



The Product Realization Company

FISCAL THIRD QUARTER 2014 FINANCIAL RESULTS

July 17, 2014

SAFE HARBOR & FAIR DISCLOSURE STATEMENT

Any statements made during our call today and information included in the supporting material that is not historical in nature, such as statements in the future tense and statements that include "believe," "expect," "intend," "plan," "anticipate," and similar terms and concepts, are forward-looking statements. Forward-looking statements are not guarantees since there are inherent difficulties in predicting future results, and actual results could differ materially from those expressed or implied in the forward-looking statements. For a list of factors that could cause actual results to differ materially from those discussed, please refer to the Company's periodic SEC filings, particularly the risk factors in our Form 10-K filing for the fiscal year ended September 28, 2013, and the Safe Harbor and Fair Disclosure statement in yesterday's press release.

Plexus provides non-GAAP supplemental information such as earnings or margin excluding special items, as well as ROIC and free cash flow. We present information excluding special items because it provides a better indication of core performance for purposes of period-to-period comparisons. ROIC and free cash flow are used for internal management assessments because they provide additional insight into ongoing financial performance. In addition, we provide non-GAAP measures because we believe they offer insight into the metrics that are driving management decisions as well as management's performance under the tests that it sets for itself. For a full reconciliation of non-GAAP supplemental information please refer to yesterday's press release and our periodic SEC filings.

FISCAL THIRD QUARTER 2014

Record Revenue

	Q3F14 Guidance	Q3F14 Jun 28, 2014	Q2F14 Mar 29, 2014	Q3F14 vs. Q2F14
Revenue (\$ millions)	\$600 to \$630	\$621	\$558	+ 11%
Diluted EPS excluding special items	\$0.69 to \$0.74	\$0.74	\$0.60	+ 23%
ROIC excluding special items		14.6%	14.1%	+ 50 bps

- Revenue above mid-point of guidance range
 - Up 11% from prior quarter
 - Up 8.5% from comparable quarter last year
- Non-GAAP diluted EPS at top of guidance range
 - Excludes \$0.03 restructuring charges

A FEW FISCAL THIRD QUARTER HIGHLIGHTS

- Revenue above the mid-point of guidance; growth in all four market sectors
- \$282M of new Manufacturing Solutions wins; trailing four quarter wins at \$801M
- \$23M of new Engineering Solutions ; another very strong quarter
- Q/Q Operating Performance Improvements:
 - Operating margin: 4.7%; up 20 bps
 - Cash cycle: 57 days; down 5 days, contributing to better than anticipated free cash flow
 - ROIC: 14.6%; up 50 bps or 360 bps above WACC
- New facility in Guadalajara, MX complete; transitioning programs from Juarez, MX

FISCAL FOURTH QUARTER GUIDANCE

	Q4F14 Guidance
Revenue	\$645 to \$675 million
Diluted EPS	\$0.74 to \$0.80 <ul style="list-style-type: none">• Excludes anticipated restructuring charges of \$800,000 to \$900,000• Includes \$0.10 stock based compensation expense

- Revenue mid-point suggests 6% growth Q3F14 to Q4F14
 - Strength: Rapid program ramps
- Could be an episodically strong quarter
 - Revenue could contract Q4F14 to Q1F15
 - Current visibility suggests potential 3% contraction from guidance mid-point
- EPS guidance excludes anticipated restructuring charge associated with the Juarez, MX closure and program transitions to Guadalajara, MX

PERFORMANCE BY SECTOR

	Q3F14 Jun 28, 2014		Q2F14 Mar 29, 2014		Q3F14 vs. Q2F14	Q4F14 Expectations (percentage points)
Networking/ Communications	\$203	33%	\$162	29%	25%	Up mid teens
Healthcare/ Life Sciences	\$177	28%	\$167	30%	6%	Up low single
Industrial/ Commercial	\$154	25%	\$145	26%	6%	Flat
Defense/ Security/ Aerospace	\$87	14%	\$84	15%	4%	Up high single
Total Revenue	\$621	100%	\$558	100%	11%	

- N/C better than expected in Q3 as demand improved; New programs drive growth in Q4
- HC/LS in-line in Q3; Modest growth in Q4
- I/C up, but slightly below expectations for Q3; Softening markets lead to flat expectations for Q4
- D/S/A up, but slightly below expectations for Q3; Strengthening Aerospace drives Q4 growth

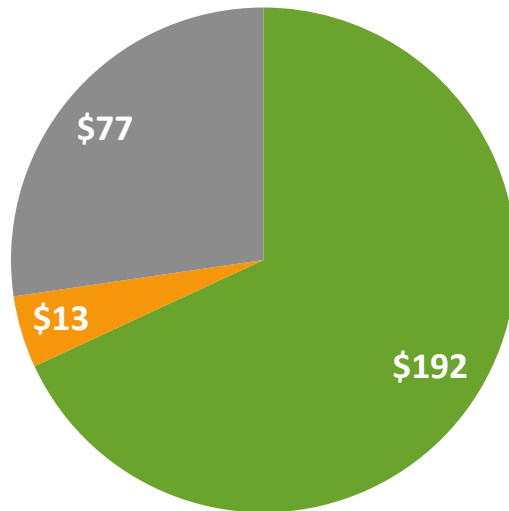
*Revenue in millions
Comments refer to fiscal quarters*

FISCAL THIRD QUARTER MANUFACTURING WINS

\$282M in annualized revenue when fully ramped; 25 programs

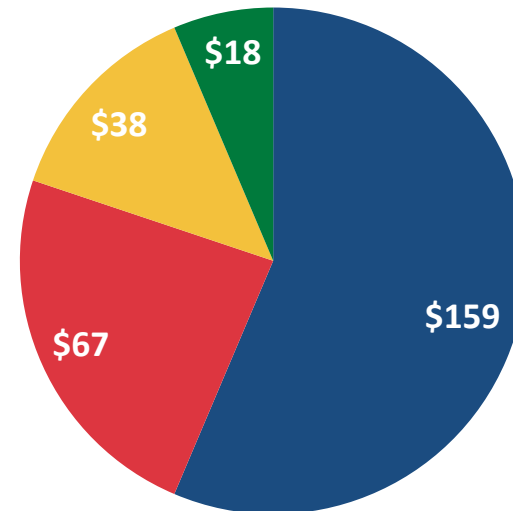
- Substantial APAC and AMER wins revenue
- Existing customer expansion with near-term ramp included in the N/C wins
- Engineering wins outstanding at \$23M; Strong HC/LS and I/C performance

Manufacturing Wins by Region (\$Ms)



■ AMER
■ EMEA
■ APAC

Manufacturing Wins by Sector (\$Ms)

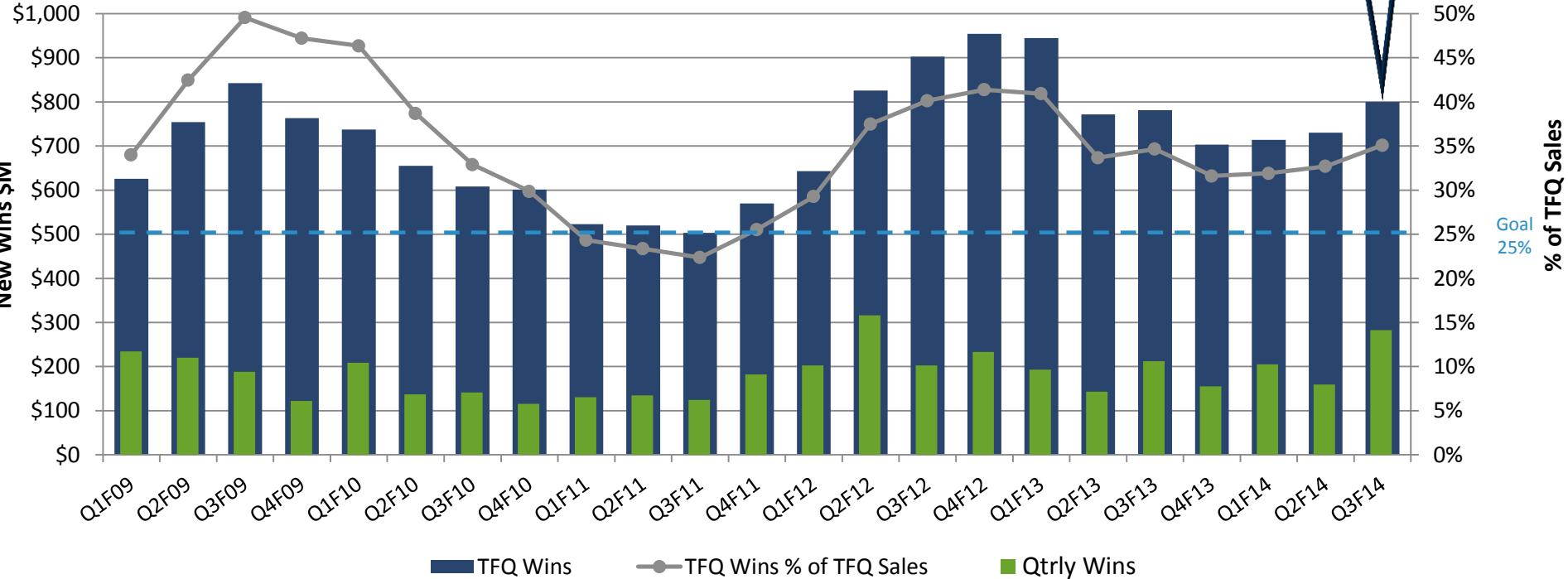


■ Networking/Communications
■ Healthcare/Life Sciences
■ Industrial/Commercial
■ Defense/Security/Aerospace

MANUFACTURING WINS TREND

Trailing Four Quarter Wins Remain Strong

TFQ
\$801M



Quarterly target approximately \$160M

GUADALAJARA MANUFACTURING



*Supporting customer requirements
by providing additional low-cost
country solutions*

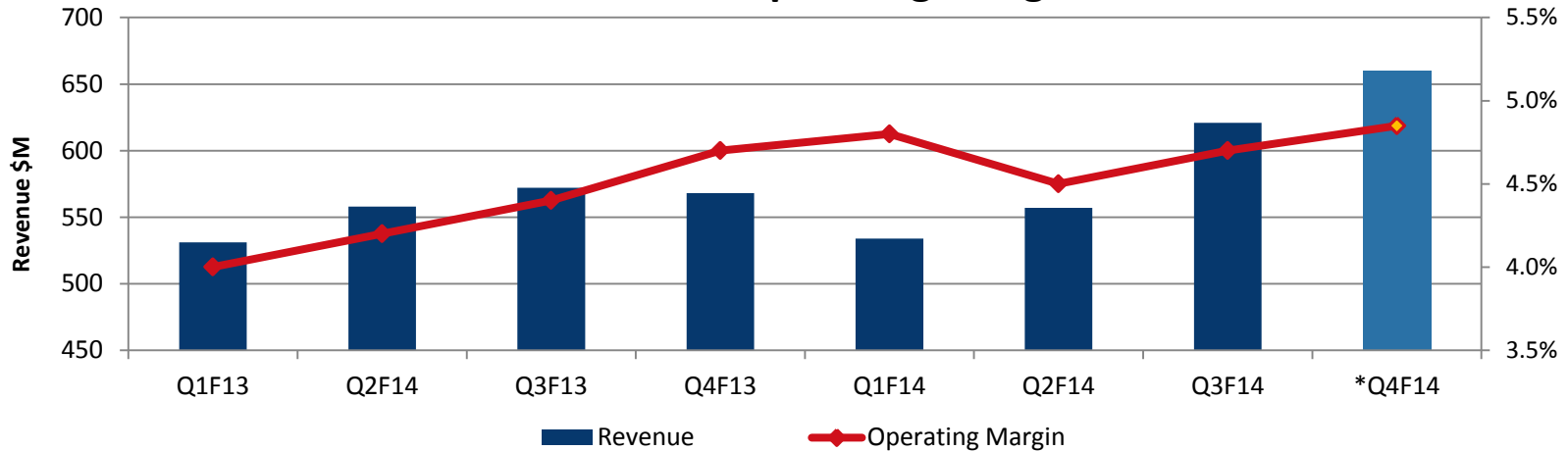
**265,000 ft² facility
Guadalajara Technology Park**

- Construction complete
- Initial builds in progress
- Investing in resources for aggressive ramp
- Profitable late F15
- Juarez closure Q1F15

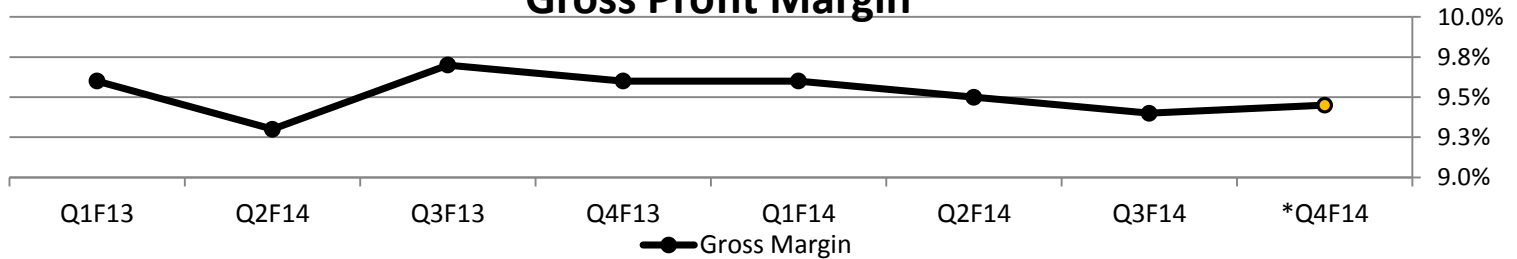


MARGIN TREND

Revenue vs. Operating Margin



Gross Profit Margin

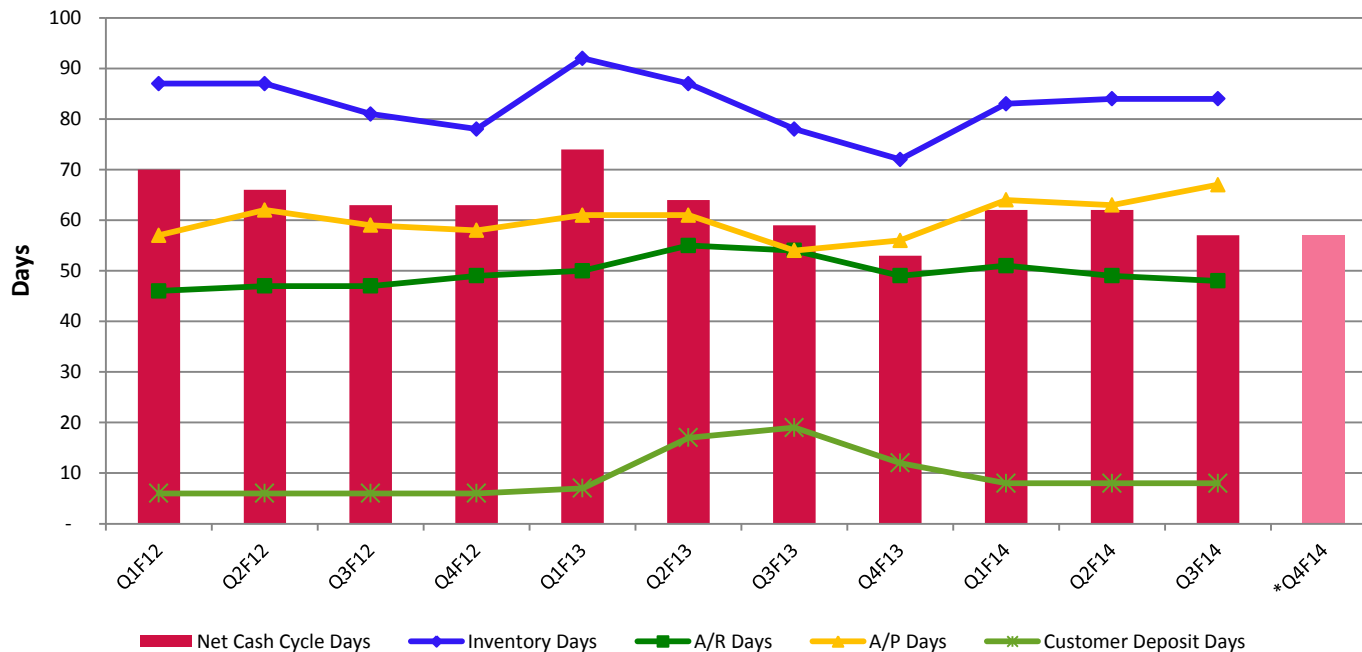


Operations Initiatives driving productivity

Investing in site teams, regions and expanded service offerings

**represents mid-point guidance*

CASH CYCLE TREND



	Q1F12	Q2F12	Q3F12	Q4F12	Q1F13	Q2F13	Q3F13	Q4F13	Q1F14	Q2F14	Q3F14	*Q4F14
Inventory Days	87	87	81	78	92	87	78	72	83	84	84	
A/R Days	46	47	47	49	50	55	54	49	51	49	48	
A/P Days	57	62	59	58	61	61	54	56	64	63	67	
Customer Deposit Days	6	6	6	6	7	17	19	12	8	8	8	
Net Cash Cycle Days	70	66	63	63	74	64	59	53	62	62	57	57

Q3F14 performance considerably better than guidance

Expect cash cycle in high 50 day range exiting F14 and into F15

**represents mid-point guidance*

FISCAL THIRD QUARTER INCOME STATEMENT HIGHLIGHTS

	Q3F14 Jun 28, 2014	Q2F14 Mar 29, 2014	Q3F14 vs. Q2F14 Change
Revenue	\$621	\$558	+ 11%
Gross margin	9.4%	9.5%	- 10 bps
Selling & administrative expenses	\$29.2	\$27.8	+ 5%
Operating margin excluding special items	4.7%	4.5%	+ 20 bps
Diluted earnings per share	\$0.71	\$0.53	+ 34%
Diluted earnings per share excluding special items	\$0.74	\$0.60	+ 23%

- Gross margin and SG&A in-line with expectations
- Recorded \$1.2M restructuring charges (\$0.03 of diluted EPS) primarily related to the previously announced facility closure in Juarez, MX and transition of programs to Guadalajara, MX

*Dollars in millions, except
earnings per share*

BALANCE SHEET AND CASH FLOWS

	Q3F14	Comments
Return on invested capital	14.6%	Above WACC of 11% but remains below enduring goal of WACC + 500 bps (16%)
Share repurchases	\$7.7 million	Average price of \$41.52 per share
Cash cycle days	57 days	Better than expectations and 5 days favorable compared to Q214
Free cash flow	\$10.3 million	

FISCAL FOURTH QUARTER 2014 GUIDANCE

	Guidance
Revenue	\$645 to \$675 million
Estimated restructuring charges	\$800,000 to \$900,000
Diluted Earnings per share excluding restructuring	\$0.74 to \$0.80
Gross margin	9.3 to 9.6%
SG&A	\$29.5 to \$30.5 million
Operating margin	4.7 to 5.0%
Depreciation and amortization	\$12.9 million
Tax rate	7 to 9%
Cash cycle days	56 to 58 days
F14 estimated capital expenditures	\$75 million

A FEW NEAR-TERM FOCUS ITEMS

- Analysts and Investors should be mindful that our fiscal fourth quarter could be an episodically strong quarter; we will manage accordingly
- Flawlessly execute the program transitions from Juarez, MX to our new facility in Guadalajara, MX
- Carefully manage the growth momentum of our EMEA region to deliver operating performance improvements in fiscal 2015
- Aerospace & Defense Dedication Event at our new facility in Neenah, WI
- Complete our 2015 Annual Operating Plan and Strategy Deployment Initiatives

QUESTIONS



The Product Realization Company