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PLEXUS CORP
Form 11-K
June 27, 2003

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 11 -- K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE
SECURITIES EXCHANGE ACT OF 1934 [FEE REQUIRED]

For the fiscal year ended.....December 31, 2002.....

OR

TRANSITION REPORT PURSUANT TO SECTION 15 (d) OF THE SECURITIES
EXCHANGE ACT OF 1934 [NO FEE REQUIRED]

For the transition period from.....to.....

Commission file number.....000-14824.....[Plexus Corp.]

A. Full title of the plan and the address of the plan, if different from that
of the issuer named below:

PLEXUS CORP. 401(k) SAVINGS PLAN

B. Name of issuer of the securities held pursuant to the plan and the address
of its principal executive office:

PLEXUS CORP.
55 JEWELERS PARK DRIVE
NEENAH, WI 54956

PLEXUS CORP.
401(K) SAVINGS PLAN
INDEX TO FINANCIAL STATEMENTS

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Note: Other schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.

REPORT OF INDEPENDENT ACCOUNTANTS

To the Participants and Administrator
of the Plexus Corp. 401(k) Savings Plan

In our opinion, the accompanying statements of net assets available for benefits and the related statement of changes in net assets available for benefits present fairly, in all material respects, the net assets available for benefits of the Plexus Corp. 401(k) Savings Plan (the "Plan") as of December 31, 2002 and 2001, and the changes in net assets available for benefits for the year ended December 31, 2002, in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Plan's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with auditing standards generally accepted in the United States of America, which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental Schedule of Assets (Held at End of Year) is presented for the purpose of additional analysis and is not a

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required part of the basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ PricewaterhouseCoopers LLP
June 16, 2003

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PLEXUS CORP. 401(K) SAVINGS PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2002 AND 2001

| | 2002 | 2001 |
|-----------------------------------|---------------|---------------|
| ----- | | |
| Assets | | |
| Investments (See Note 3) | \$ 54,622,457 | \$ 84,660,171 |
| Participant loans | 2,493,835 | 3,010,849 |
| Receivables: | | |
| Employer's contribution | 76,547 | 93,180 |
| Participants' contributions | 217,433 | 278,203 |
| | ----- | ----- |
| Total receivables | 293,980 | 371,383 |
| | ----- | ----- |
| Net assets available for benefits | \$ 57,410,272 | \$ 88,042,403 |
| | ===== | ===== |

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

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PLEXUS CORP. 401(K) SAVINGS PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEAR ENDED DECEMBER 31, 2002

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| | |
|---|----------------|
| Additions | |
| Additions to net assets attributed to: | |
| Investment (loss) income: | |
| Net depreciation in fair value of investments | \$(33,855,616) |
| Interest and dividends | 1,057,797 |
| | ----- |
| | (32,797,819) |
| | ----- |
| Contributions: | |
| Participants' | 7,467,156 |
| Employer's | 2,247,249 |
| | ----- |
| | 9,714,405 |
| | ----- |
| Total additions (net deductions) | (23,083,414) |
| Deductions | |
| Deductions from net assets attributed to: | |
| Benefits paid to participants | 8,111,858 |
| Administrative expenses | 32,449 |
| | ----- |
| Total deductions | 8,144,307 |
| | ----- |
| Net decrease before plan transfers | (31,227,721) |
| Transfer from other plan | 595,590 |
| | ----- |
| Net decrease | (30,632,131) |
| Net assets available for benefits: | |
| Beginning of year | 88,042,403 |
| | ----- |
| End of year | \$ 57,410,272 |
| | ----- |

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

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PLEXUS CORP. 401(K) SAVINGS PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2001

1. DESCRIPTION OF PLAN

The following description of the Plexus Corp. 401(k) Savings Plan (the "Plan") provides only general information. Participants should refer to the plan agreement for a more complete description of the Plan's provisions.

GENERAL

The Plan, originally effective January 1, 1989 and amended and restated

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effective March 1, 2000, is a contributory defined contribution plan covering substantially all employees of Plexus Corp. (the "Company") and affiliated employers, as defined, who have completed 90 days of service. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

On January 1, 2002, the Qtron, Inc. 401(k) Profit Sharing Plan merged into the Plan. In connection with the merger, net assets totalling \$595,590, representing the account balances of former participants of the Qtron, Inc. 401(k) Profit Sharing Plan, were transferred to the Plan in January 2002. The Plan was amended on January 1, 2002 to comply with the Economic Growth and Tax Relief Reconciliation Act of 2001 and certain other requirements under the Internal Revenue Code.

CONTRIBUTIONS

Employee pre-tax contributions are based on voluntary elections via phone or internet by the participants, directing the Company to defer a stated amount from the participant's compensation. Participants may elect to defer up to 18% of their annual compensation. The Company will make a matching contribution on behalf of a participant equal to 100% of the first 2.5% of the participant's compensation contributed to the Plan for participants who have completed one year of service. Contributions are limited by Section 401(k) of the Internal Revenue Code.

INVESTMENT ALTERNATIVES

Plan participants may direct their entire account balances in 1% increments to any of the various investment options offered by the Plan. Participants may change their investment options on a daily basis.

PARTICIPANT ACCOUNTS AND ALLOCATIONS

Participant recordkeeping is performed by MFS Retirement Services, Inc. ("MFS"). For all investment programs which are mutual funds, MFS maintains participant balances on a share method. Participant investments in the Plexus Unitized Stock Fund, Conservative Portfolio Option, Moderate Portfolio Option, Aggressive Portfolio Option, and MFS Fixed Fund are accounted for on a unit value method. Units and unit values for these funds as of December 31, 2002 and 2001 were as follows:

| | UNITS | | UNIT VALUE | |
|-------------------------------|--------------|-----------|--------------|---------|
| | DECEMBER 31, | | DECEMBER 31, | |
| | 2002 | 2001 | 2002 | 2001 |
| Plexus Unitized Stock Fund | 3,304,143 | 3,391,372 | \$ 3.43 | \$ 9.80 |
| Conservative Portfolio Option | 124,056 | 76,942 | 9.45 | 9.89 |
| Moderate Portfolio Option | 157,975 | 98,710 | 7.25 | 8.72 |
| Aggressive Portfolio Option | 321,052 | 212,744 | 4.93 | 7.24 |
| MFS Fixed Fund | 6,965,352 | 8,609,236 | 1.00 | 1.00 |

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PLEXUS CORP. 401(K) SAVINGS PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2001

Each participant's account is credited with the participant's contributions and allocations of Company contributions and plan earnings (losses). Allocations of plan earnings (losses) are based on participant account balances in relation to total fund account balances, as defined by the plan document.

VESTING AND DISTRIBUTIONS

Participants immediately vest in all contributions made to the Plan. Participant accounts are distributable in the form of a lump sum payment or substantially equal installments of cash or in whole shares of Company securities as elected by the participant upon retirement, termination of employment, death, disability, financial hardship or attainment of age 59-1/2. Participant account balances less than \$5,000 may be automatically distributed in a lump sum. In addition, participant accounts can be rolled over into an individual retirement account ("IRA") or another qualified defined contribution plan. Participant distributions may not be deferred past April 1 of the calendar year following the year in which the participant attains age 70-1/2. Forfeitures of unclaimed distributions are used to reduce Company matching contributions.

PARTICIPANT LOANS

Participants may borrow from their accounts a minimum of \$1,000 up to a maximum amount equal to the lesser of \$50,000 or 50 percent of their vested account balance. Loan terms range up to five years. Loans are secured by the balance in the participant's account and bear interest at the prime rate plus one percent. Principal and interest is paid ratably through regular payroll deductions.

2. SUMMARY OF ACCOUNTING POLICIES

ACCOUNTING METHOD

The financial statements of the Plan are prepared under the accrual method of accounting.

USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

INVESTMENT VALUATION AND INCOME RECOGNITION

The Plan's investments are stated at fair value. The share value of mutual funds is based on quoted market prices on the last business day of the plan year. The unit value of unitized funds and common trust funds is computed daily based on share price, dividend information and the value of the fund's short-term investments. Participant loans are stated at cost, which approximates fair value. The Plan presents in the statement of changes in net assets available for benefits, the net appreciation (depreciation) in the fair value of its investments which consists of the realized gains or losses and the unrealized appreciation (depreciation) on those investments. Purchases and sales of investments are recorded on a trade-date basis. Dividends are

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recorded on the ex-dividend date. Interest is recognized when earned.

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PLEXUS CORP. 401(K) SAVINGS PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2001

RISKS AND UNCERTAINTIES

The Plan's investments are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investments and the level of uncertainty related to changes in the values of investments, it is at least reasonably possible that changes in risks in the near term would materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits and the statement of changes in net assets available for benefits.

PAYMENT OF BENEFITS

Benefits are recorded when paid.

ADMINISTRATIVE EXPENSES

Certain expenses incurred in the administration of the Plan are paid by the Company and are not reflected within these financial statements.

3. INVESTMENTS

The following presents investments that represent 5 percent or more of the Plan's net assets:

| | 2002 | 2001 |
|--|---------------|---------------|
| Plexus Corp. Common Stock, 1,230,759 and 1,209,726 shares, respectively | \$ 10,806,064 | \$ 32,130,322 |
| MFS Capital Opportunities Fund, 712,203 and 636,835 shares, respectively | 6,651,973 | 8,552,700 |
| Munder Index 500 Fund, 322,337 and 287,979 shares, respectively | 5,911,667 | 6,897,086 |
| MFS Value Fund, 333,231 and 294,242 shares, respectively | 5,504,974 | 5,714,175 |
| MFS Mid Cap Growth Fund, 703,317 and 600,709 shares, respectively | 3,980,772 | 6,583,769 |
| MFS New Discovery Fund, 359,887 and 273,935 shares, respectively | 4,113,507 | 4,708,936 |
| MFS Fixed Fund, 6,965,352 and 8,609,236 units, respectively | 6,965,352 | 8,609,236 |

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American Europacific Growth Fund, 177,495
and 162,628 shares, respectively

4,077,054

4,369,813

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PLEXUS CORP. 401(K) SAVINGS PLAN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2001

During 2002, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) depreciated in value by \$(33,855,616), as follows:

| | |
|--------------|-----------------|
| Mutual funds | \$ (12,751,752) |
| Common stock | (21,103,864) |
| | ----- |
| | \$ (33,855,616) |
| | ----- |

4. AMOUNTS ALLOCATED TO WITHDRAWN PARTICIPANTS

Approximately \$7,492,151 and \$6,640,836 of plan assets have been allocated to the accounts of persons who are no longer active participants of the Plan as of December 31, 2002 and 2001, respectively, but who have not yet received distributions as of that date.

5. TAX STATUS

The Internal Revenue Service has determined and informed the Company by a letter dated May 6, 1998, that the Plan is designed in accordance with applicable sections of the Internal Revenue Code ("IRC"). The Plan has been amended since receiving the determination letter, and the Company is in the process of requesting a new letter. However, the plan administrator believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC.

6. PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA.

7. RELATED PARTY TRANSACTIONS

Certain plan investments represent shares of funds managed by MFS Heritage Trust Company, the trustee of the Plan, employer securities and participant loans. Transactions involving these investments are considered party-in-interest transactions. These transactions are not,

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however, considered prohibited transactions under 29 CFR 408(b) of the ERISA regulations.

8. SUBSEQUENT EVENT

Effective January 1, 2003, the MCMS Retirement Plan was merged into the Plan. In connection with the merger, net assets approximating \$7,000,000, representing the account balances of former participants of the MCMS Retirement Plan, were transferred to the Plan on that date.

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PLEXUS CORP. 401(K) SAVINGS PLAN
FORM 5500, SCHEDULE OF ASSETS (HELD AT END OF YEAR)
DECEMBER 31, 2002

| IDENTITY OF ISSUER, BORROWER, LESSOR OR SIMILAR PARTY | DESCRIPTION OF INVESTMENT |
|---|---|
| * Plexus Corp. Common Stock | Common Stock |
| * MFS Money Market Fund | Mutual Fund |
| * MFS Capital Opportunities Fund | Mutual Fund |
| * MFS Mid Cap Growth Fund | Mutual Fund |
| * MFS Value Fund | Mutual Fund |
| * MFS New Discovery Fund | Mutual Fund |
| * MFS Fixed Fund | Common Trust Fund |
| American EuroPacific Growth Fund | Mutual Fund |
| Janus Aspen Worldwide Fund | Mutual Fund |
| Munder Index 500 Fund | Mutual Fund |
| Dreyfus Premier Technology Fund | Mutual Fund |
| American Balanced Fund | Mutual Fund |
| Calvert Income Fund | Mutual Fund |
| * Participant Loans | Interest rates ranging from 5.25% to 10.50%; maturity dates ranging from 2003 to 2011 |

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* Party-in-interest.

See Report of Independent Accountants.

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SIGNATURES

The Plan. Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

PLEXUS CORP. 401(k) SAVINGS PLAN

Date: June 27, 2003

/s/ Jos. D. Kaufman

Joseph D. Kaufman
Plexus Corp 401(k) Savings Plan Fiduciary
Committee Member

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