

Amdocs Limited

NASDAQ: DOX

Fiscal Q4 2023 Earnings Presentation

November 7, 2023

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President & CEO

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CFO & COO



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This presentation and the comments made by members of Amdocs management in conjunction with it can be found on the Investor Relations section of our website, and, as always, a copy of today's prepared remarks will also be posted immediately following the conclusion of this call. This presentation includes information that constitutes forward-looking statements made pursuant to the safe harbor provision of the Private Securities Litigation Reform Act of 1995, including statements about Amdocs' growth and business results in future quarters and years. Although we believe the expectations reflected in such forward-looking statements are based upon reasonable assumptions, we can give no assurance that our expectations will be obtained or that any deviations will not be material. Such statements involve risks and uncertainties that may cause future results to differ from those anticipated. These risks include, but are not limited to, the effects of general macroeconomic conditions, prevailing level of macroeconomic, business and operational uncertainty, including as a result of geopolitical events or other global or regional events such as the recent attacks in Israel and evolving conflict and the COVID-19 pandemic, as well as the current inflationary environment, and the effects of these conditions on the Company's customers' businesses and levels of business activity, including the effect of the current economic uncertainty and industry pressure on the spending decisions of the Company's customers. Amdocs' ability to grow in the business markets that it serves, Amdocs' ability to successfully integrate acquired businesses, adverse effects of market competition, rapid technological shifts that may render the Company's products and services obsolete, potential loss of a major customer, our ability to develop long-term relationships with our customers, our ability to successfully and effectively implement artificial intelligence and Generative AI in the Company's offerings and operations, and risks associated with operating businesses in the international market. Amdocs may elect to update these forward-looking statements at some point in the future; however, Amdocs specifically disclaims any obligation to do so. These and other risks are discussed at greater length in Amdocs' filings with the Securities and Exchange Commission, including in our Annual Report on Form 20-F for the fiscal year ended September 30, 2022 filed on December 13, 2022 and in our Form 6-K furnished for the first quarter of fiscal 2023 filed on February 13, 2023, the second quarter of fiscal 2023 filed on May 22, 2023 and for the third quarter of fiscal 2023 on August 14, 2023.

This presentation includes non-GAAP financial measures, including non-GAAP operating margin, free cash flow, revenue on a constant currency basis, non-GAAP net income, non-GAAP net income attributable to Amdocs Limited, and non-GAAP earnings per share. Free cash flow equals cash generated by operating activities less net capital expenditures and other. While in prior years Amdocs used normalized free cash flow, a measure of our operating performance, is further adjusted to exclude net capital expenditures related to the new campus development, payments for non-recurring and unusual charges (such as capital gains tax to be paid in relation to the divestiture of OpenMarket), and payments of acquisition related liabilities, Amdocs is no longer reporting normalized free cash flow. Normalized free cash flow is not comparable to free cash flow. These non-GAAP financial measures are not in accordance with, or an alternative for, generally accepted accounting principles and may be different from non-GAAP financial measures used by other companies. In addition, these non-GAAP financial measures are not based on any comprehensive set of accounting rules or principles. Amdocs believes that non-GAAP financial measures have limitations in that they do not reflect all of the amounts associated with Amdocs' results of operations as determined in accordance with GAAP and that these measures should only be used to evaluate Amdocs' results of operations in conjunction with the corresponding GAAP measures. Please refer to the appendix for a reconciliation of these metrics to the most comparable GAAP provision.

This presentation also includes pro forma metrics which exclude the financial impact of OpenMarket (divested on December 31, 2020) from fiscal year 2021. Please also review the information contained in Amdocs' press release dated November 7, 2023 with respect to earnings for fiscal Q4 2023. The press release contains additional information regarding Amdocs' outlook for fiscal year 2024 and certain non-GAAP metrics and their reconciliations

Today's Speakers



**Shuky
Sheffer**

President &
Chief Executive Officer



**Tamar
Rapaport-Dagim**

Chief Financial Officer &
Chief Operating Officer

Earnings call agenda

01 Strategy & Business Performance Update

Shuky Sheffer, President & Chief Executive Officer

02 Financial Review & Outlook

Tamar Rapaport-Dagim, Chief Financial Officer & Chief Operating Officer

03 Q&A



Shuky Sheffer

President & Chief Executive Officer

Strategy and Business Performance Update



Sincere thanks^{♥♥}

to our talented and diverse group of global employees for a successful 2023

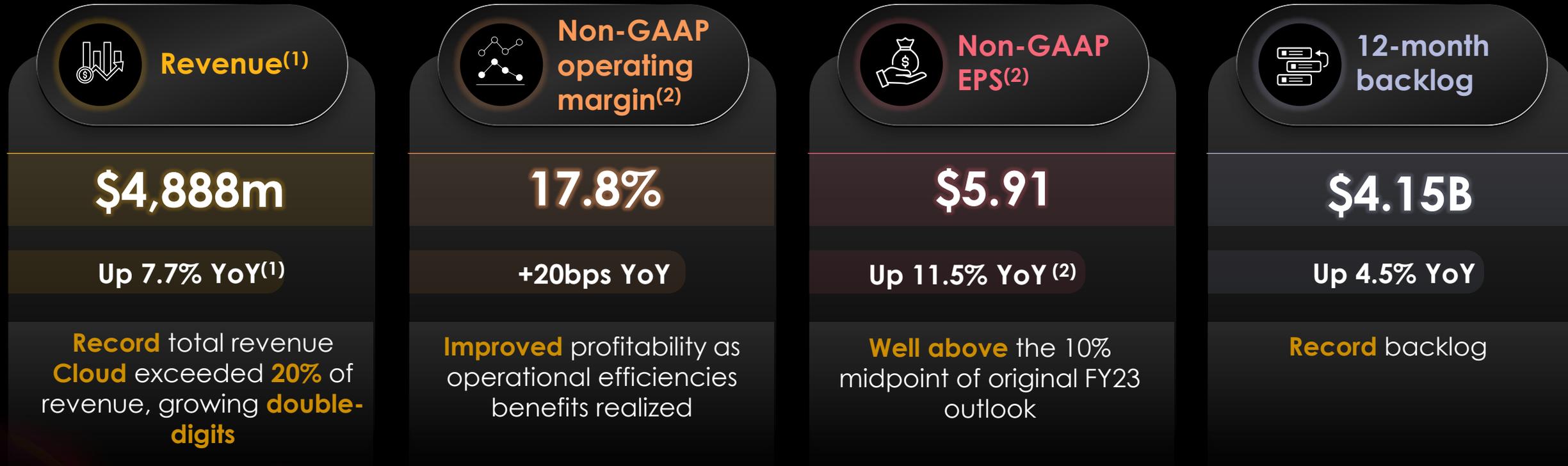


Deep gratitude

to our employees in Israel, who have shown tremendous resilience, dedication and commitment following the horrific attack of October 7

United together across the globe, we continue to provide seamless 24/7 service and support, ensuring uninterrupted customer care and business operations worldwide

FY23: record annual revenue, continued profitable growth & margin improvement



Robust free cash flow with ~100% earning-to-cash conversion

1. Constant currency. Assumes exchange rates in the current period were unchanged from the prior period

2. Non-GAAP. See reconciliation tables in appendix

Fiscal Q4 & 2023 Operational Highlights

Strong market recognition in FY2023

<p> North America: Continued progress FY23 revenue up 6.7% YoY</p>	<p>  AT&T  </p>
<p> Europe: Record year of strong double-digit growth</p>	<p>   </p>
<p> Rest of world: Slight annual decline, Strongest quarter in four years</p>	<p>   </p>
<p> Managed services: Another record year</p>	<p>   Netherlands   </p>

Best-in-class execution and operations

 High rate of **successful project deployment**

 AT&T  Mobile 
 

 **Launched** 

Next-gen Amdocs Cloud Management Platform

Integrates generative AI capabilities from our amAlz framework to enhance operating efficiency and agility

Progress in strategic domains (1/5)



Generative AI Strategy Acceleration

Simplify and accelerate adoption of generative AI across the telecom industry

Infusing Products with GenAI

Enhancing industry flagship **CES products** with generative AI capabilities via our amAlz framework

Creating a GenAI Foundation

Deep telecom industry expertise supporting the creation of proprietary telco taxonomy enabling **context-aware telecom use cases**

Leveraging Strategic Partners

Building on **Microsoft** strategic partnership announced previously we are partnering with **NVIDIA** in order to leverage the GenAI native ecosystem



Horizon 1 Disruptor



"CSPs benefit from Amdocs' amAlz framework by receiving increased time to value...we expect other telecoms-specific players to launch their generative AI strategies ...these vendors should learn from Amdocs' strategy..."

Data Readiness

Data infrastructure readiness, normalization and ingestion preparedness for GenAI

Progress in strategic domains (2/5)



Cloud

Accelerate the multi-year journey to the cloud

FY23 cloud revenue delivered double-digit YoY growth, surpassing 20% of revenue

Selected projects

Business value



Operation support services for Amdocs applications to the public cloud

Flexible and cost-efficient infrastructure; unlock new business models



Real-time rating and metering program expansion

Facilitating seamless processes such as CI/CD pipeline, network integration and quality engineering testing



Multi-year deal to modernize and consolidate monetization platforms on AWS

Flexible and cost-efficient infrastructure



Amdocs to leverage the recently **announced Microsoft-Oracle partnership, enabling the smooth transition of classic Amdocs applications to Azure**



Acquired Astadia, which specializes in highly sophisticated, mainframe-to-cloud migration and modernization, end-to-end projects from consulting to managed services

Progress in strategic domains (3/5)



Digital transformation

Creating **seamless digital experiences** by transforming IT operations for consumer and B2B customers

Currently executing on **2 of the worlds' largest B2B transformation**  

Selected projects

Business value

OPTUS

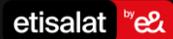
Cloud-native B2B portfolio

Simplified & accelerated sales journey for Optus agents; reduced order cancellation/fallout

 **airtel**

Monetization platform and billing automation

Enhanced billing accuracy & customer satisfaction



One of world's first AI-enabled autonomous stores

Personalized, next-generation, in-store retail experience with frictionless payment

Public
MOBILE

eSIM application

Fully digital customer activation & management of their services

A1

MarketONE platform across six markets

Frictionless OTT and digital consumer services experience and monetization

Progress in strategic domains (4/5)



5G

monetization

Next-generation solutions to unlock future market potential from true **5G standalone networks**

Amdocs currently has more than 20 cloud-based charging projects in production across a range of **public, private, and hybrid environments, including at leading CSPs in North America**

Selected projects

Business value

Leading telco operator in Sub-Saharan Africa

Managed services extension and BSS modernization

Monetize 5G and data products while improving customer satisfaction



Transform monetization operations

Pivotal step towards strategic goal of becoming a customer-centric organization

Progress in strategic domains (5/5)



Network automation

Delivering **dynamic connected** experiences with **real-time, automated** networks

FY23 selected projects

Business value



Support for DISH's 5G Open RAN network

Exceeded FCC commitments, reaching 70% of US population



Delivery of digital infrastructure services as part of Colt's continuous modernization journey

Empower Colt customers and employees around the world



Automated 5G network slice solution

First use case successfully demonstrated



Drone-Aided Site and Inventory Audits solution

Enable seamless, advanced, safe and sustainable inventory access to gather inventory information by using drones



Multi-year deal to uplift BSS and OSS ecosystem

Drive fiber business and operational transformation



Acquired TEOCO's service assurance business, strengthening unique end-to-end service orchestration offering



Closed acquisition of ProCom Consulting, a US-based digital transformation services and business consulting company serving emerging fiber operators focus on rollout of fiber networks



Joined **AWS Integrated Private Wireless** enabling service providers to unlock new innovations in **Mobile Private Networks for enterprise customers**

Summarizing a successful fiscal 2023 across multiple dimensions

**Successful
fiscal 2023**



Maintained market-high win rate

Accelerated customer and revenue momentum in cloud

Established technology and industry leadership in Generative-AI

Superb execution and seamless mission-critical operations support

Current environment entering FY 2024

Large service addressable market, the size of which has **significantly expanded**
Strategy to deliver **innovation** to our customers, so they can advance with **cloud-based 5G**
and **fiber networks, Generative AI**, and improved **consumer** and **B2B experiences**

Relatively resilient business model, with **highly recurring** revenue streams resulting from our
support of **mission-critical systems** under **long-term** engagements including managed services

Increased level of **macro uncertainty** and **industry pressure** as some operators have begun to
prioritize strategic modernization programs, while **reducing** discretionary spending

FY24 Outlook

A

Revenue⁽¹⁾

1.0%-5.0%

YoY growth

Reflects ~3% YoY revenue headwind attributable to reduced investment in legacy system enhancement, among other factors

Double-digit cloud revenue growth in FY24

C

Non-GAAP EBIT (2)

18.1% - 18.7%

% margin

+60bps accelerated profitability improvement, mainly driven by **automation**, **sophisticated tools** and **Gen-AI** potential

B

Free cash flow

~100% earning-to-cash flow **conversion**

Expect to return **majority** of free cash flow to shareholders in year ahead

D

Non-GAAP EPS⁽²⁾

8%-12%

YoY growth

Expects **double-digit** non-GAAP diluted EPS growth for **4th** consecutive year, assuming the mid-point of our guidance range

We are positioned to deliver **double-digit expected total shareholder returns⁽³⁾** for the **4th** straight year in FY 2024

1. Constant currency. Assumes exchange rates in the current period were unchanged from the prior period

2. Non-GAAP. See reconciliation tables in appendix

3. Expected total shareholder return assumes Non-GAAP EPS growth plus dividend yield (based on fiscal year end closing share price); FY2024E assumed midpoint of pro forma non-GAAP EPS outlook, and dividend yield based on proposed new quarterly rate of \$0.479 as of share price on 11/7/23



Tamar Rapaport-Dagim

Chief Financial Officer & Chief Operating Officer

Financial Review & Outlook

Q4 FY2023 Financial Highlights

Record revenue, **+6.5% YoY** as reported, **+6.3% YoY** constant currency⁽¹⁾

Record quarter in North America

Strong quarter in Europe, **+20% YoY**

Best quarter in 4 years in Rest of World

Improved non-GAAP⁽²⁾ operating margin YoY, reflecting ongoing **efficiency** gains

1. Constant currency. Assumes exchange rates in the current period were unchanged from the prior period

2. Non-GAAP. See reconciliation tables in appendix

Q4 2023 Results

Q4 Revenue

\$1,243 million

+6.5% YoY, **+6.3%** constant currency⁽¹⁾

Above guidance midpoint
(\$1,220M - \$1,260M)

Q4 Non-GAAP⁽²⁾ Operating Margin

17.8%, +20bps YoY

Unchanged QoQ and consistent with midpoint of annual target range of **17.5% - 18.1%**

Q4 GAAP Diluted EPS

\$0.86

Above guidance range
(\$0.67 - \$0.81)

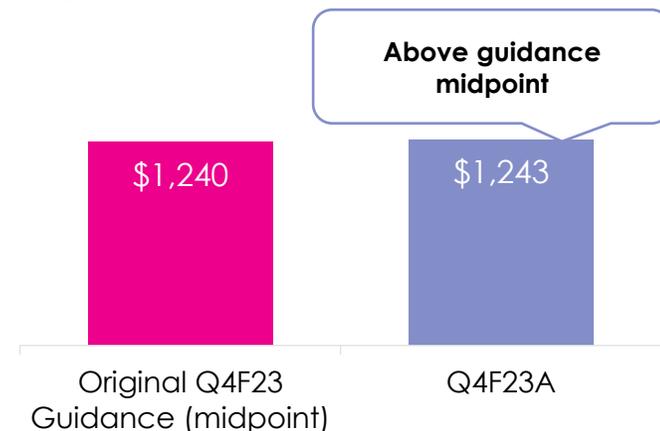
Q4 Non-GAAP⁽²⁾ Diluted EPS

\$1.42

Above guidance midpoint
(\$1.38 - \$1.44)

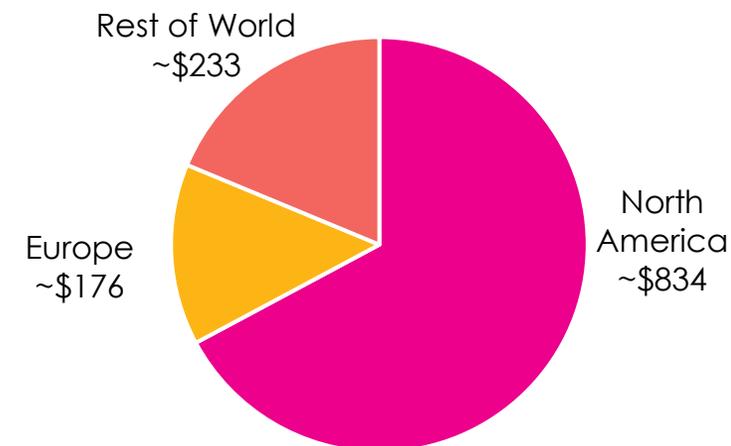
Q4 2023 Revenue vs. Guidance

\$ Millions



Q4 2023 Revenue by Region

\$ Millions



Full Year Fiscal 2023 Highlights

Record revenue, +6.8% YoY as reported and **+7.7% YoY** constant currency⁽²⁾

Consistent non-GAAP⁽³⁾ operating margin: **17.8%, +20 bps YoY** in FY2023

Record non-GAAP⁽³⁾ diluted EPS: **\$5.91, +11.5% YoY** and **better** than initial 10% guidance midpoint

1. Pro forma metrics exclude the financial impact of OpenMarket (which was divested on December 31, 2020) from fiscal year 2021.
2. Constant currency. Assumes exchange rates in the current period were unchanged from the prior period
3. Non-GAAP. See reconciliation tables in appendix

Cloud grew double-digits, exceeding **20%** of total revenue for the **first time**

Record year in North America & Europe

Growth in Southeast Asia

6 of top 10 customers located **outside** North America in FY2023, as compared with 2 customers a decade ago

Number of countries with over **\$40M** annual revenue has almost **doubled** in the last decade

Revenue Growth

Y/Y% growth constant currency⁽²⁾

FY2021 & FY2022 are pro forma⁽¹⁾ constant currency⁽²⁾



Non-GAAP⁽³⁾ EPS Y/Y % Growth

FY2021 & FY2022 are pro forma⁽¹⁾

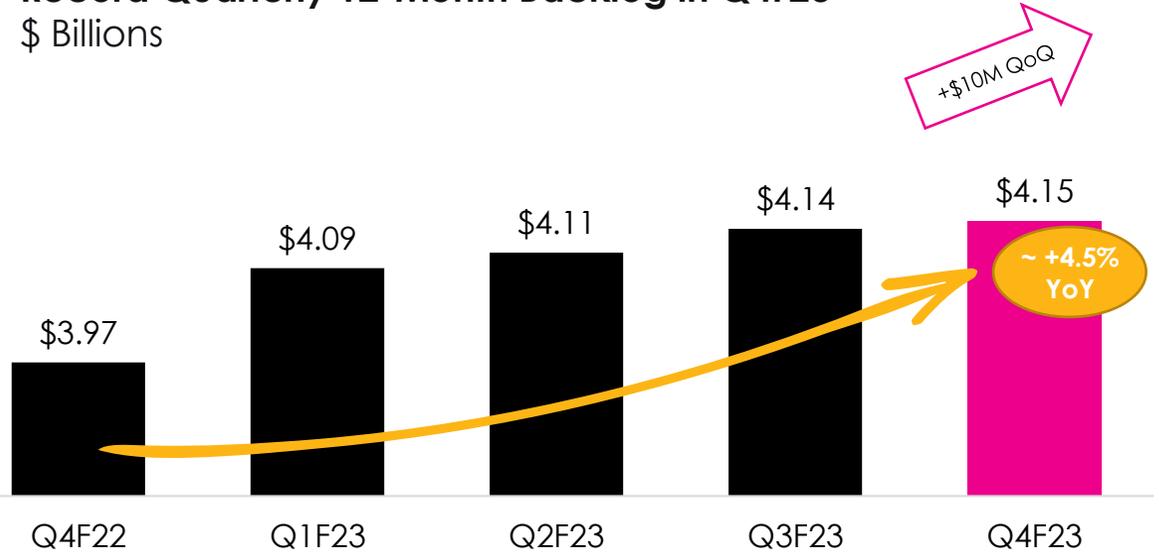


Leading Indicators & Business Model Visibility

12-Month Backlog
~\$4.15B
Record-high as of September 30, 2023
~ +4.5% YoY

Leading Indicator
Roughly 80%
12-month backlog roughly averages ~80% of forward 12-month revenue

Record Quarterly 12-Month Backlog in Q4F23
\$ Billions



12-month backlog includes:

- Anticipated revenue related to contracts
- Estimated revenue from **managed services** contracts
- Letters of intent
- **Maintenance**
- Estimated **ongoing support** activities

Leading Indicators & Business Model Visibility

Managed Services

~\$718M

~58% of total revenue in Q4 F2023

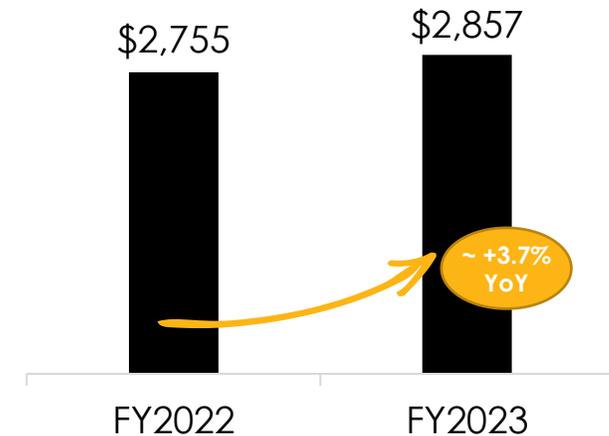
Close to 100%

managed services contract renewals

Managed Services Revenue: Fiscal Year to Date

\$ Millions

Managed services arrangements support business model resiliency with highly recurring revenue streams, multi-year engagements and high renewal rates, and may also include large-scale digital transformation projects



Amdocs appointed as single supplier to simplify IT operations under a 5-year deal for Three UK



Multi-year engagement, taking responsibility for business systems operations for fixed-line and mobile customers

Balance Sheet & Cash Flow

Reported free cash flow⁽²⁾ of **\$698 million** in FY2023, including \$20 million of restructuring payments not assumed in full year free cash flow guidance of **\$700 million**

Ample liquidity to support ongoing business needs while retaining the capacity to fund future strategic growth investments

DSO's

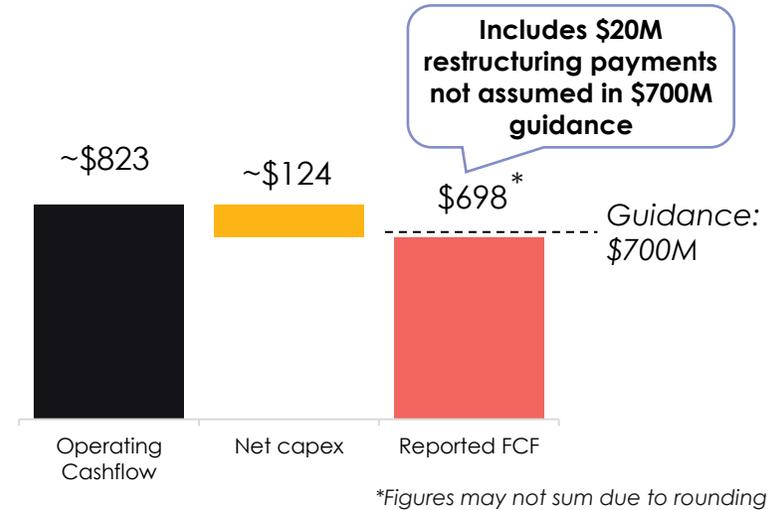
69 days

-5 days YoY and -10 days QoQ
DSO's may fluctuate from quarter to quarter

Unbilled receivables was higher than deferred revenue by \$86 million, aggregating the short-term and long-term balances.

The net difference between deferred revenue and unbilled receivables fluctuates from quarter to quarter, in line with normal business activities

FY 2023 Free cash flow⁽²⁾ bridge



Liquidity: Cash + Credit Facility

\$1.2 billion

Ample liquidity including available \$500M revolving credit facility



Committed to maintaining our Investment grade credit rating

Cash, Credit Facility & Debt Position

\$ Millions, as of September 30, 2023



1. \$650M senior note, maturing June 2030
2. Non-GAAP. See reconciliation tables in appendix

Disciplined Capital Allocation

Expected free cash flow⁽¹⁾ (FCF) outlook of **\$750M** in FY2024, equating to ~100% cash conversion

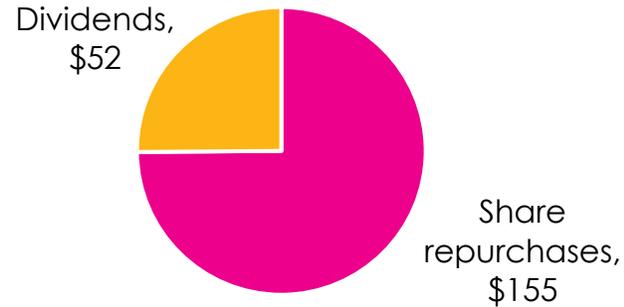
~7.5% free cash flow yield⁽²⁾

Expects to return the **majority** of free cash flow to shareholders in FY2024

1. Non-GAAP. See appendix tables for reconciliation of normalized FCF
2. Yield = expected reported free cash flow of \$750M in FY2024 as a percentage of Amdocs' market capitalization as of November 7, 2023
3. FCF in FY2020, FY2021 and FY2022 is presented on a normalized basis, which mainly excludes net capital expenditures related to the new campus development; normalized FCF disclosure not applicable as of FY2023
4. Refer to <https://investors.amdocs.com/> and earnings reports issued on 11/2/2021 and 11/8/2022 for reconciliation of normalized FCF in FY2020, FY2021 and FY2022
5. FY2023 excludes \$20M non-recurring restructuring payments

Q4 2023 Cash Returned to Shareholders

\$ Millions



~\$1.1B of aggregate share repurchase authorization remaining as of September 30

Dividend Growth

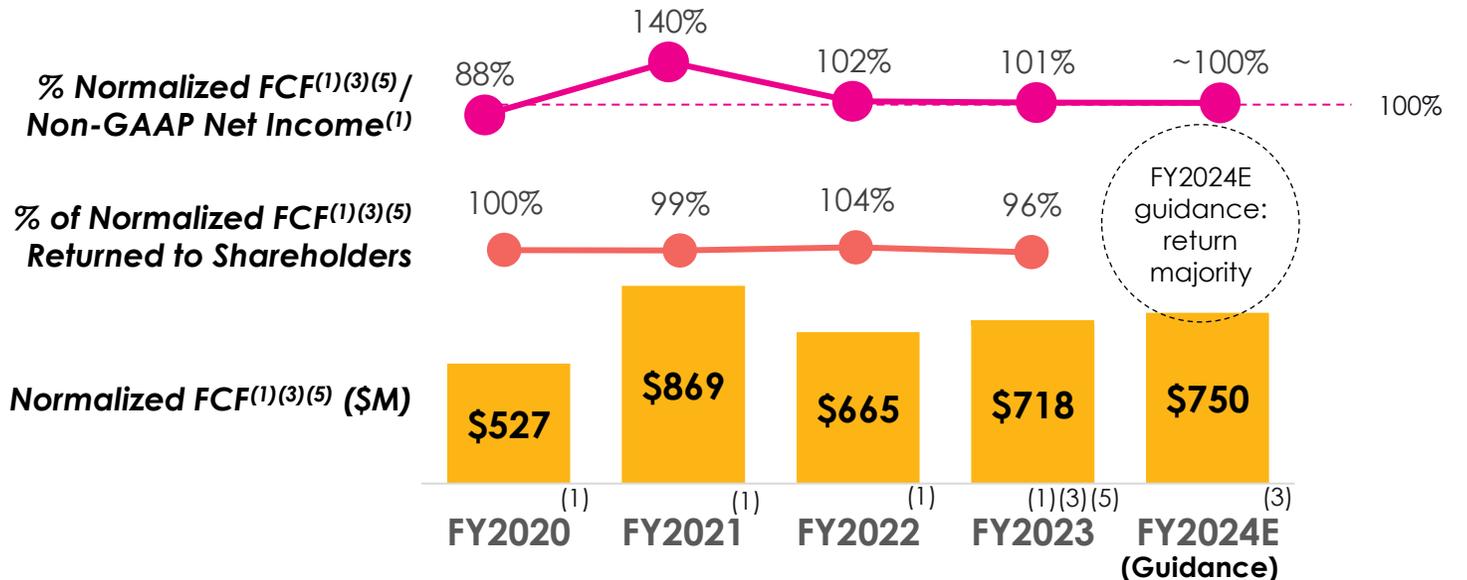
Board authorized new quarterly dividend payment:

47.9 cents, +10%

11th consecutive annual dividend increase

New payment subject to shareholder approval at Amdocs annual meeting in February 2024

Normalized FCF ⁽¹⁾⁽³⁾⁽⁴⁾⁽⁵⁾: Four-year historical trend and FY2024E outlook



FY2024 Revenue Growth Outlook

Revenue growth of **1.2%-5.2% YoY⁽²⁾** in FY2024E, roughly half of which is organic

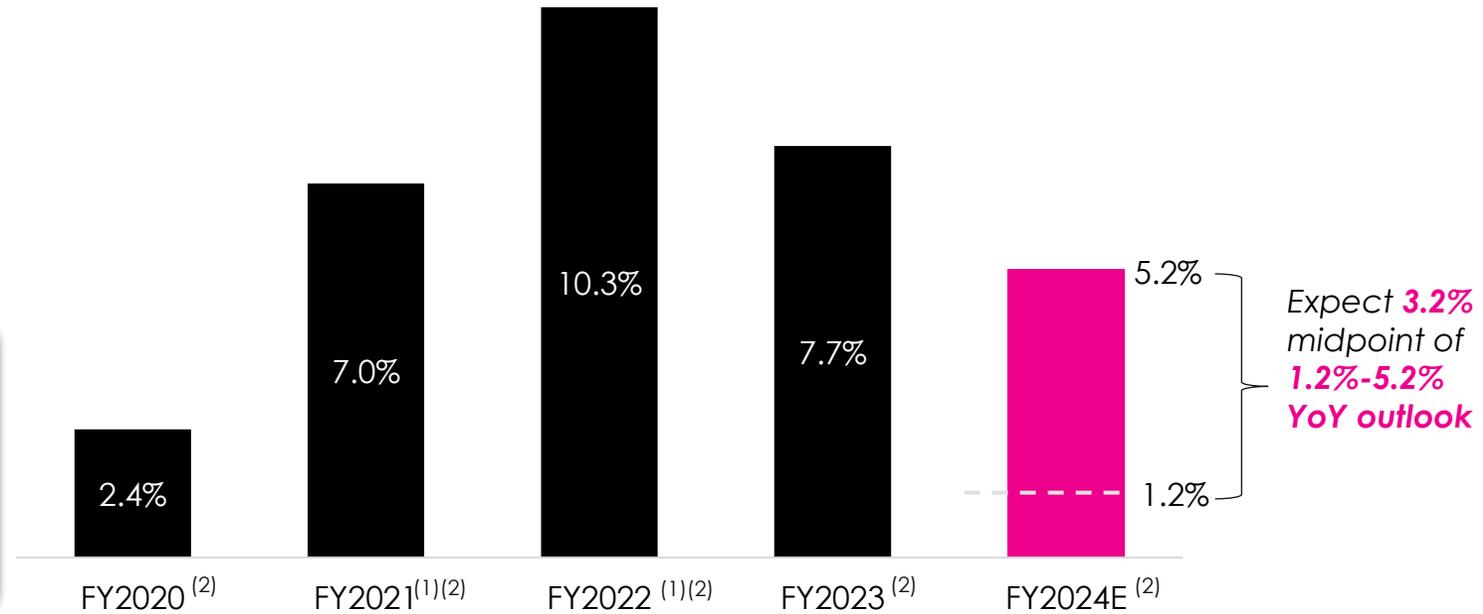
Revenue growth of **1.0%-5.0% YoY** as reported, including an unfavorable foreign currency impact ~20 basis points

1. Pro forma metrics exclude the financial impact of OpenMarket (which was divested on December 31, 2020) from fiscal year 2021.
2. Constant currency. Assumes exchange rates in the current period were unchanged from the prior period

Revenue Growth

YoY% Growth Constant Currency⁽²⁾

FY21 and FY22 revenue is pro forma⁽¹⁾ constant currency⁽²⁾



- ✓ Expect **stronger fiscal second half** in FY2024E based on plan of execution for deals already in 12-month backlog, plus new opportunities anticipated to convert to signed deals and revenue this fiscal year
- ✓ **Double-digit cloud** revenue growth expected in FY2024E
- ✓ Assumes no material change in current macro-economic backdrop
- ✓ Assume revenue headwind of roughly 3% attributable to reduced customer investments in legacy system enhancements, among other factors

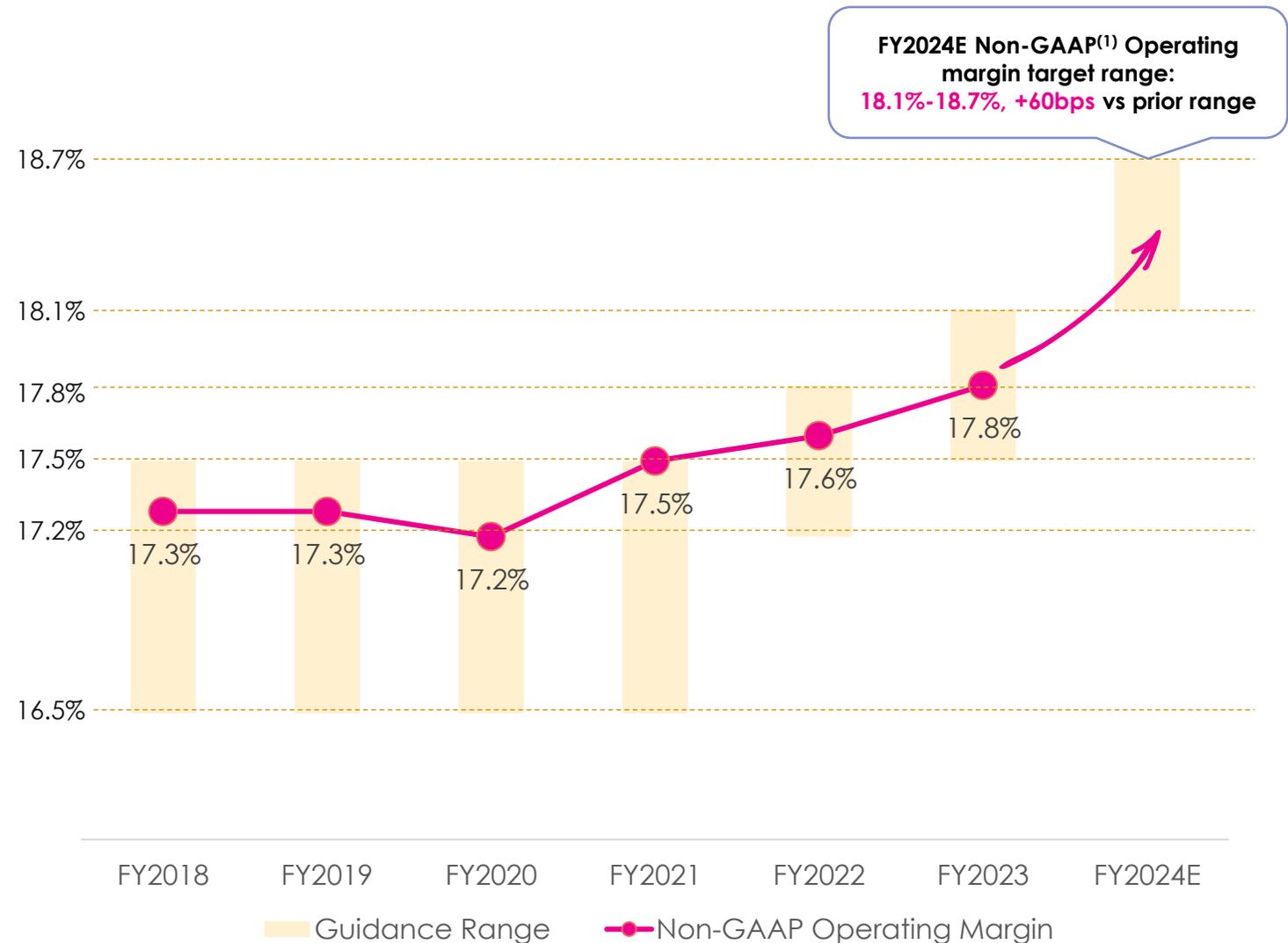
Accelerated Profitability Improvement

Non-GAAP⁽¹⁾ operating margins **expanded consistently** from FY2020 to FY2023

Expects **accelerated** profitability **improvement** in FY2024E, led by **automation, sophisticated tools** and future expected **Gen AI**-related benefits

Midpoint of new target range is **+60bps higher** than actual non-GAAP⁽¹⁾ operating margin of 17.8% in FY2023

Quarterly Non-GAAP⁽¹⁾ Operating Margin: FY2018 – FY2024E⁽²⁾
\$ Millions



1. Non-GAAP. See reconciliation tables in appendix.
2. Refer to <https://investors.amdocs.com/> and earnings reports issued on 11/8/2018, 11/12/19, 11/10/20, 11/2/2021 and 11/8/2022 for reconciliation of non-GAAP operating margin in FY2018, FY2019, FY2020, FY2021 and FY2022.

FY2024 Non-GAAP EPS Outlook

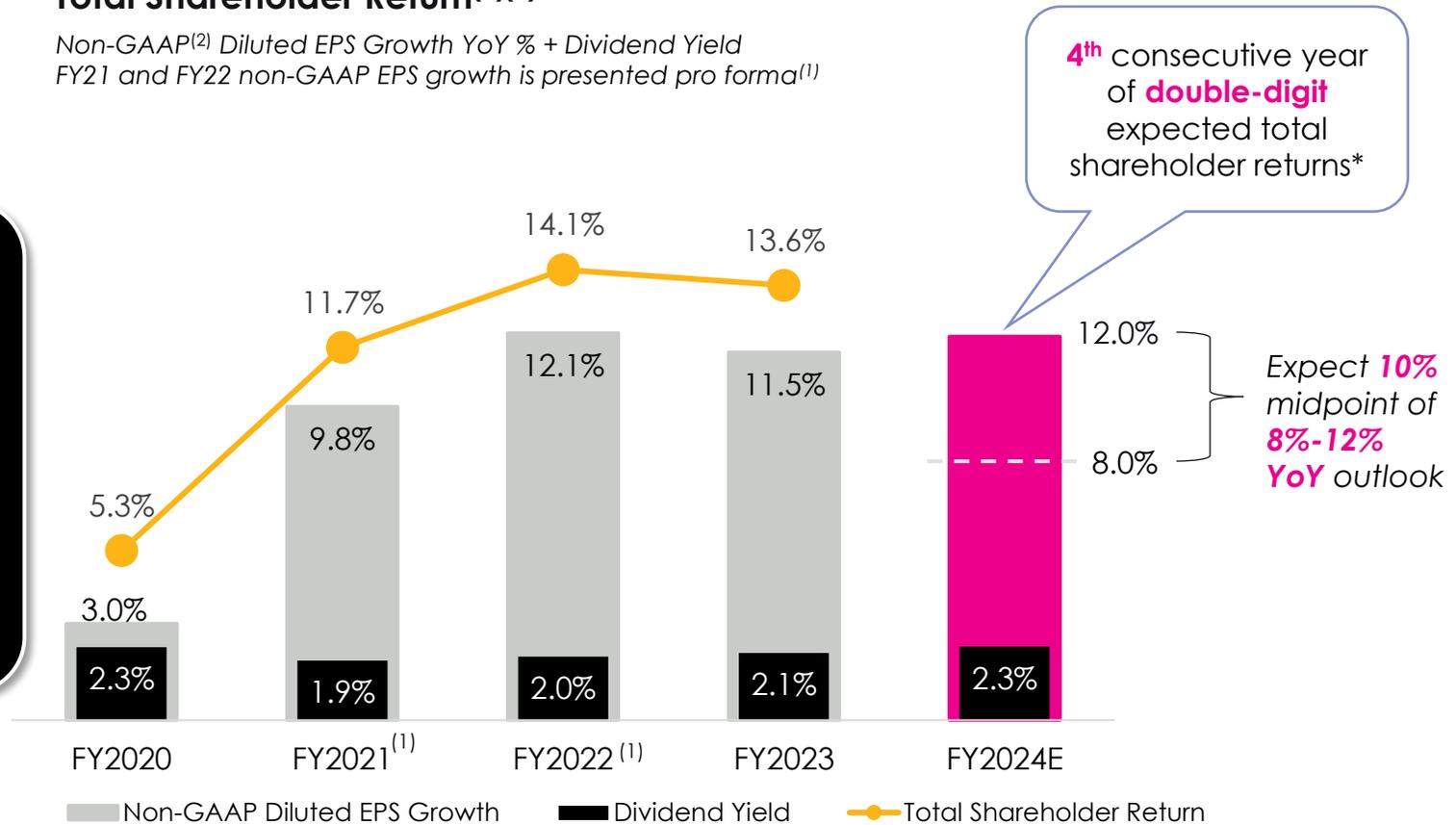
Targeting non-GAAP EPS growth of **8%-12%** in FY2024E, the **10% midpoint** of which is expected to mark the **fourth consecutive** year of **double-digit** growth

Targeting **double-digit** expected total shareholder returns⁽³⁾ for the **fourth year** running in FY2024E

1. Pro forma metrics exclude the financial impact of OpenMarket (which was divested on December 31, 2020) from fiscal year 2021.
2. Non-GAAP. See reconciliation tables in appendix
3. Expected total shareholder return assumes Non-GAAP EPS growth plus dividend yield (based on fiscal year end closing share price); FY2024E assumed 10% midpoint of non-GAAP EPS outlook, and dividend yield based on proposed new quarterly rate of \$0.479 as of share price on 11/7/23
4. Refer to <https://investors.amdocs.com/> and earnings reports issued on 11/10/2020, 11/2/2021 and 11/8/2022 for non-GAAP reconciliation in FY2019, FY2020, FY2021 and FY2022

Total Shareholder Return⁽³⁾⁽⁴⁾

Non-GAAP⁽²⁾ Diluted EPS Growth YoY % + Dividend Yield
FY21 and FY22 non-GAAP EPS growth is presented pro forma⁽¹⁾



*Non-GAAP⁽²⁾ EPS growth of 10.0%, plus ~2.3% dividend yield

Committed to ESG

Published 2022 - 2023

Corporate Social Responsibility & ESG report



Held second annual **ESG webinar** for analysts and investors presenting our CSR report, focusing on employee centricity, product sustainability, social impact, climate action, governance etc.



Digital inclusion activities:

- Launched program to **support over 1,000 women** through **digital and financial inclusion** in Mexico
- Recognized **Hispanic Heritage Month**, celebrating Latino communities in North America

Climate commitment

Announced our path to carbon neutrality for scope 1 and 2 emissions by 2040

Supporting our employees and families in Israel following October 7:

- Donated to mental and physical health care organizations and communities in Israel's south
- Many Amdocs employees volunteered their time to support evacuated families, local farmers, and other initiatives

Q&A



Q1 & FY2024 Outlook

Firmly positioned to deliver **double-digit** expected total shareholder returns for the **fourth** year running

1. Non-GAAP. See reconciliation tables in appendix

2. Constant currency. Assumes exchange rates in the current period were unchanged from the prior period

Q1 Fiscal 2024 Outlook

Revenue	\$1,225 - \$1,265 million
GAAP EPS	\$1.18 - \$1.26
Non-GAAP ⁽¹⁾ EPS	\$1.53 - \$1.59
Share Count	118 million
Effective Tax Rate Non-GAAP ⁽¹⁾	Within annual target range of 13.0%-17.0%

Full Year Fiscal 2024 Outlook

Revenue growth As reported	1.0% - 5.0%
Revenue growth Constant currency ⁽²⁾	1.2% - 5.2%
GAAP EPS growth	11.0% - 18.0%
Non-GAAP ⁽¹⁾ EPS growth	8.0% - 12.0%
Operating Margin Non-GAAP ⁽¹⁾	18.1% - 18.7%
Effective Tax Rate Non-GAAP ⁽¹⁾	13.0% - 17.0%
Free cash flow ⁽¹⁾	\$750 million

Appendix

Reconciliation Tables



Reconciliation Tables

- (a) The amounts under "Purchase of property and equipment, net" include proceeds from sale of property and equipment of \$442 and \$521 for the Fiscal years ended September 30, 2023 and 2022, respectively
- (b) Since Q12023, the Normalized Free Cash Flow is no longer applicable.

AMDOCS LIMITED Selected Financial Metrics (In thousands, except per share data)

	Three months ended September 30,		Fiscal year ended September 30,	
	2023	2022	2023	2022
Revenue	\$ 1,242,564	\$ 1,166,504	\$ 4,887,550	\$ 4,576,697
Non-GAAP operating income	221,105	205,337	868,602	804,894
Non-GAAP net income	169,009	157,548	714,454	655,147
Non-GAAP net income attributable to Amdocs Limited	168,354	157,548	712,201	655,147
Non-GAAP diluted earnings per share	\$ 1.42	\$ 1.29	\$ 5.91	\$ 5.30
Diluted weighted average number of shares outstanding	118,884	122,320	120,519	123,650

Free Cash Flows (In thousands)

	Three months ended September 30,		Fiscal year ended September 30,	
	2023	2022	2023	2022
Net Cash Provided by Operating Activities	\$ 272,371	\$ 216,919	\$ 822,630	\$ 756,719
Purchases of property and equipment, net (a)	(26,557)	(81,819)	(124,362)	(227,219)
Free Cash Flow	\$ 245,814	\$ 135,100	\$ 698,268	\$ 529,500

Normalized Free Cash Flow (b) for the three and fiscal year ended September 30, 2022: \$175,708 and \$665,327, respectively, excluding net capital expenditures related to the new campus development of \$38,683 and \$116,359, respectively, payment for acquisition related liability of \$1,925 and \$16,275, respectively, and tax payment on sale of business of \$3,193, for fiscal year ended September 30, 2022.

- (a) The amounts under "Purchase of property and equipment, net" include proceeds from sale of property and equipment of \$442 and \$521 for the fiscal years ended September 30, 2023 and 2022, respectively.
- (b) Since Q12023, the Normalized Free Cash Flow is no longer applicable.

Reconciliation Tables

AMDOCS LIMITED Reconciliation of Selected Financial Metrics from GAAP to Non-GAAP (In thousands)

	Three Months Ended September 30, 2023							
	GAAP	Amortization of purchased intangible assets and other	Equity based compensation expense	Changes in certain acquisitions related liabilities measured at fair value	Restructuring charges	Other	Tax effect	Non-GAAP
Operating expenses:								
Cost of revenue	\$ 803,600	\$ -	\$ (12,401)	\$ 4,579	\$ -	\$ -	\$ -	\$ 795,778
Research and development	97,693		(2,285)					95,408
Selling, general and administrative	140,380		(10,107)					130,273
Amortization of purchased intangible assets and other	15,601	(15,601)						-
Restructuring charges	46,365				(46,365)			-
Total operating expenses	1,103,639	(15,601)	(24,793)	4,579	(46,365)	-	-	1,021,459
Operating income	138,925	15,601	24,793	(4,579)	46,365	-	-	221,105
Interest and other expense, net	(5,307)					398		(4,909)
Income taxes	30,952						16,235	47,187
Net income	102,666	15,601	24,793	(4,579)	46,365	398	(16,235)	169,009
Net income attributable to noncontrolling interests	655							655
Net income attributable to Amdocs Limited	\$ 102,011	\$ 15,601	\$ 24,793	\$ (4,579)	\$ 46,365	\$ 398	\$ (16,235)	\$ 168,354

	Three Months Ended September 30, 2022						
	GAAP	Amortization of purchased intangible assets and other	Equity based compensation expense	Changes in certain acquisitions related liabilities measured at fair value	Other	Tax effect	Non-GAAP
Operating expenses:							
Cost of revenue	\$ 751,358	\$ -	\$ (8,356)	\$ 3,294	\$ -	\$ -	\$ 746,296
Research and development	96,218		(1,538)				94,680
Selling, general and administrative	129,404		(9,213)				120,191
Amortization of purchased intangible assets and other	17,838	(17,838)					-
Total operating expenses	994,818	(17,838)	(19,107)	3,294	-	-	961,167
Operating income	171,686	17,838	19,107	(3,294)	-	-	205,337
Interest and other expense, net	(7,399)					400	(6,999)
Income taxes	35,351					5,439	40,790
Net income	\$ 128,936	\$ 17,838	\$ 19,107	\$ (3,294)	\$ 400	\$ (5,439)	\$ 157,548

Reconciliation Tables

AMDOCS LIMITED Reconciliation of Selected Financial Metrics from GAAP to Non-GAAP (In thousands)

	Fiscal year ended September 30, 2023							
	GAAP	Amortization of purchased intangible assets and other	Equity based compensation expense	Changes in certain acquisitions related liabilities measured at fair value	Restructuring charges	Other	Tax effect	Non-GAAP
Operating expenses:								
Cost of revenue	\$ 3,159,941	\$ -	\$ (42,969)	\$ 3,143	\$ -	\$ -	\$ -	\$ 3,120,115
Research and development	374,855		(7,509)					367,346
Selling, general and administrative	570,707		(39,220)					531,487
Amortization of purchased intangible assets and other	57,156	(57,156)						-
Restructuring charges	70,901				(70,901)			-
Total operating expenses	4,233,560	(57,156)	(89,698)	3,143	(70,901)	-	-	4,018,948
Operating income	653,990	57,156	89,698	(3,143)	70,901			868,602
Interest and other expense, net	(17,629)					906		(16,723)
Income taxes	93,399						44,026	137,425
Net income	542,962	57,156	89,698	(3,143)	70,901	906	(44,026)	714,454
Net income attributable to noncontrolling interests	2,253							2,253
Net income attributable to Amdocs Limited	\$ 540,709	\$ 57,156	\$ 89,698	\$ (3,143)	\$ 70,901	\$ 906	\$ (44,026)	\$ 712,201

	Fiscal year ended September 30, 2022							
	GAAP	Amortization of purchased intangible assets and other	Equity based compensation expense	Changes in certain acquisitions related liabilities measured at fair value	Gain from sale of a business	Other	Tax effect	Non-GAAP
Operating expenses:								
Cost of revenue	\$ 2,957,547	\$ -	\$ (32,096)	\$ 2,785	\$ -	\$ -	\$ -	\$ 2,928,236
Research and development	354,706		(5,631)					349,075
Selling, general and administrative	528,572		(34,080)					494,492
Amortization of purchased intangible assets and other	71,075	(71,075)						-
Total operating expenses	3,911,900	(71,075)	(71,807)	2,785	-	-	-	3,771,803
Operating income	664,797	71,075	71,807	(2,785)				804,894
Interest and other expense, net	(26,391)					(1,605)		(27,996)
Gain from sale of a business	10,000				(10,000)			-
Income taxes	98,905						22,846	121,751
Net income	\$ 549,501	\$ 71,075	\$ 71,807	\$ (2,785)	\$ (10,000)	\$ (1,605)	\$ (22,846)	\$ 655,147

A futuristic cityscape with glowing buildings and digital data overlays. The scene is dominated by tall, glass-clad skyscrapers that reflect and emit a vibrant blue and cyan light. Overlaid on this scene are various digital elements: streams of binary code (0s and 1s) falling like rain, glowing orange and yellow rectangular panels, and abstract data visualizations. The overall atmosphere is one of high-tech innovation and digital connectivity.

Let's
make it
amazing

Thank you!