

In Brief: Cisco to buy back additional stock shares

June 8 2006

Cisco Systems Thursday named a new chairman of the board and authorized a stock repurchase that could be worth up to \$5 billion.

The Silicon Valley networking giant said President and Chief Executive Officer John Chambers would succeed 72-year-old John Morgridge, who said he would not seek re-election to the board this year.

The stock buyback adds to a 2001 repurchase authorization worth up to \$35 billion, which has retired 1.8 billion shares of common stock valued at \$32.6 billion.

Company officials said the buyback was seen as a good way to optimize value to shareholders.

"Our share repurchase program allows us to return cash to our shareholders, while at the same time provides the flexibility to aggressively invest in the business for additional growth and differentiation within our overall corporate strategy," intoned Chief Financial Officer Dennis Powell.

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