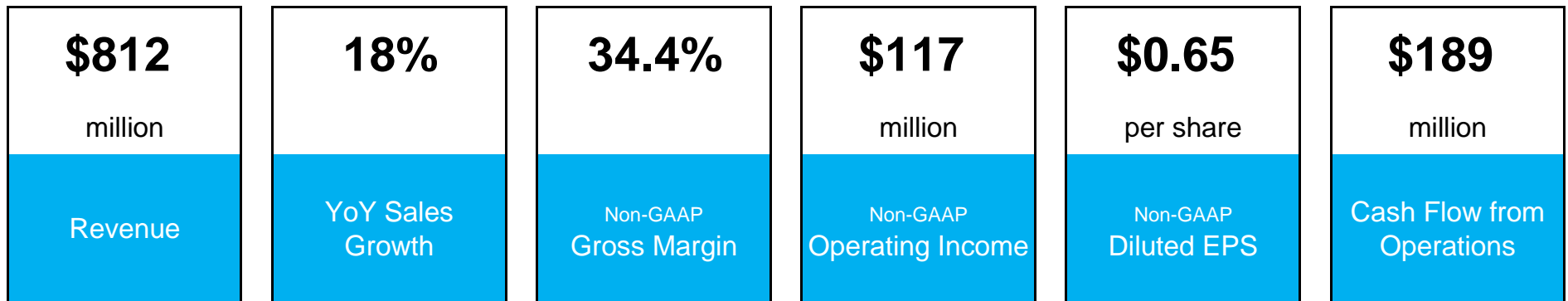




SUPPLEMENTAL FINANCIAL INFORMATION  
Q3 FISCAL YEAR 2018 (QUARTER ENDED DEC 31, 2017)

# Q3 FY2018 FINANCIAL HIGHLIGHTS

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Results listed in non-GAAP. Comparisons are YoY and on a constant currency basis.

## Quarterly Financial Trends <sup>1,2</sup>

Preliminary results \*

In \$ millions except per share and %

	Q1'16	Q2'16	Q3'16	Q4'16	Q1'17	Q2'17	Q3'17	Q4'17	Q1'18	Q2'18	Q3'18
<b>GAAP Results (From Continuing Operations)</b>											
Net Sales	448	518	621	431	480	564	667	511	530	632	812
Gross Margin	35.3%	33.3%	33.6%	33.0%	35.1%	36.7%	37.0%	38.7%	36.5%	36.0%	33.9%
Operating Expenses	144	136	140	132	143	153	150	161	162	169	175
Operating Income	14	37	69	10	26	53	96	36	31	59	100
Operating Margin	3.0%	7.1%	11.0%	2.4%	5.4%	9.5%	14.4%	7.1%	5.9%	9.3%	12.3%
Net Income	13	30	68	17	22	47	97	39	37	56	81
Diluted EPS	\$0.08	\$0.18	\$0.41	\$0.10	\$0.13	\$0.28	\$0.59	\$0.24	\$0.22	\$0.33	\$0.48
Avg. Diluted Shares Outstanding	167	166	165	165	164	166	166	167	168	169	169
<b>Non-GAAP Results (From Continuing Operations)</b>											
Retail	425	496	595	431	480	564	667	511	530	632	812
OEM	22	22	27	0	0	0	0	0	0	0	0
Net Sales	448	518	621	431	480	564	667	511	530	632	812
Gross Margin	35.4%	33.4%	33.6%	33.1%	35.6%	37.0%	37.4%	39.2%	37.0%	36.5%	34.4%
Operating Expenses	123	127	135	120	133	144	150	149	153	159	162
Operating Income	36	47	74	22	38	65	99	51	43	71	117
Operating Margin	8.0%	9.0%	11.9%	5.2%	7.9%	11.5%	14.9%	9.9%	8.1%	11.3%	14.4%
Net Income	31	41	67	23	33	58	92	49	40	66	111
Diluted EPS	\$0.19	\$0.25	\$0.41	\$0.14	\$0.20	\$0.35	\$0.56	\$0.30	\$0.24	\$0.39	\$0.65
<b>Net Retail Sales by Product Category</b>											
Pointing Devices	117	125	140	111	117	123	142	119	122	124	141
Keyboards & Combos	106	102	117	106	118	117	125	120	116	119	126
PC Wecams	22	23	30	24	25	24	31	27	26	27	27
Tablet & Other Accessories	19	19	36	31	14	21	25	18	23	31	27
Video Collaboration	21	20	26	22	24	29	36	39	36	46	46
Mobile Speakers	41	81	85	24	57	97	107	40	63	91	147
Audio-PC & Wearables	46	46	57	47	57	62	67	60	50	62	84
Gaming	44	68	78	56	57	79	107	71	78	114	174
Smart Home	10	13	26	11	11	12	27	16	16	18	39
Other	1	0	1	1	0	1	0	0	0	0	0
Total Net Retail Sales	425	496	595	431	480	564	667	511	530	632	812

1. On December 28, 2015, the Company divested its Lifesize video conferencing business and, as a result, the Company reflected the Lifesize video conferencing business as discontinued operations in the consolidated statements of operations.

As a result, the results of that business have been excluded from all line items for all periods presented.

2. Non-GAAP net income and diluted EPS for Q1'15 and Q2'15 have not been recast to exclude all discontinued operations.

## Cash Flow and Operational Trends <sup>1,2</sup>

Preliminary results \*

In \$ millions except working capital metrics

	Q1'16	Q2'16	Q3'16	Q4'16	Q1'17	Q2'17	Q3'17	Q4'17	Q1'18	Q2'18	Q3'18
<b>Balance Sheet</b>											
Cash and ST Investments	490	361	505	519	440	395	514	548	528	406	565
Debt	0	0	0	0	0	0	0	0	0	0	0
Accounts Receivables	209	265	284	143	192	241	278	185	221	278	352
Inventory	311	313	240	229	248	268	250	253	279	330	279
Accounts Payable	335	352	364	241	293	334	358	275	313	387	429
Net Working Capital <sup>3</sup>	185	226	160	130	147	175	170	163	188	221	202
<b>Working Capital Metrics</b>											
Days Sales Outstanding	42	46	41	30	36	38	37	33	38	40	39
Days Inventory Outstanding	97	81	52	71	72	68	54	73	75	73	47
Days Payables Outstanding	104	92	79	75	85	84	77	79	84	86	72
Cash Conversion Cycle	35	35	14	26	23	22	14	27	29	27	14
Cash Flow from Operations	(26) <sup>2</sup>	11 <sup>2</sup>	166 <sup>2</sup>	32 <sup>2</sup>	17 <sup>4</sup>	75 <sup>4</sup>	149 <sup>4</sup>	44	(1)	68	189
<b>Capital Return</b>											
Dividends Paid	0	86	0	0	0	93	0	0	0	104	0
Shares Repurchased	9	40	0	22	24	18	21	20	1	10	10
Total Capital Return	9	126	0	22	24	112	21	20	1	114	10
LTM Capital Return	54	180	136	156	172	158	178	177	153	156	145

1. On December 28, 2015, the Company divested its Lifesize video conferencing business and, as a result, the Company reflected the Lifesize video conferencing business as discontinued operations in the consolidated statements of operations. As a result, the results of that business have been excluded from all line items for all periods presented.

2. Key balance sheet metrics for the quarters of FY16 exclude all discontinued operations with the exception of cash flow from operations.

3. Net Working Capital is defined here as Accounts Receivables + Inventory - Accounts Payable.

4. Q1'17, Q2'17, and Q3'17 cash flow from operations have been recast to reflect the implementation of ASU 2016-09.

## GAAP to Non-GAAP Reconciliations <sup>1,2</sup>

Preliminary results \*

In \$ millions except per share and %

	Q1'16	Q2'16	Q3'16	Q4'16	Q1'17	Q2'17	Q3'17	Q4'17	Q1'18	Q2'18	Q3'18
<b>Gross Profit - GAAP</b>	158	173	208	142	169	207	247	198	194	228	276
Share-based compensation expense	1	1	0	1	1	1	1	1	1	1	1
Amortization of intangible assets and purchase accounting effect on inventory	0	0	0	0	2	1	2	1	2	2	3
<b>Gross Profit - Non-GAAP</b>	159	173	209	143	171	209	249	200	196	231	279
<b>Operating Expenses - GAAP</b>	144	136	140	132	143	153	150	161	162	169	175
Share-based compensation expense	6	6	6	7	8	8	9	9	10	10	11
Amortization of intangible assets and acquisition-related costs	0	0	0	0	1	2	1	1	1	2	2
Change in fair value of contingent consideration for business acquisition	0	0	0	0	0	0	(10)	2	(2)	(3)	0
Restructuring charges (credits), net	12	3	(1)	4	(0)	0	(0)	0	(0)	(0)	0
Investigation and related expenses	4	0	(0)	1	1	0	0	0	0	0	0
<b>Operating Expenses - Non-GAAP</b>	123	127	135	120	133	144	150	149	153	160	162
<b>Operating Income - GAAP</b>	14	37	69	10	26	53	96	36	31	59	100
Share-based compensation expense	7	6	6	8	9	8	9	10	11	11	12
Amortization of intangible assets	0	0	0	0	2	2	3	3	3	4	4
Purchase accounting effect on inventory	0	0	0	0	1	0	0	0	0	0	1
Acquisition-related costs	0	0	0	0	0	1	0	0	0	1	0
Change in fair value of contingent consideration for business acquisition	0	0	0	0	0	0	(10)	2	(2)	(3)	0
Restructuring charges (credits), net	12	3	(1)	4	(0)	0	(0)	0	(0)	(0)	0
Investigation and related expenses	4	0	(0)	1	1	0	0	0	0	0	0
<b>Operating Income - Non-GAAP</b>	36	47	74	22	38	65	99	51	43	71	117
<b>Net Income From Continuing Operations - GAAP</b>	13	30	68	17	22	47	97	39	37	56	81
Share-based compensation expense	7	6	6	8	9	8	9	10	11	11	12
Amortization of intangible assets	0	0	0	0	2	2	3	3	3	4	4
Purchase accounting effect on inventory	0	0	0	0	1	0	0	0	0	0	1
Acquisition-related costs	0	0	0	0	0	1	0	0	0	1	0
Change in fair value of contingent consideration for business acquisition							(10)	2	(2)	(3)	0
Restructuring charges (credits), net	12	3	(1)	4	(0)	0	(0)	0	(0)	(0)	0
Investigation and related expenses	4	0	(0)	1	1	0	0	0	0	0	0
Investment impairment (recovery)	0	0	(0)	(1)	0	0	0	(0)	0	0	0
Loss (gain) on investments in privately held companies	0	0	0	0	(0)	(0)	(0)	0	0	(1)	(0)
Non-GAAP tax adjustment	(4)	1	(7)	(5)	(1)	(0)	(8)	(4)	(9)	(2)	13
<b>Net Income From Continuing Operations - Non-GAAP</b>	31	41	67	23	33	58	92	49	40	66	111
<b>Net Income from Continuing Operations Per Share</b>											
Diluted- GAAP	\$0.08	\$0.18	\$0.41	\$0.10	\$0.13	\$0.28	\$0.59	\$0.24	\$0.22	\$0.33	\$0.48
Diluted - Non-GAAP	\$0.19	\$0.25	\$0.41	\$0.14	\$0.20	\$0.35	\$0.56	\$0.30	\$0.24	\$0.39	\$0.65

1. On December 28, 2015, the Company divested its Lifesize video conferencing business and, as a result, the Company reflected the Lifesize video conferencing business as discontinued operations in the consolidated statements of operations.

As a result, the results of that business have been excluded from all line items for all periods presented.

2. Non-GAAP net income and diluted EPS for Q1'15 and Q2'15 have not been recast to exclude all discontinued operations.

# GAAP TO NON-GAAP RECONCILIATION NOTES

\* Note: These preliminary results for the three and nine months ended December 31, 2017 are subject to adjustments, including subsequent events that may occur through the date of filing our Quarterly Report on Form 10-Q.

## 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 for 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.

While we use non-GAAP financial measures as a tool to enhance our understanding of certain aspects of our financial performance and to provide incremental insight into the underlying factors and trends affecting both our performance and our cash-generating potential, we do not consider these measures to be a substitute for, or superior to, the information provided by GAAP financial measures. Consistent with this approach, we believe that disclosing non-GAAP financial measures to the readers of our financial statements provides useful supplemental data that, while not a substitute for GAAP financial measures, can offer insight in the review of our financial and operational performance and enables investors to more fully understand trends in our current and future performance. Our non-GAAP measures excluded items in the general categories set forth in the tables above and detailed under “Supplemental Financial Information” in our earnings press release or “Financial Statements only” posted to our website under “Quarterly Results” at <http://ir.logitech.com>.

The non-GAAP financial measures should not be considered in isolation from, or as a substitute for, a measure of financial performance prepared in accordance with GAAP. Further, investors are cautioned that there are inherent limitations associated with the use of each of these non-GAAP financial measures as an analytical tool. In particular, these non-GAAP financial measures are not based on a comprehensive set of accounting rules or principles and many of the adjustments to the GAAP financial measures reflect the exclusion of items that are recurring and may be reflected in the Company’s financial results for the foreseeable future. We compensate for these limitations by providing specific information in the reconciliation set forth above and in our earnings press release regarding the GAAP amounts excluded from the non-GAAP financial measures. In addition, as noted above, we evaluate the non-GAAP financial measures together with the most directly comparable GAAP financial information.