



Logitech Posts Strongest Quarter Ever

20% Growth in Sales, 56% Growth in Profit Fueled by New Products on Holiday Shelves, Growing Internet Video Camera Market, Increasing Popularity of Radio-Based Cordless Devices Third Quarter Fiscal 2000 Highlights:

- Fifth consecutive quarter of record revenue: \$185 million (20% year over year growth)
- Record net profit: \$14.9 million (56% year over year growth)
- \$19.7 million improvement in net cash position over same quarter last year
- Retail sales accounting for 76% of total revenue, compared with 70% for same quarter last year
- 128% growth in PC video camera sales

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Fremont, CA -- January 25, 2000 -- 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 record results for the third quarter of fiscal 2000 ending December 31, 1999. Sales reached \$185.4 million, an increase of 20 percent over sales of \$154.5 million in the same quarter last year. Net income was \$14.9 million, or \$6.86 per share (\$0.69 per ADS), an increase of 56 percent over a net income of \$9.6 million, or \$4.85 per share (\$0.49 per ADS), in the same quarter last year.

Gross margin of 36.3 percent showed a year over year increase of 0.6 percentage points and a sequential increase of 3.8 percentage points over last quarter. Operating income of \$20.5 million increased by 65 percent over the third quarter of fiscal 1999.

The balance between retail and OEM sales continued to shift toward the higher-margin retail market, with retail accounting for 76 percent of total sales, as compared with 70 percent for the same quarter last year. At the same time, the company maintained its strong position in terms of unit sales in the OEM market, as a pointing device supplier to major systems vendors, value-added resellers and systems integrators worldwide. During the third quarter, Logitech entered a major OEM relationship with Compaq Computer Corporation. As of December 1999, Compaq is bundling most of its new Presario® systems with the popular Logitech QuickCam® Express Internet Video Camera.

"We are pleased with our strong financial performance, which validates our product strategy and business development initiatives," said Guerrino De Luca, president and chief executive officer. "In keeping with this successful strategic direction, we are continuing to enrich our family of human interface devices and services that leverage the power of the Internet and maximize the productivity and enjoyment of the computing experience.

"We have strengthened our market presence with new product categories and powerful, innovative technologies such as force feedback, one-button web access, motion sensing, Internet video and cordless digital radio.

"In November, we announced that venture capital firms @Ventures, an affiliate of CMGI, Inc. and Atlas Venture were joining Logitech in the funding of a new company that will enhance video communications using the Internet infrastructure. This partnership is further proof of the opportunities to establish valuable Internet services that leverage our strong device presence. We look forward to the launch of the new company during the first calendar quarter of 2000."

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 (LOGIY). The company has manufacturing facilities in Asia and offices in major cities in North America, Europe and Asia Pacific.

This press release contains forward-looking statements which involve risks and uncertainties. The Company's actual performance could differ materially from that 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 reports on Form 6-K dated August 16, 1999, and November 15, 1999, available upon request from Logitech by calling (510) 713-4220.

LOGITECH INTERNATIONAL S.A.

	Quarter Ending December 31	
CONSOLIDATED STATEMENTS OF INCOME (In thousands of U.S. dollars) - Unaudited	1999	1998
Net sales	\$ 185,425	\$ 154,506
Cost of goods sold	118,147	99,376
Gross profit	67,278	55,130
% of net sales	36.3%	35.7%
Operating expenses :		
Marketing and selling	31,264	27,888
Research and development	7,627	8,363
General and administration	7,913	6,459
Total operating expenses	46,804	42,710
Operating income	20,474	12,420
Interest income (expense), net	(61)	47
Loss on sale of product line	-	(404)
Other income (expense), net	(1,805)	(822)
Income before income taxes	18,608	11,241
Provision for income taxes	3,722	1,686
Net income	\$ 14,886	\$ 9,555
Weighted average registered shares and equivalents		
Basic	1,991,530	1,936,443
Diluted	2,170,264	1,970,156
Net income per share:		
Basic	\$7.47	\$4.93
Diluted	\$6.86	\$4.85
Net income per ADS (10 ADS : 1 Share)		
Basic	\$0.75	\$0.49
Diluted	\$0.69	\$0.49

	Nine Months Ending December 31	
CONSOLIDATED STATEMENTS OF INCOME (In thousands of U.S. dollars) - Unaudited	1999	1998
Net sales	\$ 439,739	\$ 323,338
Cost of goods sold	293,250	207,178
Gross profit	146,489	116,160
% of net sales	33.3%	35.9%
Operating expenses :		
Marketing and selling	74,391	61,052
Research and development	22,852	22,332
General and administration	21,929	16,561
Acquired research and development	-	6,200
Total operating expenses	119,172	106,145
Operating income	27,317	10,015
Interest income (expense), net	(403)	1,205
Loss on sale of product line	-	(6,839)
Other income (expense), net	(1,092)	(931)
Income before income taxes	25,822	3,450
Provision for income taxes	5,164	517
Net income	\$ 20,658	\$ 2,933
Weighted average registered shares and equivalents		
Basic	1,968,586	1,935,476
Diluted	2,081,335	1,983,299
Net income per share:		
Basic	\$10.49	\$1.51
Diluted	\$9.93	\$1.48
Net income per ADS (10 ADS : 1 Share)		
Basic	\$1.05	\$0.15
Diluted	\$0.99	\$0.15

LOGITECH INTERNATIONAL S.A.		
CONSOLIDATED BALANCE SHEETS (In thousands of U.S. dollars) - Unaudited	December 31, 1999	December 31, 1998
Current assets		
Cash and cash equivalents	\$ 29,073	\$ 32,877
Accounts receivable	137,170	111,234
Inventories	71,235	74,380
Other current assets	20,320	12,986
Total current assets	257,798	231,477
Investments	13,124	13,175
Property, plant and equipment	42,309	36,689
Intangibles	15,100	19,284
Other assets	903	1,096
Total assets	\$ 329,234	\$ 301,721
Current liabilities		
Short-term debt	\$ 7,200	\$ 30,709
Accounts payable	101,421	81,386
Accrued liabilities	49,701	47,844
Total current liabilities	158,322	159,939
Long term debt	3,141	3,951
Other liabilities	743	709
Total liabilities	162,206	164,599
Shareholders' equity	167,028	137,122
Total liabilities and shareholders' equity	\$ 329,234	\$ 301,721