



## Logitech Posts Record Second Quarter 2000 Results

### Second Quarter Fiscal 2000 Highlights

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- Operating income increases 68% from last year, totaling 5.8 million
- Record net income of \$5.2 million, an increase of 69% over 1999
- 63% growth in retail sales compared with last year

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Fremont, Calif./Romanel-sur-Morges, Switzerland - October 26, 1999 - Logitech (NASDAQ:LOGIY; Switzerland:LOGN, LOGZ), international market leader in human interface devices that define the way people link to information in business, at home and online, today announced consolidated net sales of \$133 million for the second quarter of fiscal 2000 ending September 30, 1999. This represents a 39 percent increase over sales of \$95.8 million in the same quarter last year. Net income reached \$5.2 million, or \$2.53 per share (\$0.25 per ADS) compared to a net loss of \$7.1 million in the same quarter last year. During last year's second quarter, Logitech posted two non-recurring charges totaling \$10.2 million after tax. Excluding these charges, net income improved by 69 percent. Operating income of \$5.8 million showed a 68 percent improvement over the prior year's operating income of \$3.5 million, excluding the impact of the non-recurring charge referenced above. Gross profit of \$43.2 million increased by 23 percent over the \$35.1 million reported for the same quarter last year. Gross profit was favorably impacted by a continuing shift in product mix from the OEM sector to the retail market, where sales improved by 63 percent year over year. Sequentially, gross margin showed a 2.8 percentage point improvement when compared with the first quarter of fiscal 2000.

"We continue to reap the benefits of our investment in new product areas that validate Logitech's role as the provider of a complete arsenal of interface devices for the desktop," said Guerrino De Luca, president and chief executive officer. "Within this space, we see tremendous opportunity for further growth, especially as our products increasingly address a key component of today's computing experience -- the Internet. This past quarter, we delivered on the promise of true "Net Peripherals," with the introduction of iTouch™ -- a powerful technology that adds one-button Internet functionality to Logitech mice and keyboards through innovative software and a special web site.

"The expansion of the Internet is also driving sales of our PC video cameras, which hold a significant share of a market predicted to grow by 70 percent through 2002, according to International Data Corporation.

"Additionally, we have increased our offerings in the entertainment area, with new game controllers featuring force feedback and other innovative technologies such as motion sensing gamepads that can turn body motion into on-screen action.

"In summary, we're pleased with our performance during the past quarter, and we look forward to a very active holiday season."

### About Logitech:

Founded in 1981, Logitech designs, manufactures and markets human interface devices and supporting software that link people to the Internet and enable them to work, play, learn and communicate more effectively in the digital world. Logitech's interface products include Internet video cameras; input and pointing devices such as corded and cordless

mice, optical trackballs and keyboards; multimedia speakers; and entertainment products such as joysticks, gamepads and racing systems.

With operational headquarters through its U.S. subsidiary in Fremont, California, and regional headquarters through local subsidiaries in Romanel, Switzerland, and Hsinchu, Taiwan, R.O.C., Logitech International is a Swiss public company traded in Switzerland under the symbols LOGN and LOGZ, and in the U.S. on the Nasdaq National Market System under the symbols LOGIY. The company has manufacturing facilities in Asia and offices in major cities in North America, Europe and Asia Pacific.

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This press release contains forward-looking statements which involve risks and uncertainties. The company's actual performance could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including those set forth under "Risk Factors" in the Annual Report on Form 20-F dated June 30, 1999, and the quarterly report on Form 6-K dated August 16, 1999, available upon request from Logitech by calling (510) 713-4220.

For more information about Logitech and its products, visit the company's Web Site at [www.logitech.com](http://www.logitech.com).

