

Cisco's 1Q revenue falls below estimates

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This Wednesday, May 9, 2012, file photo, shows an exterior view of Cisco headquarters in Santa Clara, Calif. Cisco Systems Inc., reports quarterly earnings on Wednesday, Nov. 13, 2013. (AP Photo/Paul Sakuma, File)

Cisco's fiscal first-quarter revenue grew slower than expected and net income declined, which sent the technology company's stock lower in extended trading.

Cisco Systems Inc. said Wednesday that it earned \$2 billion, or 37 cents per share, during the quarter ended Oct. 26. That's down 5 percent from

\$2.09 billion, or 39 cents per share, a year earlier.

Revenue grew 2 percent to \$12.09 billion from \$11.88 billion.

Adjusted earnings, which exclude acquisition-related costs, stock-based compensation expense and other items, totaled \$2.9 billion, or 53 cents per share—2 cents above Wall Street's expectations.

Analysts expected higher revenue of \$12.35 billion, according to a poll by FactSet.

Cisco also expanded its share repurchase program by \$15 billion, bringing the total authorization for buybacks to \$16.1 billion.

"While our [revenue growth](#) was below our expectation, our financials are strong, our strategy is strong and our innovation engine is executing extremely well," said CEO John Chambers in a statement.

Cisco's performance is widely regarded as a bellwether for the technology industry because company cuts a broad swath, selling routers, switches, software and services to corporate customers and government agencies, and it reports earnings outside of the regular calendar year.

Shares of San Jose, California-based Cisco fell 87 cents, or 3.6 percent, to \$23.13 in after-hours trading. The stock had closed regular trading up 27 cents at \$24.

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