



Company	Ticker	Sector	Industry
Cisco Systems, Inc.	CSCO-US	Information Technology	Communications Equipment

## Business Description

Cisco Systems, Inc. engages in the design, manufacture, and sale of Internet Protocol-based networking products and services related to the communications and information technology industry. The firm operates through the following geographical segments: the Americas, EMEA, and APJC. Its products include the following categories: Switches, Routers, Wireless, Network Management Interfaces and Modules, Optical Networking, Access Points, Outdoor and Industrial Access Points, Next-Generation Firewalls, Advanced Malware Protection, VPN Security Clients, Email, and Web Security. The company was founded by Sandra Lerner and Leonard Bosack on December 10, 1984 and is headquartered in San Jose, CA.

## Price Chart

## Key Info & Metrics



<b>Empirical Research Rank:</b>	<b>2</b>
Date Purchased:	01/02/2018
Price:	\$47.84
52-Week Range:	\$39.27 - \$57.21
Dividend Yield:	3.18%
Market Cap (\$M):	\$196,532
Forward Price-to-Earnings:	13

## Total Return

Year-to-Date:	1.2%
1 Year:	-10.4%
3 Year:	9.5%
5 Year:	38.0%

## Investment Case - Updated: November 6, 2022

In the 1990s, Cisco Systems was a technology powerhouse, dominating the market in vital networking gear for enterprises, and telecom service providers and fast-growing data centers. Its growth has stalled since then as this equipment has become commoditized. Software that sits on these devices have captured more of the networking value chain. However, Cisco offers investors other merits. Despite no revenue growth for the five years ending 2020, its focus on expense management has boosted earnings by 30% over the same time frame. Its ample annual free cash flow has funded a doubling of its dividend over those five years, with more increases likely. Cash flow also funds regular acquisition activity that has boosted software to nearly a third of revenues and improved the growth outlook. Cisco continues to find ways to stay relevant, protect its market share, and reward shareholders.

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