

intuit.



# INVESTOR DAY 2019

October 3, 2019

# Investor day agenda

Welcome

Kim Watkins - VP, Investor Relations

Evolution to an AI-Driven Expert Platform

Sasan Goodarzi - Chief Executive Officer

Platform Immersion Experience

Kim Watkins - VP, Investor Relations

**BREAK**

Small Business & Self-Employed Group

Alex Chriss - GM, Small Business & Self-Employed Group

Consumer Group

Greg Johnson - GM, Consumer Group

Delivering on our Financial Principles

Michelle Clatterbuck - Chief Financial Officer

Wrap-up & Q&A

Sasan & Team

**LUNCH & CONVERSATIONS WITH LEADERSHIP TEAM**

# Forward-looking statements

These presentation materials include forward-looking statements. There are a number of factors that could cause our results to differ materially from our expectations. Please see the section entitled “Cautions about forward-looking statements” in the enclosed Appendix for information regarding forward-looking statements and related risks and uncertainties. You can also learn more about these risks in our Form 10-K for fiscal 2019 and our other SEC filings, which are available on the Investor Relations page of Intuit's website at [www.intuit.com](http://www.intuit.com). We assume no obligation to update any forward-looking statement.

# Non-GAAP financial measures

These presentations include certain non-GAAP financial measures. Please see the section entitled “About non-GAAP financial measures” in the enclosed Appendix for an explanation of management’s use of these measures and reconciliations to the most directly comparable GAAP financial measures.

In this presentation, we may also announce plans or intentions regarding functionality that is not yet delivered. These statements do not represent an obligation to deliver this functionality to customers.

Some numbers may not agree with the sum of the components, nor with SEC filing(s), due to immaterial rounding adjustments. Financial results are reported under ASC 606 unless otherwise noted.

# Platform Immersion Experience

## REVOLUTIONIZE SPEED TO BENEFIT



**MARIANNA TESSEL**  
Chief Technology Officer



**DIEGO RODRIGUEZ**  
Chief Product & Design Officer

## CONNECT PEOPLE TO EXPERTS



**MARK NOTARAINNI**  
Chief Customer Success Officer



**RICH PREECE**  
SVP, Customer Success  
Small Business & Self-Employed Group

## UNLOCK SMART MONEY DECISIONS



**VARUN KRISHNA**  
SVP, Product Management  
Consumer Group



**RYAN STECKLER**  
Director, Product Management  
Consumer Group

## BE THE CENTER OF SMALL BUSINESS GROWTH



**JON FASOLI**  
VP, Product Management  
Small Business & Self-Employed Group



**LESLIE WITT**  
VP, Design  
Small Business & Self-Employed Group

## DISRUPT THE SMALL BUSINESS MID-MARKET



**KELLY VINCENT**  
VP, Mid-Market Segment Leader  
Small Business & Self-Employed Group

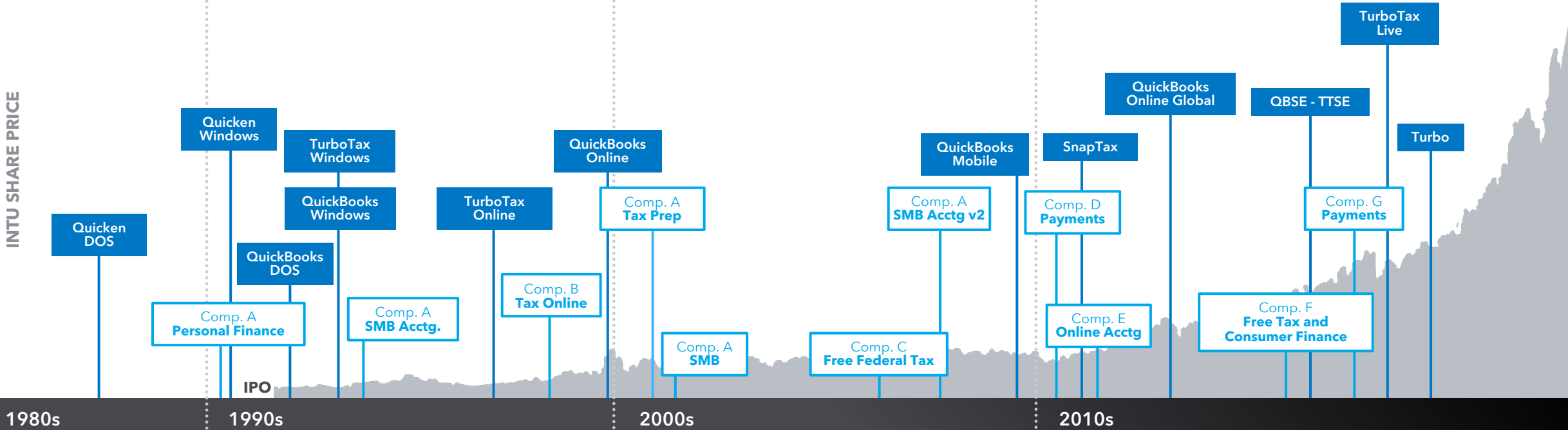


**SHELDON CUMMINGS**  
VP, Sales Marketing & Partnerships  
Small Business & Self-Employed Group

Sasan Goodarzi

# History of self-disruption and re-imagination

ERA OF DOS      ERA OF WINDOWS      ERA OF WEB      ERA OF MOBILE AND CLOUD



1980s

1990s

2000s

2010s

**Intuit Founded**

**Employees:** 150  
**Customers:** 1.3M  
**Revenue:** \$33M  
**INTU** +1,000%, NASDAQ +500%

**Employees:** 4,500  
**Customers:** 5.6M  
**Revenue:** \$1B  
**INTU** 0%, NASDAQ -40%

**Employees:** 9,400  
**Customers:** ~52M  
**Revenue:** \$6.8B  
**INTU** +800%, NASDAQ +250%

# Solid track-record delivering for each stakeholder

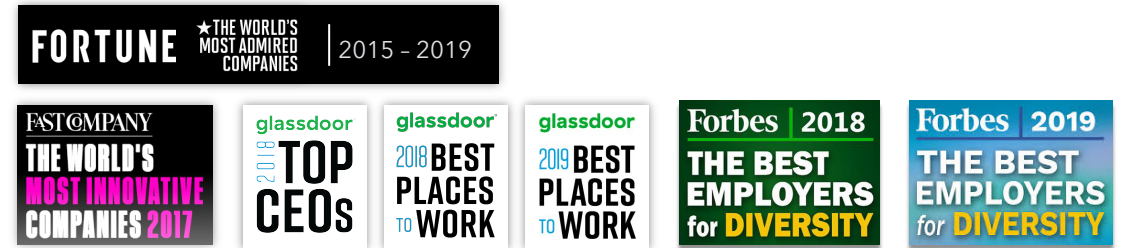
## CULTURE AND REPUTATION

Fortune 100 Best Companies

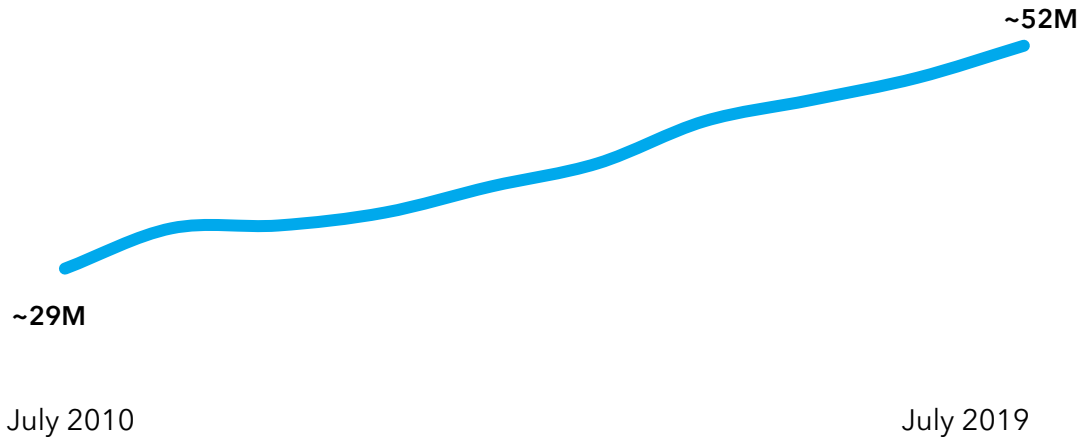


2002 ..... 2019

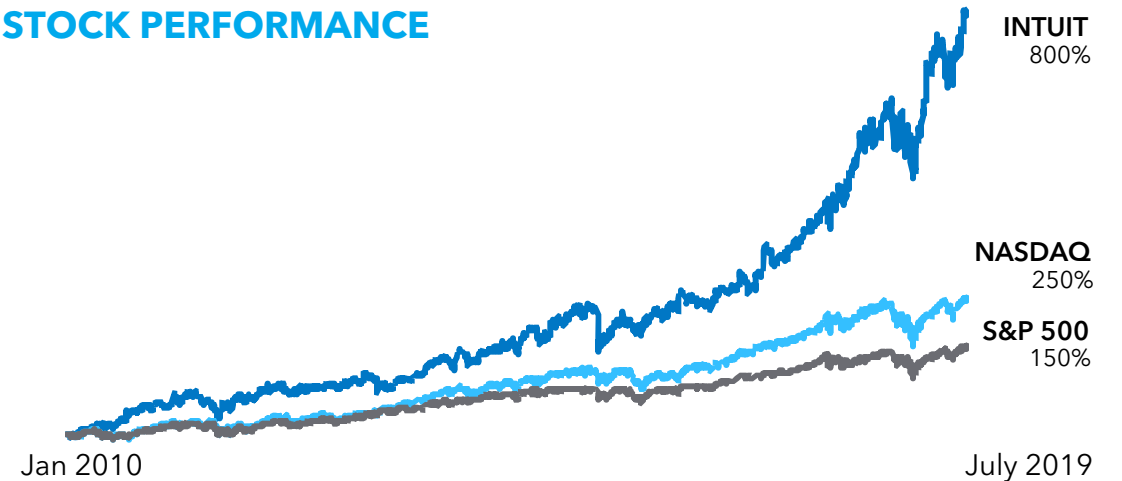
Fortune | Fast Company | Glassdoor | Forbes



## CUSTOMER GROWTH



## STOCK PERFORMANCE



# Experienced leadership team



**SASAN GOODARZI**

Chief Executive Officer  
15 years at Intuit



**MICHELLE CLATTERBUCK**

Chief Financial Officer  
17 years at Intuit



**ALEX CHRISS**

GM, Small Business & Self-Employed Group  
15 years at Intuit



**GREG JOHNSON**

GM, Consumer Group  
7 years at Intuit



**CECE MORKEN**

GM, Strategic Partner Group  
13 years at Intuit



**DIEGO RODRIGUEZ**

Chief Product & Design Officer  
5 years at Intuit



**LAURA FENNEL**

Chief People & Places Officer  
15 years at Intuit



**MARIANNA TESSEL**

Chief Technology Officer  
2 years at Intuit



**MARK NOTARAINNI**

Chief Customer Success Officer  
11 years at Intuit



**LARA BALAZS**

Chief Marketing Officer  
1 year at Intuit



**KERRY MCLEAN**

General Counsel &  
Corporate Secretary  
14 years at Intuit



**ANTON HANEBRINK**

Chief Corporate Strategy &  
Development Officer  
7 years at Intuit



# Focused on what matters most to our customers

## OUR CONSUMER PROBLEMS

NEED	RANKING	PROBLEM
MAKE ENDS MEET	1	Have enough money to cover my bills & other obligations
MAXIMIZE TAX REFUND	2	Maximize my tax deductions to get the biggest tax refund (or lower amount I owe)
SAVE MORE	3	Establish / build savings (for retirement, college, a down payment on a home, emergency fund, etc.)
PAY OFF DEBT	4	Be able to do more with my money by reducing or paying-off debt (credit cards and other loans)
KNOW WHERE I STAND	5	Know where I stand financially and how to improve my financial health
REDUCE MY PAYMENTS	6	Keep more money in my pocket by lowering loans/ credit cards payments with reduced interest rates

## OUR SMALL BUSINESS & SELF-EMPLOYED PROBLEMS

NEED	RANKING	PROBLEM
GET CUSTOMERS	1	Attracting customers can take time, money and marketing expertise that I don't always have
GET PAID	2	I need to get paid fast with confidence, however and wherever my customers want to pay
GET CAPITAL	3	It's challenging to get the capital I need at a reasonable rate, so that I can grow my business
PAY WORKERS	4	Running payroll is a hassle and I'm unsure if I'm paying workers or calculating payroll taxes correctly
ACCESS ADVICE	5	I need the advice of an expert, whether it is in marketing, legal, or accounting
BE COMPLIANT & ORGANIZED	6	It's hard to stay organized, so I fear tax surprises and fines
GET WORK DONE	7	Given my limited network, it's difficult to find and hire qualified workers

# Key trends that can be a catalyst for growth

**AI REINVENTING  
USER EXPERIENCES**

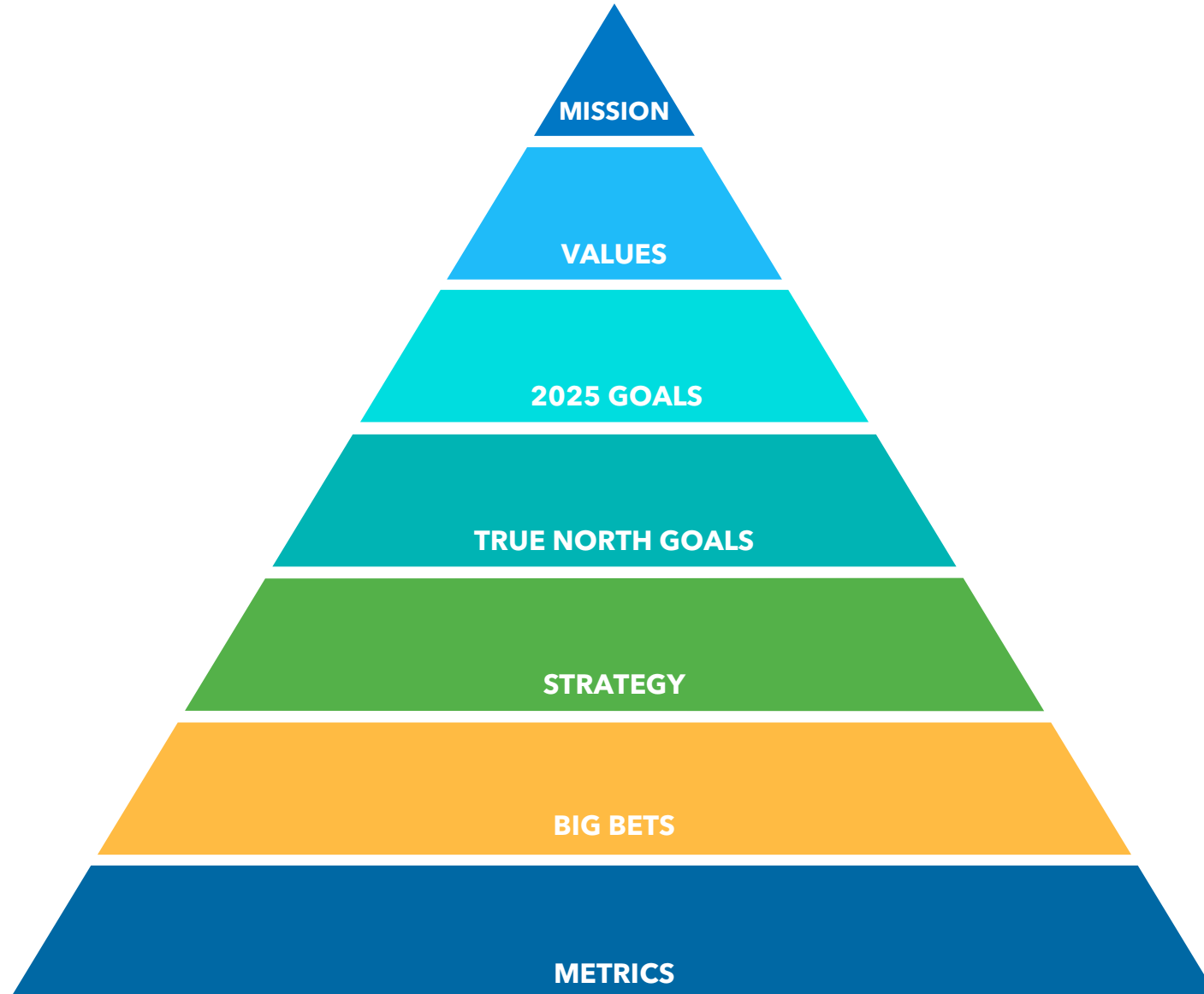
**FREE CONSUMER  
FINANCE PLATFORMS**

**MID-MARKET  
MOVING TO CLOUD**

**ADOPTION OF  
DIGITAL EXPERTISE**

**RISE OF OMNICHANNEL  
COMMERCE**

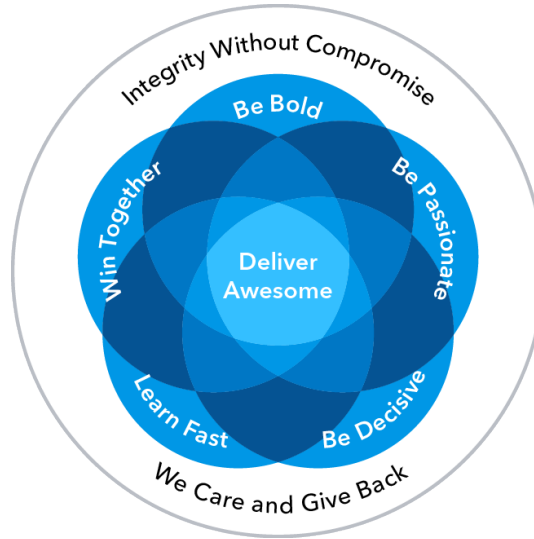
# Intuit's game plan to deliver for customers



intuit MISSION

# Powering Prosperity Around the World

# Our values



## Integrity Without Compromise

We speak the truth and assume best intent. We value trust above all else. We hold ourselves and others accountable to the highest standards in all we say and do.

## We Care and Give Back

We are stewards of the future and will do our part to make the world a better place. It is our privilege to help others and we do it wholeheartedly.

### Be Bold

- Solve BIG customer problems
- Create a vision that inspires
- Think beyond what is accepted as possible

We can see the future in what we do because we're creating it together. We constantly seek inspiration and connect dots that no one else does. We don't shy away from the world's biggest problems. It takes courage.

### Be Passionate

- Personally embrace and role model change
- Inspire with your insights and initiative
- Strive to perfect your craft every day

You're here because of your unique talents and the fire in your belly to do something meaningful. It shines through in ways that raises the bar for all of us. Never stop growing.

### Be Decisive

- Choose what we will and will not do
- Be transparent with your logic and judgment
- Be direct and respectful

Have a point of view based on data, experience, and instincts. Make the call and own the outcome. Speed matters, because the greatest risk is standing still.

### Learn Fast

- Lead with a hypothesis
- Measure and act on what matters most
- Savor the surprises

We're in love with customer problems more than our solutions. We walk in our customers' shoes and experiment our way to success. The only failure is the failure to learn fast.

### Win Together

- Deliver exceptional results so others can count on you
- Develop yourself and others to do the best work of our lives
- Be boundary-less in our thinking and actions

Small diverse teams drive our work and 90% of the decisions are made here. We accelerate each other in pursuit of our mission. We break down barriers. Together, we are one Intuit.

### Deliver Awesome

- Delight our customers and partners with experiences they love
- Nail the fundamentals and sweat the details
- Never stop short of awesome

We are proud of the products we deliver because they inspire the imagination and exceed expectations. We create and build our brand in all the work that carries our name: Intuit.

# 2025 aspirations: Bold goals to stretch our imagination

## PROSPERITY

Double household savings rate and improve SMB success rate > 10 pts vs. industry

## REPUTATION

Best-in-class on Forbes' Most Reputable Companies list

## GROWTH

>200M customers, accelerating revenue growth

Prosperity based on customers on Intuit's platform. U.S. average household savings rate ~7% and SMB 5-year survival rate ~50% today. Best-in-class defined by Reputation Institute's RepTrak score.

# 2025 goals inform our FY'20-22 True North objectives

Deliver best-we-can-be results in the current period for each key stakeholder, while building the foundation for an even stronger future

EMPLOYEES	CUSTOMERS	PARTNERS	SHAREHOLDERS																																	
<p><b>Where the world's top talent does the best work of their lives</b></p> <hr/> <p><b>Inspire and empower highly engaged EEs:</b></p> <ul style="list-style-type: none"> <li>• FY'19:</li> <li>• FY'20:</li> <li>• FY'22:</li> </ul> <p><b>Grow highly capable people managers:</b></p> <ul style="list-style-type: none"> <li>• FY'19:</li> <li>• FY'20:</li> <li>• FY'22:</li> </ul> <p><b>Attract the world's top talent:</b></p> <ul style="list-style-type: none"> <li>• FY'19:</li> <li>• FY'20:</li> <li>• FY'22:</li> </ul> <p><b>Retain key talent:</b></p> <ul style="list-style-type: none"> <li>• FY'19:</li> <li>• FY'20:</li> <li>• FY'22:</li> </ul>	<p><b>Delight customers more than rivals in what matters most</b></p> <hr/> <p><b>Deliver the customer benefit FY'19 / FY'20 / FY'22:</b></p> <table border="1"> <tr> <td>Small Business &amp; Self-Employed</td> <td>Consumer</td> </tr> </table> <p><b>More Money:</b></p> <table border="1"> <tr> <td>Days-to-paid (QBO)</td> <td>Days-to-paid (SE)</td> <td>% customers who take offers (Turbo)</td> </tr> <tr> <td>Hours payroll run to funds settled</td> <td>Access to capital</td> <td></td> </tr> </table> <p><b>No Work &amp; Complete Confidence:</b></p> <table border="1"> <tr> <td>% imported transactions (QBO)</td> <td>% imported transactions (SE)</td> <td>Avg. minutes to complete taxes (TTO)</td> </tr> <tr> <td>% automated organized imported transactions (QBO)</td> <td>% automated organized imported transactions (SE)</td> <td>% customers who experience zero errors (TTO)</td> </tr> </table> <p><b>Delight customers through E2E experiences:</b></p> <table border="1"> <tr> <td>NPS Core Offering</td> <td>Intuit tNPS</td> <td>Intuit Helpful Rate</td> </tr> </table> <ul style="list-style-type: none"> <li>• FY'19:</li> <li>• FY'20:</li> <li>• FY'22:</li> </ul>	Small Business & Self-Employed	Consumer	Days-to-paid (QBO)	Days-to-paid (SE)	% customers who take offers (Turbo)	Hours payroll run to funds settled	Access to capital		% imported transactions (QBO)	% imported transactions (SE)	Avg. minutes to complete taxes (TTO)	% automated organized imported transactions (QBO)	% automated organized imported transactions (SE)	% customers who experience zero errors (TTO)	NPS Core Offering	Intuit tNPS	Intuit Helpful Rate	<p><b>Delight partners who add value to our customers</b></p> <hr/> <p><b>Delight partners through E2E experiences NPS Proxy (X/10):</b></p> <table border="1"> <tr> <td>Acct</td> <td>Developer</td> <td>FI</td> </tr> <tr> <td>Enterprise-Platform</td> <td>Educ. Inst</td> <td></td> </tr> </table> <ul style="list-style-type: none"> <li>• FY'19:</li> <li>• FY'20:</li> <li>• FY'22:</li> </ul> <p><b>Increase data connection adoption (bank feeds and tax forms):</b></p> <table border="1"> <tr> <td>QBO</td> <td>QBSE</td> <td>Mint</td> <td>Turbo Tax</td> </tr> </table> <ul style="list-style-type: none"> <li>• FY'19:</li> <li>• FY'20:</li> <li>• FY'22:</li> </ul>	Acct	Developer	FI	Enterprise-Platform	Educ. Inst		QBO	QBSE	Mint	Turbo Tax	<p><b>Drive long-term growth, increasing shareholder value</b></p> <hr/> <p><b>Grow active customer base:</b></p> <table border="1"> <tr> <td>SMB</td> <td>Self-Employed</td> <td>Consumer Tax</td> </tr> </table> <ul style="list-style-type: none"> <li>• FY'19</li> <li>• FY'20</li> <li>• FY'22</li> </ul> <p><b>Improve customer retention:</b></p> <table border="1"> <tr> <td>QBO/SE</td> <td>TurboTax</td> <td>ProConnect</td> </tr> </table> <ul style="list-style-type: none"> <li>• FY'19:</li> <li>• FY'20:</li> <li>• FY'22:</li> </ul> <p><b>Grow revenue double-digit:</b></p> <ul style="list-style-type: none"> <li>• FY'19:</li> <li>• FY'20:</li> <li>• FY'22:</li> </ul> <p><b>Grow online revenue &gt;30% (SMB):</b></p> <ul style="list-style-type: none"> <li>• FY'19:</li> <li>• FY'20:</li> <li>• FY'22:</li> </ul> <p><b>Generate operating income growth:</b></p> <ul style="list-style-type: none"> <li>• FY'19:</li> <li>• FY'20:</li> <li>• FY'22:</li> </ul>	SMB	Self-Employed	Consumer Tax	QBO/SE	TurboTax	ProConnect
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# ONE **intuit**. ECOSYSTEM

## Unlocking the power of many for the prosperity of one



### AI-DRIVEN EXPERT PLATFORM



# Big Bets: Declared five bets to accelerate growth



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**REVOLUTIONIZE SPEED TO BENEFIT**



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**CONNECT PEOPLE TO EXPERTS**



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**UNLOCK SMART MONEY DECISIONS**



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**BE THE CENTER OF SMALL BUSINESS GROWTH**



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**DISRUPT THE SMALL BUSINESS MID-MARKET**

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# POWERING PROSPERITY AROUND THE WORLD

MISSION

VALUES

### Integrity Without Compromise

Be Bold | Be Passionate | Be Decisive

### We Care & Give Back

Learn Fast | Win Together | Deliver Awesome

2025 GOALS

### Prosperity

Double household savings rate and improve SMB success rate > 10 pts vs. industry

### Reputation

Best-in-class on Forbes' Most Reputable Companies list

### Growth

>200M customers, accelerating revenue growth

TRUE NORTH GOALS

### Employees

Where the world's top talent does the best work of their lives

### Customers

Delight customers more than rivals in what matters most

### Partners

Delight partners who add value to our customers

### Shareholders

Drive long-term growth, increasing shareholder value

STRATEGY

## One Intuit Ecosystem

Unlocking the power of many for the prosperity of one

BIG BETS

**Revolutionize speed to benefit**

**Connect people to experts**

**Unlock smart money decisions**

**Be the center of small business growth**

**Disrupt the small business mid-market**

METRICS

- **Clean Data:** Time to identify customer, top task instrumentation
- **Never Enter Data:** Users able to import prior payroll, W-2 & 1099X imported, QBO prospects measured
- **Accelerate AI:** Receipts extracted automatically (doc. understanding)

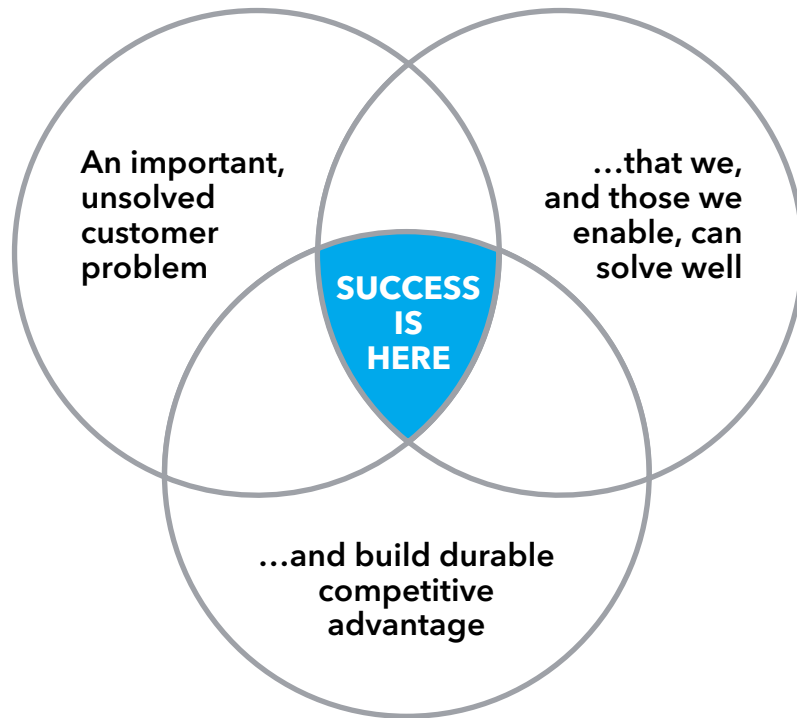
- **Customers:** Expand TTL + QBL Customers
- **Retention:** TTL, QBO 90 day retention for customers with Live (QBL)
- **PRS:** TTL, QBL, Full-Service Payroll
- **First time use:** Start to Income (TTL); Sched. 1<sup>st</sup> appt. prior to sign up (QBL)
- **Revenue:** Increase YoY Growth in revenue

- **Customers:** Increase Mint + Turbo MAU
- **Retention:** Mint, Turbo
- **PRS:** Mint, Turbo, Partners
- **First time use:** Add FI accounts /credit score (Mint); Mobile app login within 7 days of first use (Turbo)
- **Revenue:** Increase Smart Money revenue

- **Customers:** Expand product based customers
- **Retention:** % of dashboard users weekly active
- **PRS:** QBO product based businesses
- **First time use:** Omnichannel retailers on large platforms connecting 1+ channels to QBO within 90 days
- **Revenue:** Increase QBO Accounting US revenue

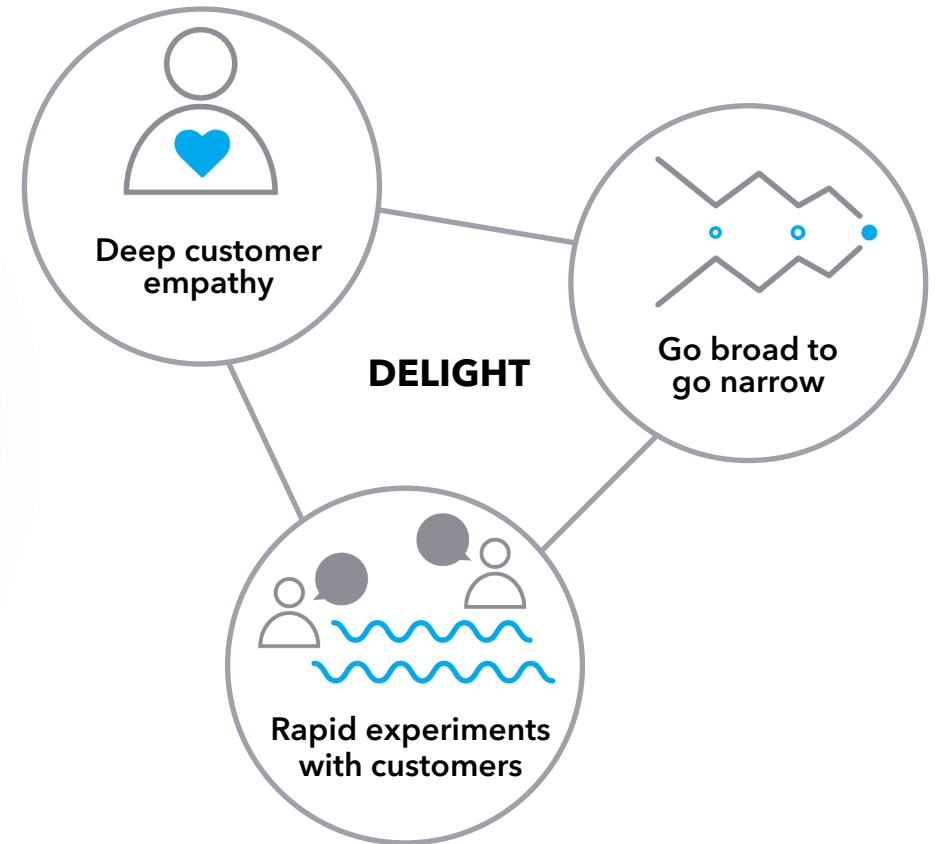
- **Customers:** Expand QBO Advanced customers
- **Retention:** 90 day
- **PRS:** QBO Advanced
- **First time use:** % of customers engage with a High Value Account Manager in the first 30 days
- **Revenue:** Increase QBO Advanced revenue

# CDI and D4D: Execution excellence secret sauce #1



## CUSTOMER-DRIVEN INNOVATION (CDI)

WHAT TO SOLVE



## DESIGN FOR DELIGHT (D4D)

HOW TO SOLVE

# Intuit's Operating System: Execution excellence secret sauce #2

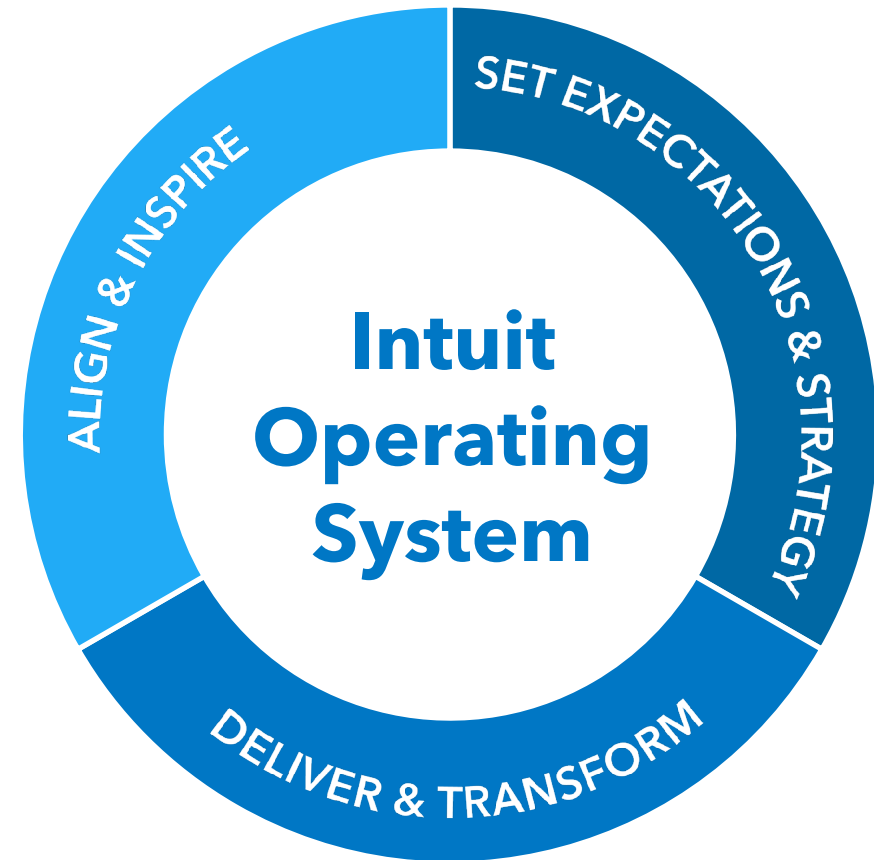
## FOCUSED ON FOUR BEHAVIOR CHANGES

Focus on the largest growth bets to win

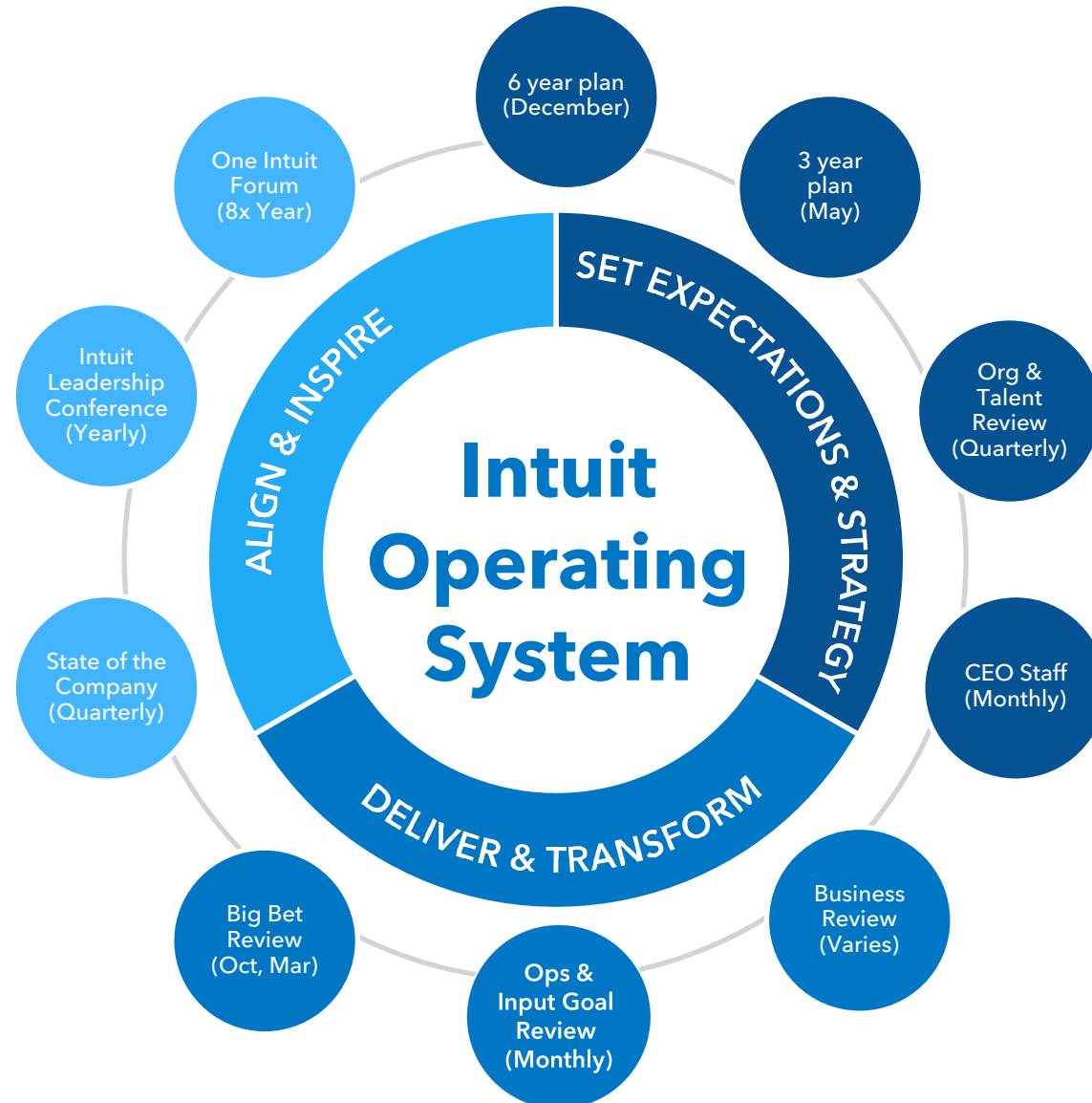
Be far more customer-obsessed

Become a data-driven culture

Raise the bar on accountability



# Intuit's Operating System: Execution excellence secret sauce #2



# Input goals

**REVOLUTIONIZE  
SPEED TO BENEFIT**

**20 input goals**

**CONNECT PEOPLE  
TO EXPERTS**

**30 input goals**

**UNLOCK SMART  
MONEY DECISIONS**

**20 input goals**

**BE THE CENTER OF SMALL  
BUSINESS GROWTH**

**12 input goals**

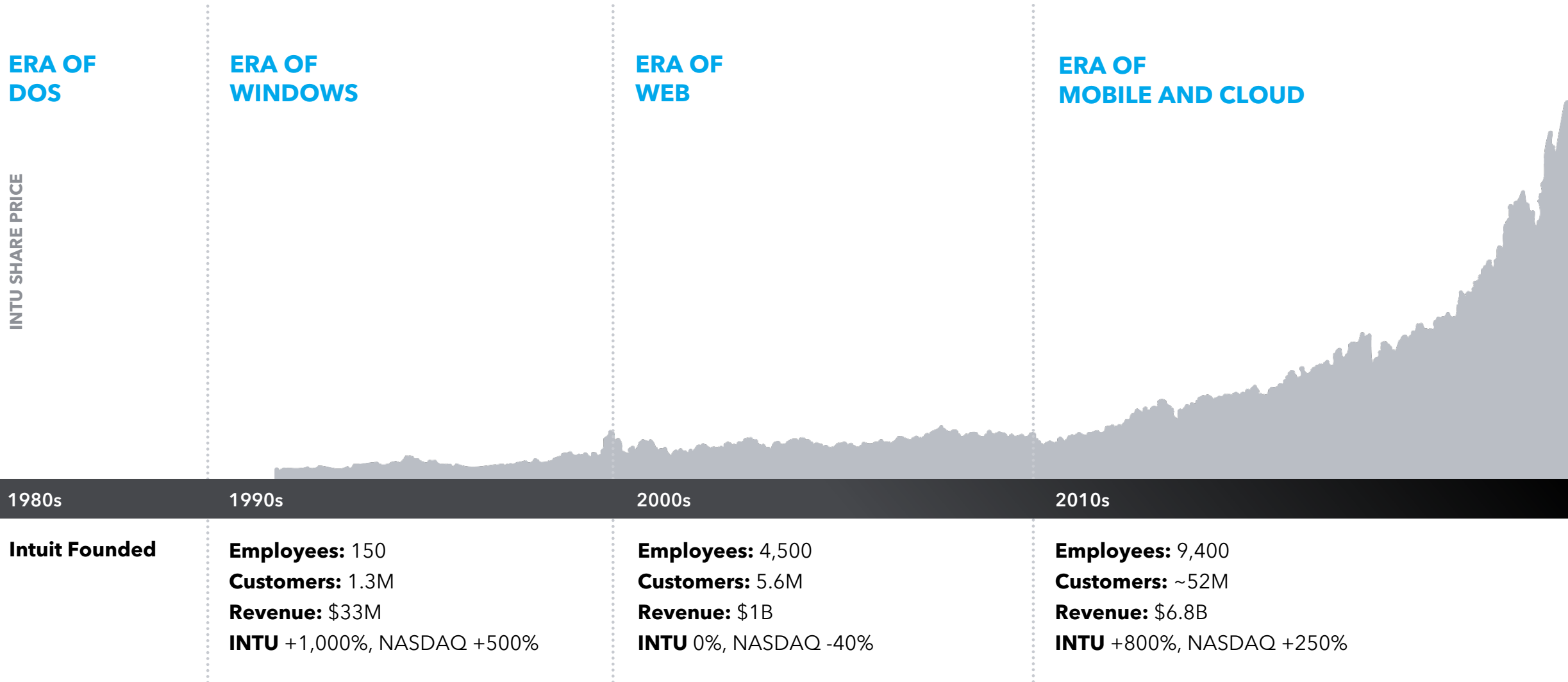
**DISRUPT THE SMALL  
BUSINESS MID-MARKET**

**21 input goals**

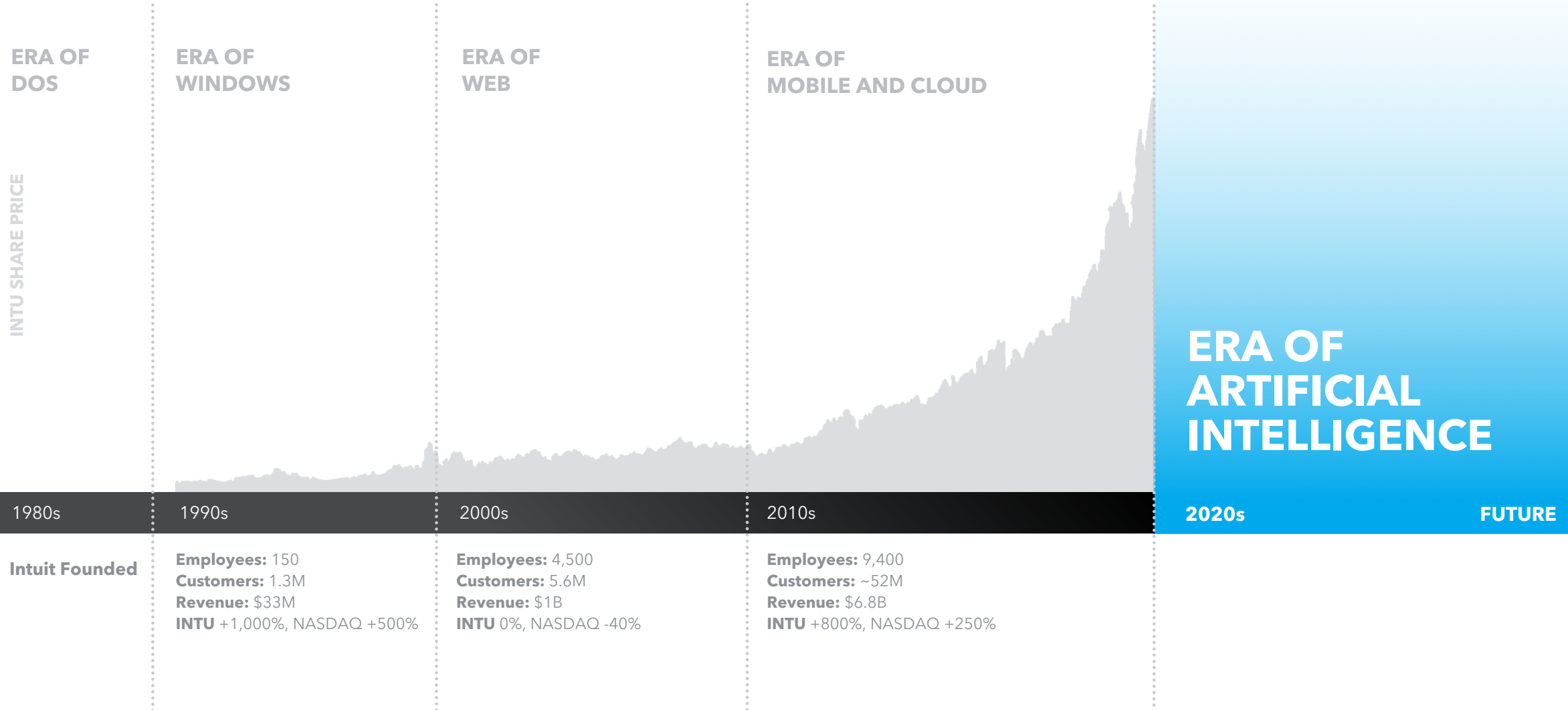
**+180 core  
innovation  
input goals**

**= 103 INPUT GOALS**

# History of self-disruption and re-imagination



# History of self-disruption and re-imagination





# Our strategy helps us deliver for customers, build advantage

## TOP STRENGTHS: HOW WE WIN TODAY

### TRUSTED REPUTATION

- Trusted by customers and ecosystem partners (FIs, accts., govts.)
- Trusted product and company brands (TurboTax, QuickBooks, Intuit)
- Trusted stewards of sensitive financial data & personal information

### STRONG RECOMMENDER NETWORK

U.S., Canada, United Kingdom, Australia SMBs and Accountants, strengthening daily in all geographies

### EASY, ACCURATE COMPLIANCE

Highly complex, required (not desired) tasks made simple  
Advanced technical platforms & machine learning capabilities

## STRENGTHENING SOURCES OF DURABLE ADVANTAGE




### PLATFORM RETENTION

Customers and experts become familiar with workflows; the more offerings they use on our platform, the more loyal they are

### DATA & ALGORITHMS

Deliver customer benefit by applying artificial intelligence to rich data sets to power prosperity for our customers

### NETWORK EFFECTS

-  Human-to-human
-  User contribution systems
-  Developers/Partners

## OUR RIGHT TO WIN: ASSETS WE WILL BUILD ON

**CULTURE OF CUSTOMER-DRIVEN INNOVATION** built over 35 years that drives continuous improvements on what matters most to customers

**TECHNOLOGY PLATFORM** powered by rich data sets and AI to unlock breakthrough customer benefit

**EXPERT NETWORK** with over 1M CPAs, tax pros and financial experts already in our ecosystem

**CUSTOMER RELATIONSHIPS** with ~52M customers engaging with us at critical moments of truth

**STRATEGIC PARTNERSHIPS** with accountants, financial institutions, mega-platforms, developers, educational institutions, and governments

# Our strategy positions us to penetrate our addressable market

## THREE BIG OPPORTUNITIES

### GROW THE CORE

Our opportunity in consumer tax and SMB financial management software in the U.S.

- Core markets: U.S.
- Products (Do-it-yourself and Assisted):
  - QBO, QBSE, TurboTax
  - Connecting people to experts (TTLive, QBLive)

### CONNECT THE ECOSYSTEM

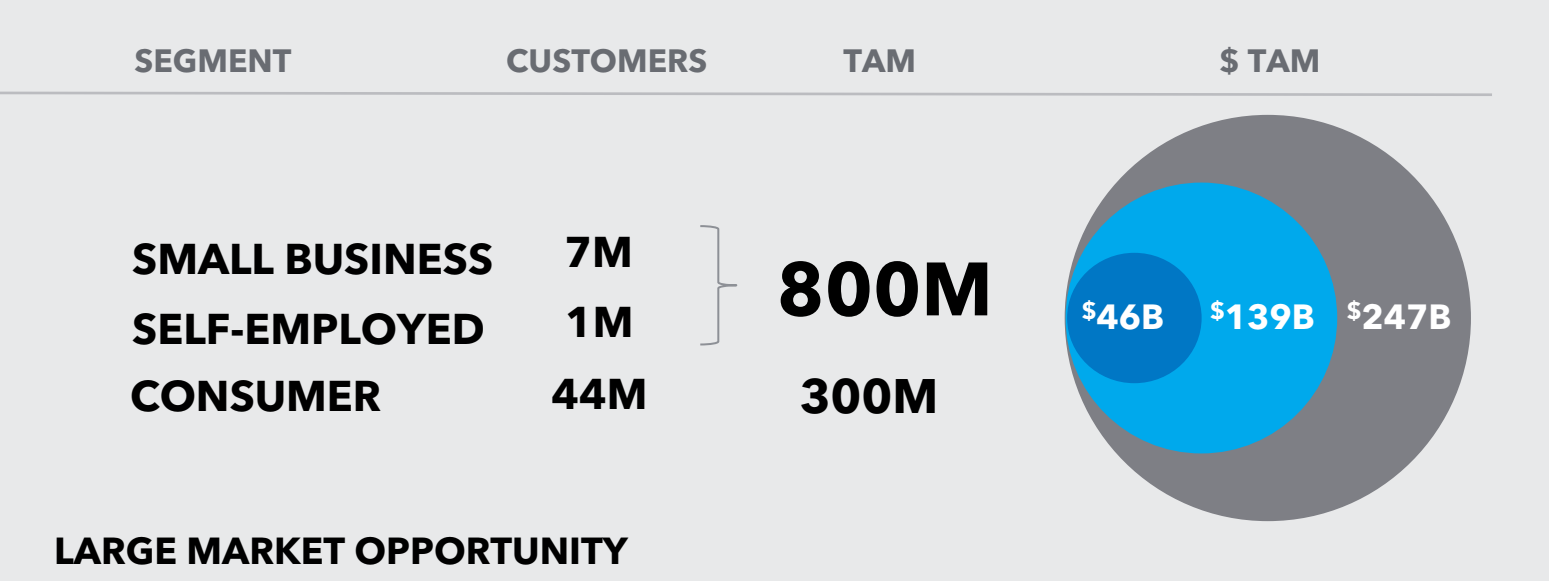
Our opportunity to provide a suite of inter-connected solutions to customers in the U.S.

- Core markets: U.S.
- Products:
  - QBO services (Capital, Payments, Payroll, TSheets)
  - Omni-channel commerce (product-based businesses)
  - Consumer finance platform
  - QBO 3<sup>rd</sup> party apps

### EXPAND GLOBALLY

Our opportunity to expand to global customers outside of the U.S.

- Core markets: U.K., Canada, Australia, Brazil, France, India
- Products: QBO + attach, QBSE, TurboTax, Consumer Finance platform



## LARGE MARKET OPPORTUNITY

### Grow the Core

- 47M SMBs and SEs in the U.S.; \$19B U.S. FMS opportunity (Includes \$10B for connecting SMBs to experts)
- 1.5M U.S. mid-market businesses; \$4B U.S. FMS opportunity, where our offering aims to disrupt the mid-market
- \$23B U.S. Tax opportunity, with \$20B from connecting people to experts in TurboTax Live

### Connect the Ecosystem

- \$71B U.S. SMB connected services opportunity, with \$24B attributable to mid-market
- \$22B consumer finance platform opportunity, unlocking smart money decisions by connecting people with financial products that help them make ends meet

### Expand Globally

- 37M SMBs and SEs in our core markets outside the U.S.
- \$31B opportunity for FMS and connected services in non-U.S. core markets, \$12B attributable to mid-market
- \$7B opportunity to expand our consumer finance platform into core international markets

intuit MISSION

# Powering Prosperity Around the World

Kim Watkins

# Platform Immersion Experience

## REVOLUTIONIZE SPEED TO BENEFIT



**MARIANNA TESSEL**  
Chief Technology Officer



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## CONNECT PEOPLE TO EXPERTS



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## UNLOCK SMART MONEY DECISIONS



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## BE THE CENTER OF SMALL BUSINESS GROWTH



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## DISRUPT THE SMALL BUSINESS MID-MARKET



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intuit.



turbotax



quickbooks



mint

# INVESTOR DAY 2019

October 3, 2019

Alex Chriss

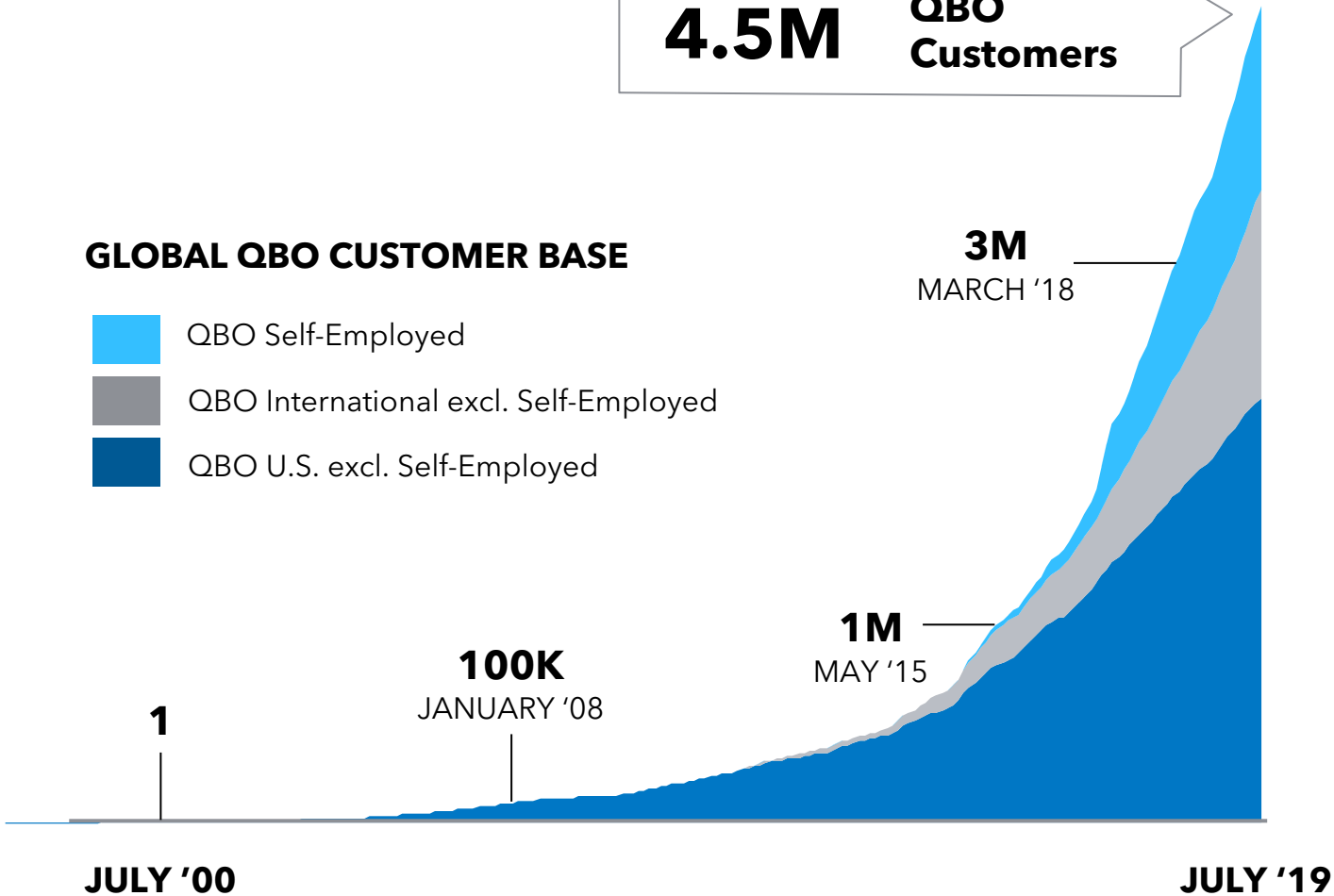
# Strong customer growth

qb intuit quickbooks

**4.5M** QBO Customers

## GLOBAL QBO CUSTOMER BASE

- QBO Self-Employed
- QBO International excl. Self-Employed
- QBO U.S. excl. Self-Employed



**33% QBO CUSTOMER GROWTH IN FY'19**

## Ended FY'19 with 4.5M customers

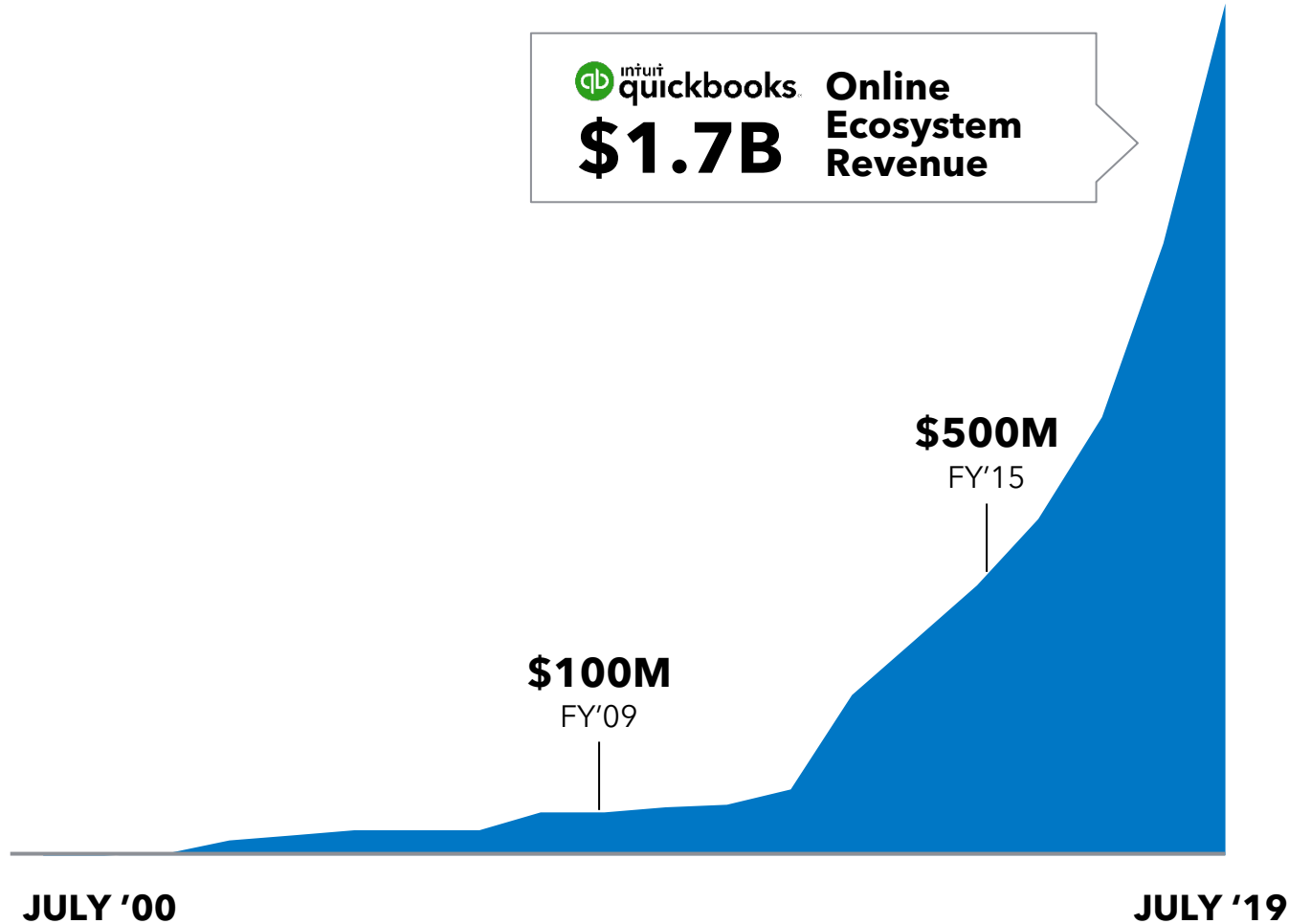
- First million took **15 years**
- 1.1 million net adds in **FY'19**

## Driving growth across all markets

- **25%** growth in U.S.
- **58%** growth internationally



# Online ecosystem revenue acceleration



## 38% ONLINE ECOSYSTEM REVENUE GROWTH IN FY'19

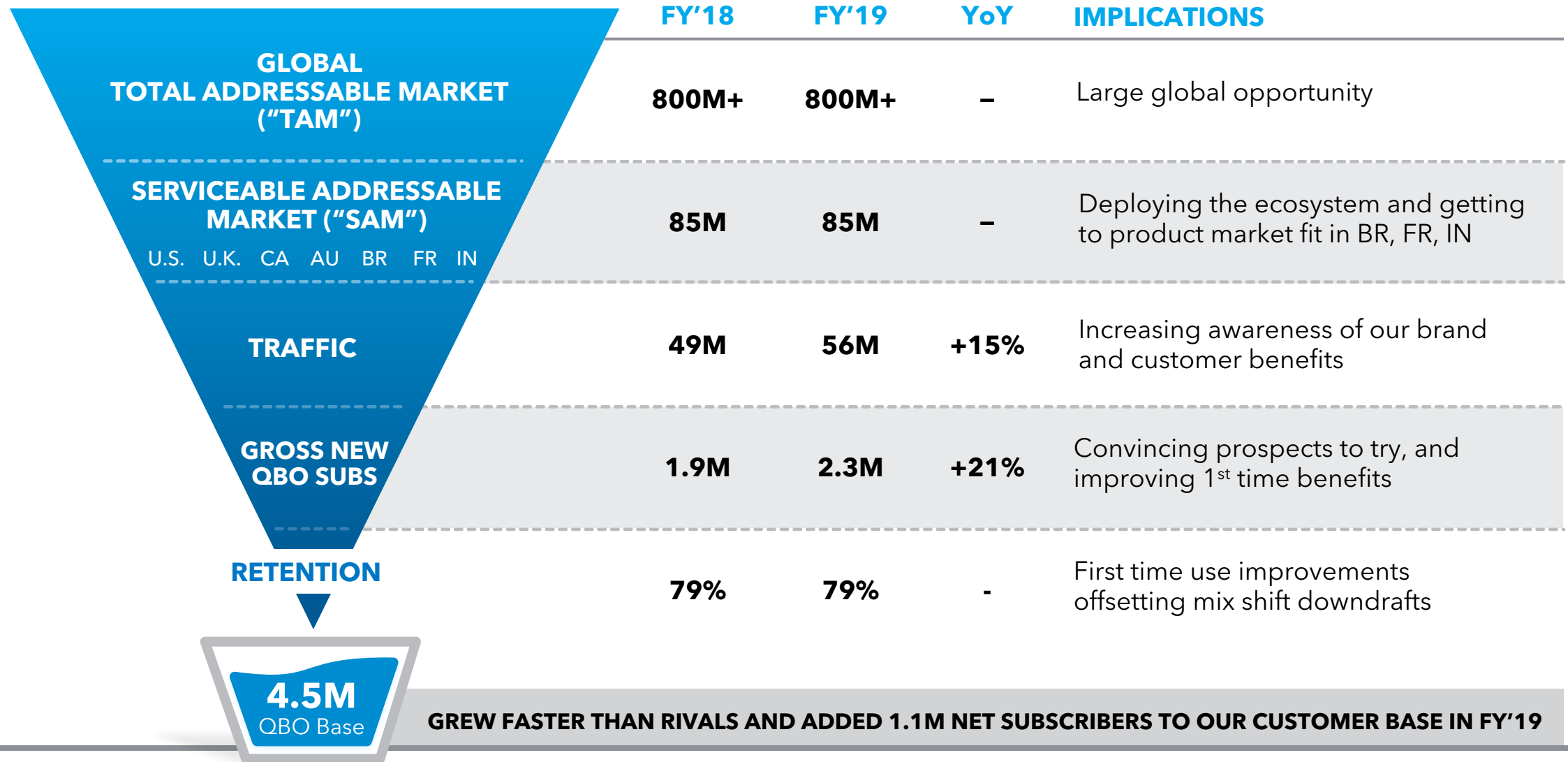
### Grow the core and expand the market

- **41%** growth in online accounting
- QBO Advanced seeking to disrupt a **\$40B** mid-market opportunity
- QB Live addressing a **\$10B** opportunity by providing access to experts

### Connect the ecosystem

- **34%** growth in online services (e.g., payments, payroll)
- **62%** of QBO users now connected to an accountant (+4 pts YoY)
- **35%** of QBO users attached an app (Intuit or 3<sup>rd</sup> party) (+1 pt YoY)

# Large market and opportunity to increase penetration



# We continue to be obsessed with our customers' needs

## OUR CONSUMER PROBLEMS

NEED	RANKING	PROBLEM
MAKE ENDS MEET	1	Have enough money to cover my bills & other obligations
MAXIMIZE TAX REFUND	2	Maximize my tax deductions to get the biggest tax refund (or lower amount I owe)
SAVE MORE	3	Establish / build savings (for retirement, college, a down payment on a home, emergency fund, etc.)
PAY OFF DEBT	4	Be able to do more with my money by reducing or paying-off debt (credit cards and other loans)
KNOW WHERE I STAND	5	Know where I stand financially and how to improve my financial health
REDUCE MY PAYMENTS	6	Keep more money in my pocket by lowering loans/ credit cards payments with reduced interest rates

## OUR SMALL BUSINESS & SELF-EMPLOYED PROBLEMS

NEED	RANKING	PROBLEM
GET CUSTOMERS	1	Attracting customers can take time, money and marketing expertise that I don't always have
GET PAID	2	I need to get paid fast with confidence, however and wherever my customers want to pay
GET CAPITAL	3	It's challenging to get the capital I need at a reasonable rate, so that I can grow my business
PAY WORKERS	4	Running payroll is a hassle and I'm unsure if I'm paying workers or calculating payroll taxes correctly
ACCESS ADVICE	5	I need the advice of an expert, whether it is in marketing, legal, or accounting
BE COMPLIANT & ORGANIZED	6	It's hard to stay organized, so I fear tax surprises and fines
GET WORK DONE	7	Given my limited network, it's difficult to find and hire qualified workers

# Small Business and Self-Employed strategy

## Grow the Core

Grow and transform the Financial Management Software category in the U.S. through innovation and meeting customers where they are (DIY & Assisted)

**Goal:** Delight customers, improve conversion, retention, and fuel franchise growth

## Connect the Ecosystem

Connect customers to benefits across the QuickBooks ecosystem

**Goal:** Provide business critical services that allow QuickBooks to become the center of small business growth and increase customer lifetime value

## Expand Globally

Expand our platform to win in geographies outside the U.S.

**Goal:** Bring our platform to new geographies and scale in existing markets, per our Global Playbook

————— **BECOME THE SOURCE OF TRUTH FOR YOUR BUSINESS** —————

# Grow the core

Illustrative innovations driving customer impact

## QBO ADVANCED DISRUPT THE SMALL BUSINESS MID-MARKET

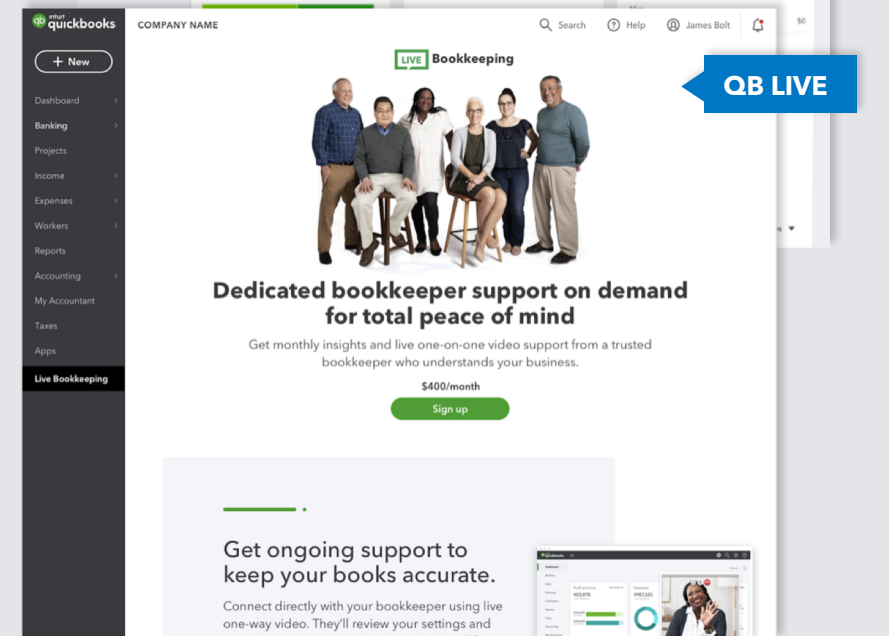
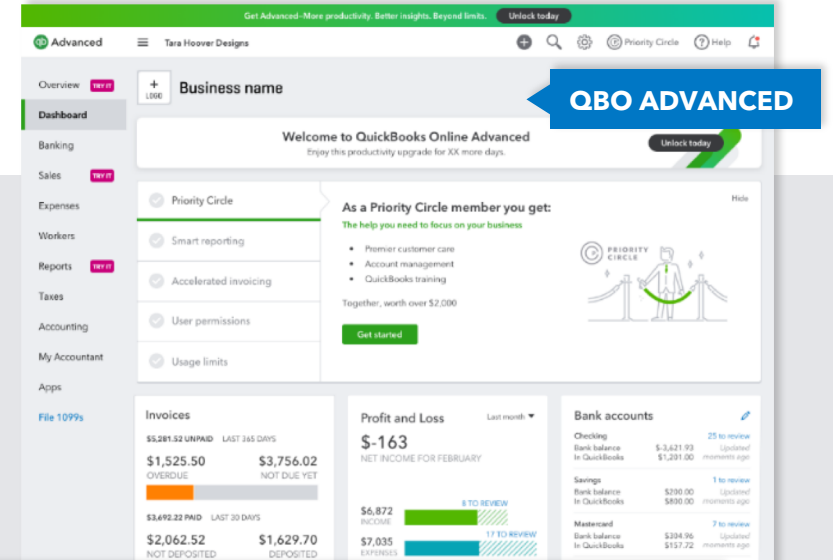
**OPPORTUNITY** Expanding target segment from 0-10 employees to 0-100 employees  
**\$40B** mid-market opportunity across our ecosystem  
**1.5M** mid-market businesses with 10-100 employees  
**10-12%** of current QBO customers are outgrowing the product

**PROOF POINTS** ~**200K** customers today in QBO Advanced and QB Desktop Enterprise  
**37%** faster invoicing than QBO with batch import tools and automation  
**\$2K** annual price for QBO Advanced  
**\$10-25K** annual price for mid-market alternatives

## QB LIVE CONNECT PEOPLE TO EXPERTS

**OPPORTUNITY** Expanding from Do-it-Yourself (DIY) to DIY + Assisted  
**\$10B** U.S. assisted bookkeeping category today  
**40%** of SMBs say bookkeeping and taxes are the worst part of owning a small business  
**33%** of accounting firms say the biggest issue they face is growing their business

**PROOF POINTS** **90%** of surveyed TurboTax Live pros are interested in working with QuickBooks Live  
**<2 minutes** to match a SMB with a team of QuickBooks-certified bookkeepers, compared to 2-3 weeks to find and connect with bookkeepers via traditional solutions  
**+15** points uplift in small business PRS after using QB Live



# Connect the ecosystem

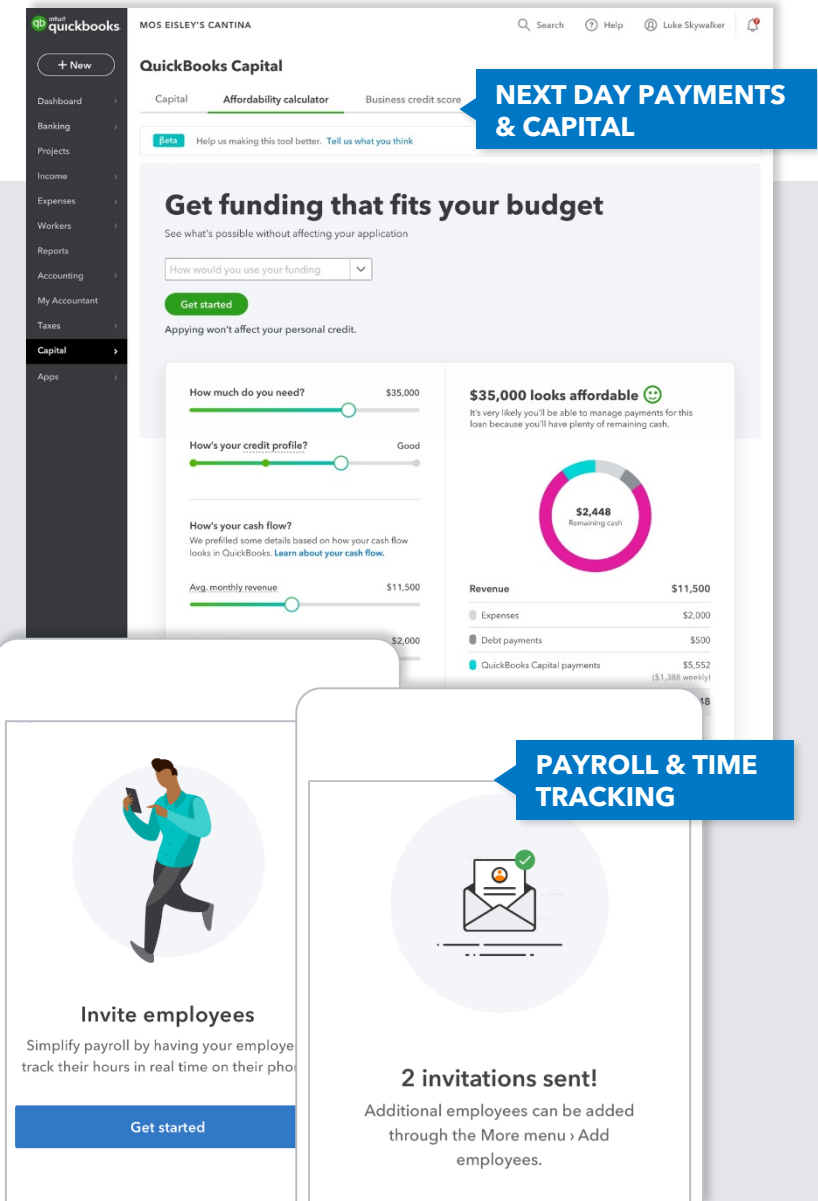
Illustrative innovations driving customer impact

## NEXT DAY PAYMENTS & CAPITAL BE THE CENTER OF SMALL BUSINESS GROWTH

- OPPORTUNITY** **\$39B** U.S. SMB Payments and Capital category  
**60%** of SMBs struggle with cash flow; 82% of time this results in failure of the business  
**400M+** invoices created in QBO, only 12% of invoices last year were payment enabled  
**70%** of new businesses say they need funding; 23% of them get the funding they need
- 
- PROOF POINTS** **\$55B** total payments volume, putting Intuit among the top merchant processors in the U.S.  
**40%** growth in charge volume for customers using QuickBooks Online  
**\$441M** in cumulative loans funded by QB Capital; 2M+ customer opportunity as we expand QB Capital eligible population in our base

## PAYROLL & TIME TRACKING BE THE CENTER OF SMALL BUSINESS GROWTH

- OPPORTUNITY** **\$5B** U.S. SMB Payroll and Time Tracking category  
**35%** of U.S. employers still do manual payroll  
**50%** of SMBs & self-employed do manual time tracking
- 
- PROOF POINTS** **1.4M** businesses use Intuit payroll  
**35%** growth in online payroll revenue; full service growing 35 pts faster than self-service  
**1.2M+** employees tracking their time on TSheets each month, up 60% from last year  
**128%** YoY TSheets customer growth coming from QuickBooks



# Expand globally

Strong growth in established markets

	U.S.	U.K.	CANADA	AUSTRALIA
OPPORTUNITY	Category expansion (e.g., mid-market); connecting customers to ecosystem benefits	Rising compliance needs (e.g., Making Taxes Digital); scaling our ecosystem	Market shifting to cloud, embracing ecosystem benefits	High category adoption; desire for E2E solutions (e.g., books to tax)
CUSTOMER GROWTH	<p><b>+25%</b> 2,596 → 3,250</p>	<p><b>+78%</b> 305 → 545</p>	<p><b>+48%</b> 212 → 315</p>	<p><b>+39%</b> 161 → 224</p>
NET PROMOTER SCORE	<p><b>53</b> +11 vs. rival</p>	<p><b>43</b> +6 vs. rival</p>	<p><b>36</b> +4 vs. rival</p>	<p><b>37</b> -12 vs. rival</p>

## DRIVERS OF GROWTH

### Increased penetration of total addressable market

- Customized product-market fit and awesome first use experiences
- Leading brand awareness
- Best-in-class customer service


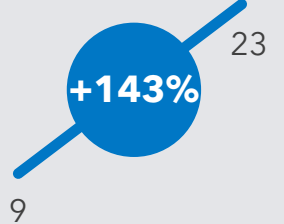

### Improved ecosystem experiences

- Matching accountants with self-employed and small businesses
- Payments, payroll, time tracking, and 3<sup>rd</sup> party apps experiences

The NPS outside of the U.S. is directional due to smaller sample sizes. QBO subs in thousands.

# Expand globally

Focused on nailing product market fit in emerging markets

	BRAZIL	FRANCE	INDIA
OPPORTUNITY	Rapid cloud adoption, high compliance needs and large addressable base	Heavy compliance country with substantial savings of time and money via QBO	Growing compliance needs, cloud adoption and accountant support
CUSTOMER GROWTH	 <p>+47%</p>	 <p>+143%</p>	 <p>+42%</p>
PRODUCT RECOMMENDATION SCORE	<b>33</b> +0 vs. last year	<b>22</b> +9 vs. last year	<b>20</b> +6 vs. last year

## MAKING RAPID PROGRESS

### Compliant, delightful product

- Focus on 'Unit of One' with narrow product development
- Drive active use: up +7 pts in Brazil, +8 pts in France, flat in India
- France delight metrics trending to established markets (e.g., active use, retention)

### Customer momentum drivers

- Accountant adoption rising rapidly in top cities in France, drove ~2.5x customer growth in FY'19
- Launched QBO in Brazil, diversifying acquisition channels (accountant sales)



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————— **BECOME THE SOURCE OF TRUTH FOR YOUR BUSINESS** —————

# Evolution of the QuickBooks platform

Becoming the "source of truth for your business"

## CHAPTER 1

Launch QBO as the source of truth for your books

- Grow the Core
- Connect the Ecosystem
- Expand Globally
- ▲ Revenue

QuickBooks Online  
Payments  
Payroll  
Third-party apps

## CHAPTER 2

Expand footprint

UK  
Canada  
Australia  
India

## CHAPTER 3

Transform QBO into the source of truth for your business

QuickBooks Self-Employed  
France  
Brazil  
QB Capital  
TSheets  
Payroll First  
Accelerate Payments  
QuickBooks Advanced  
QuickBooks Live

2000

2010

2019

# The earlier stage of our platform

"The source of truth for your books"

## ARPC grows with the addition of connected services

### YEAR 1

Nick opens his business and signs up for QuickBooks for his accounting

ARPC  
**\$400**

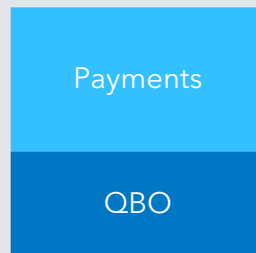


YEAR 1

### YEAR 2

Nick starts using payments to make it easy to get paid

**\$900**

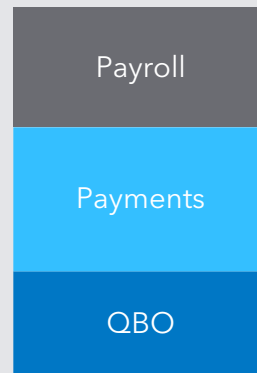


YEAR 2

### YEAR 3

Business is healthy and Nick hires an employee and runs payroll

**\$1,300**



YEAR 3



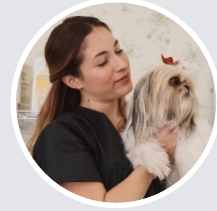
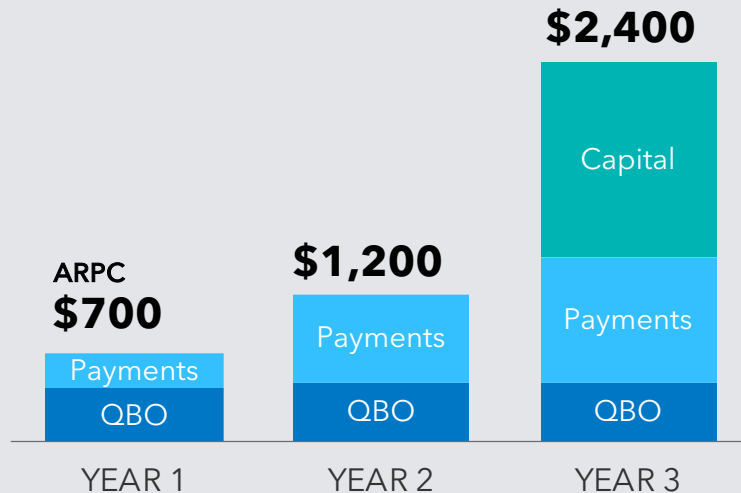
# Single platform that flexes to each customer's journey

Now becoming "the source of truth for your business"



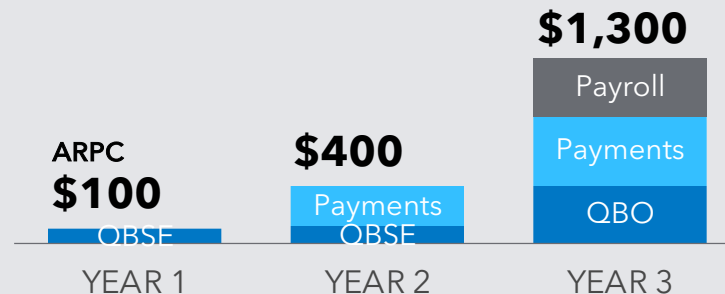
## POTTERY STUDIO OWNER

Ana starts with QBO and payments for her pottery studio. Her marketing campaigns for summer classes are going better than expected, so she takes a loan through QB Capital to stock up on supplies to meet demand.



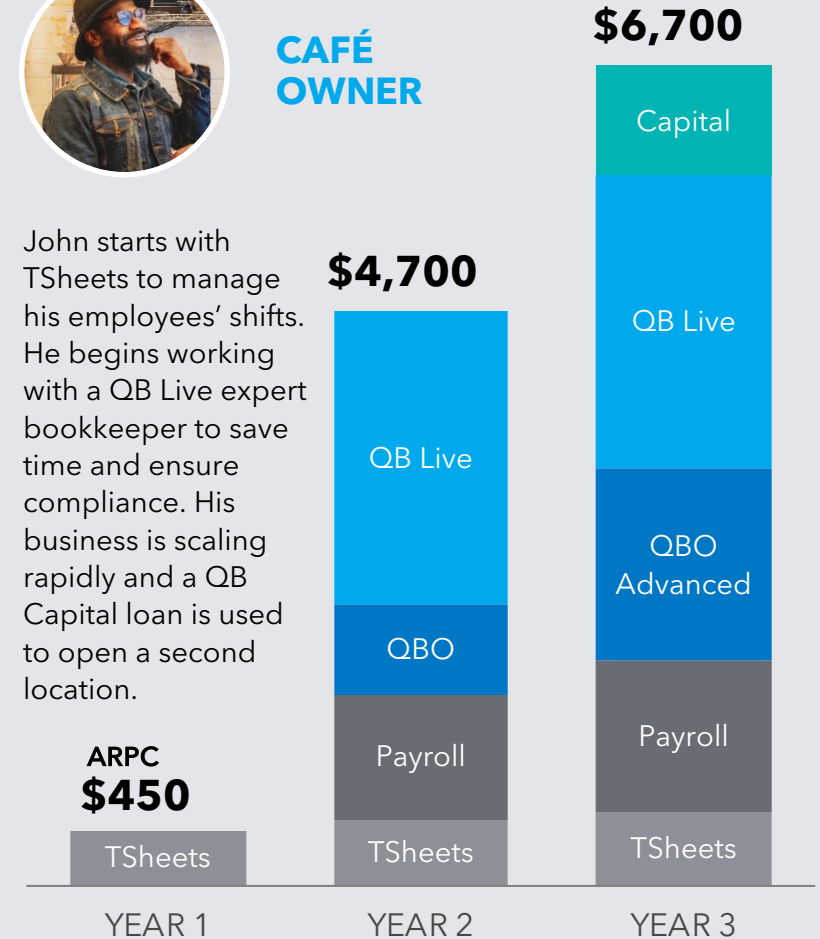
## DOG GROOMER

Marissa opens her shop and uses QuickBooks Self-Employed to stay on top of her books. She adds Payments to make it easier for her customers to pay her and for her to get paid. In year 3, she hires a contract employee and attaches payroll to her new, upgraded, QuickBooks Online account.



## CAFÉ OWNER

John starts with TSheets to manage his employees' shifts. He begins working with a QB Live expert bookkeeper to save time and ensure compliance. His business is scaling rapidly and a QB Capital loan is used to open a second location.



# Execution of our strategy creates a path to robust long-term growth

## THREE BIG OPPORTUNITIES

### GROW THE CORE

Our opportunity to transform the category through innovation and by meeting customers where they are, spanning Self-Employed to Mid-Market and DIY to Assisted.

- Core markets: U.S.
- Products: QBO, QBSE, QBO Advanced, QB Live

### CONNECT THE ECOSYSTEM

Our opportunity to provide a robust connected ecosystem of business critical offerings.

- Products:
  - QBO services (Capital, Payments, Payroll, TSheets)
  - Omni-channel commerce (product-based businesses)
  - QBO 3<sup>rd</sup> party apps

### EXPAND GLOBALLY

Our opportunity to take our platform beyond the US, as we Power Prosperity Around the World.

- Core markets: U.K., Canada, Australia, Brazil, France, India
- Products: QBO, QBSE, QBO attach, 3<sup>rd</sup> party apps

## LONG-TERM EXPECTATION

SMALL BUSINESS AND SELF-EMPLOYED GROUP

# 10-15%

ANNUAL REVENUE GROWTH

Greg Johnson

# Successfully executing our strategy, opportunities ahead



## Extend our Lead in DIY Tax Prep

- ✓ Expanded the DIY tax category
- ✓ Gained share within the DIY category
- ✓ Increased customer retention
- ✓ Drove higher levels of free filing



## Transform the Assisted Category

- ✓ Scaled our virtual workforce platform
- ✓ Delighted consumers and pros
- ✓ Fastest Intuit product to reach scale
- ✓ 3x growth in Prior Year Assisted filers



## Disrupt Consumer Finance

- ✓ Scaled our consumer financial platform
- ✓ 2.5x increase in Marketplace offers
- ✓ 4M Monthly Active Users (Mint + Turbo)
- ✓ 37M+ Registered Users (Mint + Turbo)

## FY'19 Financial Performance

- ✓ +11% Revenue
- ✓ +7% TurboTax Online customers

# What matters most to customers and drives our strategy

## OUR CONSUMER PROBLEMS

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BE COMPLIANT & ORGANIZED	6	It's hard to stay organized, so I fear tax surprises and fines
GET WORK DONE	7	Given my limited network, it's difficult to find and hire qualified workers





VISION

# FINANCIAL FREEDOM FOR ALL CONSUMERS

TAX AND BEYOND



# ONE **intuit**. ECOSYSTEM

## Unlocking the power of many for the prosperity of one



### AI-DRIVEN EXPERT PLATFORM

# Deliver significant improvement in customer benefit



# Consumer Group strategy to win

## Extend Lead in DIY

---

### REVOLUTIONIZE SPEED TO BENEFIT

---

Data and Artificial Intelligence driven experiences that deliver "taxes are done" with no effort



## Transform Assisted Category

---

### CONNECT PEOPLE TO EXPERTS

---

Virtual expert platform that revolutionizes the way "taxes are done" with complete confidence



## Disrupt Consumer Finance

---

### UNLOCK SMART MONEY DECISIONS

---

Marketplace platform that matches consumers and partners to power their prosperity

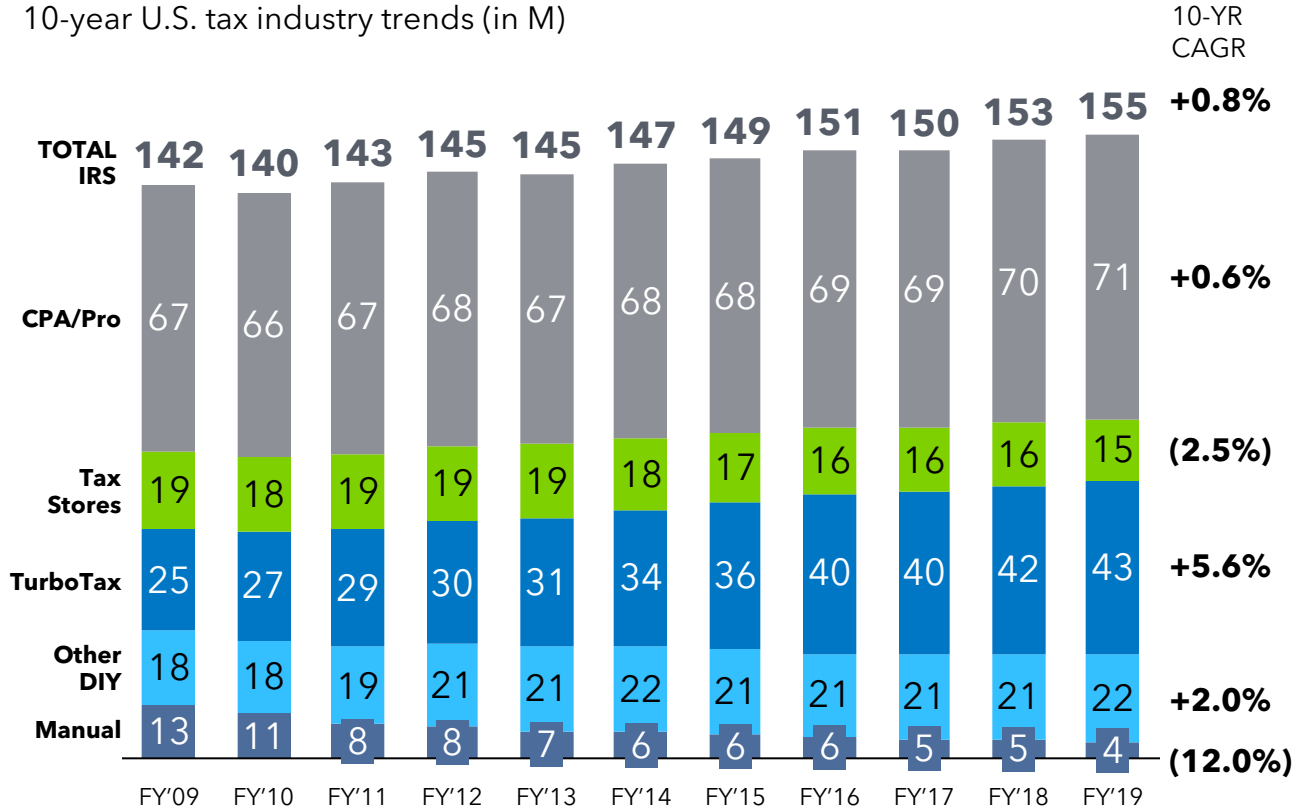


## Expand Reach Globally

# U.S. tax industry landscape

Shifting our focus to growing total share of IRS returns

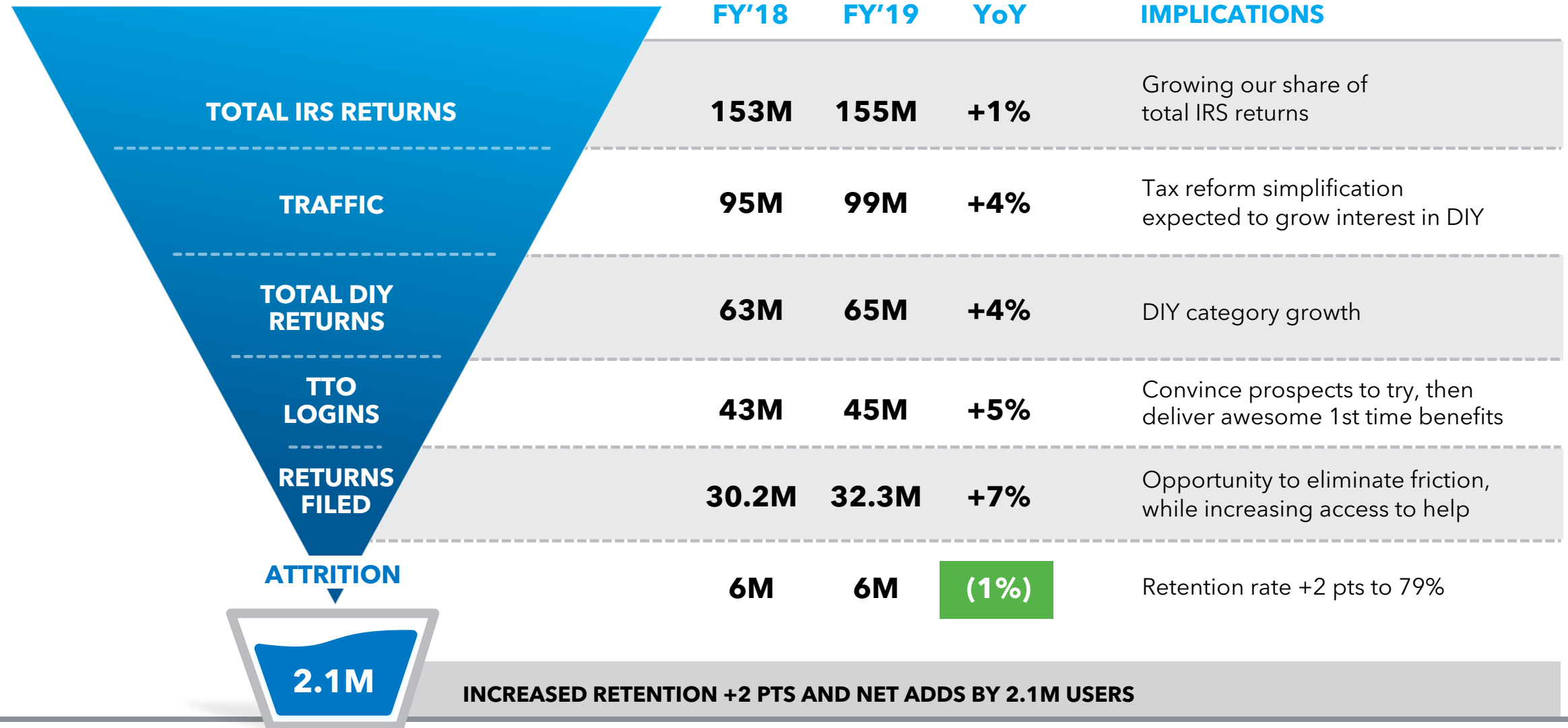
10-year U.S. tax industry trends (in M)



## HOW WE WILL CHAMPION CATEGORY GROWTH

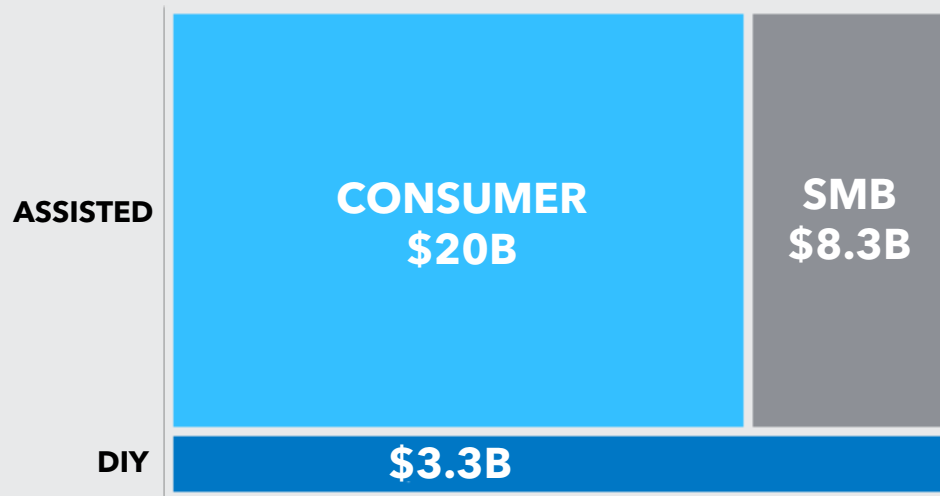
- Tax Reform impacts continue: desire for trusted brands, and need for assistance
- Increased awareness and usage of hybrid DIY-Assisted offerings like TurboTax Live
- AI-driven experiences to reduce friction for complex filers
- Enhancements for Latinx and self-employed customers in TurboTax and TurboTax Live

# Opportunity: TurboTax Online U.S. acquisition funnel



# Gaining share of total returns with higher-end products

## TOTAL ADDRESSABLE MARKET (TAX)



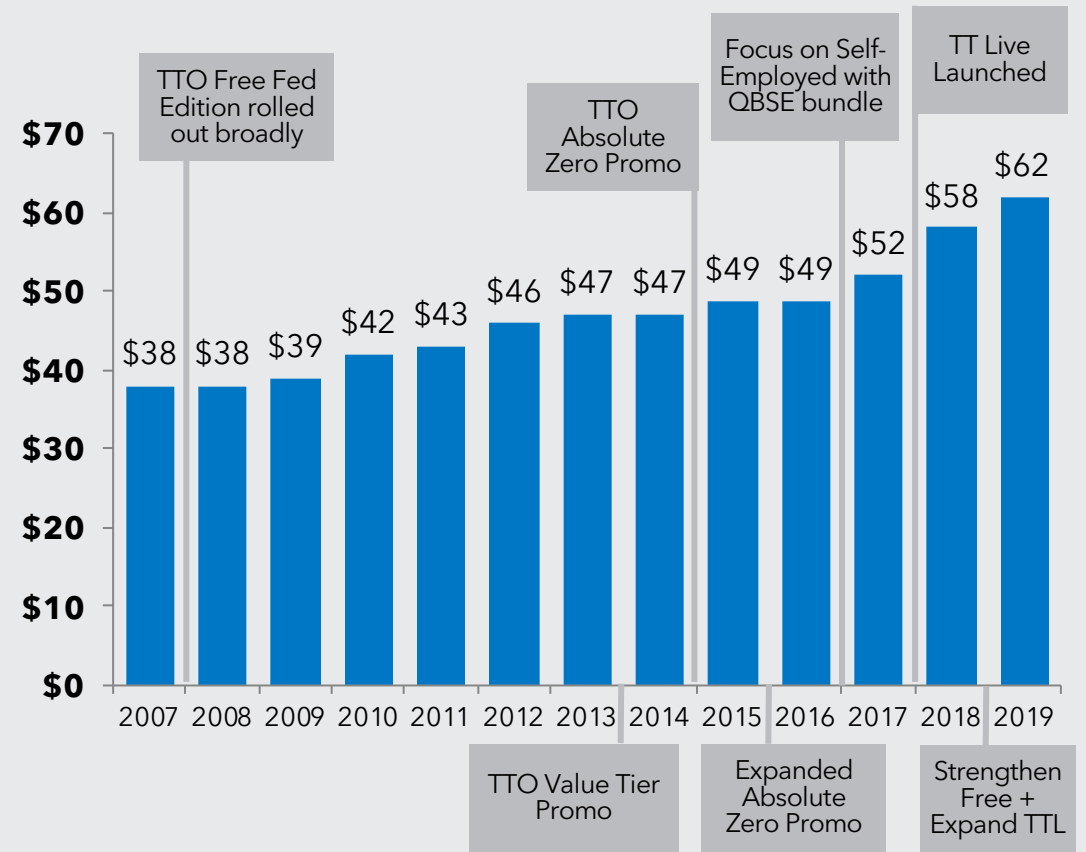
### Average revenue per return

Assisted	~\$226
DIY	~\$49



Return Share (YoY)	Revenue Share (YoY)
28% (+1pt)	~12% (+1pt)

## TURBOTAX U.S. AVERAGE REVENUE PER RETURN



# Extend our lead in DIY tax prep

Revolutionize speed to benefit



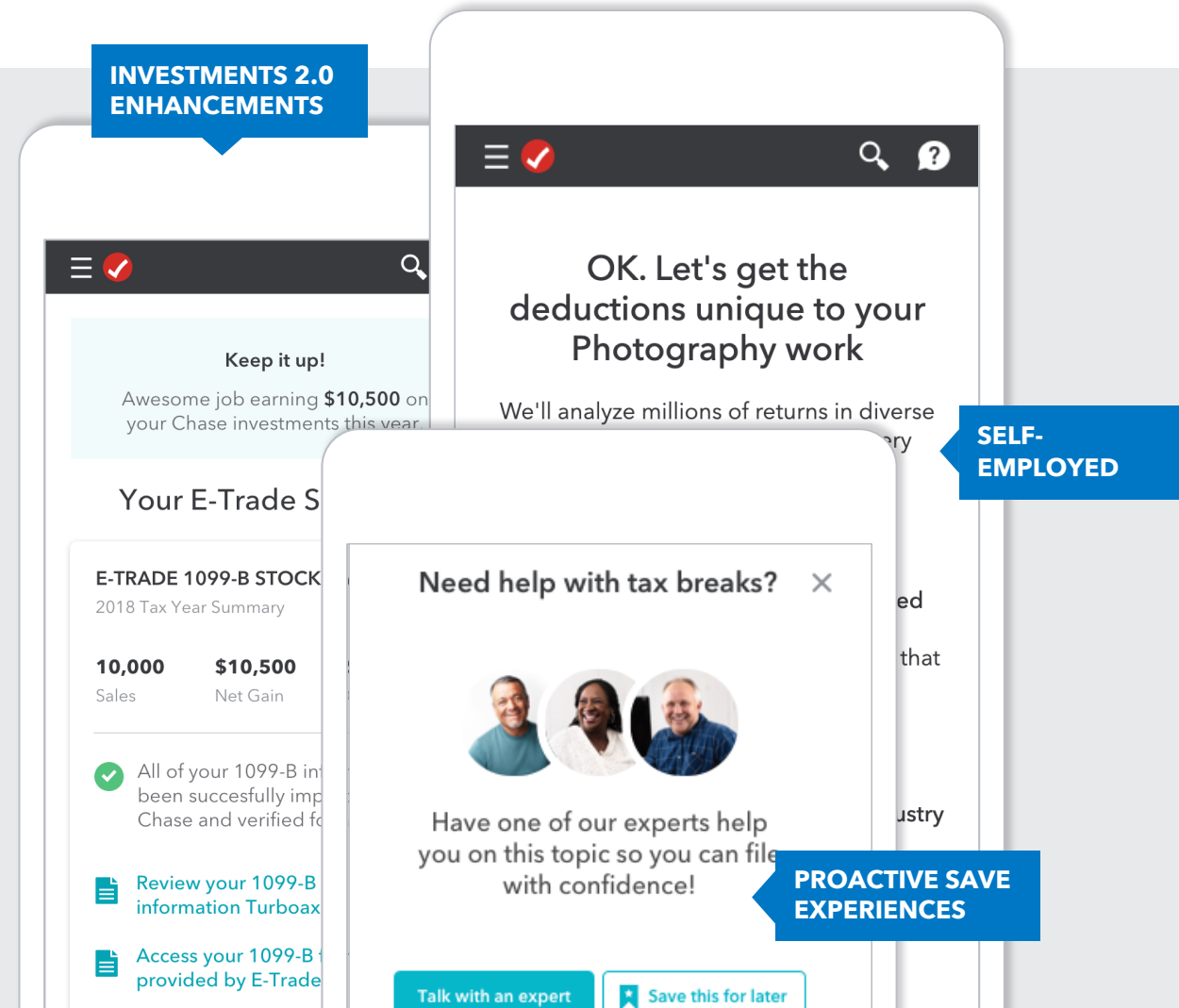
## OPPORTUNITY

- 99M** consumers open to file their taxes with DIY
- 65M** actually filed with DIY software
- 45M** logged into TTO
- 32.3M** filed with TTO
- 12.8M** filers logged into TurboTax, but did not complete
- 457M** interactions with our self-help

## PROOF POINTS

- ~2M** new self-employed and Latinx filers last year
- ~13M** "totally free" filers, **~2M** increase
- 8%** filers complete in < 30 minutes
- +4 pts** retention improvement over the last two years
- 52%** self-help answers were personalized by AI

"Totally free" includes >11M filers using TurboTax Free Edition





# Transform the assisted category

Connect people to experts



## OPPORTUNITY

- \$20B** assisted tax preparation TAM
- 86M** customers seek out filing assistance every year
- 10M** estimated churn within the assisted category
- 3M** filers defect annually from TurboTax for an assisted solution due to increased complexity

## PROOF POINTS

- ~2x YoY** increase for Self-Employed filers
- 4x YoY** increase for Latinx filers
- 70%** of new users to the franchise were PY Assisted filers
- 52%** increase in Pro NPS from FY'18 to FY'19
- +32 pts** conversion for new filers when engaging an expert
- >10 pts** higher new filer mix within TT Live vs. paid TTO DIY

The screenshot displays the TurboTax Live user interface. At the top, a video call window shows a female CPA, Daniele, with the text 'Daniele, CPA for 19 years have a video call or live chat here.' Below this, the 'Your 2019 tax summary' is shown, prepared by Daniele. It includes a 'Refund' section with '\$1,445 FED' and '\$455 CA', a 'Year comparison' bar chart for 2019 vs. 2020, and a 'FULL SERVICE' callout. A 'TT LIVE 2.0 ENHANCEMENTS' callout points to a video call window. The main part of the screen shows a percentile chart for tax liability, with a callout for the 80th Percentile at '\$1,793'. Below the chart is a table with the following data:

	Entry	% group w/entry	Percentile				Average
			5th	20th	80th	95th	
enance	345	60%	5	55	2957	3598	201
onal services	3,250	15%	455	2550	3656	6687	338
	3,744	5%	\$65	\$344	\$1793	\$2062	\$685
	---	92%	0.8	23	205	897	1

An 'AUGMENTED INTELLIGENCE' callout points to the percentile chart.

# Disrupt consumer finance

Unlock smart money decisions



## OPPORTUNITY

- \$82B** in refunds
- \$180B** in paychecks delivered
- 37M** registered Turbo + Mint users
- 4M** monthly active Turbo + Mint users
- \$10B** in U.S. digital lead gen spend by FinTech and FIs
- \$12B** in consumer financial advice to U.S. consumers

## PROOF POINTS

- 10x** conversion rate of pre-qualified offers vs. offers
- 5x** account creation with pre-fill on partner site
- 59%** increase in customer click-through rate with machine learning vs. manual segmentation
- 39** credit cards, lending, investment, insurance partners
- 100+** total offers across Turbo + Mint

The screenshot displays the Intuit Turbo + Mint user interface. At the top, there are navigation icons for 'Your numbers', 'Credit cards', 'Home loans', 'Personal loans', 'Auto loans', 'Investments', and 'Student loans'. Below this is a banner for 'Start building your wealth with a little or a lot' with a link to 'See your financial profile'. A blue callout box labeled 'MARKETPLACE' points to the 'Investments' section. The main content area features a 'STASH' investment card with text: 'What you get: Mint users get an extra \$5 loaded into their Stash which can be used to invest in fractional shares of themed funds.' and 'Why you may like it: Money that just sits around in checking or saving accounts loses value, thanks to inflation. Stash instead allows you to invest in a way that may help them grow over time.' A blue callout box labeled 'GOALS' points to a 'Quick question, Nora' section with the text 'What's most important to you right now?' and a 'Tell us your goal' input field. Below this is a section 'Or choose from these popular ones:' with a green checkmark icon and the text 'Save on my \$8,750 credit card balance'. To the right, a large gamified card shows 'Your payment history is perfect!' with '100% ON-TIME PAYMENTS' and a button that says 'I'LL DO GOOD AGAIN NEXT MONTH'. A blue callout box labeled 'GAMIFICATION' points to this card. The left sidebar contains user information for 'Nora' and navigation options like 'turbotax', 'turbo', 'Overview', 'Income', 'Debt', 'Credit Score', 'Debt to income', 'Discover', 'FAQs', 'Feedback', 'Intuit Account', and 'Sign Out'.

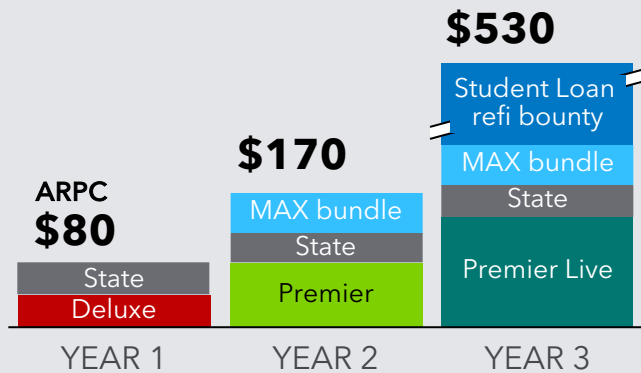
# Single platform that flexes to each customer's journey

Now maximizing your tax refund and helping you unlock smart money decisions



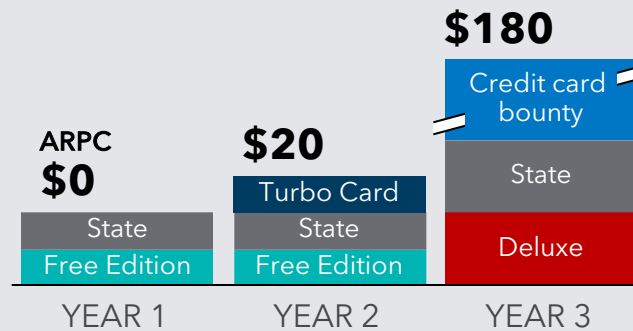
## RECENT COLLEGE GRAD

Emma started in TTO Deluxe as she filed her federal & state taxes with itemized deductions. She moved to Premier as she began dabbling in stocks, moving to Premier Live as her RSUs began to vest in Year 3. Along the way, she added the peace of mind with Audit Defense in the MAX bundle. She eventually refinanced her student loans through a Turbo offer.



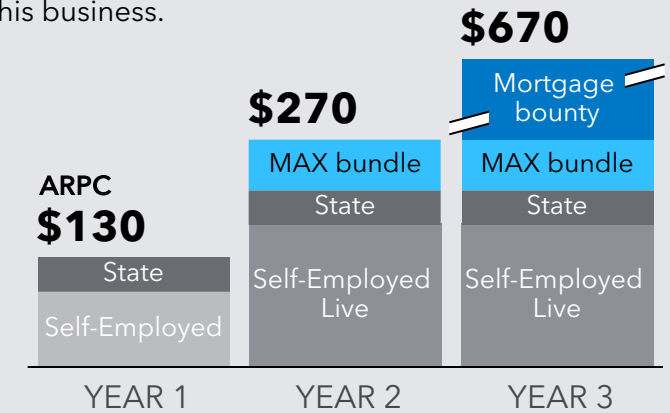
## RETAIL EMPLOYEE

As a single filer, Tracy easily filed her 1040, without any schedules, in the TTO Free Federal Edition for no cost. She didn't have a bank account, so instead of waiting for a check again, she chose to deposit her federal refund onto a Turbo Card for free in Year 2. In Year 3, Tracy was married and filed itemized deductions in Deluxe jointly with her new husband. They even found a new credit card in Turbo that helped them finance their wedding.



## FREELANCE WEDDING PHOTOGRAPHER

Jeff decided to pursue a hobby in photography with a side gig documenting weddings and filing in TTO Self-Employed. By Year 2, he found enough success to quit his day job to turn his passion into a career. Because of the added complexity of significant business expenses, Jeff traded up to TT Live SE and added the MAX bundle. In Year 3, Jeff refinanced his mortgage through Turbo, lowering his monthly payments to continue investing in his business.



# Execution of our strategy creates a path to robust long-term growth

## KEY DRIVERS FOR GROWTH

GROWTH DRIVERS	1PT OF GROWTH YIELDS REVENUE OF	MULTI-YEAR RANGE
IRS returns	~1%	0 - 2%
DIY Category share	~3%	3 - 5%
Total TurboTax share	~1.5%	1 - 2%
Revenue per return	~1%	3%+

**LONG-TERM  
EXPECTATION**  
CONSUMER GROUP

**8-12%**

ANNUAL REVENUE GROWTH

Michelle Clatterbuck

# Great execution on FY'19 objectives

## LAST YEAR'S SUMMARY

- Double-digit revenue growth
- Fast-growing SaaS business with highly profitable desktop portfolio
- Disciplined investments yield revenue growing faster than expense
- Stable share count and consistent dividend increases
- ROIC >40% in FY'19

## FY'19 OUTCOMES

- 13%** Intuit revenue growth
- 23%** QBO and TTO platform revenue growth
- 38%** Small business online ecosystem revenue growth
- 19%** Intuit GAAP operating income growth
- 12%** Intuit non-GAAP operating income growth
- 37%** ROIC
- 21%** Dividend increase in FY'19

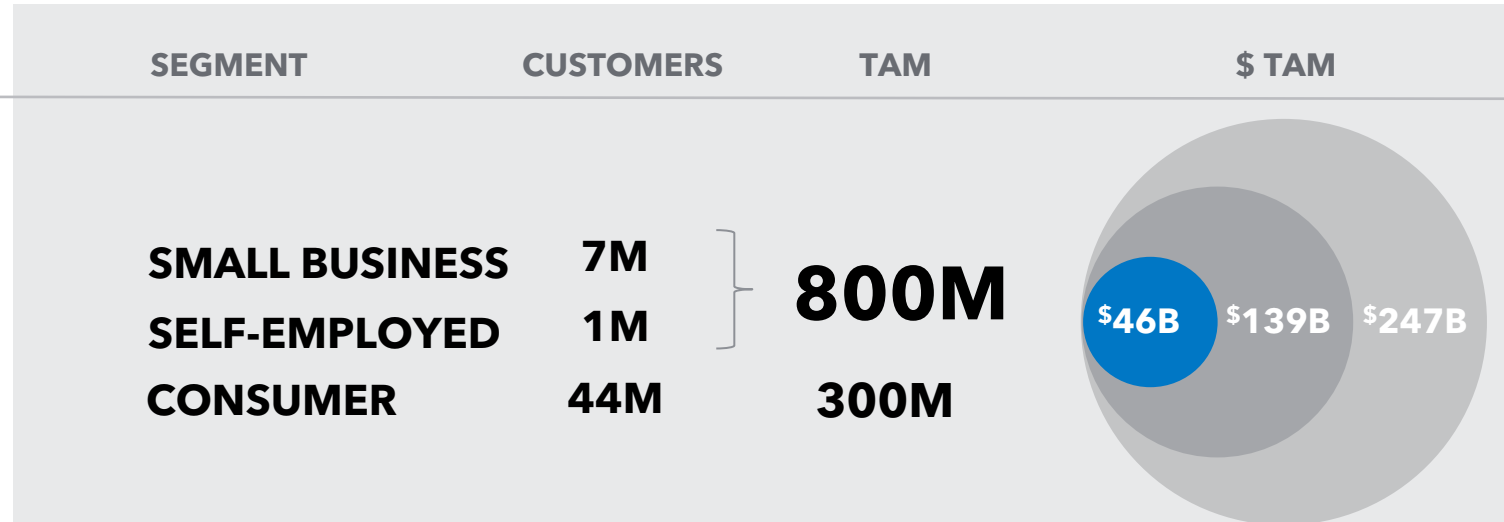
# Our strategy positions us to penetrate our addressable market

## THREE BIG OPPORTUNITIES

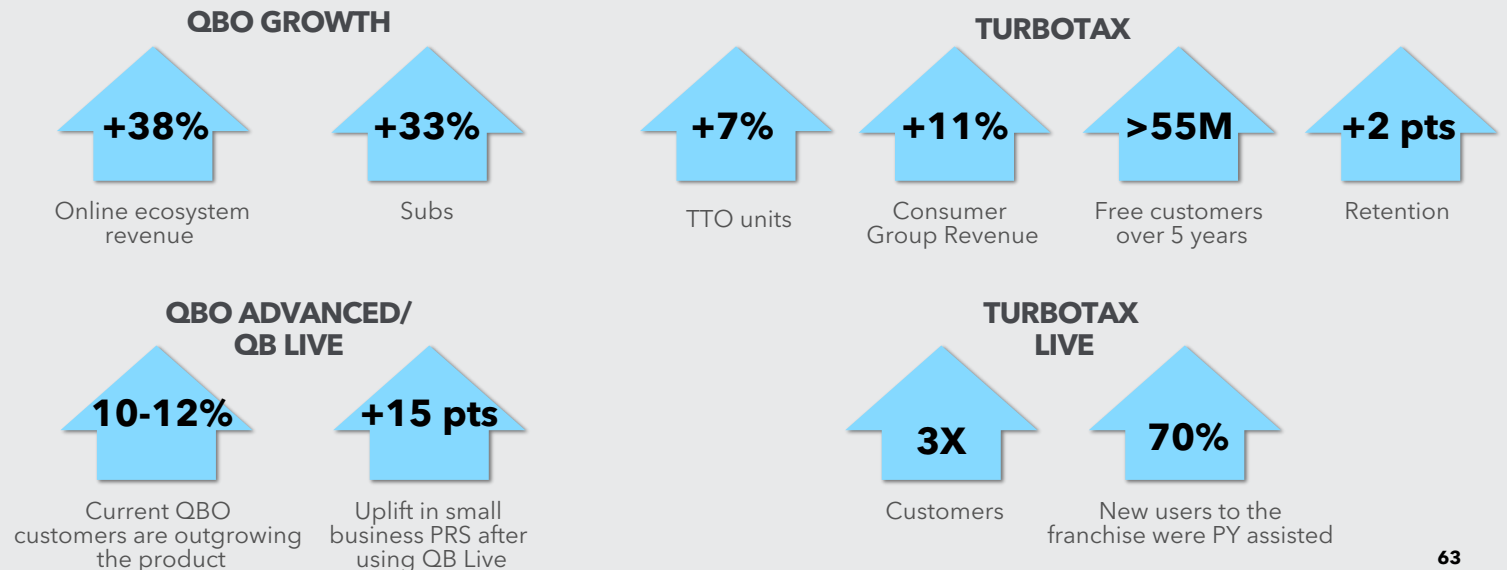
### GROW THE CORE

Our opportunity in consumer tax and SMB financial management software in the U.S.

- Core markets: U.S.
- Products (Do-it-yourself and Assisted):
  - QBO, QBSE, TurboTax
  - Connecting people to experts (TTLive, QBLive)



## REASONS TO BELIEVE



# Our strategy positions us to penetrate our addressable market

## THREE BIG OPPORTUNITIES

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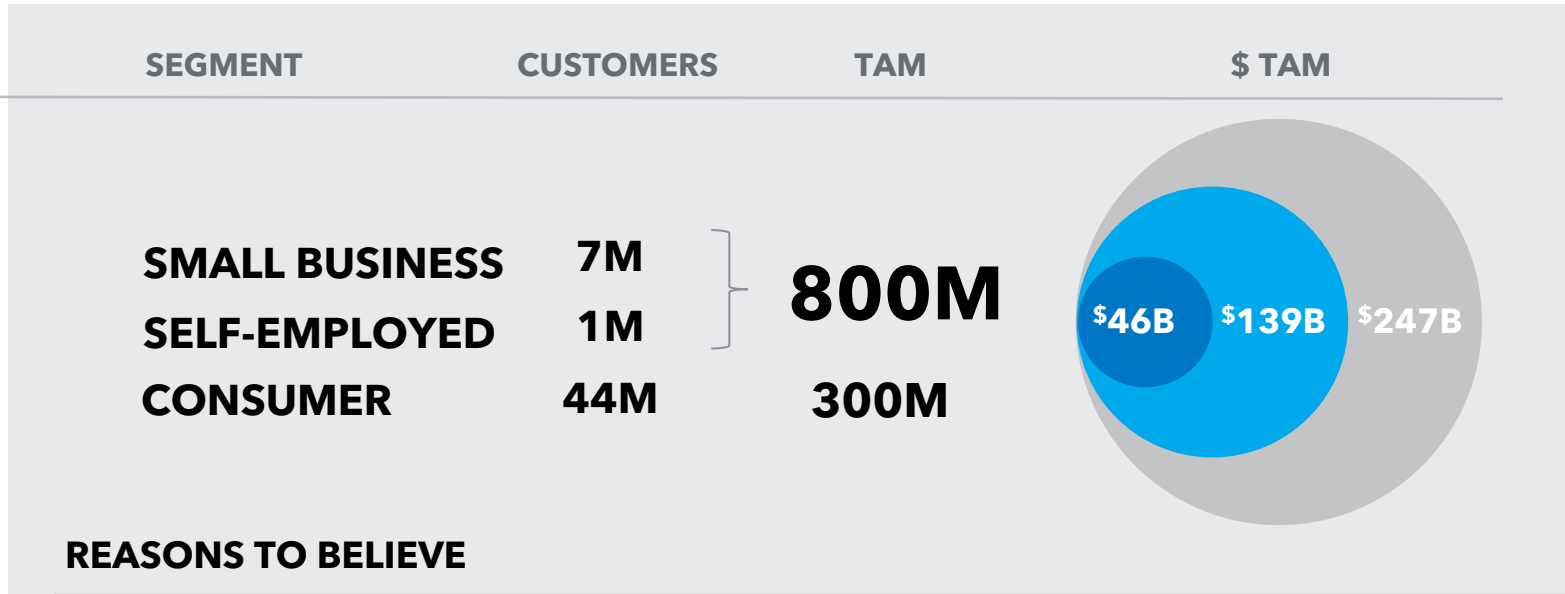
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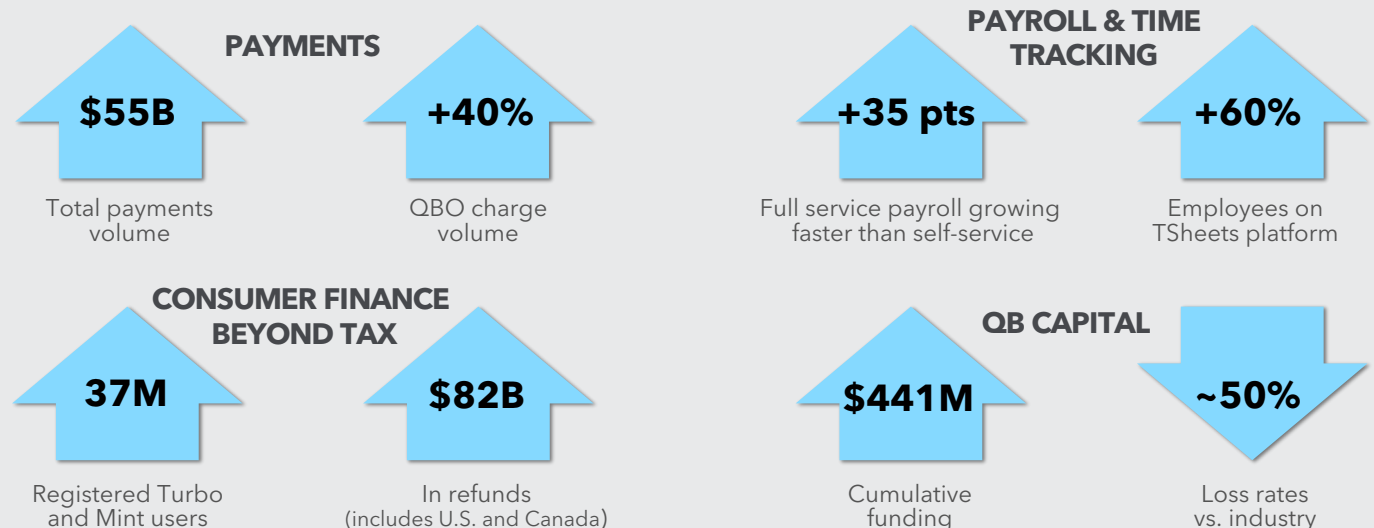
### CONNECT THE ECOSYSTEM

Our opportunity to provide a suite of interconnected solutions to customers in the U.S.

- Core markets: U.S.
- Products:
  - QBO services (Capital, Payments, Payroll, TSheets)
  - Omni-channel commerce (product-based businesses)
  - Consumer finance platform
  - QBO 3<sup>rd</sup> party apps



## REASONS TO BELIEVE





# Our strategy positions us to penetrate our addressable market

## THREE BIG OPPORTUNITIES

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### EXPAND GLOBALLY

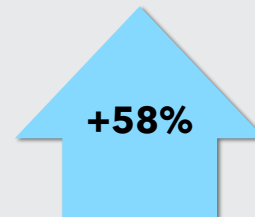
Our opportunity to expand to global customers outside of the U.S.

- Core markets: U.K., Canada, Australia, Brazil, France, India
- Products: QBO + attach, QBSE, TurboTax, Consumer Finance platform

SEGMENT	CUSTOMERS	TAM	\$ TAM
SMALL BUSINESS	7M	} 800M	
SELF-EMPLOYED	1M		
CONSUMER	44M	300M	

## REASONS TO BELIEVE

### SCALE IN EXISTING MARKETS



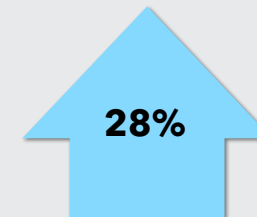
Growth in QBO customers outside of the U.S.

### PRODUCT MARKET FIT



Saved each month with receipt capture in France

### GLOBAL CUSTOMERS



% of QBO subs outside the U.S.

# Financial principles remain enduring

## GROW ORGANIC REVENUE DOUBLE DIGITS

- Customer growth fueled by delivery of the customer benefit
- Small business online ecosystem growth >30%; win every tax season

## OPERATING INCOME DOLLARS GROW FASTER THAN REVENUE

- Revenue grows faster than expense
- Acceptable LTV/CAC as we grow online

## DEPLOY CASH TO THE HIGHEST-YIELD OPPORTUNITIES – TARGETING 15% ROI OVER 5 YEARS

- Investing in organic growth drivers (R&D, infrastructure, sales & marketing)
- Use acquisitions to accelerate growth in talent and technology

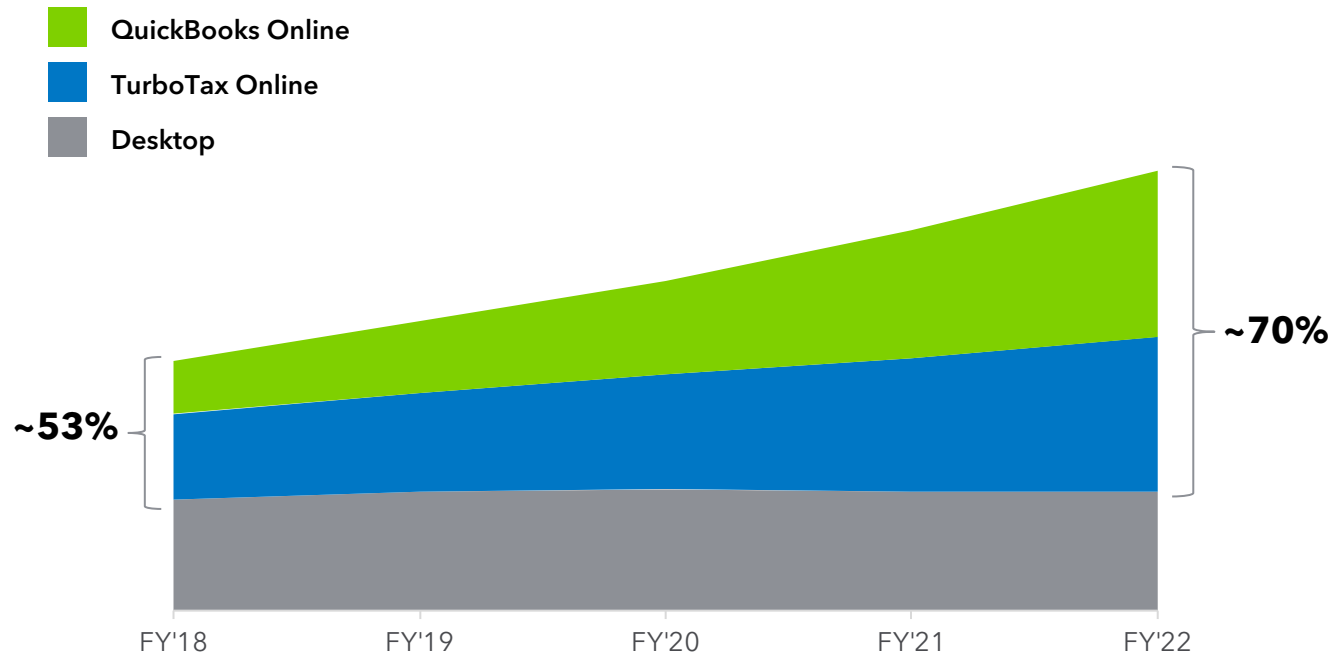
## RETURN EXCESS CASH TO SHAREHOLDERS VIA DIVIDEND AND SHARE REPURCHASE

- Utilize grid to achieve favorable volume weighted average price targeting a return  $\geq$  Intuit's WACC
- Dividends expected to grow at or slightly ahead of earnings

## MAINTAIN A STRONG BALANCE SHEET

- Net cash position at the end of FY and average cash balance of \$700M net of debt due in 2 years
- Maintain investment grade rating

# QBO and TTO platform revenue driving revenue growth



- QBO and TTO platform revenue grew over 23% to \$3.9B in FY'19
- Small business online ecosystem revenue grew 38% in FY'19
- ~80% of Intuit's FY'20 revenue is expected to come from existing customers

# Good progress with large opportunity ahead

## SMALL BUSINESS & SELF-EMPLOYED

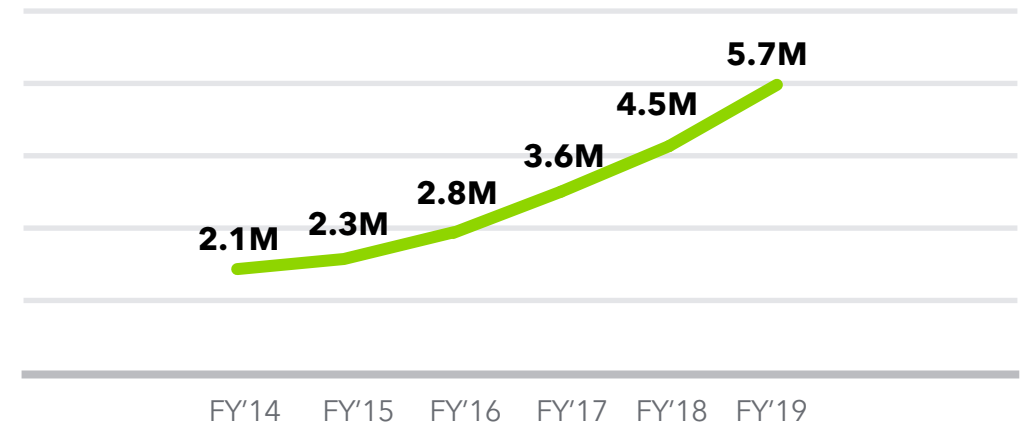
COUNTRY	SAM	FY'19 QBO SUBS	QBO SUBS GROWTH
U.S.	48M	3.3M	25%
U.K.	5M	545k	78%
Canada	3M	315k	48%
Australia	3M	224k	39%
Brazil	17M	59k	47%
France	3M	23k	143%
India	7M	48k	42%
Rest of World	NA	72k	33%
<b>Total</b>	<b>85M</b>	<b>4.5M</b>	<b>33%</b>

### Drivers of growth:

- **Grow the Core:** Delight customers, improve conversion, retention, and fuel franchise growth.
- **Connect the Ecosystem:** Provide services that allow QuickBooks to become the center of small business growth and increase customer lifetime value.
- **Expand Globally:** Bring our platform to new geographies and scale in existing markets per our global playbook. Three countries with product/market fit have >200,000 subscribers.

## TOTAL QUICKBOOKS PAYING CUSTOMERS

QBO, DESKTOP SUBS, DESKTOP UNITS BY FY

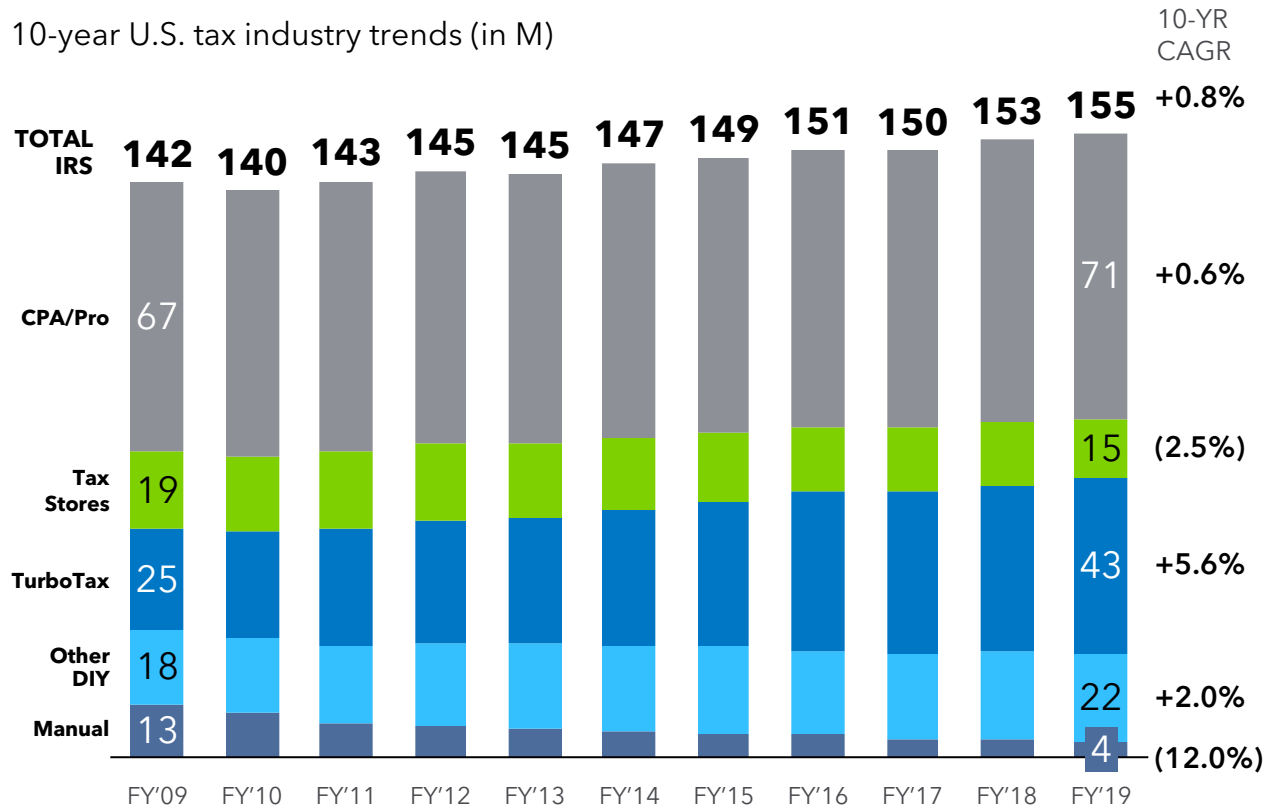


	FY'14	FY'15	FY'16	FY'17	FY'18	FY'19
<b>Total net adds (M)</b>		0.2	0.5	0.8	0.9	1.2
<b>QBO subs (000s)</b>		1,075	1,513	2,383	3,412	4,536
<b>Desktop units (000s)</b>		882	956	881	749	763
<b>Desktop subs (000s)</b>		318	326	356	385	413

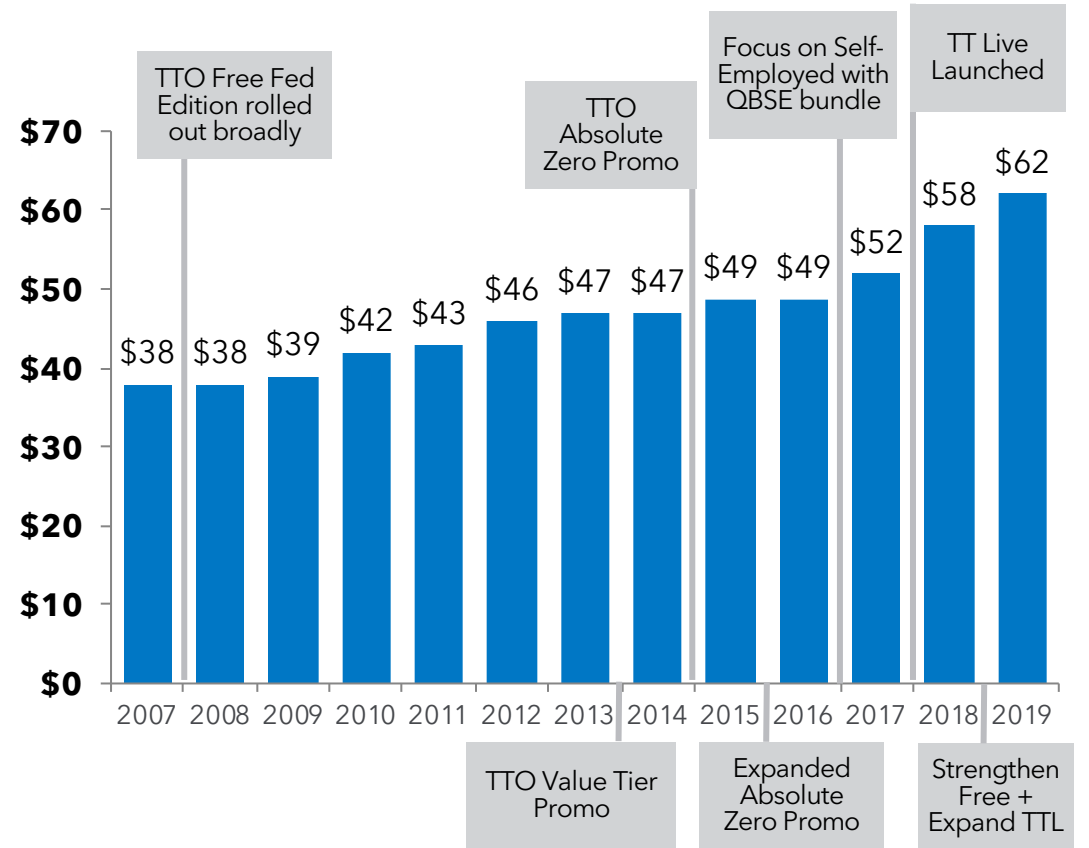
# Good progress with large opportunity ahead

## SHIFTING OUR FOCUS TO GROWING TOTAL SHARE OF IRS RETURNS

10-year U.S. tax industry trends (in M)



## TURBOTAX U.S. AVERAGE REVENUE PER RETURN



ASC 605 prior to 2017

# Strong monetization models across businesses

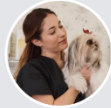
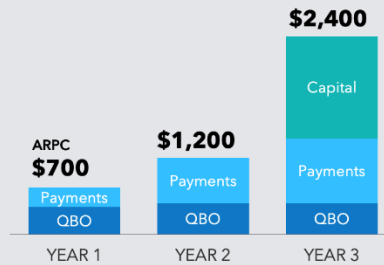
## Single platform that flexes to each customer's journey

Now becoming "the source of truth for your business"



**POTTERY STUDIO OWNER**

Ana starts with QBO and payments for her pottery studio. Her marketing campaigns for summer classes are going better than expected, so she takes a loan through QB Capital to stock up on supplies to meet demand.



**DOG GROOMER**

Marissa opens her shop and uses QuickBooks Self-Employed to stay on top of her books. She adds Payments to make it easier for her customers to pay her and for her to get paid. In year 3, she hires a contract employee and attaches payroll to her new, upgraded, QuickBooks Online account.



**CAFÉ OWNER**

**\$6,700**

Capital

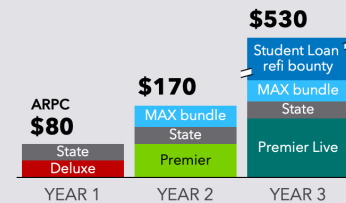
## Single platform that flexes to each customer's journey

Now maximizing your tax refund and helping you unlock smart money decisions



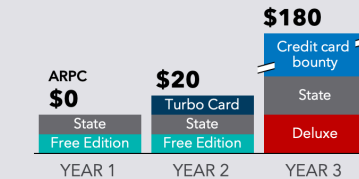
**RECENT COLLEGE GRAD**

Emma started in TTO Deluxe as she filed her federal & state taxes with itemized deductions. She moved to Premier as she began dabbling in stocks, moving to Premier Live as her RSUs began to vest in Year 3. Along the way, she added the peace of mind with Audit Defense in the MAX bundle. She eventually refinanced her student loans through a Turbo offer.



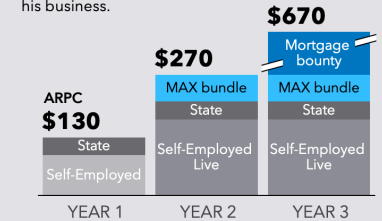
**RETAIL EMPLOYEE**

As a single filer, Tracy easily filed her 1040, without any schedules, in the TTO Free Federal Edition for no cost. She didn't have a bank account, so instead of waiting for a check again, she chose to deposit her federal refund onto a Turbo Card for free in Year 2. In Year 3, Tracy was married and filed itemized deductions in Deluxe through Turbo, lowering their monthly payments to continue investing in his business.



**FREELANCE WEDDING PHOTOGRAPHER**

Jeff decided to pursue a hobby in photography with a side gig documenting weddings and filing in TTO Self-Employed. By Year 2, he found enough success to quit his day job to turn his passion into a career. Because of the added complexity of significant business expenses, Jeff traded up to TT Live SE and added the MAX bundle. In Year 3, Jeff refinanced his mortgage through Turbo, lowering his monthly payments to continue investing in his business.



intuit

# ARPC: Improved monetization over time

	FY'18 ARPC	FY'19 ARPC	FY'20- FY'22 EXPECTED TRAJECTORY
<b>QuickBooks Online US</b>	\$490	\$553	<b>INCREASE</b> <i>Maturing base, online services and new product innovation (e.g. QB Live and QBO Advanced)</i>
<b>QuickBooks Non - US</b>	\$123	\$116	<b>INCREASE</b> <i>Maturing base, lower discounting</i>
<b>QuickBooks SE</b>	\$115	\$94	<b>FLAT</b> <i>Maturing base offset by mix shift towards non-U.S. base</i>
<b>QuickBooks Online WW</b>	\$341	\$347	<b>INCREASE</b> <i>Maturing base, online services, and new product innovation offset by mix shift towards SE and non-U.S. base</i>
<b>QuickBooks Desktop</b>	\$574	\$623	<b>INCREASE</b> <i>Enterprise growth, retention of customers with complex needs</i>
<b>Consumer Tax</b> (per return)	\$58	\$62	<b>INCREASE</b> <i>Growth of assisted offerings driving higher ARPC</i>
<b>ProConnect</b> (avg. order per customer)	\$3,454	\$3,564	<b>SLIGHT INCREASE</b> <i>Mix and attach offerings</i>

# Disciplined investment: Drives operating income growth

Focus is on durable customer and revenue growth; manage operating margin at Intuit level

GAAP BASIS, UNLESS NOTED OTHERWISE	FY'19 % OF REVENUE	LONG-TERM EXPECTATION
Revenue	100	Double-digit growth driven by customers
Gross margin	83	~ % flat over time
Sales & marketing	28	Governed by LTV to CAC
Research & development	18	19-20% of revenue
General & administrative	9	% declines over time
Operating income margin	27	Operating income grows faster than revenue
Operating income margin (Non-GAAP)	34	Operating income grows faster than revenue



# Prioritizing investment opportunities is in our DNA

Investing to drive customer, revenue and operating income growth

## INVESTING IN HIGHEST-YIELDING OPPORTUNITIES

- Investing to drive durable growth
- Focusing on opportunities that will accelerate speed and velocity
- Making deliberate trade offs and investment decisions based on our financial principles

## AREAS OF INVESTMENT INCLUDE:

**REVOLUTIONIZE SPEED TO BENEFIT**

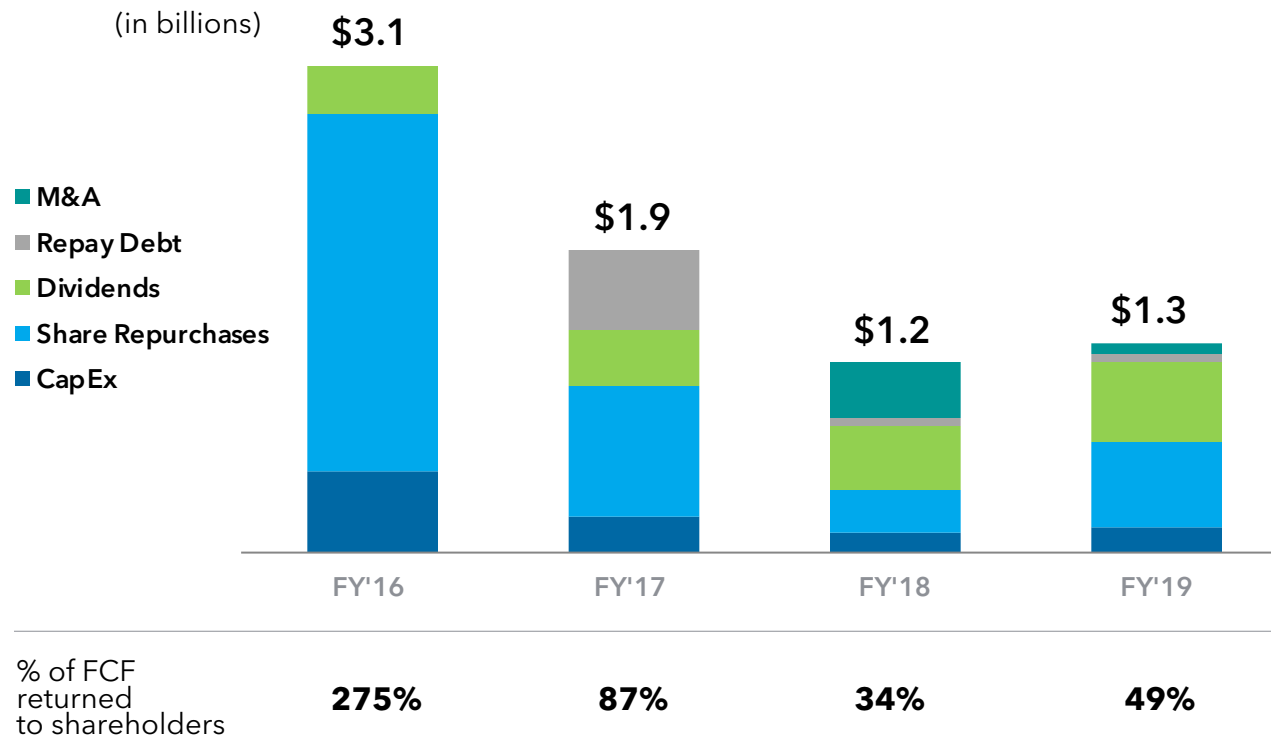
**CONNECT PEOPLE TO EXPERTS**

**UNLOCK SMART MONEY DECISIONS**

**BE THE CENTER OF SMALL BUSINESS GROWTH**

**DISRUPT THE SMALL BUSINESS MID-MARKET**

# Overall capital allocation



## A HEALTHY MIX OF USES OF CAPITAL

- Investing in organic growth drivers (R&D, infrastructure, sales & marketing)
- Use acquisitions to accelerate growth in talent and technology and fill out our product roadmap
- 13% increase in cash dividend in FY'20
- % of FCF returned to shareholders remains strong
- Expect capex as % of revenue ~2-3% going forward

# Share repurchase guiding principles

Our intent is to be in the market each quarter, guided by these principles

## SHARE REPURCHASE IS USED TO RETURN CASH TO SHAREHOLDERS IN THE ABSENCE OF ACCEPTABLE INVESTMENT OPPORTUNITIES

1

**At a maximum, we limit repurchase amounts to:**

- Cash in excess of liquidity needs
- Price level defined by “smart grid” to exceed cost of capital on average

2

**At a minimum, we expect share repurchases to offset dilution from stock-based compensation over a 3-year period**

# FY'20 guidance: Double-digit revenue growth

	GUIDANCE	GROWTH
<b>TOTAL REVENUE</b>	<b>\$7,440 - \$7,540</b>	<b>10% - 11%</b>
Small Business & Self-Employed	\$3,945 - \$4,015	12% - 14%
Consumer	\$3,015 - \$3,040	9% - 10%
Strategic Partner	\$480 - \$485	1% - 2%

(in millions)

# FY'20 guidance: Double-digit operating income growth

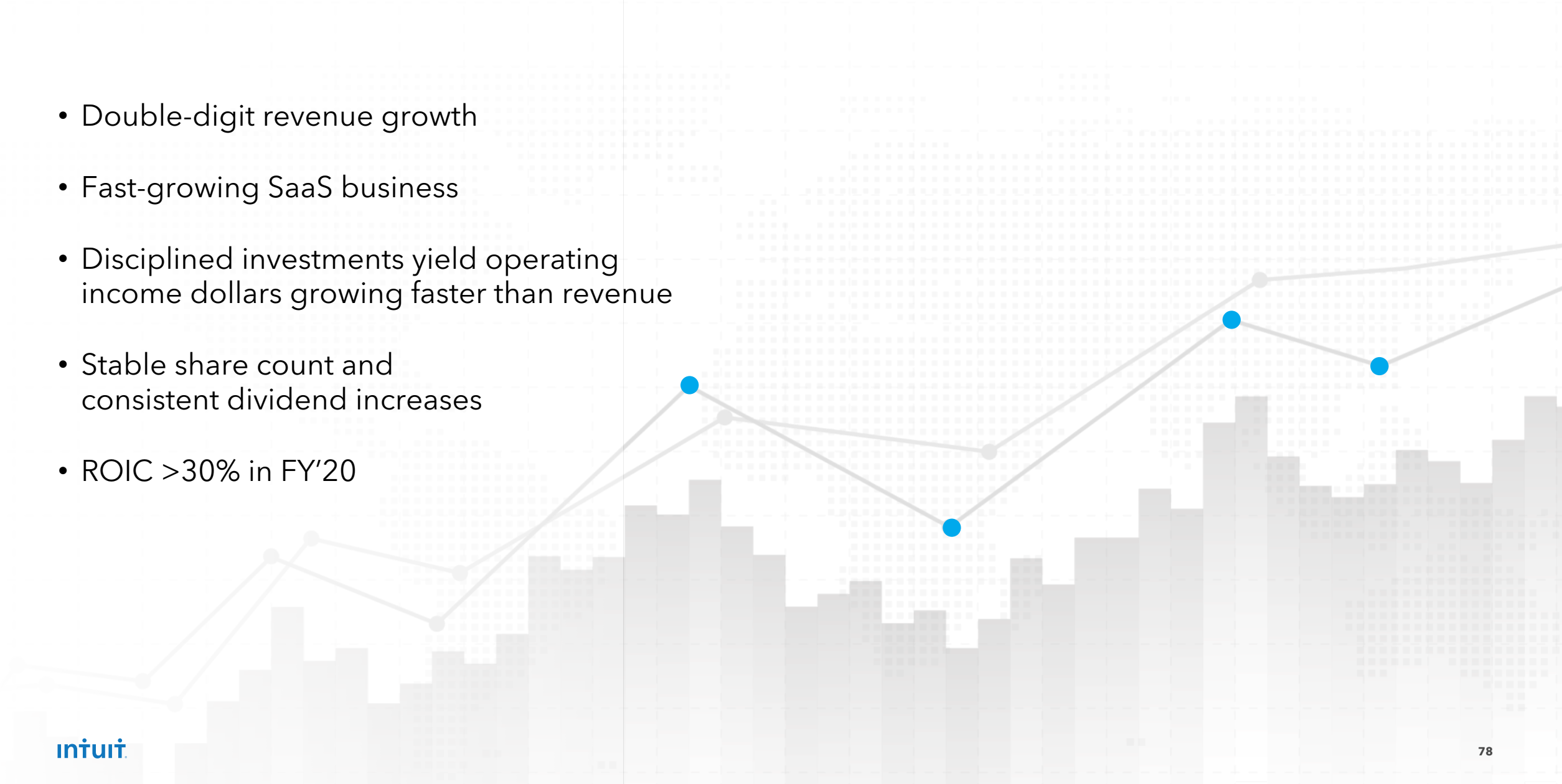
Operating income growing faster than revenue

	GUIDANCE	GROWTH
GAAP op income	\$2,065 - \$2,115	11% - 14%
Non-GAAP op income	\$2,515 - \$2,565	10% - 12%
GAAP diluted EPS	\$6.35 - \$6.45	8% - 10%
Non-GAAP diluted EPS	\$7.50 - \$7.60	11% - 13%
Dividend per share	\$2.12	13%

(in millions, except EPS and dividend per share)

# Large market opportunity, focused on execution excellence

- Double-digit revenue growth
- Fast-growing SaaS business
- Disciplined investments yield operating income dollars growing faster than revenue
- Stable share count and consistent dividend increases
- ROIC >30% in FY'20



# Q&A

# Appendix



# About non-GAAP financial measures

The accompanying presentation contains non-GAAP financial measures. Table 1, Table 2, and Table 3 reconcile the non-GAAP financial measures in that presentation to the most directly comparable financial measures prepared in accordance with Generally Accepted Accounting Principles (GAAP). These non-GAAP financial measures include non-GAAP operating income (loss), non-GAAP net income (loss) and non-GAAP net income (loss) per share.

Non-GAAP financial measures should not be considered as a substitute for, or superior to, measures of financial performance prepared in accordance with GAAP. These non-GAAP financial measures do not reflect a comprehensive system of accounting, differ from GAAP measures with the same names, and may differ from non-GAAP financial measures with the same or similar names that are used by other companies.

We compute non-GAAP financial measures using the same consistent method from quarter to quarter and year to year. We may consider whether other significant items that arise in the future should be excluded from our non-GAAP financial measures.

We exclude the following items from all of our non-GAAP financial measures:

- Share-based compensation expense
- Amortization of acquired technology
- Amortization of other acquired intangible assets
- Goodwill and intangible asset impairment charges
- Gains and losses on disposals of businesses and long-lived assets
- Professional fees for business combinations

We also exclude the following items from non-GAAP net income (loss) and diluted net income (loss) per share:

- Gains and losses on debt and equity securities and other investments
- Income tax effects and adjustments
- Discontinued operations

We believe that these non-GAAP financial measures provide meaningful supplemental information regarding Intuit's operating results primarily because they exclude amounts that we do not consider part of ongoing operating results when planning and forecasting and when assessing the performance of the organization, our individual operating segments, or our senior management. We believe our non-GAAP financial measures also facilitate the comparison by management and investors of results for current periods and guidance for future periods with results for past periods.

# About non-GAAP financial measures (cont.)

The following are descriptions of the items we exclude from our non-GAAP financial measures.

*Share-based compensation expenses.* These consist of non-cash expenses for stock options, restricted stock units, and our Employee Stock Purchase Plan. When considering the impact of equity awards, we place greater emphasis on overall shareholder dilution rather than the accounting charges associated with those awards.

*Amortization of acquired technology and amortization of other acquired intangible assets.* When we acquire an entity, we are required by GAAP to record the fair values of the intangible assets of the entity and amortize them over their useful lives. Amortization of acquired technology in cost of revenue includes amortization of software and other technology assets of acquired entities. Amortization of other acquired intangible assets in operating expenses includes amortization of assets such as customer lists, covenants not to compete, and trade names.

*Goodwill and intangible asset impairment charges.* We exclude from our non-GAAP financial measures non-cash charges to adjust the carrying values of goodwill and other acquired intangible assets to their estimated fair values.

*Gains and losses on disposals of businesses and long-lived assets.* We exclude from our non-GAAP financial measures gains and losses on disposals of businesses and long-lived assets because they are unrelated to our ongoing business operating results.

*Professional fees for business combinations.* We exclude from our non-GAAP financial measures the professional fees we incur to complete business combinations. These include investment banking, legal, and accounting fees.

*Gains and losses on debt and equity securities and other investments.* We exclude from our non-GAAP financial measures gains and losses that we record when we sell or impair available-for-sale debt and equity securities and other investments.

*Income tax effects and adjustments.* We use a long-term non-GAAP tax rate for evaluating operating results and for planning, forecasting, and analyzing future periods. This long-term non-GAAP tax rate excludes the income tax effects of the non-GAAP pre-tax adjustments described above, and eliminates the effects of non-recurring and period specific items which can vary in size and frequency. The long term rate includes the effect of the reduction in the U.S. federal statutory rate to 21%, as a result of the 2017 Tax Cuts and Jobs Act (2017 Tax Act). As the change in the U.S. federal statutory rate, as a result of the 2017 Tax Act, occurred in the second quarter of our fiscal 2018, the calculation of our fiscal 2019 long-term non-GAAP rate references only our current forecast considerations and is equal to the average of our forecasted tax rates over our long term forecast period. For our fiscal 2020, the rate references our current long-term projections and is consistent with our past post tax reform fiscal year tax rate. Based on our current long-term projections, we are using a long-term non-GAAP tax rate of 23% for fiscal 2019 and 2020. This long-term non-GAAP tax rate could be subject to change for various reasons including significant changes in our geographic earnings mix or fundamental tax law changes in major jurisdictions in which we operate. We will evaluate this long-term non-GAAP tax rate on an annual basis and whenever any significant events occur which may materially affect this rate.

In the first quarter of fiscal 2018 we used a long-term non-GAAP tax rate for evaluating operating results and for planning, forecasting, and analyzing future periods. This long-term non-GAAP tax rate excluded the income tax effects of the non-GAAP pre-tax adjustments described above and eliminated the effects of non-recurring and period-specific items which can vary in size and frequency. This rate was consistent with the average of our normalized fiscal year tax rate over a four year period that included the past three fiscal years plus the current fiscal year forecast. Based on our current long-term projections at that time we used a long-term non-GAAP tax rate of 33%.

Starting in the second quarter of our fiscal 2018, we revised our estimated annual non-GAAP tax rate to reflect the change in the U.S. federal statutory rate, as a result of the 2017 Tax Act. The federal statutory rate change to 21%, was effective January 1, 2018, and therefore, the change resulted in a blended U.S. federal statutory rate of 26.9% for our fiscal 2018. Because of the transitional impact of the 2017 Tax Act provisions, the fiscal 2018 non-GAAP tax rate starting with the second quarter was based on our current year results only, without reference to long-term forecasts. This non-GAAP tax rate similarly excluded the income tax effects of the non-GAAP pre-tax adjustments described above and eliminated the effects of the non-recurring and period specific items. The full year fiscal 2018 non-GAAP tax rate was 26.2%.

*Operating results and gains and losses on the sale of discontinued operations.* From time to time, we sell or otherwise dispose of selected operations as we adjust our portfolio of businesses to meet our strategic goals. In accordance with GAAP, we segregate the operating results of discontinued operations as well as gains and losses on the sale of these discontinued operations from continuing operations on our GAAP statements of operations but continue to include them in GAAP net income or loss and net income or loss per share. We exclude these amounts from our non-GAAP financial measures.

The reconciliations of the forward-looking non-GAAP financial measures to the most directly comparable GAAP financial measures in Table 2 include all information reasonably available to Intuit at the date of this press release. These tables include adjustments that we can reasonably predict. Events that could cause the reconciliation to change include acquisitions and divestitures of businesses, goodwill and other asset impairments, sales of available-for-sale debt securities and other investments, and disposals of businesses and long-lived assets.

# Table 1: Reconciliations of historical non-GAAP financial measures to the most directly comparable GAAP financial measures

(Dollars in millions, except per share amounts)

	Fiscal 2019	Fiscal 2018*
<b>GAAP operating income</b>	<b>\$ 1,854</b>	<b>\$ 1,560</b>
Amortization of acquired technology	20	15
Amortization of other acquired intangible assets	6	6
Professional fees for business combinations	1	2
Loss on sale of long-lived assets	-	79
Share-based compensation expense	401	382
<b>Non-GAAP operating income</b>	<b>\$ 2,282</b>	<b>\$ 2,044</b>
<b>GAAP net income</b>	<b>\$ 1,557</b>	<b>\$ 1,329</b>
Amortization of acquired technology	20	15
Amortization of other acquired intangible assets	6	6
Professional fees for business combinations	1	2
Loss on sale of long-lived assets	-	79
Share-based compensation expense	401	382
Net loss on debt securities and other investments	6	6
Other income from divested businesses [A]	-	(8)
2017 Tax Act [B]	-	(29)
Other income tax effects and adjustments [C]	(209)	(271)
<b>Non-GAAP net income</b>	<b>\$ 1,782</b>	<b>\$ 1,511</b>
<b>GAAP diluted net income per share</b>	<b>\$ 5.89</b>	<b>\$ 5.09</b>
<b>Non-GAAP diluted net income per share</b>	<b>\$ 6.75</b>	<b>\$ 5.78</b>
<b>Shares used in diluted per share amounts</b>	<b>264</b>	<b>261</b>
<b>Non-GAAP tax rate</b>	<b>23.0%</b>	<b>26.2%</b>

\* Information has been restated for the adoption of ASU 2014-09, Revenue from Contracts with Customers (Topic 606), which we adopted on August 1, 2018.

See "About Non-GAAP Financial Measures" immediately preceding Table 1 for information on these measures, the items excluded from the most directly comparable GAAP measures in arriving at non-GAAP financial measures, and the reasons management uses each measure and excludes the specified amounts in arriving at each non-GAAP financial measure.

[A] During the three months ended April 30, 2018, we received payments from contingent earn out provisions related to businesses we previously divested.

[B] The 2017 Tax Act adjustment relates to the provisional tax benefit for the re-measurement of deferred tax balances at the enacted lower tax rate.

[C] As discussed in "About Non-GAAP Financial Measures - Income Tax Effects and Adjustments" immediately preceding this Table 1, our non-GAAP tax rate eliminates the effects of non-recurring and period-specific items. Other income tax adjustments consist primarily of the tax impact of the non-GAAP pre-tax adjustments, which includes the loss on the sale of long-lived assets; the excess tax benefits on share-based compensation; and the tax benefits

## Table 2: Reconciliations of forward-looking guidance for non-GAAP financial measures to projected GAAP revenue, operating income and EPS

(In millions, except per share amounts)

	Forward-Looking Guidance				
	GAAP		Adjustments	Non-GAAP	
	Range of Estimate			Range of Estimate	
From	To	From	To		
<b>Twelve Months Ending July 31, 2020</b>					
Revenue	\$ 7,440	\$ 7,540	\$ -	\$ 7,440	\$ 7,540
Operating income	\$ 2,065	\$ 2,115	\$ 450 [a]	\$ 2,515	\$ 2,565
Diluted earnings per share	\$ 6.35	\$ 6.45	\$ 1.15 [b]	\$ 7.50	\$ 7.60

See "About Non-GAAP Financial Measures" immediately preceding Table 1 for information on these measures, the items excluded from the most directly comparable GAAP measures in arriving at non-GAAP financial measures, and the reasons management uses each measure and excludes the specified amounts in arriving at each non-GAAP financial measure.

[a] Reflects estimated adjustments for share-based compensation expense of approximately \$423 million; amortization of acquired technology of approximately \$21 million; and amortization of other acquired intangible assets of approximately \$6 million.

[b] Reflects the estimated adjustments in item [a], income taxes related to these adjustments, and other income tax effects related to the use of the long-term non-GAAP tax rate.

# Table 3: Calculation of free cash flow

(Dollars in millions)

	<u>Fiscal 2016</u>	<u>Fiscal 2017</u>	<u>Fiscal 2018</u>	<u>Fiscal 2019</u>
Net cash provided by operating activities	\$ 1,460	\$ 1,599	\$ 2,112	\$ 2,324
Less capital expenditures:				
Purchases of property and equipment	(416)	(102)	(38)	(76)
Capitalization of internal use software	(106)	(128)	(86)	(79)
Total capital expenditures	<u>(522)</u>	<u>(230)</u>	<u>(124)</u>	<u>(155)</u>
Free cash flow	<u>\$ 938</u>	<u>\$ 1,369</u>	<u>\$ 1,988</u>	<u>\$ 2,169</u>

To supplement our statements of cash flows prepared in accordance with GAAP, we use free cash flow to analyze cash flow generated from operations. We define free cash flow as net cash provided by operating activities less total capital expenditures. This non-GAAP financial measure should not be considered as a substitute for, or superior to, GAAP net income as an indicator of our operating performance or GAAP cash flows from operating activities as a measure of our liquidity.

# Cautions about forward-looking statements

This presentation includes "forward-looking statements," which are subject to safe harbors created under the U.S. federal securities laws. All statements included in this presentation that address activities, events or developments that Intuit expects, believes or anticipates will or may occur in the future or that are not otherwise statements of historical fact are forward-looking statements, including, without limitation: our expected market, customer and share growth; our goals and our ability to achieve those goals and their impact on our business; our opportunities and strategies to grow our business; our expected revenue, operating income and earnings per share results and growth; our expectations regarding future dividends, share repurchases and ROIC; our expectations for our product and service offerings; our expectations regarding areas of increased investment and future market trends.

Because these forward-looking statements involve risks and uncertainties, there are important factors that could cause our actual results to differ materially from the expectations expressed in the forward-looking statements. These factors include, without limitation, the following: our ability to compete successfully; our participation in the Free File Alliance; potential governmental encroachment in our tax businesses; our ability to adapt to technological change; our ability to predict consumer behavior; our reliance on third-party intellectual property; our ability to protect our intellectual property rights; any harm to our reputation; risks associated with acquisition and divestiture activity; the issuance of equity or incurrence of debt to fund an acquisition; our cybersecurity incidents (including those affecting the third parties we rely on); customer concerns about privacy and cybersecurity incidents; fraudulent activities by third parties using our offerings; our failure to process transactions effectively; interruption or failure of our information technology; our ability to maintain critical third-party business relationships; our ability to attract and retain talent; any deficiency in the quality or accuracy of our products (including the advice given by experts on our platform); any delays in product launches; difficulties in processing or filing customer tax submissions; risks associated with international operations; changes to public policy, laws or regulations affecting our businesses; litigation in which we are involved; the seasonal nature of our tax business; changes in tax rates and tax reform legislation; global economic changes; exposure to credit risk of the businesses we provide capital to; amortization of acquired intangible assets and impairment charges; our ability to repay outstanding debt; our ability to repurchase shares or distribute dividends; volatility of our stock price; and our ability to successfully market our offerings. More details about these and other risks that may impact our business are included in our Form 10-K for fiscal 2019 and in our other SEC filings. You can locate these reports through our website at <http://investors.intuit.com>. Fiscal 2020 guidance speaks only as of the date it was publicly issued by Intuit. Other forward-looking statements represent the judgment of the management of Intuit as of the date of this presentation. We do not undertake any duty to update any forward-looking statement or other information in this presentation.