

## **SPIRENT COMMUNICATIONS PLC**

### **Third Quarter 2021 Trading Update**

**London, UK – 11 November 2021:** Spirent Communications plc (“Spirent”, the “Company” or the “Group”) (LSE: SPT), a leading test, measurement, analytics and assurance technology company for next-generation networks, applications and devices, today issues the following Trading Update for the third quarter of the Company’s financial year, from 1 July to 30 September 2021, and for the year to date.

#### **Group performance**

We are pleased to report continued momentum and the Board remains confident that the Group will show solid progress in 2021. Our expectations for the full year remain unchanged and in line with market consensus<sup>1</sup>.

In the third quarter we secured several key strategic wins. These wins included larger, longer-term contracts, that support our strategy to improve visibility and build repeatable business by growing our footprint in our customers’ labs and continuing to move into their live networks. For the nine months to the end of September, order intake growth was strong at 13 per cent (organic 9 per cent) with revenue growth of 7 per cent (organic 5 per cent), resulting in book to bill of 105 as we continue to build our orderbook. Once again, 5G continues to be a strong driver of growth in demand across our solution portfolio.

We have been managing the growing global supply chain challenges well and consistent with many industries, are seeing more component cost rises which we are responding to with price increases.

#### **Lifecycle Service Assurance**

Strong momentum and demand for products in both the lab and the live assurance market resulted in good order growth in the third quarter. We continue to secure multi-year contracts increasing longer term visibility.

Key wins included a large and strategic 5G order from Dish Networks, an innovative new North American network operator that plans to become the first telecom company to run its service on the public cloud. Dish will be utilising both our lab-based and live network solutions to autonomously test and validate its 5G network core.

#### **Networks & Security**

During the year we aligned our application and security test offerings more closely with our high-speed Ethernet products and go-to-market. As a result, application and security testing is gathering momentum as we continue to support customers to develop their 5G infrastructure and has delivered growth year to date compared to the prior year. We have made good progress in growing our business with the Hyperscalers by focusing on their 5G initiatives. We are winning high-speed Ethernet business across the spectrum, from supporting Mobile Edge Compute initiatives to an industry-first commercial 800G win. Lab-based activities at US government customers for our Positioning solutions have yet to fully rebound and we expect full year Positioning revenue to be similar to last year.

Spirent Communications plc

Origin One, 108 High Street, Crawley, West Sussex RH10 1BD, United Kingdom

Tel +44 (0)1293 767676 | Fax +44 (0)1293 767677 | [www.spirent.com](http://www.spirent.com)

Registered in England Number 470893 | Registered at the above office

**Commenting on the results, Eric Updyke, Chief Executive Officer, said:**

“We are continuing to grow in our key focus areas, such as lab to live assurance and driving our services offerings, whilst carefully managing ongoing supply chain disruption. The cyclicity in the business continues to reduce as we win more multi-year work and build sustainable revenues.”

“Overall, we are on track to show full year progress in 2021 with, as in previous years, trading performance weighted to the second half of the year and to the final quarter. Whilst supply chain management has become more challenging, our expectations for the full year remain unchanged.”

Note

1. Market consensus for 2021 includes ten analysts who have reported forecasts as of 13 October, revenue \$568 million and adjusted operating profit \$115 million.

- ends -

**Enquiries**

Eric Updyke, Chief Executive Officer	Spirent Communications plc	+44 (0)1293 767676
Paula Bell, Chief Financial & Operations Officer		E: <a href="mailto:investor.relations@spirent.com">investor.relations@spirent.com</a>
Charles Palmer/Dwight Burden/ Jamille Smith	FTI Consulting Limited	+44 (0)20 3727 1000 E: <a href="mailto:SCspirent@fticonsulting.com">SCspirent@fticonsulting.com</a>

### **About Spirent Communications plc**

Spirent Communications plc (LSE: SPT) is the leading global provider of automated test and assurance solutions for networks, cybersecurity, and positioning. The Company provides innovative products, services and managed solutions that address the test, assurance and automation challenges of a new generation of technologies, including 5G, SD-WAN, Cloud, autonomous vehicles and beyond. From the lab to the real world, Spirent helps companies deliver on their promise to their customers of a new generation of connected devices and technologies. Further information about Spirent Communications plc can be found at <https://corporate.spirent.com/>.

Spirent Communications plc Ordinary Shares are traded on the London Stock Exchange (ticker: SPT; LEI: 213800HKCUNWP1916L38). 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 <https://www.otcmarkets.com/marketplaces/otc-pink>.

Spirent and the Spirent logo are trademarks or registered trademarks of Spirent Communications plc. All other trademarks or registered trademarks mentioned herein are held by their respective companies. All rights reserved.

### **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.*