

Revenue up at Intuit but seasonal 1Q loss widens

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MOUNTAIN VIEW, Calif. (AP) — Financial software maker Intuit Inc. on Thursday said its fiscal first-quarter loss widened during the slow season for TurboTax, but the company reported increased revenue from small-business products like QuickBooks.

For the three months that ended Oct. 31, Intuit reported a net loss of \$70 million, or 22 cents per share, compared with a loss of \$68 million, or 21 cents per share, a year earlier.

Adjusted for various charges and stock-based compensation expenses, the company said it lost 12 cents per share, compared with a loss of 10 cents per share last year.

Analysts polled by Thomson Reuters, on average, expected a loss of 12 cents per share, excluding stock-based compensation expenses. Analysts typically exclude other one-time gains and losses from their estimates.

Intuit typically posts a loss for its first quarter, when there is little revenue from its tax businesses to offset relatively steady expenses.

TurboTax for 2010 goes on sale in retail stores on Nov. 26.

Revenue for the quarter rose 12 percent to \$532 million, from \$474 million a year ago. Wall Street analysts polled by Thomson Reuters on average projected revenue of \$520.5 million.

Intuit said 12 percent growth in its small business group helped boost revenue.

QuickBooks, its financial and business management software, had 217,000 subscribers at the end of the quarter, up 46 percent from last year. The company released its 2011 version of the product during the quarter.

In an interview, Chief Financial Officer Neil Williams said QuickBooks got a boost from new customers flocking to the online version.

The company said its small business websites unit had a 60 percent increase in its customer base, but didn't provide specific figures. The unit provides website design and customization for small businesses.

Also helping the quarter were strong sales of the desktop version of Quicken, Williams said. That personal finance management software has been beefed up with technology the company acquired when it bought Mint.com, and the result was one of the better quarters for the desktop software in several years, he said.

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For the second quarter the company expects to earn 24 cents to 28 cents per share, or adjusted profit of 36 to 40 cents per share. It expects revenue of \$920 million to \$940 million.

Analysts are expecting adjusted profit of 45 cents per share, on revenue of \$919.5 million.

For the full fiscal year, the company expects to earn \$1.88 to \$1.95 per share, or \$2.36 to \$2.43 on an adjusted basis, and revenue of \$3.74 billion to \$3.84 billion.

Wall Street expects full-year adjusted earnings of \$2.41 per share and revenue of \$3.8 billion.

Williams said the forecasts reflect strong expectations for TurboTax in the coming tax season, along with continued small business strength.

In afterhours trading, Intuit shares slipped \$1.78, or 3.7 percent, to \$46.40. The stock closed the regular session up 65 cents at \$48.20.

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