September 21, 2016

Intuit Reaffirms First Quarter and Fiscal 2017 Guidance; Hosts Investor Day

MOUNTAIN VIEW, Calif.--(BUSINESS WIRE)-- Intuit Inc. (Nasdaq:INTU) reaffirmed its financial guidance for the first quarter and full fiscal year 2017. The company's fiscal year runs from Aug. 1 to July 31.

Intuit reaffirmed its guidance in conjunction with Investor Day, being held today at the company's Mountain View, Calif., headquarters. Chairman and Chief Executive Officer Brad Smith and company leaders will address the company's priorities in support of its strategy to be the operating system behind small business success, and to do the nations' taxes in the U.S. and Canada.

"With a strong finish to fiscal 2016, we have the wind at our backs," said Smith. "Our time is now - to capitalize on the customer and technology trends we see in the market. We're working to take our offerings to the next level, moving mobile beyond touch screens and adding voice recognition. Creating indispensable connections across our platforms. Applying machine learning to create personalized experience for our customers, while continuously focusing on securing Intuit and our customers' data."

Reiterates First-quarter and Fiscal 2017 Guidance

Intuit reiterated the first-quarter and full-year fiscal 2017 guidance that was previously announced on Aug. 23. For the first quarter, which ends Oct. 31, the company is reiterating the guidance set and expects:

- Revenue of $740 million to $760 million, growth of 4 to 7 percent.
- GAAP operating loss of $65 million to $75 million.
- Non-GAAP operating income of $10 million to $20 million.
- GAAP loss per share of $0.19 to $0.21.
- Non-GAAP diluted earnings per share of $0.01 to $0.03.
- QuickBooks Online subscribers of approximately 1.6 million.

For fiscal year 2017, which ends July 31, the company is reiterating the guidance set and expects:

- Revenue of $5 billion to $5.1 billion, growth of 7 to 9 percent.
- GAAP operating income of $1.33 billion to $1.38 billion, growth of 7 to 11 percent.
- Non-GAAP operating income of $1.675 billion to $1.725 billion, growth of 8 to 11 percent.

- GAAP diluted earnings per share of $3.35 to $3.45, versus $3.69 in fiscal 2016. Fiscal 2016 earnings per share includes $0.65 net income per share from discontinued operations.
- Non-GAAP diluted earnings per share of $4.30 to $4.40, growth of 14 to 16 percent.
- QuickBooks Online subscribers of 2.0 million to 2.2 million.

Investor Day: How to Participate

The event will be broadcast live from 8:00 a.m. to 11:30 a.m. Pacific time and a webcast will be available on Intuit's website at http://investors.intuit.com/events/event-details/2016/Intuits-Annual-Investor-Day-Video-Broadcast-2016/default.aspx.

A replay of the video broadcast and webcast will be available on Intuit's website two hours after the meeting ends.

About Intuit

Intuit Inc. creates business and financial management solutions that simplify the business of life for small businesses, consumers and accounting professionals.

Its flagship products and services include QuickBooks® and TurboTax®, which make it easier to manage small businesses and tax preparation and filing. Mint.com provides a fresh, easy and intelligent way for people to manage their money, while Intuit's ProConnect brand portfolio includes ProConnect Online, ProSeries® and Lacerte®, the company's leading tax preparation offerings for professional accountants.

Founded in 1983, Intuit had revenue of $4.7 billion in its fiscal year 2016. The company has approximately 7,900 employees with major offices in the United States, Canada, the United Kingdom, India, Australia and other locations. More information can be found at www.intuit.com.

About Non-GAAP Financial Measures

This press release includes 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 accompanying Table 1 and the section titled "About Non-GAAP Financial Measures." A copy of the press release issued by Intuit today 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 expected growth and future financial results of Intuit and its reporting segments; Intuit's prospects for the business in fiscal 2017 and beyond; expectations regarding timing and growth of revenue for each of Intuit's reporting segments and from current or future products and services; expectations regarding customer growth; expectations regarding changes to our products and their impact on Intuit's business; expectations regarding the impact of our strategic decisions on Intuit's business; 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: 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; 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; related publicity regarding such fraudulent activity could cause customers to lose confidence in using our software and adversely impact our results; 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 the risks that may impact our business are included in our Form 10-K for fiscal 2016 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

September 21, 2016 and we do not undertake any duty to update any forward-looking statement or other information in these materials.

TABLE 1

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

	Forward-Looking Guidance							
	GAAP Range of Estimate						Non-(Range of	
	From		To		Adjustments		From	
Three Months Ending October 31, 2016								
Revenue	$	740	$	760	$	-	$	740
Operating income (loss)	$	(75)	$	(65)	$	85 [a]	$	10
Diluted net income (loss) per share	$	(0.21)	$	(0.19)	$	0.22 [b]	$	0.01
Twelve Months Ending July 31, 2017								
Revenue	$	5,000	$	5,100	$	-	$	5,000
Operating income	$	1,330	$	1,380	$	345 [c]	$	1,675
Diluted earnings per share	$	3.35	$	3.45	$	0.95 [d]	$	4.30

See "About Non-GAAP Financial Measures" immediately following this Table 1 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 $81 million, amortization of acquired technology of approximately $3 million, and amortization of other acquired intangible assets of approximately $1 million.

[b] Reflects the estimated adjustments in item [a], income taxes related to these adjustments, and other income tax effects related to the use of the long-term non-GAAP tax rate.

[c] Reflects estimated adjustments for share-based compensation expense of approximately $332 million, amortization of acquired technology of approximately $12 million, and amortization of other acquired intangible assets of approximately $1 million.

[d] Reflects the estimated adjustments in item [c], income taxes related to these adjustments, and other income tax effects related to the use of the long-term non-GAAP tax rate.

INTUIT INC.

ABOUT NON-GAAP FINANCIAL MEASURES

The accompanying press release dated September 21, 2016 contains non-GAAP financial measures. Table 1 reconciles 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 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
- Goodwill and intangible asset impairment charges
- 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 debt securities and other investments
- Income tax effects and adjustments
- 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 expense, amortization, 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 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.

Goodwill and intangible asset impairment charges. We exclude from our non-GAAP financial measures non-cash charges to adjust the carrying values of goodwill and other acquired intangible assets to their estimated fair values.

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 debt securities and other investments. We exclude from our non-GAAP financial measures gains and losses that we record when we sell or impair available-for-sale debt securities and other investments.

Income tax effects and adjustments. We use a long-term non-GAAP tax rate for evaluating operating results and for planning, forecasting, and analyzing future periods. This long-term non-GAAP tax rate excludes the income tax effects of the non-GAAP pre-tax adjustments described above, assumes the federal research and experimentation credit is continuously in effect, and eliminates the effects of non-recurring and period specific items which can vary in size and frequency. Based on our current long-term projections, we are using a long-term non-GAAP tax rate of 33% for fiscal 2017. These rates are consistent with the average of our normalized fiscal year tax rate over a four year period that includes the past three fiscal years plus the current fiscal year forecast. We will evaluate this long-term non-GAAP tax rate on an annual basis and whenever any significant events occur which may materially affect this long-term rate. This long-term non-GAAP tax rate could be subject to change for various reasons including significant changes in our geographic earnings mix or fundamental tax law changes in major jurisdictions in which we operate.

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 1 include all information reasonably available to Intuit at the date of this presentation. 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 available-for-sale debt securities and other investments.

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