



Second Quarter Results for Fiscal 2001

April 23, 2001

EPS, excluding acquisition-related charges, increases by 42.9% to \$0.30

Earnings Release

St. Louis, MO – April 23, 2001 -- Amdocs Limited (NYSE: DOX) today reported that for the second quarter ended March 31, 2001, revenue reached \$372.3 million, an increase of 37.5% over last year's second quarter. Excluding acquisition-related charges, net income increased 49.7% to \$67.6 million, while earnings per share increased 42.9% to \$0.30 per diluted share, compared to net income of \$45.2 million, or \$0.21 per diluted share, in the second quarter of fiscal 2000. The Company's as-reported net income, which includes acquisition-related charges of amortization of goodwill and purchased intangible assets and related tax effects, was \$15.4 million, or \$0.07 per diluted share, compared to net income of \$42.9 million, or \$0.20 per diluted share, in the second quarter of fiscal 2000.

Avi Naor, Chief Executive Officer of Amdocs Management Limited, noted, "This was another excellent quarter for Amdocs. We continue to demonstrate strong, consistent growth, and to exceed our financial objectives. Our new business wins this quarter were strong across all our product platforms and from both new and existing customers. We are very confident that our positive momentum will be maintained with excellent business results in the coming quarters."

Naor continued, "We had 13 new business wins during the quarter, an unprecedented number for Amdocs. As a result of our ongoing success, we continued to expand our workforce, adding 450 information system professionals worldwide in the last quarter. We also have a strong and diverse pipeline of business prospects, across all regions, lines of business and services, including solutions and outsourcing projects. Our visibility is excellent, based on our ongoing long-term relationships with existing customers."

Naor concluded, "Amdocs' stability and consistency can be attributed to a number of factors. The customer care and billing systems market is very strong and dynamic. Customer care and billing systems serve as key differentiators in the intensely competitive communications marketplace, as operators seek to offer new technologies and services as well as support continued growth. In addition, our well-balanced portfolio also provides great stability. Our portfolio of offerings includes a broad product suite, spanning CRM, billing and order management; the ability to support multiple lines of business, whether mobile, wireline or IP; a variety of service alternatives including licensed solutions and outsourcing projects; and geographic diversity spanning all major global markets. Furthermore, our solutions-based, services-oriented business model and long-term customer relationships ensure a consistent, ongoing revenue flow."

Amdocs is the world's leader in CRM, billing and order management systems for communications and IP service providers. Amdocs has an unparalleled success record in project delivery of its mission-critical products. With over 8,150 information systems professionals deployed worldwide, Amdocs supports a global customer base. For more information visit our Web site at www.amdocs.com.

Amdocs will host a conference call on April 23 at 5 p.m. Eastern Daylight Time to discuss the Company's second quarter results. The call will be carried live on the Internet via www.vcall.com and the Amdocs website, www.amdocs.com.

This press release may contain forward looking statements as defined under the Securities Act of 1933, as amended, including statements about Amdocs' growth and business results in future quarters. Such statements involve risks and uncertainties that may cause future results to differ from those anticipated. These risks include, but are not limited to, Amdocs' ability to continue leveraging its growth in each of the mobile, wireline and IP business segments, the adverse effects of market competition, rapid changes in technology that may render the company's products and services obsolete, potential loss of a major customer, and risks associated with operating businesses in the international market. These and other risks are discussed at greater length in the company's filings with the Securities and Exchange Commission.

Contact:

Thomas G. O'Brien
Treasurer and Director of Investor Relations
Amdocs Limited
314/212-8328
E-mail: dox_info@amdocs.com

AMDOCS LIMITED

Pro forma Consolidated Statements of Income (Unaudited)

Excluding Purchased In-Process Research and Development, Acquisition Related Costs,
Amortization of Goodwill and Purchased Intangible Assets and Related Tax Effects
(in thousands, except per share data)

	Three months ended March 31, (1)		Six months ended March 31, (2)	
	2001	2000	2001	2000
Revenue:				
License	\$ 43,290	\$ 30,441	\$ 81,366	\$ 56,943
Service	328,999	240,304	633,090	449,308
	<u>372,289</u>	<u>270,745</u>	<u>714,456</u>	<u>506,251</u>
Operating expenses:				
Cost of license	1,295	1,458	2,953	2,631
Cost of service	206,154	156,272	397,942	295,100
Research and development	25,152	17,713	48,731	32,683
Selling, general and administrative	48,168	33,087	91,618	60,186
	<u>280,769</u>	<u>208,530</u>	<u>541,244</u>	<u>390,600</u>
Operating income	<u>91,520</u>	<u>62,215</u>	<u>173,212</u>	<u>115,651</u>
Other income, net	5,096	2,318	10,668	2,663
Income before income taxes	<u>96,616</u>	<u>64,533</u>	<u>183,870</u>	<u>118,314</u>
Income taxes	28,985	19,360	55,161	35,494
Net income	<u>\$ 67,631</u>	<u>\$ 45,173</u>	<u>\$ 128,709</u>	<u>\$ 82,820</u>
Diluted earnings per share	<u>\$ 0.30</u>	<u>\$ 0.21</u>	<u>\$ 0.57</u>	<u>\$ 0.40</u>
Diluted weighted average number of shares outstanding	<u>227,213</u>	<u>211,416</u>	<u>226,994</u>	<u>207,904</u>

(1) Excludes \$54,164 and \$2,100 of amortization of goodwill and purchased intangible assets, and tax effects related to the above of \$1,946 and (\$210) for the three months ended March 31, 2001 and 2000, respectively. Including the above items, income before income taxes was \$42,452 and \$62,433 and diluted earnings per share were \$0.07 and \$0.20 for the three months ended March 31, 2001 and 2000, respectively.

(2) Excludes \$108,324 and \$2,800 of amortization of goodwill and purchased intangible assets, \$0 and \$19,876 write-off of purchased in-process research and development, and tax effects related to the above of \$7,604 and \$0 for the six months ended March 31, 2001 and 2000, respectively. Including the above items, income before income taxes was \$75,546 and \$95,638 and diluted earnings per share were \$0.12 and \$0.29 for the six months ended March 31, 2001 and 2000, respectively.

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Consolidated Statements of Income (Unaudited)

(in thousands, except per share data)

	Three months ended March 31,		Six months ended March 31,	
	2001	2000	2001	2000
Revenue:				
License	\$ 43,290	\$ 30,441	\$ 81,366	\$ 56,943
Service	328,999	240,304	633,090	449,308
	<u>372,289</u>	<u>270,745</u>	<u>714,466</u>	<u>506,251</u>
Operating expenses:				
Cost of license	1,295	1,468	2,953	2,631
Cost of service	206,154	156,272	397,942	295,100
Research and development	25,152	17,713	48,731	32,683
Selling, general and administrative	48,168	33,087	91,618	60,186
Amortization of goodwill and purchased intangible assets	54,164	2,100	108,324	2,800
In-process research and development and other indirect acquisition-related costs	-	-	-	19,876
	<u>334,933</u>	<u>210,630</u>	<u>649,568</u>	<u>413,276</u>
Operating income	<u>37,356</u>	<u>60,115</u>	<u>64,898</u>	<u>92,975</u>
Other income, net	5,096	2,318	10,668	2,663
Income before income taxes	<u>42,452</u>	<u>62,433</u>	<u>75,566</u>	<u>95,638</u>
Income taxes	27,039	19,570	47,557	35,494
Net income	<u>\$ 15,413</u>	<u>\$ 42,863</u>	<u>\$ 27,999</u>	<u>\$ 60,144</u>
Basic earnings per share	<u>\$ 0.07</u>	<u>\$ 0.21</u>	<u>\$ 0.13</u>	<u>\$ 0.30</u>
Diluted earnings per share	<u>\$ 0.07</u>	<u>\$ 0.20</u>	<u>\$ 0.12</u>	<u>\$ 0.29</u>
Basic weighted average number of shares outstanding	<u>221,884</u>	<u>205,985</u>	<u>221,546</u>	<u>203,465</u>
Diluted weighted average number of shares outstanding	<u>227,213</u>	<u>211,416</u>	<u>226,994</u>	<u>207,904</u>

AMDOCS LIMITED

Condensed Consolidated Balance Sheets

(in thousands)

	As of	
	March 31, 2001	September 30, 2000
	(Unaudited)	
ASSETS		
Current assets:		
Cash, cash equivalents and short-term interest-bearing investments	\$ 468,055	\$ 402,300
Accounts receivable, including unbilled of \$6,525 and \$4,203, respectively	312,899	263,100
Deferred income taxes and taxes receivable	37,012	35,179
Prepaid expenses and other current assets	44,463	34,327
Total current assets	<u>862,459</u>	<u>734,906</u>
Equipment, vehicles and leasehold improvements, net	152,760	128,081
Goodwill and other intangible assets, net	900,109	1,011,053
Other non-current assets	71,962	61,046
Total assets	<u>\$ 1,987,320</u>	<u>\$ 1,935,085</u>
 LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable and accruals	\$ 203,448	\$ 198,445
Short-term financing arrangements	9,263	28,713
Deferred revenue	146,813	133,546
Deferred income taxes and income taxes payable	66,861	55,197
Total current liabilities	<u>426,385</u>	<u>415,901</u>
Non-current liabilities	91,963	88,412
Shareholders' equity	1,468,972	1,430,772
Total liabilities and shareholders' equity	<u>\$ 1,987,320</u>	<u>\$ 1,935,085</u>