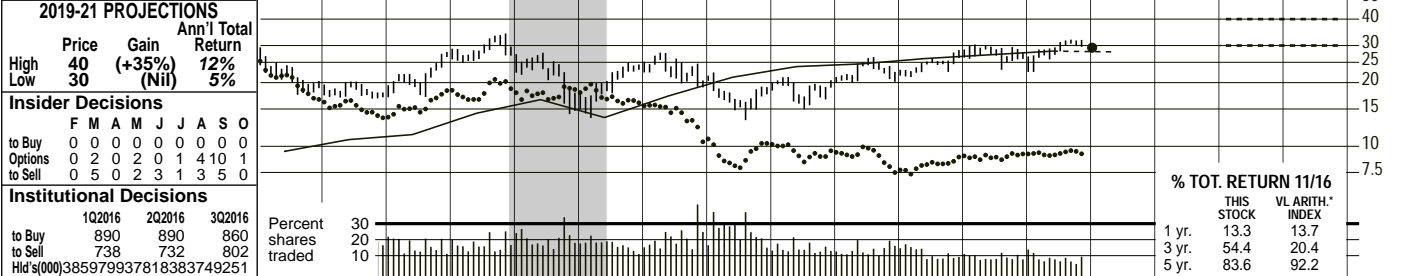


CISCO SYSTEMS NDQ-CSCO

RECENT PRICE **29.33** P/E RATIO **12.2** (Trailing: 12.3; Median: 15.0) RELATIVE P/E RATIO **0.63** DIV'D YLD **3.8%** VALUE LINE

TIMELINESS 3 Lowered 12/26/14	High: 20.3	28.0	34.2	27.7	24.8	27.7	22.3	21.3	26.5	28.6	30.3	32.0	Target Price Range		
SAFETY 1 Raised 12/16/16	Low: 16.8	17.1	24.8	14.2	13.6	19.0	13.3	15.0	20.0	21.3	23.0	22.5	2019	2020	2021
TECHNICAL 1 Raised 12/16/16	LEGENDS — 10.0 x "Cash Flow" p sh ... Relative Price Strength Options: Yes Shaded area indicates recession														
BETA 1.10 (1.00 = Market)															



2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	© VALUE LINE PUB. LLC	19-21
2.65	3.04	2.59	2.70	3.31	3.95	4.70	5.73	6.71	6.24	7.08	7.95	8.69	9.02	9.23	9.67	9.78	9.65	Revenues per sh ^A	12.40
.65	.41	.54	.77	.95	1.08	1.13	1.43	1.66	1.37	1.73	2.12	2.38	2.45	2.60	2.71	2.82	2.80	"Cash Flow" per sh	3.55
.53	.26	.39	.59	.76	.87	.89	1.17	1.31	1.05	1.33	1.62	1.85	2.02	2.06	2.21	2.36	2.40	Earnings per sh ^B	3.00
--	--	--	--	--	--	--	--	--	--	--	.12	.28	.62	.72	.80	.94	1.08	Div'ds Decl'd per sh ^E	1.30
.15	.31	.36	.10	.09	.11	.13	.21	.22	.17	.18	.22	.21	.22	.25	.24	.23	.25	Cap'l Spending per sh	.25
3.71	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	11.74	12.63	13.80	Book Value per sh	15.10
7138.0	7324.0	7303.0	6998.0	6650.4	6274.7	6059.0	6100.0	5893.0	5785.0	5655.0	5435.0	5298.0	5389.0	5107.0	5085.0	5034.4	5000.0	Common Shs Outst'g ^C	4800.0
99.7	NMF	42.4	24.3	29.6	21.6	21.3	22.0	20.6	17.7	17.9	11.9	9.7	10.3	11.3	12.3	11.5		Avg Ann'l P/E Ratio	12.0
6.48	NMF	2.32	1.39	1.56	1.15	1.15	1.17	1.24	1.18	1.14	.75	.62	.58	.59	.62	.62		Relative P/E Ratio	.75
--	--	--	--	--	--	--	--	--	--	--	.6%	1.6%	3.0%	3.1%	2.9%	3.5%		Avg Ann'l Div'd Yield	3.6%

CAPITAL STRUCTURE as of 10/29/16		2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	Revenues (\$mill) ^A	59500		
Total Debt \$34.8 bill. Due in 5 years \$21.2 bill.	28484	34922	39540	36117	40040	43218	46061	48607	47142	49161	49247	48300	Revenues per sh ^A	12.40			
LT Debt \$30.6 bill. LT Interest \$800 mill. (33% of Cap'l)	29.1%	28.7%	28.3%	25.2%	28.0%	32.0%	33.3%	31.0%	31.4%	31.6%	33.4%	35.0%	Operating Margin	32.0%			
Leases, Uncapitalized Annual rentals \$363 mill.	1293.0	1413.0	1744.0	1768.0	2030.0	2486.0	2602.0	2351.0	2432.0	2442.0	2150.0	2000	Depreciation (\$mill)	2750			
No Defined Benefit Pension Plan Pfd Stock None	5580.0	7333.0	8052.0	6134.0	7767.0	9033.0	10017	10866	10863	11354	12022	12000	Net Profit (\$mill)	14400			
Common Stock 5,019,758,934 shs. (as of 11/17/16)	26.9%	22.5%	21.5%	20.3%	17.5%	21.3%	21.9%	20.8%	20.8%	21.7%	21.8%	21.8%	Income Tax Rate	22.0%			
MARKET CAP: \$147 billion (Large Cap)	19.6%	21.0%	20.4%	17.0%	19.4%	20.9%	21.7%	22.4%	23.0%	23.1%	24.4%	24.8%	Net Profit Margin	24.2%			
CURRENT POSITION	14363	18216	21841	30522	32188	39725	44202	43329	47305	52660	53808	61450	Working Cap'l (\$mill)	49550			
Cash Assets ^D	60416	65756	70968	6332.0	6408.0	6393.0	10295	12188	16234	16297	12928	20401	21457	24500	25500	Long-Term Debt (\$mill)	17500
Receivables	5344	5847	4805	23912	31480	34353	38647	44267	47226	51286	59120	56654	59698	63585	69000	Shr. Equity (\$mill)	72500
Inventories (FIFO)	1627	1217	1176	18.7%	19.9%	20.2%	12.9%	14.3%	14.7%	15.3%	15.5%	14.5%	14.3%	13.6%	12.5%	Return on Total Cap'l	16.0%
Other	8896	5899	6192	23.3%	23.3%	23.4%	15.9%	17.5%	19.1%	19.5%	18.4%	19.2%	19.0%	18.9%	17.5%	Return on Shr. Equity	20.0%
Current Assets	76283	78719	83141	23.3%	23.3%	23.4%	15.9%	17.5%	17.7%	16.6%	12.8%	12.5%	12.2%	11.2%	9.5%	Retained to Com Eq	11.5%
Accts Payable	1104	1056	996	--	--	--	--	7%	15%	30%	35%	35%	36%	40%	45%	All Div'ds to Net Prof	43%
Debt Due	3897	4160	4155	BUSINESS: Cisco Systems, Inc. is a leading provider of Internet Protocol-based networking and other products for transporting data, voice, and video across geographically dispersed local-area networks, metropolitan-area networks, and wide-area networks. Devices are primarily integrated by Cisco IOS Software and include Routers, Switches, New Products, and Other. Provides services associated with these products. Foreign business accounted for 68.1% of 2015 earnings. R&D, 13.5% of revenues. Has about 75,049 employees. Officers/Directors hold less than 1.0% of stock; BlackRock, 6.6%, Vanguard, 6.0% (9/16 proxy). Chrmn. & CEO: Chuck Robbins. Inc.: CA. Address: 170 W. Tasman Drive, San Jose, CA 95134-1706. Tele.: 408-526-4000. Web: www.cisco.com.													
Other	18622	19695	18066	Cisco Systems reported in-line results for the October period. Adjusted revenue increased 1% year over year, within guidance of down 1% to up 1%. Product sales fell 1% and service revenue rose 7%. The largest unit, Switching, saw revenue drop 7%, as campus (enterprise) customers delayed purchases and stretched current equipment in the face of uncertain macro-economic conditions. The top-performing unit was Security with 11% growth. Adjusted earnings per share of \$0.61 rose 3%, beating our \$0.60 call. Importantly, the company is making progress in efforts to beef up its recurring software and subscription sales, as evidenced by a 48% rise in deferred revenue during the quarter.													
Current Liab.	23623	24911	23217	Service providers are buying less. Billings to that customer group—which accounts for roughly one-quarter of total sales—fell 12%. The company named a number of reasons for the restrained spending, including a fluctuating political landscape, potential regulatory hurdles, currency headwinds, and a focus on improving mobile network density rather than building out new networks. The trend is not expected to reverse course over the near term, which helps explain why total revenue should be down 2%-4% in the January interim.													

ANNUAL RATES	Past 10 Yrs.	Past 5 Yrs.	Est'd '13-'15 to '19-'21
of change (per sh)	10 Yrs.	5 Yrs.	to '19-'21
Revenues	11.0%	7.0%	5.0%
"Cash Flow"	11.0%	10.5%	5.5%
Earnings	11.0%	11.5%	6.0%
Dividends	--	--	10.5%
Book Value	11.5%	10.5%	5.0%

Fiscal Year Ends	QUARTERLY REVENUES (\$ mill.) ^A				Full Fiscal Year
	Oct.Per	Jan.Per	Apr.Per	Jul.Per	
2013	11876	12098	12216	12417	48607
2014	12085	11155	11545	12357	47142
2015	12245	11936	12137	12843	49161
2016	12682	11927	12000	12638	49247
2017	12352	11550	11900	12498	48300

Fiscal Year Ends	EARNINGS PER SHARE ^{AB}				Full Fiscal Year
	Oct.Per	Jan.Per	Apr.Per	Jul.Per	
2013	.48	.51	.51	.52	2.02
2014	.53	.47	.51	.55	2.06
2015	.54	.53	.54	.60	2.21
2016	.59	.57	.57	.63	2.36
2017	.61	.58	.58	.63	2.40

Cal-endar	QUARTERLY DIVIDENDS PAID ^E				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2012	.06	.08	.08	.28	.50
2013	--	.17	.17	.17	.51
2014	.17	.19	.38	--	.74
2015	.40	--	.21	.21	.82
2016	.21	.26	.26	.26	

(A) Fiscal year ends on last Saturday in July (four 13-week quarters). (B) Diluted earnings. Excludes nonrecurring items: '00, (17c); '01, (38c); '02, (14c); '03, (9c); '04, (14c). '01 in-closes \$0.15 inventory writeoff. May not sum due to rounding. Next egs. report due mid-February. GAAP egs. prior to 2011, pro-forma thereafter. (C) In millions, adjusted for stock splits. (D) Long- and short-term investments in current assets beginning in fiscal 2006. (E) Dividend commenced March 29, 2011, paid in late Jan., April, July, and Oct.

Company's Financial Strength A++
Stock's Price Stability 75
Price Growth Persistence 30
Earnings Predictability 95

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