

# Romanian Partner Summit 2011



17<sup>th</sup> – 18<sup>th</sup> of February

Predeal, Romania

Financing solutions – Cisco Capital

# Agenda



Cisco  
Capital

Introduction of Cisco Capital

Solutions

Financing options

Benefits

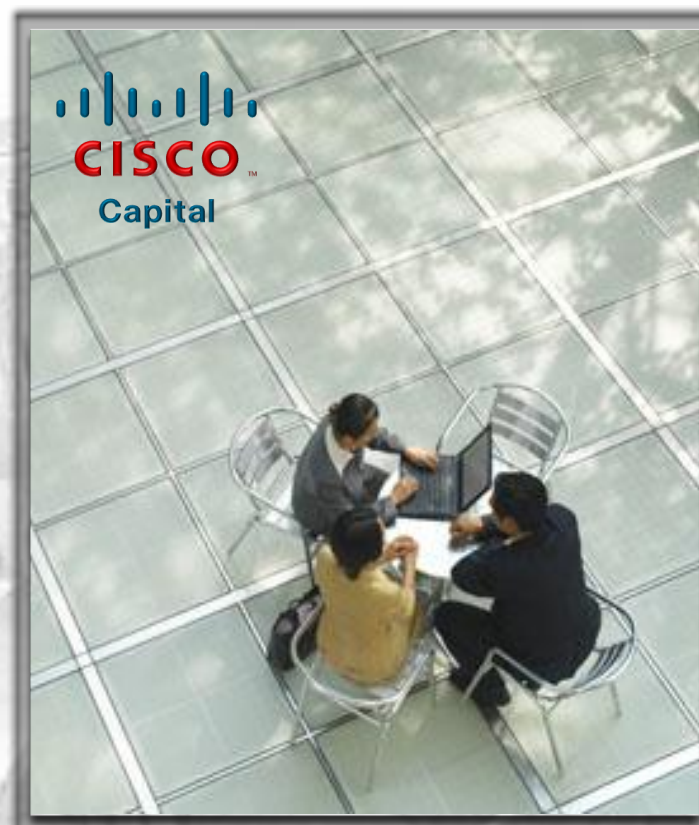
What does customer gain from Cisco Capital solutions

Execution

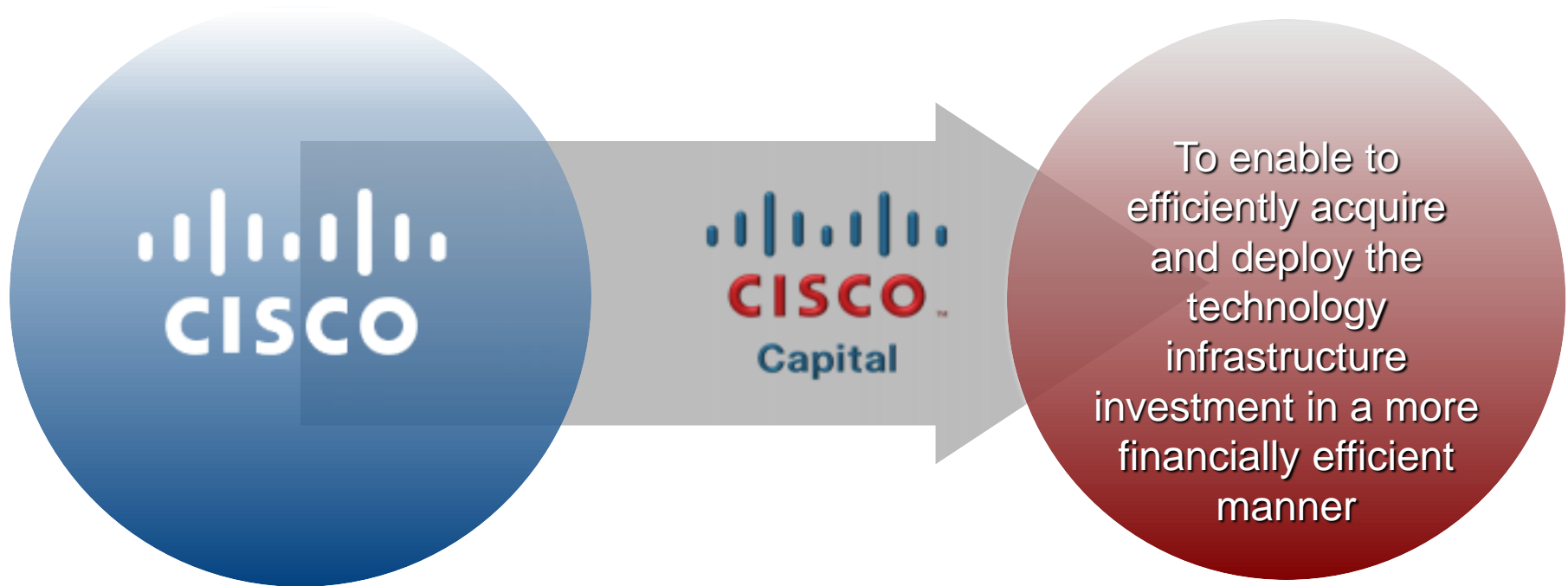
Modus Operandi

# Overview

- Wholly owned subsidiary of Cisco
- Coverage in 88 countries
- Finance over USD 9 Billion of Cisco products and services annually
- Enables customers to invest in Cisco technology
- Addresses CAPEX/OPEX constraints
- NPV 0 organization



# Bridging the Gap



# Why Pay Now?

- Use Cisco's cash not yours
- Acquire any Cisco technology, minimum of 60% Cisco products in the total solution
- Short and medium term payment deferrals with grace periods
- Enable the launch in 2011
- Eliminates CAPEX constraints
- Below market rates



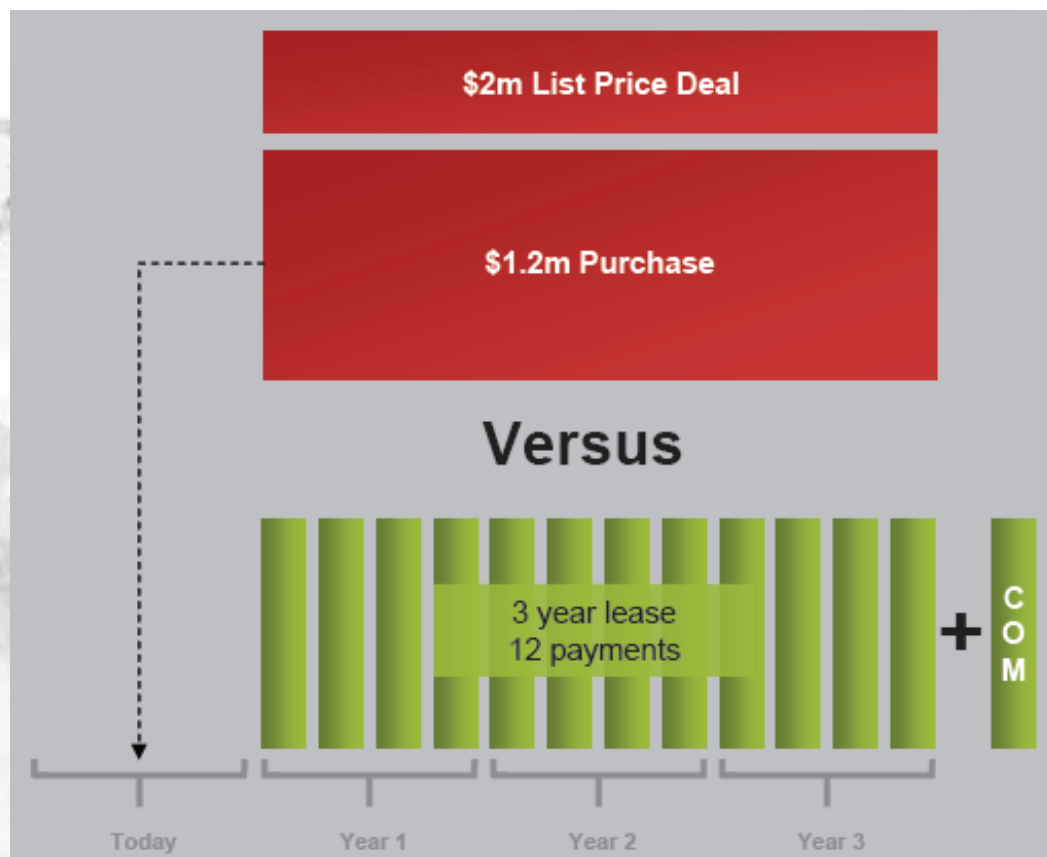
# Cash flow solutions

- Finance Lease
- Loan
- 18-60 months
- EUR/USD/RON

Maximize ROI

Mitigates budget problems

Enables the investment today





# Flexible repayment structures



- Finance Lease
- Loan
- 18-60 months
- EUR/USD/RON

# Fair Market Value Option

- Operating Lease
- 12-60 months
- EUR/USD/RON
- PV < 90%
- Economic Life cycle < 75%

Maximize ROA

Off book

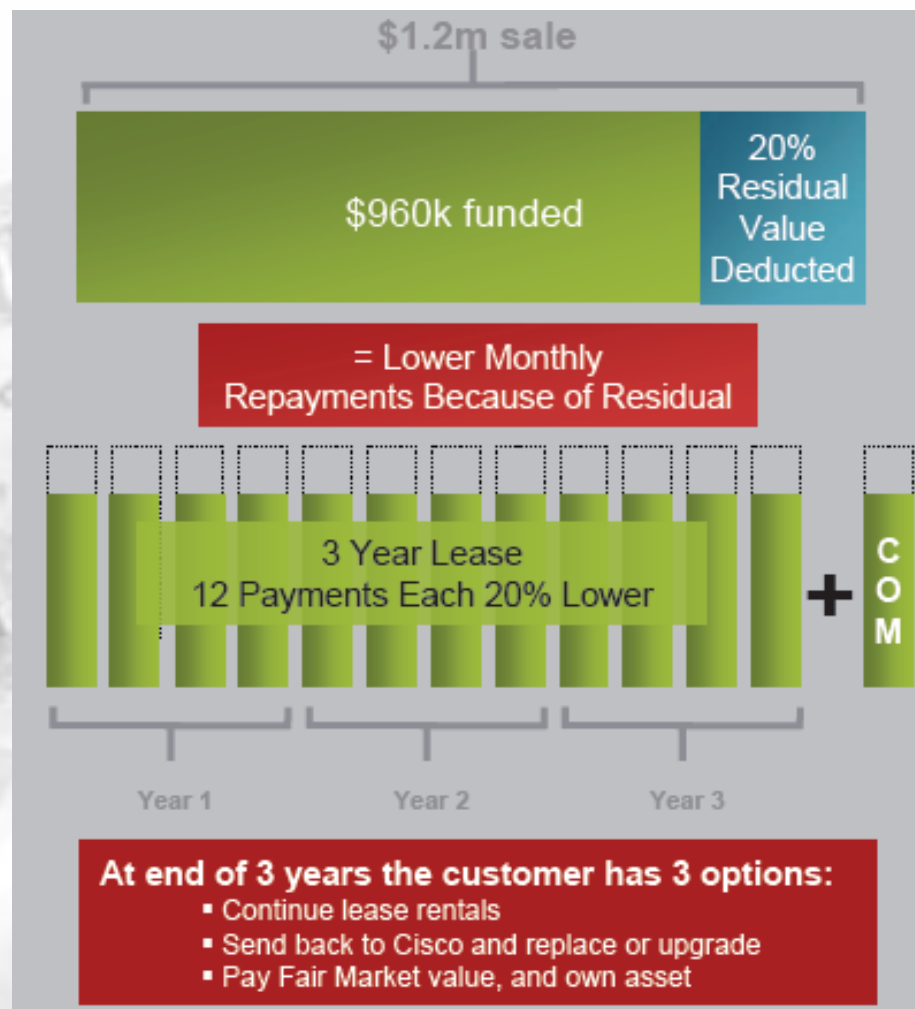
Minimize TCO

Mitigates budget problems

Eliminates problem of obsolete technology

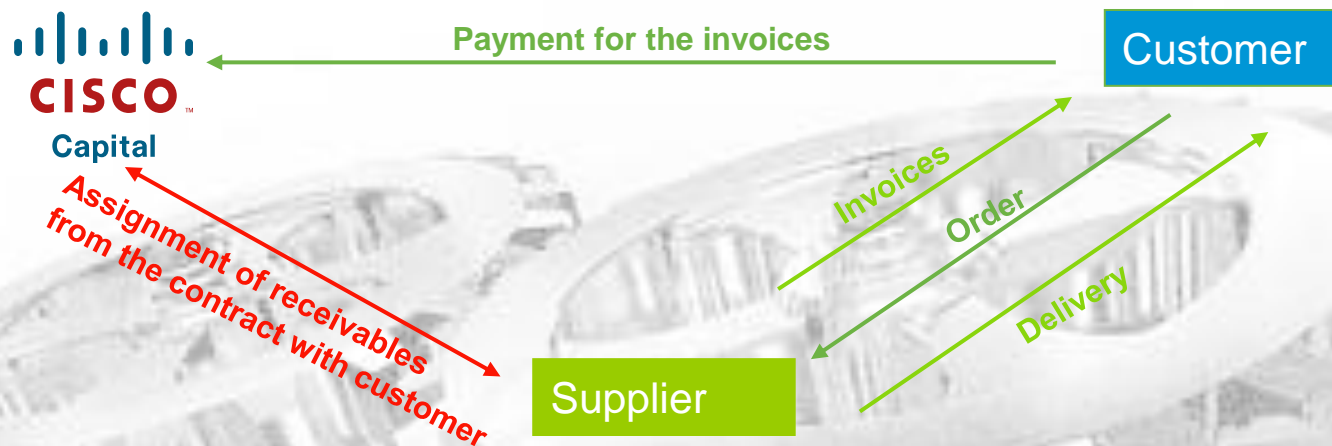
Motivates to keep the network up-to-date

Ideal solution for Manage Services contracts



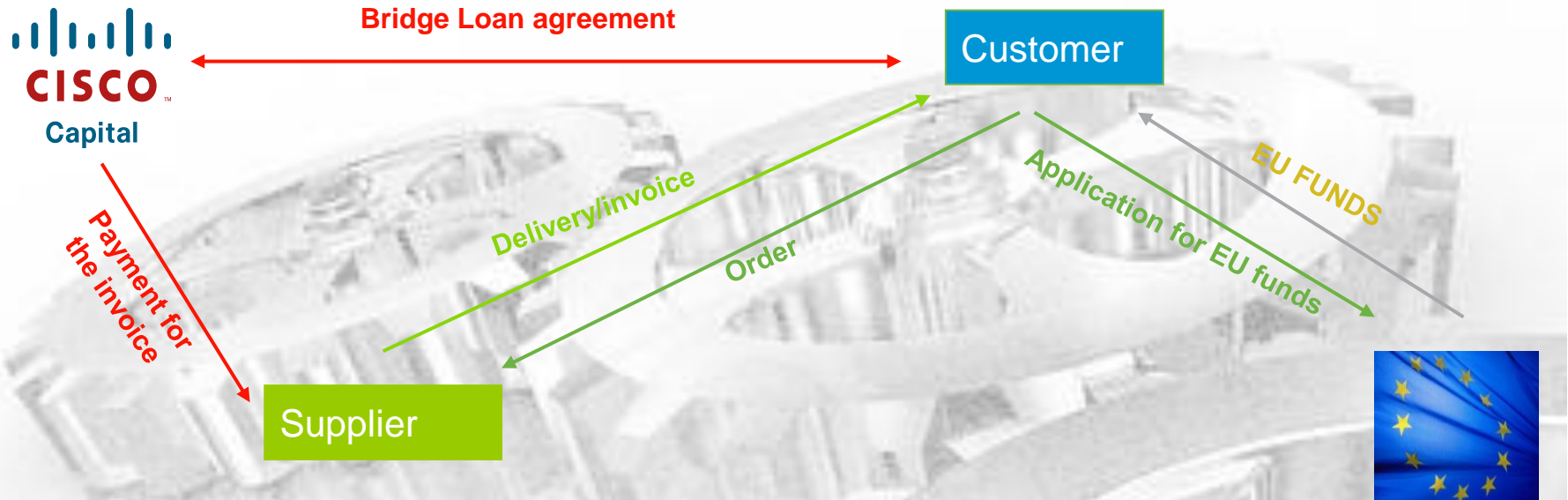


# Assignment of receivables



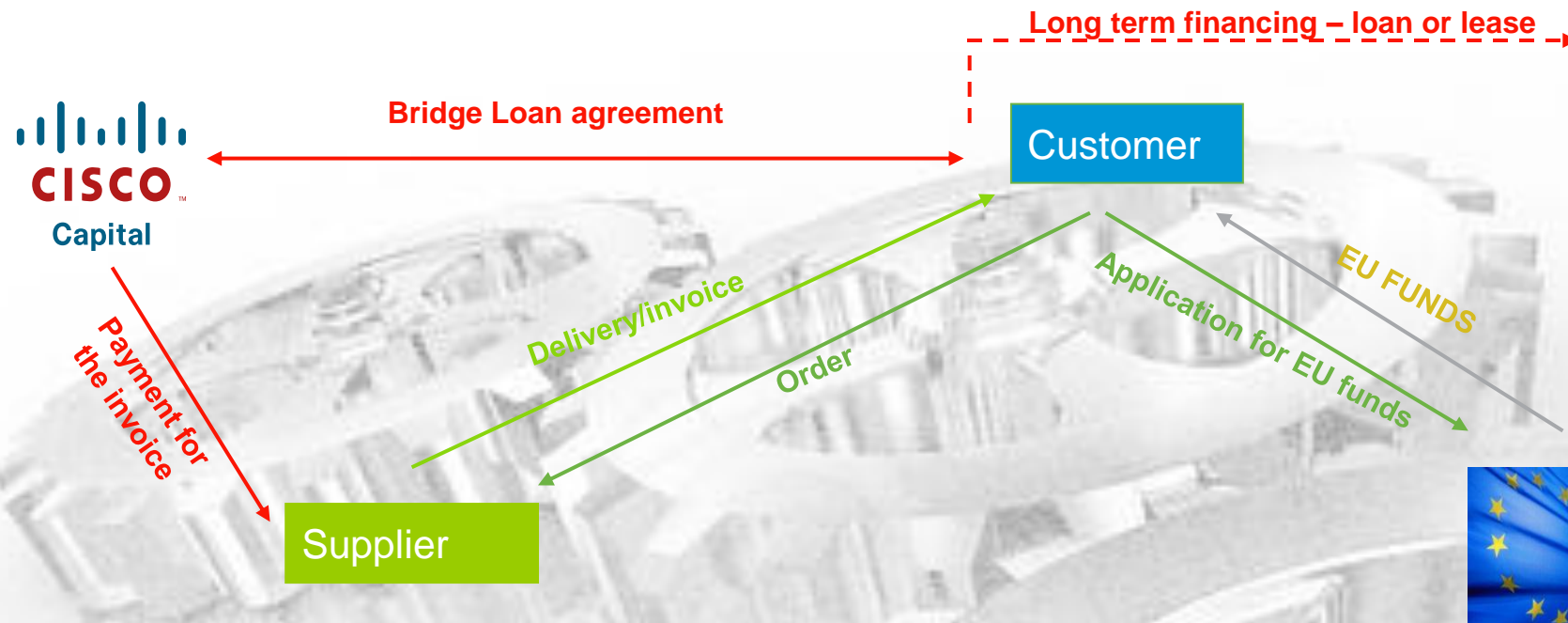
- Customer is ordering basing on standard procedures;
- Supplier gives to the Customer very good payment terms;
- Supplier sells the invoices to Cisco Capital:
  - on discounted basis (discount rate is equal to Capital pricing);
  - for 100% of the invoice amount (using promotional funds if available) ;
- Cisco Capital takes for risk assessment/margin purposes credit rating of the Customer;
- Customer pays for the invoice to Cisco Capital not to the Supplier.

# Bridge loan for EU funds



- Customer is ordering basing on standard procedures;
- Customer is applying for EU funds;
- Customer has the promise from Capital for financing the project (additional points from EU);
- Cisco Capital is paying for invoices and finance the project until EU funds are provided;
- Customer is repaying the loan from EU funds.

# Bridge loan for EU funds



- Customer is ordering basing on standard procedures;
- Customer is applying for EU funds;
- Customer has the promise from Capital for financing the project (additional points from EU);
- Cisco Capital is paying for invoices and finance the project until EU funds are provided;
- Application was disapproved by EU authorities;
- Cisco Capital is changing bridge loan into long term financing (loan or lease);

# Benefits



**Budget creation**

**Higher ROI**

## **Financing the whole project:**

- Cisco products
- Cisco Services/Advance services
  - Scientific Atlanta
- up to 40% non Cisco products

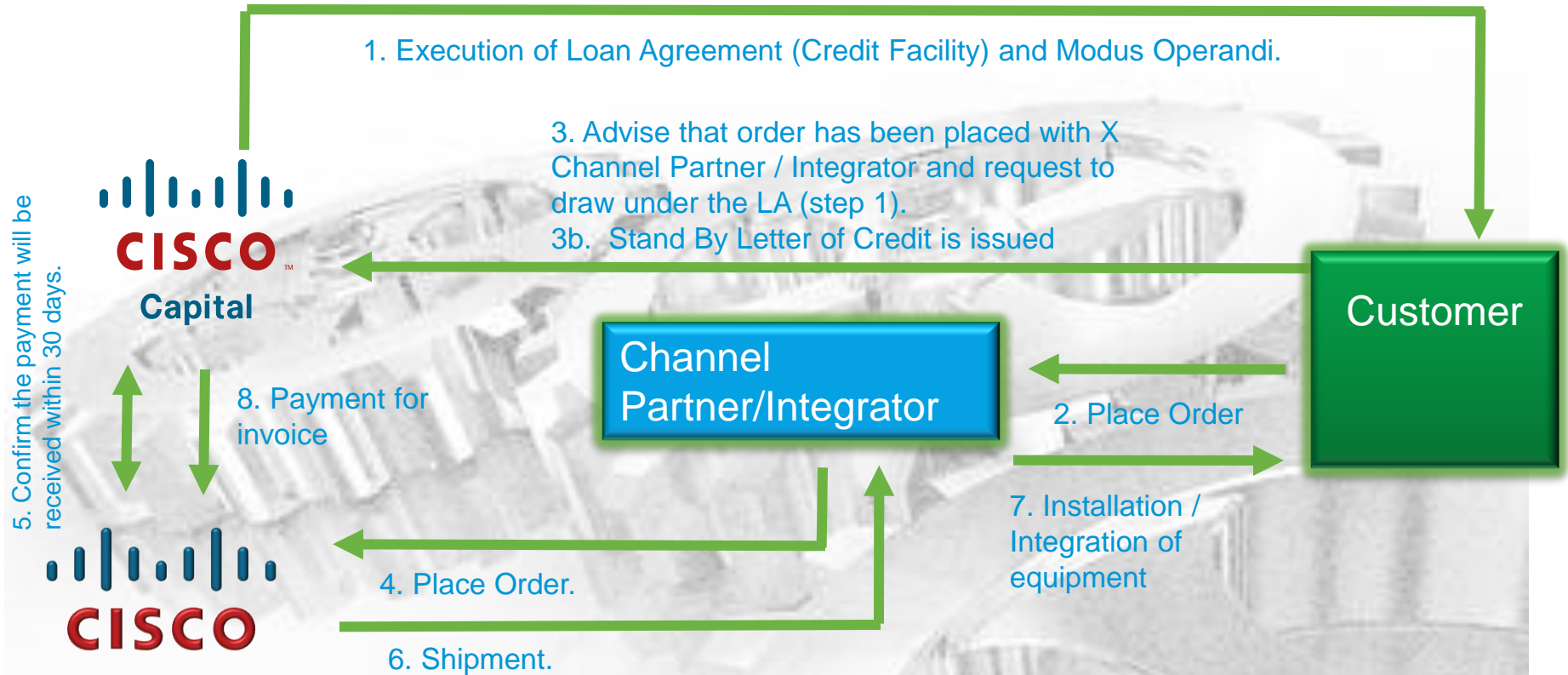
**Lower TCO**

**Higher ROA**

**Lower costs of money**



# Modus Operandi



**Repayment over pre-agreed Term**

Thank you.

