

Paycom Software Inc NYSE: PAYC

Price Performance

Price on 1/12/24	\$197.57
52-Week High/Low	\$374.04 / 146.15
Volume on 1/12/24	573,037
10-Day Avg. Volume	661,887
Price 1 Month Ago	\$202.77
1 Month Price Performance	-2.6%
Price 3 Months Ago	\$264.97
3 Month Price Performance	-25.4%
Price 6 Months Ago	\$355.01
6 Month Price Performance	-44.3%
Price 12 Months Ago	\$304.28
12 Month Price Performance	-35.1%
Market Capitalization	\$11.4 Billion
Beta	1.37

Key Statistics (Latest 4 Quarters)

EPS Growth	35.7%
EPS Growth 3 Year, annualized	16.1%
EPS Growth 5 Year, annualized	33.8%
Sales Growth	21.6%
Asset Turnover	0.4x
Inventory Turnover	200.6x
Receivables Turnover	71.9x
Effective Tax Rate	28.6%
Total Debt to Equity	2.9x
Interest Coverage	61.4x
Quick Ratio	0.2x
Current Ratio	1.2x
Payout Ratio	25.7%
Debt to Capital	0.0x

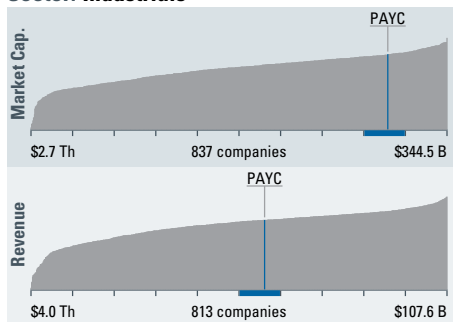
Business Description

Paycom Software, Inc. provides cloud-based human capital management (HCM) solution delivered as software-as-a-service for small to mid-sized companies in the United States.

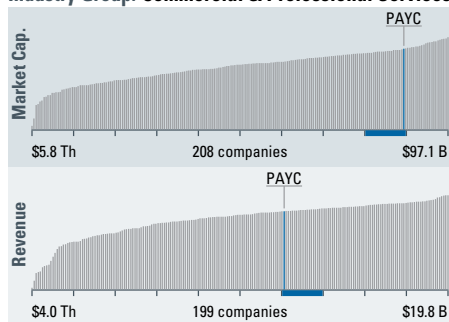
Paycom Software Inc
7501 West Memorial Road
Oklahoma City, OK 73142
405 722 6900
www.paycom.com

Company to Industry Comparisons (Using S&P GICS Groupings)

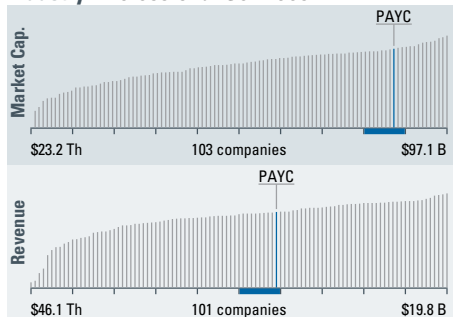
Sector: Industrials



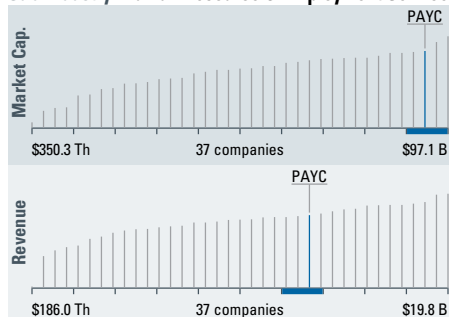
Industry Group: Commercial & Professional Services



Industry: Professional Services



Sub-Industry: Human Resource & Employment Services



Benchmark Price Performance

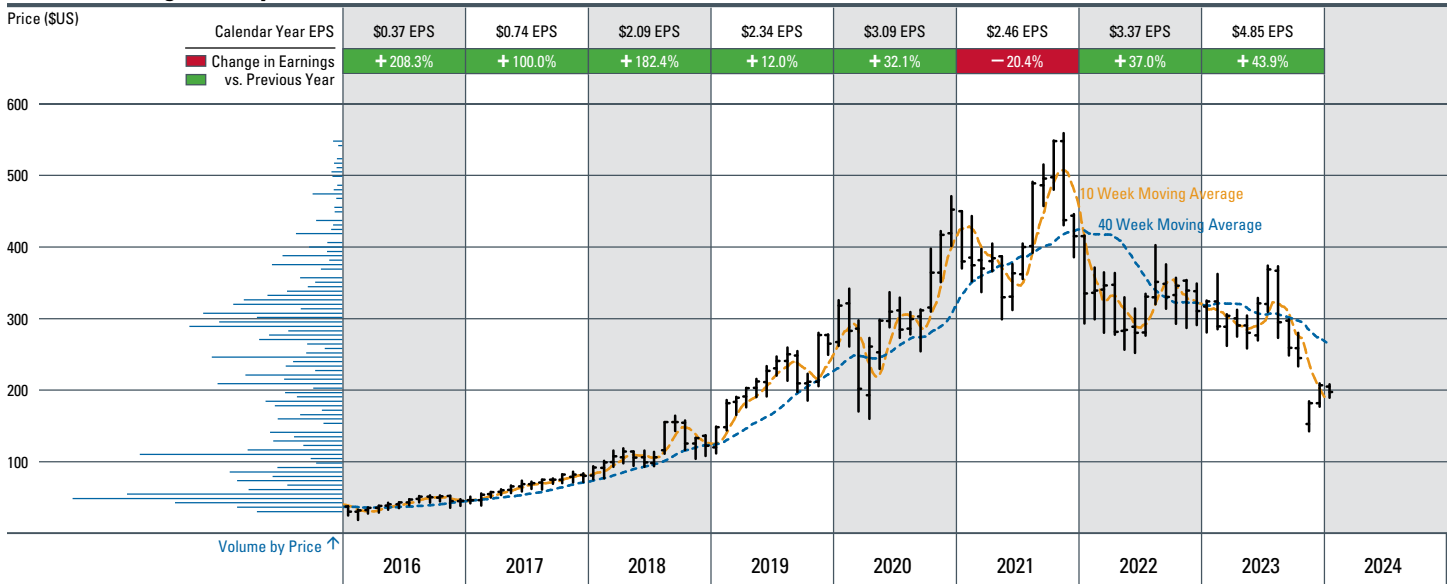
Duration	Industry Group	Sub-Industry
1 Month	1.7%	-2.1%
3 Month	8.9%	-2.4%
6 Month	6.4%	-2.0%
12 Month	18.5%	-2.7%

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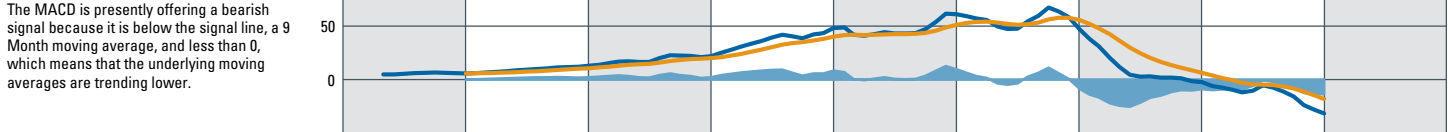
Paycom Software Inc NYSE: PAYC

Price & Earnings History



MACD (~12-26 EMA) (EMA 9)

The MACD is presently offering a bearish signal because it is below the signal line, a 9 Month moving average, and less than 0, which means that the underlying moving averages are trending lower.



Moving Average Difference

The 10 and 40 Week moving averages indicate that PAYC may be in a bearish trend. This is because the 10 Week moving average is below the 40 Week moving average.

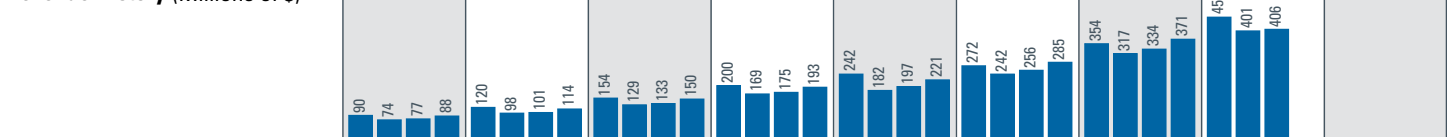


On Balance Volume (Millions)

The On Balance Volume indicator (OBV) presently offers a bullish signal. This is because the slope of the indicator is positive and shows that there is considerable buying interest.



Revenue History (Millions of \$)



Fundamentals

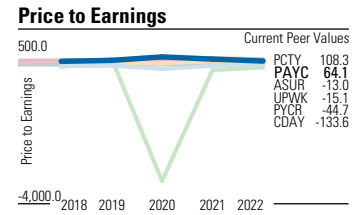
	2015	2016	2017	2018	2019	2020	2021	2022	2024
Price/Earnings	104.5x	61.5x	71.1x	52.3x	85.7x	183.8x	123.2x	64.1x	--
Price/Sales	9.6x	7.9x	10.7x	12.4x	20.7x	31.0x	22.8x	13.1x	--
Price/Book Value	21.9x	22.4x	34.3x	21.0x	29.0x	39.8x	27.0x	15.2x	--
Price/Cash Flow	70.8x	45.4x	53.9x	42.1x	68.5x	132.7x	91.5x	48.0x	--
Gross Margin	85.8%	85.3%	85.6%	86.5%	87.9%	88.4%	87.6%	87.7%	--
Profit Margin	9.3%	13.3%	15.4%	24.2%	24.5%	17.0%	18.6%	20.5%	--
Sales/Employee	\$153.8 Th	\$158.6 Th	\$170.0 Th	\$185.7 Th	\$195.9 Th	\$199.5 Th	\$196.0 Th	\$216.6 Th	--
Income/Employee	\$14.3 Th	\$21.1 Th	\$26.2 Th	\$44.9 Th	\$48.0 Th	\$34.0 Th	\$36.4 Th	\$44.3 Th	--
Return on Equity	21.3%	37.6%	49.3%	40.9%	34.3%	21.9%	21.9%	23.8%	--
Return on Assets	2.4%	4.1%	4.9%	9.0%	7.3%	5.5%	6.1%	7.2%	--
PEG (Historical Growth)	1.6x	0.9x	0.6x	0.6x	1.4x	6.2x	9.5x	4.0x	--
Beta	--	1.8	1.8	1.7	1.3	1.5	1.4	1.4	--
Annual Dividend	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	--
Dividend Yield	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	--

All values in the Fundamentals table are calculated using fiscal year data unless otherwise noted

Peer Comparison Ratios

All values are for the last fiscal year unless otherwise noted.

Company Name (Ticker Symbol)	P/E (1/12/24)	High P/E	Low P/E	PEG Ratio
Paycom Software Inc (PAYC)	33.8	63.9	25.0	4.0
Paycity Holding Corp (PCTY)	60.2	91.4	54.2	2.5
Paycor HCM Inc (PYCR)	NA	-56.1	-35.0	NA
Ceridian HCM Holding Inc (CDAY)	2,177.0	2,655.3	1,854.0	41.1
Asure Software Inc (ASUR)	NA	-55.3	-20.3	0.4
Upwork Inc (UPWK)	NA	-86.1	-34.5	-0.2



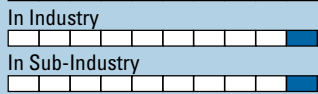
High and Low P/E are for trailing twelve months using diluted EPS excluding extraordinary items. PEG ratio is historical.

Valuation

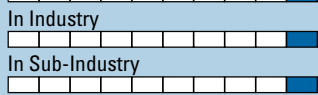
Line charts below give a 5 year history for PAYC and up to 5 peers.

The deciles below show the current fiscal year distribution for PAYC in several GICS groupings.

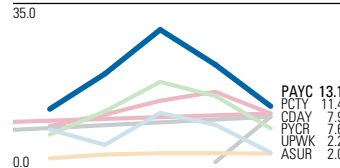
Price to Sales in Sector



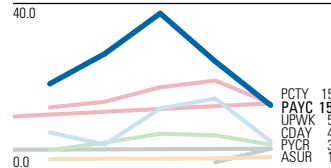
Price to Cash Flow in Sector



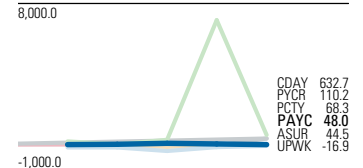
Price to Sales



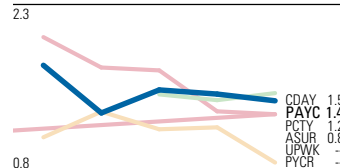
Price to Book



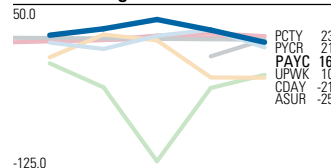
Price to Cash Flow



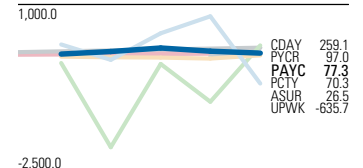
Beta



Price to Tangible Book

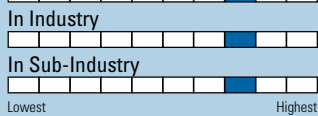


Price to Free Cash Flow

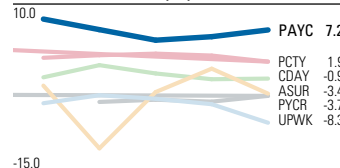


Management Effectiveness

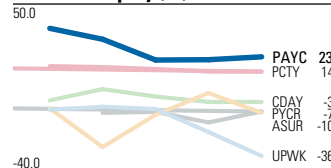
Return on Assets in Sector



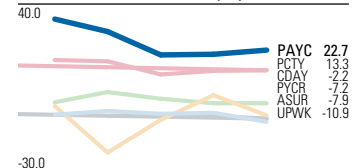
Return on Assets (%)



Return on Equity (%)

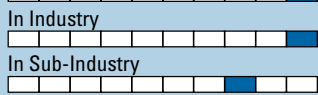


Return on Investments (%)

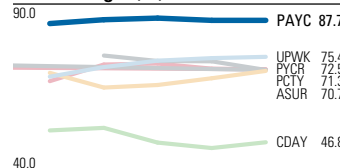


Profitability

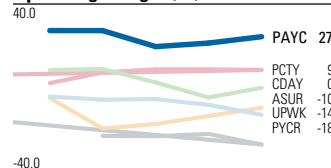
Gross Margin in Sector



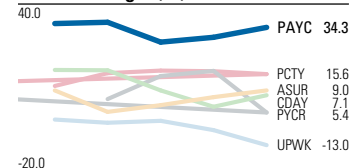
Gross Margin (%)



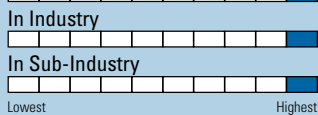
Operating Margin (%)



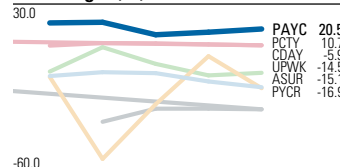
EBITDA Margin (%)



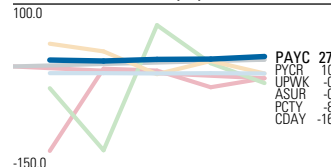
Net Margin in Sector



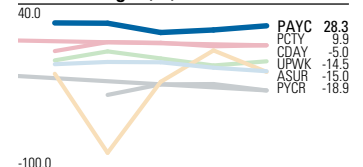
Net Margin (%)



Effective Tax Rate (%)



Pretax Margin (%)

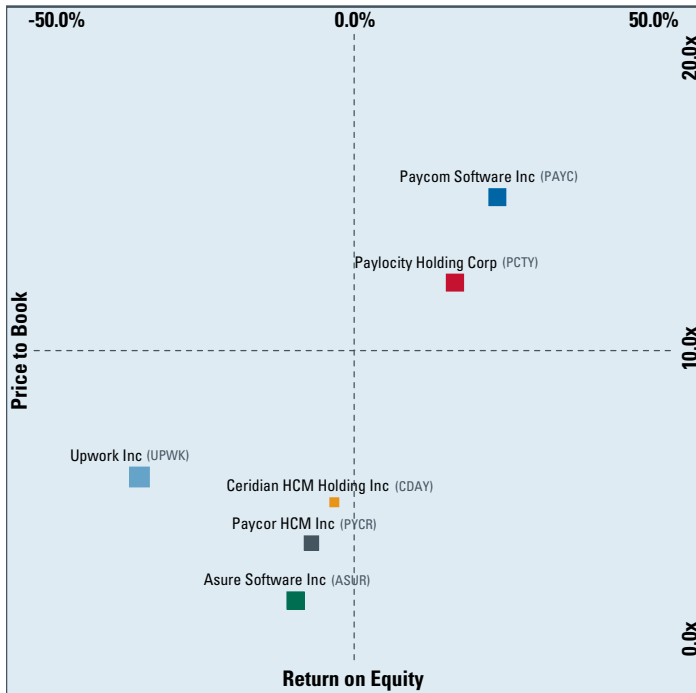


Paycom Software Inc NYSE: PAYC

Peer Comparison

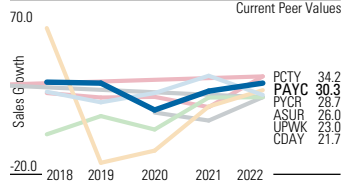
This peer comparison scatter shows a relative comparison of valuation, management effectiveness and risk for PAYC and several peers.

Marker size = lower risk ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ Higher risk

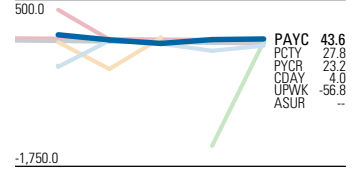


Growth Rates

Annual Sales Growth (%)

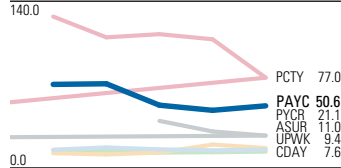


Annual EPS Growth (%)

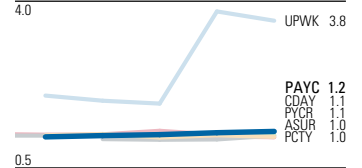


Financial Strength

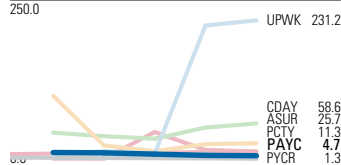
Receivable Turnover



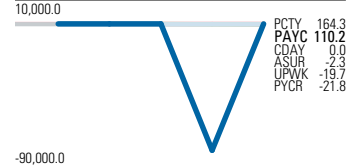
Current Ratio



Total Debt to Equity



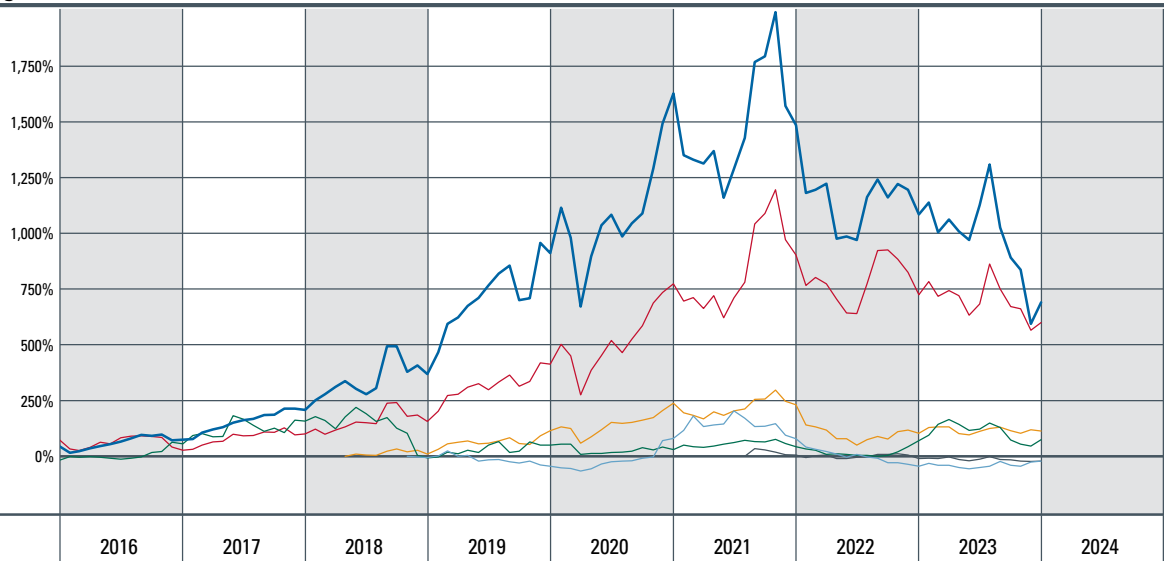
Interest Coverage



Peer Group Relative Strength

Relative Price Performance for the following companies:

- Paycom Software Inc
- Paylocity Holding Corp
- Paycor HCM Inc
- Ceridian HCM Holding Inc
- Asure Software Inc
- Upwork Inc



Paycom Software Inc NYSE: PAYC

Industry Comparison

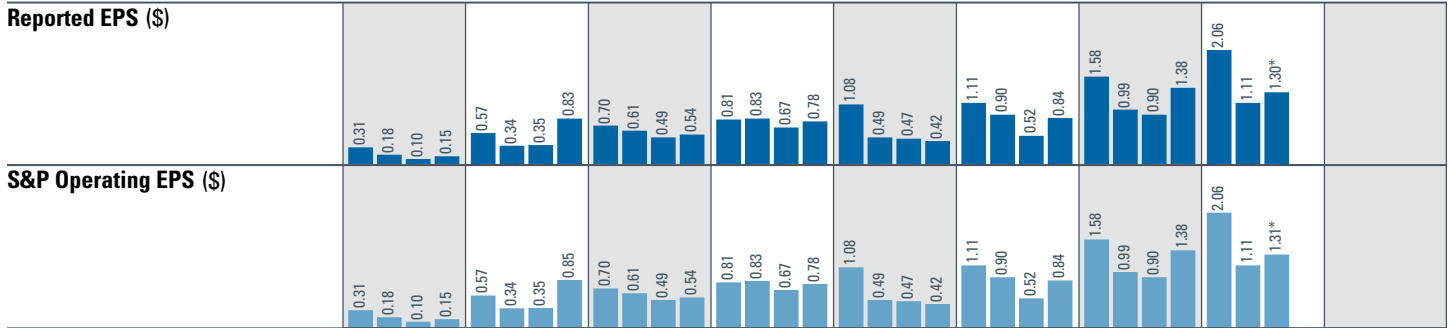
All values are for the last fiscal year unless otherwise noted.

This peer comparison table shows a list of the companies in the "Professional Services" industry sorted by market capitalization.

Company Name (Ticker Symbol)	Current Market Cap. (Millions of \$)	Revenue (Millions of \$)	1 Year % Revenue Growth	1 Year % EPS Growth	Total Debt to Capital	Modified % Return on Capital	% Profit Margin
Automatic Data Processing Inc (ADP)	97,140.6	18,012.2	9.2	17.3	0.5	-319.8	18.9
RELX PLC (RELX)	77,744.7	10,305.5	5.1	-1.0	0.6	-175.4	19.1
Thomson Reuters Corp (TRI)	66,255.7	6,627.0	4.4	-75.1	0.3	-173.8	21.0
Paychex Inc. (PAYX)	43,075.3	5,007.1	8.6	12.0	0.2	359.3	31.1
Wolters Kluwer NV (WTKWY)	36,127.8	5,827.9	7.4	35.8	0.6	-117.7	18.8
VERISK ANALYTICS INC (VRSK)	34,323.4	2,497.0	-16.7	60.5	0.7	165.9	41.7
Equifax Inc. (EFX)	30,031.2	5,122.2	4.0	-6.1	0.6	66.1	13.6
Broadridge Financial Solutions Inc (BR)	23,825.8	6,060.9	6.2	16.5	0.6	306.9	10.4
Jacobs Solutions Inc (J)	16,859.5	16,352.4	9.6	6.6	0.3	91.0	4.1
Booz Allen Hamilton Holding Corporation (BAH)	16,795.7	9,258.9	10.7	-41.0	0.8	107.9	2.9
Leidos Holdings Inc (LDOS)	15,151.8	14,396.0	4.8	-5.9	0.6	74.0	4.8
SS&C Technologies Holdings Inc (SSNC)	14,899.5	5,283.0	4.6	-17.1	0.5	229.6	12.3
TransUnion (TRU)	13,268.5	3,709.9	25.3	-28.8	0.5	139.9	6.8
Paycom Software Inc (PAYC)	11,399.8	1,375.2	30.3	43.6	0.1	85.4	20.5
Ceridian HCM Holding Inc (CDAY)	10,187.0	1,246.2	21.7	4.0	0.4	-0.1	-5.9
Paylocity Holding Corp (PCTY)	8,684.5	1,098.0	29.5	54.7	0.1	78.3	12.8
Robert Half Inc (RHI)	8,544.7	7,238.1	12.0	12.5	0.1	259.8	9.1
CACI International Inc (CACI)	7,389.0	6,702.5	8.1	6.1	0.4	80.5	5.7
KBR Inc (KBR)	7,386.0	6,564.0	-10.6	950.0	0.5	142.4	2.9
FTI Consulting Inc. (FCN)	7,131.5	3,028.9	9.1	-1.1	0.2	48.9	7.8
Parsons Corp (PSN)	6,840.8	4,195.3	14.6	47.5	0.3	26.6	2.3
Science Applications International Corp (SAIC)	6,688.8	7,704.0	4.2	12.8	0.6	192.1	3.9
Genpact Ltd (G)	6,313.1	4,371.2	8.7	-1.6	0.5	84.0	8.1
Clarivate Plc (CLVT)	6,028.2	2,659.8	41.7	-923.0	0.4	-73.3	-148.9
Trinet Group Inc (TNET)	5,803.9	4,885.0	7.6	10.7	0.4	-43.3	7.3
ExlService Holdings Inc (EXLS)	5,095.5	1,412.0	25.8	26.3	0.3	89.2	10.1
Dun & Bradstreet Corp (The) (DNB)	5,083.4	2,224.6	2.7	94.1	0.4	-42.3	-0.1
MAXIMUS Inc. (MMS)	4,953.6	4,904.7	5.9	-20.1	0.4	59.7	3.3
Concentrix Corp (CNXC)	4,832.3	6,324.5	13.2	7.5	0.5	44.9	6.9
Exponent Inc (EXPO)	4,652.2	513.3	10.1	3.2	0.1	132.6	19.9
Insperty Inc. (NSP)	4,354.0	5,938.8	19.4	45.9	0.8	-65.7	3.0
ASGN Inc (ASGN)	4,273.1	4,581.1	14.3	20.3	0.4	68.7	5.8
Alight Inc (ALIT)	4,140.6	3,132.0	7.4	0.0	0.4	-2.0	-2.0
ManpowerGroup Inc (MAN)	3,777.2	19,827.5	-4.3	2.5	0.4	66.1	1.9
Verra Mobility Corp (VRRM)	3,637.2	741.6	34.7	100.0	0.8	70.1	12.5
Paycor HCM Inc (PYCR)	3,522.6	552.7	28.7	23.2	0.0	-250.6	-16.9
CBIZ Inc (CBZ)	3,149.3	1,412.0	27.8	52.3	0.4	58.4	7.5
WNS (Holdings) Ltd (WNS)	3,134.8	1,224.3	10.3	4.7	0.3	62.6	11.2
Korn Ferry (KFY)	2,955.6	2,863.8	8.3	-33.9	0.3	298.3	7.3
ICF International Inc (ICFI)	2,494.2	1,780.0	14.6	-9.1	0.5	38.9	3.6
TELUS International (Cda) Inc (TIXT)	2,430.4	2,468.0	12.5	134.5	0.3	58.9	7.4
First Advantage Corp (FA)	2,310.4	810.0	13.7	290.9	0.3	46.9	8.0
LegalZoom.com Inc (LZ)	2,024.2	620.0	7.8	55.4	0.1	25.8	-7.9
Upwork Inc (UPWK)	2,023.9	618.3	23.0	-56.8	0.7	-302.9	-14.5
Huron Consulting Group Inc (HURN)	1,951.8	1,159.0	25.0	26.0	0.4	79.3	6.5
NV5 Global Inc (NVEE)	1,652.4	786.8	11.3	1.6	0.1	35.8	6.4
CSG Systems International Inc. (CSGS)	1,561.8	1,089.8	4.1	-37.6	0.6	47.1	4.0
Sterling Check Corp (STER)	1,297.4	766.8	19.5	--	0.4	108.9	2.5
Kforce Inc (KFRC)	1,281.2	1,710.8	8.3	4.0	0.2	67.3	4.4
TaskUs Inc (TASK)	1,144.6	960.5	26.3	--	0.4	41.3	4.2
TTEC Holdings Inc (TTEC)	965.5	2,443.7	7.5	-26.6	0.6	38.8	4.2
Fiverr International Ltd (FVRR)	944.8	337.4	13.3	-7.2	0.6	327.4	-21.2
TDCX Inc (TDCX)	944.2	495.3	20.3	1.9	0.1	77.4	15.8
HireRight Holdings Corp (HRT)	867.4	806.7	10.5	--	0.6	160.6	17.9
Conduent Inc (CNDT)	763.5	3,858.0	-6.8	-394.4	0.6	22.6	-4.7

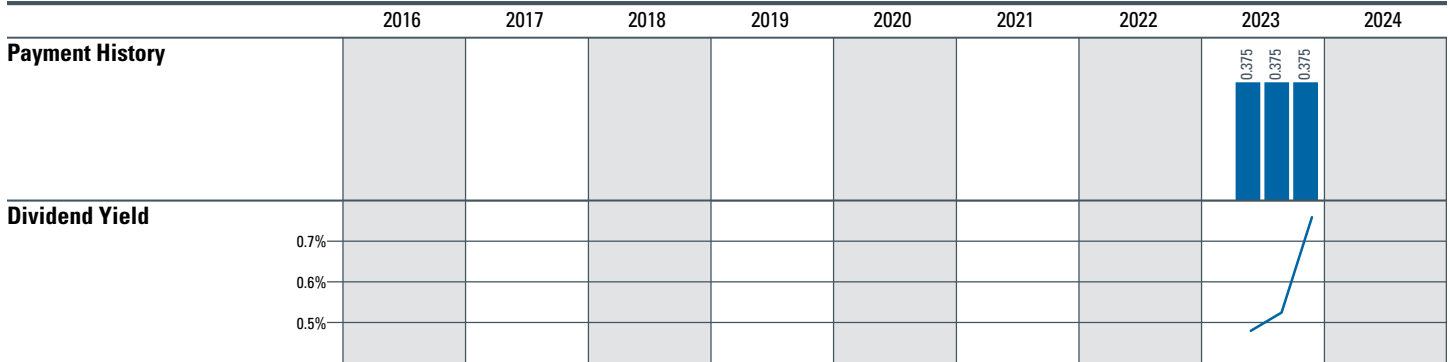
Earnings History

Standard & Poor's Core Earnings is a uniform methodology for calculating operating earnings, and focuses on a company's after-tax earnings generated from its principal businesses.



Annual Earnings	2015	2016	2017	2018	2019	2020	2021	2022	2024
Reported EPS (\$)	0.36	0.74	1.13	2.34	3.09	2.46	3.37	4.84	--
S&P Operating EPS (\$)	0.36	0.74	1.15	2.34	3.09	2.46	3.37	4.84	--

Dividend Analysis



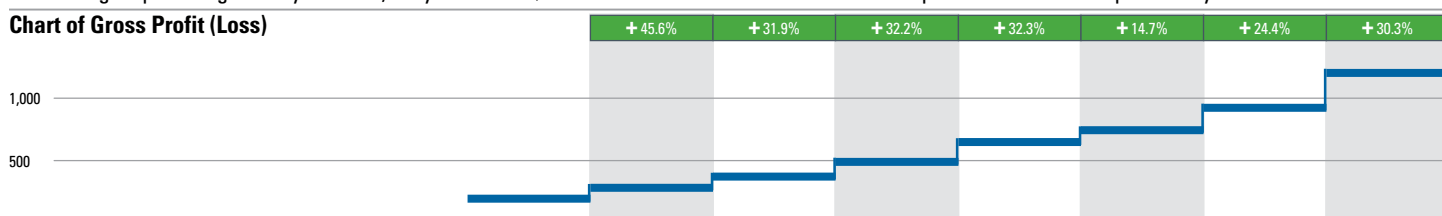
Dividend Details (All dividends are "Cash" unless otherwise noted)

Announce Date	Ex-Date	Record Date	Date Payable	Dividend Amount (\$)	Announce Date	Ex-Date	Record Date	Date Payable	Dividend Amount (\$)
10/30/23	11/24/23	11/27/23	12/11/23	0.375	05/15/23	05/26/23	05/30/23	06/12/23	0.375
07/31/23	08/25/23	08/28/23	09/11/23	0.375					

Annual Income Statement

Change vs. Previous Year

Summary: Over the last year, PAYC's revenue experienced higher growth than nearly any other company in the Human Resource & Employment Services group. During fiscal year 2023, they recorded \$1.4B as revenues which was a 30.3% improvement from the previous year.



	2015	2016	2017	2018	2019	2020	2021	2022
Sales/Turnover (Net)	\$225	\$329	\$433	\$566	\$738	\$841	\$1,056	\$1,375
Cost of Goods Sold	32	48	62	76	89	98	130	170
Gross Profit (Loss)	193	281	371	490	648	744	925	1,205
Selling, General and Administrative Expenses	149	209	273	287	380	504	604	734
Operating Income Before Depreciation	44	72	98	203	268	239	321	471
Amortization of Intangibles	2	2	1	0	0	0	3	4
Depreciation and Amortization - Total	9	14	19	30	42	53	67	93
Operating Income After Depreciation	34	58	79	174	226	186	254	379
Interest and Related Expense	1	1	2	1	3	3	(0)	3
Interest Income - Total	CF	CF	CF	CF	CF	CF	CF	CF
Other Non-Operating Income	1	1	1	2	3	3	2	14
Nonoperating Income (Expense) - Total	1	1	1	2	3	3	2	14
Special Items	0	0	(1)	0	0	0	0	CF
Pretax Income	34	57	77	175	226	186	256	390
Income Taxes - Federal	11	12	10	12	18	15	18	81
Income Taxes - State	2	3	2	4	7	6	10	30
Deferred Taxes-Federal	(1)	(1)	0	14	16	15	27	(3)
Deferred Taxes-State	0	(0)	(2)	7	5	6	6	(0)
Income Taxes - Deferred	(1)	(2)	(2)	21	21	21	33	(3)
Income Taxes - Total	13	13 ^{AC}	10	38	46	42	60	108
Income Before Extraordinary Items	21	44	67	137	181	143	196	281
Common Stock Equivalents - Dollar Savings	(0)	(0)	(0)	(0)	(0)	0	0	0
Net Income (Loss)	21	44	67	137	180	143	196	281

EARNINGS PER SHARE - DETAIL (EPS data in \$US, Shares in Millions)

EPS - Basic Excluding Extraordinary Items	0.37	0.76	1.15	2.37	3.14	2.49	3.39	4.86
EPS - Basic Including Extraordinary Items	0.37	0.76	1.15	2.37	3.14	2.49	3.39	4.86
EPS - Diluted Excluding Extraordinary Items	0.36	0.74	1.13	2.34	3.09	2.46	3.37	4.84
EPS - Diluted Including Extraordinary Items	0.36	0.74	1.13	2.34	3.09	2.46	3.37	4.84
EPS from Operations - Basic	0.37	0.76	1.17 ^{RC}	2.37	3.14	2.49	3.39	4.86
EPS from Operations - Diluted	0.36	0.74	1.15 ^{RC}	2.34	3.09	2.46	3.37	4.84
Dilution Adjustment	0	0	0	0	0	0	0	0
Common Shares Used to Calculate EPS Basic	56	58	58	58	58	58	58	58
Common Shares Used to Calculate EPS Diluted	58	59	59	59	58	58	58	58

^{AC} Restated for/reflects an accounting change

CF Combined Figure

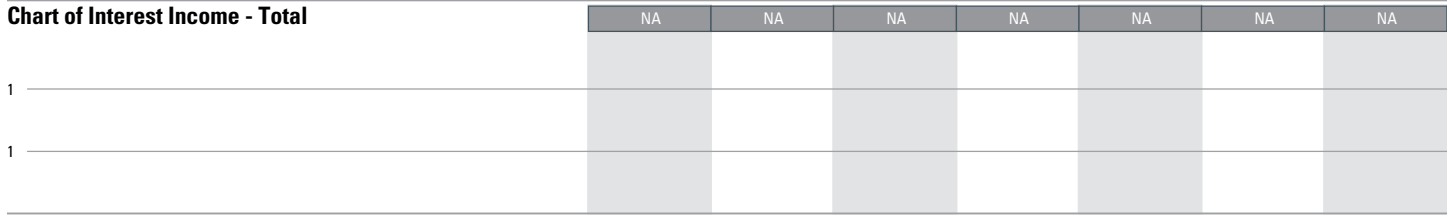
^{RC} Earnings per Share is a calculation and may disagree with company reports.
Statutory rate used in calculation

Annual Income Statement, continued

Change vs. Previous Year

Summary: PAYC has a Price to Book ratio of 15.2x, which is higher than nearly any other company in the Human Resource & Employment Services group. However, its three-year revenue growth is greater than nearly all of its peers, which leads to the conclusion that investors are willing to pay for growth.

Chart of Interest Income - Total



Millions of \$US

SUPPLEMENTAL ITEMS

	2015	2016	2017	2018	2019	2020	2021	2022
Interest Income - Total	CF	CF 0	CF 1	CF 1	CF 1	CF 2	CF 1	CF 1
Interest Capitalized	IF	0	1	1	1	2	1	1

SPECIAL ITEMS - BREAKOUT

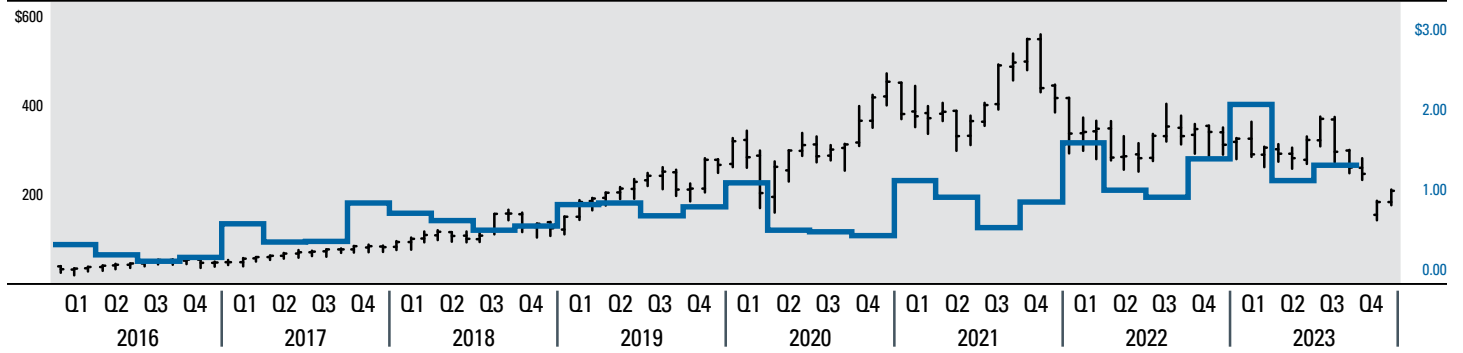
	2015	2016	2017	2018	2019	2020	2021	2022
Extinguishment of Debt Pretax	--	--	(1)	--	--	--	--	--

CF Combined Figure

IF Insignificant Figure

Price Chart with Quarterly EPS (—) Overlay

Earnings data is shown on calendar quarters for this chart.

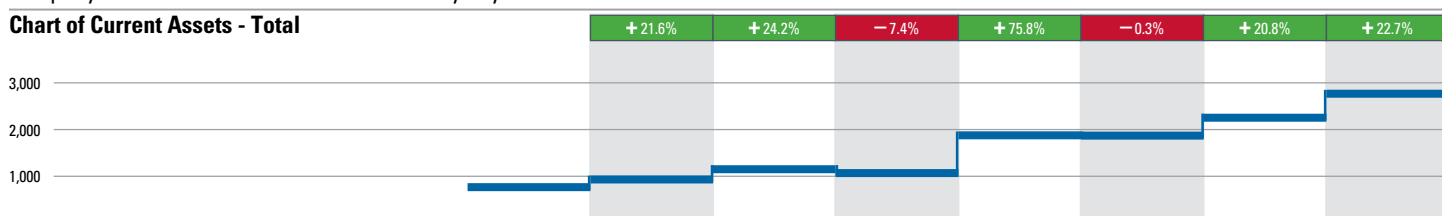


Additional Summary Items: Over the last five years annual earnings at PAYC were positive, trended upward, and had volatility that was in line with the Human Resource & Employment Services industry average.

Annual Balance Sheet

Change vs. Previous Year

Summary: PAYC is one of the least leveraged companies in the Human Resource & Employment Services group. However, relative to its debt, this company accumulates less in sales than nearly any other firm.



Millions of \$US

	2015	2016	2017	2018	2019	2020	2021	2022
CURRENT ASSETS								
Cash	51	60	46	46	134	152	278	401
Cash and Short-Term Investments	51	60	46	46	134	152	278	401
Receivables - Trade	2	1	2	3 ^{AC}	9	9	9	23
Income Tax Refund	7	1	7	4	4	10	16	6
Receivables - Total	9	2	9	7	13	20	26	28
Inventories - Finished Goods	1	1	1	1	--	--	--	--
Inventories - Total	1	1	1	1	1	1	1	2
Prepaid Expense and Accrued Income	4	4	5	8	14	18	24	34
Current Assets - Other (Sundry)	697	858	1,089	1,003	1,709	1,674	1,923	2,299
Current Assets - Other - Total	700	863	1,094	1,011	1,723	1,692	1,947	2,333
Current Assets - Total	761	926	1,150	1,065	1,871	1,865	2,252	2,764
NON-CURRENT ASSETS								
Property Plant and Equipment - Total (Gross)	84	133	201	260	391	490	621	774
Depreciation, Depletion, and Amortization (Accumulated)	(25) ^{TS}	(36) ^{TS}	(54) ^{TS}	(83) ^{TS}	(125) ^{TS}	(178) ^{TS}	(243) ^{TS}	(331) ^{TS}
Property Plant and Equipment - Total (Net)	59	97	148	177	266 ^{AC}	312	379	442
Goodwill	52	52	52	52	52	52	52	52
Intangibles - Other	3	2	1	1	1	0	58	54
Intangible Assets - Total	55	54	53	53	52	52	110	106
Deferred Charges	CF	0	0	225	292	371	462	574
Assets - Other (Sundry)	1	2	5	2	6	8	13	17
Assets - Other - Total	1	2	5	228	298	379	474	590
Assets - Total	877	1,079	1,355	1,522	2,487	2,608	3,215	3,903
CURRENT LIABILITIES								
Long-Term Debt Due In One Year	1	1	1	2	12	13	13	15
Debt in Current Liabilities	1	1	1	2	12	13	13	15
Account Payable/Creditors - Trade	5	4	6	6	5	7	6	16
Accrued Expenses	CF	CF	CF	CF	CF	CF	CF	CF
Current Liabilities - Other (Sundry)	722	894	1,133	1,021	1,736	1,699	1,972	2,346
Current Liabilities - Other	722	894	1,133	1,021	1,736	1,699	1,972	2,346
Current Liabilities - Total	728	899	1,140	1,029	1,754	1,718	1,990	2,377
LONG-TERM LIABILITIES								
Long-Term Debt - Total	25	29	34	33	49	46	47	55
Deferred Taxes - Balance Sheet	1	0	0	70	91	113	146	141
Deferred Taxes and Investment Tax Credit	1	0	0	70	91	113	146	141
Liabilities - Other - Total	25	34	45	56	66	76	138	147
Liabilities - Total	778	962	1,220	1,187	1,960	1,952	2,321	2,720

^{AC} Restated for/reflects an accounting change

CF Combined Figure

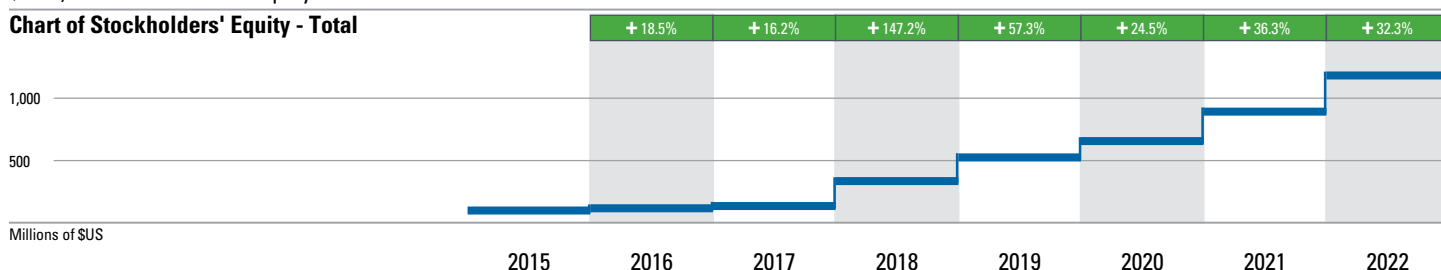
^{TS} Computed using straight-line method

Annual Balance Sheet, continued

Change vs. Previous Year

Summary: PAYC employs a capital structure that is in-line with the Human Resource & Employment Services group norm. Its capital resources total \$1.4B, of which +84.9% is equity and +5.0% is attributed to debt.

Chart of Stockholders' Equity - Total



SHAREHOLDERS' EQUITY

	2015	2016	2017	2018	2019	2020	2021	2022
Common/Ordinary Stock (Capital)	1	1	1	1	1	1	1	1
Capital Surplus/Share Premium Reserve	71	95	137	204	258	358	466	577
Retained Earnings	27	70	137	396	576	720	916	1,193
Treasury Stock - Total	0	(50)	(140)	(265)	(308)	(423)	(488)	(588)
Common/Ordinary Equity - Total	98	117	135	335	527	656	894	1,183
Stockholders' Equity - Total	98	117	135	335	527	656	894	1,183
Liabilities and Stockholders' Equity - Total	877	1,079	1,355	1,522	2,487	2,608	3,215	3,903
Common Shares Outstanding (Millions)	57	57	58	57	58	58	58	58

DEBT COMPONENTS

Debt - Notes	25	29	34	33	31	29	27	0
Other Long-Term Debt	0	0	0	0	18	17	20	55

DEBT MATURITY TABLE

Debt - Maturing 1st Year	1	1	1	2	12	13	13	15
Debt - Maturing 2nd Year	1	1	2	2	2	2	2	0
Debt - Maturing 3rd Year	1	1	2	2	2	2	2	0
Debt - Maturing 4th Year	1	1	2	2	2	2	24	0
Debt - Maturing 5th Year	1	21	2	2	2	24	0	29

SUPPLEMENTAL

Deferred Revenue - Current	4	5	7	9	11	14	16	20
Deferred Revenue - Long-Term	25	34	45	56	65	73	85	98
Debt - Mortgages and Other Secured	25	29	34	33	31	29	27	29
Long-term Debt - Tied to Prime	0	0	0	0	0	0	0	29

RENTAL COMMITMENTS

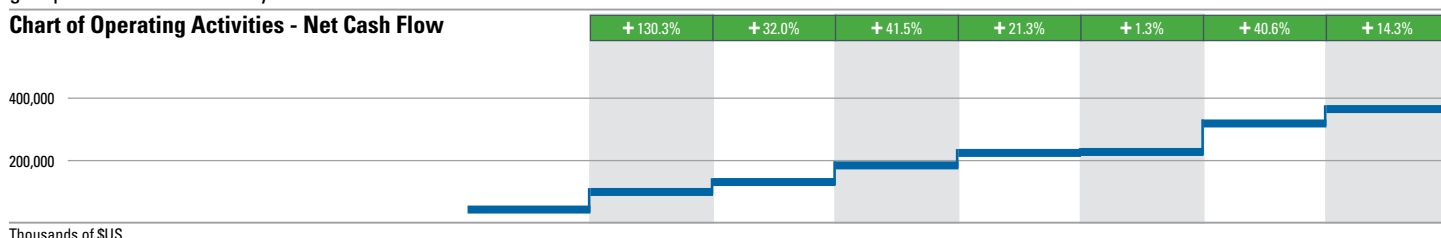
Rental Commitments - Minimum - 1st Year	5	6	7	8	10	11	11	15
Rental Commitments - Minimum - 2nd Year	5	6	6	7	7	8	9	10
Rental Commitments - Minimum - 3rd Year	5	5	3	5	6	6	6	7
Rental Commitments - Minimum - 4th Year	4	3	2	4	4	3	3	5
Rental Commitments - Minimum - 5th Year	2	1	2	3	2	1	1	3
Rental Commitments - Minimum - 5-Year Total	20	20	20	28	30	29	31	39
Thereafter Leases	0	1	1	1	0	0	2	4

Annual Cash Flow

Change vs. Previous Year

Summary: PAYC generates less sales from the use of its assets than nearly any other company in the Human Resource & Employment Services group. This is evidenced by its 2023 Total Asset Turnover of 0.4x.

Chart of Operating Activities - Net Cash Flow



Thousands of \$US

	2015	2016	2017	2018	2019	2020	2021	2022
OPERATING ACTIVITIES								
Income Before Extraordinary Items	\$20,945	\$43,840	\$66,807	\$137,065	\$180,576	\$143,453	\$195,960	\$281,389
Depreciation and Amortization	9,578	13,756	19,512	29,689	42,246	53,409	67,258	93,546
Deferred Taxes	(1,021)	(1,848)	(2,087)	21,077	21,011	21,381	32,906	(3,210)
Sale of PP&E and Investments - (Gain) Loss	15	(64)	21	0	0	0	146	(150)
Funds from Operations - Other excluding Option Tax Benefit	3,219	22,471	40,114	34,797	47,703	89,925	96,702	94,052
Funds from Operations - Other	3,219	22,471	40,114	34,797	47,703	89,925	96,702	94,052
Accounts Receivable - Decrease (Increase)	440	1,015	(237)	(1,838)	(5,884)	168	(360)	(13,353)
Inventory - Decrease (Increase)	(224)	418	462	(306)	(403)	(41)	481	(224)
Accounts Payable and Accrued Liabilities - Increase (Decrease)	CF	CF	CF	CF	CF	CF	CF	28,522
Income Taxes - Accrued - Increase (Decrease)	CF	CF	0	0	0	0	0	0
Assets and Liabilities - Other (Net Change)	10,020	19,365	6,008	(35,667)	(60,986)	(81,088)	(73,731)	(115,469)
Operating Activities - Net Cash Flow	42,972	98,953	130,600	184,817	224,263	227,207	319,362	365,103
INVESTING ACTIVITIES								
Short-Term Investments - Change	371	0	0	0	0	0	0	0
Capital Expenditures	16,549	43,805	59,389	59,906	92,934	94,102	120,692	132,678
Sale of Property, Plant, & Equipment	0	295	0	0	0	0	0	0
Investing Activities - Other	(36,146)	(161,541)	(230,957)	122,526	(126,611)	(23,775)	(136,978)	109,392
Investing Activities - Net Cash Flow	(52,324)	(205,051)	(290,346)	62,620	(219,545)	(117,877)	(257,670)	(23,286)
FINANCING ACTIVITIES								
Purchase of Common and Preferred Stock	0	49,957	89,730	125,436	42,528	114,851	65,580	99,823
Long-Term Debt - Issuance	0	5,000	40,940	0	0	0	0	29,000
Long-Term Debt - Reduction	1,118	964	36,158	888	1,775	1,775	1,775	29,287
Changes in Current Debt	CF	CF	CF	CF	0	0	0	CF
Financing Activities - Other	36,040	161,463	230,613	(121,472)	694,975	(49,283)	233,079	354,697
Financing Activities - Net Cash Flow	34,922	115,542	145,665	(247,796)	650,672	(165,909)	165,724	254,587
CHANGE IN CASH AND CASH EQUIVALENTS								
Cash and Cash Equivalents - Increase (Decrease)	25,570	9,444	(14,081)	(359)	655,390	(56,579)	227,416	596,404
SUPPLEMENTAL ITEMS								
Interest Paid - Net	1,271	938	791	708	891	0	2	507
Income Taxes Paid	19,205	9,323	18,332	13,511	24,566	27,530	33,068	100,578

CF Combined Figure

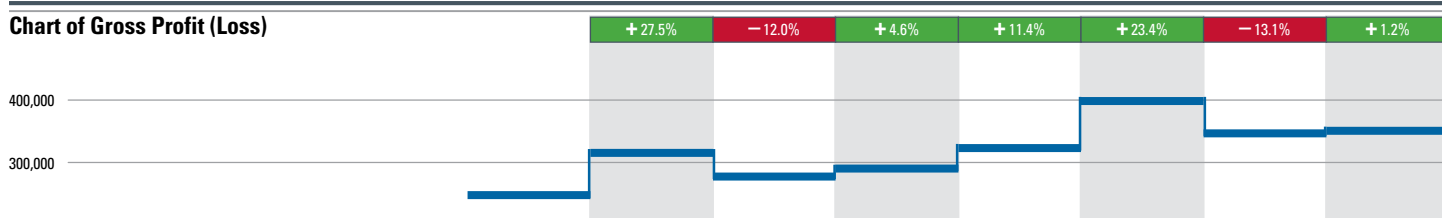
Additional Summary Items: PAYC is less efficient at collecting its accounts receivable than nearly any other company in the Human Resource & Employment Services group. In 2023, the average number of days its accounts receivable were outstanding was 8. However, this was -1.41 days faster than the accounts receivables collection during the previous year.

During 2023, PAYC earned \$374.1M from its investing activities. This was more than almost every other company in the Human Resource & Employment Services group.

During Fiscal Year 2023, PAYC spent \$132.7M on capital expenditures. As a percent of sales, this was among the highest in the Human Resource & Employment Services Sub-industry group and represented a steady increase in spending over the last four years.

Quarterly Income Statement

Change vs. Previous Year



Thousands of \$US	Quarter Ending on	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	3/31/23	6/30/23	9/30/23
Sales/Turnover (Net)		\$284,986	\$353,519	\$316,924	\$334,167	\$370,608	\$451,637	\$401,139	\$406,303
Cost of Goods Sold		37,863	38,492	39,604	44,169	47,541	53,085	54,617	55,600
Gross Profit (Loss)		247,123	315,027	277,320	289,998	323,067	398,552	346,522	350,703
Selling, General and Administrative Expenses		159,529	167,105	182,439	192,173	192,317	211,848	231,518	224,853
Operating Income Before Depreciation		87,594	147,922	94,881	97,825	130,750	186,704	115,004	125,850
Depreciation and Amortization - Total		18,968	21,655	22,568	23,560	24,916	26,272	27,738	28,949
Operating Income After Depreciation		68,626	126,267	72,313	74,265	105,834	160,432	87,266	96,901
Interest and Related Expense		(240)	(948)	149	2,886	1,349	1,337	1,502	1,422
Nonoperating Income (Expense) - Total		1,136	249	673	3,909	9,504	6,504	7,083	7,784
Special Items		0	0	0	0	CF	0	0	(1,222)
Pretax Income		70,002	127,464	72,837	75,288	113,989	165,599	92,847	102,041
Income Taxes - Deferred		32,906	AF	AF	AF	(3,210)	AF	AF	AF
Income Taxes - Total		21,315	35,534	15,482	23,135	34,038	46,303	28,331	26,822
Income Before Extraordinary Items		48,687	91,930	57,355	52,153	79,951	119,296	64,516	75,219
Net Income (Loss)		48,687	91,930	57,355	52,153	79,951	119,296	64,516	75,219

EARNINGS PER SHARE - DETAIL (EPS data in \$US, Shares in Thousands)

EPS - Basic Excluding Extraordinary Items	0.84	1.58	0.99	0.90	1.38	2.06	1.11	1.30
EPS - Basic Including Extraordinary Items	0.84	1.58	0.99	0.90	1.38	2.06	1.11	1.30
EPS - Diluted Excluding Extraordinary Items	0.84	1.58	0.99	0.90	1.38	2.06	1.11	1.30
EPS - Diluted Including Extraordinary Items	0.84	1.58	0.99	0.90	1.38	2.06	1.11	1.30
EPS from Operations - Basic	0.84	1.58	0.99	0.90	1.38	2.06	1.11	1.32 ^{NR}
EPS from Operations - Diluted	0.84	1.58	0.99	0.90	1.38	2.06	1.11	1.31 ^{NR}
Common Shares Used to Calculate EPS Basic	58,007 ^{ZR}	58,014 ^{ZR}	57,969 ^{ZR}	57,865 ^{ZR}	57,867 ^{ZR}	57,867 ^{ZR}	57,920 ^{ZR}	57,825 ^{ZR}
Common Shares Used to Calculate EPS Diluted	58,238 ^{ZR}	58,219 ^{ZR}	58,067 ^{ZR}	58,033 ^{ZR}	58,037 ^{ZR}	57,991 ^{ZR}	58,033 ^{ZR}	57,966 ^{ZR}

12 MONTH MOVING EPS

EPS Basic Excl. Extraordinary Items	3.39	3.84	3.93	4.32	4.86	5.33	5.45	5.86
EPS Diluted Excl. Extraordinary Items	3.37	3.84	3.93	4.30	4.84	5.33	5.45	5.84
EPS from Operations	3.39	3.84	3.93	4.32	4.86	5.33	5.45	5.87
EPS from Operations - Diluted	3.37	3.84	3.93	4.30	4.84	5.33	5.45	5.86

SPECIAL ITEMS - BREAKOUT

Extinguishment of Debt Pretax	--	--	--	--	--	--	--	(1,222)
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^{NR} Statutory rate used in calculation

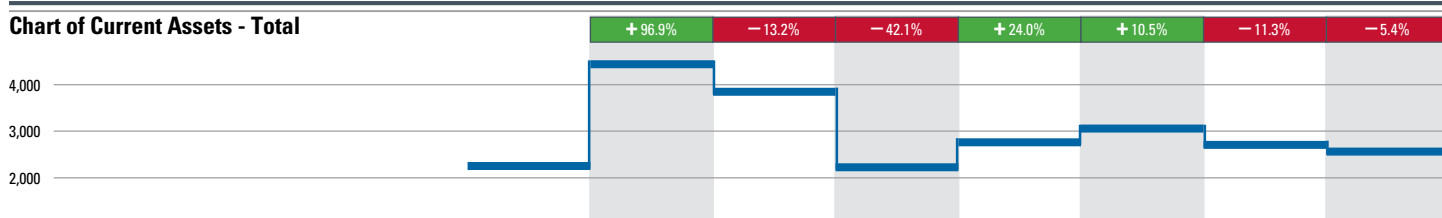
^{ZR} Weighted Average Shares are Reported

AF Annual Figure

CF Combined Figure

Quarterly Balance Sheet

Change vs. Previous Year



Millions of \$US

Quarter Ending on	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	3/31/23	6/30/23	9/30/23
CURRENT ASSETS								
Cash and Short-Term Investments	\$278	\$361	\$279	\$317	\$401	\$506	\$537	\$484
Receivables - Total	26	18	20	30	28	18	18	26
Inventories - Total	1	1	2	1	2	1	1	1
Current Assets - Other - Total	1,947	4,055	3,547	1,880	2,333	2,530	2,153	2,052
Current Assets - Total	2,252	4,434	3,848	2,228	2,764	3,055	2,708	2,563
NON-CURRENT ASSETS								
Property Plant and Equipment - Total (Gross)	621	626	660	691	774	777	827	877
Depreciation, Depletion, and Amortization (Accumulated)	(243)	(263)	(285)	(307)	(331)	(356)	(382)	(409)
Property Plant and Equipment - Total (Net)	379	363 ^{XT}	375 ^{XT}	384 ^{XT}	442	421 ^{XT}	445 ^{XT}	468 ^{XT}
Goodwill	52	52	52	52	52	52	52	52
Intangibles - Other	58	57	56	55	54	53	52	51
Intangible Assets - Total	110	109	108	107	106	105	104	103
Assets - Other - Total	584	648	669	702	696	766	798	825
Assets - Total	3,215	5,445	4,892	3,315	3,903	4,242	3,951	3,856
CURRENT LIABILITIES								
Debt in Current Liabilities	13	2	0	0	15	CF	CF	CF
Account Payable/Creditors - Trade	6	12	13	10	16	10	8	7
Income Taxes Payable	0	23	0	0	0	19	0	0
Current Liabilities - Other	1,972	4,075	3,555	1,888	2,346	2,536	2,178	2,063
Current Liabilities - Total	1,990	4,113	3,568	1,898	2,377	2,565	2,187	2,070
LONG-TERM LIABILITIES								
Long-Term Debt - Total	47	27 ^{XL}	29 ^{XL}	29 ^{XL}	55	29 ^{XL}	29 ^{XL}	29 ^{XL}
Deferred Taxes and Investment Tax Credit	146	135	135	139	141	140	143	145
Liabilities - Other - Total	138	161	165	172	147	173	186	190
Liabilities - Total	2,321	4,436	3,898	2,238	2,720	2,907	2,545	2,435
SHAREHOLDERS' EQUITY								
Common/Ordinary Stock (Capital)	1	1	1	1	1	1	1	1
Capital Surplus/Share Premium Reserve	466	490	518	550	577	609	650	688
Retained Earnings	916	1,006	1,063	1,113	1,193	1,313	1,355	1,408
Treasury Stock - Total	(488)	(488)	(588)	(588)	(588)	(589)	(599)	(676)
Common/Ordinary Equity - Total	894	1,009	994	1,076	1,183	1,334	1,407	1,421
Stockholders' Equity - Total	894	1,009	994	1,076	1,183	1,334	1,407	1,421
Liabilities and Stockholders' Equity - Total	3,215	5,445	4,892	3,315	3,903	4,242	3,951	3,856
Common Shares Outstanding (Millions)	58	58	58	58	58	58	58	58
SUPPLEMENTAL								
Pension Expense	--	AF	AF	AF	--	AF	AF	AF
Deferred Revenue - Current	16	17	18	20	20	21	21	23
Deferred Revenue - Long-Term	85	88	91	94	98	100	103	106

^{XL} NA

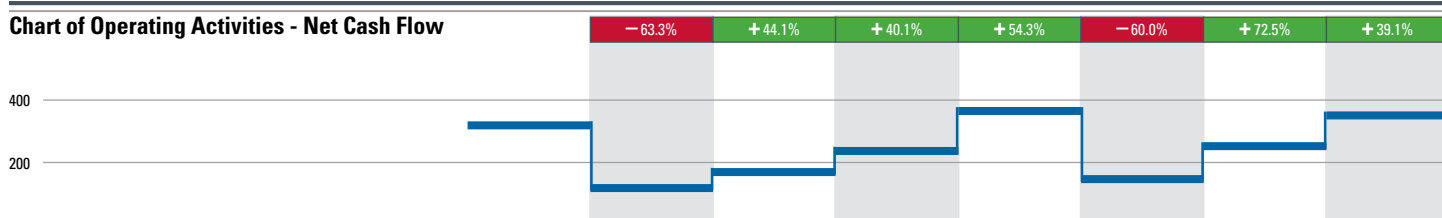
^{XT} NA

AF Annual Figure

CF Combined Figure

Quarterly Cash Flow

Change vs. Previous Year



Millions of \$US

Quarter Ending on	12/31/21	3/31/22	6/30/22	9/30/22	12/31/22	3/31/23	6/30/23	9/30/23
OPERATING ACTIVITIES								
Income Before Extraordinary Items	\$49	\$92	\$57	\$52	\$80	\$119	\$65	\$75
Depreciation and Amortization	67	22	44	68	94	27	55	84
Deferred Taxes	33	(10)	(10)	(5)	(3)	(2)	2	4
Sale of PP&E and Investments - (Gain) Loss	0	0	0	0	(0)	(0)	(0)	(0)
Funds from Operations - Other excluding Option Tax Benefit	97	21	45	70	94	28	64	98
Funds from Operations - Other	97	21	45	70	94	28	64	98
Accounts Receivable - Decrease (Increase)	(0)	(8)	(11)	(5)	(13)	5	7	7
Inventory - Decrease (Increase)	0	0	(1)	0	(0)	0	0	0
Accounts Payable and Accrued Liabilities - Increase (Decrease)	CF	CF	CF	CF	29	CF	CF	CF
Income Taxes - Accrued - Increase (Decrease)	0	CF	CF	CF	0	CF	CF	CF
Assets and Liabilities - Other (Net Change)	(74)	1	(48)	(93)	(115)	(32)	(59)	(102)
Operating Activities - Net Cash Flow	319	117	169	237	365	146	252	351
INVESTING ACTIVITIES								
Capital Expenditures	121	34	68	92	133	41	83	136
Sale of Property, Plant, & Equipment	0	0	0	0	0	0	0	0
Investing Activities - Other	(137)	(33)	45	60	109	0	0	0
Investing Activities - Net Cash Flow	(258)	(68)	(23)	(32)	(23)	(41)	(83)	(136)
FINANCING ACTIVITIES								
Purchase of Common and Preferred Stock	66	0	99	100	100	1	11	88
Cash Dividends	0	0	0	0	0	0	22	43
Long-Term Debt - Issuance	0	0	29	29	29	0	0	0
Long-Term Debt - Reduction	2	0	29	29	29	0	0	0
Changes in Current Debt	0	0	CF	CF	CF	0	0	0
Financing Activities - Other	233	2,100	1,578	(99)	355	184	(202)	(307)
Financing Activities - Net Cash Flow	166	2,099	1,478	(199)	255	183	(234)	(438)
CHANGE IN CASH AND CASH EQUIVALENTS								
Cash and Cash Equivalents - Increase (Decrease)	227	2,148	1,624	6	596	288	(66)	(223)
SUPPLEMENTAL ITEMS								
Interest Paid - Net	0	--	--	--	1	--	--	--
Income Taxes Paid	33	--	--	--	101	--	--	--

CF Combined Figure

Glossary

Global Industry Classification Standard (GICS) - An industry classification standard, developed by Standard & Poor's in collaboration with Morgan Stanley Capital International (MSCI). A company is assigned to a single GICS sub-industry according to the definition of its principal business activity as determined by Standard & Poor's and MSCI. Revenues are a significant factor in defining principal business activity; however, earnings analysis and market perception are also important criteria.

S&P Core Earnings - Standard & Poor's Core Earnings is a uniform methodology for calculating operating earnings, and focuses on a company's after-tax earnings generated from its principal businesses. Included in the definition are employee stock option grant expenses, pension costs, restructuring charges from ongoing operations, writedowns of depreciable or amortizable operating assets, purchased research and development, M&A related expenses and unrealized gains/losses from hedging activities. Excluded are pension gains, impairment of goodwill charges, gains or losses from asset sales, reversal of prior-year charges and provision from litigation or insurance settlements.

Preliminary Data - Preliminary update indicates that the company has been updated from a source with limited financial data, but the data is expected to become available or has been available historically. Final update (not indicated) means that the company has been updated from a complete source (usually the Form 10-K or 10-Q), and no further data will be available.

Dividends - Values for dividends in this report are not split adjusted.

Modified Return on Capital - This value from page 5 is calculated using a formula that equally weights return on capital, defined as the trailing twelve months' earnings before interest and taxes, and earnings yield, defined as earnings before interest and taxes divided by market value plus net debt.

S&P Operating EPS - Earnings from Operations represents earnings per share that excludes the effect of all nonrecurring events. EPS is adjusted to remove the effect of all special or one-time items from the calculation.

Value Scales - Abbreviations for scale are as follows: Th = Thousand, M = Million, B = Billion, and T = Trillion.

Company to Industry Comparison - The Market Capitalization and Revenue charts on page 1 are displayed using a logarithmic scale to accommodate the large range of values that are shown.

Balance Sheet Debt Components - The sum of the Debt Components below the Balance Sheet may not equal "Long-Term Debt - Total" due to the fact that, for some companies, the debt component can include "Long-Term Debt Due in One Year," which is a short-term liability.

PEG Ratio - The computation of PEG (on pages 2 and 3) includes 3 years of compounded earnings growth.