
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

Form 6-K

**REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16
OF THE SECURITIES EXCHANGE ACT OF 1934**

For the month of May 2023

Commission File Number 1-14840

AMDOCS LIMITED

Hirzel House, Smith Street,
St. Peter Port, Island of Guernsey, GY1 2NG

Amdocs, Inc.
625 Maryville Centre Drive, Suite 200, Saint Louis, Missouri 63141
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:

FORM 20-F FORM 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Indicate by check mark whether the registrant by furnishing the information contained in this form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934:

YES NO

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82- _____

On May 10, 2023 Amdocs Limited (“Amdocs”) issued a press release announcing financial results for the quarter ended March 31, 2023. A copy of the press release and the accompanying presentation are furnished as Exhibits 99.1 and 99.2 to this Report of Foreign Private Issuer on Form 6-K.

In addition, on May 10, 2023, Amdocs also announced that it has entered into a definitive agreement to acquire the service assurance business of TEOCO for consideration of approximately \$90 million in cash, subject to the satisfaction of the conditions to closing. A copy of the press release is furnished as Exhibit 99.3 to this Report of Foreign Private Issuer on Form 6-K.

The information in this Form 6-K (including Exhibits 99.1, 99.2 and 99.3) shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 (the “Exchange Act”) or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

AMDOCS LIMITED

By: /s/ Matthew E. Smith

Matthew E. Smith

Secretary and Authorized Signatory

Date: May 10, 2023

EXHIBIT INDEX

<u>EXHIBIT NO.</u>	<u>DESCRIPTION</u>
99.1	Amdocs Limited Press Release Announcing Q2 Earnings, dated May 10, 2023.
99.2	Fiscal Q2 2023 Earnings Presentation
99.3	Amdocs Limited Press Release Announcing TEOCO Acquisition, dated May 10, 2023.



Amdocs Limited Reports Second Quarter Fiscal 2023 Results

*Record Quarterly Revenue of \$1.22 Billion, Above Midpoint of Guidance and up 6.8% YoY
as Reported and 8.2% YoY in Constant Currency⁽²⁾*

Reiterates Fiscal 2023 Revenue Growth Outlook while Tightening Expected Range to 6%-8% as Reported and 7%-9% Constant Currency⁽²⁾

Reiterates Fiscal 2023 Earnings per Share Growth Targets

Reiterates Fiscal 2023 Free Cash Flow⁽¹⁾ Outlook of \$700 Million

Second Quarter Fiscal 2023 Highlights

(All comparisons are against the prior year)

- Record revenue of \$1,223 million, up 6.8% as reported and up 8.2% in constant currency⁽²⁾; revenue was above the midpoint of \$1,200-\$1,240 million guidance range
- Record revenue of \$829 million in North America, up 7.4%, and record revenue of \$172 million in Europe, up 16.6%
- Record managed services revenue of \$719 million, equivalent to approximately 59% of total revenue
- GAAP diluted EPS of \$1.23, above the midpoint of \$1.18-\$1.26 guidance range
- Non-GAAP diluted EPS of \$1.47, at the midpoint guidance range of \$1.44-\$1.50
- GAAP operating income of \$182 million; GAAP operating margin of 14.9%, up 220 basis points sequentially, primarily due to restructuring charges, and up 60 basis points as compared to last year's second fiscal quarter
- Non-GAAP operating income of \$218 million; non-GAAP operating margin of 17.8%, up 10 basis points sequentially and up 20 basis points as compared to last year's second fiscal quarter

(1) Please refer to the Selected Financial Metrics tables below (figures may not sum because of rounding).

(2) Revenue on a constant currency basis assumes exchange rates in the current period were unchanged from the prior period

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- Free cash flow of \$259 million, comprised of cash flow from operations of \$294 million, less \$35 million in net capital expenditures and other⁽¹⁾; reiterates full year fiscal 2023 free cash outlook of \$700 million
 - Repurchased \$106 million of ordinary shares during the second fiscal quarter
 - Record twelve-month backlog of \$4.11 billion, up 5.7% as compared to last year's second fiscal quarter
 - The Board of Directors of Amdocs approved a definitive agreement on May 10, 2023, to acquire the service assurance business of TEOCO for a consideration of approximately \$90 million in cash, subject to closing conditions

JERSEY CITY, NJ – May 10, 2023 – Amdocs Limited (NASDAQ: DOX), a leading provider of software and services to communications and media companies, today reported operating results for the three months ended March 31, 2023.

"I am pleased with our second fiscal quarter performance as we progressed our strategy to deliver the next-generation cloud-based products and software services that global communications service providers need to unlock the potential of 5G and broadband networks, data-driven intelligence, and improved consumer and B2B experience. Record revenue of \$1.22 billion was up 8.2% from a year ago in constant currency⁽²⁾, driven by our best-ever quarters in North America and Europe, and we saw continued sales momentum with many cloud-related wins in the quarter. New deals included key awards with T-Mobile in the US, two new logos in Eastern Europe, and a significant cloud-migration engagement with PLDT in the Philippines. On the strategic front, we expanded our Microsoft partnership to bring a new AI-powered Customer Engagement Platform, and we sharpened our focus on the growth potential of B2B with the launch of CES23, our most advanced Customer Experience Suite yet. Additionally, we signed a definitive agreement to acquire the service assurance business of TEOCO to enhance the execution of our network automation strategy," said Shuky Sheffer, president and chief executive officer of Amdocs Management Limited.

“Demonstrating strong execution, we maintained a high rate of project deployments in Q2, which included major milestone achievements with many of the world’s largest service providers. Driven by ongoing efficiency gains, profitability improved on a sequential and year ago basis and free cash flow generation was very strong on the back of healthy cash collections from customers. In managed services, we renewed several customer agreements which included an extended multiyear partnership with Globe in the Philippines and an expanded cloud-related engagement with a major Western European operator,” said Tamar Rapaport-Dagim, chief financial officer & chief operating officer of Amdocs Management Limited.

Sheffer concluded, “As said previously, Amdocs and our global customers are not immune to economic and industry cycles, and we continue to closely monitor the operating environment. As a key technology enabler, we believe Amdocs is positioned at the heart of a multi-year, technology-driven investment cycle centered around the major long-term trends of 5G, network automation, digital modernization, and cloud. Moreover, we believe Amdocs’ role as a trusted partner is even more relevant during this period of rapidly shifting market dynamics as we work to help service providers improve consumer and B2B experience, accelerate cost reduction, and increase efficiency. Overall, considering our strong first half performance and the visibility provided by our unique business model, we expect to deliver constant currency⁽²⁾ revenue growth within a tighter range of 7% to 9% in fiscal 2023, while maintaining improved profitability and robust earnings to cash conversion for the full year.”

Revenue

(All comparisons are against the prior year period)

	In millions Three months ended March 31, 2023	
	Actual	Guidance
Revenue	\$ 1,223	\$1,200 - \$1,240
Revenue Growth, as reported	6.8%	
Revenue Growth, constant currency ⁽²⁾	8.2%	

- Revenue for the second fiscal quarter of 2023 was at the midpoint of Amdocs' guidance, even after adjusting for a positive impact from foreign currency movements of approximately \$3 million compared to our guidance assumptions
- Revenue for the second fiscal quarter includes a positive impact from foreign currency movements of approximately \$7 million relative to the first quarter of fiscal 2023

Net Income and Earnings Per Share

	In thousands, except per share data	
	Three months ended March 31,	
	2023	2022
GAAP Measures		
Net Income	\$ 150,309	\$ 158,497
Net Income attributable to Amdocs Limited	\$ 149,603	\$ 158,497
Diluted earnings per share	\$ 1.23	\$ 1.28
Non-GAAP Measures		
Non-GAAP Net Income	\$ 179,298	\$ 190,944
Non-GAAP Net Income attributable to Amdocs Limited	\$ 178,592	\$ 190,944
Non-GAAP Diluted earnings per share	\$ 1.47	\$ 1.54

- Non-GAAP net income excludes amortization of purchased intangible assets and other acquisition-related costs, changes in certain acquisition related liabilities measured at fair value, equity-based compensation expenses and other, net of related tax effects, in all the periods presented.

For further details of the reconciliation of selected financial metrics from GAAP to Non-GAAP, please refer to the tables below.

Capital Allocation: Returning Cash to Shareholders

- **Quarterly Cash Dividend Program:** On May 10, 2023, the Board approved the Company's next quarterly cash dividend payment of \$0.435 per share and set June 30, 2023 as the record date for determining the shareholders entitled to receive the dividend, which will be payable on July 28, 2023
- **Share Repurchase Activity:** Repurchased \$106 million of ordinary shares during the second quarter of fiscal 2023

Twelve-month Backlog

Twelve-month backlog was a record \$4.11 billion at the end of the second quarter of fiscal 2023, up approximately 5.7% as compared to last year's second fiscal quarter. Twelve-month backlog includes anticipated revenue related to contracts, estimated revenue from managed services contracts, letters of intent, maintenance and estimated on-going support activities.

Third Quarter Fiscal 2023 Outlook

	In millions, except per share data Q3 2023
Revenue	\$1,215-\$1,255
GAAP diluted EPS	\$1.16-\$1.26
Non-GAAP diluted EPS	\$1.45-\$1.51

- Third quarter revenue guidance assumes immaterial sequential impact from foreign currency fluctuations as compared to the second quarter of fiscal 2023
- Third quarter non-GAAP diluted EPS guidance excludes equity-based compensation expense of approximately \$0.15-\$0.17 per share, amortization of purchased intangible assets and other acquisition-related costs of approximately \$0.08 per share, changes in certain acquisitions related liabilities measured at fair value, and other, net of related tax effects

Full Year Fiscal 2023 Outlook

	FY 2023, year-over-year growth	
	Current Guidance	Previous Guidance
Revenue growth, as reported	6.0%-8.0%	5.0%-9.0%
Revenue growth, constant currency ⁽²⁾	7.0%-9.0%	6.0%-10.0%
GAAP diluted EPS growth	3.0%-10.0%	3.0%-10.0%
Non-GAAP diluted EPS growth	9.0%-13.0%	9.0%-13.0%

Free cash flow ⁽¹⁾	FY 2023, in millions	
	Current Guidance	Previous Guidance
	~\$700	~\$700

- Full year fiscal 2023 revenue guidance incorporates an expected unfavorable impact from foreign currency fluctuations of approximately 1% year-over-year, consistent with previous expectation
- Non-GAAP diluted earnings per share growth excludes equity-based compensation expense of approximately \$0.58-\$0.63 per share, amortization of purchased intangible assets and other acquisition-related costs of approximately \$0.35 per share, restructuring charges of approximately \$0.15 per share, changes in certain acquisitions related liabilities measured at fair value, and other, net of related tax effects
- Non-GAAP effective tax rate is anticipated to be within a range of 13.0% to 17.0% for the full year fiscal 2023
- Free cash flow⁽¹⁾ is comprised of cash flow from operations, less net capital expenditures and other

The forward looking statements regarding our third fiscal quarter 2023 and full year fiscal 2023 guidance take into consideration the Company's current expectations regarding macro and industry specific risks and various uncertainties and certain assumptions that we will discuss on our earnings conference call. However, we note that market dynamics continue to shift rapidly and we cannot predict all possible outcomes, including those resulting from certain geopolitical events, the current inflationary environment, global or regional events, such as the COVID-19 pandemic and the prevailing level of macro-economic, business and operational uncertainty, which have created, and continues to create, a significant amount of uncertainty, or from current and potential customer consolidation or their other strategic corporate activities.

Conference Call and Earnings Webcast Presentation Details

Amdocs will host a conference call and earnings webcast presentation on May 10, 2023 at 5:00 p.m. Eastern Time to discuss the Company's second quarter of fiscal 2023 results.

To participate in the call, please register [here](#) to receive the dial-in numbers and unique access PIN. The conference call and webcast will also be carried live on the Internet and may be accessed via the Amdocs website at <https://investors.amdocs.com>. Presentation slides will be available shortly before the webcast.

Non-GAAP Financial Measures

This release includes non-GAAP diluted earnings per share and other non-GAAP financial measures, including free cash flow and normalized free cash flow, revenue on a constant currency⁽²⁾ basis, non-GAAP cost of revenue, non-GAAP research and development, non-GAAP selling, general and administrative, non-GAAP operating income, non-GAAP operating margin, non-GAAP interest and other expenses, net, non-GAAP income taxes, non-GAAP effective tax rate, non-GAAP net income, non-GAAP net income attributable to Amdocs Limited and non-GAAP diluted earnings per share growth. These other non-GAAP measures exclude the following items:

- amortization of purchased intangible assets and other acquisition-related costs;
- changes in certain acquisition-related liabilities measured at fair value;
- restructuring and unusual charges or benefits (such as a gain from divestiture of OpenMarket);
- equity-based compensation expense;
- other; and
- tax effects related to the above.

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 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.

Amdocs believes that the presentation of non-GAAP diluted earnings per share and other financial measures, including free cash flow and normalized free cash flow, revenue on a constant currency⁽²⁾ basis, non-GAAP cost of revenue, non-GAAP research and development, non-GAAP selling, general and administrative, non-GAAP operating income, non-GAAP operating margin, non-GAAP interest and other expenses, net, non-GAAP income taxes, non-GAAP effective tax rate, non-GAAP net income, non-GAAP net income attributable to Amdocs Limited and non-GAAP diluted earnings per share growth 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.

For its internal budgeting process and in monitoring the results of the business, Amdocs' management uses financial statements that do not include amortization of purchased intangible assets and other acquisition-related costs, changes in certain acquisition-related liabilities measured at fair value, restructuring and unusual charges or benefits, equity-based compensation expense, other and related tax effects. Amdocs' management also uses the foregoing non-GAAP financial measures, in addition to the corresponding GAAP measures, in reviewing the financial results of Amdocs. In addition, Amdocs believes that significant groups of investors exclude these items in reviewing its results and those of its competitors, because the amounts of the items between companies can vary greatly depending on the assumptions used by an individual company in determining the amounts of the items.

Amdocs further believes that, where the adjustments used in calculating non-GAAP diluted earnings per share are based on specific, identified amounts that impact different line items in the Consolidated Statements of Income (including cost of revenue, research and development, selling, general and administrative, operating income, interest and other expenses, net, income taxes and net income), it is useful to investors to understand how these specific line items in the Consolidated Statements of Income are affected by these adjustments. Please refer to the Reconciliation of Selected Financial Metrics from GAAP to Non-GAAP tables below.

Supporting Resources

- Keep up with Amdocs news by visiting the Company's [website](#)
- Subscribe to Amdocs' [RSS Feed](#) and follow us on [Twitter](#), [Facebook](#), [LinkedIn](#) and [YouTube](#)

About Amdocs

Amdocs helps those who build the future to make it amazing. With our market-leading portfolio of software products and services, we unlock our customers' innovative potential, empowering them to provide next-generation communication and media experiences for both the individual end user and large enterprise customers. Our 31,000 employees around the globe are here to accelerate service providers' migration to the cloud, enable them to differentiate in the 5G era, and digitalize and automate their operations. Listed on the NASDAQ Global Select Market, Amdocs had revenue of \$4.58 billion in fiscal 2022.

For more information, visit Amdocs at www.amdocs.com.

This press release includes information that constitutes forward-looking statements made pursuant to the safe harbor provision of the Private Securities Litigation Reform Act of 1995, including statements about Amdocs' growth and business results in future quarters and years. Although we believe the expectations reflected in such forward-looking statements are based upon reasonable assumptions, we can give no assurance that our expectations will be obtained or that any deviations will not be material. Such statements involve risks and uncertainties that may cause future results to differ from those anticipated. These risks include, but are not limited to, the effects of general macro-economic conditions, prevailing level of macroeconomic, business and operational uncertainty, including as a result of geopolitical events or other global or regional events such as the COVID-19 pandemic, as well as the current inflationary environment, and the effects of these conditions on the company's clients' businesses and levels of business activity, Amdocs' ability to grow in the business markets that it serves, Amdocs' ability to successfully integrate acquired businesses, adverse effects of market competition, rapid technological shifts that may render the Company's products and services obsolete, potential loss of a major customer, our ability to develop long-term relationships with our customers, and risks associated with operating businesses in the international market. Amdocs may elect to update these forward-looking statements at some point in the future; however, Amdocs specifically disclaims any obligation to do so. These and other risks are discussed at greater length in Amdocs' filings with the Securities and Exchange Commission, including in our Annual Report on Form 20-F for the fiscal year ended September 30, 2022 filed on December 13, 2022 and our Form 6-K furnished for the first quarter of fiscal 2023 on February 13, 2023.

Contact:

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AMDOCS LIMITED
Consolidated Statements of Income
(In thousands, except per share data)

	Three months ended		Six months ended	
	2023	2022	2023	2022
	March 31,	March 31,	March 31,	March 31,
Revenue	\$1,223,304	\$1,145,271	\$2,409,024	\$2,249,903
Operating expenses:				
Cost of revenue	795,485	741,257	1,552,334	1,457,975
Research and development	89,274	87,064	185,000	169,009
Selling, general and administrative	143,328	134,982	286,550	263,058
Amortization of purchased intangible assets and other	12,940	18,317	28,253	36,064
Restructuring charges	—	—	24,536	—
	<u>1,041,027</u>	<u>981,620</u>	<u>2,076,673</u>	<u>1,926,106</u>
Operating income	182,277	163,651	332,351	323,797
Interest and other expense, net	(2,938)	(8,619)	(7,901)	(11,181)
Gain from sale of a business	—	—	—	10,000
Income before income taxes	179,339	155,032	324,450	322,616
Income tax expense (benefit)	29,030	(3,465)	44,269	30,517
Net income	<u>\$ 150,309</u>	<u>\$ 158,497</u>	<u>\$ 280,181</u>	<u>\$ 292,099</u>
Net income attributable to noncontrolling interests	706	—	911	—
Net income attributable to Amdocs Limited	<u>\$ 149,603</u>	<u>\$ 158,497</u>	<u>\$ 279,270</u>	<u>\$ 292,099</u>
Basic earnings per share attributable to Amdocs Limited	<u>\$ 1.24</u>	<u>\$ 1.29</u>	<u>\$ 2.32</u>	<u>\$ 2.36</u>
Diluted earnings per share attributable to Amdocs Limited	<u>\$ 1.23</u>	<u>\$ 1.28</u>	<u>\$ 2.30</u>	<u>\$ 2.34</u>
Cash dividends declared per ordinary share	<u>\$ 0.435</u>	<u>\$ 0.395</u>	<u>\$ 0.830</u>	<u>\$ 0.755</u>
Basic weighted average number of shares outstanding	<u>120,516</u>	<u>122,977</u>	<u>120,585</u>	<u>123,748</u>
Diluted weighted average number of shares outstanding	<u>121,359</u>	<u>123,821</u>	<u>121,430</u>	<u>124,571</u>

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

	Three months ended		Six months ended	
	March 31,		March 31,	
	2023	2022	2023	2022
Revenue	\$1,223,304	\$1,145,271	\$2,409,024	\$2,249,903
Non-GAAP operating income	217,737	201,625	427,275	395,232
Non-GAAP net income	179,298	190,944	355,840	341,079
Non-GAAP net income attributable to Amdocs Limited	178,592	190,944	354,929	341,079
Non-GAAP diluted earnings per share	\$ 1.47	\$ 1.54	\$ 2.92	\$ 2.74
Diluted weighted average number of shares outstanding	121,359	123,821	121,430	124,571

Free Cash Flows
(In thousands)

	Three months ended		Six months ended	
	March 31,		March 31,	
	2023	2022	2023	2022
Net Cash Provided by Operating Activities	\$294,476	\$168,856	\$377,702	\$ 372,974
Purchases of property and equipment, net (a)	(35,119)	(47,271)	(68,822)	(104,496)
Free Cash Flow	\$259,357	\$121,585	\$308,880	\$ 268,478

Normalized Free Cash Flow ^(b) for the three and six months ended March 31, 2022: \$159,758 and \$345,437, respectively, excluding net capital expenditures related to the new campus development of \$30,109 and \$59,416, respectively, payment for acquisition related liability of \$4,871 and \$14,350, respectively, and tax payment on sale of business of \$3,193.

- (a) The amounts under "Purchase of property and equipment, net" include proceeds from sale of property and equipment of \$255 and \$555 for the six months ended March 31, 2023 and 2022, respectively.
- (b) Since Q12023, the Normalized Free Cash Flow is no longer applicable.

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

	Three Months Ended March 31, 2023					
	GAAP	Amortization of purchased intangible assets and other	Equity based compensation expense	Changes in certain acquisitions related liabilities measured at fair value	Tax effect	Non-GAAP
Operating expenses:						
Cost of revenue	\$ 795,485	\$ —	\$ (10,061)	\$ (1,159)	\$ —	\$ 784,265
Research and development	89,274		(1,703)			87,571
Selling, general and administrative	143,328		(9,597)			133,731
Amortization of purchased intangible assets and other	12,940	(12,940)				—
Total operating expenses	1,041,027	(12,940)	(21,361)	(1,159)	—	1,005,567
Operating income	182,277	12,940	21,361	1,159	—	217,737
Interest and other expense, net	(2,938)					(2,938)
Income taxes	29,030				6,471	35,501
Net income	150,309	12,940	21,361	1,159	(6,471)	179,298
Net income attributable to noncontrolling interests	706					706
Net income attributable to Amdocs Limited	\$ 149,603	\$ 12,940	\$ 21,361	\$ 1,159	\$(6,471)	\$ 178,592

	Three Months Ended March 31, 2022						
	GAAP	Amortization of purchased intangible assets and other	Equity based compensation expense	Changes in certain acquisitions related liabilities measured at fair value	Other	Tax effect	Non-GAAP
Operating expenses:							
Cost of revenue	\$741,257	\$ —	\$ (8,070)	\$ (1,820)	\$ —	\$ —	\$ 731,367
Research and development	87,064		(1,375)				85,689
Selling, general and administrative	134,982		(8,392)				126,590
Amortization of purchased intangible assets and other	18,317	(18,317)					—
Total operating expenses	981,620	(18,317)	(17,837)	(1,820)	—	—	943,646
Operating income	163,651	18,317	17,837	1,820	—	—	201,625
Interest and other expense, net	(8,619)				1,100		(7,519)
Income tax (benefit) expense	(3,465)					6,627	3,162
Net income	\$158,497	\$ 18,317	\$ 17,837	\$ 1,820	\$1,100	\$(6,627)	\$ 190,944

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

	Six Months Ended March 31, 2023						
	GAAP	Amortization of purchased intangible assets and other	Equity based compensation expense	Changes in certain acquisitions related liabilities measured at fair value	Restructuring charges	Tax effect	Non-GAAP
Operating expenses:							
Cost of revenue	\$1,552,334	\$ —	\$ (18,716)	\$ (1,284)	\$ —	\$ —	\$1,532,334
Research and development	185,000		(3,187)				181,813
Selling, general and administrative	286,550		(18,948)				267,602
Amortization of purchased intangible assets and other	28,253	(28,253)					—
Restructuring charges	24,536				(24,536)		—
Total operating expenses	<u>2,076,673</u>	<u>(28,253)</u>	<u>(40,851)</u>	<u>(1,284)</u>	<u>(24,536)</u>	<u>—</u>	<u>1,981,749</u>
Operating income	332,351	28,253	40,851	1,284	24,536	—	427,275
Interest and other expense, net	(7,901)						(7,901)
Income taxes	44,269					19,265	63,534
Net income	<u>280,181</u>	<u>28,253</u>	<u>40,851</u>	<u>1,284</u>	<u>24,536</u>	<u>(19,265)</u>	<u>355,840</u>
Net income attributable to noncontrolling interests	911						911
Net income attributable to Amdocs Limited	<u>\$ 279,270</u>	<u>\$ 28,253</u>	<u>\$ 40,851</u>	<u>\$ 1,284</u>	<u>\$ 24,536</u>	<u>\$(19,265)</u>	<u>\$ 354,929</u>

	Six Months Ended March 31, 2022							
	GAAP	Amortization of purchased intangible assets and other	Equity based compensation expense	Changes in certain acquisitions related liabilities measured at fair value	Gain from sale of a business	Other	Tax effect	Non-GAAP
Operating expenses:								
Cost of revenue	\$1,457,975	\$ —	\$ (15,217)	\$ (793)	\$ —	\$ —	\$ —	\$1,441,965
Research and development	169,009		(2,598)					166,411
Selling, general and administrative	263,058		(16,763)					246,295
Amortization of purchased intangible assets and other	36,064	(36,064)						—
Total operating expenses	<u>1,926,106</u>	<u>(36,064)</u>	<u>(34,578)</u>	<u>(793)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>1,854,671</u>
Operating income	323,797	36,064	34,578	793	—	—	—	395,232
Interest and other expense, net	(11,181)					(2,505)		(13,686)
Gain from sale of a business	10,000				\$(10,000)			—
Income tax (benefit) expense	30,517					9,950		40,467
Net income	<u>\$ 292,099</u>	<u>\$ 36,064</u>	<u>\$ 34,578</u>	<u>\$ 793</u>	<u>\$(10,000)</u>	<u>\$(2,505)</u>	<u>\$(9,950)</u>	<u>341,079</u>

AMDOCS LIMITED
Condensed Consolidated Balance Sheets
(In thousands)

	As of	
	March 31, 2023	September 30, 2022
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 623,404	\$ 573,377
Short-term interest-bearing investments	238,163	244,603
Accounts receivable, net, including unbilled of \$166,866 and \$157,165, respectively	991,486	946,777
Prepaid expenses and other current assets	251,883	238,390
Total current assets	2,104,936	2,003,147
Property and equipment, net	797,023	794,287
Lease assets	157,587	176,884
Goodwill and other intangible assets, net	2,798,295	2,841,137
Other noncurrent assets	606,329	574,938
Total assets	\$6,464,170	\$ 6,390,393
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable, accruals and other	\$ 934,907	\$ 955,658
Lease liabilities	38,319	43,336
Deferred revenue	351,671	253,686
Total current liabilities	1,324,897	1,252,680
Lease liabilities	120,170	138,378
Long-term debt, net of unamortized debt issuance costs	645,404	645,117
Other noncurrent liabilities	744,138	793,940
Total Amdocs Limited Shareholders' equity	3,586,141	3,517,769
Noncontrolling interests	43,420	42,509
Total equity	3,629,561	3,560,278
Total liabilities and equity	\$6,464,170	\$ 6,390,393

AMDOCS LIMITED
Consolidated Statements of Cash Flows
(In thousands)

	Six months ended	
	2023	2022
Cash Flow from Operating Activities:		
Net income	\$ 280,181	\$ 292,099
Reconciliation of net income to net cash provided by operating activities:		
Depreciation, amortization and impairment	103,086	101,071
Amortization of debt issuance cost	287	279
Equity-based compensation expense	40,851	34,578
Gain from sale of a business	—	(10,000)
Deferred income taxes	(27,357)	(35,879)
Loss from short-term interest-bearing investments	1,625	1,333
Net changes in operating assets and liabilities, net of amounts acquired:		
Accounts receivable, net	(53,485)	(140,863)
Prepaid expenses and other current assets	(20,416)	3,848
Other noncurrent assets	(245)	3,042
Lease assets and liabilities, net	(3,928)	(67)
Accounts payable, accrued expenses and accrued personnel	(38,602)	(22,006)
Deferred revenue	81,959	102,997
Income taxes payable, net	(11,245)	27,378
Other noncurrent liabilities	24,991	15,164
Net cash provided by operating activities	<u>377,702</u>	<u>372,974</u>
Cash Flow from Investing Activities:		
Purchase of property and equipment, net (a)	(68,822)	(104,496)
Proceeds from sale of short-term interest-bearing investments	10,360	13,142
Purchase of short-term interest-bearing investments	—	(34,275)
Net cash paid for business acquisitions	—	(24,497)
Net cash received from sale of a business	—	10,000
Other	(2,593)	(2,958)
Net cash used in investing activities	<u>(61,055)</u>	<u>(143,084)</u>
Cash Flow from Financing Activities:		
Repurchase of shares	(205,637)	(300,929)
Proceeds from employee stock option exercises	34,840	50,550
Payments of dividends	(95,370)	(89,366)
Payment of contingent consideration from a business acquisition	(453)	(6,153)
Net cash used in financing activities	<u>(266,620)</u>	<u>(345,898)</u>
Net increase (decrease) in cash and cash equivalents	50,027	(116,008)
Cash and cash equivalents at beginning of period	573,377	709,064
Cash and cash equivalents at end of period	<u>\$ 623,404</u>	<u>\$ 593,056</u>

AMDOCS LIMITED
Supplementary Information
(In millions)

	Three months ended				
	March 31, 2023	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022
North America	\$ 829.0	\$ 812.7	\$ 794.4	\$ 788.0	\$ 772.2
Europe	171.7	168.7	146.4	146.1	147.2
Rest of the World	222.6	204.3	225.7	226.2	225.9
Total Revenue	<u>\$1,223.3</u>	<u>\$ 1,185.7</u>	<u>\$ 1,166.5</u>	<u>\$1,160.3</u>	<u>\$1,145.3</u>

	Three months ended				
	March 31, 2023	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022
Managed Services Revenue	\$ 718.9	\$ 699.8	\$ 714.6	\$ 717.9	\$ 663.4

	as of				
	March 31, 2023	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022
12-Month Backlog	\$ 4,110	\$ 4,090	\$ 3,970	\$ 3,950	\$ 3,890

#

Amdocs Limited

NASDAQ: DOX

Fiscal Q2 2023 Earnings Presentation
May 10, 2023

Shuky Sheffer
President & CEO

Tamar Rapaport-Dagim
CFO & COO



Disclaimer

The information contained herein in this presentation or delivered or to be delivered to you during this presentation does not constitute an offer, expressed or implied, or a recommendation to do any transaction in Amdocs Limited securities or in any securities of its affiliates or subsidiaries.

This presentation and the comments made by members of Amdocs management in conjunction with it include 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, the effects of general macro-economic conditions, prevailing level of macroeconomic, business and operational uncertainty, including as a result of geopolitical events or other global or regional events such as the COVID-19 pandemic, as well as the current inflationary environment, and the effects of these conditions on the company's clients' businesses and levels of business activity, Amdocs' ability to grow in the business markets that it serves, Amdocs' ability to successfully integrate acquired businesses, adverse effects of market competition, rapid technological shifts that may render the Company's products and services obsolete, potential loss of a major customer, our ability to develop long-term relationships with our customers, and risks associated with operating businesses in the international market. Amdocs may elect to update these forward-looking statements at some point in the future; however, Amdocs specifically disclaims any obligation to do so. These and other risks are discussed at greater length in Amdocs' filings with the Securities and Exchange Commission, including in our Annual Report on Form 20-F for the fiscal year ended September 30, 2022 filed on December 13, 2022 and our Form 6-K furnished for the first quarter of fiscal 2023 on February 13, 2023.

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

This presentation also includes pro forma metrics which exclude the financial impact of OpenMarket (divested on December 31, 2020) from fiscal year 2021.

Please also review the information contained in Amdocs' press release dated May 10, 2023 with respect to earnings for fiscal Q2 2023. The press release contains additional information regarding Amdocs' outlook for fiscal year 2023 and certain non-GAAP metrics and their reconciliations.

Today's Speakers



**Shuky
Sheffer**

President &
Chief Executive Officer



**Tamar
Rapaport-Dagim**

Chief Financial Officer &
Chief Operating Officer

Earnings call agenda

1 Strategy & Business Performance Update

Shuky Sheffer,
President & Chief Executive Officer

2 Financial Review & Outlook

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

3 Q&A





Shuky Sheffer

President & Chief Executive Officer

Strategy and Business Performance Update

Q2-23 solid quarter with significant achievements

- Deepened relationships & expanded footprint with existing customers
- 4 new customer logo wins

Sales momentum

Strong execution & operations

- High number of successful project deployments
- Record revenue quarter in managed services

- Launched CES23, our most advanced suite yet, bringing fresh innovation across BSS, OSS & network automation
- Expanded B2B domain focus

Innovation

Strategic achievements

- Strategic partnership

 Microsoft

- Entered agreement to acquire the service assurance business of TEOCO for ~\$90M



Sincere thanks to our talented people for their amazing energy, agility, and collaborative spirit

Q2 financial highlights: Record revenue, continued sales momentum and ongoing margin improvement



Revenue

Record
\$1.22B

Above guidance midpoint and up 8.2%⁽¹⁾ YoY



Non-GAAP operating margin⁽²⁾

17.8%

- +20bps YoY
- Record high profitability for the last decade



Non-GAAP EPS⁽²⁾

\$1.47

Consistent with guidance midpoint



12-month backlog

Record
\$4.11B

Up ~7% ⁽¹⁾ YoY

1. Constant currency. Assumes exchange rates in the current period were unchanged from the prior period
2. Non-GAAP. See reconciliation tables in appendix



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Q2-23 operational highlights



Continuous sales momentum



- 
North America: Deepened relationships & expanded footprint with existing customers
 
Significant digital modernization award
- 
Europe: strong deal activity, increasing market share
 
Several digital modernization wins, including 2 new logos
- 
Rest of world: Attractive opportunities
 
Cloud engagement
- 
Record revenue quarter for managed services

Expanded engagements: Major Western European operator
- 
Continued growth in media

Expanded relationship

amazon prime video Preferred fulfillment vendor

Content services: hispasat & CSP in Central America


Strong execution

- 
High rate of successful project deployment
- 
Played an important role in the recent launch of fixed wireless access offering, 'Internet Air'

Strategy & offerings

- 
Strategic partnership to bring new AI-driven Customer Engagement Platform
- 
Launched CES23, which includes enhanced capabilities designed to meet the complex demands of B2B
- 
Entered agreement to acquire the service assurance business of TEOCO for ~\$90M
- Enhance our network automation strategy by providing CSPs with end-to-end service orchestration offering**

Progress in strategic domains (1/4)

Enable our customers to drive growth, improve cost-efficiency and provide an amazing experience to consumers and enterprises B2B customers

Cloud 
**Accelerate
journey to the
cloud**

Selected wins



End-to-end cloud migration services

Tier 1 Central European operator

BSS transformation in multiple countries

Major Western European operator

Expended managed services agreement for migration & operation of non-Amdocs applications

Business value

Greater agility efficiency and scalability for business-critical systems

Enable improved security, operability and resiliency while defining the journey towards a full cloud-native environment

Enable operational agility, scalability, and ultimately, cloud at scale

Progress in strategic domains (2/4)

Enable our customers to drive growth, improve cost-efficiency and provide an amazing experience to consumers and enterprises B2B customers

Digital transformation



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

Selected wins



Major Eastern European operator

Consumer and B2B digital transformation

Customer engagement platform

Eastern European service provider

Digital transformation



Premium user interface

Amdocs eSIM ranked number one eSIM orchestration platform by



eSIM platform

Business value

Powerful insightful and transparent experiences across all channels

Improved customer loyalty and retention

Harmonized, frictionless customer experience across multiple channels and touchpoints

Improved customer experience



Creating the next generation of frictionless experiences by offering eSIM-based connectivity

Progress in strategic domains (3/4)

Enable our customers to drive growth, improve cost-efficiency and provide an amazing experience to consumers and enterprises B2B customers

5G monetization



Monetization of new 5G services including next-generation charging and policy solutions

Selected wins

Leading North America service provider

Network policy solution on AWS



5G-ready monetization stack deployed on the cloud



Network policy control function



Enhanced charging solutions successfully deployed

Business value

Support millions of prepaid subscribers

Enhanced agility and time to market for innovative new products and services

Improved management & monetization of 5G offers and networks

Enable monetization of 5G and IoT-based services for consumers and enterprises

Progress in Strategic Domains (4/4)

Enable our customers to drive growth, improve cost-efficiency and provide an amazing experience to consumers and enterprises B2B customers

Network automation

Delivering dynamic connected experiences with real-time, automated networks

Selected wins



Automated 5G network slice solution



Drone-Aided Site and Inventory Audits solution

Business value

First use case successfully demonstrated

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

Looking Ahead: Reiterating FY2023 financial targets

While Amdocs and its customer globally are not immune to economic uncertainty and market dynamics, we believe in our unique business model which produces visible, high recurring revenue

A

Tightening revenue guidance range

Revenue⁽¹⁾



B

Non-GAAP operating Margin⁽²⁾

On track to achieve our FY23 guidance of improved level of profitability
17.5%–18.1%

C

Non-GAAP EPS⁽²⁾

Reiterating FY23 non-GAAP EPS growth outlook
9%–13%
YoY growth

D

Free cash flow⁽²⁾

Reiterating FY23 FCF generation of **\$700M and ~100% conversion rate⁽³⁾**
Majority of which we plan to return to shareholders

1. Constant currency. Assumes exchange rates in the current period were unchanged from the prior period.
2. Non-GAAP. See reconciliation tables in appendix.
3. Earning to cash flow conversion.



Tamar Rapaport-Dagim

Chief Financial Officer
& Chief Operating Officer

Financial Update & Outlook

Q2 FY2023 Financial Highlights

Record revenue, +6.8% YoY as reported and **+8.2% YoY** constant currency⁽¹⁾

Record quarter in North America

Record quarter in Europe

Improved non-GAAP operating margin, reflecting ongoing **efficiency** gains

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

2. Non-GAAP. See reconciliation tables in appendix

Q2 2023 Results

Q2 Revenue

\$1,223 million

+6.8% YoY, +8.2% constant currency⁽¹⁾

Above guidance midpoint
(\$1,200M - \$1,240M)

Q2 Non-GAAP⁽²⁾ Operating Margin

17.8%, +20bps YoY

+10 bps QoQ and within annual target range of **17.5% - 18.1%**

Q2 GAAP Diluted EPS

\$1.23

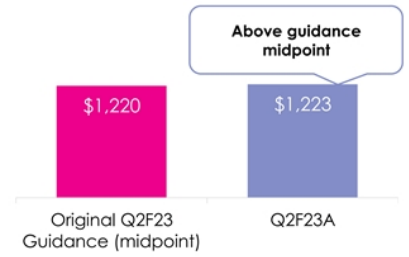
Above midpoint of guidance
(\$1.18 - \$1.26)

Q2 Non-GAAP⁽²⁾ Diluted EPS

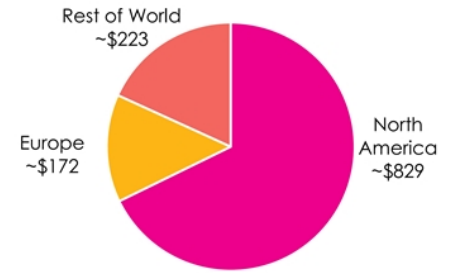
\$1.47

In line with guidance midpoint
(\$1.44 - \$1.50)

Q2 2023 Revenue vs. Guidance \$ Millions



Q2 2023 Revenue by Region \$ Millions



Leading Indicators & Business Model Visibility

12-Month Backlog

~\$4.11B

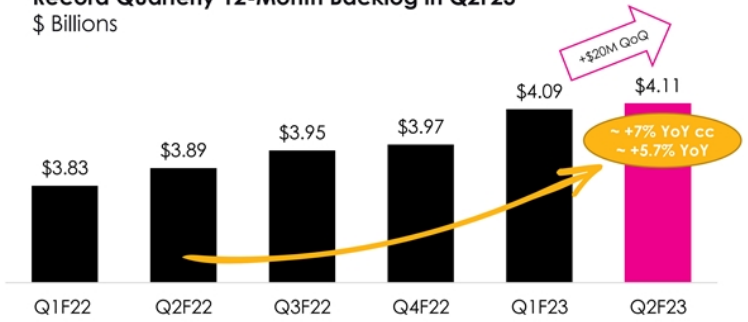
Record-high as of March 31, 2023
~ +5.7% YoY, ~ +7% YoY cc

Leading Indicator

Roughly 80%

12-month backlog typically covers ~80% of forward 12-month revenue

Record Quarterly 12-Month Backlog in Q2F23
\$ Billions



12-month backlog includes:

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

Leading Indicators & Business Model Visibility

Managed Services

~\$719M

Best-ever Quarter
~ +8.4% YoY
~59% of total revenue

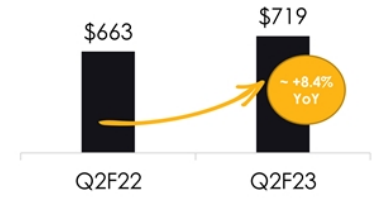
Close to
100%

managed services contract renewals

Managed Services Revenue: Q2 2023

\$ Millions

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



Extended partnership to reimagine Globe's IT operations, enabled by digital transformation & cloud adaptation, for better business alignment under a multi-year managed services arrangement

Major Western European operator

Extended multi-year agreement to migrate and operate non-Amdocs applications to the cloud

Balance Sheet & Cash Flow

Healthy customer cash collections, offset by normal seasonal timing of annual bonus payments in Q2

1H FY2023 free cash flow **tracking in line** with annual target

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

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

DSO's

74 days

-7 days YoY and -13 days QoQ
DSO's may fluctuate from quarter to quarter

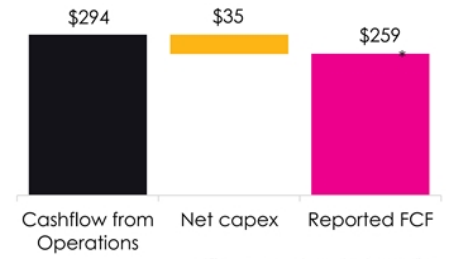
Deferred revenue > unbilled

+\$102 million QoQ

Deferred revenue: +\$88M QoQ
Unbilled receivables: -\$14M QoQ

Items fluctuate from quarter to quarter in line with normal business activities.

Q2 2023 Free cash flow⁽²⁾ bridge



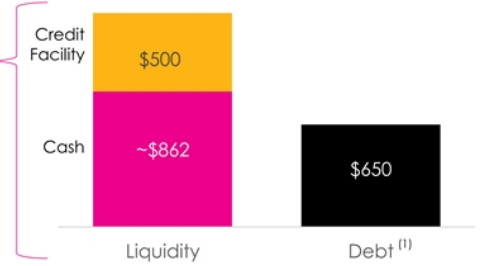
Liquidity: Cash + Credit Facility **\$1.4 billion**

Ample liquidity including available \$500M revolving credit facility



Remain committed to maintaining our Investment grade credit rating

Cash, Credit Facility & Debt Position \$ Millions, as of March 31, 2023



Disciplined Capital Allocation

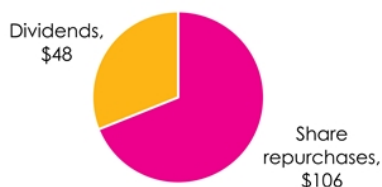
Reiterating free cash flow⁽¹⁾ (FCF) outlook of **\$700M** in FY2023, equating to roughly 100% cash conversion

~x% free cash flow yield⁽²⁾

Expects to return the **majority** of free cash flow to shareholders in FY2023

1. Non-GAAP. See appendix tables for reconciliation of normalized FCF
2. Yield = expected reported free cash flow of \$700M in FY2023 as a percentage of Amdocs' market capitalization as of May 10, 2023
3. FCF in FY2020, FY2021 and FY2022 is presented on a normalized basis, which mainly excludes net capital expenditures related to the new campus development; normalized FCF disclosure is no longer applicable in FY2023
4. Refer to <https://investors.amdocs.com/> and earnings reports issued on 11/2/2021 and 11/8/2022 for reconciliation of normalized FCF in FY2020, FY2021 and FY2022

Q2 2023 Cash Returned to Shareholders \$ Millions



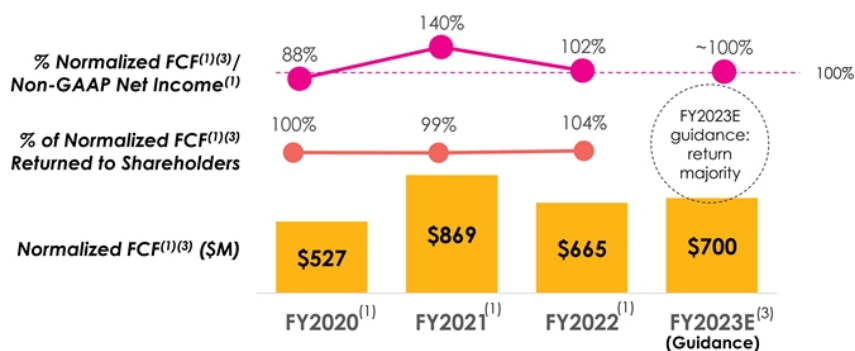
Quarterly Dividend

Board authorized quarterly dividend payment:

43.5 cents

As of March 31, roughly **\$0.3B** of share repurchase authorization capacity remained

Normalized FCF⁽¹⁾⁽³⁾⁽⁴⁾: Three-year historical trend and FY2023E outlook



FY2023 Outlook

FY2023E revenue growth outlook tightened to **~7%-9% YoY⁽⁴⁾**, midpoint unchanged

Reiterating 9%-13% non-GAAP diluted EPS growth outlook

On-track to deliver **double-digit** expected total shareholder returns for **third** year running

1. Pro forma metrics exclude the financial impact of OpenMarket (which was divested on December 31, 2020) from fiscal year 2021.
2. Non-GAAP. See reconciliation tables in appendix
3. Expected total shareholder return assumes Non-GAAP EPS growth plus dividend yield (based on fiscal year end closing share price): FY2023E assumed 11% midpoint of pro forma non-GAAP EPS outlook, and dividend yield based on proposed new quarterly rate of \$0.435 as of share price on 11/8/22
4. Constant currency. Assumes exchange rates in the current period were unchanged from the prior period
5. Refer to <https://investors.amdocs.com/> and earnings reports issued on 11/10/2020, 11/2/2021 and 11/8/2022 for non-GAAP reconciliation in FY2019, FY2020, FY2021 and FY2022

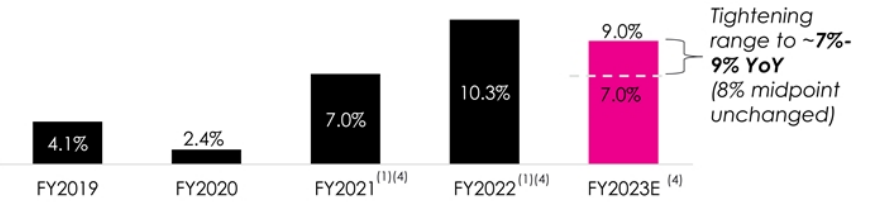
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Revenue Growth

YoY% Growth Constant Currency⁽⁴⁾

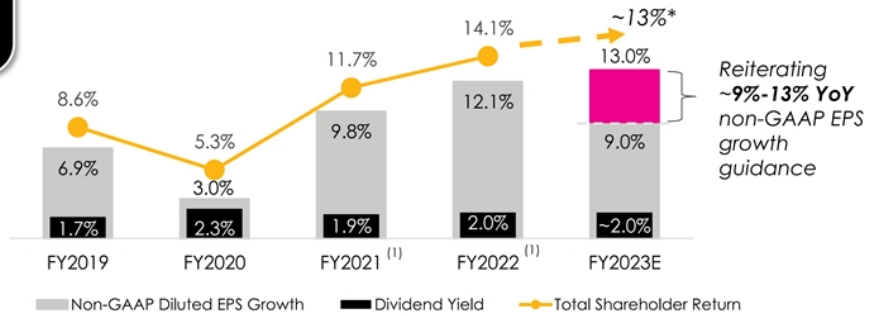
FY21 and FY22 revenue is pro forma⁽¹⁾ constant currency⁽⁴⁾



Total Shareholder Return⁽³⁾⁽⁵⁾

Non-GAAP⁽²⁾ Diluted EPS Growth YoY % + Dividend Yield

FY21 and FY22 non-GAAP EPS growth is presented pro forma⁽¹⁾



*Non-GAAP⁽²⁾ EPS growth of 11%, plus ~2% dividend yield



Committed to

ESG



MWC
GSMA



Presented an **interactive map** showcasing how **technology can help our clients** achieve ESG & sustainable development goals



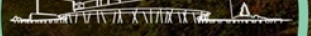
Digital inclusion - total of 60,000 hours of internet connectivity for 2,000 girls and family in India

Women's



International Women's Day campaign - Break the Bias

a.



Completed the move to the new Amdocs Park campus in March



Raised ~\$100,000 to **support earthquake recovery in Turkey** in an employee donation drive with Unicef

Q&A



Let's
make it
amazing



a amdocs

Q3 & FY2023 Outlook

On-track to deliver **double-digit** total shareholder returns for the **third** year running

1. Non-GAAP. See reconciliation tables in appendix

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

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Q3 Fiscal 2023 Outlook

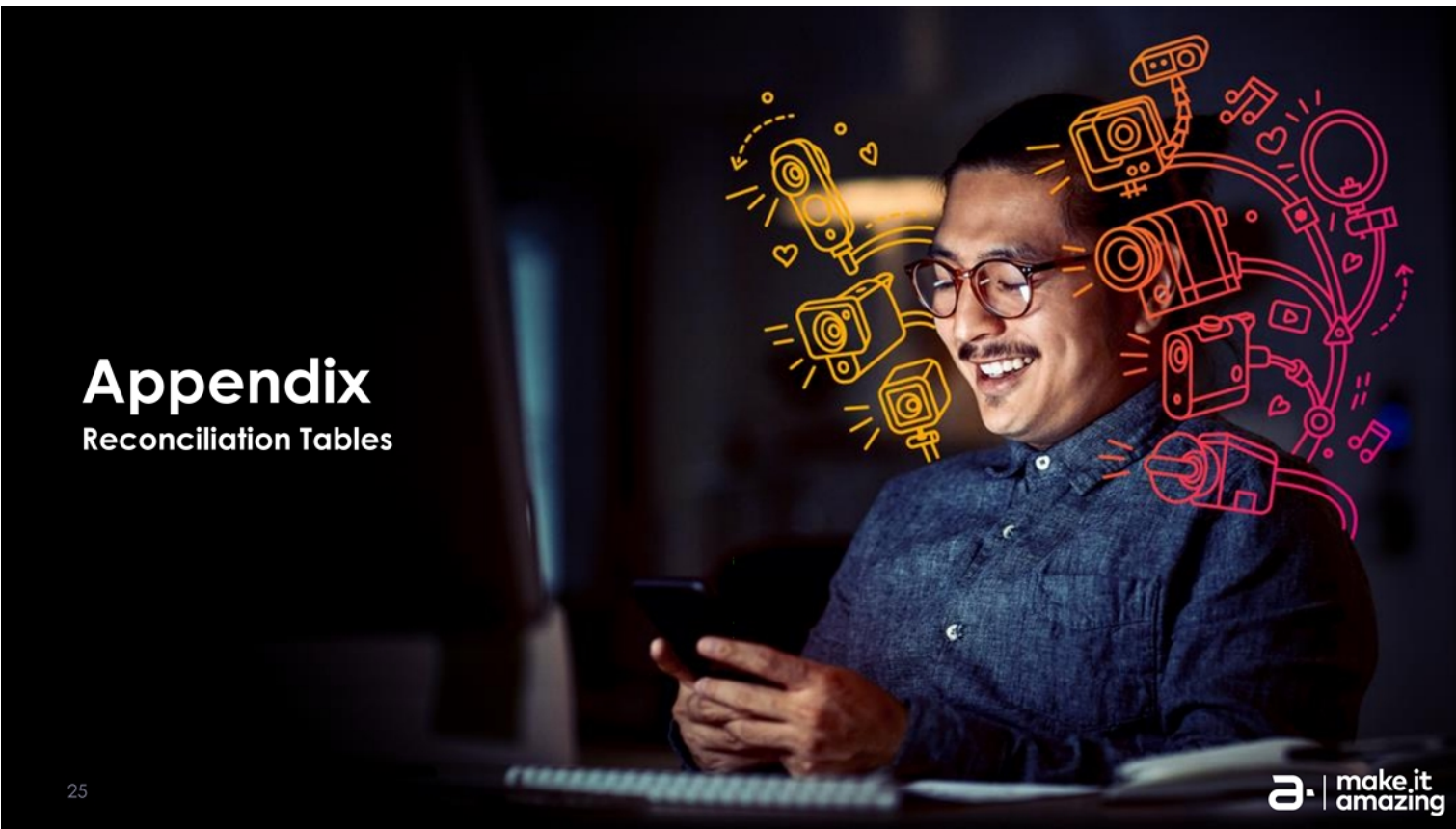
Revenue	\$1,215 - \$1,255 million
GAAP EPS	\$1.16 - \$1.26
Non-GAAP ⁽¹⁾ EPS	\$1.45 - \$1.51
Share Count	121 million
Non-GAAP ⁽¹⁾ Effective Tax Rate	In line with annual target range of 13%-17%

Full Year Fiscal 2023 Outlook	Updated	Previous
Revenue growth As reported	6.0% - 8.0%	5.0% - 9.0%
Revenue growth Constant currency ⁽²⁾	7.0% - 9.0%	6.0% - 10.0%
GAAP EPS growth	3.0% - 10.0%	3.0% - 10.0%
Non-GAAP ⁽¹⁾ EPS growth	9.0% - 13.0%	9.0% - 13.0%
Non-GAAP ⁽¹⁾ Operating Margin	17.5% - 18.1%	17.5% - 18.1%
Non-GAAP ⁽¹⁾ Effective Tax Rate	13.0% - 17.0%	13.0% - 17.0%
Free cash flow ⁽¹⁾	\$700 million	\$700 million



Appendix

Reconciliation Tables



Reconciliation Tables

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

	Three months ended March 31,		Six months ended March 31,	
	2023	2022	2023	2022
Revenue	\$ 1,223,304	\$ 1,145,271	\$ 2,409,024	\$ 2,249,903
Non-GAAP operating income	217,737	201,625	427,275	395,232
Non-GAAP net income	179,298	190,944	355,840	341,079
Non-GAAP net income attributable to Amdocs Limited	178,592	190,944	354,929	341,079
Non-GAAP diluted earnings per share	\$ 1.47	\$ 1.54	\$ 2.92	\$ 2.74
Diluted weighted average number of shares outstanding	121,359	123,821	121,430	124,571

Free Cash Flows (In thousands)

	Three months ended March 31,		Six months ended March 31,	
	2023	2022	2023	2022
Net Cash Provided by Operating Activities	\$ 294,476	\$ 168,856	\$ 377,702	\$ 372,974
Purchases of property and equipment, net (a)	(35,119)	(47,271)	(68,822)	(104,496)
Free Cash Flow	\$ 259,357	\$ 121,585	\$ 308,880	\$ 268,478

Normalized Free Cash Flow ^(b) for the three and six months ended March 31, 2022: \$159,758 and \$345,437, respectively, excluding net capital expenditures related to the new campus development of \$30,109 and \$59,416, respectively, payment for acquisition related liability of \$4,871 and \$14,350, respectively, and tax payment on sale of business of \$3,193.

(a) The amounts under "Purchase of property and equipment, net" include proceeds from sale of property and equipment of \$255 and \$555 for the six months ended March 31, 2023 and 2022, respectively.

(b) Since Q1 2023, the Normalized Free Cash Flow is no longer applicable.

Reconciliation Tables

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

	Three Months Ended March 31, 2023					
	GAAP	Amortization of purchased intangible assets and other	Equity based compensation expense	Changes in certain acquisitions related liabilities measured at fair value	Tax effect	Non-GAAP
Operating expenses:						
Cost of revenue	\$ 795,485	\$ -	\$ (10,061)	\$ (1,159)	\$ -	\$ 784,265
Research and development	89,274		(1,703)			87,571
Selling, general and administrative	143,328		(9,597)			133,731
Amortization of purchased intangible assets and other	12,940	(12,940)				-
Total operating expenses	1,041,027	(12,940)	(21,361)	(1,159)	-	1,005,567
Operating income	182,277	12,940	21,361	1,159	-	217,737
Interest and other expense, net	(2,938)					(2,938)
Income taxes	29,030				6,471	35,501
Net income	150,309	12,940	21,361	1,159	(6,471)	179,298
Net income attributable to noncontrolling interests	706					706
Net income attributable to Amdocs Limited	\$ 149,603	\$ 12,940	\$ 21,361	\$ 1,159	\$ (6,471)	\$ 178,592

	Three Months Ended March 31, 2022						
	GAAP	Amortization of purchased intangible assets and other	Equity based compensation expense	Changes in certain acquisitions related liabilities measured at fair value	Other	Tax effect	Non-GAAP
Operating expenses:							
Cost of revenue	\$ 741,257	\$ -	\$ (8,070)	\$ (1,820)	\$ -	\$ -	\$ 731,367
Research and development	87,064		(1,375)				85,689
Selling, general and administrative	134,982		(8,392)				126,590
Amortization of purchased intangible assets and other	18,317	(18,317)					-
Total operating expenses	981,620	(18,317)	(17,837)	(1,820)	-	-	943,646
Operating income	163,651	18,317	17,837	1,820	-	-	201,625
Interest and other expense, net	(8,619)				1,100		(7,519)
Income tax (benefit) expense	(3,465)					6,627	3,162
Net income	\$ 158,497	\$ 18,317	\$ 17,837	\$ 1,820	\$ 1,100	\$ (6,627)	\$ 190,944

Reconciliation Tables

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

	Six Months Ended March 31, 2023						
	GAAP	Amortization of purchased intangible assets and other	Equity based compensation expense	Changes in certain acquisitions related liabilities measured at fair value	Restructuring charges	Tax effect	Non-GAAP
Operating expenses:							
Cost of revenue	\$ 1,552,334	\$ -	\$ (18,716)	\$ (1,284)	\$ -	\$ -	\$ 1,532,334
Research and development	185,000		(3,187)				181,813
Selling, general and administrative	286,550		(18,948)				267,602
Amortization of purchased intangible assets and other	28,253	(28,253)					-
Restructuring charges	24,536				(24,536)		-
Total operating expenses	2,076,673	(28,253)	(40,851)	(1,284)	(24,536)	-	1,981,749
Operating income	332,351	28,253	40,851	1,284	24,536	-	427,275
Interest and other expense, net	(7,901)						(7,901)
Income taxes	44,269					19,265	63,534
Net income	280,181	28,253	40,851	1,284	24,536	(19,265)	355,840
Net income attributable to noncontrolling interests	911						911
Net income attributable to Amdocs Limited	\$ 279,270	\$ 28,253	\$ 40,851	\$ 1,284	\$ 24,536	\$ (19,265)	\$ 354,929

	Six Months Ended March 31, 2022							
	GAAP	Amortization of purchased intangible assets and other	Equity based compensation expense	Changes in certain acquisitions related liabilities measured at fair value	Gain from sale of a business	Other	Tax effect	Non-GAAP
Operating expenses:								
Cost of revenue	\$ 1,457,975	\$ -	\$ (15,217)	\$ (793)	\$ -	\$ -	\$ -	\$ 1,441,965
Research and development	169,009		(2,598)					166,411
Selling, general and administrative	263,058		(16,763)					246,295
Amortization of purchased intangible assets and other	36,064	(36,064)						-
Total operating expenses	1,926,106	(36,064)	(34,578)	(793)	-	-	-	1,854,671
Operating income	323,797	36,064	34,578	793	-	-	-	395,232
Interest and other expense, net	(11,181)					(2,505)		(13,686)
Gain from sale of a business	10,000				(10,000)			-
Income tax (benefit) expense	30,517						9,950	40,467
Net income	\$ 292,099	\$ 36,064	\$ 34,578	\$ 793	\$ (10,000)	\$ (2,505)	\$ (9,950)	\$ 341,079

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**Amdocs to Acquire Service Assurance Business of TEOCO to Assure and Enable
Monetization of Next Generation Dynamic Customer Experiences**

JERSEY CITY, NJ – May 10, 2023 –[Amdocs](#) (NASDAQ: DOX), a leading provider of software and services to communications and media companies, today announced that it has entered into a definitive agreement to acquire the service assurance business of TEOCO. The acquisition will enable Amdocs to provide service providers with a unique end-to-end service orchestration offering, assuring the quality of service and enabling the monetization of next generation dynamic customer experiences.

“The move will enhance Amdocs’ offering by bringing key assurance expertise and capabilities in-house, enabling us to offer truly end-to-end service orchestration. In today’s dynamic and complex 5G era, such a holistic, end-to-end approach is key to delivering on the promise of amazing experiences our customers’ end users expect.” said Shuky Sheffer, President and CEO of Amdocs Management Limited. “Amdocs and TEOCO already partner in some opportunities within the service assurance domain, and this acquisition and the new seamlessly integrated offering will enable us to better serve existing and new customers.”

Amdocs is acquiring the service assurance business of TEOCO for a consideration of approximately \$90 million in cash, subject to the satisfaction of the conditions to closing. Additional consideration may be paid later based on the achievement of certain performance metrics. Revenue from TEOCO is expected to be immaterial in fiscal 2023 and expected to add approximately 0.5% to total revenue in fiscal year 2024.

The impact on GAAP diluted EPS will not be known until after Amdocs completes the purchase price allocation.

The impact of the acquisition on Amdocs’ non-GAAP diluted earnings per share is expected to be neutral in the full fiscal years 2023 and 2024. Non-GAAP diluted earnings per share excludes amortization of purchased intangible assets and other acquisition-related costs, changes in certain acquisitions related liabilities measured at fair value, restructuring charges, equity-based compensation expenses and other, net of related tax effects.

Supporting Resources

- Keep up with Amdocs news by visiting the company’s [website](#)
- Follow us on [Twitter](#), [Facebook](#), [LinkedIn](#) and [YouTube](#)

About Amdocs

Amdocs helps those who build the future to make it amazing. With our market-leading portfolio of software products and services, we unlock our customers’ innovative potential, empowering them to provide next-generation communication and media experiences for both the individual end user and enterprise customers. Our 31,000 employees around the globe are here to accelerate service providers’ migration to the cloud, enable them to differentiate in the 5G era, and digitalize and automate their operations. Listed on the NASDAQ Global Select Market, Amdocs had revenue of \$4.58 billion in fiscal 2022. For more information, visit www.amdocs.com

Amdocs' Forward-Looking Statement

This press release includes information that constitutes forward-looking statements made pursuant to the safe harbor provision of the Private Securities Litigation Reform Act of 1995, including statements about Amdocs' growth and business results in future quarters and years. Although we believe the expectations reflected in such forward-looking statements are based upon reasonable assumptions, we can give no assurance that our expectations will be obtained or that any deviations will not be material. Such statements involve risks and uncertainties that may cause future results to differ from those anticipated. These risks include, but are not limited to, the effects of general macro-economic conditions, prevailing level of macroeconomic, business and operational uncertainty, including as a result of geopolitical events or other global or regional events such as the COVID-19 pandemic, as well as the current inflationary environment, and the effects of these conditions on the company's clients' businesses and levels of business activity, Amdocs' ability to grow in the business markets that it serves, Amdocs' ability to successfully integrate acquired businesses, adverse effects of market competition, rapid technological shifts that may render the Company's products and services obsolete, potential loss of a major customer, our ability to develop long-term relationships with our customers, and risks associated with operating businesses in the international market. Amdocs may elect to update these forward-looking statements at some point in the future; however, Amdocs specifically disclaims any obligation to do so. These and other risks are discussed at greater length in Amdocs' filings with the Securities and Exchange Commission, including in our Annual Report on Form 20-F for the fiscal year ended September 30, 2022 filed on December 13, 2022 and our Form 6-K furnished for the first quarter of fiscal 2023 on February 13, 2023.

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