First Quarter Highlights and Financial Results

Fiscal 2027

Forward Looking Statements

Certain written statements in this presentation may contain, and members of management may from time to time make or discuss statements which constitute, "forward-looking statements" within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements include, without limitation, all matters that are not historical facts. Forward-looking statements are not assurances of future performance. Instead, they are based only on our current beliefs, expectations, and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and trends, the economy, and other future conditions. Because forward-looking statements relate to the future, they are subject to known and unknown uncertainties, risks, changes in circumstances, and other factors that are difficult to predict, many of which are outside our control. Our actual performance and outcomes, including without limitation, our actual results and financial condition, may differ materially from those indicated in or suggested by the forward-looking statements. Therefore, you should not rely on any of these forward-looking statements. More information regarding these risks and uncertainties and other important factors that could cause actual results to differ materially from those indicated in or suggested by the forward-looking statements is set forth in the Company's earnings release and filings with the Securities and Exchange Commission. The information provided in this presentation is based upon the facts and circumstances known as of the date of this presentation, and any forward-looking statements made by us in this document speak only as of the date on which they are made. Except as required by law, we undertake no obligation to update these forward-looking statements after the date of issuance of this presentation to reflect events or circumstances after such date, or to reflect the occurrence of unanticipated events.

Overview

Paychex

An industry-leading human capital management ("HCM") company delivering a full suite of technology and advisory services in human resources, employee benefits, insurance and payroll.

- Trusted HCM provider serving ~840,000 customers and paying 1 in 11 U.S. private-sector employees(1)
- Leading provider of AI-enabled HR technology and advisory solutions powered by unrivaled data
- Top HR outsourcer with ~2.6M worksite employees(1)
- Large and growing $100B+ underserved market
- Durable business model with strong cash generation and disciplined capital allocation

(1) As of May 31, 2026

First Quarter Highlights

First Quarter Highlights

Sustained growth in revenue and earnings with strong operational performance

- Delivered double-digit growth in PEO & Insurance revenue, operating income and diluted earnings per share
- Continued strong demand for our advisory and benefits solutions across ASO, PEO and Retirement
- Improved client retention year-over-year and continued to achieve record PEO worksite employee retention

Advanced our strategic priorities

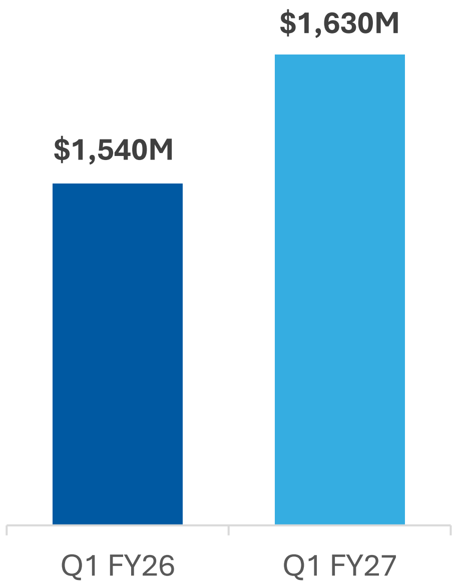
- Progressed FY27 strategic priorities: data and AI leadership, go-to-market evolution, and advisory differentiation
- Delivered tangible WISE AI outcomes, including preventing ~90% of the top targeted payroll errors
- Announced WISE Hire in September, bringing agentic recruiting capabilities to SMBs
- Advanced our go-to-market evolution by positioning Paychex as a strategic partner helping businesses succeed and by equipping sales and customer service teams to offer the full breadth of our technology and advisory solutions
- Continued to strengthen our advisory differentiation, supporting strong growth across our HR outsourcing solutions

Returned $424M to shareholders in quarterly dividends

First Quarter Financial Highlights

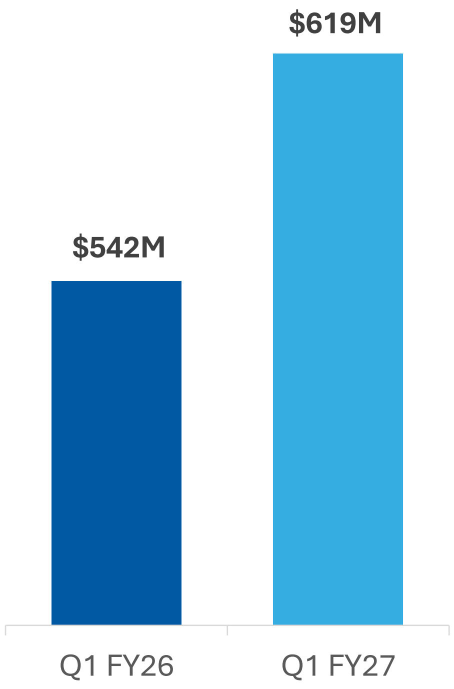
Total Revenue

6%



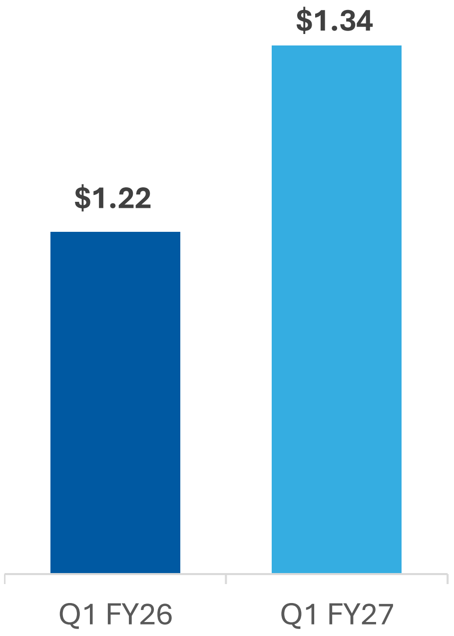
Operating Income

14%



Adjusted Diluted EPS(1)

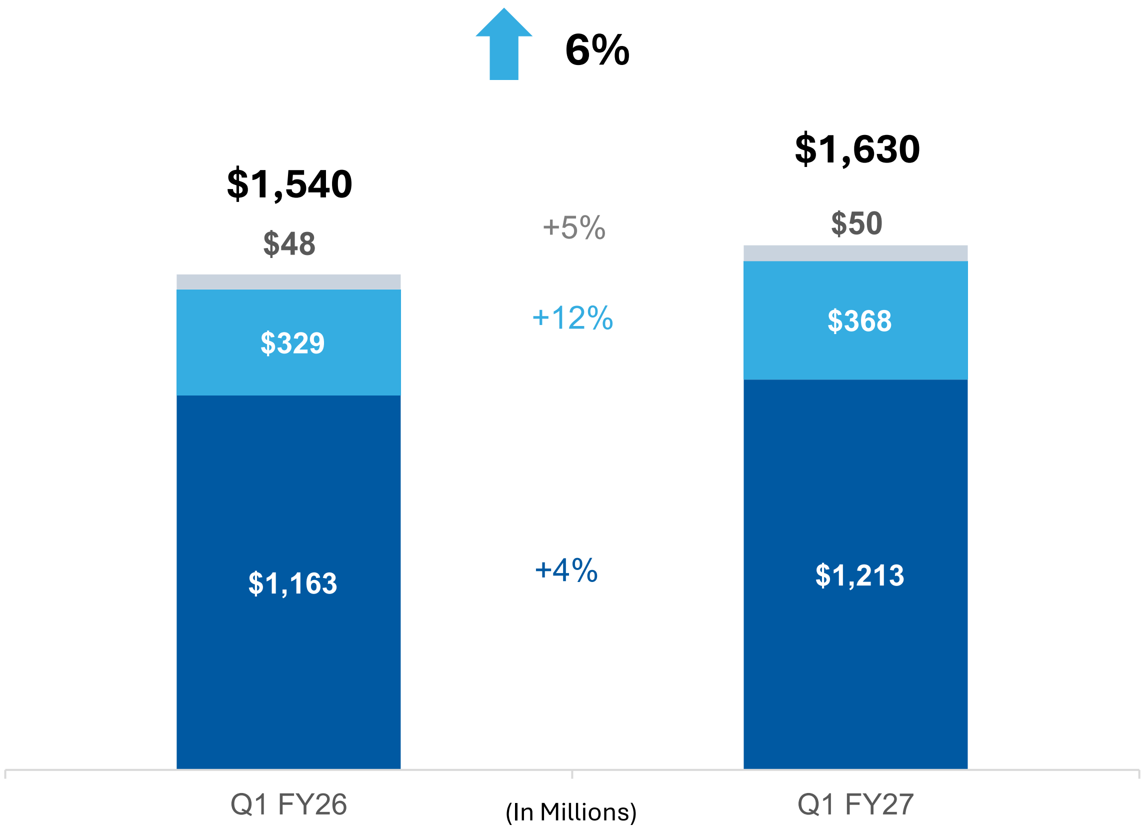
10%



(1) Adjusted diluted earnings per share (“EPS”) is not a U.S. generally accepted accounting principles (“GAAP”) measure. Refer to slides 16 and 17 for a reconciliation to the corresponding GAAP measures.

First Quarter Revenue Key Drivers

Total Revenue



Management Solutions

- Higher product penetration
- Price realization and higher revenue per client

PEO(1) & Insurance Solutions

- Growth in the number of average PEO worksite employees
- Increase in PEO insurance volumes

Interest on Funds Held for Clients

- Higher average investment rates

(1) Professional Employer Organization ("PEO")

WISE: A Highly Differentiated, AI-Powered Intelligence Engine

Workforce Intelligence Strengthened by Expertise Designed to Enhance Productivity, Decision-making and Results

Better experiences. Smarter decisions. Stronger outcomes.
Embedded across Paychex Flex | Paycor | SurePayroll

WISE Intelligence
Aware of context

- Proactive, context-aware intelligence
- Anticipates issues and flags risks early
- Enables smarter decisions in the flow of work

WISE Assistants
Advising in the moment

- Dynamic, real-time guidance in workflows
- Reduces friction and manual effort
- Enables smarter, more efficient outcomes

WISE Agents
Acts to deliver outcomes

- Autonomous workers embedded in workflows
- Execute tasks with minimal intervention
- Delivers scalable, trusted automation

Supported by Expert Services and Managed Solutions

Built on Decades of HR Expertise and Trillions of Data Elements

Enabled by Modern Infrastructure spanning Payroll | Tax | Payment Orchestration | HR | Benefits

Recent Awards and Recognition

Paychex continues to be recognized for its innovative technology, market leadership, and corporate culture

Newsweek America's Greatest Companies

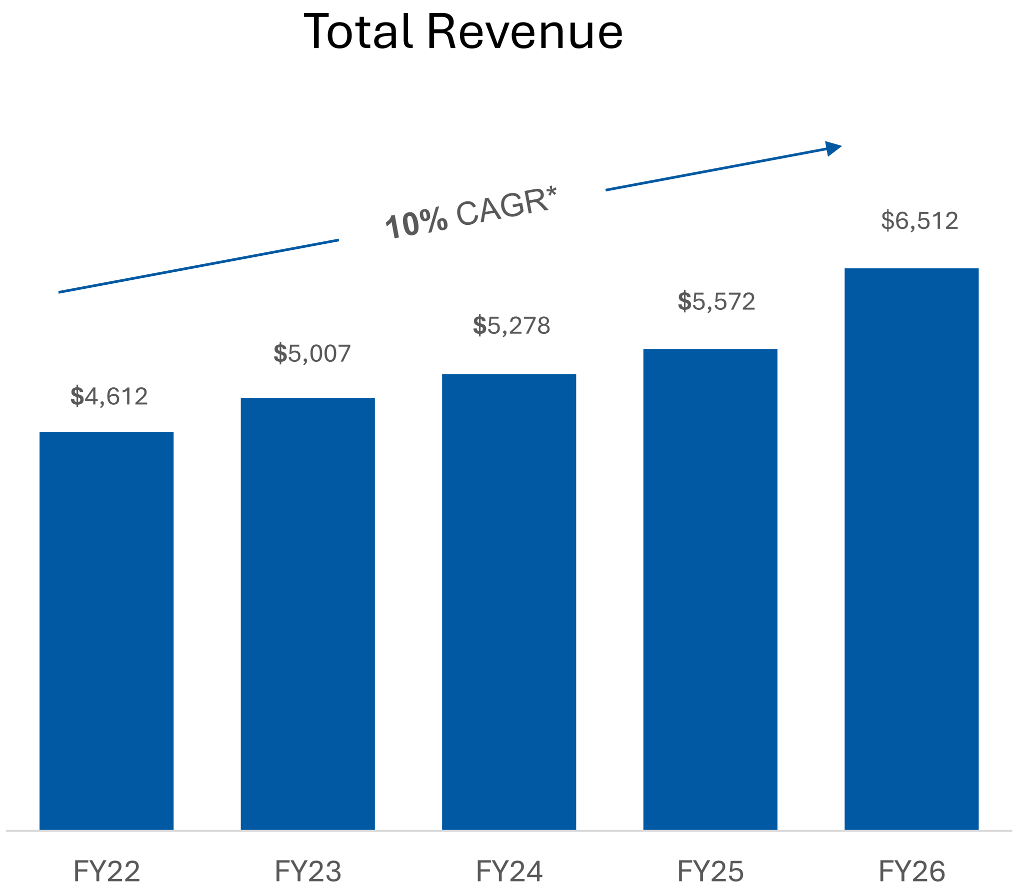
Paychex was named one of the Greatest Companies in America by Newsweek, with five-star ratings for its financial strength, innovation, commitment to its workforce, and sustainability efforts

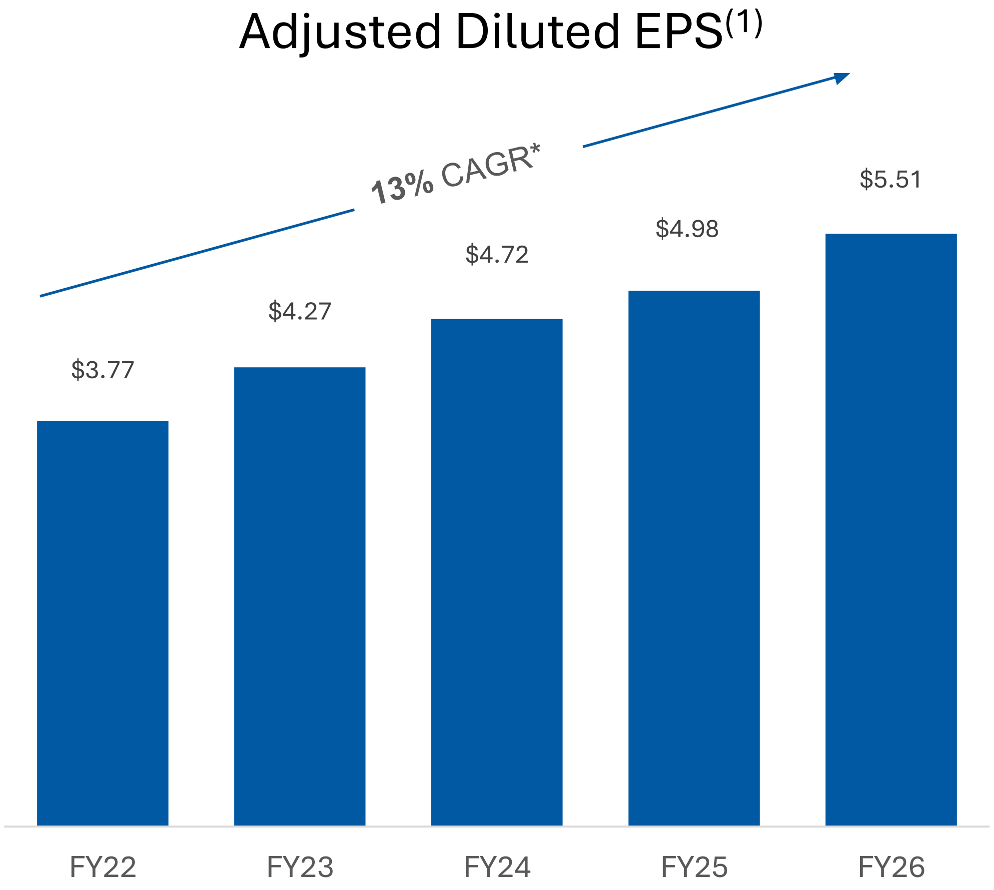
HR Tech Top HR Products (WISE)

Paychex's agentic AI engine, WISE, was named a 2026 Top HR Product of the Year by HR Executive, recognized for its innovation and impact on the HR technology industry

Sustained Financial Performance

(In Millions, Except Per Share Amounts)





* 5-Year CAGR

(1) Adjusted diluted earnings per share ("EPS") is not a U.S. generally accepted accounting principles ("GAAP") measure. Refer to our Annual Report on Form 10-K for a discussion of this measure and a reconciliation to the corresponding GAAP measure.

Fiscal 2027 Outlook

Fiscal Year 2027 Outlook

	September 23, 2026 Year-over-Year Growth	June 24, 2026 Year-over-Year Growth
Management Solutions Revenue	5% - 6%	5% - 6%
PEO & Insurance Solutions Revenue	**7% - 8%**	6% - 7%
Total Revenue	5% - 6%	5% - 6%
Adjusted Diluted EPS(1)	7% - 9%	7% - 9%
	Anticipated Result	**Anticipated Result**
Interest on Funds Held for Clients	**$200M - $210M**	$195M - $205M
Adjusted Operating Margin (1)	~44%	~44%
Effective Income Tax Rate	~24%	~24%

(1) Adjusted diluted EPS and adjusted operating margin are non-GAAP financial measures. Refer to our discussion of non-GAAP financial measures in our first quarter fiscal 2027 earnings press release.

PAYCHEX®

Financial Results

Financial Results

For the Three Months ended August 31, 2026

(In millions, except per share amounts)	Three Months Ended Aug 31, 2026	% Change
Management Solutions	$ 1,213.1	4%
PEO and Insurance Solutions	$ 367.6	12%
Total Service Revenue	**$ 1,580.7**	**6%**
Interest on Funds Held for Clients	$ 49.8	5%
Total Revenue	**$ 1,630.5**	**6%**
Operating Income	$ 619.2	14%
Net Income	$ 429.7	12%
Diluted EPS	$ 1.21	14%
Non-GAAP Measures:[1]		
Adjusted Operating Income	$ 684.7	9%
Adjusted EBITDA	$ 738.3	9%
Adjusted Net Income	$ 479.2	9%
Adjusted Diluted EPS	$ 1.34	10%

(1) Refer to a reconciliation of non-GAAP financial measures to the related GAAP financial measures on slides 16 and 17.

Financial Highlights

($ in Millions)

- Strong liquidity position with $1.0B in cash and corporate investments
- Gross leverage ratio[2] of ~1.5x
- Return on equity of 47%
- Consistent free cash flow generation supports industry-leading dividend payout ratio

(In millions)	Aug 31, 2026		May 31, 2026	
Cash, Restricted Cash, & Total Corporate Investments	$	989.2	$	1,177.3
Total Debt, Net of Debt Issuance Costs[1]	$	4,558.0	$	4,556.1
Gross Leverage Ratio[2]		1.5x		1.5x
Return on Equity		47%		45%

Fiscal Year-to-Date Period Ended:	Aug 31, 2026		Aug 31, 2025	
Operating Cash Flow	$	413.5	$	718.4
Free Cash Flow[3]	$	357.4	$	662.5
Dividends Paid	$	424.1	$	389.1
Dividend Coverage Ratio[4]		0.8x		1.7x

(1) Excludes operating lease liabilities of $85.8M and $74.2M as of August 31, 2026 and May 31, 2026, respectively.

(2) Gross leverage ratio calculated as total debt divided by trailing-twelve-month adjusted EBITDA. Adjusted EBITDA is a non-GAAP financial measure. Refer to our discussion of non-GAAP financial measures in our first quarter fiscal 2027 earnings press release.

(3) Free cash flow is a non-GAAP financial measure calculated as operating cash flow less purchases of property and equipment (which includes internally developed software costs). Purchases of property and equipment for the fiscal quarter ended August 31, 2027 and 2026 were $56.1M and $55.9M, respectively.

(4) Dividend coverage ratio is calculated as free cash flow divided by dividends paid.

Non-GAAP Financial Measures

For the Three Months ended August 31, 2026

	Three Months Ended		
	Aug 31, 2026	Aug 31, 2025	% Change
Operating Income	**$ 619.2**	**$ 541.9**	**14%**
Non-GAAP Adjustments:			
Acquisition-related costs (1)	65.5	84.8	
Adjusted Operating Income (2)	**$ 684.7**	**$ 626.7**	**9%**
Adjusted Operating Margin (2)	**42.0%**	**40.7%**	
Net Income	**$ 429.7**	**$ 383.8**	**12%**
Non-GAAP Adjustments:			
Acquisition-related costs (1)	65.5	84.8	
Income tax benefit for acquisition-related costs	(15.7)	(20.6)	
Discrete tax shortfall/(windfall) related to employee stock-based compensation payments (3)	(0.3)	(7.2)	
Adjusted Net Income (2)	**$ 479.2**	**$ 440.8**	**9%**

(1) Acquisition-related costs included in selling, general and administrative expenses include (I) $56.9 million for the first quarter compared to $61.1 million for the corresponding prior-year period, in amortization of intangibles acquired in the acquisition of Paycor HCM, Inc. ("Paycor"); (II) $8.5 million for the first quarter compared to $18.7 million for the corresponding prior-year period, in compensation costs related to the acquisition and integration of Paycor, including replacement awards, severance and retention bonuses; and (III) $0.1 million for the first quarter compared to $5.0 million for the corresponding prior-year period, in other acquisition-related costs primarily consisting of professional service fees.

(2) Adjusted operating income, adjusted operating margin, and adjusted net income are non-GAAP financial measures. Refer to our first quarter fiscal 2027 earnings press release for further discussion.

(3) Net tax windfall related to stock-based compensation payments recognized in income taxes. This item is subject to volatility and will vary based on option holder decisions related to exercising stock options and fluctuations in our stock price, neither of which is within the control of management.

Non-GAAP Financial Measures

For the Three Months ended August 31, 2026

	Three Months Ended		
	Aug 31, 2026	Aug 31, 2025	% Change
Diluted EPS[1]	**$ 1.21**	**$ 1.06**	**14%**
Non-GAAP Adjustments:			
Acquisition-related costs[2]	0.18	0.23	
Income tax benefit for acquisition-related costs	(0.04)	(0.06)	
Discrete tax shortfall/(windfall) related to employee stock-based compensation payments[3]	(0.00)	(0.02)	
Adjusted Diluted EPS[4]	**$ 1.34**	**$ 1.22**	**10%**
Net Income	**$ 429.7**	**$ 383.8**	**12%**
Non-GAAP Adjustments:			
Interest expense	65.1	68.2	
Interest income on corporate investments	(10.2)	(18.7)	
Income taxes	135.3	113.7	
Depreciation and amortization expense	109.8	109.3	
EBITDA[4]	**$ 729.7**	**$ 656.3**	**11%**
Non-GAAP Adjustments:			
Acquisition-related costs[2]	8.6	23.7	
Adjusted EBITDA[4]	**$ 738.3**	**$ 680.0**	**9%**
Adjusted EBITDA Margin[4]	**45.3%**	**44.2%**	

(1) The calculation of the impact of non-GAAP adjustments on diluted earnings per share is performed on each line independently. The table may not add down by +/- $0.01 due to rounding.

(2) Acquisition-related costs included in selling, general and administrative expenses include (I) $56.9 million for the first quarter compared to $61.1 million for the corresponding prior-year period, in amortization of intangibles acquired in the acquisition of Paycor HCM, Inc. ("Paycor"); (II) $8.5 million for the first quarter compared to $18.7 million for the corresponding prior-year period, in compensation costs related to the acquisition and integration of Paycor, including replacement awards, severance and retention bonuses; and (III) $0.1 million for the first quarter compared to $5.0 million for the corresponding prior-year period, in other acquisition-related costs primarily consisting of professional service fees.

(3) Net tax windfall related to stock-based compensation payments recognized in income taxes. This item is subject to volatility and will vary based on option holder decisions related to exercising stock options and fluctuations in our stock price, neither of which is within the control of management.

(4) Adjusted diluted EPS, EBITDA, adjusted EBITDA, and adjusted EBITDA margin are non-GAAP financial measures. Refer to our first quarter fiscal 2027 earnings press release for further discussion.

Investment Portfolio Results

($ in millions)	Three Months Ended Aug 31, 2026	Three Months Ended Aug 31, 2025	% Change
Average Investment Balances:			
Funds Held For Clients	$ 5,401.6	$ 5,400.0	–%
Corporate Cash Equivalents and Investments	$ 1,240.9	$ 1,776.9	(30%)
Total	$ 6,642.5	$ 7,176.9	(7%)
Average Rate of Return Earned:			
Funds Held For Clients	3.7%	3.5%	
Corporate Cash Equivalents and Investments	3.3%	4.2%	
Combined	3.6%	3.7%	
Realized Gains/(Losses), Net	$ 0.0	$ (0.0)	
End of Period:	**Aug 31, 2026**	**May 31, 2026**	
Unrealized Loss, Net	$ 92.4	$ 52.5	

Thank you