

LOGITECH INTERNATIONAL SA
Form 6-K
May 25, 2007

File Number: 0-29174

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 6-K

**REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO
RULE 13a-16 OR 15d-16 OF
THE SECURITIES EXCHANGE ACT OF 1934**

Date of Report: May 25, 2007

LOGITECH INTERNATIONAL S.A.

(Exact name of Registrant as specified in its charter)

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

Fremont, California 94555

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(510) 795-8500

(Address and telephone number of principal executive offices)

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 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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This Form 6-K consists of the 2007 Financial Review which appears immediately following this page. The 2007 Financial Review forms part of the 2007 Annual Report. The balance of the 2007 Annual Report consists of the registrant's Annual Report on Form 20-F, which is filed separately with the Securities and Exchange Commission, and includes the registrant's Report on Corporate Governance as an exhibit to the Form 20-F.

The 2007 Financial Review is furnished, not filed, and shall not be deemed to be incorporated by reference into any filing of the registrant.

CORRECTION NOTICE

After the preceding document was printed, Logitech's consolidated cash flow from operations during fiscal year 2007 was revised from the \$306 million described in the document to \$304 million. As a result, the statements in the document that during fiscal year 2007 Logitech's consolidated cash flow from operations was \$306 million and that cash flow from operations was more than double that of last year are incorrect. The correct cash flow from operations during fiscal year 2007 was \$304 million and cash flow from operations was approximately double that of fiscal year 2006. The correct figures are reflected in Logitech's Annual Report on Form 20-F for fiscal year 2007, which follows. The correction did not impact net income or net income per share.

SAFE HARBOR STATEMENT

The preceding document contains forward-looking statements, including the statements regarding expected sales and operating income growth in Fiscal Year 2008, our ability to take advantage of technology trends, product strategies, growth drivers and future webcam market growth and the timing for that growth. These forward-looking statements involve risks and uncertainties that could cause Logitech's actual performance to differ materially from that anticipated in these forward-looking statements. Factors that could cause actual results to differ materially include: if we fail to successfully innovate in our current and emerging product categories and identify new feature or product opportunities; consumer demand for our products and our ability to accurately forecast it; the effect of pricing, product, marketing and other initiatives by our competitors, and our reaction to them, on our sales, gross margins and profitability; our webcam marketing activities not resulting in the webcam market growth we expect, or when we expect it; the sales mix among our lower- and higher-margin products and our geographic sales mix; as well as those additional factors set forth in our periodic filings with the Securities and Exchange Commission, including our Annual Report on Form 20-F for the Fiscal Year ended March 31, 2007. Logitech does not undertake to update any forward-looking statements.

SUPPLEMENTAL FINANCIAL INFORMATION

(in thousands, except per share amounts)

	Twelve Months Ended
	March 31,
	2007
Reconciliation of GAAP to non-GAAP Financial Measures	
GAAP gross margin	34.3%
Adjustments:	
Effect of share-based compensation	0.1%
Non-GAAP gross margin	34.4%
GAAP research and development	\$ 108,256
Adjustments:	
Effect of share-based compensation	(3,151)
Non-GAAP research and development	\$ 105,105
GAAP operating income	\$ 230,862
Adjustments:	
Effect of share-based compensation	19,464
Non-GAAP operating income	\$ 250,326
GAAP income before income tax	\$ 255,557
Adjustments:	
Effect of share-based compensation	19,464
Non-GAAP income before income tax	\$ 275,021
GAAP Provision for income taxes	\$ 25,709
Adjustments:	
Effect of share-based compensation	4,526
Non-GAAP Provision for income taxes	\$ 30,235
GAAP Tax rate	10.1%
Non-GAAP Tax rate	11.0%
GAAP net income	\$ 229,848
Adjustments:	
Effect of share-based compensation	14,938
Non-GAAP net income	\$ 244,786
GAAP net income per share diluted	\$ 1.20
Adjustments:	
Effect of share-based compensation	0.07
Non-GAAP net income per share diluted	\$ 1.27

Share-based Compensation Expense for	Twelve Months Ended March 31,
Employee Stock Options and Employee Stock Purchases	2007
Cost of goods sold	\$ 2,077
Marketing and selling	7,167
Research and development	3,151
General and administrative	7,069
Income tax benefit	(4,526)
Total share-based compensation expense after income taxes	\$ 14,938

We sometimes use information derived from consolidated financial information but not presented in our financial statements prepared in accordance with U.S. generally accepted accounting principles (GAAP). Certain of these data are considered non-GAAP financial measures under rules of the U.S. Securities and Exchange Commission. The adjustments between the GAAP and non-GAAP financial measures presented above consist of share-based compensation expense for employee stock options and employee stock purchases, and the related income tax effect, as recognized in accordance with Statement of Financial Accounting Standards No. 123 (revised 2004), Share-Based Payments (SFAS 123R). Because we implemented SFAS 123R effective April 1, 2006, our financial results for prior periods do not include the effect of share-based compensation expense. Our management uses these non-GAAP measures in its financial and operational decision-making. Our management believes these non-GAAP measures, when considered in conjunction with the corresponding GAAP measures, facilitate the comparison by our investors of results for periods subsequent to our adoption of SFAS 123R, with corresponding prior periods for which SFAS 123R was not effective.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed by the undersigned, thereunto duly authorized.

Logitech International S.A.

/s/ Guerrino De Luca
Guerrino De Luca
President and Chief Executive Officer

/s/ Mark J. Hawkins
Mark J. Hawkins
Chief Financial Officer, and U.S. Representative

May 25, 2007