

## SPIRENT COMMUNICATIONS PLC Third Quarter Trading Update

**London, UK – 15 November 2018:** Spirent Communications plc (“Spirent”, the “Company” or the “Group”) (LSE: SPT), a leading communications technology company, today issues the following Trading Update for the third quarter of the Company’s financial year, from 1 July to 30 September 2018 and for the year to date.

### **Group performance**

Performance delivery is on plan with further good momentum enjoyed in the third quarter of 2018. We secured a number of key wins, providing further evidence that our strategy is working. Order intake for the nine months showed solid growth on the same period in 2017.

We continue to expect a weighting to the second half of the year, with the usual uptick in the last quarter of the year, underpinned by the expected rebound in 400G high-speed Ethernet testing, the timing of key orders for Lifecycle Service Assurance solutions, continued expansion in our Security business and a strong performance within Positioning, as noted below. The Board is therefore confident of delivering further strategic progress in the year and expects to at least deliver its expectations for the current financial year.

As we continue to develop our solution selling capabilities to better address our customers’ larger and more complex challenges, we have made senior appointments in the quarter, key account executives to further deepen important relationships at our largest customers and a new leader for our EMEA business.

The balance sheet remains strong with good cash conversion in the quarter and year to date.

### **Networks & Security**

We continue to maintain our leadership position in high-speed Ethernet testing.

Following the release of recent pent up demand resulting from uncertainty in the China-US trading relationship, a multi-million dollar order was received from a large China equipment manufacturer. Furthermore, trading resumed with ZTE following the ending of the trade embargo imposed by the US government. Key strategic wins in the quarter with leading network equipment manufacturers for high-speed Ethernet 400G programme acceleration have been secured. As a result, orders in the third quarter showed a strong pick up, with year to date growth on 2017.

We are currently benefiting from particularly strong demand from the US for GPS Positioning products for military and other programmes.

Expansion of our security product sales into government and enterprise continues to deliver to plan and is attracting more subscription sales, which initially delays revenue recognition to future years. In addition we announced our new Data Breach Emulation solution for holistic and hyper-realistic testing of networks and devices. We were also approved as an authorised Test Lab for CTIA IoT Cybersecurity Certification, a new programme designed to confirm the security of cellular-connected Internet of Things devices.

### **Lifecycle Service Assurance**

Our VisionWorks solution continues to be well received by our key customers, with a further multi-million dollar win in the period from a Tier-1 service provider for our VisionWorks Customer Experience Assurance solution, building our assurance capability in the heart of their network.

We also secured a key 5G Landslide deal with a leading US service provider demonstrating the advanced 5G capabilities of this platform.

### **Connected Devices**

We continue to see relative stability in the smartphone test market. Proactive cost management actions taken in 2017 are delivering an earnings benefit. Our strategic focus on developing 5G test capabilities is on track.

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

“The business continues to perform well. We are pleased growth in order intake is now translating to revenue growth and we are building a solid platform to benefit from growing market opportunities for our VisionWorks, security and high-speed Ethernet (400G) products and solutions. The Board remains confident that the Group will show progress in 2018, and that we will at least deliver our expectations for the year.”

### **Board update**

As separately announced today, Eric Hutchinson has notified the Board of his desire to retire from the Company. The Board is initiating a recruitment process and Eric has agreed to continue in his current role until a successor has been appointed and through a transition period. Further details are set out in that announcement.

- ends -

### Enquiries

Eric Hutchinson, Chief Executive Officer Paula Bell, Chief Financial Officer	Spirent Communications plc	+44 (0)1293 767676
James Melville Ross/Dwight Burden/ Adam Davidson	FTI Consulting	+44 (0)20 3727 1000

### About Spirent Communications plc

Spirent Communications plc (LSE: SPT) offers test, measurement, analytics and assurance solutions for next-generation devices and networks. Spirent provides products, services and information solutions for high-speed Ethernet, positioning mobile network infrastructure markets, with expanding focus on service assurance, cybersecurity and 5G. Spirent is accelerating the transition of connected devices, network equipment and applications from development labs to the operational network, as it continues to innovate toward fully-automated testing and autonomous service assurance solutions. 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 <http://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.*