



FOR IMMEDIATE RELEASE

**ADP REPORTS FOURTH QUARTER AND FISCAL 2009 RESULTS;
PROVIDES FISCAL 2010 GUIDANCE**

For the Year, Revenues Rise 1% with EPS from Continuing Operations of \$2.63 (\$2.39 Excluding Certain Items, a 10% Increase)

Forecasting Fiscal 2010 Revenues Down 1% to 4% with \$2.29 to \$2.39 EPS

ROSELAND, New Jersey, July 30, 2009 - Automatic Data Processing, Inc. (Nasdaq: ADP) reported 1% revenue growth to \$8.9 billion for the fiscal year ended June 30, 2009, Gary C. Butler, president and chief executive officer, announced today. Revenue growth was negatively impacted by continued severe economic conditions and about 2 percentage points from unfavorable foreign exchange rates. As reported, pretax earnings from continuing operations grew 5%, net earnings from continuing operations grew 14%, and diluted earnings per share from continuing operations increased 20% to \$2.63 from \$2.20 a year ago on fewer shares outstanding. The fourth quarter of fiscal 2009 included tax benefits related to favorable settlements of income tax matters which reduced the provision for income taxes by \$120.0 million. Last year's fourth quarter included a \$16.0 million pretax gain on the sale of a building. Excluding the current year favorable tax settlements and the prior year building gain, pretax earnings from continuing operations grew 6%, net earnings from continuing operations grew 5%, and diluted earnings per share from continuing operations increased 10% to \$2.39 from \$2.18.

ADP acquired 13.8 million shares of its stock for treasury at a cost of about \$550 million during the fiscal year. Cash and marketable securities balances included approximately \$730 million of assets related to the outstanding commercial paper borrowing as of June 30, 2009, which was repaid on July 1, 2009. This borrowing is a normal part of the client funds extended investment strategy. Cash and marketable securities were \$2.4 billion, or \$1.7 billion excluding the assets related to the commercial paper borrowing, at June 30, 2009.

For the fourth quarter of fiscal 2009, revenues declined 5% to \$2.1 billion compared with the fourth quarter of fiscal 2008. Revenue growth was negatively impacted by continued severe economic conditions and about 4 percentage points from unfavorable foreign exchange rates. As reported, pretax earnings from continuing operations grew 2%, net earnings from continuing operations grew 54%, and diluted earnings per share from continuing operations of \$0.69 increased 60%, from \$0.43 per share a year ago on fewer shares outstanding. Excluding the current year favorable tax settlements and the prior year building gain described above, pretax earnings from continuing operations grew 7%, net earnings from continuing operations grew 5%, and diluted earnings per share from continuing operations increased 7% to \$0.45 from \$0.42.

Fourth Quarter and Fiscal Year 2009 Discussion

Commenting on the results, Mr. Butler said, "The downturn in the economy during fiscal 2009 has been the most profound in decades. Headwinds from the global recession as well as unfavorable foreign exchange rates began to impact ADP's growth earlier this fiscal year. As anticipated, our key business metrics for Employer Services continued to show year-over-year declines in the fourth quarter. The selling environment remained challenging during the fourth quarter resulting in year-over-year declines in new business sales for both the fourth quarter and the full year that were larger than we anticipated. Growth for Dealer Services continued to be negatively impacted by the difficulties facing the automotive industry. As revenues are expected to remain under pressure near-term, ADP took appropriate measures during the fourth quarter to reduce its expense structure. At the same time, ADP continued to invest in new products and client facing resources. For the fiscal year, service-related expenses in Employer Services increased about 9% from a year ago as we are committed to enhancing the service we provide our clients especially during these challenging times.

Employer Services

“Employer Services’ revenues were flat for the fourth quarter, and grew 4% for the fiscal year, all organic. In the United States, revenues from our traditional payroll and payroll tax filing business declined 4% for the fourth quarter, and were flat for the year. Beyond payroll revenues, excluding PEO Services’ revenues, grew 4% for the fourth quarter and 8% for the year. As anticipated, the number of employees on our clients’ payrolls in the United States declined 5.7% for the fourth quarter and 2.5% for the year, as measured on a same-store-sales basis for our clients on our Auto Pay platform. Worldwide client retention declined 1.2 percentage points for the year. Employer Services’ pretax margin improved 275 basis points for the fourth quarter and 160 basis points for the year. The full year pretax margin expansion benefited from operating leverage and a decline in selling and implementation expenses from lower sales volumes. The fourth quarter pretax margin expansion also resulted from a decline in selling and implementation expenses as well as a reduction in management incentive compensation expenses.

“Combined Employer Services and PEO Services worldwide new business sales declined 29% for the quarter and 15% for the year. New business sales represent annualized recurring revenues anticipated from new orders, and totaled \$982 million for the year. Sales results for all markets were down year over year, but were most negatively impacted up-market where larger companies continued to delay outsourcing decisions due to the difficult economic conditions.

PEO Services

“PEO Services’ revenues increased 7% for the fourth quarter and 12% for the year, all organic. PEO Services’ pretax margin was flat for the fourth quarter and improved 10 basis points for the year. Average worksite employees paid by PEO Services increased 4% for the fourth quarter, and 10% for the year, to approximately 194,000 and 193,000, respectively.

Dealer Services

“Dealer Services’ revenues declined 9% for the fourth quarter, 11% organically, and 3% for the year, 4% organically. Revenues were negatively impacted by ongoing dealership consolidations and closings, and lower transactional revenues as well as dealerships cutting discretionary spending. Additionally, as expected, consulting revenues and software license fees from an international non-core business declined due to some large projects completed in the prior fiscal year, which resulted in a more difficult year over year comparison in the quarter. Dealer Services’ pretax margin declined 120 basis points for the fourth quarter and 20 basis points for the year. The full year pretax margin declined on lower revenues and the impact of the January 2009 Automaster Oy acquisition, partially offset by strict cost reduction measures. In addition to these items, the fourth quarter decline in pretax margin resulted from the decline in the international non-core revenues and an increase in our provision for allowance for doubtful accounts relating to the automotive bankruptcies.

Interest on Funds Held for Clients, Interest Income on Corporate Funds, and Interest Expense

"The safety and liquidity of our clients’ funds are the foremost objectives of our investment strategy. Client funds are invested in accordance with ADP’s prudent and conservative investment guidelines and the credit quality of the investment portfolio is predominantly AAA/AA.

“For the fourth quarter, interest on funds held for clients declined \$23.4 million, or 13.8%, from \$169.7 million to \$146.3 million, due to a decline of 30 basis points in the average interest yield to 3.9%, and a decline of 7.4% in average client funds balances from \$16.1 billion to \$15.0 billion. Interest expense declined \$8.9 million, or 72%, from \$12.4 million to \$3.5 million. The decline in interest expense was primarily due to a decline of 180 basis points in average commercial paper borrowing rates to 0.3%, partially offset by higher average daily commercial paper borrowings which increased \$0.3 billion, from \$1.3 billion to \$1.6 billion.

“For the fiscal year, interest on funds held for clients declined \$74.7 million, or 10.9%, from \$684.5 million to \$609.8 million, due to a decline of 40 basis points in the average interest yield to 4.0%, and a decline of 3.1% in average client funds balances from \$15.7 billion to \$15.2 billion. Interest expense declined \$47.2 million, or 59%, from \$80.5 million to \$33.3 million. The decline in interest expense was primarily due to a decline of 320 basis points in average commercial paper borrowing rates

to 1.0%, partially offset by higher average daily commercial paper borrowings which increased \$0.5 billion, from \$1.4 billion to \$1.9 billion. We utilize our short-term financing arrangements to satisfy our short-term funding requirements related to client funds obligations in order to extend the maturities of our investment portfolio, thus averaging our way through an interest rate cycle.

Fiscal 2010 Forecast

"Our fiscal 2010 forecasts anticipate that severely negative economic conditions continue. As such, our forecasts assume a worsening of our business metrics in the first half of the year as compared with the first half of fiscal 2009, with particularly tough year-over-year comparisons expected in the first quarter

- Total revenues – decline 1% to 4%
- Diluted earnings per share - \$2.29 to \$2.39, compared with \$2.39 earnings per share from continuing operations in fiscal 2009 excluding favorable tax settlements in the fourth quarter.
- Employer Services – decline in revenues of 1% to 3%
 - Pays per control – decline of 5% to 6%
 - Client revenue retention – flat to down 1 percentage point
- PEO Services – revenue growth of up to 4%
- Employer Services and PEO Services new business sales – about flat compared to \$982 million sold in fiscal 2009
- Dealer Services – decline in revenues of 4% to 8%
- We anticipate no improvement in pretax margins given the continued difficult economic environment anticipated for fiscal 2010

"Interest on funds held for clients is expected to decline \$60 to \$70 million, or 10% to 11%, from \$609.8 million in fiscal 2009. This is based on an approximate 20 basis point decline in the expected average interest yield to about 3.8%, and a 4% to 6% decline in average client funds balances. The interest assumptions in our forecasts are based on Fed Funds futures contracts and forward yield curves as of July 24, 2009. The Fed Funds futures contracts anticipate two increases of 25 basis points each in February and May 2010, ending the fiscal year with a Fed funds rate of 0.75%. The three-and-a-half and five-year U.S. government agency rates based on the forward yield curves as of July 24, 2009 were used to forecast new purchase rates for the client extended and client long portfolios, respectively.

"We expect interest expense to decline about \$20 million from \$33.3 million in fiscal 2009 primarily from lower interest expense on our short-term financing related to our ongoing client funds extended investment strategy. Our average commercial paper borrowing rates are expected to decrease approximately 50 basis points to about 0.5% and we anticipate a decline of up to \$0.1 billion in average daily commercial paper borrowings to \$1.8 to 1.9 billion.

"While we anticipate a challenging year ahead as a result of the difficult economic landscape, our business model remains intact. A high percentage of recurring revenues, healthy margins, strong and consistent cash flows and low capital expenditure requirements combined with a strong balance sheet and a AAA credit rating have enabled us to continually invest in our strategic growth program. We are doing the right things now to drive the future growth of ADP and I remain optimistic about ADP's long-term potential," Mr. Butler concluded.

Website Schedules

The schedules of quarterly and full-year revenue and pretax earnings by reportable segment for fiscal years 2007, 2008, and 2009 have been updated for the fourth quarter and full-year fiscal 2009 results and posted to the Investor Relations home page (<http://www.investquest.com/iq/a/adp/index.htm>) of our website www.adp.com under Financial Data.

An analyst conference call will be held today, Thursday, July 30 at 8:30 a.m. EDT. A live webcast of the call will be available to the public on a listen-only basis. To listen to the webcast and view the slide presentation, go to ADP's home page, www.adp.com, or ADP's Investor Relations home page, <http://www.investquest.com/InvestQuest/a/adp/>, and click on the webcast icon. The presentation will be available to download and print about 60 minutes before the webcast at the ADP Investor Relations home page at <http://www.investquest.com/iq/a/adp/index.htm>. ADP's news releases, current financial information, SEC filings and Investor Relations presentations are accessible at the same Web site.

Automatic Data Processing, Inc. and Subsidiaries
Condensed Consolidated Balance Sheets
(In millions)
(Unaudited)

	June 30, 2009	June 30, 2008
	<u> </u>	<u> </u>
<u>Assets</u>		
Cash and cash equivalents/Short-term marketable securities (A)	\$ 2,296.1	\$ 1,583.8
Other current assets	1,988.6	1,806.2
Total current assets before funds held for clients	<u>4,284.7</u>	<u>3,390.0</u>
Funds held for clients	16,419.2	15,418.9
Total current assets	<u>20,703.9</u>	<u>18,808.9</u>
Long-term marketable securities (B)	92.4	76.5
Property, plant and equipment, net	734.5	742.9
Other non-current assets	3,820.9	4,106.1
Total assets	<u>\$ 25,351.7</u>	<u>\$ 23,734.4</u>
<u>Liabilities and Stockholders' Equity</u>		
Obligation under commercial paper borrowing	\$ 730.0	\$ -
Other current liabilities	2,033.7	2,046.9
Client funds obligations	15,992.6	15,294.7
Total current liabilities	<u>18,756.3</u>	<u>17,341.6</u>
Long-term debt	42.7	52.1
Other non-current liabilities	1,230.1	1,253.5
Total liabilities	<u>20,029.1</u>	<u>18,647.2</u>
Total stockholders' equity	5,322.6	5,087.2
Total liabilities and stockholders' equity	<u>\$ 25,351.7</u>	<u>\$ 23,734.4</u>

(A) As of June 30, 2009, cash and cash equivalents / short-term marketable securities include cash and cash equivalents related to a commercial paper borrowing of \$730.0 million, which was repaid on July 1, 2009.

(B) As of June 30, 2008, long-term marketable securities include \$11.7 million of securities that have been pledged as collateral under a reverse repurchase agreement.

Automatic Data Processing, Inc. and Subsidiaries
Consolidated Statements of Earnings
(In millions, except per share amounts)
(Unaudited)

	Three Months Ended June 30,		Twelve Months Ended June 30,	
	2009	2008	2009	2008
REVENUES:				
Revenues, other than interest on funds held for clients and PEO revenues	\$ 1,671.3	\$ 1,765.2	\$ 7,080.4	\$ 7,038.9
Interest on funds held for clients	146.3	169.7	609.8	684.5
PEO revenues (A)	290.1	272.2	1,176.9	1,053.1
Total revenues	<u>2,107.7</u>	<u>2,207.1</u>	<u>8,867.1</u>	<u>8,776.5</u>
EXPENSES:				
Costs of revenues:				
Operating expenses	1,008.1	994.1	4,102.0	3,915.7
Systems development and programming costs	127.4	140.8	499.7	525.9
Depreciation and amortization	61.1	60.6	237.8	238.5
Total costs of revenues	<u>1,196.6</u>	<u>1,195.5</u>	<u>4,839.5</u>	<u>4,680.1</u>
Selling, general and administrative expenses	577.4	697.0	2,197.6	2,370.4
Interest expense	3.5	12.4	33.3	80.5
Total expenses	<u>1,777.5</u>	<u>1,904.9</u>	<u>7,070.4</u>	<u>7,131.0</u>
Other income, net	<u>(30.8)</u>	<u>(52.2)</u>	<u>(108.0)</u>	<u>(166.5)</u>
Earnings from continuing operations before income taxes	361.0	354.4	1,904.7	1,812.0
Provision for income taxes	13.6	128.4	576.5	650.3
Net earnings from continuing operations	<u>\$ 347.4</u>	<u>\$ 226.0</u>	<u>\$ 1,328.2</u>	<u>\$ 1,161.7</u>
Earnings from discontinued operations, net of (benefit) / provision for income taxes of \$(1.7) and \$(8.5) for the three months ended June 30, 2009 and 2008, respectively, and \$(0.8) and \$23.2 for the twelve months ended June 30, 2009 and 2008, respectively.	5.4	7.5	4.4	74.0
Net earnings	<u>\$ 352.8</u>	<u>\$ 233.5</u>	<u>\$ 1,332.6</u>	<u>\$ 1,235.7</u>
Basic earnings per share from continuing operations	\$ 0.69	\$ 0.44	\$ 2.64	\$ 2.23
Basic earnings per share from discontinued operations (B)	0.01	0.01	0.01	0.14
Basic earnings per share	<u>\$ 0.70</u>	<u>\$ 0.45</u>	<u>\$ 2.65</u>	<u>\$ 2.37</u>
Diluted earnings per share from continuing operations	\$ 0.69	\$ 0.43	\$ 2.63	\$ 2.20
Diluted earnings per share from discontinued operations (B)	0.01	0.01	0.01	0.14
Diluted earnings per share	<u>\$ 0.70</u>	<u>\$ 0.45</u>	<u>\$ 2.63</u>	<u>\$ 2.34</u>
Dividends per common share	<u>\$ 0.3300</u>	<u>\$ 0.2900</u>	<u>\$ 1.2800</u>	<u>\$ 1.1000</u>

(A) Professional Employer Organization ("PEO") revenues are net of direct pass-through costs, primarily consisting of payroll wages and payroll taxes, of \$2,868.6 and \$2,834.4 for the three months ended June 30, 2009 and 2008, respectively, and \$12,310.4 and \$11,247.4 for the twelve months ended June 30, 2009 and 2008, respectively.

(B) The \$0.14 in basic and diluted EPS for the twelve months ended June 30, 2008 primarily represents the gain on the sale of the Travel Clearing business.

Automatic Data Processing, Inc. and Subsidiaries
Supplemental Disclosures of Non-GAAP Financial Information
(In millions, except per share amounts)
(Unaudited)

The following table reconciles the Company's results for the quarter and fiscal years ended June 30, 2009 and 2008 to adjusted results that exclude the impact of tax settlements and a gain on the sale of a building. The Company uses adjusted earnings from continuing operations and adjusted diluted EPS from continuing operations, among other measures, to evaluate the Company's operating performance in the absence of certain items and for planning and forecasting of future periods. The Company believes that the adjusted results provide relevant and useful information for investors because it allows investors to view performance in a manner similar to the method used by the Company's management, improves their ability to understand the Company's operating performance and makes it easier to compare the Company's results with other companies. Since adjusted earnings from continuing operations and adjusted diluted EPS are not measures of performance calculated in accordance with GAAP, they should not be considered in isolation of, or as a substitute for, earnings from continuing operations and diluted EPS from continuing operations as indicators of operating performance and they may not be comparable to similarly titled measures employed by other companies.

	Three months ended June 30, 2009			Diluted EPS from continuing operations
	Earnings from continuing operations before income taxes	Provision for income taxes	Net earnings from continuing operations	
As Reported	\$ 361.0	\$ 13.6	\$ 347.4	\$ 0.69
Adjustments:				
Tax settlements	-	120.0	120.0	0.24
As Adjusted	<u>\$ 361.0</u>	<u>\$ 133.6</u>	<u>\$ 227.4</u>	<u>\$ 0.45</u>

	Three months ended June 30, 2008			Diluted EPS from continuing operations
	Earnings from continuing operations before income taxes	Provision for income taxes	Net earnings from continuing operations	
As Reported	\$ 354.4	\$ 128.4	\$ 226.0	\$ 0.43
Adjustments:				
Gain on sale of building	16.0	6.0	10.0	0.02
As Adjusted	<u>\$ 338.4</u>	<u>\$ 122.4</u>	<u>\$ 216.0</u>	<u>\$ 0.42</u>

	Twelve months ended June 30, 2009			Diluted EPS from continuing operations
	Earnings from continuing operations before income taxes	Provision for income taxes	Net earnings from continuing operations	
As Reported	\$ 1,904.7	\$ 576.5	\$ 1,328.2	\$ 2.63
Adjustments:				
Tax settlements	-	120.0	120.0	0.24
As Adjusted	<u>\$ 1,904.7</u>	<u>\$ 696.5</u>	<u>\$ 1,208.2</u>	<u>\$ 2.39</u>

	Twelve months ended June 30, 2008			Diluted EPS from continuing operations
	Earnings from continuing operations before income taxes	Provision for income taxes	Net earnings from continuing operations	
As Reported	\$ 1,812.0	\$ 650.3	\$ 1,161.7	\$ 2.20
Adjustments:				
Gain on sale of building	16.0	6.0	10.0	0.02
As Adjusted	<u>\$ 1,796.0</u>	<u>\$ 644.3</u>	<u>\$ 1,151.7</u>	<u>\$ 2.18</u>

Automatic Data Processing, Inc. and Subsidiaries
Other Selected Financial Data
(Dollars in millions, except per share amounts)
(Unaudited)

	Three Months Ended June 30,		Change	% Change
	2009	2008		
Revenues (A)				
Employer Services	\$ 1,567.5	\$ 1,568.3	\$ (0.8)	0%
PEO Services	292.4	274.2	18.2	7%
Dealer Services	327.5	361.7	(34.2)	(9)%
Other	(79.7)	2.9	(82.6)	(100)+%
	<u>\$ 2,107.7</u>	<u>\$ 2,207.1</u>	<u>\$ (99.4)</u>	<u>(5)%</u>
Pre-tax earnings from continuing operations (A)				
Employer Services	\$ 371.6	\$ 328.6	\$ 43.0	13%
PEO Services	27.2	25.5	1.7	7%
Dealer Services	57.4	67.6	(10.2)	(15)%
Other	(95.2)	(67.3)	(27.9)	(41)%
	<u>\$ 361.0</u>	<u>\$ 354.4</u>	<u>\$ 6.6</u>	<u>2%</u>
Pre-tax margin (A)				
Employer Services	23.7%	21.0%	2.7%	
PEO Services	9.3%	9.3%	0.0%	
Dealer Services	17.5%	18.7%	(1.2)%	
Other	n/m	n/m	n/m	
	<u>17.1%</u>	<u>16.1%</u>	<u>1.1%</u>	

	Twelve Months Ended June 30,		Change	% Change
	2009	2008		
Revenues (A)				
Employer Services	\$ 6,587.7	\$ 6,362.4	\$ 225.3	4%
PEO Services	1,185.8	1,060.5	125.3	12%
Dealer Services	1,348.6	1,391.4	(42.8)	(3)%
Other	(255.0)	(37.8)	(217.2)	(100)+%
	<u>\$ 8,867.1</u>	<u>\$ 8,776.5</u>	<u>\$ 90.6</u>	<u>1%</u>
Pre-tax earnings from continuing operations (A)				
Employer Services	\$ 1,775.4	\$ 1,615.4	\$ 160.0	10%
PEO Services	118.7	104.8	13.9	13%
Dealer Services	224.1	233.8	(9.7)	(4)%
Other	(213.5)	(142.0)	(71.5)	(50)%
	<u>\$ 1,904.7</u>	<u>\$ 1,812.0</u>	<u>\$ 92.7</u>	<u>5%</u>
Pre-tax margin (A)				
Employer Services	27.0%	25.4%	1.6%	
PEO Services	10.0%	9.9%	0.1%	
Dealer Services	16.6%	16.8%	(0.2)%	
Other	n/m	n/m	n/m	
	<u>21.5%</u>	<u>20.6%</u>	<u>0.8%</u>	

(A) Prior year's segment results were adjusted to reflect fiscal year 2009 budgeted foreign exchange rates.

n/m - not meaningful

	Three Months Ended June 30,		Change
	2009	2008	
Components of other income, net:			
Interest income on corporate funds	\$ (27.6)	\$ (37.4)	\$ 9.8
Gain on sale of building	-	(16.0)	16.0
Realized gains on available-for-sale securities	(6.0)	(1.3)	(4.7)
Realized losses on available-for-sale securities	3.4	3.1	0.3
Other, net	(0.6)	(0.6)	-
Total other income, net	<u>\$ (30.8)</u>	<u>\$ (52.2)</u>	<u>\$ 21.4</u>

	Twelve Months Ended June 30,		Change
	2009	2008	
Components of other income, net:			
Interest income on corporate funds	\$ (134.2)	\$ (149.5)	\$ 15.3
Gain on sale of building	(2.2)	(16.0)	13.8
Realized gains on available-for-sale securities	(11.4)	(10.1)	(1.3)
Realized losses on available-for-sale securities	23.8	11.4	12.4
Realized loss on investment in Reserve Fund	18.3	-	18.3
Other, net	(2.3)	(2.3)	-
Total other income, net	<u>\$ (108.0)</u>	<u>\$ (166.5)</u>	<u>\$ 58.5</u>

	Three Months Ended June 30,		Change	% Change
	2009	2008		
<u>Earnings per share information:</u>				
Net earnings from continuing operations	\$ 347.4	\$ 226.0	\$ 121.4	54%
Net earnings	\$ 352.8	\$ 233.5	\$ 119.3	51%
Basic weighted average shares outstanding	500.9	513.9	(13.0)	(3)%
Basic earnings per share from continuing operations	\$ 0.69	\$ 0.44	\$ 0.25	57%
Basic earnings per share	\$ 0.70	\$ 0.45	\$ 0.25	56%
Diluted net earnings from continuing operations	\$ 347.4	\$ 226.0	\$ 121.4	54%
Diluted net earnings	\$ 352.8	\$ 233.5	\$ 119.3	51%
Diluted weighted average shares outstanding	502.8	519.6	(16.8)	(3)%
Diluted earnings per share from continuing operations	\$ 0.69	\$ 0.43	\$ 0.26	60%
Diluted earnings per share	\$ 0.70	\$ 0.45	\$ 0.25	56%

	Twelve Months Ended June 30,		Change	% Change
	2009	2008		
<u>Earnings per share information:</u>				
Net earnings from continuing operations	\$ 1,328.2	\$ 1,161.7	\$ 166.5	14%
Net earnings	\$ 1,332.6	\$ 1,235.7	\$ 96.9	8%
Basic weighted average shares outstanding	503.2	521.5	(18.3)	(4)%
Basic earnings per share from continuing operations	\$ 2.64	\$ 2.23	\$ 0.41	18%
Basic earnings per share	\$ 2.65	\$ 2.37	\$ 0.28	12%
Diluted net earnings from continuing operations	\$ 1,328.2	\$ 1,161.7	\$ 166.5	14%
Diluted net earnings	\$ 1,332.6	\$ 1,235.7	\$ 96.9	8%
Diluted weighted average shares outstanding	505.8	527.2	(21.4)	(4)%
Diluted earnings per share from continuing operations	\$ 2.63	\$ 2.20	\$ 0.43	20%
Diluted earnings per share	\$ 2.63	\$ 2.34	\$ 0.29	12%

	Three Months Ended June 30,	
	2009	2008
<u>Key Statistics:</u>		
Internal revenue growth:		
Employer Services	0%	7%
PEO Services	7%	17%
Dealer Services	(11)%	6%
Employer Services:		
Change in pays per control - AutoPay product	(5.7)%	0.8%
Change in client revenue retention percentage - worldwide	(1.8) pts	(0.4) pts
Employer Services/PEO new business sales growth - worldwide	(29)%	7%
PEO Services:		
Paid PEO worksite employees at end of period	193,000	188,000
Average paid PEO worksite employees during the period	194,000	187,000

	Twelve Months Ended June 30,	
	2009	2008
<u>Key Statistics:</u>		
Internal revenue growth:		
Employer Services	4%	8%
PEO Services	12%	20%
Dealer Services	(4)%	6%
Employer Services:		
Change in pays per control - AutoPay product	(2.5)%	1.3%
Change in client revenue retention percentage - worldwide	(1.2) pts	0.2 pts
Employer Services/PEO new business sales growth - worldwide	(15)%	8%
PEO Services:		
Paid PEO worksite employees at end of period	193,000	188,000
Average paid PEO worksite employees during the period	193,000	176,000

Automatic Data Processing, Inc. and Subsidiaries
Other Selected Financial Data, Continued
(Dollars in millions, except per share amounts or where otherwise stated)
(Unaudited)

	Three Months Ended June 30,		Change	% Change
	2009	2008		
Average investment balances at cost (in billions):				
Corporate, other than corporate extended	\$ 1.5	\$ 1.8	\$ (0.3)	(18)%
Corporate extended	2.1	2.0	0.1	7%
Total corporate	3.6	3.8	(0.2)	(5)%
Funds held for clients	15.0	16.1	(1.2)	(7)%
Total	<u>\$ 18.5</u>	<u>\$ 19.9</u>	<u>\$ (1.4)</u>	<u>(7)%</u>
Average interest rates earned exclusive of realized losses (gains) on:				
Corporate, other than corporate extended	1.2%	3.5%		
Corporate extended	4.4%	4.4%		
Total corporate	3.1%	4.0%		
Funds held for clients	3.9%	4.2%		
Total	<u>3.8%</u>	<u>4.2%</u>		
Net unrealized gain (loss) position at end of period	\$ 436.6	\$ 142.1		
Average short-term financing (in billions):				
U.S. commercial paper borrowings	\$ 1.6	\$ 1.3		
U.S. & Canadian reverse repurchase agreement borrowings	0.5	0.6		
	<u>\$ 2.1</u>	<u>\$ 2.0</u>		
Average interest rates paid on:				
U.S. commercial paper borrowings	0.3%	2.1%		
U.S. & Canadian reverse repurchase agreement borrowings	0.3%	2.2%		
Interest on funds held for clients	\$ 146.3	\$ 169.7	\$ (23.3)	(14)%
Corporate extended interest income (B)	22.9	21.5	1.4	7%
Corporate interest expense-short-term financing (B)	(1.4)	(10.7)	9.3	87%
	<u>\$ 167.9</u>	<u>\$ 180.5</u>	<u>\$ (12.6)</u>	

	Twelve Months Ended June 30,		Change	% Change
	2009	2008		
Average investment balances at cost (in billions):				
Corporate, other than corporate extended	\$ 1.4	\$ 1.6	\$ (0.2)	(11)%
Corporate extended	2.3	1.8	0.5	29%
Total corporate	3.7	3.4	0.4	11%
Funds held for clients	15.2	15.7	(0.5)	(3)%
Total	<u>\$ 18.9</u>	<u>\$ 19.0</u>	<u>\$ (0.1)</u>	<u>(1)%</u>
Average interest rates earned exclusive of realized losses (gains) on:				
Corporate, other than corporate extended	2.4%	4.4%		
Corporate extended	4.3%	4.4%		
Total corporate	3.6%	4.4%		
Funds held for clients	4.0%	4.4%		
Total	<u>3.9%</u>	<u>4.4%</u>		
Net unrealized gain (loss) position at end of period	\$ 436.6	\$ 142.1		
Average short-term financing (in billions):				
U.S. commercial paper borrowings	\$ 1.9	\$ 1.4		
U.S. & Canadian reverse repurchase agreement borrowings	0.4	0.4		
	<u>\$ 2.3</u>	<u>\$ 1.8</u>		
Average interest rates paid on:				
U.S. commercial paper borrowings	1.0%	4.2%		
U.S. & Canadian reverse repurchase agreement borrowings	1.3%	3.4%		
Interest on funds held for clients	\$ 609.8	\$ 684.5	\$ (74.7)	(11)%
Corporate extended interest income (B)	100.0	79.4	20.7	26%
Corporate interest expense-short-term financing (B)	(25.3)	(73.2)	47.9	65%
	<u>\$ 684.6</u>	<u>\$ 690.7</u>	<u>\$ (6.1)</u>	

(B) While "Corporate extended interest income" and "Corporate interest expense -short-term financing" are non-GAAP disclosures, management believes this information is beneficial to reviewing the financial statements of ADP. Management believes this information is beneficial as it allows the reader to understand the extended investment strategy for ADP's client funds assets, corporate investments and short-term borrowings. A reconciliation of the non-GAAP measures to GAAP measures is as follows:

Three Months Ended
June 30,

	2009	2008
Corporate extended interest income	\$ 22.9	\$ 21.5
All other interest income	4.7	15.9
Total interest income on corporate funds	\$ 27.6	\$ 37.4
Corporate interest expense - short-term financing	\$ 1.4	\$ 10.7
All other interest expense	2.1	1.7
Total interest expense	\$ 3.5	\$ 12.4

Twelve Months Ended
June 30,

	2009	2008
Corporate extended interest income	\$ 100.0	\$ 79.4
All other interest income	34.2	70.1
Total interest income on corporate funds	\$ 134.2	\$ 149.5
Corporate interest expense - short-term financing	\$ 25.3	\$ 73.2
All other interest expense	8.0	7.3
Total interest expense	\$ 33.3	\$ 80.5

About ADP

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Source: Automatic Data Processing, Inc.
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