Q2 Fiscal Year 2026

Conference Call

February 11, 2026

Forward-Looking Statements

This presentation contains projections and other forward-looking statements regarding future events or the future financial performance of Cisco, including future operating results. These projections and statements are only predictions. Actual events or results may differ materially from those in the projections or other forward-looking statements. Please see Cisco’s filings with the SEC, including its most recent filings on Forms 10-K and 10-Q, for a discussion of important risk factors that could cause actual events or results to differ materially from those in the projections or other forward-looking statements.

GAAP Reconciliation

During this presentation references to financial measures of Cisco will include references to non-GAAP financial measures. Cisco provides a reconciliation between GAAP and non-GAAP financial information on the Cisco Investor Relations website https://investor.cisco.com/financial-information/financial-results/default.aspx

Business Momentum & Key Trends

Q2 FY 2026 Key Takeaways

Accelerating AI Momentum

$2.1B AI orders taken in Q2 from hyperscalers; revenue of over $3B expected in FY26

$350M of AI orders taken in Q2 from neocloud, sovereign, and enterprise customers

Strong Financial Performance

Q2 revenue, operating margin, and EPS exceeded the high end of our guidance ranges

Raising FY26 guidance on robust outlook

Accelerating Campus Refresh and DC Switching Growth

All next-gen campus networking solutions ramping faster than prior product launches, driving accelerated growth

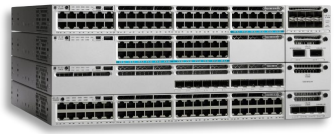
Accelerating mid-teens growth in data center switching orders in Q2

Q2 FY 2026 Summary

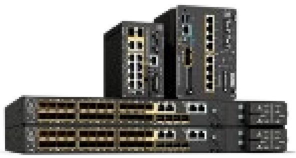
- **Double-digit top and bottom-line growth with strong profitability and EPS growing faster than revenue**
  - $15.3B in revenue, up 10% y/y, Non-GAAP EPS of $1.04, up 11% y/y, above high end of guide
  - Non-GAAP operating margin of 34.6%, above high end of guide
- **Strong demand for Cisco's technologies as we provide the critical infrastructure for the AI era**
  - Product orders up 18% y/y with growth across all geographies and customer markets; up 10% excluding hyperscale orders
  - $2.1B of AI infrastructure orders taken from hyperscale customers in Q2
  - Accelerating networking product orders, up more than 20% y/y, marking the sixth consecutive quarter of double-digit growth
  - $350M of AI orders taken from neocloud, sovereign, and enterprise customers and growing pipeline of more than $2.5B
- **Major multi-year, multi-billion-dollar campus networking refresh cycle underway**
  - Campus networking portfolio again saw accelerated growth in Q2
  - All next-generation solutions, including smart switches, secure routers and WiFi 7 products, ramping faster than prior product launches
  - Pre-Cat9K install base in the tens of billions of dollars, nearing end of support and requiring upgrades
- **Powerful innovation for AI, unlocking new multi-year, multi-billion-dollar opportunities**
  - New 102.4 Tbps Silicon One G300 chip optimized for scale AI deployments and four new air and liquid cooled systems
  - New 1.6T OSFP optic and 800G LPO, both built with Cisco Silicon Photonics technology, to deliver greater efficiency and reliability
  - Sovereign Critical Infrastructure Portfolio: capable of autonomous operation, providing control over sensitive data & critical infrastructure
- **Commitment to returning capital to shareholders**
  - Returned $3.0B in Q2, representing 193% of free cash flow, including $1.4B of shares repurchased

Campus, Wireless, and Edge Devices Ramping


Catalyst 9000 Family


C9350 & C9610 Smart Switches


Wi-Fi 7 Access Points


Industrial IoT portfolio

Campus, Wireless, and Edge Device Highlights

- All next-gen campus networking solutions ramping faster than prior product launches, driving accelerated order growth for campus networking
  - Orders for recently launched Smart Switch grew triple-digits q/q, with a significant ramp already observed in 1H FY26, with many customers testing in preparation for expected larger, future orders
  - Wi-Fi 7 order growth continues to be very strong, up more than 80% q/q, driven by education and professional services, and growing demand to bundle Wi-Fi 7 with multi-gig switches

- In our Industrial IoT portfolio, booked our highest quarterly bookings in absolute $s for Industrial IoT portfolio in Q2, marking 7th consecutive quarter of double-digit growth in orders, driven by manufacturing and utilities

Cisco Silicon One - Unifying, Securing, and Scaling Networks

Integrated Access
Campus & Provider Access

Services Router
Provider Edge & Enterprise Core

Enterprise Switch
Campus & Data Center

Scale across DC
WAN & AI Inter-Data Center

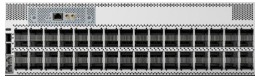
Scale within DC
AI Cluster & Cloud

Bandwidth

Silicon One Highlights

- Shipped 1-millionth Silicon One chip in Q2 FY26
- Announced G300 for AI back-end networking shipping in CY26
- Announced four new Cisco 102.4T air and liquid cooled systems
- AI momentum ramping: systems, whitebox and silicon-direct

Comprehensive Cisco-wide adoption of Silicon One architecture for high performance networking systems by FY29



102.4T Air Cooled System

102.4T Liquid Cooled System

Silicon One G300 102.4T chip

Cisco Accelerating AI Adoption

Hyperscaler AI Infrastructure

Accelerated momentum with results demonstrating continued execution and innovation as hyperscalers ramp back-end and front-end networking infrastructure for AI.

Orders:
- $2.1B of AI orders taken in Q2 FY26, reflecting a significant acceleration in growth and marking the sixth consecutive quarter of robust order growth with hyperscalers (now lapping triple-digit compares versus Q2 FY25).
- Seeing balanced growth across hyperscalers with three of the top four growing triple-digits y/y; the fourth growing high double-digits.
- Product mix of these orders was 60% Silicon One based networking systems and 40% optics.
- In our optics business, Acacia results were very strong in Q2, reflecting the transition to coherent pluggables which offer significant cost and power savings; seeing significant traction in 800G-ZR with one hyperscaler.

Platforms: Series 8K, Silicon One, and Optics & Optical

Outlook: Continued momentum with hyperscalers forecasted; expecting to take $5B in orders and recognize over $3B in revenue in FY26. Hyperscale demand for optics accelerating at a faster rate than in Q1 FY26.

AI Connectivity

Accelerated momentum company-wide for AI networking solutions, with neocloud, sovereign, and enterprise customers starting their ramp and results and pipeline highlighting significant opportunities ahead.

Orders:
- Company-wide networking product order growth accelerated to >20% in Q2 FY26, marking the sixth consecutive quarter of double-digit order growth, indicating customers are bolstering their networks ahead of incoming AI workloads.
- Campus networking solutions order growth accelerated in Q2, with all next-gen solutions ramping faster than in prior product launches (Cat-9K orders also grew in Q2 while campus Smart Switch orders ramped sharply).
- DC Switching order growth accelerated to mid-teens growth, lapping mid-teens growth compares versus Q2 FY25.
- In Q2, Cisco took AI orders of $350M from neocloud, sovereign and enterprise customers (separate from the $2.1B taken from hyperscalers).

Platforms: Switching, Routing, Wireless, and Security (including Splunk)

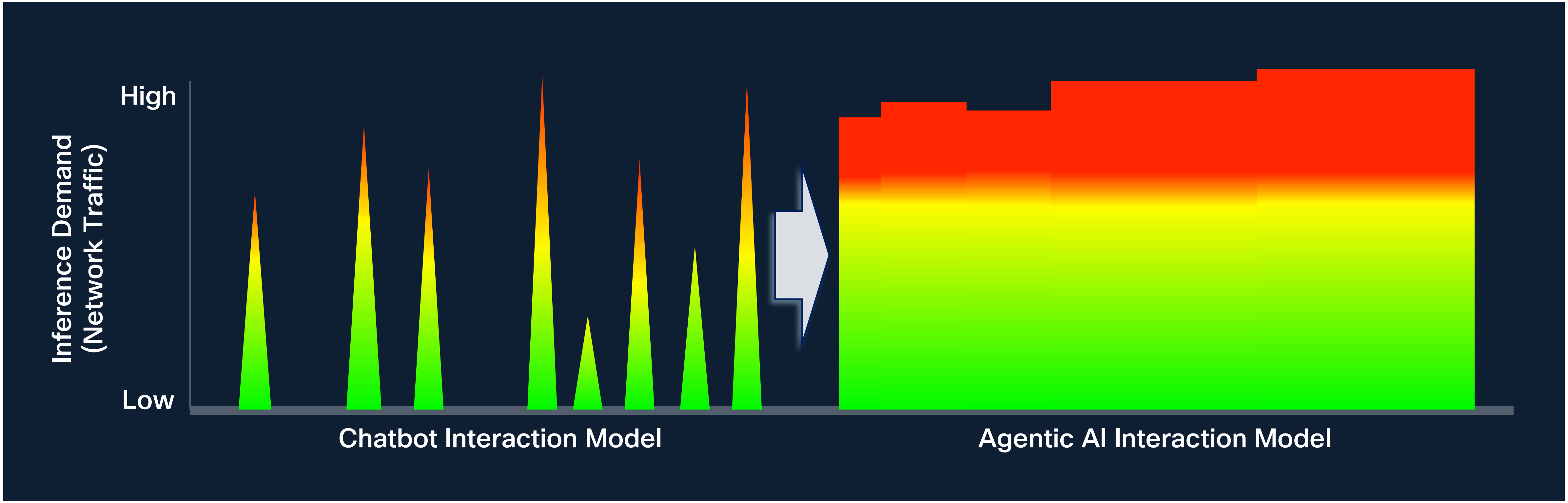
Outlook: Growing pipeline of $2.5B with neocloud, sovereign, and enterprise customers.

Software Platforms: Fusing AI Into Our Products
Agentic AI capabilities are being rolled out across the product portfolio, including new innovations like AI Canvas and AgenticOps

Services: Leveraging AI to Maximize Customer Value and Boost Productivity
Multiple AI Agents being deployed across Adoption, Renewals and Customer Support, enabling our teams and creating more value for customers

A New Level of Inferencing Demand on Secure Networking

As Agentic AI workloads rapidly expand, with AI agents being trained in data centers, deployed across application environments, and engaging continuously with end-users, network traffic will not only exceed today's chatbot levels, but agents will keep it consistently high through their ongoing interactions. This fundamental shift will require networks to be upgraded, with security embedded deeply into the fabric of the network to safeguard every interaction. **Cisco is uniquely positioned, with technology solutions spanning smart switches, advanced security, silicon, and software, to provide the critical infrastructure needed for the AI era**.



This graphic is for illustrative purposes only. It is not based on customer network data but depicts how Cisco believes network traffic levels will increase as inference demand further increases and proliferates within enterprise and end-user networking environments.

Financial Overview

Q2 FY 2026 Revenue and Total Gross Margin

$M (except percentages)

	Revenue			Total Gross Margin %		
	Q2 FY’25	Q1 FY’26	Q2 FY’26	Q2 FY’25	Q1 FY’26	Q2 FY’26
Americas	$8,202	$8,989	$8,845	67.6%	66.8%	65.8%
EMEA	3,855	3,784	4,425	71.3%	71.9%	71.7%
APJC	1,934	2,111	2,080	68.3%	66.9%	65.8%
Geographic Total	**$13,991**	**$14,883**	**$15,349**	**68.7%**	**68.1%**	**67.5%**

Amounts may not sum and percentages may not recalculate due to rounding.

Q2 FY 2026 Revenue Highlights

Category	$M	Y/Y
Networking	$8,294	21%
Security	2,018	(4%)
Collaboration	1,054	6%
Observability	277	0%
Services	3,707	(1%)
Total Cisco	$15,349	10%

Amounts may not sum and percentages may not recalculate due to rounding.

Q2 FY 2026 RPO and ARR

$B (except percentages)	Q2 FY 2025	Q1 FY 2026	Q2 FY 2026
Remaining Performance Obligations (RPO):	$41.3	$42.9	$43.4
Year/Year Change	*16%*	*7%*	*5%*
Product RPO [1]	$20.3	$21.9	$22.0
Year/Year Change	*25%*	*10%*	*8%*
Services RPO	$20.9	$21.0	$21.4
Year/Year Change	*8%*	*4%*	*2%*
Annualized Recurring Revenue (ARR) [2]:	$30.1	$31.4	$31.0
Year/Year Change	*22%*	*5%*	*3%*
Product ARR	$16.3	$17.3	$17.4
Year/Year Change	*41%*	*7%*	*6%*
Services ARR	$13.7	$14.1	$13.6
Year/Year Change	*4%*	*2%*	*(1%)*

Amounts may not sum and percentages may not recalculate due to rounding.

[1] As of the end of Q2 FY 2026, Long Term Product RPO was $11.8B, up 11% year over year.

[2] Annualized Recurring Revenue ("ARR") represents the annualized revenue run-rate of active subscriptions, term licenses, operating leases and maintenance contracts at the end of a reporting period, net of rebates to customers and partners as well as certain other revenue adjustments. Includes both revenue recognized ratably as well as upfront on an annualized basis.

ARR should be viewed independently of revenue, deferred revenue and remaining performance obligation as ARR is a management operational performance metric and is not intended as a substitute for any of these items.

Q2 FY 2026 Product Orders

Total Product Orders: 18% Y/Y

Geographic Segment	Y/Y
Americas	23%
EMEA	11%
APJC	15%

Customer Market	Y/Y
Enterprise	8%
Public Sector	11%
Service Provider & Cloud	65%

Q2 FY 2026 GAAP Income Statement Highlights

$M (except per-share amounts and percentages)	Q2 FY 2025	Q1 FY 2026	Q2 FY 2026
Revenue	$13,991	$14,883	$15,349
Year/Year Change	*9%*	*8%*	*10%*
Product	$10,234	$11,077	$11,642
Services	$3,757	$3,806	$3,707
Gross Margin	65.1%	65.5%	65.0%
Product Gross Margin	63.7%	64.5%	63.9%
Services Gross Margin	68.9%	68.4%	68.4%
Operating Expenses	$5,998	$6,382	$6,191
OPEX (% of Revenue)	42.9%	42.9%	40.3%
Operating Income (% of Revenue)	22.3%	22.6%	24.6%
Net Income	$2,428	$2,860	$3,175
Year/Year Change	*(8%)*	*5%*	*31%*
Earnings per Share (diluted)	$0.61	$0.72	$0.80
Year/Year Change	*(6%)*	*6%*	*31%*

Q2 FY 2026 Non-GAAP Income Statement Highlights

$M (except per-share amounts and percentages)	Q2 FY 2025	Q1 FY 2026	Q2 FY 2026
Revenue	$13,991	$14,883	$15,349
Year/Year Change	*9%*	*8%*	*10%*
Product	$10,234	$11,077	$11,642
Services	$3,757	$3,806	$3,707
Gross Margin	68.7%	68.1%	67.5%
Product Gross Margin	67.7%	67.2%	66.4%
Services Gross Margin	71.6%	70.7%	70.9%
Operating Expenses	$4,753	$5,017	$5,046
OPEX (% of Revenue)	34.0%	33.7%	32.9%
Operating Income (% of Revenue)	34.7%	34.4%	34.6%
Net Income	$3,760	$4,011	$4,143
Year/Year Change	*6%*	*9%*	*10%*
Earnings per Share (diluted)	$0.94	$1.00	$1.04
Year/Year Change	*8%*	*10%*	*11%*

Q2 FY 2026 Key Financial Measures

$M	Q2 FY 2025	Q1 FY 2026	Q2 FY 2026
Cash, Cash Equivalents and Investments	$16,853	$15,736	$15,777
Operating Cash Flow	$2,241	$3,212	$1,822
Inventory	$2,927	$3,395	$3,920
Inventory Purchase Commitments	$5,824	$8,321	$10,055
Deferred Revenue:	$27,795	$27,969	$28,403
Product Deferred Revenue	$13,033	$13,252	$13,371
Services Deferred Revenue	$14,762	$14,717	$15,032
Software Revenue	$5,543	$5,670	$5,664
Subscription Revenue:	$7,862	$8,000	$7,836
Product Subscription Revenue	$4,432	$4,500	$4,474
Services Subscription Revenue	$3,430	$3,500	$3,362

Q2 FY 2026 Capital Allocation

Total Capital Allocation	Q2 FY 2026
Share Repurchases ($M)	$1,351
Dividends Paid ($M)	1,617
Total ($M)	$2,968
Dividend per Share	$0.41

Share Repurchases	Q2 FY 2026
Amount Purchased ($M)	$1,351
Number of Shares (M)	18
Avg. Price per Share	$76.29

- Today we announced we are increasing our quarterly dividend to $0.42 per share, up 2%

Guidance

Key Q3 & FY 2026 Guidance Assumptions

Current tariffs and exemptions remain in place through FY26. These include:

- China at 20% (10% fentanyl; 10% reciprocal) partially offset by an exemption for semiconductors and certain electronic components
- Mexico at 25% and Canada at 35% for the components and products that are not eligible for the current USMCA exemptions
- Other countries reverted to country specific reciprocal rates, but largely offset by an exemption for semiconductors and certain electronic components
- Tariffs on copper, steel and aluminum, and retaliatory tariffs (small impact)
- January 14, 2026 Presidential Proclamation on semiconductor imports under Section 232 of the Trade Expansion Act of 1962 (no material impact)

Guidance for Q3 FY 2026

Cisco expects to achieve the following results:

Q3 FY 2026	Guidance
Revenue	$15.4B – $15.6B
Non-GAAP Gross Margin	65.5% – 66.5%
Non-GAAP Operating Margin	33.5% – 34.5%
Non-GAAP EPS	$1.02 – $1.04

- Margin and EPS guidance includes the estimated impact of tariffs based on current trade policy.
- Cisco estimates that GAAP EPS will be $0.73 to $0.77 for the third quarter of fiscal 2026.
- Q3 FY 2026 guidance assumes an effective tax provision rate of approximately 17% for GAAP and approximately 19% for non-GAAP results.
- A reconciliation between the Guidance for Q3 FY 2026 on a GAAP and non-GAAP basis is provided in the slide entitled "GAAP to Non-GAAP Guidance for Q3 FY 2026" under the Supplemental Materials.

Guidance for FY 2026

Cisco expects to achieve the following results:

FY 2026	Guidance
Revenue	\$61.2B – \$61.7B
Non-GAAP EPS	\$4.13 – \$4.17

- EPS guidance includes the estimated impact of tariffs based on current trade policy.
- Cisco estimates that GAAP EPS will be \$3.00 to \$3.08 for fiscal 2026.
- FY 2026 guidance assumes an effective tax provision rate of approximately 16% for GAAP and approximately 19% for non-GAAP results.
- A reconciliation between the Guidance for FY 2026 on a GAAP and non-GAAP basis is provided in the slide entitled "GAAP to Non-GAAP Guidance for FY 2026" under the Supplemental Materials.

Q&A

Forward-Looking Statements

These presentation slides and the related conference call contain forward-looking statements, which are subject to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include, among other things, statements regarding future events (such as our belief in our unique position to deliver the trusted infrastructure needed to securely and confidently power the AI-era, continuing to drive profitability by exercising financial discipline, and the strong, broad-based demand for our technology solutions as we remain focused on capturing the significant opportunities ahead) and the future financial performance of Cisco (including the guidance for Q3 FY 2026 and full year FY 2026) that involve risks and uncertainties, such as the actual impact of tariffs on our guidance for Q3 FY 2026 and full year FY 2026. Readers are cautioned that these forward-looking statements are only predictions and may differ materially from actual future events or results due to a variety of factors, including: business and economic conditions and growth trends in the networking industry, our customer markets and various geographic regions; global economic conditions and uncertainties in the geopolitical environment; our development and use of artificial intelligence; overall information technology spending; the growth and evolution of the Internet and levels of capital spending on Internet-based systems; variations in customer demand for products and services, including sales to the service provider market and other customer markets; the return on our investments in certain key priority areas, and in certain geographical locations, as well as maintaining leadership in Networking and services; the timing of orders and manufacturing and customer lead times; supply constraints; changes in customer order patterns or customer mix; insufficient, excess or obsolete inventory; variability of component costs; variations in sales channels, product costs or mix of products sold; our ability to successfully acquire businesses and technologies and to successfully integrate and operate these acquired businesses and technologies; our ability to achieve expected benefits of our partnerships; increased competition in our product and service markets, including the data center market; dependence on the introduction and market acceptance of new product offerings and standards; rapid technological and market change; manufacturing and sourcing risks; product defects and returns; litigation involving patents, other intellectual property, antitrust, stockholder and other matters, and governmental investigations; our ability to achieve the benefits of restructurings and possible changes in the size and timing of related charges; cyber-attacks, data breaches or other incidents; vulnerabilities and critical security defects; our ability to protect personal data; evolving regulatory uncertainty; terrorism; natural catastrophic events (including as a result of global climate change); any pandemic or epidemic; our ability to achieve the benefits anticipated from our investments in sales, engineering, service, marketing and manufacturing activities; our ability to recruit and retain key personnel; our ability to manage financial risk, and to manage expenses during economic downturns; risks related to the global nature of our operations, including our operations in emerging markets; currency fluctuations and other international factors; changes in provision for income taxes, including changes in tax laws and regulations or adverse outcomes resulting from examinations of our income tax returns; potential volatility in operating results; and other factors listed in Cisco's most recent reports on Forms 10-Q and 10-K filed on November 18, 2025 and September 3, 2025, respectively. The financial information contained in these presentation slides and the related conference call should be read in conjunction with the consolidated financial statements and notes thereto included in Cisco's most recent reports on Forms 10-Q and 10-K as each may be amended from time to time. Cisco's results of operations for the three and six months ended January 24, 2026 are not necessarily indicative of Cisco's operating results for any future periods. Any projections in these presentation slides and the related conference call are based on limited information currently available to Cisco, which is subject to change. Although any such projections and the factors influencing them will likely change, Cisco will not necessarily update the information, since Cisco will only provide guidance at certain points during the year. Such information speaks only as of the date of these presentation slides and the related conference call.

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Supplemental Materials

GAAP to Non-GAAP Guidance for Q3 FY 2026

Q3 FY 2026	Gross margin	Operating margin	Earnings per share [1]
GAAP	63% - 64%	24% - 25%	$0.73 - $0.77
Estimated adjustments for:			
Share-based compensation expense	1.0%	6.0%	$0.17 - $0.18
Amortization of acquisition-related intangible assets and other acquisition/divestiture-related costs	1.5%	3.5%	$0.10 - $0.11
Non-GAAP	65.5% - 66.5%	33.5% - 34.5%	$1.02 - $1.04

[1] Estimated adjustments to GAAP earnings per share are shown after income tax effects.

Margin and EPS guidance includes the estimated impact of tariffs based on current trade policy.

Except as noted above, this guidance does not include the effects of any future acquisitions/divestitures, significant asset impairments and restructurings, significant litigation settlements and other contingencies, gains and losses on investments, significant tax matters, or other items, which may or may not be significant.

GAAP to Non-GAAP Guidance for FY 2026

FY 2026	Earnings per share [1]
GAAP	$3.00 - $3.08
Estimated adjustments for:	
Share-based compensation expense	$0.70 - $0.72
Amortization of acquisition-related intangible assets and other acquisition/divestiture-related costs	$0.43 - $0.45
Restructuring and other charges	$0.04
(Gains) and losses on investments	($0.05)
Significant tax matters	($0.03)
Non-GAAP	$4.13 - $4.17

[1] Estimated adjustments to GAAP earnings per share are shown after income tax effects.

EPS guidance includes the estimated impact of tariffs based on current trade policy.

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