

CISCO SYSTEMS INC
 Form 4
 September 21, 2006

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549**

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
JUSTICE RICHARD J

(Last) (First) (Middle)

170 WEST TASMAN DRIVE

(Street)

SAN JOSE, CA 95134

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
CISCO SYSTEMS INC [CSCO]

3. Date of Earliest Transaction (Month/Day/Year)
09/20/2006

4. If Amendment, Date Original Filed (Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)
SVP, WW Field Operations

6. Individual or Joint/Group Filing (Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock	09/20/2006		M ⁽¹⁾		67,501	A	\$ 18.57
Common Stock	09/20/2006		M ⁽¹⁾		3,333	A	\$ 16.01
Common Stock	09/20/2006		M ⁽¹⁾		116,668	A	\$ 17.26
Common Stock	09/20/2006		M ⁽¹⁾		4,166	A	\$ 16.15
Common Stock	09/20/2006		M ⁽¹⁾		4,166	A	\$ 9.749

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Common Stock	09/20/2006	M ⁽¹⁾	4,166	A	\$ 13.04	209,023	D	
Common Stock	09/20/2006	S ⁽¹⁾	200,000	D	\$ 23	9,023	D	
Common Stock	09/21/2006 ⁽²⁾	A	100,000 ⁽²⁾	A	\$ 0	109,023	D	
Common Stock						9,460	I	by the 1990 Justice Family Trust

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474
(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title Underlying Instrument (Instr. 3)
					V	(A)	(D)	Date Exercisable	
Non-Qualified Stock Option (right to buy)	\$ 18.57	09/20/2006		M ⁽¹⁾		67,501	06/14/2001 ⁽³⁾	05/14/2010	Common Stock
Non-Qualified Stock Option (right to buy)	\$ 16.01	09/20/2006		M ⁽¹⁾		3,333	09/21/2001 ⁽³⁾	08/21/2010	Common Stock
Non-Qualified Stock Option (right to buy)	\$ 17.26	09/20/2006		M ⁽¹⁾		116,668	11/02/2002 ⁽⁴⁾	11/02/2010	Common Stock
Non-Qualified Stock Option (right to buy)	\$ 16.15	09/20/2006		M ⁽¹⁾		4,166	04/05/2003 ⁽⁴⁾	04/05/2011	Common Stock
Non-Qualified Stock Option (right to buy)	\$ 9.749	09/20/2006		M ⁽¹⁾		4,166	10/10/2003 ⁽⁴⁾	10/10/2011	Common Stock
Non-Qualified Stock Option	\$ 13.04	09/20/2006		M ⁽¹⁾		4,166	04/10/2004 ⁽⁴⁾	04/10/2012	Common Stock

(right to buy)

Non-Qualified
Stock Option
(right to buy)

\$ 23.01

09/21/2006

A

400,000

(4)

09/21/2015

Com
St

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
JUSTICE RICHARD J 170 WEST TASMAN DRIVE SAN JOSE, CA 95134			SVP, WW Field Operations	

Signatures

/s/ Richard J.
Justice

09/21/2006

**Signature of
Reporting Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) This transaction was effected pursuant to a Rule 10b5-1 plan adopted by the reporting person on May 12, 2006.
- (2) Represents a restricted stock unit award with respect to 100,000 shares of common stock that vests in five (5) successive equal annual installments with the first twenty percent (20%) vesting on the one (1) year anniversary of the grant date.
- (3) The option vests in sixty (60) successive equal monthly installments following the grant date.
- (4) The option vests as to twenty percent (20%) of the shares on the one (1) year anniversary of the grant date, and as to the remaining eighty percent (80%) of the shares thereafter in forty eight (48) successive equal monthly installments.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.