

May 20, 2009



Intuit Third-Quarter GAAP Operating Income Grows 13 Percent

Highlights:

Quarterly revenue grows 9 percent Non-GAAP operating income grows 15 percent GAAP EPS grows 11 percent, non-GAAP 21 percent

MOUNTAIN VIEW, Calif.--(BUSINESS WIRE)-- Intuit Inc. (Nasdaq:INTU) today announced third-quarter revenue of \$1.434 billion, a 9 percent increase from the year-ago quarter. GAAP operating income of \$764 million and GAAP diluted earnings per share of \$1.47 were at the upper end of the guidance range.

"We just finished a strong tax season with double-digit customer growth. We grew our small business customer base and increased share in a challenging economic environment," said Brad Smith, Intuit's president and chief executive officer.

"Our continued focus on customers and providing products and services that help consumers and small business owners save and make money enables us to grow our top line. We expect to deliver a solid year with both revenue and operating income growth," Smith said.

Third-Quarter 2009 Financial Highlights

- Revenue of \$1.434 billion, up 9 percent from the year-ago quarter.
- GAAP (Generally Accepted Accounting Principles) operating income from continuing operations of \$764 million, up 13 percent from the year-ago quarter. GAAP diluted earnings per share of \$1.47, compared to \$1.33 in the year-ago quarter, up 11 percent from the year-ago quarter.
- Non-GAAP operating income of \$837 million, up 15 percent from the year-ago quarter. Non-GAAP diluted earnings per share of \$1.68, compared to \$1.39 in the year-ago quarter, up 21 percent from the year-ago quarter.

Third-Quarter 2009 Business Segment Results

- Consumer Tax revenue was \$777 million, up 18 percent from the year-ago quarter.
- QuickBooks revenue was \$149 million, down 8 percent from the year-ago quarter.
- Payroll and Payments revenue was \$157 million, up 11 percent from the year-ago quarter.
- Accounting Professionals revenue was \$179 million, up 4 percent from the year-ago quarter.
- Financial Institutions revenue was \$78 million, up 3 percent from the year-ago quarter.
- Other Businesses revenue was \$94 million, down 9 percent from the year-ago quarter.

Forward-looking Guidance

Intuit narrowed its guidance range for the full 2009 fiscal year, which ends July 31, and expects:

- Revenue of \$3.155 billion to \$3.185 billion, or growth of 3 to 4 percent.
- GAAP operating income of \$672 to \$692 million, or growth of 3 to 6 percent. This represents GAAP diluted earnings per share of \$1.31 to \$1.35.
- Non-GAAP operating income of \$918 million to \$938 million, or growth of 7 to 10 percent. This represents non-GAAP diluted earnings per share of \$1.78 to \$1.82.

Intuit also updated its previous fiscal year revenue guidance for the Consumer Tax segment, which is now expected to grow 5 to 7 percent. All other segment revenue guidance remained unchanged.

Webcast and Conference Call Information

A live audio webcast of Intuit's third-quarter 2009 conference call is available at <http://investors.intuit.com/events.cfm>. The call begins today at 1:30 p.m. Pacific time. The replay of the audio webcast will remain on Intuit's Web site for one week after the conference call. Intuit has also posted this press release, including the attached tables and non-GAAP to GAAP reconciliations on its Web site and will post the conference call script shortly after the conference call concludes. These documents may be found at <http://investors.intuit.com/results.cfm>.

The conference call number is 866-238-1645 in the United States or 703-639-1163 from international locations. No reservation or access code is needed. A replay of the call will be available for one week by calling 888-266-2081, or 703-925-2533 from international locations. The access code for this call is 1355112.

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About Non-GAAP Financial Measures

This press release and the accompanying tables include non-GAAP financial measures. For a description of these non-GAAP financial measures, including the reasons management uses each measure, and reconciliations of these non-GAAP financial measures to the most directly comparable financial measures prepared in accordance with Generally Accepted Accounting Principles, please see the section of the accompanying tables titled "About Non-GAAP Financial Measures" as well as the related Table B and Table E which follow it. A copy of the press release issued by Intuit on May 20, 2009 can be found on the investor relations page of Intuit's Web site.

Cautions About Forward-Looking Statements

This press release contains forward-looking statements, including forecasts of Intuit's future

expected financial results; its prospects for the business in fiscal 2009; and all of the statements under the heading "Forward-looking Guidance."

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: 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; if economic and market conditions in the U.S. and worldwide continue to decline, our customers may delay or reduce technology purchases which may harm our business, results of operations and financial condition; we may not be able to successfully introduce new products and services to meet our growth and profitability objectives, and current and future products and services may not adequately address customer needs and may not achieve broad market acceptance, which could harm our operating results and financial condition; any failure to maintain reliable and responsive service levels for our offerings could cause us to lose customers and negatively impact our revenues and profitability; any significant product quality problems or delays in our products 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; any failure to properly use and protect personal customer information could harm our revenue, earnings and reputation; our acquisition activities may be disruptive to Intuit and may not result in expected benefits; our use of significant amounts of debt to finance acquisitions or other activities could harm our financial condition and results of operations; 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; predicting tax-related revenues is challenging due to the heavy concentration of activity in a short time period; we have implemented, and are continuing to upgrade, new information systems and any problems with these new systems could interfere with our ability to deliver products and services and gather information to effectively manage our business; 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; 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 2008 and in our other SEC filings. You can locate these reports through our website at http://www.intuit.com/about_intuit/investors. Forward-looking statements are based on information as of May 20, 2009, and we do not undertake any duty to update any forward-looking statement or other information in these remarks.

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

| Three Months Ended | | Nine Months Ended | |
|--------------------|-------------------|-------------------|-------------------|
| April 30, 2009 | April 30, 2008 | April 30, 2009 | April 30, 2008 |

Net revenue:

| | | | | |
|-------------------|------------|------------|--------------|--------------|
| Product | \$ 535,732 | \$ 517,670 | \$ 1,191,214 | \$ 1,277,080 |
| Service and other | 898,676 | 795,338 | 1,515,549 | 1,315,740 |
| Total net revenue | 1,434,408 | 1,313,008 | 2,706,763 | 2,592,820 |

Costs and expenses:

Cost of revenue:

| | | | | |
|--|-----------|-----------|-----------|-----------|
| Cost of product revenue | 33,850 | 34,637 | 122,895 | 125,264 |
| Cost of service and other revenue | 123,842 | 105,311 | 343,042 | 305,603 |
| Amortization of purchased intangible assets | 15,380 | 14,075 | 45,616 | 40,188 |
| Selling and marketing | 278,609 | 246,095 | 741,169 | 679,459 |
| Research and development | 132,866 | 149,985 | 412,332 | 449,088 |
| General and administrative | 75,335 | 79,150 | 211,520 | 222,937 |
| Acquisition-related charges | 10,464 | 9,254 | 32,600 | 25,349 |
| Total costs and expenses [A] | 670,346 | 638,507 | 1,909,174 | 1,847,888 |
| Operating income from continuing operations | 764,062 | 674,501 | 797,589 | 744,932 |
| Interest expense | (12,642) | (12,830) | (36,059) | (40,389) |
| Interest and other income | 5,977 | 10,361 | 10,299 | 32,477 |
| Gains on marketable equity securities and other investments, net | 507 | 477 | 1,084 | 1,190 |
| Gain on sale of outsourced payroll assets [B] | - | 13,616 | - | 51,571 |
| Income from continuing operations before income taxes | 757,904 | 686,125 | 772,913 | 789,781 |
| Income tax provision [C] | 272,868 | 241,612 | 254,401 | 275,839 |

| | | | | |
|---|------------|------------|------------|------------|
| Minority interest expense, net of tax | 216 | 334 | 796 | 1,332 |
| Net income from continuing operations | 484,820 | 444,179 | 517,716 | 512,610 |
| Net income from discontinued operations [D] | - | - | - | 26,012 |
| Net income | \$ 484,820 | \$ 444,179 | \$ 517,716 | \$ 538,622 |
| Basic net income per share from continuing operations | \$ 1.51 | \$ 1.37 | \$ 1.61 | \$ 1.55 |
| Basic net income per share from discontinued operations | - | - | - | 0.08 |
| Basic net income per share | \$ 1.51 | \$ 1.37 | \$ 1.61 | \$ 1.63 |
| Shares used in basic per share calculations | 321,890 | 323,408 | 321,897 | 330,862 |
| Diluted net income per share from continuing operations | \$ 1.47 | \$ 1.33 | \$ 1.57 | \$ 1.50 |
| Diluted net income per share from discontinued operations | - | - | - | 0.08 |
| Diluted net income per share | \$ 1.47 | \$ 1.33 | \$ 1.57 | \$ 1.58 |
| Shares used in diluted per share calculations | 329,104 | 333,436 | 329,412 | 341,869 |

See accompanying Notes.

INTUIT INC.
NOTES TO TABLE A

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

Three Months Ended Nine Months Ended

| | April 30, 2009 | April 30, 2008 | April 30, 2009 | April 30, 2008 |
|-----------------------------------|-------------------|-------------------|-------------------|-------------------|
| Cost of product revenue | \$ 388 | \$ 288 | \$ 995 | \$ 847 |
| Cost of service and other revenue | 1,976 | 1,483 | 4,991 | 4,894 |
| Selling and marketing | 12,984 | 10,684 | 33,890 | 28,110 |
| Research and development | 10,855 | 8,378 | 27,445 | 24,377 |
| General and administrative | 10,747 | 9,260 | 26,280 | 28,054 |
| Total share-based compensation | \$ 36,950 | \$ 30,093 | \$ 93,601 | \$ 86,282 |

In March 2007 we sold certain assets related to our Complete Payroll and Premier Payroll Service businesses to Automatic Data Processing, Inc. (ADP) for a price of up to approximately \$135 million in cash. The final purchase price was contingent upon the number of customers that transitioned to ADP pursuant to the purchase agreement over a period of approximately one year from the date of sale. In the three and nine months ended April 30, 2008 we recorded pre-tax gains of \$13.6 million and \$51.6 million on our statement of operations for customers who transitioned to ADP during those periods. We received a total price of \$93.6 million and recorded a total pre-tax gain of \$83.2 million from the inception of this transaction through its completion in the third quarter of fiscal 2008.

[B]

Our effective tax rates for the three months ended April 30, 2009 and 2008 were approximately 36% and 35% and did not differ significantly from the federal statutory rate of 35%.

Our effective tax rate for the nine months ended April 30, 2009 was approximately 33%. Excluding discrete tax benefits primarily related to a favorable agreement we entered into with a tax authority and the retroactive reinstatement of the federal research and experimentation credit, our effective tax rate for that period was approximately 36% and did not differ significantly from the federal statutory rate of 35%. Our effective tax rate for the nine months ended April 30, 2008 was approximately 35% and did not differ significantly from the federal statutory rate of 35%.

[C]

In August 2007 we sold our Intuit Distribution Management Solutions (IDMS) business for approximately \$100 million in cash and recorded a net gain on disposal of \$27.5 million. IDMS was part of our Other Businesses segment. In accordance with the provisions of SFAS 144, "Accounting for the Impairment or Disposal of Long-lived Assets," we determined that IDMS became a discontinued operation in the fourth quarter of fiscal 2007. We have therefore segregated the net assets and operating results of IDMS from continuing operations on our balance sheets and in our statements of operations for all periods prior to the sale. Revenue and net loss from IDMS discontinued operations for the nine months ended April 30, 2008 were not significant. Because IDMS operating cash flows were not material for any period presented, we have not segregated them from continuing operations on our statements of cash flows. We have segregated the cash impact of the gain on disposal of IDMS on our statement of cash flows for the nine months ended April 30, 2008.

[D]

ABOUT NON-GAAP FINANCIAL MEASURES

The accompanying press release dated May 20, 2009 contains non-GAAP financial measures. Table B and Table E reconcile the non-GAAP financial measures in that press release 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 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 assessing the performance of the organization, our operating segments or our senior management. Segment managers are not held accountable for share-based compensation expenses, acquisition-related costs, or the other excluded items that may impact their business units' operating income (loss) and, accordingly, we exclude these amounts from our measures of segment performance. We also exclude these amounts from our budget and planning process. We believe that our non-GAAP financial measures also facilitate the comparison of results for current periods and guidance for future periods with results for past periods. We exclude the following items from our non-GAAP financial measures:

- Share-based compensation expenses. Our non-GAAP financial measures exclude share-based compensation expenses, which consist of expenses for stock options, restricted stock, restricted stock units and purchases of common stock under our Employee Stock Purchase Plan. Segment managers are not held accountable for share-based compensation expenses impacting their business units' operating income (loss) and, accordingly, we exclude share-based compensation expenses from our measures of segment performance. While share-based compensation is a significant expense affecting our results of operations, management excludes share-based compensation from our budget and planning process. We exclude share-based compensation expenses from our non-GAAP financial measures for these reasons and the other reasons stated above. We compute weighted average dilutive shares using the method required by SFAS 123 (R) for both GAAP and non-GAAP diluted net income per share.
- Amortization of purchased intangible assets and acquisition-related charges. In accordance with GAAP, amortization of purchased intangible assets in cost of revenue includes amortization of software and other technology assets related to acquisitions. Acquisition-related charges in operating expenses include amortization of other purchased intangible assets such as customer lists, covenants not to compete and trade names. Acquisition activities are managed on a corporate-wide basis and segment managers are not held accountable for the acquisition-related costs impacting their business units' operating income (loss). We exclude these amounts from our measures of segment performance and from our budget and planning process. We exclude these items from our non-GAAP financial measures for these reasons, the other reasons stated above and because we believe that excluding these items facilitates comparisons to the results of other companies in our industry, which have their own unique acquisition histories.

- Charge for historical use of technology licensing rights. We exclude from our non-GAAP financial measures the portion of technology licensing fees that relates to historical use of that technology. We exclude this portion for the reasons stated above and because it is unrelated to our ongoing business operating results.
- Gains and losses on disposals of businesses and assets. We exclude these amounts from our non-GAAP financial measures for the reasons stated above and because they are unrelated to our ongoing business operating results.
- Gains and losses on marketable equity securities and other investments. We exclude these amounts from our non-GAAP financial measures for the reasons stated above and because they are unrelated to our ongoing business operating results.
- Income tax effects of excluded items. Our non-GAAP financial measures exclude the income tax effects of the adjustments described above that relate to the current period as well as adjustments for similar items that relate to prior periods. We exclude the impact of these tax items for the reasons stated above and because management believes that they are not indicative of our ongoing business operations.
- 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 for the reasons stated above and because they are unrelated to our ongoing business operations.

The following describes each non-GAAP financial measure, the items excluded from the most directly comparable GAAP measure in arriving at each non-GAAP financial measure, and the reasons management uses each measure and excludes the specified amounts in arriving at each non-GAAP financial measure.

(A) Operating income (loss). We exclude share-based compensation expenses, amortization of purchased intangible assets, acquisition-related charges, and charges for historical use of technology licensing rights from our GAAP operating income (loss) from continuing operations in arriving at our non-GAAP operating income (loss) primarily because we do not consider them part of ongoing operating results when assessing the performance of the organization, our operating segments and senior management or when undertaking our budget and planning process. We believe that the exclusion of these expenses from our non-GAAP financial measures also facilitates the comparison of results for current periods and guidance for future periods with results for prior periods. In addition, we exclude amortization of purchased intangible assets and acquisition-related charges from non-GAAP operating income (loss) because we believe that excluding these items facilitates comparisons to the results of other companies in our industry, which have their own unique acquisition histories.

(B) Net income (loss) and net income (loss) per share (or earnings per share). We exclude share-based compensation expenses, amortization of purchased intangible assets, acquisition-related charges, charges for historical use of technology licensing rights, net gains on marketable equity securities and other investments, gains and losses on disposals of businesses and assets, certain tax items as described above, and amounts related to discontinued operations from our GAAP net income (loss) and net income (loss) per share in arriving at our non-GAAP net income (loss) and net income (loss) per share. We exclude all

of these items from our non-GAAP net income (loss) and net income (loss) per share primarily because we do not consider them part of ongoing operating results when assessing the performance of the organization, our operating segments and senior management or when undertaking our budget and planning process. We believe that the exclusion of these items from our non-GAAP financial measures also facilitates the comparison of results for current periods and guidance for future periods with results for prior periods.

In addition, we exclude amortization of purchased intangible assets and acquisition-related charges from our non-GAAP net income (loss) and net income (loss) per share because we believe that excluding these items facilitates comparisons to the results of other companies in our industry, which have their own unique acquisition histories. We exclude charges for historical use of technology licensing rights and net gains on marketable equity securities and other investments from our non-GAAP net income (loss) and net income (loss) per share because they are unrelated to our ongoing business operating results. Our non-GAAP financial measures exclude the income tax effects of the adjustments described above that relate to the current period as well as adjustments for similar items that relate to prior periods. We exclude the impact of these tax items because management believes that they are not indicative of our ongoing business operations. The effective tax rates used to calculate non-GAAP net income (loss) and net income (loss) per share were as follows: 36% for the first, second and third quarters of fiscal 2008; 36% for the first quarter of fiscal 2009; 34% for the second and third quarters of fiscal 2009; and 34% for fourth quarter and full year fiscal 2009 guidance. Finally, we exclude amounts related to discontinued operations from our non-GAAP net income (loss) and net income (loss) per share because they are unrelated to our ongoing business operations.

We refer to these non-GAAP financial measures in assessing the performance of Intuit's ongoing operations and for planning and forecasting in future periods. These non-GAAP financial measures also facilitate our internal comparisons to Intuit's historical operating results. We have historically reported similar non-GAAP financial measures and believe that the inclusion of comparative numbers provides consistency in our financial reporting. We compute non-GAAP financial measures using the same consistent method from quarter to quarter and year to year.

The reconciliations of the forward-looking non-GAAP financial measures to the most directly comparable GAAP financial measures in Table E 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 and sales of marketable equity securities and other investments.

Table B
 INTUIT INC.
 RECONCILIATION OF NON-GAAP FINANCIAL MEASURES
 TO MOST DIRECTLY COMPARABLE GAAP FINANCIAL MEASURES
 (In thousands, except per share amounts)
 (Unaudited)

| Three Months Ended | | Nine Months Ended | |
|--------------------|-----------|-------------------|-----------|
| April 30, | April 30, | April 30, | April 30, |

| | 2009 | 2008 | 2009 | 2008 |
|---|------------|------------|------------|------------|
| GAAP operating income from continuing operations | \$ 764,062 | \$ 674,501 | \$ 797,589 | \$ 744,932 |
| Amortization of purchased intangible assets | 15,380 | 14,075 | 45,616 | 40,188 |
| Acquisition-related charges | 10,464 | 9,254 | 32,600 | 25,349 |
| Charge for historical use of technology licensing rights | 10,600 | - | 10,600 | - |
| Share-based compensation expense | 36,950 | 30,093 | 93,601 | 86,282 |
| Non-GAAP operating income | \$ 837,456 | \$ 727,923 | \$ 980,006 | \$ 896,751 |
| GAAP net income | \$ 484,820 | \$ 444,179 | \$ 517,716 | \$ 538,622 |
| Amortization of purchased intangible assets | 15,380 | 14,075 | 45,616 | 40,188 |
| Acquisition-related charges | 10,464 | 9,254 | 32,600 | 25,349 |
| Charge for historical use of technology licensing rights | 10,600 | - | 10,600 | - |
| Share-based compensation expense | 36,950 | 30,093 | 93,601 | 86,282 |
| Net gains on marketable equity securities and other investments | (507) | (477) | (1,084) | (1,190) |
| Pre-tax gain on sale of outsourced payroll assets | - | (13,616) | - | (51,571) |
| Income tax effect of non-GAAP adjustments | (25,676) | (18,143) | (63,793) | (39,563) |
| Exclusion of discrete tax items | 20,229 | (1,408) | (1,478) | (4,580) |
| Discontinued operations | - | - | - | (26,012) |
| Non-GAAP net income | \$ 552,260 | \$ 463,957 | \$ 633,778 | \$ 567,525 |
| GAAP diluted net income per share | \$ 1.47 | \$ 1.33 | \$ 1.57 | \$ 1.58 |
| Amortization of purchased intangible assets | 0.05 | 0.04 | 0.14 | 0.12 |
| Acquisition-related charges | 0.03 | 0.03 | 0.09 | 0.07 |
| Charge for historical use of technology licensing rights | 0.03 | - | 0.03 | - |
| Share-based compensation expense | 0.11 | 0.09 | 0.28 | 0.25 |

| | | | | |
|---|---------|---------|---------|---------|
| Net gains on marketable equity securities and other investments | - | - | - | - |
| Pre-tax gain on sale of outsourced payroll assets | - | (0.04) | - | (0.15) |
| Income tax effect of non-GAAP adjustments | (0.08) | (0.06) | (0.19) | (0.12) |
| Exclusion of discrete tax items | 0.07 | - | - | (0.01) |
| Discontinued operations | - | - | - | (0.08) |
| Non-GAAP diluted net income per share | \$ 1.68 | \$ 1.39 | \$ 1.92 | \$ 1.66 |
| Shares used in diluted per share calculations | 329,104 | 333,436 | 329,412 | 341,869 |

See "About Non-GAAP Financial Measures" immediately preceding this Table B 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 C
INTUIT INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands)
(Unaudited)

| | April 30, 2009 | July 31, 2008 |
|--|-------------------|------------------|
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 1,222,028 | \$ 413,340 |
| Investments | 250,072 | 414,493 |
| Accounts receivable, net | 272,676 | 127,230 |
| Income taxes receivable | 1,793 | 60,564 |
| Deferred income taxes | 75,607 | 101,730 |
| Prepaid expenses and other current assets | 53,368 | 45,457 |
| Current assets before funds held for customers | 1,875,544 | 1,162,814 |
| Funds held for customers | 343,589 | 610,748 |
| Total current assets | 2,219,133 | 1,773,562 |

| | | |
|---|--------------|--------------|
| Long-term investments | 268,395 | 288,310 |
| Property and equipment, net | 535,603 | 507,499 |
| Goodwill | 1,694,307 | 1,698,087 |
| Purchased intangible assets, net | 202,016 | 273,087 |
| Long-term deferred income taxes | 36,573 | 52,491 |
| Other assets | 76,948 | 73,548 |
| Total assets | \$ 5,032,975 | \$ 4,666,584 |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| Current liabilities: | | |
| Accounts payable | \$ 147,662 | \$ 115,198 |
| Accrued compensation and related liabilities | 153,284 | 229,819 |
| Deferred revenue | 298,939 | 359,936 |
| Income taxes payable | 149,355 | 16,211 |
| Other current liabilities | 216,309 | 135,326 |
| Current liabilities before customer fund deposits | 965,549 | 856,490 |
| Customer fund deposits | 343,589 | 610,748 |
| Total current liabilities | 1,309,138 | 1,467,238 |
| Long-term debt | 998,136 | 997,996 |
| Other long-term obligations | 125,814 | 121,489 |
| Total liabilities | 2,433,088 | 2,586,723 |
| Minority interest | 1,368 | 6,907 |
| Stockholders' equity | 2,598,519 | 2,072,954 |
| Total liabilities and stockholders' equity | \$ 5,032,975 | \$ 4,666,584 |

Table D
INTUIT INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

| | Three Months Ended | | Nine Months Ended | |
|-----------------|--------------------|-------------------|-------------------|-------------------|
| | April 30, 2009 | April 30, 2008 | April 30, 2009 | April 30, 2008 |
| Cash flows from | | | | |

operating activities:

| | | | | |
|---|------------|------------|------------|------------|
| Net income (1) | \$ 484,820 | \$ 444,179 | \$ 517,716 | \$ 538,622 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | | | |
| Depreciation | 36,130 | 31,420 | 105,289 | 85,542 |
| Amortization of intangible assets | 26,889 | 25,518 | 83,833 | 71,626 |
| Share-based compensation | 36,950 | 30,093 | 93,601 | 86,328 |
| Pre-tax gain on sale of outsourced payroll assets | - | (13,616) | - | (51,571) |
| Pre-tax gain on sale of IDMS (1) | - | - | - | (45,667) |
| Deferred income taxes | 727 | 4,582 | 44,944 | 19,142 |
| Tax benefit from share-based compensation plans | 1,641 | 3,059 | 8,612 | 28,091 |
| Excess tax benefit from share-based compensation plans | (865) | (2,024) | (7,362) | (17,785) |
| Other | 3,419 | 5,428 | 10,075 | 8,364 |
| Subtotal | 589,711 | 528,639 | 856,708 | 722,692 |
| Changes in operating assets and liabilities: | | | | |
| Accounts receivable | 170,042 | 150,540 | (146,475) | (86,398) |
| Prepaid expenses, taxes and other assets | 154,111 | 19,470 | 40,222 | 40,563 |
| Accounts payable | 24,996 | 333 | 39,899 | 10,708 |
| Accrued compensation and related liabilities | 21,509 | 28,231 | (75,501) | (21,574) |
| Deferred revenue | (173,752) | (56,746) | (51,744) | (32,946) |
| Income taxes payable | 150,010 | 196,883 | 137,332 | 182,545 |
| Other liabilities | (1,598) | (35,401) | 77,450 | 53,903 |
| Total changes in operating assets and | 345,318 | 303,310 | 21,183 | 146,801 |

liabilities

| | | | | |
|---|-----------|------------|------------|------------|
| Net cash provided by operating activities (1) | 935,029 | 831,949 | 877,891 | 869,493 |
| Cash flows from investing activities: | | | | |
| Purchases of available-for-sale debt securities | (71,207) | (290,300) | (138,163) | (738,991) |
| Sales of available-for-sale debt securities | 27,738 | 151,142 | 292,133 | 868,759 |
| Maturities of available-for-sale debt securities | 3,265 | 26,760 | 27,120 | 201,095 |
| Net change in funds held for customers' money market funds and other cash equivalents | (49,906) | 181,124 | 267,159 | (37,715) |
| Purchases of property and equipment | (31,487) | (95,335) | (148,371) | (217,254) |
| Net change in customer fund deposits | 49,906 | (181,124) | (267,159) | 37,715 |
| Acquisitions of businesses and intangible assets, net of cash acquired | (9,490) | (128,768) | (12,831) | (262,839) |
| Cash received from acquirer of outsourced payroll assets | - | 7,576 | - | 34,879 |
| Proceeds from divestiture of businesses | - | - | - | 97,147 |
| Other | (1,088) | 4,384 | 5,477 | (2,086) |
| Net cash provided by (used in) investing activities | (82,269) | (324,541) | 25,365 | (19,290) |
| Cash flows from financing activities: | | | | |
| Net proceeds from issuance of common stock under employee stock plans | 30,743 | 32,113 | 125,812 | 153,790 |
| Tax payments related to restricted stock issuance | (463) | (511) | (14,742) | (4,560) |

| | | | | |
|--|--------------|------------|--------------|------------|
| Purchase of treasury stock | - | (300,000) | (200,251) | (799,998) |
| Excess tax benefit from share-based compensation plans | 865 | 2,024 | 7,362 | 17,785 |
| Other | (785) | 523 | (2,535) | (3,072) |
| Net cash provided by (used in) financing activities | 30,360 | (265,851) | (84,354) | (636,055) |
| Effect of exchange rates on cash and cash equivalents | 200 | (201) | (10,214) | 2,155 |
| Net increase in cash and cash equivalents | 883,320 | 241,356 | 808,688 | 216,303 |
| Cash and cash equivalents at beginning of period | 338,708 | 230,148 | 413,340 | 255,201 |
| Cash and cash equivalents at end of period | \$ 1,222,028 | \$ 471,504 | \$ 1,222,028 | \$ 471,504 |

(1) Because the operating cash flows of our Intuit Distribution Management Solutions (IDMS) discontinued operations were not material for any period presented, we have not segregated them from continuing operations on these statements of cash flows. We have presented the effect of the gain on disposal of IDMS on the statement of cash flows for the nine months ended April 30, 2008.

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

| Forward-Looking Guidance | | | | | |
|-----------------------------------|------------|-------------|-------------------|------------|------------|
| GAAP | | | Non-GAAP | | |
| Range of Estimate | | Adjustments | Range of Estimate | | |
| From | To | | From | To | |
| Three Months Ending July 31, 2009 | | | | | |
| Revenue | \$ 454,000 | \$ 484,000 | \$ - | \$ 454,000 | \$ 484,000 |

| | | | | | | |
|----------------|---------------|---------------|-----------|-----|--------------|--------------|
| Operating loss | \$ (126,000) | \$ (106,000) | \$ 64,000 | [a] | \$ (62,000) | \$ (42,000) |
|----------------|---------------|---------------|-----------|-----|--------------|--------------|

| | | | | | | |
|------------------------|------------|------------|---------|-----|------------|------------|
| Diluted loss per share | \$ (0.26) | \$ (0.22) | \$ 0.12 | [b] | \$ (0.14) | \$ (0.10) |
|------------------------|------------|------------|---------|-----|------------|------------|

| | | | | | | |
|--------|---------|---------|---|--|---------|---------|
| Shares | 322,000 | 325,000 | - | | 322,000 | 325,000 |
|--------|---------|---------|---|--|---------|---------|

Twelve
Months
Ending
July 31,
2009

| | | | | | | |
|---------|--------------|--------------|------|--|--------------|--------------|
| Revenue | \$ 3,155,000 | \$ 3,185,000 | \$ - | | \$ 3,155,000 | \$ 3,185,000 |
|---------|--------------|--------------|------|--|--------------|--------------|

| | | | | | | |
|------------------|------------|------------|------------|-----|------------|------------|
| Operating income | \$ 672,000 | \$ 692,000 | \$ 246,000 | [c] | \$ 918,000 | \$ 938,000 |
|------------------|------------|------------|------------|-----|------------|------------|

| | | | | | | |
|----------------------------|---------|---------|---------|-----|---------|---------|
| Diluted earnings per share | \$ 1.31 | \$ 1.35 | \$ 0.47 | [d] | \$ 1.78 | \$ 1.82 |
|----------------------------|---------|---------|---------|-----|---------|---------|

| | | | | | | |
|--------|---------|---------|---|--|---------|---------|
| Shares | 328,000 | 331,000 | - | | 328,000 | 331,000 |
|--------|---------|---------|---|--|---------|---------|

See "About Non-GAAP Financial Measures" immediately preceding Table B 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 \$40 million; amortization of purchased intangible assets of approximately \$15 million; and acquisition-related charges of approximately \$9 million.

[b] Reflects the estimated adjustments in item [a], income taxes related to these adjustments, and adjustments for certain discrete GAAP tax items.

[c] Reflects estimated adjustments for share-based compensation expense of approximately \$134 million; amortization of purchased intangible assets of approximately \$60 million; acquisition-related charges of approximately \$41 million; and a charge for historical use of technology licensing rights of approximately \$11 million.

[d] Reflects the estimated adjustments in item [c], income taxes related to these adjustments, and adjustments for certain discrete GAAP tax items.

Source: Intuit Inc.