

ADP Earnings Call & Webcast Q1 Fiscal 2027

October 28, 2026



DISCLAIMERS

FORWARD-LOOKING STATEMENTS

This document and other written or oral statements made from time to time by ADP may contain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Statements that are not historical in nature and which may be identified by the use of words like “outlook,” “expects,” “assumes,” “projects,” “anticipates,” “estimates,” “we believe,” “could,” “is designed to” and other words of similar meaning, are forward-looking statements. These statements are based on management’s expectations and assumptions and depend upon or refer to future events or conditions and are subject to risks and uncertainties that may cause actual results to differ materially from those expressed. Factors that could cause actual results to differ materially from those contemplated by the forward-looking statements or that could contribute to such difference include: ADP’s success in obtaining and retaining clients, and selling additional services to clients; the pricing of products and services; the success of our new solutions; our ability to respond successfully to changes in technology, including artificial intelligence; compliance with existing or new legislation or regulations; changes in, or interpretations of, existing legislation or regulations; overall market, political and economic conditions, including interest rate and foreign currency trends and inflation; competitive conditions; our ability to maintain our current credit ratings and the impact on our funding costs and profitability; security or cyber breaches, fraudulent acts, and system interruptions and failures, including as a result of artificial intelligence; employment and wage levels; availability of skilled associates; the impact of new acquisitions and divestitures; the impact of any uncertainties related to major natural disasters or catastrophic events; and supply-chain disruptions. ADP disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. These risks and uncertainties, along with the risk factors discussed under “Item 1A. Risk Factors” of our most recent Annual Report on Form 10-K, and in other written or oral statements made from time to time by ADP, should be considered in evaluating any forward-looking statements contained herein.

NON-GAAP MEASURES

Adjusted EBIT, adjusted EBIT margin, adjusted diluted earnings per share, adjusted effective tax rate, and organic constant currency are all non-GAAP financial measures. Please refer to the Q1 fiscal 2027 earnings release available at investors.adp.com for a discussion of why ADP believes these measures are important and for a reconciliation of non-GAAP financial measures to their closest comparable GAAP financial measures.

This presentation is a supplement to our Q1 fiscal 2027 earnings release; it is intended to be read in conjunction with, not as a substitute for, or in isolation from, the earnings release.

STRONG Q1 FINANCIAL PERFORMANCE

- 6% revenue growth, 130 basis points of adjusted EBIT margin expansion¹ and 13% adjusted diluted EPS¹ growth

LEADING WITH STRUCTURAL ADVANTAGES

- **Industry-Leading Data** provides unparalleled insights into emerging trends to help design the future of work
- **Brand Trust & Responsible AI** drives broad use of ADP Assist with 100,000 additional clients since Q4, launch of the Recruiting AI Interviewer Agent in ADP Lyric HCM, and expansion of ADP API Central
- **Trusted Service Model** helps clients manage complexity and optimize recruiting and HR workflows through innovation such as ADP Lyric HCM
- **Global Scale & Reach** meets client needs through expansion of ADP Lyric HCM availability across key European markets, diverse and highly integrated ecosystem of partners, embedded payroll offering through new partnership with PNC Bank - PNC Payroll by ADP®
- **Deep Domain Expertise** helps clients navigate complex requirements across 140+ countries, reducing errors and administrative burden

1. For a reconciliation of this non-GAAP financial metric to its closest comparable GAAP metric see our Q1 fiscal 2027 earnings release available at investors.adp.com.



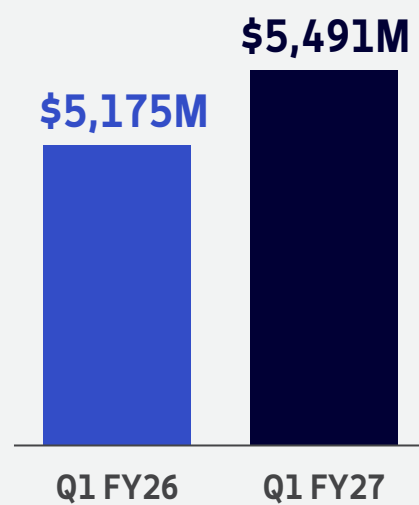
Q1 FISCAL 2027 FINANCIAL HIGHLIGHTS

(Unaudited)

TOTAL REVENUES

↑ 6%

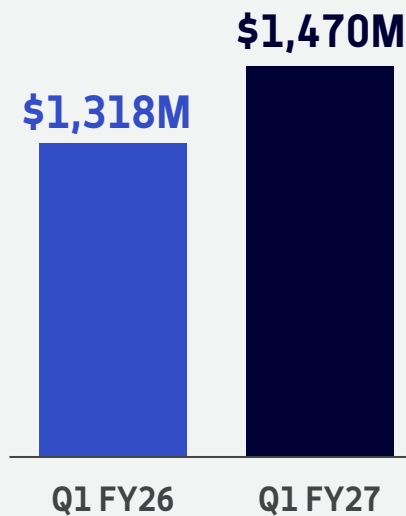
↑ 6% Organic Constant Currency¹



ADJUSTED EBIT¹

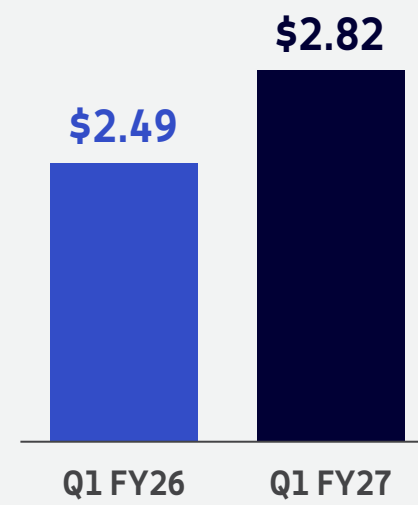
↑ 12%

Adjusted EBIT¹ Margin ↑ 130 bps



ADJUSTED DILUTED EPS¹

↑ 13%



1. For a reconciliation of these non-GAAP financial metrics to their closest comparable GAAP metrics see our Q1 fiscal 2027 earnings release available at investors.adp.com.

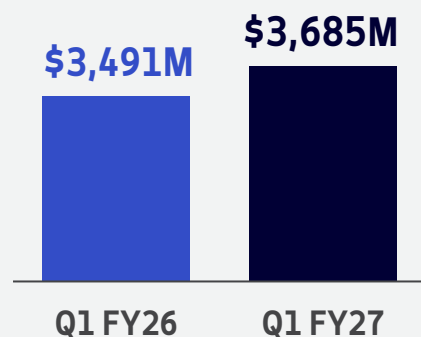
Q1 FISCAL 2027 EMPLOYER SERVICES SEGMENT RESULTS

(Unaudited)

ES REVENUES

↑ 6%

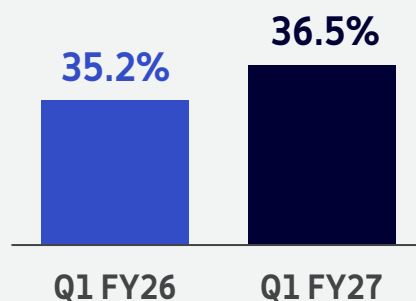
↑ 6% Organic Constant Currency¹



- U.S. pays per control ↑ 2%
- Average client funds balances ↑ 6%
- Average client funds yield of 3.6%, up from 3.3% in prior year

ES MARGIN

↑ 130 bps



- Margin increase driven by operational productivity improvements and the contribution from client funds interest revenue growth

FY27 ES OUTLOOK

	July 29, 2026 Fiscal 2027 Outlook	October 28, 2026 Fiscal 2027 Outlook
Revenues	5 to 6%	~6%
ES New Business Bookings	4 to 7%	4 to 7%
Client Revenue Retention	(30) to (10) bps	(30) to (10) bps
U.S. Pays Per Control	0 to 1%	~1%

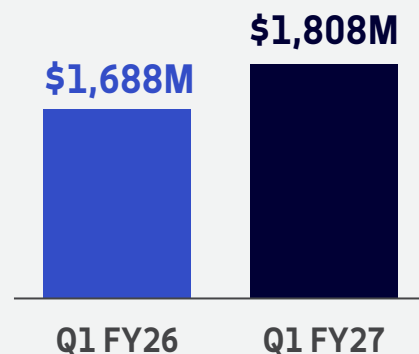
1. For a reconciliation of this non-GAAP financial metrics to its closest comparable GAAP metric see our Q1 fiscal 2027 earnings release available at investors.adp.com.

Q1 FISCAL 2027 PEO SERVICES SEGMENT RESULTS

(Unaudited)

PEO REVENUES

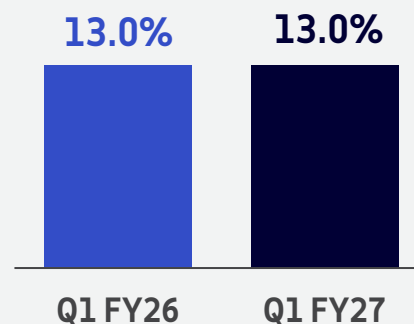
↑ 7%



- Revenues excluding zero-margin benefits pass-throughs (ZMPT) ↑ 4%
- Average worksite employees (WSEs) ↑ 2% to about 771,000

PEO MARGIN

Flat



- Margin remained flat as lower operating expenses offset the impact of faster zero-margin pass-through revenue growth

FY27 PEO OUTLOOK

	July 29, 2026 Fiscal 2027 Outlook	October 28, 2026 Fiscal 2027 Outlook
Revenues	5 to 7%	5 to 7%
Revenues Ex ZMPT	3 to 5%	3 to 5%
Average WSEs	~2%	~2%

FISCAL 2027 OUTLOOK

		Fiscal 2026 (unaudited)	July 29, 2026 Fiscal 2027 Outlook ¹	October 28, 2026 Fiscal 2027 Outlook ¹
Total ADP	Revenues	\$21,947M	5 to 6%	~6%
	Adj. EBIT Margin ²	26.8%	70 to 90 bps	70 to 90 bps
	Adj. Effective Tax Rate ²	23.0%	~23%	~23%
	Adj. Diluted EPS ²	\$11.12	9 to 11%	10 to 12%
Employer Services	Revenues	\$14,831M	5 to 6%	~6%
	ES New Business Bookings	\$2.2B	4 to 7%	4 to 7%
	Client Revenue Retention	92.1%	(30) to (10) bps	(30) to (10) bps
	U.S. Pays Per Control	1%	0 to 1%	~1%
PEO Services	Revenues	\$7,128M	5 to 7%	5 to 7%
	Revenues Ex Zero-Margin Pass-throughs	\$2,521M	3 to 5%	3 to 5%
	Average WSEs	762,000	~2%	~2%
Client Funds Interest	Average Client Funds Balances	\$40.4B	3 to 4%	4 to 5%
	Yield on Client Funds Portfolio	3.4%	~3.7%	~3.8%
	Client Funds Interest Revenue	\$1,355M	\$1,540 to \$1,560M	\$1,590 to \$1,610M
	Net Impact from Client Funds Extended Strategy	\$1,315M	\$1,545 to \$1,565M	\$1,590 to \$1,610M

1. Outlook contemplates the anticipated impact of foreign currency in revenue and operating results.

2. For a reconciliation of these non-GAAP financial metrics to their closest comparable GAAP metrics see our Q1 fiscal 2027 earnings release available at investors.adp.com.

APPENDIX: CLIENT FUNDS INVESTMENT STRATEGY DETAIL

	Average Balances (\$)		Average Rates		Interest Income / (Expense) (\$)	
	Fiscal 2026 (unaudited)	October 28, 2026 Fiscal 2027 Outlook	Fiscal 2026 (unaudited)	October 28, 2026 Fiscal 2027 Outlook	Fiscal 2026 (unaudited)	October 28, 2026 Fiscal 2027 Outlook
Client Short	9.5B	9.6 – 9.7B	3.3%	~3.6%	315M	345 – 350M
Client Extended	16.6B	17.0 – 17.1B	3.5%	~4.1%	573M	700 – 710M
Client Long	14.3B	15.5 – 15.6B	3.3%	~3.5%	467M	545 – 550M
Funds Held for Clients¹	40.4B	42.1 – 42.4B	3.4%	~3.8%	1,355M	1,590 to 1,610M
Corporate Extended Interest Income ²	7.8B	~8.9B	3.6%	~4.1%	278M	~370M
Short-term Financing to Support Client Funds Extended Strategy	7.8B	~8.9B	4.1%	~4.1%	(318)M	~(370M)
Net Impact from Client Funds Extended Strategy					1,315M	1,590 to 1,610M

Interest on the Extended Portfolio flows into two separate sections of the Statements of Consolidated Earnings.

1. Reported as Interest on Funds Held for Clients in the revenue section of the Statements of Consolidated Earnings.

2. A component of Interest Income on Corporate Funds, reported within Other Income, net, on the Statements of Consolidated Earnings.

ADP

Financial Results



Q1 FISCAL 2027

(Unaudited)

6%

REVENUE GROWTH
to \$5.5 billion

13%

ADJ. DILUTED EPS¹ GROWTH
to \$2.82 per share

6%

Employer Services
revenue growth

7%

PEO Services
revenue growth

12%

Adjusted EBIT¹
growth

26.8%

Adjusted EBIT
margin¹

INDUSTRY-LEADING SCALE AND FINANCIAL STRENGTH



1.1 million+
clients worldwide



42M+ workers paid
across 140+ countries



1 in 6
US workers paid



AA credit rating
AA- S&P, Aa3
Moody's, AA- Fitch



\$3.5 trillion
payroll/tax processed
annually in U.S.



51 consecutive years
of dividend increases

1. For a reconciliation of this non-GAAP financial metrics to its closest comparable GAAP metric see our Q1 fiscal 2027 earnings release available at investors.adp.com.