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Dear Valued Cisco Customer:

As you are aware, Cisco is currently positioning a Cisco TelePresence video solution to your organization. We also understand that decisions made at this juncture may impact your long-term strategic direction in relation to a wider, immersive video strategy.

As part of Cisco's commitment to deliver on our vision for enterprise video communication and collaboration, on October 1, 2009 Cisco communicated its intention to acquire Tandberg.

Cisco is acquiring Tandberg for its complete set of video products, including a broad range of endpoint and infrastructure solutions. Cisco will integrate Tandberg's product portfolio into our TelePresence and Collaboration architecture, enabling customers to procure a leading end-to-end solution while driving productivity and business transformation. The combination of Cisco and Tandberg will drive comprehensive interoperability in both product portfolios as well as with other leading vendors of videoconferencing products.

While we are excited about the acquisition of Tandberg, this acquisition is still under review by the relevant antitrust authorities around the world. Therefore, we are unable to comment on specific joint Tandberg-Cisco roadmap plans.

That said, in the three years since Cisco launched TelePresence, we have sold over 3,500 TelePresence systems to more than 500 customers globally. Cisco is the recognized leader in immersive TelePresence. Moving forward, Cisco's TelePresence end-point portfolio, infrastructure, and architecture will continue to be developed and supported as part of our wider video collaboration strategy.

In the Q1FY10 earnings call, John Chambers (Cisco Chairman and CEO) reiterated the complementary nature of the Tandberg acquisition, saying:

***"We view TelePresence at the high-end to be extremely effective for Cisco.... where we were missing was the mid-level and the desktop and some of the open architectures, so Tandberg is a perfect match for us"***

After the acquisition of Tandberg closes, the combined Cisco-Tandberg business will join the Cisco Video Collaboration Technology Business Unit, led by myself and reporting directly to our CEO, John Chambers. As the leader of the team which created Cisco TelePresence, I am excited about heading the joint Cisco-Tandberg team and driving solutions to enable significant customer success.

Cisco believes that it would be beneficial for your company to get timely information from one of our senior video business leaders. We would be delighted to offer you a TelePresence meeting to update you on Cisco's wider Video Collaboration strategy and the latest developments at your earliest convenience.

Sincerely,

A handwritten signature in black ink, appearing to read "Marthin De Beer".

Marthin De Beer  
SVP, Emerging Technologies Business Group