


**An Alternative Source of Funding for Cisco Solutions during Challenging Economic Times**

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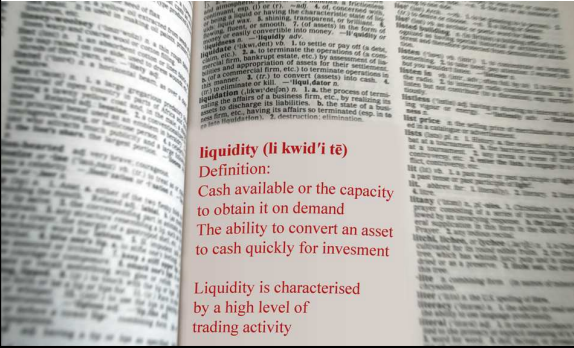
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### Credit Crisis: The Breakdown in Liquidity Circulation



**liquidity** (li kwid'ī tē)  
**Definition:**  
 Cash available or the capacity to obtain it on demand  
 The ability to convert an asset to cash quickly for investment

Liquidity is characterised by a high level of trading activity

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### Market Reality

Credit Crisis

- Lending criteria have tightened, banks and financial institutions have taken a hit on bad (sub prime) investments
- Borrowing becomes increasingly challenging and expensive, capital (or cash) preservation is critical

Impact on our Customers and Prospects

- Spending is being scrutinised more, investments are being put on hold
- Raising capital is more difficult and expensive, liquidity can become affected
- Operating expenses are under greater scrutiny than ever before




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## Cisco's Financing Organisation

- Cisco Capital, a captive finance source
  - With the strength of our parent company, Cisco, to offer financing alternatives
  - Takes advantage of a lower cost for capital whilst remaining less affected by the increased credit spread
  - No fundamental change in our credit practice – we continue to be prudent
- Lending costs are kept low to enable you to deploy Cisco technology solutions your business needs to remain competitive

In countries where business is conducted by third party finance partners, financing is often supported by Cisco's financial strength

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## A Better Way to Acquire Cisco Solutions

Help continue your business growth by:

- Conserving cash and bank facilities
- Maximising constrained budgets – move CapEx to OpEx
- Obtaining competitive rates and access to residuals, thereby reducing total costs
- Improve budget management, align project costs to technology benefits and improve ROI
- Flexible payments and terms give access to futures budgets
- Financing the total Cisco solution - including hardware, software, services and non-competing third party equipment (70:30 split)
- Bespoke financing for the best economics and useful life scenario
- Remove the burden associated with compliant equipment disposal

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## EasyLease 0% Financing\*

### 0% EasyLease:Voice

- Focus on Cisco Unified Communications
- Maximum term 36 months
- Minimum deal size £1,000/ €1,000
- Maximum £100,000/ €125,000 per program per customer

### 0% EasyLease:Network

- Focus on Cisco networking solutions
- Maximum term 36 months
- Minimum deal size £1,000/ €1,000
- Maximum £100,000/ €125,000 per program per customer

NOTE: \*Valid until 31 January 2009; Terms and conditions apply. Not available in all countries.



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**Data Centre Financing Solutions**

Financing offers to enable data centre development with special finance rates and migration options

<p><b>Financing Cisco Data Centre Architecture</b></p> <p>Financing from Cisco Capital helps save on cost, protect current investments and plan for future needs:</p> <ul style="list-style-type: none"> <li>• Flexible migration options</li> <li>• Payment deferrals to match budget cycles &amp; ROI goals</li> <li>• Custom terms up to 5 years with FMV</li> <li>• Aggressive residuals that result in lower overall cost</li> <li>• Available for all Cisco data centre products including the Cisco Catalyst 6500 series</li> </ul>	<p><b>Cisco Catalyst 6500 Migration Lease</b></p> <p>Provides ultimate flexibility to migrate the network core to the Cisco Nexus 7000 when the customer is ready:</p> <ul style="list-style-type: none"> <li>• 36-month lease</li> <li>• Migrate to the Cisco Nexus 7000 anytime after the first 12 months and remaining payments will be forgiven when the Cisco Catalyst 6500 products are returned to Cisco Capital</li> <li>• Customers must lease Cisco Nexus 7000 equipment of equal or greater value for the migration option above</li> <li>• Valid from 1 August 2008 until 31 December 2008</li> </ul>	<p><b>Cisco Nexus 7000 Lease</b></p> <p>Provides special low rates and flexible lease lengths to enable customers in adopting the latest Cisco data centre technology:</p> <ul style="list-style-type: none"> <li>• Special lease rates rates Applies to Cisco Nexus 7000 products only</li> <li>• Valid from 1 August 2008 until 31 March 2009</li> </ul>
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**PCI Compliance Financing Solution**

- 3 month interest free deferral program which enables organisations to acquire the technology now to meet the PCI standard compliancy recommended date of 31 December 2008, but start paying in their next budgetary period



Cost to purchase technology BUT no budget remaining

Today      Year 1      Year 2      Year 3\*

\*Other finance terms are available, subject to terms and conditions

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**Public Sector External Case Study**

**ROC Aventus (The Netherlands)**

**Customer Scenario**

- Leading Dutch college with 20,000 students and 2,000 employees
- ROC Aventus wanted to consolidate seven sites into one campus with a single high-performance converged network, but their IT budget was insufficient to finance the entire project

**Cisco Capital Solution**

- A five-year operating lease provided sale and leaseback on existing equipment and spread the cost of the investment

**Cisco Capital Significance**

- Flexible contractual framework ensured that the project was completed on time and within their budget
- Solution released additional funding, enabling the purchase of Cisco LAN, wireless and security elements
  - Less pressure on IT budgets and improved flexibility

“The Cisco Capital solution took some of the pressure off our budget because we did not have to provide capital up-front for the whole investment. The financing from Cisco Capital was much more cost-effective than doing it ourselves.”

Jan Basting  
CIO - ROC Aventus

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## So What Are Our Customers Saying?

Thanks to Cisco Capital's EasyLease we could order not only for our headquarters but also an additional 12 co-locations



We had no budget left this year and without the EasyLease 0% offer we would not have been able to buy the Cisco kit we needed



Cisco Capital's financing programme offered very favourable terms and allowed us to spread those costs over 36 months. This made it much more economical for us to lease the equipment that to obtain financing from elsewhere



The solution from Cisco Capital has enabled us to rapidly deploy next-generation technology for competitive advantage now, without compromising our value to our stakeholders

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## To Learn More About Cisco Capital

Visit [www.cisco.com/go/capital\\_europe](http://www.cisco.com/go/capital_europe), where you'll find details of how Cisco Capital can help your business, our latest programs.

Your local contacts are: Annelies George en/of Jeroen Koolen.



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More Cisco expertise. More competitive financing.

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