



annual report 2018





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fiscal 2018

a record year for amdocs

- Achieved \$1 billion quarterly revenue mark while maintaining stable margins
- Managed services engagements revenue, under long-term contracts, exceed 50% of total revenue
- Major digital modernization project wins at leading service providers around the world
- Market launch of amdocsONE, an open and modular set of products and services, built on cloud-native microservices technologies and deployed using DevOps
- Network functions virtualization solutions successfully deployed in North America
- Acquisition of Vubiquity, provider of premium content services and technology, expands Amdocs into the media and entertainment domain and diversifies Amdocs customer base
- Increased opportunities in digital identity and experience-driven software design realms with acquisitions of UXP Systems and projekt202

letter to shareholders

Dear Fellow Shareholders,

Fiscal 2018 was a record year for Amdocs, with revenues breaking the \$1 billion per quarter barrier for the first time while profitability remained at the higher end of our forecast.

We believe this success is due to our early recognition of the industry trends driving our customers – expansion into new domains and the digitalization of the experience they provide their end users – and the gearing of our innovative solutions and services to help service providers adapt to their rapidly changing market dynamics.

The end of fiscal 2018 also saw the appointment of a new president and chief executive officer of Amdocs, Shuky Sheffer, a co-signatory of this letter. A long-time senior executive at the company, Shuky's previous role was president of Amdocs Global Business, responsible for the organization's customer business as well as delivery of projects to customers. Shuky has spent his whole career at Amdocs, aside from a three-year period as CEO of Retalix, a publicly traded provider of software solutions to retailers and distributors worldwide.


Looking ahead, as our customers continue their digital modernization projects, expand their footprint in the enterprise sector and evolve their service-driven networks, we see many opportunities for further growth as we support our customers on their transformational journey.



Shuky Sheffer
president and
chief executive officer



Robert A. Minicucci
chairman of the board



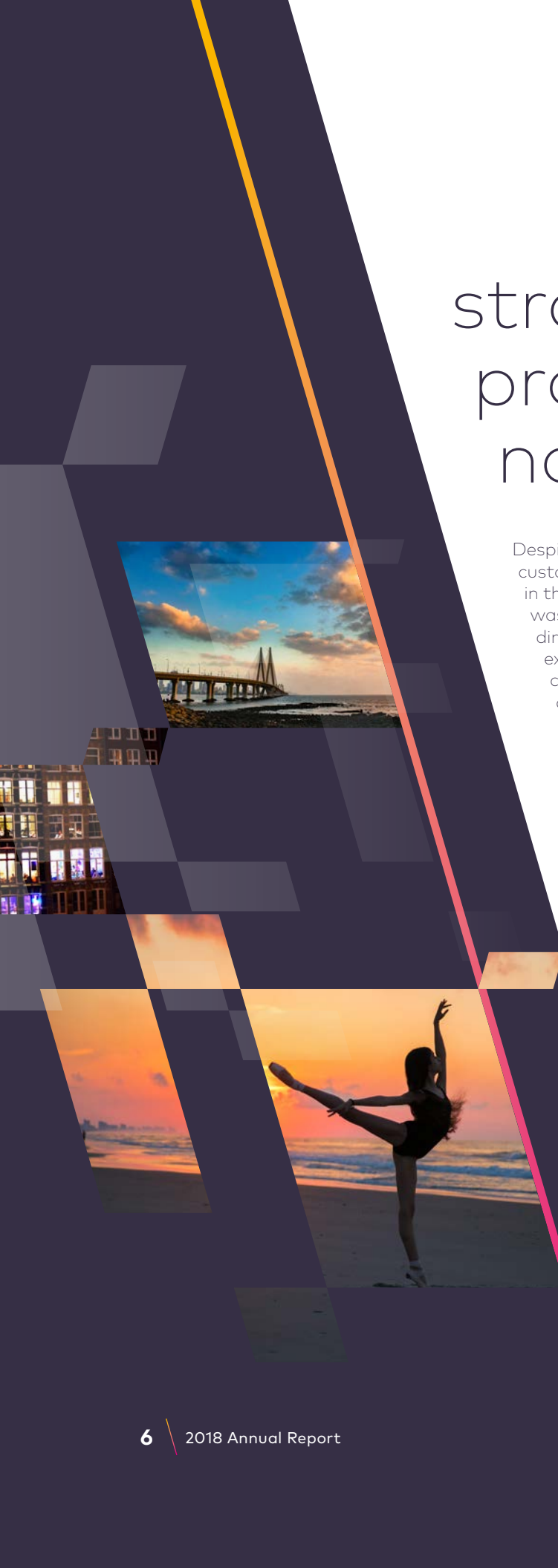
The launch of amdocsONE provides service providers with a broad set of products and services designed to grow revenue and build loyalty

In fiscal 2018, we deepened our capabilities within the media and entertainment industry, which is seeing increasing convergence of wireless and Pay TV offerings on the one hand, and the emergence of the direct-to-consumer content business model on the other, with the acquisition of Vubiquity, a provider of premium content services and technology. With this purchase, we feel Amdocs will be uniquely positioned to address the requirements of content distributors, content owners and the large internet players as the lines between each become increasingly blurred. Post-acquisition contract renewals with Turner and an expansion of Vubiquity's existing relationship with Verizon already show positive momentum in this realm.

As service providers expand from mobile and broadband into digital life services like TV and video subscriptions, home automation and security, music subscriptions and online shopping, the importance of providing a single digital identity for their subscribers across all such services increases. To this end, we acquired UXP Systems, a leader in User Lifecycle Management, to reinforce our capabilities around digital identity, user entitlement, personalization and privacy, including content management. At the beginning of the fiscal year, we also acquired projekt202, a leader in experience-driven software design and development, to further help our customers improve the customer experience they offer.

Our performance over the past 12 months has been a testament to the strength of our unique business model, our focus on execution and the innovation we bring to our customers. We firmly believe Amdocs is one of the most advanced companies in the realm of high-end enterprise software and related services. The launch at Mobile World Congress of amdocsONE provides service providers with a broad set of products and services designed to grow revenue and build loyalty. Available on an open, modular architecture, built on cloud-native microservice technologies for high velocity time to market, and deployed using DevOps in small iterations to control costs, amdocsONE is designed to accelerate our customers' digital transformation and should drive our continued success.

strategic projects in north america



Despite slower discretionary spending at AT&T, our largest customer, and uncertainty surrounding customer consolidation in this market, our broader customer activity in North America was healthy as we levered our leading capabilities in three dimensions: improved consumer and enterprise customer experience through digital modernization; support for the convergence of traditional wireless and Pay TV providers, and the enablement of next generation infrastructure investment such as network functions virtualization (NFV) and preparations for the launch of 5G networks (we were the first vendor to announce the launch of a 5G-ready online charging system).

At Rogers Communications in Canada we were awarded a project to provide its next-generation customer experience platform, which will enable Rogers to deliver a consistent and high-quality customer experience across its voice, video, data and connected devices services, while U.S. Cellular selected us for a turnkey project to transform customer digital care and commerce experiences over its Web and mobile channels. At DISH we successfully deployed the enterprise transformation project announced last year and we also delivered a radio access network optimization service for Voice over LTE (VoLTE) at another leading US carrier. Furthermore, we continued our extensive work on strategic projects at many of the continent's leading Pay TV operators as they modernize their business support systems (BSS).

North America was healthy as
we levered our leading
capabilities in three dimensions



double-digit growth in europe, strong customer activity in asia pacific

Europe delivered solid double-digit growth in fiscal 2018 as we focused on project execution and winning new digital modernization awards across the region, including at Vodafone Italy, Altice SFR in France and A1 Bulgaria, where Amdocs solutions will enable these service providers to provide outstanding experiences for today's massively connected, always-on customers. We also won our first-ever transformation award with TIM, the largest communications provider in Italy, expanding our customer footprint in this key European market. Furthermore, we secured a new customer in the country, Sky Italy, for a multi-year managed services arrangement that includes delivery of the Amdocs Open Network OSS suite on a cloud-enabled platform. At Three Ireland, our artificial intelligence and advanced analytics and machine learning platform will enable this Hutchison subsidiary to provide a personalized and proactive customer experience as part of its digital transformation journey. MTS, the leading telecommunications group in Russia, meanwhile selected Amdocs as a technology partner to help bring innovative digital content to its customers through a rich partner ecosystem.

We were also pleased with our Rest of World performance, which was primarily led by relatively strong customer activity in Asia and the surrounding Pacific region. Highlighting our experience in the Philippines market, and the sophisticated IT infrastructure we have established to support customer activities in Manila and across

the South-East Asia region, we secured a highly significant seven-year managed transformation deal with PLDT and its wireless subsidiary Smart Communications. Under this agreement, PLDT will modernize its IT systems and business processes using Amdocs solutions including artificial intelligence and machine learning. Later in the year we expanded this strategic partnership with a six-year managed IT infrastructure deal. Elsewhere in the Philippines, at Globe Telecom, we collaborated for the first time with Amazon Web Services (AWS) to deliver a fully digital customer engagement experience, and also signed a separate, multi-year services contract for continuous enhancement of Globe Telecom's operations. We are seeing increasing awareness in this region of the benefits of our intelligent operations (managed services), including our automation of Vodafone India's billing operations, enabling this operator to improve the customer experience in the areas of bill delivery and accuracy. At Bharti Airtel, India's largest service provider, we are serving as its digital transformation strategic partner, deploying machine learning and artificial intelligence capabilities to enable Airtel to deliver next-generation services to its customers. Also in South-East Asia, we announced the successful completion of a converged billing transformation program at True Corporation in Thailand. In Africa, we gained a new customer at Safaricom, a major mobile network operator in Kenya, who will use our revenue assurance technology and expertise.






innovation in practice, bringing positive results

At Amdocs, we pride ourselves on delivering innovation in practice and investing in new areas in order to bring positive results for our customers and shareholders. With the ability to provide offerings around content, virtualized network, and digital transformation, utilizing technologies and practices such as artificial intelligence, DevOps and microservices, we are committed to building the new engines that will sustain our market leadership position. These engines include our investment in Pay TV, with many leading North American Pay TV operators now using our digital technology solutions to drive their business and modernize their systems.

This year moreover saw an important milestone in our NFV journey with the announcement that we are supporting the commercial availability of Comcast's software-defined wide area networking (SD-WAN) service for enterprise businesses, leveraging our leading NFV portfolio.

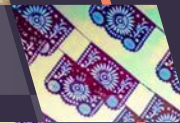
We also served as Bell Canada's strategic partner for the implementation of the first network automation use case in production, which enables the much faster introduction of new services for Bell Canada's enterprise and consumer customers. This use case leverages the Linux Foundation's Open Network Automation Platform (ONAP), for which Amdocs was one of the co-authors of the original code base. In Australia, we partnered with Telstra to implement a next generation operational support systems (OSS) platform for its enterprise line of business that will enable Telstra's network domain to evolve toward virtualization. Furthermore, in collaboration with Microsoft, we can enable operators to deliver virtual network services running on the Microsoft Azure cloud, orchestrated and managed using ONAP. We are encouraged to have seen recently some pick-up in the number of global service providers evaluating NFV and believe the progress we are making supporting the activities of our early adopter customers will encourage others to follow in due course.



This year saw an important milestone in our NFV journey, supporting the commercial availability of Comcast's software-defined wide area networking

strength in diversity

At Amdocs, our over-arching corporate social responsibility theme is building a better future through inclusion. We are committed to diversity, believing a gender diverse, multi-cultural workforce provides strength and a competitive advantage. We run internal programs to increase representation and empower female employees of our company. We also strongly believe we should support the communities in which we work, placing special emphasis on improving employability for young people. We prioritize financial, digital and English literacy, mentoring and STEM (science, technology, engineering and mathematics) education. For example, in India alone, we have trained thousands of people in digital literacy and helped students participate in STEM-related programs. We are proud of the fact that approximately one in five of our employees are involved in volunteering in their community, donating over 35,000 hours of voluntary work in fiscal 2018. We are also committed to minimizing any negative environmental impacts of our operations through reducing emissions and waste, and via our carbon offsetting program.



record revenue, stable operating profitability

Regarding our financial performance in fiscal 2018, we achieved our total revenue growth targets for the full year as we more than offset the discretionary spending headwinds at AT&T with healthy levels of activity at new and existing customers in the broader North America region, Europe and Rest of World. At the same time, our operating profitability was stable while we focused on project execution, reallocation of resources to growth areas, and closing the previously mentioned acquisitions for a combined amount of \$355 million. We also met our commitment to return roughly 100% of free cash flow to shareholders after normalizing for the initial investments we made in our new campus development in Israel. Altogether, we delivered full year diluted non-GAAP earnings per share growth of 6.1% in fiscal 2018, in line with the midpoint of our expectations at the start of the year. In light of this performance, and the confidence we have in the future success of Amdocs, our Board has also approved the sixth consecutive annual increase in our quarterly cash dividend, subject to shareholder approval at the annual general meeting in January.

At the end of fiscal 2018, Eli Gelman stepped down as Amdocs president and CEO after eight highly successful years at the helm of our company. Under his leadership, Amdocs greatly expanded its customer base, entered new strategic domains and markets, and saw a significant improvement in its financial performance. We are grateful for Eli's years of service and delighted he will remain with the company as a director.

We are confident we are well-placed to build further on the success of fiscal 2018 and, by doing so, continue to provide value to both our customers and our shareholders.

Thank you for your support, confidence and commitment.



Shuky Sheffer
president and
chief executive officer

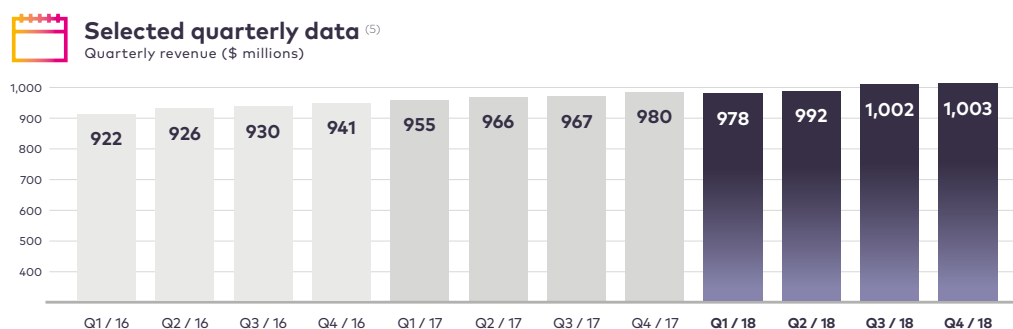
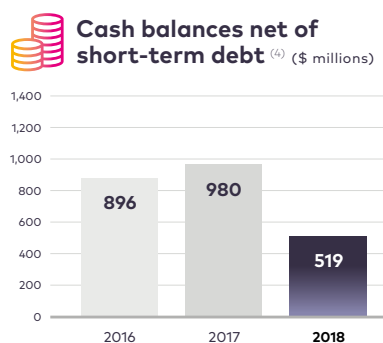
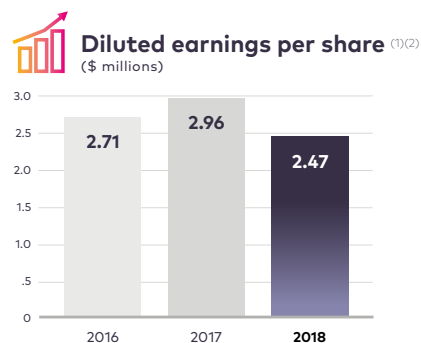
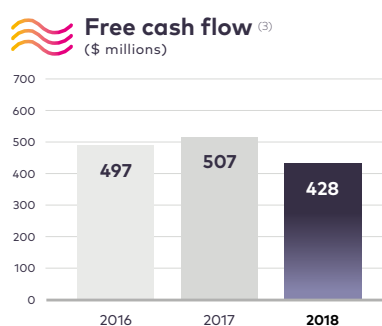
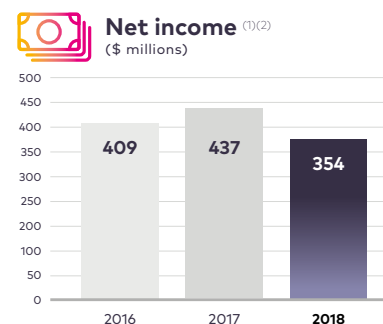
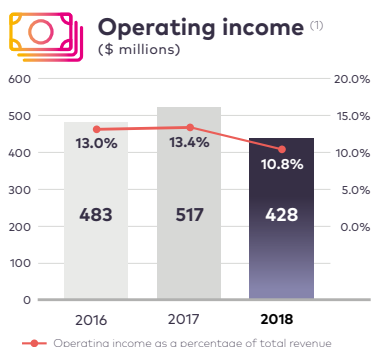
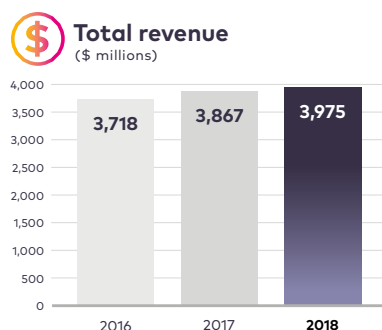


Robert A. Minicucci
chairman of the board

Board approved dividend increase
for sixth consecutive year

financial highlights

| (all data in millions, except per share data) | 2016 | 2017 | 2018 |
|---|---------|---------|---------|
| Total revenue | \$3,718 | \$3,867 | \$3,975 |
| Operating income ⁽¹⁾ | \$483 | \$517 | \$428 |
| Operating income from total revenue ⁽¹⁾ | 13% | 13.4% | 10.8% |
| Net income ⁽¹⁾⁽²⁾ | \$409 | \$437 | \$354 |
| Free cash flow ⁽³⁾ | \$497 | \$507 | \$428 |
| Diluted earnings per share ⁽¹⁾⁽²⁾ | \$2.71 | \$2.96 | \$2.47 |
| Cash balances net of short-term debt ⁽⁴⁾ | \$896 | \$980 | \$519 |



(1) Includes amortization of purchased intangible assets and other, equity-based compensation expense, changes in certain acquisition-related liabilities measured at fair value and in 2018 also \$85M nonrecurring charges associated with restructuring and settlement of legal dispute.

(2) Includes all related tax effects.

(3) Free cash flow is not defined under United States generally accepted accounting principles (U.S. GAAP) and is calculated as cash flows

from operations less net capital expenditures and other, and excluding payments of non-recurring charges and the multi-year development of the new campus. The Company uses free cash flow to assess its financial performance.

(4) Includes short-term interest-bearing investments.

(5) Due to rounding, the sum of the quarters may not match the full year amount.

business overview

Founded

1982

Ordinary shares

Amdocs ordinary shares are listed on the NASDAQ Global Select Market under the symbol DOX and the company went public in June 1998.

Revenue

\$4.0 billion in fiscal year 2018.

Customers

Amdocs' customer base includes communications and media companies in more than 85 countries worldwide.

Global presence

- Workforce of around 25,000 serving customers across six continents
- Support and development centers located worldwide, including Brazil, Canada, Cyprus, India, Ireland, Israel, Mexico, the Philippines, the United Kingdom and the USA

Market position

Amdocs is a leading software and services provider to communications and media companies of all sizes, accelerating the industry's dynamic and continuous digital transformation.

With a rich set of innovative solutions, long-term business relationships with more than 350 communications and media providers, and technology and distribution ties to 600 content creators, Amdocs delivers business improvements to drive growth.

amdocsONE

As our industry transforms at pace, amdocsONE provides service providers with the broadest set of products and services to grow revenue and build loyalty. Uniquely designed to meet the challenge of our customers' hybrid environment, amdocsONE is available on an open, modular architecture, built on cloud-native microservice technologies for high-velocity time to market. Deployed using DevOps in small iterations to control costs, amdocsONE brings optimal scope and drives agility. Our innovation, with rich partner-based services, further drives our industry leadership and deep domain knowhow.

Amdocs' market offerings address five business imperatives:

- Consumer experience and monetization
- Media and digital services
- Enterprise and connected society
- Service-driven networks
- Services and agile operations

Our offerings are underpinned by our technology foundations, including Microservices360, cloud, open source, open APIs, artificial intelligence, machine learning and data analytics.

demonstrated leadership

2018

- Leader in Integrated Revenue and Customer Management (Gartner)
- Leader in Operations Support Systems (Gartner)
- Amdocs wins Leading Lights 2018 Company of the Year (Public) award
- Amdocs wins Global Telecoms award for Managed Services Innovation of the Year
- #1 in the Order Management product-related market (Analysys Mason)
- #1 in Engineering Systems product-related market (Analysys Mason)
- #1 in Monetization Platforms product-related market (Analysys Mason)
- #1 in Monetization Platforms professional services market (Analysys Mason)
- #1 in Billing and Charging product-related market share (Analysys Mason)
- #1 in Billing and Charging professional services market share (Analysys Mason)
- #1 in Engagement Platforms product-related market (Analysys Mason)
- #1 in Customer Engagement product-related services market (Analysys Mason)
- #1 in Vendor Services for Telecom IT Applications (Ovum)
- Global leader in the overall BSS/OSS market (Heavy Reading)
- Global market-share leader in the overall monetization market (Stratecast)
- Leader in Service Fulfillment and Orchestration (Global Data)
- Amdocs found to have most well-articulated microservices story so far within CSP operational domain (Stratecast)
- Global market-share leader in end-to-end monetization (Frost & Sullivan)
- Amdocs wins Frost & Sullivan Asia-Pacific Telecom OSS/BSS Vendor of the Year award
- 2018 TM Forum Catalyst Award: Amdocs participant in Empowering Business Assurance with Artificial Intelligence catalyst
- TM Forum Excellence Awards 2018: Amdocs and Telstra win Open Digital Ecosystem Platform of the Year Award
- TM Forum Excellence Awards 2018: UXP Systems (an Amdocs company) wins Outstanding Customer Centricity Award for supercharging Liberty Global's digital business capabilities
- Vubiquity (an Amdocs company) wins 2018 EMA Service & Technology Provider "Digi" Award for premium content & technology solutions, and transforming digital video distribution
- Vindicia (an Amdocs company) wins CNP Judges Choice Award for Best Subscription/Recurring Billing Solution
- Amdocs awarded four diamonds in back office category of BTR 2018 Diamond Technology Reviews

2017

- Amdocs wins the Leading Lights award for Outstanding Communications Technology Vision
- Amdocs wins the Leading Lights Best Deal Maker award
- Amdocs wins The M&A Advisor Corporate/Strategic Deal of the Year award
- Leader in Integrated Revenue and Customer Management (Gartner)
- #1 in Billing and Charging product-related and professional services market share (Analysys Mason)
- #1 in Customer care product-related services market share (Analysys Mason)
- #1 in Global Rating & Charging and other Core Billing market share (Stratecast)
- #1 in Order Management market share (Analysys Mason)
- Leader in Operations Support Systems (Gartner)
- Leader in Operator Decision Matrix for Convergent Billing and Charging (Ovum)
- Global leader in Operator Decision Matrix for CRM (Ovum)
- Leader in Overall Software Testing and for Software Testing, Digital Focus (Nelson Hall)
- #1 in Service Fulfillment product-related services market share (Analysys Mason)
- #1 in Global Revenue Management market share (Analysys Mason)
- #1 in Overall Telecoms Software product-related services market share (Analysys Mason)
- #1 in Subscriber Management product-related and professional services market share (Analysys Mason)
- #1 in Vendor Services for Telecom IT Applications (Ovum)
- Amdocs wins Global Telecoms award for Ground-Breaking NFV Initiative
- Amdocs wins Frost & Sullivan's Global Market Leadership award for CSP Overall Billing
- Amdocs wins Frost & Sullivan's Asia/Pacific Telecom OSS/BSS award
- Amdocs wins Frost & Sullivan's Product Line Strategy Leadership award for Radio Access Network Centralized Management and Optimization solution (CMOS) portfolio
- Sprint & Amdocs win Global Telecoms Business award for consumer service innovation
- XL-Axiata & Amdocs win Global Telecoms Business award for consumer service innovation
- TM Forum Live! Catalyst Award: Amdocs member of Connected Citizen: A Green, Clean, Smart City catalyst
- Amdocs wins Telecom Asia's Readers' Choice & Innovation award for Network Optimization Innovation
- Amdocs wins Telecom Asia's Readers' Choice & Innovation award for VoLTE Innovation
- Amdocs wins Pipeline Innovation Editor's Choice Award
- Amdocs wins Tel-Aviv University Innovation Conference Innovation Award

select customers

7-Eleven
20th Century Fox
A1 Bulgaria
A1 Telekom Austria
AAPT
Airtel
Algar Telecom
Altice SFR
Altice USA
América Móvil
Anuncios en Directorios
Seccion Amarilla
Astra Honduras
Astro
AT&T
AT&T Mexico
Axtel
BBC Worldwide
Bell Canada
Bell Mobility
Bend Broadband
Bezeq
Bharat Sanchar Nigam
Limited
Botswana
Telecommunications
Corporation Limited
BT
Cable & Wireless
Cable Bahamas
Cellcom
CenturyLink
Charter Communications
Cinemark
Claro Brasil
Claro Chile
Claro Dominican Republic
Claro Ecuador
Claro Peru
Claro Puerto Rico
Cogeco
Comcast
Consors Bank
Cricket
Crnogorski Telekom
De Telefoongids BV
Deutsche Telekom
Dex Media
Digicel Group

Digitel Venezuela
DISH Network
EE
eircom
Elisa
Embratel
Endurance International
Group
Enel
EPIX (an MGM company)
FarEasTone
Fastweb
Globe Telecom
Hearst Magazines
Hot Telecom
Hrvatski Telekom
HSBC Bank
Hutchison 3G UK
Indosat
Interoute
Telecommunications
iStream Planet
Italiaonline S.p.A
J:COM (Jupiter
Telecommunications)
Kazakhtelecom
Kcell
KCOM
KPN
KT Corporation
Kyivstar
Liberty Global
Linkem
M1
Magyar Telekom
Maxis
Movilnet
MTS
NASCAR Digital Media
NET Brasil
NetCom
NetLink Trust
Next Issue Media/Texture
Nextel Brasil
O2 Czech Republic
O2 Slovakia
Oi
Open Mobile
Optus

Orange Belgium
Orange Polska
Orange Spain
Partner
Pelephone
PeopleConnect Inc.
Play
PLDT
Post Luxembourg
Primetel
Proximus
Prudential Insurance Co. of
America
Reliance Communications
Rogers Communications
Rostelecom
Safaricom
Sensis
SETAR
SIM TV
Singtel
Sky Italia
Slovak Telekom
Smart
Sonaecom
Sprint
State Bank of India
Sunrise Telecom
Sutter Telefonbuchverlag
Tata Communications
Tele2
Telecom Argentina
Telefónica Argentina
Telefónica Brasil (Vivo)
Telefónica Chile
Telefónica O2 Germany
Telefónica O2 UK
Telefónica Peru
Telefónica S.A.
Telenet Belgium
Telenor Hungary
Telenor Norway
Telenor Sverige
Telesur
Telia Denmark
Telia Estonia
Telia Norway
Telia Sweden

Telkom SA
Telma
Telmex
Telstra
TELUS Communications
Teracom
Three Ireland (Hutchison)
Limited
Tigo Ghana
TIM
TIM Brasil
T-Mobile Austria
T-Mobile Czech Republic
T-Mobile Netherlands
T-Mobile USA
Transvision
Trudon
True Corporation
Turner
UPC Broadband Holding B.V.
US Cellular
UTS
Veon
Verizon
Verlag Heinz Heise
Vimeo
Virgin Media
Vodafone Germany
Vodafone Greece
Vodafone Hungary
Vodafone Hutchison
Australia
Vodafone Idea
Vodafone Ireland
Vodafone Italy
Vodafone New Zealand
Vodafone Portugal
Vodafone Romania
Vodafone Spain
Vodafone UK
VodafoneZiggo
Warner Bros.
Wind
XL Axiata
Yorkshire Water
YP Holdings
Ztar Mobile



corporate information

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Ordinary shares

The Company's ordinary shares are listed on the NASDAQ Global Select Market under the symbol DOX.

Annual meeting

The Annual Meeting of Shareholders will be held on January 31, 2019 at 4pm at the offices of Davis Polk & Wardwell LLP, 450 Lexington Avenue, New York, NY 10017. All shareholders are invited to attend.

Investor information

A copy of the Company's Annual Report on Form 20-F, filed with the Securities and Exchange Commission, is available on the Amdocs website:
www.amdocs.com

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Amdocs on the internet

Corporate, product, financial and shareholder information, including news releases, financial filings and stock quotes are available on the Amdocs website: www.amdocs.com



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