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**Cisco annonce son intention d'acquérir les activités « set top box »  
du chinois DVN Limited**

- Cisco a annoncé son intention d'acquérir l'activité « set top box » du chinois DVN, entreprise spécialisée dans les solutions numériques.
- Cette acquisition devrait être finalisée durant le premier semestre de l'année fiscale 2010 de Cisco, pour un montant d'environ 44,5 millions de dollars.

**Cisco Announces Agreement to Acquire DVN Set-Top Box  
Business**

*Acquisition Furthers Cisco's Vision of the Global Connected Home*

SAN JOSE, Calif., SHANGHAI and HONG KONG, November 2, 2009 – Cisco® (NASDAQ: CSCO) today announced a definitive agreement to acquire the set-top box business of DVN (Holdings) Limited, (SEHK: 0500). Listed in Hong Kong with major operations in China, DVN is a market and technology leader in digital cable solutions in China and shares Cisco's vision of a high-performance, scalable and services-rich cable interactive platform extending into every home.

Under the terms of the agreement, Cisco will pay up to \$44.5 million for the set-top box business of DVN. Of this amount, approximately \$17.5 million will be paid up front, with an additional maximum amount of \$27 million to be paid over four years based on the achievement of specific sales milestones. The acquisition is expected to close in the first half of calendar year 2010 subject to standard closing conditions, DVN shareholder approval and regulatory approvals.

In addition to the acquisition, Cisco has entered into a go-to-market alliance with the remainder of the DVN organization -- which will continue to be led by current DVN CEO Terry Lui -- in order to utilize the company's middleware and advanced applications as well as integration and support services. The alliance will provide joint customers with unparalleled end-to-end capabilities through the evolution from basic digital broadcast to advanced interactive services.

"Cisco and DVN have similar cultures that emphasize video innovation and a shared vision to enable multi-media connected homes across China," said Ken Klaer, vice president and general manager, International Cable Business Unit at Cisco. "With this acquisition, we will offer customers the powerful combination of DVN's products with the Cisco® IP Next-Generation Network (IP NGN) platform, and Cisco will be well positioned to engage in the largest digital transformation opportunity in the world today."

The Chinese cable market is currently the largest in the world with 160 million subscribers and is predicted to grow to as many as 200 million over the next three to five years. Currently, only about one-third of the market has converted to digital cable. With the Chinese government mandating full digitization by 2015, this represents an important long-term opportunity for Cisco.

"Cisco's global technology leadership and breadth of services combined with DVN's market-leading solutions and talented employee base will ensure that Chinese consumers continue to receive superior digital services today and are provided with world-class advanced technologies moving forward," said DVN CEO Terry Lui. "Cisco has demonstrated a strong commitment to the Chinese market, and I look forward to working with them as part of our ongoing alliance."

Between the signing of the agreement and the close of the acquisition, Cisco and DVN's set-top box businesses will continue to operate as separate companies. Upon completion of the transaction, the DVN set-top box business will become a part of the International Cable Business Unit within the Service Provider Video Technology Group (SPVTG) at Cisco led by Klaer. Under the terms of the agreement, the two companies expect to work together with the aim of providing uninterrupted service to set-top box customers and to prepare for an orderly transfer of the business.

The DVN business will run end-to-end from within China – from design, sourcing and logistics through to marketing, sales and service. This is an important milestone for Cisco, not only in China, but for a broader strategy toward competing in emerging markets with locally designed and produced solutions.

The investment is part of Cisco's ongoing long-term commitment to China and its belief in cultivating local innovation and talent. In April of this year Cisco introduced a "cultivated innovation" model aimed at boosting local innovation through capital, technology, process expertise, incubation resources and leadership investments.

## **About Cisco**

Cisco (NASDAQ: CSCO) is the worldwide leader in networking that transforms how people connect, communicate and collaborate. Information about Cisco can be found at <http://www.cisco.com>. For ongoing news, please go to <http://newsroom.cisco.com>.

## **About DVN**

DVN (Holdings) Limited (SEHK: 0500) is one of the largest digital TV broadcasting systems integrators in China engaged in the design, development, integration and sales of digital set-top boxes, smart cards, conditional access systems, digital broadcasting systems and related software. For more information about DVN, please go to [www.dvnholdings.com](http://www.dvnholdings.com) and [www.dvnchina.com](http://www.dvnchina.com).

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## **Forward-Looking Statements**

This release may be deemed to contain forward-looking statements, which are subject to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, including the expected completion of the acquisition and the time frame in which this will occur, the expected benefits to Cisco and others from completing the acquisition, the development of relevant markets and the impact of the combined company with respect to such markets, and plans regarding DVN personnel. Readers are cautioned that these forward-looking statements are only predictions and may differ materially from actual future events or results due to a variety of factors, including, among other things, the retention of employees of DVN and the ability of Cisco to successfully integrate DVN and to achieve expected benefits, business and economic conditions, growth trends in the networking industry and relevant markets, global economic conditions and other risk factors set forth in Cisco's most recent report on Form 10-K filed with the SEC on September 11, 2009. Any forward-looking statements in this release are based on limited information currently available to Cisco, which is subject to change, and Cisco will not necessarily update the information.