

Cisco Reports "Solid" Q1

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After spending much of 2011 going through reorganisation (slashing business units and jobs in the process) Cisco delivers "a solid quarter" in Q1 2011 according to CEO John Chambers.



Cisco Q1 2011 revenue growth exceeds analyst estimates, reaching \$11.3BN and 5% Y-o-Y growth. Net income falls by -8% Y-o-Y to reach \$1.8BN, even if the company predicts revenue growth of 5-7% for the next quarter.

Cisco announced the reorganisation effort back in July 2011, stripping down most consumer units (including the Flip video camera and Umi videoconferencing businesses), putting focus back on routers and switches and streamlining sales, services and management units.

The company also sees growth in the data center business, which sees 107% revenue growth through Unified Computing System (UCS) data centre appliance customers.

What's next for Cisco? Chambers says ""Europe will be a challenge for us in the next quarter, as it will be for others," referring to the current economic situation over here.

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