INTUIT INC Form 10-Q November 29, 2012 Table of Contents

UNITED ST.	ATES	
SECURITIE	S AND EXCHANGE COMMISSION	
Washington,		
ζ,		
FORM 10-Q		
R	Quarterly report pursuant to Section 13 or 15(d) of the Securities E	exchange Act of 1934
	For the quarterly period ended October 31, 2012	
OR		
o	Transition report pursuant to Section 13 or 15(d) of the Securities I	Exchange Act of 1934
	For the transition period from to	
Commission	File Number 0-21180	
INTUIT INC	1 2	
(Exact name	of registrant as specified in its charter)	
Dalamana		77-0034661
Delaware		(IRS employer identification
(State of inco	orporation)	no.)
	2700 Coast Avenue, Mountain View, CA 94043	
	(Address of principal executive offices)	

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports); and (2) has been subject to such filing requirements for the past 90 days. Yes R No o Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes R No o

(Registrant's telephone number, including area code)

(650) 944-6000

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer o

Accelerated filer o

Non-accelerated filer o

(Do not check if a smaller reporting company)

Smaller reporting company o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes o No R

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date. 296,053,798 shares of Common Stock, \$0.01 par value, were outstanding at November 20, 2012.

INTUIT INC. FORM 10-Q INDEX

EX-101.INS XBRL Instance Document

	Page Number
PART I FINANCIAL INFORMATION	1 (01110 01
ITEM 1: Financial Statements	
Condensed Consolidated Statements of Operations for the three months ended October 31, 2012 and 2011	<u>3</u>
Condensed Consolidated Statements of Comprehensive Loss for the three months ended October 31, 2012 and 2011	4
Condensed Consolidated Balance Sheets at October 31, 2012 and July 31, 2012	<u>5</u>
Condensed Consolidated Statements of Stockholders' Equity for the three months ended October 31, 2012 and 2011	<u>6</u>
Condensed Consolidated Statements of Cash Flows for the three months ended October 31, 2012 and 2013	<u>17</u>
Notes to Condensed Consolidated Financial Statements	<u>8</u>
ITEM 2: Management's Discussion and Analysis of Financial Condition and Results of Operations	<u>20</u>
ITEM 3: Quantitative and Qualitative Disclosures about Market Risk	<u>33</u>
ITEM 4: Controls and Procedures	<u>34</u>
PART II OTHER INFORMATION	
ITEM 1: Legal Proceedings	<u>35</u>
ITEM 1A: Risk Factors	<u>35</u>
ITEM 2: Unregistered Sales of Equity Securities and Use of Proceeds	<u>45</u>
ITEM 6: Exhibits	<u>46</u>
<u>Signatures</u>	<u>47</u>
EX-10.01	
EX-31.01 EX-31.02 EX-32.01 EX-32.02	

EX-101.SCH XBRL Taxonomy Extension Schema

EX-101.CAL XBRL Taxonomy Extension Calculation Linkbase

EX-101.LAB XBRL Taxonomy Extension Label Linkbase

EX-101.PRE XBRL Taxonomy Extension Presentation Linkbase

EX-101.DEF XBRL Taxonomy Extension Definition Linkbase

Intuit, the Intuit logo, QuickBooks, TurboTax, Lacerte, ProSeries, Quicken and Mint, among others, are registered trademarks and/or registered service marks of Intuit Inc., or one of its subsidiaries, in the United States and other countries. Other parties' marks are the property of their respective owners.

2

PART I ITEM 1

FINANCIAL STATEMENTS

INTUIT INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (Unaudited)

Classified State Continuing operations Continuin			Three Months Ended		
Product \$227 \$222 Service and other 420 353 Total net revenue 647 575 Costs and expenses: ************************************	(In millions, except per share amounts)	October 31, 2012	October 31, 2011		
Service and other 420 353 Total net revenue 647 575 Costs and expenses: Cost of product revenue 32 32 Cost of product revenue 145 132 Cost of service and other revenue 145 132 Amortization of acquired technology 5 3 Selling and marketing 251 216 Research and development 178 163 General and administrative 98 92 Amortization of other acquired intangible assets 7 21 Total costs and expenses 716 659 Operating loss from continuing operations (69) (84) Interest expense (8) (15) Interest and other income, net 2 11 Loss before income taxes (75) (88) Income tax benefit (24) (30) Net loss from continuing operations (51) (58) Net loss per share from continuing operations (919) (64) Basic net loss per share from continuing operations (90.17) (0.02) Basic net loss per share from continuing operations (90.06) (0.21) Diluted net loss per share from continuing operations (90.06) (0.21) Diluted net loss per share from continuing operations (90.06) (0.21) Diluted net loss per share from continuing operations (90.06) (0.21) Diluted net loss per share from discontinued operations (90.06) (90.21) Diluted net loss per share from discontinued operations (90.06) (90.21) Diluted net loss per share from discontinued operations (90.06) (90.21) Diluted net loss per share from discontinued operations (90.06) (90.21) Diluted net loss per share from discontinued operations (90.06) (90.21) Diluted net loss per share from discontinued operations (90.06) (90.21) Diluted net loss per share from discontinued operations (90.06) (90.21) Diluted net loss per share from discontinued operations (90.06) (90.21) Diluted net loss per share from discontinued operations (90.06) (90.21) Diluted net loss per shar	Net revenue:				
Total net revenue 647 575 Cost and expenses: 575 Cost of revenue: 32 32 Cost of product revenue 145 132 Amortization of acquired technology 5 3 Selling and marketing 251 216 Research and development 178 163 General and administrative 98 92 Amortization of other acquired intangible assets 7 21 Total costs and expenses 716 659 Operating loss from continuing operations 669 9 84 9 Interest expense (8) (15) Interest and other income, net 2 11 1 Loss before income taxes (75) (88) Income tax benefit (24) (30) Net loss from continuing operations (51) (58) Net loss from discontinued operations \$(19) \$(6) Basic net loss per share from continuing operations \$(0.06) \$(0.21	Product	\$227	\$222		
Costs and expenses: Cost of revenue: Cost of product revenue 32 32 Cost of service and other revenue 145 132 Amortization of acquired technology 5 3 Selling and marketing 251 216 Research and development 178 163 General and administrative 98 92 Amortization of other acquired intangible assets 7 21 Total costs and expenses 716 659 Operating loss from continuing operations (69) (84) Interest expense (8) (15) Interest and other income, net 2 11 Loss before income taxes (75) (88) Income tax benefit (24) (30) Net loss from continuing operations (51) (58) Net loss from discontinued operations 32 (6) Net loss per share from continuing operations \$(0.17) \$(0.19) Basic net loss per share from discontinued operations (9.006) \$(0.21) Basic net loss per share from continuing operations (9.017) \$(0.19) Diluted net loss per share from discontinued operations (9.017) \$(0.19) Diluted net loss per share from discontinued operations (9.017) \$(0.19) Diluted net loss per share from discontinued operations (9.006) \$(0.21) Diluted net loss per share from discontinued operations (9.006) \$(0.21) Diluted net loss per share from discontinued operations (9.006) \$(0.21) Diluted net loss per share from discontinued operations (9.006) \$(0.21) Diluted net loss per share from discontinued operations (9.006) \$(0.21) Diluted net loss per share from discontinued operations (9.006) \$(0.21) Diluted net loss per share calculations (9.006) \$(0.21) Diluted net loss per share calculations (9.006) \$(0.21) Diluted net loss per share calculations (9.006) \$(0.21) Diluted net loss per share calculations (9.006) \$(0.21) Diluted net loss per share calculations (9.006) \$(0.21) Diluted net loss per share calculations (9.006	Service and other	420	353		
Cost of previoue: Cost of product revenue 32 32 32	Total net revenue	647	575		
Cost of product revenue 32 32 Cost of service and other revenue 145 132 Amortization of acquired technology 5 3 Selling and marketing 251 216 Research and development 178 163 General and administrative 98 92 Amortization of other acquired intangible assets 7 21 Total costs and expenses 716 659 Operating loss from continuing operations (69) (84) Interest expense (8) (15) Interest and other income, net 2 11 1 Loss before income taxes (75) (88) Income tax benefit (24) (30) Net loss from continuing operations (51) (58) Net loss from discontinued operations 32 (6) Net loss per share from continuing operations \$(0.17) \$(0.19) Basic net loss per share from discontinued operations 0.11 (0.02)	Costs and expenses:				
Cost of service and other revenue	Cost of revenue:				
Amortization of acquired technology 5 3 Selling and marketing 251 216 Research and development 178 163 General and administrative 98 92 Amortization of other acquired intangible assets 7 21 Total costs and expenses 716 659 Operating loss from continuing operations (69) (84) Interest expense (8) (15) Interest and other income, net 2 11 Loss before income taxes (75) (88) Income tax benefit (24) (30)) Net loss from continuing operations (51) (58) Net income (loss) from discontinued operations 32 (6) Net loss \$(19) \$(64) Basic net loss per share from continuing operations \$(0.17) \$(0.19) Basic net loss per share \$(0.06) \$(0.21) Shares used in basic per share from continuing operations \$(0.17) \$(0.19	Cost of product revenue	32	32		
Selling and marketing 251 216 Research and development 178 163 General and administrative 98 92 Amortization of other acquired intangible assets 7 21 Total costs and expenses 76 659 Operating loss from continuing operations (69) (84) Interest expense (8) (15) Interest and other income, net 2 11 Loss before income taxes (75) (88) Income tax benefit (24) (30) Net loss from continuing operations (51) (58) Net income (loss) from discontinued operations 32 (6) Net loss \$(19) \$(64) Basic net loss per share from continuing operations \$(0.17) \$(0.19) Basic net loss per share \$(0.06) \$(0.21) Shares used in basic per share from continuing operations \$(0.17) \$(0.19) Diluted net loss per share \$(0.06) \$(0.21) Shares used in diluted per share c	Cost of service and other revenue	145	132		
Research and development 178 163 General and administrative 98 92 Amortization of other acquired intangible assets 7 21 Total costs and expenses 716 659 Operating loss from continuing operations (69) (84) Interest expense (8) (15) Interest and other income, net 2 11 Loss before income taxes (75) (88) Income tax benefit (24) (30) Net loss from continuing operations (51) (58) Net income (loss) from discontinued operations 32 (6) Net loss \$(19) \$(64) Basic net loss per share from continuing operations \$(0.17) \$(0.19) Basic net loss per share \$(0.06) \$(0.21) Shares used in basic per share from continuing operations \$(0.17) \$(0.19) Diluted net loss per share from continuing operations \$(0.06) \$(0.21) Shares used in diluted per share calculations \$(0.06) \$(0.21	Amortization of acquired technology	5	3		
General and administrative 98 92 Amortization of other acquired intangible assets 7 21 Total costs and expenses 716 659 Operating loss from continuing operations (69) (84) Interest expense (8) (15) Interest and other income, net 2 11 Loss before income taxes (75) (88) Income tax benefit (24) (30) Net loss from continuing operations (51) (58) Net income (loss) from discontinued operations 32 (6) Net loss \$(19) \$(64) Basic net loss per share from continuing operations \$(0.17) \$(0.19) Basic net loss per share \$(0.06) \$(0.21) Shares used in basic per share from continuing operations \$(0.17) \$(0.19) Diluted net loss per share from continuing operations \$(0.06) \$(0.21) Shares used in diluted per share calculations 296 300	Selling and marketing	251	216		
Amortization of other acquired intangible assets Total costs and expenses 716 659 Operating loss from continuing operations (69 0, 84 0) Interest expense (8 0, 15 0) Interest and other income, net 2 11 Loss before income taxes (75 0, 88 0) Income tax benefit (24 0, 30 0) Net loss from continuing operations (51 0, 58 0) Net loss from discontinued operations (51 0, 58 0) Net loss (60 0) Net loss	Research and development	178	163		
Total costs and expenses 716 659 Operating loss from continuing operations (69) (84) Interest expense (8) (15) Interest and other income, net 2 11 Loss before income taxes (75) (88) Income tax benefit (24) (30) Net loss from continuing operations (51) (58) Net income (loss) from discontinued operations 32 (6) Net loss \$(19) \$(64) Basic net loss per share from continuing operations \$(0.17) \$(0.19) Basic net loss per share \$(0.06) \$(0.21) Shares used in basic per share calculations \$(0.17) \$(0.19) Diluted net loss per share from continuing operations \$(0.17) \$(0.19) Diluted net loss per share \$(0.06) \$(0.21) Diluted net loss per share \$(0.06) \$(0.21) Shares used in diluted per share calculations 296 <td>General and administrative</td> <td>98</td> <td>92</td>	General and administrative	98	92		
Operating loss from continuing operations (69) (84) Interest expense (8) (15) Interest and other income, net 2 111 Loss before income taxes (75) (88) Income tax benefit (24) (30) Net loss from continuing operations (51) (58) Net income (loss) from discontinued operations 32 (6) Net loss (19) \$(64) Basic net loss per share from continuing operations \$(11) (0.02) Basic net loss per share from discontinued operations 0.11 (0.02) Basic net loss per share share calculations 296 300 Diluted net loss per share \$(0.06) \$(0.21) Diluted net loss per share \$(0.06) \$(0.21) Diluted net loss per share \$(0.06) \$(0.21) Diluted net loss per share \$(0.06) \$(0.21) Diluted net loss per share \$(0.06) \$(0.21) Diluted net loss per share \$(0.06) \$(0.21) Diluted net loss per share \$(0.06) \$(0.21) Diluted net loss per share \$(0.06) \$(0.21) Diluted net loss per share \$(0.06) \$(0.21) Diluted net loss per share \$(0.06) \$(0.21) Diluted net loss per share \$(0.06) \$(0.21) Diluted net loss per share \$(0.06) \$(0.21) Diluted net loss per share \$(0.06) \$(0.21) Diluted net loss per share \$(0.06) \$(0.21)	Amortization of other acquired intangible assets	7	21		
Interest expense (8) (15) Interest and other income, net 2 11 Loss before income taxes (75) (88) Income tax benefit (24) (30) Net loss from continuing operations (51) (58) Net income (loss) from discontinued operations 32 (6) Net loss (19) \$(64) Basic net loss per share from continuing operations (11) (0.02) Basic net loss per share from discontinued operations (11) (0.02) Basic net loss per share \$(0.06) \$(0.21) Shares used in basic per share from continuing operations (11) (0.02) Diluted net loss per share from continuing operations (11) (0.02) Diluted net loss per share from continuing operations (11) (0.02) Diluted net loss per share from discontinued operations (11) (0.02) Diluted net loss per share (12) Diluted net loss per share (13) (0.06) (0.21) Shares used in diluted per share calculations (11) (0.02) Diluted net loss per share (12) (0.06) (0.21) Shares used in diluted per share calculations (13) (0.06) (0.21) Shares used in diluted per share calculations (14) (0.02) Dividends declared per common share (15)	Total costs and expenses	716	659		
Interest and other income, net Loss before income taxes Income tax benefit Net loss from continuing operations Net income (loss) from discontinued operations Net loss Saic net loss per share from continuing operations Basic net loss per share from discontinued operations Basic net loss per share from discontinued operations Basic net loss per share Saic net loss per share calculations Saic net loss per share Saic net loss per share calculations Saic net loss per share Saic net loss per share calculations Saic net loss per share Saic net loss per sha	Operating loss from continuing operations	(69) (84)		
Loss before income taxes Income tax benefit (24) (30) Net loss from continuing operations Net income (loss) from discontinued operations Net loss Signature from continuing operations Basic net loss per share from continuing operations Basic net loss per share from discontinued operations Basic net loss per share from discontinued operations Basic net loss per share Signature from discontinued operations Basic net loss per share Signature from discontinued operations Diluted net loss per share from continuing operations Diluted net loss per share Signature from discontinued operations Diluted net loss per share Signature from discontinued operations Diluted net loss per share Signature from discontinued operations Diluted net loss per share Signature from discontinued operations Diluted net loss per share Signature from discontinued operations Diluted net loss per share Signature from discontinued operations Diluted net loss per share Signature from discontinued operations Diluted net loss per share Signature from discontinued operations Signature from discontinued operations Diluted net loss per share Signature from discontinued operations Diluted net loss per share Signature from discontinued operations Signature from discontinued operations Signature from discontinued operations Signature from discontinued from discontinued operations Signature from discontinued from d	Interest expense	(8) (15)		
Income tax benefit (24) (30) Net loss from continuing operations (51) (58) Net income (loss) from discontinued operations 32 (6) Net loss \$(19) \$(64) Basic net loss per share from continuing operations \$(0.17) \$(0.19) Basic net income (loss) per share from discontinued operations 0.11 (0.02) Basic net loss per share \$(0.06) \$(0.21) Shares used in basic per share calculations 296 300 Diluted net loss per share \$(0.06) \$(0.17) Diluted net loss per share \$(0.06) \$(0.19) Diluted net loss per share \$(0.06) \$(0.11) Diluted net loss per share \$(0.06) \$(0.11) Diluted net loss per share \$(0.06) \$(0.11) Diluted net loss per share \$(0.06) \$(0.11) Diluted net loss per share \$(0.06) \$(0.11) Shares used in diluted per share calculations 296 300	Interest and other income, net	2	11		
Net loss from continuing operations Net income (loss) from discontinued operations Net loss Signature from continuing operations Sasic net loss per share from continuing operations Sasic net income (loss) per share from discontinued operations Shares used in basic per share calculations Signature from continuing operations Shares used in come (loss) per share from discontinued operations Signature from continuing o	Loss before income taxes	(75) (88)		
Net income (loss) from discontinued operations Net loss \$ (19) \$ (64) Basic net loss per share from continuing operations Basic net income (loss) per share from discontinued operations Basic net loss per share \$ (0.17) \$ (0.19) Basic net loss per share \$ (0.06) \$ (0.21) Shares used in basic per share calculations Diluted net loss per share from continuing operations Diluted net income (loss) per share from discontinued operations Diluted net loss per share \$ (0.07) \$ (0.19) Diluted net loss per share \$ (0.06) \$ (0.21) Shares used in diluted per share calculations Dividends declared per common share \$ 0.17 \$ 0.15	Income tax benefit	(24) (30		
Net loss \$\(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\$ \(\) \\ \(\) \\$ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(\) \\ \(Net loss from continuing operations	(51) (58		
Basic net loss per share from continuing operations Basic net income (loss) per share from discontinued operations Basic net loss per share \$(0.06) \$(0.02) \$(0.02) \$(0.06) \$(0.021) \$(0.02) \$(0.06) \$(0.01) \$(0.02) \$(0.06) \$(0.17) \$(0.01) \$(0.02) \$(0.02) \$(0.06) \$(0.06) \$(0.01) \$(0.02) \$(0.06) \$(0.01) \$(0.02) \$(0.02) \$(0.06) \$(0.06) \$(0.01) \$(0.02) \$(0.06) \$(0.01) \$(0.02) \$(0.02) \$(0.06) \$(0.06) \$(0.01) \$(0.02) \$(0.06) \$(0.01) \$(0.02) \$(0.01) \$(0.02) \$(0.06) \$(0.01) \$(0.02) \$(0.01) \$(0.02) \$(0.02) \$(0.02) \$(0.06) \$(0.02) \$(0.06) \$(0.02) \$(0.06) \$(0.02) \$(0.06) \$(0.02) \$(0.06) \$(0.02) \$(0.06) \$(0.02) \$(0.06) \$(0.02) \$(0.06) \$(0.02) \$(0.06) \$(0.02) \$(0.06) \$(0.02) \$(0.06) \$(0.02) \$(0.06) \$(0.02) \$(0.06) \$(0.02) \$(0.06) \$(0.02) \$(0.06) \$(0.02) \$(0.06) \$(0.02) \$(0.06) \$(0.02) \$(0.06) \$(0.02) \$(0.06) \$(0.02) \$(0.06) \$(0.02) \$(0.06) \$(0.02) \$(0.06) \$(0.02) \$(0.06) \$(0.02) \$(0.06) \$(0.02) \$(0.06) \$(0.02) \$(0.06) \$(0.02) \$(0.06) \$(0.02) \$(0.06) \$(0.02) \$(0.06) \$(0.02) \$(0.06) \$(0.02) \$(0.06) \$(0.02) \$(0.06) \$(0.02) \$(0.06) \$(0.02) \$(0.06) \$(0.02) \$(0.06) \$(0.02) \$(0.06) \$(0.02) \$(0.06) \$(0.02) \$(0.06) \$(0.02) \$(0.06) \$(0.02) \$(0.06) \$(0.02) \$(0.06) \$(0.02) \$(0.06) \$(0.02) \$(0.06) \$(0.02) \$(0.06) \$(0.02) \$(0.06) \$(0.02) \$(0.06) \$(0.02) \$(0.06) \$(0.02) \$(0.06) \$(0.02) \$(0.06) \$(0.02) \$(0.06) \$(0.02) \$(0.06) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02) \$(0.02	Net income (loss) from discontinued operations	32	(6)		
Basic net income (loss) per share from discontinued operations Basic net loss per share \$(0.06) \$(0.21) Shares used in basic per share calculations 296 Diluted net loss per share from continuing operations Diluted net income (loss) per share from discontinued operations Diluted net loss per share \$(0.17) \$(0.19) Diluted net loss per share \$(0.06) \$(0.21) Shares used in diluted per share calculations 296 Dividends declared per common share \$0.17 \$0.15	Net loss	\$(19) \$(64)		
Basic net loss per share Shares used in basic per share calculations Signature Shares used in basic per share calculations Signature Signature Shares used in basic per share from continuing operations Signature Sig	Basic net loss per share from continuing operations	\$(0.17) \$(0.19)		
Shares used in basic per share calculations 296 300 Diluted net loss per share from continuing operations Diluted net income (loss) per share from discontinued operations Diluted net loss per share \$(0.06) \$(0.21) Shares used in diluted per share calculations 296 300 Dividends declared per common share \$0.17 \$0.15	Basic net income (loss) per share from discontinued operations	0.11	(0.02)		
Diluted net loss per share from continuing operations \$(0.17) \$(0.19) Diluted net income (loss) per share from discontinued operations 0.11 (0.02) Diluted net loss per share \$(0.06) \$(0.21) Shares used in diluted per share calculations 296 300 Dividends declared per common share \$0.17 \$0.15	Basic net loss per share	\$(0.06) \$(0.21)		
Diluted net income (loss) per share from discontinued operations 0.11 (0.02) Diluted net loss per share \$(0.06) \$(0.21) Shares used in diluted per share calculations 296 300 Dividends declared per common share \$0.17 \$0.15	Shares used in basic per share calculations	296	300		
Diluted net income (loss) per share from discontinued operations 0.11 (0.02) Diluted net loss per share \$(0.06) \$(0.21) Shares used in diluted per share calculations 296 300 Dividends declared per common share \$0.17 \$0.15	Diluted net loss per share from continuing operations	\$(0.17) \$(0.19)		
Shares used in diluted per share calculations 296 300 Dividends declared per common share \$0.17 \$0.15	Diluted net income (loss) per share from discontinued operations	0.11	(0.02)		
Dividends declared per common share \$0.17 \$0.15	Diluted net loss per share	\$(0.06) \$(0.21)		
<u>.</u>	Shares used in diluted per share calculations	296	300		
See accompanying notes.	-	\$0.17	\$0.15		
	See accompanying notes.				

Table of Contents

INTUIT INC.

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS (Unaudited)

	Three Months Ended						
(In millions)	October 31, 2012		October 31, 2011				
Net loss	\$(19)	\$(64)			
Other comprehensive income (loss), net of income taxes:							
Unrealized losses on available-for-sale debt securities	_		(1)			
Unrealized gains on available-for-sale equity securities	3		_				
Foreign currency translation gains (losses)	1		(5)			
Total other comprehensive income (loss), net	4		(6)			
Comprehensive loss	\$(15)	\$(70)			

See accompanying notes.

4

INTUIT INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)
(In millions)

(Onaudicu)		
(In millions)	October 31, 2012	July 31, 2012
ASSETS		
Current assets:		
Cash and cash equivalents	\$216	\$393
Investments	342	351
Accounts receivable, net	184	183
Income taxes receivable	165	53
Deferred income taxes	133	184
Prepaid expenses and other current assets	85	69
Current assets before funds held for customers	1,125	1,233
Funds held for customers	209	290
Total current assets	1,334	1,523
Long-term investments	75	75
Property and equipment, net	595	567
Goodwill	2,191	2,200
Acquired intangible assets, net	201	213
Other assets	98	106
Total assets	\$4,494	\$4,684
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$167	\$157
Accrued compensation and related liabilities	135	231
Deferred revenue	421	443
Other current liabilities	142	144
Current liabilities before customer fund deposits	865	975
Customer fund deposits	209	290
Total current liabilities	1,074	1,265
Long-term debt	499	499
Other long-term obligations	176	176
Total liabilities	1,749	1,940
Commitments and contingencies		
Stockholders' equity:		
Preferred stock		_
Common stock and additional paid-in capital	3,114	3,018
Treasury stock, at cost	(4,941)	(4,911)
Accumulated other comprehensive income	29	25
Retained earnings	4,543	4,612
Total stockholders' equity	2,745	2,744
Total liabilities and stockholders' equity	\$4,494	\$4,684
^ -		

See accompanying notes.

INTUIT INC. CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (Unaudited)

(In millions, except shares in thousands)	Shares of Common Stock	Common Stock and Additional Paid-In Capital	Treasury Stock		Accumulated Other Comprehensive Income	Retained Earnings		Total Stockholde Equity	ers'
Balance at July 31, 2012	295,289	\$3,018	\$(4,911)	\$ 25	\$4,612		\$2,744	
Components of comprehensive loss Net loss	S: 		_		_	(19)	(19)
Other comprehensive income, net of	of	_	_		4	_		4	,
income taxes Comprehensive loss								(15)
Issuance of treasury stock under employee stock plans	2,688	3	70		_	_		73	,
Tax benefit from share-based compensation plans		44	_			_		44	
Stock repurchases under stock repurchase programs	(1,694)	_	(100)	_	_		(100)
Cash dividends declared (\$0.17 per share)	· —	_			_	(50)	(50)
Share-based compensation expense		49			_			49	
Balance at October 31, 2012	296,283	\$3,114	\$(4,941)	\$ 29	\$4,543		\$2,745	
(In millions, except shares in thousands)	Shares of Common Stock	Common Stock and Additional Paid-In Capital	Treasury Stock		Accumulated Other Comprehensive Income	Retained Earnings		Total Stockholde Equity	ers'
Balance at July 31, 2011 Components of comprehensive loss	300,597	\$2,886	\$(4,316)	\$ 15	\$4,031		\$2,616	
Net loss	·	_	_		_	(64)	(64)
Other comprehensive loss, net of income taxes		_			(6)	_		(6)
Comprehensive loss								(70)
Issuance of treasury stock under employee stock plans	3,219	(37)	87		_	(5)	45	
Tax benefit from share-based compensation plans	_	30			_	_		30	
Stock repurchases under stock repurchase programs	(5,211)	_	(255)	_	_		(255)
Cash dividends declared (\$0.15 per share)	· —	_	_		_	(45)	(45)
Share-based compensation expense Balance at October 31, 2011	298,605	40 \$2,919	— \$(4,484)	- \$ 9	 \$3,917		40 \$2,361	

See accompanying notes.

6

INTUIT INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)

(Ollaudited)	TDI M	41 - 15	1 1	
	Three Mo			. 1
(In millions)	October 3	1,	October 3	1,
Cook flows from an autima activities.	2012		2011	
Cash flows from operating activities:	¢/10	`	¢ (C 1	`
Net loss	\$(19)	\$(64)
Adjustments to reconcile net loss to net cash used in				
operating activities:	40		4.4	
Depreciation	40		44	
Amortization of acquired intangible assets	14		28	
Share-based compensation expense	49		40	
Pre-tax gain on sale of discontinued operations	(53)		
Deferred income taxes	53		(5)
Tax benefit from share-based compensation plans	44		30	
Excess tax benefit from share-based compensation plans	(44)	(29)
Other	4		(6)
Total adjustments	107		102	
Changes in operating assets and liabilities:				
Accounts receivable	(1)	5	
Prepaid expenses, income taxes receivable and other assets	(128)	(78)
Accounts payable	12		39	
Accrued compensation and related liabilities	(96)	(74)
Deferred revenue	(16)	(25)
Income taxes payable	_		1	
Other liabilities	(4)	(16)
Total changes in operating assets and liabilities	(233)	(148)
Net cash used in operating activities	(145)	(110)
Cash flows from investing activities:				
Purchases of available-for-sale debt securities	(87)	(197)
Sales of available-for-sale debt securities	81		136	
Maturities of available-for-sale debt securities	21		41	
Net change in money market funds and other cash equivalents held	0.1		0.2	
to satisfy customer fund obligations	81		93	
Net change in customer fund deposits	(81)	(93)
Purchases of property and equipment	(70)	(44)
Proceeds from divestiture of businesses	60	,		
Other	(5)	14	
Net cash provided by (used in) investing activities		,	(50)
Cash flows from financing activities:			(,
Net proceeds from issuance of treasury stock under				
employee stock plans	73		45	
Purchases of treasury stock	(100)	(255)
Cash dividends paid to stockholders	(50)	(45)
Excess tax benefit from share-based compensation plans	44	,	29	,
Net cash used in financing activities	(33)	(226)
Effect of exchange rates on cash and cash equivalents	(33	,	(220	,
Litect of exchange rates on easif and easif equivalents				