



NEWS RELEASE

Logitech Projects Continued Growth in Revenue and Profitability

3/1/2016

Company Reiterates FY 2016 Outlook; Provides FY 2017 Outlook; Outlines Foundation for Future Success

ZURICH--(BUSINESS WIRE)-- Prior to a meeting to be held today with financial analysts and investors in Zurich, Logitech International (SIX:LOGN) (NASDAQ:LOGI) announced:

- Confirmation of its FY 2016 outlook of approximately \$170 million in non-GAAP operating income and constant currency retail sales growth of 7 to 9 percent
- An outlook for FY 2017 of \$185 million to \$200 million in non-GAAP operating income and constant currency retail sales growth in the mid-single digits
- The continuation of its three-year plan for returning up to \$500 million in cash to shareholders

At the meeting, Logitech will outline the foundation that will deliver the Company's future success. It will also demonstrate the Company's consistent ability to grow, generate cash and build a diversified, market-leading portfolio of growing product categories.

"Logitech is poised for growth," said Bracken Darrell, Logitech president and chief executive officer. "Over the past three years, we have revitalized our ability to grow. We have diversified our portfolio and grown market share to lead almost every category in which we play. We have also demonstrated rigorous cost management that has enabled us to invest more into great new products. We now have a foundation for a successful FY 2017, as we work toward our long-term objective of high single-digit growth and strong profitability.

"Going forward, we will build on this foundation for success with powerful design, revitalized product creation in existing and new categories, a winning global team and outstanding execution. We already participate in big and

growing markets including Gaming, Home, Music, Video Collaboration and Productivity & Creativity. Each of these markets is large and offers interesting adjacent categories we could enter in the future. In the long run we have no shortage of growth options."

The Company's Analyst and Investor Day will be held today at 9:00 a.m. Central European Time. A live webcast and replay of the meeting will be available on the Logitech corporate Web site at <http://ir.logitech.com>.

Use of Non-GAAP Financial Information

To facilitate comparisons to Logitech's historical results, Logitech has included non-GAAP adjusted measures, which exclude primarily share-based compensation expense, amortization of other intangible assets, restructuring charges (credits), investment impairment (recovery), benefit from (provision for) income taxes, and one-time special charges. Historical GAAP and corresponding non-GAAP measures are provided with our earnings releases and presentations in the Investors section of our website. Logitech also presents percentage sales growth in constant currency, a non-GAAP measure, to show performance unaffected by fluctuations in foreign 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, used together with the GAAP financial information, will help investors to evaluate its current period performance, outlook and trends in its business. With respect to outlook for non-GAAP operating income, most of these 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 Fiscal Years 2016 or 2017.

Market Share Information

References to market share are based on the aggregate sales across certain countries for which Logitech has obtained data, varying by product category (ranging from the U.S. only to countries in North America, Europe and Asia Pacific).

About Logitech

Logitech designs products that have an everyday place in people's lives, connecting them to the digital experiences they care about. Over 30 years ago Logitech started connecting people through computers, and now it's designing products that bring people together through music, gaming, video and computing. Founded in 1981, Logitech International is a Swiss public company listed on the SIX Swiss Exchange (LOGN) and on the Nasdaq Global Select Market (LOGI). Find Logitech at www.logitech.com, the [company blog](#) or [@Logitech](#).

This press release contains forward-looking statements within the meaning of the federal securities laws, including, without limitation statements regarding: Logitech's success and ability to grow, generate cash and build a diversified, market-leading portfolio of growing product categories, outlook for Fiscal Year 2016 and Fiscal Year 2017 operating income and sales growth, capital return to shareholders, dividends, share repurchases, long-term growth and profitability objectives, design, product creation, personnel, execution, and growth opportunities, and growth in the product markets in which Logitech competes. The forward-looking statements in this release involve risks and uncertainties that could cause Logitech's actual results and events to differ materially from those anticipated in these forward-looking statements, 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; if we do not successfully execute on our growth opportunities in our new product categories or our growth opportunities are more limited than we expect; if sales of PC peripherals are less 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 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. 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, including our Annual Report on Form 10-K for the fiscal year ended March 31, 2015 and our Quarterly Report on Form 10-Q for the fiscal quarter ended December 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 press release.

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