



Amdocs Limited: DOX

Wolfe Research Virtual Tour

Shuky Sheffer

Chief Executive Officer

June 2, 2020

Forward-looking statements

This presentation and our remarks contain forward-looking statements (within the meaning of The Private Securities Litigation Reform Act of 1995) that involve substantial risks and uncertainties, including statements regarding our expectations and beliefs about our business, strategy, and future operating performance. These forward-looking statements are only predictions and may differ materially from actual results due to a variety of factors, including, but not limited to: changes in the overall economy; changes in competition in markets in which we operate; our ability to derive revenues in the future from our current research and development efforts; changes in the demand for our products and services; the loss of a significant customer; consolidation within the industries in which our customers operate; changes in the telecommunications regulatory environment; changes in technology that impact both the markets we serve and the types of products and services we provide; financial difficulties of our customers; losses of key personnel; difficulties in completing or integrating acquisitions; litigation and regulatory proceedings; and acts of war or terrorism. Please refer to our filings with the Securities and Exchange Commission, including our Annual Report on Form 20-F filed on December 10, 2018, and our Form 6-K furnished for the first quarter of fiscal 2020 on February 18, 2020, and the second quarter of fiscal 2020 on May 18, 2020 for a discussion of these and other important factors.

You can identify forward-looking statements by words such as “expect,” “anticipate,” “believe,” “seek,” “estimate,” “project,” “forecast,” “continue,” “potential,” “should,” “would,” “could,” “intend” and “may,” and other words that convey uncertainty of future events or outcome. Statements that we make in this presentation that are not statements of historical fact also may be forward-looking statements. Forward-looking statements are not guarantees of future performance, and involve risks, uncertainties, and assumptions that may cause our actual results to differ materially from the expectations that we describe in our forward-looking statements. There may be events in the future that we are not accurately able to predict, or over which we have no control. You should not place undue reliance on forward-looking statements. Although we may elect to update forward-looking statements in the future, we disclaim any obligation to update do so, even if our assumptions and projections change, except where applicable law may otherwise require us to do so. These forward-looking statements should not be relied upon as representing our views as of any date subsequent to the date of this presentation.

In addition, this presentation and our remarks include certain non-GAAP financial measures, including diluted earnings per share, free cash flow, non-GAAP operating margin, non-GAAP net income and non-GAAP diluted earnings per share growth. 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. We believe that the presentation of these non-GAAP financial measures, when shown in conjunction with the corresponding GAAP measures, provides useful information to investors and management regarding financial and business trends relating to its financial condition and results of operations, as well as the net amount of cash generated by its business operations after taking into account capital spending required to maintain or expand the business. Additionally, we believe 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 our results of operations in conjunction with the corresponding GAAP measures.

Please refer to the explanation of these non-GAAP financial measures under the heading “Non-GAAP Financial Measures” in Exhibit 99.1 to our Form 6-K filed with the U.S. Securities and Exchange Commission on May 18, 2020, and to the Reconciliation of Selected Financial Metrics from GAAP to Non-GAAP tables included therein.

Agenda

1. Amdocs Overview

2. Investment Thesis



1. Amdocs Overview

Global Leader

\$8.3B

Market cap

3 billion

People touched by
our platforms

\$4.1B

FY19 revenues

1.7 billion

Daily digital
journeys

\$613M

FY19 normalized
free cash flow

350

Customers including
the largest SPs
on the planet

25,000

Employees

600

Media company
relationships

85

Countries

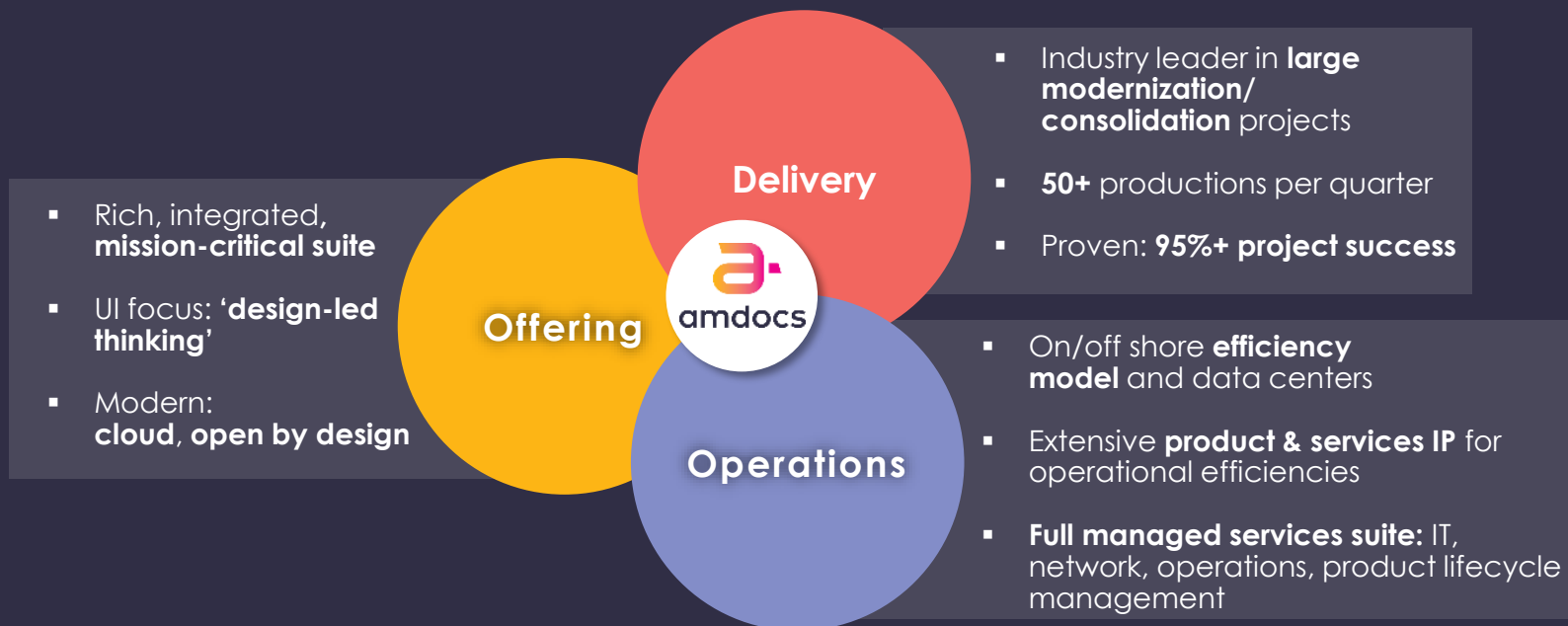
Modernizing, digitizing and automating the communications and media industry with a product-led services approach



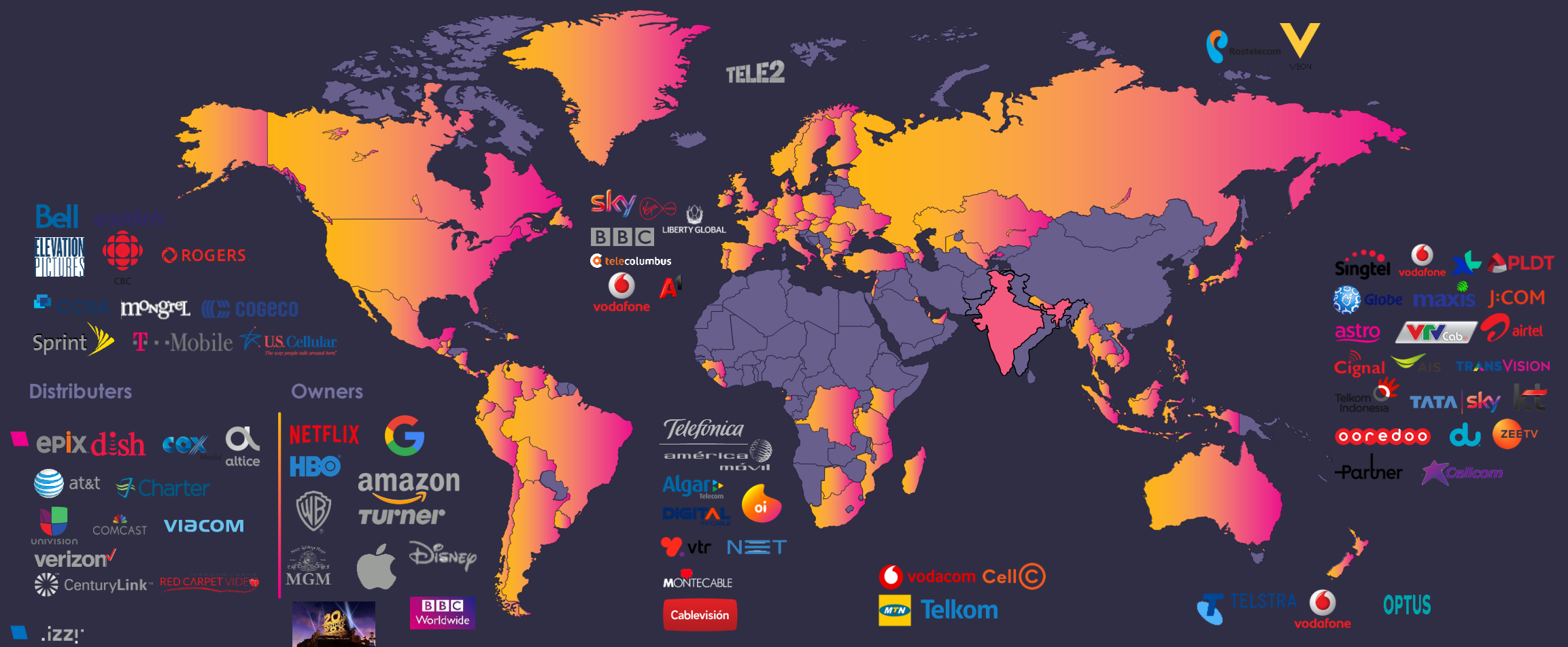
Amdocs' offerings enable service providers to efficiently and cost-effectively introduce new products and services, process orders, monetize data and content, support new business models and enhance their understanding of their customers



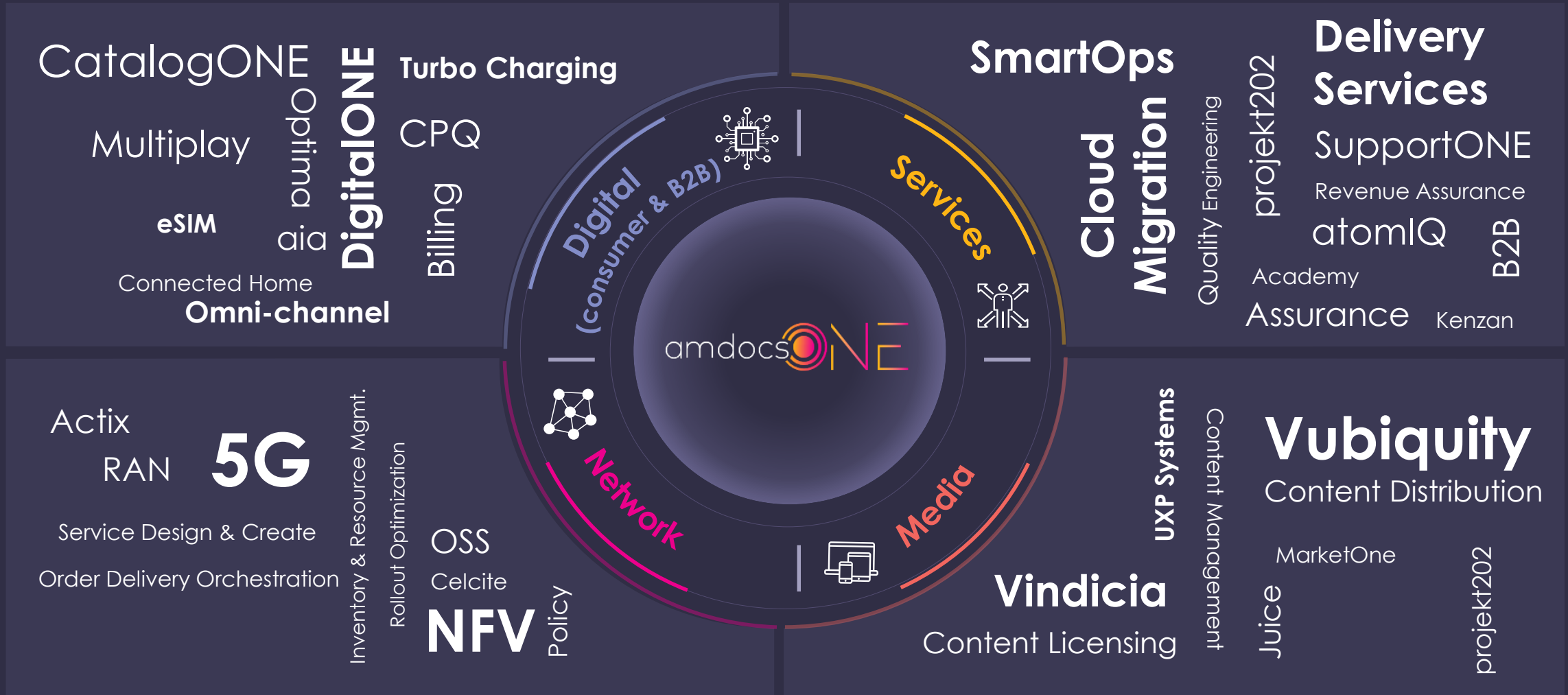
Our **uniqueness** is in our **accountability**: full ownership of software, delivery and operations



Global and Diversified Base of Communications & Media Customers



Meeting Crucial Business Needs With an Open and Dynamic Portfolio



Integrated and modular, built on cloud native & microservices technologies, to accelerate the continuous digital transformation of service providers

Fast-changing dynamic market

One-click, always-on service

Channel of **choice**

On-demand economy – **here** and **now**

Personalization – contextual

Privacy

Connectivity

Best **value** for **money**

Demand for **short time to market**

Agility, flexibility and **automation**

Move to the **cloud**

5G / Network virtualization

Open source

New **methodologies**: DevOps

Modular architecture / **Microservices**



Fierce **competition**

Driving need to **differentiate**

Search for **growth** and **new** lines of **business**

Next generation **enterprise services**

Direct-to-consumer

5G ROI

Consolidation forming **integrated carriers & digital** service providers

Operational & cost efficiency

2. Investment Thesis



Leadership position: best-in-class products, leveraging key trends



Recurring, highly visible & growing revenue base



Margin stability, robust FCF and balance sheet



Attractive total shareholder return

Best-in-Class Products: Latest Market RECOGNITIONS

LEADER

Gartner Integrated Revenue and Customer Management (IRCM) Magic Quadrant **EIGHT** consecutive years

#1

Global Revenue Management Market Share (Analysys Mason)

#1

Convergent Billing and Charging Vendor (Ovum)

#1

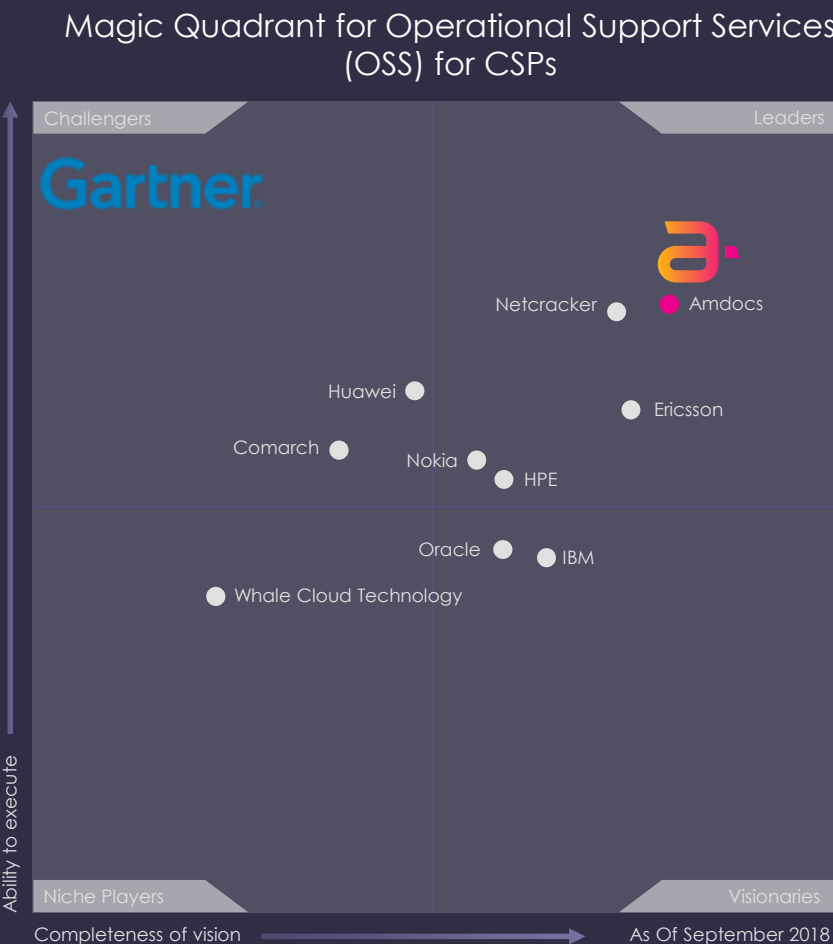
Global Billing Market Share (Frost & Sullivan / Stratecast)

#1

Revenue Management Market Share (IHS Markit)

2018

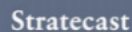
Frost & Sullivan APAC Telecom OSS/BSS Vendor of the Year Award



"Amdocs has a long track record of product innovation"



"positioning itself to gain greater opportunities"



"a firm understanding of the needs of its customers"



"the bellwether of this industry"



"a superb job at following market technology trends and anticipating their impact..."



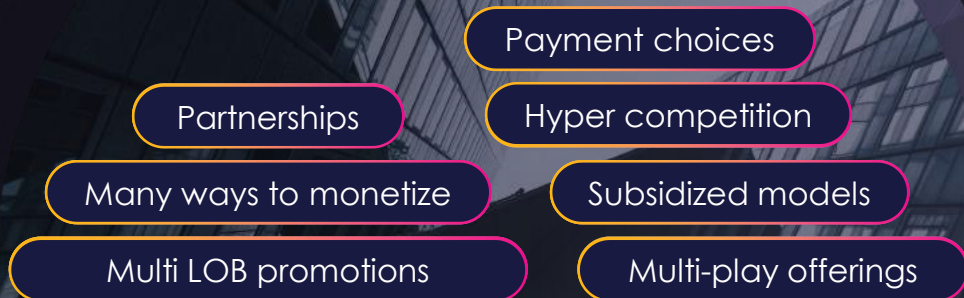
Amdocs' Jobs to be Done: Enabling Service Providers to Lever Key Industry Trends

Key Industry Trends

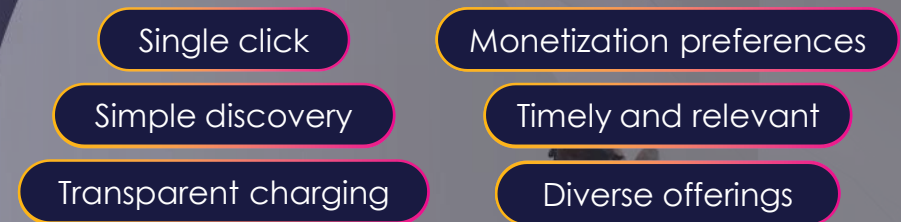


COVID-19 potentially accelerates key industry trends which Amdocs is well positioned to support

Complex business requirements



Consumer/B2B demand for simplicity



2. Investment Thesis



Leadership position: best-in-class products, leveraging key trends



Recurring, highly visible & growing revenue base



Margin stability, robust FCF and balance sheet

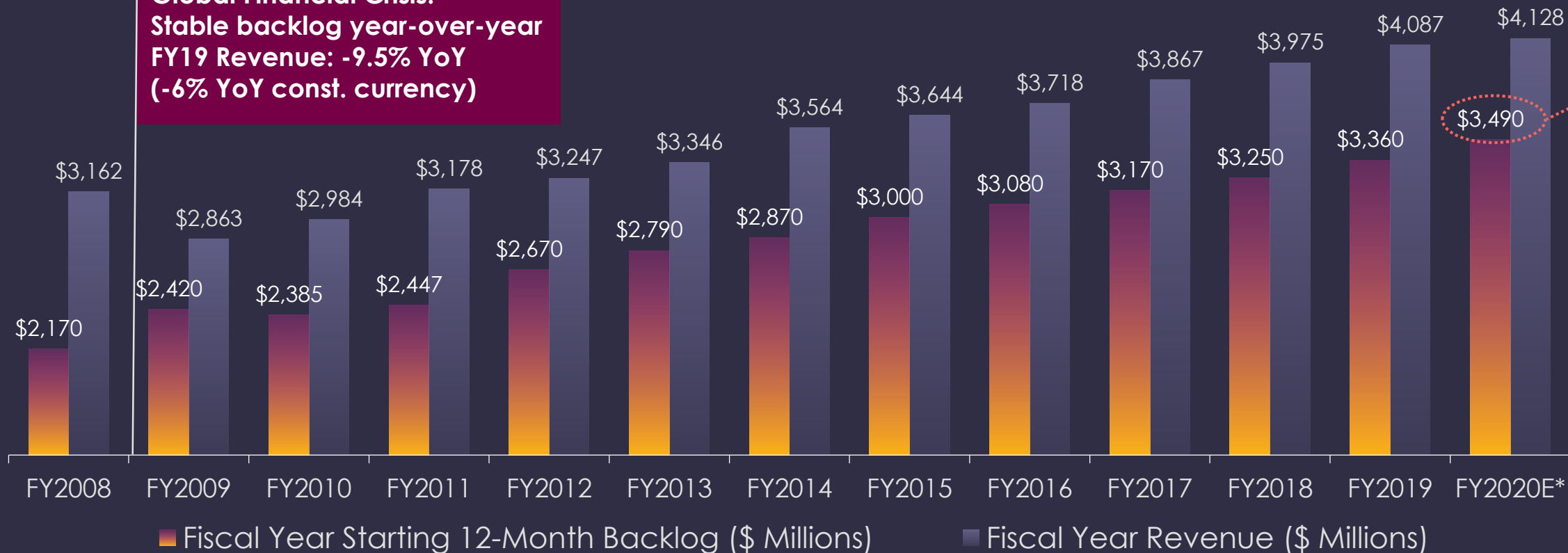


Attractive total shareholder return

Unique business model supports high visibility

Q4F19 backlog
+4% YoY

Global Financial Crisis:
Stable backlog year-over-year
FY19 Revenue: -9.5% YoY
(-6% YoY const. currency)



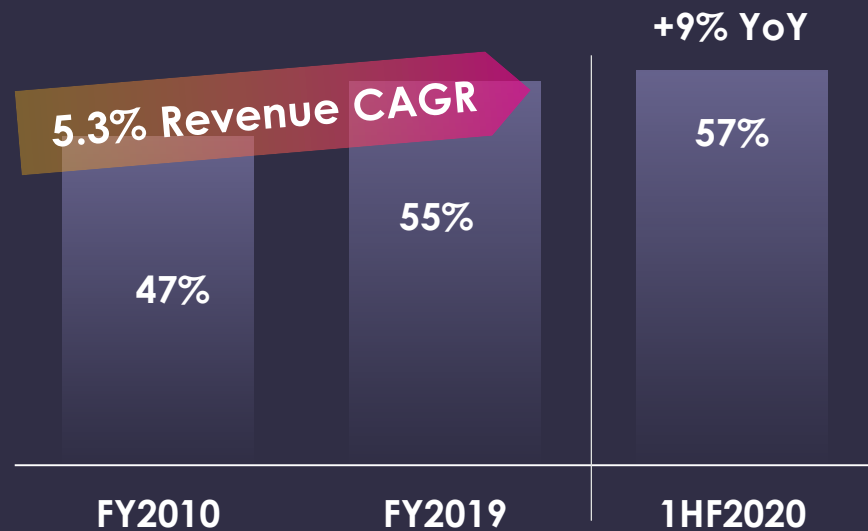
High visibility: 12-month backlog averages about 80% of forward 12-month revenue

*Revenue based on the midpoint of the FY2020 revenue growth outlook of (0.5%)-2.5%, as reported

Visible and highly recurring revenue stream

Growth in Managed Service arrangements underpin resilient business model

Managed Services Arrangements Revenue Growth & Percent of Total



Projects lead to future recurring service revenues

Managed services model was demonstrated initially in North America and is now proving highly applicable in Europe and ROW

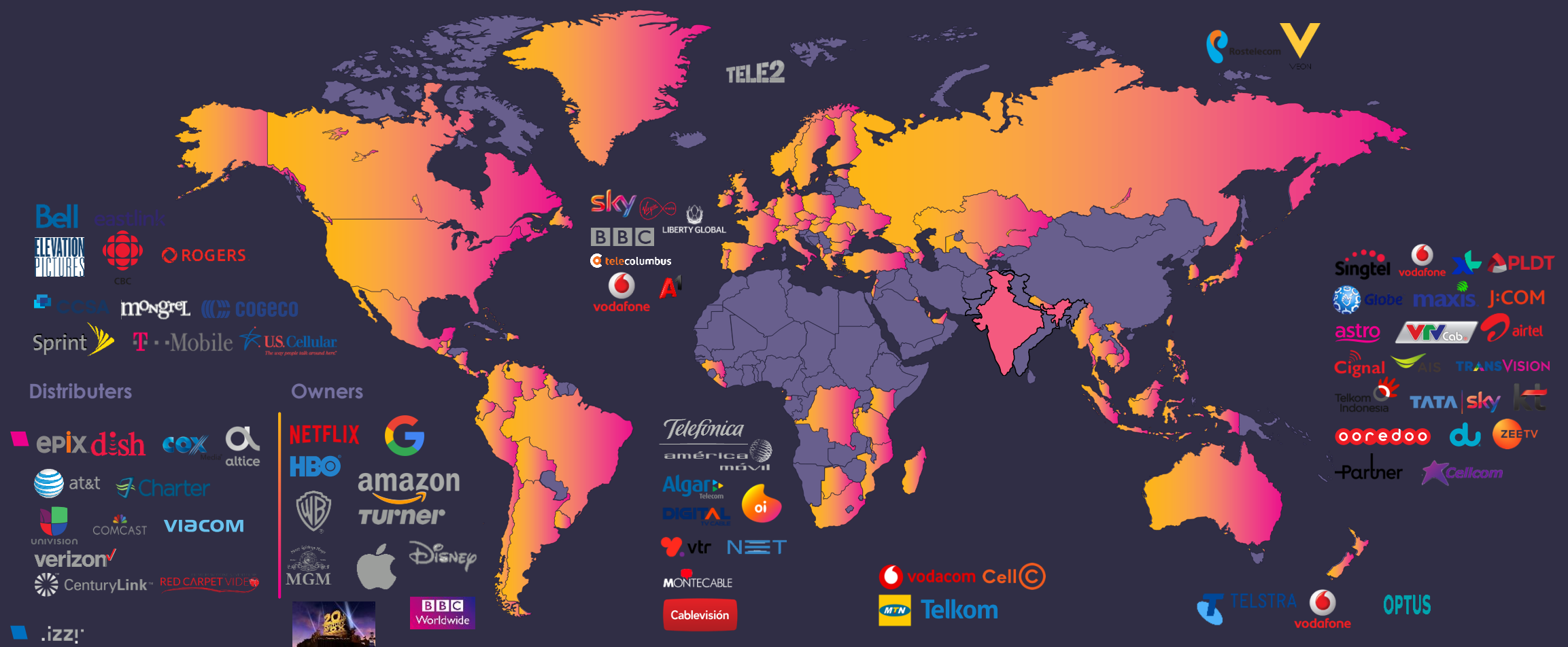
Majority of our customers are still a potential to adopt managed services

Growing Appetite for Managed Transformation Activity



Very high renewal rates, expanding and extending agreements with long-standing customers

Global and Diversified Base of Communications & Media Customers



Diversifying our business into new geographies and new logos

Improved customer diversification over last several years, despite continued customer consolidation



19 countries individually generated revenue of 1% or greater in FY2019 versus only 8 in FY2010
Revenue from Top 10 customers was 65% of total in FY2019, versus 75% in FY2010

2. Investment Thesis



Leadership position: best-in-class products, leveraging key trends



Recurring, highly visible & growing revenue base

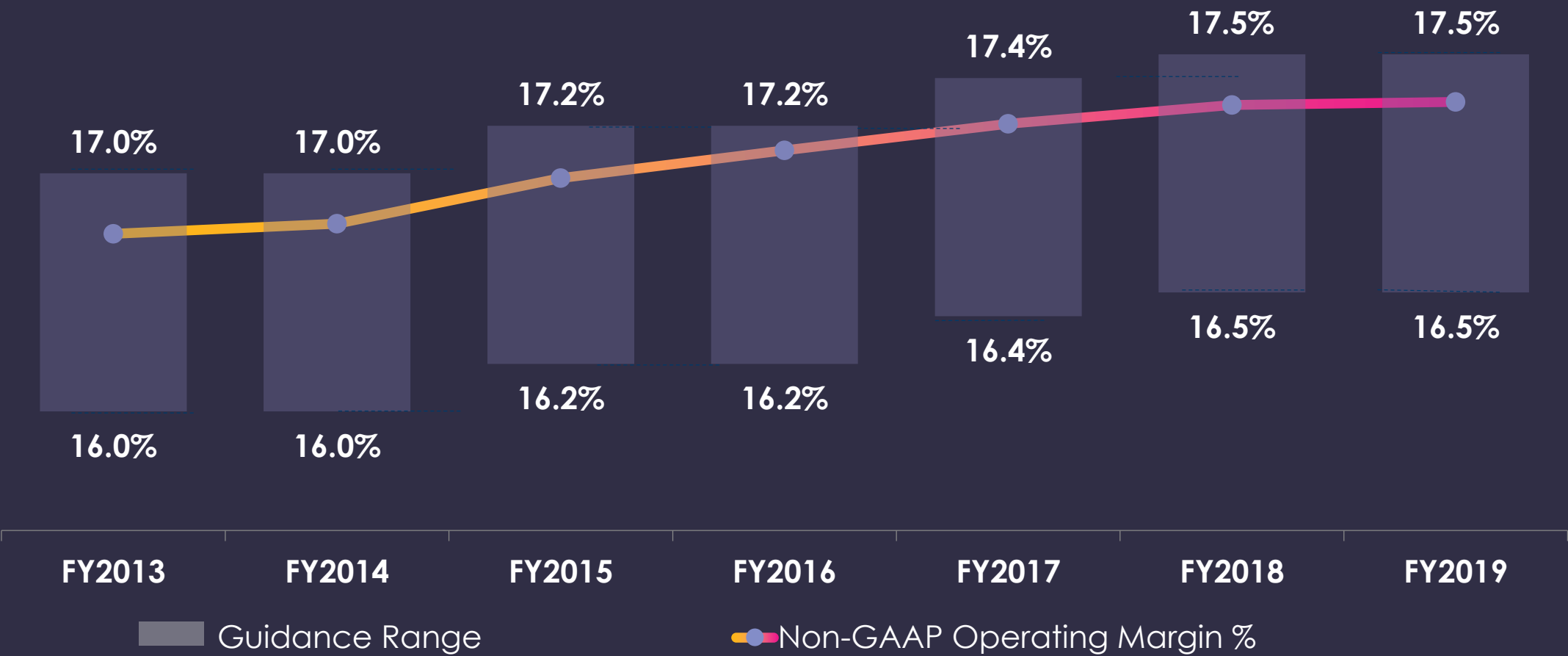


Margin stability, robust FCF and balance sheet



Attractive total shareholder return

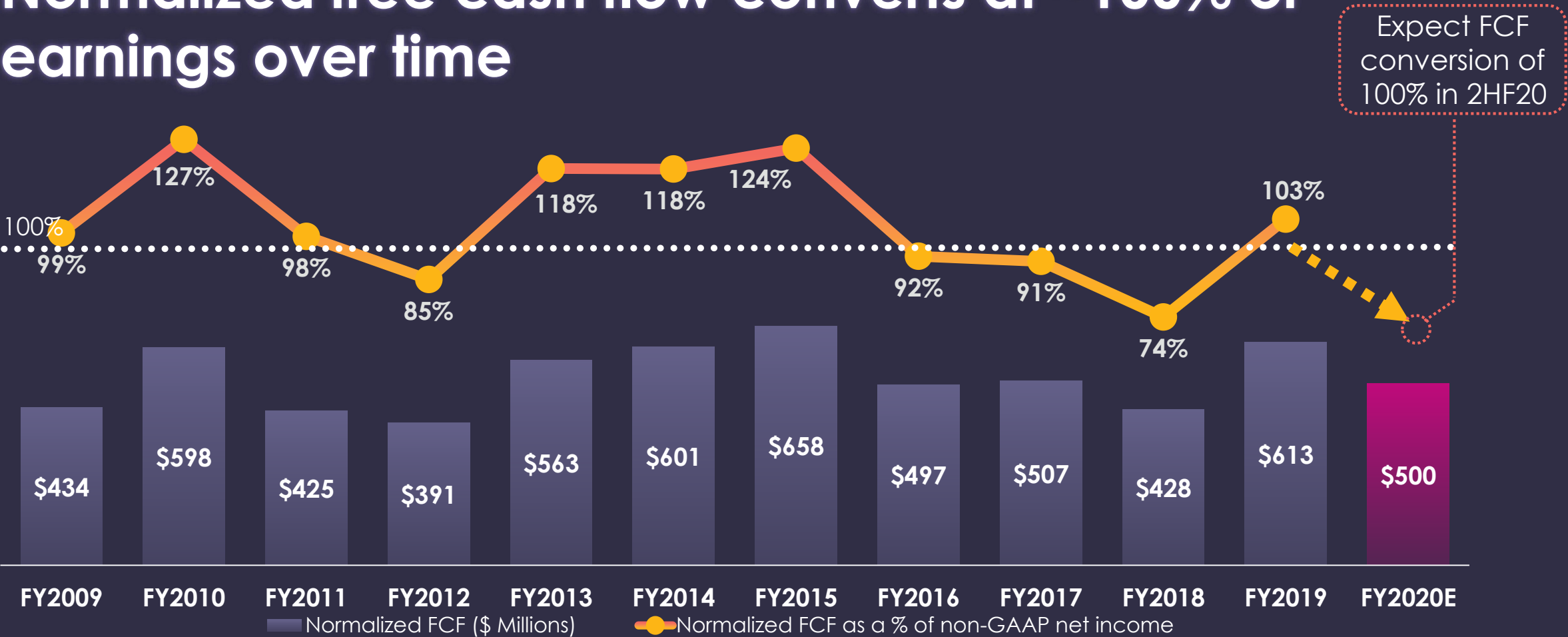
Operating margin performance (non-GAAP)



Margins have consistently tracked at the high-end of the guidance range



Normalized free cash flow converts at ~100% of earnings over time



On track to achieve normalized FCF target of \$500M in FY2020, returning a majority to shareholders
Optionality to execute M&A, utilizing debt as appropriate



2. Investment Thesis



Leadership position: best-in-class products, leveraging key trends



Recurring, highly visible & growing revenue base







Margin stability, robust FCF and balance sheet



Attractive total shareholder return

Fiscal year 2020 outlook

Expect positive revenue and earnings growth at the guidance midpoint, even with COVID-19 related headwinds

		Prior Guidance	Current Outlook
Revenue growth		2.5%–5.5% const. currency 2.5%–5.5% as reported	0.5%–3.5% const. currency (0.5)%–2.5% as reported
Non-GAAP operating margin ⁽¹⁾		16.5-17.5%	16.5%–17.5%
Non-GAAP EPS ^{(1) (2)}		3.0%–7.0%	0.0%–4.0%
Expected total return to shareholders ⁽³⁾		mid-to-high single digits %	~4%

1. Please refer to the explanation of Non-GAAP Financial Measures in Exhibit 99.1 to our Form 6-K filed with the SEC on May 7, 2020

2. Reconciliation of the Non-GAAP EPS guidance to GAAP EPS guidance is not available at this time without unreasonable effort; the impact of acquisitions, including the timing and amount of integration costs, make it difficult to provide meaningful and comparable GAAP guidance.

3. Assumes midpoint of Non-GAAP EPS growth outlook plus dividend yield of ~2.0% (assumes quarterly dividend rate of \$0.3275); yield calculated on Amdocs' closing share price as of May 7, 2020)

Amdocs investment thesis



Leadership position

Market high win rate: best-in-class product and service offering
Core leadership, **leveraging** growth in network, Pay TV & media



Recurring, highly visible & growing revenue base

Long-standing customer relationships
High managed services **renewal** rates + **new** engagements
Unique technology-led services model



Margin stability

Consistent operational **execution**
Disciplined investment to sustainably **accelerate** growth



Robust FCF and balance sheet

Improving FCF conversion, returning a **majority** to shareholders
Optionality to execute **M&A**, utilizing **debt** as appropriate



Attractive total shareholder return ⁽¹⁾

Annual non-GAAP EPS growth **>5%** for **8** consecutive years
Dividend yield **~2%** on quarterly dividend payment of \$0.3275
Additional **upside potential** of long-term growth initiatives



Experienced management team

Deep leadership bench ensuring business **continuity**,
new **talent development** and commitment to **innovation**

(1) Expected total shareholder return (TSR) defined as Non-GAAP EPS growth plus dividend yield

The background of the slide is a photograph of an office environment. On the left, there is a desk with several computer monitors and office chairs. On the right, two men in business suits are standing and looking at a document together. The entire image is overlaid with a semi-transparent dark purple filter. A large, white, curved shape is positioned in the center-left, containing the text 'Thank you'.

Thank you