

Required GAAP Reconciliation and Forward-Looking Statements



GAAP Reconciliation

During this presentation references to financial measures of the Company will include references to pro-forma financial measures. Cisco provides a complete reconciliation between GAAP and pro-forma financial information on our website at www.cisco.com in the “Investor Relations” section.

www.cisco.com/go/gaap_recon

Forward-Looking Statements

This presentation may contain projections or other forward-looking statements regarding future events or the future financial performance of the Company. These projections or statements are only predictions. Actual events or results may differ materially from those in the projections or other forward-looking statements. Please see the Company’s Annual Report to Shareholders and its filings with the SEC, including its most recent filings on Forms 10-K and 10-Q, each as it may be amended from time to time, for a discussion of important risk factors that could cause actual events or results to differ materially from those in the projections or forward-looking statements.



Corporate Overview “About Cisco”



Q3 FY 2007

Agenda

- Our Culture and History
- Our Strategic Approach
- How Our Customers Receive Value
- Our Results

Our Culture and History



Leader in World-Changing Technology that Improves Our Everyday Experience



= The Network Is the Platform
for Life's Experiences



The Cisco Vision...

Changing the Way We
Work, Live, Play, and Learn SM

Work



Live



Play



Learn



...and Mission

Shape the future of the Internet by creating unprecedented value and opportunity for our customers, employees, investors and ecosystem partners

The Network as a Platform...

“Cisco’s strategy is a story based on change—the market transitions that affect our customers. Through multiple transitions in the last decade and over the next 3–5 years, the network will evolve from the plumbing of the Internet—providing connectivity—to the platform that enables people to experience life.”

**John Chambers,
President and CEO, Cisco Systems**

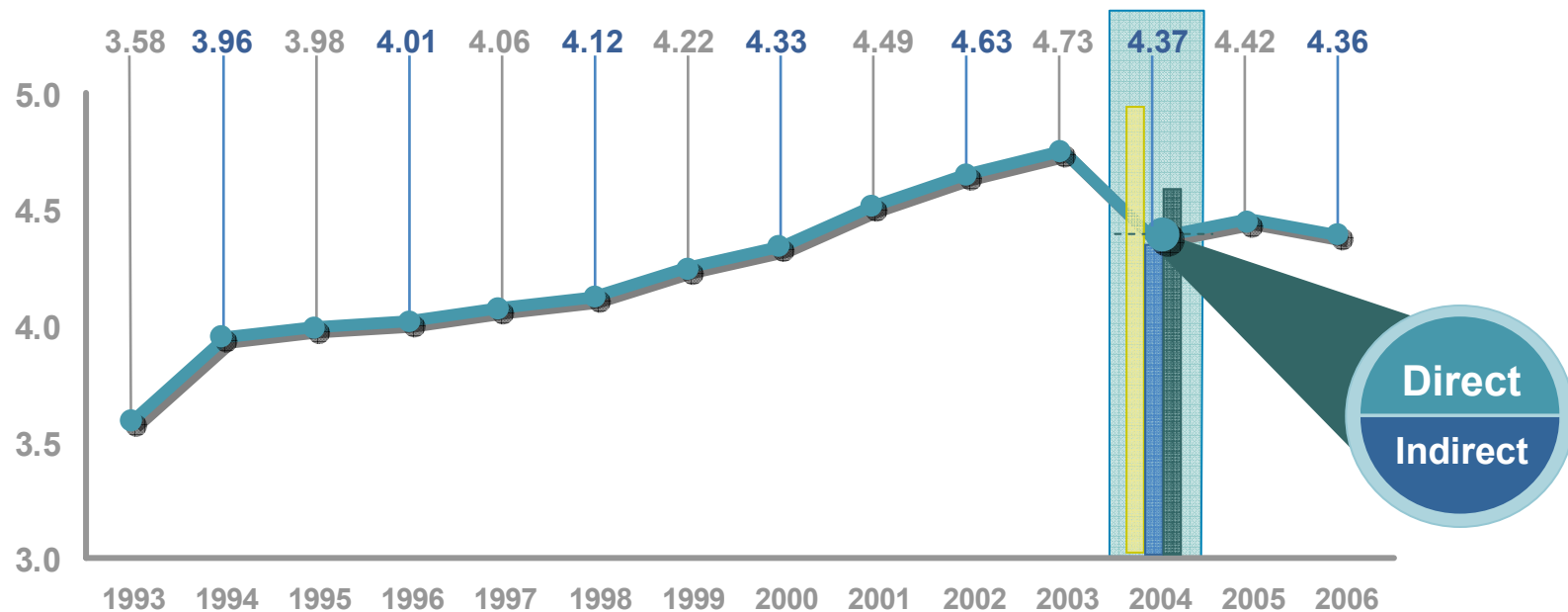


Cisco at Work—Corporate Culture



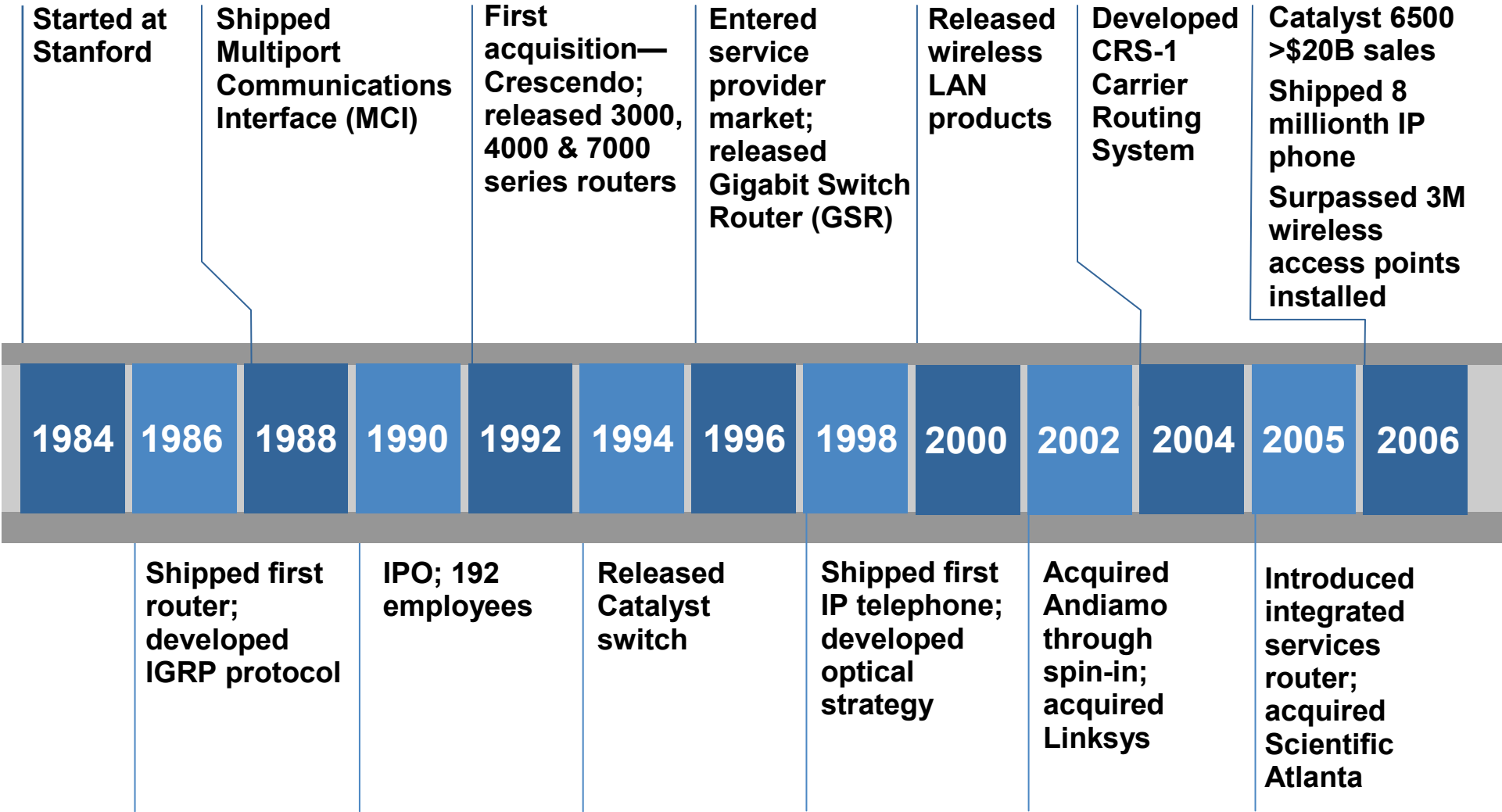
Cisco's History of Customer Satisfaction

- 10+ years of history—formally tracking customer satisfaction
- Central part of Cisco's culture
- Customer satisfaction tied to the bonus plan
- Organizational ownership



Source: Independent research study; measured on a scale of 0 to 5

Innovation Milestones



Cisco Globally



- 52,000+ employees in 70 countries
- 300+ office locations
- 1/3 Engineering/IT, 1/3 Sales, 1/3 all others

Cisco at Work— Responsible Corporate Citizen



**Networking
Academy
Programs**



**Cisco
Foundation**



**Community
Investment and
Fellowship**

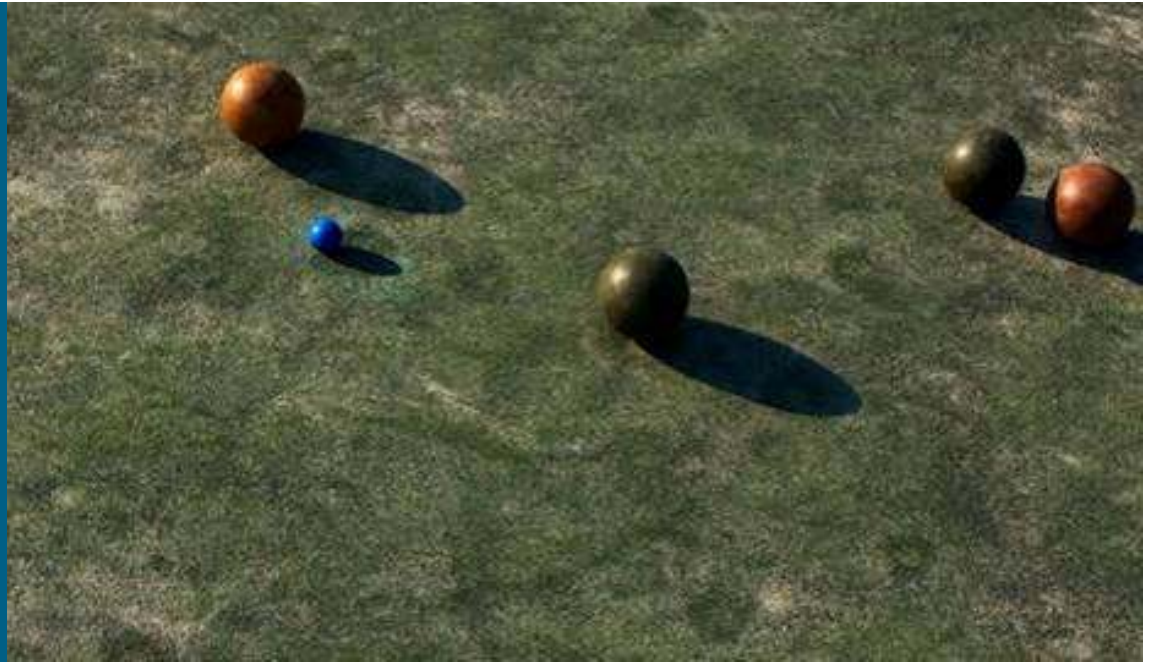


**Cisco Nobel
Programs**



**Corporate
Philanthropy**

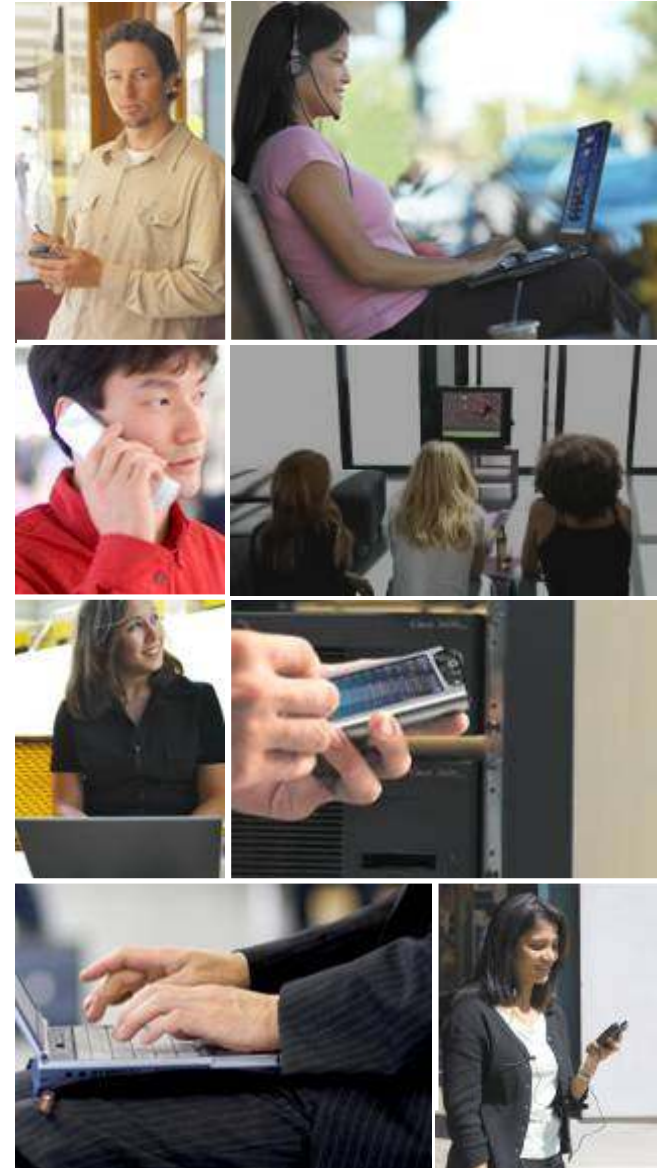
Our Strategic Approach



Consumer Environment Is Changing

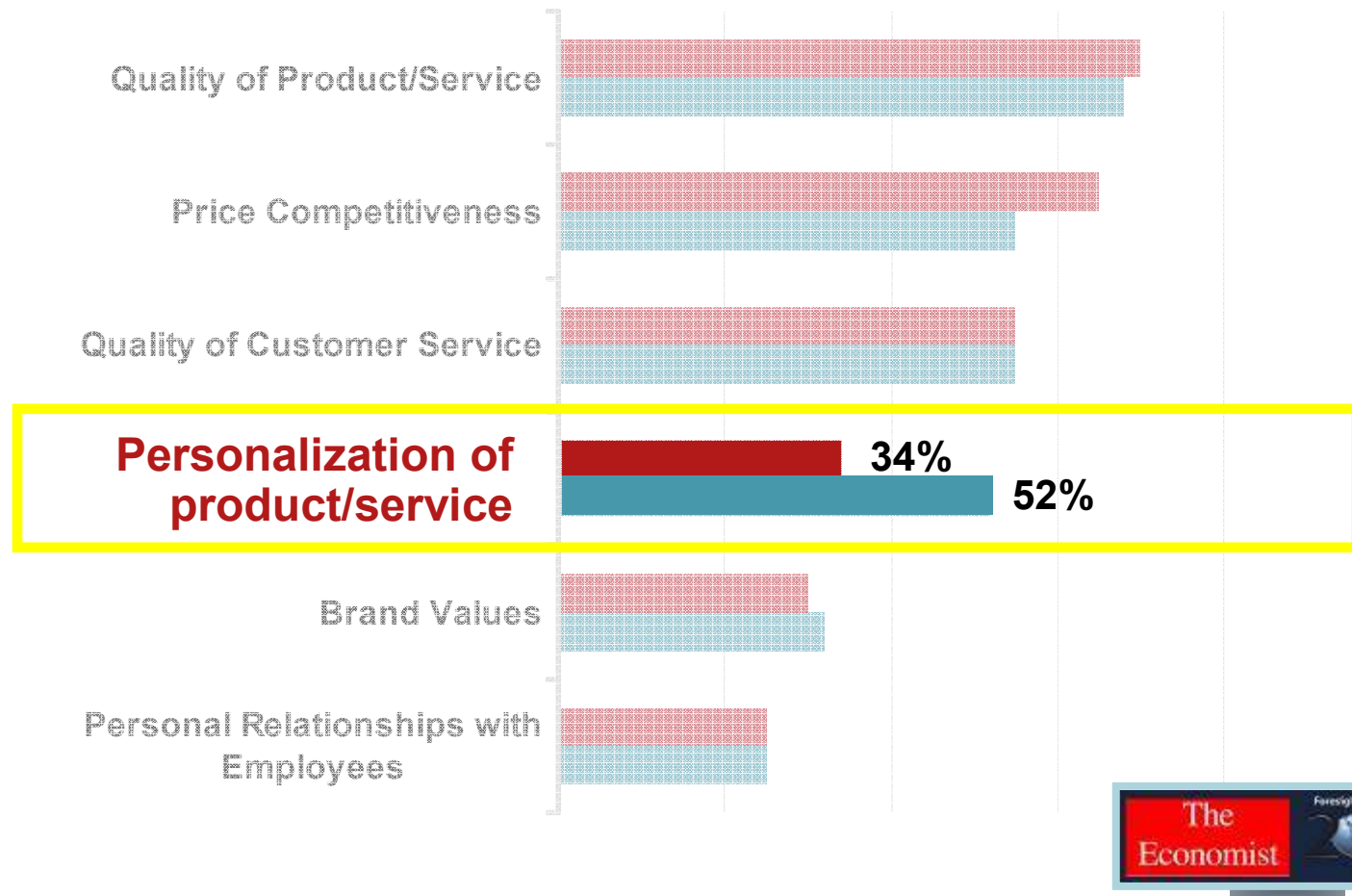
- Information is their currency
- ICT devices expand their reach
- Peers are global
- Computing needs are infinite
- Value personal attention

Consumers Want
to Be Recognized
by Their **Individual** Needs.



What Trends Are We Seeing? Change in Customer Priorities

Customer Priorities: Now and in the Year 2020



What's Happening to Businesses Today?

- Products are vulnerable to replication
- Automation is losing its competitive advantage
- Globalization is impacting consumer choice
- Emerging countries are preparing for inclusion
- Consumers and citizens are more demanding

Differentiation is drawn from the “how” versus the “what” is sold.

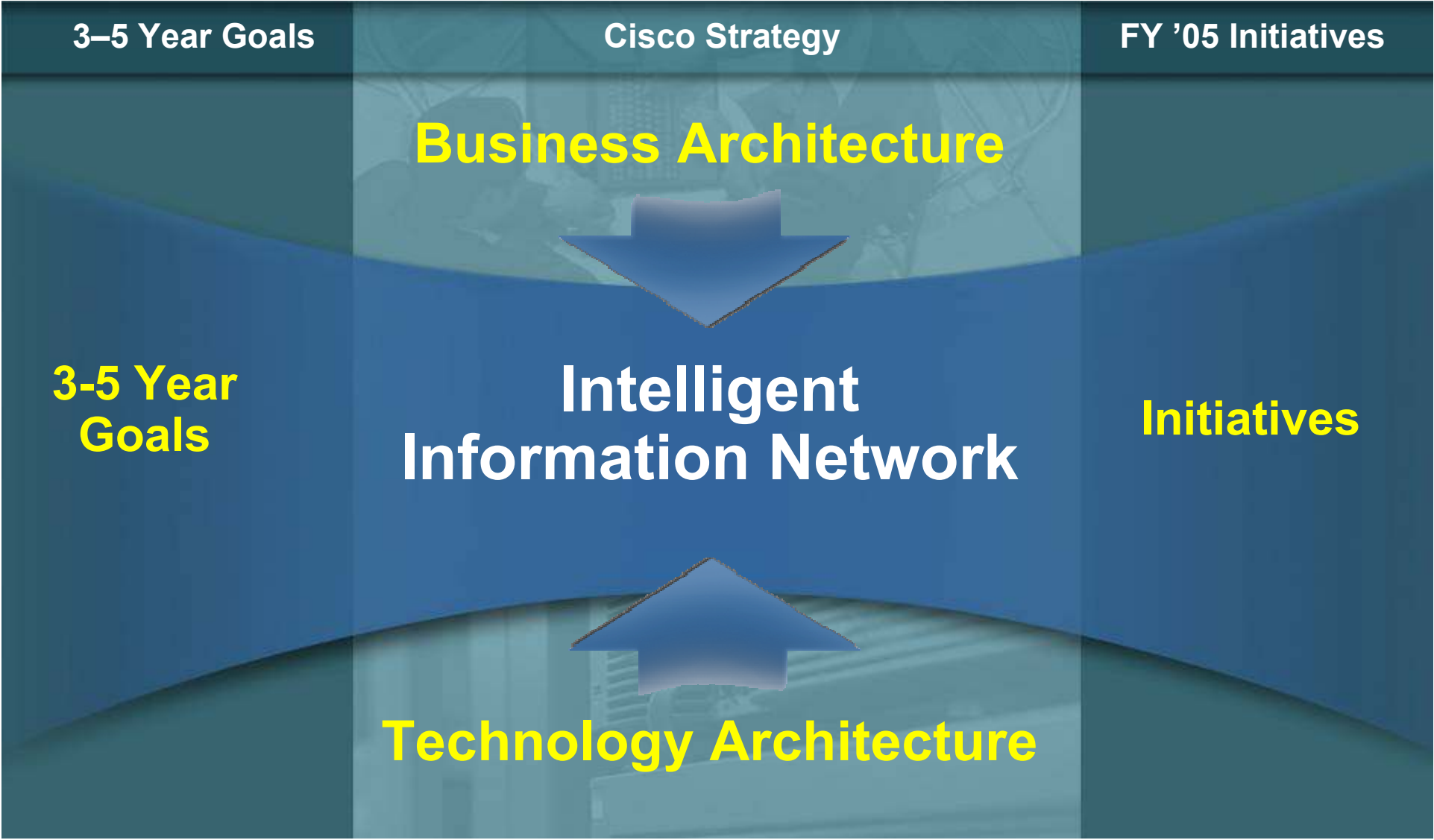
Our Customers Wish to...

- Get closer to their consumers
- Grow their businesses
- Gain customer loyalty
- Remain competitive
- Retain profitable customers
- Emerge as a developed country

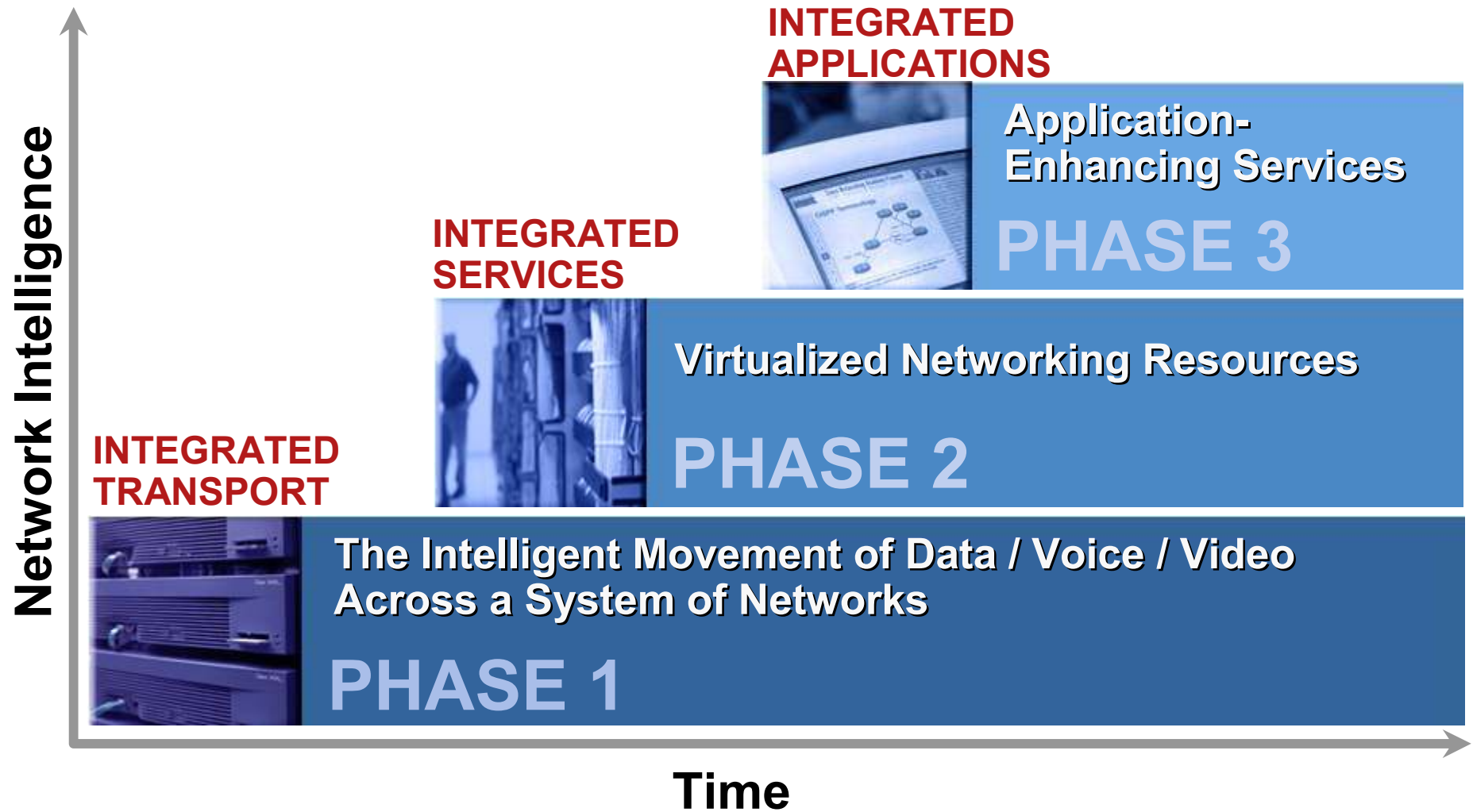


Grow, Profit, Emerge and Compete Globally

Cisco's Blueprint for the Future



Cisco's 3–5 Year Technology Vision: The Intelligent Information Network



Cisco's 3–5 Year Technology Vision: Transferring Intelligence into Value



From		To
Packet-Oriented Networking	➔	Application-Oriented Networking
Route-Level Resiliency	➔	Service-Level Resiliency
Component-Level Management	➔	System-Wide Management Visibility
Fixed Asset Utilization	➔	Dynamic Asset Utilization

Cisco Technology Strategy: Architectures Tailored to Our Customers

INTELLIGENT INFORMATION NETWORK

SERVICE PROVIDER

IP NGN



- Increase revenue
- Customer loyalty
- Reduce OpEx/CapEx

CONSUMER

The Connected Home



- New digital lifestyle
- Entertainment on demand
- Easy to use
- Affordable

ENTERPRISE

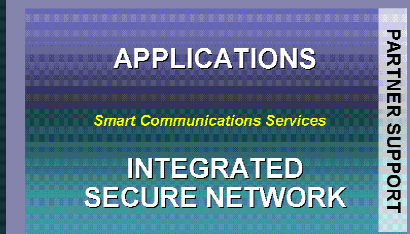
Service-Oriented Network Architecture



- Increase revenue
- Increase flexibility
- Improve customer relationships
- Reduce costs

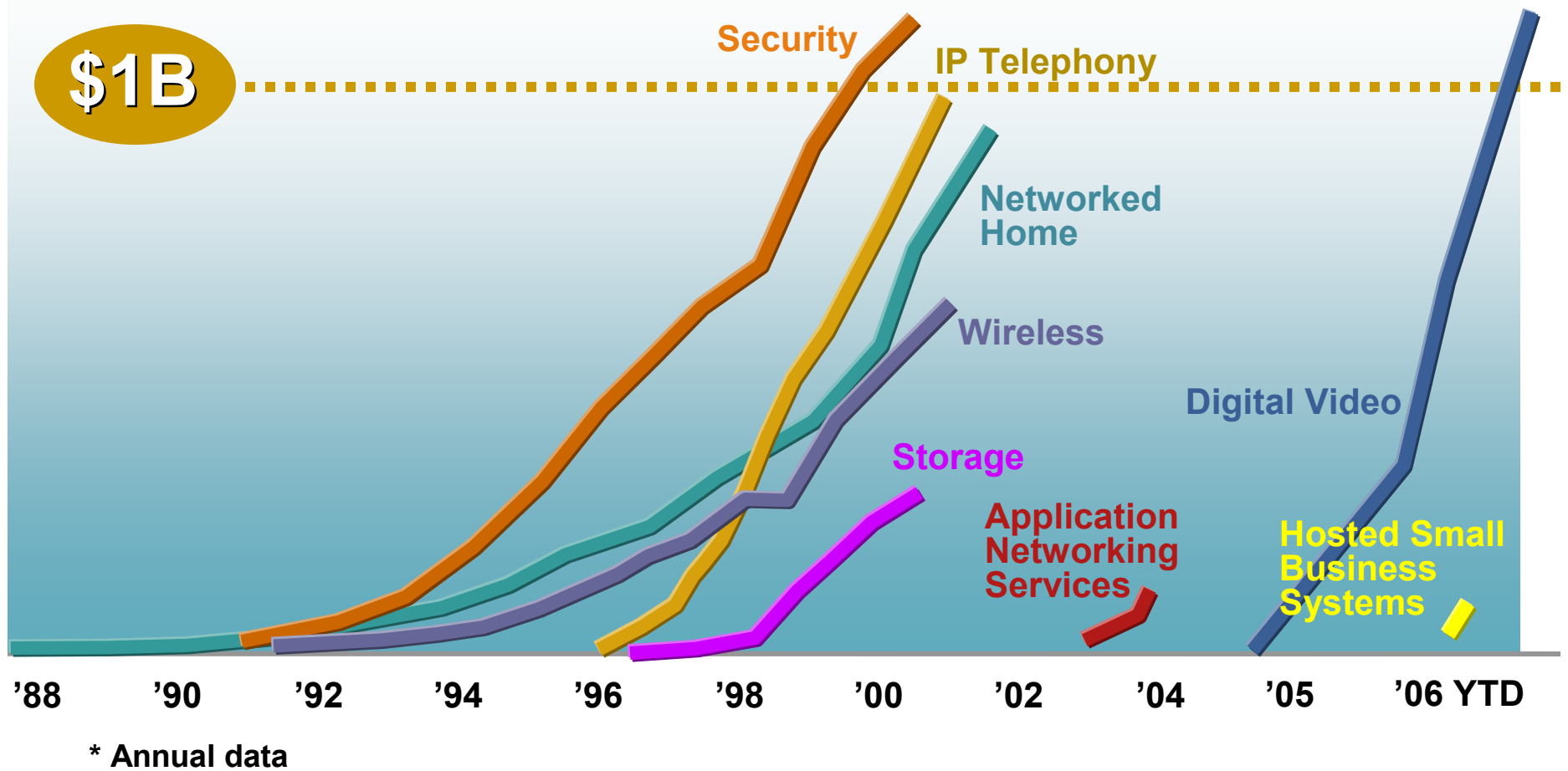
COMMERCIAL

Smart Business Communications Architecture



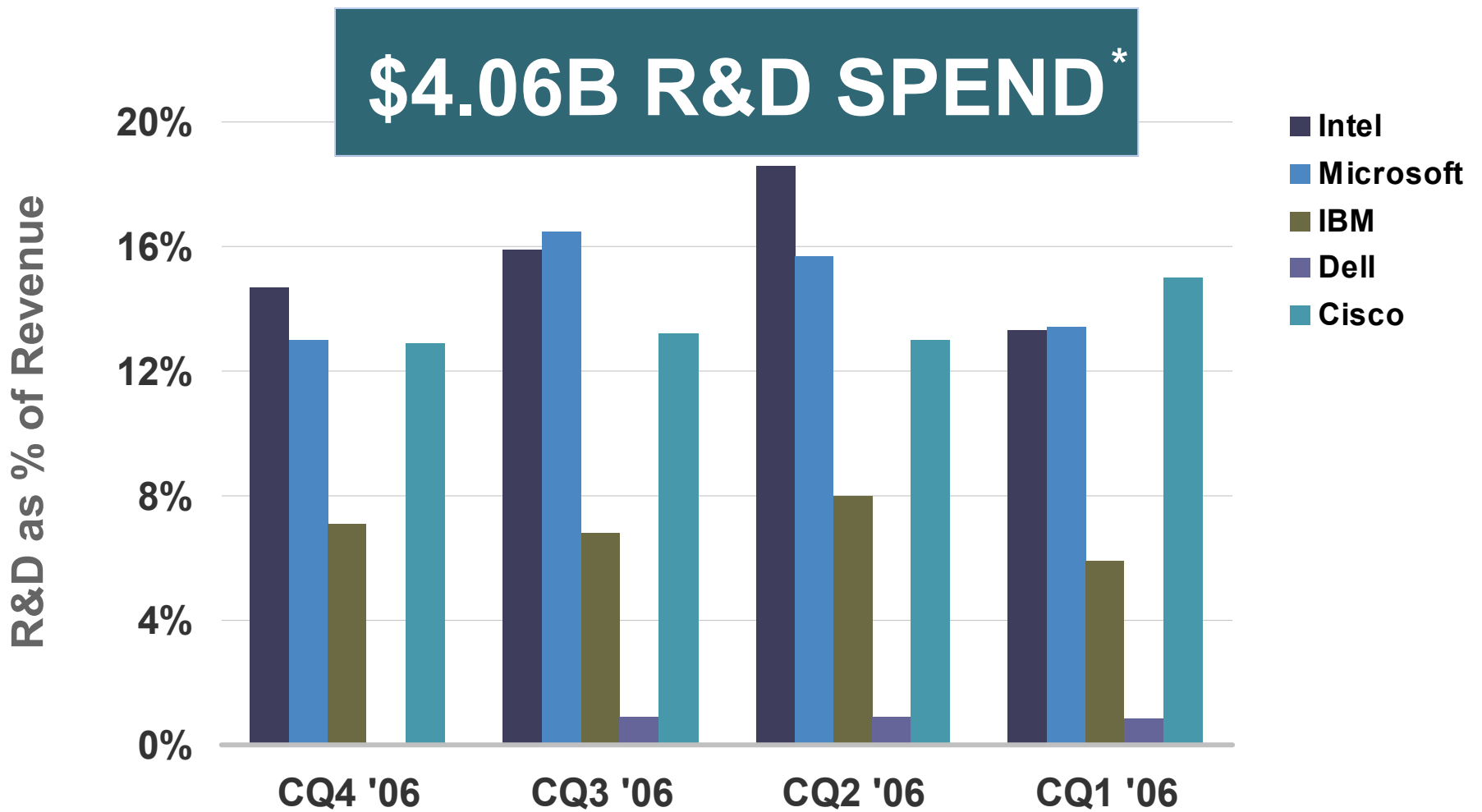
- Increase revenue
- Customer intimacy
- Low complexity
- Advanced services
- Competitive advantage

Advanced Technologies Gaining Traction



R&D Commitment

\$4.06B R&D SPEND*



Source: Yahoo Finance, Company Financial Statements

*Total FY'06

Cisco—The Technology Innovator

- \$4 billion R&D investment, annually
- Over 16,000 engineers working in more than 1110 labs worldwide
- 110+ acquisitions to quickly enter new markets and add talent
- More than 2000 patents have been issued to Cisco inventors

Recent Innovations

- TelePresence— IP-based visual conferencing
- CRS-1 Carrier Routing System
- IOS XR—self-defending, self-healing operating system software

Development



Acquisitions



Cisco's Innovation Model...

Build / Buy / Partner... Collaborate



Increasing the Velocity of Technology Commercialization



**Innovation
Process**

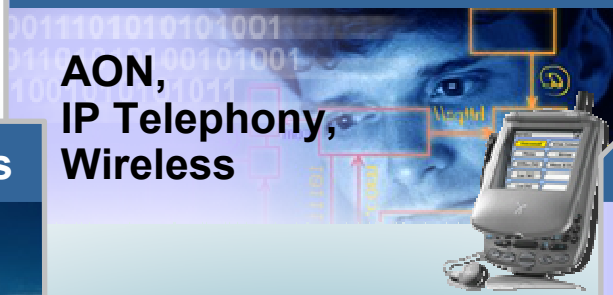
Velocity: Accelerating Technology Adoption via GTM Process



Different Types of Innovation

Develop New Technology

AON,
IP Telephony,
Wireless



Start New Business Models

Linksys,
Meeting Place,
NetSolve



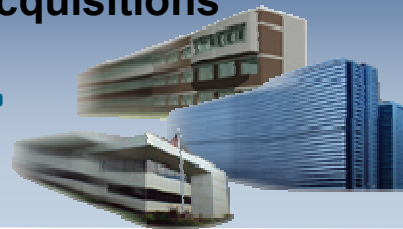
Partner w/ Other Companies

Network
Admission
Control
(Microsoft,
Symantec, others)



Pursue Acquisitions

100+ Acquisitions



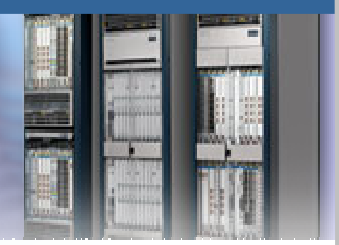
Spin in Investments

Andiamo



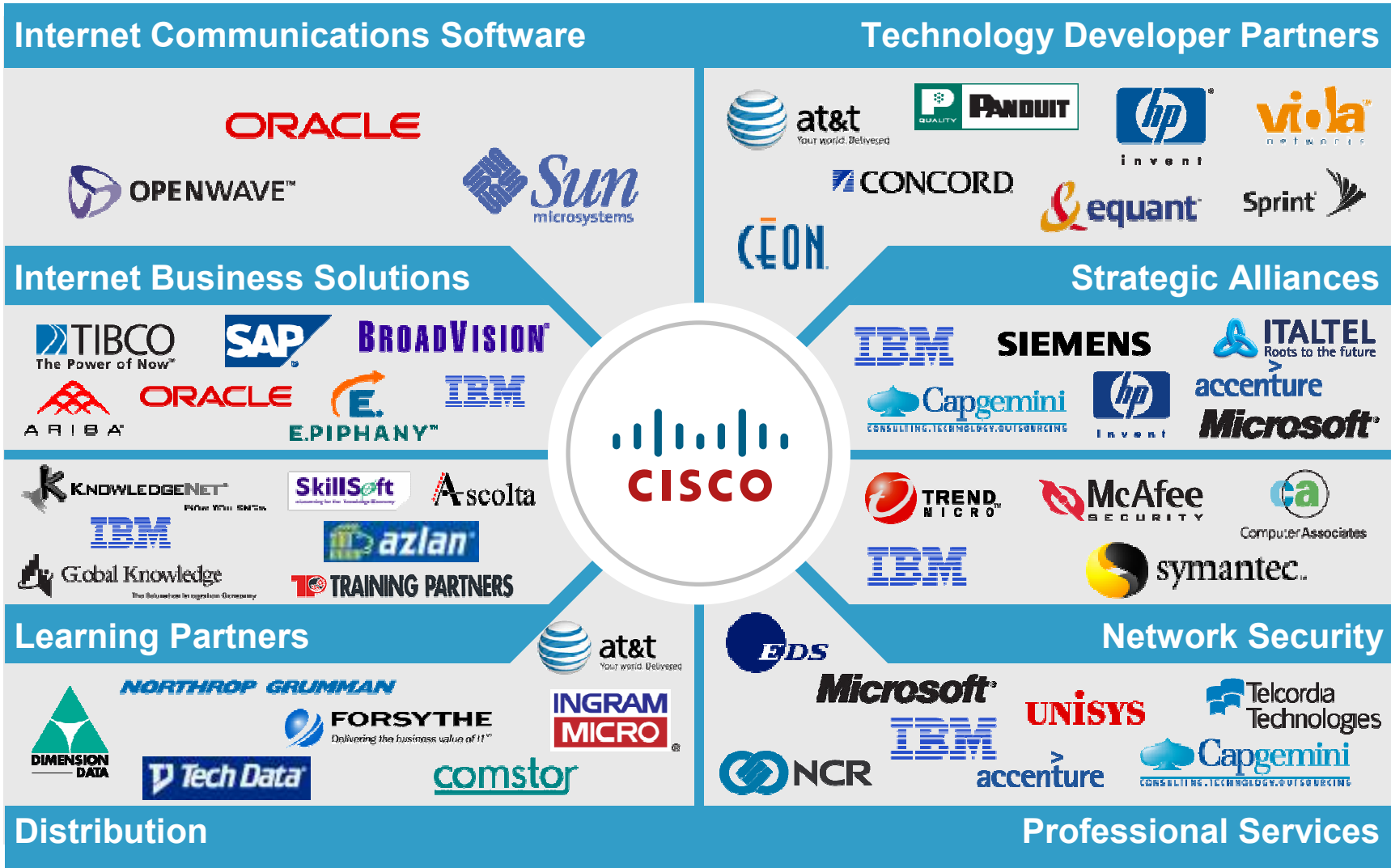
Design New Products

CRS-1,
IOS XR,
Integrated
Services
Router



Cisco Business Relationships

CSI7



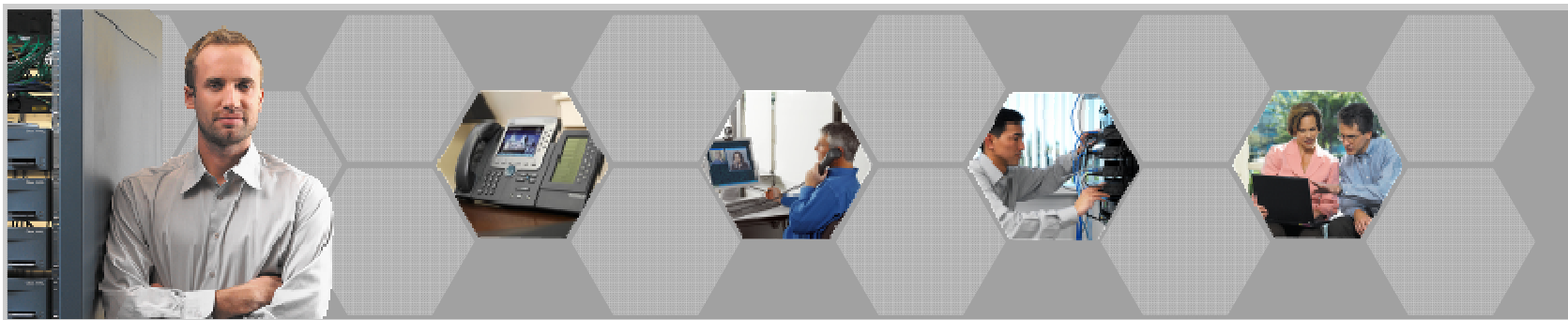
Slide 29

CSI7

I think equant has changed names--is it Orange Business Services now?

Cisco Systems, Inc., 2/28/2007

Business Concerns



Is my network ready for voice?

Is my network ready for video?

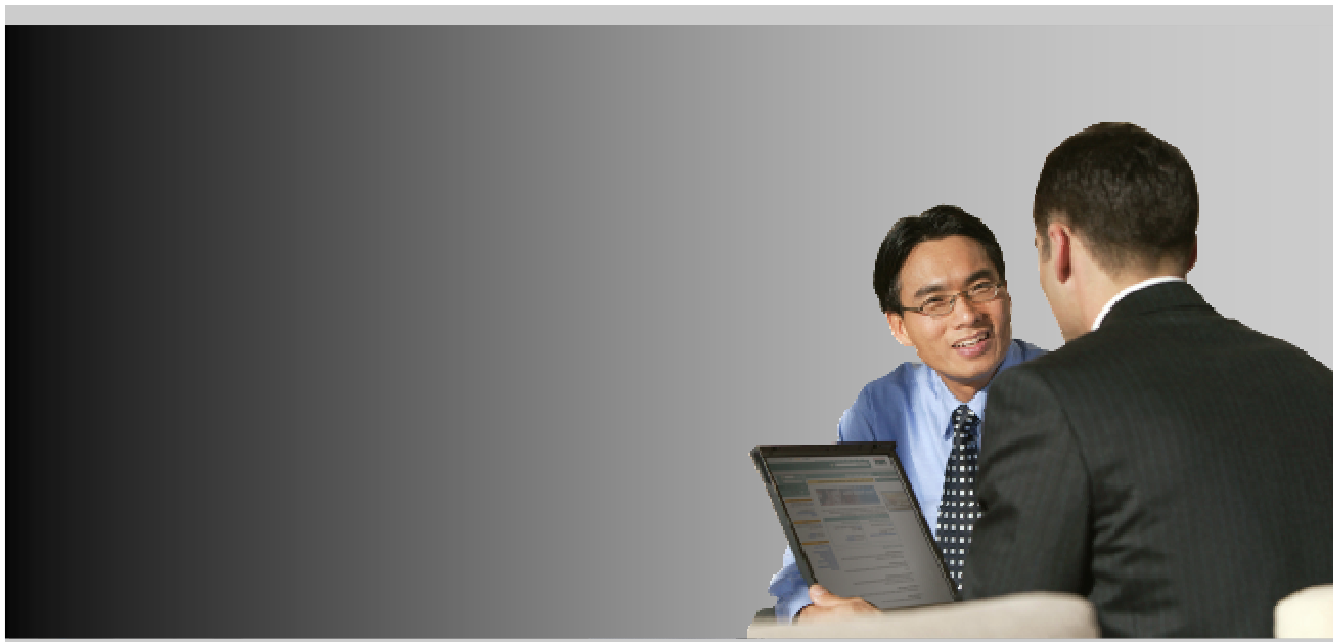
Is my network secure?

Is the technology ready?

Are my people ready for this “new technology”

Can I bridge the gap between technology architectures and my business needs?

Service-Led Interactions



**Capturing New Business Opportunities
for Our Customers with Our Partners**

The Role of Services in the Platform

**Create a
Trusted Resilient
Network**

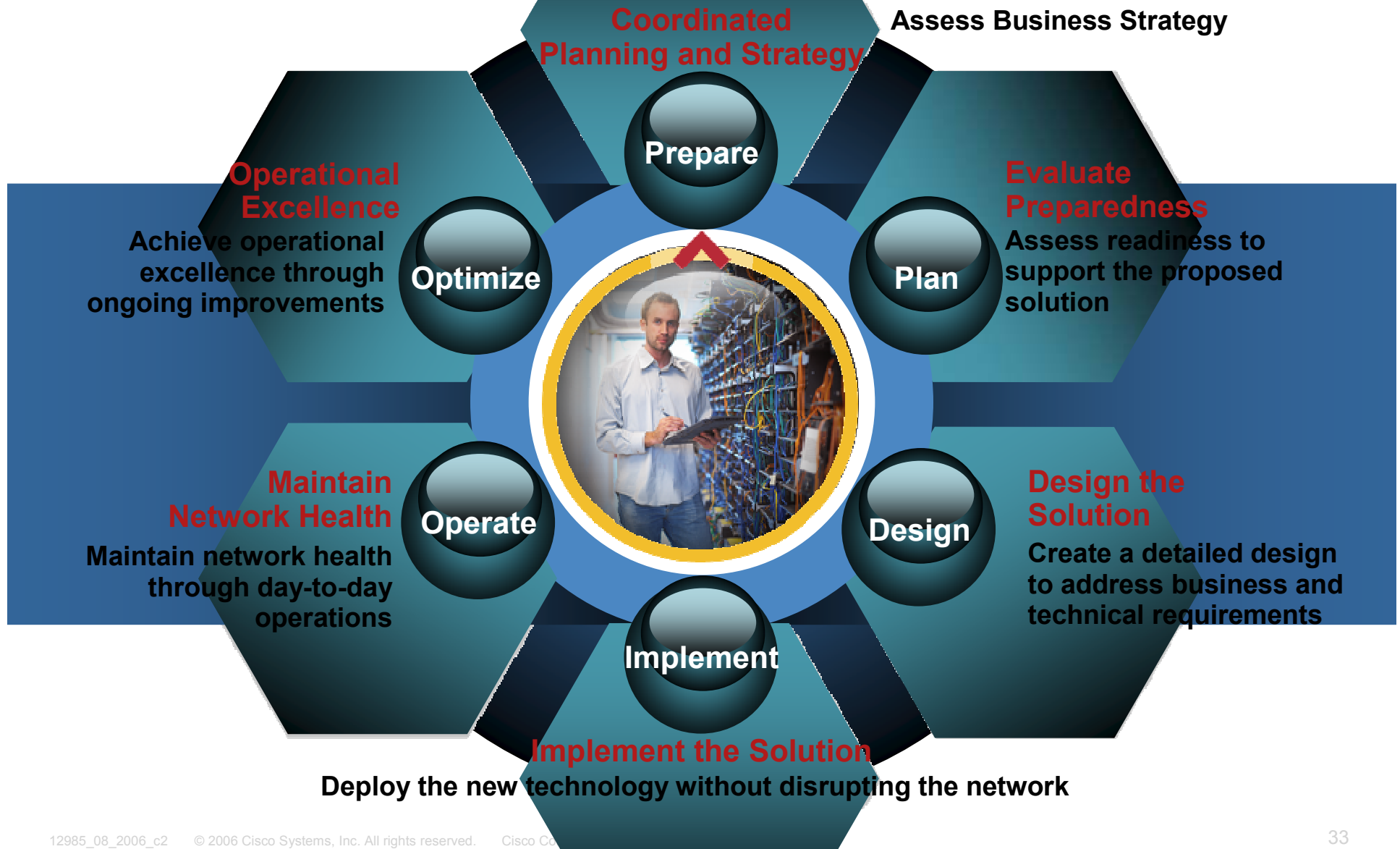
**Architect the
Network to Meet
the Needs of the
Business**

**Enable Partners
to Deliver
Globally**



How Do We Do This?

The Cisco Lifecycle Approach to Support the Network as the Platform



How Our Customers Receive Value



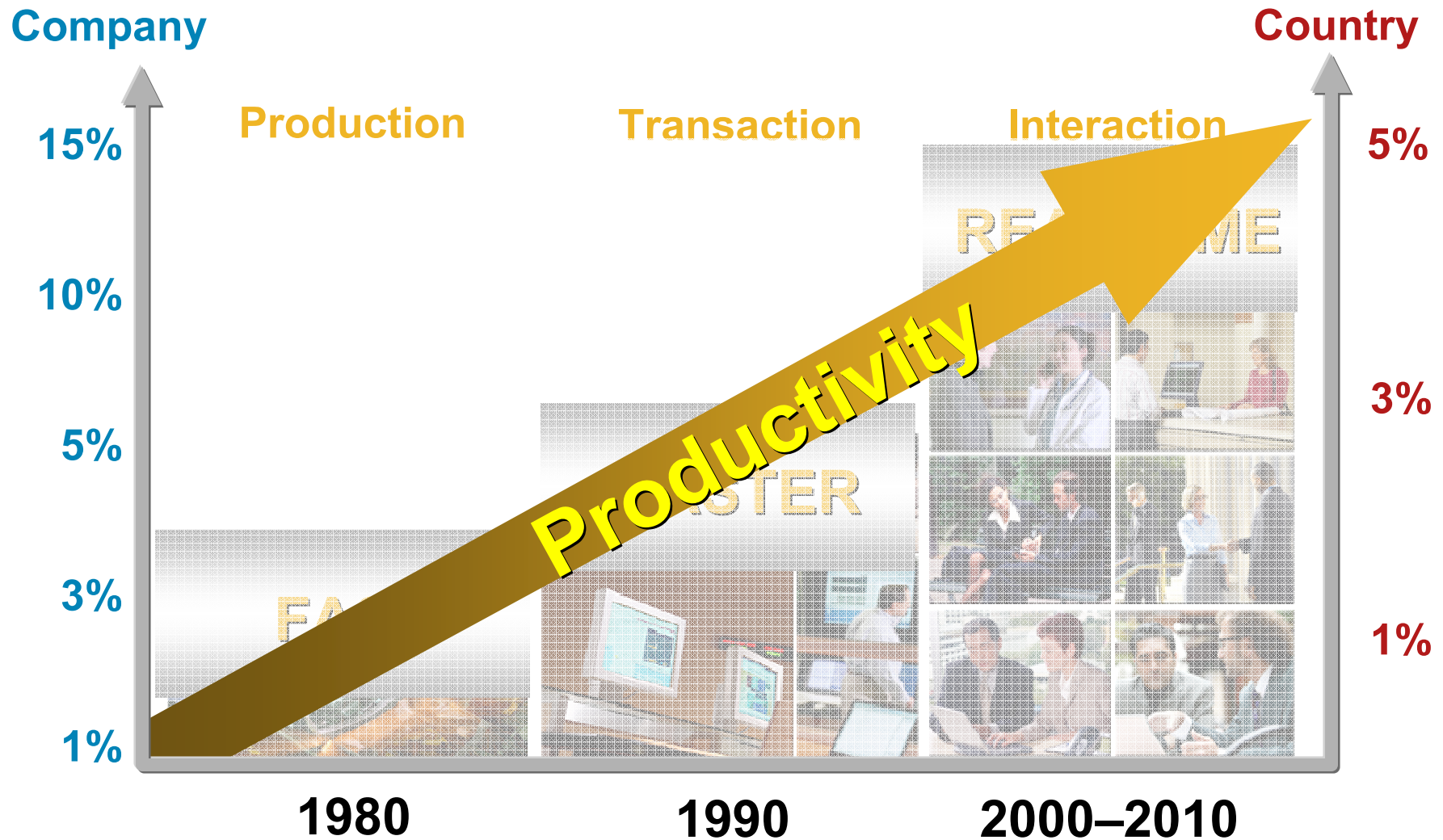
Cisco Network Messages: Past, Present, and Future

Past	Present	Future
Connectivity	Convergence	Platform



Past	Present	Future
Transact	Interact	Experience

Three Generations of Network Productivity



Next Phase of Productivity

Transactions to Interactions

TRANSACTIONS

- Employee self service
- Customer self service
- Transfer money
- Searching databases
- Airline Check-in
- Ordering / Delivery

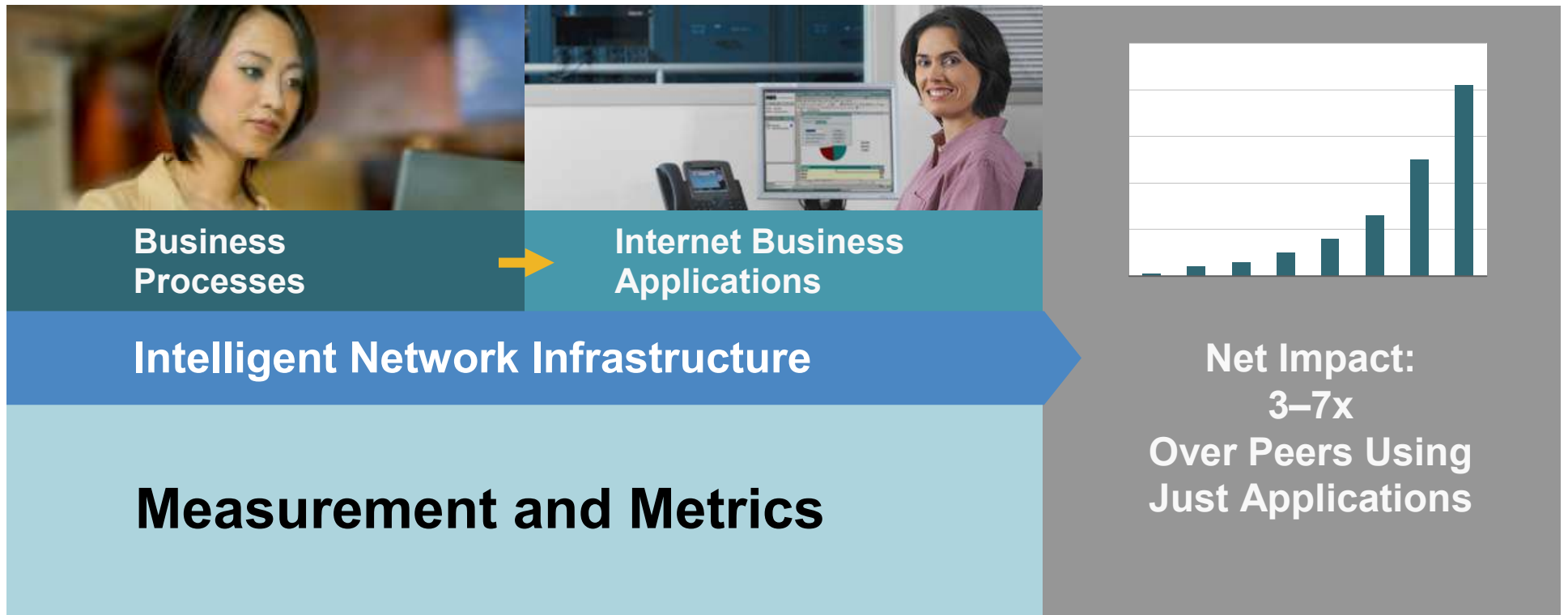
INTERACTIONS

- Product Design
- Engineering / Manufacturing / Suppliers
- Support / Service
- Negotiating deals
- Financial advice
- Chronic care management

“Interactions are about connections, adding value in the exchange of information”

How Thought Leaders Are Capturing Value

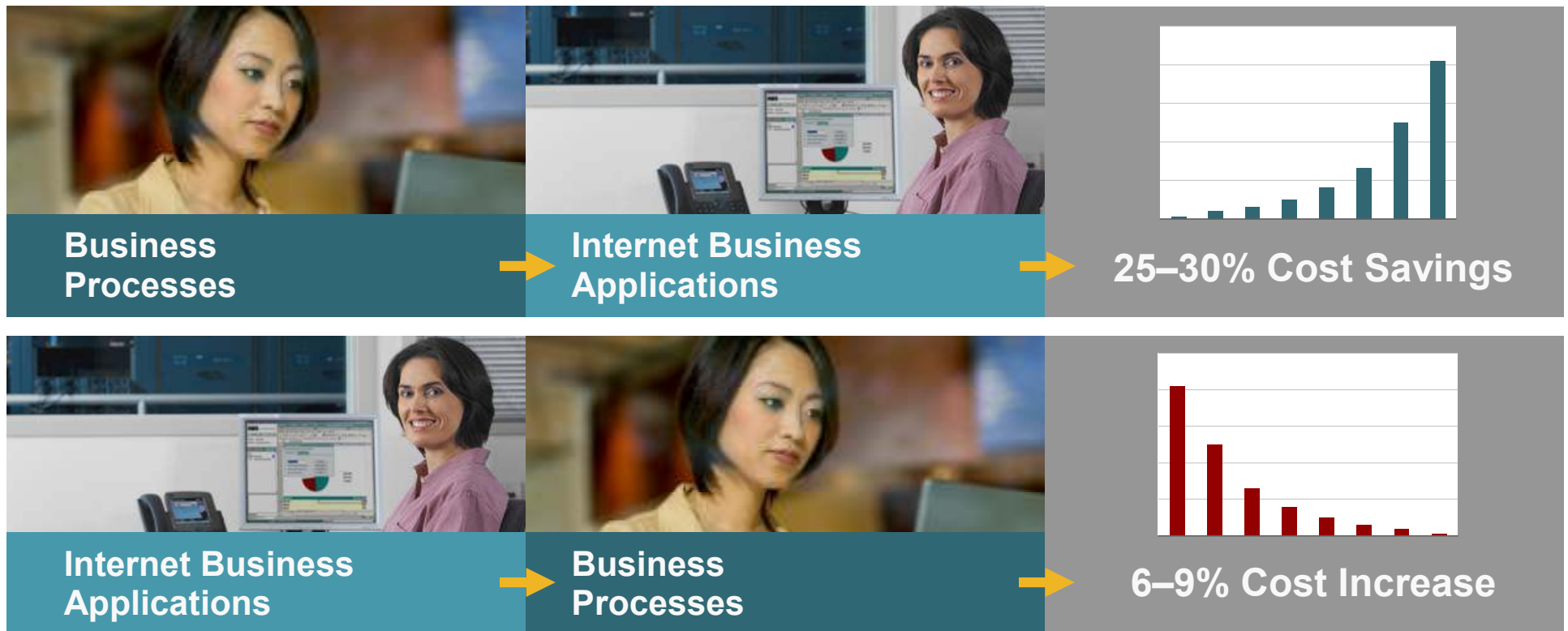
Coordinate Investments



Source: Momentum Research Group—Net Impact 2003 and Net Impact 2004

Applications and Business Processes: Sequence Matters

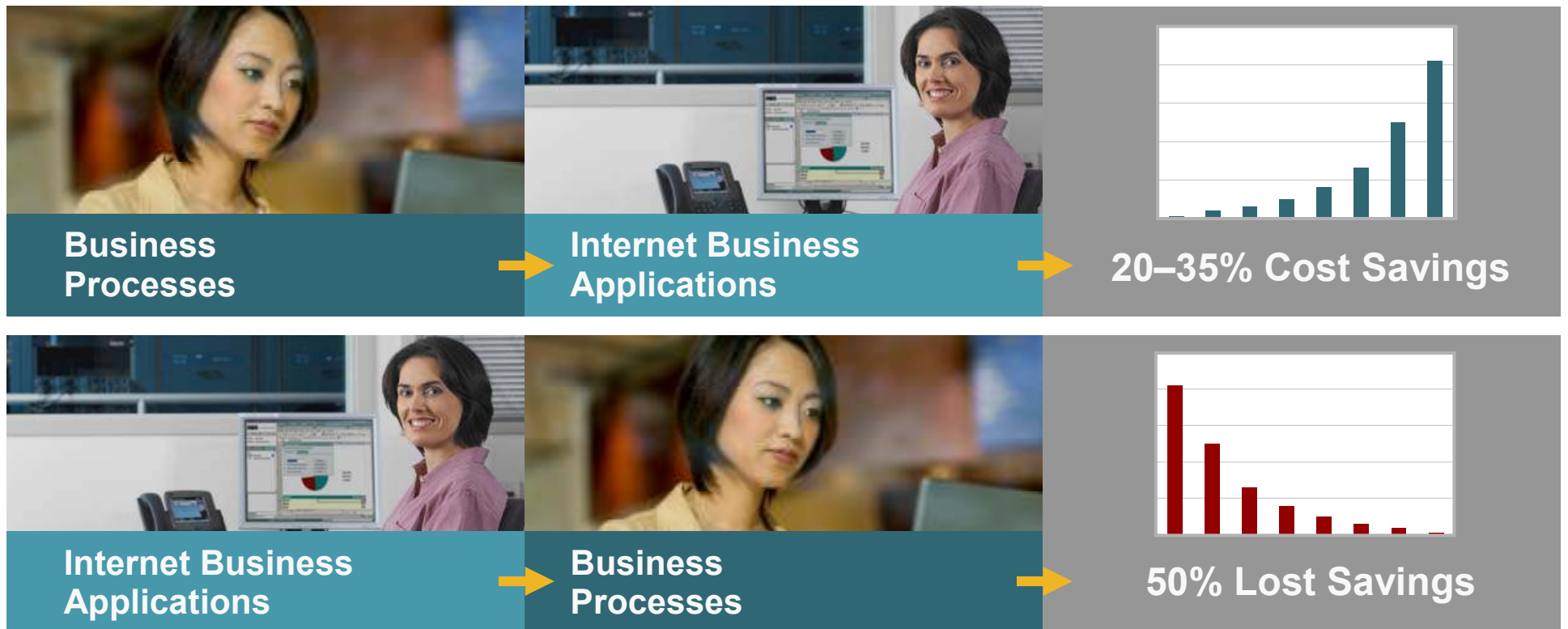
U.S. Customer Service and Support



Source: Momentum Research Group—Net Impact 2003 and Net Impact 2004

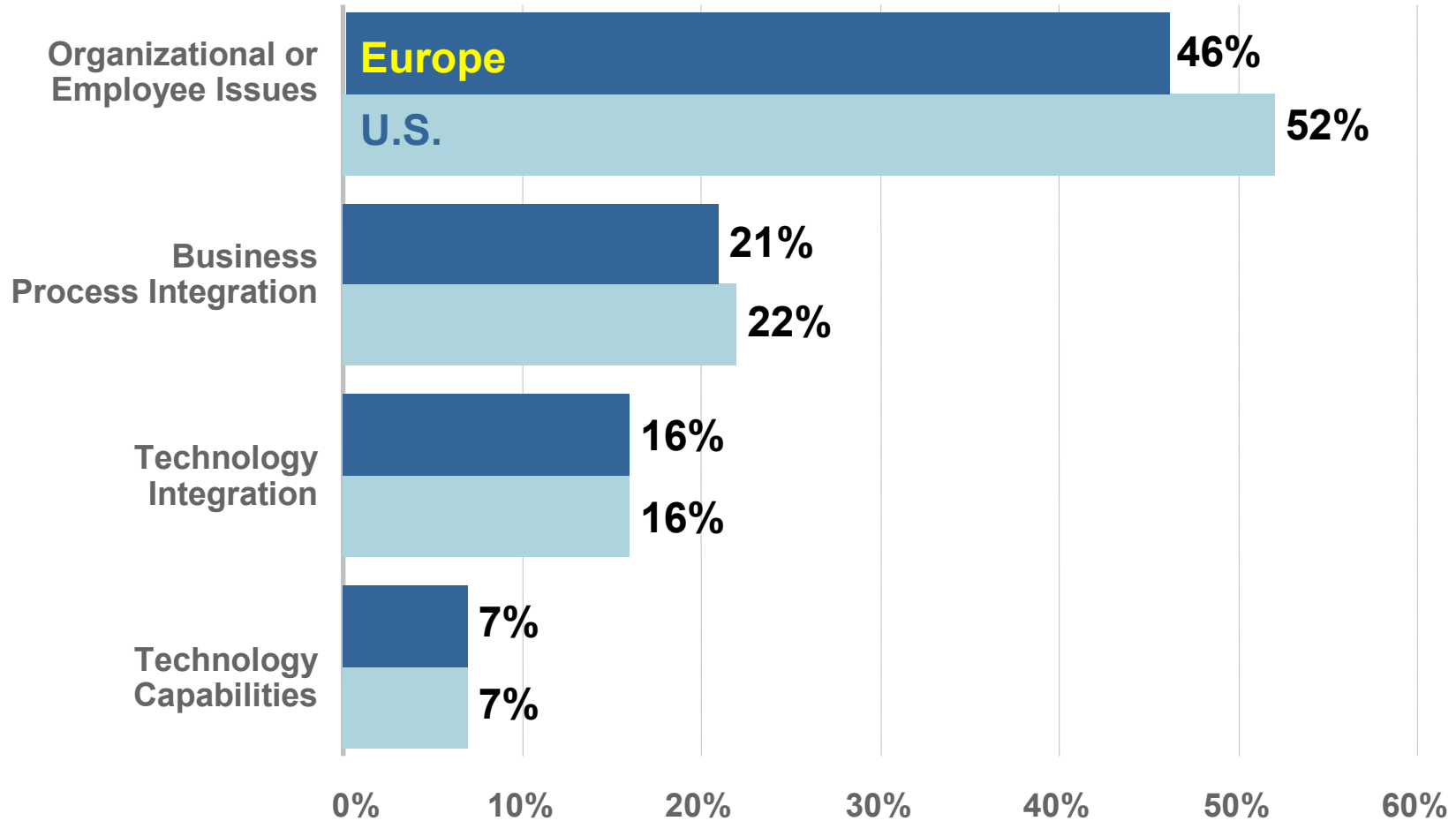
Applications and Business Processes: Sequence Matters

European Public Sector



Source: Momentum Research Group—Net Impact 2003 and Net Impact 2004

Barriers to Future Productivity Growth Europe and U.S.



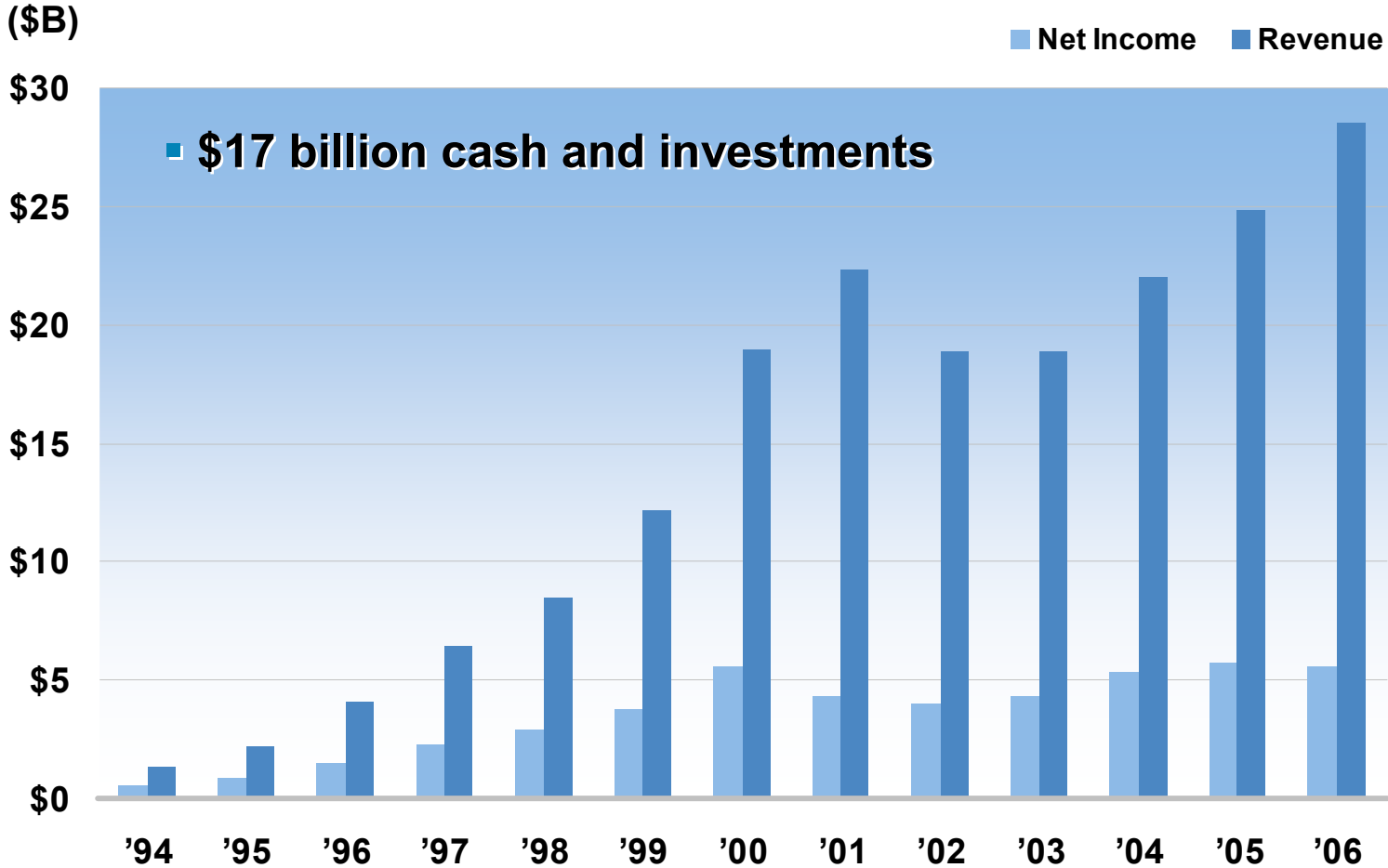
Source: Momentum Research Group—Net Impact 2003 and Net Impact 2004

Our Results



Financial Strength

Cisco Financial Overview



Note: By fiscal year, excludes one-time charges/gains

