

logitech[®]

ANALYST AND INVESTOR DAY | 2 MARCH 2016
OPERATIONS
JOSEPH SULLIVAN

FORWARD LOOKING STATEMENTS

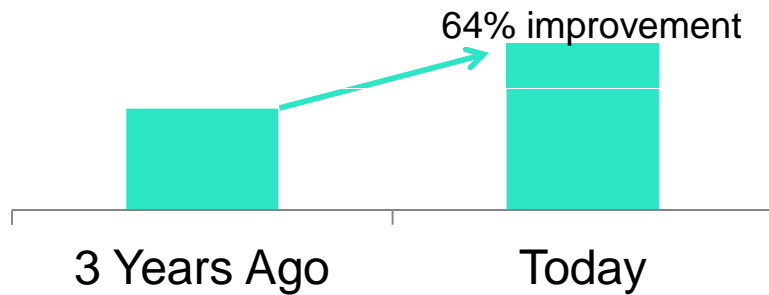
This presentation includes **forward-looking statements** within the meaning of the U.S. federal securities laws, including, without limitation, statements regarding: opportunities for and our focus on product cost savings and productivity, simplifying component design, and component standardization. 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; the demand of our customers and our consumers for our products and our ability to accurately forecast it; if we fail to innovate and develop new products in a timely and cost-effective manner for our new and existing product categories; the effect of pricing, product, marketing and other initiatives by our competitors; 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. These risks and uncertainties are detailed in Logitech's filings with the Securities and Exchange Commission, including its Quarterly Report on Form 10-Q for the fiscal quarter ended December 31, 2015 and its Annual Report on Form 10-K for the fiscal year ended March 31, 2015, 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.

WW OPERATIONS

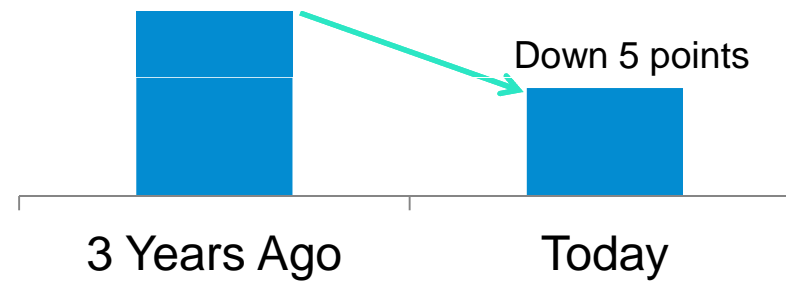
- \$1.3B of product cost spend
- Manufacture over half of products in-house, including 8 of our top 10, ensuring confidentiality, expertise, speed and flexibility
- Global distribution network and multiple customer fulfillment models
- Strong track record of consistent product cost management

CONSISTENTLY IMPROVED PERFORMANCE

**Manufacturing Productivity
Revenue (K\$) per FTE**

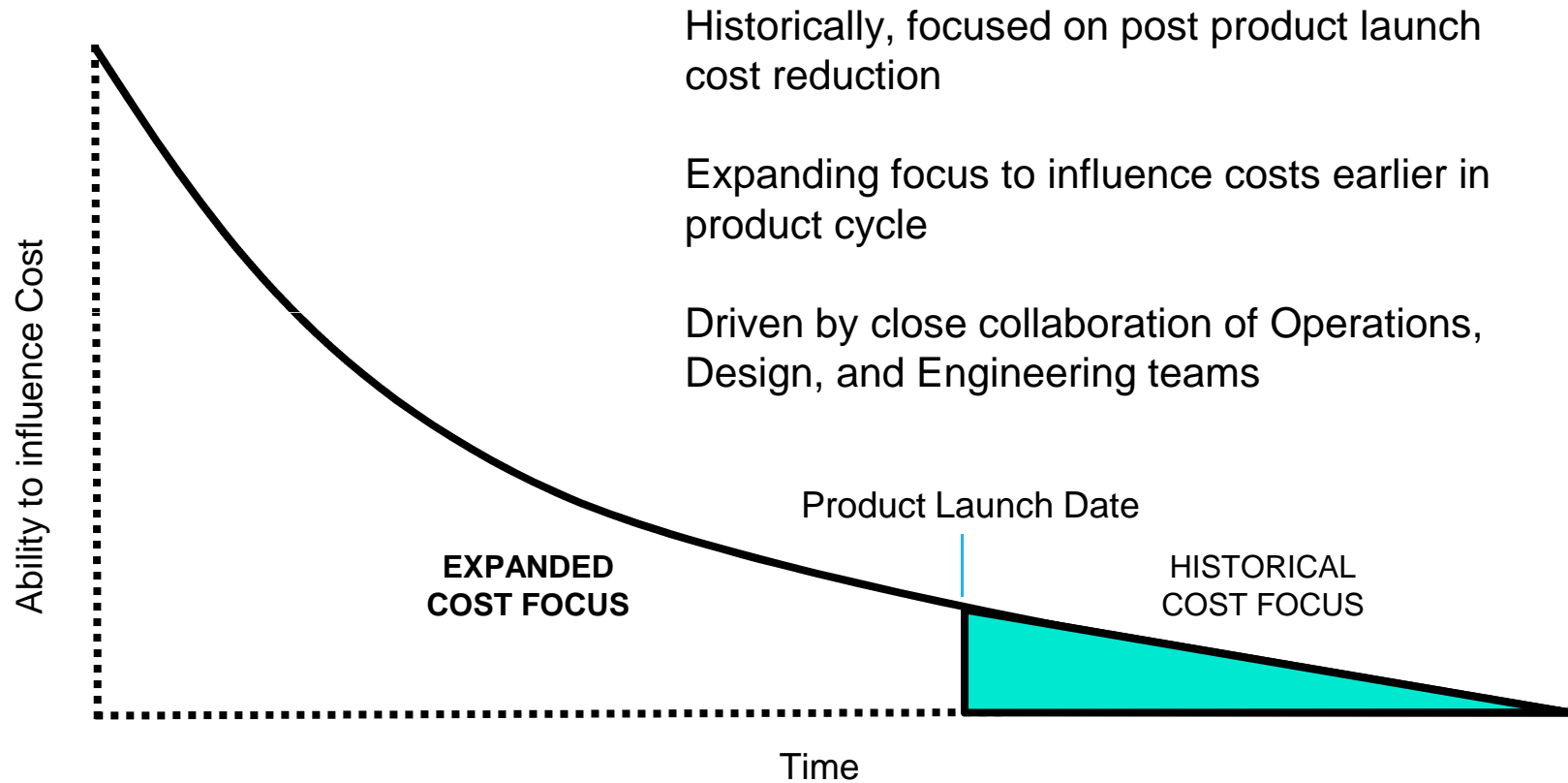


**Supply Chain Costs
as % of COGS**

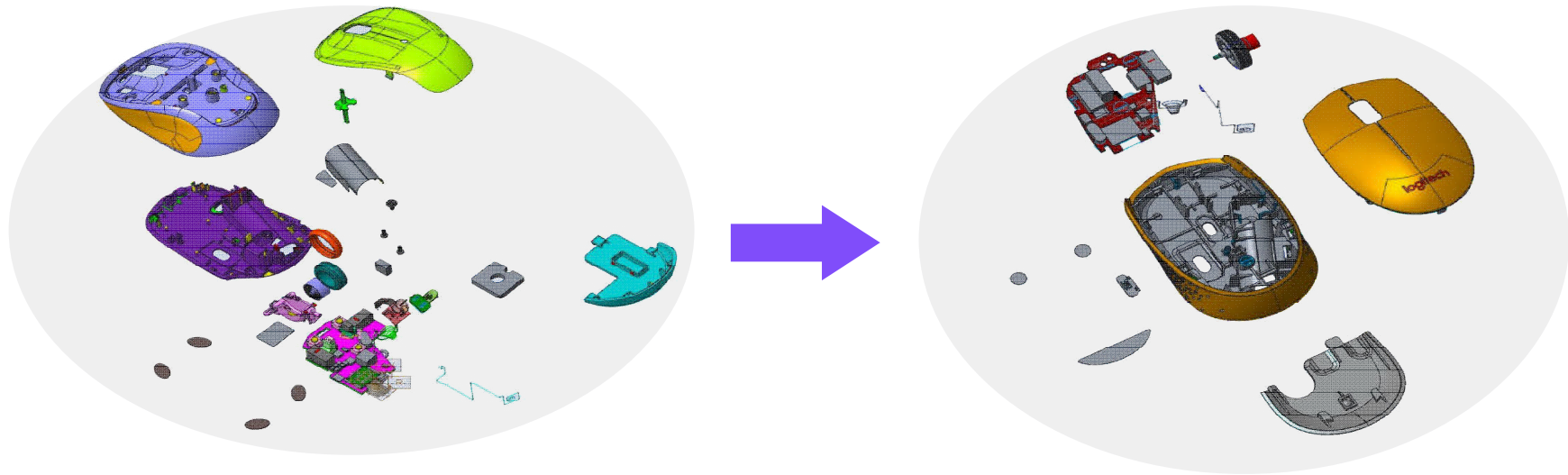


**Can we improve even
more?**

EXPANDING OUR COST MANAGEMENT FOCUS



SIMPLIFYING COMPONENT DESIGN



Reduced Number of Components
Through Design Changes

COMPETING BASED ON THE CAPABILITIES OF OUR PEOPLE

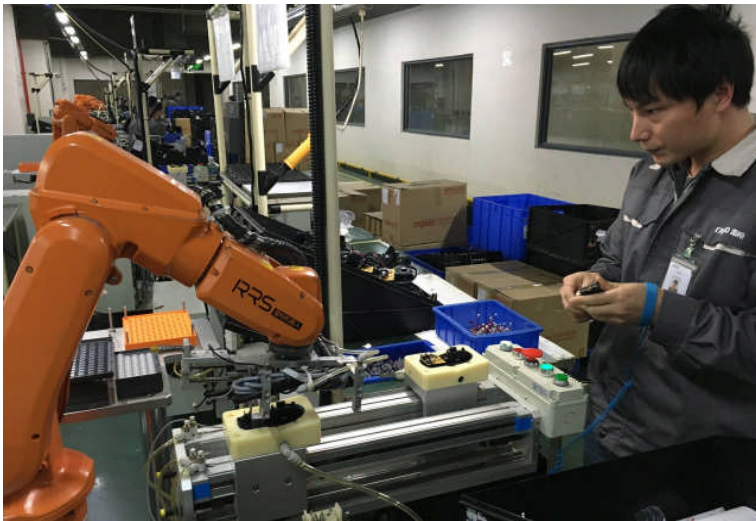


PHOTO: GILLIAN WONG/THE WALL STREET JOURNAL

MICE AUTOMATION
LOGITECH FACTORY

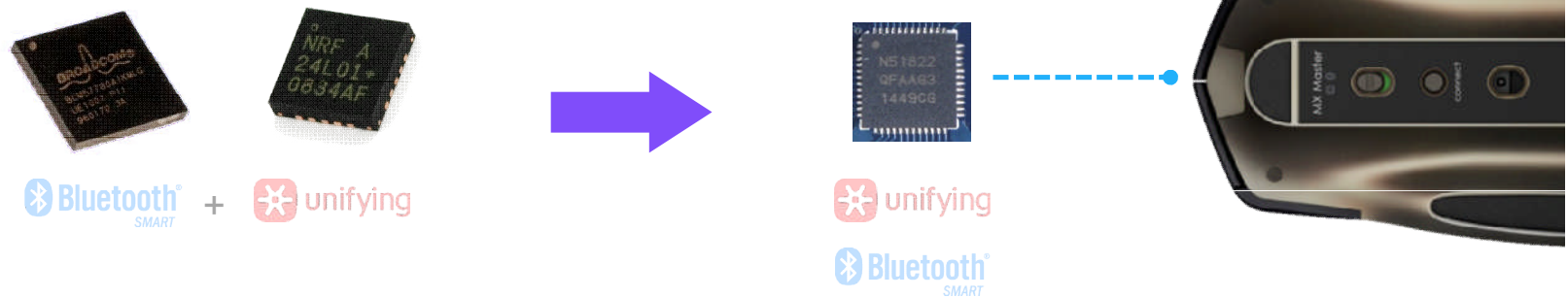
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DESIGN FOR MANUFACTURING FLEXIBILITY



Automated Assembly in Just 6 Months
Increased Productivity by 60%

LOWERING COSTS BY DESIGN

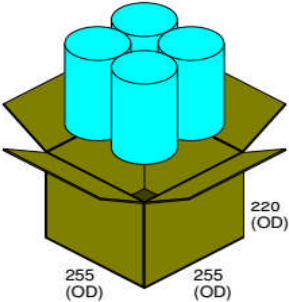


Dual Chips Integrated into a Single Chip to
Support Multiple Wireless Protocols

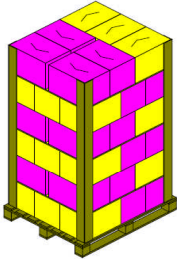
Achieved 30% Material Costs Savings in
Pointing Devices & Keyboards

REDESIGNING PACKAGING TO REDUCE COSTS

THEN



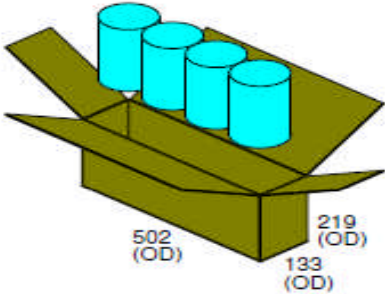
Original Retail Shipper



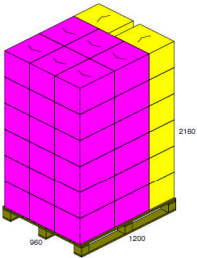
Resulting Pallet Configuration



NOW



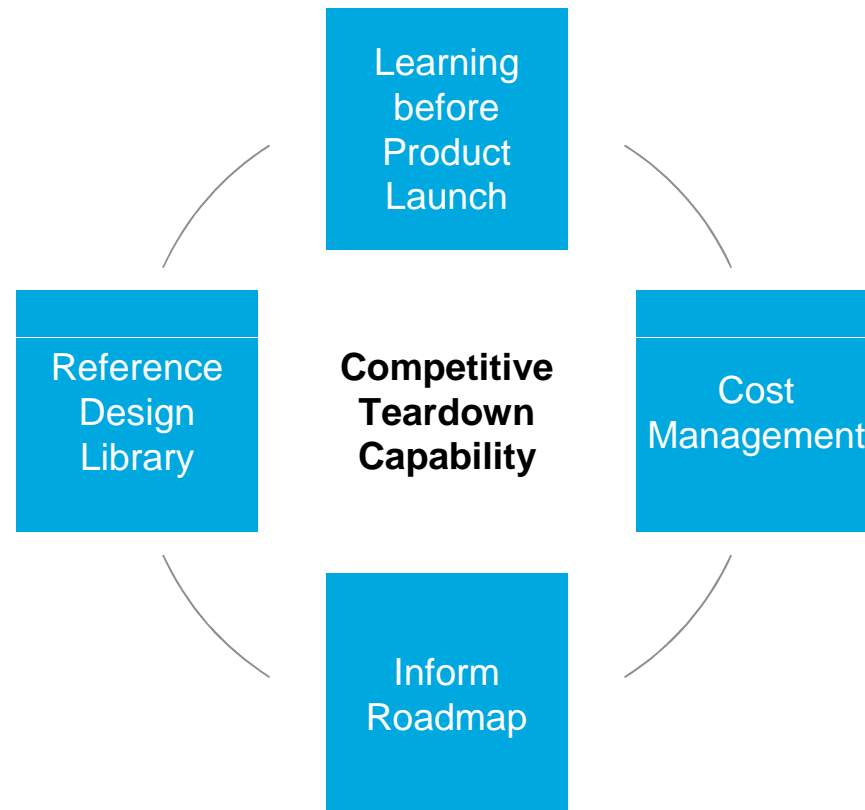
Redesigned Retail Shipper



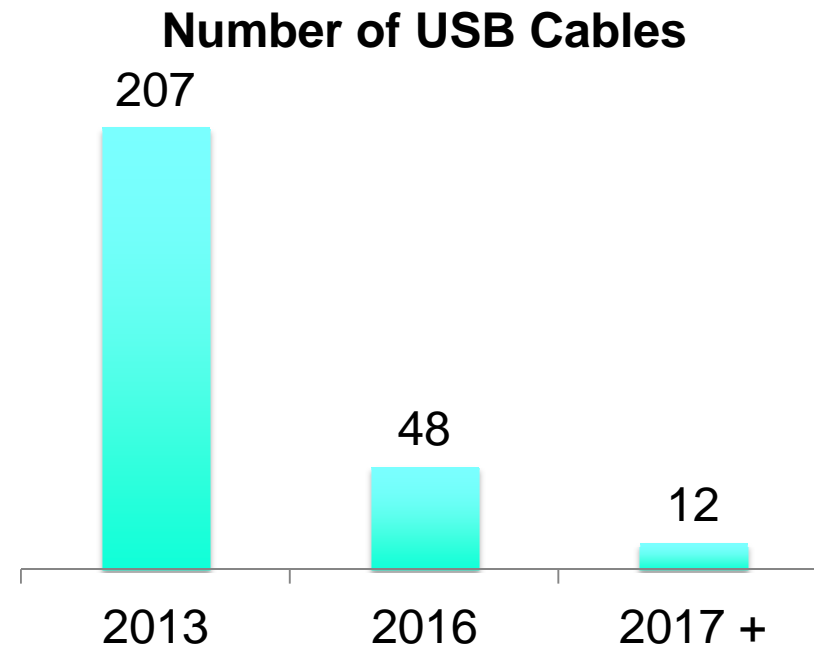
Optimized Pallet Configuration

Redesign Achieved 16% Savings in Shipping Costs

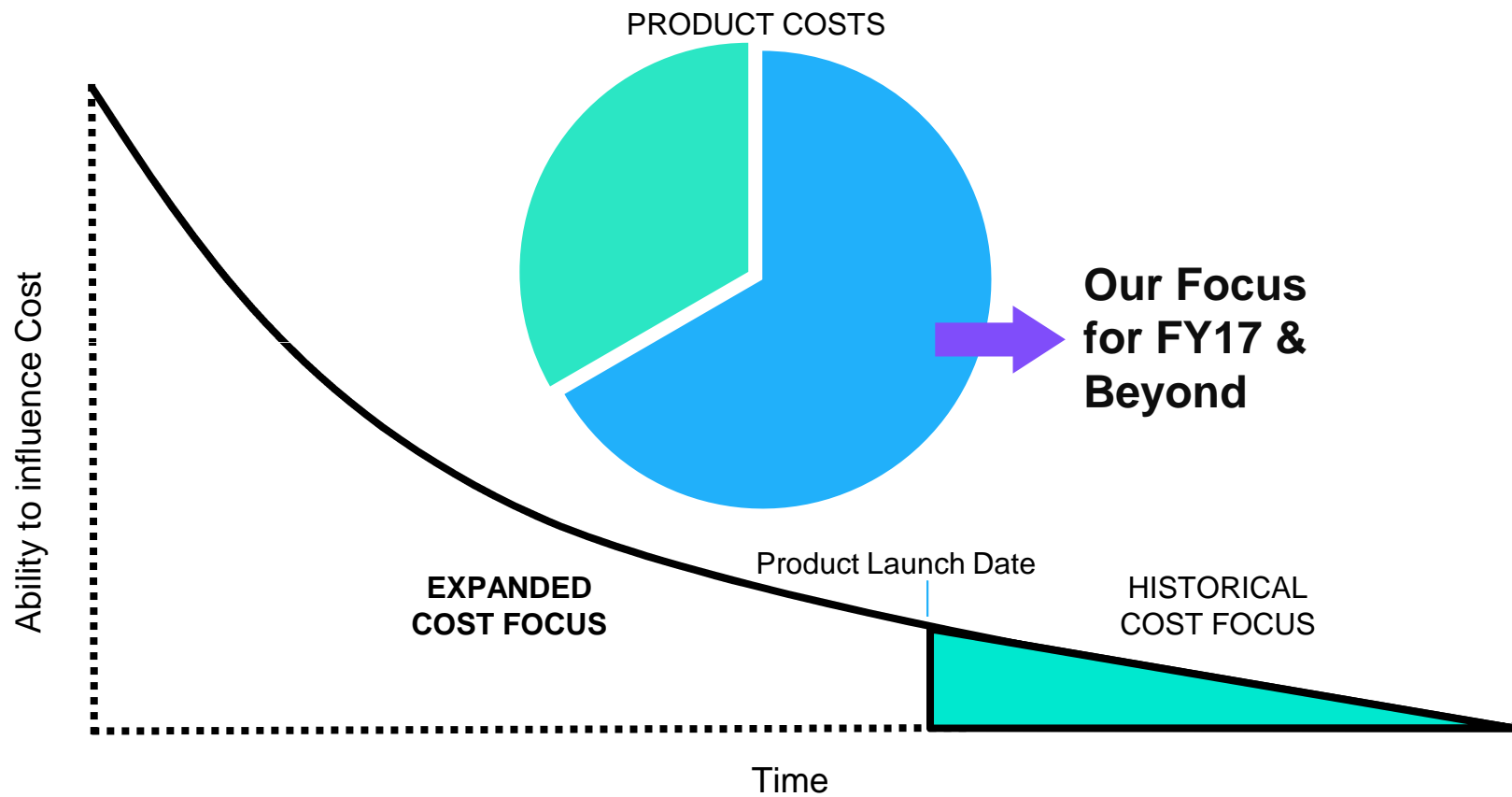
COMPETITIVE TEARDOWNS EARLY IN THE CYCLE



INCREASED COMPONENT STANDARDIZATION



MORE OPPORTUNITIES GOING FORWARD



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