



News Release

SPIRENT COMMUNICATIONS PLC

INTERIM MANAGEMENT STATEMENT (UNAUDITED)

London, UK – 4 November 2010: Spirent Communications plc (“Spirent”, the “Company” or the “Group”) (LSE: SPT), a leading communications technology company, announces the following unaudited Interim Management Statement for the period since 4 July 2010.

Trading to date

Trading performance for the period since 4 July 2010 to date has exceeded the Board’s expectations. We are pleased to report strong growth in order intake of 27% year-on-year for the first nine months of 2010. Revenue has increased by 13% and operating profit has grown by 35% year-on-year. The return on sales for the Group has increased to 22% up from 19% for the first nine months last year. Our strategy to focus on growing and emerging technology markets is delivering profitable growth.

Highlights - third quarter 2010

Financial

- Order intake growth of 33% to \$128.3 million.
- Group book to bill ratio of 104 compared to 94 in the third quarter 2009.
- Revenue up by 20% to \$123.3 million.
- Operating profit increased by 33% to \$29.0 million.
- Basic earnings per share rose 8% to 2.92 cents. Adjusted basic earnings per share up 33% after eliminating the impact of the change in tax rate.
- Return on sales increased to 24% from 21%.

Operational

- Demand for test solutions across all lines of business continues to be strong.
- New test solutions and customer endorsements announced since 4 July include:
 - High speed Ethernet 100GbE award at the Internet Tokyo 2010 show;
 - Nokia Siemens Networks uses Spirent to validate performance of its wireless packet gateway;

Spirent Communications plc

Northwood Park, Gatwick Road, Crawley, West Sussex RH10 9XN, United Kingdom

Tel +44 (0)1293 767676 | Fax +44 (0)1293 767677 | www.spirent.com

Registered in England Number 470893 | Registered at the above office

- Chunghwa Telecom select Spirent's cloud computing performance test solution;
- Ziggo, the Netherlands' largest cable operator, selects Spirent to monitor network performance;
- Huawei select Spirent's high speed packet access test solution for mobile data.

Outlook

We expect to see continued growth in the fourth quarter of 2010 and we will further increase our investment in product development to address customer needs for 2011 and beyond.

Bill Burns, Chief Executive Officer, commented:

“The market demand for data connectivity is driving the pace of innovation creating the need for new test solutions which Spirent is well placed to serve. The momentum that we gained in the first half year has continued through the third quarter and we look forward to a positive finish for the full year.”

Third quarter 2010

The results for the third quarter of 2010 are set out below:

| \$ million | 3 rd quarter 2010 | 3 rd quarter 2009 |
|--|------------------------------|------------------------------|
| Revenue | 123.3 | 102.7 |
| Operating profit | 29.0 | 21.8 |
| Basic earnings per share (cents) | 2.92 | 2.71 |
| Adjusted basic earnings per share ¹ (cents) | 2.92 | 2.20 |

Note

1. Adjusted basic earnings per share is based on an effective tax rate of 32%, being the rate applicable for 2010.

Group operating profit grew by \$7.2 million to \$29.0 million, resulting in a return on sales of 24% compared to 21% for the third quarter 2009.

Performance Analysis

Performance Analysis saw order intake rise 35% over the third quarter of 2009, the last period of the recessionary cycle. Sales were up 24% at \$94.2 million. Operating profit increased by 34% to \$25.8 million from \$19.2 million in the same period of 2009. Order book increased by \$7.7 million in the quarter.

Demand for all lines of business was strong, with test requirements for data center switching, virtualization, cloud computing and mobile backhaul increasing. The expenditure by our customers on LTE development picked up, resulting in growth in business levels for our test solutions. Demand continued for UMTS and CDMA device test and the market for positioning test products remained strong.

Service Assurance

Service Assurance enjoyed revenue growth of 13% to \$13.9 million. This generated operating profit of \$2.6 million. Sales were strong across major product lines and business expanded in Europe.

Systems

Systems' sales grew 3% to \$15.2 million, delivering operating profit growth of 35% to \$2.3 million. The trends in healthcare mobility continued to be relatively flat with recovery coming from sales of industrial products.

Cash

Free cash flow for the quarter was \$14.8 million (3rd quarter 2009: \$20.0 million). The cash generation compared with the third quarter of 2009 has been reduced by higher tax payments as expected (\$5.3 million compared with \$1.6 million in 3rd quarter 2009) as well as increases in working capital resulting from higher trading activity. Cash and cash equivalents closed at \$195.9 million (4 July 2010: \$183.3 million) after paying the interim dividend for 2010 of \$7.3 million. As at the end of the period approximately 50% of the cash balance is held in US dollars.

- ends -

Enquiries

| | | |
|--|----------------------------|---------------------|
| Bill Burns, Chief Executive Officer | Spirent Communications plc | +44 (0)1293 767676 |
| Eric Hutchinson, Chief Financial Officer | | |
| James Melville-Ross/Juliet Clarke | Financial Dynamics | +44 (0)20 7831 3113 |

About Spirent Communications plc

Spirent Communications plc is a global leader in test and measurement inspiring innovation within development labs, communication networks and IT organisations. We enable today's communication ecosystem as well as tomorrow's emerging enterprises to deploy life-enriching communications networks, devices, services and applications. The Systems group develops power control systems for electrical vehicles in the mobility and industrial markets. Further information about Spirent Communications plc can be found at www.spirent.com.

Spirent Communications plc Ordinary Shares are traded on the London Stock Exchange (ticker: SPT). The Company operates a Level 1 American Depositary Receipt ("ADR") programme with each ADR representing four Spirent Communications plc Ordinary Shares. The ADRs trade in the US over-the-counter ("OTC") market under the symbol SPMYY and the CUSIP number is 84856M209. Spirent ADRs are quoted on the Pink OTC Markets electronic quotation service which can be found at www.pinksheets.com.

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Cautionary statement regarding forward-looking statements

This document may contain forward-looking statements which are made in good faith and are based on current expectations or beliefs, as well as assumptions about future events. You can sometimes, but not always, identify these statements by the use of a date in the future or such words as "will", "anticipate", "estimate", "expect", "project", "intend", "plan", "should", "may", "assume" and other similar words. By their nature, forward-looking statements are inherently predictive and speculative and involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. You should not place undue reliance on these forward-looking statements, which are not a guarantee of future performance and are subject to factors that could cause our actual results to differ materially from those expressed or implied by these statements. The Company undertakes no obligation to update any forward-looking statements contained in this document, whether as a result of new information, future events or otherwise.

Condensed consolidated income statement (unaudited)

Period ended 3 October 2010

| \$ million | Period to 3 October 2010 | | Period to 27 September 2009 | |
|--|--------------------------|--------------|-----------------------------|--------------|
| | 3 rd quarter | Year to date | 3 rd quarter | Year to date |
| Revenue | 123.3 | 350.5 | 102.7 | 311.4 |
| Cost of sales | (40.9) | (119.3) | (32.3) | (104.9) |
| Gross profit | 82.4 | 231.2 | 70.4 | 206.5 |
| Product development | (20.5) | (58.7) | (17.9) | (55.6) |
| Selling and distribution | (22.0) | (64.0) | (18.7) | (56.8) |
| Administration | (10.9) | (30.5) | (12.0) | (36.2) |
| Operating profit | 29.0 | 78.0 | 21.8 | 57.9 |
| Net finance expense | (0.1) | (0.3) | (0.3) | (0.9) |
| Profit before tax | 28.9 | 77.7 | 21.5 | 57.0 |
| Tax | (9.3) | (23.9) | (3.4) | (8.8) |
| Profit for the period attributable to equity shareholders of parent Company | 19.6 | 53.8 | 18.1 | 48.2 |
| Earnings per share (cents) | | | | |
| Basic | 2.92 | 8.00 | 2.71 | 7.24 |
| Diluted | 2.89 | 7.91 | 2.69 | 7.21 |

Segmental analysis

| \$ million | Period to 3 October 2010 | | Period to 27 September 2009 | |
|--|--------------------------|--------------|-----------------------------|--------------|
| | 3 rd quarter | Year to date | 3 rd quarter | Year to date |
| Revenue | | | | |
| Performance Analysis | 94.2 | 264.5 | 75.7 | 229.5 |
| Service Assurance | 13.9 | 41.6 | 12.3 | 39.7 |
| Communications | 108.1 | 306.1 | 88.0 | 269.2 |
| Systems | 15.2 | 44.4 | 14.7 | 42.2 |
| | 123.3 | 350.5 | 102.7 | 311.4 |
| Operating profit | | | | |
| Performance Analysis | 25.8 | 67.3 | 19.2 | 52.1 |
| Service Assurance | 2.6 | 8.7 | 2.4 | 6.3 |
| Communications | 28.4 | 76.0 | 21.6 | 58.4 |
| Systems | 2.3 | 7.3 | 1.7 | 4.9 |
| Total reportable segment profit | 30.7 | 83.3 | 23.3 | 63.3 |
| Unallocated amounts | | | | |
| Corporate | (1.2) | (3.9) | (1.0) | (3.7) |
| Acquired intangible asset amortisation | (0.3) | (1.0) | (0.3) | (1.1) |
| Share-based payment | (0.2) | (0.4) | (0.2) | (0.6) |
| Operating profit | 29.0 | 78.0 | 21.8 | 57.9 |

Other information

| \$ million | | | | |
|---------------------|-----|------|-----|------|
| Depreciation | 2.9 | 8.8 | 3.2 | 10.4 |
| Capital expenditure | 4.2 | 12.0 | 2.6 | 7.4 |

Earnings per share

| | | | | |
|--|------|-------|------|-------|
| Basic (cents) | 2.92 | 8.00 | 2.71 | 7.24 |
| Diluted (cents) | 2.89 | 7.91 | 2.69 | 7.21 |
| Weighted average number of shares in issue at period end | | | | |
| Basic (million) | | 672.2 | | 665.3 |
| Diluted (million) | | 679.8 | | 668.4 |

Earnings per share continued

| | Period to 3 October 2010 | | Period to 27 September 2009 | |
|--|--------------------------|-------------|-----------------------------|-------|
| | 3 rd quarter | | 3 rd quarter | |
| | \$ million | Cents | \$ million | Cents |
| Profit for the period attributable to equity shareholders of parent Company | 19.6 | 2.92 | 18.1 | 2.71 |
| Restate to a constant effective tax rate of 32% | - | | (3.4) | |
| Adjusted basic at a constant tax rate | 19.6 | 2.92 | 14.7 | 2.20 |
| Adjusted diluted at a constant tax rate | | 2.89 | | 2.18 |

| | Period to 3 October 2010 | | Period to 27 September 2009 | |
|--|--------------------------|-------------|-----------------------------|-------|
| | Year to date | | Year to date | |
| | \$ million | Cents | \$ million | Cents |
| Profit for the period attributable to equity shareholders of parent Company | 53.8 | 8.00 | 48.2 | 7.24 |
| Prior year tax credit | (1.1) | | - | |
| Restate to a constant effective tax rate of 32% | - | | (9.4) | |
| Adjusted basic at a constant tax rate | 52.7 | 7.84 | 38.8 | 5.83 |
| Adjusted diluted at a constant tax rate | | 7.75 | | 5.80 |