gross Margin

Q4 FY25 non-GAAP gross margin was 43.5%, down 10 basis points versus Q4 FY24, essentially holding the gross margin rate. In the quarter, lower product costs were offset by strategic promotional investments and foreign exchange pressure from a strengthening US dollar.

Quarterly Non-GAAP Gross Margin



Annual Non-GAAP Gross Margin



Non-GAAP Operating Expenses

Total non-GAAP operating expenses were $306 million in the quarter, up 8% year over year. As a percent of Q4 net sales, non-GAAP operating expenses were up 230 basis points year-over-year.

The non-GAAP operating expense increase was driven by a bad debt expense recorded in Sales & Marketing, strategic investments in Sales & Marketing and R&D, as well as increased variable compensation.

	Q4 FY25	Q4 FY24	Y/Y	FY25	FY24	Y/Y
Non-GAAP Operating Expenses	**306**	**283**	**8%**	**1,208**	**1,098**	**10%**
% of sales	**30.3%**	**28.0%**	**230 bps**	**26.5%**	**25.5%**	**100 bps**
Sales & Marketing	192	178	8%	774	695	11%
% of sales	19.0%	17.6%	140 bps	17.0%	16.2%	80 bps
Research & Development	75	71	6%	289	269	7%
% of sales	7.4%	7.0%	40 bps	6.3%	6.3%	10 bps
General & Administrative	38	33	16%	145	134	8%
% of sales	3.8%	3.3%	50 bps	3.2%	3.1%	10 bps

Note:

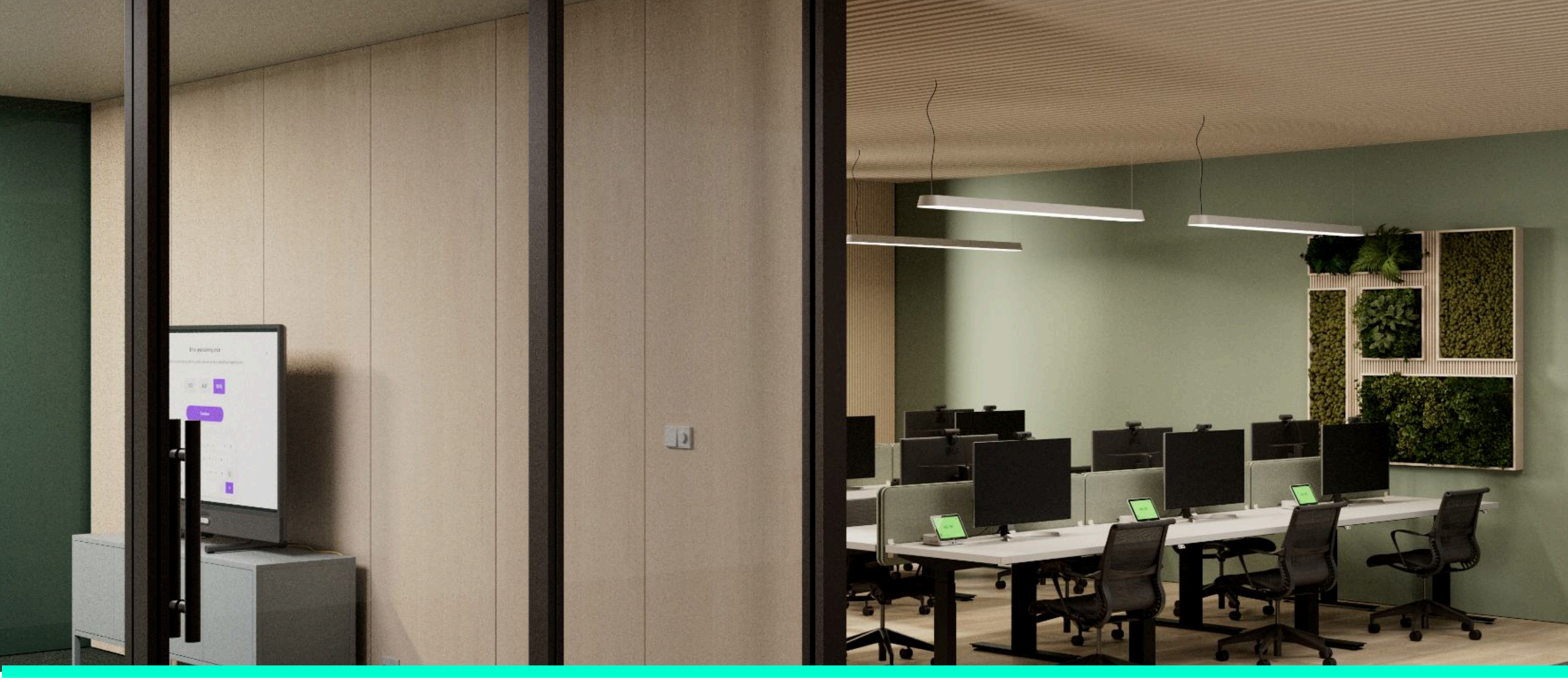
Results are non-GAAP and exclude the impact of share-based compensation expense for the presented periods. For more information, see "Share-Based Compensation Expense" table included in “Supplemental Financial Information” in our earnings press release posted to our website under “Quarterly Results” at http://ir.logitech.com.

Numbers in $ millions except percentages.

Comparisons are Y/Y and in US$ unless otherwise specified.

Total percentage of sales may not tie to the sum of S&M, R&D and G&A due to rounding.

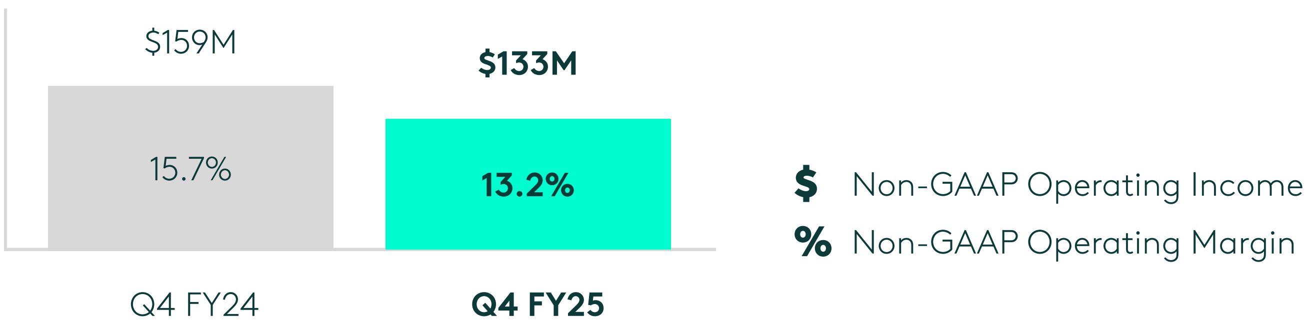
*The $9.6 million bad debt reserve was booked under Sales and Marketing. For the quarter, S&M would have been up ~5% Y/Y excluding this expense. This charge was related to our former e-commerce payment processing provider’s inability to pay. Excluding this charge, operating expense as a percentage of sales would have been 29.3%, 130 basis points higher than Q4 FY24. We have since transitioned to a new payment partner.

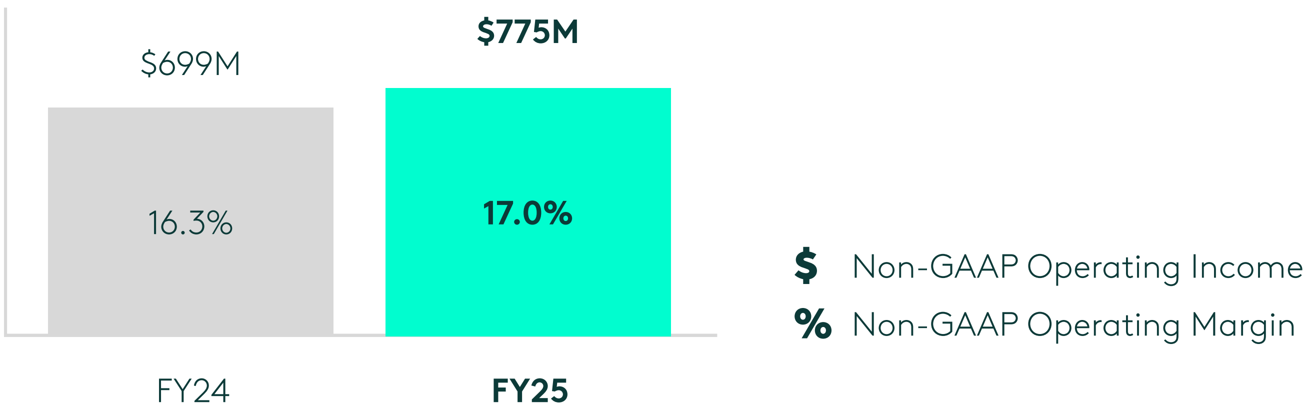


Profitability

GAAP operating income in Q4 was $106 million, down 19% year over year. GAAP operating margin in Q4 was 10.5%, versus 12.9% last year, down 240 basis points. Q4 diluted GAAP EPS was $0.96, down 10%. The GAAP operating expense increase was driven by a bad debt expense recorded in Sales & Marketing, strategic investments in Sales & Marketing and R&D, as well as increased variable compensation and restructuring expenses.

Non-GAAP operating income in Q4 was $133 million, down 16% year over year. Non-GAAP operating margin in Q4 was 13.2%, versus 15.7% last year, down 250 basis points. Q4 diluted non-GAAP EPS was $0.93 down 6% year over year. The non-GAAP operating expense increase was driven by bad debt expense recorded in Sales & Marketing, strategic investments in Sales & Marketing and R&D, as well as increased variable compensation.





Balance Sheet and Cash Flows

At the end of Q4, cash and cash equivalents were approximately $1.5 billion. We generated operating cash flow of $843 million in FY25 representing 109% of non-GAAP operating income, representing two consecutive years of strong cash generation through working capital discipline and profitable growth.

Cash flow from operations was positive $130 million in Q4, with owned inventory, up $20 million quarter over quarter, as we strengthened our inventory position ahead of tariffs.

Accounts receivable were $455 million, down 16% versus last year, reflecting improved sales linearity.

Accounts payable were $415 million at the end of Q4, down 8% versus last year, primarily due to timing of inventory purchases.

Our FY25 cash conversion cycle improved by 14 days Y/Y, strengthening our balance sheet while maintaining a strong cash position of $1.5 billion. We returned $797 million of capital back to our shareholders in the form of $208 million of dividends, and $589 million of shares repurchased.

$M	Q4 FY25	Q4 FY24	Y/Y	FY25	FY24	Y/Y
Cash from operations	130	239	(109)	843	1,145	(303)
Ending cash balance	1,503	1,521	(18)	1,503	1,521	(18)
Inventory	504	423	81	504	423	81
Inventory turns	4.6	5.4	(0.9)	5.3	5.2	0.1
DOI	79	66	13	69	71	(2)
Accounts receivable	455	542	(87)	455	542	(87)
DSO	40	48	(8)	46	51	(5)
Accounts payable	415	449	(34)	415	449	(34)
DPO	65	70	(5)	73	66	7
Cash conversion cycle	**54**	**44**	**10**	**42**	**56**	**(14)**

Note:
Numbers in $ millions except inventory turns, DOI, DSO, DPO and cash conversion cycle.
Comparisons are in US$ unless otherwise specified.
Differences in inventory year-over-year may not tie due to rounding.

Share count

Our weighted average diluted share count in Q4 was 150.7 million shares versus 156.2 million shares in Q4 of the previous fiscal year. Our share repurchase program delivered 3.4 pts of EPS growth year-over-year.

Forward-Looking Statements

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 months and fiscal year ended March 31, 2025, our outlook for the first quarter of Fiscal Year 2026, including for net sales, non-GAAP operating income and non-GAAP gross margins; our strategy, sustainability goals, product innovation, and related assumptions.

These statements are subject to risks and uncertainties that may cause actual results and events to differ materially, including without limitation: macroeconomic and geopolitical conditions and other factors and their impact, for example inflation, interest rate and foreign currency fluctuations, changes in fiscal policies, geopolitical conflicts, low economic growth in certain regions, and uncertainty in consumer and enterprise demand: changes in trade regulations, policies and agreements and the imposition of tariffs that affect our products or operations, including potential new tariffs that may be imposed on U.S. imports, and our ability to mitigate; our expectations regarding our expense discipline efforts, including the timing thereof; changes in secular trends that impact our business; 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; issues relating to development and use of artificial intelligence; if we do not successfully execute on our growth opportunities or our growth opportunities are more limited than we expect; the effect of demand variability, supply shortages and other supply chain challenges; the effect of logistics challenges, including disruptions in logistics; 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 we are not able to maintain and enhance our brands; if our products and marketing strategies fail to separate our products from competitors' products; if we do not efficiently manage our spending; our expectations regarding our restructuring efforts, including the timing thereof; 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; if we do not successfully execute on strategic acquisitions and investments; risks associated with acquisitions; and the effect of changes to our effective income tax rates.

A detailed discussion of these and other risks and uncertainties that could cause actual results and events to differ materially from such forward-looking statements is included in Logitech's periodic filings with the Securities and Exchange Commission ("SEC"), including our Annual Report on Form 10-K for the fiscal year ended March 31, 2024, our quarterly report on Form 10-Q for the quarter ended December 31, 2024, and other reports filed with the SEC, 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.

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 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.

We have included non-GAAP adjusted measures in this presentation, which exclude share-based compensation expense, amortization of intangible assets, acquisition-related costs, restructuring charges, (credits) net, loss (gain) on investments, non-GAAP income tax adjustment, and other items detailed under "Supplemental Financial Information" in our earnings press release posted to our website under "Quarterly Results" at http://ir.logitech.com.

We also present percentage sales growth in constant currency (cc), a non-GAAP measure, 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. We believe this information will help investors to evaluate its current period performance and trends in its business. With respect to our outlook for non-GAAP operating income and non-GAAP gross margin, 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 the GAAP amounts has been provided for the first quarter of Fiscal Year 2026 non-GAAP outlook.

GAAP to Non-GAAP Reconciliation

LOGITECH INTERNATIONAL S.A.

PRELIMINARY RESULTS*

Supplemental Financial Information

GAAP to non-GAAP reconciliation [(A)]	Three months ended March 31,		Fiscal years ended March 31,	
	2025	2024	2025	2024
Gross profit - GAAP	$435,811	$436,977	$1,962,601	$1,778,021
Share-based compensation expense	1,348	1,938	10,021	8,004
Amortization of intangible assets	2,210	2,459	9,554	11,028
Gross profit - Non-GAAP	$439,369	$441,374	$1,982,176	$1,797,053
Gross margin - GAAP	43.1%	43.2%	43.1%	41.4%
Gross margin - Non-GAAP	43.5%	43.6%	43.5%	41.8%
Operating expenses - GAAP	$329,907	$306,760	$1,307,746	$1,190,685
Less: Share-based compensation expense	12,498	16,759	79,892	74,885
Less: Amortization of intangible assets and acquisition-related costs	2,630	2,655	10,695	10,934
Less: Impairment of intangible assets	0	3,526	0	3,526
Less: Change in fair value of contingent consideration for business acquisition	0	(250)	0	(250)
Less: Restructuring charges, net	8,890	1,304	9,615	3,866
Operating expenses - Non-GAAP	$305,889	$282,766	$1,207,544	$1,097,724
% of net sales - GAAP	32.7%	30.3%	28.7%	27.7%
% of net sales - Non-GAAP	30.3%	28.0%	26.5%	25.5%

GAAP to non-GAAP reconciliation [A]	Three months ended March 31,		Fiscal years ended March 31,	
	2025	**2024**	**2025**	**2024**
Operating income - GAAP	$105,904	$130,217	$654,855	$587,336
Share-based compensation expense	13,846	18,697	89,913	82,889
Amortization of intangible assets and acquisition-related costs	4,840	5,114	20,249	21,962
Impairment of intangible assets	0	3,526	0	3,526
Change in fair value of contingent consideration for business acquisition	0	(250)	0	(250)
Restructuring charges, net	8,890	1,304	9,615	3,866
Operating income - Non-GAAP	$133,480	$158,608	$774,632	$699,329
% of net sales - GAAP	10.5%	12.9%	14.4%	13.7%
% of net sales - Non-GAAP	13.2%	15.7%	17.0%	16.3%
Net income - GAAP	$144,066	$167,615	$631,529	$612,143
Share-based compensation expense	13,846	18,697	89,913	82,889
Amortization of intangible assets and acquisition-related costs	4,840	5,114	20,249	21,962
Impairment of intangible assets	0	3,526	0	3,526
Change in fair value of contingent consideration for business acquisition	0	(250)	0	(250)
Restructuring charges, net	8,890	1,304	9,615	3,866
Loss on investments	311	2,461	2,029	14,674
Non-GAAP income tax adjustment	(32,225)	(44,039)	(13,405)	(66,073)
Net income - Non-GAAP	$139,728	$154,428	$739,930	$672,737
Net income per share:				
Diluted - GAAP	$0.96	$1.07	$4.13	$3.87
Diluted - Non-GAAP	$0.93	$0.99	$4.84	$4.25
Shares used to compute net income per share:				
Diluted - GAAP and Non-GAAP	150,709	156,204	152,784	158,171

GAAP to Non-GAAP Reconciliation

LOGITECH INTERNATIONAL S.A.

PRELIMINARY RESULTS*

Supplemental Financial Information

GAAP to non-GAAP reconciliation (A)	Q3'24	Q4'24	Q1'25	Q2'25	Q3'25	Q4'25
Gross profit - GAAP	$526,780	$436,977	$466,258	$486,091	$574,441	$435,811
Share-based compensation expense	2,189	1,938	2,598	3,902	2,173	1,348
Amortization of intangible assets	2,441	2,459	2,442	2,452	2,450	2,210
Gross profit - Non-GAAP	$531,410	$441,374	$471,298	$492,445	$579,064	$439,369
Gross margin - GAAP	42.0%	43.2%	42.8%	43.6%	42.9%	43.1%
Gross margin - Non-GAAP	42.3%	43.6%	43.3%	44.1%	43.2%	43.5%

GAAP to non-GAAP reconciliation (A)	FY'20	FY'21	FY'22	FY'23	FY'24	FY'25
Gross profit - GAAP	$1,122,381	$ 2,335,735	$ 2,263,006	$ 1,719,515	$ 1,778,021	$ 1,962,601
Share-based compensation expense	4,852	6,438	6,695	5,635	8,004	10,021
Amortization of intangible assets	14,785	13,329	14,023	12,865	11,028	9,554
Gross profit - Non-GAAP	$ 1,142,018	$ 2,355,502	$ 2,283,724	$ 1,738,015	$ 1,797,053	$ 1,982,176
Gross margin - GAAP	37.7%	44.5%	41.3%	37.9%	41.4%	43.1%
Gross margin - Non-GAAP	38.4%	44.8%	41.7%	38.3%	41.8%	43.5%

Note:

* These preliminary results for the three months and fiscal year ended March 31, 2025 are subject to adjustments, including subsequent events, that may occur through the date of filing our Annual Report on Form 10-K.

(A) 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 posted to our website under "Quarterly Reports" at http://ir.logitech.com.

Sell-through data

- Measures sales of our products by retailer customers to consumers and by our distributor customers to their customers
- Compiled by Logitech from data supplied by our customers
- Customers supplying sell-through data vary by geographic region and from period to period, but typically represent a majority of our sales
- Data is subject to limitations and possible error sources and may not be an entirely accurate indicator of actual consumer demand for our products. Limitations and possible error sources include the following:
  - Data supplied by our customers may not be indicative of sell-through experienced by our customers as a whole
  - Reliability of the data depends on accuracy and timeliness of information supplied to us by our customers, and the processes by which they collect their sell-through data are largely outside our control
  - In the U.S., Canada, and to a lesser extent Asia Pacific and EMEA, sell-through data is based on Point of Sale electronic data. Where POS data is not available, the data is collected largely through manual processes, including the exchange of spreadsheets or other non-automated methods of data transmission, which are subject to typical human errors, including errors in data entry, transmission and interpretation

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