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SCHEDULE 14A INFORMATION

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Starent Networks, Corp.

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The following is the transcript of a conference call with investors held by Cisco Systems, Inc. (Cisco) and Starent Networks, Corp. (Starent Networks) on October 13, 2009:

Conference Call Transcript

STAR Cisco Announces Agreement to Acquire Starent Networks

Event Date/Time: Oct. 13. 2009 / 11:30AM ET

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Oct. 13, 2009 / 11:30AM ET, STAR - Cisco Announces Agreement to Acquire Starent Networks

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PRESENTATION

Operator

Welcome. Thank you for standing by. Today's conference is being recorded. If you have any objections, you may disconnect at this time. Now I will turn the meeting over to Ms. Marilyn Mora, Investor Relations Manager. Ma'am, you may begin.

Marilyn Mora *Cisco Senior Manager, IR*

Good morning, everyone, and greetings from Tewksbury, Massachusetts. Welcome to our conference call announcing Cisco's definitive agreement to acquire Starent Networks, a leading mobile infrastructure solutions provider targeting mobile and converged carriers. This is Marilyn Mora, Senior Manager of Investor Relations for Cisco. I'm joined by Ned Hooper, Cisco's Senior Vice President and Chief Strategy Officer; Pankaj Patel, Senior Vice President/General Manager of our Service Provider Business; and Ashraf Dahod, President and CEO of Starent.

A press release with information on today's announcement can be found on the websites of both companies at www.cisco.com and www.starentnetworks.com. A replay of this conference call will be available until midnight Pacific time on October 27. For callers in the United States, the replay number is 800-856-2254. For all other callers, the replay number is 1-402-280-9961. The replay will also be available on the Investor Relations section of both companies' websites.

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The matters that both companies will be discussing today include forward-looking statements and as such are subject to risks and uncertainties. These risks and uncertainties include those risk factors discussed in the most recent reports on Forms 10-Q and 10-K filed by each company, as well as those discussed in the joint press release announcing this acquisition. These and other risks and uncertainties could cause actual results to differ from those contained in our forward-looking statements. Unauthorized recording of this conference call is not permitted.

Today's conference call will include prepared remarks by Ned Hooper, Pankaj Patel and Ashraf Dahod followed by a brief question-and-answer period. At this point I would like to go ahead and turn over the call to Ned Hooper. Ned?

Ned Hooper *Cisco SVP & Chief Strategy Officer*

Marilyn, thank you very much, and good morning to everyone. Thank you for joining us today. We are very excited and pleased to be here today to announce our entry into an agreement to acquire Starent. The growth of smart mobile devices and netbooks has fundamentally changed consumer behavior with regards to how they use the Internet. It also presents major opportunities as well as challenges for service providers as they architect mobile networks that were once optimized only for voice into those that are increasingly accommodating of next generation multimedia messaging, collaboration applications and video for mobile clients.

Cisco views mobile infrastructure as a key and growing technological asset as service providers expand their current generation 3G networks, while at the same time look to lay the foundation for next generation 4G standards.

Cisco and Starent share a common vision and bring complementary technologies designed to accelerate the transition to the Mobile Internet. Where the network is a platform for service providers to launch, deliver and monetize the next generation of mobile multimedia applications and services. This enables us to provide applications that are access-independent driven by fixed mobile convergence.

We are pleased that Starent will be joining the Cisco team upon the completion of the transaction and believe that their products and engineering talent will greatly benefit our service provider customers as they build their Mobile Internet offerings. The acquisition of Starent underscores the importance of the strategic relationships that exist between Cisco and service providers, demonstrating Cisco's desire to address the market today and as we plan jointly for the future.

It is also another step in our strategy to leverage our financial strength to quickly capture key market transitions and to reinforce our leadership in networking. Given Starent's global reach and the connection its business will have into many aspects of Cisco, including engineering, sales, services and other customer facing functions, we believe the Company will integrate well into our framework to operate as one Cisco or one global company enabled by the network, video technology and a collaborative management model.

Now for the financial details of the transaction. Under the terms of the agreement, Cisco will pay \$35 per share in cash in exchange for each share of Starent and assume outstanding equity awards for an aggregate purchase price of approximately \$2.9 billion. The acquisition has been approved by the boards of directors by both companies, and we expect the transaction to be dilutive to non-GAAP earnings in FY 2010 and FY 2011 and accretive in FY 2012.

The acquisition is expected to close during the first half of calendar year 2010. However, the close date is subject to customer and closing conditions and regulatory reviews. The proposed acquisition of Starent will be paid for with cash. Cisco's total cash and investment balance was \$35 billion at the end of our most recent quarter on July 25, 2009.

Since that time we have also announced our intent to acquire Tandberg for approximately \$3 billion in cash. Starent has approximately 1000 employees located primarily in the US and India. We believe that the mobile infrastructure market is still young, and Starent has demonstrated strong growth and leadership. Annual revenue grew from \$94 million in 2006 to \$254 million in 2008 and continued to expand in the first two quarters of 2009 with very strong margins.

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For the year ended December 31, 2008, Starent reported revenue of \$254 million, up 74% from the prior year. The Company has 100 plus deployments in 45 countries worldwide. Starent solutions have been deployed in many of the world's most prominent and innovative mobile operator networks. This announcement is another example of Cisco's strategy to use acquisitions, along with internal technology innovation and key strategic partnerships to allow us to move quickly to capture market transitions in strategic growth markets.

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Starent will complement and extend our core routing business and bring a leading position in terms of both talent and innovation capability to address the growing Mobile Internet. Starent will bring Cisco a strong management, sales and marketing and engineering team, and after the acquisition is completed, Starent CEO, Ashraf Dahod, will join Cisco's service provider business reporting to Pankaj Patel and form a new Mobile Internet Technology Group.

Congratulations, Ash, and it is great to have you on board.

At this point I would like to turn the call over to Pankaj for his thoughts on today's announcements and moving forward. Pankaj?

Pankaj Patel *Cisco SVP/General Manager, Service Provider Business*

Thank you, Ned. The Mobile Internet is a top level priority for service providers, and we clearly view as a significant growth opportunity for Cisco. Mobile Internet, along with video, Managed and Cloud Services, and IP [Net] Solution networks represent the cornerstones of Cisco's service corridor strategy. We believe that acquiring Starent will give us a leading position for IP-based mobility and infrastructure in that it combines Cisco's strength in IP and GN, video and mobile backhaul with Starent's focus on the packet board. It positions Cisco as a key partner to service providers in their efforts to monetize their mobile infrastructure investments and add value beyond connectivity to include mobile applications and services. And it expands Cisco's product offering within the packet board for existing and future mobile networks that carry advanced wireless video applications.

Starent has demonstrated strong and consistent execution as a mobility pure play against large incumbent suppliers and has done well. The primary offering is the ST-Series multimedia core platform. These platforms provide essential radio agnostic packet board functionality, as well as advanced services such as packet inspection, traffic management, and quality enforcement, in addition to interfacing to billing and messaging systems. We think Ash and the Starent team have done a great job for seeing, planning and investing in the mobile market transitions. Following the completion of the acquisitions, Starent will continue to be led by CEO, Ashraf Dahod, and will become the newly formed Mobile Internet Technology Group reporting to me. Starent's product search, employee base and geographical presence complements that of Cisco. The combination positions the two organizations to grow and drive innovation in the market. It is an honor to have a leader of Ashraf's experience and talent join our team. Welcome, Ash.

The focus will be on market expansion, revenue strategy, synergies, products and accelerating the face of Mobile Internet. From a geographical perspective, Starent's offering will provide a larger footprint and expand our presence in the mobile infrastructure market. I'm pleased to welcome Starent CEO, Ashraf Dahod, and his team.

Ashraf, I would now like to turn the call over to you for your perspective on today's announcement.

Ashraf Dahod *Starent Networks President & CEO*

Thank you, Pankaj. This is a very exciting day for the Starent team. At our Company's inception, we set out to provide innovative technology to enable mobile and convergent service providers to deliver a superior multimedia experience for their subscribers and to better monetize their networks. Our growth has been driven by our dedication to our customers best-of-breed solutions and a focus on mobile and converged multimedia packets for networks. We have been successful through the hard work and dedication of every Starent employee.

Today's announcement is not a combination of our work but another milestone in our journey. We believe the combination of Cisco and Starent will accelerate our impact on mobile multimedia communications. Cisco is a well-respected, financially strong mobile leader in networking and

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IT communications. They understand and appreciate the broad industry impacts of mobile networking, and they are excited to integrate Starent products into a world class portfolio of service provider solutions.

While this market is still in its early stages, it is evolving fast and has become increasingly strategic to operators worldwide. The emergence of higher bandwidth technologies such as HSPA and LTE, new multimedia services and affordable multimedia handsets are clearly new opportunities and challenges for service providers. Cisco and Starent have complementary technologies that are designed to deliver a highly intelligent mobile network with superior performance. Rarely do you see two organizations so well aligned in their visions, culture and values.

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On behalf of the management team of Starent, we are very excited to join Cisco, an organization known for innovation and architecturally strong leadership in the networking industry. We will continue our dedication to the innovation which made Starent a successful company and look forward to extending those capabilities to customers and partners within Cisco's global reach.

I would like to take this opportunity to thank Starent's Board of Directors, management and employees for their dedication and commitment. It is a testament to the efforts that our products will become part of the Cisco portfolio of solutions. This is a very important and very exciting milestone for Starent and Cisco. You all should be very pleased with our accomplishments.

With that, I would like to turn the call back to Ned.

Ned Hooper *Cisco SVP & Chief Strategy Officer*

Thank you, Ash, and really congratulations. You and the leadership team and all your employees have built a tremendous business and tremendous market vision and leadership, and it's a great pleasure to have you join Cisco as we drive forward in this market.

I would like to thank the members of Starent's board and management for recognizing the potential of this combination to address the broad and growing Mobile Internet. We have long stated our belief that Cisco's ability to identify market transitions and lead the evolution of the Internet clearly creates strategic differentiation for our Company. The network is a proven, reliable platform for delivering all forms of communications and IT services, and we are excited about extending our networking capabilities as announced today.

On behalf of Pankaj Patel and the rest of Cisco, we look forward to having the Starent team join us in our efforts to create and extend the mobile capabilities of the Internet. And now, Marilyn, back to you for Q&A.

Marilyn Mora *Cisco Senior Manager, IR*

Thank you, Ned, and thank you, Pankaj and Ashraf. At this time I would like to open the call for Q&A. As is customary and due to broad reaching nature of Cisco's conference calls, we do request that participants ask only one question at a time.

Operator, can you please open the call for questions, please?

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QUESTION AND ANSWER

Operator

(Operator Instructions). Mark Sue, RBC Capital Markets.

Jah Hanara *RBC Capital Markets Analyst*

This is [Jah Hanara] for Mark. A quick question considering the recent multiple of 3.5 times EBITDA sales that Cisco paid for or agreed to pay for Tandberg, can you give us your thoughts on the premium for the Starent agreement relative to Tandberg? And also, if you could talk about a breakup fee that has been structured or not as part of this agreement.

Ned Hooper *Cisco SVP & Chief Strategy Officer*

Sure, absolutely. So the key for us as we look at valuations and relative valuations are earnings and long-term return, as well as the growth potential of the business. And I think if you look at the growth numbers here, you will see both are strong growers, but in 2008 the growth of Starent at 74% year over year and the level of growth that they have driven this year warrants a slightly higher PE ratio. And that is reflected in the overall valuation, but we think both companies clearly are leaders in their space. So there is great similarity in that regard and position us well moving forward. So we are really pleased I think with the relative valuations and feel we have got done a good job for shareholders on all sides.

Specifically to your question on the breakup fee, there is an approximately 3% breakup fee that exists in this transaction with Starent.

Jah Hanara *RBC Capital Markets Analyst*

And that would kick in if obviously the deal were to fall through, right?

Ned Hooper *Cisco SVP & Chief Strategy Officer*

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Well, it is based on a number of sets of terms, but in the case of Starent were to walk away for, say, a competitive offer that would be that would kick in.

Operator

Ittai Kidron, Oppenheimer.

Ittai Kidron *Oppenheimer Analyst*

Ned, I had a quick question on the accounting treatment. Can you give us first a little bit more color on the dilution magnitude, how you get to it, because I cannot?

And second, with respect to the deferred revenue that Starent has, am I correct to assume that the accounting treatment following an acquisition restricts you basically from ever recognizing that revenue?

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Ned Hooper *Cisco SVP & Chief Strategy Officer*

So, Ittai, thanks very much for the question. So relative to the specifics of accretion/dilution, we will update the entire investor immunity at close when we can be very precise on those numbers, and you can assume that we have been conservative as we project those going forward.

Now you are exactly right relative to or you are nearly right relative to your question on deferred revenues. So the impact here is how purchase price accounting treats deferred revenue in an acquisition scenario. In which case a large portion of the deferred revenue can get written off at time of close, and that is what is having the effect here in this transaction. The exact amount is based on a set of accounting standards, and we will determine that at the close of the transaction.

Ittai Kidro *Oppenheimer Analyst*

And so just to clarify then, given that you are losing a lot of debt deferred, does that mean that right after the close the revenue from Starent would be far lower than it has been at the run-rate just before from the close? Fair enough?

Ned Hooper *Cisco SVP & Chief Strategy Officer*

Revenue would be lower than the runrate was at close, but this is revenue accounting adjustment and it is not a cash flow adjustment.

Ittai Kidron *Oppenheimer Analyst*

Very good. Congratulations.

Operator

Brian Modoff, Deutsche Bank.

Brian Modoff *Deutsche Bank Analyst*

First, congratulations on this acquisition. I think this is a great move in the right direction for your mobile infrastructure strategy. Can you talk about the implications of the purchase of Starent in terms of your not only your move into the Evolved Packet Core at AT&T but also implications into LTE and P gateways and S gateways and how you plan to leverage this into some markets like, say, China to enable you to grow share in mobile core?

Ned Hooper *Cisco SVP & Chief Strategy Officer*

Yes, absolutely, Brian. So, first of all, thank you very much. We appreciate the congratulations, and obviously we are very excited about what this does with our strategy. I'm going to ask Pankaj Patel to answer your specific question on the product and customer strategies as we go forward.

Pankaj Patel *Cisco SVP/General Manager, Service Provider Business*

So, Brian, it is a great question, by the way. And the portfolio of the products there that Starent has both on but specifically on the P and as well as on the S gateway, along with their entire inner-components set as part of the EPC. And when it comes to the things like MME for example,

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right, it will decide their core strength. This also, by the way, are some of the products that we don't currently have in our portfolio and some of them when they were on our plans, right.

And so with what they have even on the UMTS side are things like GSMs and what we bring from our side, along with the gateways that you described and the investment that time will have on [DMTE] and the T gateways, it truly rounds up - it completes under the portfolio of the products that we will have as a combined entity to address any major market in China, as well as in the US, as well as in Europe. I mean this really brings the portfolio to a completeness.

Operator

Amir Rozwadowski, Barclays Capital.

Amir Rozwadowski *Barclays Capital Analyst*

Once again, congratulations on the transaction. You had just elaborated a bit on the product portfolio that Starent brings. Are these specific holes within Cisco's portfolio that you feel are now filled? And perhaps if you can elaborate, are the conversations that you have with carriers now seeking out an end-to-end solution?

Pankaj Patel *Cisco SVP/General Manager, Service Provider Business*

Let me start answering your question and then please add anything from your side. You know, we have, as I mentioned earlier, Cisco also has products today on this particular market segment. But at the same time, I have got to say that Starent really has demonstrated strong success, especially when it comes to, for example, PDSN and HA, right, number one, while we [end] historically on the UMTS side. But we will be clearly looking at the current installed base that we have and what Starent brings and offer our customers the best of solutions.

But in terms of the specific product gaps, so what we have - we really actually did not have, for example, GSM for the UMTS market, right, or we don't have any plans for what I said earlier, the need for the (inaudible) in PC.

So once again, these are the gaps that we have in the market that (inaudible) talked about earlier, but we believe that once again with the overlap, overlap actually offers our customer a very unique opportunity now to say, would you like integrated solution? Would you like a stand-alone solution? Would you like a combination (inaudible)? So that gives a pretty nice portfolio of products on our side, but specifically on the gaps, the two that I mentioned really broadens the portfolio, and once again, it completes the offering on the very latest focus of the EPC that the (inaudible) customers around the globe have as we move to 4G.

Ashraf Dahod *Starent Networks President & CEO*

I think that by combining our products within a mobile operator network, we will be able to offer a complete solution except for the radio going all the way into the multimedia core. So that will include all of the backhaul solutions, the switches, the routers, the gateway products that you mentioned, and also going into higher (inaudible).

So the operator will be able to build a complete core network outside of the radio, using a full suite of Cisco products, and that obviously will be a significant advantage to the operator by making the network, allowing the network to become more optimal and also with embedded intelligence allowing the monetization, which is very key to the carriers as the traffic moves from voice to data to video.

Operator

Nikos Theodosopoulos, UBS.

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Nikos Theodosopoulos *UBS Analyst*

Ned, I guess my question is on future – the future look on M&A at Cisco given these two deals that have just been announced. So if you look at two integrations that are likely for next year and the cash, the US cash balance following to about \$3 billion, does this slow you down here, or do you think the Company can continue to be aggressive? And if so, how should we think about the US cash balance falling to that \$3 billion level?

Ned Hooper *Cisco SVP & Chief Strategy Officer*

So, first of all, we will continue to be aggressive driving acquisitions. And I would just say that acquisitions by their nature have a tendency to be a bit lumpy about when things come together and when they don't. So we have had a couple here in succession that we feel very, very strongly about. But there are also – both of these are acquisitions that germinated quite some time ago and just happened to mature at the same point in time.

But we will be very aggressive. We feel very good about our flexibility in the US. I would remind you that the \$6 billion balance was at the end of July. The Tandberg acquisition comes entirely from offshore cash.

So our ability to manage just on our existing cash flow is very strong, and we also feel very confident in our ability if we were to choose to tap into lines of credit and the debt markets as well. So we have got great financial flexibility here, and we will continue to be aggressive about using acquisitions when we see the level of strategic value to the market and to our customers that we can create with a company like Starent.

Operator

Simona Jankowski, Goldman Sachs.

Simona Jankowski *Goldman Sachs Analyst*

I guess the first question is just for Ashraf or Pankaj. If you can just comment on what you think your combined market share will be now in the mobile packet core? And when you talked about having the complete stack except for the radio, how would you compare that to someone like the combined Ericsson/Juniper solution?

And then just a quick follow-up for Ned. When we look at the acquisitions you have had this year – Tandberg was offshore cash, Pure Digital was stock, and now this is onshore cash. How should we think about the decision-making process in each case of when you decide to go with stock versus cash?

Ashraf Dahod *Starent Networks President & CEO*

Well, when you obviously think about market share, I think it is very, very important to look at the UMTS market and the LTE market. And those are really the big markets and significantly as in those market like Ericsson, Nokia, Siemens and Huawei, and for both of our companies, that is a relatively new market where we are starting off with much smaller shares than the big players. And our goal would be to really aggressively focus on the UMTS market and LTE market and increase our presence in those markets because that is where the future is. The future is in LTE. The competition is intense, and competition will come from players like Ericsson, Nokia, Siemens, Huawei, and as you well know, Alcatel-Lucent is developing their own LTE products.

So we expect it to be intense, but we believe that by combining the products and technology and the global reach of Cisco we will be well positioned.

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Ned Hooper *Cisco SVP & Chief Strategy Officer*

Thanks, Ash, and I will grab your second question here, but we will ask that we focus on one question going forward.

So in terms of our flexibility, we see the ability to use both cash and stock, as well as the total cash balance that we have available, giving us a level of flexibility to act aggressively in the market and also to structure the transaction that is right not only for our shareholders but for the target. And we will continue to be flexible in how we do that and feel very confident in our ability to continue to leverage that flexibility to drive long-term market leadership for Cisco.

Operator

Paul Silverstein, Credit Suisse.

Paul Silverstein *Credit Suisse Analyst*

Since I'm in the last, maybe you will grace me with two questions or two responses. First off, have you locked up the key employees?

Ned Hooper *Cisco SVP & Chief Strategy Officer*

So we have employment agreements with the key employees going forward, yes.

Paul Silverstein *Credit Suisse Analyst*

And secondly, I know you don't want to go into details on the dilution issue now. You said you will come back to it later at closing. But in looking at Starent's expense structure both COGS and OpEx and taking into account your comment that you plan to close the deal in the first half of calendar 2010, it looks like it cannot be putting acquisition costs aside, which take time to roll in, it looks like it cannot be that much more than \$0.01. And that is just taking into account the COGS and OpEx of Starent. I just want to make sure I'm thinking about it correctly in that first year.

Ned Hooper *Cisco SVP & Chief Strategy Officer*

Well, so again, I don't want to comment at this time on the exact numbers because it will depend on a number of different things at the close of the transaction. But, as you point out, with gross margins in the mid-70s, with operating margins in the high 20s, this is very much in line with our business model long-term. And adjustments that we take on deferred revenue have a short-term impact to the revenue line, and that is the accounting rules that we follow. But clearly the deferred revenue model that Starent has driven has great long term value for us. As we build an increasing amount of deferred revenue in our total business, it will stabilize our long-term revenue growth as we go forward.

So it is really the team Ash and his team have put together a very strong business with great underlying financials that benefit us. And the reason for that is because they have done such a phenomenal job in working with customers. In all of the customer calls that we made as we thought about this transaction, universally it has been we have gotten positive reinforcement from those customers in terms of not only this move in combining our companies so that we can provide the end-to-end capability, but also in the absolutely fantastic work that Starent has done in building those relationships, and we are going to continue to invest in those relationships so that we can generate value for the customer. Because in the end, that is where you get the value back to our shareholders.

Paul Silverstein *Credit Suisse Analyst*

But, Ned, if I may, getting back to my direct question, so if I don't take into account any revenues from Starent and just look at the fact that over the last two quarters that \$100 million of OpEx and COGS, given that again you have got a July fiscal year and you are closing it in the first half of the year, it looks like without any revenue contribution it could not be much of an impact?

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Ned Hooper *Cisco SVP & Chief Strategy Officer*

So, Paul, I don't want to argue with your math, but I just want to point out that we don't know yet the exact date we will close nor the state of all the contracts and the deferred revenue at that point of close. But we will absolutely update everyone at that time.

Marilyn Mora *Cisco Senior Manager, IR*

Thank you, Paul. Well, I want to thank Ned, Pankaj and Ashraf, as well as everyone who has joined the call today. This does conclude our conference call for today. If you have any questions, please visit the website of either company or contact a member of the IR team. Thank you very much.

Operator

An archive of the webcast will be available on www.cisco.com under Investor Relations. This conference has now ended. You may disconnect at this time. Thank you and have a wonderful day.

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Forward-Looking Statements

This document contains forward-looking statements which are subject to safe harbors created under the U.S. federal securities laws. These statements include, among others, statements regarding Cisco's ability as a result of the acquisition to accelerate the transition to the mobile internet where the network is the platform for Service Providers to launch, deliver and monetize the next generation of mobile multimedia applications and services, the expected benefits of the acquisition to Cisco and its customers, the expected financial performance of Cisco (including earnings projections) following completion of the acquisition, and the timeframe during which the acquisition is expected to close. Statements regarding future events are based on the parties' current expectations and are necessarily subject to associated risks related to, among other things, obtaining Starent Networks' stockholder and regulatory approval of the acquisition, the potential impact on the business of Starent Networks due to uncertainty about the acquisition, the retention of employees of Starent Networks and the ability of Cisco to successfully integrate Starent Networks' market opportunities, technology, personnel and operations and to achieve anticipated results. Therefore, actual results may differ materially and adversely from those expressed in any forward-looking statements. For information regarding other related risks, see the Risk Factors section of Cisco's most recent Form 10-K filed with the SEC on September 11, 2009, as well as the Risk Factors section of Starent Networks' most recent Form 10-K filed with the SEC on February 27, 2009 and of Starent Networks' subsequent Forms 10-Q. The parties undertake no obligation to revise or update any forward-looking statements for any reason.

Any statements in this document about future expectations, plans and prospects for Starent Networks, including statements about the expected timetable for consummation of the merger and its benefits, constitute forward-looking statements within the meaning of The Private Securities Litigation Reform Act of 1995. These statements contain the words believes, anticipates, plans, expects, will and similar expressions. Actual results may differ materially from those currently anticipated due to a number of risks and uncertainties that are subject to change based on factors that are, in many instances, beyond Starent's or Cisco's control. Risks and uncertainties that could cause results to differ from expectations include: uncertainties as to the timing of the merger; uncertainties as to how Starent stockholders will vote their shares with respect to the merger; the risk that competing offers will be made; the possibility that various closing conditions for the transaction may not be satisfied or waived, including that a governmental entity may prohibit, delay or refuse to grant approval for the consummation of the transaction; the effects of disruption from the transaction making it more difficult to maintain relationships with employees, customers, suppliers, other business partners or governmental entities, other business effects, including the effects of industry, economic or political conditions outside of Starent's or Cisco's control; transaction costs; actual or contingent liabilities; or other risks and uncertainties discussed in documents filed with the U.S. Securities and Exchange Commission by Starent, including the inability to predict the future success or market acceptance of Starent's multimedia core platform solutions, the highly competitive and rapidly evolving market in which Starent competes, Starent's limited operating history, the fluctuation of its past operating results, its reliance on a limited number of customers for a significant portion of its revenues and its reliance on a single line of products and other factors

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discussed in the Risk Factors section of Starent's Annual Report on Form 10-K for the year ended December 31, 2008, and other documents Starent periodically file with the Securities and Exchange Commission. In addition, the forward-looking statements included in this document represent Starent's views as of the date of this document. Starent anticipates that subsequent events and developments will cause its views to change. However, while Starent may elect to update these forward-looking statements at some point in the future, it specifically disclaims any obligation to do so. These forward-looking statements should not be relied upon as representing Starent's views as of any date subsequent to the date of this document.

IMPORTANT ADDITIONAL INFORMATION WILL BE FILED WITH THE SEC

Starent Networks plans to file with the SEC and mail to its stockholders a Proxy Statement in connection with the transaction. The Proxy Statement will contain important information about Cisco, Starent Networks, the transaction and related matters. **Investors and security holders are urged to read the Proxy Statement carefully when it is available.**

Investors and security holders will be able to obtain free copies of the Proxy Statement and other documents filed with the SEC by Cisco and Starent Networks through the website maintained by the SEC at www.sec.gov.

In addition, investors and security holders will be able to obtain free copies of the Proxy Statement from Starent Networks by contacting Starent Networks Investor Relations at 978-863-3743.

Cisco and Starent Networks, and their respective directors and executive officers, may be deemed to be participants in the solicitation of proxies in respect of the transactions contemplated by the merger agreement. Information regarding Cisco's directors and executive officers is contained in Cisco's Annual Report on Form 10-K for the year ended July 25, 2009 and its proxy statement dated September 17, 2009, which are filed with the SEC. Information regarding Starent Networks' directors and executive officers is contained in Starent Networks' Annual Report on Form 10-K for the year ended December 31, 2008 and its proxy statement dated April 7, 2009, which are filed with the SEC. As of September 30, 2009, Starent Networks' directors and executive officers beneficially owned approximately 15,619,972 shares, or 21 percent, of Starent Networks common stock. In addition, Starent Networks has entered into retention agreements with its executive officers, which are described in a Current Report on Form 8-K filed by Starent Networks with the SEC on June 11, 2009, and certain of the officers are entering into employment agreements with Cisco, which will become effective as of the closing of the transaction. A more complete description of these agreements and the interests of the officers and directors will be available in the Proxy Statement.

Additional Information and Where to Find It

In connection with the proposed acquisition and required stockholder approval, Starent Networks will file with the Securities and Exchange Commission a preliminary proxy statement and a definitive proxy statement. The proxy statement will be mailed to the stockholders of Starent Networks. Starent Networks' stockholders are urged to read the proxy statement and other relevant materials when they become available because they will contain important information about the acquisition and Starent Networks. Investors and security holders may obtain free copies of these documents (when they are available) and other documents filed with the SEC at its website at www.sec.gov. In addition, investors and security holders may obtain free copies of the documents filed with the SEC by Starent Networks by going to Starent Networks Investor Relations page on its corporate website at <http://ir.starentnetworks.com>.

Starent Networks and its officers and directors may be deemed to be participants in the solicitation of proxies from Starent Networks stockholders with respect to the acquisition. Information about Starent Networks executive officers and directors and their ownership of Starent Networks common stock is set forth in the proxy statement for the Starent Networks 2009 Annual Meeting of Stockholders, which was filed with the SEC on April 7, 2009. Investors and security holders may obtain more detailed information regarding the direct and indirect interests of the Starent Networks and its respective executive officers and directors in the acquisition by reading the preliminary and definitive proxy statements regarding the merger, which will be filed with the SEC.

In addition, Cisco and its officers and directors may be deemed to have participated in the solicitation of proxies from Starent Networks stockholders in favor of the approval of the acquisition. Information concerning Cisco's directors and executive officers is set forth in Cisco's proxy statement for its 2009 Annual Meeting of Shareholders, which was filed with the SEC on September 23, 2009, and annual report on Form 10-K filed with the SEC on September 11, 2009. These documents are available free of charge at the SEC's website at www.sec.gov or by going to Cisco's Investor Relations website at <http://www.cisco.com/go/investors>.

On October 13, 2009, Cisco Systems, Inc. (Cisco) and Starent Networks, Corp. (Starent) announced that they entered into a definitive agreement for Cisco to acquire Starent Networks. The following is the transcript of a meeting held on October 13, 2009 with employees of Starent Networks relating to such acquisition:

(*) denotes webcast cut-out/malfunction

ASH DAHOD: Good morning. Thanks a lot for everybody to attend this meeting with such short notice. Unfortunately, this is the longest notice we could give everybody. And as usual, with our agility, all of you showed up here on-time. So thank you very much.

I'd like to introduce honored guests we have, which actually, they're here to invite us into their family. I'd like to introduce John Chambers, who is the chairman and chief executive officer of Cisco. Like to invite him to join me on the stage. Thank you very much.

[applause]

Next person is Pankaj Patel, who heads up the service provider market, one of the executives at Cisco who actually came through an acquisition, and has rose to a very important and prominent position.

[applause]

I would also like to maybe just introduce as a group, a few of the Cisco people who are still around after an army was here for the last couple of weeks. Thank you for attending the meeting today.

Obviously the announcement being made today is something that honestly, when we founded the company, in my wildest imagination, did not think that I would be standing in front of you, the whole Starent family, and making this announcement. So it is obviously something that is very surprising. At the same time, it's a momentous event for Starent and in Starent's history.

Obviously we all traveled together in a long journey. It's been exciting. We have made some very key milestones. I'm sure some of you remember our initial installations in China in China Unicom where it appeared like at one point most of the company was living in China, including people who were in G and A. From there, we went on to capture Verizon as a customer. And it was an honor that Verizon selected us as a sole supplier for the complete core, something that they'd never done before. And we ended up providing the only element of the network where we were the single supplier. Everything else they had in the network had multiple sources.

From then on, we obviously went into Vodaphone. Was a tough challenge. We were up against elephants in the industry, Ericsson, Nortel, Nokia, Siemens. And we prevailed. Obviously we did our initial public offering. We have had fortunately a very successful history as a public company. And all of that we have achieved due to the efforts of all of you. And I really thank all of you for the tremendous effort that all of you have put forth.

So the question, the natural question is, why do this now and why Cisco? I mean, that's a very natural question that all of you will have. And as I told you earlier, that it's something that I've not thought about until very recently. The reason why do it now is very simple in a way, because if you all realize, we succeeded and penetrated this market when the industry was going from 2G to 3G, and broadband wireless was becoming the focus of the mobile operators.

We exploited that technology transition. There was also a market transition occurring from carriers having a voice-oriented network to going into data. And we had a time to market advantage. We were ahead of the big guys who were not invested in the right technology at the right time. And we were ahead of a bunch of startups. We established ourselves. And now today, we are deployed in over hundred operators in 45 countries.

As we look ahead, the industry is going through another major transformation where video is going to become a big factor. Mobility is going to become huge. There will be a billion human beings around the world who will access the Internet for the first time through a mobile device. And we are well prepared for that. We have the right technology. We have the right set of customers to go after the market. So there's another discontinuity is ahead of us. Actually, we are in the midst of it. And as you all know, that in all of our strategic plans, I've always stated that we are in the mode of what we call the land grab. So whoever gets as many customers as fast as possible as the carriers are moving to all-data networks is likely to become a strong force as carriers go to the fourth generation networks.

So as a result of that, about a year and a half ago, we really embarked on an intense effort to sign up as many partners as we can around the world. So I made lot of trips to the European countries to convince potential partners. As a result of our effort, we visited Cisco a few months ago. And there's some key difference in our firm from the very first meeting to the series of meetings we had with Cisco versus other companies.

And I'd like to highlight some of those, because I think those are very key and they become very key factors in our decision making. Number one, one thing that really stood out in dealing with Cisco that we saw in other organization was there was no organizational arrogance. When we were talking to other companies, they looked down at us, saying, "We don't need you. We're going to crush you. We know your great technology. But you know what? We have a lot of market power."

With Cisco, what we found was a group of people who were curious as to, why have you been so successful? What do we have of value? And how can they take what we have, combined with what they have, and transform an industry? In every interaction we had, that I had, and our team had with a variety of Cisco team members all across the organization, one thing that we all walked away with was, number one, no organizational arrogance. There was no "nothing that said, Not invented here." The focus was always on, how do we leverage what you have with what we have? That was very refreshing. They were very exciting.

So when I got a call a few weeks ago, that, "You know what? Instead of partnering with you, we really want to acquire your company." Obviously my first reaction was a little bit mixed. But as we reflected on it and as we discussed it as an executive team, it became very clear to me that this was the right step. It's very rare that in the history of a company or in our own careers we get an opportunity to make a decision that can transform an industry. I think that's where we are today at Starent.

And I believe that in teaming with Cisco, becoming part of Cisco, combining their strengths with our strengths, we can change this industry. And Cisco is a right fit for us, because they have the culture that we have, very similar to us. They're very people-oriented. They've done a lot of acquisitions. They've been very successful. They know how to take care of the people. Big percentage of their executive team came through acquisitions. So that's why I believe that this is the right time to take this step. And Cisco is the right company to take it with.

With that, I'd like to introduce John to say a few things.

JOHN CHAMBERS: Ash, thank you very much. [applause] You know, I want to start by just saying, you all are a world-class operation. Your reputation on a global basis is amazing. And like most brilliant things us CEOs do, is we listen to our customers. And so I'm sure that over time as people reflect back on this, each side will say, "It was our idea to move first." But it was fascinating how the minute the market started to transition how your organization and our organization both had the same dream in terms of what was possible.

I'm a huge believer that when you think about things, you don't talk about the here and now. I think companies who fall in love with this quarter, this year get into trouble very quickly. It's the ability to outline a vision of what we could do together, looking out five, ten, fifteen years. What is our differentiated strategy, things that we could do together over the next two to four years? And then, what do we need to do in the next twelve to eighteen months to make this come true?

This is bittersweet coming back to Massachusetts for me. I love Wang Laboratories. Dr. Wang was the smartest man I ever met in my life, most humble. He led us for 35 years. And all we did was miss one market transition. And we knew what it was, but we couldn't convince Dr. Wang to change. And that was moving from mini computers to PC and to software.

And yet no matter how powerful you are as a company, how secure we are in our own rights, in our industry, technology is about getting market transitions right. And if you miss either the transition or miss the combination that is occurring in that transition, no matter how powerful you are, you get left behind. For Wang, 37,000 people—shareholders and customers left in a tough spot.

So with Cisco, while we're far from perfect, we focus, not on competition, but on the customer driven mentality, and then say, "What are the transitions going on?" And then we move and we try to balance between being a humble company and a company that does not operate with overconfidence, but yet a company that has no fear. And in part, our real fear is not moving.

So when you see an industry trend that is occurring that is undeniable, and this market, if you look at the total service provider market, you're talking well over \$100 billion dollars in opportunity addressable to us. And the segment as it exists today, it's over \$7 billion, of which together, we have less than \$600 million. And it's an area that is going to be a key element for

how serious providers begin to transform any device to any content, and how, as they move into the mobile Internet if you will, the ability to launch new services, to be able to deliver those, and most important, to be able to monetize them is something we can do together.

I was at the International Telecom Union session in Geneva, sponsored by the United Nations last week. I talked to 22 of the world's large and medium-sized service providers around the world. And what was fascinating to me at the time we were saying we ought to put the companies together was, all of a sudden, the service providers were coming and doing what AT&T had already done, what British Broadcasting Group had already done, which is saying, "We want to work with you, Cisco, not just on a technology architecture, all the way from the home, across our network, any device to any content over fixed and wireless, we want you to be our business partner for, how do we move into new areas of revenue generation. And we're going to give you a chance to play in a way that no one else has done before.

Five of those 22 also said, "John, you've got to be crisper in the mobility space. And of course I couldn't say anything. But when you see a trend like that, it's an inflection point. Instead of one or two, a China Unicom if you will, or an AT&T or Verizon, you see a wave start to build. So that's the opportunity in front of us. It's something that Ash and I have learned over the years. It isn't just about saying, "How do you combine companies, it's, "Do the companies, after the combine, do they really change the world? Do they change their markets?"

Ninety percent of acquisitions fail. My definition of failure is, do you gain share of market after that? Do you keep the top leaders? Do you keep the top individual contributors in the organization? And do you really fit it into your overall strategy?

We are in the top ten places to work in every country in the world at Cisco. We are a company that's built upon acquisitions, as well as internal innovation. Five of my top direct reports are from the acquisitions. Pankaj is from an acquisition. Ned Hooper, who is our chief strategy officer, who's also here, is from an acquisition, in part because with the Internet, we kind of accept all that's being coming together. Will be our 135th acquisition, of which seventy percent have hit or exceeded what we told our board of directors we would do. You may be one of the top five most strategic moves we've ever made. And the reason I say "may" is we've got to say, "Do we execute well together in this environment?"

Why do most acquisitions fail? It's the basics. They combine companies and we kind of look at our golden rules in acquisitions "do you have a common vision of how the industry's going to evolve? Because if your visions aren't the same, you end up going back and forth.

Tony, you and I were talking about Wellfleet versus SynOptics. The visions were really different. And as you look secondly, do you have clear roles and responsibilities for what each organization will do? Third, do you have similar cultures? And as basic as that sounds, that is perhaps the most important about, does it work? Our cultural badge, every Cisco employee wears on the belt, at the base is customer success. In the middle is market transitions. Cornerstone's innovation, quality of team, inclusion, giving back, collaborative teamwork.

When we interfaced to your team, it was almost like they were a Cisco team. And as leaders, Ash and I both know that you really learn more about leaders when? under stress. And over the last couple weeks, there were a couple stress points. And as those occurred, our teams actually got closer together, not further away. And so if you look at the opportunity in front of us, it's nice to talk about it from a net financial point of view, which the market will have fun with today. It's about \$2.8 billion dollars, which is a lot of money. It's about a premium, as of yesterday, of twenty percent, but a premium over the last ninety days, moving average of 46%, which is huge, which gives you an idea of how much trust and confidence we have in you all.

But it also is about, will we transform a market? And at the base of what we talked about was customers. When we talk to the leaders at Verizon, they could not say enough nice things about you. Now, I'm not talking about just Dick Lynch. I'm talking about Ivan, their CEO as well. And they said, This makes tremendous sense. It's a very logical move for both companies. And then they say, John, do not mess up our relationship.

So how many of you have interfaced with Verizon? I committed all of you for life and your firstborn. But we want to realize, they brought us here. They are over almost seventy percent of our revenue today. And what they're really saying is, Help keep us in a leadership role. And please do not change the responsiveness to the relationship. So I committed all of us for that.

Secondly, understand it isn't about Starent. This is about a Massachusetts location that we're going to dramatically ramp up our commitment to the region and ask Asian team to take on a lot more responsibility. Pankaj will be transferring over a fair amount of the areas in terms of the mobile side of his business. And Kaj handles all of our service provider strategy for us and service provider development, something that is about, a little bit less than \$15 billion dollars a year for us in terms of run rate.

So we're asking Ash and the team and you all to build our expansion. We already have 1,500 employees in the area. You all are a thousand-person organization, about four hundred people within the area. We are committing big-time. Now, we're doing that also because we love MIT. We like the atmosphere that your leadership is presenting in terms of government, in terms of attracting businesses here. And I know how good a region this is for talent. It's one that I think the technology industry, for a combination, with the exception of just a couple players, yourself, EMC, Accenture, have not really, I think, capitalized on.

So when you really think about this, what is the number one issue on your mind? Jobs? What about me? We asked the management team, I said, What do you think is on? The family, when they come together today, what are they going to be thinking about? They saying, Well, what about me? And I said, What do you think an important issue for management in this room? What about me? And that's a natural thing to go through. If you look at where we're going to go (and we'll expand this further) our intent is to dramatically grow the resources here. Most of us will stay in the roles that we have. But if you understand one thing about Cisco, we will move people around.

And we'll talk about that more specifically so as you have questions, both in the session that I'll do after this and kind of leading our Q&A, and the session that Ash will lead later on, just with your own team, do not hesitate to ask. Don't ask a question unless you really want to know an answer. And while we're far from a perfect company, we are proud of our transparency.

Our attrition rate of acquired family is four percent in an industry that averages forty to eighty percent in the first two years. So we want to welcome you to the Cisco family. We know we've got to earn your trust and confidence every day. But I think together, we can change, not just an industry in terms of the service provider market and the mobility marketplace, we can change the world. And you'll find that Cisco is very proud to be ranked usually number one in almost every category in corporate social responsibility, and also in financial success.

However, after I saw your gross margins at 78%, mine at 65%, I realized we have a little ways to go and many things we'll learn together. So Pankaj, maybe if I could turn it over to you, and talk a little bit about the thoughts from the service provider scenario, a little bit about your background. And then the three of us will do Q&As, if that's okay.

ASH DAHOD: That's perfect.

PANKAJ PATEL: Thank you, John. Well, good morning. [applause] Good morning and greetings to the teams in PUNE in Bangalore. I know it's a little bit late. And I appreciate them being online this late in the day. And today's a very exciting day. And on my behalf, I would like to welcome you all to the Cisco family. As John says, this is truly a family. That's how everyone gets respect and treated in Cisco culture. This is the way we operate, and this is absolutely the cornerstone of who we are and what we do.

And both John and Ash, you know, talked about how I came to Cisco. I came through an acquisition of a public company, almost thirteen and a half years ago. It was back in '96. StrataCom was a company that I came through. And I have enjoyed every moment. I came from the culture, very similar to what Starent has, which is very customer focused, which is what we were. And I enjoy every moment. I know they can drive you nuts at times, but that's what I like. Because, you know, the opportunity that they give you to learn, every single day, is just absolutely tremendous. Right? And so I enjoy every moment that I have with the SP customers.

We have a very common vision, as Ash pointed out and John pointed out in terms of where we really want to take and lead the industry when it comes to mobility, with the major market inflection points that we are seeing today. And these are really coming together by the confluence of the smart devices that we all use, whether it's iPhone, BlackBerry and others, as well as the flat data rates. Right? It's giving us all an opportunity where the user video as well as the collaboration is really giving tremendous opportunity for the SPs to really create a lot of new, innovative multimedia services.

And number three, it's about at the end of the day, about the broadband, whether it's the high speed, you know, packet access network or, you know, the broadband speeds that we are witnessing, and what we are going to see from 3G to the 4G, and what it will offer as a platform to really provide what we all want to see. And number four, it's the application ecosystem.

So all these four points really bring a great opportunity, and, to take both John's and Ash's words, it's a tremendous opportunity for us collectively to transform an I would say unprecedented opportunity for us collectively to shape the industry. This is a very unique opportunity. Market inflection points of this nature don't come in the industry that often.

You know, and I have been talking to Ash for last couple of months and learning and learned a lot about Starent. And both the technology, the architecture, and the people, and the talent part, I have been impressed every time I spend time with them. What you have built with a thousand people strong team, having hundred plus customers in 45 countries, and the tremendous financial results that you have delivered over last nine quarters is a testament to your leadership and what you have done. This is absolutely phenomenal. And we want to make sure that the culture you have developed on the very laser-focused when it comes to customers like Verizon, Vodafone, and others, is something that we want to make sure that we can leverage. It's very similar to what we have on the service provider side of the house. And we want to make sure that we can truly learn from each other. This is something which is going to be very critical for us.

On the service provider side of the business (and John gave a couple of data points) for Cisco, between the sales and services, it's between \$12 to \$15 billion dollar of the total business. It's roughly about 35% of Cisco's total revenue. When you include all the products that are really get sold or managed through the SPs, that percentage is between forty-seven to forty-eight percent of Cisco's total revenue. So you can imagine as to how important and critical service provider segment is to Cisco's success.

Now, when it comes to, what we call the big bets on the service provider side, there are four of them. And the number one, it's about the IP next generation networks, or it's all the infrastructure which is both the routing predominantly but also routing and switching. Number two, it's about video. We believe that video is very critical. And this is the reason why Cisco acquired Scientific-Atlanta several years ago. And you continue to see the acquisitions like Tanberg very recently and others.

The third one is managed and cloud services. We believe that this is going to be very critical in the data center, as well as for the SPs to manage the cloud-based services. And number four, mobility we believe that the growth that we are seeing in mobility and our own virtual networking index that we have developed within Cisco, that shows that we foresee at least 125% CAGR for the next five plus years to come. So this is, once again, a tremendous opportunity which is in front of us to take this industry to a very different level. Right?

And you bring not just the technology, but together with the innovations and the architectural thought leadership, we can really take this industry and transform into something huge, and something which we will all be able to cherish for many, many years to come. So I'm very excited to be here. I'm very excited that Ash is going to be heading a newly formed mobile Internet technology group. So congratulations for that, Ash. And we will have the other activities on mobility side, as you know. We also have on the Cisco side the products on the 3G, some(inaudible) products, some of the products that we have on Femto and the WiMAX, et cetera over period of time, we will have all these products under one group. So that's the commitment. That's what John was referring to when he talked about the other groups coming under the mobility Internet technology group.

So once again, it's a tremendous opportunity, excited to be here, and excited to be here in Massachusetts. Like John, I have a history with Massachusetts. I started my career out of college, back in '70, and worked for all the computer companies, whether it was Prime or DEC, and Apollo was my last venture before I headed out to West Coast, almost 22 years ago. So it's been a tremendous learning for me, great going back. We have a large investment and large group in Massachusetts. And clearly, we want to increase that. And to John's point, it's not just about technology; it's about the talent. It&