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**Shaanxi Tonghui Selects Cisco Metro DWDM Solution for High-Speed Fiber-Optic
Network in Xi'an High-Tech Zone**

*First Cisco ONS 15200 Metro DWDM Deployment in China Maximizes Fiber Bandwidth and
Brings Enhanced Profitability*

BEIJING, P.R. China, September 24, 2001 — Shaanxi Tonghui Network Communications Co., Ltd. (TNC) announced that it has selected Cisco ONS 15200 Metro DWDM systems, the first wavelength to the building metro DWDM solution, for the high-speed fiber-optic network infrastructure of the Xi'an High-Tech Development Zone. TNC's decision marks the first deployment of the ONS 15200 Metro DWDM system in China and signifies another milestone for Cisco's market-leading metro optical transport solutions.

Covering nearly ten square kilometers and accommodating nearly 3,000 enterprises, the Xi'an High-Tech Zone is one of two national high-technology development areas in Xi'an hosting information technology and telecommunications manufacturing, assembly, distribution and software firms. As a part of its effort to upgrade the zone's communications infrastructure, TNC has chosen Cisco ONS 15200 Metro DWDM products in order to derive the full benefit of DWDM technology, and the system's unique wavelength to the building architecture, including optimal fiber-optic resource usage, optical wavelength protection mechanisms, and branch interface rate protocols.

"We are pleased Shaanxi Tonghui Network Communications has selected Cisco's ONS 15200 Metro DWDM solution to expand its bandwidth and service capabilities in the Xi'an High-Tech Zone," said Idris T. Vasi, Director of Optical Networking, Cisco Systems, Asia-Pacific. "Through our relationship with TNC and the first ONS 15200 deployment in China, we achieve several key milestones to continue our worldwide momentum in metro optical transport leadership."

The self-healing, multiple-access backbone network uses ninety-six line fiber-optic cables (using the G.652 standard), two knots, and five exchange boxes. Current plans are to use 70 lines to provide access service, with 24 lines held in reserve. As a significant change from previous designs, with no major investment in new equipment, service capacity is enhanced

while overall cost is reduced. The result, both parties agreed, is an excellent backbone transport basis for future applications.

Mr. Zhang Wei, General Manager of TNC's Broadband Enterprise Department, said: "Not only does Cisco's ONS 15200 system satisfy our current network demand, but it can also guarantee the future scalability of network applications and the expansion of users. Through our cooperation, we have found that Cisco not only provides extensive opportunity for technological and application exchange, but also emphasizes strategic relationship with clients, helping them to achieve the highest levels of profitability."

Dense Wavelength Division Multiplexing (DWDM), originally used in long-distance backbone transport, is now also used in Metropolitan Access Networks (MAN) to alleviate bandwidth bottlenecks. Designed to achieve access among dense metropolitan areas through network 'knots,' many large enterprises are now using the same technology to build high-speed networks within their own communities. Cisco's ONS 15200 Metro DWDM products are suitable for access and transmission applications both in expanding cities and for shorter distances, with the service provider being able to add paths conveniently, channel by channel, when demand for capacity increases.

Delivering the first wavelength to the building metro DWDM solution, the ONS 15200 supercharges wavelength services with unprecedented transport flexibility to achieve radical economics for service providers. The ONS 15200 line includes the ONS 15252, ONS 15201, and ONS 15216 platforms. The ONS 15200 Metro DWDM system enables service providers to drop single channels, aggregates wavelength and subwavelength services, and supports metro and regional metro ring, star and point-to-point topologies. The ONS 15200 is part of Cisco's unrivaled IP+Optical solution, combining the intelligence of IP services with optical capacity to deliver profitable economics to service providers.

Cisco provides an extensive portfolio of optical networking equipment through its ONS 15000 product line. This first Cisco ONS 15200 deployment in China not only extends Cisco's worldwide leadership in metro optical transport, it also represents the formal establishment of a cooperative relationship between Cisco and TNC.

In China, Cisco has achieved important successes in developing networking and Internet usage, and has introduced advanced technology in the fields of telecommunications, cable TV and entertainment. Cisco has also made significant contributions to Internet education through its Networking Academy program. There are now 120 Networking Academies

across the country, bringing e-learning to more than 4000 on-line students. Working closely with the Ministry of Education, the Academies are helping to build the technically skilled workforce China needs to unlock the benefits of the Internet.

About Cisco IP+Optical Solutions

Cisco is the first company to deliver scalable IP+Optical networking solutions for today's Internet-driven marketplace. Cisco's IP+Optical strategy builds on Cisco's leadership in IP routing, Multiprotocol Label Switching (MPLS), optical networking technology and content/services intelligence. Cisco is uniquely positioned to enable service providers to reduce operational costs and increase service velocity, empowering them to deploy a new generation of highly competitive New World services.

About Cisco Systems

Cisco Systems (NASDAQ: CSCO) is the worldwide leader in networking for the Internet. Cisco news and information are available at <http://www.cisco.com>.

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