

Table A
INTUIT INC.
GAAP CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
(In thousands, except per share data)
(Unaudited)

	Quarter Ended July 31,		Year Ended July 31,	
	2000	2001	2000	2001
Net revenue	\$ 162,259	\$ 191,169	\$ 1,093,825	\$ 1,261,461
Costs and expenses:				
Cost of revenue				
Products and services	57,347	63,814	282,385	312,040
Amortization of purchased software and other	1,762	3,729	8,798	14,949
Customer service and technical support	25,996	33,285	139,550	149,353
Selling and marketing	48,179	55,070	264,367	270,216
Research and development	42,554	51,911	169,083	207,085
General and administrative	18,899	25,304	83,745	102,918
Charge for purchased research and development	--	--	1,312	238
Acquisition related costs	36,238	42,874	157,948	248,202
Reorganization costs	--	--	3,500	--
Total costs and expenses	<u>230,975</u>	<u>275,987</u>	<u>1,110,688</u>	<u>1,305,001</u>
Loss from operations	(68,716)	(84,818)	(16,863)	(43,540)
Interest and other income and expense, net	18,462	12,630	48,443	60,366
Gain (loss) on marketable securities and other investments, net	79,034	(10,746)	481,130	(98,053)
Net loss on divestiture of businesses	--	(16,954)	--	(15,315)
Income (loss) before income tax, minority interest and cumulative effect of accounting change	28,780	(99,888)	512,710	(96,542)
Income tax provision (benefit)	11,567	(38,795)	207,184	(229)
Minority interest	68	196	(135)	794
Income (loss) before cumulative effect of accounting change	<u>17,145</u>	<u>(61,289)</u>	<u>305,661</u>	<u>(97,107)</u>
Cumulative effect of accounting change, net of taxes of \$9,543	--	--	--	14,314
Net income (loss)	<u>\$ 17,145</u>	<u>\$ (61,289)</u>	<u>\$ 305,661</u>	<u>\$ (82,793)</u>
Basic net income (loss) per share before cumulative effect of accounting change	\$ 0.08	\$ (0.29)	\$ 1.52	\$ (0.47)
Cumulative effect of accounting change	--	--	--	0.07
Basic net income (loss) per share	<u>\$ 0.08</u>	<u>\$ (0.29)</u>	<u>\$ 1.52</u>	<u>\$ (0.40)</u>
Shares used in per share amounts	<u>203,721</u>	<u>209,800</u>	<u>200,770</u>	<u>207,959</u>
Diluted net income (loss) per share before cumulative effect of accounting change	\$ 0.08	\$ (0.29)	\$ 1.45	\$ (0.47)
Cumulative effect of accounting change	--	--	--	0.07
Diluted net income (loss) per share	<u>\$ 0.08</u>	<u>\$ (0.29)</u>	<u>\$ 1.45</u>	<u>\$ (0.40)</u>
Shares used in per share amounts	<u>211,940</u>	<u>209,800</u>	<u>211,271</u>	<u>207,959</u>

Table B
INTUIT INC.
PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS (i)
(In thousands, except per share data)
(Unaudited)

	Quarter Ended July 31,		Year Ended July 31,	
	2000	2001	2000	2001
Net revenue	\$ 162,259	\$ 191,169	\$ 1,093,825	\$ 1,261,461
Costs and expenses:				
Cost of products and services	57,347	63,814	282,385	312,040
Customer service and technical support	25,996	33,285	139,550	149,353
Selling and marketing	48,179	55,070	264,367	270,216
Research and development	42,554	51,911	169,083	207,085
General and administrative	18,899	25,304	83,745	102,918
Total costs and expenses	192,975	229,384	939,130	1,041,612
Income (loss) from operations	(30,716)	(38,215)	154,695	219,849
Interest and other income and expense, net	18,462	12,630	48,443	60,366
Income (loss) before income tax and minority interest	(12,254)	(25,585)	203,138	280,215
Income tax (benefit) provision	(4,166)	(8,699)	69,067	95,273
Minority interest	68	196	(135)	794
Net income (loss)	\$ (8,156)	\$ (17,082)	\$ 134,206	\$ 184,148
Basic net income (loss) per share	\$ (0.04)	\$ (0.08)	\$ 0.67	\$ 0.89
Shares used in per share amounts	203,721	209,800	200,770	207,959
Diluted net income (loss) per share	\$ (0.04)	\$ (0.08)	\$ 0.64	\$ 0.86
Shares used in per share amounts	203,721	209,800	211,271	215,355

- (i) This statement of operations information for the quarters and years ended July 31, 2000 and 2001 is for illustrative purposes only and is not prepared in accordance with generally accepted accounting principles. The following table reconciles our GAAP net income from Table A to our Pro forma net income in Table B:

	Quarter Ended July 31,		Year Ended July 31,	
	2000	2001	2000	2001
GAAP net income (loss)	\$ 17,145	\$ (61,289)	\$ 305,661	\$ (82,793)
Pro Forma adjustments:				
Less:				
Gain (loss) on marketable securities and other investments, net	79,034	(10,746)	481,130	(98,053)
Cumulative effect of accounting change, net of taxes \$9,543	--	--	--	14,314
Net loss of divestitures	--	(16,954)	--	(15,315)
	(61,889)	(33,589)	(175,469)	16,261
Add:				
Amortization of purchased software and other	1,762	3,729	8,798	14,949
Acquisition related costs	36,238	42,874	159,260	248,440
Income tax provision (benefit)	15,733	(30,096)	138,117	(95,502)
Reorganization costs	--	--	3,500	--
Pro forma net income (loss)	\$ (8,156)	\$ (17,082)	\$ 134,206	\$ 184,148

Table C
INTUIT INC.
CONDENSED CONSOLIDATED BALANCE SHEET
(In thousands)
(unaudited)

	July 31, 2000	July 31, 2001
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 416,953	\$ 450,104
Short-term investments	1,050,220	1,119,305
Marketable securities	225,878	85,307
Customer deposits	181,678	230,410
Accounts receivable, net	67,420	27,990
Mortgage loans	60,330	123,241
Deferred income taxes	41,843	77,948
Prepaid expenses and other current assets	30,538	33,617
Total current assets	2,074,860	2,147,922
Property and equipment, net	167,707	185,969
Goodwill, net	358,890	326,986
Purchased intangibles, net	79,988	88,348
Long-term deferred income taxes	92,985	145,905
Investments	31,160	24,107
Loans due from affiliates	6,464	9,502
Other assets	12,914	32,997
Total assets	\$ 2,824,968	\$ 2,961,736
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 79,145	\$ 66,400
Accrued compensation and related liabilities	49,303	64,325
Payroll service obligations	177,002	205,067
Escrow liabilities	8,479	23,373
Drafts payable	23,598	63,518
Deferred revenue	107,578	125,018
Income tax payable	110,743	82,661
Short-term note payable	34,286	38,672
Other current liabilities	162,769	118,928
Total current liabilities	752,903	787,962
Long-term obligations	538	12,413
Minority interest	238	35
Stockholders' equity	2,071,289	2,161,326
Total liabilities and stockholders' equity	\$ 2,824,968	\$ 2,961,736