

APJC Services Analyst Roundtable September 17th, 2013

APJC Services Leadership Team

- Richard Kitts, VP Services Sales, APJC
- Karen McFadzen, VP Technical Services, APJC
- Chris Heckscher, VP Advanced Services, APJC

Agenda

Introductions

FY13 Cisco Services Highlights

FY14 APJC Services Strategy & Plan

Q&A



FY13 Services Highlights

| FY13 – Cisco Revenue Highlights | | | | |
|---------------------------------|-----------|----|-------|--|
| \$M (except percentages) | FY'13 \$M | % | GM | |
| Net Sales | 48,607 | | 62.5% | |
| Product | 38,029 | 78 | 61.3% | |
| Services | 10,578 | 22 | 67.0% | |



Q4 FY13 Earnings Call Outs

- Services revenue grew 6%
- Investing in the future growth of Services
- Committed to our long-term growth rate to 9% to 11% in Services

| APJC FY13 | Revenue By Theatre | | |
|-------------|---------------------------|----------|---------------|
| \$M (except | Products | Services | Services % |

| | | % |
|--------|------------------|---|
| 38,029 | 10,578 | 22 |
| 21,653 | 6,986 | 24 |
| 10,049 | 2,161 | 18 |
| 6,327 | 1,431 | 18 |
| | 21,653 10,049 | 21,653 6,986 10,049 2,161 |

Revolutionary Journey Platform For Long Term, Sustained Growth

| | FY11 | FY11 FY14 | | | |
|-----|-----------------------------------|-----------|--|---------|--|
| Old | Changing the go-to-market | | with Clear and Consistent Rules of Engagement | Updated | |
| | From service as an "afterthought" | | to Value Add and Rebates via Cisco Services Partner Program (CSPP) | | |
| | Investing in innovation | | Open Partners to Smart Smart Care, CPS, CBS, PSS | | |
| | Evolving the services portfolio | _ / | simple, smart & relevant , for every phase of the lifecycle | | |
| | Testing, trialling, experimenting | | Capitalising on <u>and</u> Accelerating smart | | |
| | | | | | |

APJC Services FY14 Plan

APJC Vision

Helping to improve the life experiences of two-thirds of the world's population

APJC Strategy

Become the most relevant and trusted partner for APJC business and government leaders by delivering the best IT solutions and services with value and simplicity.



Customers, Partners, Government & Stakeholders

Cisco Services APJC FY14 Priorities

- Improve the yield from Cisco's installed base
- Smart Services in everything we do
- Partner led business management
- Focus and execute on Transformational Accounts
- Expand portfolio and business relevance of **Cisco architectures**
- Build agility and scalability into our operating models
- Drive customer value

A Unique & Value-Based Ecosystem Customers, Partners & Cisco → Jointly Innovating



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Partner & Integrate

Cisco Services Alignment with Your Lifecycle Approach



Plan

- Create an agile infrastructure
- Develop a cost effective strategy
- Prepare to support new solutions

Build

- Speed time to value
- Reduce deployment costs
- Maintain availability during deployment
 and migration

Manage

- Improve performance, availability, resiliency
- Increase efficiency and reduce costs
- Mitigate risk

Creating the Next Generation of IT

| | Unified APIs | / |
|-------------|---|----------|
| | CONSULTING SERVICES Business Innovation IoT Consulting Architectural Consulting | |
| > | INDUSTRY SERVICES IoT Remote Expert Industry Exchange S+CC Connected Industries | |
| Security | PLATFORM SERVICES API Management Configuration Compliance RIM Data Virtualization Integration Brokerage | Energy |
| N N N | PROFESSIONAL SERVICES Collaboration Datacenter OnePK Enterprise Networking | V |
| | TECHNICAL SERVICES Support Smart Services | |
| | Analytics | |

The Services Enabled Journey to IoE

Services Platform

Droc

Amazing Opportunity!

New Monetization and Business Models for the Internet of Everything

Solid Foundation

Increase Yield from Technical and Advanced Services

Business Credibility

Industry Solutions and Cisco Consulting Services to LoB and CxO

Disruptive Capability

Highly Scalable Software-based Remote Management Services



