

Table B1
INTUIT INC.
RECONCILIATION OF PRO FORMA FINANCIAL MEASURES
TO GAAP CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (ii)-(v)
(In thousands, except per share data)
(Unaudited)

	Three Months Ended April 30, 2002			Three Months Ended April 30, 2003		
	Pro Forma	Adjmts	GAAP	Pro Forma	Adjmts	GAAP
Net revenue:						
Products	\$ 326,712	\$ -	\$ 326,712	\$ 391,613	\$ -	\$ 391,613
Services	150,107	-	150,107	225,984	-	225,984
Other	14,333	-	14,333	17,101	-	17,101
Total net revenue	491,152	-	491,152	634,698	-	634,698
Costs and expenses:						
Cost of revenue:						
Products, services and other	67,441	-	67,441	88,706	-	88,706
Amortization of purchased software	-	1,565	1,565	-	3,662	3,662
Customer service and technical support	42,499	-	42,499	46,044	-	46,044
Selling and marketing	72,834	-	72,834	83,108	-	83,108
Research and development	50,814	-	50,814	62,002	-	62,002
General and administrative	26,840	-	26,840	34,243	-	34,243
Charge for purchased research and development	-	-	-	-	-	-
Charge for vacant facilities	13,237	-	13,237	-	-	-
Acquisition-related charges	-	37,516	37,516	-	8,406	8,406
Loss on impairment of long-lived asset	-	-	-	-	-	-
Total costs and expenses	273,665	39,081	312,746	314,103	12,068	326,171
Income from continuing operations	217,487	(39,081)	178,406	320,595	(12,068)	308,527
Interest and other income	7,184	-	7,184	8,193	-	8,193
Gains (losses) on marketable securities and other investments, net	-	1,356	1,356	-	7,014	7,014
Gain on divestiture	-	8,308	8,308	-	-	-
Income from continuing operations before income taxes	224,671	(29,417)	195,254	328,788	(5,054)	323,734
Income tax provision	74,141	(11,589)	62,552	108,500	(7,734)	100,766
Income from continuing operations	150,530	(17,828)	132,702	220,288	2,680	222,968
Discontinued operations, net of income taxes:						
Net income from Quicken Loans discontinued operations	-	9,918	9,918	-	-	-
Gain on disposal of Quicken Loans discontinued operations	-	-	-	-	-	-
Net income from Intuit KK discontinued operations	-	1,861	1,861	-	-	-
Gain on disposal of Intuit KK discontinued operations	-	-	-	-	71,009	71,009
Net income from discontinued operations	-	11,779	11,779	-	71,009	71,009
Net income	<u>\$ 150,530</u>	<u>\$ (6,049)</u>	<u>\$ 144,481</u>	<u>\$ 220,288</u>	<u>\$ 73,689</u>	<u>\$ 293,977</u>
Basic net income per share from continuing operations	\$ 0.71		\$ 0.63	\$ 1.07		\$ 1.08
Basic net income per share from discontinued operations	-		0.05	-		0.35
Basic net income per share	<u>\$ 0.71</u>		<u>\$ 0.68</u>	<u>\$ 1.07</u>		<u>\$ 1.43</u>
Shares used in basic per share amounts	<u>211,614</u>		<u>211,614</u>	<u>205,709</u>		<u>205,709</u>
Diluted net income per share from continuing operations	\$ 0.69		\$ 0.62	\$ 1.05		\$ 1.06
Diluted net income per share from discontinued operations	-		0.05	-		0.34
Diluted net income per share	<u>\$ 0.69</u>		<u>\$ 0.67</u>	<u>\$ 1.05</u>		<u>\$ 1.40</u>
Shares used in diluted per share amounts	<u>217,173</u>		<u>217,173</u>	<u>210,448</u>		<u>210,448</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 ii through v for details.