

Information Technology at Plantronics

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Public

Agenda

- Business Highlights
- Unified Communications Opportunity
- Bluetooth Headsets
- Financials
- IT Makes it Happen



Business Highlights (June Quarter)

Corporate

- Revenue, operating income and EPS above guidance
- Gross & operating margin improvement (YOY)
- Cash flow from operations: \$32M
- Demand improved in APAC, mixed in EMEA
- \$363M in cash & equivalents



Office & Contact Center: long-term prospects remain strong

- Office & Contact Center (OCC) demand improved
- Unified Communications (UC) growing
 - UC product sales approx. \$10M; est. over 10% of Office
- Robust product pipeline



Bluetooth

- Focus on maintaining share & profitability



UC Provides An Opportunity Unlike Any Other In Our History

 We Deliver the Audio Solutions That Allow You To Communicate Naturally

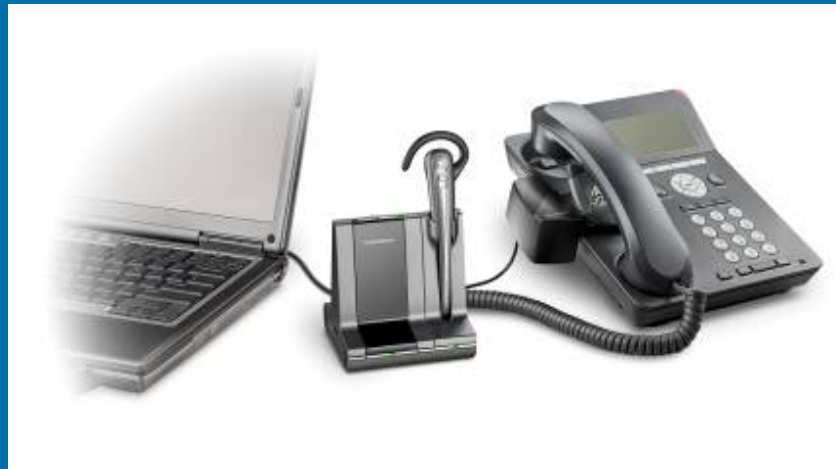


100% of Fortune 100 Companies Use Plantronics

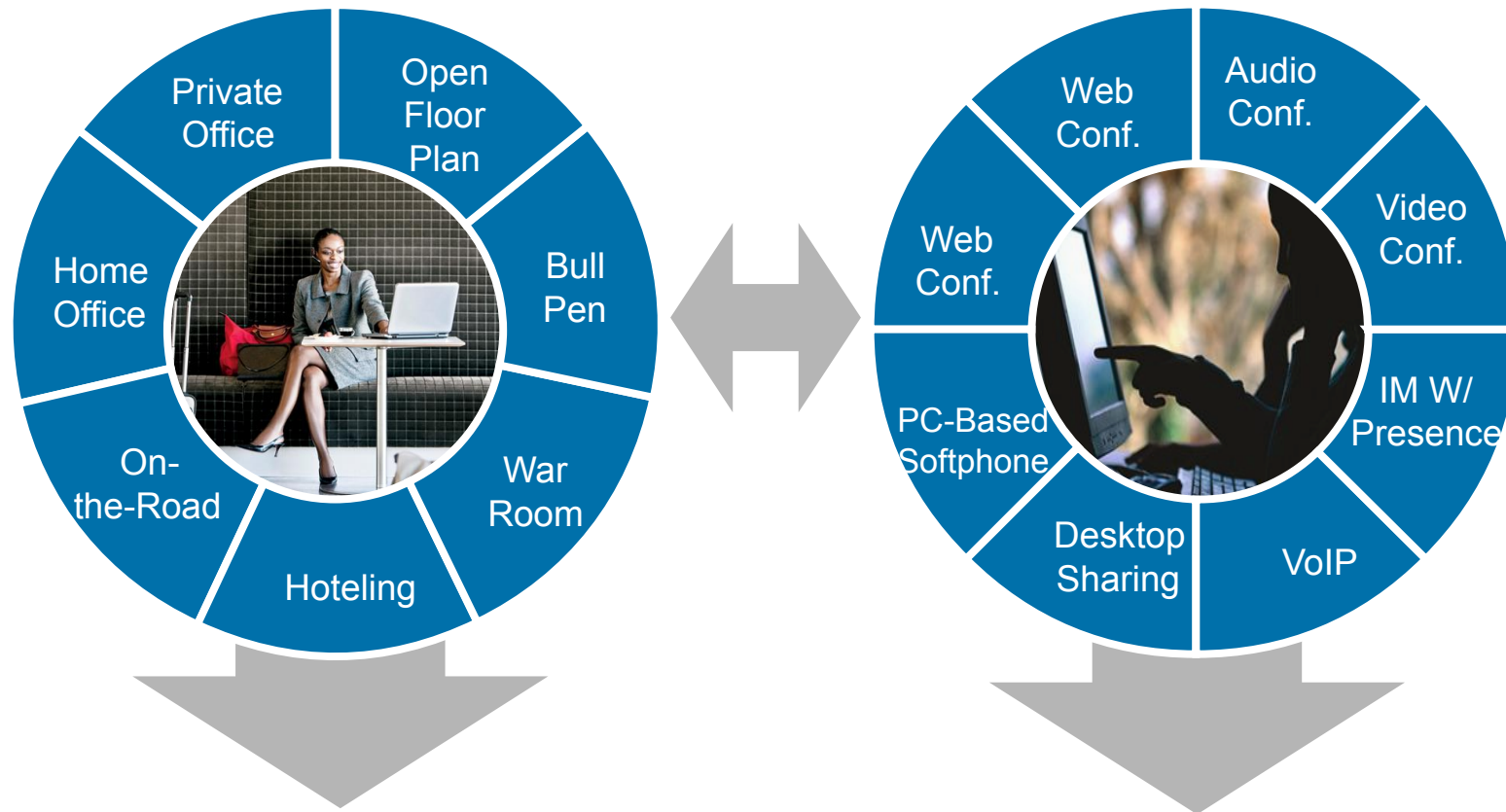


Unified Communications (UC)

- Significantly higher headset attach rates
- Doubles addressable office headset opportunity
- Shorter replacement cycle
- Increases Plantronics secular growth rate
- \$350M in incremental revenue expected by FY15



Unified Communications is About a New Way of Working

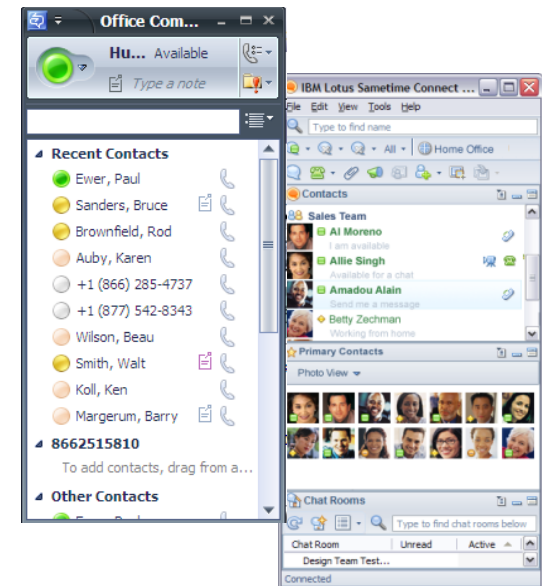
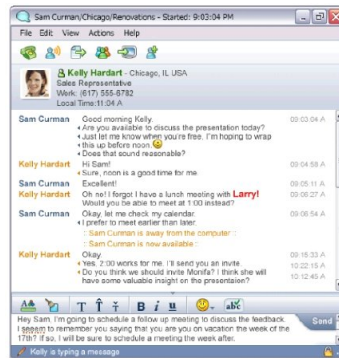
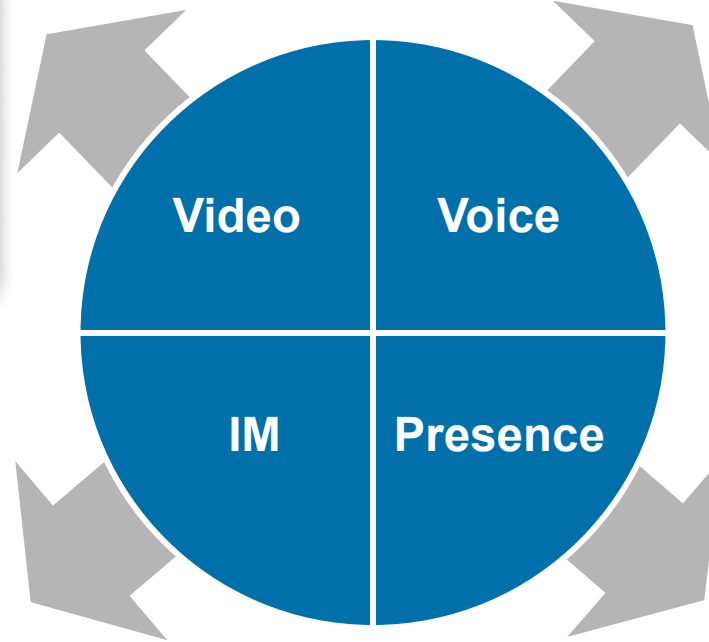
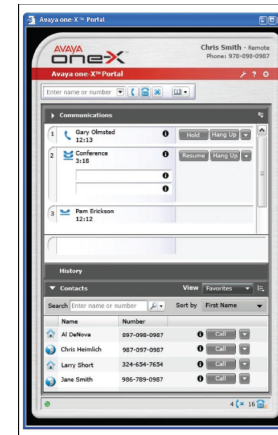


The portfolio of personal working spaces is increasing

Audio/voice application and integration is becoming more complex

Unified Communications Provides A New Set of Tools

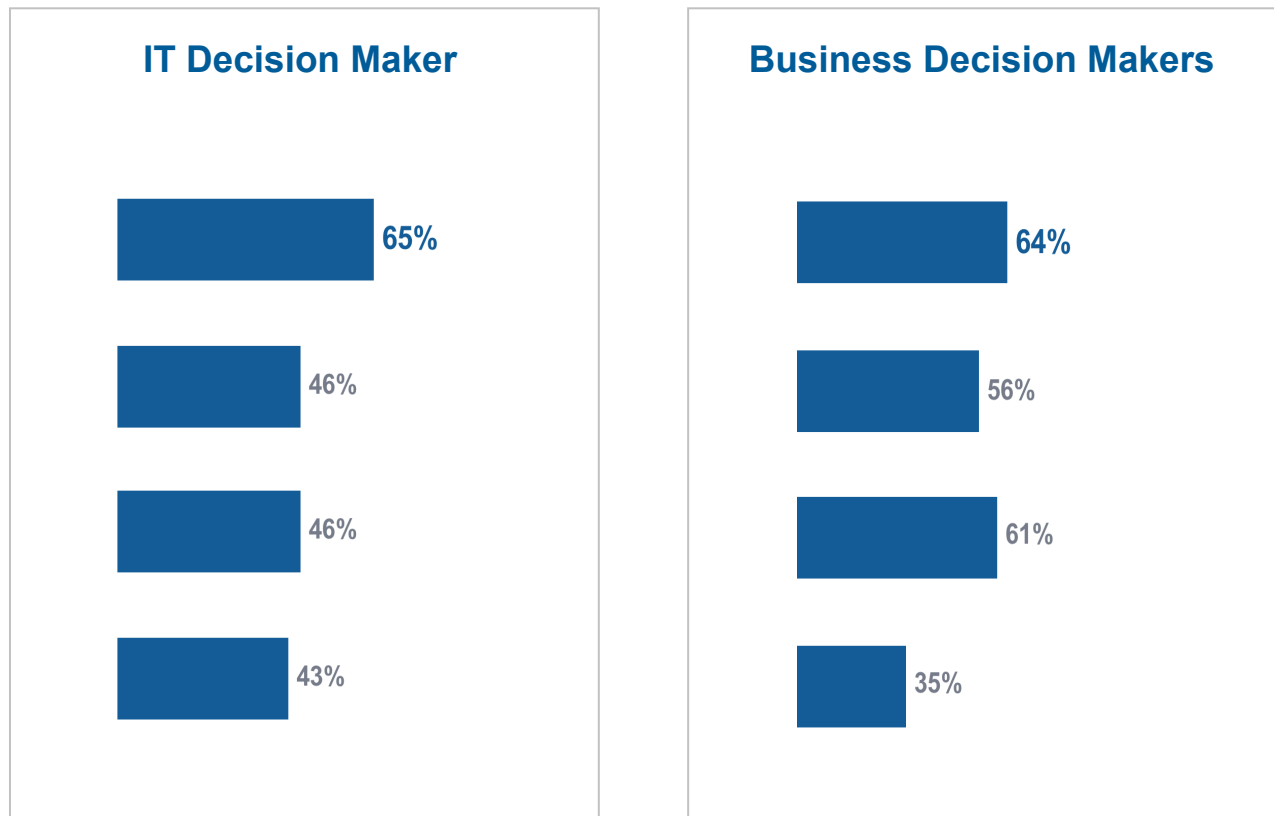
Key to all Unified Communications Solutions



UC Provides Enterprises a Competitive Advantage

98% of the Fortune 1000 are Considering UC

Key Benefits Expected


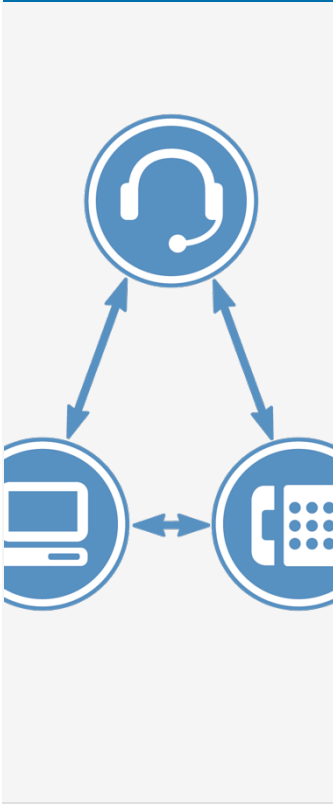




Plantronics UC Strategy

- Continue to deliver a superb user experience
- Compatibility with major UC vendors
- R&D Investment in products & platform value-add
- Sales focus on IT departments
- Partnering with UC Vendors & Systems Integrators
- Help desk support



Higher Investment = Strong UC Product Pipeline

Intelligence	Ease of Use	Control	Quality
			
User State Information	Cross-System Integration	Unified Call Management	Audio Clarity & Reliability

Our UC Product Lines

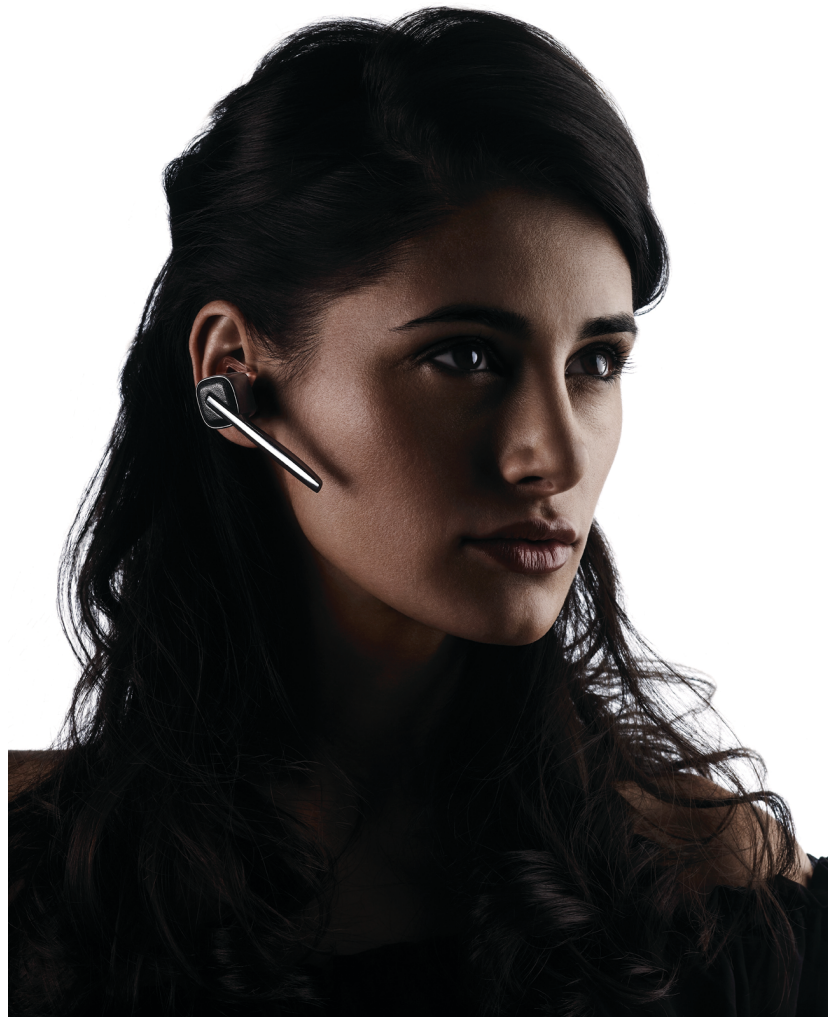


Success in the UC Headset Market



- **Audio quality, ergonomics and user experience are critical to win**
- **Broad portfolio: Office space and communication tools are evolving**
- **Headset goes from accessory to core equipment**
- **Plantronics product portfolio addresses the new opportunity**

Plantronics Provides the High Quality Endpoint

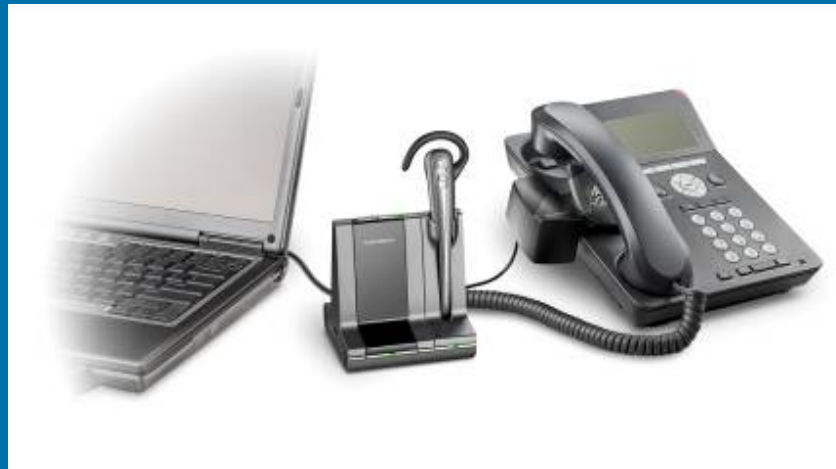


“Once you’ve solved quality of service in the network, it’s the Plantronics headset that delivers the fidelity of the conversation.”

- Senior Vice President, IT, Fortune 100 Company - Banking

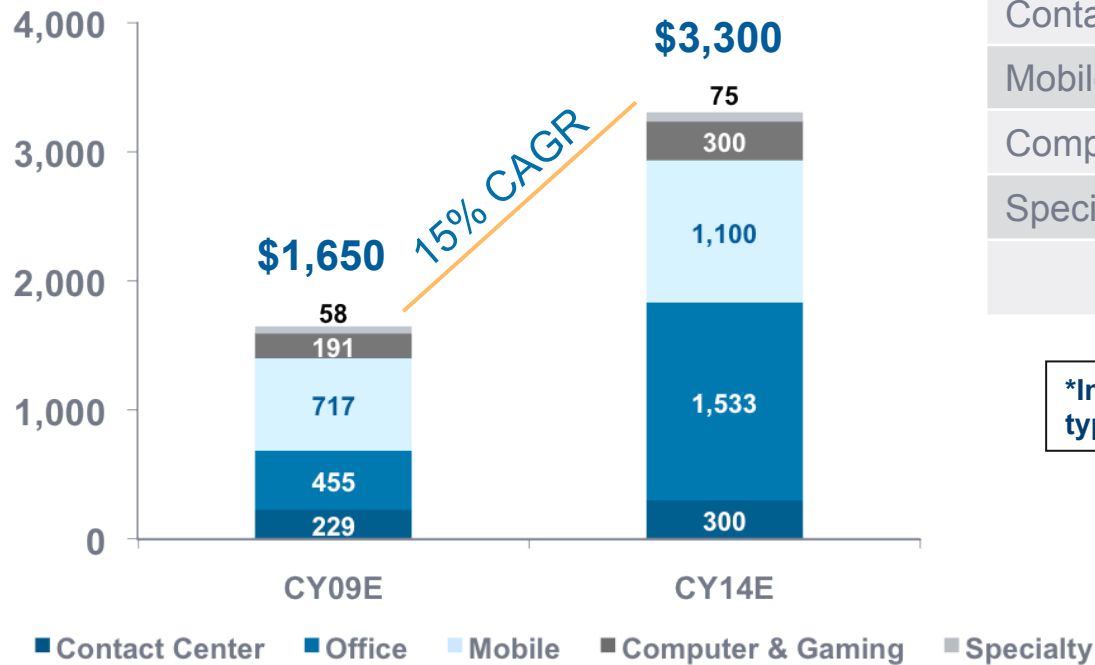
The UC Market Opportunity

- Significantly higher headset attach rates
- Shorter replacement cycle
- Increases Plantronics secular growth rate
- \$350M in incremental revenue expected by FY15
- Doubles addressable office headset opportunity



Market Growth Opportunities

WW Industry Revenue (\$M)



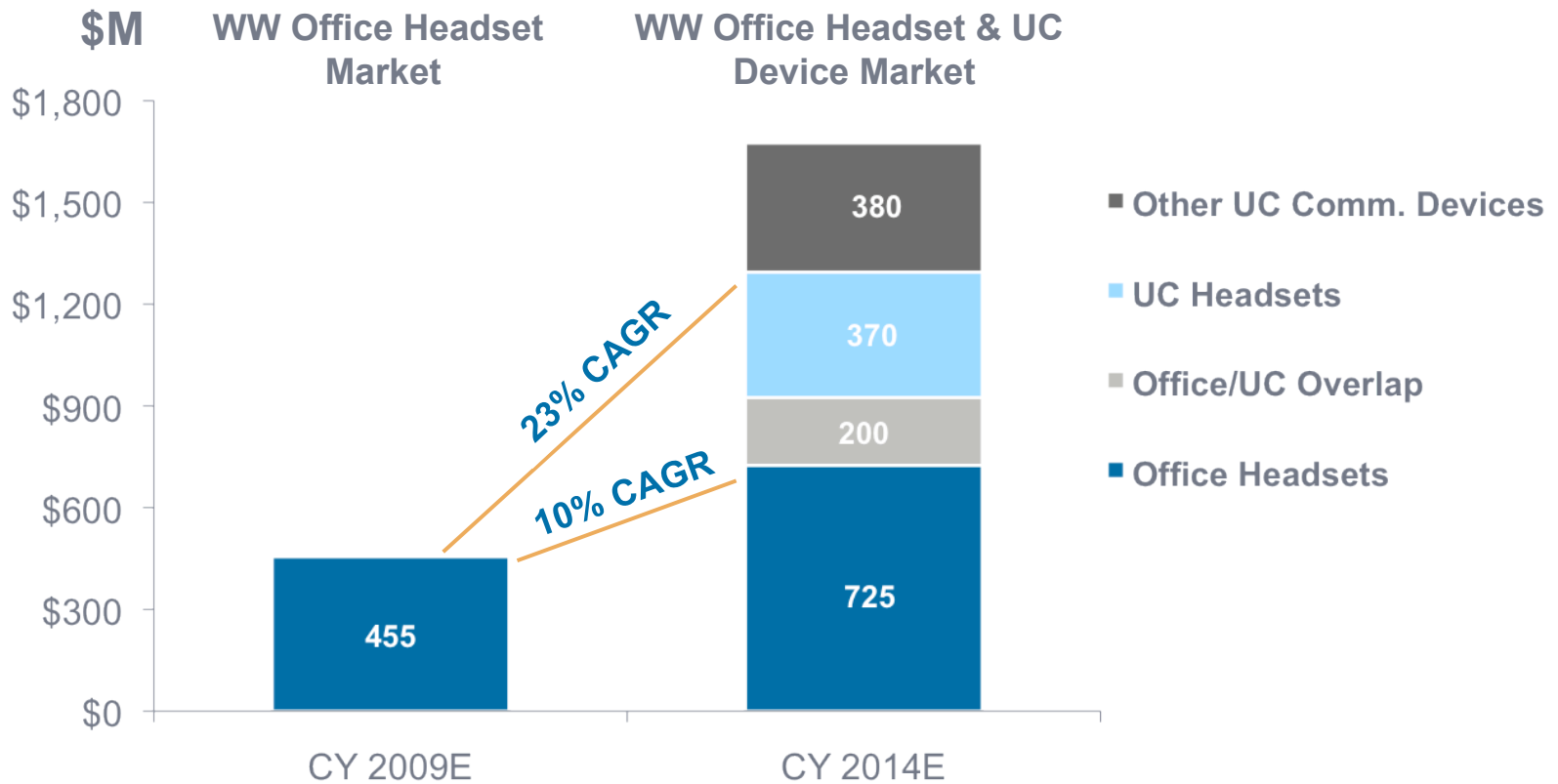
Industry CAGR's*

Office	20%+
Contact Center	4%-6%
Mobile	8%-12%
Computer & Gaming	12%-18%
Specialty	3%-5%
Overall ~15%	

*Industry 5 Year CAGR's higher than typical due to CY09 recessionary base

UC Increases Enterprise Headset Secular Growth Rate

Plantronics Expects \$350M in Incremental Revenue by CY 2014



Growth rates vary with economy, consumer adoption rates, competition and resulting price levels, and other factors
 Sources: Frost & Sullivan, Nemertes, Gartner, IDC, IDG, Strategy Analytics, NPD Intellect, GFK, Carnegie Research, Company estimates

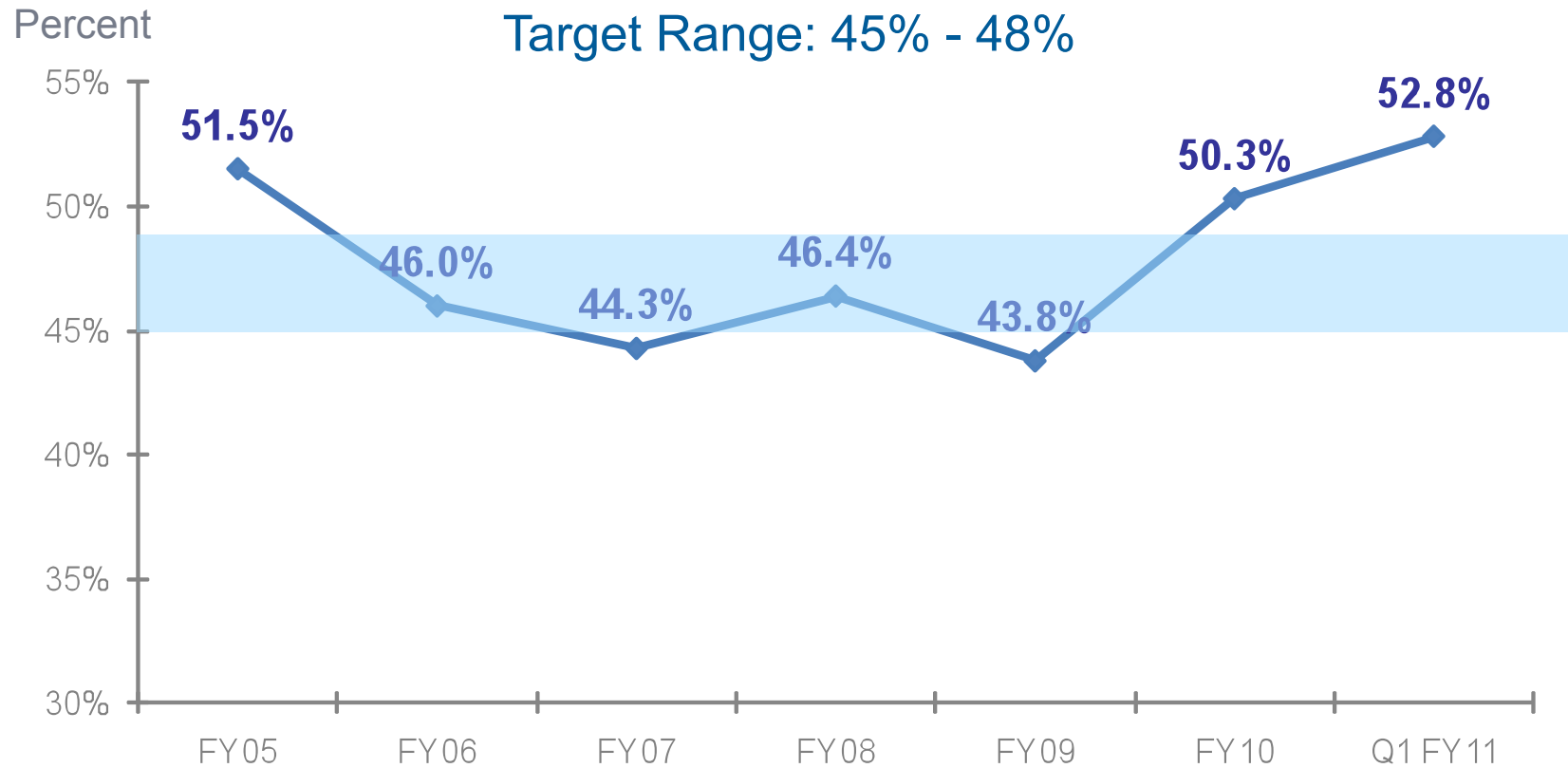
Financials

Revenue by Product Group & Geography

(\$Millions)	Q1 FY10	Q4 FY10	Q1 FY11	Q4-Q1 % Change	YoY % Change	YoY \$ Change
Product Group						
OCC	\$95.9	\$111.9	\$117.6	5.1%	22.6%	\$21.7
Mobile	\$32.3	\$35.8	\$38.7	7.9%	19.6%	\$6.3
Gaming/Comp	\$8.8	\$10.4	\$9.3	-10.0%	5.8%	\$0.5
Clarity	\$4.1	\$4.2	\$5.1	21.6%	24.4%	\$1.0
Total	\$141.2	\$162.3	\$170.7	5.2%	20.9%	\$29.5
Geography						
Americas	\$98.1	\$108.2	\$115.6	6.8%	17.9%	\$17.5
EMEA	\$34.3	\$41.0	\$38.8	-5.4%	13.0%	\$4.5
Asia Pacific	\$8.7	\$13.1	\$16.3	24.0%	86.2%	\$7.5
Total	\$141.2	\$162.3	\$170.7	5.2%	20.9%	\$29.5

Gross Margin

Non-GAAP, Continuing Operations



Use of Non-GAAP Financial Information

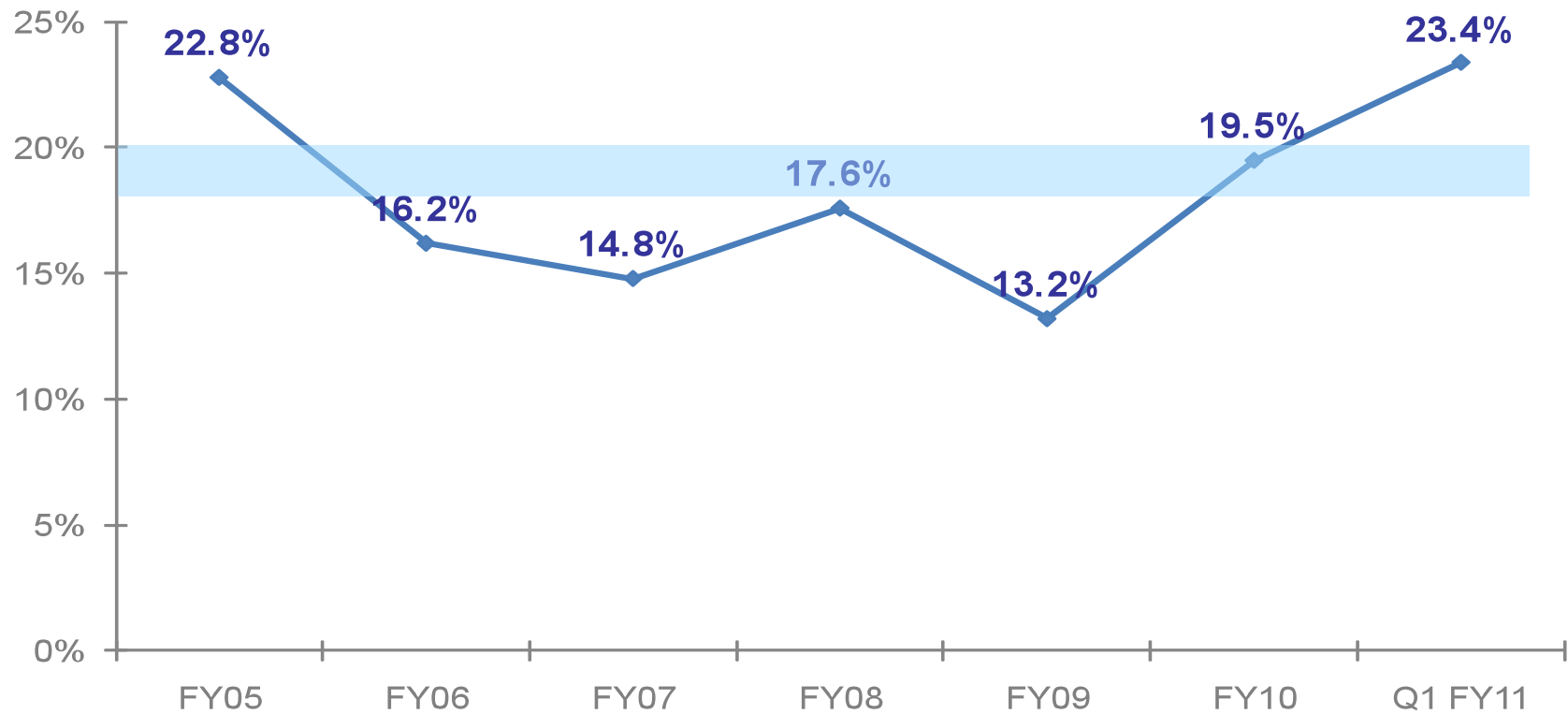
To supplement our consolidated financial statements presented on a GAAP basis, Plantronics uses non-GAAP measures of operating results from continuing operations, which are adjusted to exclude non-recurring and non-cash expenses and charges, such as restructuring and other related charges, certain tax credits and the release of certain tax reserves, stock-based compensation expenses related to stock options, restricted stock and employee stock purchases, purchase accounting amortization and impairment of goodwill and long-lived assets. Plantronics does not believe these expenses and charges are reflective of ongoing operating results and are not part of our target operating model. We have presented non-GAAP statements that only show our results to the income from continuing operations after tax line. The non-GAAP financial measures should not be considered a substitute for, or superior to, financial measures calculated in accordance with GAAP, and the financial results calculated in accordance with GAAP and the reconciliations to those financial statements should be carefully evaluated. The non-GAAP financial measures used by Plantronics may be calculated differently from, and therefore may not be comparable to, similarly titled measures used by other companies.

Operating Margin

Non-GAAP, Continuing Operations

Target Range: 18% - 20%

Percent



Long-Term Target Operating Model

	Target Model* Cont. Ops. Non-GAAP	Q1FY11 Non-GAAP**
Gross Margin	45 - 48%	52.8%
R & D	7 – 9%	8.2%
S, G & A	19 – 21%	21.3%
Operating Margin	18 – 20%	23.4%

*This target model is not a projection for FY11 or any other particular fiscal period.

**Non-GAAP does not include stock compensation expenses, purchase accounting amortization and restructuring and other related charges.

Q2 FY11 Guidance as of July 26, 2010

- Revenues: \$158 to \$163 million
- Non-GAAP operating income of \$32.5 million to \$35.0 million
- Non-GAAP diluted EPS on continuing operations: \$0.48 to \$0.52
- Non-GAAP tax rate: 27%
- The EPS cost of stock-based compensation to be approximately \$0.06; and
- GAAP diluted EPS of \$0.42 to \$0.46

Plantronics does not intend to update these targets during the quarter or to report on its progress toward these targets. Plantronics will not comment on these targets to analysts or investors except by its press release announcing its second quarter fiscal year 2011 results or by other public disclosure. Any statements by persons outside Plantronics speculating on the progress of the second quarter fiscal year 2011 will not be based on internal company information and should be assessed accordingly by investors.

2011 Focus Areas

- ✓ Invest for UC leadership and a high return on investment
- ✓ Maintain profitability in the *Bluetooth* headset market
- ✓ Achieve strong returns on invested capital



IT Makes it Happen!

IT Overview

- 90+ Employees in six locations

- Key Locations

- Santa Cruz Corporate Headquarters

- Tijuana Factory, Design Center and Contact Center

- Suzhou China APAC Hub

- Swindon UK EMEA Hub



Managing Plantronics Global Technology Investment

- **Networks and connectivity**
- **Voice communication**
- **Email and messaging**
- **Servers and storage**
- **Desktop, notebooks, mobile devices**
- **Business systems and process optimization**
- **Service desks and support**

Key IT Roles

Business Analysts

Application Developers

Database Administrators

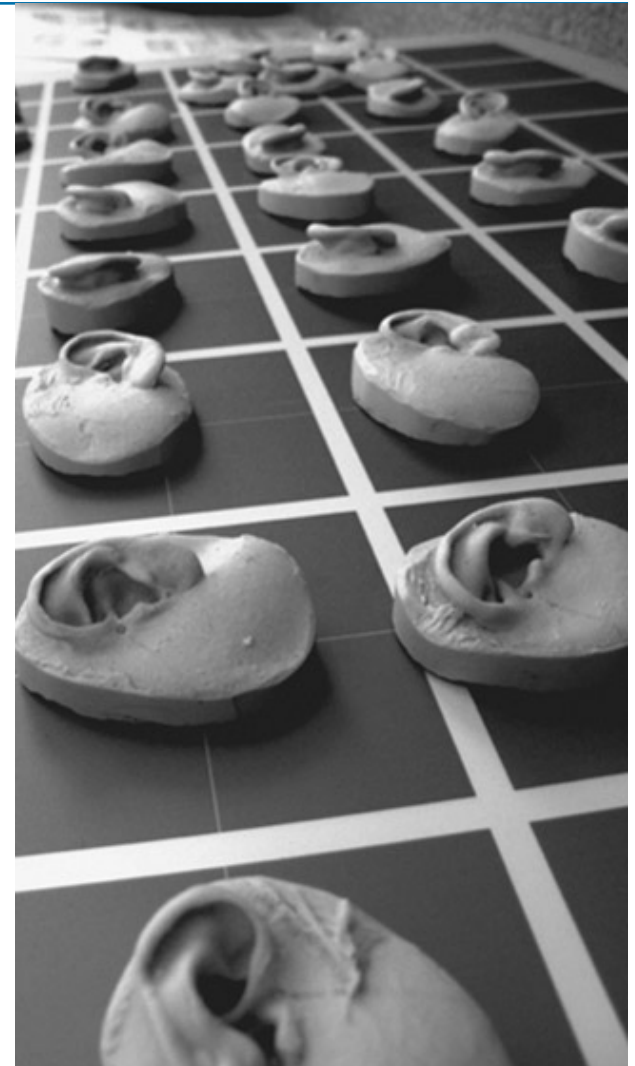
Project Managers

System and Storage Administrators

Network Engineers

UC Administrators

Service Desk Specialists



Key Competencies

Project management

Security and compliance

Network architecture

Security

Virtualization

Vendor management

Business process optimization

Oracle applications management

Critical Applications

Oracle E-Business Suite – Financials, Manufacturing, Supply Chain, HR

Salesforce.com – Sales and Customer Support

Microsoft Stack – XP/Win7, Office, Sharepoint, Exchange, Project Server, Office Communicator, SQLServer and more

Business Intelligence – Oracle BI, Hyperion and Business Objects

Plantronics.com

+ 100 other important apps

Key Infrastructure Technologies

- **Network (WAN and LAN)**

- Masergy MPLS Network
- Cisco routers, switches and WiFi

- **Servers – Windows, Linux and Sun Solaris**

- **VMWare and Oracle VM virtualization platforms**

- **EMC Storage Area Networks and data duplication platform**

- **Dell and HP notebooks**

- **Mobility devices keep us connected 24x7**

- Smartphones (iPhone, Blackberry, Android, Windows)
- Tablets (iPad, Flare, Playbook, Cius)

Tools

- **Enable reliability, scalability and security**
- **Network and server monitoring**
- **Asset management**
- **Systems management / host and client imaging**
- **Intrusion detection**
- **Digital loss prevention**

Cloud Computing Has Arrived

▪ **Internal clouds**

- Application development and test environments
- UC labs running multiple versions of leading apps from IBM, Cisco, Avaya, Microsoft and more

▪ **External Clouds**

- 20+ SaaS applications and services
- Taleo applicant tracking
- Salesforce.com for marketing, sales and support
- Salary.com for comp planning and reviews
- Right Now Technology customer support knowledge base
- Iron Mountain Connected backs up client system files
- Dell Message One high availability Exchange system for email business continuity

IT Challenges

Consumerization of IT

Change Management

Meeting high demand for services within budget

