



A little change can do you good.

PLANTRONICS: Since 1961, Plantronics has been helping people communicate more easily and effectively, and we are recognized as the world leader in communications headsets. We have a strong market position in headsets and related services in the office and contact center markets. We have also broadened our reach: Plantronics headsets are helping people communicate on the go and at home as well as in the workplace. Our products have become an integral part of the daily lives of millions of people around the world, and the markets we serve offer great potential.

Plantronics is traded on the New York Stock Exchange under the symbol PLT. We are headquartered in Santa Cruz, California. More information is available on our Web site: www.plantronics.com.

Communication is about connecting, and the most effective means of connecting with people is the human voice. At Plantronics, we are devoted to enhancing personal communications through the use of headsets. A small piece of technology—a little change for users—with profound implications for how people communicate. When we look at the world around us, we see two compelling trends. More and more people using headsets to improve their lives. And a wealth of opportunities for people to adopt our products.

The time for headsets has arrived.



“ ...I need both hands free when I’m on the phone...”



For Steve, doing work means using the phone while he marks up documents, scribbles notes, sketches out ideas. Now that he uses a headset, he doesn't miss a word. He never loses an idea. And he no longer gets that annoying crick in his neck and shoulders. Adopting a headset is one little change that has translated into a major improvement in Steve's working life.



“...when opportunity rings,
I answer the call...”

Tanya’s “office” is seven stores throughout the city, and she’s in the field every single day, checking out her locations, strolling through competitors’ stores, looking for problems, trends and inspiration. Since she added a headset to her cell phone, she stays in touch—with vendors, co-workers and friends without breaking stride.



With the ingredients flown in that morning, Yoshi experiments with new dishes—even as he shares ideas with other chefs, talks to suppliers, and chats with friends on his new headset telephone. Today, Yoshi can stay connected wherever he happens to be.

“ ...I used to need three hands to run my business...”



“...my client never knows when I’m using my headset...”



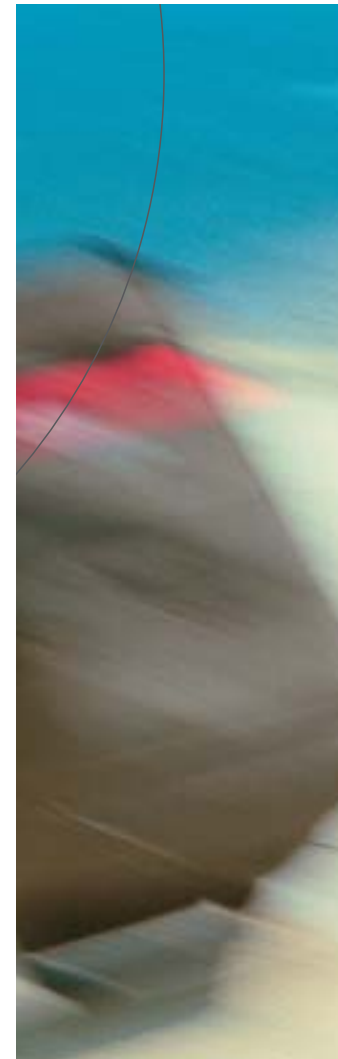
Nor does Morgan’s client know when she is collecting a fax or looking up a contact on her handheld or scrolling through the 12 e-mails that arrived while she was on the phone. Thanks to her headset, Morgan stays connected to the things that matter most—and never has to put anyone on hold.



“ ...I can easily check voice mail while making a connection...”



It was a short flight, but when William got to Phoenix, 11 new voice mail messages had arrived. With his new headset, he can respond to his messages without missing a step. Transit time can be surprisingly productive—with the right tools.





Her cordless telephone freed Elizabeth from the tether of the phone line, but her newest accessory—her headset—lets her talk more naturally and listen more comfortably whether she’s relaxing in front of the fire or working in the garden. Now her most cherished connection is that much more personal.



“...every week I have a fireside chat with my best friend from college...even though she lives 2,000 miles away...”

Dear Fellow Shareholders,

Would you like to make your life a little easier? Plantronics headsets let you use the phone more comfortably and more effectively whether you're at the office, on the road or back at home. Our products are small but sophisticated accessories that can make a big difference when you need to communicate. As we put it on the cover of this report, "a little change can do you good."

Headsets are becoming mainstream accessories for all kinds of people in all kinds of environments. Just as important, more and more people are turning to headsets from Plantronics. We've gone from space-age technology used by the first astronaut on the moon to innovative designs used by tens of millions of people. Our products deliver comfort, convenience and clarity as well as a sense of style, thanks to our ability to fuse state-of-the-art technology with cutting-edge fashion.

Our optimism about the future of headsets has translated into substantial investment in research and development over the last few years—and the products we created are generating real results. Our innovative MX100 mobile headset has won awards for both performance and design, and has proven to be popular with consumers as well—by this summer we will have sold a million units.

In fact, a substantial portion of our fiscal 2003 growth came from new products like the MX100. In fiscal 2003, our revenues increased 8.5%, our operating income increased 32%, and our earnings per share grew 20%. Improvements in the way we manage our supply chain allowed us to reduce inventory even while growing

revenues, with the result that our inventory turns improved from 4.5 to 5. With increased profits and good working capital management, we generated \$50 million of cash flow from operations, which we principally used to repurchase stock.

Our optimism continues because we believe the headset revolution is far from over. The convergence of cellular phones, personal computers and PDAs is helping everyone communicate when they're on the go, but it is also creating a need for a simple, intuitive way to control these devices. We want to be able to just talk and have things happen using the most natural interface of all: our own voice.

Plantronics is well positioned to help connect you, via your voice, with all of these emerging applications. As industry leaders look to add voice command and wireless connectivity to the tools they are developing, many are selecting Plantronics as their partner of choice.

Looking forward, we believe the products we plan to launch during the coming year will allow us to achieve further revenue and profit growth. I would like to thank our employees for their exceptional contributions, our shareholders for their continued support, our suppliers for their work with us to improve quality and cost competitiveness, our channel partners for their investments in growing our business, and above all, our customers, for giving us the opportunity to help them.

Yours truly,



Ken Kannappan, President and Chief Executive Officer

Financial Highlights

Fiscal year ended March 31, in thousands, except per share data

2002

2003

OPERATIONS

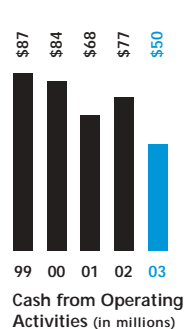
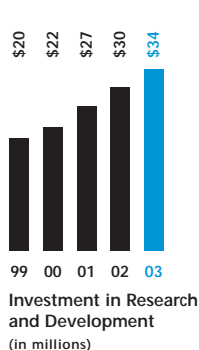
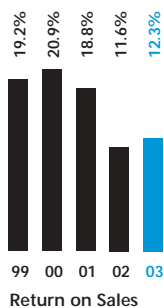
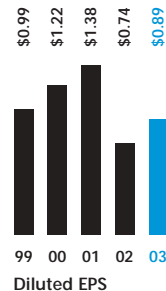
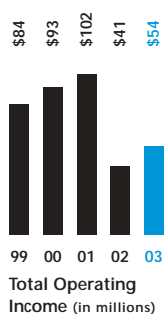
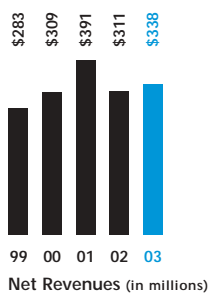
Revenue	\$ 311,181	\$ 337,508
Net income	\$ 36,248	\$ 41,476
Diluted earnings per common share	\$ 0.74	\$ 0.89
Shares used in diluted per share calculations	49,238	46,584

FINANCIAL POSITION

Total assets	\$ 201,058	\$ 205,209
Debt	--	--
Net working capital	\$ 96,669	\$ 103,605
Shareholders' equity	\$ 141,993	\$ 146,930

SELECTED RATIOS

Gross margin	47.5%	50.1%
Operating margin	13.3%	16.1%
Return on sales	11.6%	12.3%
Return on equity	23.0%	28.7%
Days sales outstanding	51	54
Inventory turns	4.5	5.0



Plantronics Worldwide Operations

AUSTRALIA

Level 2, 200 Arden Street
North Melbourne
Victoria 3051, Australia
T (61-3) 9321-0144
F (61-3) 9321-0162

BRAZIL

Av. São Gabriel, 201 – #1602
01435-001 Sao Paulo
SP Brazil
T (55-11) 3168-8759
F (55-11) 3168-5309

CANADA

225 Hymus Boulevard,
Suite 10
Pointe Claire, Quebec
H9R 1G4 Canada
T (514) 694-3185
F (514) 694-7770

CHINA

R2202, North Block,
Huibeil Bld
Xinzhou Nan Road, Futian
Shenzhen, China
Post Code: 518048
T (86-755) 8356 6480
F (86-755) 8356 6481

FRANCE

424 La Closerie Mont d'Est
93193 Noisy-le-Grand, France
T (33-1) 4649-8300
F (33-1) 4649-8309

GERMANY

Postfach 7146
50342 Hürth (Cologne)
Germany
T (49) 2233-399-0
F (49) 2233-399-399

HONG KONG

1801 Yue Xiu Building
160-174 Lockhart Road
Wanchai, Hong Kong
T (852) 2375-8480
F (852) 2377-0573

INDIA

#103, Sushant Plaza
First Floor
Sushant Lok-I, Gurgaon -
122002,
Haryana, India
T (91) 124 5013652
F (91) 124 5013651

ITALY

Centro Direzionale Lombardo
Palazzo G
Via Roma 108
20060 Cassina de' Pecchi
Milano, Italy
T (39-02) 95-11900
F (39-02) 95-11903

JAPAN

Hibiya Central Bldg 14F
1-2-9, Nishi-Shinbashi
Minato-ku
Tokyo 105-0003, Japan
T (81-3) 5532-7293
F (81-3) 5532-7425

MEXICO

Avenida Produccion, #12
Parque Industrial
Internacional
Tijuana, Mesa de Otay
Tijuana, Baja California
22390 Mexico
T (52-66) 822-798
F (52-66) 822-796

THE NETHERLANDS

South Point, Building C
Scorpius 140
2132 LR Hoofddorp
Netherlands
T (31-23) 564-8010
F (31-23) 562-6790

SINGAPORE

391 A Orchard Road
#12-01 Ngee Ann City
Tower A
Singapore 238873
T (65) 838-5239
F (65) 235-1447

SPAIN

Edificio Londres
Complejo Europa Empresarial
Carretera de la Coruña
Km., 24
28230 Las Rozas
Madrid, Spain
T (34-91) 6404744
F (34-91) 6404746

SWEDEN

Kristinagatan 10
S-702 14 Orebro, Sweden
T (46-19) 121-930
F (46-19) 121-933

TAIWAN

21F-6 No. 398 Hwang-Pei Road
Chung-Li City, Taiwan, R.O.C.
T (866-3) 422-9249
F (866-3) 427-3555

UNITED KINGDOM

Interface Business Park
Bincknoll Lane
Wootton Bassett, Wiltshire
SN4 8QQ England,
United Kingdom
T (44-17) 93-848999
F (44-17) 93-848853

WALKER EQUIPMENT

4289 Bonny Oaks Drive
Suite 106
Chattanooga, TN 37406
T (423) 622-7793
F (423) 622-0414

AMERIPHONE

12082 Western Avenue
Garden Grove, CA 92841
T (714) 897-0803
F (714) 897-4703



Plantronics, Inc.
345 Encinal Street
Santa Cruz, California 95060
T (831) 426-5858
F (831) 426-6098
www.plantronics.com