

AUTOMATIC DATA PROCESSING INC
Form 10-Q
May 08, 2009
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period Ended March 31, 2009

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Transition Period From _____ **to** _____

Commission File Number 1-5397

AUTOMATIC DATA PROCESSING, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or organization)

22-1467904
(IRS Employer Identification No.)

One ADP Boulevard, Roseland, New Jersey
(Address of principal executive offices)

07068
(Zip Code)

Registrant's telephone number, including area code: (973) 974-5000

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

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Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer X

Accelerated filer O

Non-accelerated filer O (Do not check if a smaller reporting company)

Smaller reporting company O

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes O No X

The number of shares outstanding of the registrant's common stock as of April 30, 2009 was 501,642,166.

Part I. FINANCIAL INFORMATION

Item 1. Financial Statements.

Automatic Data Processing, Inc. and Subsidiaries

Statements of Consolidated Earnings

(In millions, except per share amounts)

(Unaudited)

	Three Months Ended		Nine Months Ended	
	March 31,		March 31,	
	2009	2008	2009	2008
REVENUES:				
Revenues, other than interest on funds held for clients and PEO revenues	\$1,884.1	\$1,931.0	\$5,409.1	\$5,273.4
Interest on funds held for clients	164.3	198.5	463.5	515.0
PEO revenues (A)	326.3	297.7	886.8	780.9
TOTAL REVENUES	2,374.7	2,427.2	6,759.4	6,569.3
EXPENSES:				
Costs of revenues:				
Operating expenses	1,039.8	1,033.5	3,093.9	2,921.6
Systems development and programming costs	118.8	132.0	372.2	385.1
Depreciation and amortization	60.0	58.9	176.7	177.9
TOTAL COSTS OF REVENUES	1,218.6	1,224.4	3,642.8	3,484.6
Selling, general and administrative expenses	520.4	585.3	1,620.2	1,673.4
Interest expense	2.5	7.9	29.8	68.0
TOTAL EXPENSES	1,741.5	1,817.6	5,292.8	5,226.0
Other expense (income), net	4.1	(25.9)	(77.1)	(114.2)
EARNINGS FROM CONTINUING OPERATIONS BEFORE INCOME TAXES	629.1	635.5	1,543.7	1,457.5

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Provision for income taxes	226.6	231.9	562.7	521.8
NET EARNINGS FROM CONTINUING OPERATIONS	\$402.5	\$403.6	\$981.0	\$935.7
Earnings (loss) from discontinued operations, net of provision for income taxes of \$0.9 for the three months ended March 31, 2008, and \$1.0 and \$31.7 for the nine months ended March 31, 2009 and 2008, respectively		10.0	(1.0)	66.5
NET EARNINGS	\$402.5	\$413.6	\$980.0	\$1,002.2
Basic Earnings Per Share from Continuing Operations	\$0.80	\$0.78	\$1.95	\$1.79
Basic Earnings Per Share from Discontinued Operations		0.02		0.13
BASIC EARNINGS PER SHARE	\$0.80	\$0.80	\$1.94	\$1.91
Diluted Earnings Per Share from Continuing Operations	\$0.80	\$0.77	\$1.93	\$1.77
Diluted Earnings Per Share from Discontinued Operations		0.02		0.13
DILUTED EARNINGS PER SHARE	\$0.80	\$0.79	\$1.93	\$1.89