

A large, 3D-rendered sign for "WALL STREET" is tilted diagonally across the left side of the slide. The sign is dark with "WALL" and "ST" in large, bold, red letters. The number "51" and an arrow pointing right are visible above the "L" in "WALL". The background of the slide is a dark red, textured surface.

# Fiscal fourth quarter 2019 financial results

October 24, 2019

# 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 September 29, 2018, 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.

# Fiscal fourth quarter results

	Q4F19 Results	Q4F19 Guidance	Q3F19 Results
Revenue (\$ millions)	\$810	\$760 to \$800	\$800
GAAP Diluted EPS	\$1.23 <sup>(1)</sup>		\$0.81
Non-GAAP Diluted EPS	\$0.93 <sup>(1)(2)</sup>	\$0.81 to \$0.91 <sup>(3)</sup>	\$0.81

All sectors met or exceeded expectations

A/D and I/C delivered strong sequential growth

Adjusted operating margin of 4.8%, within target range of 4.7% to 5.0%

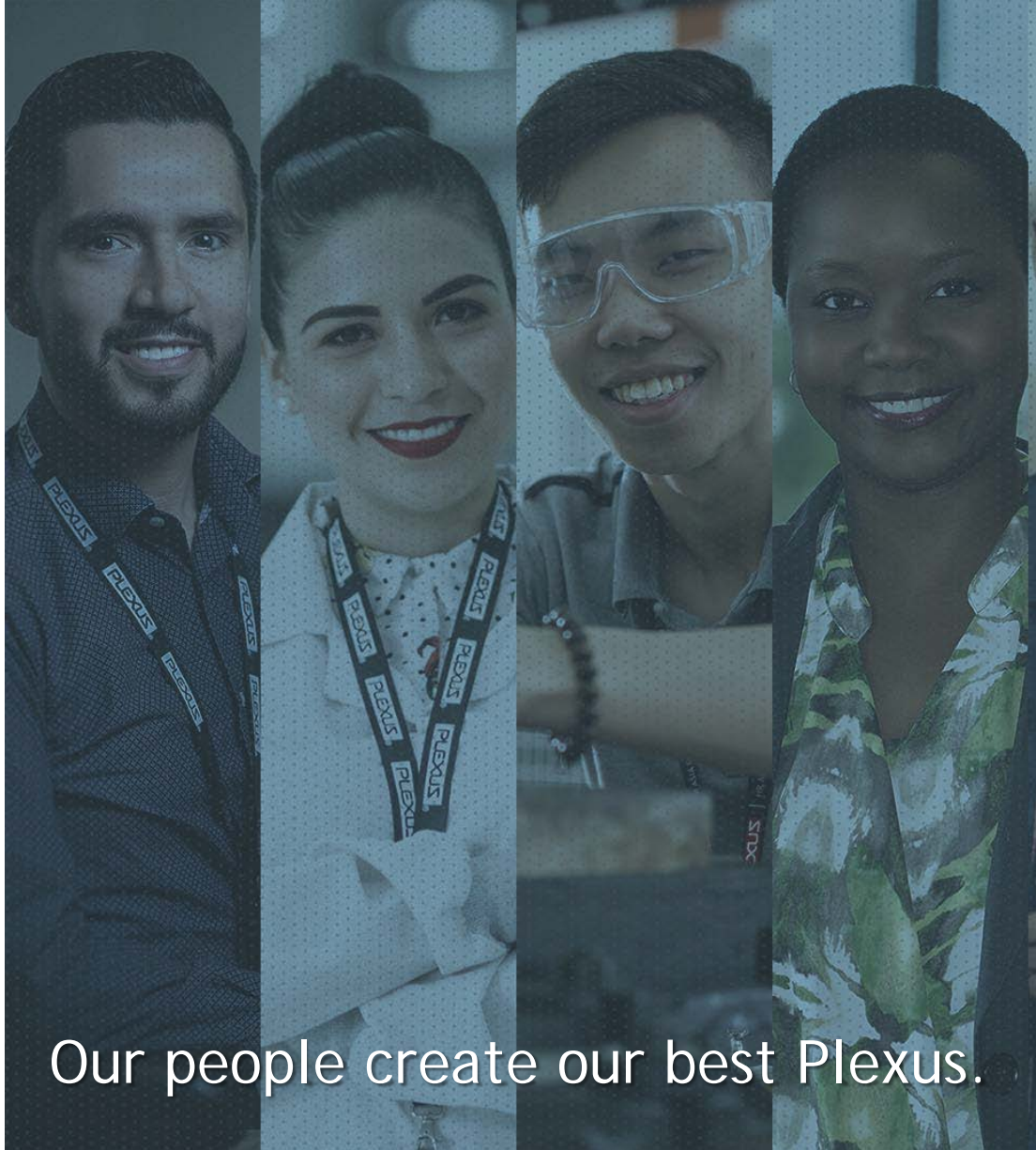
Reduced inventory by \$56M (8 Days of Inventory)

Free cash flow of \$92M in the quarter

*(1) Includes \$0.19 stock-based compensation expense*

*(2) Excludes \$1.5 million restructuring charges and \$10.5 million discrete tax benefit*

*(3) Includes \$0.18 stock-based compensation expense*



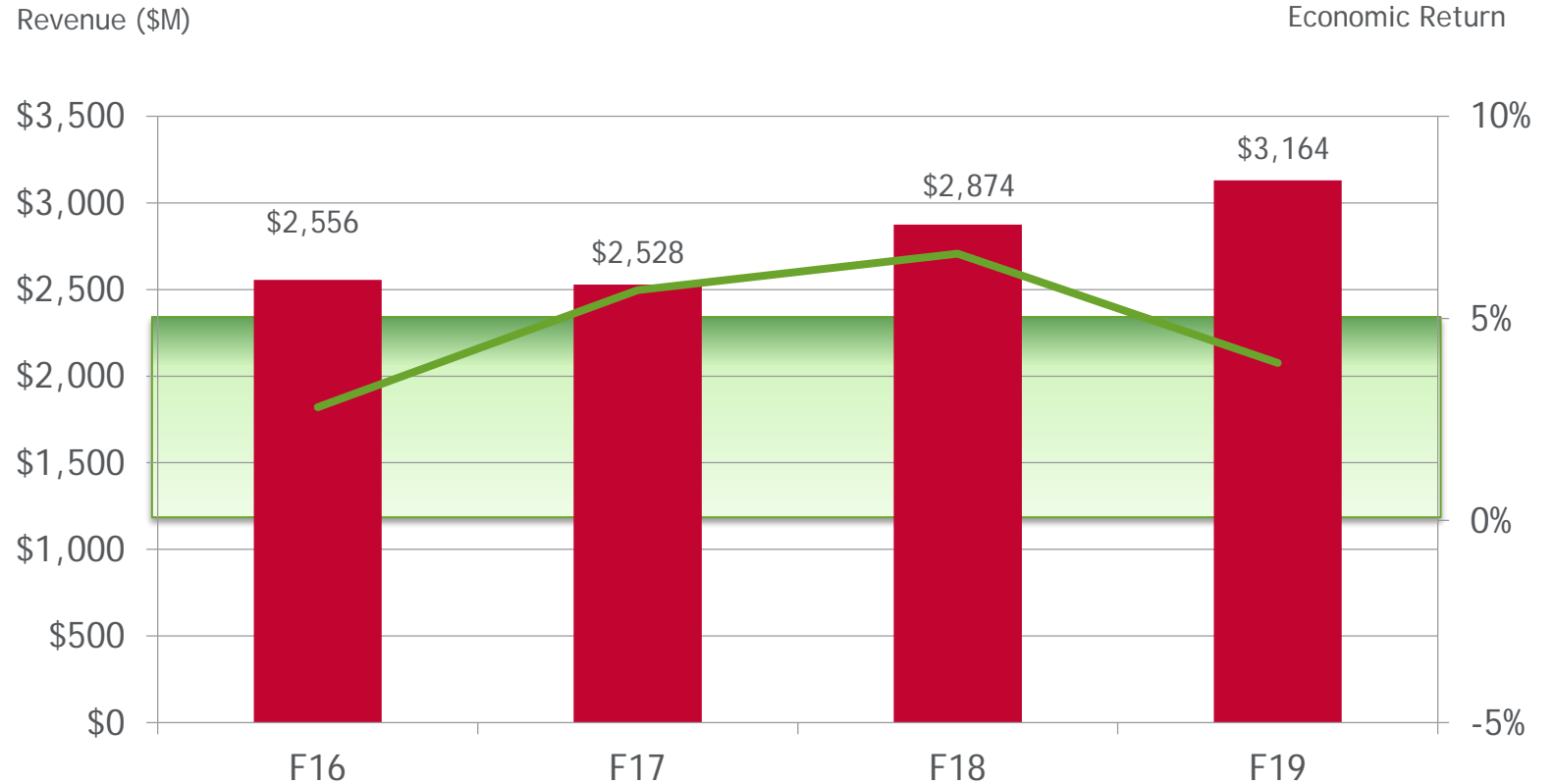
Our people create our best Plexus.

## CELEBRATING OUR JOURNEY

**40<sup>TH</sup>**  
ANNIVERSARY

# F19 - Robust growth, strong economic return

	PLXS	
	Economic Return (avg.)	Revenue CAGR
Enduring Goal	500 bps	12%
1 Year	410 bps	10%
3 Year	550 bps	7%



*Plexus delivers consistent growth and value creation*

# Fiscal 2019 highlights

## ENGINEERING SOLUTIONS ACHIEVED 25% Y-O-Y GROWTH

- Strong contributor to manufacturing growth

## EXCEPTIONAL GROWTH IN COMPLEX SECTORS

- A/D: 32% growth; high expectations for F20
- HC/LS: 17% growth; exceptional wins and funnel
- I/C: 7% growth; 30% F19 growth ex-semi-cap

## AFTERMARKET SERVICES MOMENTUM

- Delivered 83% growth, 4 centers of excellence

## EXPANSION OF GLOBAL FOOTPRINT

- Revenue growth in all regions and services

## EXCEPTIONAL WINS PERFORMANCE

- Manufacturing wins of \$907 million
- Exceeded \$200 million in each quarter

## FUNNEL SUSTAINED AT \$2.6B

- Reflects the strategic focus of the teams

## PRODUCTIVITY INITIATIVES GAINED TRACTION

- Achieved 4.8% adjusted operating margin in Q4F19

## PROGRESSED WITH CAPITAL ALLOCATION STRATEGY

- Purchased 3.2 million shares in F19
- \$50M authorization to complete in F20

# Fiscal 2020 first quarter guidance

## REVENUE GUIDE


- Growth in I/C and strength in A/D
- Softening in HC/LS due to launch of lower cost, next generation programs
- End markets largely stable

## EPS GUIDE

- Operating margin of 4.5% to 4.9%
- Includes \$0.18 of stock-based compensation expense

	Q1F20 Guidance
Revenue	\$780 to \$820 million
GAAP Diluted EPS	\$0.87 to \$0.97



A young girl is shown from the chest up, holding a large, dark red paper airplane. She is looking upwards with a smile. The background is a solid dark red color with faint, white, stylized clouds. The overall image has a red tint.

We'll help you create the  
products that build a better world.



# Fiscal 2020 outlook

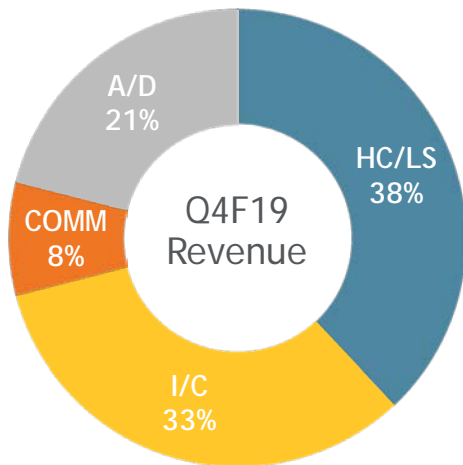
Expecting single digit growth

Robust A/D growth, moderate I/C and HC/LS growth

Strong portfolio, >90% of revenue in HC/LS, I/C and A/D

Committed to operating margin of 4.7% to 5.0%

Expect solid EPS growth



Market Sector	Product Life Cycle (years)	Plexus	
		5 Year CAGR F14-F19	Long-term Growth Goals
Healthcare/Life Sciences	8-10	12%	Low/mid-teens
Industrial/Commercial	5-10	11%	Low-teens
Aerospace/Defense	15-20	12%	Low/mid-teens
Communications*	3-5	-10%	Flat-to-down
Total			9-12%

\*Excludes Networking which is ~1% of revenue

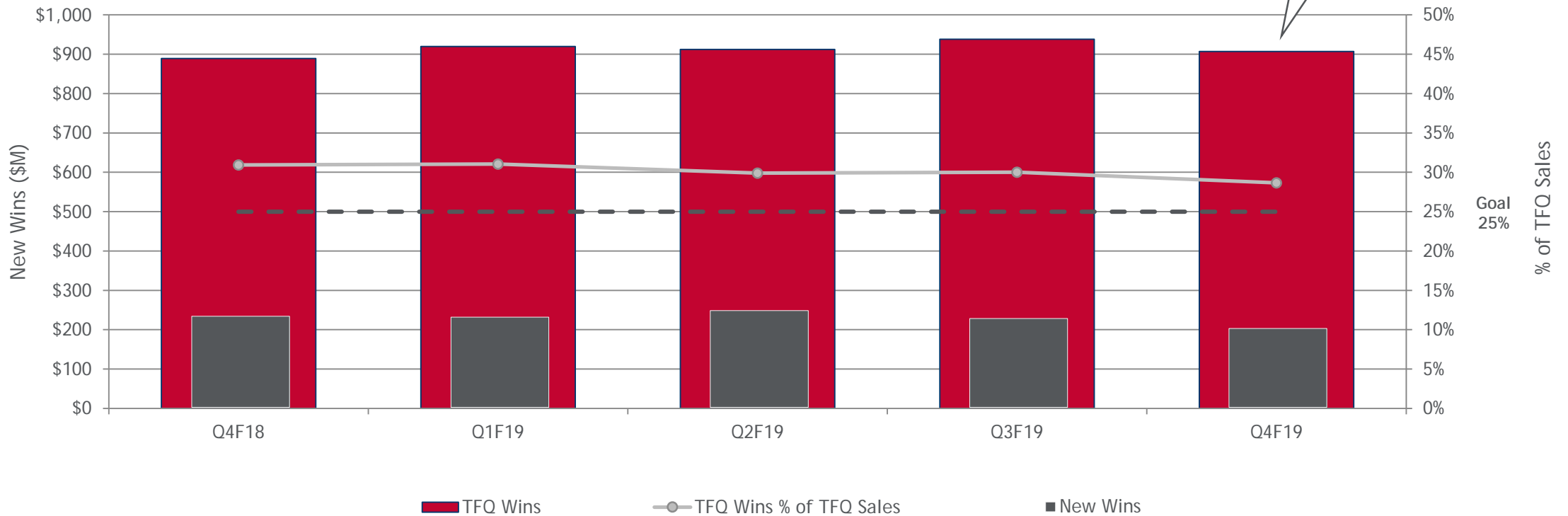
# Performance by sector

	Q4F19 Sep 28, 2019		Q3F19 Jun 29, 2019		Q4F19 vs. Q3F19	Q1F20 Expectations (percentage points)
Healthcare and Life Sciences	\$311	38%	\$309	39%	+ 1%	Down mid single
Industrial and Commercial	\$264	33%	\$248	31%	+ 6%	Up low single
Aerospace and Defense	\$174	21%	\$151	19%	+ 15%	Up low single
Communications	\$61	8%	\$92	11%	- 33%	Flat
Total Revenue	\$810	100%	\$800	100%	+ 1%	

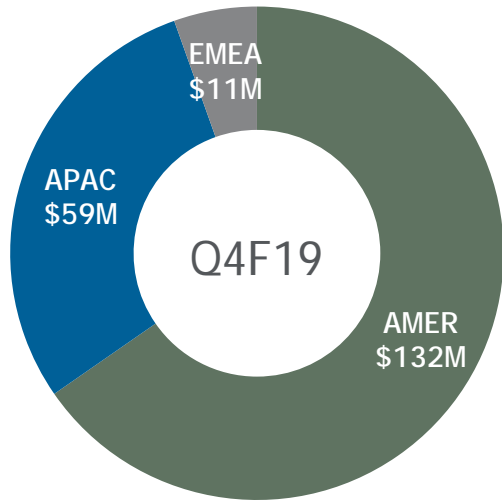
# Manufacturing wins

Q4F19 wins: \$202M  
 New programs: 35

Trailing Four Quarters (TFQ) Manufacturing Wins



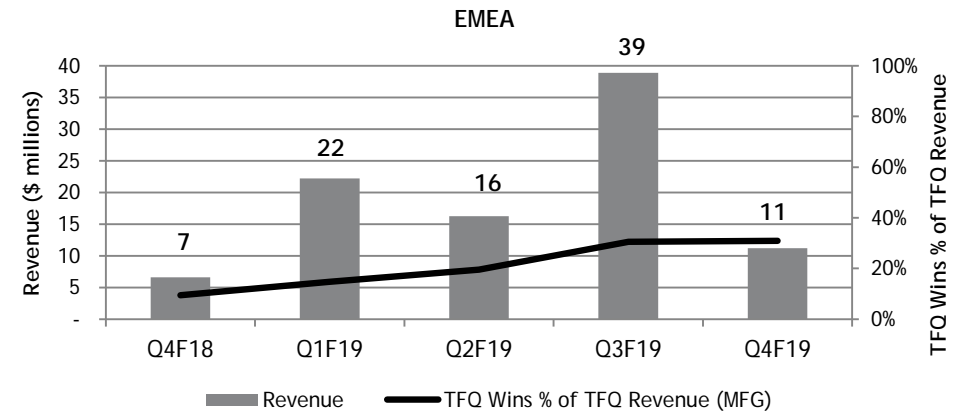
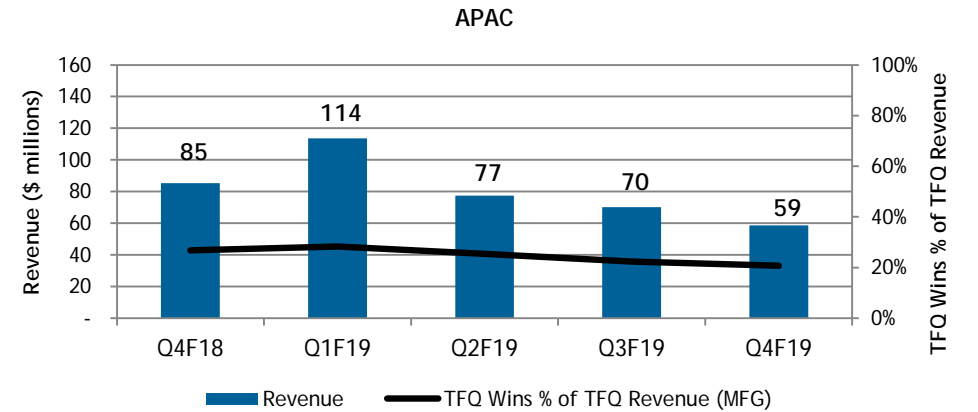
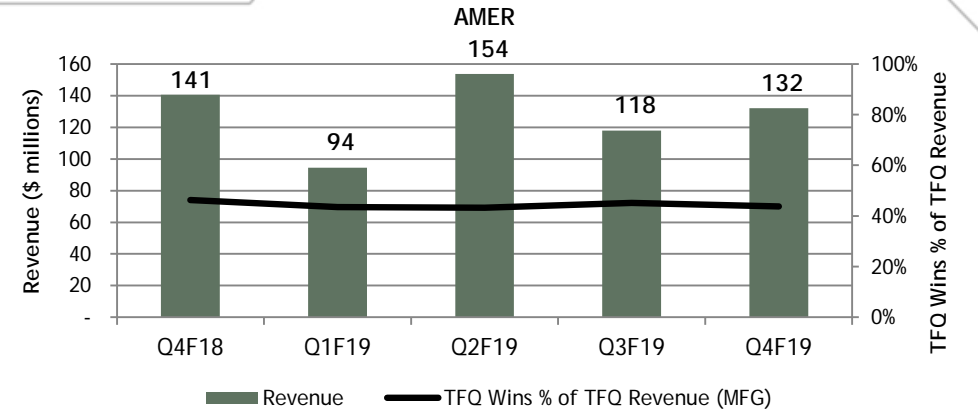
# Manufacturing wins by region



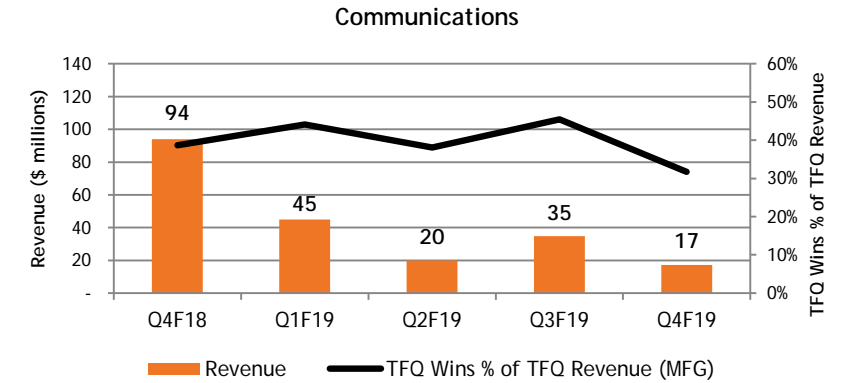
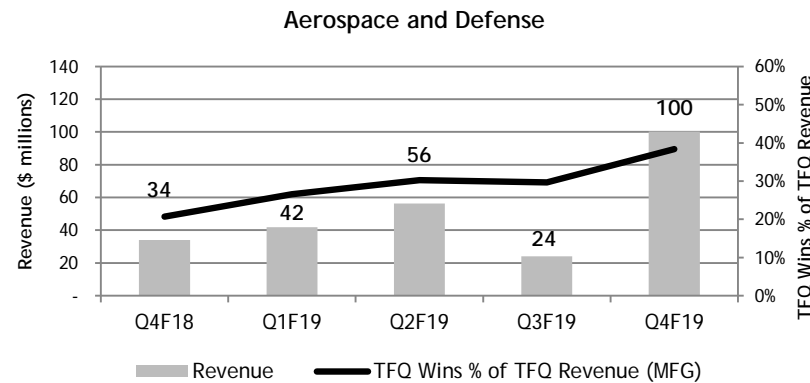
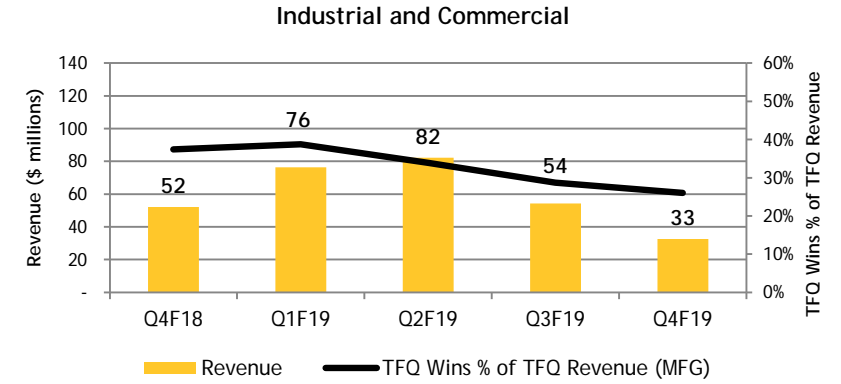
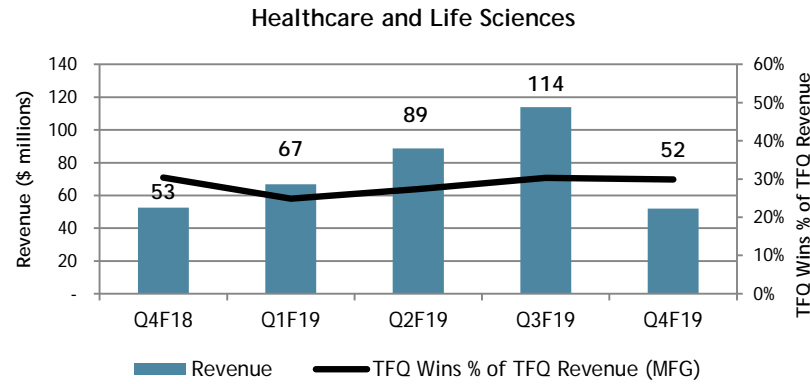
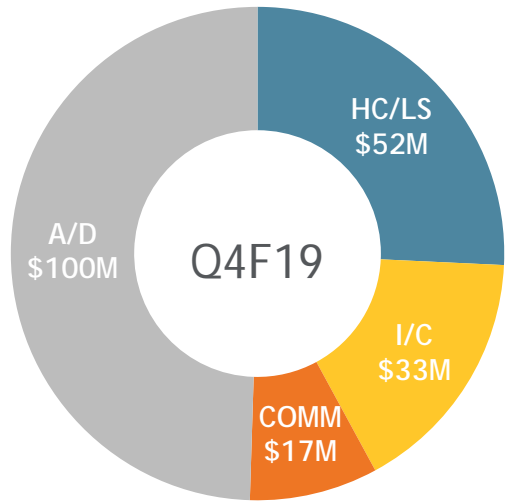
U.S. sites benefit from strong Aerospace/Defense sector wins

APAC exceptional execution enables market share gains

EMEA expands two important customer relationships

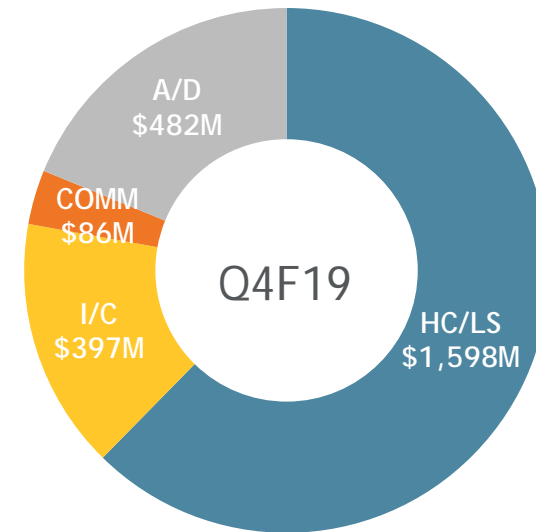
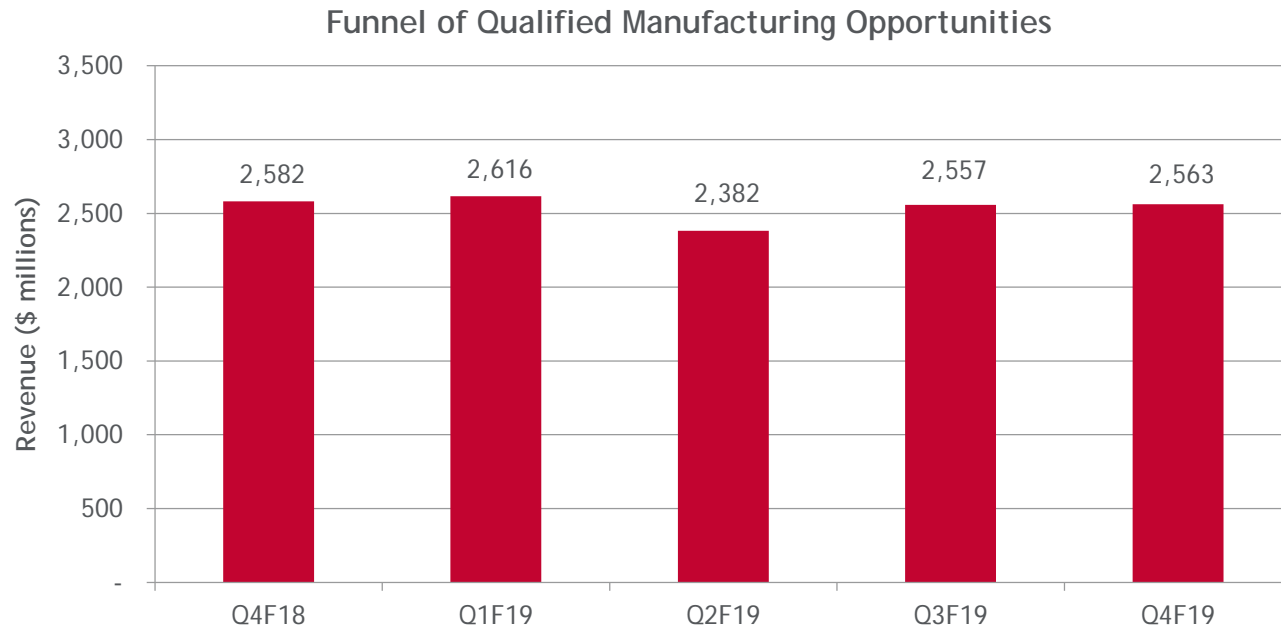


# Manufacturing wins by sector



- HC/LS adds new Life Sciences customer
- I/C successful with diversification
- A/D produces exceptional wins
- COMM adds key new customer

# Manufacturing funnel



*Qualified manufacturing funnel continues to be healthy at \$2.6B*

# Operating performance

Operating Margin Target Range: 4.7% to 5.0%



*Q4F19 adjusted operating margin at 4.8% firmly in our target range*

\*Represents midpoint of guidance



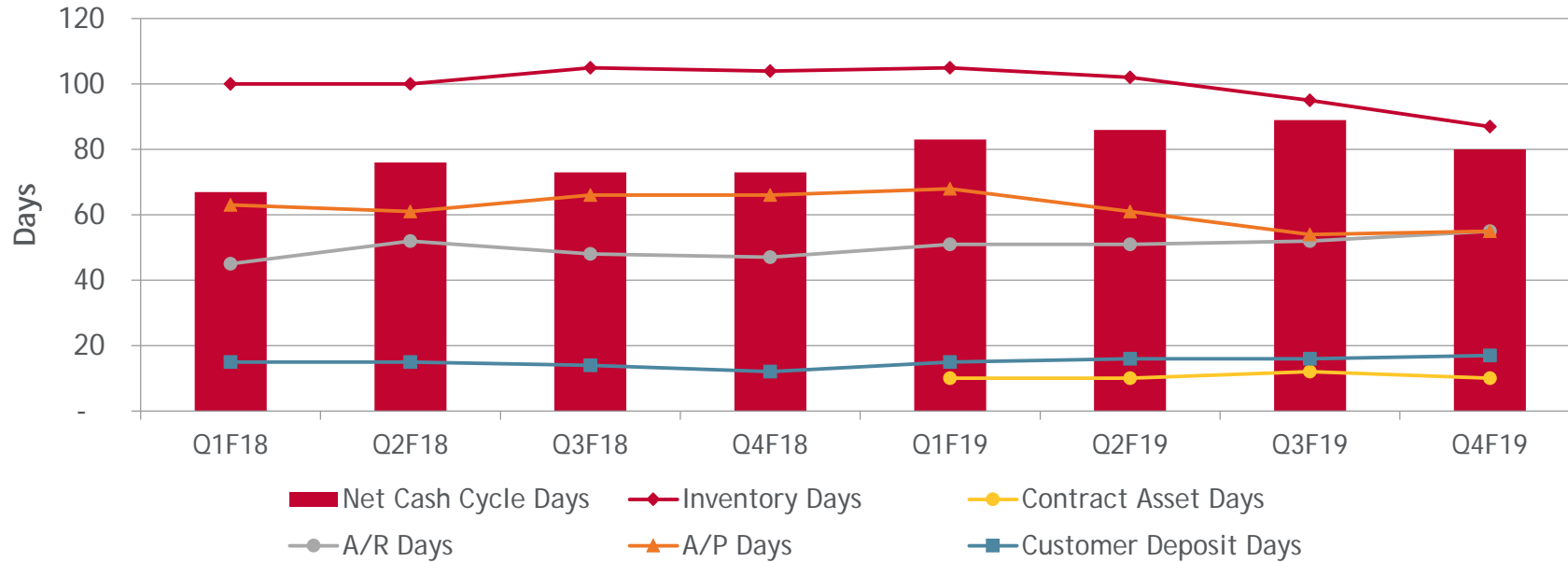
# Income statement

	Q4F19	Comments
Revenue	\$810 million	Above guidance range of \$760 to \$800 million
Gross margin	9.6%	Sequentially higher 70 basis points
Selling & administrative expenses	\$38.6 million	Slightly above guidance range of \$37.5 to \$38.5 million
Operating margin	4.6%	Includes \$1.7 million of restructuring charges
Adjusted operating margin excluding restructuring charges	4.8%	Higher end of guidance range of 4.5% to 4.9%
Non-operating expenses	\$4.1 million	Below guidance range of \$4.8 to \$5.2 million
GAAP diluted EPS	\$1.23	Includes \$0.35 related to special tax benefits partially offset by \$0.05 for after-tax restructuring charges
Non-GAAP diluted EPS	\$0.93	Above guidance range of \$0.81 to \$0.91
Diluted shares outstanding	30.0 million	At guidance estimate

# Balance sheet and cash flow

	Q4F19	Comments
Share repurchases	\$31 million	~ 538,000 at an average price of \$58.38 per share
Free cash flow	\$92 million	Cash from operations: \$108 million Capital expenditures: \$16 million
Cash balance	\$226 million	Sequentially up \$21 million
Total debt	\$288 million	Gross debt to EBITDA ratio of 1.5 times
Cash cycle days	80 days	Sequentially lower 9 days

# Working capital trends



	Q1F18	Q2F18	Q3F18	Q4F18	Q1F19	Q2F19	Q3F19	Q4F19
Inventory Days	100	100	105	104	105	102	95	87
Contract Asset Days					10	10	12	10
A/R Days	45	52	48	47	51	51	52	55
A/P Days	63	61	66	66	68	61	54	55
Customer Deposit Days	15	15	14	12	15	16	16	17
Net Cash Cycle Days	67	76	73	73	83	86	89	80

# Fiscal first quarter 2020 guidance

	Guidance
Revenue	\$780 to \$820 million
GAAP diluted EPS	\$0.87 to \$0.97
Gross margin	9.1% to 9.5%
SG&A	\$36.5 to \$37.5 million
Operating margin	4.5% to 4.9%
Depreciation and amortization	~ \$14 million
Non-operating expenses	\$5.1 to \$5.5 million
Effective tax rate	13% to 15%
Diluted weighted average shares outstanding	29.7 to 29.9 million
Cash cycle days	80 to 84 days



Q&A  
Thank you.