

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of The
Securities Exchange Act of 1934

November 29, 2022

Date of Report (Date of earliest event reported):

INTUIT INC.

(Exact Name of Registrant as Specified in its Charter)

Delaware
(State or other Jurisdiction
of Incorporation)

000-21180
(Commission
File Number)

77-0034661
(I.R.S. Employer
Identification No.)

2700 Coast Avenue, Mountain View, CA 94043
(Address of principal executive offices, including zip code)

(650) 944-6000
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of Each Class</u>	<u>Trading Symbol</u>	<u>Name of Exchange on Which Registered</u>
Common Stock, \$0.01 par value	INTU	Nasdaq Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. "

ITEM 2.02 RESULTS OF OPERATIONS AND FINANCIAL CONDITION.

On November 29, 2022, Intuit Inc. announced its financial results for the fiscal quarter ended October 31, 2022 and provided forward-looking guidance. A copy of the press release is attached to this Report as Exhibit 99.01.

The information in this Item 2.02 and the exhibit attached hereto shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly stated by specific reference in such filing.

ITEM 8.01 OTHER EVENTS.

On November 29, 2022, Intuit also announced that its Board of Directors approved a cash dividend of \$0.78 per share. The cash dividend will be paid on January 18, 2023 to shareholders of record as of the close of business on January 10, 2023. Future declarations of dividends and the establishment of future record dates and payment dates are subject to the final determination of the Intuit Board of Directors. A copy of the press release announcing the cash dividend is furnished as Exhibit 99.01 to this Report.

In September 2022, James “Alex” Chriss, Intuit’s Executive Vice President and general manager of the Small Business and Self-Employed Group, adopted a stock trading plan related to the sales of up to 27,932 restricted stock units and performance-based restricted stock units and the exercise of up to 29,607 stock options and the sales of the underlying shares. Subject to the terms and conditions of this plan, a brokerage firm may periodically sell the underlying shares from December 2022 through October 2023.

In September 2022, Michelle Clatterbuck, Intuit’s Executive Vice President and Chief Financial Officer, adopted a stock trading plan related to the sales of up to 29,463 restricted stock units and performance-based restricted stock units. Subject to the terms and conditions of this plan, a brokerage firm may periodically sell the underlying shares at predetermined prices from December 2022 through October 2023.

In September 2022, Brad Smith, Intuit’s Executive Chairman, adopted a stock trading plan related to the gift shares valued at \$4.8 million. Subject to the terms and conditions of this plan, a brokerage firm may periodically gift the shares at upon achievement of predetermined trigger prices from February 2023 through March 2023. In September 2022, Mr. Smith also adopted a stock trading plan related to the exercise of up to 213,000 stock options and the sales of the underlying shares. Subject to the terms and conditions of this plan, a brokerage firm may periodically sell the underlying shares from December 2022 through July 2023.

These trading plans are intended to satisfy the requirements of Rule 10b5-1 of the Exchange Act and were adopted in accordance with Intuit's policies regarding securities transactions. Rule 10b5-1 permits individuals who are not in possession of material, non-public information at the time the plan is adopted to establish pre-arranged plans to buy or sell or otherwise transfer company stock. Transactions under these trading plans will be disclosed publicly through Form 4 filings with the Securities and Exchange Commission, to the extent required by law.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS.

(d) Exhibits

99.01	Press release issued on November 29, 2022 reporting financial results for the quarter ended October 31, 2022 and announcing the cash dividend.*
104	Cover Page Interactive Data File (the cover page XBRL tags are embedded within the inline XBRL document)

* This exhibit is intended to be furnished and shall not be deemed “filed” for purposes of the Securities Exchange Act of 1934, as amended.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: November 29, 2022

INTUIT INC.

By: /s/ Michelle M. Clatterbuck
Michelle M. Clatterbuck
Executive Vice President and Chief Financial Officer

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Intuit Reports Strong First Quarter Results and Reiterates Full Year Operating Income and Earnings Per Share Guidance

Small Business and Self-Employed Group Revenue Grew 38 percent, 19 percent excluding Mailchimp

MOUNTAIN VIEW, Calif. - November 29, 2022 - Intuit Inc. (Nasdaq: INTU) the global financial technology platform that makes TurboTax, Credit Karma, QuickBooks, and Mailchimp, announced financial results for the first quarter of fiscal 2023, which ended October 31.

“We had a strong first quarter as we innovated and delivered on our strategy to be the global AI-driven expert platform powering prosperity for consumers and small businesses,” said Sasan Goodarzi, Intuit's chief executive officer. “We continue to see proof that the benefits of our financial technology platform are more mission-critical than ever to our customers in an uncertain macro environment.”

“While we are pleased with first quarter results, we shared earlier this month that Credit Karma experienced continuing deterioration across all verticals in the last few weeks of the first quarter. Despite this impact to Credit Karma, we are reiterating operating income and earnings per share guidance for fiscal year 2023,” said Michelle Clatterbuck, Intuit’s chief financial officer.

Financial Highlights

For the first quarter, Intuit:

- Grew total revenue to \$2.6 billion, up 29 percent, including 13 points from the addition of Mailchimp.
- Increased Small Business and Self-Employed Group revenue 38 percent to \$2.0 billion. Excluding Mailchimp revenue of \$264 million, Small Business and Self-Employed Group revenue grew 19 percent.

- Grew Online Ecosystem revenue 60 percent to \$1.3 billion. Excluding Mailchimp, Online Ecosystem revenue grew 28 percent.
- Increased Credit Karma revenue 2 percent to \$425 million.
- Grew Consumer Group revenue to \$150 million, up from \$120 million the prior year.
- Increased ProTax Group revenue to \$34 million, up from \$26 million the prior year.

Unless otherwise noted, all growth rates refer to the current period versus the comparable prior-year period, and the business metrics and associated growth rates refer to worldwide business metrics.

Snapshot of First-quarter Results

	GAAP			Non-GAAP		
	Q1 FY23	Q1 FY22	Change	Q1 FY23	Q1 FY22	Change
Revenue	\$2,597	\$2,007	29%	\$2,597	\$2,007	29%
Operating Income	\$76	\$195	(61)%	\$662	\$555	19%
Earnings Per Share	\$0.14	\$0.82	(83)%	\$1.66	\$1.53	8%

Dollars are in millions, except earnings per share. See “About Non-GAAP Financial Measures” below for more information regarding financial measures not prepared in accordance with Generally Accepted Accounting Principles (GAAP).

Business Segment Results

Small Business and Self-Employed Group

- QuickBooks Online Accounting revenue grew 29 percent in the quarter, driven primarily by customer growth, higher effective prices, and mix-shift.
- Online Services revenue grew to \$681 million, up 109 percent, driven by the addition of Mailchimp, and growth in QuickBooks Online payroll and QuickBooks Online payments. Excluding Mailchimp revenue of \$264 million, online services revenue grew 28 percent.
- Total international online revenue grew 172 percent on a constant currency basis, and 19 percent excluding Mailchimp.

Credit Karma

- Credit Karma revenue growth in the quarter was driven by credit cards, offset by headwinds in personal loans, home loans, auto insurance and auto loans.

Capital Allocation Summary

In the first quarter the company:

- Reported a total cash and investments balance of approximately \$2.7 billion and \$7.0 billion in debt as of October 31, 2022.
- Repurchased \$519 million of shares, with \$3.0 billion remaining on the company's share repurchase authorization.
- Received Board approval for a quarterly dividend of \$0.78 per share, payable January 18, 2023. This represents a 15 percent increase compared to the same period last year.

Forward-looking Guidance

For the full fiscal year 2023, Intuit updated revenue guidance and reiterated GAAP and non-GAAP operating income and earnings per share guidance. The company now expects:

- Revenue of \$14.035 billion to \$14.250 billion, growth of approximately 10 to 12 percent, down from previous guidance of growth of approximately 14 to 16 percent.
- GAAP operating income of \$2.794 billion to \$2.899 billion, growth of approximately 9 to 13 percent.
- Non-GAAP operating income of \$5.258 billion to \$5.363 billion, growth of approximately 17 to 19 percent.
- GAAP diluted earnings per share of \$6.92 to \$7.22, a decline of approximately 5 to 1 percent.
- Non-GAAP diluted earnings per share of \$13.59 to \$13.89, growth of approximately 15 to 17 percent.

The company also reiterated segment revenue guidance for its Small Business and Self-Employed Group, Consumer Group, and ProTax Group, and updated segment revenue guidance for Credit Karma. For fiscal 2023, the company now expects:

- Small Business and Self-Employed Group: growth of 19 to 20 percent.
- Consumer Group: growth of 9 to 10 percent.
- ProTax Group: growth of 3 percent.
- Credit Karma: a decline of 15 to 10 percent, down from previous guidance of growth of 10 to 15 percent.

Intuit announced guidance for the second quarter of fiscal year 2023, which ends January 31. The company expects:

- Revenue to grow approximately 8 to 9 percent.
- GAAP loss per share of \$0.29 to \$0.23.
- Non-GAAP diluted earnings per share of \$1.41 to \$1.45.

Conference Call Details

Intuit executives will discuss the financial results on a conference call at 1:30 p.m. PT on November 29. The conference call can be heard live at <http://investors.intuit.com/Events/default.aspx>. Prepared remarks for the call will be available on Intuit's website after the call ends.

Replay Information

A replay of the conference call will be available for one week by calling 800-770-2030, or 609-800-9909 from international locations. The passcode is 4061282. The audio webcast will remain available on Intuit's website for one week after the conference call.

About Intuit

Intuit is the global financial technology platform that powers prosperity for the people and communities we serve. With more than 100 million customers worldwide using [TurboTax](#), [Credit Karma](#), [QuickBooks](#), and [Mailchimp](#), we believe that everyone should have the opportunity to prosper. We never stop working to find new, innovative ways to make that possible. Please visit us for the latest information [about Intuit](#), our products and services, and find us on [social](#).

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 B1,

Table B2, and Table E. A copy of the press release issued by Intuit today can be found on the investor relations page of Intuit's website.

Cautions About Forward-looking Statements

This press release contains forward-looking statements, including expectations regarding: forecasts and timing of growth and future financial results of Intuit and its reporting segments; the impact of macroeconomic conditions on our business, segments and products; Intuit's prospects for the business in fiscal 2023 and beyond; timing and growth of revenue from current or future products and services; Intuit's corporate tax rate; the amount and timing of any future dividends or share repurchases; and the impact of acquisitions and other strategic decisions on our business; as well as 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 risks and uncertainties may be amplified by the COVID-19 pandemic, which has caused significant global economic instability and uncertainty. These factors include, without limitation, the following: our ability to compete successfully; 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, including the integration of Credit Karma and Mailchimp; 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 conditions (including, without limitation, inflation); exposure to credit, counterparty and 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; and our ability to successfully market our offerings. More details about these and other risks that may impact our business are included in our Form 10-K for fiscal 2022 and in our other SEC filings. You can locate these reports through our website at <http://investors.intuit.com>. Fiscal 2023 full-year and Q2 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. Except as required by law, we do not undertake any duty to update any forward-looking statement or other information in this presentation.

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

	Three Months Ended	
	October 31, 2022	October 31, 2021
Net revenue:		
Product	\$ 427	\$ 397
Service and other	2,170	1,610
Total net revenue	<u>2,597</u>	<u>2,007</u>
Costs and expenses:		
Cost of revenue:		
Cost of product revenue	15	15
Cost of service and other revenue	620	387
Amortization of acquired technology	41	15
Selling and marketing	795	550
Research and development	625	530
General and administrative	304	262
Amortization of other acquired intangible assets	121	53
Total costs and expenses [A]	<u>2,521</u>	<u>1,812</u>
Operating income	76	195
Interest expense	(49)	(7)
Interest and other income, net	5	50
Income before income taxes	32	238
Income tax (benefit) provision [B]	(8)	10
Net income	<u>\$ 40</u>	<u>\$ 228</u>
Basic net income per share	<u>\$ 0.14</u>	<u>\$ 0.84</u>
Shares used in basic per share calculations	<u>281</u>	<u>273</u>
Diluted net income per share	<u>\$ 0.14</u>	<u>\$ 0.82</u>
Shares used in diluted per share calculations	<u>284</u>	<u>277</u>
Cash dividends declared per common share	<u>\$ 0.78</u>	<u>\$ 0.68</u>

See accompanying Notes.

INTUIT INC.
NOTES TO TABLE A

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

<i>(in millions)</i>	Three Months Ended	
	October 31, 2022	October 31, 2021
Cost of revenue	\$ 86	\$ 27
Selling and marketing	106	64
Research and development	136	109
General and administrative	94	80
Total share-based compensation expense	\$ 422	\$ 280

[B] We compute our provision for or benefit from income taxes by applying the estimated annual effective tax rate to income or loss from recurring operations and adding the effects of any discrete income tax items specific to the period.

We recognized excess tax benefits on share-based compensation of \$7 million and \$47 million in our provision for income taxes for the three months ended October 31, 2022 and 2021, respectively.

We recorded an \$8 million tax benefit on a pretax income of \$32 million for the three months ended October 31, 2022. Excluding discrete tax items primarily related to share-based compensation tax benefits including those mentioned above, our effective tax rate was approximately 25%. The difference from the federal statutory rate of 21% was primarily due to state income taxes and non-deductible share-based compensation, which were partially offset by the tax benefit we received from the federal research and experimentation credit.

Our effective tax rate for the three months ended October 31, 2021 was approximately 4%. Excluding discrete tax items primarily related to share-based compensation tax benefits including those mentioned above, our effective tax rate was 25%. The difference from the federal statutory rate of 21% was primarily due to state income taxes and non-deductible share-based compensation, which were partially offset by the tax benefit we received from the federal research and experimentation credit.

In the current global tax policy environment, the U.S. and other domestic and foreign governments continue to consider, and in some cases enact, changes in corporate tax laws. As changes occur, we account for finalized legislation in the period of enactment.

TABLE B1
INTUIT INC.
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES
TO MOST DIRECTLY COMPARABLE GAAP FINANCIAL MEASURES
(In millions, except per share amounts)
(Unaudited)

	Fiscal 2023				
	Q1	Q2	Q3	Q4	Year to Date
GAAP operating income (loss)	\$ 76	\$ —	\$ —	\$ —	\$ 76
Amortization of acquired technology	41	—	—	—	41
Amortization of other acquired intangible assets	121	—	—	—	121
Professional fees for business combinations	2	—	—	—	2
Share-based compensation expense	422	—	—	—	422
Non-GAAP operating income (loss)	<u>\$ 662</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 662</u>
GAAP net income (loss)	\$ 40	\$ —	\$ —	\$ —	\$ 40
Amortization of acquired technology	41	—	—	—	41
Amortization of other acquired intangible assets	121	—	—	—	121
Professional fees for business combinations	2	—	—	—	2
Share-based compensation expense	422	—	—	—	422
Net (gain) loss on debt securities and other investments	—	—	—	—	—
Income tax effects and adjustments [A]	(156)	—	—	—	(156)
Non-GAAP net income (loss)	<u>\$ 470</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 470</u>
GAAP diluted net income (loss) per share	\$ 0.14	\$ —	\$ —	\$ —	\$ 0.14
Amortization of acquired technology	0.14	—	—	—	0.14
Amortization of other acquired intangible assets	0.43	—	—	—	0.43
Professional fees for business combinations	0.01	—	—	—	0.01
Share-based compensation expense	1.49	—	—	—	1.49
Net (gain) loss on debt securities and other investments	—	—	—	—	—
Income tax effects and adjustments [A]	(0.55)	—	—	—	(0.55)
Non-GAAP diluted net income (loss) per share	<u>\$ 1.66</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 1.66</u>
Shares used in GAAP diluted per share calculation	<u>284</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>284</u>
Shares used in non-GAAP diluted per share calculation	<u>284</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>284</u>

[A] As discussed in “About Non-GAAP Financial Measures - Income Tax Effects and Adjustments” following Table E, our long-term non-GAAP tax rate eliminates the effects of non-recurring and period-specific items. Income tax adjustments consist primarily of the tax impact of the non-GAAP pre-tax adjustments and period specific GAAP items related to share-based compensation tax benefits.

See “About Non-GAAP Financial Measures” immediately following Table E 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 B2
INTUIT INC.
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES
TO MOST DIRECTLY COMPARABLE GAAP FINANCIAL MEASURES
(In millions, except per share amounts)
(Unaudited)

	Fiscal 2022				
	Q1	Q2	Q3	Q4	Full Year
GAAP operating income (loss)	\$ 195	\$ 56	\$ 2,395	\$ (75)	\$ 2,571
Amortization of acquired technology	15	42	42	41	140
Amortization of other acquired intangible assets	53	121	121	121	416
Professional fees for business combinations	12	57	—	—	69
Share-based compensation expense	280	336	346	346	1,308
Non-GAAP operating income (loss)	<u>\$ 555</u>	<u>\$ 612</u>	<u>\$ 2,904</u>	<u>\$ 433</u>	<u>\$ 4,504</u>
GAAP net income (loss)	\$ 228	\$ 100	\$ 1,794	\$ (56)	\$ 2,066
Amortization of acquired technology	15	42	42	41	140
Amortization of other acquired intangible assets	53	121	121	121	416
Professional fees for business combinations	12	57	—	—	69
Share-based compensation expense	280	336	346	346	1,308
Net (gain) loss on debt securities and other investments [A]	(42)	—	(7)	—	(49)
Income tax effects and adjustments [B]	(123)	(210)	(111)	(141)	(585)
Non-GAAP net income (loss)	<u>\$ 423</u>	<u>\$ 446</u>	<u>\$ 2,185</u>	<u>\$ 311</u>	<u>\$ 3,365</u>
GAAP diluted net income (loss) per share	\$ 0.82	\$ 0.35	\$ 6.28	\$ (0.20)	\$ 7.28
Amortization of acquired technology	0.06	0.14	0.15	0.15	0.49
Amortization of other acquired intangible assets	0.19	0.42	0.42	0.43	1.46
Professional fees for business combinations	0.04	0.20	—	—	0.24
Share-based compensation expense	1.01	1.17	1.21	1.22	4.61
Net (gain) loss on debt securities and other investments [A]	(0.15)	—	(0.02)	—	(0.17)
Income tax effects and adjustments [B]	(0.44)	(0.73)	(0.39)	(0.50)	(2.06)
Non-GAAP diluted net income (loss) per share	<u>\$ 1.53</u>	<u>\$ 1.55</u>	<u>\$ 7.65</u>	<u>\$ 1.10</u>	<u>\$ 11.85</u>
Shares used in GAAP diluted per share calculation	<u>277</u>	<u>287</u>	<u>286</u>	<u>282</u>	<u>284</u>
Shares used in non-GAAP diluted per share calculation	<u>277</u>	<u>287</u>	<u>286</u>	<u>284</u>	<u>284</u>

[A] During the three months ended October 31, 2021, we recognized \$39 million of net gains on other long-term investments.

[B] As discussed in "About Non-GAAP Financial Measures - Income Tax Effects and Adjustments" following Table E, our long-term non-GAAP tax rate eliminates the effects of non-recurring and period-specific items. Income tax adjustments consist primarily of the tax impact of the non-GAAP pre-tax adjustments and the excess tax benefits on share-based compensation.

See "About Non-GAAP Financial Measures" immediately following Table E 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 millions)
(Unaudited)

	October 31, 2022	July 31, 2022
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 2,125	\$ 2,796
Investments	599	485
Accounts receivable, net	384	446
Notes receivable	566	509
Income taxes receivable	88	93
Prepaid expenses and other current assets	324	287
Current assets before funds receivable and amounts held for customers	4,086	4,616
Funds receivable and amounts held for customers	468	431
Total current assets	4,554	5,047
Long-term investments	98	98
Property and equipment, net	926	888
Operating lease right-of-use assets	535	549
Goodwill	13,732	13,736
Acquired intangible assets, net	6,899	7,061
Long-term deferred income taxes	10	11
Other assets	331	344
Total assets	\$ 27,085	\$ 27,734
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Short-term debt	\$ 499	\$ 499
Accounts payable	670	737
Accrued compensation and related liabilities	401	576
Deferred revenue	698	808
Other current liabilities	589	579
Current liabilities before funds payable and amounts due to customers	2,857	3,199
Funds payable and amounts due to customers	468	431
Total current liabilities	3,325	3,630
Long-term debt	6,486	6,415
Long-term deferred income tax liabilities	588	619
Operating lease liabilities	530	542
Other long-term obligations	89	87
Total liabilities	11,018	11,293
Stockholders' equity	16,067	16,441
Total liabilities and stockholders' equity	\$ 27,085	\$ 27,734

TABLE D
INTUIT INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)
(Unaudited)

	Three Months Ended	
	October 31, 2022	October 31, 2021
Cash flows from operating activities:		
Net income	\$ 40	\$ 228
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	47	45
Amortization of acquired intangible assets	162	69
Non-cash operating lease cost	23	18
Share-based compensation expense	422	280
Deferred income taxes	(28)	(16)
Other	11	(35)
Total adjustments	637	361
Changes in operating assets and liabilities:		
Accounts receivable	62	(21)
Income taxes receivable	6	11
Prepaid expenses and other assets	(35)	(31)
Accounts payable	(71)	(107)
Accrued compensation and related liabilities	(175)	(212)
Deferred revenue	(111)	(86)
Operating lease liabilities	(18)	(18)
Other liabilities	(7)	20
Total changes in operating assets and liabilities	(349)	(444)
Net cash provided by operating activities	328	145
Cash flows from investing activities:		
Purchases of corporate and customer fund investments	(256)	(257)
Sales of corporate and customer fund investments	44	1,053
Maturities of corporate and customer fund investments	90	123
Purchases of property and equipment	(77)	(42)
Originations and purchases of term loans to small businesses	(314)	(125)
Principal repayments of term loans from small businesses	244	72
Other	13	(28)
Net cash provided by (used in) investing activities	(256)	796
Cash flows from financing activities:		
Proceeds from borrowings under secured revolving credit facility	70	2
Proceeds from issuance of stock under employee stock plans	60	55
Payments for employee taxes withheld upon vesting of restricted stock units	(125)	(167)
Cash paid for purchases of treasury stock	(510)	(335)
Dividends and dividend rights paid	(222)	(190)
Net change in funds receivable and funds payable and amounts due to customers	(186)	(151)
Net cash used in financing activities	(913)	(786)
Effect of exchange rates on cash, cash equivalents, restricted cash, and restricted cash equivalents	(16)	(2)
Net increase (decrease) in cash, cash equivalents, restricted cash, and restricted cash equivalents	(857)	153
Cash, cash equivalents, restricted cash, and restricted cash equivalents at beginning of period	2,997	2,819
Cash, cash equivalents, restricted cash, and restricted cash equivalents at end of period	\$ 2,140	\$ 2,972

Reconciliation of cash, cash equivalents, restricted cash, and restricted cash equivalents reported within the condensed consolidated balance sheets to the total amounts reported on the condensed consolidated statements of cash flows		
Cash and cash equivalents	\$ 2,125	\$ 2,864
Restricted cash and restricted cash equivalents included in funds receivable and amounts held for customers	15	108
Total cash, cash equivalents, restricted cash, and restricted cash equivalents at end of period	\$ 2,140	\$ 2,972

TABLE E
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 Range of Estimate		Adjmts	Non-GAAP Range of Estimate		
	From	To		From	To	
Three Months Ending January 31, 2023						
Revenue	\$ 2,875	\$ 2,905	\$ —		\$ 2,875	\$ 2,905
Operating income (loss)	\$ (19)	\$ (4)	\$ 597	[a]	\$ 578	\$ 593
Diluted net income (loss) per share	\$ (0.29)	\$ (0.23)	\$1.70/\$1.68	[b]	\$ 1.41	\$ 1.45
Twelve Months Ending July 31, 2023						
Revenue	\$ 14,035	\$ 14,250	\$ —		\$ 14,035	\$ 14,250
Operating income	\$ 2,794	\$ 2,899	\$ 2,464	[c]	\$ 5,258	\$ 5,363
Diluted net income per share	\$ 6.92	\$ 7.22	\$ 6.67	[d]	\$ 13.59	\$ 13.89

See "About Non-GAAP Financial Measures" immediately following Table E 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 \$435 million; amortization of other acquired intangible assets of approximately \$121 million; and amortization of acquired technology of approximately \$41 million.
- [b] Reflects estimated adjustments in item [a], income taxes related to these adjustments, and other income tax effects related to the use of the non-GAAP tax rate.
- [c] Reflects estimated adjustments for share-based compensation expense of approximately \$1.8 billion; amortization of other acquired intangibles of approximately \$483 million; amortization of acquired technology of approximately \$162 million; and professional fees for business combinations of approximately \$2 million.
- [d] Reflects estimated adjustments in item [c], income taxes related to these adjustments, other income tax effects related to the use of the non-GAAP tax rate.

INTUIT INC.
ABOUT NON-GAAP FINANCIAL MEASURES

The accompanying press release dated November 29, 2022 contains non-GAAP financial measures. Table B1, Table B2, 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 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
- Gains and losses on disposals of businesses and long-lived assets
- Professional fees and transaction costs 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 and equity securities and other investments
- Income tax effects and adjustments
- Discontinued operations

We believe 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 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 a business in a business combination, we are required by GAAP to record the fair values of the intangible assets of the business 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 businesses. 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.

Gains and losses on disposals of businesses and long-lived assets. We exclude from our non-GAAP financial measures gains and losses on disposals of businesses and long-lived assets because they are unrelated to our ongoing business operating results.

Professional fees and transaction costs 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 credit losses on available-for-sale debt securities and gains and losses on 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, 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 24% for fiscal 2022 and fiscal 2023. This long-term non-GAAP tax rate could be subject to change for various reasons including significant acquisitions, changes in our geographic earnings mix or fundamental tax law changes in major jurisdictions in which we operate. 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 rate.

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 measure 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, sales of available-for-sale debt securities and other investments, and disposals of business and long-lived assets.