



Fiscal fourth quarter 2021
financial results

October 28, 2021

Safe harbor and 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 October 3, 2020, as supplemented by our Form 10-Q filings, and the Safe Harbor and Fair Disclosure statement in yesterday's press release.

Plexus provides non-GAAP supplemental information, such as ROIC, economic return, and free cash flow, because those measures are used for internal management goals and decision making, and because they provide additional insight into financial performance. In addition, management uses these and other non-GAAP measures, such as adjusted operating income, adjusted operating margin, adjusted net income, and adjusted earnings per share, to provide a better understanding of core performance for purposes of period-to-period comparisons. For a full reconciliation of non-GAAP supplemental information please refer to yesterday's press release and our periodic SEC filings.

Vision

We help create the products that build a better world.

Mission

The leader in highly complex products and demanding regulatory environments.

PLEXUS

Fiscal 2021 results

ROBUST GAAP EPS GROWTH AND MARGIN EXPANSION

- GAAP EPS grew 21% year-over-year
- GAAP operating margin of 5.2% exceeded previous target range of 4.7% to 5.0%
- Establishing new GAAP operating margin target of 5.5%
- GAAP operating margin was best result since fiscal 2008
- ROIC of 15.4%, economic return of 730 basis points above our WACC
- Establishing ROIC goal of 15%

FREE CASH FLOW OF \$85M

TRAILING FOUR QUARTERS (TFQ) WINS GREW 8% YEAR-OVER-YEAR

- 22 new logos
- Record funnel of \$3.3B



Our people create our best Plexus.

Be you. Ingrained in our culture of inclusion is the philosophy that each individual offers diverse perspectives, backgrounds and experiences that create great outcomes when we are united as a team.

We respect our people and embrace our differences. We welcome everyone and value the ideas generated by our collective uniqueness. We aspire that all our people reach their full potential.

Our ESG efforts continue to gain traction

- Giving back to our communities
- Promoting STEM education
- Establishing paid volunteer time off program
- Expansion of Employee Resource Groups
 - Plexus Young Professionals
 - UnusPlexus
 - Women in Network

Fiscal fourth quarter results

	Q4F21 Results	Q4F21 Guidance	Q3F21 Results
Revenue (\$ millions)	\$843	\$875 to \$915	\$814
GAAP Diluted EPS	\$1.16 ⁽¹⁾	\$1.13 to \$1.29 ⁽²⁾	\$0.95 ⁽³⁾

Profitability and EPS met guidance on revenue shortfall

- Worsening supply chain conditions and COVID-related labor shortages impacted revenue
- Cost control, an Aftermarket Services program ramp and demand for Engineering Solutions aided results

COVID-19 driven labor shortages in Malaysia not anticipated to affect fiscal first quarter 2022 results

(1) Includes \$0.23 of stock-based compensation expense
 (2) Includes \$0.22 of stock-based compensation expense
 (3) Includes \$0.04 in restructuring charges and \$0.21 of stock-based compensation expense

Fiscal 2022 first quarter guidance

REVENUE GUIDE

- HC/LS and IND demand strong
- Supply chain constraints limiting revenue

EPS GUIDE

- GAAP operating margin of 4.6% to 5.0%, including 70 bps of stock-based compensation expense

FISCAL 2022 OUTLOOK

- Demand far exceeds 9% to 12% revenue growth goal
- Supply chain constraints limiting ability to meet all demand
- Sequential revenue growth and expanding GAAP operating margins throughout fiscal 2022

	Q1F22 Guidance
Revenue	\$825 to \$865 million
GAAP Diluted EPS	\$1.01 to \$1.17*

* Includes \$0.21 of stock-based compensation expense

Performance by sector

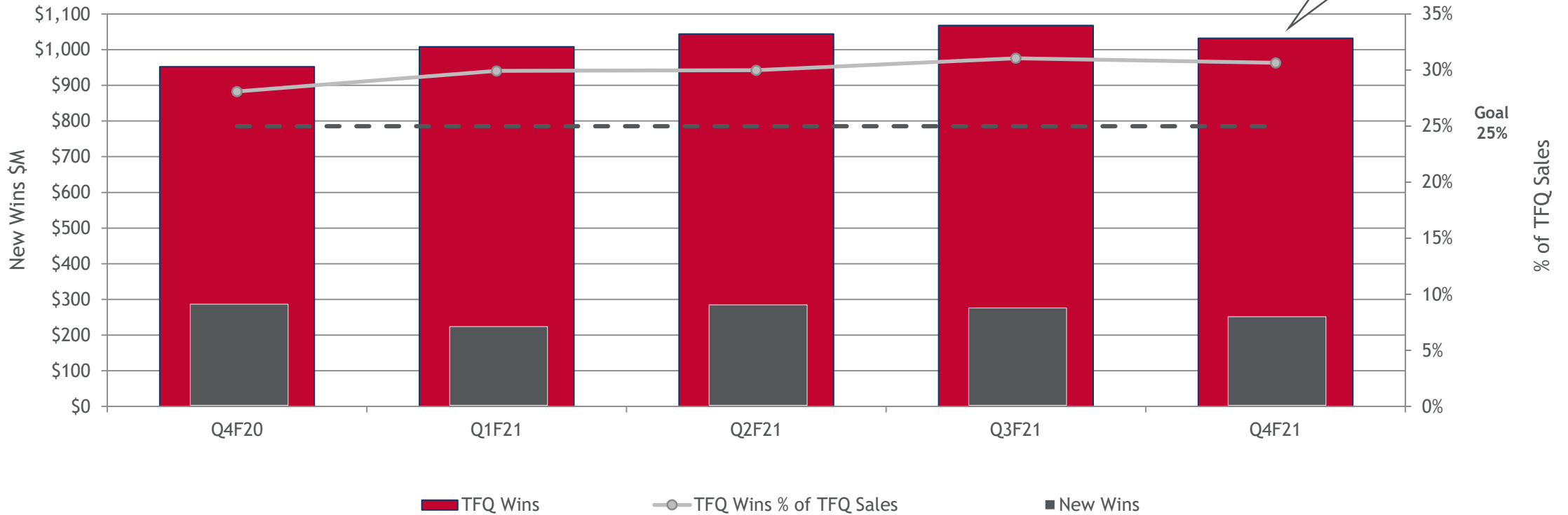
	Q4F21 Oct 2, 2021		Q3F21 Jul 3, 2021		Q4F21 vs. Q3F21	F21 vs. F20	Q1F22 Expectations (percentage points)
Industrial	\$392	46%	\$372	46%	+ 5%	+ 2%	Down low single
Healthcare and Life Sciences	\$333	40%	\$324	40%	+ 3%	+ 5%	Up mid single
Aerospace and Defense	\$118	14%	\$118	14%	Flat	- 19%	Down low single
Total Revenue	\$843	100%	\$814	100%	+ 4%	- 1%	

Revenue in millions

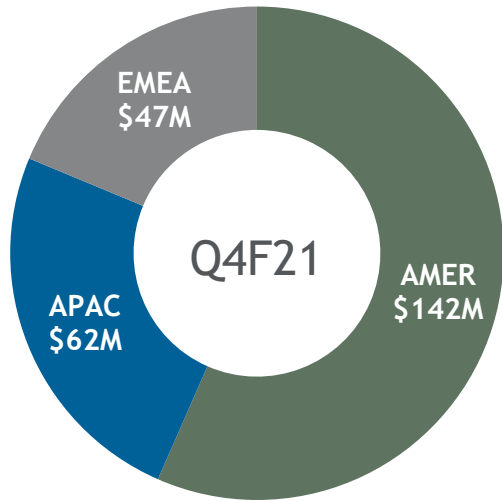
Manufacturing wins

Q4F21 wins: \$251M
New programs: 38

Trailing Four Quarters (TFQ) Manufacturing Wins



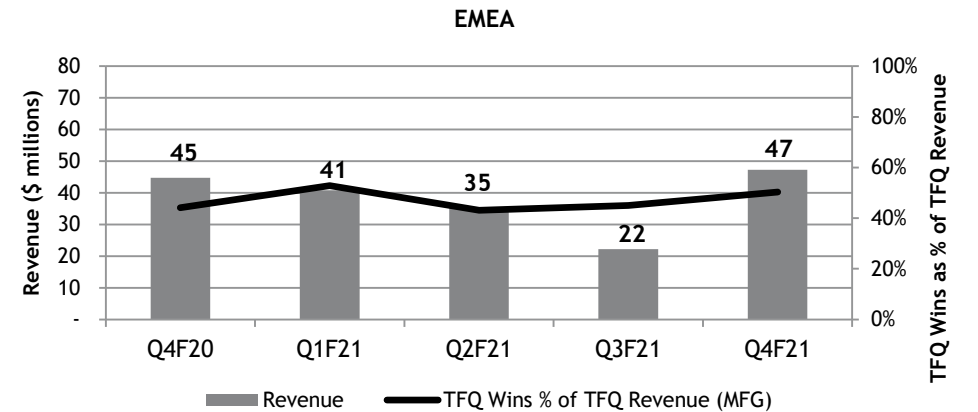
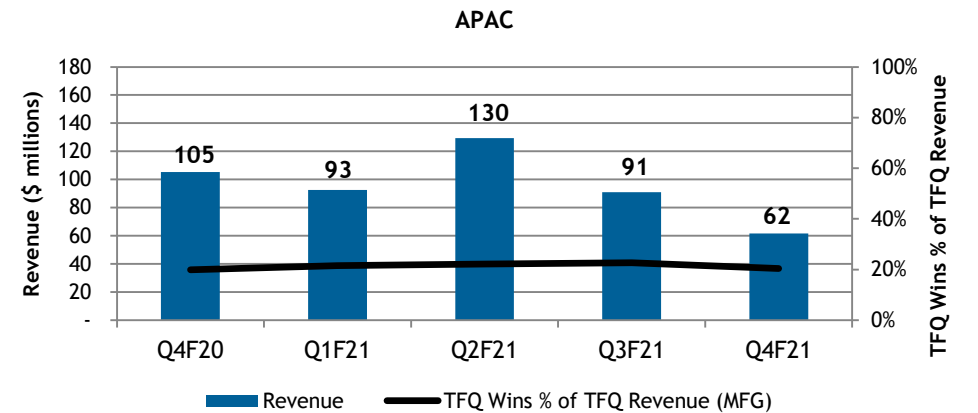
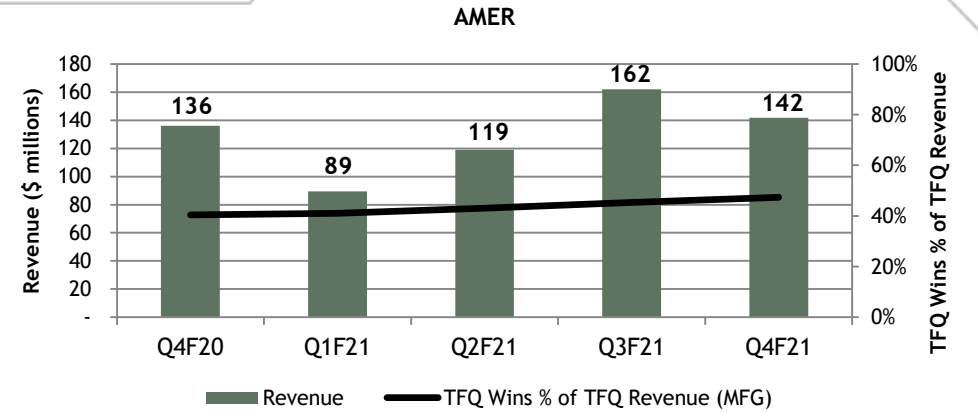
Manufacturing wins by region



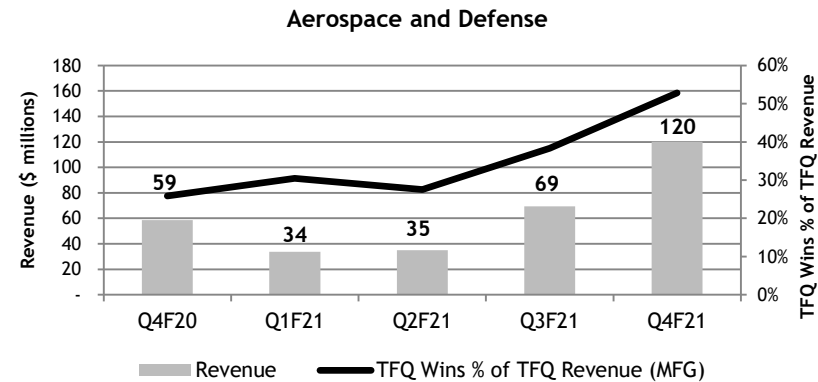
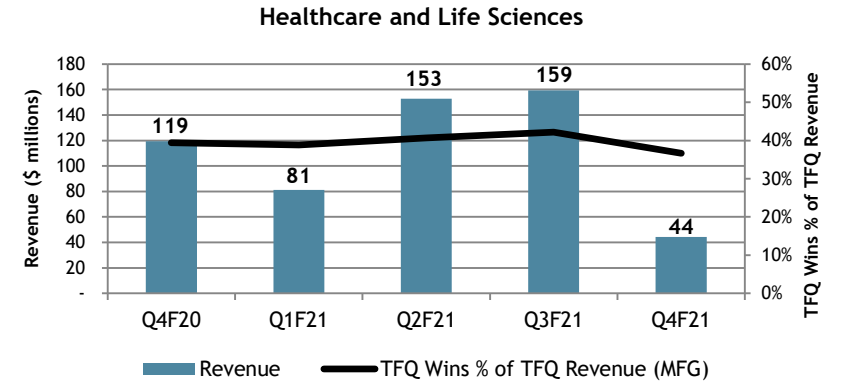
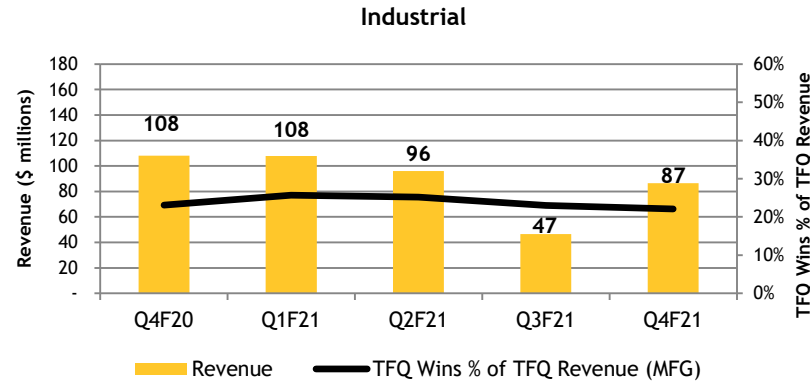
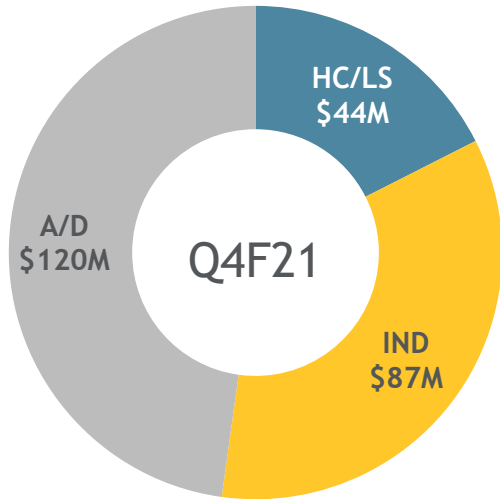
AMER: US manufacturing footprint enables strong wins

APAC: Continued wins in spite of COVID-19 travel restrictions

EMEA: Two new customers for Kelso, Scotland operations



Manufacturing wins by sector



IND: New Communications subsector customer added

HC/LS: Expecting wins to rebound in Q1F22

A/D: Trailing four quarter wins grew \$61M (31%)

Fiscal fourth quarter wins highlights

NEXT GENERATION CABLE ACCESS PRODUCT (IND)

- Outsourced from internal manufacturing
- Production location: Guadalajara, Mexico

DATA COMPRESSION AND SECURITY PRODUCT (IND)

- New customer engagement
- Production location: Penang, Malaysia

SEMICONDUCTOR CAPITAL EQUIPMENT (IND)

- Front-end wafer processing
- Locations: Portland, Oregon & Guadalajara, Mexico

ROBOTIC ASSISTED MEDICAL INSTRUMENT (HC/LS)

- Expanded portfolio with existing customer
- Production location: Neenah, Wisconsin

DIAGNOSTIC TEST INSTRUMENT (HC/LS)

- COVID-19 PCR tester
- Production location: Kelso, Scotland

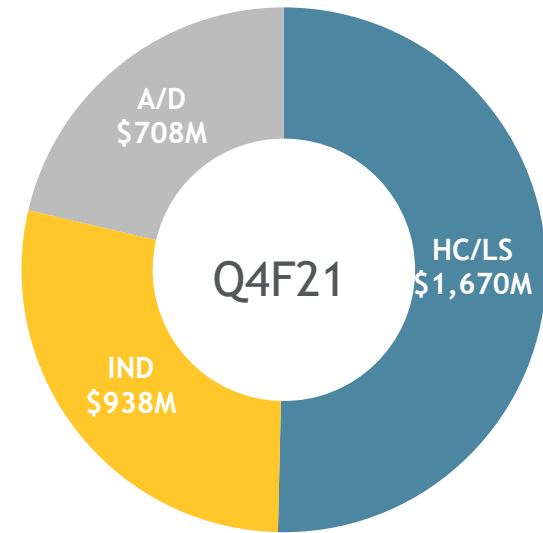
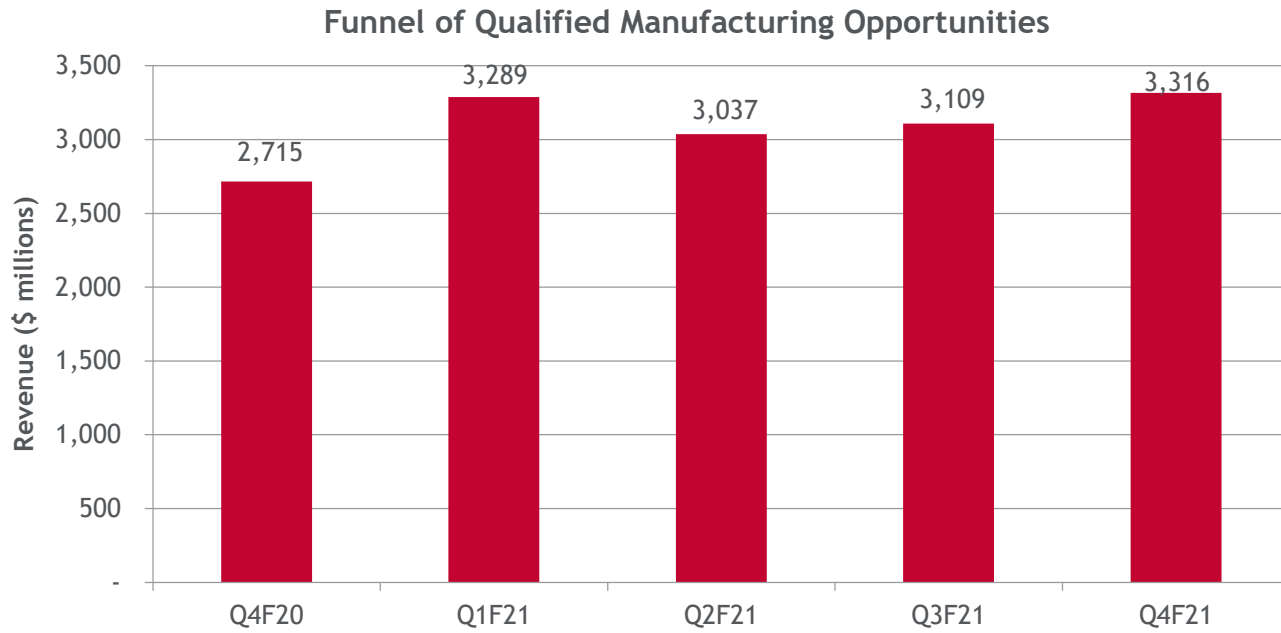
SATELLITE COMMUNICATIONS PRODUCT #1 (A/D)

- Expanded relationship with existing customer
- Production location: Boise, Idaho

SATELLITE COMMUNICATIONS PRODUCT #2 (A/D)

- New customer engagement
- Space programs in all three regions in F22
- Production location: Kelso, Scotland

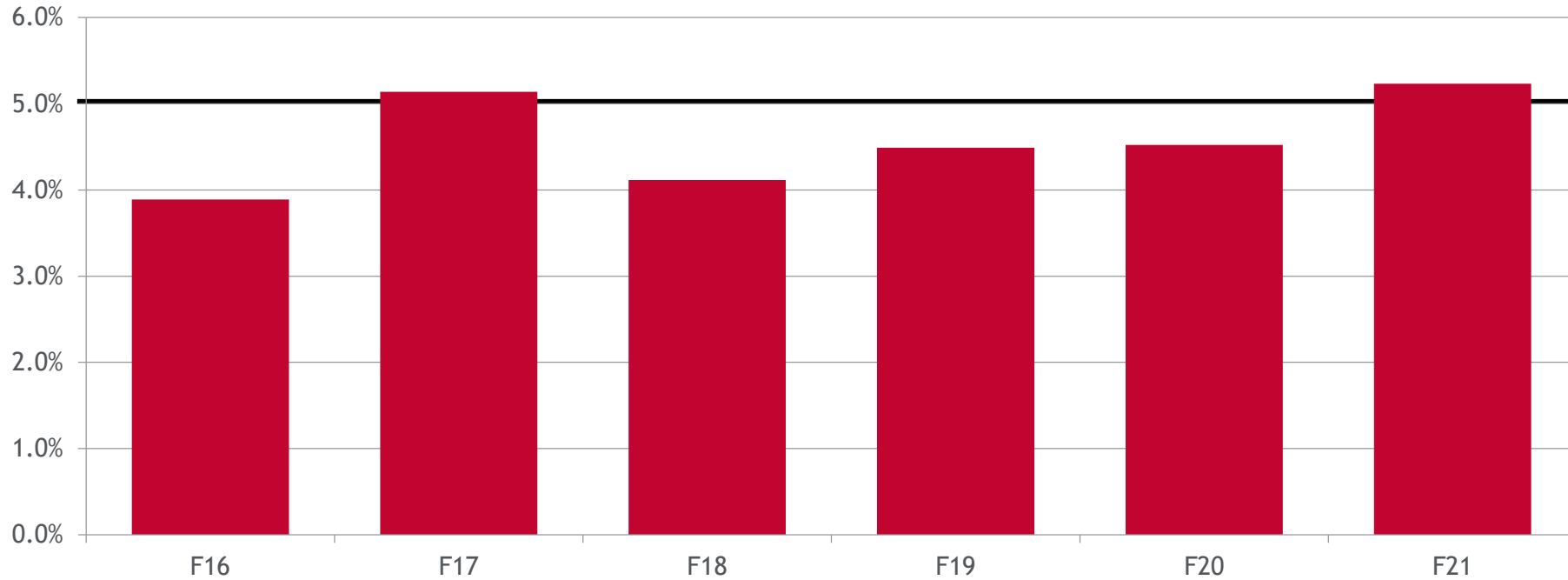
Manufacturing funnel



Qualified manufacturing funnel grows to a record \$3.3B

Operating performance

Q4F21 GAAP Operating Margin: 5.0%



Exceptional F21 GAAP Operating Margin of 5.2%

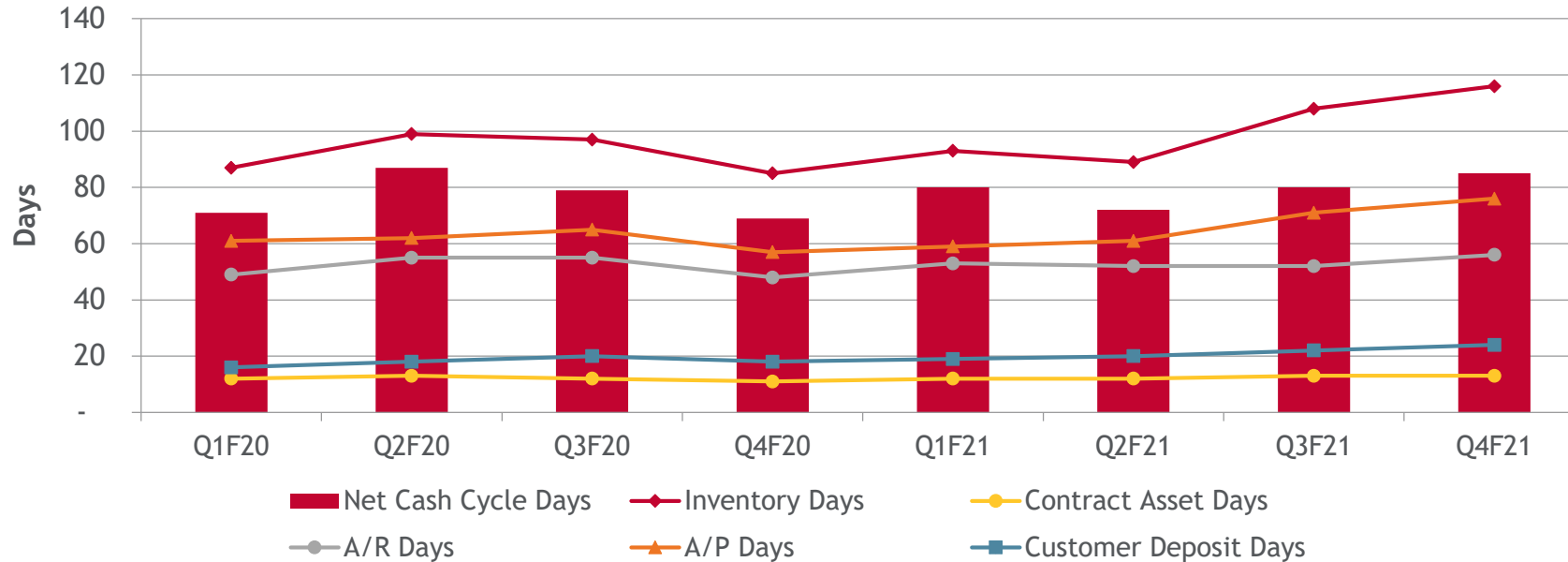
Income statement

	Q4F21	Comments
Revenue	\$843 million	Sequentially higher by 4%
Gross margin	9.4%	Sequentially improved by 30 basis points
Selling & administrative expenses	\$36.6 million	Favorable to guidance range of \$39.0 to \$40.0 million
GAAP operating margin	5.0%	At mid-point of guidance range of 4.8% to 5.2%
Non-operating expenses	\$2.9 million	Favorable to guidance range of \$3.8 to \$4.2 million
GAAP diluted EPS	\$1.16	Within guidance range of \$1.13 to \$1.29

Cash flow and balance sheet

	Q4F21	Comments
Free cash flow	(\$12) million	Cash from operations: \$11 million Capital expenditures: \$23 million
Share repurchases	\$29.3 million	Approx. 331,000 shares at an average price of \$88.39 per share
Cash balance	\$271 million	Sequentially lower by \$37 million
Total debt	\$253 million	Gross debt to EBITDA ratio of 1.0x
Return on invested capital	15.4%	730 basis points above fiscal 2021 WACC of 8.1%
Cash cycle days	85 days	Within guidance range of 82 to 86 days

Working capital trends



	Q1F20	Q2F20	Q3F20	Q4F20	Q1F21	Q2F21	Q3F21	Q4F21
Inventory Days	87	99	97	85	93	89	108	116
Contract Asset Days	12	13	12	11	12	12	13	13
A/R Days	49	55	55	48	53	52	52	56
A/P Days	61	62	65	57	59	61	71	76
Customer Deposit Days	16	18	20	18	19	20	22	24
Net Cash Cycle Days	71	87	79	69	80	72	80	85

Fiscal first quarter 2022 guidance

	Guidance
Revenue	\$825 to \$865 million
GAAP diluted EPS	\$1.01 to \$1.17
Gross margin	8.9% to 9.3%
SG&A	\$36.5 to \$37.5 million
GAAP operating margin	4.6% to 5.0%
Depreciation and amortization	Approximately \$16 million
Non-operating expenses	\$3.8 to \$4.2 million
Effective tax rate	13% to 15%
Diluted weighted average shares outstanding	Approximately 28.7 million
Cash cycle days	94 to 98 days

Q&A
Thank you.