

INTUIT INC
Form 8-K
May 17, 2002

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**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**

May 17, 2002
(Date of report)

May 15, 2002
(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)
2535 Garcia Avenue
Mountain View, CA 94043
(Address of Principal Executive Offices)
(Zip Code)

77-0034661
(I.R.S. Employer Identification No.)

Registrant's telephone number, including area code: **(650) 944-6000**

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ITEM 5. OTHER EVENTS.

Announcement of Fiscal 2002 Third Quarter Results

On May 15, 2002, Intuit Inc. announced the results for its third quarter of fiscal 2002, which ended April 30, 2002. Revenue of \$545.2 million was up 28 percent over the same period last year. Intuit reported net income of \$144.5 million, or \$0.67 per share, up from a loss of \$14.3 million or a \$0.07 loss per share in the third quarter of fiscal 2001. Last year's results included approximately \$85 million more in acquisition-related charges than this year's third quarter.

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INTUIT INC.
CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
(In thousands, except per share data)
(unaudited)

| | Three Months Ended April 30, | | Nine Months Ended April 30, | |
|--|---------------------------------|------------|--------------------------------|------------|
| | 2001 | 2002 | 2001 | 2002 |
| Net revenue: | | | | |
| Products | \$ 244,709 | \$ 332,497 | \$ 736,784 | \$ 869,907 |
| Services | 161,846 | 198,355 | 273,839 | 381,772 |
| Other | 18,655 | 14,374 | 59,669 | 49,558 |
| Total net revenue | 425,210 | 545,226 | 1,070,292 | 1,301,237 |
| Costs and expenses: | | | | |
| Cost of revenue: | | | | |
| Products, services and other | 77,513 | 80,513 | 248,226 | 273,929 |
| Amortization of purchased software and other | 4,375 | 1,565 | 11,220 | 10,442 |
| Customer service and technical support | 37,538 | 45,807 | 116,068 | 137,899 |
| Selling and marketing | 68,479 | 89,830 | 215,146 | 256,656 |
| Research and development | 52,697 | 52,908 | 155,174 | 156,111 |
| General and administrative | 23,917 | 29,339 | 77,614 | 90,055 |
| Charge for purchased research and development | 238 | | 238 | |
| Charge for vacant facilities | | 13,237 | | 13,237 |
| Acquisition-related charges | 122,575 | 37,562 | 205,328 | 140,748 |
| Loss on impairment of long-lived asset | | | | 27,000 |
| Total costs and expenses | 387,332 | 350,761 | 1,029,014 | 1,106,077 |
| Income from operations | 37,878 | 194,465 | 41,278 | 195,160 |
| Interest and other income and expense, net | 15,070 | 8,308 | 47,736 | 28,631 |
| Gains (losses) on marketable securities and other investments, net | (11,504) | 1,356 | (87,307) | (9,266) |
| Gain on divestiture | | 8,308 | 1,639 | 8,308 |
| Income before income taxes, minority interest and cumulative effect of accounting change | 41,444 | 212,437 | 3,346 | 222,833 |
| Provision for income taxes (i) | 55,294 | 67,938 | 38,566 | 50,893 |
| Minority interest | 451 | 18 | 598 | 18 |
| Income (loss) before cumulative effect of accounting change | (14,301) | 144,481 | (35,818) | 171,922 |
| Cumulative effect of accounting change, net of taxes of \$9,543 | | | 14,314 | |
| Net income (loss) | \$ (14,301) | \$ 144,481 | \$ (21,504) | \$ 171,922 |
| Basic net income (loss) per share before cumulative effect of accounting change | \$ (0.07) | \$ 0.68 | \$ (0.17) | \$ 0.81 |
| Cumulative effect of accounting change | | | 0.07 | |
| Basic net income (loss) per share | \$ (0.07) | \$ 0.68 | \$ (0.10) | \$ 0.81 |
| Shares used in per share amounts | 208,715 | 211,614 | 207,345 | 211,724 |

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| | | | | |
|---|-----------|---------|-----------|---------|
| Diluted net income (loss) per share before cumulative effect of accounting change | \$ (0.07) | \$ 0.67 | \$ (0.17) | \$ 0.79 |
| Cumulative effect of accounting change | | | 0.07 | |
| Diluted net income (loss) per share | \$ (0.07) | \$ 0.67 | \$ (0.10) | \$ 0.79 |
| Shares used in per share amounts | 208,715 | 217,173 | 207,345 | 217,667 |

- (i) There is a difference in the effective tax rate for each of these periods, primarily due to the tax benefit related to divestitures that became available in the second quarter ending January 31, 2002.
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INTUIT INC.
 CONDENSED CONSOLIDATED BALANCE SHEET
 (In thousands)
 (unaudited)

| | <u>July 31, 2001</u> | <u>April 30, 2002</u> |
|---|--------------------------|-------------------------------|
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | \$450,104 | \$454,791 |
| Short-term investments | 1,119,305 | 1,297,133 |
| Marketable securities | 85,307 | 48,469 |
| Customer deposits | 230,410 | 283,748 |
| Accounts receivable, net | 27,990 | 69,216 |
| Mortgage loans | 123,241 | 279,506 |
| Deferred income taxes | 77,948 | 87,816 |
| Prepaid expenses and other current assets | 33,617 | 35,091 |
| <hr/> | | |
| <hr/> | | |
| Total current assets | 2,147,922 | 2,555,770 |
| Property and equipment, net | 185,969 | 181,442 |
| Goodwill and intangibles, net | 415,334 | 310,949 |
| Long-term deferred income taxes | 145,905 | 146,020 |
| Investments | 24,107 | 13,149 |
| Other assets | 42,499 | 16,168 |
| <hr/> | | |
| <hr/> | | |
| Total assets | \$2,961,736 | \$3,223,498 |

LIABILITIES AND
STOCKHOLDERS EQUITY

Current liabilities:

Accounts payable
\$66,400 \$77,310
Payroll service obligations
205,067 256,369
Escrow liabilities
23,373 27,335
Drafts payable
63,518 67,005
Deferred revenue
137,305 97,509
Income tax payable
82,661 104,293
Short-term note payable
38,672 17,451
Other current liabilities
170,966 255,001

Total current liabilities

787,962 902,273
Long-term obligations
12,413 11,209
Minority interest
35
Stockholders equity
2,161,326 2,310,016

Total liabilities and stockholders equity

\$2,961,736 \$3,223,498

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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: May 15, 2002.

INTUIT INC.

By: /s/ GREG J. SANTORA

Greg J. Santora
Senior Vice President and Chief Financial Officer