

LOGITECH INTERNATIONAL SA  
Form 6-K  
August 03, 2007  
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File Number: 0-29174

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# SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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## FORM 6-K

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REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO

RULE 13a-16 OR 15d-16 OF

THE SECURITIES EXCHANGE ACT OF 1934

For the quarter ended June 30, 2007

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## LOGITECH INTERNATIONAL S.A.

(Exact name of Registrant as specified in its charter)

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Not Applicable

(Translation of Registrant's name into English)

Canton of Vaud, Switzerland

(Jurisdiction of incorporation or organization)

Logitech International S.A.

Apples, Switzerland

c/o Logitech Inc.

6505 Kaiser Drive

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Fremont, California 94555

(510) 795-8500

(Address and telephone number of principal executive offices)

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Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F                       Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 191(b)(7):

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes                                       No

If  Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b).

Not applicable

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**LOGITECH INTERNATIONAL S.A.**  
**CONSOLIDATED STATEMENTS OF INCOME**

(In thousands, except per share amounts)

	<b>Three months ended</b>	
	<b>June 30,</b>	
	<b>2007</b>	<b>2006</b>
	<b>(Unaudited)</b>	
Net sales	\$ 429,537	\$ 393,282
Cost of goods sold	284,751	272,370
<b>Gross profit</b>	<b>144,786</b>	<b>120,912</b>
Operating expenses:		
Marketing and selling	64,787	51,198
Research and development	28,765	24,928
General and administrative	27,322	20,995
<b>Total operating expenses</b>	<b>120,874</b>	<b>97,121</b>
<b>Operating income</b>	<b>23,912</b>	<b>23,791</b>
Interest income, net	3,538	1,546
Other income, net	1,319	8,731
<b>Income before income taxes</b>	<b>28,769</b>	<b>34,068</b>
Provision for income taxes	3,215	3,921
<b>Net income</b>	<b>\$ 25,554</b>	<b>\$ 30,147</b>
<b>Net income per share:</b>		
Basic	\$ 0.14	\$ 0.17
Diluted	\$ 0.14	\$ 0.16
<b>Shares used to compute net income per share:</b>		
Basic	181,802	182,648
Diluted	189,250	190,646

The accompanying notes are an integral part of these condensed consolidated financial statements.

**Table of Contents****LOGITECH INTERNATIONAL S.A.****CONSOLIDATED BALANCE SHEETS**

(In thousands, except share and per share amounts)

	June 30, 2007 (Unaudited)	March 31, 2007
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 227,545	\$ 196,197
Short-term investments	138,975	214,625
Accounts receivable	303,384	310,377
Inventories	231,817	217,964
Other current assets	60,168	68,257
<b>Total current assets</b>	<b>961,889</b>	<b>1,007,420</b>
Property, plant and equipment	97,985	87,054
Goodwill	182,255	179,991
Other intangible assets	17,702	18,920
Other assets	30,664	34,078
<b>Total assets</b>	<b>\$ 1,290,495</b>	<b>\$ 1,327,463</b>
<b>LIABILITIES AND SHAREHOLDERS EQUITY</b>		
Current liabilities:		
Short-term debt	\$	\$ 11,856
Accounts payable	210,987	218,129
Accrued liabilities	136,688	235,080
<b>Total current liabilities</b>	<b>347,675</b>	<b>465,065</b>
Other liabilities	93,445	17,874
<b>Total liabilities</b>	<b>441,120</b>	<b>482,939</b>
Commitments and contingencies		
Shareholders equity:		
Shares, par value CHF 0.25 - 231,606,620 authorized, 60,661,860 conditionally authorized and 191,606,620 issued at June 30, 2007; 231,606,620 authorized, 71,561,860 conditionally authorized and 191,606,620 issued at March 31, 2007	33,370	33,370
Additional paid-in capital	65,308	72,779
Less shares in treasury, at cost, 10,024,783 at June 30, 2007 and 9,363,639 at March 31, 2007	(242,623)	(217,073)
Retained earnings	1,029,474	995,606
Accumulated other comprehensive loss	(36,154)	(40,158)
<b>Total shareholders equity</b>	<b>849,375</b>	<b>844,524</b>
<b>Total liabilities and shareholders equity</b>	<b>\$ 1,290,495</b>	<b>\$ 1,327,463</b>

The accompanying notes are an integral part of these condensed consolidated financial statements.



**Table of Contents****LOGITECH INTERNATIONAL S.A.****CONSOLIDATED STATEMENTS OF CASH FLOWS****(In thousands)**

	<b>Three months ended June 30,</b>	
	<b>2007</b>	<b>2006</b>
	<b>(Unaudited)</b>	
<b>Cash flows from operating activities:</b>		
Net income	\$ 25,554	\$ 30,147
<b>Non-cash items included in net income:</b>		
Depreciation	8,826	7,501
Amortization of other intangible assets	1,218	953
Share-based compensation expense related to options and purchase rights	5,444	5,127
Gain on sale of investment		(6,597)
Gain on cash surrender value of life insurance policies	(55)	(445)
Excess tax benefits from share-based compensation	(4,418)	(1,873)
Deferred income taxes and other	(2,213)	(2,550)
<b>Changes in assets and liabilities, net of acquisitions:</b>		
Accounts receivable	8,828	2,710
Inventories	(13,156)	(16,765)
Other assets	(2,582)	(3,046)
Accounts payable	(7,504)	8,133
Accrued liabilities	(8,335)	(3,811)
<b>Net cash provided by operating activities</b>	<b>11,607</b>	<b>19,484</b>
<b>Cash flows from investing activities:</b>		
Purchases of property, plant and equipment	(19,972)	(13,749)
Purchases of short-term investments	(232,705)	
Sales of short-term investments	308,354	
Proceeds from sale of investment	11,308	12,874
Other investing activities	815	(56)
<b>Net cash provided by (used in) investing activities</b>	<b>67,800</b>	<b>(931)</b>
<b>Cash flows from financing activities:</b>		
Repayment of short-term debt	(11,740)	(13)
Purchases of treasury shares	(52,003)	(24,530)
Proceeds from sale of shares upon exercise of options and purchase rights	11,148	4,875
Excess tax benefits from share-based compensation	4,418	1,873
<b>Net cash used in financing activities</b>	<b>(48,177)</b>	<b>(17,795)</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	<b>118</b>	<b>723</b>
<b>Net increase in cash and cash equivalents</b>	<b>31,348</b>	<b>1,481</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>196,197</b>	<b>245,014</b>
<b>Cash and cash equivalents at end of period</b>	<b>\$ 227,545</b>	<b>\$ 246,495</b>
<b>Supplemental cash flow information:</b>		

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Interest paid	\$	17	\$	48
Income taxes paid	\$	2,294	\$	4,519

The accompanying notes are an integral part of these condensed consolidated financial statements.



**Table of Contents****LOGITECH INTERNATIONAL S.A.****CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS EQUITY****(In thousands)****(Unaudited)**

	Registered shares		Additional	Treasury shares		Retained	Accumulated	Total
	Shares	Amount	paid-in	Shares	Amount		earnings	
			capital				comprehensive	
							loss	
March 31, 2006	191,606	\$ 33,370	\$ 100,339	8,955	\$ (186,080)	\$ 765,758	\$ (28,211)	\$ 685,176
Net income						30,147		30,147
Cumulative translation adjustment							7,656	7,656
Change in unrealized gain on investment, net of tax of \$ 1,293							(15,280)	(15,280)
Deferred realized hedging loss							(315)	(315)
Total comprehensive income								22,208
Tax benefit from exercise of stock options			1,873					1,873
Purchase of treasury shares				1,220	(24,530)			(24,530)
Sale of shares upon exercise of options and purchase rights			(12,454)	(814)	17,329			4,875
Share-based compensation expense related to employee stock options and stock purchase plan								5,127
June 30, 2006	191,606	\$ 33,370	\$ 94,885	9,361	\$ (193,281)	\$ 795,905	\$ (36,150)	\$ 694,729
March 31, 2007	191,606	\$ 33,370	\$ 72,779	9,364	\$ (217,073)	\$ 995,606	\$ (40,158)	\$ 844,524
Net income						25,554		25,554
Cumulative translation adjustment								