Automatic Data Processing Inc.

ADP

Nasdaq; business equipment; SIC 7374, Services-Computer Processing & Data Preparation; CIK 0000008670

D/E

on the D/E boundary of 468 graded peers in business equipm...

rank 366 of 468; percentile 78.2; sampling error 2.3 points; lower is stronger

A B C D E

D/E, the sloth



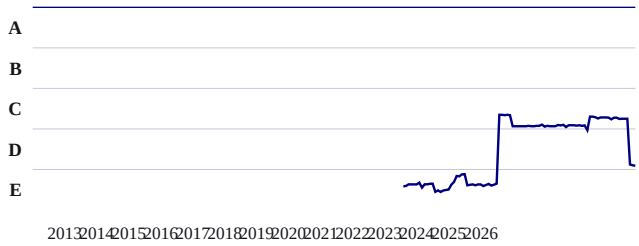
Scoreboard	
Profitability	C/D percentile 60.5
Solvency	D/E percentile 80.1
Growth and financing	B percentile 37.0
Reliability	0.94 AUC filers with over $2.67B assets; 95% interval 0.88 to 0.97; 61 events, 2020 to 2025
Peer failure rate	0.52% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	over $2.67B assets total assets $63.2B
Standard universe	inside revenue above $1M and assets above $10M
Warnings	none triggered; fortress balance sheet
Inputs computable	7 of 13
Graded from	filings received through Aug 5, 2026 106 days before the rescan; latest periodic filing 10-Q received Oct 30, 2026
Last close	$305.54 2026-11-18; market equity $120.6B; no price enters the letter

Share price, twelve months to the rescan



Split-adjusted close. Each lollipop is a rescan and carries the letter held then.

Letter at every rescan, 2012 to 2026



Sector percentile at each rescan, stronger toward the top; facts filed by each date only.

Business, in the company's words

opening of Item 1 of the 10-K received Aug 5, 2026

-Competition" of this Form 10-K for a discussion of the competitive environment in the markets in which we operate. Many risks affect more than one category, and the risks are not in order of significance or probability of occurrence because they have been grouped by categories. The risks described below are not the only risks we face and the occurrence of any of the following risks or other risks not presently known to us or that we currently believe to be immaterial could have a materially adverse effect on our business, results of operations, financial condition or reputation.

The thirteen inputs

lower percentile is stronger; sleeves and inputs within a sleeve carry equal weight

Input	Value	Peer median	Percentile, 0 to 100	Pct	Peers	Period end
Profitability, sleeve percentile 60.5						
Gross profitability	16.1%	29.2%		71.8	512	2026-06-30
Return on invested capital	not computable	11.0%				
one or more required annual facts are missing						

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Accruals ratio	(1.8%)	(7.4%)	82.3	566	2026-06-30
Gross margin stability, five years	1.3 pts	2.3 pts	27.5	405	2026-06-30
Solvency, sleeve percentile 80.1					
Altman Z double-prime	not computable	2.21			
one or more required annual facts are missing					
Net debt to EBITDA	not computable	1.08x			
one or more required annual facts are missing					
Interest coverage	not computable	4.90x			
one or more required annual facts are missing					
Current ratio	1.05x	1.98x	80.1	600	2026-06-30
Growth and financing, sleeve percentile 37.0					
Revenue growth, three-year compound	6.8%	6.5%	48.7	502	2026-06-30
Free cash flow growth, three-year compound	not computable	17.5%			
four consecutive annual FCF observations are required; found 0					
Reinvestment rate	not computable	15.6%			
one or more required annual facts are missing					
Asset growth, three years	7.4%	5.0%	41.1	519	2026-06-30
Net share issuance, one year	(1.9%)	0.5%	21.3	405	2026-07-31

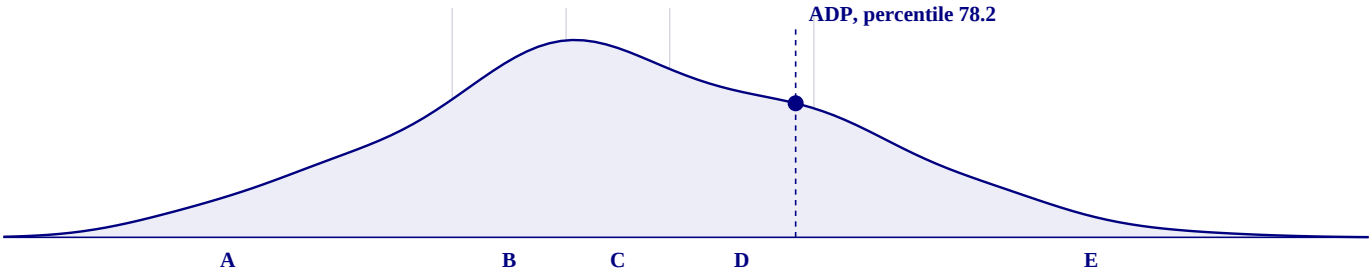
Warnings

1 of 7 checks triggered; none of them enters the letter

Check	Measured
Fortress balance sheet	cash minus debt is 1,352,400,000 USD; Altman Z is not used

Among 468 peers

business equipment; letters are fifths of this list



Composite score of every graded peer, smoothed; vertical rules are the letter band edges; stronger to the left.

Rank	Company	Percentile	Letter	Warnings
361	Gen Digital Inc. (GEN)	77.1	D	
362	Marchex Inc. (MCHX)	77.3	D	
363	AmpliTech Group, Inc. (AMPG)	77.5	D	fortress balance sheet
364	Airgain Inc. (AIRG)	77.7	D/E	
365	Harvard Bioscience Inc. (HBIO)	77.9	D/E	
366	Automatic Data Processing Inc. (ADP)	78.2	D/E	fortress balance sheet
367	C3.ai, Inc. (AI)	78.4	D/E	
368	GoodRx Holdings, Inc. (GDRX)	78.6	D/E	late filer
369	Duos Technologies Group, Inc. (DUOT)	78.8	D/E	dilution, late filer, fortress balance sheet
370	Thermo Fisher Scientific Inc. (TMO)	79.0	D/E	
371	SmartRent, Inc. (SMRT)	79.2	D/E	

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What the price implies

at the 2026-11-18 close; none of these enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	2.0%	(2.2%)	54
Distance from 52-week high	(2.5%)	(37.2%)	94
EBIT to enterprise value	not computable	1.8%	
Free cash flow yield	not computable	2.9%	
Book value to price	0.04	0.28	12
Sales to price	0.18	0.33	31
Composite equity issuance, five years	(18.5%)	4.3%	14
Relative strength against the sector, log excess return	(0.25)	(0.29)	54
Twelve-month failure probability, CHS model	0.03%	0.05%	25

Diagnostics

shown on every report; none enters the grade

Measure	Value
Piotroski F-score 8 of 9, period end 2026-06-30	
Return on assets above zero	pass
Operating cash flow above zero	pass
Return on assets improved	pass
Operating cash flow exceeds net income	pass
Long-term leverage fell	fail
Current ratio improved	pass
No new shares issued	pass
Gross margin improved	pass
Asset turnover improved	pass
Cash, filings, liquidity	
Cash and equivalents	$3.3B
Operating cash flow, four quarters	$5.4B
Months of runway	not finite
Days since last periodic filing	20 (10-Q received Oct 30, 2026)
Median daily dollar volume, 63 sessions	$579.7M

Sources

every fact behind the inputs; each row links to its filing index on sec.gov

#	Concept	XBRL tag	Value	Period end	Received	Form	Accession
1	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$21.9B	2026-06-30	2026-08-05	10-K	26-000030
2	cost of revenue	us-gaap:CostOfGoodsAndServicesSold	$11.8B	2026-06-30	2026-08-05	10-K	26-000030
3	assets	us-gaap:Assets	$63.2B	2026-06-30	2026-08-05	10-K	26-000030
4	net income	us-gaap:NetIncomeLoss	$4.4B	2026-06-30	2026-08-05	10-K	26-000030
5	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$5.4B	2026-06-30	2026-08-05	10-K	26-000030
6	assets	us-gaap:Assets	$53.4B	2025-06-30	2026-08-05	10-K	26-000030
7	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$20.6B	2025-06-30	2026-08-05	10-K	26-000030
8	cost of revenue	us-gaap:CostOfGoodsAndServicesSold	$11.1B	2025-06-30	2026-08-05	10-K	26-000030
9	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$19.2B	2024-06-30	2026-08-05	10-K	26-000030
10	cost of revenue	us-gaap:CostOfGoodsAndServicesSold	$10.5B	2024-06-30	2026-08-05	10-K	26-000030
11	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$18.0B	2023-06-30	2025-08-06	10-K	25-000037
12	cost of revenue	us-gaap:CostOfGoodsAndServicesSold	$10.0B	2023-06-30	2025-08-06	10-K	25-000037
13	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$16.5B	2022-06-30	2024-08-07	10-K	24-000024
14	cost of revenue	us-gaap:CostOfGoodsAndServicesSold	$9.5B	2022-06-30	2024-08-07	10-K	24-000024
15	current assets	us-gaap:AssetsCurrent	$52.6B	2026-06-30	2026-08-05	10-K	26-000030
16	current liabilities	us-gaap:LiabilitiesCurrent	$50.0B	2026-06-30	2026-08-05	10-K	26-000030
17	assets	us-gaap:Assets	$54.4B	2024-06-30	2026-08-05	10-K	26-000030

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18	assets	us-gaap:Assets	$51.0B	2023-06-30	2025-08-06	10-K	25-000037
19	shares outstanding	dei:EntityCommonStockSharesOutstanding	397,262,737	2026-07-31	2026-08-05	10-K	26-000030
20	shares outstanding	dei:EntityCommonStockSharesOutstanding	405,043,142	2025-08-01	2025-08-06	10-K	25-000037

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