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 Quarter Ended June 30, 1999

AMDOCS LIMITED

Tower Hill House Le Bordage GY1 3QT
St. Peter Port, Island of Guernsey, Channel Islands

Amdocs, Inc.
1390 Timberlake Manor Parkway, Chesterfield, Missouri 63017

(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 X FORM 40 F ___

(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 X

AMDOCS LIMITED

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER

FOR THE QUARTER ENDED JUNE 30, 1999

INDEX

ITEM 1. FINANCIAL INFORMATION

AMDOCS LIMITED

CONSOLIDATED BALANCE SHEETS

(in U.S. dollars, unless otherwise stated)
(in thousands, except per share data)

	As of	
	June 30, 1999	September 30, 1998
	(Unaudited)	
ASSETS		
Current Assets:		
Cash and cash equivalents	$71,078	$25,389
Accounts receivable, including unbilled of $2,478 and $10,331, respectively	144,326	79,723
Accounts receivable from related parties, including unbilled of $0 and $537, respectively	9,775	10,235
Deferred income taxes	16,894	14,534
Prepaid expenses and other current assets	20,613	11,991
Total current assets	262,686	141,872
Equipment, vehicles and leasehold improvements, net	70,704	46,404
Deferred income taxes	5,614	7,773
Intellectual property rights	21,397	23,362
Other noncurrent assets	26,381	20,555
	$386,782	$239,966
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)		
Current Liabilities:		
Accounts payable and accrued expenses	$64,446	$47,599
Accrued personnel costs	34,607	29,948
Short-term financing arrangements	26,561	91,565
Deferred revenue	92,744	29,241
Short-term portion of capital lease obligations	4,459	2,952
Forward exchange contracts	1,488	2,926
Income taxes payable and deferred income taxes	23,077	21,919
Total current liabilities	247,382	226,150
Long-term forward exchange contracts	507	2,222
Long-term portion of capital lease obligations	12,649	9,215
Other noncurrent liabilities	29,972	24,268
Shareholders' equity (deficit):		
Preferred Shares - Authorized 25,000 shares; pound sterling 0.01 par value; 0 issued and outstanding	-	-
Ordinary Shares - Authorized 550,000 shares;		

pound sterling 0.01 par value; 198,800 and 196,800 outstanding, respectively	3,181	3,149
Additional paid-in capital	489,073	447,503
Unrealized gain (loss) on derivative instruments	2,558	(1,495)
Unearned compensation	(5,145)	(8,947)
Accumulated deficit	(393,395)	(462,099)
Total shareholders' equity (deficit)	96,272	(21,889)
	$386,782	$239,966

The accompanying notes are an integral part of these financial statements.

AMDOCS LIMITED

CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

(in U.S. dollars, unless otherwise stated)
(in thousands, except per share data)

	Three months ended June 30,		Nine months ended June 30,	
	1999	1998	1999	1998
Revenue:				
License (*)	$ 19,639	$ 11,322	$ 51,987	$ 29,741
Service (*)	145,245	95,175	392,152	257,322
	164,884	106,497	444,139	287,063
Operating expenses:				
Cost of license	1,367	2,654	4,060	8,521
Cost of service (*)	94,456	60,518	254,651	165,268
Research and development	11,005	7,172	28,524	18,127
Selling, general and administrative (*)	20,274	13,332	53,336	36,356
	127,102	83,676	340,571	228,272
Operating income	37,782	22,821	103,568	58,791
Other expense (income), net:				
Interest expense, net (*)	834	9,212	3,736	23,013
Other, net	633	723	1,684	(1,241)
	1,467	9,935	5,420	21,772
Income before income taxes	36,315	12,886	98,148	37,019
Income taxes	10,894	6,443	29,444	18,510
Net income	$ 25,421	$ 6,443	$ 68,704	$ 18,509
Basic earnings per share	$ 0.13	$ 0.04	$ 0.35	$ 0.13
Diluted earnings per share	$ 0.13	$ 0.04	$ 0.34	$ 0.13

(*) Includes the following income (expense) resulting from transactions with related parties for the three and nine months ended June 30, 1999 and 1998, respectively: license revenue - $140, $2,290, $418 and $2,290; service revenue - $22,473, $19,638, $68,422 and $62,680; cost of service - $(987), $(771), $(2,044) and $(2,036); selling, general and administrative - $(196), $(115), $(428) and $(304); interest expense - $(0), $(1,102), $(0) and $(4,150).

The accompanying notes are an integral part of these financial statements.

AMDOCS LIMITED

CONSOLIDATED STATEMENT OF CHANGES
IN SHAREHOLDERS' EQUITY (DEFICIT) (UNAUDITED)
(in thousands)

	Ordinary Shares		Additional Paid-in Capital	Unrealized income (loss) on derivative instruments
	Shares	Amount		
Balance at September 30, 1998	196,800	$ 3,149	$ 447,503	$ (1,495)
Net income	-	-	-	-
Issuance of Ordinary Shares, net	2,000	32	41,352	-
Unrealized income on derivative instruments, net of $1,737 tax	-	-	-	4,053
Stock options granted, net of forfeitures	-	-	218	-
Amortization of unearned compensation	-	-	-	-
Balance at June 30, 1999 (unaudited)	198,800	$ 3,181	$ 489,073	$ 2,558

	Unearned Compensation	Accumulated Deficit	Total Shareholders' Equity (Deficit)
Balance at September 30, 1998	$ (8,947)	$ (462,099)	$ (21,889)
Net income	-	68,704	68,704
Issuance of Ordinary Shares, net	-	-	41,384
Unrealized income on derivative instruments, net of $1,737 tax	-	-	4,053
Stock options granted, net of forfeitures	(163)	-	55
Amortization of unearned compensation	3,965	-	3,965
Balance at June 30, 1999 (unaudited)	$ (5,145)	$ (393,395)	$ 96,272

The accompanying notes are an integral part of these financial statements.

AMDOCS LIMITED

CONSOLIDATED STATEMENT OF CASH FLOW STATEMENT (UNAUDITED)

(in U.S. dollars, unless otherwise stated)
(in thousands)

	Nine months ended June 30, 1999	Nine months ended June 30, 1998
Cash flow from Operating Activities		
Net Income	$68,704	$18,509
Reconciliation of net income to net cash provided by Operating activities:		
Depreciation	13,763	8,659
Amortization	8,211	12,916
Loss on sale of equipment	518	99
Deferred income taxes	1,368	(1,750)
Net changes in operating assets and liabilities:		
Accounts receivable	(64,143)	(19,656)
Prepaid expenses and other current assets	(8,848)	(594)
Other noncurrent assets	(6,827)	(2,834)
Accounts payable and accrued expenses	20,357	17,241
Forward exchange contracts	(3,153)	-
Deferred revenue	63,503	16,072
Income taxes payable	(2,146)	(1,464)
Other noncurrent liabilities	5,704	4,170
Unrealized loss on derivative instruments	5,789	-
	10,236	12,935
Net cash provided by operating activities	102,800	51,368
Cash flow from Investing Activities		
Proceeds from sale of equipment, vehicles and leasehold improvements	1,212	721
Payments for purchase of equipment, vehicles, leasehold improvements and other	(32,913)	(18,232)
Net cash used in investing activities	(31,701)	(17,511)
Cash flow from Financing Activities		
Net proceeds from issuance of Ordinary Shares	42,535	332,223
Dividends paid	-	(478,684)
Payments under short-term financing arrangements	(293,012)	(208,449)
Borrowings under short-term financing arrangements	228,008	223,921
Payments under long-term financing arrangements	-	(267,763)
Net proceeds from issuance of long-term debt	-	357,877
Payments on notes payable to related parties	-	(3,268)
Principal payments under capital lease obligations	(2,941)	(1,753)

Net cash used in financing activities	(25,410)	(45,896)
Net increase (decrease) in cash and cash equivalents	45,689	(12,039)
Cash and cash equivalents at beginning of period	25,389	53,732
Cash and cash equivalents at end of period	$71,078	$41,693
Supplementary cash flow information Cash paid for:		
Income taxes, net of refunds	$26,710	$21,857
Interest	4,582	20,891

Noncash investing and financing activities

Capital lease obligations of $7,881 and $2,106 were incurred during the nine months ended June 30, 1999 and 1998, respectively, when the Company entered into lease agreements for the purchase of fixed assets.

As of June 30, 1999 and 1998, the Company incurred stock issuance costs of $1,150 and $1,586 respectively, which had not been paid as of that date.

The accompanying notes are an integral part of these financial statements.

AMDOCS LIMITED

NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

(in U.S. dollars unless otherwise stated)
(in thousands, except per share data)

1. Basis of Presentation

Amdocs Limited ("Amdocs" or the "Company") is a leading provider of product-driven information system solutions to the telecommunications industry. The Company and its subsidiaries operate in one business segment, providing computer systems integration and related services for the telecommunications industry. The Company designs, develops, markets and supports computer software products and related services to telecommunications companies throughout the world.

The unaudited consolidated financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States. In the opinion of management, all adjustments considered necessary for a fair presentation of the unaudited interim consolidated financial statements have been included therein and are of a normal recurring nature. The results of operations for the interim periods presented herein are not necessarily indicative of the results to be expected for the full year. These statements, however, do not include all information and footnotes necessary for a complete presentation of financial position, results of operations and cash flows in conformity with generally accepted accounting principles. These statements should be read in conjunction with the Company's consolidated financial statements for the year ended September 30, 1998 set forth in the Company's Annual Report on Form 20-F filed with the Securities and Exchange Commission.

2. Adoption of New Accounting Standards

Effective October 1, 1998, the Company adopted the provisions of Statement of Position (SOP) 98-1, "Accounting for the Costs of Computer Software Developed for or Obtained for Internal-Use". The SOP requires the capitalization of certain costs incurred after the date of adoption in connection with developing or obtaining software for internal use. In accordance with the SOP, the Company capitalized approximately $1,700 of internally developed software costs in the nine-month period ended June 30, 1999.

3. Comprehensive Income

Effective October 1, 1998, the Company adopted the provisions of Statement of Financial Accounting Standards No. 130, "Reporting Comprehensive Income" (Statement 130), which established standards for the reporting and display of comprehensive income and its components. Comprehensive income represents the change in shareholders' equity during a period from transactions and other events and circumstances from nonowner sources. It includes all changes in equity except those resulting from investments by owners and distributions to owners.

The following table sets forth the reconciliation from net income to comprehensive income for the following periods:

	Three months ended June 30,		Nine months ended June 30,	
	1999	1998	1999	1998
Net income	$ 25,421	$ 6,443	$ 68,704	$ 18,509
Change in unrealized income on derivative instruments, net of tax	2,333	-	4,053	-
Comprehensive income	$ 27,754	$ 6,443	$ 72,757	$ 18,509

4. Income Taxes

The provision for income taxes for the following periods consists of the following:

	Three months ended June 30,		Nine months ended June 30,	
	1999	1998	1999	1998
Current	$ 14,325	$ 5,403	$ 28,076	$ 20,260
Deferred	(3,431)	(1,040)	1,368	(1,750)
	$ 10,894	$ 6,443	$ 29,444	$ 18,510

The effective income tax rate varied from the statutory Guernsey tax rate as follows for the following periods:

	Three months ended June 30,		Nine months ended June 30,	
	1999	1998	1999	1998
Statutory Guernsey tax rate	20%	20%	20%	20%
Guernsey tax-exempt status	(20)	(20)	(20)	(20)
Foreign taxes	30	50 (*)	30	50 (*)
Effective income tax rate	30%	50%	30%	50%

(*) In fiscal 1998, the Company incurred tax expense on the income of its operations in various countries and sustained a loss in a tax jurisdiction in which the Company is tax-exempt, which resulted in no tax benefit to offset the expense incurred. As a result, the Company's effective income tax rate in fiscal 1998 was significantly greater than the estimated fiscal 1999 effective tax rate.

5. Earnings per Share

The following table sets forth the computation of basic and diluted earnings per share:

	Three months ended June 30,		Nine months ended June 30,	
	1999	1998	1999	1998
Numerator:				
Net income	$ 25,421	$ 6,443	$ 68,704	$ 18,509
Denominator:				
Denominator for basic earnings per share - weighted average shares	197,322	181,174	196,976	145,630
Effect of dilutive stock options granted	2,988	1,522	2,673	821
Denominator for dilutive earnings per share - adjusted average shares and assumed conversions	200,310	182,696	199,649	146,451
Basic earnings per share	$0.13	$0.04	$0.35	$0.13
Diluted earnings per share	$0.13	$0.04	$0.34	$0.13

6. Capital transaction

On June 7, 1999 the Company and certain shareholders of the Company completed a public offering by which the Company sold 2,000 Ordinary Shares and the certain shareholders of the Company sold 18,426 Ordinary Shares, including an exercise of an over-allotment of 426 Ordinary Shares that was completed in July 1999, at an offering price of $22.44 per share. The total net proceeds to the Company, after deduction of issuance costs, amounted to $41,384.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION

INTRODUCTION

In Management's Discussion and Analysis we explain the general financial condition and the results of operations for Amdocs and its subsidiaries including:

- what factors affect our business,

- what our revenue and costs were in the nine months and three months ended June 30, 1999 and 1998,

- why those revenue and costs were different from period to period,

- the sources of our revenue,

- how all of this affects our overall financial condition,

- what our expenditures were in the nine months and three months ended June 30, 1999 and 1998, and

- the sources of our cash to pay for future capital expenditures.

As you read Management's Discussion and Analysis, it may be helpful to refer to Amdocs' financial statements. In Management's Discussion and Analysis, we analyze and explain the nine months to nine months and three months to three months changes in the specific line items in the consolidated statements of operations. Our analysis contains certain forward looking statements that involve risk and uncertainties. Our actual results could differ materially from the results reflected in these forward looking statements as they are subject to a variety of risk factors. We disclaim any obligation to update our forward looking statements.

OVERVIEW

We are a leading provider of customized software products and services to the telecommunications industry, primarily Customer Care and Billing Systems ("CC&B Systems") for wireline, wireless and multiple-service or convergent network operators and service providers. We also supply Directory Sales and Publishing Systems ("Directory Systems") to publishers of both traditional printed yellow page and white page directories and Internet directories. Our products are mission-critical for a customer's operations. Due to the complexity of the process and the expertise required for system support, we also provide extensive customization, implementation, integration, ongoing support, system enhancement and maintenance, including an outsourcing offering.

We derive our revenue principally from:

- the initial sale of our products and related services, including license fees and customization,implementation and integration services, and

- recurring revenue from ongoing maintenance, support, outsourcing and related services provided to our customers and, to a lesser degree, from incremental license fees resulting from increases in a customer's subscribers.

License revenue is recognized concurrently as work is performed, using percentage of completion accounting. Service revenue that involves significant ongoing obligations, including fees for customization, implementation and support services, is also recognized as work is performed, under the percentage of completion method. Revenue from ongoing support and outsourcing services is recognized as work is performed. Revenue from third party hardware and software sales is recognized upon delivery. Maintenance revenue is recognized ratably over the term of the maintenance agreement. As a result of our percentage of completion accounting policy, our quarterly operating results may be significantly affected by the size and timing of customer projects and our progress in completing such projects.

Since 1992, we have invested substantial resources to develop our information technology and to expand our range of products. As a result of significant information technology expenditures, we were able to offer a full range of integrated applications for our CC&B Systems at the same time factors such as increased demand for services, deregulation, privatization and technological advancements began to transform the telecommunications industry.

License and service fees from the sale of CC&B Systems amounted to $325.4 million and $125.8 million in the nine and three months ended June 30, 1999 respectively, representing 73.3% and 76.3%, respectively, of our revenue for such periods.

We believe that the demand for CC&B Systems will continue to increase as the size and complexity of the telecommunications industry increases and that CC&B Systems will account for a larger share of our total revenue over time.

Although the business of publishing traditional yellow page and white page directories is a mature business in the United States, it continues to be a significant source of revenue for us worldwide. We believe that we are a leading provider of Directory Systems in most of the markets we serve.

License and service fee revenue from the sale of Directory Systems totaled $118.8 million and $39.1 million in the nine and three months ended June 30, 1999, respectively, accounting for 26.7% and 23.7%, respectively, of our revenue for such periods.

We believe that the demand for Directory Systems will be favorably impacted by a broader introduction of electronic directories. However, we anticipate that the relative contribution of license and service fees for Directory Systems to total revenue will decrease over time. We have also recently introduced a number of new products for Internet and electronic commerce applications. We anticipate that over the next several years products developed or to be developed for such applications will make a modest but increasing contribution to revenue.

Our research and development activities involve the development of new software modules and product offerings in response to an identified market demand, usually in conjunction with a customer project. We also expend additional amounts on applied research and software development activities to keep abreast of new technologies in the telecommunications market. In the next several years, we intend to continue to make significant investments in our research and development activities.

On June 7, 1999 we sold 2 million Ordinary Shares in a public offering at a price of $22.44 per share. The total net proceeds to Amdocs, after deduction of issuance costs, amounted to $41.4 million. At the same time, certain of our shareholders sold 18,426,000 Ordinary Shares, including an exercise of an over-allotment of 426,000 Ordinary Shares.

RESULTS OF OPERATIONS

The following table sets forth, for the nine months and for the three months ended June 30, 1999 and 1998, certain items in our consolidated statements of operations reflected as a percentage of total revenue:

	Three months Ended June 30,		Nine months Ended June 30,	
	1999	1998	1999	1998
Revenue:				
License	11.9%	10.6%	11.7%	10.4%
Service	88.1	89.4	88.3	89.6
	100.0	100.0	100.0	100.0
Operating expenses:				
Cost of license	0.8	2.5	0.9	3.0
Cost of service	57.3	56.8	57.4	57.6
Research and development	6.7	6.7	6.4	6.3
Selling, general and administrative	12.3	12.6	12.0	12.6
	77.1	78.6	76.7	79.5
Operating income	22.9	21.4	23.3	20.5
Other expense, net	0.9	9.4	1.2	7.7
Income before income taxes	22.0	12.0	22.1	12.8
Income taxes	6.6	6.0	6.6	6.4
Net income	15.4%	6.0%	15.5%	6.4%

NINE MONTHS ENDED JUNE 30, 1999 and 1998

REVENUE. Revenue for the nine months ended June 30, 1999 was $444.1 million, an increase of $157.1 million, or 54.7%, compared to the nine months ended June 30, 1998, primarily due to the continuance of the growth in the demand for our CC&B Systems solutions. License revenue increased from $29.7 million in the nine months ended June 30, 1998 to $52.0 million in the nine months ended June 30, 1999, an increase of 74.8%. Service revenue increased 52.4% by $134.8 million in the nine months ended June 30, 1999, from $257.3 million in the nine months ended June 30, 1998 to $392.2 million in the nine months ended June 30, 1999. Total CC&B Systems revenue for the nine months ended June 30, 1999 was $325.4 million, an increase of $153.4 million, or 89.2%, compared to the nine months ended June 30, 1998. Revenue from Directory Systems was $118.8 million for the nine months ended June 30, 1999, an increase of $3.7 million, or 3.2%, from the nine months ended June 30, 1998.

In the nine months ended June 30, 1999 and 1998, revenue from customers in North America, Europe and the rest of the world accounted for 40%, 39% and 21% compared to 54%, 23% and 27%, respectively.

COST OF LICENSE. Cost of license for the nine months ended June 30, 1999 was $4.1 million, a decrease of $4.5 million, or 52.4%, from cost of license for the nine months ended June 30, 1998. Cost of license includes amortization of purchased computer software and intellectual property rights.

COST OF SERVICE. Cost of service for the nine months ended June 30, 1999 was $254.7 million, an increase of $89.4 million, or 54.1%, compared to the cost of service of $165.3 million for the nine months ended June 30, 1998. As a percentage of revenue, cost of service remained stable at 57.4% in the nine months ended June 30, 1999 compared to 57.6% in the nine months ended June 30, 1998. The cost of service is predominantly related to salary and employee related expenses. The absolute increase in cost of service is consistent with the increase in revenue for the nine months ended June 30, 1999, and reflects increased employment levels required to support the continuing growth in revenue.

RESEARCH AND DEVELOPMENT. Research and development expense is primarily comprised of compensation expense attributed to research and development activities, usually in conjunction with customer contracts. In the nine months ended June 30, 1999, research and development expense was $28.5 million, or 6.4% of revenue, compared with $18.1 million, or 6.3% of revenue, in the nine months ended June 30, 1998. The increase in research and development expense represents ongoing expenditures primarily for CC&B Systems and also for Directory Systems.

SELLING, GENERAL AND ADMINISTRATIVE. Selling, general and administrative expense is primarily comprised of compensation expense and increased by 46.7% to $53.3 million, or 12.0% of revenue, in the nine months ended June 30, 1999 from $36.4 million, or 12.6% of revenue, in the corresponding period of fiscal 1998.

OPERATING INCOME. Operating income in the nine months ended June 30, 1999 was $103.6 million, as compared with $58.8 million in the nine months ended June 30, 1998, an increase of 76.2%. %Operating income was 23.3% of revenue for the nine months ended June 30, 1999 as compared to 20.5% for the nine months ended June 30, 1998, primarily due to an increase in license revenue and a decrease in cost of license.

OTHER EXPENSE, NET. Other expense, net consists primarily of interest expense. Interest expense in 1998 related primarily to senior bank debt and subordinated debt, which was substantially repaid from the proceeds of our initial public offering completed in June 1998. In the nine months ended June 30, 1999, other expense, net was $5.4 million, a decrease of $16.4 million from the nine months ended June 30, 1998. The decrease is primarily attributed to the reduction in bank debt during 1999.

INCOME TAXES. Income taxes in the nine months ended June 30, 1999 were $29.4 million on income before taxes of $98.1 million. In the nine months ended June 30, 1998 income taxes were $18.5 million on income before taxes of $37.0 million. See discussion below - "Effective Tax Rate."

NET INCOME. Net income was $68.7 million in the nine months ended June 30, 1999 compared to $18.5 million for the nine months ended June 30, 1998. The increase was primarily the result of an increase in operating income and a decrease in interest expense and income taxes which also resulted in an increase in basic earnings per share from $0.13 in the nine months ended June

30, 1998 to $0.35 in the nine months ended June 30, 1999. Diluted earnings per share increased from $0.13 in the nine months ended June 30, 1998 to $0.34 in the nine months ended June 30, 1999

THREE MONTHS ENDED JUNE 30, 1999 and 1998

REVENUE. Revenue for the three months ended June 30, 1999 was $164.9 million, an increase of $58.4 million, or 54.8%, compared to the three months ended June 30, 1998, primarily due to the continuance of the growth in the demand for our to addition CC&B solutions.Systemscustomers License revenue increased from $11.3 million in the three months ended June 30, 1998 to $19.6 million during the three months ended June 30, 1999, an increase of 73.5%, and service revenue increased 52.6% by $50.1 million in the three months ended June 30, 1999. Total CC&B Systems revenue for the quarter ended June 30, 1999 was $125.8 million, an increase of $54.8 million, or 77.3%, compared to the three months ended June 30, 1998. Revenue from Directory Systems was $39.1 million for the quarter ended June 30, 1999, an increase of $3.6 million, or 10.0%, from the three month period ended June 30, 1998.

In the three months ended June 30, 1999 and 1998, revenue from customers in North America, Europe and the rest of the world accounted for 32%, 44% and 24% compared to 49%, 29% and 22%, respectively.

COST OF LICENSE. Cost of license for the quarter ended June 30, 1999 was $1.4 million, a decrease of $1.3 million, or 48.5%, from cost of license for the quarter ended June 30, 1998. Cost of license includes amortization of purchased computer software and intellectual property rights.

COST OF SERVICE. Cost of service for three months ended June 30, 1999 was $94.5 million, an increase of $33.9 million, or 56.1%, from cost of service of $60.5 million for the three months ended June 30, 1998. As a percentage of revenue, cost of service increased to 57.3% in the quarter ended June 30, 1999 from 56.8% in the three months ended June 30, 1998. The increase in cost of service is consistent with the increase in revenue for the quarter, and reflects increased employment levels required to support the continuing growth in revenue.

RESEARCH AND DEVELOPMENT. In the quarter ended June 30, 1999, research and development expense was $11.0 million, or 6.7% of revenue, compared with $7.2 million, or 6.7% of revenue, in the quarter ended June 30, 1998. The increase in research and development expense represents ongoing expenditures primarily for CC&B Systems and also for Directory Systems.

SELLING, GENERAL AND ADMINISTRATIVE. Selling, general and administrative expense increased by 52.1% to $20.3 million, or 12.3% of revenue, in the quarter ended June 30, 1999 from $13.3 million, or 12.6% of revenue, in the corresponding period of fiscal 1998.

OPERATING INCOME. Operating income in the quarter ended June 30, 1999 was $37.8 million, as compared with $22.8 million in the three months ended June 30, 1998, an increase of 65.6%%. Operating income increased to 22.9% of revenue for the three months ended June 30, 1999 as compared to 21.4% for the three months ended June 30, 1998, primarily due to an increase in license revenue and a decrease in cost of license.

OTHER EXPENSE, NET. In the quarter ended June 30, 1999, other expenses, net was $1.5 million, a decrease of $8.5 million from the three month period ended June 30, 1998. The decrease is primarily attributed to the reduction in bank debt during 1999.

INCOME TAXES. Income taxes in the quarter ended June 30, 1999 were $10.9 million on income before taxes of $36.3 million. In the three months ended June 30, 1998, income taxes were $6.4 million on income before taxes of $12.9 million. See discussion below - "Effective Tax Rate."

NET INCOME. Net income was $25.4 million in the three months ended June 30, 1999 compared to $6.4 million for the three months ended June 30, 1998. The increase was primarily the result of an increase in operating income and a decrease in interest expense and income taxes which also resulted in an increase of basic and diluted earnings per share from $0.04 in the three months ended June 30, 1998 to $0.13 in the three months ended June 30, 1999.

LIQUIDITY AND CAPITAL RESOURCES

FINANCING TRANSACTIONS

We have primarily financed our operations through cash generated from operations, borrowings from banks and other lenders and two public offerings of our Ordinary Shares. Cash and cash equivalents totaled $71.1 million at June 30, 1999 compared to $25.4 million at September 30, 1998. Net cash provided by operating activities amounted to $102.8 million and $51.4 million for the nine months ended June 30, 1999 and 1998, respectively. The increase in cash and cash equivalents at June 30, 1999 is attributed to increased collections from customers and the proceeds of the secondary offering, less the repayment of bank debt.

We currently intend to retain our earnings to support the further expansion of our business and to repay our outstanding loans. The terms of our bank agreement effectively restrict our ability to pay cash dividends.

At June 30, 1999, we had short-term lines of credit totaling $152.0 million from various banks or bank groups, of which $26.6 million was outstanding. As of that date, we had also utilized approximately $13.1 million of our revolving credit facility to support outstanding letters of credit. At June 30, 1999, we had positive working capital of $15.3 million as compared to negative working capital of $84.3 million at September 30, 1998. The increase in working capital is attributed to cash generated from operating activities and to the proceeds of the secondary offering. We believe that current cash balances, cash generated from operations and our current lines of credit will provide sufficient resources to meet our needs in the near future.

At June 30, 1999, we had long-term obligations outstanding of $17.1 million in connection with leasing arrangements.

Currently, our capital expenditures are funded primarily by operating cash flows and capital leasing arrangements. We do not anticipate any change to this policy in the foreseeable future.

NET DEFERRED TAX ASSETS

Based on our assessment, it is more likely than not that all the net deferred tax assets at June 30, 1999 will be realized through future taxable earnings. No significant increase in future taxable earnings would be required to fully realize the net deferred tax assets.

YEAR 2000 ISSUES

OUR STATE OF READINESS. We have identified the information technology, or IT, and non-IT systems, software and products, which could be affected by year 2000 issues, and have assessed the efforts required to remediate or replace them. We have also identified versions of our products that will not be made compliant and are assisting customers in upgrading or migrating to year 2000 compliant versions. By the end of 1999, it is our intention that all of the major or key systems, software and products will be remediated or replaced.

We began evaluating year 2000 compliance issues in mid-1996. Since then the following functions have been performed:

- a thorough examination and study of year 2000 compliance status;
- adoption of a work plan;
- analysis of solution alternatives; and
- determination of our technical and business year 2000 policies.

In recent years, new systems have been developed as year 2000 compliant and older generations of applications are being made year 2000 compliant in cooperation with our customers (using Amdocs year 2000 methodology and tool kit). None of these systems need mass data conversion, which is usually the most sensitive portion of the year 2000 migration. Recognizing the importance of year 2000 support in the IT industry and to provide an additional level of assurance to our customers, we have decided to conduct a thorough and systematic verification process. This effort is based on the application of industry-wide standards for year 2000 compliance. This verification process utilizes a specialized tool kit developed by us including a powerful search utility. For many customers we offer to conduct the verification process, since the ultimate verification for year 2000 compliance should be executed in their own working environment.

We anticipate completing the majority of the testing, implementation of changes and necessary refinements by the fourth quarter of calendar year 1999 and to continue extensive testing through the end of calendar year 1999. We expect that systems, software and products for which we have responsibility currently are year 2000 compliant or will be compliant on a timely basis. We are not aware of any year 2000 issues with our customers that cannot be remedied.

We have contacted all of our customers, and several of our vendors and other third parties with which we deal to identify potential year 2000 issues. These communications are also used to clarify which year 2000 issues are our responsibility and which are the responsibility of the third party. We do not anticipate that our third party year 2000 issues will be different than those encountered by other providers of information services, including our competitors. At this time, we are not aware of any year 2000 issues or problems relating to third parties with which we have a material relationship.

With respect to our internal IT systems (including IT-based office facilities such as data and voice communications, building management and security systems, human resources and recruitment systems, purchasing, invoicing, finance and budget systems, general ledger and other administrative systems), both third party software and in-house developments, we have adopted standard industry practices, as published by the British Standards Institute, and methodologies suggested by the Gartner Group (INSPCT), in preparing for the year 2000 date change. Our year 2000 internal readiness program primarily covers:

- taking inventory of hardware, software and embedded systems;
- assessing business risks associated with such systems;
- creating action plans to address known risks;
- executing and monitoring action plans; and
- contingency planning.

Although we do not believe that we will incur any material cost or experience material disruptions in our business associated with preparing our internal systems for the year 2000, there can be no assurance that we will not experience serious unanticipated negative consequences and/or material costs caused by undetected errors or defects in the technology used in our internal systems, which are composed of third party software, third party hardware that contains embedded software and our own software products. We are in the process of implementing action plans for the remediation of high-risk areas and we are scheduled to implement remediation plans for medium to low risk areas during the remainder of fiscal 1999. We expect our contingency plans to include, among other things, manual "work-arounds" for software and hardware failure, as well as substitution of systems, if necessary.

COSTS TO ADDRESS OUR YEAR 2000 ISSUES. A significant portion of our year 2000 compliance efforts have occurred or are occurring in connection with system upgrades or replacements that were otherwise planned (but perhaps accelerated due to the year 2000 issue) or which have significant improvements and benefits unrelated to year 2000 issues. The remainder of the costs that are incremental and directly related to year 2000 issues are not expected to be material to our financial position or results of operations.

At June 30, 1999, we have accrued approximately $1.0 million representing the estimated remaining costs to modify previously sold customized software products. We do not anticipate capitalizing any of these costs as they relate to warranties related to products developed for customers.

OUR CONTINGENCY PLANS. Detailed contingency plans are being prepared and will be refined as appropriate. Those plans will focus on matters which appear to be our most likely year 2000 risks, such as possible additional customer support efforts by us that would be necessary if customers or vendors are not year 2000 compliant, or if a year 2000 issue should not be timely detected in our own compliance efforts.

EUROPEAN MONETARY UNION CURRENCY

The European Monetary Union currency, or the euro, will be phased in over the three-year period that commenced on January 1, 1999, when participating European countries began using the euro currency for non-cash transactions. We intend to offer software products that are capable of handling the euro currency and converting from local currencies to the euro. There can be no assurance that our software or software provided to our customers by other vendors will ensure an errorless transition to the euro currency. At June 30, 1999, we have accrued approximately $0.3 million representing estimated remaining costs to modify our software products to accept the euro currency under existing agreements with customers relating to previously sold products. We do not currently anticipate recovering these expenditures from our customers, as they relate to warranty agreements. There can be no assurance that such costs will not significantly exceed such estimate, in which case such costs could have a material effect on our results of operations and financial condition.

EFFECTIVE TAX RATE

Our overall effective tax rate has historically been approximately 30% due to the various corporate income tax rates in the countries in which we operate and the relative magnitude of our business in those countries. Our consolidated effective tax rate for the nine months ended June 30, 1999 was 30% compared to 50% in the prior period. The consolidated effective tax rate of 50% for 1998 was due to significant interest expense in a tax jurisdiction in which we are tax exempt, which resulted in no tax benefit to offset the tax expense incurred in other jurisdictions.

CURRENCY FLUCTUATIONS

Approximately 80% of our revenue is in U.S. dollars or linked to the U.S. dollar and therefore the U.S. dollar is our functional currency. Approximately 60% of our operating expenses are paid in U.S. dollars or are linked to U.S dollars. Other significant currencies in which we receive revenue or pay expenses are Australian dollars, British pounds, Canadian dollars, the euro and Israeli shekels. Historically, the effect of fluctuations in currency exchange rates has had a minimal impact on our operations. As we expand our operations outside of the United States, our exposure to fluctuations in currency exchange rates could increase. In managing our foreign exchange risk, we enter from time to time into various foreign exchange contracts. At June 30, 1999, we had hedged most of our significant exposures in currencies other than the dollar.

PART II. OTHER INFORMATION

ITEM 2. CHANGES IN SECURITIES.

CHANGES IN SECURITIES

On July 12, 1999, pursuant to an over-allotment option granted by one of our shareholders, SBC International, Inc. ("SBC"), to the underwriters involved with our secondary public offering, the underwriters elected to exercise their over-allotment option with respect to 426,000 non-voting Ordinary Shares held by SBC. Consistent with our Articles of Incorporation, as a result of the transfer by SBC of these non-voting Ordinary Shares, the non-voting Ordinary Shares converted automatically into voting Ordinary Shares.

Following the exercise by the underwriters of the over-allotment option, SBC, the sole owner of non-voting Ordinary Shares, now owns 24,292,434 non-voting Ordinary Shares and 14,500,000 voting Ordinary Shares.

ITEM 6. EXHIBITS AND REPORTS ON FORM 6-K.

(a) Exhibits

EXHIBIT NO.	DESCRIPTION
99.1	Amdocs Limited Press Release dated July 27, 1999.

(b) Reports on Form 6-K. No report on Form 6-K was filed by the Company during this period.

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

Date: August 12, 1999

/s/ Thomas G. O'Brien

Thomas G. O'Brien
Treasurer and Secretary
Authorized U.S. Representative

EXHIBIT INDEX

EXHIBIT NO.	DESCRIPTION
99.1	Amdocs Limited Press Release dated July 27, 1999.

EXHIBIT 99.1

99.1 PRESS RELEASE.

AMDOCS LIMITED REPORTS RECORD QUARTERLY RESULTS

Third quarter revenue increases by 54.8% and operating income by 65.6%

St. Louis, Missouri - July 27, 1999 - Amdocs Limited (NYSE: DOX) today reported that for the third quarter ended June 30, 1999, revenue increased by 54.8% to $164.9 million from $106.5 million in the third quarter last year.

Third quarter operating income grew 65.6%, to $37.8 million. Net income increased to $25.4 million, compared to $6.4 million in the third quarter last year. Diluted earnings per share for the quarter increased to $0.13 compared to $0.04 in the third quarter of fiscal 1998.

Avi Naor, President and Chief Executive Officer of Amdocs Management Limited, noted, "Our impressive performance for the third quarter and year to date reflects Amdocs' unique position among its clients, the top tier in the telecom industry. This market leadership has been demonstrated by major new business wins for customer care, billing and order management solutions from wireline, wireless and convergence customers. We are also encountering growing demand for bundled services in the area of high-end, voice-data convergence in the emerging data services segment."

Naor continued, "We completed a very successful secondary offering during the quarter which we believe is an endorsement from investors of this leading market position, strong growth and consistent business performance."

"Because of our long-term customer relationships, based on providing comprehensive solutions with an unsurpassed track record in project delivery, visibility continues to be high. We expect that Amdocs' results will continue to reflect the company's business stability and our leading position in the market as we enter the fourth quarter and approach the fiscal year 2000," Naor concluded.

For the first nine months of fiscal 1999, Amdocs reported that revenue increased 54.7% to $444.1 million compared to $287.1 million in the same period in the previous fiscal year. Operating income reached $103.6 million, up 76.2% from $58.8 million in the first three quarters of fiscal 1998. Net income grew to $68.7 million, or $0.34 per diluted share, as compared to $18.5 million, or $0.13 per diluted share, for the same period last year.

Amdocs

Amdocs is a leading provider of product-driven customer care and billing solutions to premier telecommunications companies worldwide. Amdocs has an unparalleled success record in project delivery of its mission-critical products. With human resources of over 4,000 information systems professionals dedicated to the telecommunications industry, Amdocs has an installed base of successful projects with more than 70 major telecommunications companies throughout the world. For more information visit our Web site at www.amdocs.com

This press release may contain forward looking statements as defined under the Securities Act of 1933, as amended. 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 adverse effects of market competition, rapid changes in technology that may render the company's products and services obsolete, potential loss of a major customer, and risks associated with operating businesses in the international market. These and other risks are discussed at greater length in the company's filings with the Securities and Exchange Commission.

Amdocs Limited
Consolidated Statements of Operations (Unaudited)
(in thousands, except per share data)

	Three months ended June 30,		Nine months ended June 30,	
	1999	1998	1999	1998
Revenue:				
License	$ 19,639	$ 11,322	$ 51,987	$ 29,741
Service	145,245	95,175	392,152	257,322
	164,884	106,497	444,139	287,063
Operating expenses:				
Cost of license	1,367	2,654	4,060	8,521
Cost of service	94,456	60,518	254,651	165,268
Research and development	11,005	7,172	28,524	18,127
Selling, general and administrative	20,274	13,332	53,336	36,356
	127,102	83,676	340,571	228,272
Operating income	37,782	22,821	103,568	58,791
Other expense (income), net:				
Interest expense, net	834	9,212	3,736	23,013
Other, net	633	723	1,684	(1,241)
	1,467	9,935	5,420	21,772
Income before income taxes	36,315	12,886	98,148	37,019
Income taxes	10,894	6,443	29,444	18,510
Net income	$ 25,421	$ 6,443	$ 68,704	$ 18,509
Basic earnings per share	$ 0.13	$ 0.04	$ 0.35	$ 0.13

Diluted earnings per share	$ 0.13	$ 0.04	$ 0.34	$ 0.13
Weighted Average number of shares-Basic	197,322	181,174	196,976	145,630
Weighted Average number of shares-Diluted	200,310	182,696	199,649	146,451

Amdocs Limited Consolidated Balance Sheets
(in thousands, except per share data)

	June 30, 1999 (Unaudited)	September 30, 1998
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 71,078	$ 25,389
Accounts receivable, including unbilled of $2,478 and $10,331, respectively	144,326	79,723
Accounts receivable from related parties, including unbilled of $0 and $537, respectively	9,775	10,235
Deferred income taxes	16,894	14,534
Prepaid expenses and other current assets	20,613	11,991
Total current assets	262,686	141,872
Equipment, vehicles and leasehold improvements, net	70,704	46,404
Deferred income taxes	5,614	7,773
Intellectual property rights	22,397	23,362
Other noncurrent assets	25,381	20,555
	$ 386,782	$ 239,966
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)		
Current Liabilities:		
Accounts payable and accrued expenses	$ 64,446	$ 47,599
Accrued personnel costs	34,607	29,948
Short-term financing arrangements	26,561	91,565
Deferred revenue	92,744	29,241
Short-term portion of capital lease obligations	4,459	2,952

Forward exchange contracts	1,488	2,926
Income taxes payable and deferred income taxes	23,077	21,919
Total current liabilities	247,382	226,150
Long-term forward exchange contracts	507	2,222
Long-term portion of capital lease obligations	12,649	9,215
Other noncurrent liabilities	29,972	24,268
Shareholders' equity (deficit):		
Preferred Shares - Authorized 25,000 shares; (pound)0.01 par value; 0 shares issued and outstanding	--	--
Ordinary Shares - Authorized 550,000 shares; (pound)0.01 par value; 198,800 shares issued and outstanding	3,181	3,149
Additional paid-in capital	489,073	447,503
Unrealized income (loss) on derivative instruments	2,558	(1,495)
Unearned compensation	(5,145)	(8,947)
Accumulated deficit	(393,395)	(462,099)
Total shareholders' equity (deficit)	96,272	(21,889)
	$ 386,782	$ 239,966

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Amdocs

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