

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

February 23, 2023

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 February 23, 2023, Intuit Inc. announced its financial results for the fiscal quarter ended January 31, 2023 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 5.02 DEPARTURE OF DIRECTORS OR CERTAIN OFFICERS; ELECTION OF DIRECTORS; APPOINTMENT OF CERTAIN OFFICERS; COMPENSATORY ARRANGEMENTS OF CERTAIN OFFICERS

On February 23, 2023, Intuit Inc. (the “Company”) announced that the Compensation and Organizational Development Committee of the Company’s Board of Directors approved the appointment of Sandeep Aujla as the Company’s Executive Vice President and Chief Financial Officer, effective August 1, 2023. Mr. Aujla, 47, has served as the Company’s Senior Vice President, Small Business and Self-Employed Group Finance since January 2019. Prior to that, he served as Vice President, Small Business and Self-Employed Group Finance from June 2015 to January 2019. Prior to joining the Company, Mr. Aujla held executive finance roles at Visa and was an investment banker at The Goldman Sachs Group and Morgan Stanley & Co. Mr. Aujla holds a Masters of Business Administration from the University of Virginia Darden School of Business.

Effective August 1, 2023, Mr. Aujla will be paid an annual base salary of \$770,000 and will be eligible to receive a target annual cash bonus equal to 120% of his base salary. In addition, the Company will grant Mr. Aujla equity awards with an aggregate grant date value of \$11,000,000 in July 2023, in accordance with the Company’s ordinary fiscal year end grant practices and subject to the terms of the Company’s Amended and Restated 2005 Equity Incentive Plan.

The Company intends to enter into its standard form of indemnification agreement with Mr. Aujla. There are no arrangements or understandings between Mr. Aujla and any other persons pursuant to which he was selected as an officer of the Company, he has no family relationships with any of the Company’s directors or executive officers, and he has no direct or indirect material interest in any transaction required to be disclosed pursuant to Item 404(a) of Regulation S-K.

The Company also announced that Michelle Clatterbuck, who has served as Chief Financial Officer since February 2018, will transition to a new role effective July 31, 2023. The Company and Ms. Clatterbuck have entered into an agreement (the “Transition Agreement”) pursuant to which Ms. Clatterbuck will continue to be employed by the Company through July 31, 2024 (the “Transition Period”). Effective August 1, 2023, Ms. Clatterbuck will be paid an annual base salary of \$125,000 and will be eligible to receive a target annual cash bonus equal to 10% of her base salary. During the Transition Period, while continuing to serve as an employee, Ms. Clatterbuck’s previously granted equity awards will continue to vest in accordance with their terms. The Transition Agreement provides for a customary release of claims by Ms. Clatterbuck and reaffirmation of her obligations under an employee intellectual property assignment and confidentiality agreement.

A copy of the press release is attached to this Report as Exhibit 99.02.

ITEM 8.01 OTHER EVENTS.

On February 23, 2023, Intuit also announced that its Board of Directors approved a cash dividend of \$0.78 per share. The cash dividend will be paid on April 18, 2023 to shareholders of record as of the close of business on April 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.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS.

(d) Exhibits

99.01	<u>Press release issued on February 23, 2023 reporting financial results for the quarter ended January 31, 2023 and announcing the cash dividend.*</u>
99.02	<u>Press release issued on February 23, 2023 announcing the Company's succession plan for the role of chief financial officer, effective August 1, 2023.*</u>
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: February 23, 2023

INTUIT INC.

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

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Intuit Reports Strong Second Quarter Results and Reiterates Full Year Guidance

Small Business and Self-Employed Group Revenue Grew 20 Percent

MOUNTAIN VIEW, Calif. - February 23, 2023 - [Intuit Inc.](#) (Nasdaq: INTU) the global financial technology platform that makes [TurboTax](#), [Credit Karma](#), [QuickBooks](#), and [Mailchimp](#),

announced financial results for the second quarter of fiscal 2023, which ended January 31.

“We had a strong second quarter as we executed 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. “As we celebrate our 40th anniversary this year we are proud of our history of thriving during various economic cycles and we are confident that the benefits of the Intuit platform are more mission-critical than ever to our customers.”

Financial Highlights

For the second quarter, Intuit:

- Grew total revenue to \$3.0 billion, up 14 percent.
- Increased Small Business and Self-Employed Group revenue 20 percent to \$1.9 billion.
- Grew Online Ecosystem revenue 24 percent to \$1.4 billion.
- Increased Consumer Group revenue to \$516 million, up 26 percent.
- Reported Credit Karma revenue of \$375 million, down 16 percent.
- Grew ProTax Group revenue to \$253 million, up 7 percent.

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 Second-quarter Results

	GAAP			Non-GAAP		
	Q2 FY23	Q2 FY22	Change	Q2 FY23	Q2 FY22	Change
Revenue	\$3,041	\$2,673	14%	\$3,041	\$2,673	14%
Operating Income	\$270	\$56	382%	\$856	\$612	40%
Earnings Per Share	\$0.60	\$0.35	71%	\$2.20	\$1.55	42%

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 27 percent in the quarter, driven primarily by customer growth, higher effective prices, and mix-shift.
- Online Services revenue grew 21 percent, driven by growth in QuickBooks Online payroll, Mailchimp, and QuickBooks Online payments.
- Total international online revenue grew 17 percent on a constant currency basis.

Credit Karma

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

Capital Allocation Summary

In the second quarter the company:

- Reported a total cash and investments balance of approximately \$2.1 billion and \$7.1 billion in debt as of January 31, 2023.
- Repurchased \$500 million of shares, with \$2.5 billion remaining on the company's share repurchase authorization.
- Received Board approval for a quarterly dividend of \$0.78 per share, payable April 18, 2023. This represents a 15 percent increase compared to the same period last year.

Forward-looking Guidance

Intuit reiterated guidance for the full fiscal year 2023. The company expects:

- Revenue of \$14.035 billion to \$14.250 billion, growth of approximately 10 to 12 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 full fiscal year 2023 segment revenue guidance:

- 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.

Intuit announced guidance for the third quarter of fiscal year 2023, which ends April 30. The company expects:

- Revenue to grow approximately 8 to 9 percent.
- GAAP earnings per share of \$6.82 to \$6.89.
- Non-GAAP diluted earnings per share of \$8.42 to \$8.49.

Conference Call Details

Intuit executives will discuss the financial results on a conference call at 1:30 p.m. PT on February 23. 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 6854059. 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 at [Intuit.com](#) and find us on [social](#) for the latest information about Intuit and our products and services.

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; 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 effects of global developments, conditions or events like inflationary pressure, the Russia-Ukraine war and the COVID-19 pandemic, which have caused significant global economic instability and uncertainty. Given these risks and uncertainties, persons regarding 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; 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 our ESG and DEI practices; 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; 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 offerings (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; risks associated with climate change; changes to public policy, laws or regulations affecting our businesses; legal proceedings 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>. Third-quarter and full-year fiscal 2023 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		Six Months Ended	
	January 31, 2023	January 31, 2022	January 31, 2023	January 31, 2022
Net revenue:				
Product	\$ 607	\$ 525	\$ 1,034	\$ 922
Service and other	2,434	2,148	4,604	3,758
Total net revenue	<u>3,041</u>	<u>2,673</u>	<u>5,638</u>	<u>4,680</u>
Costs and expenses:				
Cost of revenue:				
Cost of product revenue	23	20	38	35
Cost of service and other revenue	709	503	1,329	890
Amortization of acquired technology	41	42	82	57
Selling and marketing	924	942	1,719	1,492
Research and development	630	590	1,255	1,120
General and administrative	323	399	627	661
Amortization of other acquired intangible assets	121	121	242	174
Total costs and expenses [A]	<u>2,771</u>	<u>2,617</u>	<u>5,292</u>	<u>4,429</u>
Operating income	270	56	346	251
Interest expense	(65)	(21)	(114)	(28)
Interest and other income (loss), net	23	(5)	28	45
Income before income taxes	228	30	260	268
Income tax provision (benefit) [B]	60	(70)	52	(60)
Net income	<u>\$ 168</u>	<u>\$ 100</u>	<u>\$ 208</u>	<u>\$ 328</u>
Basic net income per share	<u>\$ 0.60</u>	<u>\$ 0.35</u>	<u>\$ 0.74</u>	<u>\$ 1.18</u>
Shares used in basic per share calculations	<u>281</u>	<u>283</u>	<u>281</u>	<u>278</u>
Diluted net income per share	<u>\$ 0.60</u>	<u>\$ 0.35</u>	<u>\$ 0.73</u>	<u>\$ 1.16</u>
Shares used in diluted per share calculations	<u>282</u>	<u>287</u>	<u>283</u>	<u>282</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		Six Months Ended	
	January 31, 2023	January 31, 2022	January 31, 2023	January 31, 2022
Cost of revenue	\$ 91	\$ 38	\$ 177	\$ 65
Selling and marketing	108	83	214	147
Research and development	132	132	268	241
General and administrative	92	83	186	163
Total share-based compensation expense	\$ 423	\$ 336	\$ 845	\$ 616

[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.

For the three and six months ended January 31, 2023, we recognized tax shortfalls on share-based compensation of \$9 million and \$2 million, respectively, in our provision for income taxes. For the three and six months ended January 31, 2022, we recognized excess tax benefits on share-based compensation of \$62 million and \$109 million, respectively, in our provision for income taxes.

Our effective tax rates for the three and six months ended January 31, 2023 were approximately 26% and 20%, respectively. Excluding discrete tax items primarily related to share-based compensation, our effective tax rate for both periods was approximately 24%. 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.

We recorded a \$70 million tax benefit on pretax income of \$30 million for the three months ended January 31, 2022. We recorded a \$60 million tax benefit on pretax income of \$268 million for the six months ended January 31, 2022. Excluding discrete tax items primarily related to share-based compensation tax benefits mentioned above, our effective tax rate for both periods 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.

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	\$ 270	\$ —	\$ —	\$ 346
Amortization of acquired technology	41	41	—	—	82
Amortization of other acquired intangible assets	121	121	—	—	242
Professional fees for business combinations	2	1	—	—	3
Share-based compensation expense	422	423	—	—	845
Non-GAAP operating income (loss)	<u>\$ 662</u>	<u>\$ 856</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 1,518</u>
GAAP net income (loss)	\$ 40	\$ 168	\$ —	\$ —	\$ 208
Amortization of acquired technology	41	41	—	—	82
Amortization of other acquired intangible assets	121	121	—	—	242
Professional fees for business combinations	2	1	—	—	3
Share-based compensation expense	422	423	—	—	845
Net (gain) loss on debt securities and other investments	—	2	—	—	2
Income tax effects and adjustments [A]	(156)	(136)	—	—	(292)
Non-GAAP net income (loss)	<u>\$ 470</u>	<u>\$ 620</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 1,090</u>
GAAP diluted net income (loss) per share	\$ 0.14	\$ 0.60	\$ —	\$ —	\$ 0.73
Amortization of acquired technology	0.14	0.14	—	—	0.28
Amortization of other acquired intangible assets	0.43	0.43	—	—	0.86
Professional fees for business combinations	0.01	—	—	—	0.01
Share-based compensation expense	1.49	1.50	—	—	2.99
Net (gain) loss on debt securities and other investments	—	0.01	—	—	0.01
Income tax effects and adjustments [A]	(0.55)	(0.48)	—	—	(1.03)
Non-GAAP diluted net income (loss) per share	<u>\$ 1.66</u>	<u>\$ 2.20</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 3.85</u>
Shares used in GAAP diluted per share calculation	<u>284</u>	<u>282</u>	<u>—</u>	<u>—</u>	<u>283</u>
Shares used in non-GAAP diluted per share calculation	<u>284</u>	<u>282</u>	<u>—</u>	<u>—</u>	<u>283</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 effects.

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)

	January 31, 2023	July 31, 2022
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 1,547	\$ 2,796
Investments	524	485
Accounts receivable, net	903	446
Notes receivable	948	509
Income taxes receivable	67	93
Prepaid expenses and other current assets	391	287
Current assets before funds receivable and amounts held for customers	4,380	4,616
Funds receivable and amounts held for customers	376	431
Total current assets	4,756	5,047
Long-term investments	108	98
Property and equipment, net	931	888
Operating lease right-of-use assets	508	549
Goodwill	13,779	13,736
Acquired intangible assets, net	6,737	7,061
Long-term deferred income tax assets	12	11
Other assets	371	344
Total assets	\$ 27,202	\$ 27,734
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Short-term debt	\$ 501	\$ 499
Accounts payable	811	737
Accrued compensation and related liabilities	502	576
Deferred revenue	852	808
Other current liabilities	820	579
Current liabilities before funds payable and amounts due to customers	3,486	3,199
Funds payable and amounts due to customers	376	431
Total current liabilities	3,862	3,630
Long-term debt	6,576	6,415
Long-term deferred income tax liabilities	320	619
Operating lease liabilities	514	542
Other long-term obligations	88	87
Total liabilities	11,360	11,293
Stockholders' equity	15,842	16,441
Total liabilities and stockholders' equity	\$ 27,202	\$ 27,734

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

	Six Months Ended	
	January 31, 2023	January 31, 2022
Cash flows from operating activities:		
Net income	\$ 208	\$ 328
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	94	96
Amortization of acquired intangible assets	324	233
Non-cash operating lease cost	46	40
Share-based compensation expense	845	616
Deferred income taxes [A]	(290)	(12)
Other	42	(29)
Total adjustments	1,061	944
Changes in operating assets and liabilities:		
Accounts receivable	(456)	(472)
Income taxes receivable	27	(117)
Prepaid expenses and other assets	(108)	(133)
Accounts payable	60	84
Accrued compensation and related liabilities	(75)	(523)
Deferred revenue	40	83
Operating lease liabilities	(38)	(41)
Other liabilities	(107)	77
Total changes in operating assets and liabilities	(657)	(1,042)
Net cash provided by operating activities	612	230
Cash flows from investing activities:		
Purchases of corporate and customer fund investments	(388)	(318)
Sales of corporate and customer fund investments	125	1,429
Maturities of corporate and customer fund investments	225	154
Purchases of property and equipment	(132)	(107)
Acquisitions of businesses, net of cash acquired	(33)	(5,682)
Originations and purchases of loans	(1,015)	(317)
Principal repayments of loans	530	175
Other	(16)	(16)
Net cash used in investing activities	(704)	(4,682)
Cash flows from financing activities:		
Proceeds from issuance of long-term debt	—	4,700
Repayment of debt	(9)	—
Proceeds from borrowings under secured revolving credit facilities	175	2
Repayments on borrowings under secured revolving credit facilities	(16)	—
Proceeds from issuance of stock under employee stock plans	81	75
Payments for employee taxes withheld upon vesting of restricted stock units	(259)	(355)
Cash paid for purchases of treasury stock	(1,017)	(874)
Dividends and dividend rights paid	(446)	(385)
Net change in funds receivable and funds payable and amounts due to customers	(199)	(82)
Cash received from a bank partner	336	—
Other	(1)	(9)
Net cash provided by (used in) financing activities	(1,355)	3,072
Effect of exchange rates on cash, cash equivalents, restricted cash, and restricted cash equivalents	(1)	(6)
Net decrease in cash, cash equivalents, restricted cash, and restricted cash equivalents	(1,448)	(1,386)
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	\$ 1,549	\$ 1,433
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	\$ 1,547	\$ 1,257
Restricted cash and restricted cash equivalents included in funds receivable and amounts held for customers	2	176
Total cash, cash equivalents, restricted cash, and restricted cash equivalents at end of period	\$ 1,549	\$ 1,433
Supplemental schedule of non-cash investing activities:		
Issuance of common stock in business combinations	\$ —	\$ 6,316

[A] Under the 2017 Tax Cuts & Jobs Act, research and experimental costs are no longer fully deductible and are required to be capitalized and amortized for U.S. tax purposes effective August 1, 2022. Unless this provision of the act is repealed or its effectiveness is deferred, the mandatory capitalization requirement significantly increases our deferred tax assets and cash tax payments for fiscal 2023.

TABLE E
INTUIT INC.
RECONCILIATION OF FORWARD-LOOKING GUIDANCE FOR NON-GAAP FINANCIAL MEASURES TO PROJECTED GAAP REVENUE, OPERATING INCOME,
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 April 30, 2023						
Revenue	\$ 6,063	\$ 6,113	\$ —		\$ 6,063	\$ 6,113
Operating income	\$ 2,595	\$ 2,620	\$ 580	[a]	\$ 3,175	\$ 3,200
Diluted net income per share	\$ 6.82	\$ 6.89	\$ 1.60	[b]	\$ 8.42	\$ 8.49
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 \$420 million; amortization of other acquired intangible assets of approximately \$120 million; and amortization of acquired technology of approximately \$40 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 \$3 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 February 23, 2023 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.

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Intuit Announces CFO Succession Plan

Sandeep Singh Aujla to Become CFO; Michelle Clatterbuck Announces Plans to Retire

MOUNTAIN VIEW, Calif.- February 23, 2023 – [Intuit Inc.](#) (Nasdaq: INTU), the global financial technology platform that makes [TurboTax](#), [Credit Karma](#), [QuickBooks](#), and [Mailchimp](#), named Sandeep Singh Aujla as Chief Financial Officer, effective August 1, 2023. Aujla has held senior finance positions at Intuit for 7 years and is currently the Senior Vice President of Finance for Intuit’s largest business unit, the Small Business and Self-Employed Group (SBSEG), and for Intuit’s Technology organization. Michelle Clatterbuck, who has served as CFO since February 2018, plans to step down as CFO on July 31, 2023.

“Michelle has announced her plan to retire from Intuit after 20 years with the company,” said Sasan Goodarzi, Intuit’s Chief Executive Officer. “Michelle has had tremendous impact during her tenure as CFO, with Intuit’s market cap and revenue more than doubling. Without question, Michelle’s legacy will endure.”

“Michelle has also developed an incredibly high-performing Finance team, including Sandeep, who is an accomplished finance professional and respected leader. I am thrilled for Sandeep to take on the CFO role and couldn’t be more confident in his ability to continue to advance our trajectory as a growth company,” said Goodarzi.

Aujla has a proven track record of taking on expanded finance roles during his 7 years at Intuit, including serving as a trusted operating and strategic partner to Alex Chriss, general manager of SBSEG. He was instrumental in the development and execution of the ecosystem-based strategy that helped accelerate SBSEG’s revenue growth from 13 percent in FY17 to 22 percent in FY22,

excluding the Mailchimp acquisition. He also leads Finance for Intuit's Technology organization, one of the largest investment areas for the company. His leadership has helped accelerate Intuit's progress in becoming an AI-driven expert platform, driving efficiencies and scale. Prior to joining Intuit, Aujla held leadership roles in finance at Visa, and investment banking roles at Goldman Sachs and Morgan Stanley.

"I want to thank Michelle for her many contributions, congratulate her on her upcoming retirement and welcome Sandeep as the new CFO of Intuit," said Goodarzi. "Sandeep will be an exceptional CFO as we continue to deliver our commitment to serving our customers while keeping our financial foundation stronger than ever."

[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 at [Intuit.com](#) and find us on [social](#) for the latest information about Intuit and our products and services.