

REFINITIV STREETEVENTS

# EDITED TRANSCRIPT

DOX.OQ - Amdocs Ltd at Citi Global Technology Conference

EVENT DATE/TIME: SEPTEMBER 06, 2023 / 12:15PM GMT

## OVERVIEW:

Company Summary

## CORPORATE PARTICIPANTS

**Joshua Sheffer** *Amdocs Limited - President, CEO & Director*

## CONFERENCE CALL PARTICIPANTS

**Ashwin Vassant Shirvaikar** *Citigroup Inc., Research Division - MD & Lead Analyst*

## PRESENTATION

**Ashwin Vassant Shirvaikar** - *Citigroup Inc., Research Division - MD & Lead Analyst*

Welcome to day 1 of Citi's 2023 Tech conference. My first meeting kicking off here today and I'm Ashwin Shirvaikar, by the way. I head up payments processor and IT services here for Citi. It's my pleasure to kick off our meetings with Amdocs and from Amdocs, we have Shuky Sheffer, who is the CEO of the company. Shuky thank you for doing this. I appreciate you supporting us. I kind of thought that maybe it would be a good idea to maybe start off with an introductory question just for folks in the room that are not fully familiar with who Amdocs is. Maybe can you provide a short overview of Amdocs, who you are, who your clients are and so on?

---

**Joshua Sheffer** - *Amdocs Limited - President, CEO & Director*

I'm not sure we have enough time, I'm just kidding. The -- we are obviously in the telecommunication industry. If you think about service provider, it would be like the AT&T, T-Mobile, Comcast, these are our customers around the world. And what we do for them is if you think about when you get service from a company like T-Mobile or AT&T, obviously, you interact with the channels. It could be the call center, it could be the retail store, it could be the mobile applications, so all the application around it. All the ordering application, catalog, all the financial system from obviously, from accounts receivable and billing and everything around the monetization and then obviously provisioning all the services to the network.

So it's the end-to-end portfolio that cover everything that communication service provider needs. We do both the -- talk about later about the product and the services. We are the market leader in this domain. We estimate our addressable market, by the way, which increased because we increased the portfolio in the later areas, close to \$60 billion today. If you think about what are the main growth engines for the company, there are some that are working for us for the last 3, 4 years. The new one, we will talk about Generative AI, I'm sure later on today.

But if we talk about, obviously, the move to 5G. Every [end-to-end] customer in the world is spending billions in deploying 5G and getting all the value and the new services that you can deploy over 5G network. Lately, obviously, we see some more even acceleration in fiber. We'll talk about this. Everyone around 5G, everyone is moving to the cloud. We see ourselves as the #1 enabler to move all our customers to the cloud, which is just actually, we just started. I mean, the move to the cloud.

Another thing, which is extremely important for our customer, this was before COVID, I think accelerated by COVID is the fact that they want to be a digital company. They want to do everything in a digital way. And the last thing that I think is emerging with connected to 5G, now the network today is completely software-defined. So the ability to do network automation is something that we are also being part for network automation, network deployment. So these are the 4 or 5 growth engines that we are doubling down in the last 3, 4 years.

I think the fact that we are working in, I would say, what we call the highest mission critical of our customers, at the same time, give us a lot of high visibility for our business. I mean, because we have many, many -- lot of -- significant part of our business is recurring. And I think that before we have a lot of prediction, I think the whole workforce and resource allocation that we are doing could be pretty accurate. So you can see that we can really continue to grow our margin and do it in a very consistent way, very robust cash flow generation as part of it. So I think this is the main aspect of our business.

## QUESTIONS AND ANSWERS

**Ashwin Vassant Shirvaikar** - Citigroup Inc., Research Division - MD & Lead Analyst

Okay. Okay. And we'll get into some of those growth drivers sort of one at a time. But one question I do get particularly from newer investors who are looking at the name maybe for the first time is, why do you win? And maybe the converse question is in cases where maybe you don't, maybe who else is a main competitor and why would they win?

---

**Joshua Sheffer** - Amdocs Limited - President, CEO & Director

So we try to minimize this. I think another aspect, which is very unique in Amdocs. If you look today about, there is product companies, Salesforce is a product company, and there is system integrators like Accenture, Infosys and others. In Amdocs, we are what we call product-led services company. It means that we develop the product. By the way, we believe that our product is by far the best in the market. We do the implementation, the service implementation of our product and later on, we actually operate in Managed Services.

And this is a very, very unique offering, and it creates a very unique accountability model because usually the competition to Amdocs -- and by the way, we are the only one that have the whole portfolio from the channels to the network. So usually, when we compete in RFPs and bids, we are competing Amdocs that come with the whole portfolio, which is relevant for this specific RFP with the services, with the operation, with everything with a full accountability model and the competition is a consortium.

So they're bringing some system integrator that will try to glue the different products and to do a project. So in this environment, there was never real accountability because if something goes wrong, we say this integrator of the product involved, the product guy would say they are deciding how to implement, and you never get an accountability. So this is a very unique business model that I think -- if you remember with us many years, probably 10, 15 years ago, there was like a fight between the Amdocs model and the best of breed, which is the other one.

I think that if you look at -- these projects are so complex, most of the best-of-breed implementation fade miserably. So I think that this business model with the fact that we are continuing to invest in this product help us to win a lot. And the competition, as I said, there is no one like Amdocs. So we compete with Salesforce in one domain, we compete in other companies on billing, some one charging. I mean there is no one that has the full portfolio. I'm not saying we don't have 100% win rate, unfortunately, but we do win a lot.

By the way, our main competitor is the internal IT. If you look today, half of the IT is still done by internal IT, and this is our main competitor. So sometimes, it's emotional to replace internal IT because you need to give up on your own people. So we need to deal with it. And I think that sometimes it's not easy to reap and replace an incumbent. But overall, I think we enjoy very, very good win rate. And I think this unique accountability model, I think it's helping us a lot to win.

---

**Ashwin Vassant Shirvaikar** - Citigroup Inc., Research Division - MD & Lead Analyst

Okay. Now the internal IT point, I mean, telecom companies definitely proud of their IT heritage. Maybe let's talk about demand because it's kind of probably one of the most common lead-off question particularly nowadays, as you sort of think of both the cyclical element and the structural and [secular] spend. Maybe they'll start a bit more [topical] cyclical side. And as we sort of think of your own fiscal '23 through the course of the year, your demand commentary is saying it didn't really affect the macro trends and some of the stuff going on specifically in telecom.

And what we've heard is customers prioritizing sort of -- certain types of projects may be Managed Services, maybe certain types of cost-saving productivity type of initiatives or initiatives that may have a longer (inaudible) benefit. So what are you seeing in the market? How is your visibility better or worse than 6 months or 12 months ago?

**Joshua Sheffer** - Amdocs Limited - President, CEO & Director

So I will share with you, and I think that we shared some of it when we report our Q3 results. First of all, it's not the same thing all over. We are a global company. We are -- I just mentioned if you talk about -- the first question about our customers. So in the U.S., T-Mobile, AT&T, Verizon, Bell Canada, (inaudible), so very significant presence in North America, very significant presence in Europe, which is growing very nicely to us from Vodafone, which is the largest in many, many other -- by far, the market leader in APAC. And in Latin America, there are 2 groups there between America Movil and Telefonica and most of them are customers.

So we enjoy a very, very significant presence in market share. Although (inaudible), I mean we are a \$5 billion company with a \$60 billion addressable market, so there is room to grow. But I think that -- so not everything is the same in every geography. But I think the most -- the end customer wants to invest in their strategic, I would say, domains because this is what will happen to be competitive in the future. And what we've seen lately is that usually, there is a competition, internal competition between you are doing a full modernization, you are building new product, you think through the cloud. At the same time, you need to compete with the legacy platform.

So there's always competition, internal competition on the spend, on the budget between how much you double down on modernization and how much you spend on your legacy system? What we've seen more and more lately, this also creates some headwind to us that we discussed in Q3, is it customers doubling down on modernization. So when -- without the pressure that everyone is feeling today, they could do both. Now they are reducing some of the spend on the legacy and doubling down on the future, which I think makes sense from their perspective because if they want to be competitive in a next generation, generative AI, cloud native environment, this is everything come with a new platform.

So we see more and more prioritization on our customer, funneling more budgets to modernization. Some of it in some customers, it's the expense of the legacy system. So this is what we see. We don't see -- still, I mean, you have to be 5G ready. I mean you cannot -- since you cannot survive and compete. You need to be ready for fixed wireless. So I think that they still continue to invest in the strategic domain, slowing down in the legacy platform.

Now for us, it's part of our business, but I call it cyclical because we've seen this. There was -- by the way, probably if you have discussion 4, 5 years ago, it was the opposite. There was more spend on legacy platform comparing to modernization. Now, actually it's flipped.

---

**Ashwin Vassant Shirvaikar** - Citigroup Inc., Research Division - MD & Lead Analyst

Yes. That makes sense. And in terms of the visibility into the next, say, 12 months, is it the same as 3 or 6 months ago? Is it getting worse, getting better?

---

**Joshua Sheffer** - Amdocs Limited - President, CEO & Director

I think, I mean, we always report our 12 months backlog, which is, as I said in our -- I would say, in Amdocs business environment, I mean, which the business is very sticky, I mean we have never had -- we've never lost a Managed Services customer. I mean just moving more and more customer automated services. So it's a very resilient business model. So when we talk about -- so it's not mathematically exactly, but our 12 months backlog roughly represent about 80% visibility for the next 12 months.

We reported last quarter another record high backlog, and which is what was sequentially bigger, \$30 million, \$40 million, I don't know remember, over the previous quarter. Having said that, the same phenomenon that we discussed of slowing down some legacy spend also impacted from the other side, impacted our backlog. So all in all, I mean this is what we see right now, and we see some impact on the backlog from the legacy spend also.

**Ashwin Vasant Shirvaikar** - Citigroup Inc., Research Division - MD & Lead Analyst

Okay. Understood. And on the structural or cyclical side of things. Obviously, in your initial comments, you mentioned a few different items, digital transformation, cloud, network automation. When you look at your pipeline of opportunities, does -- what dominates that? What is more important? How is it changing (technical difficulty)?

---

**Joshua Sheffer** - Amdocs Limited - President, CEO & Director

So as I said, digital transformation was even before COVID. I mean, actually it stays consistent, it's (inaudible). I think 5G emerged significantly in the last 2, 3 years, like 5G deployment, 5G monetization. It's critical to our customers. So it's emerging, challenging every single business which is -- this has continued to be very strong.

By the way, talk about geographies, North America is a bit ahead of the rest of the world, but this is something which is there and continue to accelerate. The one thing we reported that we see growth acceleration is every -- all the cloud-related deals. The move to the cloud, it starts slowly, starting to pick up. So this is a domain that we see really picking up and we see more and more deals in Amdocs, which are cloud related.

Network automation is growing. I think it's starting to catch up because it's very dependent on the network deployment because the legacy 4G networks were proprietary, were not software-defined. When you move to the new core network and 5G, then you're starting to actually to move to a new type of environment which the network is software defined. So this is where the catch-up of the network automation.

A couple of 2 things that we see lately, which I don't know if one of them may be deserve to be structural. The other one is -- another thing that we see is increasing and catching up is B2B. If you look every Amdocs customer have B2C platform to the consumer than B2B. B2B, I think it's a domain, which is really underserved. I mean if you look at the most of -- if you have a business and you want to buy something from (inaudible) AT&T, everything is manual, excel.

So you want to buy 200 phones to your company. Today, you need to go to say -- it could be completely automated. So B2B is something that we are putting a lot of effort. And this is also related to -- very strongly to the very important, I would say, a partnership that we announced with Microsoft. I mean, we can talk about this. The other structural thing, which we're starting to see initial signs is generative AI, and why I call it structural? Because this is true that you can get generative AI benefits also implemented on top of legacy platforms. This can be done. But it doesn't come native like it comes completely integrated what we do with the new platforms.

So I think customers understand that if you want to maximize the leverage of using generative AI, it's actually another reason to accelerate modernization because it comes natively. And if -- yes, you can do generative AI in some domain, also in the legacy platform, but it will not bring you -- we'll talk about [Gen AI], I can give some example later on, but it will not come natively like it comes with our new platform. So this is another thing that I think deserves to go structural.

---

**Ashwin Vasant Shirvaikar** - Citigroup Inc., Research Division - MD & Lead Analyst

Yes. The B2B opportunity comes certainly -- it comes from most of those relationships, I think, are very bespoke. And you all...

---

**Joshua Sheffer** - Amdocs Limited - President, CEO & Director

Yes, extremely bespoke.

---

**Ashwin Vasant Shirvaikar** - Citigroup Inc., Research Division - MD & Lead Analyst

And you all -- as you mentioned. The one question I do get from investors with regards to the 6% to 10%, and I know you will provide your outlook [of 4 months] in November. But the clarification question with regards to that is when you had provided your 6% to 10% general outlook, did that

sort of think about or encapsulate weak years with downturn potential as well as sort of a more normal environment? Or what is that more about encapsulating the rather strong 5G and other demand that you were seeing at this time?

---

**Joshua Sheffer** - Amdocs Limited - President, CEO & Director

So actually, when we gave it, I think it was a couple of years, we cannot predict the whole -- all the macroeconomic environment. I think that -- let's start with the big picture remain positive. I mean that what we do to our customer is highly strategic. I mean, I can tell you that all our customers will move to the cloud in the next 3, 4 years. I mean it's a must. I mean it's -- and it's not because TCO. You move to the cloud because you get to environment with the time to market is better, it's highly secured. It's also create TCO reduction.

The simple example is that all our customers today that are running, for example, in North America are running still on an on-premise environment, they need to have the hardware capacity to support Black Friday or the holiday season, which is almost 2x, 3x the normal capacity. When you have a cloud environment, you have elasticity, you can add resource consumption, et cetera. So you're doing it for many reasons. So everyone will move to the cloud. I mean it's, by the way, highly secure. We know how much security is important today.

Everyone will have to support 5G. Everyone wants to deploy fixed wireless because I think the first time in many, many years that in the top 10 broadband provider, you have a mobile company. In fixed wire, it's T-Mobile. So everyone will have to deploy fixed wires, people wants to deploy fiber, the government here in the U.S. also putting a lot of money in accelerating this. And eventually, everyone will want to enjoy and deploy the capabilities of generative AI.

So I think that, as I said, the big picture is positive because our customer will have to invest and you know that at least roughly 60% of our business is Managed Services, which is highly resilient. So this is, I mean, the good news. The bad news that, like anyone else, we are facing headwinds because of legacy investment platform, et cetera, and some customers are more cautious in spending. So we are not immune completely to this. So it does impact us.

As you mentioned, we are going to give our formal guidance because we are a October to September company. We are going to give our formal guidance when we finish the year and give the formal guidance in November. But I want to add from -- and this will be more clear regarding the revenue guidance -- but I think I can share now is that from the margin profitability perspective, I think that it looks good. And I think that we are enjoying for many years now, actually, even more, all the investment that we've done in automation. We are doing so many Managed Services, so everything we do in automation.

And our agreements with our customers, unlike some of our competitors, it is not a rate card type of relationship. We are committed to [earn] operation in certain service level. So every automation efficiency will bring to the business actually impact our margin for the good, so this is one. A lot of, I would say, generative AI capabilities that we can see can also even accelerate automation in our domain. So we already shared with the investors that we believe that our journey to improve profitability will continue to next year. We see another year of double-digit [expected total shareholder returns] (corrected by company after the call). From this perspective, I think that we shall do.

---

**Ashwin Vassant Shirvaikar** - Citigroup Inc., Research Division - MD & Lead Analyst

Yes. No, that's sort of important to point out. In terms of the inputs into your margin trajectory. Is it possible to sort of parse out the relative impact? I mean you mentioned generative AI a couple of times. We talked about that in some more detail. But the impact of maybe that, the impact of moving forward to a (technical difficulty) location as opposed to many distributed offices, so we've done that. (inaudible) revenue mix impact as well?

---

**Joshua Sheffer** - Amdocs Limited - President, CEO & Director

The main, I think -- the main reason is automation and generative AI, and I want to give one quick example to make it easier. And when -- because we are doing the product, we are doing the implementation of the systems, which is very complex, by the way, and then we do the operation.

When we are doing the whole thing, we are the only one that -- when we are not doing this, other companies, there could be like Infosys will do the Managed Services and it will be someone else who do the product.

Because it's one company, so if, for example, our team, level 1, level 2, get a lot of call and we see there is some reason that some of the orders are not going through smoothly to the system. And this requires a lot of work to make them work. They can take this information and feed it back to the product people. The product people will analyze it and fix it in a way that we'll not have to do like others to throw people at the problem. Actually, we will fix the problem, the core, because we are doing also the product and this will definitely impact not just this specific account that we founded, but the whole Amdocs accounts worldwide. So this is a very unique automation like this.

Generative AI is a step completely -- it's big programming, from automation that we can discuss in a second. We saw some good progress in this domain. And already we initiated a lot of programs in the company. This gives us the confidence that we've done a significant reduction in force already in Q4. We are taking some, I think, roughly \$50 million restructuring charges in Q4. And because we want to start clean next year after we've done all this reduction in force, which is mainly build on automation between them.

---

**Ashwin Vassant Shirvaikar** - Citigroup Inc., Research Division - MD & Lead Analyst

Okay. So generative AI. Could you -- I guess a 3-part question and you answer it in whichever order. The first part is maybe talk about your capability. The second part is, you mentioned it in the context of cost and productivity a couple of times. So definitely that. But the third part is you also have the relationship and partnership, say, with, for example, Microsoft and the revenue opportunity. So maybe there's 3 areas broadly?

---

**Joshua Sheffer** - Amdocs Limited - President, CEO & Director

When we look at generative AI, and we have done in the several announcements, this domain we come with our framework for generative AI. I mean, first of all, like every good corporation, we see that we can do things better, in finance, in HR, in any corporate-like activities. So we are looking to see and we have a lot of initiatives how to do this. The second thing we talk about -- I will give an example of automation that we can apply -- take automation that we've done before, but take it to the next level.

We have, I don't know, 12, 15 years of history in our Managed Services system. So think about this at every -- there was a problem in customers, so it will have in the system. This was the customer, this was the problem. This was the triage results. This was the root cause analysis. This is how it was solved, and this is the model that we touch, and this is the script that was run at the same time. This is all -- thousands of thousands of this in our system.

Now we had some automation before to do some self-healing. But now, we are building tools that support Amdocs employee can rather have this problem. You can also speech to text, but let's say you've been writing this and it will immediately tell you, no, this problem happened in this customer, this was the issue, this is how it resolves, this is the model that you need to charge. It's completely elevated the capabilities of doing support. And this says that we can do support in much more automated way.

Another thing we develop software to our customers. By the way, we own the intellectual property. So in many cases, it's ours. And there is some silo in the organization, meaning that you can have a situation that someone has developed some feature for a customer in Europe. At the same time, someone is developing the same feature for customer in US. So it's almost duplicate. Now we are pulling into this to one large language model, all the requirements, everything that we are doing.

So every developer of Amdocs would say, "I want to develop this" and you tell, "Okay, this is already developed already, you can take it and you're 80% there." So the whole sharing -- this is a couple of examples, but we have many of these that things can -- this is...

---

**Ashwin Vassant Shirvaikar** - Citigroup Inc., Research Division - MD & Lead Analyst

You are building your own language model.

**Joshua Sheffer** - Amdocs Limited - President, CEO & Director

Yes. We are building our own -- now, we build a framework. Because if you think when you do a framework for telco, first of all, it has to be telco grade. All of us are using ChatGPT and you're writing a question. Sometimes you can wait 20 seconds, 40 seconds, there was no like service level until you get. So we are building large language models. I think we are using LLaMA of Meta, but -- and actually putting all the data, telco taxonomy that it will be -- and there is privacy issues, security issues, there are many, many. So when we build, we build our framework that we announced a couple of -- 3 months ago. It's actually telco grade, meaning that we know how to secure it, we know how to make sure that we'll get the results in a timely manner in milliseconds.

So this is something that we are building that will fit telco environment. And we take all the data that we have. Another example, and before we'll get to the Microsoft is how we are going to improve our products. Today, we have the best catalog in the market. Everyone is using it, even Verizon decided to do it, because it's really a great catalog. And the catalog is like the most, I would say, easy way to define offering. Every offer is being defined in the catalog.

So today, if you want to define an offer, it will define some offer, you're trying to say. Think about this as now that you will go to the same catalog and say, "I will want to create an offer to millennial in Dallas, in this age, in this average -- in this area in the city that can spend this type of money, and we'll give you 4 different options to pick out of them." And then it also predicts what will be the uptake. So this really take our products to the next level.

Now definitely, when we announced -- when we announced the partnership with Microsoft, this was before generative AI, this was about creating with them, what we call CEP, which is customer engagement platform. And we are combining from actually integrating from Microsoft, all their CRM suite of...

**Ashwin Vassant Shirvaikar** - Citigroup Inc., Research Division - MD & Lead Analyst

Dynamics.

**Joshua Sheffer** - Amdocs Limited - President, CEO & Director

Yes, the Dynamics CRM suite, contact center, lead management, campaign management, all the contact center and those, teams, everything that's connected to the robust Dynamics platform to all the Amdocs monetization platform to be, and we are doing it R&D to R&D, going to be joint platform, which we believe is obviously the main competitor will be Salesforce, but we believe it's much stronger because it's pre-integrated.

Now, definitely, we work with Microsoft to see how we can embed copilot and other. Now, some of this came natively for Microsoft, like -- that when customer call in a contact center, immediately, you can do voice sentiment and predict what will be the answer and create generating email response and opportunities. I mean this has come actually natively for Microsoft, but we are now in discussion with Microsoft how we can obviously be a powerhouse in this domain, how we can take this together and even take it further.

But we see the generative AI, it is not just another -- this is a key, I would say, focus in the company. Anthony is leading all our technologies, leading it. We are doing it across all the board. We're identifying internally more than 80 use cases that we are in the process to deploy in all the different domain, bringing more value to our customers, bringing more automation and do what -- this is why we feel comfortable to do these steps because we see some initial results to do this significant step of reduction in force now, because we already predict already for next year and the year after, what are the savings that we are going to get to using this technology. And so all in all, I think we are very positive and bullish about this.

**Ashwin Vassant Shirvaikar** - Citigroup Inc., Research Division - MD & Lead Analyst

So maybe sort of a broader question because this is a topic of discussion with a lot of investors, is how will the gains and benefits of GenAI be shared between a vendor or a product company versus a client? Do you think the nature of contracts will change for you?

---

**Joshua Sheffer** - Amdocs Limited - President, CEO & Director

No. I can tell you that it is true that generative AI is probably something that will have an impact. I'm not definitely dismissing it. But this is -- remember that when we are in engagement with our customers, we don't always -- it's not about, okay, rate card. How much a scrum team will cost after -- we are not in this discussion.

And I think that when you see, for example, when we extended Managed Services agreement. So the discussion is not, okay, I'm going to do the same scope for less money. I mean we always lose in this discussion. Usually, you can see that our extension of bid of, okay, extending the Managed Services, moving to the cloud, moving to the new catalog and ordering platform, it's always a lot of things that we are trying to combine together. It's never an apple-to-apple.

So -- because -- you have to do it because you want not just to do. If you're doing the same things, you are not bringing value. I mean you become like the furniture of the building. I mean you have to bring more and more value and in this discussion, I think that our customers will see, I would say, improving margin -- sorry, improving cost from their perspective, TCO reduction. And in many cases, I believe that some of these savings actually will be funneled to accelerate technology.

So yes, we know we will have to deal with it. But I don't think it's new to us. I mean this is always -- I can tell you that we do Managed Services today much better than we've done 10 years ago. It doesn't matter that -- by the way, in the last comment, in some respect, the environment becomes more complex, which requires actually more spend. So GenAI is, little bit, I would say, I would say, some mitigated this because there is no -- even one Amdocs' customer which is in a pure cloud environment.

For the 5, 7 years, you are running hybrid environment, some of them on the cloud. So it's not that it's like a clean cut. I mean so -- some of it, I think that, some of the savings can be used to accelerate technology, some of it to accelerate to obviously to mitigate complexity, and we are getting prepared for that.

---

**Ashwin Vassant Shirvaikar** - Citigroup Inc., Research Division - MD & Lead Analyst

We only have a couple of minutes. And of course, [27] more questions. But in terms of some of the other topics, right, say, 5G, for example, journey to cloud. Maybe a broader question about these. Where do you think customers are in their journey? Are we still early stage, mid-stage, where are we?

---

**Joshua Sheffer** - Amdocs Limited - President, CEO & Director

So it depends on geography. I think the U.S. is a bit ahead of 5G. I think that -- and also in fixed wireless, for example. So you think the rest of the world is a follower in 5G deployment. I think the only outlaw is APAC, which Singapore and Korea are actually the only countries in the world that deployed what we call stand-alone 5G, which is not even deployed in the U.S. in scale.

So I think that we see 5G fiber [borne] fixed wireless, moving to I think from a cloud perspective, everyone is behind. I mean, this is true. I mean, everyone is just starting to move, which means that this cycle or this structure will take some time until -- I think the U.S. is now accelerating fiber. I think we talked about this.

I think from all the territories, I think, Latin America is a bit still behind in 5G deployment, which means that we are going to get there finally and we're going to be there already. I think this is -- but digital transformation, move to the cloud, 5G deployment, I mean, it's relevant for everyone. I think that U.S. is a bit ahead, but I think that everyone is starting to catch up.

---

**Ashwin Vassant Shirvaikar** - Citigroup Inc., Research Division - MD & Lead Analyst

Fantastic. And that's a great note to end the discussion on. We're out of time. A lot more questions.

---

**Joshua Sheffer** - Amdocs Limited - President, CEO & Director

Thank you for the opportunity. Thank you, guys. We'll be happy to share any information. As I said, I think that we remain positive about the environment. Obviously, like everyone else, we have headwinds that we are dealing with. But overall, I think the company is in a good spot.

---

**Ashwin Vassant Shirvaikar** - Citigroup Inc., Research Division - MD & Lead Analyst

Fantastic. Thank you very much.

---

**DISCLAIMER**

Refinitiv reserves the right to make changes to documents, content, or other information on this web site without obligation to notify any person of such changes.

In the conference calls upon which Event Transcripts are based, companies may make projections or other forward-looking statements regarding a variety of items. Such forward-looking statements are based upon current expectations and involve risks and uncertainties. Actual results may differ materially from those stated in any forward-looking statement based on a number of important factors and risks, which are more specifically identified in the companies' most recent SEC filings. Although the companies may indicate and believe that the assumptions underlying the forward-looking statements are reasonable, any of the assumptions could prove inaccurate or incorrect and, therefore, there can be no assurance that the results contemplated in the forward-looking statements will be realized.

THE INFORMATION CONTAINED IN EVENT TRANSCRIPTS IS A TEXTUAL REPRESENTATION OF THE APPLICABLE COMPANY'S CONFERENCE CALL AND WHILE EFFORTS ARE MADE TO PROVIDE AN ACCURATE TRANSCRIPTION, THERE MAY BE MATERIAL ERRORS, OMISSIONS, OR INACCURACIES IN THE REPORTING OF THE SUBSTANCE OF THE CONFERENCE CALLS. IN NO WAY DOES REFINITIV OR THE APPLICABLE COMPANY ASSUME ANY RESPONSIBILITY FOR ANY INVESTMENT OR OTHER DECISIONS MADE BASED UPON THE INFORMATION PROVIDED ON THIS WEB SITE OR IN ANY EVENT TRANSCRIPT. USERS ARE ADVISED TO REVIEW THE APPLICABLE COMPANY'S CONFERENCE CALL ITSELF AND THE APPLICABLE COMPANY'S SEC FILINGS BEFORE MAKING ANY INVESTMENT OR OTHER DECISIONS.

©2023, Refinitiv. All Rights Reserved.