

intuit.



turbotax



quickbooks



mint

Fact Sheet

December 7, 2020

Financial summary

FINANCIAL SUMMARY												GUIDANCE ^[C]	
(\$ millions, except per share data)	Q1 FY19	Q2 FY19	Q3 FY19	Q4 FY19	FY19	Q1 FY20	Q2 FY20	Q3 FY20	Q4 FY20	FY20	Q1 FY21	Q2 FY21	FY21
Small Business & Self-Employed	\$908	\$833	\$887	\$905	\$3,533	\$1,046	\$973	\$982	\$1,049	\$4,050	\$1,181		\$4,360-\$4,460
% change YOY	11%	17%	19%	16%	15%	15%	17%	11%	16%	15%	13%		8% -10%
Consumer	\$90	\$461	\$2,150	\$74	\$2,775	\$100	\$499	\$1,827	\$710	\$3,136	\$119		\$3,410-\$3,455
% change YOY	22%	11%	10%	7%	11%	11%	8%	(15%)	859%	13%	19%		9% -10%
ProConnect	\$18	\$208	\$235	\$15	\$476	\$19	\$224	\$193	\$57	\$493	\$23		\$495-\$500
% change YOY	6%	(1%)	9%	15%	4%	6%	8%	(18%)	280%	4%	21%		0% -1%
Credit Karma													\$545-\$580
% change YOY													
Total Revenue	\$1,016	\$1,502	\$3,272	\$994	\$6,784	\$1,165	\$1,696	\$3,002	\$1,816	\$7,679	\$1,323	\$1,935-\$1,965	\$8,810-\$8,995
% change YOY	12%	12%	12%	15%	13%	15%	13%	(8%)	83%	13%	14%	14% -16%	15% -17%
GAAP Operating Income (Loss)	(\$10)	\$233	\$1,784	(\$153)	\$1,854	\$10	\$270	\$1,413	\$483	\$2,176	\$209	\$171-\$191	\$1,920-\$1,990
Non-GAAP Operating Income (Loss) ^[A]	\$102	\$339	\$1,888	(\$47)	\$2,282	\$129	\$384	\$1,539	\$616	\$2,668	\$334	\$455-\$475	\$2,975-\$3,045
Non-GAAP Operating Margin % ^[A]	10.0%	22.6%	57.7%	NA	33.6%	11.1%	22.6%	51.3%	33.9%	34.7%	25.3%		
Interest Expense	(\$4)	(\$4)	(\$4)	(\$3)	(\$15)	(\$2)	(\$3)	(\$2)	(\$7)	(\$14)	(\$8)		
Interest and Other Income	\$0	\$6	\$17	\$19	\$42	\$14	\$15	(\$3)	\$10	\$36	\$9		
GAAP Share Based Compensation Expense	105	100	98	98	401	111	107	103	114	436	111		
GAAP Share Based Compensation Expense per Share	NM	(\$0.30)	(\$0.29)	(\$0.12)	(\$1.26)	(\$1.11)	(\$0.35)	(\$0.30)	(\$0.40)	(\$1.37)	(\$0.39)		
GAAP Diluted EPS	\$0.13	\$0.72	\$5.22	(\$0.17)	\$5.89	\$0.22	\$0.91	\$4.11	\$1.68	\$6.92	\$0.75	\$0.43-\$0.49	\$5.30-\$5.50
Non-GAAP Diluted EPS^{[A][B]}	\$0.29	\$1.00	\$5.55	(\$0.09)	\$6.75	\$0.41	\$1.16	\$4.49	\$1.81	\$7.86	\$0.94	\$1.25-\$1.31	\$8.20-\$8.40
GAAP Diluted EPS (YTD)	\$0.13	\$0.84	\$6.06	\$5.89	\$5.89	\$0.22	\$1.13	\$5.24	\$6.92	\$6.92	\$0.75		
Non-GAAP Diluted EPS (YTD) ^{[A][B]}	\$0.29	\$1.29	\$6.84	\$6.75	\$6.75	\$0.41	\$1.57	\$6.06	\$7.86	\$7.86	\$0.94		
Basic Share Count	260	260	260	260	260	261	261	261	262	261	263		~270
Diluted Share Count	264	264	264	260	264	264	264	264	264	264	265		~273
GAAP Tax Rate	337%	20%	23%	68%	17%	-163%	15%	23%	8%	17%	6%		24%
Non-GAAP Tax Rate	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	24%		24%
Capital Expenditures					\$155					\$137			~\$170

Segment revenue

Segment Revenue		FY'19					FY'20					FY'21
(\$ millions)	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	
QuickBooks Online Accounting	\$ 217	\$ 231	\$ 260	\$ 272	\$ 980	\$ 306	\$ 330	\$ 353	\$ 365	\$ 1,354	\$ 392	
Online Services	\$ 154	\$ 163	\$ 179	\$ 187	\$ 683	\$ 195	\$ 200	\$ 207	\$ 226	\$ 828	\$ 229	
Total Online Ecosystem	\$ 371	\$ 394	\$ 439	\$ 459	\$ 1,663	\$ 501	\$ 530	\$ 560	\$ 591	\$ 2,182	\$ 621	
QuickBooks Desktop Accounting (Outright, Subs and ES)	\$ 228	\$ 154	\$ 181	\$ 169	\$ 732	\$ 239	\$ 165	\$ 173	\$ 178	\$ 755	\$ 241	
Desktop Services and Supplies	\$ 309	\$ 285	\$ 267	\$ 277	\$ 1,138	\$ 306	\$ 278	\$ 249	\$ 280	\$ 1,113	\$ 319	
Total Desktop Ecosystem	\$ 537	\$ 439	\$ 448	\$ 446	\$ 1,870	\$ 545	\$ 443	\$ 422	\$ 458	\$ 1,868	\$ 560	
Small Business & Self-Employed	\$ 908	\$ 833	\$ 887	\$ 905	\$ 3,533	\$ 1,046	\$ 973	\$ 982	\$ 1,049	\$ 4,050	\$ 1,181	
Consumer	\$ 90	\$ 461	\$ 2,150	\$ 74	\$ 2,775	\$ 100	\$ 499	\$ 1,827	\$ 710	\$ 3,136	\$ 119	
ProConnect	\$ 18	\$ 208	\$ 235	\$ 15	\$ 476	\$ 19	\$ 224	\$ 193	\$ 57	\$ 493	\$ 23	
Total Segment Revenue	\$ 1,016	\$ 1,502	\$ 3,272	\$ 994	\$ 6,784	\$ 1,165	\$ 1,696	\$ 3,002	\$ 1,816	\$ 7,679	\$ 1,323	

Platform Revenue		FY'19		FY'20	
(\$ millions)					
Online Ecosystem (QBO)		\$ 1,663		\$ 2,182	
TurboTax Online (TTO)		\$ 2,250		\$ 2,610	
QBO and TTO Platform Revenue		\$ 3,913		\$ 4,792	

Segment margin

Segment Operating Income										
FY'21										
(\$ millions)	Q1									
	<u>Op. Inc.</u>	<u>% Op. Margin</u>								
Small Business & Self-Employed	\$ 767	65%								
Consumer	\$ 4	4%								
ProConnect	\$ (10)	-42%								
Total Segment Operating Income	\$ 761	58%								

FY'20 (Restated) ^[D]										
(\$ 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	\$ 593	57%	\$ 447	46%	\$ 456	46%	\$ 595	57%	\$ 2,091	52%
Consumer	\$ (20)	-20%	\$ 191	38%	\$ 1,350	74%	\$ 542	76%	\$ 2,063	66%
ProConnect	\$ (18)	-95%	\$ 186	83%	\$ 155	80%	\$ 23	40%	\$ 347	70%
Total Segment Operating Income	\$ 555	48%	\$ 824	49%	\$ 1,962	65%	\$ 1,160	64%	\$ 4,500	59%

FY'19 (Restated) ^[D]										
(\$ millions)									Year	
									<u>Op. Inc.</u>	<u>% Op. Margin</u>
Small Business & Self-Employed									\$ 1,721	49%
Consumer									\$ 1,820	66%
ProConnect									\$ 330	69%
Total Segment Operating Income									\$ 3,872	57%

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 Section "About Non-GAAP Financial Measures" and the tables B1, B2 and E of our Press Release dated November 19, 2020 for reconciliations of these non-GAAP financial measures to the most directly comparable GAAP measures and the reasons management uses each measure.

^[B]The effective tax rates used to calculate non-GAAP EPS were 23% for Q1 FY'20, Q2 FY'20, Q3 FY'20, Q4 FY'20 and 24% for Q1 FY'21.

^[C]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. Q2 FY'21 and FY'21 guidance includes Credit Karma beginning December 3, 2020.

^[D]In August 2020, we reorganized certain technology and customer success functions that support and benefit our overall platform. Additionally, certain legal, facility and employee service costs are now managed at the corporate level. As a result, these costs are no longer included in segment operating income and are now included in other common expenses. For FY'20, we reclassified \$180 million from Small Business & Self-Employed, \$121 million from Consumer and \$14 million from ProConnect to other common expenses. For FY'19, we reclassified \$172 million from Small Business & Self-Employed, \$78 million from Consumer and \$12 million from ProConnect to other common expenses.

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 and OFX.

ProConnect Group Includes: ProSeries, Lacerte and ProConnect 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, including Credit Karma.

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 risks and uncertainties may be amplified by the COVID-19 pandemic, which has caused significant global economic instability and uncertainty. Given these risks and uncertainties, persons reading this communication are cautioned not to place any undue reliance on such forward-looking statements. These factors include, without limitation, the following: our ability to compete successfully; our participation in the Free File Alliance; potential governmental encroachment in our tax businesses; our ability to adapt to technological change; our ability to predict consumer behavior; our reliance on third-party intellectual property; our ability to protect our intellectual property rights; any harm to our reputation; risks associated with acquisition and divestiture activity; the issuance of equity or incurrence of debt to fund an acquisition; our cybersecurity incidents (including those affecting the third parties we rely on); customer concerns about privacy and cybersecurity incidents; fraudulent activities by third parties using our offerings; our failure to process transactions effectively; interruption or failure of our information technology; our ability to maintain critical third-party business relationships; our ability to attract and retain talent; any deficiency in the quality or accuracy of our products (including the advice given by experts on our platform); any delays in product launches; difficulties in processing or filing customer tax submissions; risks associated with international operations; changes to public policy, laws or regulations affecting our businesses; litigation in which we are involved; the seasonal nature of our tax business; changes in tax rates and tax reform legislation; global economic changes; exposure to credit, counterparty or other risks in providing capital to businesses; amortization of acquired intangible assets and impairment charges; our ability to repay or otherwise comply with the terms of our outstanding debt; our ability to repurchase shares or distribute dividends; volatility of our stock price; our ability to successfully market our offerings; risks associated with tax liabilities or changes in U.S. federal tax laws or interpretations to which the transaction with Credit Karma or parties thereto are subject; failure to successfully integrate any new business, including Credit Karma; failure to realize anticipated benefits and synergies of combined operations with Credit Karma; unanticipated costs, expenses or difficulties of integrating Credit Karma; the risk that the conditions imposed in connection with the regulatory approval for the combined business, including the divestiture of the Credit Karma Tax business, could adversely affect us and/or the expected benefits of the combined business; potential impact of consummation of the acquisition on relationships with third parties, including employees, customers, partners and competitors; inability to retain key personnel; changes in legislation or government regulations affecting the acquisition or the parties; economic and/or political conditions that could adversely affect the parties; the impact of the COVID-19 pandemic; and risks associated with assumptions the parties make in connection with the parties' critical accounting estimates and legal proceedings. More details about these and other risks that may impact our business are included in our Form 10-K for fiscal 2020 and in our other SEC filings. You can locate these reports through our website at <http://investors.intuit.com>. Second quarter and full year fiscal 2021 guidance speaks only as of the date it was publicly issued by Intuit. Other forward-looking statements represent the judgment of the management of Intuit as of the date of this presentation. We do not undertake any duty to update any forward-looking statement or other information in this presentation.