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National Employment Report

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ADP NATIONAL EMPLOYMENT REPORT SHOWS UNITED STATES ADDED 38,000 PRIVATE SECTOR JOBS IN AUGUST

ROSELAND, New Jersey – September 5, 2007 – According to today’s [ADP National Employment Report](#), private sector employment increased by 38,000 in August. The *ADP National Employment Report*, created by ADP® Employer Services, a division of [Automatic Data Processing, Inc. \(ADP\)](#), in partnership with [Macroeconomic Advisers, LLC](#), is based on actual payroll data and measures the change in total nonfarm private employment each month.

Nonfarm Private Employment Highlights – August Report:

- Total employment: +38,000
- Small businesses* +44,000
- Medium businesses** +26,000
- Large businesses*** -32,000
- Goods-producing sector: -49,000
- Service-providing sector: +87,000

Addendum:

- Manufacturing industry: -33,000

* *Small businesses represent payrolls with 1-49 employees*

** *Medium businesses represent payrolls with 50-499 employees*

*** *Large businesses represent payrolls with more than 499 employees*

“Nonfarm private employment grew 38,000 from July to August of 2007 on a seasonally adjusted basis, according to the *ADP National Employment Report*,” said Joel Prakken, Chairman of Macroeconomic Advisers, LLC. “This month’s *ADP National Employment Report* suggests that a deceleration of employment may be underway. The August increase of 38,000 was the smallest since June of 2003 and the second consecutive weak monthly reading.”

Prakken added, “In August, employment in the service-providing sector of the economy grew a moderate 87,000, while employment in the goods-producing sector declined 49,000. This marks the ninth consecutive monthly decline in the goods-producing sector. Employment in the manufacturing sector declined 33,000.”

“Small- and medium-size businesses more than accounted for the increase in total employment in August, with employment among these businesses advancing by 70,000. In contrast, employment among large businesses fell by 32,000 in August, the third consecutive monthly decline. The gains in employment at small- and medium-size businesses were concentrated in the service-providing sector of the economy, which showed a gain of 94,000. However, employment among these same-size businesses in the goods-producing sector fell 24,000,” said Prakken.

DERIVED FROM ADP PAYROLL DATA

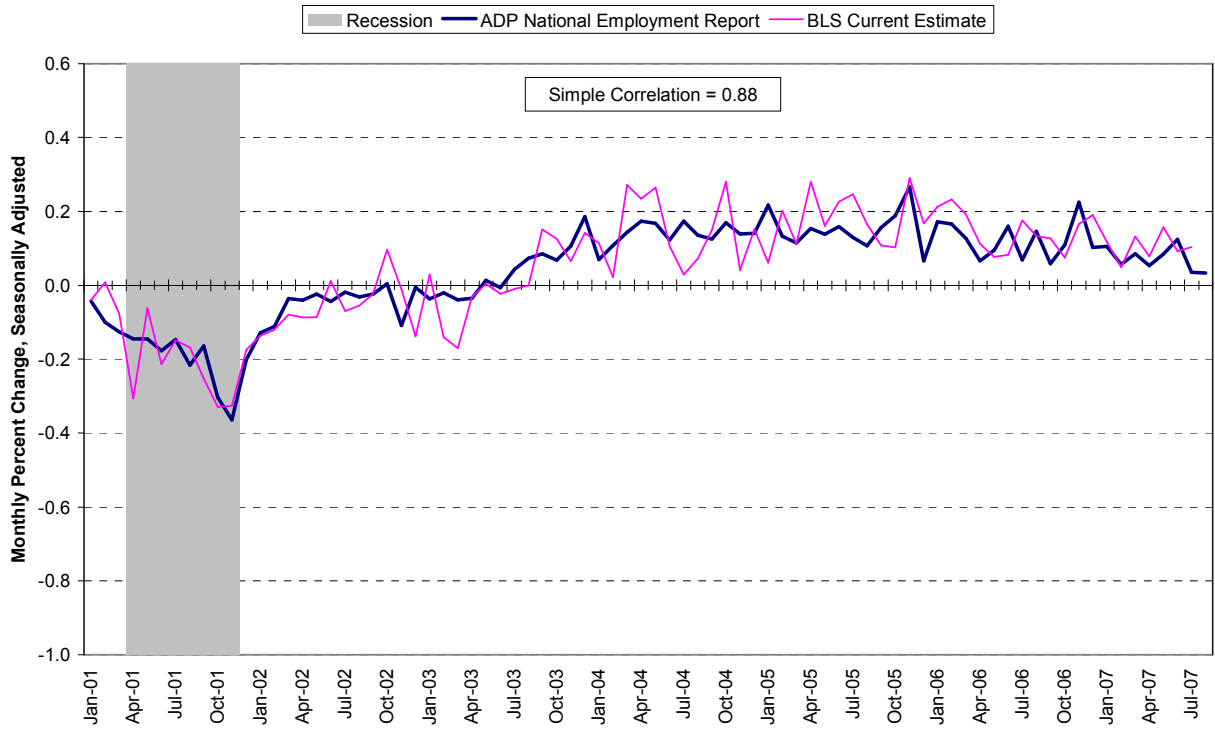
Table 1. Employees on nonfarm private payrolls by selected industry sector and size
(In thousands)

| Industry / Size of Payroll | Seasonally Adjusted | | | | | | Change from: Jul. 2007 - Aug. 2007p |
|------------------------------------|---------------------|-----------|-----------|-----------|-----------|------------|---|
| | Mar. 2007 | Apr. 2007 | May. 2007 | Jun. 2007 | Jul. 2007 | Aug. 2007p | |
| Total nonfarm private | 115,217 | 115,278 | 115,376 | 115,519 | 115,560 | 115,598 | 38 |
| Small (1-49)..... | 50,500 | 50,541 | 50,598 | 50,687 | 50,725 | 50,769 | 44 |
| Medium (50-499)..... | 45,314 | 45,341 | 45,375 | 45,437 | 45,454 | 45,480 | 26 |
| Large (> 499)..... | 19,403 | 19,396 | 19,403 | 19,395 | 19,381 | 19,349 | -32 |
| Goods-producing | 22,390 | 22,347 | 22,321 | 22,303 | 22,258 | 22,209 | -49 |
| Small (1-49)..... | 8,120 | 8,108 | 8,102 | 8,107 | 8,098 | 8,090 | -8 |
| Medium (50-499)..... | 9,883 | 9,865 | 9,849 | 9,844 | 9,826 | 9,810 | -16 |
| Large (> 499)..... | 4,387 | 4,374 | 4,370 | 4,352 | 4,334 | 4,309 | -25 |
| Service-providing | 92,827 | 92,931 | 93,055 | 93,216 | 93,302 | 93,389 | 87 |
| Small (1-49)..... | 42,380 | 42,433 | 42,496 | 42,580 | 42,627 | 42,679 | 52 |
| Medium (50-499)..... | 35,431 | 35,476 | 35,526 | 35,593 | 35,628 | 35,670 | 42 |
| Large (> 499)..... | 15,016 | 15,022 | 15,033 | 15,043 | 15,047 | 15,040 | -7 |
| Addendum: | | | | | | | |
| Manufacturing..... | 14,028 | 14,009 | 13,997 | 13,984 | 13,958 | 13,925 | -33 |

p = preliminary

The matched sample used to develop the *ADP National Employment Report* was derived from ADP data which, during the first six months of 2007, averaged approximately 383,000 payrolls representing nearly 23 million U.S. employees. This approximately represents the size of the matched sample used this month.

Chart 1. Growth of Nonfarm Private Employment, All Industries



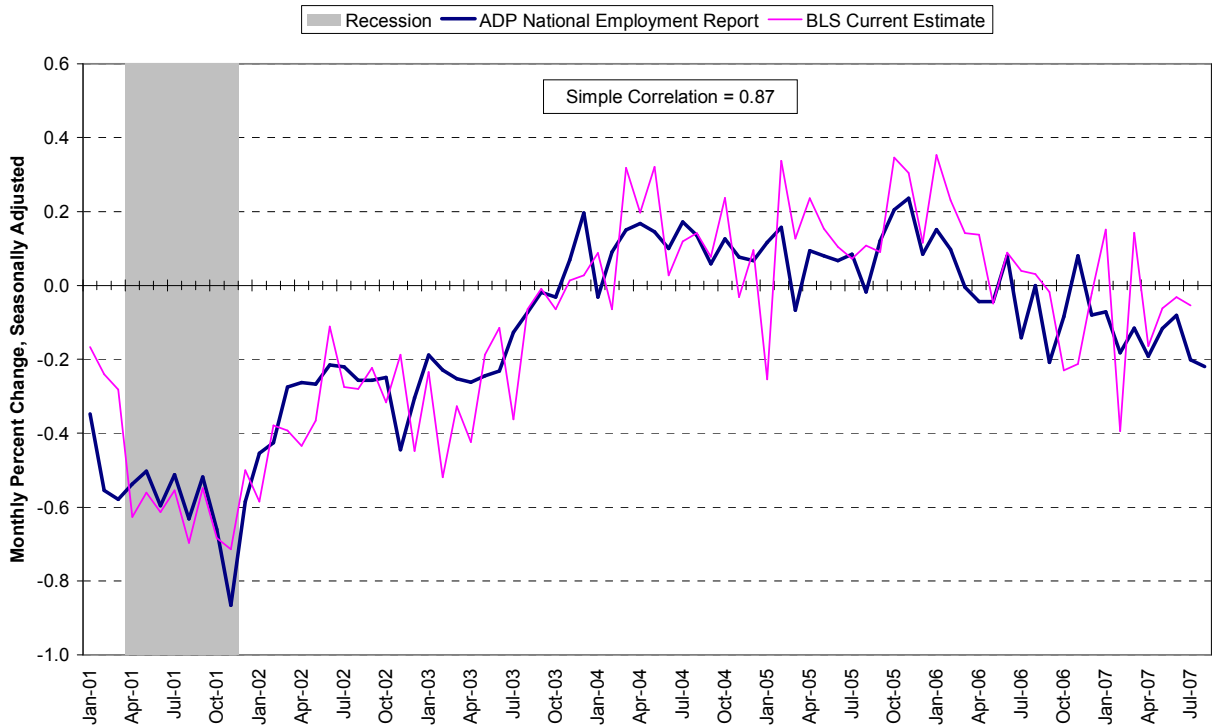
Source: Automatic Data Processing, Inc., Macroeconomic Advisers, LLC., Bureau of Labor Statistics

Goods-Producing Sector

Nonfarm private employment in the goods-producing sector decreased by 49,000 in August, according to the *ADP National Employment Report*.

- Small businesses -8,000
- Medium businesses -16,000
- Large businesses -25,000

Chart 2. Growth of Nonfarm Private Employment, Goods-Producing Industries



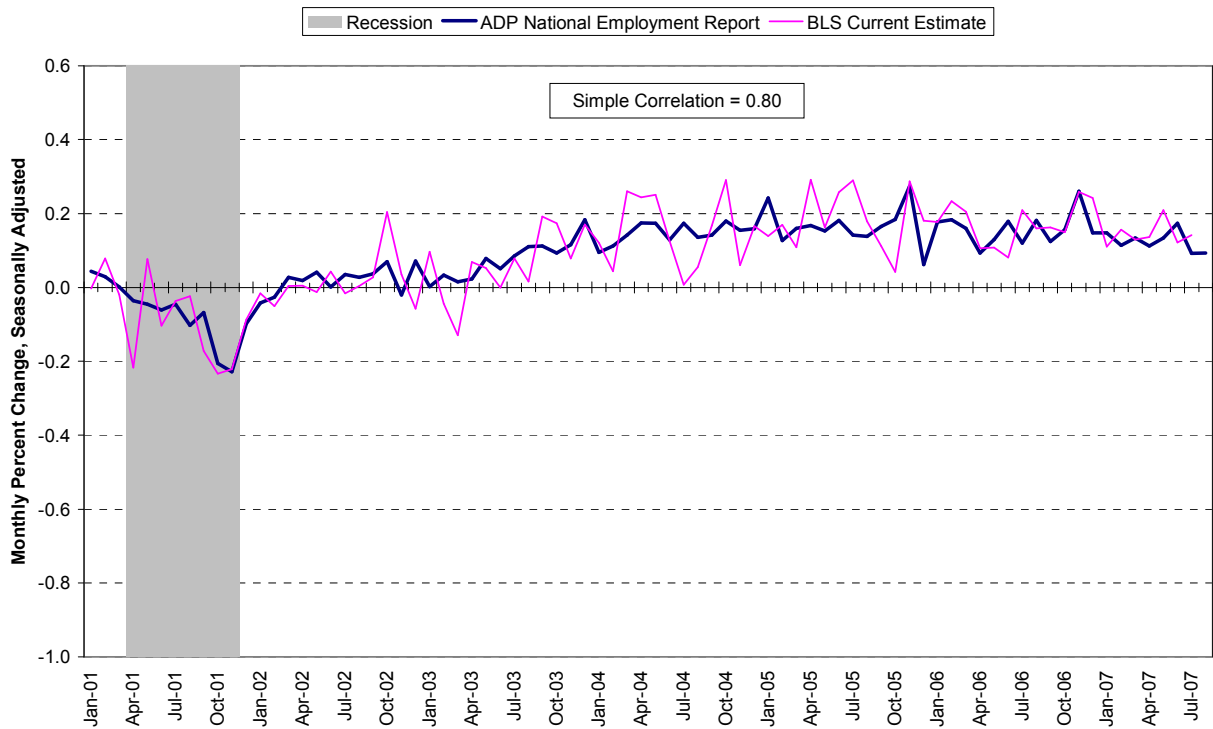
Source: Automatic Data Processing, Inc., Macroeconomic Advisers, LLC., Bureau of Labor Statistics

Service-Providing Sector

Nonfarm private employment in the service-providing sector increased by 87,000 in August, according to the *ADP National Employment Report*.

- Small businesses +52,000
- Medium businesses +42,000
- Large businesses -7,000

Chart 3. Growth of Nonfarm Private Employment, Service-Providing Industries



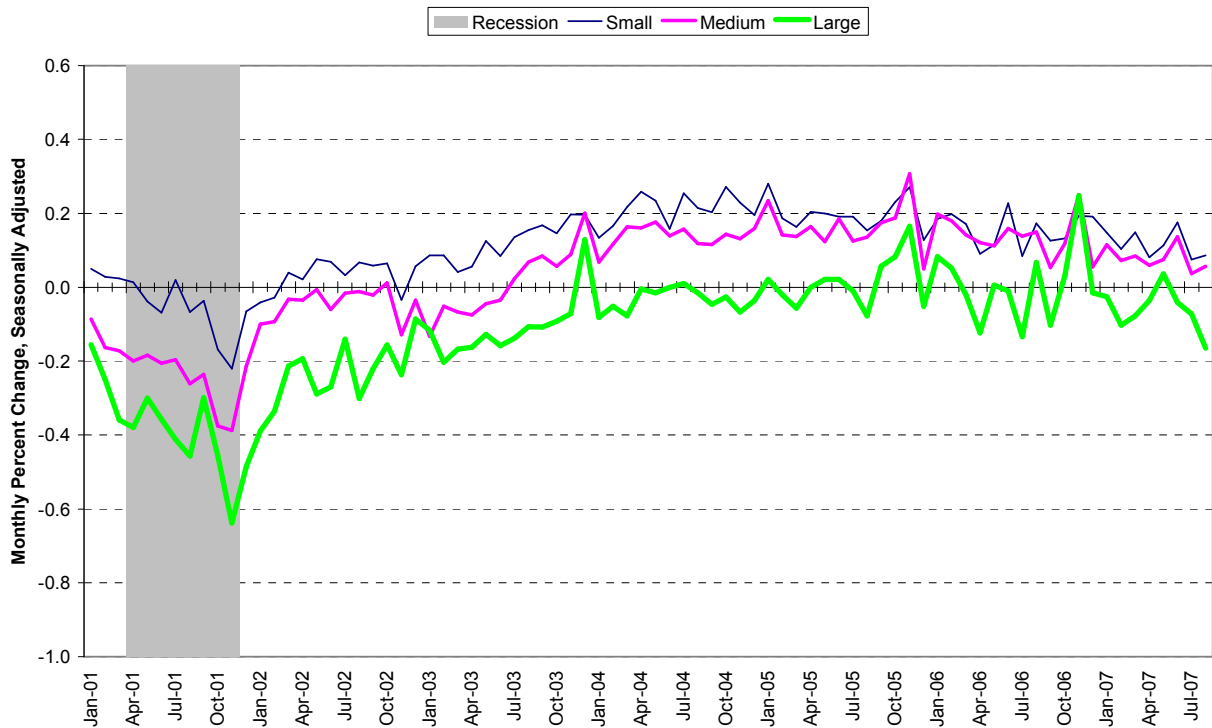
Source: Automatic Data Processing, Inc., Macroeconomic Advisers, LLC., Bureau of Labor Statistics

Company Size

Total nonfarm private employment in the United States increased in small- and medium-size businesses and decreased in large-size businesses in August, according to the *ADP National Employment Report*.

- Small businesses +44,000
- Medium businesses +26,000
- Large businesses -32,000

Chart 4. Growth of Nonfarm Private Employment, by Size of Payroll



Source: Automatic Data Processing, Inc., Macroeconomic Advisers, LLC.

Interpreting the Report

The forecasts of *total* nonfarm private employment, as well as nonfarm private employment by *industry sector* and *company size* are represented as both a *monthly employment level* and a *monthly change in employment*. The *employment level* represents the number of nonfarm private jobs in the U.S. economy at a common point in time each month. The *change in monthly employment* represents the increase or decrease in employment between these common points in time in two consecutive months.

To obtain additional information about the *ADP National Employment Report* including supporting data and the schedule of future release dates, or to subscribe to the monthly e-mail alerts and RSS feeds, please visit www.ADPemploymentreport.com. The September 2007 *ADP National Employment Report* will be released on Wednesday, October 3, 2007 at 8:15 a.m. EDT.

About the *ADP National Employment Report*SM

The *ADP National Employment Report*, sponsored by ADP[®], was developed and is maintained by Macroeconomic Advisers, LLC. It is a measure of employment derived from an anonymous subset of roughly 500,000 U.S. business clients. During the first six months of 2007, this subset represented approximately 383,000 U.S. business clients and nearly 23 million U.S. employees working in all private industrial sectors. The data is collected for pay periods that can be interpolated to include the week of the 12th of each month, and processed with statistical methodologies similar to those used by the U.S. Bureau of Labor Statistics to compute employment from its monthly survey of establishments. Due to this processing, this subset is modified to make it indicative of national employment levels; therefore, the resulting employment changes computed for the *ADP National Employment Report* are not representative of changes in ADP's total base of U.S. business clients.

Empirical analysis performed by Macroeconomic Advisers suggests that the *ADP National Employment Report* can be used to develop a forecast of "true" employment that is superior to those resulting from consensus estimates, survey data, or other models of employment that do not incorporate the results of the *ADP Report*.

For a description of the underlying data and the statistical properties of the series, please see "*ADP National Employment Report: Development Methodology*" at <http://ADPEmploymentreport.com/methodology.aspx>.

About ADP

Automatic Data Processing, Inc. (NYSE: ADP), with nearly \$8 billion in revenues and approximately 585,000 clients, is one of the world's largest providers of business outsourcing solutions. Leveraging more than 55 years of experience, ADP offers the widest range of HR, payroll, tax and benefits administration solutions from a single source. ADP's easy-to-use solutions for employers provide superior value to companies of all types and sizes. ADP is also a leading provider of integrated computing solutions to auto, truck, motorcycle, marine and recreational vehicle dealers throughout the world. For more information about ADP or to contact a local ADP sales office, reach us at 1.800.225.5237 or visit the company's Web site at www.ADP.com.

About Macroeconomic Advisers, LLC

Macroeconomic Advisers, LLC (MA) has been the most trusted source for U.S. macroeconomic forecasts and commentary, monetary and fiscal policy analysis, and econometric modeling for 25 years. MA's clients include leading financial service firms, nonfinancial corporations, key policymaking agencies of the U.S. government, as well as State and Foreign Government agencies. Additional information on Macroeconomic Advisers, LLC is available on the company's Web site, www.MacroAdvisers.com.

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