

INTUIT INC
Form 8-K
November 16, 2001

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

November 16, 2001

(Date of report)

November 15, 2001

(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)

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

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

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

ITEM 5. OTHER EVENTS.

Announcement of First Quarter Results

On November 15, 2001, Intuit announced its financial results for the fiscal quarter ended October 31, 2001. Intuit reported revenue of \$208.8 million for the first quarter, an increase of 11 percent over the year-earlier quarter. Intuit reported a net loss for the quarter of \$92.4 million, or a loss of \$0.44 per share. Intuit typically reports a loss in its first fiscal quarter each year, when revenue from tax preparation businesses is minimal, but operating expenses to develop new products and services continue at relatively consistent levels. In the year-ago quarter, Intuit reported a net loss of \$33.8 million, or a loss of \$0.16 per share. Compared with the year-ago period, per share results for the current quarter reflected an additional \$35.4 million, pre-tax, in combined charges and net losses related to write-downs of marketable securities and other investments, and impairment charges relating to assets received in connection with the prior sale of the company's online bill management business.

(Financial statements follow)

INTUIT INC.

CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS

(In thousands, except per share data)

(unaudited)

| | Quarter Ended October 31, | |
|--|------------------------------|-------------|
| | 2000 | 2001 |
| Net revenue: | | |
| Products | \$119,823 | \$114,583 |
| Services | 47,540 | 76,794 |
| Other | 20,159 | 17,389 |
| Total net revenue | 187,522 | 208,766 |
| Costs and expenses: | | |
| Cost of revenue: | | |
| Products, services and other | 66,894 | 72,352 |
| Amortization of purchased software and other | 2,987 | 1,706 |
| Customer service and technical support | 32,396 | 38,953 |
| Selling and marketing | 61,100 | 71,895 |
| Research and development | 47,878 | 49,940 |
| General and administrative | 27,783 | 28,593 |
| Acquisition-related charges | 39,679 | 41,087 |
| Loss on impairment of long-lived asset | | 27,000 |
| Total costs and expenses | 278,717 | 331,526 |
| Loss from operations | (91,195) | (122,760) |
| Interest and other income and expense, net | 16,118 | 11,797 |
| Loss on marketable securities and other investments, net | (3,868) | (12,254) |
| Loss before income tax benefit, minority interest and cumulative effect of accounting change | (78,945) | (123,217) |
| Income tax benefit | (30,916) | (30,790) |
| Minority interest | 50 | |
| Loss before cumulative effect of accounting change | (48,079) | (92,427) |
| Cumulative effect of accounting change, net of taxes of \$9,543 | 14,314 | |
| Net loss | \$ (33,765) | \$ (92,427) |
| Basic and diluted net loss per share before cumulative effect of accounting change | \$ (0.23) | \$ (0.44) |
| Cumulative effect of accounting change | 0.07 | |
| Basic and diluted net loss per share | \$ (0.16) | \$ (0.44) |

| | | |
|----------------------------------|---------|---------|
| Shares used in per share amounts | 205,727 | 211,039 |
|----------------------------------|---------|---------|

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

| | July 31, 2001 | October 31, 2001 |
|--|--------------------|---------------------|
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 450,104 | \$ 415,044 |
| Short-term investments | 1,119,305 | 1,049,281 |
| Marketable securities | 85,307 | 41,484 |
| Customer deposits | 230,410 | 225,004 |
| Accounts receivable, net | 27,990 | 43,024 |
| Mortgage loans | 123,241 | 216,844 |
| Deferred income taxes | 77,948 | 92,300 |
| Prepaid expenses and other current assets | 33,617 | 37,353 |
| Total current assets | 2,147,922 | 2,120,334 |
| Property and equipment, net | 185,969 | 184,973 |
| Goodwill and intangibles, net | 415,334 | 374,770 |
| Long-term deferred income taxes | 145,905 | 145,815 |
| Investments | 24,107 | 14,108 |
| Other assets | 42,499 | 14,000 |
| Total assets | \$2,961,736 | \$2,854,000 |
| LIABILITIES AND STOCKHOLDERS EQUITY | | |
| Current liabilities: | | |
| Accounts payable | \$ 66,400 | \$ 83,540 |
| Payroll tax obligations | 205,067 | 199,529 |
| Escrow liabilities | 23,373 | 25,408 |
| Deferred revenue | 137,305 | 139,510 |
| Income tax payable | 82,661 | 44,514 |
| Short-term note payable | 38,672 | 39,532 |
| Other current liabilities | 234,484 | 254,804 |
| Total current liabilities | 787,962 | 786,837 |
| Long-term obligations | 12,413 | 12,153 |
| Minority interest | 35 | 35 |
| Stockholders' equity | 2,161,326 | 2,054,975 |

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| | | |
|---|-------------|-------------|
| Total liabilities and stockholders equity | \$2,961,736 | \$2,854,000 |
|---|-------------|-------------|

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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: November 15, 2001

INTUIT INC.

By:

/s/ GREG J. SANTORA

Senior Vice President and
Chief Financial Officer

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