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

FORM 10-Q

☒ **Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the quarterly period ended April 1, 2017

OR

☐ **Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

Commission File Number 001-14423

PLEXUS CORP.
(Exact name of registrant as specified in charter)

Wisconsin	39-1344447
(State of Incorporation)	(IRS Employer Identification No.)

One Plexus Way
Neenah, Wisconsin 54957
(Address of principal executive offices)(Zip Code)

Telephone Number (920) 969-6000
(Registrant's telephone number, including Area Code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒	Accelerated filer ☐	Non-accelerated filer ☐	Smaller reporting company ☐	Emerging growth company ☐
		(Do not check if a smaller reporting company)		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of May 2, 2017, there were 33,716,707 shares of Common Stock of the Company outstanding.

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

PLEXUS CORP. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(in thousands, except per share data)
Unaudited

	Three Months Ended		Six Months Ended	
	April 1, 2017	April 2, 2016	April 1, 2017	April 2, 2016
Net sales	$ 604,349	$ 618,660	$ 1,239,368	$ 1,235,324
Cost of sales	540,549	565,388	1,111,212	1,131,993
Gross profit	63,800	53,272	128,156	103,331
Selling and administrative expenses	31,229	28,009	61,682	55,037
Restructuring and other charges	—	1,917	—	3,424
Operating income	32,571	23,346	66,474	44,870
Other income (expense):				
Interest expense	(3,262)	(3,674)	(6,536)	(7,208)
Interest income	1,185	1,015	2,256	1,947
Miscellaneous	1,925	(1,128)	1,251	(2,748)
Income before income taxes	32,419	19,559	63,445	36,861
Income tax expense	3,124	2,772	5,971	5,626
Net income	$ 29,295	$ 16,787	$ 57,474	$ 31,235
Earnings per share:				
Basic	$ 0.87	$ 0.50	$ 1.71	$ 0.94
Diluted	$ 0.84	$ 0.50	$ 1.66	$ 0.92
Weighted average shares outstanding:				
Basic	33,703	33,319	33,619	33,368
Diluted	34,702	33,834	34,631	33,957
Comprehensive income:				
Net income	$ 29,295	$ 16,787	$ 57,474	$ 31,235
Other comprehensive income (loss):				
Derivative instrument fair value adjustments	3,159	8,043	(2,244)	13,787
Foreign currency translation adjustments	2,613	1,022	(8,746)	(5,584)
Other comprehensive income (loss)	5,772	9,065	(10,990)	8,203
Total comprehensive income	$ 35,067	$ 25,852	$ 46,484	$ 39,438

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

PLEXUS CORP. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except per share data)
Unaudited

	April 1, 2017	October 1, 2016
ASSETS		
Current assets:		
Cash and cash equivalents	$ 524,520	$ 432,964
Restricted cash	458	—
Accounts receivable, net of allowances of $1,952 and $2,368, respectively	320,495	416,888
Inventories	609,709	564,131
Prepaid expenses and other	25,130	19,364
Total current assets	1,480,312	1,433,347
Property, plant and equipment, net	282,827	291,225
Deferred income taxes	4,733	4,834
Other	36,475	36,413
Total non-current assets	324,035	332,472
Total assets	$ 1,804,347	$ 1,765,819
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Current portion of long-term debt and capital lease obligations	$ 92,623	$ 78,507
Accounts payable	382,312	397,200
Customer deposits	83,544	84,637
Accrued salaries and wages	38,373	41,806
Other accrued liabilities	44,584	48,286
Total current liabilities	641,436	650,436
Long-term debt, capital lease obligations and other financing, net of current portion	185,638	184,002
Other liabilities	15,835	14,584
Total non-current liabilities	201,473	198,586
Total liabilities	842,909	849,022
Commitments and contingencies		
Shareholders' equity:		
Preferred stock, $.01 par value, 5,000 shares authorized, none issued or outstanding	—	—
Common stock, $.01 par value, 200,000 shares authorized, 51,818 and 51,272 shares issued, respectively, and 33,735 and 33,457 shares outstanding, respectively	518	513
Additional paid-in capital	542,705	530,647
Common stock held in treasury, at cost, 18,083 and 17,815 shares, respectively	(553,874)	(539,968)
Retained earnings	994,618	937,144
Accumulated other comprehensive loss	(22,529)	(11,539)
Total shareholders' equity	961,438	916,797
Total liabilities and shareholders' equity	$ 1,804,347	$ 1,765,819

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

PLEXUS CORP. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)
Unaudited

	Six Months Ended	
	April 1, 2017	April 2, 2016
Cash flows from operating activities:		
Net income	$ 57,474	$ 31,235
Adjustments to reconcile net income to cash flows provided by operating activities:		
Depreciation	22,489	23,903
Amortization of deferred financing fees	155	162
(Gain) loss on sale of property, plant and equipment	(329)	116
Deferred income taxes	1	144
Share-based compensation expense	8,013	6,957
Changes in operating assets and liabilities:		
Accounts receivable	92,751	57,732
Inventories	(49,325)	3,783
Other current and noncurrent assets	(5,711)	104
Accounts payable	(11,719)	(13,438)
Customer deposits	(594)	(10,305)
Other current and noncurrent liabilities	(7,598)	(9,080)
Cash flows provided by operating activities	105,607	91,313
Cash flows from investing activities:		
Payments for property, plant and equipment	(14,621)	(16,757)
Proceeds from sale of property, plant and equipment	427	6
Cash flows used in investing activities	(14,194)	(16,751)
Cash flows from financing activities:		
Borrowings under credit facility and other short-term borrowings	97,926	289,000
Payments on debt and capital lease obligations	(84,745)	(291,404)
Debt issuance costs	—	(70)
Repurchases of common stock	(13,906)	(15,738)
Proceeds from exercise of stock options	9,883	742
Payments related to tax withholding for share-based compensation	(5,833)	(2,560)
Cash flows provided by (used in) financing activities	3,325	(20,030)
Effect of exchange rate changes on cash and cash equivalents	(2,724)	(1,842)
Net increase in cash, cash equivalents and restricted cash	92,014	52,690
Cash, cash equivalents and restricted cash:		
Beginning of period	432,964	357,106
End of period	$ 524,978	$ 409,796

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

PLEXUS CORP. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND SIX MONTHS ENDED APRIL 1, 2017 AND APRIL 2, 2016
Unaudited

1. Basis of Presentation and Significant Accounting Policies

Basis of Presentation

The accompanying Condensed Consolidated Financial Statements included herein have been prepared by Plexus Corp. and its subsidiaries (together "Plexus" or the "Company") without audit and pursuant to the rules and regulations of the United States ("U.S.") Securities and Exchange Commission ("SEC"). In the opinion of the Company, the accompanying Condensed Consolidated Financial Statements reflect all adjustments, which include normal recurring adjustments necessary for the fair statement of the consolidated financial position of the Company as of April 1, 2017 and October 1, 2016, and the results of operations for the three and six months ended April 1, 2017 and April 2, 2016, and the cash flows for the same six month periods.

The Company's fiscal year ends on the Saturday closest to September 30. The Company also uses a "4-4-5" weekly accounting system for the interim periods in each quarter. Each quarter, therefore, ends on a Saturday at the end of the 4-4-5 period. Periodically, an additional week must be added to the fiscal year to re-align with the Saturday closest to September 30. All fiscal quarters presented herein included 13 weeks.

Certain information and footnote disclosures, normally included in financial statements prepared in accordance with generally accepted accounting principles, have been condensed or omitted pursuant to the SEC's rules and regulations dealing with interim financial statements. However, the Company believes that the disclosures made in the Condensed Consolidated Financial Statements included herein are adequate to make the information presented not misleading. It is suggested that these Condensed Consolidated Financial Statements be read in conjunction with the Consolidated Financial Statements and notes thereto included in the Company's 2016 Annual Report on Form 10-K.

The Company's reportable segments consist of the "Americas" ("AMER"), "Asia-Pacific" ("APAC") and "Europe, Middle East, and Africa" ("EMEA") segments. Refer to Note 9, "Reportable Segments," for further details on reportable segments.

Cash and Cash Equivalents and Restricted Cash

Cash and cash equivalents include short-term, highly liquid investments and are classified as Level 1 in the fair value hierarchy described below. Restricted cash represents cash received from customers to settle invoices sold under master accounts receivable purchase agreements and is therefore contractually required to be set aside. The restrictions will lapse when the cash is remitted to the purchaser. This is also classified as Level 1 in the fair value hierarchy described below.

Noncash Supplemental Executive Retirement Plan Transaction

In March 2017, the Company changed trustee for its supplemental executive retirement plan. The change resulted in a settlement and re-investment of $10.3 million, with no actual cash received or distributed by the Company.

Fair Value of Financial Instruments

The Company holds financial instruments consisting of cash and cash equivalents, restricted cash, accounts receivable, certain deferred compensation assets held under trust arrangements, accounts payable, debt, derivatives, and capital lease obligations. The carrying values of cash and cash equivalents, restricted cash, accounts receivable, accounts payable, and capital lease obligations as reported in the Condensed Consolidated Financial Statements approximate fair value. Derivatives and certain deferred compensation assets held under trust arrangements are recorded at fair value. Accounts receivable are reflected at net realizable value based on anticipated losses due to potentially uncollectible balances. Anticipated losses are based on management's analysis of historical losses and changes in customers' credit status. The fair value of the Company's long-term debt was $174.0 million and $176.4 million as of April 1, 2017 and October 1, 2016, respectively. The carrying value of the Company's long-term debt was $175.0 million as of both April 1, 2017 and October 1, 2016. The Company uses quoted market prices when available or discounted cash flows to calculate the fair value of its debt. If measured at fair value in the financial statements, long-term debt (including the current portion) would be classified as Level 2 in the fair value hierarchy described below. Refer to Note 4, "Derivatives and Fair Value Measurements," for further details on derivatives.

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (or exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. The accounting guidance establishes a fair value hierarchy based on three levels of inputs that may be used to measure fair value. The input levels are:

Level 1: Quoted (observable) market prices in active markets for identical assets or liabilities.

Level 2: Inputs other than Level 1 that are observable, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the asset or liability.

Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the asset or liability.

2. Inventories

Inventories as of April 1, 2017 and October 1, 2016 consisted of (in thousands):

	April 1, 2017	October 1, 2016
Raw materials	$ 451,722	$ 414,303
Work-in-process	66,855	69,423
Finished goods	91,132	80,405
Total inventories	$ 609,709	$ 564,131

Customer deposits are received by the Company for various reasons, including to offset certain obsolete and excess inventory risks. The total amount of customer deposits related to inventory and included within current liabilities on the accompanying Condensed Consolidated Balance Sheets as of April 1, 2017 and October 1, 2016 was $82.3 million and $74.6 million, respectively.

3. Debt, Capital Lease Obligations and Other Financing

Debt, capital lease and other obligations as of April 1, 2017 and October 1, 2016, consisted of the following (in thousands):

	April 1, 2017	October 1, 2016
Borrowing under the credit facility	$ 90,000	$ 75,000
5.20% senior notes, due June 15, 2018	175,000	175,000
Capital lease, non-cash financing of leased facility and other obligations	14,210	13,614
Unamortized deferred financing fees	(949)	(1,105)
Total obligations	278,261	262,509
Less: current portion	(92,623)	(78,507)
Long-term debt and capital lease obligations, net of current portion	$ 185,638	$ 184,002

The Company has a senior unsecured revolving credit facility (the “Credit Facility”) with a $300.0 million maximum commitment that expires on July 5, 2021. The Credit Facility may be further increased to $500.0 million, generally by mutual agreement of the Company and the lenders, subject to certain customary conditions. During the three and six months ended April 1, 2017, the highest daily borrowing was $142.0 million and the average daily borrowing was $88.8 million and $103.0 million, respectively. The Company borrowed $23.0 million and repaid $8.0 million of revolving borrowings under the Credit Facility during the three months ended April 1, 2017. The Company borrowed $96.0 million and repaid $81.0 million of revolving borrowings under the Credit Facility during the six months ended April 1, 2017.

The financial covenants (as defined under the related Credit Agreement) require that the Company maintain, as of each fiscal quarter end, a maximum total leverage ratio and a minimum interest coverage ratio. As of April 1, 2017, the Company was in compliance with all financial covenants of the Credit Agreement. Borrowings under the Credit Facility bear interest, at the Company’s option, at a eurocurrency or base rate plus, in each case, an applicable interest rate margin based on the Company’s then-current leverage ratio (as defined in the Credit Agreement). As of April 1, 2017, the interest rate under the Credit Agreement was LIBOR plus 1.125% (or 2.108%).

As of April 1, 2017, $75.0 million of the total $90.0 million of outstanding borrowings under the Credit Facility is effectively at a fixed interest rate as a result of a $75.0 million interest rate swap contract discussed in Note 4, "Derivatives and Fair Value Measurements." The Company is required to pay an annual commitment fee based on the daily unused revolver credit commitment based on the Company's leverage ratio; the fee was 0.175% as of April 1, 2017.

The Company also has outstanding 5.20% senior notes, due on June 15, 2018 (the "Notes"). As of April 1, 2017 and October 1, 2016, $175.0 million of Notes was outstanding, and the Company was in compliance with all financial covenants relating to the Notes, which are generally consistent with those in the Credit Agreement discussed above.

4. Derivatives and Fair Value Measurements

All derivatives are recognized in the accompanying Condensed Consolidated Balance Sheets at their estimated fair value. The Company uses derivatives to manage the variability of foreign currency obligations and interest rates. The Company has cash flow hedges related to variable rate debt and forecasted foreign currency obligations, in addition to non-designated hedges to manage foreign currency exposures associated with certain foreign currency denominated assets and liabilities. The Company does not enter into derivatives for speculative purposes.

ASC Topic 815-10, "Derivatives and Hedging," requires companies to recognize all derivative instruments as either assets or liabilities at fair value in the statement of financial position. In accordance with ASC Topic 815-10, the Company designates some foreign currency exchange contracts and float-to-fixed interest rate derivative contracts as cash flow hedges of forecasted foreign currency expenses and of variable rate interest payments, respectively.

Changes in the fair value of the derivatives that qualify as cash flow hedges are recorded in "Accumulated other comprehensive income (loss)" in the accompanying Condensed Consolidated Balance Sheets until earnings are affected by the variability of the cash flows. In the next twelve months, the Company estimates that $2.7 million of unrealized losses, net of tax, related to cash flow hedges will be reclassified from other comprehensive income (loss) into earnings. Changes in the fair value of the non-designated derivatives related to recognized foreign currency denominated assets and liabilities are recorded in "Miscellaneous income (expense)" in the accompanying Condensed Consolidated Statements of Comprehensive Income.

The Company enters into forward currency exchange contracts for its Malaysian operations on a rolling basis. The Company had cash flow hedges outstanding with a notional value of $67.0 million as of April 1, 2017 and $73.7 million as of October 1, 2016. These forward currency contracts fix the exchange rates for the settlement of future foreign currency obligations that have yet to be realized. The total fair value of the cash flow hedges was a $2.7 million liability as of April 1, 2017 and a $0.5 million liability as of October 1, 2016.

The Company had additional forward currency exchange contracts outstanding with a notional value of $117.7 million as of April 1, 2017 and $109.6 million as of October 1, 2016. The Company did not designate these derivative instruments as hedging instruments. In accordance with ASC Topic 815-10, the net settlement amount (fair value) related to these contracts is recorded on the Condensed Consolidated Balance Sheets as either a current or long-term asset or liability, depending on the term, and as an element of "Miscellaneous income (expense)." The total fair value of these derivatives was a net $0.4 million asset as of April 1, 2017 and a net $0.1 million asset as of October 1, 2016.

In 2013, the Company entered into a $75.0 million notional amount interest rate swap contract, which expires on May 5, 2017, related to $75.0 million of borrowings outstanding under the Credit Facility. This interest rate swap pays the Company variable interest at the one month LIBOR rate, and the Company pays the counterparty a fixed interest rate. The fixed interest rate for the contract is 0.875%. Based on the terms of the interest rate swap contract and the underlying borrowings outstanding under the Credit Facility, the interest rate contract was determined to be effective, and thus qualifies as a cash flow hedge. As such, any changes in the fair value of the interest rate swap are recorded in "Accumulated other comprehensive income (loss)" on the accompanying Condensed Consolidated Balance Sheets until earnings are affected by the variability of cash flows. The total fair value of the interest rate swap contract as of both April 1, 2017 and October 1, 2016, was approximately a $0.0 million asset and a $0.1 million liability, respectively. The notional amount of the Company's interest rate swap was $75.0 million as of both April 1, 2017 and October 1, 2016.

The tables below present information regarding the fair values of derivative instruments (as defined in Note 1, "Basis of Presentation and Significant Accounting Policies") and the effects of derivative instruments on the Company's Condensed Consolidated Financial Statements:

Fair Values of Derivative Instruments

In thousands of dollars

	Asset Derivatives			Liability Derivatives		
		April 1, 2017	October 1, 2016		April 1, 2017	October 1, 2016
Derivatives Designated as Hedging Instruments	Balance Sheet Classification	Fair Value	Fair Value	Balance Sheet Classification	Fair Value	Fair Value
Interest rate swaps	Prepaid expenses and other	$ 4	$ —	Other accrued liabilities	$ —	$ 132
Foreign currency forward contracts	Prepaid expenses and other	$ —	$ —	Other accrued liabilities	$ 2,695	$ 486

Fair Values of Derivative Instruments

In thousands of dollars

	Asset Derivatives			Liability Derivatives		
		April 1, 2017	October 1, 2016		April 1, 2017	October 1, 2016
Derivatives Not Designated as Hedging Instruments	Balance Sheet Classification	Fair Value	Fair Value	Balance Sheet Classification	Fair Value	Fair Value
Foreign currency forward contracts	Prepaid expenses and other	$ 423	$ 182	Other accrued liabilities	$ 64	$ 130

Derivative Impact on Accumulated Other Comprehensive Income (Loss)

for the Three Months Ended

In thousands of dollars

	Amount of Gain (Loss) Recognized in Other Comprehensive Income (Loss) ("OCI") on Derivatives (Effective Portion)	
Derivatives in Cash Flow Hedging Relationships	April 1, 2017	April 2, 2016
Interest rate swaps	$ 12	$ (227)
Foreign currency forward contracts	$ 1,175	$ 6,080

Derivative Impact on Gain (Loss) Recognized in Income

for the Three Months Ended

In thousands of dollars

		Amount of Gain (Loss) Reclassified from Accumulated OCI into Income (Effective Portion)	
Derivatives in Cash Flow Hedging Relationships	Classification of Gain (Loss) Reclassified from Accumulated OCI into Income (Effective Portion)	April 1, 2017	April 2, 2016
Interest rate swaps	Interest expense	$ (28)	$ (94)
Foreign currency forward contracts	Selling and administrative expenses	$ (193)	$ (189)
Foreign currency forward contracts	Cost of sales	$ (1,843)	$ (1,988)
Treasury rate locks	Interest expense	$ 92	$ 81
		Amount of Gain (Loss) on Derivatives Recognized in Income	
Derivatives Not Designated as Hedging Instruments	Location of Gain (Loss) Recognized on Derivatives in Income	April 1, 2017	April 2, 2016
Foreign currency forward contracts	Miscellaneous income (expense)	$ 1,786	$ (205)

Derivative Impact on Accumulated Other Comprehensive Income (Loss)

for the Six Months Ended

In thousands of dollars	Amount of Gain (Loss) Recognized in OCI on Derivatives (Effective Portion)	
Derivatives in Cash Flow Hedging Relationships	April 1, 2017	April 2, 2016
Interest rate swaps	$ 1	$ 30
Foreign currency forward contracts	$ (4,043)	$ 8,369

Derivative Impact on Gain (Loss) Recognized in Income

for the Six Months Ended

In thousands of dollars		Amount of Gain (Loss) Reclassified from Accumulated OCI into Income (Effective Portion)	
Derivatives in Cash Flow Hedging Relationships	Classification of Gain (Loss) Reclassified from Accumulated OCI into Income (Effective Portion)	April 1, 2017	April 2, 2016
Interest rate swaps	Interest expense	$ (135)	$ (221)
Foreign currency forward contracts	Selling and administrative expenses	$ (172)	$ (512)
Foreign currency forward contracts	Cost of sales	$ (1,662)	$ (4,817)
Treasury rate locks	Interest expense	$ 171	$ 162
		Amount of Gain (Loss) on Derivatives Recognized in Income	
Derivatives Not Designated as Hedging Instruments	Location of Gain (Loss) Recognized on Derivatives in Income	April 1, 2017	April 2, 2016
Foreign currency forward contracts	Miscellaneous income (expense)	$ 1,861	$ (168)

There were no gains or losses recognized in income for derivatives related to ineffective portions or amounts excluded from effectiveness testing for the three or six months ended April 1, 2017 and April 2, 2016.

The following table lists the fair values of assets/(liabilities) of the Company's derivatives as of April 1, 2017 and October 1, 2016, by input level, as defined in Note 1, "Basis of Presentation and Significant Accounting Policies":

Fair Value Measurements Using Input Levels Liability

In thousands of dollars				
April 1, 2017	Level 1	Level 2	Level 3	Total
Interest rate swaps	$ —	$ 4	$ —	$ 4
Foreign currency forward contracts	$ —	$ (2,336)	$ —	$ (2,336)
October 1, 2016				
Interest rate swaps	$ —	$ (132)	$ —	$ (132)
Foreign currency forward contracts	$ —	$ (434)	$ —	$ (434)

The fair value of interest rate swaps and foreign currency forward contracts is determined using a market approach, which includes obtaining directly or indirectly observable values from third parties active in the relevant markets. The primary input in the fair value of the interest rate swaps is the relevant LIBOR forward curve. Inputs in the fair value of the foreign currency forward contracts include prevailing forward and spot prices for currency and interest rate forward curves.

5. Income Taxes

Income tax expense for the three and six months ended April 1, 2017 was $3.1 million and $6.0 million, respectively. The effective tax rates for the three and six months ended April 1, 2017 were 9.6% and 9.4%, respectively, compared to the effective tax rates of 14.2% and 15.3% for the three and six months ended April 2, 2016, respectively.

The effective tax rate for both the three and six months ended April 1, 2017 decreased from the effective tax rate for the three and six months ended April 2, 2016, primarily due to an increase in pre-tax earnings in lower tax-rate jurisdictions and in jurisdictions where the Company maintains a valuation allowance. The Company's effective tax rate will fluctuate with the geographic distribution of its worldwide earnings, changes in tax laws, disputes with taxing authorities, tax planning activities, adjustments to uncertain tax positions and changes in valuation allowances.

There were no material additions to the amount of unrecognized tax benefits recorded for uncertain tax positions as of April 1, 2017, as compared to October 1, 2016. The Company recognizes accrued interest and penalties on uncertain tax positions as a component of income tax expense. The amount of interest and penalties recorded for the three and six months ended April 1, 2017 was not material.

It is possible that one or more uncertain tax positions may be settled within the next 12 months. Settlement of these matters is not expected to have a material effect on the Company's consolidated results of operations, financial position and cash flows. The Company is not currently under examination by taxing authorities in the U.S. or any foreign jurisdictions in which the Company operates.

The Company maintains valuation allowances when it is more likely than not that all or a portion of a net deferred tax asset will not be realized. During the three months ended April 1, 2017, the Company continued to record a full valuation allowance against its net deferred tax assets in certain jurisdictions within the AMER and EMEA segments, as it was more likely than not that these assets would not be fully realized based primarily on historical performance. The Company will continue to provide a valuation allowance against its net deferred tax assets in each of the applicable jurisdictions going forward until it determines it is more likely than not that the deferred tax assets will be realized.

6. Earnings Per Share

The following is a reconciliation of the amounts utilized in the computation of basic and diluted earnings per share for the three and six months ended April 1, 2017 and April 2, 2016 (in thousands, except per share amounts):

	Three Months Ended		Six Months Ended	
	April 1, 2017	April 2, 2016	April 1, 2017	April 2, 2016
Net income	$ 29,295	$ 16,787	$ 57,474	$ 31,235
Basic weighted average common shares outstanding	33,703	33,319	33,619	33,368
Dilutive effect of share-based awards outstanding	999	515	1,012	589
Diluted weighted average shares outstanding	34,702	33,834	34,631	33,957
Earnings per share:				
Basic	$ 0.87	$ 0.50	$ 1.71	$ 0.94
Diluted	$ 0.84	$ 0.50	$ 1.66	$ 0.92

For the three and six months ended April 1, 2017 and April 2, 2016 share-based awards for approximately 0.1 million and 0.9 million shares, respectively, were not included in the computation of diluted earnings per share because they were anti-dilutive.

7. Share-Based Compensation

The Company recognized $4.4 million and $8.0 million of compensation expense associated with share-based awards for the three and six months ended April 1, 2017, respectively, and $3.6 million and $7.0 million for the three and six months ended April 2, 2016, respectively.

The Company uses the Black-Scholes valuation model to determine the fair value of stock options and stock-settled stock appreciation rights ("SARs"). The Company uses its stock price on grant date as the fair value assigned to restricted stock units ("RSUs").

The Company uses the Monte Carlo valuation model to determine the fair value of performance stock units ("PSUs") at the date of grant. PSUs are payable in shares of the Company's common stock. Beginning for fiscal 2017 grants, PSUs vest based on the relative total shareholder return ("TSR") of the Company's common stock as compared to the companies in the Russell 3000 index and economic return performance during the three year performance period. The PSUs granted in fiscal 2016 and prior years vest based on the relative TSR of the Company's common stock as compared to companies in the Russell 3000 Index during a three year performance period. The number of shares that may be issued pursuant to PSUs ranges from zero to 0.4 million.

The Company recognizes share-based compensation expense over the share-based awards' vesting period.

8. Litigation

The Company is party to lawsuits in the ordinary course of business. Management does not believe that these proceedings, individually or in the aggregate, will have a material positive or adverse effect on the Company's consolidated financial position, results of operations or cash flows.

9. Reportable Segments

Reportable segments are defined as components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision maker, or group, in assessing performance and allocating resources. The Company uses an internal management reporting system, which provides important financial data to evaluate performance and allocate the Company's resources on a regional basis. Net sales for segments are attributed to the region in which the product is manufactured or the service is performed. The services provided, manufacturing processes used, class of customers serviced and order fulfillment processes used are similar and generally interchangeable across the segments. A segment's performance is evaluated based upon its operating income (loss). A segment's operating income (loss) includes its net sales less cost of sales and selling and administrative expenses, but excludes corporate and other expenses. Corporate and other expenses primarily represent corporate selling and administrative expenses, and restructuring and other charges, if any. These costs are not allocated to the segments, as management excludes such costs when assessing the performance of the segments. Inter-segment transactions are generally recorded at amounts that approximate arm's length transactions. The accounting policies for the segments are the same as for the Company taken as a whole.

Information about the Company's three reportable segments for the three and six months ended April 1, 2017 and April 2, 2016, respectively, is as follows (in thousands):

	Three Months Ended		Six Months Ended	
	April 1, 2017	April 2, 2016	April 1, 2017	April 2, 2016
Net sales:				
AMER	$ 272,064	$ 330,240	$ 586,715	$ 635,337
APAC	309,758	270,544	619,727	569,891
EMEA	44,975	43,703	84,424	85,789
Elimination of inter-segment sales	(22,448)	(25,827)	(51,498)	(55,693)
	$ 604,349	$ 618,660	$ 1,239,368	$ 1,235,324
Operating income (loss):				
AMER	$ 8,229	$ 15,451	$ 23,026	$ 23,837
APAC	50,484	34,862	98,724	71,813
EMEA	(1,221)	(690)	(3,456)	(1,425)
Corporate and other costs	(24,921)	(26,277)	(51,820)	(49,355)
	$ 32,571	$ 23,346	$ 66,474	$ 44,870
Other income (expense):				
Interest expense	$ (3,262)	$ (3,674)	$ (6,536)	$ (7,208)
Interest income	1,185	1,015	2,256	1,947
Miscellaneous	1,925	(1,128)	1,251	(2,748)
Income before income taxes	$ 32,419	$ 19,559	$ 63,445	$ 36,861

	April 1, 2017	October 1, 2016
Total assets:		
AMER	$ 516,359	$ 590,850
APAC	1,073,939	1,009,917
EMEA	135,755	136,636
Corporate and eliminations	78,294	28,416
	$ 1,804,347	$ 1,765,819

10. Guarantees

The Company offers certain indemnifications under its customer manufacturing agreements. In the normal course of business, the Company may from time to time be obligated to indemnify its customers or its customers' customers against damages or liabilities arising out of the Company's negligence, misconduct, breach of contract, or infringement of third party intellectual property rights. Certain agreements have extended broader indemnification, and while most agreements have contractual limits, some do not. However, the Company generally does not provide for such indemnities and seeks indemnification from its customers for damages or liabilities arising out of the Company's adherence to customers' specifications or designs or use of materials furnished, or directed to be used, by its customers. The Company does not believe its obligations under such indemnities are material.

In the normal course of business, the Company also provides its customers a limited warranty covering workmanship, and in some cases materials, on products manufactured by the Company. Such warranty generally provides that products will be free from defects in the Company's workmanship and meet mutually agreed-upon specifications for periods generally ranging from 12 months to 24 months. If a product fails to comply with the Company's limited warranty, the Company's obligation is generally limited to correcting, at its expense, any defect by repairing or replacing such defective product. The Company's warranty generally excludes defects resulting from faulty customer-supplied components, customer design defects or damage caused by any party or cause other than the Company.

The Company provides for an estimate of costs that may be incurred under its limited warranty at the time product revenue is recognized and establishes additional reserves for specifically identified product issues. These costs primarily include labor and materials, as necessary, associated with repair or replacement and are included in the Company's accompanying Condensed Consolidated Balance Sheets in "Other accrued liabilities." The primary factors that affect the Company's warranty liability include the value and the number of shipped units and historical and anticipated rates of warranty claims. As these factors are impacted by actual experience and future expectations, the Company regularly assesses the adequacy of its recorded warranty liabilities and adjusts the amounts as necessary.

Below is a table summarizing the activity related to the Company's limited warranty liability for fiscal 2016 and the six months ended April 1, 2017 (in thousands):

Limited warranty liability, as of October 3, 2015	$	5,847
Accruals for warranties issued during the period		1,777
Settlements (in cash or in kind) during the period		(1,515)
Limited warranty liability, as of October 1, 2016		6,109
Accruals for warranties issued during the period		869
Settlements (in cash or in kind) during the period		(1,799)
Limited warranty liability, as of April 1, 2017	$	5,179

11. Shareholders' Equity

On June 6, 2016, the Board of Directors approved a stock repurchase program under which the Company is authorized to repurchase up to $150.0 million of its common stock beginning in fiscal 2017. During the three months ended April 1, 2017, the Company repurchased 123,082 shares for approximately $6.8 million, at an average price of $55.61 per share. During the six months ended April 1, 2017, the Company repurchased 267,811 shares for approximately $13.9 million at an average price of $51.93 per share.

On August 20, 2015, the Board of Directors approved a stock repurchase program under which the Company was authorized to repurchase up to $30.0 million of its common stock during fiscal 2016. During the three months ended April 2, 2016, the Company repurchased 208,569 shares for approximately $7.3 million, at an average price of $34.88 per share. During the six months ended April 2, 2016, the Company repurchased 435,881 shares for approximately $15.7 million at an average price of $36.11 per share.

All shares repurchased under the aforementioned programs were recorded as treasury stock.

12. Trade Accounts Receivable Sale Programs

The Company has a Master Accounts Receivable Purchase Agreement (the "BTMU RPA") with The Bank of Tokyo-Mitsubishi UFJ, Ltd., New York Branch (the "Purchaser"), which was amended on March 28, 2017, to, among other changes, increase the maximum facility amount from $100.0 million to $120.0 million. Pursuant to the BTMU RPA, the Company and certain of its subsidiaries (each, a "Seller") may sell to the Purchaser up to an aggregate of $120.0 million in accounts receivable owed to such Sellers by specified customers. In exchange, the Purchaser pays a purchase price for each purchased receivable equal to the net face value of the receivable less an agreed-upon discount. The BTMU RPA represents a non-committed facility. The Purchaser pays an agreed-upon servicing fee to each Seller with respect to each purchased receivable sold by such Seller, consistent with common market practices. The BTMU RPA contains representations, warranties, covenants, and termination events that are customary for factoring transactions of this type. The BTMU RPA is subject to expiration on October 3, 2017, but will be automatically extended each year unless any party gives no less than 10 days prior notice that the agreement should not be extended.

On March 17, 2017, the Company entered into a Master Accounts Receivable Purchase Agreement (the "HSBC RPA") with HSBC Bank (China) Company Limited, Xiamen branch (the "HSBC Purchaser"). Pursuant to the HSBC RPA, the Company and certain of its subsidiaries (each, a "Seller") may sell to the HSBC Purchaser up to an aggregate of $30.0 million in accounts receivable owed to such Sellers by specified customers. The terms of the HSBC RPA are generally consistent with the terms of the BTMU RPA discussed above.

During the three months ended April 2, 2016, the Company sold receivables under a former trade accounts receivable sale program that expired during the first fiscal quarter of 2017.

Transfers of receivables under the programs are accounted for as sales and, accordingly, receivables sold under the programs are excluded from accounts receivable on the Condensed Consolidated Balance Sheets and are reflected as cash provided by operating activities on the Condensed Consolidated Statements of Cash Flows. Proceeds from the transfer reflect the face value of the receivables less a discount. The sale discount is recorded within "Miscellaneous expense" in the Condensed Consolidated Statements of Comprehensive Income in the period of the sale.

The Company sold $91.5 million and $19.2 million of trade accounts receivable during the three months ended April 1, 2017 and April 2, 2016, respectively, and in exchange, received cash proceeds of $91.1 million and $19.0 million, respectively.

The Company sold $169.3 million and $41.5 million of trade accounts receivable during the six months ended April 1, 2017 and April 2, 2016, respectively, and in exchange, received cash proceeds of $168.5 million and $41.2 million, respectively.

13. Restructuring and Other Charges

The Company incurred no restructuring and other charges during the three months ended April 1, 2017. For the three months ended April 2, 2016, the Company incurred restructuring and other charges of $1.9 million, which consisted of $1.7 million of employee termination and severance costs and $0.3 million of other exit costs.

The restructuring and other charges for the three months ended April 2, 2016, were incurred primarily in the AMER segment and related largely to the Company's closure of its manufacturing facility in Fremont, California as a result of the Company's optimization of its capacity to better reflect customer demand. The Company also recorded restructuring and other charges in the EMEA segment related to the partial closure of its Livingston, Scotland facility to align with reduced end-market demand, particularly in the oil and gas industry. These charges are recorded within "Restructuring and other charges" on the Condensed Consolidated Statements of Comprehensive Income. Restructuring liabilities are recorded within "Other accrued liabilities" in the Condensed Consolidated Balance Sheets.

The Company incurred no restructuring and other charges during the six months ended April 1, 2017, For the six months ended April 2, 2016, the Company incurred restructuring costs of $3.4 million, which consisted of $3.1 million of employee termination and severance costs, primarily related to the Company's workforce in Fremont and Livingston, and $0.4 million of other exit costs.

In the three and six months ended April 1, 2017 and April 2, 2016, the Company did not recognize an income tax benefit for these restructuring and other charges due to tax losses in the jurisdictions where the restructuring and other charges occurred.

The Company's restructuring accrual activity for fiscal 2016 and the three and six months ended April 1, 2017 follows (in thousands):

	Employee Termination and Severance Costs	Other Exit Costs	Total
Accrued balance, October 3, 2015	$ —	$ —	$ —
Restructuring and other charges	5,255	1,779	7,034
Amounts utilized	(4,571)	(1,621)	(6,192)
Accrued balance, October 1, 2016	$ 684	$ 158	$ 842
Restructuring and other charges	—	—	—
Amounts utilized	(525)	(106)	(631)
Accrued balance, December 31, 2016	$ 159	$ 52	$ 211
Restructuring and other charges	—	—	—
Amounts utilized	(97)	(7)	(104)
Accrued balance, April 1, 2017	$ 62	$ 45	$ 107

The restructuring accrual balance is expected to be utilized by the end of the third fiscal quarter of 2017.

14. New Accounting Pronouncements

In November 2016, the Financial Accounting Standards Board ("FASB") issued amendments to its guidance to address the classifications and presentation of changes in restricted cash in the statement of cash flows. The Company adopted this guidance retrospectively during the first quarter of fiscal 2017 and, as a result, the Company included restricted cash within the Consolidated Statements of Cash Flows; such amounts were not material. The retrospective adoption did not impact the prior period Consolidated Statements of Cash Flows since there was no restricted cash during any of the prior periods presented. Amounts included in restricted cash represent cash received from customers to settle invoices sold under the trade accounts receivable sale programs and is therefore contractually required to be set aside. The restrictions will lapse when the cash is remitted to the purchaser.

In October 2016, the FASB issued a new accounting standard intended to improve the accounting for the income tax consequences of intra-entity transfers of assets other than inventory. The new standard eliminates the exception for an intra-entity transfer of an asset other than inventory and requires an entity to recognize the income tax consequences when the transfer occurs. This guidance is effective for the Company beginning in the first quarter of fiscal year 2019 and early adoption is permitted. This guidance should be applied on a modified retrospective basis through a cumulative-effect adjustment directly to retained earnings as of the beginning of the period of adoption. The Company is currently assessing the impact this new standard may have on its Consolidated Financial Statements.

In August 2016, the FASB issued new guidance related to the classification of certain cash receipts and cash payments, which clarifies how entities should classify certain cash receipts and cash payments on the statement of cash flows. The new standard addresses certain issues where diversity in practice was identified. It also amends existing guidance, which is principles based and often requires judgment to determine the appropriate classification of cash flows as operating, investing or financing activities and clarifies how the predominance principle should be applied when cash receipts and cash payments have aspects of more than one class of cash flows. This guidance is effective for the Company beginning in the first quarter of fiscal year 2019, and will generally require retrospective adoption. Early adoption is permitted. The Company is currently assessing the impact this new standard may have on its Consolidated Statements of Cash Flows.

In March 2016, the FASB issued guidance that changes the accounting for certain aspects of share-based payments to employees. The guidance requires the recognition of the income tax effects of awards in the income statement when the awards vest or are settled, thus eliminating additional paid-in capital pools. The guidance also allows for the employer to repurchase more of an employee's shares for tax withholding purposes without triggering liability accounting. In addition, the guidance allows for a policy election to account for forfeitures as they occur rather than on an estimated basis. The Company adopted this guidance prospectively during the first fiscal quarter of 2017. As such, beginning in the first fiscal quarter of 2017, the Company recognizes all excess tax benefits and tax deficiencies as income tax benefit or expense as a discrete item. An income tax benefit of approximately $4.9 million was recognized upon adoption, and for the three and six months ended April 1, 2017, benefits of $1.2 million and $1.8 million, respectively, were also recognized. Due to the Company having a valuation allowance in the jurisdictions in which the income tax benefit was recorded, the income tax benefit was directly offset by an increase to the Company's valuation allowance resulting in no financial statement impact. The adoption did not have any other material impacts and will not materially impact the Company's future financial statements as long as the Company remains in a valuation allowance in the jurisdictions in which share based compensation awards and options vest and are exercised, respectively.

In February 2016, the FASB issued guidance that primarily requires lessees to recognize most leases on their balance sheets but record expenses on their income statements in a manner similar to current accounting. For lessors, the guidance modifies the classification criteria and the accounting for sales-type and direct financing leases. The guidance is effective for fiscal years, and interim periods within those years, beginning after December 15, 2018. Early adoption is permitted. The Company is currently in the process of assessing the impact of the adoption of the new standard on its Consolidated Financial Statements and the timing of adoption.

In May 2014, the FASB issued amended guidance for revenue recognition. The standard's core principle is that a company will recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. In doing so, companies will need to use more judgment and make more estimates than under current guidance. This may include identifying performance obligations in the contract, estimating the amount of variable consideration to include in the transaction price and allocating the transaction price to each separate performance obligation. The new standard will become effective for annual reporting periods beginning after December 15, 2017, including interim reporting periods within that reporting period. The Company is currently in the process of evaluating the impact of the adoption of this guidance on its Consolidated Financial Statements.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

"SAFE HARBOR" CAUTIONARY STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995:

The statements contained in this Form 10-Q that are guidance or which are not historical facts (such as statements in the future tense and statements including believe, expect, intend, plan, anticipate, goal, target and similar terms and concepts), including all discussions of periods which are not yet completed, are forward-looking statements that involve risks and uncertainties. These risks and uncertainties include, but are not limited to: the risk of customer delays, changes, cancellations or forecast inaccuracies in both ongoing and new programs; the lack of visibility of future orders, particularly in view of changing economic conditions; the economic performance of the industries, sectors and customers we serve; the effects of the volume of revenue from certain sectors or programs on our margins in particular periods; our ability to secure new customers, maintain our current customer base and deliver product on a timely basis; the particular risks relative to new or recent customers, programs or services, which risks include customer and other delays, start-up costs, potential inability to execute, the establishment of appropriate terms of agreements, and the lack of a track record of order volume and timing; the risks of concentration of work for certain customers; the effect of start-up costs of new programs and facilities; possible unexpected costs and operating disruption in transitioning programs, including as a result of a facility closure; the risk that new program wins and/or customer demand may not result in the expected revenue or profitability; the fact that customer orders may not lead to long-term relationships; our ability to manage successfully and execute a complex business model characterized by high product mix, low volumes and demanding quality, regulatory, and other requirements; the ability to realize anticipated savings from restructuring or similar actions, as well as the adequacy of related charges as compared to actual expenses; increasing regulatory and compliance requirements; the potential effects of regional results on our taxes and ability to use deferred tax assets and net operating losses; risks related to information technology systems and data security; the effects of shortages and delays in obtaining components as a result of economic cycles or natural disasters; the risks associated with excess and obsolete inventory, including the risk that inventory purchased on behalf of our customers may not be consumed or otherwise paid for by the customer, resulting in an inventory write-off; the weakness of areas of the global economy; the effect of changes in the pricing and margins of products; raw materials and component cost fluctuations; the potential effect of fluctuations in the value of the currencies in which we transact business; the effects of changes in economic conditions, political conditions, trade protection measures, and tax matters in the United States and in the other countries in which we do business (including as a result of the United Kingdom's pending exit from the European Union); the potential effect of other world or local events or other events outside our control (such as changes in energy prices, terrorism and weather events); the impact of increased competition; changes in financial accounting standards; and other risks detailed in our Securities and Exchange Commission filings (particularly in "Risk Factors" in our fiscal 2016 Form 10-K).

* * *

OVERVIEW

Plexus Corp. and its subsidiaries (together "Plexus," the "Company," or "we") participate in the Electronic Manufacturing Services ("EMS") industry. We deliver optimized solutions to our customers through our unique Product Realization Value Stream. Our customer-focused solutions model seamlessly integrates innovative product conceptualization, design, commercialization, manufacturing, fulfillment and sustaining solutions. Plexus delivers comprehensive end-to-end solutions for customers in the Americas ("AMER"), Europe, Middle East, and Africa ("EMEA") and Asia-Pacific ("APAC") regions.

Plexus is the industry leader in servicing mid-to-low volume, higher complexity customer programs characterized by unique flexibility, technology, quality and regulatory requirements. Plexus provides award-winning customer service to more than 140 branded product companies in the Healthcare/Life Sciences, Industrial/Commercial, Communications and Defense/Security/Aerospace market sectors. The Company's customers have stringent quality, reliability and regulatory requirements, requiring exceptional production and supply chain agility. Their products require complex configuration management, direct order fulfillment (to end customers) and global logistics management and Aftermarket Services. To service the complexities that the Company's customers' products demand, Plexus utilizes its Product Realization Value Stream, addressing its customers' products from concept to end-of-life.

The following information should be read in conjunction with our Condensed Consolidated Financial Statements included herein, the "Risk Factors" section in Part I, Item 1A of our annual report on Form 10-K for the fiscal year ended October 1, 2016, and our "Safe Harbor" Cautionary Statement included above.

RESULTS OF OPERATIONS

Consolidated Performance Summary. The following table presents selected consolidated financial data (dollars in millions, except per share data):

	Three Months Ended		Six Months Ended	
	April 1, 2017	April 2, 2016	April 1, 2017	April 2, 2016
Net sales	$ 604.3	$ 618.7	$ 1,239.4	$ 1,235.3
Cost of sales	540.5	565.4	1,111.2	1,132.0
Gross profit	63.8	53.3	128.2	103.3
Gross margin	10.6%	8.6%	10.3%	8.4%
Operating income	32.6	23.3	66.5	44.9
Operating margin	5.4%	3.8%	5.4%	3.6%
Net income	29.3	16.8	57.5	31.2
Diluted earnings per share	$ 0.84	$ 0.50	$ 1.66	$ 0.92
Return on invested capital*			16.8%	11.6%
Economic return*			6.3%	0.6%

* Non-GAAP metric; refer to "Return on Invested Capital ("ROIC") and Economic Return" below for more information and Exhibit 99.1 for a reconciliation.

Net sales. For the three months ended April 1, 2017, net sales decreased $14.4 million, or 2.3%, as compared to the three months ended April 2, 2016. For the six months ended April 1, 2017, net sales increased $4.1 million, or 0.3%, as compared to the six months ended April 2, 2016.

Net sales are analyzed by management by geographic segment, which reflects the Company's reportable segments, and by market sector. Management measures operational performance and allocates resources on a geographic segment basis. The Company's global business development strategy is based on our targeted market sectors.

A discussion of net sales by reportable segment is presented below (in millions):

	Three Months Ended		Six Months Ended	
	April 1, 2017	April 2, 2016	April 1, 2017	April 2, 2016
Net sales:				
AMER	$ 272.1	$ 330.3	$ 586.7	$ 635.3
APAC	309.8	270.5	619.7	569.9
EMEA	45.0	43.7	84.4	85.8
Elimination of inter-segment sales	(22.6)	(25.8)	(51.4)	(55.7)
Total net sales	$ 604.3	$ 618.7	$ 1,239.4	$ 1,235.3

AMER. Net sales for the three months ended April 1, 2017 decreased $58.2 million, or 17.6%, as compared to the three months ended April 2, 2016. The reduction in net sales was driven by overall decreased customer end-market demand as well as decreases of $10.4 million from customer disengagements, $6.8 million due to a customer's decision to manufacture product internally and $2.3 million due to manufacturing transfers to our APAC segment. Partially offsetting these decreases were net sales increases of $8.1 million from the ramp of new programs for existing customers.

During the six months ended April 1, 2017 net sales decreased $48.6 million, or 7.7%, as compared to the six months ended April 2, 2016. The reduction in net sales was driven by decreases of $28.3 million from customer disengagements, $14.3 million due to a customer's decision to manufacture product internally, $7.7 million due to manufacturing transfers to our APAC segment, $4.5 million due to a program disengagement and $3.0 million that resulted from an end-of-life product, as well as net decreased end-market demand. Partially offsetting these decreases were net sales increases of $20.2 million and $2.5 million from the ramp of new programs for existing customers and for a new customer, respectively.

APAC. Net sales for the three months ended April 1, 2017 increased $39.3 million, or 14.5%, as compared to the three months ended April 2, 2016. The increase in net sales was primarily due to net increased customer end-market demand, a $27.4 million increase due to the ramp of new programs for existing customers, $2.3 million due to manufacturing transfers from our AMER segment and $2.0 million from the ramp of production for a new customer. These increases were partially offset by decreases in net sales of $15.8 million due to a program disengagement, $5.1 million from an end-of-life product and $5.1 million due to the consolidation of a customer's business.

During the six months ended April 1, 2017 net sales increased $49.8 million, or 8.7%, as compared to the six months ended April 2, 2016. The increase in net sales was primarily due to net increased customer end-market demand, a $55.3 million increase due to the ramp of new programs for existing customers, $7.7 million due to manufacturing transfers from our AMER segment and $5.0 million from the ramp of production for a new customer. These increases were partially offset by decreases in net sales of $47.5 million due to a program disengagement, $24.9 million due to the consolidation of a customer's business and $5.6 million that resulted from an end-of-life product.

EMEA. Net sales for the three months ended April 1, 2017 increased $1.3 million, or 2.9%, as compared to the three months ended April 2, 2016. The increase in net sales was primarily attributable to a $5.9 million increase due to the ramp of new programs for existing customers, which was partially offset by net decreased end-market demand.

During the six months ended April 1, 2017 net sales decreased $1.4 million, or 1.6%, as compared to the six months ended April 2, 2016. The decrease in net sales was attributable primarily to net decreased customer end-market demand as well as a $2.6 million decrease that resulted from an end-of-life product. Partially offsetting these decreases was a net sales increase of $11.0 million from the ramp of new programs for existing customers.

Our net sales by market sector for the indicated periods were as follows (in millions):

	Three Months Ended		Six Months Ended	
Market Sector	April 1, 2017	April 2, 2016	April 1, 2017	April 2, 2016
Healthcare/Life Sciences	$ 204.9	$ 189.7	$ 415.9	$ 381.2
Industrial/Commercial	191.9	168.8	397.6	341.6
Communications	108.2	156.7	239.6	313.4
Defense/Security/Aerospace	99.3	103.5	186.3	199.1
Total net sales	$ 604.3	$ 618.7	$ 1,239.4	$ 1,235.3

Healthcare/Life Sciences. Net sales in the Healthcare/Life Sciences sector increased $15.2 million for the three months ended April 1, 2017 as compared to the three months ended April 2, 2016. The increase was primarily driven by increases in net sales of $12.3 million due to the ramp of new programs for existing customers and $2.0 million from the ramp of production for a new customer, as well as net increased end-market demand. Partially offsetting the increases was a $6.9 million decrease in net sales due to a customer's decision to manufacture product internally.

During the six months ended April 1, 2017 net sales in the Healthcare/Life Sciences sector increased $34.7 million as compared to the six months ended April 2, 2016. The increase was primarily driven by increases in net sales of $28.7 million due to the ramp of new programs for existing customers and $6.9 million from the ramp of production for new customers, as well as net increased end-market demand. Partially offsetting the increases was an $14.9 million decrease in net sales due to a customer's decision to manufacture product internally.

Industrial/Commercial. Net sales in the Industrial/Commercial sector increased $23.1 million for the three months ended April 1, 2017 as compared to the three months ended April 2, 2016. The increase was primarily driven by increases in net sales of $28.6 million due to the ramp of new programs for existing customers and net increased end-market demand. Partially offsetting the increases were decreases in net sales of $5.1 million due to the consolidation of a customer's business and $4.0 million related to a customer disengagement.

During the six months ended April 1, 2017 net sales in the Industrial/Commercial sector increased $56.0 million as compared to the six months ended April 2, 2016. The increase was primarily driven by increases in net sales of $53.6 million due to the ramp of new programs for existing customers and net increased end-market demand. Partially offsetting the increases were decreases in net sales of $24.9 million due to the consolidation of a customer's business and $15.5 million related to a customer disengagement.

Communications. Net sales in the Communications sector decreased $48.5 million for the three months ended April 1, 2017 as compared to the three months ended April 2, 2016. The reduction in net sales was primarily driven by net decreased end-market demand, a $16.1 million decrease in net sales due to a program disengagement, a $6.4 million decrease due to a customer disengagement and a $5.1 million decrease that resulted from an end-of-life product.

During the six months ended April 1, 2017 net sales in the Communications sector decreased $73.8 million as compared to the six months ended April 2, 2016. The reduction in net sales was primarily driven by a $48.4 million decrease in net sales due to a program disengagement, a $15.4 million decrease due to customer disengagements and a $11.2 million decrease that resulted from end-of-life products, as well as overall net decreased end-market demand. Partially offsetting the decreases was a $2.8 million increase in net sales due to the ramp of production of new products for an existing customer.

Defense/Security/Aerospace. Net sales in the Defense/Security/Aerospace sector decreased $4.2 million for the three months ended April 1, 2017 as compared to the three months ended April 2, 2016. The decrease was primarily attributable to net decreased customer end-market demand.

During the six months ended April 1, 2017 net sales in the Defense/Security/Aerospace sector decreased $12.8 million as compared to the six months ended April 2, 2016. The decrease was primarily attributable to net decreased customer end-market demand and a $4.8 million decrease from a program disengagement.

Cost of sales. For the three and six months ended April 1, 2017, cost of sales decreased $24.9 million and $20.8 million, respectively, as compared to the three and six months ended April 2, 2016. As compared to the prior year periods, the percentage decrease in cost of sales was greater than the percentage decrease in net sales primarily due to a positive shift in customer mix and supply chain productivity initiatives. For both periods, cost of sales also benefited from higher absorption of variable labor costs and fixed expenses, which resulted from an increase in inventory and production levels as compared to the prior year quarter due to the timing of shipments and to support new program ramps.

Cost of sales is comprised primarily of material and component costs, labor costs, and overhead. For both the three and six months ended April 1, 2017 and April 2, 2016, approximately 89% of the total cost of sales was variable in nature and fluctuated with sales volumes. Of this amount, approximately 91% of the variable costs for both periods was related to material and component costs. As a result of using a cost-plus markup pricing arrangement with our customers, changes in costs typically result in corresponding changes in price, which generally result in an immaterial impact on gross profit.

Gross profit. For the three months ended April 1, 2017, gross profit increased $10.5 million, or 19.7%, as compared to the three months ended April 2, 2016. Gross margin increased 200 basis points as compared to the three months ended April 2, 2016. The primary driver of the increase in gross profit and gross margin was the larger percentage decrease in cost of sales as compared to the decrease in net sales, driven by the factors previously discussed.

Gross profit for the six months ended April 1, 2017, increased $24.9 million, or 24.1%, as compared to the six months ended April 2, 2016. Gross margin increased 190 basis points as compared to the six months ended April 2, 2016. The primary driver of the increase in gross profit and gross margin was the larger percentage decrease in cost of sales as compared to the decrease in net sales, driven by the factors previously discussed.

Operating income. For the three months ended April 1, 2017, operating income increased $9.3 million, or 39.9%, as compared to the three months ended April 2, 2016, primarily due to the increase in gross profit described above and a $1.9 million decrease in restructuring and other charges. Partially offsetting the increases was a $3.2 million increase in selling and administrative (“S&A”) expenses as compared to the prior year period, primarily driven by an increase in variable compensation expense and share-based compensation expense.

For the six months ended April 1, 2017, operating income increased $21.6 million, or 48.1%, as compared to the six months ended April 2, 2016, primarily due to the increase in gross profit described above and a $3.4 million decrease in restructuring and other charges. Partially offsetting the increases was a $6.6 million increase in S&A expenses as compared to the prior year, primarily driven by an increase in variable compensation expense and share-based compensation expense.

A discussion of operating income (loss) by reportable segment is presented below (in millions):

	Three Months Ended		Six Months Ended	
	April 1, 2017	April 2, 2016	April 1, 2017	April 2, 2016
Operating income (loss):				
AMER	$ 8.2	$ 15.4	$ 23.0	$ 23.8
APAC	50.5	34.9	98.7	71.8
EMEA	(1.2)	(0.7)	(3.5)	(1.4)
Corporate expenses and other costs	(24.9)	(26.3)	(51.7)	(49.3)
Total operating income	$ 32.6	$ 23.3	$ 66.5	$ 44.9

AMER. Operating income for the three months ended April 1, 2017 decreased $7.2 million as compared to the three months ended April 2, 2016, primarily due to lower leverage of fixed costs and decreased net sales.

Operating income for the six months ended April 1, 2017 decreased $0.8 million as compared to the six months ended April 2, 2016, primarily due to decreased net sales.

APAC. Operating income for the three and six months ended April 1, 2017 increased by $15.6 million and $26.9 million, respectively, as compared to the three and six months ended April 2, 2016, primarily due to the increase in net sales, supply chain productivity initiatives and a positive shift in customer mix.

EMEA. Operating loss for the three and six months ended April 1, 2017 increased by $0.5 million and $2.1 million, respectively, as compared to the three and six months ended April 2, 2016, primarily due to a negative shift in net sales mix.

Other income (expense). Other expense decreased by $3.6 million for the three months ended April 1, 2017 as compared to the three months ended April 2, 2016. The improvement was primarily due to foreign exchange volatility, which improved from a $1.2 million loss for the three months ended April 2, 2016, to a $1.7 million gain for the three months ended April 1, 2017.

Other expense decreased by $5.0 million for the six months ended April 1, 2017 as compared to the six months ended April 2, 2016. The improvement was primarily due to foreign exchange volatility, which improved from a $2.8 million loss for the six months ended April 2, 2016, to a $1.5 million gain for the six months ended April 1, 2017.

For both the three and six month comparative periods, the improvement resulted from foreign exchange volatility, primarily in the APAC segment.

Income taxes. Effective income tax rates for the indicated periods were as follows:

	Three Months Ended		Six Months Ended	
	April 1, 2017	April 2, 2016	April 1, 2017	April 2, 2016
Effective tax rate	9.6%	14.2%	9.4%	15.3%

Income tax expense for the three months ended April 1, 2017 and April 2, 2016 was $3.1 million and $2.8 million, respectively. Income tax expense for the six months ended April 1, 2017 and April 2, 2016 was $6.0 million and $5.6 million, respectively. The decrease in the effective tax rate for the three and six months ended April 1, 2017 compared to the three and six months ended April 2, 2016, was primarily due to an increase in pretax earnings in lower tax-rate jurisdictions and in jurisdictions where the Company maintains a valuation allowance.

Our effective tax rate varies from the U.S. statutory rate of 35.0% primarily due to the geographic distribution of worldwide earnings as well as a tax holiday granted to a subsidiary within our APAC segment, where we derive a significant portion of our earnings. In addition, our effective tax rate may be impacted by changes in tax laws, disputes with taxing authorities, tax planning activities, adjustments to uncertain tax positions and changes in valuation allowances.

The estimated effective income tax rate for fiscal 2017 is expected to be between 8.0% and 10.0%.

Net income. Net income for the three and six months ended April 1, 2017 increased $12.5 million and $26.3 million, respectively, as compared to the three months ended April 2, 2016, primarily due to the increase in operating income and decrease in other expense discussed above.

Diluted earnings per share. Diluted earnings per share for the three months ended April 1, 2017 was $0.84, a $0.34 increase from the three months ended April 2, 2016. Diluted earnings per share for the six months ended April 1, 2017 was $1.66, a $0.74 increase from the six months ended April 2, 2016. For both the three and six months ended April 1, 2017, the increase in diluted earnings per share was primarily the result of the increase in net income. In each case, the increase in net income was partially offset by an increase in the number of dilutive awards outstanding.

Return on Invested Capital ("ROIC") and Economic Return. We use a financial model that is aligned with our business strategy and includes a ROIC goal of 500 basis points over our weighted average cost of capital ("WACC"), which we refer to as "Economic Return," and a 4.7% to 5.0% operating margin target. Our primary focus is on our Economic Return goal of 5.0%, which is designed to create shareholder value and generate sufficient cash to self-fund our targeted organic revenue growth rate of 12.0%. ROIC and Economic Return are non-GAAP financial measures.

Non-GAAP financial measures, including ROIC and Economic Return, are used for internal management goals and decision making because such measures provide management and investors additional insight into financial performance. In particular, we provide ROIC and Economic Return because we believe they offer insight into the metrics that are driving management decisions because we view ROIC and Economic Return as important measures in evaluating the efficiency and effectiveness of our long-term capital requirements. We also use a derivative measure of ROIC as a performance criteria in determining certain elements of compensation, and certain compensation incentives are based on Economic Return.

We define ROIC as tax-effected operating income before restructuring and other charges divided by average invested capital over a rolling three-quarter period for the fiscal second quarter. Invested capital is defined as equity plus debt, less cash and cash equivalents. Other companies may not define or calculate ROIC in the same way. ROIC and other non-GAAP financial measures should be considered in addition to, not as a substitute for, measures of our financial performance prepared in accordance with U.S. generally accepted accounting principles ("GAAP").

We review our internal calculation of WACC annually, and our estimated WACC is 10.5% for fiscal 2017. By exercising discipline to generate ROIC in excess of our WACC, our goal is to create value for our shareholders. ROIC was 16.8% and 11.6% for the six months ended April 1, 2017 and April 2, 2016, respectively, and was calculated excluding restructuring and other charges of $3.4 million for the six months ended April 2, 2016.

For a reconciliation of ROIC, Economic Return and adjusted operating income (tax effected) to our financial statements that were prepared using GAAP, see Exhibit 99.1 to this quarterly report on Form 10-Q, which exhibit is incorporated herein by reference.

Refer to the table below, which includes the calculation of ROIC and Economic Return (dollars in millions) for the indicated periods:

	Six Months Ended	
	April 1, 2017	April 2, 2016
Annualized operating income (tax effected)	$ 120,983	$ 85,963
Average invested capital	718,524	743,112
After-tax ROIC	16.8%	11.6%
WACC	10.5%	11.0%
Economic Return	6.3%	0.6%

LIQUIDITY AND CAPITAL RESOURCES

Cash, cash equivalents and restricted cash were $525.0 million as of April 1, 2017, and $433.0 million as of October 1, 2016.

As of April 1, 2017, approximately 94.3% of our cash balance was held outside of the U.S. by our foreign subsidiaries. While our intent is to permanently reinvest the funds held in these countries, we regularly review and evaluate that strategy, particularly as the percentage of our cash balance held outside the U.S. has increased. For example, during fiscal 2016, the Company repatriated $100.0 million of that fiscal year's foreign earnings from the APAC region to the U.S., which had no income statement impact due to U.S. net operating losses, the use of U.S. tax credits and the reversal of the related valuation allowance. The Company does not have a history of repatriating foreign earnings by way of a taxable dividend and considers the fiscal 2016 remittance to be an isolated occurrence. The Company does not anticipate a similar repatriation in the foreseeable future. Currently, we believe that cash held in the U.S., together with cash available under our Credit Facility, will be sufficient to meet our U.S. liquidity needs for the next twelve months and for the foreseeable future.

Cash Flows. The table below provides a summary of cash flows for the periods presented, excluding the effect of exchange rates on cash and cash equivalents and restricted cash (in millions):

	Six Months Ended	
	April 1, 2017	April 2, 2016
Cash provided by operating activities	$ 105.6	$ 91.3
Cash used in investing activities	$ (14.2)	$ (16.8)
Cash provided by (used in) financing activities	$ 3.3	$ (20.0)

Operating Activities. Cash flows provided by operating activities during the six months ended April 1, 2017 was $105.6 million, a $14.3 million increase as compared to the six months ended April 2, 2016. As compared to the prior year quarter, the improvement in cash flows provided by operating activities was primarily driven by the increase in net income, partially offset by an $11.0 million unfavorable change in working capital.

Working capital cash flows declined as compared to the prior year quarter primarily due to a $53.1 million increase in cash used for inventory, which was driven by additional inventory on hand that we expected to ship during the quarter, but did not based on lower customer demand, as well as inventory to support the ramp of new programs for several customers. Partially offsetting the increase in cash used for inventory were improvements in working capital cash flows of $35.0 million from accounts receivable cash flows, which resulted primarily from increased factoring activity discussed below, and a $9.7 million increase in customer deposit cash flows.

The following table shows a summary of cash cycle days for the periods indicated (in days):

	Three Months Ended	
	April 1, 2017	April 2, 2016
Days in accounts receivable	48	48
Days in inventory	103	91
Days in accounts payable	(64)	(62)
Days in cash deposits	(14)	(11)
Annualized cash cycle	73	66

We calculate days in accounts receivable as accounts receivable at the end of the respective quarter divided by annualized sales for the respective quarter by day. We calculate days in inventory, accounts payable, and cash deposits as each balance sheet line item at the end of the respective quarter divided by annualized cost of sales for the respective quarter by day. We calculate annualized cash cycle as the sum of days in accounts receivable and days in inventory, less days in accounts payable and days in cash deposits.

As of April 1, 2017, annualized cash cycle days increased by seven days as compared to April 2, 2016 due to the following factors:

Days in accounts receivable for the three months ended April 1, 2017 remained flat as as compared to the three months ended April 2, 2016, due to a $72.3 million increase in accounts receivable sold under factoring programs, which offset an increase in accounts receivable that resulted from a shift in customer mix and an increase in payment terms with certain customers.

Days in inventory for the three months ended April 1, 2017 increased by 12 days compared to the three months ended April 2, 2016, primarily driven by delayed customer shipments and inventory procured to support new program ramps.

Days in accounts payable for the three months ended April 1, 2017 increased by two days compared to the three months ended April 2, 2016, primarily driven by increased purchasing activity to support new program ramps.

Days in cash deposits for the three months ended April 1, 2017, increased by three days compared to the three months ended April 2, 2016, as significant deposits were received from two customers during the first quarter of fiscal 2017 and the third quarter of fiscal 2016, respectively.

Free Cash Flow. We define free cash flow (“FCF”), a non-GAAP financial measure, as cash flows provided by operations less capital expenditures. FCF for the six months ended April 1, 2017 was $91.0 million, an improvement of $16.5 million from the $74.5 million of free cash flow for the six months ended April 2, 2016.

Non-GAAP financial measures, including FCF, are used for internal management assessments because such measures provide additional insight to investors into ongoing financial performance. In particular, we provide FCF because we believe it offers insight into the metrics that are driving management decisions. We view FCF as an important financial metric as it demonstrates our ability to generate cash and can allow us to pursue opportunities that enhance shareholder value. FCF is a non-GAAP financial measure that should be considered in addition to, not as a substitute for, measures of our financial performance prepared in accordance with GAAP.

A reconciliation of FCF to our financial statements that were prepared using GAAP follows (in millions):

	Six Months Ended	
	April 1, 2017	April 2, 2016
Cash flows provided by operating activities	$ 105.6	$ 91.3
Payments for property, plant and equipment	(14.6)	(16.8)
Free cash flow	$ 91.0	$ 74.5

Investing Activities. Cash flows used in investing activities totaled $14.2 million for the six months ended April 1, 2017, a decrease of $2.6 million as compared to $16.8 million for the six months ended April 2, 2016.

We estimate funded capital expenditures for fiscal 2017 to be approximately $40.0 to $50.0 million, of which $14.6 million was utilized through the first six months of fiscal 2017. The remaining fiscal 2017 capital expenditures are anticipated to be used primarily to support new capabilities, new program ramps, and to replace or refresh older equipment. We believe our estimated capital expenditures will continue to be funded from cash flows provided by operations, and may be supplemented by short-term borrowings and available cash, if required.

Financing Activities. Cash flows provided by financing activities totaled $3.3 million for the six months ended April 1, 2017 as compared to $20.0 million used in financing activities for the six months ended April 2, 2016. The $23.4 million increase in cash flows provided by financing activities for the six months ended April 1, 2017, as compared to the six months ended April 2, 2016, was primarily driven by a net $15.6 million increase in borrowings and a $9.1 million increase in proceeds from the exercise of stock options.

On June 6, 2016, the Board of Directors approved a multi-year stock repurchase program under which the Company is authorized to repurchase up to $150.0 million of its common stock beginning in fiscal 2017. We will repurchase shares subject to market conditions. During the six months ended April 1, 2017, the Company repurchased 267,811 shares for approximately $13.9 million at an average price of $51.93 per share.

On August 20, 2015, the Board of Directors approved a stock repurchase program under which the Company was authorized to repurchase up to $30.0 million of its common stock in fiscal 2016. During the six months ended April 2, 2016, the Company repurchased 435,881 shares for approximately $15.7 million at an average price of $36.11 per share.

All shares repurchased under the repurchase programs were recorded as treasury stock.

The Company has a senior unsecured revolving credit facility (the “Credit Facility”) with a $300.0 million maximum commitment that expires on July 5, 2021. The Credit Facility may be further increased to $500.0 million, generally by mutual agreement of the Company and the lenders, subject to certain customary conditions.

Borrowings under the Credit Facility bear interest, at the Company’s option, at a eurocurrency or base rate plus, in each case, an applicable interest rate margin based on the Company’s then-current leverage ratio (as defined in the Credit Agreement). As of April 1, 2017, the borrowing rate under the Credit Agreement was LIBOR plus 1.125% (or 2.108%). As of April 1, 2017, the $90.0 million of outstanding debt under the Credit Facility is effectively at a fixed interest rate as a result of a $75.0 million notional amount of interest rate swap contracts discussed in Note 4, "Derivatives and Fair Value Measurements," in Notes to Condensed Consolidated Financial Statements. The Company is required to pay an annual commitment fee on the daily unused revolver credit commitment based on the Company's leverage ratio; the fee was 0.175% as of April 1, 2017. For further information regarding the Credit Facility, see Note 3, "Debt, Capital Lease Obligations and Other Financing," in Notes to Condensed Consolidated Financial Statements.

The financial covenants under the Credit Agreement require, among other covenants, that the Company maintain, as of each fiscal quarter end, a maximum total leverage ratio and a minimum interest coverage ratio. As of April 1, 2017, the Company was in compliance with all financial covenants of the Credit Agreement.

In fiscal 2011, Plexus issued $175.0 million in principal amount of 5.20% Senior Notes, due on June 15, 2018 (the "Notes"). The related Note Purchase Agreement contains certain financial covenants, which include a maximum total leverage ratio, a minimum interest coverage ratio and a minimum net worth test, all as defined in the agreement. As of April 1, 2017, the Company was in compliance with all such covenants relating to the Notes and the Note Purchase Agreement.

The Credit Agreement and the Note Purchase Agreement allow for the future payment of cash dividends or the repurchase of shares provided that no event of default (including any failure to comply with a financial covenant) exists at the time of, or would be caused by, the dividend payment or the share repurchases. We have not paid cash dividends in the past and do not currently anticipate paying them in the future. However, we evaluate from time to time potential uses of excess cash, which in the future may include share repurchases above those already authorized, a special dividend or recurring dividends.

The Company has a Master Accounts Receivable Purchase Agreement (the “BTMU RPA”) with The Bank of Tokyo-Mitsubishi UFJ, Ltd., New York Branch (the “Purchaser”), which was amended on March 28, 2017, to, among other changes, increase the maximum facility amount from $100.0 million to $120.0 million. Pursuant to the BTMU RPA, the Company and certain of its subsidiaries (each, a “Seller”) may sell to the Purchaser up to an aggregate of $120.0 million in accounts receivable owed to such Sellers by specified customers. In exchange, the Purchaser pays a purchase price for each purchased receivable equal to the net face value of the receivable less an agreed-upon discount. The BTMU RPA represents a non-committed facility. The Purchaser pays an agreed-upon servicing fee to each Seller with respect to each purchased receivable sold by such Seller, consistent with common market practices. The BTMU RPA contains representations, warranties, covenants, and termination events that are customary for factoring transactions of this type. The BTMU RPA is subject to expiration on October 3, 2017, but will be automatically extended each year unless any party gives no less than 10 days prior notice that the agreement should not be extended.

On March 17, 2017, the Company entered into a Master Accounts Receivable Purchase Agreement (the "HSBC RPA") with HSBC Bank (China) Company Limited, Xiamen branch (the “HSBC Purchaser”). Pursuant to the HSBC RPA, the Company and certain of its subsidiaries (each, a “Seller”) may sell to the HSBC Purchaser up to an aggregate of $30.0 million in accounts receivable owed to such Sellers by specified customers. The terms of the HSBC RPA are generally consistent with the terms of the BTMU RPA discussed above.

We sold $91.5 million and $169.3 million of trade accounts receivable during the respective three and six months ended April 1, 2017, and in exchange, received cash proceeds of $91.1 million and $168.5 million, respectively.

During the respective three and six months ended April 2, 2016, we sold $19.2 million and $41.5 million of trade accounts receivable under a prior program, and in exchange, received cash proceeds of $19.0 million and $41.2 million, respectively.

In all cases, the sale discount was recorded within "Miscellaneous expense" in the Condensed Consolidated Statements of Comprehensive Income in the period of the sale. For further information regarding the receivable sale programs, see Note 12, "Trade Accounts Receivable Sale Programs," in Notes to Condensed Consolidated Financial Statements.

Based on current expectations, we believe that our projected cash flows provided by operations, available cash and cash equivalents, potential borrowings under the Credit Facility, and our leasing capabilities, should be sufficient to meet our working capital and fixed capital requirements for the next twelve months. If our future financing needs increase, we may need to arrange additional debt or equity financing. Accordingly, we evaluate and consider from time to time various financing alternatives to supplement our financial resources. However, we cannot be assured that we will be able to make any such arrangements on acceptable terms.

CONTRACTUAL OBLIGATIONS, COMMITMENTS AND OFF-BALANCE SHEET OBLIGATIONS

Our disclosures regarding contractual obligations and commercial commitments are located in various parts of our regulatory filings. Information in the following table provides a summary of our contractual obligations and commercial commitments as of April 1, 2017 (dollars in millions):

	Payments Due by Fiscal Year				
Contractual Obligations	Total	Remaining 2017	2018-2019	2020-2021	2022 and thereafter
Long-Term Debt Obligations (1,2)	$ 276.0	$ 94.8	$ 181.2	$ —	$ —
Capital Lease and Other Short-Term Debt Obligations	6.2	2.0	2.6	1.2	0.4
Operating Lease Obligations	25.5	4.4	12.3	8.0	0.8
Purchase Obligations (3)	519.4	480.5	37.5	1.1	0.3
Other Long-Term Liabilities on the Balance Sheet (4)	12.8	0.3	0.4	—	12.1
Other Long-Term Liabilities not on the Balance Sheet (5)	6.5	0.9	1.9	0.8	2.9
Other Financing Obligations (6)	12.2	0.8	3.1	3.2	5.1
Total Contractual Cash Obligations	$ 858.6	$ 583.7	$ 239.0	$ 14.3	$ 21.6

1) Includes amounts outstanding under the Credit Facility. As of April 1, 2017, the outstanding balance was $90.0 million. The amounts listed above include estimated interest obligations; see Note 3, "Debt, Capital Lease Obligations and Other Financing," in Notes to Condensed Consolidated Financial Statements for further information.

2) Includes $175.0 million in principal amount of the Notes and estimated interest obligations thereon; see Note 3, "Debt, Capital Lease Obligations and Other Financing," in Notes to Condensed Consolidated Financial Statements for further information.

3) As of April 1, 2017, purchase obligations consist of commitments to purchase inventory and equipment in the ordinary course of business.

4) As of April 1, 2017, other long-term obligations on the balance sheet included deferred compensation obligations to certain of our former and current executive officers, as well as other key employees, and asset retirement obligations. We have excluded from the above table the impact of approximately $2.8 million, as of April 1, 2017, related to unrecognized income tax benefits. The Company cannot make reliable estimates of the future cash flows by period related to this obligation.

5) As of April 1, 2017, other long-term obligations not on the balance sheet consisted of guarantees and a commitment for salary continuation and certain benefits in the event employment of one executive officer of the Company is terminated without cause. Excluded from the amounts disclosed are certain bonus and incentive compensation amounts, which would be paid on a prorated basis in the year of termination.

6) Includes future minimum payments under the lease agreement for our Guadalajara, Mexico facility. Excludes $20.3 million of future minimum payments under renewal options from 2025 through 2034.

DISCLOSURE ABOUT CRITICAL ACCOUNTING POLICIES

Our critical accounting policies are disclosed in our 2016 annual report on Form 10-K. During the second quarter of fiscal 2017, there were no material changes to these policies.

NEW ACCOUNTING PRONOUNCEMENTS

See Note 14, "New Accounting Pronouncements," in Notes to Condensed Consolidated Financial Statements for further information regarding new accounting pronouncements.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to market risk from changes in foreign exchange and interest rates. We selectively use financial instruments to reduce such risks.

Foreign Currency Risk

We do not use derivative financial instruments for speculative purposes. Our policy is to selectively hedge our foreign currency denominated transactions in a manner that partially offsets the effects of changes in foreign currency exchange rates. We typically use foreign currency contracts to hedge only those currency exposures associated with certain assets and liabilities denominated in non-functional currencies. Corresponding gains and losses on the underlying transaction generally offset the gains and losses on these foreign currency hedges. Our international operations create potential foreign exchange risk.

Our percentages of transactions denominated in currencies other than the U.S. dollar for the indicated periods were as follows:

	Three Months Ended	
	April 1, 2017	April 2, 2016
Net sales	8.3%	8.9%
Total costs	13.9%	11.5%

The Company has evaluated the potential foreign currency exchange rate risk on transactions denominated in currencies other than the U.S. dollar for the periods presented above. Based on the Company's overall currency exposure, as of April 1, 2017, a 10.0% change in the value of the U.S. dollar relative to our other transactional currencies would not have a material effect on the Company's financial position, results of operations, or cash flows. We will continue to monitor developments related to the Brexit and their potential impact on the Company.

Interest Rate Risk

We have financial instruments, including cash equivalents and debt, which are sensitive to changes in interest rates. We consider the use of interest rate swaps based on existing market conditions and have entered into interest rate swaps for our revolving credit facility. For more information, refer to Note 4, "Derivatives and Fair Value Measurements," in Notes to Condensed Consolidated Financial Statements. Interest rate swap agreements are subject to the further risk that the counterparties to these agreements may fail to comply with their obligations thereunder.

The primary objective of our investment activities is to preserve principal, while maximizing yields without significantly increasing market risk. To achieve this, we maintain our portfolio of cash equivalents in a variety of highly rated securities, money market funds and certificates of deposit, and limit the amount of principal exposure to any one issuer.

As of April 1, 2017, our only material interest rate risk is associated with our Credit Facility. Through the use of an interest rate swap, as described above, we fixed the basis on which we pay interest on $75.0 million of the total $90.0 million outstanding, and the borrowings under the Note Purchase Agreement are based on a fixed interest rate, thus mitigating much of our interest rate risk.

ITEM 4. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

The Company maintains disclosure controls and procedures designed to ensure that the information the Company must disclose in its filings with the Securities and Exchange Commission ("SEC") is recorded, processed, summarized and reported on a timely basis. The Company's principal executive officer and principal financial officer have reviewed and evaluated, with the participation of the Company's management, the Company's disclosure controls and procedures as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act") as of the end of the period covered by this report (the "Evaluation Date"). Based on such evaluation, the chief executive officer and chief financial officer have concluded that, as of the Evaluation Date, the Company's disclosure controls and procedures are effective (a) in recording, processing, summarizing and reporting, on a timely basis, information required to be disclosed by the Company in the reports the Company files or submits under the Exchange Act, and (b) in assuring that information is accumulated and communicated to the Company's management, including the chief executive officer and chief financial officer, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control Over Financial Reporting

During the second quarter of fiscal 2017, there have been no changes to the Company's internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Limitations on the Effectiveness of Controls

Our management, including our chief executive officer and chief financial officer, does not expect that our disclosure controls and internal controls will prevent all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple errors or mistakes. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the control. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions; over time, a control may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

Notwithstanding the foregoing limitations on the effectiveness of controls, we have nonetheless reached the conclusion that the Company's disclosure controls and procedures and internal control over financial reporting are effective at the reasonable assurance level.

PART II. OTHER INFORMATION

ITEM 1A. Risk Factors

In addition to the risks and uncertainties discussed herein, particularly those discussed in the “Safe Harbor” Cautionary Statement and "Management’s Discussion and Analysis of Financial Condition and Results of Operations" in Part I, Item 2, see the risk factors set forth in Part I, Item 1A of our annual report on Form 10-K for the fiscal year ended October 1, 2016.

ITEM 2. Unregistered Sales Of Equity Securities and Use Of Proceeds

The following table provides the specified information about the repurchases of shares by the Company during the three months ended April 1, 2017.

Period	Total number of shares purchased	Average price paid per share	Total number of shares purchased as part of publicly announced plans or programs	Maximum approximate dollar value of shares that may yet be purchased under the plans or programs*
January 1, 2017 to January 28, 2017	29,683	$ 53.95	29,683	$ 141,336,874
January 29, 2017 to February 25, 2017	40,419	$ 55.49	40,419	$ 139,093,984
February 26, 2017 to April 1, 2017	52,980	$ 56.64	52,980	$ 136,093,504
Total	123,082	$ 55.61	123,082	

* On June 6, 2016, the Board of Directors approved a stock repurchase program under which the Company is authorized to repurchase up to $150.0 million of its common stock beginning in fiscal 2017.

ITEM 6. Exhibits

See Exhibit Index included as the last page of this report, which index is incorporated herein by reference.

SIGNATURES

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

	Plexus Corp. Registrant
Date: 5/5/17	/s/ Todd P. Kelsey Todd P. Kelsey President and Chief Executive Officer
Date: 5/5/17	/s/ Patrick J. Jermain Patrick J. Jermain Senior Vice President and Chief Financial Officer

Exhibit Index

10.1	Amended and Restated Master Accounts Receivable Purchase Agreement between Plexus Corp. and Plexus Manufacturing Sdn. Bhd., Plexus Intl. Sales & Logistics, LLC, and each additional seller party thereto from time to time as the Sellers, Plexus Corp., as Seller Representative, and The Bank of Tokyo-Mitsubishi UFJ, Ltd., New York Branch, as the Purchaser, dated as of March 28, 2017.*
10.2	Amended and Restated Plexus Corp. 2016 Omnibus Incentive Plan**
10.3	Amended and Restated Plexus Corp. 2008 Long-Term Incentive Plan** (superseded except as to outstanding awards)
31.1	Certification of Chief Executive Officer pursuant to Section 302(a) of the Sarbanes Oxley Act of 2002.
31.2	Certification of Chief Financial Officer pursuant to Section 302(a) of the Sarbanes Oxley Act of 2002.
32.1	Certification of the CEO pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of the CFO pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
99.1	Reconciliation of ROIC and Economic Return to GAAP Financial Statements
101	The following materials from Plexus Corp.'s Quarterly Report on Form 10-Q for the quarter ended April 1, 2017, formatted in XBRL (Extensible Business Reporting Language): (i) the Consolidated Statements of Comprehensive Income, (ii) the Consolidated Balance Sheets, (iii) the Consolidated Statements of Cash Flows, and (iv) Notes to Consolidated Financial Statements.
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document

* Reflects non-material changes to the original agreement that were finalized in March 2017.

** Reflects non-material changes that were finalized in February 2017.

Exhibit 10.1

AMENDMENT NO. 3 AND JOINDER TO AMENDED AND RESTATED MASTER ACCOUNTS RECEIVABLE PURCHASE AGREEMENT

This **AMENDMENT NO. 3 AND JOINDER TO AMENDED AND RESTATED MASTER ACCOUNTS RECEIVABLE PURCHASE AGREEMENT** , dated as of March 28, 2017 (this "Amendment"), is made and entered into by and between Plexus Corp., a Wisconsin corporation (the "Seller Representative"), Plexus Intl. Sales & Logistics, LLC, a Delaware limited liability company ("PISL"), Plexus Manufacturing Sdn. Bhd. ("PM"), Plexus Services Ro SRL ("Plexus Romania"), Plexus Corp. (UK) Limited ("Plexus UK") and The Bank of Tokyo-Mitsubishi UFJ, Ltd., New York Branch (the "Purchaser").

WITNESSETH:

WHEREAS, the Seller Representative, PISL, PM and the Purchaser are parties to that certain Amended and Restated Master Accounts Receivable Purchase Agreement, dated as of December 14, 2016 (as amended, modified or restated from time to time prior to the date hereof, the "Existing Agreement" and as amended by this Amendment, the "MARPA");

WHEREAS, the Sellers have requested that the Existing Agreement be amended as set forth below and that Plexus Romania and Plexus UK (collectively, the "New Sellers" and each a "New Seller") be joined to the Existing Agreement as Sellers, and the Purchaser has agreed to such requests;

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements contained herein, the parties hereto hereby agree as follows:

SECTION 1. Defined Terms. Capitalized terms used but not defined herein shall have the meanings assigned to such terms in the Existing Agreement.

SECTION 2. Amendment. Effective as of the Effective Date (as defined in Section 4 hereof), the Existing Agreement is hereby amended as follows:

(a) The following new definitions shall be added to the Existing Agreement in Section 1.1, in the correct alphabetical order:

(i) "Plexus Romania" means Plexus Services Ro SRL, a company organized and existing under the laws of Romania.

(ii) "Plexus UK" means Plexus Corp. (UK) Limited, a company organized and existing under the laws of Scotland.

(iii) "Third Amendment" means that certain Amendment No. 3 and Joinder to Amended and Restated Master Accounts Receivable Purchase Agreement, dated as of March 28, 2017, by and between Plexus Corp., Plexus Intl. Sales & Logistics, LLC, Plexus Manufacturing Sdn. Bhd., Plexus Services Ro SRL, Plexus Corp. (UK) Limited and The Bank of Tokyo-Mitsubishi UFJ, Ltd., New York Branch.

(b) The defined term "Maximum Facility Amount" in Section 1.1 shall be amended by deleting therein the word "$100,000,000" and replacing it with "$120,000,000".

(c) Section 2.1 of the Existing Agreement shall be amended and restated in its entirety to read as follows:

Offer to Purchase; Purchase and Sale. On any Business Day during the term of this Agreement, each Seller may submit through the PrimeRevenue System (or deliver a manually executed Purchase Request if the PrimeRevenue System is unavailable) a Purchase Request with respect to the Receivables detailed therein; *provided that* (a) no Purchase Requests may be submitted with respect to any Receivable owed to Plexus Malaysia until the conditions under Section 8.1 have been satisfied with respect to Plexus Malaysia, (b) no Purchase Requests may be submitted with respect to any Receivable owed to Plexus Romania until the conditions under Section 4 of the Third Amendment have been satisfied with respect to Plexus Romania, and (c) no Purchase Requests may be submitted with respect to any Receivable owed to Plexus UK until the conditions under Section 4 of the Third Amendment have been satisfied with respect to Plexus UK. The submission or delivery of such Purchase Request shall be, and be deemed for all purposes hereunder as, an offer by the Seller of such Receivables to sell to the Purchaser such Receivables. The Purchaser, in its sole and absolute discretion, may elect to accept or reject the offer to purchase such Receivables, in whole or in part. If the Purchaser accepts such offer, in whole or in part, the Purchaser shall notify the applicable Seller and shall identify the Receivables that it has agreed to purchase, and on the Purchase Date therefor, subject to the terms and conditions set forth herein, (x) the Purchaser shall purchase from each relevant Seller the accepted Receivables to be sold by such Seller, and (y) each such Seller shall sell and assign to the Purchaser all of such Seller's right, title and interest in and to such Receivables as absolute owner thereof.

(d) Section 4.1 of the Existing Agreement shall be amended by adding at the end thereof the following: "Notwithstanding the foregoing provisions of this Section 4.1, Plexus Romania does not grant a security interest hereunder in the Seller Account Collateral related to it."

(e) A new Section 8.6 shall be added to the Existing Agreement, which shall read as follows:

Section 8.6 *Conditions Subsequent to Each Purchase from Plexus Romania*.

No later than five (5) Business Days after each Purchase Date on which Receivables are purchased from Plexus Romania, Plexus Romania shall (a) register such purchase with the Romanian Electronic Archive for Security Interests in Movable Property and provide evidence to the Purchaser of such filing in form and substance satisfactory to the Purchaser and (b) deliver to the applicable Approved Obligor a duly completed and executed notification to such Approved Obligor substantially in the form of Exhibit E attached hereto and deliver evidence thereof to the Purchaser in form and substance acceptable to the Purchaser.

(f) Section 9.1(c) of the Existing Agreement shall be amended and restated in its entirety to read as follows:

> (c) This Agreement, the other Purchase Documents and the sale, assignment and transfer of the Purchased Receivables hereunder constitutes, subject to, with respect to Plexus Romania only, the fulfilment of the conditions in Section 8.6, the legal, valid and binding obligations of such Seller, enforceable in accordance with their terms, subject to bankruptcy, insolvency, reorganization, moratorium and other Laws of general application affecting the rights and remedies of creditors and general principles of equity, regardless of whether enforcement is sought in proceedings in equity or at Law. Subject to, with respect to Plexus Romania only, Section 4.1, this Agreement creates a valid security interest in each Purchased Receivable. Upon the filing of a UCC financing statement in the applicable state, listing such Seller, as debtor, and the Purchaser, as secured party, and covering Purchased Receivables from time to time purchased hereunder, the Purchaser shall have a first priority perfected security interest in each such Purchased Receivable; provided, however, that Plexus Romania shall have no obligation to take any action, except as set out in Section 8.6, required under Romanian law to perfect any such security interest.

(g) Section 9.1(f) of the Existing Agreement shall be amended and restated in its entirety to read as follows:

> (f) No authorization, consent or approval or other action by, and no notice to or filing (other than the UCC financing statements required to be filed hereunder and the actions described in Section 8.6) with, any Governmental Authority is required to be obtained or made by such Seller for the due execution, delivery and performance by it of this Agreement or any other Purchase Document.

(h) Section 13.2 of the Existing Agreement shall be amended by adding therein after the words “with respect to such fees of counsel” the following: “incurred on or before December 31, 2016”.

(i) Schedule A to the Existing Agreement shall be amended and restated to read in its entirety as set out Annex A hereto.

(j) Schedule B to the Existing Agreement shall be amended by adding thereto the UCC Information for each of Plexus Romania and Plexus UK set out on Annex B hereto.

(k) A new Exhibit E shall be added to the Existing Agreement which shall read as set out on Annex C hereto.

(l) The “Seller Account” for Plexus Romania shall be any of the following accounts located at HSBC with numbers:

(m) The “Seller Account” for Plexus UK shall be any of the following accounts located at HSBC with numbers:

SECTION 3. Joinder to Existing Agreement.

(a) Each New Seller hereby agrees, as of the date hereof, to be bound as a Seller by all of the terms and conditions of the MARPA to the same extent as each of the other Sellers thereunder. Each New Seller further agrees, as of the date hereof, that each reference in the MARPA to a “Seller” shall also mean and be a reference to such New Seller.

(b) Each New Seller hereby (a) makes each representation and warranty set forth in Section 9 of the Existing Agreement (assuming that all references in such Section 9 to a specific date refer to the date hereof) and (b) undertakes each covenant obligation set forth in Section 10 of the Existing Agreement, in each case to the same extent as each other Seller.

(c) Each New Seller hereby designates the Seller Representative, and the Seller Representative hereby accepts such designation, as the true and lawful agent and attorney-in-fact of such New Seller for receipt of the summons, writs and notices in connection with any action or suit arising out of the MARPA.

(d) Each of Plexus UK and Plexus Romania hereby confirms the appointment of Plexus Corp. to act on its behalf as Seller Representative under the MARPA.

SECTION 4. Conditions Precedent

(a) Conditions to Effectiveness. This Amendment shall become effective as of the date on which the Purchaser shall have received, in form and substance satisfactory to it (the “Effective Date”) this Amendment, duly executed by the Seller Representative, PISL and PM, Plexus Romania and Plexus UK.

(b) Conditions to Initial Purchases from New Sellers. The initial purchase of Receivables under the MARPA from any New Seller shall be subject to the receipt by the Purchaser of each of the following with respect to such New Seller, in each case in form and substance satisfactory to the Purchaser:

(1) certified copies of resolutions of each New Seller authorizing this Amendment and approving the terms hereof and of the MARPA and the other Purchase Documents and authorizing the transactions contemplated thereunder and authorizing a person or persons to sign those documents including any subsequent notices and acknowledgements to be executed or delivered pursuant to the MARPA, the other Purchase Documents and any other documents to be executed or delivered by each New Seller pursuant thereto;

(2) An officer incumbency and specimen signature certificate for each New Seller;

(3) As regards Plexus UK, a copy of the constitutional documents of Plexus UK certified by an officer of Plexus UK as correct, complete and in full force and effect and confirmation that such constitutional documents have not been amended, revoked or suspended.

(4) As regards Plexus Romania, a certified copy of the up-to-date constitutive act of Plexus Romania bearing the signature and stamp of the Trade Registry Office; good standing certificate (in Romania: *certificat constatator*) issued by the Trade Registry Office; and an excerpt indicating that no proceeding act has been published in the Bulletin for Insolvency Proceedings with respect to Plexus Romania, issued by the Trade Registry Office;

(5) Lien search reports as the Purchaser shall deem advisable with respect to each New Seller, and releases of any Adverse Claim on the Receivables that are or will be Purchased Receivables shown in such reports;

(6) Acknowledgement copies or other evidence of filing of such UCC financing statements or other filings or perfection measures as are required under the MARPA; and

(7) Opinions of counsel to the New Sellers, including opinions with respect to due organization and good standing of each New Seller, due authorization, execution and delivery of this Agreement by each New Seller, validity and enforceability of this Agreement with respect to each New Seller, non-contravention of organizational documents, agreements and law, no consents, creation of security interest and perfection of security, true sale and such other matters as Purchaser may reasonably request.

SECTION 5. Representations and Warranties. To induce the Purchaser to enter into this Amendment, each of the Seller Representative, PISL, PM, Plexus Romania and Plexus UK hereby represents and warrants to the Purchaser that as of the date hereof:

(a) Representations and Warranties. As of the date hereof, the representations and warranties made by the Sellers in the Existing Agreement are true and correct in all material respects on and as of such date as if made on and as of such date (except to the extent such representation or warranty expressly relates to an earlier date, in which case such representation or warranty shall be true and correct in all material respects as of such earlier date).

(b) Reaffirmation. Each Seller, by its signature below, hereby (i) agrees that, notwithstanding the effectiveness of this Amendment, the MARPA continues to be in full force and effect (except to the extent expressly amended hereby) and (ii) affirms and confirms its obligations under each of the Purchase Documents to which it is a party.

SECTION 6. Counterparts. This Amendment may be executed by one or more of the parties to this Amendment on any number of separate counterparts (including by facsimile or electronic transmission of signature pages hereto), and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

SECTION 7. Severability. Any provision of this Amendment which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

SECTION 8. Explicit Acceptance. Plexus Romania hereby represents that:

(a) it has reviewed and understood the provisions of this Amendment and it agrees with the terms thereof;

(b) has independently decided to enter into the Amendment on the basis of its own assessment or, where it has considered necessary, based on the legal, financial or technical expertise of external independent consultants selected by it;

(c) it is capable of understanding (by itself or assisted by any consultants that it has considered necessary) and understands and accepts the contents of all the (internal and external) clauses and all the rights and obligations it undertakes through this Amendment; and

(d) each clause of this Amendment has been negotiated by or on behalf of Plexus Romania with the Purchaser or their representatives (for the purpose of this Clause "*negotiation*" meaning both the exchange of proposals between parties or their representatives which has resulted in a final agreement in relation to certain clauses, and the unconditional acceptance by a party of the clauses proposed by the other party). In particular, Plexus Romania explicitly represents that it understands and accepts each and all unusual standard clauses (as defined by Article 1203 of the Romanian Civil Code, to the extent applicable) in this Amendment and MARPA, including:

(i) Section 2 (*Amendment*), Section 3 (*Joinder to Existing Agreement*) and this Section 8 (*Explicit Acceptance*) and clauses of this Agreement; and

(ii) Section 2 (*Purchase and Sale; Uncommitted Arrangement; Term*), Section 4 (*Nature of Facility*), Section 5 (*Servicer*), Section 7 (*Other Information; The Sellers' Books and Records; Inspection; The Purchaser's Records*), Section 10 (*Covenants*), Section 11 (*Repurchase of Purchased Receivables*), Section 12 (*Taxes*) and Section 13 (*Miscellaneous*) of MARPA.

SECTION 9. GOVERNING LAW. THIS AMENDMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

[remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their respective officers thereunto duly authorized, as of the date first above written.

SELLERS:

PLEXUS CORP.

By: /s/ Angelo M. Ninivaggi
Name: Angelo M. Ninivaggi
Title: Sr. Vice President, Chief Administrative Officer, General Counsel & Secretary

PLEXUS MANUFACTURING SDN. BHD.

By: /s/ Lim Yong Jin
Name: Lim Yong Jin
Title: Managing Director

PLEXUS INT'L SALES & LOGISTICS, LLC

By: /s/ Angelo M. Ninivaggi
Name: Angelo M. Ninivaggi
Title: Vice President and Secretary

PLEXUS SERVICES RO SRL

By: /s/ Angelo M. Ninivaggi
Name: Angelo M. Ninivaggi
Title: Director

By: /s/ Denis Kerr
Name: Denis Kerr
Title: Director

PLEXUS CORP. (UK) LIMITED

By: /s/ Denis Kerr
Name: Denis Kerr
Title: Director

PURCHASER:

THE BANK OF TOKYO-MITSUBISHI UFJ, LTD.

By: /s/ Thomas J. Educate
Name: Thomas J. Educate
Title: Managing Director

ANNEX A

SCHEDULE A TO
AMENDED AND RESTATED MASTER ACCOUNTS RECEIVABLE PURCHASE AGREEMENT

Approved Obligors

Approved Obligor	**Approved Obligor Sublimit (USD)**	**Approved Obligor Buffer Period (days)**	**Applicable Margin**

ANNEX B

EXHIBIT E TO
AMENDED AND RESTATED MASTER ACCOUNTS RECEIVABLE PURCHASE AGREEMENT

NOTICE OF ASSIGNMENT OF RECEIVABLES

To:	*[Name of the Approved Obligor]*
	[Address of the Approved Obligor]
	Attent.: [Name of an authorized person of the Approved Obligors]
Date:	[•]
Re.:	Invoice(s) listed in the Annex (the "**Invoices**")

Dear Sir,

1. In accordance with, and subject to, the terms and provisions of the Amended and Restated Master Accounts Receivable Purchase Agreement dated as of December 14, 2016 and Amendment No. 3 and Joinder to Amended and Restated Master Accounts Receivable Purchase Agreement dated as of [•], 2017, concluded between, among others, PLEXUS SERVICES RO SRL, a Romanian limited liability company with headquarters at 2 - 4 Eugeniu Carada Street, Bihor County, registered with the Trade Registry under no.: J5/261/2009, sole registration no.: 25153581 as seller (the "**Seller**") and THE BANK OF TOKYO-MITSUBISHI UFJ, Ltd., New York Branch, with headquarters at 1251 Avenue of the Americas, 12th floor, New York, NY 10020, as purchaser (the " **Purchaser**"), the Seller assigned in favour of the Purchaser the receivables arising from the invoices against [*please include the name and details of the relevant Approved Obligor*] listed in the Annex (*Invoices*) attached herein.

2. As of the date of receipt of the notice herein, any payment related to the Invoices shall be performed exclusively in the following account:

Account:	[•]
Account Number:	[•]
Reference:	[•]

or such other account notified to you from time to time.

[Note: Please include the details of the relevant Seller Accounts in accordance with the Master Accounts Receivables Purchase Agreement.]

3. However, you shall continue to deal with the Seller, acting as servicer on behalf of the Purchaser in respect of all the receivables arising from the Invoices until you receive written notice to the contrary from the Purchaser. Upon notice to you from the Purchaser, you shall fully comply with the instructions of the Purchaser as it may notify to you.

4. As of the date of receipt of the notice herein, any amounts due under the Invoices shall be owed to the Purchaser, the Seller acting solely as servicer for the benefit of the Purchaser and any set-off mechanism with debts against the Seller is unenforceable.

5. Any payment not made in accordance with the above instructions will have no debt discharging effect.

Yours faithfully,

By: ______________________ *[signature(s) and stamp of Plexus Services Ro SRL]*

Mr. [●]

duly authorised for and on behalf of PLEXUS SERVICES RO SRL

ANNEX

Invoices

Approved Obligor	Invoice Number	Invoice Amount	Invoice Date

ANNEX C

(a) Name:	Plexus Services Ro SRL
(b) Chief Executive Office:	Str. Eugeniu Carada, nr. 2 – 4, Oreada, Bihor, Romania 410610
(c) Jurisdiction of Organization:	Romania
(d) Organizational Number:	ORC J05/261/19.02.2009; CUI 25153581; VAT number: RO25153581
(e) FEIN:	96-0618894
(f) Tradenames:	N/A
(g) Changes in Location, Name and Corporate Organization in the last 5 years:	Previous address: 34/A Calea Borsului St., Oradea, Bihor county, Romania 410605. Prior address (2013): Santion Village, Bors commune (Bors Land Book no. 36, cadastral number 5, 6 and 91), Oradea, Bihor county, Romania

(a) Name:	Plexus Corp. (UK) Limited
(b) Chief Executive Office:	Pinnacle Hill Industrial Estate, Kelso, Roxburghshire, Scotland TD5 8XX
(c) Jurisdiction of Organization:	Scotland (UK)
(d) Organizational Number:	Coy Registration #: SC146948
(e) FEIN:	VAT number: GB 634817526
(f) Tradenames:	N/A
(g) Changes in Location, Name and Corporate Organization in the last 5 years:	N/A

Exhibit 10.2

Amended and restated as of February 15, 2017

PLEXUS CORP.
2016 OMNIBUS INCENTIVE PLAN

1. Introduction.

(a) Purposes. The purposes of the 2016 Omnibus Incentive Plan are to provide a means to attract and retain talented personnel and to provide to participating directors, officers and other key employees long-term incentives for high levels of performance and for successful efforts to improve the financial performance of the corporation. These purposes may be achieved through the grant of options to purchase Common Stock of Plexus Corp., the grant of Stock Appreciation Rights, the grant of Restricted Stock Awards, the grant of Performance Stock Awards, the grant of Other Stock Awards and the grant of Cash Incentive Awards, as described below.

(b) Effect on Prior Plans. If the 2016 Omnibus Incentive Plan is approved by shareholders, no further awards will be granted under the Plexus 2008 Long-Term Incentive Plan (the “2008 Plan”). Awards granted previously under the 2008 Plan and its predecessors will remain in effect until they have been exercised or have expired and shall be administered in accordance with their terms and the relevant plan.

2. Definitions.

(a) “1934 Act” means the Securities Exchange Act of 1934, as it may be amended from time to time.

(b) “Award” means an Incentive Stock Option, Non-Qualified Stock Option, Stock Appreciation Right, Restricted Stock Award, Performance Stock Award, Other Stock Award or Cash Incentive Award, as appropriate.

(c) “Award Agreement” means the agreement between the Corporation and the Grantee specifying the terms and conditions as described thereunder. The Corporation may provide for the use of electronic, Internet or other non-paper Award Agreements, and the use of electronic, Internet or other non-paper means for the acceptance thereof and actions thereunder by a Grantee.

(d) "Board” means the Board of Directors of Plexus Corp.

(e) “Cash Incentive Award” means a cash incentive award under Article 9 of the Plan.

(f) “Cause” means a violation of the Corporation’s Code of Conduct and Business Ethics, or substantial and continued failure of the employee to perform, which results in, or was intended to result in (i) demonstrable injury to the Corporation, monetary or otherwise or (ii) gain to, or enrichment of, the Grantee at the Corporation’s expense.

(g) “Change in Control” means an event which shall be deemed to have occurred in the event that any person, entity or group shall become the beneficial owner of such number of shares of Common Stock, and/or any other class of stock of the Corporation then outstanding that is entitled to vote in the election of directors (or is convertible into shares so entitled to vote) as together possess more than 50% of the voting power of all of the then outstanding shares of all such classes of stock of the Corporation so entitled to vote. For purposes of the preceding sentence, “person, entity or group” shall not include (i) any employee benefit plan of the Corporation, or (ii) any person, entity or group which, as of the Effective Date of this Plan, is the beneficial owner of such number of shares of Common Stock and/or such other class of stock of the Corporation as together possess 5% of such voting power; and for these purposes “group” shall mean persons who act in concert as described in Section 14(d)(2) of the 1934 Act.

(h) “Code” means the Internal Revenue Code of 1986, as it may be amended from time to time.

(i) “Committee” means the committee described in Article 4 or the person or persons to whom the committee has delegated its power and responsibilities under Article 4.

(j) “Common Stock” or “Stock” means the common stock of the Corporation having a par value of $.01 per share.

(k) “Corporation” means Plexus Corp., a Wisconsin corporation.

(l) “Disabled” means a permanent and total disability as described in Code Section 22(e)(3).

(m) “Fair Market Value” means, as applied to a specific date, the price of a share of Common Stock that is based on the opening, closing, actual, high, low or average selling prices of a share reported on any established stock exchange or national market system including without limitation the Nasdaq Stock Market and the New York Stock Exchange on the applicable date, the preceding trading day, the next succeeding trading day, or an average of trading days, as determined by the Committee in its discretion. Unless otherwise specified in an Award Agreement, Fair Market Value shall be deemed to be equal to (i) the reported closing price of such Stock on the Nasdaq Stock Market, the New York Stock Exchange or such other established stock exchange on such date, or if no sale of such Stock shall have been made on that date, on the preceding date on which there was such a sale, (ii) if such Stock is not then listed on an exchange, the last trade price per share for such Stock in the over-the-counter market as quoted on Nasdaq or the pink sheets or successor publication of the National Quotation Bureau on such date, or (iii) if such Stock is not then listed or quoted as referenced above, an amount determined in good faith by the Board or the Committee; provided that for purposes of a Stock Appreciation Right exercise, the actual trading price of the Stock at the time of SAR exercise shall be used to determine “Fair Market Value” on the exercise date.

(n) “Grant Date” means the date on which an Award is deemed granted, which shall be the date on which the Committee authorizes the Award or such later date as the Committee shall determine in its sole discretion.

(o) “Grantee” means an individual who has been granted an Award.

(p) “Incentive Stock Option” means an option that is intended to meet the requirements of Section 422 of the Code and regulations thereunder.

(q) “Non-Qualified Stock Option” means an option other than an Incentive Stock Option.

(r) “Option” means an Incentive Stock Option or Non-Qualified Stock Option, as appropriate.

(s) “Other Stock Award” means an Award described in Article 8.

(t) “Performance Goal” means a performance goal established by the Committee prior to the grant of any Award that is based on the attainment of goals relating to one or more of the following business criteria measured on an absolute basis or in terms of growth or reduction or with specified adjustments: income (pre-tax or after-tax and with adjustments as stipulated), earnings per share (basic and diluted), return on equity, return on capital employed (ROCE), revenue, sales, gross profit, gross profit margin, operating profit, operating profit margin return on assets, return on tangible book value, return on sales, earnings before or after taxes including earnings before interest, taxes, depreciation and/or amortization (EBIDTA), expense ratio, increase in stock price, return on invested capital (ROIC), total shareholder return, shareholder value added (or a derivative thereof), free cash flow, operating cash flow, working capital, cash cycle days, expenses, cost reduction, market share, level or amount of acquisitions, debt reduction, on-time to commit, on-time to request, manufacturing process yield, quality yield, economic profit or return, operating margin, objective measures of productivity or operating efficiency, new business wins, net promoter score and customer satisfaction. Such performance goals may be based solely by reference to the Corporation’s performance or the performance of an affiliate, division, business segment or business unit of the Corporation or any of its subsidiaries, or based upon the relative performance of other companies or upon comparisons of any of the indicators of performance relative to other companies. In measuring the degree of attainment of a Performance Goal, Extraordinary Charges may be disregarded as determined by the Committee in its discretion or as provided in an Award Agreement. “Extraordinary Charges” means charges caused by any one of the following events creating negative adjustments to the attainment of a performance metric: (i) restructurings, discontinued operations, impairment of goodwill or long-lived assets, follow-on stock offerings, extraordinary items, and other unusual or non-recurring charges, (ii) an event either not directly related to the operations of the Corporation or not within the reasonable control of the Corporation's management, (iii) the cumulative effects of tax or accounting changes in accordance with generally accepted accounting principles, (iv) changes in tax regulations or laws, or (v) the effect of a merger or acquisition.

(u) “Performance Stock Award” means an Award under Article 7 of the Plan that is conditioned upon the satisfaction of pre-established Performance Goals. Performance Stock Awards may consist of shares issued subject to forfeiture if specified conditions are not satisfied (“Performance Stock Shares”) or agreements to issue shares of Common Stock in the future if specified conditions are satisfied (“Performance Stock Units”).

(v) “Plan” means the Plexus Corp. 2016 Omnibus Incentive Plan as set forth herein, as it may be amended from time to time.

(w) “Rule 16b-3” means Rule 16b-3 promulgated under the 1934 Act, and any future regulation amending or superseding such regulation.

(x) “Restricted Stock Award” means shares or units of Common Stock which are subject to restrictions established by the Committee. Restricted Stock Awards may consist of shares issued subject to forfeiture if specified conditions are not satisfied (“Restricted Stock Shares”) or agreements to issue shares of Common Stock in the future if specified conditions are satisfied (“Restricted Stock Units”).

(y) “Retirement” means separation from the Company on or after age 55 and after employment by the Company for at least five (5) consecutive years immediately prior to separation, unless otherwise stated in the individual award agreement.

(z) “Stock Appreciation Right” or “SAR” means the right to receive cash or shares of Common Stock in an amount equal to the excess of the Fair Market Value of one share of Common Stock on the date the SAR is exercised over the Fair Market Value of one share of Common Stock on the Grant Date (the “exercise price”). An SAR settled in cash may be referred to as a “Cash Settled Stock Appreciation Right” and an SAR settled in Stock may be referred to as a “Stock Settled Stock Appreciation Right.”

3. Shares Subject to Award.

Subject to adjustment as provided in Section 10(b) hereunder, the number of shares of Common Stock of the Corporation that may be issued under the Plan shall not exceed three million two hundred thousand (3,200,000) shares (the "Share Limit"), all of which may be issued in the form of Incentive Stock Options. No Grantee who is a non-employee director may receive Awards in a calendar year that exceed $300,000 in value (such value computed as of the date of grant in accordance with applicable financial accounting rules) and no Grantee who is an employee may receive Awards for more than 1,000,000 shares in any calendar year. Shares issued under the Plan may come from authorized but unissued shares, from treasury shares held by the Corporation, from shares purchased by the Corporation or an independent agent in the open market for such purpose, or from any combination of the foregoing. The Share Limit shall be subject to the following rules and adjustments:

(a) If an Award granted under the Plan lapses, expires, terminates or is cancelled without the issuance of shares or payment of cash under the Award, then the shares subject to, reserved for or delivered in payment in respect of such Award may again be used for new Awards under this Plan.

(b) If shares are issued under any Award and the Corporation subsequently reacquires them because the Award has expired, is canceled, forfeited or otherwise terminated, then the shares subject to, reserved for or delivered in payment in respect of such Award may again be used for new Awards under this Plan.

(c) Shares subject to an Award shall not again be made available for issuance under the Plan if such shares are delivered to or withheld by the Corporation to pay the exercise price of an Option, or delivered to or withheld by the Corporation to pay the withholding taxes related to an Award.

4. Administration of the Plan.

For purposes of the power to grant Awards to directors, the Committee shall consist of the entire Board. For other Plan purposes, the Plan shall be administered by the Compensation and Leadership Development Committee of the Board, or any other committee the Board may subsequently appoint to administer the Plan, as herein described. The Committee shall have full and final authority, in its discretion, but subject to the express provisions of the Plan to:

(a) grant Awards, to determine the terms of each Award, the individuals to whom, the number of shares subject to, and the time or times at which, Awards shall be granted;

(b) interpret the Plan;

(c) prescribe, amend and rescind rules and regulations relating to the Plan;

(d) determine the terms and provisions of the respective agreements (which need not be identical) by which Awards shall be evidenced;

(e) make all other determinations deemed necessary or advisable for the administration of the Plan;

(f) require withholding from or payment by a Grantee of any federal, state or local taxes;

(g) impose, on any Grantee, such additional conditions, restrictions and limitations upon exercise and retention of Awards as the Committee shall deem appropriate;

(h) treat any Grantee who retires as a continuing employee for purposes of the Plan; and

(i) modify, extend or renew any Award previously granted; provided, however, that this provision shall not provide authority to reprice Awards to a lower exercise price.

Any action of the Committee with respect to the administration of the Plan shall be taken pursuant to a majority vote or by the unanimous written consent of its members. The Committee may delegate all or any part of its responsibilities and powers to any executive officer or officers of the Corporation selected by it. Any such delegation may be revoked by the Board or by the Committee at any time.

5. Options and Stock Appreciation Rights.

(a) Participation.

Options and SARs may be granted to directors, officers and key employees of the Corporation and any of its subsidiaries. In selecting the individuals to whom Options and SARs shall be granted, as well as in determining the number of Options and SARs granted, the Committee shall take into consideration such factors as it deems relevant pursuant to accomplishing the purposes of the Plan. A Grantee may, if otherwise eligible, be granted an additional Awards if the Committee shall so determine.

(b) Granting of Options and SARs.

The officers of the Corporation are authorized and directed, upon receipt of notice from the Committee of the granting of an Option or SAR, to deliver on behalf of the Corporation, by mail or otherwise, to the Grantee an Award upon the terms and conditions specified under the Plan and in the form of the Award Agreement. The Award Agreement shall be dated as of the date of approval of the granting by the Committee. If the Grantee fails to accept the Award within 30 days after the date of its delivery to Grantee, the Award grant may be deemed withdrawn.

Where an Option has been granted under the provisions of the HM Revenue & Customs Approved Rules for UK Employees (the "Sub-Plan") and the number of shares of Common Stock subject to that Option is limited by virtue of Rule 17 of the Sub-Plan, there shall be deemed to have been granted a separate Option (for the avoidance of doubt, not granted under the provisions of the Sub-Plan) on the same date and time and under the same terms for the number of shares of Common Stock in excess of the limit set out in Rule 17 of the Sub-Plan.

(c) Exercise Price.

The exercise price of the Common Stock covered by each Option and SAR shall be not less than the Fair Market Value of such Stock on the Grant Date. Such price shall be subject to adjustment as provided in Section 10(b) hereof.

(d) Designation.

(1) Incentive Stock Options: Any Option designated as an Incentive Stock Option shall comply with the requirements of Section 422 of the Code, including the requirement that incentive stock options may only be granted to individuals who are employed by the Corporation, a parent or a subsidiary corporation of the Corporation. No Incentive Stock Option shall be granted to any individual who, immediately before the Option is granted, directly or indirectly owns (within the meaning of Section 425(d) of the Code, as amended) shares representing more than 10% of the total combined voting power of all classes of stock of the Corporation or its subsidiaries, unless, at the time the option is granted, and in accordance with the provisions of Section 422, the option exercise price is 110% of the Fair Market Value of shares of Stock subject to the Option and the Option must be exercised within 5 years of the Grant Date.

(2) Non-Qualified Stock Options: All Options not subject to or in conformance with the additional restrictions required to satisfy Section 422 shall be designated Non-Qualified Stock Options.

(3) Stock Appreciation Rights: The Committee may designate an Award as a Stock Appreciation Right, which is the right to receive cash or shares of Common Stock in an amount equal to the excess of the Fair Market Value of one share of Common Stock on the date the SAR is exercised over the exercise price for the SAR.

(e) Non-transferability of Options and SARs.

Any Option or SAR granted hereunder shall, by its terms, be non-transferable by a Grantee other than by will or the laws of descent and shall be exercisable during the Grantee's lifetime solely by the Grantee or the Grantee's duly appointed guardian or personal representative. Notwithstanding the foregoing, the Committee may permit a Grantee to transfer a Non-Qualified Stock Option or SAR to a family member or a trust or partnership for the benefit of a family member, in accordance with rules established by the Committee.

(f) Substituted Options or SARs.

In the event the Committee cancels any Option or SAR granted under this Plan, and a new Option or SAR is substituted therefore, the Grant Date of the canceled Option or SAR (except to the extent inconsistent with the restrictions described in Section 5(d), if applicable) shall be the date used to determine the earliest date for exercising the new substituted Option under Section 5(h) hereunder so that the Grantee may exercise the substituted Option or SAR at the same time as if the Grantee had held the substituted Option or SAR since the Grant Date of the canceled Option. Except in connection with a corporate transaction involving the Corporation (including, without limitation, any stock dividend, stock split, extraordinary cash dividend, recapitalization, reorganization, merger, consolidation, split-up, spin-off, combination, or exchange of shares), the terms of outstanding Awards may not be amended to reduce the exercise price of outstanding Options or SARs or cancel outstanding Options or SARS in exchange for cash, other awards or Options or SARs with an exercise price that is less than the exercise price of the original Options or SARs without stockholder approval. Nothing in this Section 5(f) shall provide authority to substitute Awards in a manner which will have the effect of repricing Awards to a lower exercise price.

(g) Vesting of Options and SARs.

The Committee shall have the power to set the time or times within which each Option and SAR shall be exercisable. No Option or SAR shall provide for vesting until the expiration of one year from the Grant Date; provided that the Option or SAR may provide for accelerated vesting if the Grantee terminates employment by reason of death, Disability or Retirement and the Committee may, on a discretionary basis, accelerate vesting in the event of hardship or other special circumstances of a Grantee whose service is terminated (other than for Cause). No Option or SAR may be exercised if in the opinion of counsel for the Corporation the issuance or sale of Stock or payment of cash by the Corporation, as appropriate, pursuant to such exercise shall be unlawful for any reason, nor after the expiration of 10 years from the Grant Date. In no event shall the Corporation be required to issue fractional shares upon the exercise of an Option or SAR.

(h) Exercise Periods.

Unless otherwise provided herein or in a specific Option or SAR Agreement which may provide longer or shorter periods during which the Award may be exercised, no Option or SAR shall be exercisable after the earliest of:

(1) in the case of an Incentive Stock Option:

a. 10 years from the date the option is granted, or five years from the date the option is granted to an individual owning (after the application of the family and other attribution rules of Section 424(d) of the Code) at the time such option was granted, more than 10% of the total combined voting power of all classes of stock of the Corporation,

b. three months after the date the Grantee ceases to perform services for the Corporation or its subsidiaries, if such cessation is for any reason other than death, Disability, Retirement or Cause,

c. three years after the date the Grantee ceases to perform services for the Corporation or its subsidiaries, if such cessation is by reason of the Grantee's death, Disability or Retirement (provided that such Option must be exercised within the time period prescribed by Section 422 of the Code to be treated as an Incentive Stock Option); or

d. the date the Grantee ceases to perform services for the Corporation or its subsidiaries, if such cessation is for Cause, as determined by the Corporation or the Committee in its sole discretion;

(2) in the case of a Nonqualified Stock Option:

a. ten (10) years from the date of grant,

b. ninety days after the date the Grantee ceases to perform services for the Corporation or its subsidiaries, if such cessation is for any reason other than death, Disability, Retirement or Cause,

c. three years after the date the Grantee ceases to perform services for the Corporation or its subsidiaries, if such cessation is by reason of the Grantee's death, Disability or Retirement; or

d. the date the Grantee ceases to perform services for the Corporation or its subsidiaries, if such cessation is for Cause, as determined by the Corporation or the Committee in its sole discretion;

(3) in the case of an SAR:

a. seven (7) years from the date of grant,

b. ninety days after the date the Grantee ceases to perform services for the Corporation or its subsidiaries, if such cessation is for any reason other than death, Disability, Retirement or Cause,

c. one year after the date the Grantee ceases to perform services for the Corporation or its subsidiaries, if such cessation is by reason of death or Disability,

d. three years after the date the Grantee ceases to perform services for the Corporation or its subsidiaries, if such cessation is by reason of the Grantee's Retirement; or

e. the date the Grantee ceases to perform services for the Corporation or its subsidiaries, if such cessation is for Cause, as determined by the Corporation or the Committee in its sole discretion;

provided, that, unless otherwise provided in a specific Award Agreement or determined by the Committee, an Option or SAR shall only be exercisable for the periods above following the date an optionee ceases to perform services to the extent the Option or SAR was exercisable on the date of such cessation. Notwithstanding the foregoing, no Option or SAR shall be exercisable after the date of expiration of its term.

(i) Method of Exercise.

To the extent that the right to purchase shares pursuant to an Option or to exercise an SAR has accrued hereunder, such Option or SAR may be exercised as follows:

(1) Options: Options may be exercised in whole or in part from time to time as specified in the Option agreement. The exercise notice shall state the number of shares being purchased and be accompanied by the payment in full of the exercise price for such shares. Such payment shall be made in (i) cash, (ii) outstanding shares of the Common Stock beneficially owned by the Grantee, the Grantee's spouse or both, (iii) with the approval of the Committee, or if the applicable Award Agreement so provides, by surrendering to the Corporation shares otherwise receivable upon exercise of the Option, or (iv) any combination of the foregoing. If shares of Common Stock are used in part or full payment for the shares to be acquired upon exercise of the Option, such shares shall be valued for the purpose of such exchange as of the date of exercise of the Option at the Fair Market Value of the shares.

(2) SARs: SARs may be exercised in whole or in part from time to time as specified in the SAR agreement. Upon the exercise of SARs, the Grantee shall be entitled to receive an amount determined by multiplying (1) the difference obtained by subtracting the exercise price of the SAR from the Fair Market Value of a share of Common Stock on the date of exercise, by (2) the number of SARs exercised. At the discretion of the Committee, the payment upon the exercise of the SARs may be in cash, in shares of Common Stock of equivalent value, or in some combination thereof.

6. Restricted Stock Awards.

The Committee may grant Restricted Stock Awards to directors, officers and key employees of the Corporation and any of its subsidiaries. Restricted Stock Awards may consist of shares issued subject to forfeiture if specified conditions are not satisfied ("Restricted Stock Shares") or agreements to issue shares of Common Stock in the future if specified conditions are satisfied ("Restricted Stock Units"). The Committee may condition the grant of Restricted Stock Awards upon the attainment of Performance Goals so that the grant qualifies as "performance-based compensation" within the meaning of Section 162(m) of the Code. The Committee may also condition the grant of Restricted Stock Awards upon such other conditions, restrictions and contingencies as the Committee may determine. A Restricted Stock Award must have a minimum vesting period of at least one year, but may provide for accelerated vesting upon a Grantee's death, Disability or Retirement. The provisions of Restricted Stock Awards need not be the same with respect to each recipient. Restricted Stock Awards shall be subject to the following terms and conditions:

(a) Each Restricted Stock Award shall be confirmed by, and be subject to the terms of, an Award Agreement identifying the restrictions applicable to the Award.

(b) Until the applicable restrictions lapse or the conditions are satisfied, the Grantee shall not be permitted to sell, assign, transfer, pledge or otherwise encumber the Restricted Stock Award.

(c) Except to the extent otherwise provided in the applicable Award Agreement and (d) below, the portion of the Restricted Stock Award still subject to restriction shall be forfeited by the Grantee upon termination of the Grantee's service for any reason.

(d) In the event of hardship or other special circumstances of a Grantee whose service is terminated (other than for Cause), the Committee may waive in whole or in part any or all remaining restrictions with respect to such Grantee's Restricted Stock Award.

(e) If and when the applicable restrictions lapse, unrestricted shares of Common Stock shall be issued to the Grantee.

(f) A Grantee receiving an Award of Restricted Stock Shares shall have all of the rights of a shareholder of the Corporation, including the right to vote the shares and the right to receive any cash dividends; provided that if the Restricted Stock Shares are subject to a performance condition any dividends will not be paid until, and only to the extent, the performance condition is satisfied and the Restricted Stock Shares vest. Unless otherwise determined by the Committee, cash dividends shall be paid in cash and dividends payable in Stock shall be paid in the form of additional Restricted Stock Shares.

(g) A Grantee receiving an Award of Restricted Stock Units shall not be deemed the holder of any shares covered by the Award, or have any rights as a shareholder with respect thereto, until such shares are issued to him/her.

7. Performance Stock Awards.

The Committee may grant Performance Stock Awards to officers and key employees of the Corporation and any of its subsidiaries. Performance Stock Awards may consist of shares issued subject to forfeiture if specified conditions are not satisfied ("Performance Stock Shares") or agreements to issue shares of Common Stock in the future if specified conditions are satisfied ("Performance Stock Units"). The Committee anticipates that the Performance Stock Awards will be subject to both a performance condition and a condition related to the Grantee's continued employment. The Committee shall determine the eligible employees to whom and the time or times at which Performance Stock Awards will be made, the number of shares subject to the Award, the time or times within which such Awards will be subject to forfeiture and any other terms and conditions of the Awards. A Performance Stock Award must have a minimum vesting period of at least one year, but may provide for accelerated vesting upon a Grantee's death, Disability or Retirement. Performance Stock Awards shall be subject to the following terms and conditions:

(a) The Performance Stock Awards will be conditioned upon the attainment of one or more preestablished, objective corporate Performance Goals so that the Award qualifies as "performance-based compensation" within the meaning of Section 162(m) of the Code. Performance Goals shall be based on one or more business criteria that apply to the individual, a business unit, or the Corporation as a whole. It is intended that any Performance Goal will be in a form that relates the Performance Stock Award to an increase in the value of the Corporation to its shareholders.

(b) Performance Goals shall be established in writing by the Committee not later than 90 days after the commencement of the period of service to which the Performance Goal relates. The preestablished Performance Goal must state, in terms of an objective formula or standard, the method for computing the number of shares earned or subject to further vesting conditions if the goal is attained.

(c) Following the close of the performance period, the Committee shall determine whether the Performance Goal was achieved, in whole or in part, and determine the number of shares earned or subject to further vesting conditions.

(d) The Performance Stock Awards may be conditioned upon such other conditions, restrictions and contingencies as the Committee may determine, including the Grantee's continued employment. The provisions of Performance Stock Awards need not be the same with respect to each recipient.

(e) Until all conditions for a Performance Stock Award have been satisfied, the Grantee shall not be permitted to sell, assign, transfer, pledge or otherwise encumber the Award.

(f) Except to the extent otherwise provided by the Committee and (g) below, the portion of the Performance Stock Award still subject to restriction shall be forfeited by the Grantee upon termination of a Grantee's service for any reason.

(g) In the event of hardship or other special circumstances of a Grantee whose employment is terminated (other than for Cause), the Committee may waive in whole or in part any or all remaining restrictions with respect to such Grantee's Performance Stock Award.

(h) If and when the applicable restrictions lapse, unrestricted shares of Common Stock for the Performance Stock Award shall be issued to the Grantee.

A Grantee receiving a Performance Stock Award shall not be deemed the holder of any shares covered by the Award, or have any rights as a shareholder with respect thereto, until such shares are issued to him/her following the lapse of the applicable restrictions. The Committee may provide that a Grantee receiving Performance Stock Shares or Performance Stock Units will receive payments in respect of any cash dividends with respect to the Performance Stock Award, but payable only when, and to the extent, the applicable performance conditions are satisfied and the Performance Stock Award vests.

8. Other Stock Awards.

(a) The Committee may grant Other Stock Awards to directors, officers and key employees of the Corporation and any of its subsidiaries. The Committee shall determine the Grantees to whom and the time or times at which Other Stock Awards will be made, the number of shares subject to the Award and any other terms and conditions of the Awards. Other Stock Awards may be granted as unrestricted shares of Common Stock or with a vesting period of less than one year; provided however, no more than 5% of the shares available for issuance pursuant to Awards may be granted as Other Stock Awards.

(b) Other Stock Awards shall be evidenced in such manner as the Committee shall determine.

9. Cash Incentive Awards.

The Committee may grant Cash Incentive Awards to officers and key employees of the Corporation and any of its subsidiaries. The Committee shall determine the employees to whom and the time or times at which Cash Incentive Awards shall be granted, and the conditions upon which such Awards will be paid. The maximum Cash Incentive Award payable to an employee in any fiscal year shall not exceed $4,000,000. Cash Incentive Awards shall be subject to the following terms and conditions:

(a) A Cash Incentive Award under the Plan shall be paid solely on account of the attainment of one or more preestablished, objective Performance Goals. Performance Goals shall be based on one or more business criteria that apply to the individual, a business unit, or the Corporation as a whole. Performance Goals shall be established in writing by the Committee not later than 90 days after the commencement of the period of service to which the Performance Goal relates The pre-established Performance Goal must state, in terms of an objective formula or standard, the method for computing the amount of compensation payable to any employee if the goal is attained.

(b) Following the close of the performance period, the Committee shall determine whether the Performance Goal was achieved, in whole or in part, and determine the amount payable to each employee.

This Plan does not limit the authority of the Corporation, the Board or the Committee, or any Subsidiary, to award bonuses or authorize any other compensation to any person.

10. General Provisions.

(a) Withholding.

The Corporation shall have the power and the right to deduct or withhold, or require a Grantee to remit to the Corporation, an amount sufficient to satisfy Federal, state, and local taxes (including the Grantee's FICA obligation) required by law to be withheld with respect to any taxable event arising or as a result of this Plan. A Grantee may elect, subject to such rules and regulations as the Committee may adopt from time to time, to use stock that would otherwise be issued to the Grantee for tax withholding purposes; provided that the shares withheld may not have a Fair Market Value exceeding the maximum statutory tax rates in the Grantee's applicable tax jurisdictions.

(b) Effect of Change in Stock Subject to Plan.

In the event of a reorganization (other than a reorganization under bankruptcy or insolvency laws), recapitalization, stock split, stock dividend, merger, consolidation, rights offering or like transaction, the Committee will make such adjustment in the number of and class of shares which may be delivered under the Plan, and in the number and class of and/or price of shares subject to outstanding Options, SARs, Restricted Stock Awards, Performance Stock Awards and Other Stock Awards granted under the Plan as it may deem to be equitable. While the Committee must make such an adjustment, the determination by the Committee as to what is equitable shall be at its discretion. Notwithstanding, in the event of the merger or consolidation of the Corporation with or into another corporation or corporations in which the Corporation is not the surviving corporation, the adoption of any plan for the dissolution of the Corporation, or the sale or exchange of all or substantially all the assets of the Corporation for cash or for shares of stock or other securities of another corporation, the Committee may, subject to the approval of the Board of Directors of the Corporation, or the board of directors of any corporation assuming the obligations of the Corporation hereunder, take action regarding each outstanding and unexercised Option and SAR pursuant to either clause (1) or (2) below:

(1) Appropriate provision may be made for the protection of such Option and SAR by the substitution on an equitable basis of appropriate shares of the surviving or related corporation, provided that the excess of the aggregate Fair Market Value of the shares subject to such Award immediately before such substitution over the exercise price thereof is not more than the excess of the aggregate fair market value of the substituted shares made subject to Award immediately after such substitution over the exercise price thereof; or

(2) The Committee may cancel such Award. In the event any Option or SAR is canceled, the Corporation, or the corporation assuming the obligations of the Corporation hereunder, shall pay the Grantee an amount of cash (less normal withholding taxes) equal to the excess of the Fair Market Value per share of the Stock immediately preceding the cancellation over the exercise price, multiplied by the number of shares subject to such Option or SAR. In the event any other Award is canceled, the Corporation, or the corporation assuming the obligations of the Corporation hereunder, shall pay the Grantee an amount of cash or Stock, as determined by the Committee, based upon the value, as determined by the Committee, of the property (including cash) received by the holder of a share of Common Stock as a result of such event. No payment shall be made to a Grantee for any Option or SAR if the exercise price for such Option or SAR exceeds the value, as determined by the Committee, of the property (including cash) received by the holder of a share of Common Stock as a result of such event.

Notwithstanding anything to the contrary, in the event a Change in Control should occur, all Options, SARs and Restricted Stock Awards then outstanding shall become immediately vested or exercisable upon the date of the Change in Control; provided, however, that the vesting of any Award subject to Performance Goals shall be governed by the applicable Award Agreement. Further, the Committee shall have the right to cancel such Options or SARs and pay the Grantee an amount determined under (2) above.

(c) Liquidation.

Upon the complete liquidation of the Corporation, any unexercised Options and SARs theretofore granted under this Plan shall be deemed canceled.

(d) No Employment or Retention Agreement Intended.

Neither the establishment of, nor the awarding of Awards under this Plan shall be construed to create a contract of employment or service between any Grantee and the Corporation or its subsidiaries; nor does it give any Grantee the right to continued service in any capacity with the Corporation or its subsidiaries or limit in any way the right of the Corporation or its subsidiaries to discharge any Grantee at any time and without notice, with or without Cause, or to any benefits not specifically provided by this Plan, or in any manner modify the Corporation's right to establish, modify, amend or terminate any profit sharing or retirement plans.

(e) Shareholder Rights.

Grantee shall not, by reason of any Awards granted hereunder, have any right of a shareholder of the Corporation with respect to the shares covered by the Awards until shares of Stock have been issued to Grantee.

(f) Controlling Law.

The law of the State of Wisconsin, except its law with respect to choice of law, shall be controlling in all matters relating to the Plan.

(g) Award Deferral.

The Committee may permit a Grantee to elect to defer payments of Restricted Stock Awards, Performance Stock Awards, Other Stock Awards and Cash Incentive Awards; provided that any such deferrals shall comply with applicable requirements of the Code, including Code Section 409A. Any deferrals shall be subject to the terms of the applicable deferred compensation plan.

(h) Clawback.

The Awards granted under this Plan are subject to the terms of the Corporation's recoupment, clawback or similar policy as it may be in effect from time to time, as well as any similar requirements of applicable law or exchange rules, any of which could in certain circumstances require repayment or forfeiture of Awards or any shares or other cash or property received with respect to the Awards (including any value received from a disposition of the shares acquired upon payment of the Awards).

(i) Section 409A Compliance.

To the extent that a benefit under the Plan is subject to the requirements of Code Section 409A, it is intended that the Plan, as applied to that benefit, comply with the requirements of Code Section 409A, and the Plan shall be so administered and interpreted. The Board or Committee may make any changes required to conform the Plan and any Award with applicable Code provisions and regulations relating to Code Section 409A. The payment of an Award that is subject to Code Section 409A shall not be accelerated upon a Change in Control unless such event also constitutes a change in control event under Code Section 409A. If a Grantee is a "specified employee" as defined under Code Section 409A and the Grantee's Award is to be settled on account of the Grantee's separation from service (for reasons other than death) and such Award constitutes "deferred compensation" as defined under Code Section 409A, then any portion of the Grantee's Award that would otherwise be settled during the six-month period commencing on the Grantee's separation from service shall be settled as soon as practicable following the conclusion of the six-month period (or following the Grantee's death if it occurs during such six-month period).

(j) Indemnification.

In addition to such other rights of indemnification as they may have, the members of the Committee and other Corporation employees administering the Plan and the Board members shall be indemnified by the Corporation against the reasonable expenses, including attorneys' fees actually and necessarily incurred in connection with the defense of any action, suit or proceeding, or in connection with any appeal therein, to which they or any of them may be a party by reason of any action taken or failure to act under or in connection with the Plan or any Option granted thereunder, and against all amounts paid by them in settlement thereof (provided such settlement is approved by independent legal counsel selected by the Corporation) or paid by them in satisfaction of a judgment in any such action, suit or proceeding, except in relation to matters as to which it shall be adjudged in such action, suit or proceeding that such member acted in bad faith in the performance of his duties; provided that within 20 days after institution of any such action, suit or proceeding, the member shall in writing offer the Corporation the opportunity, at its own expense, to handle and defend the same.

(k) Use of Proceeds.

The proceeds from the sale of shares of Common Stock pursuant to Options granted under the Plan shall constitute general funds of the Corporation.

(l) Amendment of the Plan.

The Board may from time to time amend, modify, suspend or terminate the Plan; provided, however, that no such action shall be made without shareholder approval where such change would be required in order to comply with Rule 16b-3 or the Code.

(m) Effective Date of Plan.

The Plan shall become effective on the date it is approved by the shareholders of the Corporation (the "Effective Date").

(n) Termination of the Plan.

The Plan will expire ten (10) years after the Effective Date, solely with respect to the granting of Incentive Stock Options or such later date as may be permitted by the Code for Incentive Stock Options; provided, however, that the Plan shall terminate at such earlier time as the Board may determine. Any such termination, either partially or wholly, shall not affect any Awards then outstanding under the Plan.

Exhibit 10.3

Amended and restated as of August 13, 2014
(as further amended effective February 15,2017)

PLEXUS CORP.
2008 LONG-TERM INCENTIVE PLAN

1. Introduction.

(a) Purposes. The purposes of the 2008 Long-Term Incentive Plan are to provide a means to attract and retain talented personnel and to provide to participating directors, officers and other key employees long-term incentives for high levels of performance and for successful efforts to improve the financial performance of the corporation. These purposes may be achieved through the grant of options to purchase Common Stock of Plexus Corp., the grant of Stock Appreciation Rights, the grant of Restricted Stock, the grant of Performance Stock Awards, the grant of Unrestricted Stock Awards and the grant of Cash Incentive Awards, as described below.

(b) Effect on Prior Plans. If the 2008 Plan is approved by shareholders, the Plexus Corp. 2005 Equity Incentive Plan (the "2005 Plan") will only be used to make grants to employees covered by the approved sub-plan for United Kingdom employees which has been established under the 2005 Plan. If and when a sub-plan for United Kingdom employees under the 2008 Plan is approved, no further awards will be granted under the Plexus Corp. 2005 Plan. Awards granted previously under the 2005 Plan will remain in effect until they have been exercised or have expired. The awards shall be administered in accordance with their terms and the 2005 Plan.

2. Definitions.

(a) "1934 Act" means the Securities Exchange Act of 1934, as it may be amended from time to time.

(b) "Award" means an Incentive Stock Option, Non-Qualified Stock Option, Stock Appreciation Right, Restricted Stock grant, Performance Stock Award, Unrestricted Stock Award or Cash Incentive Award, as appropriate.

(c) "Award Agreement" means the agreement between the Corporation and the Grantee specifying the terms and conditions as described thereunder.

(d) "Board" means the Board of Directors of Plexus Corp.

(e) "Cash Incentive Award" means a cash incentive award under Article 17 of the Plan.

(f) "Cause" means a violation of the Corporation's Code of Conduct and Business Ethics, or substantial and continued failure of the employee to perform, which results in, or was intended to result in (i) demonstrable injury to the Corporation, monetary or otherwise or (ii) gain to, or enrichment of, the Grantee at the Corporation's expense.

(g) "Change in Control" means an event which shall be deemed to have occurred in the event that any person, entity or group shall become the beneficial owner of such number of shares of Common Stock, and/or any other class of stock of the Corporation then outstanding that is entitled to vote in the election of directors (or is convertible into shares so entitled to vote) as together possess more than 50% of the voting power of all of the then outstanding shares of all such classes of stock of the

Corporation so entitled to vote. For purposes of the preceding sentence, “person, entity or group” shall not include (i) any employee benefit plan of the Corporation, or (ii) any person, entity or group which, as of the Effective Date of this Plan, is the beneficial owner of such number of shares of Common Stock and/or such other class of stock of the Corporation as together possess 5% of such voting power; and for these purposes “group” shall mean persons who act in concert as described in Section 14(d)(2) of the 1934 Act.

(h) “Code” means the Internal Revenue Code of 1986, as it may be amended from time to time.

(i) “Committee” means the committee described in Article 4 or the person or persons to whom the committee has delegated its power and responsibilities under Article 4.

(j) “Common Stock” or “Stock” means the common stock of the Corporation having a par value of $.01 per share.

(k) “Corporation” means Plexus Corp., a Wisconsin corporation.

(l) “Fair Market Value” means for purposes of the Plan an amount deemed to be equal to the mean between the highest and lowest sale prices of Common Stock traded on such date for sales made and reported through the National Market System of the National Association of Securities Dealers or such national stock exchange on which such Stock may then be listed and which constitutes the principal market for such Stock, or, if no sales of Stock shall have been reported with respect to that date, on the next preceding date with respect to which sales were reported; provided that for Stock Appreciation Rights exercised on or after August 13, 2014, the trading price of the Stock at the time of SAR exercise shall be used to determine "Fair Market Value" on the exercise date. Notwithstanding the foregoing, the Committee may determine to base the determination of Fair Market Value on an average of trading days, but only if the requirements for the use of such method is permitted by Section 409A of the Code.

(m) “Grant Date” means the date on which an Award is deemed granted, which shall be the date on which the Committee authorizes the Award or such later date as the Committee shall determine in its sole discretion.

(n) “Grantee” means an individual who has been granted an Award.

(o) “Incentive Stock Option” means an option that is intended to meet the requirements of Section 422 of the Code and regulations thereunder.

(p) “Non-Qualified Stock Option” means an option other than an Incentive Stock Option.

(q) “Option” means an Incentive Stock Option or Non-Qualified Stock Option, as appropriate.

(r) “Performance Goal” means a performance goal established by the Committee prior to the grant of any Award that is based on the attainment of goals relating to one or more of the following business criteria measured on an absolute basis or in terms of growth or reduction: income (pre-tax or after-tax and with adjustments as stipulated), earnings per share, return on equity, return on capital employed (ROCE), revenue, sales, return on assets, return on tangible book value, operating income, earnings before depreciation, interest, taxes and amortization (EBIDTA), expense ratio, increase in stock price, return on invested capital (ROIC), total shareholder return, shareholder value added (or a derivative thereof), free cash flow, operating cash flow, working capital, cash cycle days, expenses, cost reduction, market share, debt reduction and customer satisfaction. Such performance goals may be based solely by reference to the Corporation’s performance or the performance of an affiliate, division, business segment or business unit of the Corporation or any of its subsidiaries, or based upon the relative performance of other companies or upon comparisons of any of the indicators of performance relative to other companies. In measuring the degree of attainment of a Performance Goal, Extraordinary Charges shall be disregarded except as otherwise determined by the Committee in its discretion or as otherwise provided in an Award Agreement. "Extraordinary Charges" means charges caused by any one of the following events creating negative adjustments to the attainment of a performance metric: (i) restructurings, discontinued operations, impairment of goodwill or long-lived assets, follow on stock offerings, extraordinary items, and other unusual or non-recurring charges, (ii) an event either not directly related to the operations of the Corporation or not within the reasonable control of the Corporation's management, (iii) the cumulative effects of tax or accounting changes in accordance with generally accepted accounting principles, (iv) changes in tax regulations or laws, or (v) the effect of a merger or acquisition.

(s) "Performance Stock Award" means an Award under Article 16 of the Plan that is conditioned upon the satisfaction of pre-established Performance Goals.

(t) "Plan" means the Plexus Corp. 2008 Long-Term Incentive Plan as set forth herein, as it may be amended from time to time.

(u) "Rule 16b-3" means Rule 16b-3 promulgated under the 1934 Act, and any future regulation amending or superseding such regulation.

(v) "Restricted Stock" means shares or units of Common Stock which are subject to restrictions established by the Committee. Restricted Stock Awards may consist of shares issued subject to forfeiture if specified conditions are not satisfied ("Restricted Stock Shares") or agreements to issue shares of Common Stock in the future if specified conditions are satisfied ("Restricted Stock Units").

(w) "Stock Appreciation Right" or "SAR" means the right to receive cash or shares of Common Stock in an amount equal to the excess of the Fair Market Value of one share of Common Stock on the date the SAR is exercised over (1) the Fair Market Value of one share of Common Stock on the Grant Date (the "exercise price") or (2) if the SAR is related to an Option, the purchase price of a share of Common Stock specified in the related Option. An SAR settled in cash may be referred to as a "Cash Settled Stock Appreciation Right" and an SAR settled in stock may be referred to as a "Stock Settled Stock Appreciation Right."

(x) "Deferred Stock Unit" means an agreement to issue an unrestricted share of Common Stock at a time determined in accordance with the Grantee's election and the terms of the Director Deferred Compensation Plan.

(y) "Director Deferred Compensation Plan" means the Plexus Corp. Non-Employee Directors Deferred Compensation Plan.

(z) "Unrestricted Stock Award" means an Award described in Article 16A.

3. Shares Subject to Award.

Subject to adjustment as provided in Article 19 hereunder, the number of shares of Common Stock of the Corporation that may be issued under the Plan shall not exceed five million five hundred thousand (5,500,000) shares (the "Share Limit"), all of which may be issued in the form of Incentive Stock Options. No Plan Participant may receive Awards for more than 1,000,000 Shares in any calendar year. Shares issued under the Plan may come from authorized but unissued shares, from treasury shares held by the Corporation, from shares purchased by the

Corporation or an independent agent in the open market for such purpose, or from any combination of the foregoing. The Share Limit shall be subject to the following rules and adjustments:

(a) If an SAR is exercised pursuant to Article VI, only the number of shares of Common Stock issued upon exercise shall be counted against the Share Limit (not the number of shares subject to the SAR).

(b) If any Award granted under this Plan is canceled, terminates, expires, or lapses for any reason, any shares subject to such Award again shall be available for the grant of an Award under the Plan. Any Awards or portions thereof that are settled in cash and not in shares of Common Stock shall not be counted against the foregoing Share Limit.

(c) Following the approval of the 2008 Plan by shareholders, the 2005 Plan may be used to make grants to employees covered by the approved sub-plan for United Kingdom employees under the 2005 Plan. Any shares of Common Stock subject to options which are granted to United Kingdom employees after the 2008 Plan has been approved by shareholders shall be counted against the 2008 Plan Share Limit as one share for every one share subject thereto.

4. Administration of the Plan.

For purposes of the power to grant Awards to directors, the Committee shall consist of the entire Board. For other Plan purposes, the Plan shall be administered by the Compensation and Leadership Development Committee of the Board, or any other committee the Board may subsequently appoint to administer the Plan, as herein described. The Committee shall have full and final authority, in its discretion, but subject to the express provisions of the Plan to:

(a) grant Awards, to determine the terms of each Award, the individuals to whom, the number of shares subject to, and the time or times at which, Awards shall be granted;

(b) interpret the Plan;

(c) prescribe, amend and rescind rules and regulations relating to the Plan;

(d) determine the terms and provisions of the respective agreements (which need not be identical) by which Awards shall be evidenced;

(e) make all other determinations deemed necessary or advisable for the administration of the Plan;

(f) require withholding from or payment by a Grantee of any federal, state or local taxes;

(g) impose, on any Grantee, such additional conditions, restrictions and limitations upon exercise and retention of Awards as the Committee shall deem appropriate;

(h) treat any Grantee who retires as a continuing employee for purposes of the Plan; and

(i) modify, extend or renew any Award previously granted; provided, however, that this provision shall not provide authority to reprice Awards to a lower exercise price.

Any action of the Committee with respect to the administration of the Plan shall be taken pursuant to a majority vote or by the unanimous written consent of its members. The Committee may delegate all or any part of its responsibilities and powers to any executive officer or officers of the Corporation selected by it. Any such delegation may be revoked by the Board or by the Committee at any time.

5. Option Participation.

Options may be granted to directors, officers and key employees of the Corporation and any of its subsidiaries. In selecting the individuals to whom Options shall be granted, as well as in determining the number of Options granted, the Committee shall take into consideration such factors as it deems relevant pursuant to accomplishing the purposes of the Plan. A Grantee may, if otherwise eligible, be granted an additional Option or Options if the Committee shall so determine.

6. Granting of Options.

The officers of the Corporation are authorized and directed, upon receipt of notice from the Committee of the granting of an Option, to deliver on behalf of the Corporation, by mail or otherwise, to the Grantee an Option upon the terms and conditions specified under the Plan and in the form of the Award Agreement. The Award Agreement shall be dated as of the date of approval of the granting of an Option by the Committee. If the Grantee fails to accept the Award within 30 days after the date of its delivery to Grantee, the Option grant may be deemed withdrawn.

Where an Option has been granted under the provisions of the HM Revenue & Customs Approved Rules for UK Employees (the "Sub-Plan") and the number of shares of Common Stock subject to that Option is limited by virtue of Rule 17 of the Sub-Plan, there shall be deemed to have been granted a separate Option (for the avoidance of doubt, not granted under the provisions of the Sub-Plan) on the same date and time and under the same terms for the number of shares of Common Stock in excess of the limit set out in Rule 17 of the Sub-Plan.

7. Option Exercise Price.

The purchase price of the Common Stock covered by each Option shall be not less than the Fair Market Value of such Stock on the Grant Date. Such price shall be subject to adjustment as provided in Article 19 hereof.

8. Option Designation.

At the time of the grant of each Option, the Committee shall designate the Option as (a) an Incentive Stock Option or (b) a Non-Qualified Stock Option, as described in Sections (a) and (b) below, respectively.

(a) Incentive Stock Options: Any Option designated as an Incentive Stock Option shall comply with the requirements of Section 422 of the Code, including the requirement that incentive stock options may only be granted to individuals who are employed by the Corporation, a parent or a subsidiary corporation of the Corporation. If an Option is so designated, the Fair Market Value (determined as of the Grant Date) of the shares of Stock with respect to which that and any other Incentive Stock Option first becomes exercisable during any calendar year under this Plan or any other stock option plan of the Corporation or its affiliates shall not exceed $100,000; provided, however, that the time or times of exercise of an Incentive Stock Option may be accelerated pursuant to Article 12, 13 or 19 hereof, terms of the Plan and, in the event of such acceleration, such Incentive Stock Option shall be treated as a Non-Qualified Option to the extent that the aggregate Fair Market Value (determined as of the Grant Date) of the shares of stock with respect to which such Option first becomes exercisable in the calendar year (including Options under this Plan and any other Plan of the corporation or its affiliates) exceeds $100,000, the extent of such excess to be determined by the Committee taking into account the order in which the Options were granted, or such other factors as may be consistent with the requirements of Section 422 of the Code and rules promulgated thereunder. Furthermore, no Incentive Stock Option shall be granted to any individual who, immediately before the Option is granted, directly or indirectly owns (within the meaning of Section 425(d) of the Code, as amended) shares representing more than 10% of the total combined voting power of all classes of stock of the Corporation or its subsidiaries, unless, at the time the option is granted, and in accordance with the provisions of Section 422, the option exercise price is 110% of the Fair Market Value of shares of Stock subject to the Option and the Option must be exercised within 5 years of the Grant Date.

(b) Non-Qualified Stock Options: All Options not subject to or in conformance with the additional restrictions required to satisfy Section 422 shall be designated Non-Qualified Stock Options.

9. Stock Appreciation Rights.

The Committee may, in its discretion, grant SARs to directors, officers and key employees of the Corporation and any of its subsidiaries. If any unexercised SAR for any reason terminates or expires in whole or in part prior to termination of the Plan, such unexercised SARs shall become available for granting under the Plan. The Committee may grant SARs at any time and from time to time to any Grantee, designate such SARs as related to Options then being granted or granted within six months prior to the Grant Date of the SAR, and set such terms and conditions upon the exercise of the SARs as it may determine in its discretion, provided that the written agreement evidencing such SARs shall comply with and be subject to the following terms and conditions:

(a) No SAR granted hereunder shall be exercisable until the expiration of six months from the Grant Date of the SAR unless the Grantee terminates employment by reason of death or disability prior to the expiration of such six-month period.

(b) A Grantee's right to exercise an SAR shall terminate when the Grantee is no longer an employee of the Corporation or any of its subsidiaries unless such right is extended as provided under Article 13 hereunder.

(c) In the event adjustments are made to the number of shares, exercise price, or time or times of exercise of outstanding Options upon the occurrence of an event described in Article 19 hereunder, appropriate adjustments shall be made in the number of SARs available for future grant, the number of SARs under existing grants, the exercise price of the existing SARs, and the time or times of exercise of such SARs.

(d) Unless the written agreement expressly provides otherwise, if and to the extent an SAR is granted in relation to an Option, exercise of the SAR or Option shall result in the extinguishment of the related right to the extent such SAR or Option for shares is exercised.

(e) Unless the written agreement expressly provides otherwise, any SARs granted shall be exercisable in accordance with Article 12.

(f) Upon the exercise of SARs, the Grantee shall be entitled to receive an amount determined by multiplying (1) the difference obtained by subtracting the Fair Market Value of the share of Common Stock as of the Grant Date of the SAR or, in the case of a SAR which is related to an Option, the purchase price per share of Common Stock under such Option, from the Fair Market Value of a share of Common Stock on the date of exercise, by (2) the number of SARs exercised. At the discretion of the Committee, the payment upon the exercise of the SARs may be in cash, in shares of Common Stock of equivalent value, or in some combination thereof. The number of available shares under Award shall not be affected by any cash payments.

10. Non-transferability of Options and SARs.

Any Option or SAR granted hereunder shall, by its terms, be non-transferable by a Grantee other than by will or the laws of descent and shall be exercisable during the Grantee's lifetime solely by the Grantee or the Grantee's duly appointed guardian or personal representative. Notwithstanding the foregoing, the Committee may permit a Grantee to transfer a Non-Qualified Stock Option or SAR to a family member or a trust or partnership for the benefit of a family member, in accordance with rules established by the Committee.

11. Substituted Options or SARs.

In the event the Committee cancels any Option or SAR granted under this Plan, and a new Option or SAR is substituted therefore, the Grant Date of the canceled Option or SAR (except to the extent inconsistent with the restrictions described in Article 8, if applicable) shall be the date used to determine the earliest date for exercising the new substituted Option under Article 12 hereunder so that the Grantee may exercise the substituted Option or SAR at the same time as if the Grantee had held the substituted Option or SAR since the Grant Date of the canceled Option. Except in connection with a corporate transaction involving the Corporation (including, without limitation, any stock dividend, stock split, extraordinary cash dividend, recapitalization, reorganization, merger, consolidation, split-up, spin-off, combination, or exchange of shares), the terms of outstanding Awards may not be amended to reduce the exercise price of outstanding Options or SARs or cancel outstanding Options or SARS in exchange for cash, other awards or Options or SARs with an exercise price that is less than the exercise price of the original Options or SARs without stockholder approval. Nothing in this Section 11 shall provide authority to substitute Awards in a manner which will have the effect of repricing Awards to a lower exercise price.

12. Vesting of Options and SARs.

The Committee shall have the power to set the time or times within which each Option and SAR shall be exercisable, and to accelerate the time or times of exercise. If an SAR is related to an Option, the Grant Date of such SAR for purposes of this Article 12 shall be the Grant Date of the related Option. No Option or SAR may be exercised if in the opinion of counsel for the Corporation the issuance or sale of Stock or payment of cash by the Corporation, as appropriate, pursuant to such exercise shall be unlawful for any reason, nor after the expiration of 10 years from the Grant Date. In no event shall the Corporation be required to issue fractional shares upon the exercise of an Option.

13. Exercise Period for Options and SARs.

Unless otherwise provided herein or in a specific Option or SAR Agreement which may provide longer or shorter periods during which the Award may be exercised, no Option or SAR shall be exercisable after the earliest of:

(a) in the case of an Incentive Stock Option:

(i) 10 years from the date the option is granted, or five years from the date the option is granted to an individual owning (after the application of the family and other attribution rules of Section 424(d) of the Code) at the time such option was granted, more than 10% of the total combined voting power of all classes of stock of the Corporation,

(ii) three months after the date the Grantee ceases to perform services for the Corporation or its subsidiaries, if such cessation is for any reason other than death, disability (within the meaning of Code Section 22(e)(3)), retirement or Cause,

(iii) three years after the date the Grantee ceases to perform services for the Corporation or its subsidiaries, if such cessation is by reason of the Grantee’s death, disability (within the meaning of Code Section 22(e)(3)) or retirement in accordance with normal Corporation retirement practices, as determined by the Committee in its sole discretion (provided that such Option must be exercised within the time period prescribed by Section 422 of the Code to be treated as an Incentive Stock Option); or

(iv) the date the Grantee ceases to perform services for the Corporation or its subsidiaries, if such cessation is for Cause, as determined by the Corporation or the Committee in its sole discretion;

(b) in the case of a Nonqualified Stock Option:

(i) ten (10) years from the date of grant,

(ii) ninety days after the date the Grantee ceases to perform services for the Corporation or its subsidiaries, if such cessation is for any reason other than death, permanent disability, retirement or Cause,

(iii) three years after the date the Grantee ceases to perform services for the Corporation or its subsidiaries, if such cessation is by reason of the Grantee's death, permanent disability or retirement in accordance with normal Corporation retirement practices, as determined by the Committee in its sole discretion; or

(iv) the date the Grantee ceases to perform services for the Corporation or its subsidiaries, if such cessation is for Cause, as determined by the Corporation or the Committee in its sole discretion;

(c) in the case of an SAR:

(i) seven (7) years from the date of grant,

(ii) ninety days after the date the Grantee ceases to perform services for the Corporation or its subsidiaries, if such cessation is for any reason other than death, permanent disability, retirement or Cause,

(iii) one year after the date the Grantee ceases to perform services for the Corporation or its subsidiaries, if such cessation is by reason of death or permanent disability,

(iv) three years after the date the Grantee ceases to perform services for the Corporation or its subsidiaries, if such cessation is by reason of the Grantee's retirement in accordance with normal Corporation retirement practices, as determined by the Committee in its sole discretion; or

(v) the date the Grantee ceases to perform services for the Corporation or its subsidiaries, if such cessation is for Cause, as determined by the Corporation or the Committee in its sole discretion;

provided, that, unless otherwise provided in a specific grant agreement or determined by the Committee, an Option or SAR shall only be exercisable for the periods above following the date an optionee ceases to perform services to the extent the option was exercisable on the date of such cessation. Notwithstanding the foregoing, no Option or SAR shall be exercisable after the date of expiration of its term.

14. Method of Exercise.

To the extent that the right to purchase shares pursuant to an Option or to exercise an SAR has accrued hereunder, such Option or SAR may be exercised as follows:

(a) Options: Options may be exercised in whole or in part from time to time as specified in the Option agreement. The exercise notice shall state the number of shares being purchased and be accompanied by the payment in full of the exercise price for such shares. Such payment shall be made in cash, outstanding shares of the Common Stock which the Grantee, the Grantee's spouse or both have beneficially owned for at least six months prior to the time of exercise, or in combinations thereof. If shares of Common Stock are used in part or full payment for the shares to be acquired upon exercise of the Option, such shares shall be valued for the purpose of such exchange as of the date of exercise of the Option at the Fair Market Value of the shares.

(b) SARs: SARs may be exercised in whole or in part from time to time as specified in the SAR agreement.

15. Restricted Stock Awards.

The Committee may, in its discretion, grant Restricted Stock to directors, officers and key employees of the Corporation and any of its subsidiaries. Restricted Stock Awards may consist of shares issued subject to forfeiture if specified conditions are not satisfied ("Restricted Stock Shares") or agreements to issue shares of Common Stock in the future if specified conditions are satisfied ("Restricted Stock Units"). The Committee may condition the grant of Restricted Stock upon the attainment of Performance Goals so that the grant qualifies as "performance-based compensation" within the meaning of Section 162(m) of the Code. The Committee may also condition the grant of Restricted Stock upon such other conditions, restrictions and contingencies as the Committee may determine. The provisions of Restricted Stock Awards need not be the same with respect to each recipient. Restricted Stock Awards shall be subject to the following terms and conditions:

(a) Each Restricted Stock Award shall be confirmed by, and be subject to the terms of, an Award Agreement identifying the restrictions applicable to the Award.

(b) Until the applicable restrictions lapse or the conditions are satisfied, the Grantee shall not be permitted to sell, assign, transfer, pledge or otherwise encumber the Restricted Stock Award.

(c) Except to the extent otherwise provided in the applicable Award Agreement and (d) below, the portion of the Restricted Stock Award still subject to restriction shall be forfeited by the Grantee upon termination of the Grantee's service for any reason.

(d) In the event of hardship or other special circumstances of a Grantee whose service is terminated (other than for Cause), the Committee may waive in whole or in part any or all remaining restrictions with respect to such Grantee's Restricted Stock Award.

(e) If and when the applicable restrictions lapse, unrestricted shares of Common Stock shall be issued to the Grantee.

(f) A Grantee receiving an Award of Restricted Stock Shares shall have all of the rights of a shareholder of the Corporation, including the right to vote the shares and the right to receive any cash dividends. Unless otherwise determined by the Committee, cash dividends shall be paid in cash and dividends payable in stock shall be paid in the form of additional Restricted Stock Shares.

(g) A Grantee receiving an Award of Restricted Stock Units shall not be deemed the holder of any shares covered by the Award, or have any rights as a shareholder with respect thereto, until such shares are issued to him/her.

Notwithstanding the foregoing, to the extent permitted by the Committee in its discretion and in accordance with Section 409A of the Code, a Grantee who is a non-employee director of the Corporation may elect, pursuant to a valid election under the Director Deferred Compensation Plan, to defer the settlement of any Restricted Stock Units. During the period of any resulting deferral, the Award shall be treated as an Award of Deferred Stock Units subject to the provisions of Section 16A(b).

16. Performance Stock Awards.

The Committee may grant Performance Stock Awards either alone or in addition to other Awards granted under the Plan. The Committee anticipates that the Performance Stock Awards will be subject to both a performance condition and a condition related to the Grantee's continued employment. The Committee shall determine the eligible employees to whom and the time or times at which Performance Stock Awards will be made, the number of shares subject to the Award, the time or times within which such Awards will be subject to forfeiture and any other terms and conditions of the Awards. Performance Stock Awards shall be subject to the following terms and conditions:

(a) The Performance Stock Awards will be conditioned upon the attainment of one or more preestablished, objective corporate Performance Goals so that the Award qualifies as “performance-based compensation” within the meaning of Section 162(m) of the Code. Performance Goals shall be based on one or more business criteria that apply to the individual, a business unit, or the Corporation as a whole. It is intended that any Performance Goal will be in a form that relates the Performance Stock Award to an increase in the value of the Corporation to its shareholders.

(b) Performance Goals shall be established in writing by the Committee not later than 90 days after the commencement of the period of service to which the Performance Goal relates. The preestablished Performance Goal must state, in terms of an objective formula or standard, the method for computing the number of shares earned or subject to further vesting conditions if the goal is attained.

(c) Following the close of the performance period, the Committee shall determine whether the Performance Goal was achieved, in whole or in part, and determine the number of shares earned or subject to further vesting conditions.

(d) The Performance Stock Awards may be conditioned upon such other conditions, restrictions and contingencies as the Committee may determine, including the Grantee's continued employment. The provisions of Performance Stock Awards need not be the same with respect to each recipient.

(e) Until all conditions for a Performance Stock Award have been satisfied, the Grantee shall not be permitted to sell, assign, transfer, pledge or otherwise encumber the Award.

(f) Except to the extent otherwise provided by the Committee and (g) below, the portion of the Award still subject to restriction shall be forfeited by the Grantee upon termination of a Grantee’s service for any reason.

(g) In the event of hardship or other special circumstances of a Grantee whose employment is terminated (other than for Cause), the Committee may waive in whole or in part any or all remaining restrictions with respect to such Grantee’s Performance Stock Award.

(h) If and when the applicable restrictions lapse, unrestricted shares of Common Stock for such shares shall be issued to the Grantee.

A Grantee receiving a Performance Stock Award shall not be deemed the holder of any shares covered by the Award, or have any rights as a shareholder with respect thereto, until such shares are issued to him/her following the lapse of the applicable restrictions.

16A. Unrestricted Stock Awards.

(a) The Committee may grant Unrestricted Stock Awards, either alone or in addition to other Awards granted under the Plan. Except as otherwise provided in Section 16A(b), an Unrestricted Stock Award shall consist of unrestricted shares of Common Stock.

(b) To the extent permitted by the Committee in its discretion and in accordance with Section 409A of the Code, a Grantee who is a non-employee director of the Corporation may elect to defer receipt of the Stock covered by an Unrestricted Stock Award pursuant to a valid election under the Director Deferred Compensation Plan, in which event such Grantee's Award shall consist of Deferred Stock Units. A Grantee receiving an Award of Deferred Stock Units shall not be deemed the holder of any Shares covered by the Award, or have any rights as a shareholder with respect thereto, until such Shares are issued to him/her in payment of such Deferred Stock Units. The timing of the issuance of such Shares, and the timing of payment of any dividends payable with respect to the Shares underlying the Deferred Stock Units, shall be determined in accordance with the terms of the Director Deferred Compensation Plan and the Grantee's election thereunder.

(c) Unrestricted Stock Awards shall be evidenced in such manner as the Committee shall determine.

17. Cash Incentive Awards.

The Committee may establish Cash Incentive Awards either alone or in addition to other Awards granted under the Plan. The Committee shall determine the employees to whom and the time or times at which Cash Incentive Awards shall be granted, and the conditions upon which such Awards will be paid. The maximum Cash Incentive Award payable to an employee in any fiscal year shall not exceed $4,000,000. Cash Incentive Awards shall be subject to the following terms and conditions:

(a) A Cash Incentive Award under the Plan shall be paid solely on account of the attainment of one or more preestablished, objective Performance Goals. Performance Goals shall be based on one or more business criteria that apply to the individual, a business unit, or the Corporation as a whole. Performance Goals shall be established in writing by the Committee not later than 90 days after the commencement of the period of service to which the Performance Goal relates The pre-established Performance Goal must state, in terms of an objective formula or standard, the method for computing the amount of compensation payable to any employee if the goal is attained.

(b) Following the close of the performance period, the Committee shall determine whether the Performance Goal was achieved, in whole or in part, and determine the amount payable to each employee.

This Plan does not limit the authority of the Corporation, the Board or the Committee, or any Subsidiary to award bonuses or authorize any other compensation to any person.

18. Withholding.

The Corporation shall have the power and the right to deduct or withhold, or require a Grantee to remit to the Corporation, an amount sufficient to satisfy Federal, state, and local taxes (including the Grantee's FICA obligation) required by law to be withheld with respect to any taxable event arising or as a result of this Plan. A Grantee may elect, subject to such rules and regulations as the Committee may adopt from time to time, to use stock that would otherwise be issued to the Grantee for tax withholding purposes; provided that the shares withheld may not have a Fair Market Value exceeding the maximum statutory tax rates in the Grantee's applicable tax jurisdictions.

19. Effect of Change in Stock Subject to Plan.

In the event of a reorganization, recapitalization, stock split, stock dividend, merger, consolidation, rights offering or like transaction, the Committee will make such adjustment in the number of and class of shares which may be delivered under the Plan, and in the number and class of and/or price of shares subject to outstanding Options, SARs, Restricted Stock, Performance Stock and Unrestricted Stock Awards granted under the Plan as it may deem to be equitable. While the Committee must make such an adjustment, the determination by the Committee as to what is equitable shall be at its discretion. Notwithstanding, in the event of the merger or consolidation of the Corporation with or into another corporation or corporations in which the Corporation is not the surviving corporation, the adoption of any plan for the dissolution of the Corporation, or the sale or exchange of all or substantially all the assets of the Corporation for cash or for shares of stock or other securities of another corporation, the Committee may, subject to the approval of the Board of Directors of the Corporation, or the board of directors of any corporation assuming the obligations of the Corporation hereunder, take action regarding each outstanding and unexercised Option and SAR pursuant to either clause (a) or (b) below:

(a) Appropriate provision may be made for the protection of such Option and SAR by the substitution on an equitable basis of appropriate shares of the surviving or related corporation, provided that the excess of the aggregate Fair Market Value of the shares subject to such Award immediately before such substitution over the exercise price thereof is not more than the excess of the aggregate fair market value of the substituted shares made subject to Award immediately after such substitution over the exercise price thereof; or

(b) The Committee may cancel such Award. In the event any Option or SAR is canceled, the Corporation, or the corporation assuming the obligations of the Corporation hereunder, shall pay the Grantee an amount of cash (less normal withholding taxes) equal to the excess of the Fair Market Value per share of the Stock immediately preceding the cancellation over the exercise price, multiplied by the number of shares subject to such Option or SAR. In the event any other Award is canceled, the Corporation, or the corporation assuming the obligations of the Corporation hereunder, shall pay the Grantee an amount of cash or stock, as determined by the Committee, based upon the value, as determined by the Committee, of the property (including cash) received by the holder of a share of Common Stock as a result of such event. No payment shall be made to a Grantee for any Option or SAR if the exercise price for such Option or SAR exceeds the value, as determined by the Committee, of the property (including cash) received by the holder of a share of Common Stock as a result of such event.

Notwithstanding anything to the contrary, in the event a Change in Control should occur, all Options, SARs, Restricted Stock Shares and Restricted Stock Units then outstanding shall become immediately vested or exercisable upon the date of the Change in Control. Further, the Committee shall have the right to cancel such Options or SARs and pay the Grantee an amount determined under (b) above.

20. Liquidation.

Upon the complete liquidation of the Corporation, any unexercised Options and SARs theretofore granted under this Plan shall be deemed canceled.

21. No Employment or Retention Agreement Intended.

Neither the establishment of, nor the awarding of Awards under this Plan shall be construed to create a contract of employment or service between any Grantee and the Corporation or its subsidiaries; nor does it give any Grantee the right to continued service in any capacity with the Corporation or its subsidiaries or limit in any way the right of the Corporation or its subsidiaries to discharge any Grantee at any time and without notice, with or without Cause, or to any benefits not specifically provided by this Plan, or in any manner modify the Corporation's right to establish, modify, amend or terminate any profit sharing or retirement plans.

22. Shareholder Rights.

Grantee shall not, by reason of any Options granted hereunder, have any right of a shareholder of the Corporation with respect to the shares covered by the Options until shares of Stock have been issued to Grantee.

23. Controlling Law.

The law of the State of Wisconsin, except its law with respect to choice of law, shall be controlling in all matters relating to the Plan.

24. Indemnification.

In addition to such other rights of indemnification as they may have, the members of the Committee and other Corporation employees administering the Plan and the Board members shall be indemnified by the Corporation against the reasonable expenses, including attorneys' fees actually and necessarily incurred in connection with the defense of any action, suit or proceeding, or in connection with any appeal therein, to which they or any of them may be a party by reason of any action taken or failure to act under or in connection with the Plan or any Option granted thereunder, and against all amounts paid by them in settlement thereof (provided such settlement is approved by independent legal counsel selected by the Corporation) or paid by them in satisfaction of a judgment in any such action, suit or proceeding, except in relation to matters as to which it shall be adjudged in such action, suit or proceeding that such member acted in bad faith in the performance of his duties; provided that within 20 days after institution of any such action, suit or proceeding, the member shall in writing offer the Corporation the opportunity, at its own expense, to handle and defend the same.

25. Use of Proceeds.

The proceeds from the sale of shares of Common Stock pursuant to Options granted under the Plan shall constitute general funds of the Corporation.

26. Amendment of the Plan.

The Board may from time to time amend, modify, suspend or terminate the Plan; provided, however, that no such action shall be made without shareholder approval where such change would be required in order to comply with Rule 16b-3 or the Code.

27. Effective Date of Plan.

The Plan shall become effective on the date it is approved by the shareholders of the Corporation (the "Effective Date").

28. Termination of the Plan.

The Plan will expire ten (10) years after the Effective Date, solely with respect to the granting of Incentive Stock Options or such later date as may be permitted by the Code for Incentive Stock Options; provided, however, that the Plan shall terminate at such earlier time as the Board may determine. Any such termination, either partially or wholly, shall not affect any Awards then outstanding under the Plan.

Exhibit 31.1

CERTIFICATION

I, Todd P. Kelsey certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarter ended April 1, 2017 of Plexus Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: May 5, 2017

/s/ Todd P. Kelsey

Todd P. Kelsey
President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, Patrick J. Jermain, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarter ended April 1, 2017 of Plexus Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 5, 2017

/s/ Patrick J. Jermain

Patrick J. Jermain
Senior Vice President and Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Plexus Corp. (the "Company") on Form 10-Q for the quarterly period ended April 1, 2017, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Todd P. Kelsey, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Todd P. Kelsey

Todd P. Kelsey
President and Chief Executive Officer
May 5, 2017

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Plexus Corp. and will be retained by Plexus Corp. and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Plexus Corp. (the "Company") on Form 10-Q for the quarterly period ended April 1, 2017, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Patrick J. Jermain, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Patrick J. Jermain

Patrick J. Jermain

Senior Vice President and Chief Financial Officer

May 5, 2017

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Plexus Corp. and will be retained by Plexus Corp. and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 99.1

PLEXUS CORP.
NON-GAAP SUPPLEMENTAL INFORMATION
(in thousands)
(unaudited)

Return on Invested Capital ("ROIC") and Economic Return Calculations

	Six Months Ended April 1, 2017	Six Months Ended April 2, 2016
Operating income, as reported	$ 66,474	$ 44,870
Restructuring and other charges	—	3,424
Adjusted operating income	$ 66,474	$ 48,294
	x 2	x 2
Annualized adjusted operating income	$ 132,948	$ 96,588
Tax rate	x 9%	x 11%
Tax impact	11,965	10,625
Adjusted operating income (tax effected)	$ 120,983	$ 85,963
Average invested capital	$ 718,524	$ 743,112
ROIC	16.8%	11.6%
Weighted average cost of capital ("WACC")	10.5%	11.0%
Economic return	6.3%	0.6%

Average Invested Capital	Apr 1, 2017	Dec 31, 2016	Oct 1, 2016	Jul 2, 2016	Apr 2, 2016	Jan 2, 2016	Oct 3, 2015
Equity	$ 961,438	$ 927,542	$ 916,797	$ 895,175	$ 871,111	$ 850,794	$ 842,272
Plus:							
Debt—current	92,623	78,879	78,507	78,279	2,300	2,864	3,513
Debt—long-term	185,638	184,136	184,002	184,479	259,565	259,289	259,257
Less:							
Cash and cash equivalents	(524,520)	(496,505)	(432,964)	(433,679)	(409,796)	(354,728)	(357,106)
Invested capital	$ 715,179	$ 694,052	$ 746,342	$ 724,254	$ 723,180	$ 758,219	$ 747,936

During the second quarter of fiscal 2017 average invested capital (April 1, 2017, December 31, 2016 and October 1, 2016) was $718,524. Second quarter fiscal 2016 average invested capital (April 2, 2016, January 2, 2016 and October 3, 2015) was $743,112.