

NASDAQ 44th Virtual Investor Conference

Amdocs Limited (NASDAQ: DOX)

Tamar Rapaport-Dagim
Chief Financial Officer & Chief Operating Officer
June 15, 2021



Non-GAAP Financial Measures

This presentation includes non-GAAP financial measures, including non-GAAP operating margin, free cash flow, normalized free cash flow and non-GAAP net income. Free cash flow equals cash generated by operating activities less net capital expenditures and other. 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. 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.

Forward Looking Statements

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. 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, changes in the overall economy; the duration and severity of the COVID-19 (coronavirus) pandemic, and its impact on the global economy; changes in competition in markets in which we operate; changes in the demand for our products and services; consolidation within the industries in which our customers operate; the loss of a significant customer; changes in the telecommunications regulatory environment; changes in technology that impact both the markets we serve and the types of products and services we offer; 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. 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, including the COVID-19 risk, are discussed at greater length in Amdocs' filings with the Securities and Exchange Commission (SEC), including in our Annual Report on Form 20-F for the fiscal year ended September 30, 2020 filed on December 14, 2020.

Amdocs Overview

Global Leader

\$10B
Market cap

3 billion
People touched by
our platforms

\$4.2B
FY20 revenues

1.7 billion
Daily digital
journeys

\$527M
FY20 normalized
free cash flow


350+
Customers
including the
largest SPs
on the planet

27,000
Employees

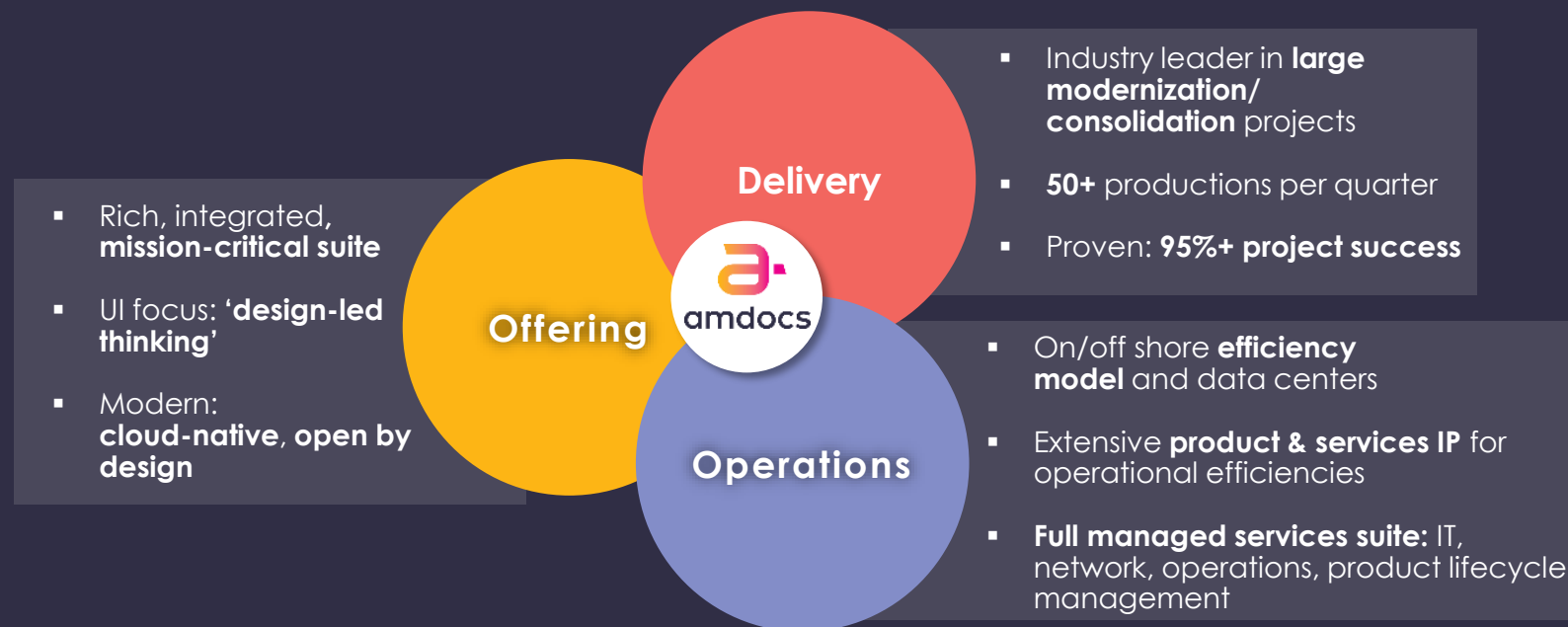
85
Countries

500+
Media company
relationships

Modernizing, digitizing and automating the communications and media industry with an innovative, 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



Our Global Footprint



Investment Thesis



Market leadership: best-in-class products, leveraging key industry trends



Recurring, highly visible & growing revenue base



Margin stability, robust FCF and strong balance sheet



Attractive total shareholder return

Best-in-Class Products and Services



Leader

Integrated Revenue and
Customer Management & OSS
Magic Quadrants for 8
consecutive years

Gartner

Market leader

OSS Magic Quadrant



Gartner

Market leader

IRCM Magic Quadrant



Gartner



#1

Global Revenue
Management
Market Share

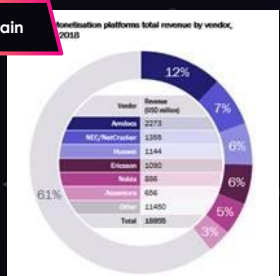
IHS Markit



#1

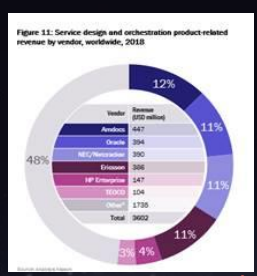
analysys mason

#1 Maintain



Monetization Platform
Vendor by Market Share

analysys mason



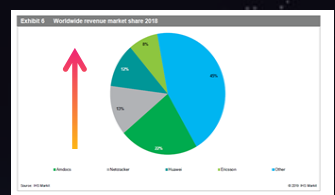
Service Design and
Orchestration Market Share

NelsonHall
Success through insight

in TMC, Amdocs, Accenture and Tech Mahindra lead

Rank	Vendor	Q1 2019 Revenue (\$M)	Share (%)
1	Amdocs	420	34
2	Accenture	420	34
3	Tech Mahindra	380	31
4	Cognizant	280	23
5	IBM	260	21
6	Wipro	150	12
7	Infosys	130	11
8	AT&T	110	9
9	Cognizant	100	8
10	Alcatel	80	7
Total		1,240	100

IHS Markit

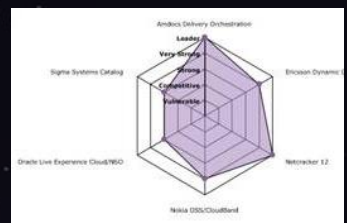


Leader, Service
Fulfilment and
Orchestration



#1

GlobalData



New! Leader, Service
Fulfilment and
Orchestration



Leveraging Key Industry Trends

Strategy: align growth engines with major industry trends and meet our customers' ever-evolving business needs



Digital

Focus on an **innovative**, product-led portfolio to **modernize** telecoms IT and **transform** operations



OPENET

Enable CSPs to rollout and monetize new services and network capabilities



Network

Develop next-generation OSS, enabling service providers to deliver and monetize dynamic, real-time, network-based services



Media

Execute on content-based media strategy

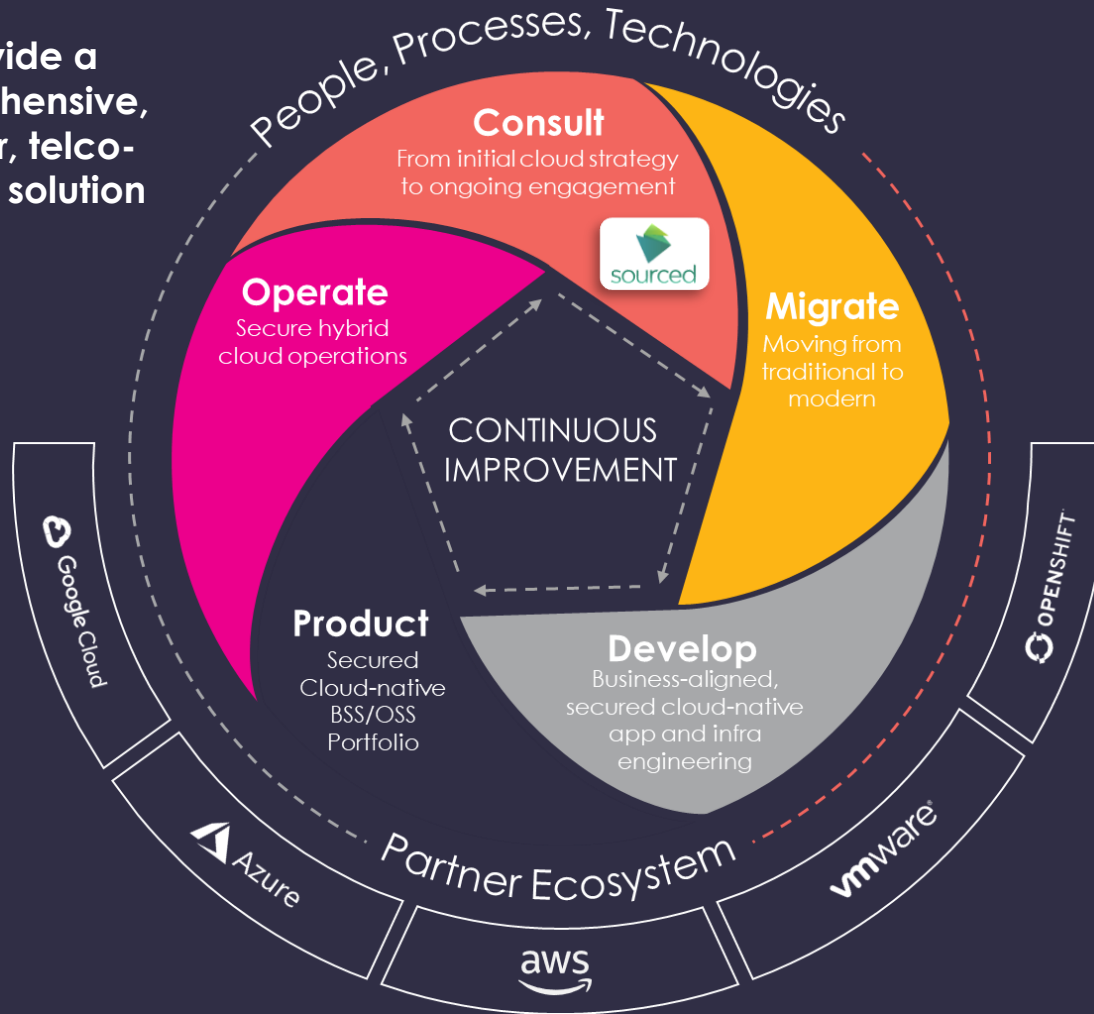


Cloud

Lead the telecom industry to the cloud by accelerating all cloud journeys

Amdocs Role in Accelerating the Telecom Industry's Journey to the Cloud

We provide a comprehensive, modular, telco-specific solution



November 2020

New and expanded multi-year, strategic agreement to deliver integrated, cloud-native BSS offerings for global CSPs



May 2021

Expanded strategic collaboration to widen BSS/OSS portfolio availability on Azure

Investment Thesis



Market leadership: best-in-class products, leveraging key industry trends



Recurring, highly visible & growing revenue base



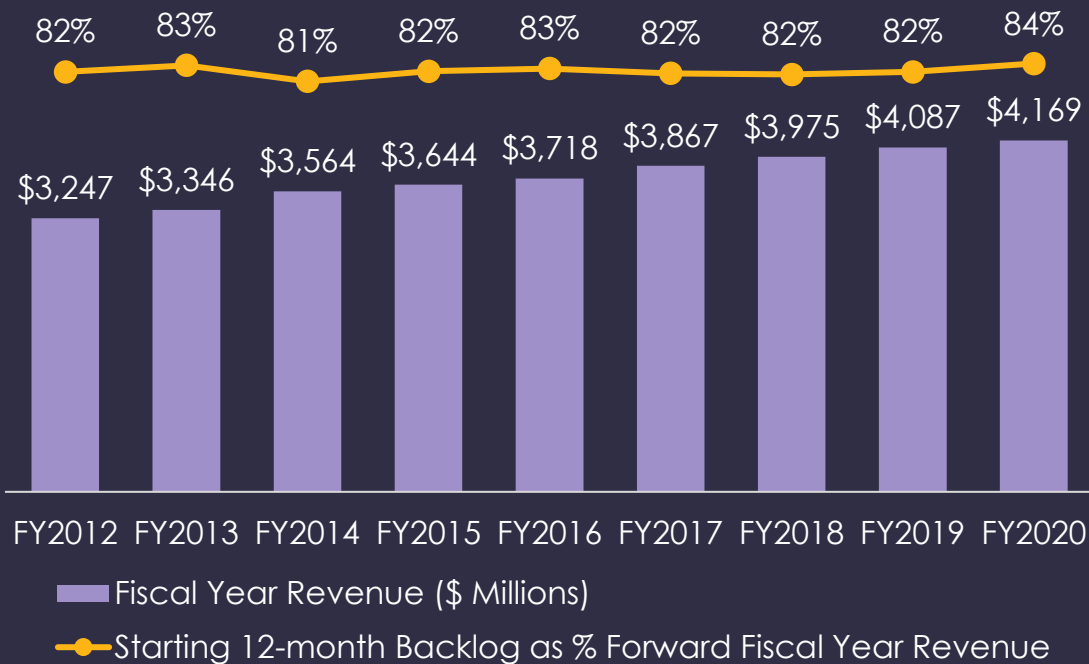
Margin stability, robust FCF and strong balance sheet



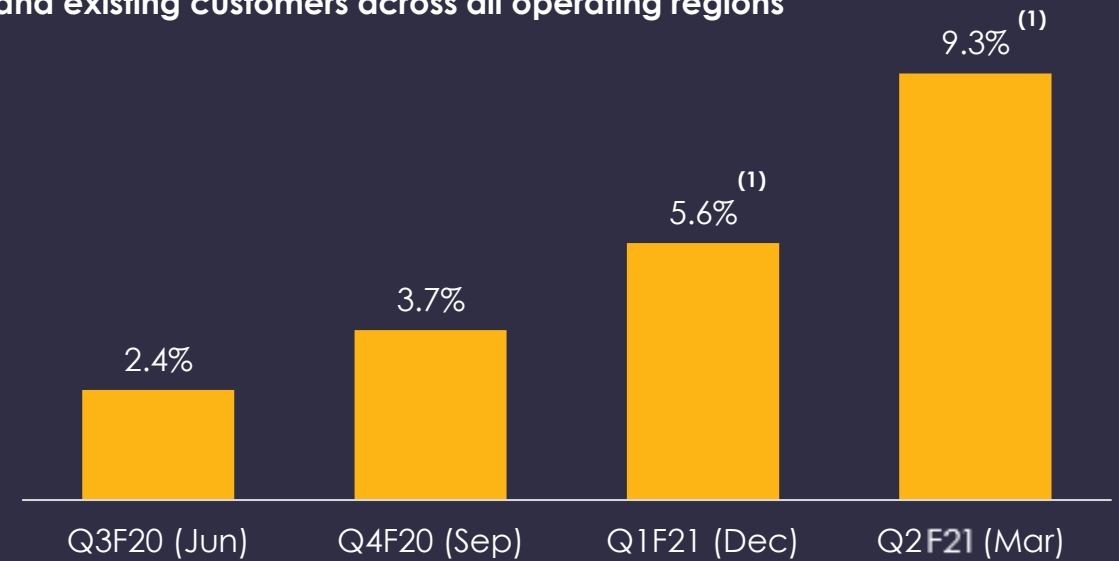
Attractive total shareholder return

Unique Business Model Translates to High Visibility and Consistent Revenue Growth, now accelerating...

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



12-month Backlog Growth: healthy year-over-year trends reflect strong sales momentum in digital, 5G, and the cloud new logos and existing customers across all operating regions

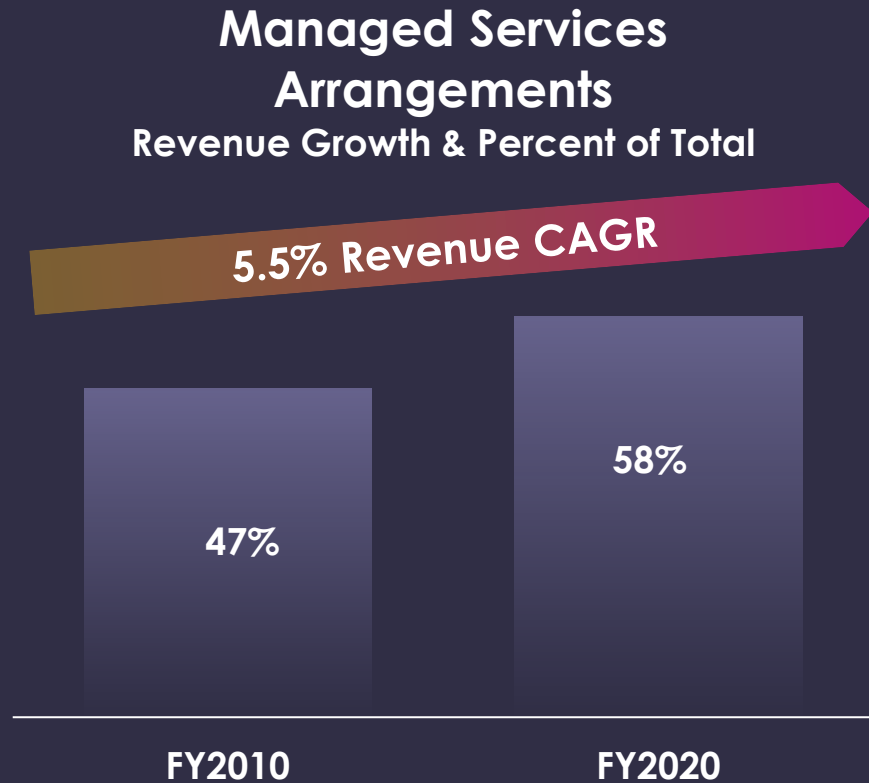


1. Pro forma growth excluding the financial impact of OpenMarket (which was divested on December 31, 2020) from the current fiscal year and comparable fiscal year

12-month backlog serves as a good leading indicator of forward-looking revenue

Visible and Highly Recurring Revenue Stream

Growth in Managed Service arrangements underpin resilient business model



Projects eventually translate to future recurring service revenues

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

Majority of customers have potential to adopt managed services

Growing Appetite for Managed Transformation Activity



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

Diversifying our Business into New Geographies and New Logos

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



21 countries individually generated revenue of ~1% or greater in FY2020 versus only 8 in FY2010
Revenue from Top 10 customers was 65% of total in FY2020, versus 75% in FY2010

Investment Thesis



Market leadership: best-in-class products, leveraging key industry trends



Recurring, highly visible & growing revenue base

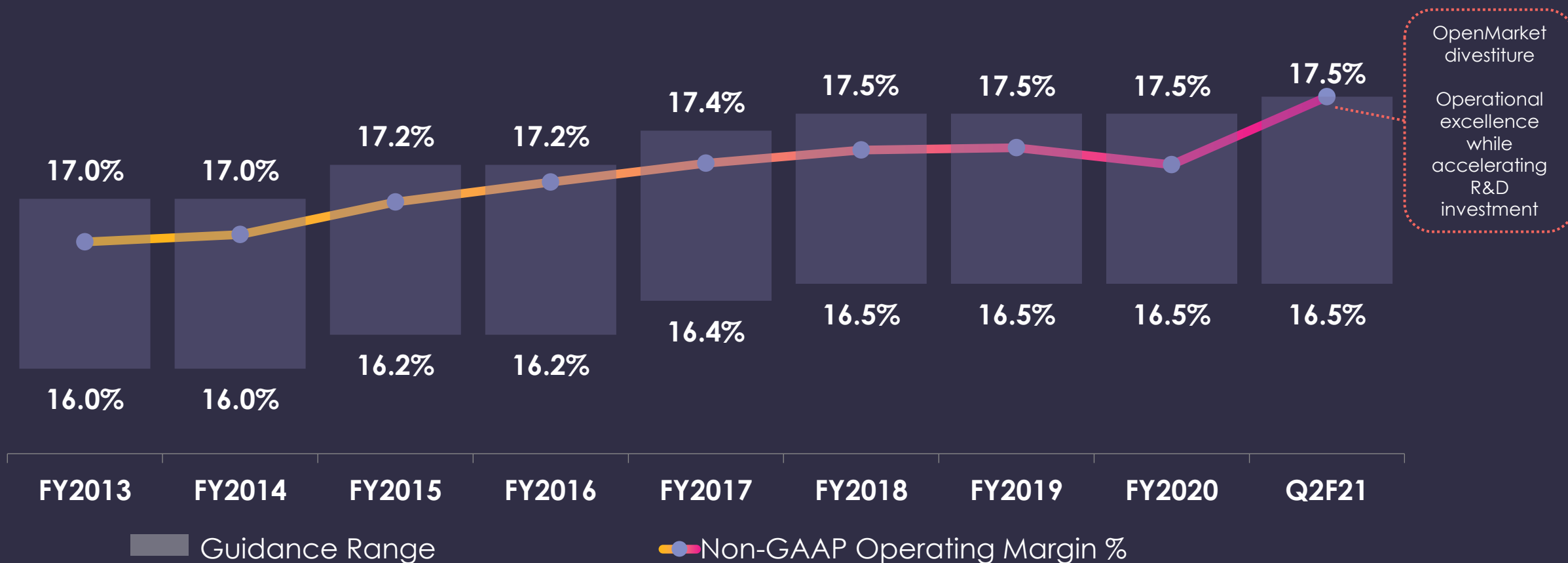


Margin stability, robust FCF and strong balance sheet



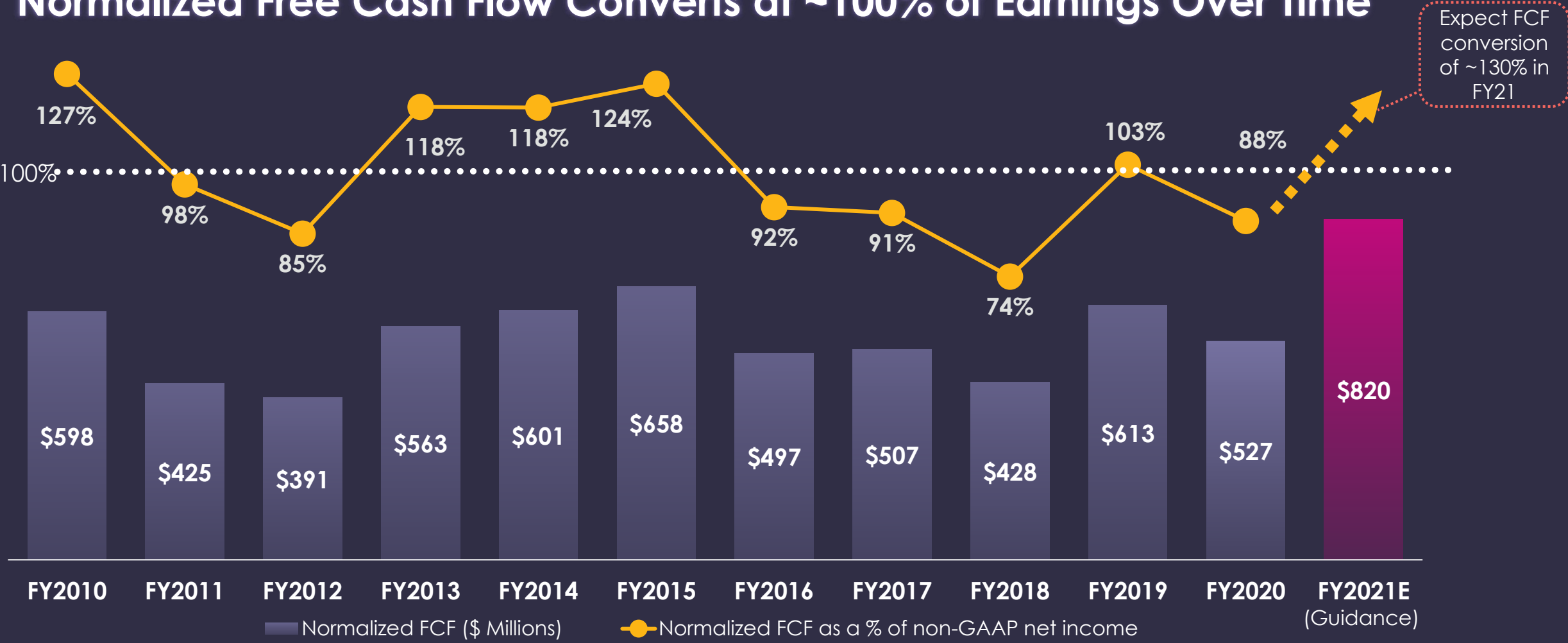
Attractive total shareholder return

Strong Financial Profile Provides Consistent Margin Performance Over Time



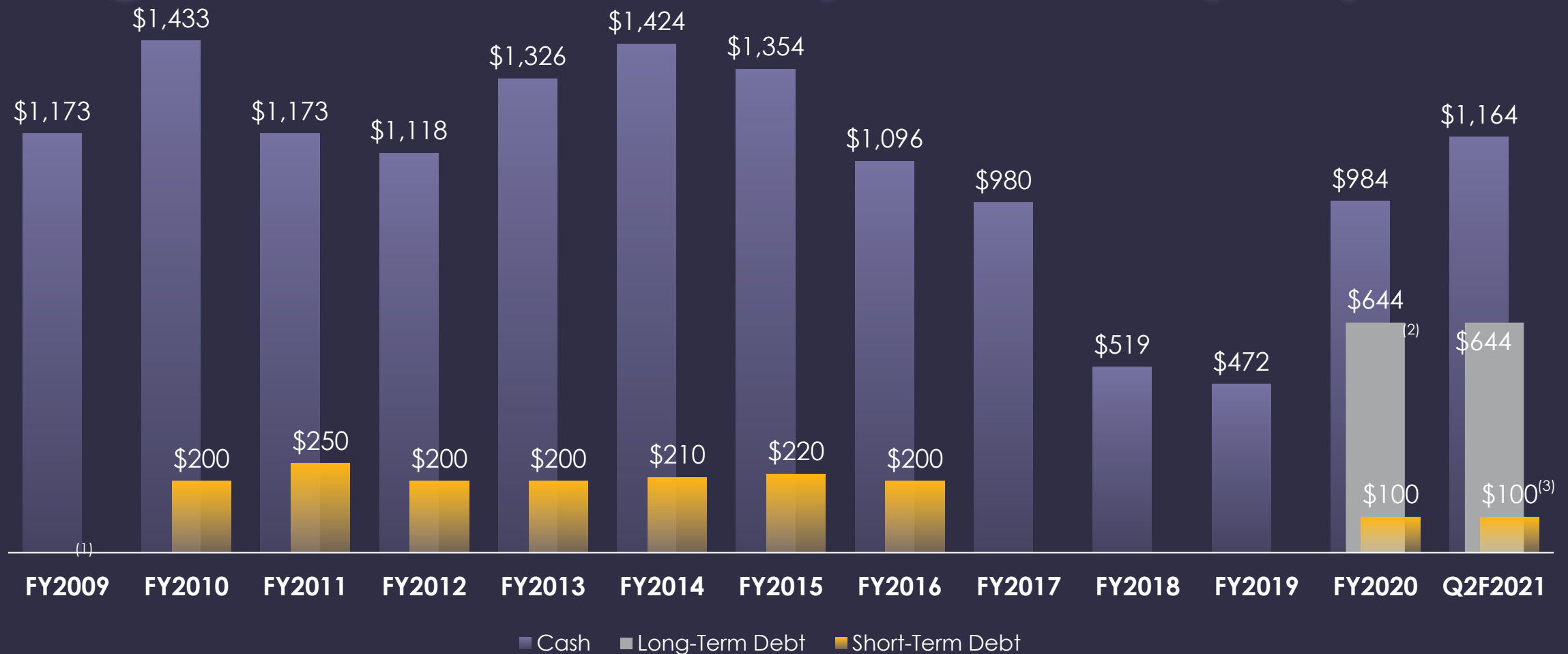
Margins have consistently tracked at the high-end of the guidance range

Normalized Free Cash Flow Converts at ~100% of Earnings Over Time



Majority of normalized FCF has been returned to shareholders since FY2010

Strong Balance Sheet With Ample Cash & Liquidity



\$1.7B total liquidity including undrawn capacity of \$500M revolving credit facility

1. FY09 includes outstanding convertible notes of \$1.02M
2. \$650M senior note, issued in June 2020, maturing in June 2030; net of unamortized debt issuance costs
3. \$100M short-term loan was repaid in early May 2021

Investment Thesis



Market leadership: best-in-class products, leveraging key industry trends



Recurring, highly visible & growing revenue base

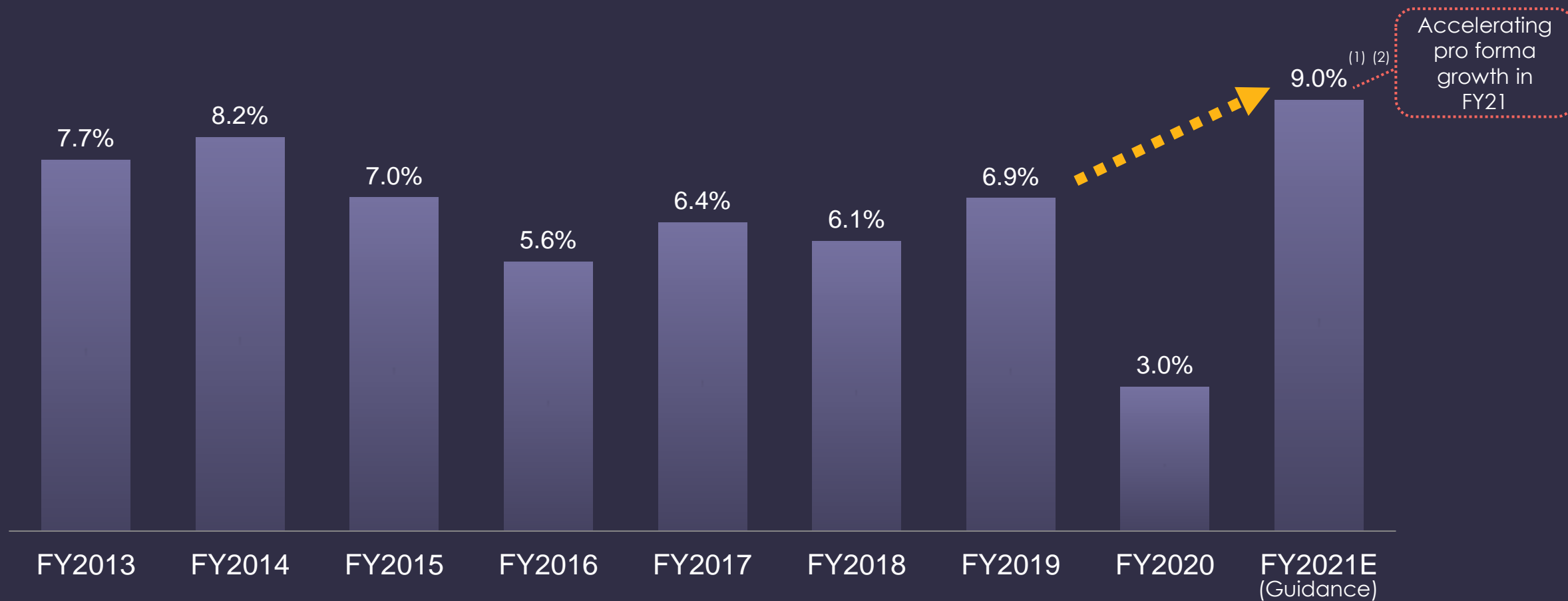


Margin stability, robust FCF and strong balance sheet



Attractive total shareholder return

Diluted Non-GAAP EPS Growth: YoY% Change



Consistent non-GAAP EPS growth over time, on-track to accelerate in FY2021

1. Pro forma growth excluding the financial impact of OpenMarket (which was divested on December 31, 2020) from the current fiscal year and comparable fiscal year

2. Midpoint of pro forma non-GAAP EPS growth guidance of 7.5%-10.5% year-over-year

Fiscal Year 2021 Outlook

Pro forma revenue and non-GAAP earnings growth accelerating, supported by a strong second half outlook

	Current Outlook	Prior Guidance
Pro Forma Revenue Growth at Constant Currency ⁽¹⁾	5%–8%	3.5%–7.5%
Non-GAAP operating margin ⁽²⁾	16.5–17.5%	16.5%–17.5%
Pro Forma Non-GAAP EPS Growth ^{(2) (3)}	7.5%–10.5%	5.5%–9.5%
Expected total return to shareholders ⁽⁴⁾	Double-digits %	Mid-to-high single digits %

1. Pro forma metrics exclude the financial impact of OpenMarket (which was divested on December 31, 2020) from the current fiscal year and comparable fiscal year

2. 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 13, 2021

3. 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.

4. Assumes midpoint of Non-GAAP EPS growth outlook plus dividend yield of ~2.0% (assumes quarterly dividend rate of \$0.36); yield calculated on Amdocs' closing share price as of May 12, 2021)

Amdocs Investment Summary & Key Takeaways

- ✓ Global **market-leader** serving the world's largest communications and media providers
- ✓ Levered to **major multi-year** industry investment cycles
- ✓ **Fully accountable** business model combining **innovative** software products, IP-based services, **proven** delivery and operations **expertise**
- ✓ **Recurring, highly visible & growing** revenue base, translating to **strong** consistent financial performance
- ✓ **Accelerating** growth outlook



Thank you

Non-GAAP Reconciliation¹

Figures in \$M											
	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
Revenue	2,984	3,178	3,247	3,346	3,564	3,644	3,718	3,867	3,975	4,087	4,169
GAAP Operating income	410	404	442	482	496	516	483	517	428	570	595
Amortization of purchased intangible assets and other	87	73	52	38	58	70	110	110	108	97	78
Equity-based compensation expense	44	37	43	40	45	45	43	45	47	39	42
Changes in Certain Acquisition Related Liabilities Measured at Fair Value	-	-	-	-	-	(25)	-	(7)	18	2	-
Restructuring & Non-recurring charges	-	-	-	-	-	13	-	-	85	-	-
Non-GAAP Operating Income	542	514	538	560	598	619	636	665	687	708	715
% Margin	18.1%	16.2%	16.6%	16.7%	16.8%	17.0%	17.1%	17.2%	17.3%	17.3%	17.2%
Depreciation	112	114	107	105	105	108	114	105	105	111	118
Adjusted EBITDA	654	628	646	665	704	727	749	770	792	819	833
Net Cash Provided by Operating Activities	685	535	514	671	709	773	620	636	557	656	658
Purchases of property and equipment, net	(87)	(110)	(122)	(107)	(112)	(121)	(130)	(133)	(231)	(128)	(206)
Other	-	-	(1)	(1)	4	6	7	5	-	-	-
Free Cash Flow	598	425	391	563	601	658	497	507	326	528	453
Payments for legal dispute settlement	-	-	-	-	-	-	-	-	-	55	-
Payments for previously expensed restructuring charges	-	-	-	-	-	-	-	-	6	16	2
Net capital expenditures related to the new campus development, net	-	-	-	-	-	-	-	-	96	7	63
Payments of acquisition related liabilities	-	-	-	-	-	-	-	-	-	8	9
Normalized Free Cash Flow	-	-	-	-	-	-	-	-	428	613	527
*Normalized FCF disclosed as of FY2018; some figures may not sum due to rounding											