PLEXUS CORP
Form DEF 14A
December 13, 2006

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OMB APPROVAL

OMB Number:	3235-0059
Expires:	February 28, 2006
Estimated average burden hours per response	12.75

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

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant þ
Filed by a Party other than the Registrant o

Check the appropriate box:

o Preliminary Proxy Statement
o **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
þ Definitive Proxy Statement
o Definitive Additional Materials
o Soliciting Material Pursuant to §240.14a-12

PLEXUS CORP.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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þ No fee required.
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PLEXUS CORP.
55 Jewelers Park Drive
P.O. Box 156
Neenah, Wisconsin 54957-0156

NOTICE OF ANNUAL MEETING
OF SHAREHOLDERS
on January 22, 2007

To the Shareholders of Plexus Corp.:

Plexus Corp. will hold the annual meeting of its shareholders at the Pfister Hotel, located at 424 East Wisconsin Avenue, Milwaukee, Wisconsin, on Monday, January 22, 2007 at 11:00 a.m., for the following purposes:

(1) To elect eight directors to serve until the next annual meeting and until their successors have been duly elected.

(2) To ratify the selection of PricewaterhouseCoopers LLP as Plexus independent auditors.

(3) To transact such other business as may properly come before the meeting or any adjournment thereof.

Plexus shareholders of record at the close of business on December 1, 2006 will be entitled to vote at the meeting or any adjournment of the meeting.

We call your attention to the proxy statement accompanying this notice for a more complete statement about the matters to be acted upon at the meeting.

By order of the Board of Directors

Angelo M. Ninivaggi
Vice President, General Counsel and Secretary

Neenah, Wisconsin
December 12, 2006

Please indicate your voting directions, sign and date the enclosed proxy and return it promptly in the enclosed envelope. If you later find that you will be present at the meeting or for any other reason desire to revoke your proxy, you may do so at any time before it is voted.

Plexus shareholders who own their shares in street name through their brokerage accounts may also communicate their vote to the brokerage firm and its service provider electronically or by telephone. If you wish to do so, you can link to instructions at www.proxyvote.com, or you may also follow any instructions provided by the brokers with their separate voting form.

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PROXY STATEMENT

PLEXUS CORP.
55 Jewelers Park Drive
P.O. Box 156
Neenah, Wisconsin 54957-0156

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SOLICITATION AND VOTING

The board of directors of Plexus Corp. is soliciting proxies for the annual meeting of shareholders at 11:00 a.m. on Monday, January 22, 2007 at the Pfister Hotel at 424 East Wisconsin Avenue, Milwaukee, Wisconsin, and is furnishing this proxy statement in connection with that solicitation. Shares which are represented by properly executed proxies received by Plexus will be voted at the meeting and any adjournment thereof in accordance with the terms of such proxies, unless revoked. Proxies may be revoked at any time prior to the voting thereof either by written notice filed with the secretary or acting secretary of the meeting or by oral notice to the presiding officer during the meeting.

Shareholders of record at the close of business on December 1, 2006 will be entitled to one vote on each matter presented for each share so held. On that date there were 46,253,179 shares of Plexus common stock outstanding. Any shareholder entitled to vote may vote either in person or by duly authorized proxy. A quorum will be present if a majority of the outstanding shares are represented at the meeting. Abstentions and shares which are the subject of broker non-votes will be counted for the purpose of determining whether a quorum exists; shares represented at a meeting for any purpose are counted in the quorum for all matters to be considered at the meeting. The voted proxies will be tabulated by the persons appointed as inspectors of election.

Directors are elected by a plurality of the votes cast by the holders of Plexus common stock entitled to vote at the election at a meeting at which a quorum is present. Plurality means that the individuals who receive the highest number of votes are elected as directors, up to the number of directors to be chosen at the meeting. Any votes attempted to be cast against a candidate are not given legal effect and are not counted as votes cast in the election of directors. Therefore, any shares which are not voted, whether by withheld authority, broker non-vote or otherwise, have *no effect* in the election of directors except to the extent that the failure to vote for any individual results in another individual receiving a relatively larger number of votes.

Ratification of PricewaterhouseCoopers LLP as Plexus independent accountants will be determined by a majority of the shares voting on that matter, assuming a quorum is present. Therefore, abstentions and broker non-votes will not affect the vote, except insofar as they reduce the number of shares which are voted.

Shareholders who own shares as part of Plexus 401(k) Savings Plan (the 401(k) Savings Plan) and/or the Plexus 2000 and 2005 Employee Stock Purchase Plans (the Purchase Plans) will receive a separate proxy for voting their shares held in each account. Shares held by the 401(k) Savings Plan for which participant designations are received will be voted in accordance with those designations; those shares for which designations are not received will not be voted. Shares held in accounts under the Purchase Plans will be voted in accordance with management recommendations except for shares for which contrary designations from participants are received.

Plexus will pay the expenses in connection with the solicitation of proxies. Upon request, Plexus will reimburse brokers, dealers, banks and voting trustees, or their nominees, for reasonable expenses incurred in forwarding copies of the proxy material and annual report to the beneficial owners of shares which such persons hold of record. Solicitation of proxies will be principally by mail. Proxies may be solicited in person, or by telephone, telegraph or fax, by officers and regular employees of Plexus who will not be separately compensated for those services.

This proxy material is being mailed to Plexus shareholders commencing on or about December 18, 2006.

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SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table presents certain information as of December 1, 2006 regarding the beneficial ownership of the Plexus common stock held by each director or nominee for director, each executive officer appearing in the Summary Compensation Table, all directors and executive officers as a group, and each known 5%-or-greater shareholder of Plexus.

Name	Shares Beneficially Owned (1)	Percentage of Shares Outstanding
Ralf R. Böer	23,500	*
Stephen P. Cortinovis	31,000	*
David J. Drury	35,000	*
Dean A. Foate	542,328	1.2%
Peter Kelly	17,100	*
John L. Nussbaum	299,366	*
Thomas J. Prosser	68,556	*
Michael V. Schrock	8,000	*
Charles M. Strother	35,000	*
F. Gordon Bitter	78,044	*
Paul L. Ehlers	62,400	*
J. Robert Kronser	118,479	*
Michael T. Verstegen	101,305	*
All executive officers and directors as a group (19 persons)	1,522,948	3.2%
Barclays Global Investors, NA. (2)	5,453,502	11.8%
Lord, Abbett & Co. LLC (3)	4,806,799	10.4%

* Less than 1%

(1) The specified persons have sole voting and sole dispositive powers as to all shares, except as otherwise indicated. Mr. Foate shares these powers with adult children as to 4,000 shares, ownership of which he disclaims; Mr. Prosser

shares these powers as to 1,600 shares. The amounts include shares subject to options granted under Plexus option plans which are exercisable currently or within 60 days. The options include those held by Mr. Böer (18,500 shares), Mr. Cortinovis (27,000), Mr. Drury (30,000), Mr. Foate (469,870), Mr. Kelly (15,000), Mr. Nussbaum (106,810), Mr. Prosser (47,000), Mr. Schrock (5,000), Dr. Strother (30,000), Mr. Bitter (70,000), Mr. Ehlers (44,000), Mr. Kronser (92,428), Mr. Verstegen (88,500), and all officers and directors as a group (1,125,562).

(2) Barclays Global Investors, NA. (Barclays) filed a report on Schedule 13G

dated June 8, 2006 reporting sole voting power as to 4,391,549 shares, and sole dispositive power as to 4,840,372 shares of common stock. The report was filed jointly with Barclays Global Investors, Ltd. and Barclays Global Fund Advisors. Barclays subsequently filed a Report on Form 13F for the quarter ended September 30, 2006 showing sole investment power as to 5,453,502 shares and sole voting power as to 4,918,687 of those shares. The address of Barclays, a bank with investment advisor affiliates, is 45 Fremont Street, San Francisco, California, 94105.

(3) Lord, Abbett & Co. LLC (Lord Abbett) filed an amended report on Schedule 13G dated November

30, 2006 reporting that it held sole voting and dispositive power as to 4,806,799 shares of common stock. The address of Lord Abbett, an investment adviser, is 90 Hudson Street, Jersey City, NJ 07302.

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ELECTION OF DIRECTORS

Plexus believes that it needs to attract and retain talented, focused, and motivated leadership to deliver the innovation and economic success its shareholders expect. For Plexus, the concept of leadership is not limited to the leadership within the company; leadership also includes the individuals who serve on Plexus board.

In accordance with Plexus bylaws, the board of directors has determined that there shall be eight directors elected at the annual meeting of shareholders to serve until their successors are duly elected and qualified. The persons who are nominated as directors, and for whom proxies will be voted unless a shareholder specifies otherwise, are named below. If any of the nominees should decline or be unable to act as a director, which is not foreseen, the proxies will be voted with discretionary authority for a substitute nominee designated by the board of directors. Plexus bylaws authorize up to nine directors. The Plexus board may expand the board up to that number and elect directors to fill empty seats, including those created by an expansion, between shareholders meetings.

Thomas J. Prosser, a director of Plexus since 1987, is retiring from the board and therefore has not been nominated for reelection at the 2007 annual meeting of shareholders. We have greatly appreciated his 20 years of service to Plexus. The board of directors would like to acknowledge and thank Mr. Prosser for that dedicated service.

Name and Age	Principal Occupation And Business Experience (1)	Director Since
Ralf R. Böer, 58	Partner, Chairman and Chief Executive Officer, Foley & Lardner LLP (law firm)	2004
Stephen P. Cortinovis, 56	Private equity investor in Lasco Foods Company; previously also Partner, Bridley Capital Partners Limited (private equity group) from 2001 to 2006 (2)	2003
David J. Drury, 58	President and Chief Executive Officer of Poblocki Sign Company LLC (exterior and interior sign systems) (3)	1998
Dean A. Foate, 48	President and Chief Executive Officer of Plexus since 2002; previously, Chief Operating Officer from 2001 to 2002, and Executive Vice President prior thereto (4)	2000
Peter Kelly, 49	Chief Financial Officer and Executive Vice President, Agere Systems (semi-conductors) since 2005; previously the Executive Vice President of Agere s Global Operations Group	2005
John L. Nussbaum, 64	Chairman of Plexus since 2002; previously its Chief Executive Officer	1980
Michael V. Schrock, 53	President and Chief Operating Officer, Pentair, Inc. (diversified manufacturer) since 2006; previously, President and COO of Pentair s Technical Products and Filtration Divisions	2006
Charles M. Strother, MD, 66	Physician; Professor-Emeritus at the University of Wisconsin-Madison since 2005; previously Professor at Baylor College of Medicine from 2002 to 2005, and Professor of Radiology, Neurology and Neurosurgery at the University of Wisconsin-Madison prior thereto	2002

(1) Unless otherwise noted, all directors have been

employed in their principal occupation listed above for the past five years or more.

(2) Also a director of Insituform Technologies, Inc. (trenchless technology for underground pipes).

(3) Also a director of Journal Communications, Inc. (media holding company) and a trustee of The Northwestern Mutual Life Insurance Company (insurance and financial products).

(4) Also a director of REGAL-BELOIT Corporation (electrical motors and mechanical products).

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CORPORATE GOVERNANCE

Board of Directors and Board Committees

The board of directors held four meetings during fiscal 2006. As part of these meetings, non-management directors regularly meet without management present. Each director attended at least 75% of the total meetings of the board and the committees of the board on which that director served during the year. The Plexus board of directors conducts an annual self-evaluation process, reviewing the performance of each individual board member as well as the performance of the board as a whole.

Plexus encourages all of its directors to attend the annual meeting of shareholders. Plexus generally holds a board meeting coincident with the annual shareholders meeting to minimize director travel obligations and facilitate their attendance at the shareholders meeting. All then-serving directors attended the 2006 annual meeting of shareholders.

The board of directors has three standing committees: Audit, Compensation and Leadership Development, and Nominating and Corporate Governance. The committees on which our directors currently serve, and the chairs of those committees, are identified in the following table:

Director	Audit	Compensation and Leadership Development	Nominating and Corporate Governance
Ralf R. Böer		X	Chair
Stephen P. Cortinovis	X	Chair	
David J. Drury	Chair		X
Peter Kelly	X		
Thomas J. Prosser	X	X	X
Michael V. Schrock		X	
Charles M. Strother		X	X

Each of the above directors is independent under Nasdaq Global Select Stock Market rules. Messrs. Foate and Nussbaum are not independent directors; therefore, they are not eligible to serve on these committees.

Audit Committee Matters

The Audit Committee met eight times in fiscal 2006. Mr. Drury is a certified public accountant who practiced from 1971 to 1989 with the firm PricewaterhouseCoopers LLP. As a consequence of factors which include his educational background, his experience with a public accounting firm, and his subsequent experience as a chief financial officer, a chief executive officer and other executive positions, the board of directors has determined that Mr. Drury is an audit committee financial expert for purposes of Securities and Exchange Commission rules. Mr. Drury is, along with the other members of the Audit Committee, independent of Plexus for purposes of those and Nasdaq rules. All members of the Audit Committee are financially literate and meet the other SEC and Nasdaq requirements for Audit Committee membership. See also Report of the Audit Committee.

Compensation and Leadership Development Committee Matters

The Compensation and Leadership Development Committee held five meetings during fiscal 2006. The Compensation and Leadership Development Committee, consisting solely of independent directors, establishes the general compensation philosophies and plans for Plexus, determines the CEO s compensation as well as that of other executive officers, determines bonuses, makes grants and awards under compensation plans, and considers and makes recommendations to the board of directors with respect to other officer and employee compensatory arrangements. The Committee is also responsible for reviewing Plexus leadership structure and executive succession plan. See also Executive Compensation Compensation Committee Interlocks and Insider Participation, which includes further statement as to the independence of the Compensation Committee, and Executive Compensation Compensation and Leadership Development Committee Report for further information on the Committee s philosophies and practices, and its determinations in fiscal 2006.

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Nominating and Corporate Governance Committee and the Nomination Process

The Nominating and Corporate Governance Committee met two times in fiscal 2006. The Committee reviews board performance and considers nominees for director positions, determines directors compensation, and evaluates and oversees corporate governance and related issues. All of the members of the Committee are independent directors.

The Nominating and Corporate Governance Committee has generally identified nominees based upon suggestions by outside directors, management and/or shareholders, and has evaluated those persons on its own. Plexus corporate board member selection criteria include integrity, high level of education and/or business experience, broad-based business acumen, understanding of Plexus business and industry, strategic thinking and willingness to share ideas, and network of contacts. The Committee also considers the diversity of experiences, expertise and backgrounds among board members in identifying areas which could be augmented by new members. The Committee has used these criteria to evaluate potential nominees. To help assure that directors have the time to devote to their duties, Plexus directors may not serve on the boards of more than three public companies. The Committee does not evaluate proposed nominees differently depending upon who has proposed the potential nominee.

The Nominating and Corporate Governance Committee considers proposed nominees to the board submitted to it by shareholders. If a qualified candidate expresses a serious interest, and if there is a position available and the candidate s experience indicates that the candidate may be an appropriate addition to the board, the Committee reviews the background of the candidate and, if appropriate, meets with the candidate. A decision is then made whether to nominate that person to the Board. Mr. Schrock was elected as a new director effective April 19, 2006. Mr. Schrock filled a vacancy which was created by the expansion of the board by one member; he was selected by the Committee following the procedures outlined above. Mr. Schrock was identified for consideration by Spencer Stuart & Associates, a search firm retained by the Committee to help it identify and evaluate qualified candidates for board membership. That firm was paid a fee of $75,000, plus reimbursement of disbursements, for its services in fiscal 2006.

If a shareholder wishes to propose someone as a director for the Committee s consideration, the name of that nominee and related personal information should be forwarded to the Nominating and Corporate Governance Committee, in care of the Secretary, at least six months before the next annual meeting to assure time for meaningful consideration by the Committee. See also Shareholder Proposals and Notices for bylaw requirements for nominations. Plexus has not rejected any candidates put forward by significant shareholders.

Communications with the Board

Any communications to the board of directors should be sent to it in care of Plexus Secretary, Angelo Ninivaggi, at Plexus headquarters office. Any communication sent to the board in care of the Chief Executive Officer, the Corporate Secretary or any other corporate officer is forwarded to the board. There is no screening process. Any other procedures which may be developed, and any changes in those procedures, will be posted on Plexus corporate website (www.plexus.com).

Code of Ethics, Committee Charters and Other Corporate Governance Documents

Plexus regularly reviews and augments its corporate governance practices and procedures. In particular, and as part of its corporate governance practices, Plexus has adopted a code of ethics and written charters for each of its board committees discussed above. Plexus will be responding to and complying with related SEC and Nasdaq Global Select Stock Market directives as they are finalized, adopted and become effective. Plexus has posted on its website, at www.plexus.com, under the link titled Investors then Corporate Governance, copies of its Corporate Governance Guidelines, its Code of Conduct and Business Ethics, the charters for its Audit, Compensation and Leadership Development, and Nominating and Corporate Governance Committees, director selection criteria and other corporate governance documents. If those documents (including the committee charters and the Code of Conduct and Business Ethics) are changed, waivers from the Code of Conduct and Business Ethics are granted, or new procedures are adopted, those new documents, changes, waivers and/or procedures will be posted on Plexus corporate website at that address.

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Directors Compensation

The Nominating and Corporate Governance Committee of the board of directors determines compensation paid to non-employee directors, although the Compensation and Leadership Development Committee grants equity awards to non-employee directors under the 2005 Equity Plan. In determining the compensation paid to the non-employee directors, the Nominating and Corporate Governance Committee considers the same types of factors, including benchmarking with peer companies and company performance, that are considered by the Compensation Committee when determining executive compensation.

During fiscal 2006, each Plexus director who was not a full-time Plexus officer or employee (all directors except Mr. Foate) received an annual director s fee of $26,000 (effective January 1, 2006) plus meeting fees of $2,000 for each board meeting attended in person ($1,000 if attended other than in person), and an additional $1,000 for each committee meeting attended in person ($500 if other than in person). Each committee chair received an additional $5,000 annually for service as a committee chair, except the chair of the Audit Committee who received $9,000.

Directors may also participate in the 2005 Equity Plan, which permits the grant of options, restricted stock and/or restricted stock units to officers, key employees and directors. On December 1, 2005, each non-employee director was awarded fiscal 2006 options for 10,000 shares, at $22.04 per share, 5,000 shares of which vested immediately and 5,000 of which vested on the first anniversary of grant. On December 1, 2006, each non-employee director was awarded fiscal 2007 options for 10,000 shares, at $23.855 per share, with the same vesting schedule as in fiscal 2006 (other than for Mr. Prosser, whose options all vested immediately in view of his upcoming retirement). Directors options are granted (if at all) on December 1, continuing the date used in the formulaic provision in a predecessor plan.

The following table sets forth the compensation which was paid by Plexus to each of our non-employee directors in fiscal 2006:

Director Compensation Table

Name	Fees Earned or Paid in Cash ($)(1)	Stock Awards ($)(2)	All Other Compensation ($)(3)	Total ($)
Ralf R. Böer	$ 48,750	$109,106		$157,856
Stephen P. Cortinovis	47,250	109,106		156,356
David J. Drury	54,875	109,106		163,981
Peter Kelly	37,250	109,106		146,356
John L. Nussbaum	107,750	109,106	$ 295,207	512,063
Thomas J. Prosser	53,750	109,106		162,856
Michael V. Schrock	12,500			12,500
Charles M. Strother	43,750	109,106		152,856

(1) Includes annual retainer, meeting, committee and chairmanship

fees and, in the case of Mr. Nussbaum, his fee as Chairman of the Board. See below.

(2) Amounts shown are the grant date fair values of options under the 2005 Equity Plan under Financial Accounting Standards Board SFAS No. 123(R), which requires us to recognize compensation expense for stock options granted to our employees and directors based on the estimated fair value of the equity awards at the time of grant. The compensation expense is recognized over the vesting period. The requirements of SFAS No. 123(R) became effective in the first quarter of fiscal 2006. The assumptions used to determine the valuation of the awards are discussed in footnote 10 to our consolidated

financial
statements.

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The table below provides cumulative information on outstanding stock options which were held by the non-employee directors at September 30, 2006:

Name	Option Awards Number of Securities Underlying Unexercised Options (#)
Ralf R. Böer	13,500
Stephen P. Cortinovis	22,000
David J. Drury	25,000
Peter Kelly	10,000
John L. Nussbaum	101,810
Thomas J. Prosser	37,000
Michael V. Schrock	
Charles M. Strother	25,000

These options are now fully vested and expire on the earlier of (a) ten years from the date of grant, or (b) one year after termination of service as a director.

(3) Other than Mr. Nussbaum, the non-employee directors do not receive any additional benefits. For Mr. Nussbaum, this represents the amounts paid to him in fiscal 2006 under his deferred compensation arrangements plus the value of the health and other welfare benefits provided to him. See the discussion immediately below.

Compensation of Current and Former Executive Officers who Serve on the Board

See Executive Compensation for Mr. Foate s compensation as an executive officer of Plexus generally, his supplemental retirement arrangements, and his employment and change in control agreements.

Mr. Nussbaum is a former executive officer of Plexus. He ceased being considered an executive officer or employee of Plexus when he retired as Chief Executive Officer on July 1, 2002. However, as a consequence of his many years of service as an executive officer of Plexus, he continues to be compensated under deferred compensation arrangements which were put in place during his service as an executive officer and as the non-executive Chairman of the Board.

In 1996, the Compensation and Leadership Development Committee established special retirement arrangements for Mr. Nussbaum and for two other executive officers and directors who subsequently retired. Those arrangements were both to reward past service and to maintain an additional incentive for those officers continued performance on behalf of Plexus. The related supplemental retirement agreement for Mr. Nussbaum is designed to provide specified retirement and death benefits to him in addition to those provided under the 401(k) Savings Plan. Plexus commitment was fully funded in fiscal 2002. Mr. Nussbaum has received payments under the special retirement arrangements since 2002, including payments of $278,256 for fiscal 2004, $278,778 for fiscal 2005 and $289,929 for fiscal 2006. Future payments may be adjusted, depending upon the performance of underlying investments.

The contributions for Mr. Nussbaum s special retirement arrangement are invested in a life insurance policy acquired by Plexus on his life. The supplemental retirement agreement provides for a 15-year annual installment payment stream to Mr. Nussbaum. Lump sum payments to Mr. Nussbaum based on policy cash values become due if at any time after a change in control Plexus consolidated tangible net worth drops below $35 million, or if the ratio of Plexus consolidated total debt to consolidated tangible net worth becomes greater than 2.5 to 1. To the extent that any of the payments constitute excess parachute payments subjecting the participant to an excise tax, the agreement provides for an additional payment (the gross-up payment) to be made by Plexus to Mr. Nussbaum so that after the payment of all taxes imposed on the gross-up payment, he retains an amount of the gross-up

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payment equal to the excise tax imposed. If Mr. Nussbaum dies prior to receiving all of the 15-year annual installment payments, specified death benefit payments become due.

Mr. Nussbaum also receives $72,000 per year and health and other welfare benefits, in addition to the above retirement payments and his regular board fees, for his service as Plexus non-executive Chairman of the Board. Since his retirement, Mr. Nussbaum has been eligible to receive additional options or stock awards in his capacity as a non-employee director and has received the same awards as other non-employee directors under the 1995 Directors Plan and the 2005 Equity Plan.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934 requires Plexus officers and directors, and persons who beneficially own more than 10% of Plexus common stock, to file reports of ownership and changes in ownership with the Securities and Exchange Commission. These insiders are required by SEC regulation to furnish Plexus with copies of all Section 16(a) forms they file.

All publicly held companies are required to disclose the names of any insiders who fail to make any such filing on a timely basis within the preceding fiscal year, and the number of delinquent filings and transactions, based solely on a review of the copies of the Section 16(a) forms furnished to Plexus, or written representations that no such forms were required. On the basis of filings and representations received by Plexus, Plexus believes that during fiscal 2006 Plexus insiders have complied with all Section 16(a) filing requirements which were applicable to them.

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EXECUTIVE COMPENSATION

Summary Compensation Table

The following table sets forth information concerning the total compensation of Plexus chief executive officer and its four other highest compensated executive officers, for fiscal 2006 and the preceding two fiscal years.

		Annual Compensation (1)			Awards	
Name and Principal Position	Fiscal Year	Salary ($)(2)	Bonus ($)(3)	Other Compensa-tion ($)(4)	Securities Underlying Options/ SARs #(5)	All Other Compensation ($)(6)
Dean A. Foate,	2006	$528,846	$835,218		100,000	$111,030
President and Chief	2005	498,078	266,909		100,000	18,750
Executive Officer	2004	467,309	397,394		75,000	18,625
F. Gordon Bitter,	2006	$310,577	$305,816		30,000	$ 45,117
Senior Vice President and	2005	299,039	95,656		30,000	19,106
Chief Financial Officer	2004	285,578	238,522	$118,425	25,000	17,788
Paul L. Ehlers,	2006	$310,577	$302,397		30,000	$ 45,226
Executive Vice President, Chief	2005	299,039	87,026		30,000	18,692
Operating Officer, and President	2004	284,616	190,114		25,000	17,678
of Plexus Electronic Assembly (7)						
J. Robert Kronser,	2006	$255,894	$194,410		15,000	$ 29,365
Executive Vice President	2005	246,538	64,004		15,000	18,731
and Chief Technology and	2004	244,039	163,401		15,000	17,953
Strategy Officer						
Michael T. Verstegen,	2006	$238,173	$190,669		15,000	$ 27,068
Senior Vice President, Global	2005	229,423	56,464		15,000	18,899
Market Development, and President	2004	222,694	149,735		15,000	18,789
of Plexus Technology Group (7)						

(1) While the named individuals received perquisites or other personal benefits in the years shown, in accordance with

SEC regulations, the value of these benefits are not shown unless they exceeded, in the aggregate, the lesser of $50,000 or 10% of the individual s salary and bonus in any years. For fiscal 2006, the total of these amounts for Messrs. Foate, Bitter, Ehlers, Kronser and Verstegen were $31,455, $21,341, $21,475, $18,452 and $20,610, respectively. Executive officers and other key employees are provided company cars. Most executive officers may be reimbursed up to $10,000 annually (grossed up for taxes) for miscellaneous expenses such as personal financial planning, spouse travel costs in connection with business-related travel, club memberships and/or tax and estate advice. Mr. Foate s amount includes certain expenses incurred in 2005 but for which he was not reimbursed until 2006. Also, Mr. Foate receives supplemental disability insurance, due to compensation limits on Plexus general disability policy.

(2) The fiscal 2004 payroll calendar included one more pay period than in fiscal 2006 and 2005. Salary amounts represent the payments actually made during the fiscal years.

(3) Represents the bonus earned for the indicated fiscal year, although paid in the subsequent fiscal year.

(4) Represents moving, temporary living, travel and other relocation-related expenses (including tax gross up) paid to or on behalf of Mr. Bitter as part of the arrangements under which he was hired.

(5) Represents the number of shares for which options were granted in fiscal 2004 under Plexus

superceded 1998 Stock Option Plan (the 1998 Option Plan) and in 2005 and 2006 under the 2005 Equity Plan. No SARs or awards of restricted stock have been granted under either plan.

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(6) All other compensation consists of the following payments for fiscal 2006:

Name	401(k) Savings Plan - Employer Match	Executive Deferred Compensation Plan - Employer Contributions For 2006	Catch-up Contribution
Dean Foate	$ 5,500	$ 61,280	$ 44,250
Gordon Bitter	5,212	27,155	12,750
Paul Ehlers	5,321	27,155	12,750
Robert Kronser	4,297	19,613	5,455
Michael Verstegen	5,405	17,873	3,790

A new Executive Deferred Compensation Plan contribution formula took effect in early fiscal 2006. Amounts reported for that plan include two types of payments: special catch-up contributions paid early in fiscal 2006 for fiscal 2005 after the change in the contribution formula; and contributions, using the new formula, for fiscal 2006. See Special Deferred Compensation Arrangements below.

(7) Titles effective November 2006.

Stock Options

Option/SAR Grants in Last Fiscal Year

The following table sets forth information with respect to options granted to the executive officers named in the Summary Compensation table concerning options granted in fiscal 2006.

	Individual Grants (1)				Potential Realized Value at Assumed Annual Rates of Stock Price Appreciation for Option Term (3)	
Name	Number of Securities Underlying Options/ SARs Granted (#) (1)	% of Total Options/ SARs Granted To Employees in Fiscal Year	Exercise or Base Price ($/sh) (2)	Expiration Date	5%	10%
Dean Foate	100,000	13.4%	$ 42.515	5/17/16	$ 2,673,746	$ 6,775,796
Gordon Bitter	30,000	4.0%	42.515	5/17/16	802,124	2,032,739
Paul Ehlers	30,000	4.0%	42.515	5/17/16	802,124	2,032,739
Robert Kronser	15,000	2.0%	42.515	5/17/16	401,062	1,016,369
Michael Verstegen	15,000	2.0%	42.515	5/17/16	401,062	1,016,369

(1)

No SARs or awards of restricted stock have been granted; all grants reflect stock options under the 2005 Equity Plan. The options granted in fiscal 2006 vest over a three year period, with one third vesting on each of the first three anniversaries of the grant date. Under certain circumstances, options may be transferred to family members or related trusts.

(2) Represents the average of the high and the low trading prices on the grant date.

(3) Assumes the stated appreciation from the date of grant.

Plexus has not repriced any stock options during the fiscal years reported herein. Options granted under the 2005 Equity Plan may not be repriced.

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Aggregated Option/SAR Exercises in Last Fiscal Year and Fiscal Year End Option/SAR Values

The following table sets forth information with respect to the executive officers named in the Summary Compensation Table concerning the exercise of options in fiscal 2006 and the number and value of options which were outstanding at September 30, 2006.

Name	Shares Acquired on Exercise (#)	Value Realized($)(1)	Number of Securities Underlying Unexercised Options/ SARs at FY-End (#)(2) Exercisable/Unexercisable	Value of Unexercised In-the-Money Options/SARs At FY-End ($)(3) Exercisable/Unexercisable
Dean Foate	60,130	$1,987,810	469,870 / 100,000	$ 2,002,736 / 0
Gordon Bitter	25,000	907,955	70,000 / 30,000	349,950 / 0
Paul Ehlers	128,962	4,054,067	44,000 / 30,000	0 / 0
Robert Kronser	76,906	1,492,806	92,428 / 15,000	458,686 / 0
Michael Verstegen	65,000	1,818,612	88,500 / 15,000	352,560 / 0

(1) Represents the differences between the exercise prices and the averages of the high and low sales price on the dates of exercise.

(2) Represents options granted under the 1998 Option Plan or 2005 Equity Plan. No SARs or awards of restricted stock have been granted under either plan.

(3) Represents the difference between the exercise price and the $19.20 closing price of Plexus common stock reported on the Nasdaq

Global Select
Stock Market on
September 29,
2006, the last
trading day of
the fiscal year.

Change in Control Arrangements

Plexus has Change in Control Agreements with Messrs. Foate, Bitter, Ehlers, Kronser and Verstegen, and its other executive officers. Under the terms of these agreements, if there is a change in control of Plexus, as defined in the agreement, the executive officers authorities, duties and responsibilities shall remain at least commensurate in all material respects with those prior to the change in control. Their compensation may not be reduced. Their benefits must be commensurate with those of similarly situated executives of the acquiring firm, and their location of employment must not be changed significantly as a result of the change in control.

After a change in control, in the event that any covered executive officer is terminated other than for cause, death or disability, or an executive officer terminates his or her employment with good reason, Plexus is obligated to pay the executive officer, in a cash lump sum, an amount equal to approximately three times the executive officer s base salary plus targeted bonus payments, and to continue certain benefits. The agreements further provide for payment of additional amounts which may be necessary to gross up the amounts due such executive officer in the event of the imposition of an excise tax upon the payments. The agreements do not preclude termination of the executive officer, or require payment of any benefit, if there has not been a change in control of Plexus, nor does it limit the ability of Plexus to terminate these persons thereafter for cause.

Mr. Foate s Employment Agreement

Plexus does not generally have employment agreements with its executive officers. However, when Mr. Foate became Plexus chief executive officer in 2002, Plexus believed it was important to enter into an agreement with Mr. Foate to set forth the terms of his employment and to provide incentives for him to continue with the company over the long term. Mr. Foate s employment agreement was for an initial term of three years and automatically extends (unless terminated) every year, so that it maintains a rolling t