

Fact Sheet

November 20, 2017

Financial summary

FINANCIAL SUMMARY												GUIDANCE ^[E]	
(\$ millions, except per share data)	Q1 FY16	Q2 FY16	Q3 FY16	Q4 FY16	FY16	Q1 FY17	Q2 FY17	Q3 FY17	Q4 FY17	FY17	Q1 FY18	Q2 FY18	FY18
Small Business & Self-Employed	\$530	\$547	\$557	\$587	\$2,220	\$593	\$618	\$656	\$672	\$2,539	\$694		\$2,850-\$2,900
% change YOY	6%	8%	13%	11%	10%	12%	13%	18%	15%	14%	17%		12%-14%
Consumer	\$73	\$292	\$1,621	\$59	\$2,045	\$73	\$299	\$1,769	\$60	\$2,201	\$78		\$2,355-\$2,395
% change YOY	(1%)	26%	7%	(6%)	9%	0%	2%	9%	1%	8%	7%		7%-9%
Strategic Partner	\$110	\$84	\$126	\$108	\$428	\$112	\$99	\$116	\$110	\$437	\$114		\$435-\$445
% change YOY	203%	665%	(3%)	1%	51%	1%	18%	(8%)	2%	2%	2%		0%-2%
Total Revenue	\$713	\$923	\$2,304	\$754	\$4,694	\$778	\$1,016	\$2,541	\$842	\$5,177	\$886	\$1,160-\$1,180	\$5,640-\$5,740
% change YOY	17%	23%	8%	8%	12%	9%	10%	10%	12%	10%	14%	14%-16%	9%-11%
GAAP Operating Income (Loss)	(\$29)	\$42	\$1,285	(\$56)	\$1,242	(\$61)	\$22	\$1,444	(\$10)	\$1,395	(\$57)	\$35-\$45	\$1,485-\$1,535
Non-GAAP Operating Income (Loss) ^[A]	\$46	\$114	\$1,359	\$36	\$1,555	\$32	\$106	\$1,519	\$78	\$1,735	\$43	\$130-\$140	\$1,885-\$1,935
Non-GAAP Operating Margin % ^[A]	6%	12%	59%	5%	33%	4%	10%	60%	9%	34%	5%		
Interest Expense	(\$7)	(\$8)	(\$10)	(\$9)	(\$35)	(\$9)	(\$11)	(\$8)	(\$3)	(\$31)	(\$5)		
Interest and Other Income	(\$4)	(\$5)	\$2	\$3	(\$4)	(\$2)	(\$1)	\$3	\$3	\$3	\$3		
GAAP Share Based Compensation Expense ^[B]	67	65	65	81	278	89	81	71	85	326	97		
GAAP EPS Share Based Compensation Expense	(\$0.19)	(\$0.26)	(\$0.17)	(\$0.20)	(\$0.70)	(\$0.14)	(\$0.39)	(\$0.18)	NM	(\$0.89)	(\$0.11)		
GAAP Diluted EPS^[C]	(\$0.11)	\$0.09	\$3.94	(\$0.16)	\$3.69	(\$0.12)	\$0.05	\$3.70	\$0.09	\$3.72	(\$0.07)	\$0.08-\$0.11	\$4.00-\$4.10
Non-GAAP Diluted EPS^{[A][D]}	\$0.09	\$0.25	\$3.43	\$0.08	\$3.78	\$0.06	\$0.26	\$3.90	\$0.20	\$4.41	\$0.11	\$0.31-\$0.34	\$4.90-\$5.00
GAAP Diluted EPS (YTD)	(\$0.11)	(\$0.03)	\$3.81	\$3.69	\$3.69	(\$0.12)	(\$0.07)	\$3.63	\$3.72	\$3.72	(\$0.07)		
Non-GAAP Diluted EPS (YTD) ^{[A][D]}	\$0.09	\$0.34	\$3.68	\$3.78	\$3.78	\$0.06	\$0.32	\$4.21	\$4.41	\$4.41	\$0.11		
Basic Share Count	272	263	257	257	262	258	257	256	257	257	256		~255
Diluted Share Count	275	266	260	260	265	261	260	260	261	261	259		~260
GAAP Tax Rate	22%	-5%	34%	35%	33%	58%	-26%	33%	343%	29%	72%		31%
Non-GAAP Tax Rate	34%	34%	34%	34%	34%	33%	33%	33%	33%	33%	33%		33%
Capital Expenditures					\$522					\$230			~\$200

FY'18 subscriber guidance

	FY'18	
QuickBooks Online Subscribers (000s)	3,275	3,375
<i>Year/Year Growth</i>	<i>37%</i>	<i>42%</i>

Business metrics

WORLDWIDE BUSINESS METRICS^[F]

Units in thousands, except where noted	Q1 FY16	Q2 FY16	Q3 FY16	Q4 FY16	FY16	Q1 FY17	Q2 FY17	Q3 FY17	Q4 FY17	FY17	Q1 FY18
Small Business & Self-Employed Group											
QuickBooks Online Subscribers	1,159	1,257	1,397	1,513	1,513	1,638	1,871	2,220	2,383	2,383	2,552
QuickBooks Desktop Units Sales	149	238	295	274	956	183	225	250	223	881	120
QuickBooks Desktop Subscribers ^[G]	317	316	320	326	326	332	338	347	356	356	359
Total QuickBooks Paying Customers	1,624	1,810	2,012	2,113	2,795	2,153	2,434	2,816	2,963	3,621	3,032
Consumer Group											
Federal U.S. TurboTax Units (millions)											
Desktop Units	NM	3.0	2.3	NM	5.3	NM	3.0	2.3	NM	5.3	NM
Web units	NM	6.3	21.3	0.3	27.9	NM	6.2	21.9	0.3	28.5	NM
Free File Alliance	NM	0.2	0.8	NM	1.0	NM	0.2	1.0	NM	1.2	NM
Total U.S. TurboTax Federal units	NM	9.6	24.4	0.3	34.2	NM	9.4	25.3	0.3	35.0	NM
Canada TurboTax Units (millions)	NM	0.2	1.7	0.3	2.2	NM	0.4	1.9	0.2	2.5	NM
Strategic Partner Group											
ProConnect Customers	NM	104	19	NM	123	NM	103	19	NM	122	NM

Segment revenue

Segment Revenue											
(\$ millions)	FY'16					FY'17				FY'18	
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1
QuickBooks Online Accounting	\$ 66	\$ 72	\$ 78	\$ 87	\$ 303	\$ 93	\$ 103	\$ 117	\$ 129	\$ 442	\$ 145
Online Services	\$ 85	\$ 83	\$ 93	\$ 92	\$ 353	\$ 98	\$ 97	\$ 106	\$ 109	\$ 411	\$ 113
Total Online Ecosystem	\$ 152	\$ 155	\$ 171	\$ 179	\$ 657	\$ 191	\$ 201	\$ 223	\$ 238	\$ 853	\$ 258
QuickBooks Desktop Accounting (Outright, Subs and ES)	\$ 97	\$ 102	\$ 107	\$ 118	\$ 424	\$ 122	\$ 129	\$ 160	\$ 150	\$ 561	\$ 156
Desktop Services and Supplies	\$ 281	\$ 290	\$ 279	\$ 290	\$ 1,140	\$ 280	\$ 288	\$ 273	\$ 284	\$ 1,125	\$ 280
Total Desktop Ecosystem	\$ 378	\$ 392	\$ 386	\$ 408	\$ 1,564	\$ 402	\$ 417	\$ 433	\$ 434	\$ 1,686	\$ 436
Small Business & Self-Employed	\$ 530	\$ 547	\$ 557	\$ 587	\$ 2,220	\$ 593	\$ 618	\$ 656	\$ 672	\$ 2,539	\$ 694
Consumer	\$ 73	\$ 292	\$ 1,621	\$ 59	\$ 2,045	\$ 73	\$ 299	\$ 1,769	\$ 60	\$ 2,201	\$ 78
Strategic Partner	\$ 110	\$ 84	\$ 126	\$ 108	\$ 428	\$ 112	\$ 99	\$ 116	\$ 110	\$ 437	\$ 114
Total Segment Revenue	\$ 713	\$ 923	\$ 2,304	\$ 754	\$ 4,694	\$ 778	\$ 1,016	\$ 2,541	\$ 842	\$ 5,177	\$ 886

Segment margin

Segment Operating Income ^[H]

FY'18

(\$ millions)	Q1	
	<u>Op. Inc.</u>	<u>% Op. Margin</u>
Small Business & Self-Employed	\$ 301	43%
Consumer	\$ (55)	-70%
Strategic Partner	\$ 72	63%
Total Segment Operating Income	\$ 318	36%

FY'17

(\$ millions)	Q1		Q2		Q3		Q4		Year	
	<u>Op. Inc.</u>	<u>% Op. Margin</u>	<u>Op. Inc.</u>	<u>% Op. Margin</u>	<u>Op. Inc.</u>	<u>% Op. Margin</u>	<u>Op. Inc.</u>	<u>% Op. Margin</u>	<u>Op. Inc.</u>	<u>% Op. Margin</u>
Small Business & Self-Employed	\$ 240	40%	\$ 242	39%	\$ 276	42%	\$ 315	47%	\$ 1,073	42%
Consumer	\$ (38)	-52%	\$ 54	18%	\$ 1,429	81%	\$ (51)	-85%	\$ 1,394	63%
Strategic Partner	\$ 70	62%	\$ 50	51%	\$ 73	63%	\$ 70	64%	\$ 263	60%
Total Segment Operating Income	\$ 271	35%	\$ 346	34%	\$ 1,778	70%	\$ 335	40%	\$ 2,730	53%

FY'16

(\$ millions)	Q1		Q2		Q3		Q4		Year	
	<u>Op. Inc.</u>	<u>% Op. Margin</u>	<u>Op. Inc.</u>	<u>% Op. Margin</u>	<u>Op. Inc.</u>	<u>% Op. Margin</u>	<u>Op. Inc.</u>	<u>% Op. Margin</u>	<u>Op. Inc.</u>	<u>% Op. Margin</u>
Small Business & Self-Employed	\$ 215	41%	\$ 201	37%	\$ 213	38%	\$ 249	42%	\$ 878	40%
Consumer	\$ (27)	-36%	\$ 66	23%	\$ 1,303	80%	\$ (37)	-62%	\$ 1,305	64%
Strategic Partner	\$ 72	65%	\$ 41	49%	\$ 86	68%	\$ 69	64%	\$ 268	63%
Total Segment Operating Income	\$ 260	37%	\$ 307	33%	\$ 1,602	70%	\$ 281	37%	\$ 2,451	52%

Footnotes

Numbers may not agree with the sum of the components, nor with SEC filing(s), due to immaterial rounding adjustments. Worldwide Business Metrics include estimates, including estimates of sales by merchants who do not report sales to Intuit. Sales to end users (sell-through) by Intuit and via retailers and distributors for which Intuit relies on reports from these merchants.

^[A] These are non-GAAP financial measures. See tables B1, B2 and E of our Press Release dated November 20, 2017 for reconciliations of these non-GAAP financial measures to the most directly comparable GAAP measures and the reasons management uses each measure.

^[B] The GAAP Share Based Compensation Expense figures in the Financial Summary exclude share based compensation expense for discontinued operations.

^[C] Q3 FY'16 GAAP EPS includes \$0.67 benefit related to a \$176M gain on divestitures. FY'17 GAAP earnings per share includes the tax impact of early adoption of the new accounting standard update for share-based compensation. This added \$0.07 to our GAAP earnings for Q1'17, \$0.03 for Q2'17, \$0.05 for Q3'17, \$0.13 for Q4'17, \$0.28 for full year FY'17, and \$0.10 for Q1'18.

^[D] The annual effective tax rates used to calculate non-GAAP EPS were 34% for FY'16 and 33% for FY'17 and Q1 FY'18.

^[E] All of the numbers provided in the table entitled "Guidance," are forward-looking statements. Please see the accompanying section entitled "Cautions About Forward-Looking Statements" for important information to assess when evaluating these statements. Actual future results may differ materially due to a number of risks and uncertainties.

^[F] All applicable metrics include worldwide customers. QuickBooks Online customers are paid subscribers.

^[G] Includes QuickBooks Desktop Subscribers and Enterprise Subscribers.

^[H] Segment operating margin for FY'16 has been restated to conform to the current year presentation.

Small Business & Self-Employed Group Includes: QuickBooks Software, Financial Supplies, Merchant Services, QuickBooks Payroll, Intuit Online Payroll, Intuit Full Service Payroll, QuickBooks Software for Accountants, Practice Management/Virtual Office and ProAdvisor Program.

Consumer Group Includes: TurboTax, Mint Bills (formerly Check), Mint and OFX.

Strategic Partner Group Includes: ProSeries, Lacerte and Intuit Tax Online.

Cautions About Forward-Looking Statements

This fact sheet contains forward-looking statements, including forecasts of Intuit's expected growth and future financial results of Intuit and its reporting segments, as well as expectations regarding customer growth.

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: inherent difficulty in predicting consumer behavior; difficulties in receiving, processing, or filing customer tax submissions; consumers may not respond as we expected to our advertising and promotional activities; changes in the total number of tax filings that are submitted to government agencies due to economic conditions or otherwise; the competitive environment; governmental encroachment in our tax businesses or other governmental activities or public policy affecting the preparation and filing of tax returns; our ability to innovate and adapt to technological change and global trends; our ability to adequately protect our intellectual property rights; our ability to develop and maintain brand awareness and our reputation; disruptions, expenses and risks associated with our acquisitions and divestitures; we may issue additional shares in an acquisition causing our number of outstanding shares to grow; any failure to properly use and protect personal customer or employee information and data; a security breach could result in third-party access to confidential customer, employee and business information; privacy and cybersecurity concerns relating to our offerings, or online offerings in general; any failure to process transactions effectively or to adequately protect against potential fraudulent activities; any loss of confidence in using our software as a result of publicity regarding such fraudulent activity; availability of our products and services could be impacted by business interruption or failure of our information technology and communication systems; our ability to develop, manage and maintain critical third-party business relationships; our ability to attract, retain and develop highly skilled employees; any significant product accuracy or quality problems or delays; any problems with implementing upgrades to our customer facing applications and supporting information technology infrastructure; increased risks associated with international operations; increases in or changes to government regulation of our businesses; the cost of, and potential adverse results in, litigation involving intellectual property, antitrust, shareholder and other matters; the seasonal and unpredictable nature of our revenue; unanticipated changes in our income tax rates; adverse global economic conditions; amortization of acquired intangible assets and impairment charges; our use of significant amounts of debt to finance acquisitions or other activities; any lost revenue opportunities or cannibalization of our traditional paid franchise due to our participation in the Free File Alliance; and changes in the amounts or frequency of share repurchases or dividends. More details about the risks that may impact our business are included in our Form 10-K for fiscal 2017 and in our other SEC filings. You can locate these reports through our website at <http://investors.intuit.com>. Forward-looking statements are based on information as of November 20, 2017 and we do not undertake any duty to update any forward-looking statement or other information in these materials.