Q1 Fiscal 2023

Updates and highlights



Q1 Fiscal 2023 Financial Highlights

(unaudited)

10% Revenue growth to $4.2 billion

9% Employer Services revenue growth

13% PEO Services revenue growth

13% Adj. Diluted EPS[1] growth to $1.86 per share

11% Adjusted EBIT[1] growth

24.1% Adjusted EBIT[1] margin

Business highlights

- **Crossed 1 million client count mark as of Q1**
- **Record-level Employer Services revenue retention rates for a Q1 period**
- **12% Q1 growth in PEO average worksite employees**
- **Increase in full-year outlook for revenue and adjusted diluted EPS[1]**

Fiscal 2023 Financial Outlook

as of October 26, 2022

6 to 9%
ES new business bookings growth

8 to 9%
Consolidated revenue growth

15 to 17%
Adjusted diluted EPS[1] growth

Industry-leading scale and financial strength

- **1 Million+** clients worldwide
- **40M+ workers paid** across over 140 countries
- **1 in 6** US workers paid
- **AA credit rating** AA- S&P, Aa3 Moody's, AA- Fitch
- **$2.7 trillion** annual payroll/tax processed
- **47 consecutive years** of dividend increases

1. Adjusted EBIT, adjusted EBIT margin, and adjusted diluted earnings per share are all non-GAAP financial measures. Please refer to the Q1 fiscal 2023 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.

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