



News Release

SPIRENT COMMUNICATIONS PLC CHANGE TO REPORTING CURRENCY 2009 COMPARATIVES RE-PRESENTED IN US DOLLARS

London, UK – 18 June 2010: Spirent Communications plc (“Spirent”, the “Company” or the “Group”) (LSE: SPT), a leading communications technology company, announced in May a change to the Group’s reporting currency from sterling to US dollars in 2010. The key financial information for full year and half-year 2009 is re-presented in US dollars and is set out in this press release for comparative purposes.

The decision to change the Group’s reporting currency was made in order to give a clearer understanding of Spirent’s performance, more closely reflecting the profile of the Group’s revenue and operating profit which are primarily generated in US dollars or US dollar-linked currencies. The change will be effective for the results for the six months ended 4 July 2010 which will be reported on 5 August 2010.

The reporting currency of the parent Company will remain as sterling, as it is located in the United Kingdom and its functional currency is sterling. It will retain its share capital denominated in sterling. Dividends will be determined in US dollars and paid in sterling at the exchange rate prevailing when the dividend is declared.

Unaudited full year and half-year 2009 income statements, balance sheets and cash flow statements are presented below restated in US dollars together with other key financial information. Quarterly unaudited income statements for 2009 and 2008 are available in the investor’s section of the Company’s website.

The change to the Group’s reporting currency has been accounted for in accordance with IAS 21 “The Effects of Changes in Foreign Exchange Rates”. Income and expenses have been translated at the average exchange rate for each period and assets, liabilities and equity have been translated at the closing exchange rate at each balance sheet date.

The US dollar exchange rates against sterling for 2009 were as follows:

	Half-year ended 28 June 2009	Year ended 31 December 2009
Average exchange rate	1.50	1.57
Closing exchange rate	1.65	1.61

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Enquiries

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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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Consolidated income statement (unaudited)

US\$ million	First half 2009	Year ended 31 December 2009
Revenue	208.7	427.2
Cost of sales	(72.6)	(143.8)
Gross profit	136.1	283.4
Product development	(37.7)	(74.6)
Selling and distribution	(38.1)	(78.0)
Administration	(24.2)	(44.0)
Operating profit	36.1	86.8
Finance income	0.3	0.6
Finance expense	(0.9)	(2.5)
Profit before tax	35.5	84.9
Tax	(5.4)	6.3
Profit for the period attributable to equity shareholders of parent Company	30.1	91.2
Earnings per share (cents)		
Basic	4.53	13.67
Diluted	4.52	13.60

Consolidated balance sheet (unaudited)

US\$ million	28 June 2009	31 December 2009
<u>Assets</u>		
Non-current assets		
Intangible assets	111.7	112.4
Property, plant and equipment	24.8	23.6
Trade and other receivables	2.8	3.7
Cash on deposit	3.6	1.8
Defined benefit pension plan surplus	0.7	1.0
Deferred tax	23.9	42.5
	167.5	185.0
Current assets		
Inventories	30.0	28.1
Trade and other receivables	83.0	81.3
Derivative financial instruments	1.3	1.0
Cash and cash equivalents	132.8	173.9
	247.1	284.3
Total assets	414.6	469.3
<u>Liabilities</u>		
Current liabilities		
Trade and other payables	(89.3)	(86.6)
Current tax	(7.4)	(10.3)
Derivative financial instruments	(1.3)	(0.2)
Provisions and other liabilities	(5.4)	(6.1)
	(103.4)	(103.2)
Non-current liabilities		
Trade and other payables	(6.4)	(7.9)
Defined benefit pension plan deficit	(11.9)	(1.1)
Provisions and other liabilities	(9.1)	(5.3)
	(27.4)	(14.3)
Total liabilities	(130.8)	(117.5)
Net assets	283.8	351.8
<u>Capital and reserves</u>		
Share capital	37.0	36.4
Share premium account	28.5	29.5
Capital redemption reserve	17.5	17.1
Capital reserve	2.3	1.6
Other reserves	(2.9)	(0.6)
Translation reserve	23.1	22.6
Cash flow hedges	0.3	0.6
Retained earnings	178.0	244.6
Total equity attributable to equity shareholders of parent Company	283.8	351.8

Consolidated cash flow statement (unaudited)

US\$ million	First half 2009	Year ended 31 December 2009
Cash flows from operating activities		
Cash flows from operations	50.8	106.3
Tax paid	(5.8)	(10.2)
Net cash inflow from operating activities	45.0	96.1
Cash flows from investing activities		
Interest received	0.3	0.6
Transfer from long term deposit	0.5	2.2
Purchase of intangible assets	-	(0.3)
Purchase of property, plant and equipment	(4.8)	(10.1)
Proceeds from the sale of property, plant and equipment	0.2	0.2
Net cash used in investing activities	(3.8)	(7.4)
Cash flows from financing activities		
Dividend paid	(6.2)	(12.1)
Proceeds from the issue of share capital and employee share ownership trust	0.4	3.8
Share repurchase	(0.1)	(1.1)
Net cash used in financing activities	(5.9)	(9.4)
Net increase in cash and cash equivalents	35.3	79.3
Cash and cash equivalents at the beginning of the year	86.0	86.0
Effect of foreign exchange rate changes	11.5	8.6
Cash and cash equivalents at the end of the period	132.8	173.9

Segmental analysis

US\$ million	First half 2009	Year ended 31 December 2009
Revenue		
Performance Analysis	153.8	316.8
Service Assurance	27.4	52.6
Communications	181.2	369.4
Systems	27.5	57.8
	208.7	427.2
Operating profit		
Performance Analysis	32.9	78.3
Service Assurance	3.9	7.5
Communications	36.8	85.8
Systems	3.2	7.9
Segment operating profit	40.0	93.7
Non-segmental		
Corporate	(2.7)	(4.9)
Acquired intangible amortisation	(0.8)	(1.4)
Share-based payment	(0.4)	(0.6)
	36.1	86.8

Earnings per share

	First half 2009	Year ended 31 December 2009
Basic (cents)	4.53	13.67
Diluted (cents)	4.52	13.60
Weighted average number of shares in issue at period end – basic (million)	664.5	667.0
Weighted average number of shares in issue at period end – diluted (million)	666.2	670.4

The Group discloses adjusted earnings per share attributable to equity shareholders in order to provide a measure to enable period-on-period comparisons to be made of its performance:

	First half 2009		Year ended 31 December 2009	
	US\$ million	cents	US\$ million	cents
Profit for the period attributable to equity shareholders of parent Company	30.1	4.53	91.2	13.67
Deferred tax assets – change in estimate	-		(21.7)	
Prior year tax charge	-		2.8	
Adjusted basic	30.1	4.53	72.3	10.84
Adjusted diluted		4.52		10.78