

# ASC 606

August 23, 2018

# Overview

- New Revenue Accounting Standard
- What's Changing for Intuit
- Key Changes
  - QuickBooks Desktop units
  - QuickBooks Desktop software subscription offerings
  - Consumer tax desktop offerings
  - Professional tax desktop offerings
- Detailed Impact to Intuit's reported results
- Appendix

# New revenue accounting standard (606)

Global principles-  
based model

## Step 1

Identifying the contract with the customer

## Step 2

Identify the separate performance obligations in the contract

## Step 3

Determine the transaction price

## Step 4

Allocate the transaction price to separate performance obligations

## Step 5

Recognize revenue when (or as) the entity satisfies a performance obligation

# What's changing for Intuit?

Effective for Intuit beginning August 1, 2018 (Q1 of our Fiscal Year 2019)

## What Doesn't Change?

- Revenue recognition for all online offerings, supplies and desktop payroll and payments
- Customer billings and cash flow

## What Changes?

- Revenue recognition for:
  - QuickBooks Desktop units
  - QuickBooks Desktop software subscription offerings
  - Consumer tax desktop offerings
  - Professional tax desktop offerings
- Allocation of revenue between Consumer and Small Business & Self-Employed groups related to Turbo Tax Self-Employed offering
- Capitalization of commissions for Small Business & Self-Employed subscription offerings - immaterial impact

## QuickBooks Desktop Units

A QuickBooks Desktop unit includes a software license, enhancements and connected services.

**Example:** A single QuickBooks Desktop unit with enhancements and connected services.

Year	1	2	3
<b>New Standard (606)</b>			
Amount Invoiced	\$ 120	-	-
<b>GAAP Revenue</b>	<b>120</b>	-	-
Deferred Revenue	-	-	-
<b>Previous Standard (605)</b>			
Amount Invoiced	\$ 120		
<b>GAAP Revenue</b>	<b>40</b>	<b>40</b>	<b>40</b>
Deferred Revenue	80	40	-

### What Doesn't Change?

- Customer billings and cash flow

### What Changes?

- Under 606, QuickBooks Desktop unit revenue is recognized immediately upon delivery of software license. Enhancements and connected services are considered immaterial.
- Under the previous standard, revenue was recognized ratably over period the enhancements and connected services were provided, which was approximately 3 years.

# QuickBooks Desktop Software Subscriptions

Our QuickBooks desktop software subscriptions include our Pro, Premier, Enterprise, and Accountant versions.

These subscription offerings include a software license, version protection, enhancements, support and connected services.

**Example:** A QuickBooks desktop enterprise sale invoiced on November 1<sup>st</sup>, with version protection delivered in Q1.

	FY1	FY1	FY1	FY2
Quarter	Q2	Q3	Q4	Q1
<b>New Standard (606)</b>				
Amount Invoiced	\$ 3,200			
<b>GAAP Revenue</b>	<b>1,800</b>	<b>200</b>	<b>200</b>	<b>1,000</b>
Deferred Revenue	1,400	1,200	1,000	
<b>Previous Standard (605)</b>				
Amount Invoiced	\$ 3,200			
<b>GAAP Revenue</b>	<b>800</b>	<b>800</b>	<b>800</b>	<b>800</b>
Deferred Revenue	2,400	1,600	800	

## What Doesn't Change?

- Customer billings and cash flow

## What Changes?

- Under 606, QuickBooks desktop software subscription revenue is recognized as performance obligations (PO) are delivered. Enhancements are considered immaterial.
- Under 606, each PO is recognized as follows:
  - Approximately half of the revenue is allocated to the software license and recognized immediately upon delivery of the license.
  - Approximately one quarter of the revenue is allocated to version protection and recognized upon delivery of the newest version (typically fiscal Q1).
  - The remaining one quarter of revenue is allocated to support and connected services and is recognized ratably over the subscription term (approximately 1 year).
- Under the previous standard revenue was recognized ratably over the subscription term (approximately 1 year). Version protection was provided on a when and if available basis.

# Consumer Tax Desktop Offering

Our Consumer tax desktop offering includes a software license, tax form updates, e-file service and connected services.

**Example:** A Consumer tax desktop sale invoiced in fiscal Q2

	FY1	FY1	FY1	FY2
Quarter	Q2	Q3	Q4	Q1
<b>New Standard (606)</b>				
Amount Invoiced	\$ 100			
<b>GAAP Revenue</b>	<b>50</b>	<b>48</b>	<b>1</b>	<b>1</b>
Deferred Revenue	50	2	1	-
<b>Previous Standard (605)</b>				
Amount Invoiced	\$ 100			
<b>GAAP Revenue</b>	<b>5</b>	<b>92</b>	<b>3</b>	-
Deferred Revenue	95	3	-	-

## What Doesn't Change?

- Customer billings and cash flow

## What Changes?

- Under 606:
  - Approximately half of the desktop offering revenue is allocated to the software license and related tax form updates and recognized as forms and updates are delivered (typically fiscal Q2)\*\*.
  - Remaining desktop offering revenue is allocated to e-file and connected services and is recognized as the services are provided (when e-file services are transferred to the customer).
- Under the previous standard, we recognized all of the desktop offering revenue as the services were provided (when e-file services are transferred to the customer).
- Slightly more Consumer Group revenue will be recognized in our fiscal Q2 versus Q3.

\*\* Delayed forms delivery could impact timing of quarterly revenue.

# Professional Tax Desktop Offering\*

Our professional tax desktop offering includes a software license, tax form updates, e-file service and connected services.

**Example:** A professional tax desktop sale invoiced in fiscal Q2

	FY1	FY1	FY1	FY2	FY2
Quarter	Q2	Q3	Q4	Q1	Q2
<b>New Standard (606)</b>					
Amount Invoiced	\$ 6,000				
<b>GAAP Revenue</b>	<b>4,350</b>	<b>1,550</b>	<b>30</b>	<b>65</b>	<b>5</b>
Deferred Revenue	1,650	100	70	5	-
<b>Previous Standard (605)</b>					
Amount Invoiced	\$ 6,000				
<b>GAAP Revenue</b>	<b>150</b>	<b>1,850</b>	<b>1,500</b>	<b>1,500</b>	<b>1,000</b>
Deferred Revenue	5,850	4,000	2,500	1,000	-

\* Professional tax desktop revenue is included in the Strategic Partner Group

## What Doesn't Change?

- Customer billings and cash flow

## What Changes?

- Under 606:
  - Most of the desktop offering revenue is allocated to the software license and related tax form updates, and recognized as forms and updates are delivered (typically fiscal Q2 and Q3)\*\*.
  - Remaining desktop offering revenue is allocated to the e-file and connected services and recognized as the services are provided (when e-file services are transferred to the customer).
- Under the previous standard we recognized all of the desktop offering revenue as the services were provided over the calendar year.
- Substantially all of our professional tax revenue will be recognized in fiscal Q2 and Q3 versus ratably over the calendar year.

\*\* Delayed forms delivery could impact timing of quarterly revenue



# Restated Income Summary

	FY'17			FY'18			FY'18 Growth		
	Previous Standard	New Standard	Change	Previous Standard	New Standard	Change	Previous Standard	New Standard	Change
	(605)	(606)		(605)	(606)		(605)	(606)	
<i>(GAAP USD in \$millions, except per share)</i>									
<b>Revenue</b>	\$5,177	\$5,196	\$19	\$5,964	\$6,025	\$61	15%	16%	1%
Gross Margin	4,368	4,386	18	4,987	5,047	60	14%	15%	1%
Operating Income	1,395	1,418	23	1,497	1,560	63	7%	10%	3%
<b>Net Income</b>	971	985	14	1,211	1,329	118	25%	35%	10%
<b>Diluted EPS</b>	\$3.72	\$3.78	\$0.06	\$4.64	\$5.09	\$0.45	25%	35%	10%

	FY'17			FY'18			FY'18 Growth		
	Previous Standard	New Standard	Change	Previous Standard	New Standard	Change	Previous Standard	New Standard	Change
	(605)	(606)		(605)	(606)		(605)	(606)	
<i>(Non-GAAP USD in \$millions, except per share)</i>									
<b>Revenue</b>	\$5,177	\$5,196	\$19	\$5,964	\$6,025	\$61	15%	16%	1%
Gross Margin	4,388	4,406	18	5,045	5,105	60	15%	16%	1%
Operating Income	1,735	1,758	23	1,981	2,044	63	14%	16%	2%
<b>Net Income</b>	1,150	1,166	16	1,465	1,511	46	27%	30%	3%
<b>Diluted EPS</b>	\$4.41	\$4.47	\$0.06	\$5.61	\$5.78	\$0.17	27%	29%	2%

Numbers may not agree with the sum of the components, nor with SEC filing(s), due to immaterial rounding adjustments

# Restated Income Statement

**FY'17**

(GAAP USD in \$millions, except per share)

	Previous Standard (605)					New Standard (606)					Change				
	Q1	Q2	Q3	Q4	FY'17	Q1	Q2	Q3	Q4	FY'17	Q1	Q2	Q3	Q4	FY'17
<b>Revenue</b>	\$778	\$1,016	\$2,541	\$842	\$5,177	\$810	\$1,193	\$2,481	\$712	\$5,196	\$32	\$177	(\$60)	(\$130)	\$19
Gross Margin	595	810	2,304	659	4,368	626	987	2,244	529	4,386	31	177	(60)	(130)	18
Operating Income	(61)	22	1,444	(10)	1,395	(29)	201	1,385	(139)	1,418	32	179	(59)	(129)	23
<b>Net Income</b>	<b>(30)</b>	<b>13</b>	<b>964</b>	<b>24</b>	<b>971</b>	<b>(10)</b>	<b>125</b>	<b>927</b>	<b>(57)</b>	<b>985</b>	<b>20</b>	<b>112</b>	<b>(37)</b>	<b>(81)</b>	<b>14</b>
<b>Diluted EPS</b>	<b>(\$0.12)</b>	<b>\$0.05</b>	<b>\$3.70</b>	<b>\$0.09</b>	<b>\$3.72</b>	<b>(\$0.04)</b>	<b>\$0.48</b>	<b>\$3.56</b>	<b>(\$0.22)</b>	<b>\$3.78</b>	<b>\$0.08</b>	<b>\$0.43</b>	<b>(\$0.14)</b>	<b>(\$0.31)</b>	<b>\$0.06</b>

(Non-GAAP USD in \$millions, except per share)

	Previous Standard (605)					New Standard (606)					Change				
	Q1	Q2	Q3	Q4	FY'17	Q1	Q2	Q3	Q4	FY'17	Q1	Q2	Q3	Q4	FY'17
<b>Revenue</b>	\$778	\$1,016	\$2,541	\$842	\$5,177	\$810	\$1,193	\$2,481	\$712	\$5,196	\$32	\$177	(\$60)	(\$130)	\$19
Gross Margin	600	815	2,309	664	4,388	631	992	2,249	534	4,406	31	177	(60)	(130)	18
Operating Income	32	106	1,519	78	1,735	64	285	1,460	(51)	1,758	32	179	(59)	(129)	23
<b>Net Income</b>	<b>15</b>	<b>67</b>	<b>1,015</b>	<b>53</b>	<b>1,150</b>	<b>36</b>	<b>187</b>	<b>976</b>	<b>(33)</b>	<b>1,166</b>	<b>21</b>	<b>120</b>	<b>(39)</b>	<b>(86)</b>	<b>16</b>
<b>Diluted EPS</b>	<b>\$0.06</b>	<b>\$0.26</b>	<b>\$3.90</b>	<b>\$0.20</b>	<b>\$4.41</b>	<b>\$0.14</b>	<b>\$0.72</b>	<b>\$3.75</b>	<b>(\$0.13)</b>	<b>\$4.47</b>	<b>\$0.08</b>	<b>\$0.46</b>	<b>(\$0.15)</b>	<b>(\$0.33)</b>	<b>\$0.06</b>

**FY'18**

(GAAP USD in \$millions, except per share)

	Previous Standard (605)					New Standard (606)					Change				
	Q1	Q2	Q3	Q4	FY'18	Q1	Q2	Q3	Q4	FY'18	Q1	Q2	Q3	Q4	FY'18
<b>Revenue</b>	\$886	\$1,165	\$2,925	\$988	\$5,964	\$910	\$1,339	\$2,912	\$864	\$6,025	\$24	\$174	(\$13)	(\$124)	\$61
Gross Margin	690	919	2,621	757	4,987	712	1,093	2,607	635	5,047	22	174	(14)	(122)	60
Operating Income	(57)	20	1,615	(81)	1,497	(35)	194	1,601	(200)	1,560	22	174	(14)	(119)	63
<b>Net Income</b>	<b>(17)</b>	<b>(21)</b>	<b>1,200</b>	<b>49</b>	<b>1,211</b>	<b>(2)</b>	<b>183</b>	<b>1,186</b>	<b>(38)</b>	<b>1,329</b>	<b>15</b>	<b>204</b>	<b>(14)</b>	<b>(87)</b>	<b>118</b>
<b>Diluted EPS</b>	<b>(\$0.07)</b>	<b>(\$0.08)</b>	<b>\$4.59</b>	<b>\$0.18</b>	<b>\$4.64</b>	<b>(\$0.01)</b>	<b>\$0.70</b>	<b>\$4.53</b>	<b>(\$0.15)</b>	<b>\$5.09</b>	<b>\$0.06</b>	<b>\$0.78</b>	<b>(\$0.06)</b>	<b>(\$0.33)</b>	<b>\$0.45</b>

(Non-GAAP USD in \$millions, except per share)

	Previous Standard (605)					New Standard (606)					Change				
	Q1	Q2	Q3	Q4	FY'18	Q1	Q2	Q3	Q4	FY'18	Q1	Q2	Q3	Q4	FY'18
<b>Revenue</b>	\$886	\$1,165	\$2,925	\$988	\$5,964	\$910	\$1,339	\$2,912	\$864	\$6,025	\$24	\$174	(\$13)	(\$124)	\$61
Gross Margin	695	935	2,640	775	5,045	717	1,109	2,626	653	5,105	22	174	(14)	(122)	60
Operating Income	43	120	1,714	104	1,981	65	294	1,700	(15)	2,044	22	174	(14)	(119)	63
<b>Net Income</b>	<b>29</b>	<b>91</b>	<b>1,260</b>	<b>85</b>	<b>1,465</b>	<b>44</b>	<b>219</b>	<b>1,251</b>	<b>(3)</b>	<b>1,511</b>	<b>15</b>	<b>128</b>	<b>(9)</b>	<b>(88)</b>	<b>46</b>
<b>Diluted EPS</b>	<b>\$0.11</b>	<b>\$0.35</b>	<b>\$4.82</b>	<b>\$0.32</b>	<b>\$5.61</b>	<b>\$0.17</b>	<b>\$0.84</b>	<b>\$4.78</b>	<b>(\$0.01)</b>	<b>\$5.78</b>	<b>\$0.06</b>	<b>\$0.49</b>	<b>(\$0.04)</b>	<b>(\$0.33)</b>	<b>\$0.17</b>

Numbers may not agree with the sum of the components, nor with SEC filing(s), due to immaterial rounding adjustments

# Restated Segment Revenue

	FY17					Previous Standard (605) FY18					FY'18 Growth				
(USD in \$millions)	Q1	Q2	Q3	Q4	FY'17	Q1	Q2	Q3	Q4	FY'18	Q1	Q2	Q3	Q4	FY'18
Total Online Ecosystem	\$191	\$201	\$223	\$238	\$853	\$258	\$280	\$314	\$341	\$1,193	35%	39%	41%	43%	40%
Total Desktop Ecosystem	402	417	433	434	1,686	436	456	445	464	1,801	8%	9%	3%	7%	7%
<b>Small Business &amp; Self-Employed</b>	<b>593</b>	<b>618</b>	<b>656</b>	<b>672</b>	<b>2,539</b>	<b>694</b>	<b>736</b>	<b>759</b>	<b>805</b>	<b>2,994</b>	<b>17%</b>	<b>19%</b>	<b>16%</b>	<b>20%</b>	<b>18%</b>
<b>Consumer</b>	<b>73</b>	<b>299</b>	<b>1,769</b>	<b>60</b>	<b>2,201</b>	<b>78</b>	<b>334</b>	<b>2,035</b>	<b>70</b>	<b>2,517</b>	<b>7%</b>	<b>12%</b>	<b>15%</b>	<b>17%</b>	<b>14%</b>
<b>Strategic Partner</b>	<b>112</b>	<b>99</b>	<b>116</b>	<b>110</b>	<b>437</b>	<b>114</b>	<b>95</b>	<b>131</b>	<b>113</b>	<b>453</b>	<b>2%</b>	<b>-4%</b>	<b>13%</b>	<b>3%</b>	<b>4%</b>
<b>Total Segment Revenue</b>	<b>778</b>	<b>1,016</b>	<b>2,541</b>	<b>842</b>	<b>5,177</b>	<b>886</b>	<b>1,165</b>	<b>2,925</b>	<b>988</b>	<b>5,964</b>	<b>14%</b>	<b>15%</b>	<b>15%</b>	<b>17%</b>	<b>15%</b>

  

	FY17					New Standard (606) FY18					FY'18 Growth				
(USD in \$millions)	Q1	Q2	Q3	Q4	FY'17	Q1	Q2	Q3	Q4	FY'18	Q1	Q2	Q3	Q4	FY'18
Total Online Ecosystem	\$191	\$200	\$225	\$242	\$858	\$262	\$285	\$318	\$341	\$1,206	37%	43%	41%	41%	41%
Total Desktop Ecosystem	535	395	387	399	1,716	557	428	429	441	1,855	4%	8%	11%	11%	8%
<b>Small Business &amp; Self-Employed</b>	<b>726</b>	<b>595</b>	<b>612</b>	<b>641</b>	<b>2,574</b>	<b>819</b>	<b>713</b>	<b>747</b>	<b>782</b>	<b>3,061</b>	<b>13%</b>	<b>20%</b>	<b>22%</b>	<b>22%</b>	<b>19%</b>
<b>Consumer</b>	<b>67</b>	<b>390</b>	<b>1,668</b>	<b>57</b>	<b>2,182</b>	<b>74</b>	<b>416</b>	<b>1,949</b>	<b>69</b>	<b>2,508</b>	<b>10%</b>	<b>7%</b>	<b>17%</b>	<b>20%</b>	<b>15%</b>
<b>Strategic Partner</b>	<b>17</b>	<b>208</b>	<b>201</b>	<b>14</b>	<b>440</b>	<b>17</b>	<b>210</b>	<b>216</b>	<b>13</b>	<b>456</b>	<b>0%</b>	<b>1%</b>	<b>7%</b>	<b>-4%</b>	<b>4%</b>
<b>Total Segment Revenue</b>	<b>810</b>	<b>1,193</b>	<b>2,481</b>	<b>712</b>	<b>5,196</b>	<b>910</b>	<b>1,339</b>	<b>2,912</b>	<b>864</b>	<b>6,025</b>	<b>12%</b>	<b>12%</b>	<b>17%</b>	<b>21%</b>	<b>16%</b>

  

	FY17					Change FY18					FY'18 Growth				
(USD in \$millions)	Q1	Q2	Q3	Q4	FY'17	Q1	Q2	Q3	Q4	FY'18	Q1	Q2	Q3	Q4	FY'18
Total Online Ecosystem	\$0	(\$1)	\$2	\$4	\$5	\$4	\$5	\$4	\$0	\$13	2%	4%	0%	-2%	1%
Total Desktop Ecosystem	133	(22)	(46)	(35)	30	121	(28)	(16)	(23)	54	-4%	-1%	8%	4%	1%
<b>Small Business &amp; Self-Employed</b>	<b>133</b>	<b>(23)</b>	<b>(44)</b>	<b>(31)</b>	<b>35</b>	<b>125</b>	<b>(23)</b>	<b>(12)</b>	<b>(23)</b>	<b>67</b>	<b>-4%</b>	<b>1%</b>	<b>6%</b>	<b>2%</b>	<b>1%</b>
<b>Consumer</b>	<b>(6)</b>	<b>91</b>	<b>(101)</b>	<b>(3)</b>	<b>(19)</b>	<b>(4)</b>	<b>82</b>	<b>(86)</b>	<b>(1)</b>	<b>(9)</b>	<b>3%</b>	<b>-5%</b>	<b>2%</b>	<b>3%</b>	<b>1%</b>
<b>Strategic Partner</b>	<b>(95)</b>	<b>109</b>	<b>85</b>	<b>(96)</b>	<b>3</b>	<b>(97)</b>	<b>115</b>	<b>85</b>	<b>(100)</b>	<b>3</b>	<b>-2%</b>	<b>5%</b>	<b>-6%</b>	<b>-7%</b>	<b>0%</b>
<b>Total Segment Revenue</b>	<b>32</b>	<b>177</b>	<b>(60)</b>	<b>(130)</b>	<b>19</b>	<b>24</b>	<b>174</b>	<b>(13)</b>	<b>(124)</b>	<b>61</b>	<b>-2%</b>	<b>-3%</b>	<b>2%</b>	<b>4%</b>	<b>1%</b>

# Product and Service Revenue and Expense Detail

FY'17

(USD in \$millions)	Previous Standard (605)					New Standard (606)					Change				
	Q1	Q2	Q3	Q4	FY'17	Q1	Q2	Q3	Q4	FY'17	Q1	Q2	Q3	Q4	FY'17
Net Revenue:															
Product	\$297	\$299	\$467	\$313	\$1,376	\$352	\$502	\$423	\$206	\$1,483	\$55	\$203	(\$44)	(\$107)	\$107
Service and Other	481	717	2,074	529	3,801	458	691	2,058	506	3,713	(23)	(26)	(16)	(23)	(88)
<b>Total Net Revenue</b>	<b>778</b>	<b>1,016</b>	<b>2,541</b>	<b>842</b>	<b>5,177</b>	<b>810</b>	<b>1,193</b>	<b>2,481</b>	<b>712</b>	<b>5,196</b>	<b>32</b>	<b>177</b>	<b>(60)</b>	<b>(130)</b>	<b>19</b>
Costs and Expenses:															
Product	\$29	\$37	\$29	\$25	\$120	\$22	\$29	\$21	\$17	\$89	(\$7)	(\$8)	(\$8)	(\$8)	(\$31)
Service and Other	151	166	205	155	677	159	174	213	163	709	8	8	8	8	32
Amortization of Acquired Technology	3	3	3	3	12	3	3	3	3	12	0	0	0	0	0
<b>Total Cost of Revenue</b>	<b>183</b>	<b>206</b>	<b>237</b>	<b>183</b>	<b>809</b>	<b>184</b>	<b>206</b>	<b>237</b>	<b>183</b>	<b>810</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>

FY'18

(USD in \$millions)	Previous Standard (605)					New Standard (606)					Change				
	Q1	Q2	Q3	Q4	FY'18	Q1	Q2	Q3	Q4	FY'18	Q1	Q2	Q3	Q4	FY'18
Net Revenue:															
Product	\$319	\$316	\$505	\$322	\$1,462	\$370	\$529	\$479	\$246	\$1,624	\$51	\$213	(\$26)	(\$76)	\$162
Service and Other	567	849	2,420	666	4,502	540	810	2,433	618	4,401	(27)	(39)	13	(48)	(101)
<b>Total Net Revenue</b>	<b>886</b>	<b>1,165</b>	<b>2,925</b>	<b>988</b>	<b>5,964</b>	<b>910</b>	<b>1,339</b>	<b>2,912</b>	<b>864</b>	<b>6,025</b>	<b>24</b>	<b>174</b>	<b>(13)</b>	<b>(124)</b>	<b>61</b>
Costs and Expenses:															
Product	\$24	\$36	\$27	\$25	\$112	\$18	\$27	\$20	\$17	\$82	(\$6)	(\$9)	(\$7)	(\$8)	(\$30)
Service and Other	170	207	272	201	850	178	216	280	207	881	8	9	8	6	31
Amortization of Acquired Technology	2	3	5	5	15	2	3	5	5	15	0	0	0	0	0
<b>Total Cost of Revenue</b>	<b>196</b>	<b>246</b>	<b>304</b>	<b>231</b>	<b>977</b>	<b>198</b>	<b>246</b>	<b>305</b>	<b>229</b>	<b>978</b>	<b>2</b>	<b>0</b>	<b>1</b>	<b>(2)</b>	<b>1</b>

# Balance Sheet Impact

FY'17

(USD in \$millions)	Previous Standard (605)				New Standard (606)				Change			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>Assets</b>												
Cash and Cash Equivalents	\$360	\$392	\$1,350	\$529	\$360	\$392	\$1,350	\$529	\$0	\$0	\$0	\$0
Accounts Receivable	121	521	245	103	122	522	246	103	1	1	1	0
Prepaid Expenses and Other Current Assets	153	156	94	100	168	172	110	118	15	16	16	18
Other assets (long-term)	113	120	141	143	134	141	162	164	21	21	21	21
Long-term deferred income taxes	151	172	183	132	4	4	3	2	(147)	(168)	(180)	(130)
<b>Liabilities</b>												
Deferred Revenue	\$739	\$1,076	\$955	\$887	\$410	\$553	\$487	\$574	(\$329)	(\$523)	(\$468)	(\$313)
Other current liabilities (including taxes payable)	190	254	657	178	197	258	666	185	7	4	9	7
Long-Term Deferred Revenue	197	178	178	202	1	1	1	1	(196)	(177)	(177)	(201)
Other long-term obligations	144	144	150	130	201	247	219	201	57	103	69	71

FY'18

(USD in \$millions)	Previous Standard (605)				New Standard (606)				Change			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>Assets</b>												
Cash and Cash Equivalents	\$529	\$478	\$1,614	\$1,464	\$529	\$478	\$1,614	\$1,464	\$0	\$0	\$0	\$0
Accounts Receivable	116	532	309	98	117	532	310	98	1	0	1	0
Prepaid Expenses and Other Current Assets	142	189	179	184	158	206	196	202	16	17	17	18
Other assets (long-term)	146	162	155	190	168	183	177	213	22	21	22	23
Long-term deferred income taxes	144	132	128	87	2	1	4	2	(142)	(131)	(124)	(85)
<b>Liabilities</b>												
Deferred Revenue	\$799	\$1,120	\$1,040	\$961	\$454	\$583	\$515	\$581	(\$345)	(\$537)	(\$525)	(\$380)
Other current liabilities (including taxes payable)	183	251	583	191	188	252	589	198	5	1	6	7
Long-Term Deferred Revenue	191	170	173	197	1	3	4	3	(190)	(167)	(169)	(194)
Other long-term obligations	128	126	147	123	196	172	203	184	68	46	56	61