

## PROFILE

**CISCO SYSTEMS, INC.** is the worldwide leader in networking for the Internet. Cisco Internet Protocol (IP)-based networking solutions are the foundation of the Internet and most corporate, education, and government networks around the world. Cisco provides the broadest line of solutions for transporting data, voice, and video within buildings, across campuses, or around the world.

Today, the Internet and computer networking are essential parts of business, learning, and personal communications and entertainment. Virtually all messages or transactions sent over the Internet are carried quickly and securely through Cisco equipment. Cisco solutions ensure that both public and private networks operate with maximum performance, security, and flexibility. In addition, Cisco solutions are widely installed at corporations, public institutions, telecommunication companies, and a growing number of medium-sized commercial enterprises.

Cisco was founded in 1984 by a group of computer scientists from Stanford University. Since the company's inception, Cisco engineers have been prominent in advancing the development of IP—the basic language for communicating over the Internet and in private networks. The company's tradition of innovation continues today with Cisco creating leading products and key technologies that will make the Internet more useful and dynamic in the years ahead. These technologies include advanced routing and switching, data, voice, and video over IP, optical networking, wireless, storage networking, security, broadband, and content networking.

In addition to technology and product leadership, Cisco is recognized as an innovator in how business is conducted. The company has been a pioneer in using the Internet to provide customer support, sell products, offer training, and manage finances. Drawing upon the company's own Internet best practices and customer focus, Cisco has established the Internet Business Solutions Group (IBSG) dedicated to helping top business leaders transform their own businesses into e-businesses.

As a company, Cisco operates on core values of customer focus and corporate citizenship. The company's philanthropic efforts are committed to helping communities prosper while also encouraging Cisco employees to learn about the needs of the communities where Cisco operates. Also, to help bolster education around the world, the company has established Cisco Networking Academies dedicated to teaching students to design, build, and maintain computer networks.

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This report contains projections and other forward-looking statements regarding future events and the future financial performance of Cisco that involve risks and uncertainties. Readers are cautioned that these forward-looking statements are only predictions and may differ materially from actual future events or results. Readers are referred to the documents filed by Cisco with the SEC, specifically the most recent reports on Form 10-K, 10-Q and 8-K, each as it may be amended from time to time, which identify important risk factors that could cause actual results to differ from those contained in the forward-looking statements, including risks associated with business and economic conditions and growth in the networking industry in various geographic regions; global economic conditions; overall information technology spending, especially service provider capital spending in the data or IP segments; variations in customer demand for products and services; the ability to successfully restructure existing businesses; the timing of orders and manufacturing lead times; changes in customer order patterns; insufficient, excess or obsolete inventory; variations in sales channels, product costs, or mix of products sold; the ability to successfully reduce overhead and manage expenses; the ability to successfully integrate and operate acquired businesses and technologies; increased competition in the networking industry; dependence on the introduction and market acceptance of new product offerings and standards; rapid technological and market change; the trend towards sales of integrated network solutions; manufacturing and sourcing risks; Internet infrastructure and regulation; international operations, the timing and amount of employer payroll tax to be paid on employees' gains on stock options exercised; litigation involving patents, intellectual property, antitrust and other matters; stock price volatility; financial risk management; and potential volatility in operating results, among others.