

Table A1
INTUIT INC.
GAAP CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share amounts)
(Unaudited)

	Three Months Ended		Twelve Months Ended	
	July 31,		July 31,	
	2003	2004	2003	2004
Net revenue:				
Product	\$ 158,821	\$ 175,301	\$ 1,129,839	\$ 1,220,084
Service	67,088	79,322	451,652	575,959
Other	19,188	21,270	69,252	71,620
Total net revenue	<u>245,097</u>	<u>275,893</u>	<u>1,650,743</u>	<u>1,867,663</u>
Costs and expenses:				
Cost of revenue:				
Cost of product revenue	28,003	27,112	173,800	172,059
Cost of service revenue	36,334	40,819	149,538	162,176
Cost of other revenue	5,224	7,701	20,626	27,362
Amortization of purchased software [B]	3,639	3,421	13,796	13,456
Customer service and technical support	37,684	42,020	178,949	195,073
Selling and marketing	68,664	73,837	324,389	369,136
Research and development	63,612	65,298	255,821	281,129
General and administrative	36,591	47,040	148,855	183,080
Charge for purchased research and development [C]	-	-	8,859	-
Charge (credit) for vacant facilities	(1,069)	729	(1,069)	729
Acquisition-related charges [D]	6,932	23,916	33,947	43,136
Total costs and expenses	<u>285,614</u>	<u>331,893</u>	<u>1,307,511</u>	<u>1,447,336</u>
Income (loss) from continuing operations	(40,517)	(56,000)	343,232	420,327
Interest and other income	13,945	11,410	38,694	30,844
Gains on marketable securities and other investments, net	818	1,385	10,912	1,729
Income (loss) from continuing operations before income taxes	(25,754)	(43,205)	392,838	452,900
Income tax (benefit) provision [E]	(1,066)	(1,101)	129,636	135,870
Net income (loss) from continuing operations	(24,688)	(42,104)	263,202	317,030
Discontinued operations, net of income taxes:				
Gain on disposal of Quicken Loans discontinued operations [F]	-	-	5,556	-
Net income from Intuit KK discontinued operations [G]	-	-	3,267	-
Gain on disposal of Intuit KK discontinued operations [G]	-	-	71,009	-
Net income from discontinued operations	-	-	79,832	-
Net income (loss)	<u>\$ (24,688)</u>	<u>\$ (42,104)</u>	<u>\$ 343,034</u>	<u>\$ 317,030</u>
Basic net income (loss) per share from continuing operations	\$ (0.12)	\$ (0.22)	\$ 1.28	\$ 1.62
Basic net income per share from discontinued operations	-	-	0.39	-
Basic net income (loss) per share	<u>\$ (0.12)</u>	<u>\$ (0.22)</u>	<u>\$ 1.67</u>	<u>\$ 1.62</u>
Shares used in basic per share amounts	<u>201,819</u>	<u>190,893</u>	<u>205,294</u>	<u>195,455</u>
Diluted net income (loss) per share from continuing operations	\$ (0.12)	\$ (0.22)	\$ 1.25	\$ 1.58
Diluted net income per share from discontinued operations	-	-	0.38	-
Diluted net income (loss) per share	<u>\$ (0.12)</u>	<u>\$ (0.22)</u>	<u>\$ 1.63</u>	<u>\$ 1.58</u>
Shares used in diluted per share amounts	<u>201,819</u>	<u>190,893</u>	<u>210,955</u>	<u>200,081</u>

See accompanying Notes.

Table A2
INTUIT INC.
PRO FORMA CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share amounts)
(Unaudited)

	Three Months Ended		Twelve Months Ended	
	July 31,		July 31,	
	2003	2004	2003	2004
Net revenue:				
Product	\$ 158,821	\$ 175,301	\$ 1,129,839	\$ 1,220,084
Service	67,088	79,322	451,652	575,959
Other	19,188	21,270	69,252	71,620
Total net revenue	<u>245,097</u>	<u>275,893</u>	<u>1,650,743</u>	<u>1,867,663</u>
Costs and expenses:				
Cost of revenue:				
Cost of product revenue	28,003	27,112	173,800	172,059
Cost of service revenue	36,334	40,819	149,538	162,176
Cost of other revenue	5,224	7,701	20,626	27,362
Customer service and technical support	37,684	42,020	178,949	195,073
Selling and marketing	68,664	73,837	324,389	369,136
Research and development	63,612	65,298	255,821	281,129
General and administrative	36,591	47,040	148,855	183,080
Charge (credit) for vacant facilities	(1,069)	729	(1,069)	729
Total costs and expenses	<u>275,043</u>	<u>304,556</u>	<u>1,250,909</u>	<u>1,390,744</u>
Income (loss) from operations	(29,946)	(28,663)	399,834	476,919
Interest and other income	13,945	11,410	38,694	30,844
Income (loss) before income taxes	(16,001)	(17,253)	438,528	507,763
Income tax (benefit) provision	(5,280)	(5,866)	144,714	172,639
Net income (loss)	<u>\$ (10,721)</u>	<u>\$ (11,387)</u>	<u>\$ 293,814</u>	<u>\$ 335,124</u>
Basic net income (loss) per share	<u>\$ (0.05)</u>	<u>\$ (0.06)</u>	<u>\$ 1.43</u>	<u>\$ 1.71</u>
Shares used in basic per share amounts	<u>201,819</u>	<u>190,893</u>	<u>205,294</u>	<u>195,455</u>
Diluted net income (loss) per share	<u>\$ (0.05)</u>	<u>\$ (0.06)</u>	<u>\$ 1.39</u>	<u>\$ 1.67</u>
Shares used in diluted per share amounts	<u>201,819</u>	<u>190,893</u>	<u>210,955</u>	<u>200,081</u>

The pro forma, or non-GAAP, financial measures above should not be considered as a substitute for, or superior to, measures of financial performance prepared in accordance with generally accepted accounting principles ("GAAP"). These pro forma financial measures are not prepared in accordance with GAAP and likely are different from pro forma financial measures used by other companies. Intuit's management believes that these pro forma financial measures provide meaningful supplemental information regarding Intuit's core operating results because they exclude amounts that are not necessarily related to Intuit's core operating results. Intuit's management refers to these pro forma financial measures in assessing the performance of Intuit's ongoing operations and for planning and forecasting in future periods. These pro forma financial measures also facilitate management's internal comparisons to Intuit's historical operating results. In addition, Intuit has historically reported similar pro forma financial measures and believes that the inclusion of comparative numbers provides consistency in its financial reporting. Intuit computes pro forma financial measures using the same consistent method from quarter to quarter and year to year. See Tables B1 and B2 for reconciliations of these pro forma financial measures to GAAP.

Table B1
INTUIT INC.
RECONCILIATION OF PRO FORMA FINANCIAL MEASURES
TO GAAP CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS [A]-[G]
(In thousands, except per share amounts)
(Unaudited)

	Three Months Ended July 31, 2003				Three Months Ended July 31, 2004			
	Pro Forma	Adjmts	[A]	GAAP	Pro Forma	Adjmts	[A]	GAAP
Net revenue:								
Product	\$ 158,821	\$ -		\$ 158,821	\$ 175,301	\$ -		\$ 175,301
Service	67,088	-		67,088	79,322	-		79,322
Other	19,188	-		19,188	21,270	-		21,270
Total net revenue	<u>245,097</u>	<u>-</u>		<u>245,097</u>	<u>275,893</u>	<u>-</u>		<u>275,893</u>
Costs and expenses:								
Cost of revenue:								
Cost of product revenue	28,003	-		28,003	27,112	-		27,112
Cost of service revenue	36,334	-		36,334	40,819	-		40,819
Cost of other revenue	5,224	-		5,224	7,701	-		7,701
Amortization of purchased software	-	3,639	[B]	3,639	-	3,421	[B]	3,421
Customer service and technical support	37,684	-		37,684	42,020	-		42,020
Selling and marketing	68,664	-		68,664	73,837	-		73,837
Research and development	63,612	-		63,612	65,298	-		65,298
General and administrative	36,591	-		36,591	47,040	-		47,040
Charge for purchased research and development	-	-		-	-	-		-
Charge (credit) for vacant facilities	(1,069)	-		(1,069)	729	-		729
Acquisition-related charges	-	6,932	[D]	6,932	-	23,916	[D]	23,916
Total costs and expenses	<u>275,043</u>	<u>10,571</u>		<u>285,614</u>	<u>304,556</u>	<u>27,337</u>		<u>331,893</u>
Income (loss) from continuing operations	(29,946)	(10,571)		(40,517)	(28,663)	(27,337)		(56,000)
Interest and other income	13,945	-		13,945	11,410	-		11,410
Gains on marketable securities and other investments, net	-	818		818	-	1,385		1,385
Income (loss) from continuing operations before income taxes	(16,001)	(9,753)		(25,754)	(17,253)	(25,952)		(43,205)
Income tax (benefit) provision	(5,280)	4,214		(1,066)	(5,866)	4,765		(1,101)
Net income (loss) from continuing operations	<u>(10,721)</u>	<u>(13,967)</u>		<u>(24,688)</u>	<u>(11,387)</u>	<u>(30,717)</u>		<u>(42,104)</u>
Discontinued operations, net of income taxes:								
Gain on disposal of Quicken Loans discontinued operations	-	-		-	-	-		-
Net income from Intuit KK discontinued operations	-	-		-	-	-		-
Gain on disposal of Intuit KK discontinued operations	-	-		-	-	-		-
Net income from discontinued operations	<u>-</u>	<u>-</u>		<u>-</u>	<u>-</u>	<u>-</u>		<u>-</u>
Net income (loss)	<u>\$ (10,721)</u>	<u>\$ (13,967)</u>		<u>\$ (24,688)</u>	<u>\$ (11,387)</u>	<u>\$ (30,717)</u>		<u>\$ (42,104)</u>
Basic net income (loss) per share from continuing operations	\$ (0.05)			\$ (0.12)	\$ (0.06)			\$ (0.22)
Basic net income per share from discontinued operations	-			-	-			-
Basic net income (loss) per share	<u>\$ (0.05)</u>			<u>\$ (0.12)</u>	<u>\$ (0.06)</u>			<u>\$ (0.22)</u>
Shares used in basic per share amounts	<u>201,819</u>			<u>201,819</u>	<u>190,893</u>			<u>190,893</u>
Diluted net income (loss) per share from continuing operations	\$ (0.05)			\$ (0.12)	\$ (0.06)			\$ (0.22)
Diluted net income per share from discontinued operations	-			-	-			-
Diluted net income (loss) per share	<u>\$ (0.05)</u>			<u>\$ (0.12)</u>	<u>\$ (0.06)</u>			<u>\$ (0.22)</u>
Shares used in diluted per share amounts	<u>201,819</u>			<u>201,819</u>	<u>190,893</u>			<u>190,893</u>

The pro forma, or non-GAAP, financial measures above should not be considered as a substitute for, or superior to, measures of financial performance prepared in accordance with generally accepted accounting principles ("GAAP"). These pro forma financial measures are not prepared in accordance with GAAP and likely are different from pro forma financial measures used by other companies. Intuit's management believes that these pro forma financial measures provide meaningful supplemental information regarding Intuit's core operating results because they exclude amounts that are not necessarily related to Intuit's core operating results. Intuit's management refers to these pro forma financial measures in assessing the performance of Intuit's ongoing operations and for planning and forecasting in future periods. These pro forma financial measures also facilitate management's internal comparisons to Intuit's historical operating results. In addition, Intuit has historically reported similar pro forma financial measures and believes that the inclusion of comparative numbers provides consistency in its financial reporting. Intuit computes pro forma financial measures using the same consistent method from quarter to quarter and year to year. See Notes [A] through [G] for details.

Table B2
INTUIT INC.
RECONCILIATION OF PRO FORMA FINANCIAL MEASURES
TO GAAP CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS [A]-[G]
(In thousands, except per share amounts)
(Unaudited)

	Twelve Months Ended July 31, 2003				Twelve Months Ended July 31, 2004			
	Pro Forma	Adjmts	[A]	GAAP	Pro Forma	Adjmts	[A]	GAAP
Net revenue:								
Product	\$ 1,129,839	\$ -		\$ 1,129,839	\$ 1,220,084	\$ -		\$ 1,220,084
Service	451,652	-		451,652	575,959	-		575,959
Other	69,252	-		69,252	71,620	-		71,620
Total net revenue	<u>1,650,743</u>	<u>-</u>		<u>1,650,743</u>	<u>1,867,663</u>	<u>-</u>		<u>1,867,663</u>
Costs and expenses:								
Cost of revenue:								
Cost of product revenue	173,800	-		173,800	172,059	-		172,059
Cost of service revenue	149,538	-		149,538	162,176	-		162,176
Cost of other revenue	20,626	-		20,626	27,362	-		27,362
Amortization of purchased software	-	13,796	[B]	13,796	-	13,456	[B]	13,456
Customer service and technical support	178,949	-		178,949	195,073	-		195,073
Selling and marketing	324,389	-		324,389	369,136	-		369,136
Research and development	255,821	-		255,821	281,129	-		281,129
General and administrative	148,855	-		148,855	183,080	-		183,080
Charge for purchased research and development	-	8,859	[C]	8,859	-	-		-
Charge (credit) for vacant facilities	(1,069)	-		(1,069)	729	-		729
Acquisition-related charges	-	33,947	[D]	33,947	-	43,136	[D]	43,136
Total costs and expenses	<u>1,250,909</u>	<u>56,602</u>		<u>1,307,511</u>	<u>1,390,744</u>	<u>56,592</u>		<u>1,447,336</u>
Income (loss) from continuing operations	399,834	(56,602)		343,232	476,919	(56,592)		420,327
Interest and other income	38,694	-		38,694	30,844	-		30,844
Gains on marketable securities and other investments, net	-	10,912		10,912	-	1,729		1,729
Income (loss) from continuing operations before income taxes	438,528	(45,690)		392,838	507,763	(54,863)		452,900
Income tax (benefit) provision	144,714	(15,078)		129,636	172,639	(36,769)		135,870
Net income (loss) from continuing operations	<u>293,814</u>	<u>(30,612)</u>		<u>263,202</u>	<u>335,124</u>	<u>(18,094)</u>		<u>317,030</u>
Discontinued operations, net of income taxes:								
Gain on disposal of Quicken Loans discontinued operations	-	5,556	[F]	5,556	-	-		-
Net income from Intuit KK discontinued operations	-	3,267	[G]	3,267	-	-		-
Gain on disposal of Intuit KK discontinued operations	-	71,009	[G]	71,009	-	-		-
Net income from discontinued operations	<u>-</u>	<u>79,832</u>		<u>79,832</u>	<u>-</u>	<u>-</u>		<u>-</u>
Net income (loss)	<u>\$ 293,814</u>	<u>\$ 49,220</u>		<u>\$ 343,034</u>	<u>\$ 335,124</u>	<u>\$ (18,094)</u>		<u>\$ 317,030</u>
Basic net income (loss) per share from continuing operations	\$ 1.43			\$ 1.28	\$ 1.71			\$ 1.62
Basic net income per share from discontinued operations	-			0.39	-			-
Basic net income (loss) per share	<u>\$ 1.43</u>			<u>\$ 1.67</u>	<u>\$ 1.71</u>			<u>\$ 1.62</u>
Shares used in basic per share amounts	<u>205,294</u>			<u>205,294</u>	<u>195,455</u>			<u>195,455</u>
Diluted net income (loss) per share from continuing operations	\$ 1.39			\$ 1.25	\$ 1.67			\$ 1.58
Diluted net income per share from discontinued operations	-			0.38	-			-
Diluted net income (loss) per share	<u>\$ 1.39</u>			<u>\$ 1.63</u>	<u>\$ 1.67</u>			<u>\$ 1.58</u>
Shares used in diluted per share amounts	<u>210,955</u>			<u>210,955</u>	<u>200,081</u>			<u>200,081</u>

The pro forma, or non-GAAP, financial measures above should not be considered as a substitute for, or superior to, measures of financial performance prepared in accordance with generally accepted accounting principles ("GAAP"). These pro forma financial measures are not prepared in accordance with GAAP and likely are different from pro forma financial measures used by other companies. Intuit's management believes that these pro forma financial measures provide meaningful supplemental information regarding Intuit's core operating results because they exclude amounts that are not necessarily related to Intuit's core operating results. Intuit's management refers to these pro forma financial measures in assessing the performance of Intuit's ongoing operations and for planning and forecasting in future periods. These pro forma financial measures also facilitate management's internal comparisons to Intuit's historical operating results. In addition, Intuit has historically reported similar pro forma financial measures and believes that the inclusion of comparative numbers provides consistency in its financial reporting. Intuit computes pro forma financial measures using the same consistent method from quarter to quarter and year to year. See Notes [A] through [G] for details.

INTUIT INC.
NOTES TO TABLES A1, B1 AND B2

- [A] Tables B1 and B2 reconcile the differences between the pro forma or non-GAAP financial measures, which are not prepared in accordance with generally accepted accounting principles (“GAAP”), and the GAAP condensed consolidated statements of operations for the three and twelve months ended July 31, 2003 and 2004. Pro forma operating income (loss) excludes certain cost and expense line items that are in the GAAP statement of operations. For example, for the line item “acquisition-related charges,” the number in the GAAP column is subtracted out of the pro forma column in calculating pro forma operating income or loss. Eliminating cost or expense items improves pro forma results compared to GAAP results. Pro forma net income (loss) starts with pro forma operating income or loss and then excludes certain non-operating gains and losses that are in the GAAP statement of operations. For example, for the line item “gains on marketable securities and other investments, net” the number in the GAAP column is taken out of the pro forma column in calculating pro forma net income or loss. Eliminating loss line items improves pro forma results compared to GAAP results. Eliminating gain line items decreases pro forma results compared to GAAP results.
- [B] We amortize the value of software and other technology assets that we receive in connection with certain acquisitions over their estimated useful lives.
- [C] In connection with certain acquisitions we determine the value of in-process projects under development for which technological feasibility has not been established. The value of each project is recorded as a charge for purchased research and development at the time of the acquisition. In the twelve months ended July 31, 2003, we recorded charges for purchased research and development totaling \$8.9 million, primarily in connection with our acquisition of Blue Ocean Software, Inc. (now Intuit Information Technology Solutions).
- [D] Acquisition-related charges include amortization of purchased intangible assets and deferred compensation related to acquisitions as well as impairment charges. For the three and twelve months ended July 31, 2003, amortization of purchased intangible assets and deferred compensation was \$6.9 million and \$33.9 million and there were no impairment charges. For the three and twelve months ended July 31, 2004, amortization of purchased intangible assets and deferred compensation was \$5.2 million and \$24.4 million and there were impairment charges of \$18.7 million.
- [E] Our effective tax rate for the three months ended July 31, 2003 differed from the federal statutory rate primarily due to the net effect of the benefit received from tax exempt interest income and various tax credits offset by state taxes. Our effective tax rate for the twelve months ended July 31, 2003 differed from the federal statutory rate primarily due to the net effect of the benefit received from tax exempt interest income and various tax credits offset by state taxes and acquisition-related charges recorded in the first quarter of fiscal 2003. Our effective tax rate for the three months ended July 31, 2004 differed from the federal statutory rate primarily due to the net effect of the benefit received from tax exempt interest income and various tax credits offset by state taxes, acquisition-related charges and deferred tax adjustments. Our effective tax rate for the twelve months ended July 31, 2004 differed from the federal statutory rate primarily due to the effect of reversals of reserves related to potential income tax exposures that have been resolved and to the factors cited for the three months ended July 31, 2004.
- [F] In July 2002, we sold our Quicken Loans mortgage business to Rock Acquisition Corporation and accounted for the sale as discontinued operations. In the first quarter of fiscal 2003, we sold our residual minority equity interest in Rock and recorded a gain of \$5.6 million.
- [G] In February 2003, we sold our wholly owned Japanese subsidiary, Intuit KK, and accounted for the sale as discontinued operations. Accordingly, we have segregated the operating results of Intuit KK from continuing operations on our statement of operations for all periods prior to the sale. Revenue for Intuit KK for the three and six months ended January 31, 2003 was \$16.2 million and \$26.6 million. Net income before income taxes for Intuit KK for the three and six months ended January 31, 2003 was \$5.3 million and \$5.6 million. We recorded a gain on disposal of discontinued operations of \$71.0 million, net of income taxes, in the third quarter of fiscal 2003.

Table C
INTUIT INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands)
(Unaudited)

	July 31, 2003	July 31, 2004
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 170,043	\$ 27,249
Short-term investments	1,036,758	991,971
Accounts receivable, net	88,156	92,265
Deferred income taxes	34,824	31,473
Prepaid expenses and other current assets	33,082	50,542
Current assets before funds held for payroll customers	1,362,863	1,193,500
Funds held for payroll customers	306,007	323,041
Total current assets	1,668,870	1,516,541
Property and equipment, net	188,253	233,101
Goodwill, net	591,091	670,030
Purchased intangible assets, net	125,445	107,301
Long-term deferred income taxes	183,061	135,711
Loans to executive officers and other employees	19,690	15,809
Other assets	13,857	17,685
Total assets	\$2,790,267	\$ 2,696,178
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 56,786	\$ 70,443
Accrued compensation and related liabilities	118,678	135,047
Deferred revenue	178,840	223,380
Income taxes payable	76,725	22,159
Other current liabilities	59,129	83,295
Current liabilities before payroll customer fund deposits	490,158	534,324
Payroll customer fund deposits	306,007	323,041
Total current liabilities	796,165	857,365
Long-term obligations	29,265	16,394
Stockholders' equity	1,964,837	1,822,419
Total liabilities and stockholders' equity	\$2,790,267	\$ 2,696,178

Table D1
INTUIT INC.
RECONCILIATION OF GUIDANCE FOR PRO FORMA FINANCIAL MEASURES
TO PROJECTED GAAP REVENUE, OPERATING INCOME, AND EPS
(In thousands, except per share amounts)
(Unaudited)

	Three Months Ending October 31, 2004					
	Pro Forma		Adjustments	GAAP		
	Range of Estimate			Range of Estimate		
	From	To		From	To	
Revenue	\$ 251,000	\$ 263,000	\$ -	\$ 251,000	\$ 263,000	
Operating loss	(85,000)	(75,000)	(8,400) [a]	(93,400)	(83,400)	
Interest and other income	2,000	3,000	-	2,000	3,000	
Diluted loss per share	\$ (0.29)	\$ (0.25)	\$ (0.03) [b]	\$ (0.32)	\$ (0.28)	
Shares	189,000	191,000	-	189,000	191,000	
Twelve Months Ending July 31, 2005						
	Pro Forma		Adjustments	GAAP		
	Range of Estimate			Range of Estimate		
		From	To		From	To
Revenue	\$ 1,966,000	\$ 2,022,000	\$ -	\$ 1,966,000	\$ 2,022,000	
Operating income	535,000	559,000	(32,400) [c]	502,600	526,600	
Interest and other income	17,000	20,000	-	17,000	20,000	
Diluted earnings per share	\$ 1.93	\$ 2.01	\$ (0.11) [d]	\$ 1.82	\$ 1.90	
Shares	189,000	194,000	-	189,000	194,000	

- [a] Reflects estimated adjustments for amortization of purchased software of approximately \$3.4 million and amortization of purchased intangible assets of approximately \$5.0 million for the three months ending October 31, 2004.
- [b] Net of related income tax expense, the pro forma adjustments in item [a] result in a \$0.03 per diluted share adjustment for the three months ending October 31, 2004.
- [c] Reflects estimated adjustments for amortization of purchased software of approximately \$13.6 million and amortization of purchased intangible assets of approximately \$18.8 million for the twelve months ending July 31, 2005.
- [d] Net of related income tax expense, the pro forma adjustments in item [c] result in a \$0.11 per diluted share adjustment for the twelve months ending July 31, 2005.

The pro forma, or non-GAAP, financial measures above should not be considered as a substitute for, or superior to, measures of financial performance prepared in accordance with generally accepted accounting principles (“GAAP”). These pro forma financial measures are not prepared in accordance with GAAP and likely are different from pro forma financial measures used by other companies. Intuit’s management believes that these pro forma financial measures provide meaningful supplemental information regarding Intuit’s core operating results because they exclude amounts that are not necessarily related to Intuit’s core operating results. Intuit’s management refers to these pro forma financial measures in assessing the performance of Intuit’s ongoing operations and for planning and forecasting in future periods. These pro forma financial measures also facilitate management’s internal comparisons to Intuit’s historical operating results. In addition, Intuit has historically reported similar pro forma financial measures and believes that the inclusion of comparative numbers provides consistency in its financial reporting. Intuit computes pro forma financial measures using the same consistent method from quarter to quarter and year to year.

The reconciliations of the forward-looking pro forma financial measures to GAAP in this Table D1 include all information reasonably available to Intuit at the date of this press release. The adjustments in this table are those that management can predict. Intuit’s pro forma financial measures exclude acquisition-related charges, discontinued operations and gains and losses on marketable securities. Events that could cause the reconciliation to change include acquisitions and divestitures of businesses, goodwill and other asset impairments and sales of marketable securities.

TABLE D2
INTUIT INC.
RECONCILIATION OF SUPPLEMENTAL PRO FORMA FINANCIAL MEASURES
TO MOST DIRECTLY COMPARABLE GAAP MEASURES
(In thousands, except per share amounts)
(Unaudited)

Three Months Ended October 31, 2003			
	Pro Forma	Adjustments	GAAP
Revenue	\$ 242,528	\$ -	\$ 242,528
Operating loss	(80,076)	(9,338) [a]	(89,414)
Interest and other income	7,490	-	7,490
Diluted loss per share	\$ (0.24)	\$ (0.03) [b]	\$ (0.27)
Shares	198,747	-	198,747
Three Months Ended January 31, 2004			
	Pro Forma	Adjustments	GAAP
Revenue	\$ 636,289	\$ -	\$ 636,289
Operating income	228,714	(10,104) [c]	218,610
Interest and other income	7,170	-	7,170
Diluted earnings per share	\$ 0.77	\$ (0.04) [d]	\$ 0.73
Shares	203,430	-	203,430
Three Months Ended April 30, 2004			
	Pro Forma	Adjustments	GAAP
Revenue	\$ 712,953	\$ -	\$ 712,953
Operating income	356,944	(9,813) [e]	347,131
Interest and other income	4,774	-	4,774
Diluted earnings per share	\$ 1.20	\$ 0.13 [f]	\$ 1.33
Shares	198,748	-	198,748

- [a] Reflects adjustments for amortization of purchased software of \$3.3 million and amortization of purchased intangible assets of \$6.0 million for the three months ended October 31, 2003.
- [b] Reflects the adjustments in item [a] and an adjustment for net gains on marketable securities of \$0.1 million. Net of related income tax expense, these pro forma adjustments resulted in a \$0.03 per diluted share adjustment for the three months ended October 31, 2003.
- [c] Reflects adjustments for amortization of purchased software of \$3.3 million and amortization of purchased intangible assets of \$6.8 million for the three months ended January 31, 2004.
- [d] Reflects the adjustments in item [c] and an adjustment for net gains on marketable securities of \$0.1 million. Net of related income tax expense, these pro forma adjustments resulted in a \$0.04 per diluted share adjustment for the three months ended January 31, 2004.
- [e] Reflects adjustments for amortization of purchased software of \$3.4 million and amortization of purchased intangible assets of \$6.4 million for the three months ended April 30, 2004.
- [f] Reflects the adjustments in item [e] and an adjustment for net gains on marketable securities of \$0.1 million. Net of related income tax expense, these pro forma adjustments resulted in a \$0.13 per diluted share adjustment for the three months ended April 30, 2004.

The pro forma, or non-GAAP, financial measures above should not be considered as a substitute for, or superior to, measures of financial performance prepared in accordance with generally accepted accounting principles ("GAAP"). These pro forma financial measures are not prepared in accordance with GAAP and likely are different from pro forma financial measures used by other companies. Intuit's management believes that these pro forma financial measures provide meaningful supplemental information regarding Intuit's core operating results because they exclude amounts that are not necessarily related to Intuit's core operating results. Intuit's management refers to these pro forma financial measures in assessing the performance of Intuit's ongoing operations and for planning and forecasting in future periods. These pro forma financial measures also facilitate management's internal comparisons to Intuit's historical operating results. In addition, Intuit has historically reported similar pro forma financial measures and believes that the inclusion of comparative numbers provides consistency in its financial reporting. Intuit computes pro forma financial measures using the same consistent method from quarter to quarter and year to year.