

Intuit Facts

Q2/FY11

Intuit Inc.

Investor Relations (650) 944-2536

NASDAQ: INTU

Financial Summary									Guidance ^[D]	
(\$ millions), except per share data										
	Q1 FY10	Q2 FY10	Q3 FY10	Q4 FY10	FY10	Q1 FY11	Q2 FY11	FY11	Q3 FY11	FY11
Revenue:										
Small Business Group										
Financial Management Solutions	\$134	\$154	\$164	\$159	\$611	\$154	\$187	\$341		
% change YOY	(7%)	(3%)	16%	18%	6%	15%	21%	18%		
Employee Management Solutions	\$97	\$105	\$103	\$113	\$418	\$107	\$116	\$224		
% change YOY	9%	12%	13%	25%	15%	11%	11%	11%		
Payment Solutions	\$75	\$79	\$79	\$80	\$313	\$80	\$85	\$165		
% change YOY	4%	14%	8%	5%	8%	7%	7%	7%		
Total Small Business	\$305	\$339	\$346	\$352	\$1,342	\$341	\$389	\$729		\$1,450-\$1,500
% change YOY	0%	5%	13%	16%	9%	12%	15%	13%		8%-12%
Tax										
Consumer Tax ^[A]	\$22	\$218	\$880	\$25	\$1,146	\$29	\$205	\$235		\$1,255-\$1,290
% change YOY	57%	16%	13%	43%	15%	32%	(6%)	(2%)		10%-13%
Accounting Professionals	\$22	\$124	\$205	\$22	\$373	\$25	\$122	\$147		\$388-\$400
% change YOY	3%	(7%)	15%	19%	6%	15%	(2%)	1%		4%-7%
Financial Services ^[A]	\$80	\$82	\$85	\$85	\$332	\$81	\$84	\$165		\$345-\$355
% change YOY	7%	8%	9%	4%	7%	1%	3%	2%		4%-7%
Other Businesses	\$44	\$75	\$91	\$53	\$262	\$56	\$78	\$134		\$290-\$305
% change YOY	(9%)	38%	20%	46%	22%	27%	5%	13%		11%-16%
Total Revenue	\$474	\$837	\$1,607	\$537	\$3,455	\$532	\$878	\$1,410	\$1,760-\$1,830	\$3,740-\$3,840
% change YOY	2%	8%	13%	18%	11%	12%	5%	8%	10%-14%	8%-11%
GAAP Operating Income (Loss)	(\$100)	\$139	\$889	(\$64)	\$863	(\$103)	\$110	\$7	\$1,000-\$1,050	\$980-\$1,015
Non-GAAP Operating Income (Loss) ^[B]	(\$41)	\$206	\$938	(\$8)	\$1,095	(\$53)	\$164	\$111	\$1,050-\$1,100	\$1,215-\$1,250
Non-GAAP Operating Margin % ^[B]	NA	25%	58%	NA	32%	NA	19%	8%	59.0-61.0%	32.0%-32.5%
Interest and Other Income	\$6	\$2	\$4	\$1	\$13	\$7	\$7	\$14		
Interest Expense	(\$16)	(\$15)	(\$15)	(\$15)	(\$61)	(\$15)	(\$15)	(\$30)		
GAAP Share Based Compensation Expense	\$28	\$37	\$34	\$36	\$134	\$35	\$38	\$73		
GAAP EPS Share Based Compensation Expense	(\$0.05)	(\$0.07)	(\$0.07)	(\$0.07)	(\$0.26)	(\$0.07)	(\$0.08)	(\$0.15)		
GAAP Diluted EPS	(\$0.22)	\$0.35	\$1.78	(\$0.15)	\$1.77	(\$0.22)	\$0.23	\$0.01	\$2.10-\$2.18	\$1.93-\$2.00
Non-GAAP Diluted EPS^{[B], [C]}	(\$0.10)	\$0.38	\$1.89	(\$0.05)	\$2.11	(\$0.12)	\$0.32	\$0.19	\$2.22-\$2.30	\$2.41-\$2.48
Basic Share Count	320	314	314	314	316	316	308	312		305-309
Diluted Share Count	320	323	323	314	325	316	318	322		313-317
GAAP Tax Rate ^[E]	38%	37%	35%	39%	34%	37%	28%	NM		34%
Capital Expenditures					\$131					\$160

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

^[A]Consumer Tax segment revenue includes TurboTax for Online Banking revenue for all periods presented.

^[B]These are non-GAAP financial measures. See tables B1, B2, E1 and E2 of the accompanying sections for reconciliations of these non-GAAP financial measures to the most directly comparable GAAP measures and the reasons management uses each measure.

^[C]The annual effective tax rates used to calculate non-GAAP EPS were 37% for Q1 and Q2 FY10, 34% for Q3 FY10, 35% for Q4 FY10, 36% for Q1 FY11, and 35% for Q2 FY11.

^[D]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.

^[E]Our GAAP effective tax rate for the second quarter of fiscal year 2011 was affected by one-time tax benefits related to the retroactive reinstatement of the research and experimentation credit. Excluding those discrete benefits, our GAAP effective tax rate for that period was approximately 36%.

Financial Management Solutions - QuickBooks: QuickBooks Software, Financial Supplies; Employee Management Solutions - QuickBooks Payroll and Intuit Online Payroll; Payment Solutions - Innovative Merchant Solutions; Consumer Tax - TurboTax; Accounting Professionals - ProSeries, Lacerte; Financial Services - Intuit Financial Services Group; Other Businesses - Global, Quicken, Mint, Intuit Health

Intuit Facts

Business Metrics													
Units in thousands, except where noted	Q1 FY09	Q2 FY09	Q3 FY09	Q4 FY09	FY09	Q1 FY10	Q2 FY10	Q3 FY10	Q4 FY10	FY10	Q1 FY11	Q2 FY11	FY11
Financial Management Solutions ^[E]													
Total QuickBooks Units ^[F]	307	529	596	404	1,837	353	431	516	368	1,669	281	404	685
QuickBooks Online subscriptions ^[G]	136	139	142	147	147	149	159	188	201	201	217	241	241
Enterprise Solutions Active Customers	34	35	36	37	37	39	41	43	45	45	47	51	51
QuickBooks Retail Share ^[H]													
Unit share FYTD	90%	93%	94%	94%	94%	93%	93%	94%	94%	94%	87%	93%	93%
Dollar share FYTD	92%	95%	95%	95%	95%	92%	93%	94%	94%	94%	89%	95%	95%
Employee Management Solutions													
Total EMS customers ^[I]	1,052	1,056	1,058	1,137	1,137	1,151	1,160	1,162	1,150	1,150	1,153	1,170	1,170
Payment Solutions													
Merchant Account Services customers ^{[J][M]}	230	235	243	253	253	258	265	282	296	296	297	303	303
Yr/Yr Charge Volume/Merchant increase(decrease) ^[J]	-3%	-9%	-9%	-9%	-8%	-8%	-3%	1%	-3%	-3%	-3%	1%	-1%
Consumer Tax													
Federal TurboTax (millions)													
Desktop units	NM	3.4	2.9	NM	6.3	NM	3.4	2.8	NM	6.2	NM	3.4	3.4
Web units	NM	2.2	9.1	0.2	11.5	NM	3.0	10.4	0.3	13.7	NM	3.3	3.3
Free File Alliance	NM	0.3	1.0	NM	1.4	NM	0.3	1.0	NM	1.4	NM	0.3	0.3
Total TurboTax federal units	NM	5.8	13.0	0.2	19.2	NM	6.7	14.2	0.3	21.3	NM	7.0	7.0
Federal TurboTax retail share ^[K]													
Unit share FYTD	NM	84%	81%	81%	81%	NM	87%	83%	83%	83%	NM	88%	88%
Dollar share FYTD	NM	89%	86%	86%	86%	NM	90%	87%	87%	87%	NM	91%	91%
Accounting Professionals													
Professional Tax units	NM	97	11	NM	108	NM	95	11	NM	106	NM	93	93
Financial Services													
Number of Internet Banking End-Users	8,690	8,609	8,889	8,942	8,942	9,044	9,262	9,477	9,756	9,756	9,994	10,186	10,186
Number of Bill Pay End-Users ^[L]	2,613	2,749	2,848	2,969	2,969	3,096	3,195	3,300	3,504	3,504	3,673	3,916	3,916

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

^[E]Sales to end users (sell-through) by Intuit and via retailers and distributors for which Intuit relies on reports from these merchants. These numbers include estimates, including estimates of sales by merchants who do not report sales to Intuit. These numbers reflect total QuickBooks purchases for the period, including subscription purchases.

^[F]Total QuickBooks Units include registered Free Simple Start units through Q4 FY10.

^[G]Includes total QuickBooks Online Edition subscriptions. Subscription units sold in any particular period are a subset of total QuickBooks software units sold in that period.

^[H]Sources: NPD Group Monthly Retail Software Report through January 2011.

^[I]Includes Standard Payroll, Enhanced Payroll, Assisted Payroll, Online Payroll, Basic Payroll, QuickPayroll, and PayCycle.

^[J]Does not include customers from Electronic Clearing House.

^[K]Sources: NPD Group Retail Software Report through January 2011.

^[L]Number of Bill Pay end-users are those of Intuit Financial Services and exclude Quicken Bill Pay customers.

^[M]Includes processing customers only.

Segment Operating Income

(\$ millions)

	Q2				YTD				Full-Year	
	FY11	% Related Revenue	FY10	% Related Revenue	FY11	% Related Revenue	FY10	% Related Revenue	FY10	% Related Revenue
Financial Management Solutions	\$60	32%	\$37	24%	\$93	27%	\$61	21%	\$152	25%
Employee Management Solutions	\$63	54%	\$61	58%	\$127	57%	\$117	58%	\$253	60%
Payment Solutions	\$12	15%	\$22	27%	\$25	15%	\$34	22%	\$67	21%
Consumer Tax ^[A]	\$53	26%	\$88	40%	\$24	10%	\$57	24%	\$746	65%
Accounting Professionals	\$70	57%	\$77	62%	\$54	37%	\$62	43%	\$210	56%
Financial Services ^[A]	\$22	26%	\$20	25%	\$37	22%	\$39	24%	\$71	21%
Other Businesses	\$16	20%	\$22	30%	\$17	12%	\$25	21%	\$65	25%
Total Segment Op Income	\$296	34%	\$327	39%	\$376	27%	\$396	30%	\$1,563	45%

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

1. Operating income for the company and segments may be impacted by shifts in revenue from one quarter to another. Therefore, these measures are most relevant when viewed on a full-year basis.

^[A] Consumer Tax segment operating income includes TurboTax for Online Banking segment operating income for all periods presented.

TABLE A1

INTUIT INC.
GAAP CONSOLIDATED STATEMENTS OF OPERATIONS
(In millions, except per share amounts)
(Unaudited)

	Three Months Ended		Six Months Ended	
	January 31, 2011	January 31, 2010	January 31, 2011	January 31, 2010
Net revenue:				
Product	\$ 430	\$ 422	\$ 646	\$ 627
Service and other	448	415	764	684
Total net revenue	<u>878</u>	<u>837</u>	<u>1,410</u>	<u>1,311</u>
Costs and expenses:				
Cost of revenue:				
Cost of product revenue	46	48	78	83
Cost of service and other revenue	129	114	252	223
Amortization of acquired technology	5	16	9	38
Selling and marketing	330	277	550	457
Research and development	158	144	314	285
General and administrative	88	88	178	165
Amortization of other acquired intangible assets	11	11	22	21
Total costs and expenses [A]	<u>767</u>	<u>698</u>	<u>1,403</u>	<u>1,272</u>
Operating income from continuing operations	111	139	7	39
Interest expense	(15)	(15)	(30)	(31)
Interest and other income, net	6	2	14	7
Income (loss) from continuing operations before income taxes	102	126	(9)	15
Income tax provision (benefit) [B]	29	46	(12)	4
Net income from continuing operations	73	80	3	11
Net income from discontinued operations [C]	-	34	-	35
Net income from continuing operations	<u>\$ 73</u>	<u>\$ 114</u>	<u>\$ 3</u>	<u>\$ 46</u>
Basic net income per share from continuing operations	\$ 0.24	\$ 0.25	\$ 0.01	\$ 0.04
Basic net income per share from discontinued operations	-	0.11	-	0.11
Basic net income per share	<u>\$ 0.24</u>	<u>\$ 0.36</u>	<u>\$ 0.01</u>	<u>\$ 0.15</u>
Shares used in basic per share calculations	<u>308</u>	<u>314</u>	<u>312</u>	<u>317</u>
Diluted net income per share from continuing operations	\$ 0.23	\$ 0.25	\$ 0.01	\$ 0.03
Diluted net income per share from discontinued operations	-	0.10	-	0.11
Diluted net income per share	<u>\$ 0.23</u>	<u>\$ 0.35</u>	<u>\$ 0.01</u>	<u>\$ 0.14</u>
Shares used in diluted per share calculations	<u>318</u>	<u>323</u>	<u>322</u>	<u>326</u>

See accompanying Notes.

INTUIT INC.
NOTES TO TABLE A1

[A] The following table summarizes the total share-based compensation expense from continuing operations that we recorded for the periods shown.

<i>(in millions)</i>	Three Months Ended		Six Months Ended	
	January 31,	January 31,	January 31,	January 31,
	2011	2010	2011	2010
Cost of product revenue	\$ -	\$ 1	\$ -	\$ 1
Cost of service and other revenue	2	2	3	4
Selling and marketing	12	12	21	19
Research and development	12	11	25	20
General and administrative	12	11	24	20
Total share-based compensation expense	\$ 38	\$ 37	\$ 73	\$ 64

[B] Our effective tax rate for the three months ended January 31, 2011 was approximately 28%. Excluding discrete tax benefits primarily related to the retroactive reinstatement of the federal research and experimentation credit as described below, our effective tax rate for that quarter was approximately 36% and did not differ significantly from the statutory rate of 35%. State income taxes were offset by the benefit we received from the domestic production activities deduction and the federal research and experimentation credit. Our effective tax rate for the three months ended January 31, 2010 was approximately 37%. This differed from the federal statutory rate of 35% primarily due to state income taxes, which were partially offset by the benefit we received from the domestic production activities deduction and the federal research and experimentation credit.

We recorded a \$12 million tax benefit on a loss of \$9 million for the six months ended January 31, 2011. Excluding discrete tax benefits primarily related to the retroactive reinstatement of the federal research and experimentation credit as described below, our effective tax rate for that period was approximately 36% and did not differ significantly from the statutory rate of 35%. State income taxes were offset by the benefit we received from the domestic production activities deduction and the federal research and experimentation credit. Our effective tax rate for the six months ended January 31, 2010 was approximately 27%. Excluding discrete tax benefits primarily related to routine stock option deduction benefits, our effective tax rate for that period was approximately 37%. This differed from the federal statutory rate of 35% primarily due to state income taxes, which were partially offset by the benefit we received from the domestic production activities deduction and the federal research and experimentation credit.

In December 2010 the Tax Relief, Unemployment Insurance Reauthorization, and Jobs Creation Act of 2010 was signed into law. The Act includes a reinstatement of the federal research and experimentation credit through December 31, 2011 that was retroactive to January 1, 2010. We recorded a discrete tax benefit of approximately \$9 million for the retroactive amount related to fiscal 2010 and the first quarter of fiscal 2011 during the three and six months ended January 31, 2011.

[C] On January 15, 2010 we sold our Intuit Real Estate Solutions (IRES) business for approximately \$128 million in cash and recorded a net gain on disposal of \$35 million. IRES was part of our Other Businesses segment. We determined that IRES became a discontinued operation in the second quarter of fiscal 2010. We have therefore segregated the operating results of IRES from continuing operations in our statements of operations for all periods prior to the sale. For the three months ended January 31, 2010, net revenue from IRES was \$14 million and net loss from IRES was \$1 million, excluding the net gain on disposal. For the six months ended January 31, 2010, net revenue from IRES was \$33 million and net income from IRES was less than \$1 million, excluding the net gain on disposal. Because IRES operating cash flows were not material for any period presented, we have not segregated them from continuing operations on our statements of cash flows.

TABLE A2

INTUIT INC.
NON-GAAP CONSOLIDATED STATEMENTS OF OPERATIONS DATA
(In millions, except per share amounts)
(Unaudited)

	Three Months Ended		Six Months Ended	
	January 31, 2011	January 31, 2010	January 31, 2011	January 31, 2010
Net revenue:				
Product	\$ 430	\$ 422	\$ 646	\$ 627
Service and other	448	415	764	684
Total net revenue	878	837	1,410	1,311
Costs and expenses:				
Cost of revenue:				
Cost of product revenue	46	47	78	82
Cost of service and other revenue	127	112	249	219
Selling and marketing	318	265	529	438
Research and development	146	133	289	265
General and administrative	77	74	154	141
Total costs and expenses	714	631	1,299	1,145
Operating income	164	206	111	166
Interest expense	(15)	(15)	(30)	(31)
Interest and other income, net	6	2	13	7
Income before income taxes	155	193	94	142
Income tax provision	54	71	32	52
Net income	\$ 101	\$ 122	\$ 62	\$ 90
Basic net income per share	\$ 0.33	\$ 0.39	\$ 0.20	\$ 0.28
Shares used in basic per share calculations	308	314	312	317
Diluted net income per share	\$ 0.32	\$ 0.38	\$ 0.19	\$ 0.28
Shares used in diluted per share calculations	318	323	322	326

See "About Non-GAAP Financial Measures" immediately following Table F 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.

TABLE B1

INTUIT INC.
RECONCILIATION OF NON-GAAP STATEMENTS OF OPERATIONS DATA
TO GAAP CONSOLIDATED STATEMENTS OF OPERATIONS
(In millions, except per share amounts)
(Unaudited)

	Three Months Ended January 31, 2011			Three Months Ended January 31, 2010		
	GAAP	Adjmts	Non- GAAP	GAAP	Adjmts	Non- GAAP
Net revenue:						
Product	\$ 430	\$ -	\$ 430	\$ 422	\$ -	\$ 422
Service and other	448	-	448	415	-	415
Total net revenue	<u>878</u>	<u>-</u>	<u>878</u>	<u>837</u>	<u>-</u>	<u>837</u>
Costs and expenses:						
Cost of revenue:						
Cost of product revenue	46	-	46	48	(1)	47
Cost of service and other revenue	129	(2) [a]	127	114	(2) [a]	112
Amortization of acquired technology	5	(5) [b]	-	16	(16) [b]	-
Selling and marketing	330	(12) [a]	318	277	(12) [a]	265
Research and development	158	(12) [a]	146	144	(11) [a]	133
General and administrative	88	(11) [a]	77	88	(14) [a] [c]	74
Amortization of other acquired intangible assets	11	(11) [b]	-	11	(11) [b]	-
Total costs and expenses	<u>767</u>	<u>(53)</u>	<u>714</u>	<u>698</u>	<u>(67)</u>	<u>631</u>
Operating income from continuing operations	111	53	164	139	67	206
Interest expense	(15)	-	(15)	(15)	-	(15)
Interest and other income, net	<u>6</u>	<u>-</u>	<u>6</u>	<u>2</u>	<u>-</u>	<u>2</u>
Income from continuing operations before income taxes	102	53	155	126	67	193
Income tax provision	29	25 [d]	54	46	25 [d]	71
Net income from continuing operations	73	28	101	80	42	122
Net income from discontinued operations	-	-	-	34	(34) [e]	-
Net income	<u>\$ 73</u>	<u>\$ 28</u>	<u>\$ 101</u>	<u>\$ 114</u>	<u>\$ 8</u>	<u>\$ 122</u>
Basic net income per share from continuing operations	\$ 0.24		\$ 0.33	\$ 0.25		\$ 0.39
Basic net income per share from discontinued operations	-		-	0.11		-
Basic net income per share	<u>\$ 0.24</u>		<u>\$ 0.33</u>	<u>\$ 0.36</u>		<u>\$ 0.39</u>
Shares used in basic per share calculation	<u>308</u>		<u>308</u>	<u>314</u>		<u>314</u>
Diluted net income per share from continuing operations	\$ 0.23		\$ 0.32	\$ 0.25		\$ 0.38
Diluted net income per share from discontinued operations	-		-	0.10		-
Diluted net income per share	<u>\$ 0.23</u>		<u>\$ 0.32</u>	<u>\$ 0.35</u>		<u>\$ 0.38</u>
Shares used in diluted per share calculations	<u>318</u>		<u>318</u>	<u>323</u>		<u>323</u>

See "About Non-GAAP Financial Measures" immediately following Table F for more information on these non-GAAP adjustments.

- [a] Adjustments to exclude share-based compensation expense from non-GAAP financial measures.
[b] Adjustments to exclude amortization of acquired technology and amortization of other acquired intangible assets from non-GAAP financial measures.
[c] Adjustment to exclude professional fees for business combinations of approximately \$3 million from non-GAAP financial measures.
[d] Adjustments to reflect the tax effects of items [a] through [c].
[e] Adjustment to exclude net income from discontinued operations from non-GAAP financial measures.

TABLE B2

INTUIT INC.
RECONCILIATION OF NON-GAAP STATEMENTS OF OPERATIONS DATA
TO GAAP CONSOLIDATED STATEMENTS OF OPERATIONS
(In millions, except per share amounts)
(Unaudited)

	Six Months Ended January 31, 2011			Six Months Ended January 31, 2010		
	GAAP	Adjmts	Non- GAAP	GAAP	Adjmts	Non- GAAP
Net revenue:						
Product	\$ 646	\$ -	\$ 646	\$ 627	\$ -	\$ 627
Service and other	764	-	764	684	-	684
Total net revenue	<u>1,410</u>	<u>-</u>	<u>1,410</u>	<u>1,311</u>	<u>-</u>	<u>1,311</u>
Costs and expenses:						
Cost of revenue:						
Cost of product revenue	78	-	78	83	(1) [a]	82
Cost of service and other revenue	252	(3) [a]	249	223	(4) [a]	219
Amortization of acquired technology	9	(9) [b]	-	38	(38) [b]	-
Selling and marketing	550	(21) [a]	529	457	(19) [a]	438
Research and development	314	(25) [a]	289	285	(20) [a]	265
General and administrative	178	(24) [a]	154	165	(24) [a] [c]	141
Amortization of other acquired intangible assets	22	(22) [b]	-	21	(21) [b]	-
Total costs and expenses	<u>1,403</u>	<u>(104)</u>	<u>1,299</u>	<u>1,272</u>	<u>(127)</u>	<u>1,145</u>
Operating income from continuing operations	7	104	111	39	127	166
Interest expense	(30)	-	(30)	(31)	-	(31)
Interest and other income, net	14	(1) [d]	13	7	-	7
Income (loss) from continuing operations before income taxes	(9)	103	94	15	127	142
Income tax provision (benefit)	(12)	44 [e]	32	4	48 [e]	52
Net income from continuing operations	3	59	62	11	79	90
Net income from discontinued operations	-	-	-	35	(35) [f]	-
Net income	<u>\$ 3</u>	<u>\$ 59</u>	<u>\$ 62</u>	<u>\$ 46</u>	<u>\$ 44</u>	<u>\$ 90</u>
Basic net income per share from continuing operations	\$ 0.01		\$ 0.20	\$ 0.04		\$ 0.28
Basic net income per share from discontinued operations	-		-	0.11		-
Basic net income per share	<u>\$ 0.01</u>		<u>\$ 0.20</u>	<u>\$ 0.15</u>		<u>\$ 0.28</u>
Shares used in basic per share calculations	<u>312</u>		<u>312</u>	<u>317</u>		<u>317</u>
Diluted net income per share from continuing operations	\$ 0.01		\$ 0.19	\$ 0.03		\$ 0.28
Diluted net income per share from discontinued operations	-		-	0.11		-
Diluted net income per share	<u>\$ 0.01</u>		<u>\$ 0.19</u>	<u>\$ 0.14</u>		<u>\$ 0.28</u>
Shares used in diluted per share calculations	<u>322</u>		<u>322</u>	<u>326</u>		<u>326</u>

See "About Non-GAAP Financial Measures" immediately following Table F for more information on these non-GAAP adjustments.

- [a] Adjustments to exclude share-based compensation expense from non-GAAP financial measures.
[b] Adjustments to exclude amortization of acquired technology and amortization of other acquired intangible assets from non-GAAP financial measures.
[c] Adjustment to exclude professional fees for business combinations of approximately \$4 million from non-GAAP financial measures.
[d] Adjustment to exclude net gains on marketable equity securities and other investments from non-GAAP financial measures.
[e] Adjustment to reflect the tax effects of items [a] through [d].
[f] Adjustment to exclude net income from discontinued operations from non-GAAP financial measures.

TABLE E1

INTUIT INC.
RECONCILIATION OF FORWARD-LOOKING GUIDANCE FOR NON-GAAP FINANCIAL MEASURES
TO PROJECTED GAAP REVENUE, OPERATING INCOME (LOSS), AND EPS
(In millions, except per share amounts)
(Unaudited)

	Forward-Looking Guidance				
	GAAP		Adjustments	Non-GAAP	
	Range of Estimate			Range of Estimate	
	From	To		From	To
Three Months Ending					
April 30, 2011					
Revenue	\$ 1,760	\$ 1,830	\$ -	\$ 1,760	\$ 1,830
Operating income	\$ 1,000	\$ 1,050	\$ 50 [a]	\$ 1,050	\$ 1,100
Diluted earnings per share	\$ 2.10	\$ 2.18	\$ 0.12 [b]	\$ 2.22	\$ 2.30
Twelve Months Ending					
July 31, 2011					
Revenue	\$ 3,740	\$ 3,840	\$ -	\$ 3,740	\$ 3,840
Operating income	\$ 980	\$ 1,015	\$ 235 [c]	\$ 1,215	\$ 1,250
Diluted earnings per share	\$ 1.93	\$ 2.00	\$ 0.48 [d]	\$ 2.41	\$ 2.48

See "About Non-GAAP Financial Measures" immediately following Table F 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 \$35 million; amortization of acquired technology of approximately \$4 million; and amortization of other acquired intangible assets of approximately \$11 million.
- [b] Reflects the estimated adjustments in item [a] and income taxes related to these adjustments.
- [c] Reflects estimated adjustments for share-based compensation expense of approximately \$174 million; amortization of acquired technology of approximately \$18 million; and amortization of other acquired intangible assets of approximately \$43 million.
- [d] Reflects the estimated adjustments in item [c] and income taxes related to these adjustments.

TABLE E2

INTUIT INC.

RECONCILIATION OF HISTORICAL NON-GAAP FINANCIAL MEASURES TO MOST DIRECTLY COMPARABLE FINANCIAL MEASURES

(In millions, except per share amounts)

(Unaudited)

	Fiscal 2010					Fiscal 2011		
	Q1	Q2	Q3	Q4	Full Year	Q1	Q2	YTD
GAAP operating income (loss)	\$ (100)	\$ 139	\$ 888	\$ (64)	\$ 863	\$ (104)	\$ 111	\$ 7
Amortization of acquired technology	22	16	5	6	49	4	5	9
Amortization of other acquired intangible assets	10	11	10	11	42	11	11	22
Professional fees for business combinations	1	3	1	2	7	1	(1)	-
Share-based compensation expense	27	37	34	36	134	35	38	73
Non-GAAP operating income (loss)	\$ (40)	\$ 206	\$ 938	\$ (9)	\$ 1,095	\$ (53)	\$ 164	\$ 111
GAAP net income (loss)	\$ (68)	\$ 114	\$ 576	\$ (48)	\$ 574	\$ (70)	\$ 73	\$ 3
Amortization of acquired technology	22	16	5	6	49	4	5	9
Amortization of other acquired intangible assets	10	11	10	11	42	11	11	22
Professional fees for business combinations	1	3	1	2	7	1	(1)	-
Share-based compensation expense	27	37	34	36	134	35	38	73
Net gains on marketable equity securities and other investments	-	-	(1)	-	(1)	(1)	-	(1)
Income tax effects of non-GAAP adjustments	(23)	(25)	(15)	(22)	(85)	(19)	(25)	(44)
Discontinued operations	(1)	(34)	-	-	(35)	-	-	-
Non-GAAP net income (loss)	\$ (32)	\$ 122	\$ 610	\$ (15)	\$ 685	\$ (39)	\$ 101	\$ 62
GAAP diluted net income (loss) per share	\$ (0.21)	\$ 0.35	\$ 1.78	\$ (0.15)	\$ 1.77	\$ (0.22)	\$ 0.23	\$ 0.01
Non-GAAP diluted net income (loss) per share	\$ (0.10)	\$ 0.38	\$ 1.89	\$ (0.05)	\$ 2.11	\$ (0.12)	\$ 0.32	\$ 0.19
Shares used in diluted per share amounts	320	323	323	314	325	316	318	322
Non-GAAP tax rate	36.5%	36.5%	34.2%	34.5%	34.5%	36.0%	35.0%	34.5%

See "About Non-GAAP Financial Measures" immediately following Table F 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.

INTUIT INC.
ABOUT NON-GAAP FINANCIAL MEASURES

The accompanying financial information dated February 17, 2011 contains non-GAAP financial measures. Table B1, Table B2, Table E1, Table E2 and Table F reconcile the non-GAAP financial measures in that financial information 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
- Charges for historical use of technology licensing rights
- 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 marketable equity securities and other investments
- Income tax effects of excluded items and discrete tax items
- 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. Segment managers are not held accountable for share-based compensation expenses, acquisition-related charges, or the other excluded items and, accordingly, we exclude these amounts from our measures of segment performance. We believe that 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.

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 purchases of common stock under 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.

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 marketable equity securities and other investments. We exclude from our non-GAAP financial measures gains and losses that we record when we sell or impair marketable equity securities and other investments.

Income tax effects of excluded items and discrete tax items. We exclude from our non-GAAP financial measures the income tax effects of the items described above. In addition, the effects of one-time income tax adjustments recorded in a specific quarter for GAAP purposes are reflected on a forecasted basis in our non-GAAP financial measures. This is consistent with how we plan, forecast and evaluate our operating results.

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 E1 include all information reasonably available to Intuit at the date of this financial information. 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, and sales of marketable equity securities and other investments.

INTUIT INC.
CAUTIONS ABOUT FORWARD-LOOKING STATEMENTS

This financial information contains forward-looking statements, including forecasts of Intuit's future expected financial results. 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; further delay in the IRS's ability to accept e-filed returns for certain tax filers; difficulties in receiving, processing, or filing customer tax submissions; consumers may not respond as we expected to our advertising and promotional activities; product introductions and price competition from our competitors can have unpredictable negative effects on our revenue, profitability and market position; governmental encroachment in our tax businesses or other governmental activities or public policy affecting the preparation and filing of tax returns could negatively affect our operating results and market position; we may not be able to successfully innovate and introduce new offerings and business models to meet our growth and profitability objectives, and current and future offerings may not adequately address customer needs and may not achieve broad market acceptance, which could harm our operating results and financial condition; business interruption or failure of our information technology and communication systems may impair the availability of our products and services, which may damage our reputation and harm our future financial results; as we upgrade and consolidate our customer facing applications and supporting information technology infrastructure, any problems with these implementations could interfere with our ability to deliver our offerings; any failure to properly use and protect personal customer information and data could harm our revenue, earnings and reputation; if we are unable to develop, manage and maintain critical third party business relationships, our business may be adversely affected; increased government regulation of our businesses may harm our operating results; if we fail to process transactions effectively or fail to adequately protect against potential fraudulent activities, our revenue and earnings may be harmed; any significant offering quality problems or delays in our offerings could harm our revenue, earnings and reputation; our participation in the Free File Alliance may result in lost revenue opportunities and cannibalization of our traditional paid franchise; the continuing global economic downturn may continue to impact consumer and small business spending, financial institutions and tax filings, which could negatively affect our revenue and profitability; year-over-year changes in the total number of tax filings that are submitted to government agencies due to economic conditions or otherwise may result in lost revenue opportunities; our revenue and earnings are highly seasonal and the timing of our revenue between quarters is difficult to predict, which may cause significant quarterly fluctuations in our financial results; our financial position may not make repurchasing shares advisable or we may issue additional shares in an acquisition causing our number of outstanding shares to grow; our inability to adequately protect our intellectual property rights may weaken our competitive position and reduce our revenue and earnings; our acquisition and divestiture activities may disrupt our ongoing business, may involve increased expenses and may present risks not contemplated at the time of the transactions; our use of significant amounts of debt to finance acquisitions or other activities could harm our financial condition and results of operation; and litigation involving intellectual property, antitrust, shareholder and other matters may increase our costs. More details about these and other risks that may impact our business are included in our Form 10-K for fiscal 2010 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 February 17, 2011, and we do not undertake any duty to update any forward-looking statement or other information in these materials.