CIS	CO	SYS	TEM		Q-CSCO		R P	ecent Rice	24.8	6 P/E RATIO	o 11.	6 (Traili Medi	ng: 12.1 an: 19.0)	RELATIVE P/E RATI	0.6	4 DIV'D YLD	3.1	%	/ALUI LINE	2		
TIMELIN		2 Lowered		High: Low:	24.6 12.3	29.4 17.5	20.3 16.8	28.0 17.1	34.2 24.8	27.7 14.2	24.8 13.6	27.7 19.0	22.3 13.3	21.3 15.0	26.5 20.0	26.1 21.3				Price		
SAFET		2 Lowered		LEGEN 10 Re	NDS 0.0 x "Casl	h Flow" p s e Strength	sh												2011	2010	80	
TECHNI		3 Lowered) = Market)		Options: '	Yes	e Strength ates recess															60	
		OJECTI	ONS																		50 40	
	Price	Gain	nn'l Total Return			1.			վերերվե	1											30 25	
High Low	25 `	+40%) (Nil)	11% 3%	h		^{,,,,} ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	հուլոր	1I'					H	,, <u>,</u> ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	را ^{ر الر} اردر	,,,, <u>,</u> ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,					20	
Inside	r Decis 0 N D	ions JFM	A M J	¹ ++++++++++++++++++++++++++++++++++++	hit.						#		η. Πημί								-15	
to Buy Options	0 1 0		094		*********			F	.*												10 7.5	
to Sell Institu		033 Decisio	0 12 8 ns			**••	••••••••••		•••••	••••••	****	••••••						% TO	T. RETUR	N 8/14 /L ARITH.*	- 7.5	
to Buy	4Q2013 745			Percent	t 30 - 20 -					1				*****	••••			1 yr.	sтоск 10.6	INDEX 21.5	+	
to Sell	800	777		traded	10 -								*** **			• <u> </u> ••••		3 yr. 5 yr.	70.9 24.9	72.7 129.0	F	
1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015		UE LINE P			
1.35 .35	1.86 .47	2.65		2.59 .54	2.70	3.31 .95	3.95 1.08	4.70	5.73	6.71 1.66	6.24 1.37	7.08	7.95	8.69 2.38	9.02 2.45	9.23 2.60	9.55 2.65		es per sh low" per :		10.90 3.10	
.29	.38		.26	.39	.59	.76	.87	.89	1.17	1.31	1.05	1.33	1.62	1.85	2.02	2.06	2.15	Earning	s per sh '	З	2.55	
.07	.09	.15			.10	.09	.11	.13	.21	.22	.17	.18	.12	.28	.62	.72	.78 .25		ecl'd per ending p		.92	
1.14	1.79		3.70	3.92	4.01	3.88	3.69	3.95	5.16	5.83	6.68	7.83	8.69	9.68	10.97	11.09	11.50	Book Va	lue per sl	۱ I	12.90	
6250.3 37.1	6542.0 62.2		7324.0 NMF	7303.0	6998.0 24.3	6650.4 29.6	6274.7 21.6	6059.0 21.3	6100.0 22.0	5893.0 20.6	5785.0 17.7	5655.0 17.9	5435.0 11.9	5298.0 9.7	5389.0 10.3	5107.0 11.3	5120.0		n Shs Out n'I P/E Rat	•	5050.0 12.0	
1.93	3.55			2.32	1.39	1.56	1.15	1.15	1.17	1.24	1.18	1.14	.75	.62	.58	.59		-	P/E Ratio		.75	
													.6%	1.6%	3.0%	3.1%		Avg Anr	ı'l Div'd Y	ield	1.7%	
CAPITA	L STRU	CTURE	as of 8/13	3/14		22045	24801 34.0%	28484 29.1%	34922	39540 28.3%	36117	40040	43218 32.0%	46061 33.3%	48607 31.0%	47142 31.4%	49000 33.0%		es (\$mill)	A	55000 32.0%	
			e in 5 yea			35.2% 957.0	1009.0	1293.0	28.7%	1744.0	25.2% 1768.0	28.0%	2486.0	2602.0	2351.0%	2432.0	2510		ng Margin ation (\$mi	II)	2900	
(20% 01 Cap I)							5741.0	5580.0	7333.0	8052.0	6134.0	7767.0	9033.0	10017	10866	10863	11125	Net Pro			12650	
Loubob, onoupitalized / andal fondale good finit.							28.6% 23.1%	26.9% 19.6%	22.5% 21.0%	21.5% 20.4%	20.3% 17.0%	17.5%	21.3%	21.9%	20.8% 22.4%	20.8% 23.0%	20.0% 22.7%	Income Net Prof	it Margin		20.0% 23.0%	
No Defined Benefit Pension Plan 5640.0 3520								14363	18216	21841	30522	32188	39725	44202	43329	47305	42050	Working	j Cap'l (\$n		49550	
Pfd Stock None							 23174	6332.0 23912	6408.0 31480	6393.0 34353	10295 38647	12188 44267	16234 47226	16297 51286	12928 59120	20401 56654	21000 58880		rm Debt (ity (\$mill)		25210 65145	
Common Stock 5,099,203,169 shs. 20.7% 24.8							24.8%	18.7%	19.9%	20.2%	12.9%	14.3%	14.7%	15.3%	15.5%	14.5%	14.0%	Return o	on Total C	ap'l	14.0%	
							24.8% 24.8%	23.3% 23.3%	23.3% 23.3%	23.4% 23.4%	15.9% 15.9%	17.5%	19.1% 17.7%	19.5% 16.6%	18.4% 12.8%	19.2% 12.5%	19.0% 12.0%		on Shr. Eq d to Com		19.5% 12.5%	
CURRE	NT POS		2012		8/13/14								7%	15%	30%	35%	36%		Is to Net F	•	36%	
(\$MI Cash A	ssets ^D	4	18716 4369	50610	52074				ems, Inc.										business			
Inventory (FIFO) 1663 1476 1591 voice, and 0ther 7185 7965 8292								ed networking and other products for transporting data, video across geographically dispersed local-area-							41.1% of 2014 revenues. R&D, 13.5% of revenues. Has about 75,049 employees. Officers/Directors hold less than 1.0% of stock;							
Current Assets 61933 65521 67114 networks, r						rks, metropolitan-area networks, and wide-area networks. es are primarily integrated by Cisco IOS Software and include							BlackRock, 5.6%. (9/13 proxy). Chrmn. & CEO: John T. Chambers. Incorporated: California. Address: 170 W. Tasman Drive, San Jose,									
Debt Due 31 3283 508 Routers, Sw						s, Switches, New Products, and Other. Provides services as-							CA 95134-1706. Telephone: 408-526-4000. Web: www.cisco.com.									
Other <u>16841</u> <u>17880</u> <u>18269</u> Cisco S								ystems posted July-quarter re-							and security. We think the restructuring							
ANNUAL RATES Past Past Est'd '12-'14 timates.							_	at were in line with our es . Earnings per share of \$0.55 came							provides evidence of the company's dedica- tion to earnings growth.							
Revenues 12.0% 7.5% 6.0% in a pen							penny	nny above our estimate while reve-							The order book is mixed. Cisco's							
"Cash Flow" 12.5% 11.0% 6.0% nues we Earnings 13.0% 11.0% 5.5% sales de								vere flat year over year. Routing ecreased 7% as continued double-							preferred performance indicator is orders, as they usually hit the income statement							
Dividends Book Value 10.5% 12.5% 4.5% digit gro							grow	owth in some high-end routers and							two quarters after they are reported. Over-							
Fiscal QUARTERLY REVENUES (\$ mill.) A Full were off															all growth of 1% in the July quarter in- cluded U.S. service provider down 9%.							
Ends			10866		mob	ile cus	customers. Switching sales fell 4%							Europe, Middle East, and Africa growing								
2012 11256 1152/ 11588 11690 46061 weak off							and for campus devices remained ffsetting solid growth from cloud							2%; and Asia/Pacific falling 7%. China was particularly bad, down 23%, which we								
2013 11876 12098 12216 12417 48607 providers						iders,	rs, financial services firms, and							blame on difficult price competition from								
<u>2015 12150 12100 12200 12550 49000</u> technolog							gy companies. We think it will ore time for the sales team to							low-cost vendors like Huawei. Guidance is not very encouraging. The								
Year Oct Per Jan Per Anr Per Jul Per Fiscal transitio							sition	on its customers from the <i>Nexus</i> e to the <i>Nexus 9000</i> . Cisco contin-							company doesn't expect a significant im- provement in demand from emerging mar-							
2011	.42	.37	.42	.40	1.62				e <i>Nexi</i> 1 well										emer Octob			
2012 2013	.43 .48	.47 .51	.48 .51	.47 .52	1.85	spac	e (ĴO	% ga	ins) t	thank	s to	contii	nued	guida	ance c	alls fo	or nor	ı-GAA	P ear	nings	per	
2014 .53 .47 .51 .55 2.06 strength							ngth f	from its Unified Computing Sys- a \$3 billion-a-year business.							share to fall in the \$0.51-\$0.53 range. We are keeping intact our full-year fiscal 2015							
								i s cutting jobs. It plans to							EPS of \$2.15.							
endar Mar.31 Jun.30 Sep.30 Dec.31 Year its work								e 6,000 positions, or roughly 8% of							These timely shares may interest con- servative investors. Cisco appears to be							
2010 2011		 .06	 .06	 .06	.18	time	s the	numb	per of	layoff	s in fi	iscal 2	2014.	doing	g wha	t it ca	an to	stay (compe	titive	and	
2012 .06 .08 .08 .28 .50 ings into							involves reinvesting the cost sav- its most promising growth areas							maintain earnings momentum over the long haul.								
2013 2014	.17	.17 .19	.17 .19	.17		like	data	cente	r, clou	id ser	vices,	softw	are,		1 Dow	ning		Sep	otembe	er 19,	2014	
A) Fisca four 13-	al year e week qu	ends on uarters).	last Satur (B) Dilute	rday in Ju ed earning , (7¢); '0	gs. May	not sum	due to ro	ounding.	ventory w Next egs. or to 201	report	ments ir	current	assets	beginning	g in fisc	al Sto	ck's Pric			h	A++ 60 40	

(rour 13-week quarters). (B) Diluted earnings. May not sum due to rounding. Next egs. report ments in current assets beginning in fiscal Excludes nonrecurring items: '99, (7¢); '00, due mid-Nov. GAAP egs. prior to 2011, pro-2006. (E) Dividend commenced March 29, diversity, '01, (38¢); '02, (14¢); '03, (9¢); '04, forma thereafter. (C) In millions, adjusted for 2011, paid in late Jan., April, July, and Oct.
* 2014 Value Line Publishing LLC. All rights reserved. Factual material is obtained from sources believed to be reliable and is provided without waranties of any kind. THE PUBLISHER IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS HEREIN. This publication is strictly for subscriber's own, non-commercial, internal use. No part of it may be reproduced, resold, stored or transmitted in any printed, electronic or other form, or used for generating or marketing any printed or electronic publication, service or product.

Price Growth Persistence40Earnings Predictability85

To subscribe call 1-800-VALUELINE