

AMDOCS Q4 2025 CONFERENCE CALL SCRIPT - FINAL

November 11, 2025

5:00 pm

Matthew Smith, Head of Investor Relations

Slide 2: Disclaimer

Thank you, operator. Before we begin, I need to call your attention to our disclaimer statement on slide 2 of the presentation. It notes that some of our comments today may be forward-looking statements and are subject to risks and uncertainties, including as described in Amdocs' SEC filings, and that we will discuss certain financial information that is not prepared in accordance with GAAP. For more information regarding our use of non-GAAP financial measures, including reconciliations of these measures, we refer you to today's earnings release, which will also be furnished with the SEC on Form 6-K.

Slide 3: Today's Speakers

Participating on the call with me today are Shuky Sheffer, President and Chief Executive Officer of Amdocs Management Limited and Tamar Rapaport-Dagim, Chief Financial and Operating Officer.

Slide 4: Earnings Call Agenda

To support today's earnings call we are providing a presentation which 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.

On today's agenda, Shuky will recap our business and financial achievements for the fourth quarter and full fiscal year 2025 and will update you on our strategic progress, including our continued sales momentum in cloud and recent commercial developments in generative AI and Data services.

Shuky will finish by previewing our financial outlook for the full fiscal year 2026, after which Tamar will provide additional details on our fourth quarter financial performance, and our forward guidance.

As we communicated previously, Shuky and Tamar will compare certain financial metrics on a pro forma basis which adjusts prior fiscal year 2024 revenue by approximately \$600 million to

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reflect the phase out of certain low margin, non-core business activities which were substantially already ceased in the first quarter of fiscal 2025.

And with that, I'll turn it over to Shuky.

Slide 5: Shuky Sheffer, Chief Executive Officer

Thank you, Matt, and everyone joining us on our call today.

Slide 6: FY 2025: Another Important Year for Amdocs

Starting on slide 6, I want to express my sincere appreciation to our global team as we close out another year of important progress. Your dedication and commitment have driven solid financial results, consistent with our guidance, and you did it while executing our strategy to support our telco customers with cutting-edge cloud, digital and AI-based solutions.

To briefly recap fiscal 2025, revenue grew by 3.1% in pro forma constant currency, which adjusts for our decision a year ago to phase out certain low margin, non-core business activities to sharpen Amdocs' strategic focus while also resulting in stronger business visibility.

Among the many highlights:

- We delivered double-digit growth in Cloud which contributed over 30% of total revenue this year
- Share of revenue from long-term managed services reached a record 66%, further supporting Amdocs' already strong business resilience
- Profitability improved by 300 basis points, including 60 basis points from ongoing business transformation and efficiency gains, and
- We maintained our commitment to technology, innovation and product leadership, tailoring our investments to serve our customers' key business imperatives. These include B2B modernization, next-gen monetization, fiber networks, and, of course, generative AI where this year I am proud to say we made the successful transition from proof-of-concept trials to winning actual generative AI related deals.

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- Overall, we delivered non-GAAP diluted earnings per share growth of 8.5% in fiscal 2025 and achieved our target to deliver double-digit expected total shareholder returns, including our dividend yield.

Slide 7: Q4 FY25: Solid Financial Results

Now, let's take a closer look at our fourth quarter performance, beginning with the financials on slide 7.

- Revenue of \$1.15 billion was above the midpoint of guidance and up 2.8% from a year ago in pro forma constant currency
- Profitability improved by 20 basis points sequentially
- Non-GAAP diluted earnings per share was \$1.83, slightly above the guidance midpoint, and
- We finished the quarter with 12-month backlog of \$4.19 billion, up \$40 million sequentially, and 3.2% from a year ago.

Slide 8: Q4 FY25 Key Highlights

Growth in 12-month backlog was driven by strong sales momentum this quarter, contributing to our overall long-term book of business.

As slide 8 shows, pipeline-to-deal conversion was well balanced across our key operating regions and strategic domains, showcasing Amdocs' proven ability to scale our customer activities by continuously delivering fresh innovation over time.

- In cloud, we signed a multi-year managed services SaaS agreement with AT&T to deliver entitlement server capabilities via our eSIM cloud platform and we won new cloud modernization and migration awards at Lumen Technologies in US and TELUS in Canada.
- We extended our recent momentum in the generative AI domain with an exciting new award at Telefonica Germany, and
- We expanded our international footprint with new monetization and digital modernization awards at BT-EE in the UK, Altice SFR in France, Telia in Finland, KT in South Korea, and Claro Brazil.

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Several deals this quarter were struck under long-term managed services agreements, further deepening our customer relationships. These include an exciting landmark, multi-year strategic agreement with PLDT in Philippines which expands our long-standing managed services engagement to accelerate its IT modernization and streamline business processes through AI and generative AI capabilities.

Rounding out my operational highlights, Amdocs is engaged in the execution of complex, mission-critical transformation projects, closely working with our customers as a key partner. Q4 was another quarter of consistent execution in which we achieved important project milestones at AT&T, Comcast, Bell Canada, BT-EE, Vodafone and VodafoneThree, PLDT and e& UAE.

I am also proud to say that Amdocs ensured smooth customer operations during the high-volume launch of Apple's iPhone17 in September.

Slide 9: Strategic Growth Framework

Now, turning to slide 9, I'd like to provide some additional color with respect to our growth strategy which is designed to deliver the tech-led products and services our customers' need to:

- Accelerate the journey to the cloud;
- Maximize the value of generative AI and data across our customers' footprint;
- Digitalize customer experience for consumer and B2B;
- Monetize next-generation network investments; and
- Streamline and automate complex network ecosystems.

Slide 10: Progress in Strategic Domains: Cloud

Beginning with cloud on slide 10, demand for our cloud-native solutions and proven ability to accelerate public, private, and hybrid cloud migrations remains strong as we continue our strategy of moving mission-critical systems, workloads and applications that enable innovation, agility and cost savings for all our customers.

- In the US, Lumen Technologies selected Amdocs to support its cloud transformation, moving mission critical BSS applications to Google Cloud to strengthen its digital foundation.

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- TELUS in Canada expanded its multi-year managed services agreement with Amdocs to migrate on-premises wireless monetization operations to Google Cloud, enabling the faster launch of new consumer and enterprise offerings, improved customer experience and reliability and reduced operational costs, and
- Bell Canada, in collaboration with Amdocs, is migrating existing systems to the cloud to enhance scalability, strengthen resiliency, and achieve operational efficiencies.
- Our SaaS-based platforms— including Amdocs eSIM, Amdocs MarketONE, and Amdocs connectX —are also contributing to growth with rising customer adoption.
 - To provide a few examples, we signed a multi-year managed services SaaS agreement with AT&T to deliver entitlement server capabilities via our eSIM cloud platform. This continues to expand our eSIM SaaS platform momentum, adding over 100 million devices to it.
 - Additionally, Amdocs connectX already has more than 15 customers -- including Consumer Cellular and PLDT -- who are deploying the Generative AI-native platform to quickly launch exciting new digital brands.
 - Adding to the list, I'm pleased to announce that Orange Belgium has selected Amdocs to lead a key modernization initiative of their prepaid stack, leveraging our connectX platform. This project introduces real-time charging and a next-generation, scalable architecture designed to support their needs. It will drive efficiency while transforming the user experience with modern, digital-first journeys that will redefine engagement for Orange Belgium's prepaid subscribers.

Looking forward, cloud will remain a primary focus for Amdocs as we continue to support our global telco customer base, many of which are only just getting started on their multi-year cloud journeys.

Slide 11: Progress in Strategic Domains: Generative AI

Now, let's talk about generative AI & data on slide 11.

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Following the Generative AI-related deals we recently announced with e& UAE, Altice Optimum, and Consumer Cellular, I'm excited to report that Telefónica Germany, one of the country's largest quad-play service providers, has selected Amdocs to extend its billing platform for both consumer and enterprise services.

As part of this expanded multi-year collaboration agreement, Telefónica Germany will deploy new generative AI use cases leveraging Amdocs' amAlz Sales Agent to enable the efficient promotion of new products, and to automate the up sell of personalized offers to drive higher ARPU.

The award with Telefónica Germany is another proof point that shows we are starting to see trial POCs converting to actual generative AI projects, and we are excited about the initial results we are seeing. For example, one of the first service providers to integrate generative AI was e& UAE, a customer which is already achieving double-digit improvements in net promoter scores after deploying amAlz Agents.

Such progress reflects Amdocs' core telco platform and data services expertise, built on our verticalized amAlz platform which we have developed in collaboration with NVIDIA and other generative AI leaders. Moreover, I believe our recent success demonstrates the pivotal role Amdocs is playing as an IT partner in helping to accelerate generative AI adoption in the telecom industry.

Slides 12: Progress in Additional Key Strategic Pillars (1/2)

In addition to cloud and generative AI, we secured important wins in other strategic domains this quarter, as highlighted on slide 12.

- As previously announced, we finalized a significant, 10-year digital modernization and managed services agreement with BT-EE in the UK to deliver a modern B2C mobile platform for its prepaid and postpaid segments.
- We signed a multi-year strategic agreement with Telia Finland to build its next-generation Digital BSS enhanced with advanced AI capabilities, and

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- AT&T Mexico closed a new Digital program with Amdocs to enhance self-service experiences, expanding its digital selling capabilities.
- Here in the US, we signed a multi-year software and IT services agreement with Fidium, a next-generation American fiber internet and network services provider and a new logo for which Amdocs will modernize and manage its IT operations while supporting its broader digital transformation strategy.
- Elsewhere in the US:
 - A leading Tier 2 operator selected Amdocs for an additional five-year renewal of their BSS ecosystem.

Slides 13: Progress in Additional Key Strategic Pillars (2/2)

Service providers are also adopting next-generation monetization solutions to support their wireless and fiber infrastructure investments.

- Amdocs recently signed an expanded, multi-year billing transformation agreement with Altice France's SFR to consolidate multiple billing operations onto a unified, cloud-ready platform, and
- We signed a new agreement with South Korea's telecom operator, KT, to upgrade and modernize its charging system to accelerate time-to-market and boost operational efficiency.

This quarter, we also expanded our activities with the two largest operators in Brazil.

- First, Amdocs has entered an agreement with Claro Brazil to implement a Realtime billing platform designed to enable full-scale convergence across its multiple lines of business. Claro also extended its multi-year service contract with Amdocs.
- Second, in the network domain, we signed a modernization agreement with Telefónica's Vivo to provide a future-ready foundation for ongoing operations by deploying our latest OSS products.

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- Further underlining Amdocs' expertise and growth potential in the network domain, we have expanded our managed services agreement with Globe in the Philippines to include network strategy and planning, mobile access engineering and optimization to enhance service quality and operational agility.
- Additionally, we delivered the successful go-live of Amdocs' advanced Network Inventory platform for Vodafone Ireland and continued to expand our network activities with Vodafone Greece.

Slide 14: Investing for Generative AI Driven Growth

Before discussing our fiscal 2026 outlook, I wanted to circle back on generative AI to share our thoughts with respect to our strategy and investment plans, as presented on slide 14.

- Over the past couple of years, we've shared our belief that generative AI holds immense potential to transform the telecom industry.
- We have been working closely with our customers, to deliver tangible improvements in critical areas such as customer care and network operations, while building out generative AI capabilities in our amAlz platform.
- As the technology matures, the industry advances, and we see the progression from PoC to production, we believe there is now the potential to unlock even greater opportunities to enhance experience, agility, and efficiency.
- To fully capture this potential - for Amdocs and for our customers – we are accelerating our generative AI investments, which we expect will open new pathways for future growth across our entire customer base, irrespective of their BSS/OSS version.
- This includes fast-tracking the development of what we call our 'Cognitive Core': a next-generation platform built on the solid foundation of Amdocs amAlz. It integrates advanced generative AI capabilities such as agent-to-agent and MCP (Model Context Protocol) technologies, our verticalized telecom expertise, and the enablement of agentic services. In the coming quarters, we'll share more about our vision for AI-powered telecom operating systems.

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- For our customers, this investment in generative AI may represent a substantial shift in how they will adopt future software and services.
 - Notably, we believe it promises to simplify and accelerate their digital transformation and journey to the cloud, delivered under our outcome-based model.
 - Overall, with focused and intentional investment we expect Cognitive Core to emerge as a long-term growth engine for Amdocs by enabling us to better serve our full spectrum of customers - from those running current platforms seeking cost-effective line-of-business modernization, to top-tier innovators already modernizing on Amdocs' next-gen platform to lead with future-ready digital experiences.

Slide 15: Current Operating Environment

Now, let me comment on the current operating environment and our outlook for fiscal year 2026.

- We are entering fiscal 2026 with healthy 12-month backlog visibility, and a strong overall book of long-term business supported by our recent win momentum.
- With our unique tech-led and outcomes-based accountability model, Amdocs is also strongly positioned within our serviceable addressable market of nearly \$60 billion to monetize a rich pipeline of opportunities across cloud, digital, network, and generative AI and data.
- That said, we are closely watching for any impacts of the uncertain global macroeconomic environment on us and our customers' demand and spending behavior.

Slide 16: Initiating FY2026 Outlook

Tying everything together with our outlook on slide 16:

- We expect revenue growth in the range of 1.7% to 5.7% as reported, and 1.0% to 5.0% in constant currency for the full year fiscal 2026.

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- As to our profitability, we expect non-GAAP operating margins to increase by roughly 20 basis points year-over-year at the midpoint of our new target range as we balance our strategic long-term growth investments with the benefits of ongoing cost and efficiency gains across the business.
- All-up, we expect to deliver non-GAAP diluted earnings per share growth of between 4.0% to 8.0% in fiscal 2026, the midpoint of which equates to an expected total shareholder return in the high-single digits, including our dividend yield.

With that, let me turn the call over to Tamar for her remarks.

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Slide 17: Tamar Rapaport-Dagim, CFO & COO

Thank you, Shuky, and hello everyone. Thank you for joining us.

Before I begin, in today's comments I will compare certain financial metrics on a pro forma basis which adjusts prior fiscal year 2024 revenue by approximately \$600 million, to reflect the phaseout of certain low margin, non-core business activities which were substantially already ceased in the first quarter of fiscal 2025. To further assist your modelling, the regional mix of this revenue was similar to the overall company, and it contributed roughly \$150 million per quarter.

Slide 18: Solid Q4 FY2025 Financial Results

To begin, I am pleased with our solid financial performance for the fourth fiscal quarter, as detailed on slide 18.

- Q4 revenue of approximately \$1.15 billion was up 2.8% year-over-year in pro forma constant currency. Revenue exceeded the midpoint of our guidance, with no impact from foreign currency movements as compared to our guidance assumptions.
- Reflecting the phase out of certain business activities, reported revenue declined by 9.0% from a year ago.
- On a regional basis:
 - ✓ North America improved more than 2% sequentially, posting its strongest quarter of the fiscal year
 - ✓ Europe declined reflecting normal business fluctuations following record revenue in the previous quarter.
 - ✓ Rest of World was slightly lower on a sequential basis, reflecting mixed trends. With our strong sales momentum we have clear visibility to continued growth in Rest of World, but quarterly trends may fluctuate given the project orientation of our customer activities in the region.
- Shifting down the income statement, non-GAAP operating margin of 21.6% improved by 290 basis points from a year ago, driven by the announced phase out of low margin, non-core business activities and the benefits of ongoing efficiency gains within our operations.

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- Non-GAAP operating margin improved by 20 basis points sequentially.
- Interest and other expenses amounted to roughly \$10.3 million in Q4.
- On the bottom-line, non-GAAP diluted EPS of \$1.83 was slightly above the midpoint of guidance.
- Diluted GAAP EPS of \$0.88 included a restructuring charge of 60 cents per share resulting from certain transformational actions we have taken to optimize our workforce allocation, technology mix, infrastructure, workspace and other resources as we prepare to accelerate the internal adoption of generative AI in fiscal 2026. Excluding this restructuring charge, diluted GAAP was at the high-end of the \$1.41-\$1.49 guidance range.

Slide 19: Full Year Fiscal 2025 Financial Highlights

To quickly summarize our full year fiscal 2025 financial performance, results were consistent with the original guidance we provided a year ago, as shown on slide 19.

Revenue was up 3.1% in pro forma constant currency – above the midpoint of guidance.

On the bottom line, we delivered non-GAAP diluted earnings per share growth of 8.5% in fiscal year 2025, consistent with the midpoint of guidance and driven by sustained revenue growth, a 300 basis points improvement in non-GAAP operating profitability, and the benefits of our share repurchase activity.

Slide 20: Ongoing Diversification & Growing International Traction in Fiscal 2025

Turning to slide 20, this year we delivered double-digit growth in cloud which exceeded 30% of overall revenue as compared with roughly 25% in the prior year.

Further highlighting the ongoing diversification of our business and growing traction in international markets, half of our top 12 customers are international customers, 2 of which are new logos added in the last ten years, as slide 20 shows.

Additionally, we continue to expand our footprint with long-standing customers and new logos in North America. A great example is Charter, with which we had limited business a decade ago

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but is now one of our top 10 customers. Over the years, we have also added new logos in North America, such as Consumer Cellular and Fidium in fiscal 2025.

Slide 21: Record Managed Services Revenue in FY2025, Supporting Visibility and Business resilience

Turning to slide 21, managed services revenue was a record \$3.0 billion in fiscal 2025, up 3.1% from the prior year.

Managed services as a share of overall revenue also reached a new high of 66% in fiscal 2025, further strengthening our business resilience as we maintained high renewal rates and expanded our customer activities under long-term agreements.

As Shuky alluded to earlier, several of the key deals we signed in Q4 were struck under multi-year managed services engagements, the most significant being our landmark agreement with PLDT in the Philippines for which Amdocs will manage its complete IT services requirements—covering architecture, implementation, operations and performance outcomes with end-to-end accountability.

Additionally, we expanded our managed services agreements with Globe in the Philippines to include network operations, and at TELUS in Canada to cover the migration of its wireless monetization operations to Google Cloud.

Managed services can also be a spearhead to winning new customer logos, such was the case with Fidium in the US for which Amdocs will serve as the primary and exclusive partner to maintain and operate its IT fiber operation across multiple applications, while supporting its IT transformation as its preferred development partner.

Slide 22: Strong Balance Sheet & Cash Flow

Moving to the balance sheet and cash flow highlights on slide 22, DSOs of 74 days was down by 2 days sequentially and unchanged year over year, reflecting normal fluctuations in business activity.

Unbilled receivables net of deferred revenue rose by \$62 million sequentially in Q4 and was relatively flat compared to a year ago, aggregating the short-term and long-term balances. As a reminder, the net difference between unbilled receivables and deferred revenue fluctuates from

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quarter to quarter, in line with normal business activities, as well as our progress on multi-year transformation programs.

Driven by a strong fourth quarter, free cash flow before restructuring payments was \$735 million in fiscal 2025 and above our guidance range of \$710 million to \$730 million. Including restructuring payments of \$90 million, reported free cash flow was \$645 million for the year.

Overall, we finished fiscal 2025 with a healthy cash balance of approximately \$325 million, and an available \$500 million revolving credit facility, providing ample liquidity to support our ongoing business needs while retaining the capacity to fund our future strategic growth.

Slide 23: Disciplined Capital Allocation

Switching to capital allocation on slide 23, this quarter we repurchased \$136 million of our shares.

We had up to \$1 billion of remaining repurchase authority as of September 30, 2025.

We paid cash dividends of \$58 million in the fourth fiscal quarter.

Looking to fiscal 2026, we expect free cash flow of between \$710 million to \$730 million, not including additional payments we expect to make under our current restructuring program.

Our free cash flow outlook equates to a conversion rate of roughly 90% relative to expected non-GAAP net income and translates to a healthy free cash flow yield of roughly 8% relative to Amdocs' current market capitalization.

Regarding our capital allocations for the coming year, we expect to return the majority of our free cash flow to shareholders. This includes dividends, for which we are pleased to announce a proposed 8% increase in our quarterly cash payment to a new rate of 56.9 cents per share, subject to shareholder approval at the annual meeting in January 2026.

Slide 24: Leading Indicators & Visibility: 12-Month Backlog

Moving to slide 24, 12-month backlog was \$4.19 billion at the end of Q4, up 3.2% from a year ago.

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We expect 12-month backlog to represent roughly 90% of forward-looking revenue, further underscoring the importance of this metric as a leading indicator of our business.

Slide 25: FY2026 Revenue Growth Outlook

Now, turning to our revenue outlook on slide 25 we are continuing to closely monitor the prevailing level of macro-economic, geopolitical, business, and operational uncertainty in the current business environment. The first quarter and full fiscal year 2026 financial guidance reflects what we consider to be the most likely outcomes based on the information we have today, but we cannot predict all possible scenarios.

For the full fiscal year 2026, we expect revenue growth of between 1.7% and 5.7% as reported, and between 1.0% to 5.0% in constant currency.

We expect our strong sales momentum in fiscal 2025 to contribute to fiscal year 2026 revenue growth, and we assume a stronger second half to the fiscal year as we ramp up activities on recently secured deals.

On the other hand, our fiscal year 2026 revenue guidance assumes a revenue decline at T-Mobile due to reduced discretionary spending.

Our annual guidance also incorporates some contribution from inorganic deal activity.

As to the first fiscal quarter, we expect revenue of between \$1.135 billion to \$1.175 billion.

Slide 26: Sustained Margin Expansion, Balancing Strategic Growth Investments with Ongoing Efficiency Benefits

Moving down the income statement, expect non-GAAP operating margins within a new and improved target range of 21.3% to 21.9% in fiscal 2026, the midpoint of which is roughly 20 basis points higher than the prior year.

Our profitability outlook reflects an intentional decision to accelerate our R&D, sales and marketing investments with respect to generative AI and our next-generation Cognitive Core platform while balancing this with ongoing cost and efficiency gains resulting from our continued focus on operational excellence, automation and the internal deployment of generative AI - based tools across our business.

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Our margin outlook excludes additional restructuring charges we may take.

Slide 27: Outlook for High Single-digit Expected

Total Shareholder Returns in FY2026

Wrapping everything together on slide 27, we expect to deliver non-GAAP diluted earnings per share growth of 4.0% to 8.0% in fiscal 2026.

This outlook assumes pressure from “below the line” items in the year ahead.

- We anticipate a moderate increase in our non-GAAP effective tax rate to a rate for fiscal year 2026 of between 16% to 19%, primarily driven by a combination of regulatory changes, including the implementation of the Pillar 2 global minimum tax and other evolving international tax requirements. In the first fiscal quarter of 2026, our non-GAAP effective tax rate is expected to be above the annual range.
- Additionally, we anticipate higher finance costs this year resulting from a reduced cash balance, and funding of our strategic long-term growth plans.

Overall, we expect to deliver high single-digit expected total shareholder returns in fiscal 2026, assuming the 6.0% midpoint of our non-GAAP diluted EPS growth outlook, plus our dividend yield of roughly 2.7% based on the new dividend payment we announced today.

With that, back to you, Shuky

Slide 28: Q&A

Thank you, Tamar

I am pleased with of our solid financial performance and continued strategic progress in fiscal 2025, and I am excited by our technological leadership and potential to open new growth opportunities by accelerating our generative AI investments in the year ahead.

With that, we are happy to take your questions.

Operator?