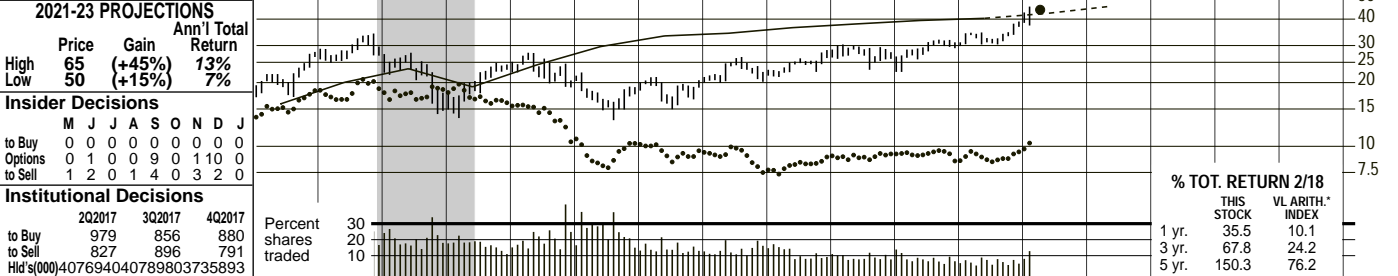


CISCO SYSTEMS NDQ-CSCO

RECENT PRICE **44.29** P/E RATIO **16.6** (Trailing: 18.1 Median: 12.0) RELATIVE P/E RATIO **0.87** DIV'D YLD **3.0%** **VALUE LINE**

TIMELINESS 3 Raised 11/24/17	High: 34.2 27.7 24.8 27.7 22.3 21.3 26.5 28.6 30.3 32.0 39.0 45.9	Target Price Range 2021 2022 2023
SAFETY 1 Raised 12/16/16	Low: 24.8 14.2 13.6 19.0 13.3 15.0 20.0 21.3 23.0 22.5 29.8 37.3	
TECHNICAL 4 Lowered 2/2/18	LEGENDS — 10.0 x "Cash Flow" p sh ... Relative Price Strength Options: Yes Shaded area indicates recession	
BETA 1.05 (1.00 = Market)		



2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	© VALUE LINE PUB. LLC	21-23
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	9.79	9.63	10.25	10.60	Revenues per sh ^A	13.75
.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	2.88	3.05	3.30	"Cash Flow" per sh	4.30
.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	2.39	2.60	2.85	Earnings per sh ^B	3.60
--	--	--	--	--	--	--	--	--	.12	.28	.62	.72	.80	.94	1.10	1.20	1.30	Div'ds Decl'd per sh ^E	1.90
.36	.10	.09	.11	.13	.21	.22	.17	.18	.22	.21	.22	.25	.24	.23	.19	.25	.25	Cap'l Spending per sh	.35
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	12.64	13.27	10.55	14.90	Book Value per sh	18.95
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	5029.0	4983.0	4800.0	4770.0	Common Shs Outst'g ^C	4200.0
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	13.3	10.25	10.60	Avg Ann'l P/E Ratio	16.0
2.32	1.39	1.56	1.15	1.15	1.17	1.24	1.18	1.14	.75	.62	.58	.59	.62	.60	.65	.60	.65	Relative P/E Ratio	.90
--	--	--	--	--	--	--	--	--	.6%	1.6%	3.0%	3.1%	2.9%	3.5%	3.5%	3.5%	3.5%	Avg Ann'l Div'd Yield	3.3%

CAPITAL STRUCTURE as of 1/27/18				2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	
Total Debt \$39.3 bill. Due in 5 years \$24.7 bill.	39540	36117	40040	43218	46061	48607	47142	49161	49247	48005	49130	50500	Revenues (\$mill) ^A	57800				
LT Debt \$25.6 bill. LT Interest \$950 mill. (33% of Cap'l)	28.3%	25.2%	28.0%	32.0%	33.3%	31.0%	31.4%	31.6%	33.4%	32.1%	35.0%	35.5%	Operating Margin	35.0%				
Leases, Uncapitalized Annual rentals \$417 mill.	1744.0	1768.0	2030.0	2486.0	2602.0	2351.0	2432.0	2442.0	2150.0	2286.0	2050	2120	Depreciation (\$mill)	2850				
No Defined Benefit Pension Plan Pfd Stock None	8052.0	6134.0	7767.0	9033.0	10017	10866	10863	11354	12022	12067	12500	13600	Net Profit (\$mill)	15120				
Common Stock 4,817,517,410 shs. as of 2/15/18	21.5%	20.3%	17.5%	21.3%	21.9%	20.8%	20.8%	21.7%	21.8%	22.1%	21.0%	21.0%	Income Tax Rate	21.0%				
MARKET CAP: \$213 billion (Large Cap)	20.4%	17.0%	19.4%	20.9%	21.7%	22.4%	23.0%	23.1%	24.4%	25.1%	25.4%	27.0%	Net Profit Margin	26.2%				
CURRENT POSITION (SMILL.)	21841	30522	32188	39725	44202	43329	47305	52660	53808	56120	52000	50000	Working Cap'l (\$mill)	49550				
Cash Assets ^D	65756	70492	73683	6393.0	10295	12188	16234	16297	12928	20401	21457	24483	25725	25000	24000	24000	Long-Term Debt (\$mill)	17500
Receivables	5847	5146	3963	34353	38647	44267	47226	51286	59120	56654	59698	63586	66137	50550	52550	Shr. Equity (\$mill)	79600	
Inventory (FIFO)	1217	1616	1896	20.2%	12.9%	14.3%	14.7%	15.3%	15.5%	14.5%	14.3%	14.0%	13.6%	16.5%	18.0%	Return on Total Cap'l	15.5%	
Other	5899	6449	6508	23.4%	15.9%	17.5%	19.1%	19.5%	18.4%	19.2%	19.0%	18.9%	18.2%	24.5%	26.0%	Return on Shr. Equity	19.0%	
Current Assets	78719	83703	86050	23.4%	15.9%	17.5%	17.7%	16.6%	12.8%	12.5%	12.2%	11.4%	9.9%	13.5%	10.0%	Retained to Com Eq	9.0%	
Accts Payable	1056	1385	1060	--	--	--	7%	15%	30%	35%	36%	40%	46%	46%	46%	All Div'ds to Net Prof	53%	
Debt Due	4161	7992	13741	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 40.9% of 2017 revenues. R&D, 12.6% of revenues. Has about 72,900 employees. Officers/Directors hold less than 1.0% of stock; BlackRock, 6.8%, Vanguard, 6.7%. (9/17 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	19694	18206	20563	Cisco's core business may have turned the corner. The infrastructure unit saw revenue rise 2% year over year in the January quarter, after declining 4% in the October interim. In switching, growth was strong from data centers, but campus switch revenue was still down modestly. Nonetheless, Cisco's most advanced switch line, the <i>Catalyst 9000</i> , doubled its customer base sequentially to 3,100, marking the fastest ramp in company history. Too, orders for campus switches were "very, very strong," which should aid revenue. The company's plan appears to be working. "The Network. Intuitive." a strategy launched last June aiming to revolutionize the enterprise networking space, has begun to bear fruit. The name is supposed to imply a network that is intuitive. It uses automation, algorithms, machine learning, and data to continuously monitor, learn from, and adapt networks for the better. The industry term is intent-based networking, and Cisco's version bundles powerful software with new hardware, or upgrades compatible legacy switches and routers. The main platform is called Digital Network Architecture (DNA Center) which acts as a dashboard and enables other key products, like Software-Defined Access. The new software helps to better establish which users, devices, and IoT items have access to what parts of a network when, and under what circumstances. This ultimately provides an easier way to execute a historically complex and convoluted process, potentially saving some businesses weeks of man-hours and millions in network operating costs. Further, the system is less prone to human error, and should ultimately result in improved network control, flexibility, security, reliability, visibility, and return on investment. We view "The Network. Intuitive." as an innovative and sticky long-term strategy that capitalizes on increased corporate demand for security, scale, and innovative functionality. We think it differentiates Cisco from established vendors, as well as new entrants with open-sourced software-defined networking switches. Cisco's ability to foresee technology transitions will likely translate into solid long-term earnings growth.														
Current Liab.	24911	27583	35364	Kevin Downing March 16, 2018														

ANNUAL RATES	Past 10 Yrs.	Past 5 Yrs.	Est'd '15-'17 to '21-'23
of change (per sh)	7.5%	4.0%	6.0%
Revenues	8.5%	6.0%	7.5%
"Cash Flow"	9.0%	7.5%	7.5%
Earnings	--	48.0%	12.5%
Dividends	11.5%	7.5%	7.0%
Book Value			

Fiscal Year Ends	QUARTERLY REVENUES (\$ mill.) ^A				Full Fiscal Year
	Oct.Per	Jan.Per	Apr.Per	Jul.Per	
2015	12245	11936	12137	12843	49161
2016	12682	11927	12000	12638	49247
2017	12352	11580	11940	12133	48005
2018	12136	11887	12400	12707	49130
2019	12540	12300	12685	12975	50500

Fiscal Year Ends	EARNINGS PER SHARE ^{AB}				Full Fiscal Year
	Oct.Per	Jan.Per	Apr.Per	Jul.Per	
2015	.54	.53	.54	.60	2.21
2016	.59	.57	.57	.63	2.36
2017	.61	.57	.60	.61	2.39
2018	.61	.63	.65	.71	2.60
2019	.68	.69	.70	.78	2.85

Cal-endar	QUARTERLY DIVIDENDS PAID ^E				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2014	.17	.19	.38	--	.74
2015	.40	--	.21	.21	.82
2016	.21	.26	.26	.26	.99
2017	.26	.29	.29	.29	1.13
2018	.29	.33			

(A) Fiscal year ends on last Saturday in July (four 13-week quarters). (B) Diluted earnings. Excludes nonrecurring items: '02, (14¢); '03, (9¢); '04, (14¢). May not sum due to rounding. (C) Next egs. report due mid-May. GAAP egs. prior to 2011, pro-forma thereafter. (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 80
Price Growth Persistence 35
Earnings Predictability 100

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