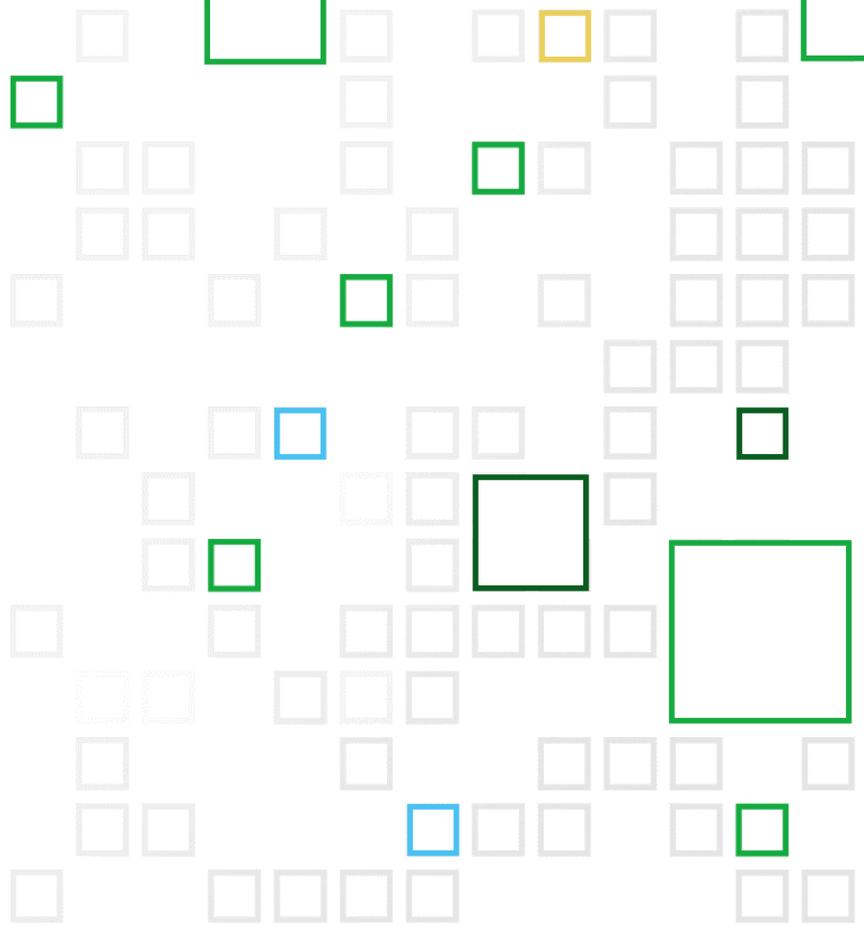


Block Horizons

INVESTOR DAY

December 8, 2020



| Safe Harbor Statement

Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of the securities laws. Forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts. They often include words or variation of words such as "expects," "anticipates," "intends," "plans," "believes," "commits," "seeks," "estimates," "projects," "forecasts," "targets," "would," "will," "should," "goal," "could," "may," or other similar expressions. Forward-looking statements provide management's current expectations or predictions of future conditions, events or results. All statements that address operating performance, events or developments that we expect or anticipate will occur in the future are forward-looking statements. They may include estimates of revenues, client trajectory, income, effective tax rate, earnings per share, cost savings, capital expenditures, dividends, share repurchases, liquidity, capital structure, market share, industry volumes, or other financial items, descriptions of management's plans or objectives for future operations, products or services, or descriptions of assumptions underlying any of the above. They also include the expected impact of the coronavirus (COVID-19) pandemic, including, without limitation, the impact on economic and financial markets, the Company's capital resources and financial condition, the expected use of proceeds under the Company's revolving credit facility, future expenditures, potential regulatory actions, such as extensions of tax filing deadlines or other related relief, changes in consumer behaviors and modifications to the Company's operations related thereto. All forward-looking statements speak only as of the date they are made and reflect the Company's good faith beliefs, assumptions and expectations, but they are not guarantees of future performance or events. Furthermore, the company disclaims any obligation to publicly update or revise any forward-looking statement to reflect changes in underlying assumptions, factors, or expectations, new information, data or methods, future events or other changes, except as required by law. By their nature, forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. Factors that might cause such differences include, but are not limited to a variety of economic, competitive, and regulatory factors, many of which are beyond the Company's control, that are described in our Annual Report on Form 10-K for the most recently completed fiscal year in the section entitled "Risk Factors" and additional factors we may describe from time to time in other filings with the Securities and Exchange Commission. You may get such filings for free at our website at <http://investors.hrblock.com>. You should understand that it is not possible to predict or identify all such factors and, consequently, you should not consider any such list to be a complete set of all potential risks or uncertainties.

| Safe Harbor Statement

Non-GAAP Measures

We refer to certain Non-GAAP financial measures in this presentation, including earnings from continuing operations before interest, taxes, depreciation, and amortization (“EBITDA”), EBITDA Margin from continuing operations, calculated as EBITDA from continuing operations divided by revenues from continuing operations (“EBITDA Margin”), adjusted diluted earnings per share from continuing operations, and free cash flow. Non-GAAP financial measures should not be considered as a substitute for, or superior to, measures of financial performance prepared in accordance with accounting principles generally accepted in the United States (GAAP). Because these measures are not measures of financial performance under GAAP and are susceptible to varying calculations, they may not be comparable to similarly titled measures for other companies. For a description of these non-GAAP financial measures, including the reasons management uses each measure, and reconciliations of these non-GAAP financial measures to the most directly comparable financial measures prepared in accordance with GAAP, please refer to previously filed press releases posted on our investor relations website at <http://investors.hrblock.com>.

Market and Industry Data

The data included in this presentation regarding the tax preparation services industry, including trends in the market and the company's position and the position of its competitors within this industry, are based on the company's estimates, which have been derived from management's knowledge and experience in the industry, and information obtained from customers, trade and business organizations, internal research, publicly available information, industry publications and surveys and other contacts in the industry. The company has also cited information compiled by industry publications, governmental agencies and publicly available sources. Although the company believes these third-party sources to be reliable, it has not independently verified the data obtained from these sources and it cannot assure you of the accuracy or completeness of the data. Estimates of market size and relative positions in a market are difficult to develop and inherently uncertain and the company cannot assure you that it is accurate. Accordingly, you should not place undue weight on the industry and market share data presented in this presentation.



Jeff Jones

President and Chief Executive Officer

Why we're here

Three key takeaways

1

**We are a stronger
company today**

2

**Our strategy
development
process has been
rigorous and
methodical**

3

**We are focused
on execution and
value creation**

Our Senior Leadership Team

We continue to strengthen our team



Jeff Jones
President and
Chief Executive Officer

Joined 2017



Kirk Simpson
CEO and Co-Founder Wave

Joined 2019



Karen Orosco
Senior Vice President
U.S. Retail

Joined 1999



Les Whiting
Chief Financial Services
Officer

Joined 2020



Julius Lai
Chief Product and
Experience Officer

Joined 2020



Heather Watts
Senior Vice President
DIY Tax

Joined 1997



Tony Bowen
Chief Financial Officer

Joined 2004



Tom Gerke
General Counsel and Chief
Administrative Officer

Joined 2012



Alan Lowden
Chief Information Officer

Joined 2012



Tiffany Scalzitti Monroe
Chief People Officer

Joined 2018



Daniel Rieger
Vice President of
International

Joined 2014



Jamil Khan
Chief Strategy and
Development Officer

Joined 2019

Exploring the benefits of Block Horizons

AGENDA

Block Horizons Strategy

Jeff Jones

Small Business

Kirk Simpson
Karen Orosco

Financial Products

Les Whiting

Block Experience

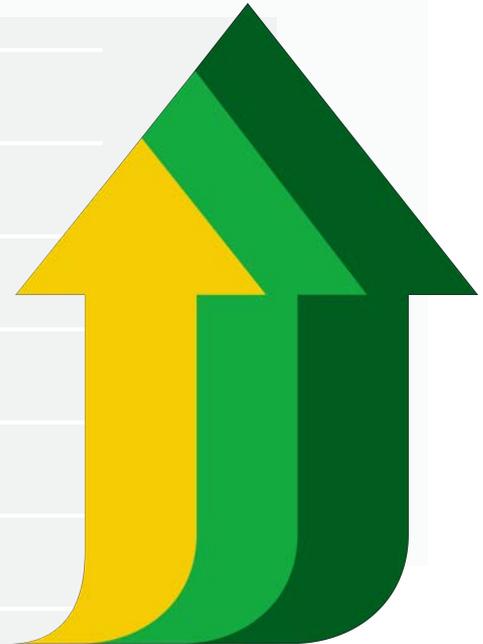
Julius Lai
Heather Watts

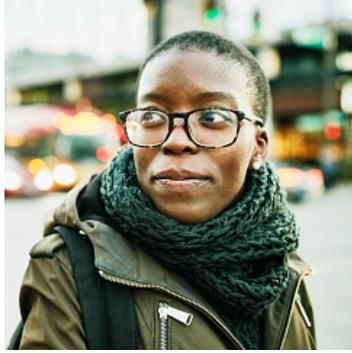
Financial Principles & Outlook

Tony Bowen

Closing & Q&A

Jeff Jones





We are purpose-driven:
To provide help and
inspire confidence
in our clients and
communities everywhere



Leveraging our human advantage
and technological expertise

Trusted advisor for customers

Supporting communities through
Make Every Block Better

We are
strategically
positioning
the company
for success

■ **FALL
2017**
Thorough look-
back upon Jeff's
arrival as CEO

■ **SPRING
2018**
Implemented
Upfront
Transparent
Pricing and
accelerated
technology
investments

■ **FALL
2018**
Assessed multiple
adjacencies to
drive growth

■ **SPRING
2019**
Confirmed
opportunities
in small business
and financial
products;
acquired Wave

■ **FALL
2020**

Block Horizons to
drive next phase
of growth

We've already made
significant progress

**Talent
and Culture**

Brand

**Digital & Data
Platforms**

**Improvement
in Consumer Tax**

Our five-year roadmap is built on
three strategic imperatives

**Small
Business**

Build direct, valuable relationships with small business owners through Block Advisors and Wave

**Financial
Products**

Evolve the Emerald Card into a consumer-centric, mobile-first solution for the underbanked

**Block
Experience**

Make tax easier, faster and more personalized by blending digital tools with human expertise and care

The focus of our business is changing

HISTORICAL ROLE

FUTURE ROLE

Small Business

Over 2 million customers,
without strategic focus



Tailored customer experience and services
to drive growth through Block Advisors and
Wave

Financial Products

Primarily linked to tax
event and to distribute
refunds



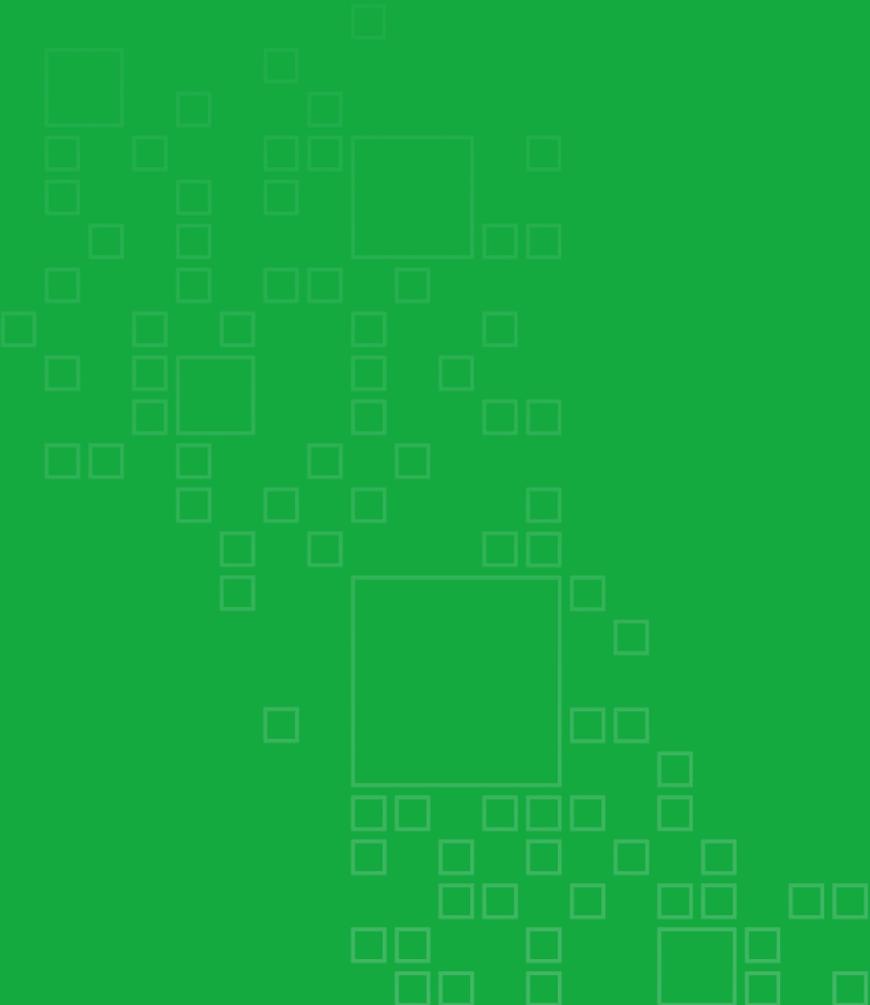
Create a mobile-centric banking alternative
leveraging our technology platform and
favorable banking partnership

Consumer Tax

Traditional delivery model
of Assisted or DIY



Converged platform blending human
expertise and digital capabilities



IMPERATIVE #1

Small Business



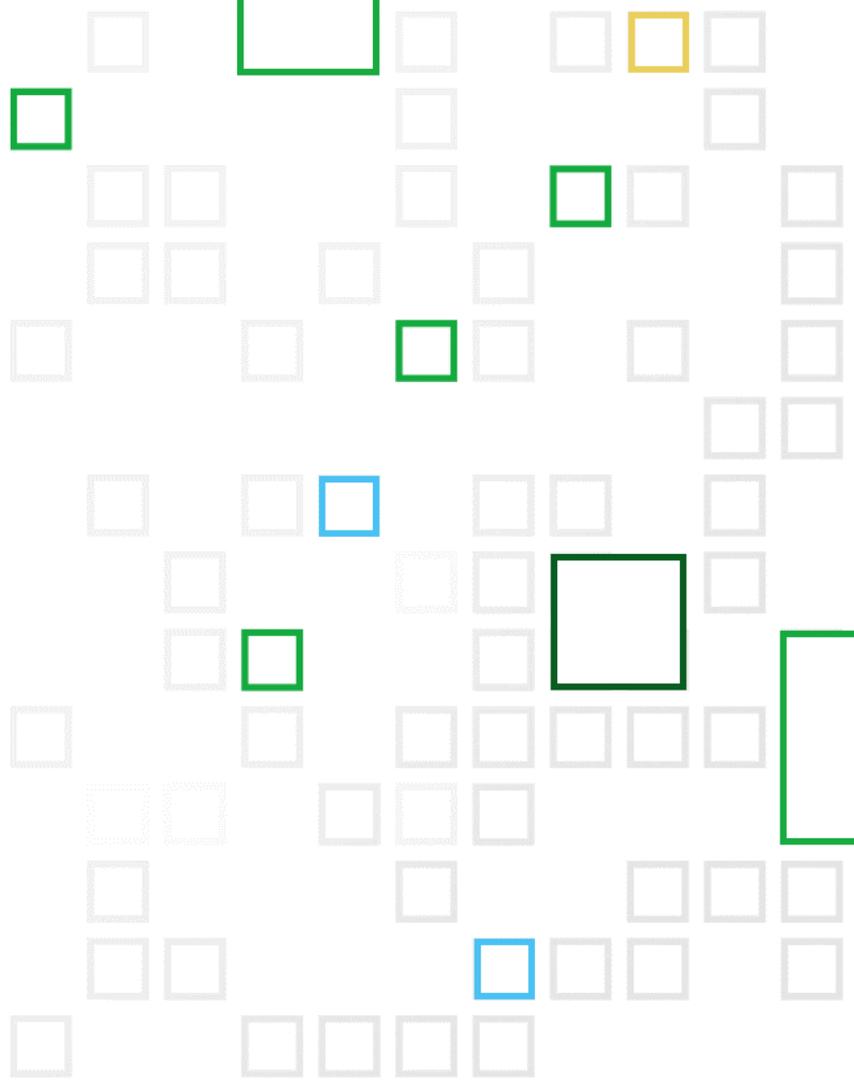


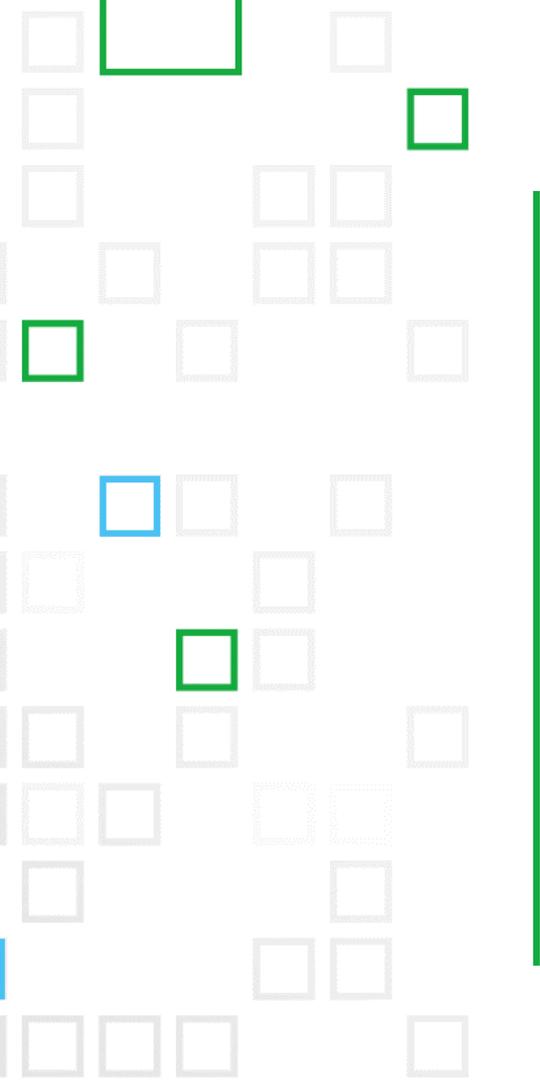
Kirk Simpson

Co-Founder and CEO
Wave

Karen Orosco

Senior Vice President,
U.S. Retail





Strengthen the spirit of entrepreneurship

and help small business
owners thrive

H&R Block is well-positioned in small business

**Large Base
of 2.4 Million
Customers**

**Strong
Entrepreneurial
Spirit**

**Creating a
Superior
Customer
Experience**

~\$500 million in annual small business revenue

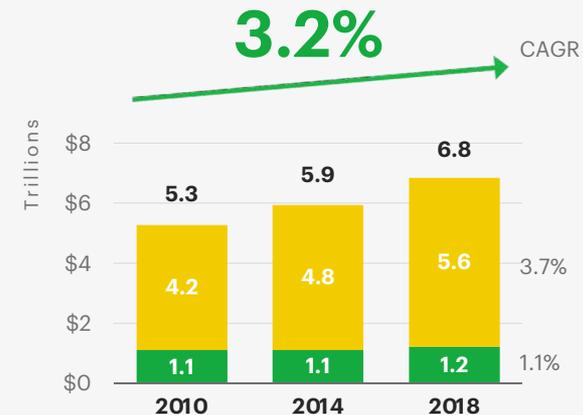
Small business is a significant opportunity for Block and Wave



U.S. Number of Small Businesses



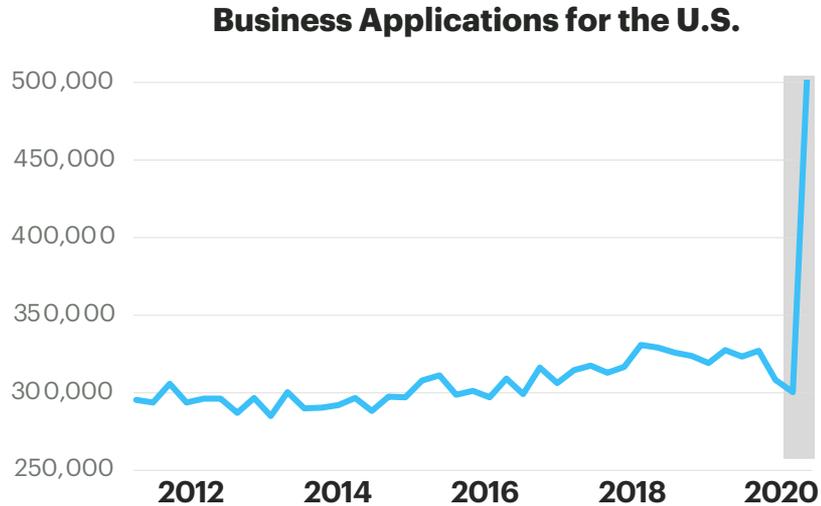
U.S. Small Business Revenue



1-499 Employees Self-employed

Source: Bureau of Labor Statistics, Business Employment Dynamics, County Business Patterns and Nonemployer Statistics

Even through COVID, small businesses are resilient



1

A “once in a generation” surge in start-ups

2

Small businesses will lead the recovery

3

Increasing adoption of digital tools

We have a clear view of our
target customer

Small Business Targets



0-9
EMPLOYEES



REVENUE OF
\$10,000 +



SEEKS BENEFITS OF
YEAR-ROUND
RELATIONSHIPS



We will go to market with two small business brands: Block Advisors and Wave



Human help and expertise with virtual and physical options

Initial focus on tax, bookkeeping and payroll

30,000 tax pros eligible for Block Advisors certification across 7,500 locations



DIY software for small business owners

Invoicing, payments and more plus Wave Money, the embedded business banking account

Integration with Block Advisors for tax

Our position of strength is grounded in understanding small business owners' needs



Customer needs define the opportunity

**Our research shows small
business owners:**

Are short on time

Lack financial expertise

Struggle to find support and resources

**Our Block Advisors
value proposition,
products, and brand
strategy are built to
address these needs**

Block Advisors offerings create value for business owners year-round



One source for small
business service needs



Consultative advisor team
to help boost cash flow
and profitability



Block Advisors branding
builds on trust in
H&R Block brand



Year-round help with
small business questions

We've redesigned the entire small business workflow

Appointment Setting



- New service offerings
- Client chooses physical or virtual service
- Match client to certified Block Advisor

Completion and Filing



- Upfront price
- Showcase Advisor expertise and care
- Get to know your business questions

Post-Service Follow-Up



- Entity Approve Online
- Mobile payment
- Year-round support from Advisor team

New capabilities will enable growth

**We have launched new products in
response to customer needs...**

Small Business P&L

Business Audit Support

Quarterly Payment Consultation

**...and they are resonating
with clients**

**More than half of those who used Small
Business P&L recalled it**

**More than 65% of these clients gave it
the highest value scores**

**We will continue to broaden our
offering over time**

Certified Block
Advisor tax pros
provide **unique
expertise and
build long-term
relationships**



Anna Yearly,
your small
business
certified
tax advisor.

Block Advisors
Certified Office

**Your small
business
is a big deal.**

Taxes | Bookkeeping | Payroll

**Unique & Differentiated
Client Experience in 7,500 Locations**

**Expert Advice, Available
In-Person or Digitally**

**30,000 Tax Pros Eligible for Enhanced
Training & Certification**

Hold Highest Levels of Tax Knowledge

BLOCK
Advisors 

We have an integrated go-to-market strategy



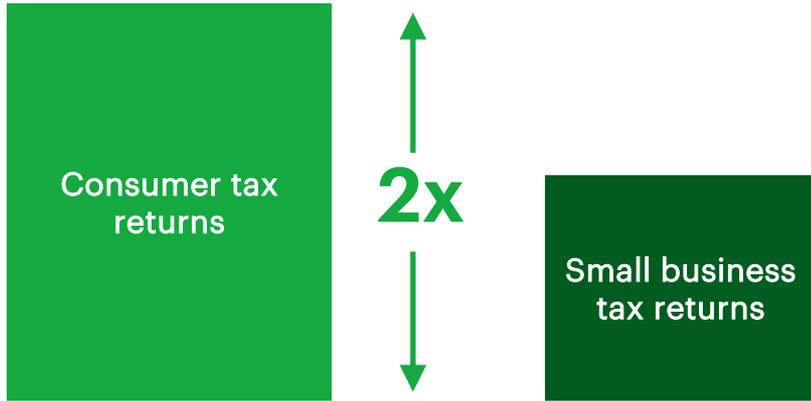
Investing in marketing, branding and expanded offerings to drive Block Advisors growth



Will use partnerships to round out relationships, product and service selection

Our heritage positions us for upside in small business tax

Current H&R Block Market Share



1%

incremental business tax market share equates to

~\$60M

in incremental revenue

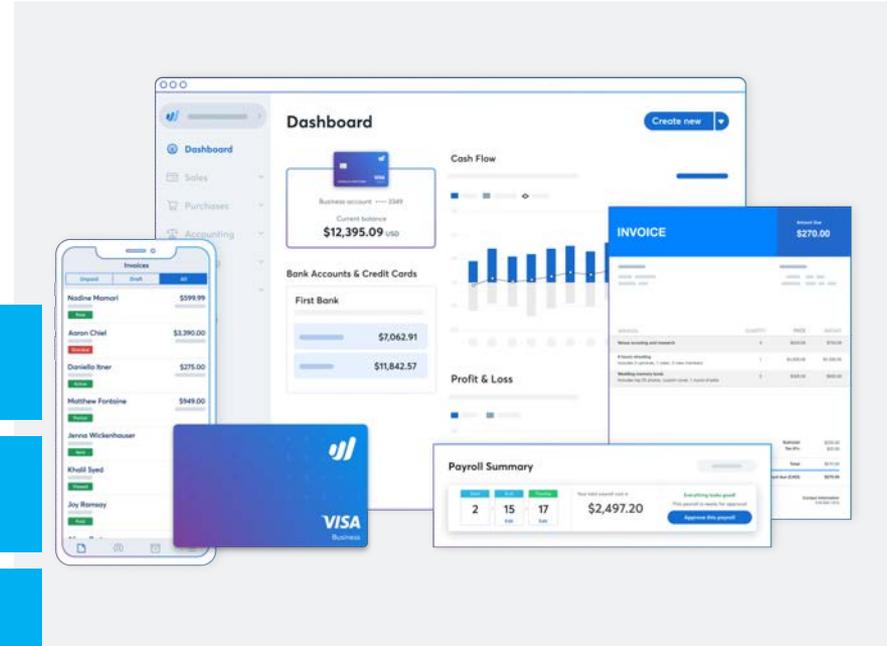
Wave is a robust platform that allows us to continue to build value-added services

Annually via Wave...

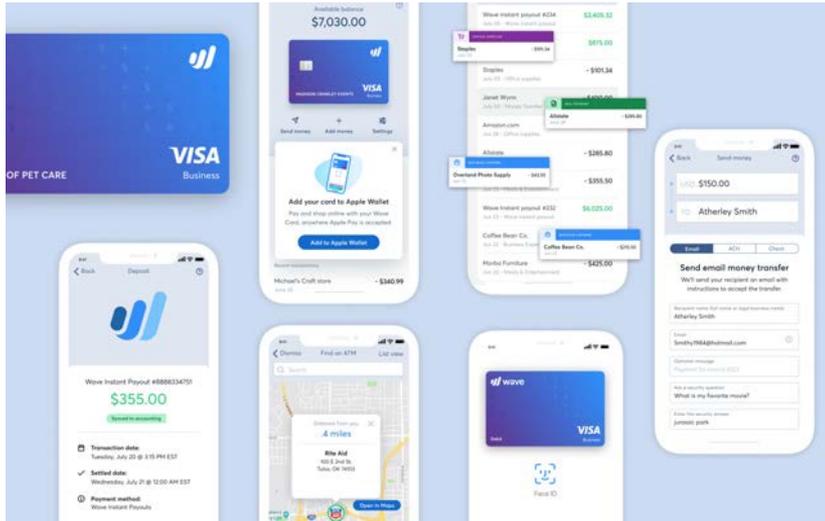
\$22 billion in invoices sent

\$2 billion in payments processed

\$650 million in payroll funds dispersed



Wave Money provides fully integrated digital banking capabilities



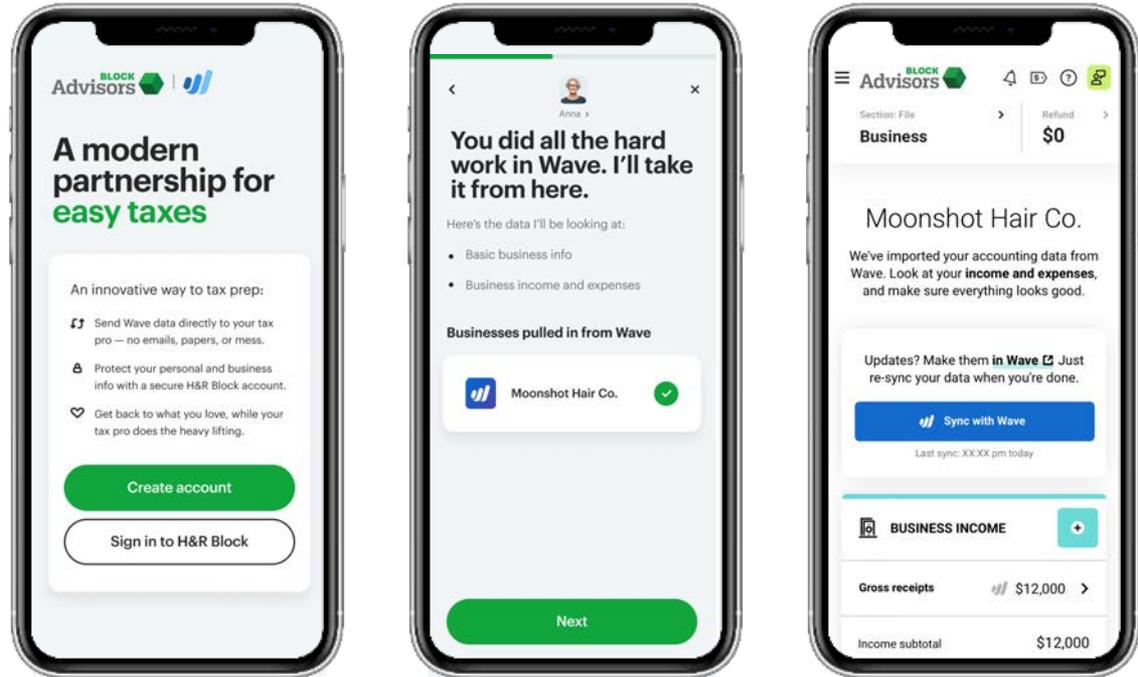
First-to-market, software-powered small business bank account

No monthly fees or minimums

Instant access to funds from your invoice payments

Seamless integration with Wave accounting platform

Tremendous synergy potential for Block Advisors and Wave



Wave and Block together offer seamless support for small business tax



IMPERATIVE #2

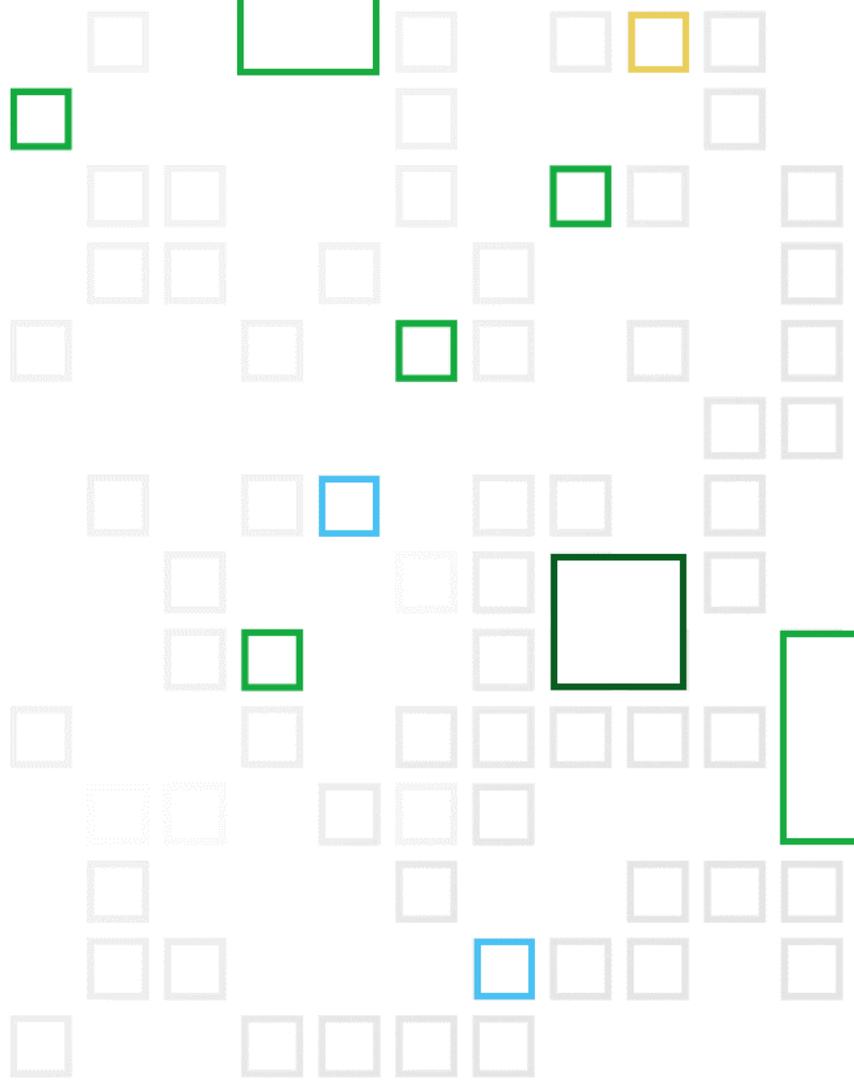
Financial Products

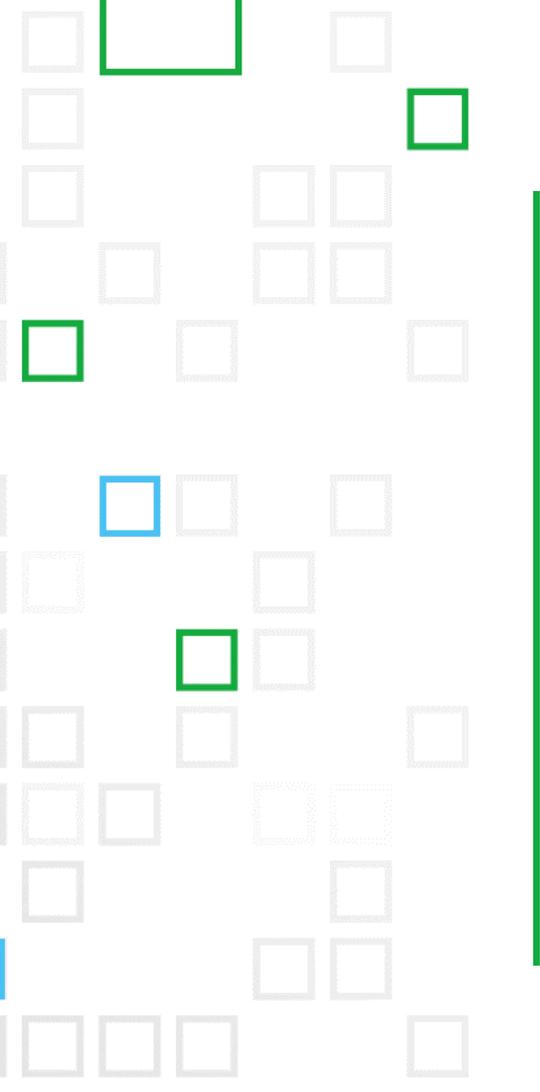




Les Whiting

Chief Financial Services Officer

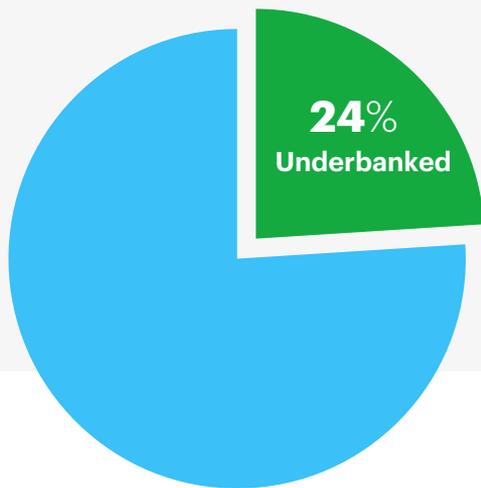




**Develop new products
and experiences that**
create financial confidence
and help ease
financial burden

Providing financial services for the underbanked is a significant opportunity

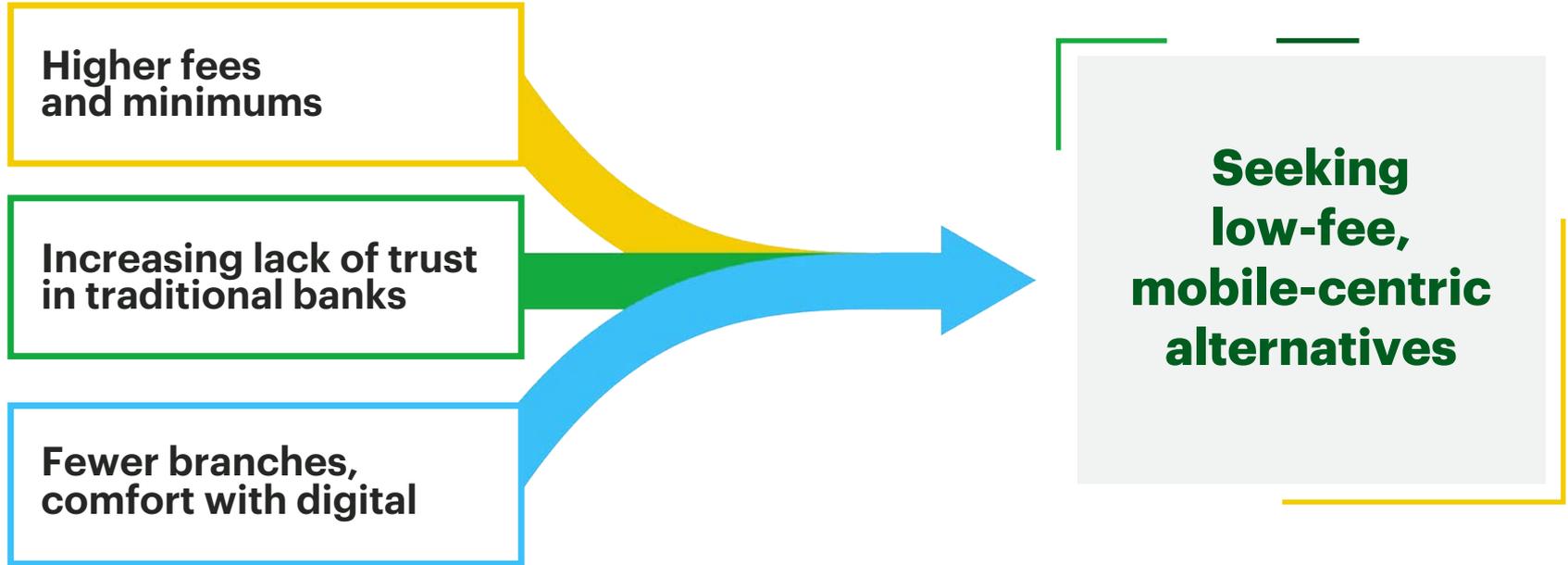
Underbanked households as a fraction of total US households



31M underbanked households in the U.S.



The growing dissatisfaction with traditional banks provides an opening for challengers



COVID is accelerating consumer moves to digital banking

46%

Using online/mobile banking more than pre-COVID

74%

Plan to maintain some/all digital banking habits adopted during the pandemic

79%

Plan to maintain new mobile habits (44% will keep all of them)

H&R Block is well-positioned in financial products

8M

**H&R Block customers
who are underbanked**

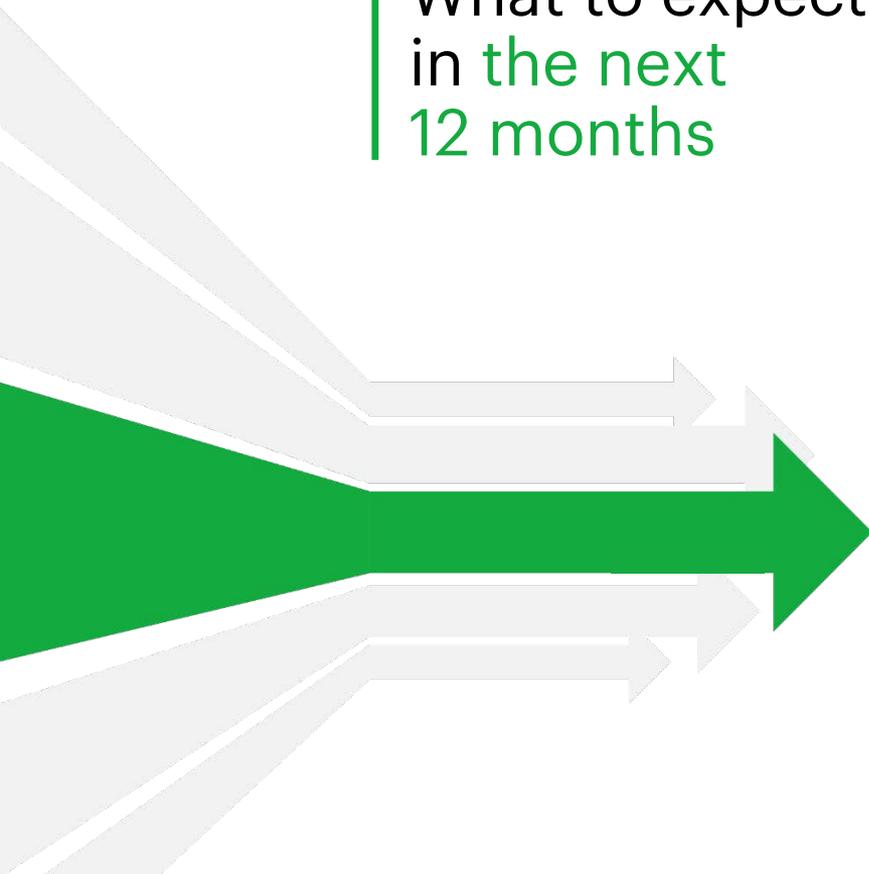
~67%

**Block customers likely
to open a bank account
with Block if offered**

\$9B

**Dollars deposited
annually to
Emerald Card**

Customer-first, mobile-centric, year-round



What to expect
in the next
12 months

1

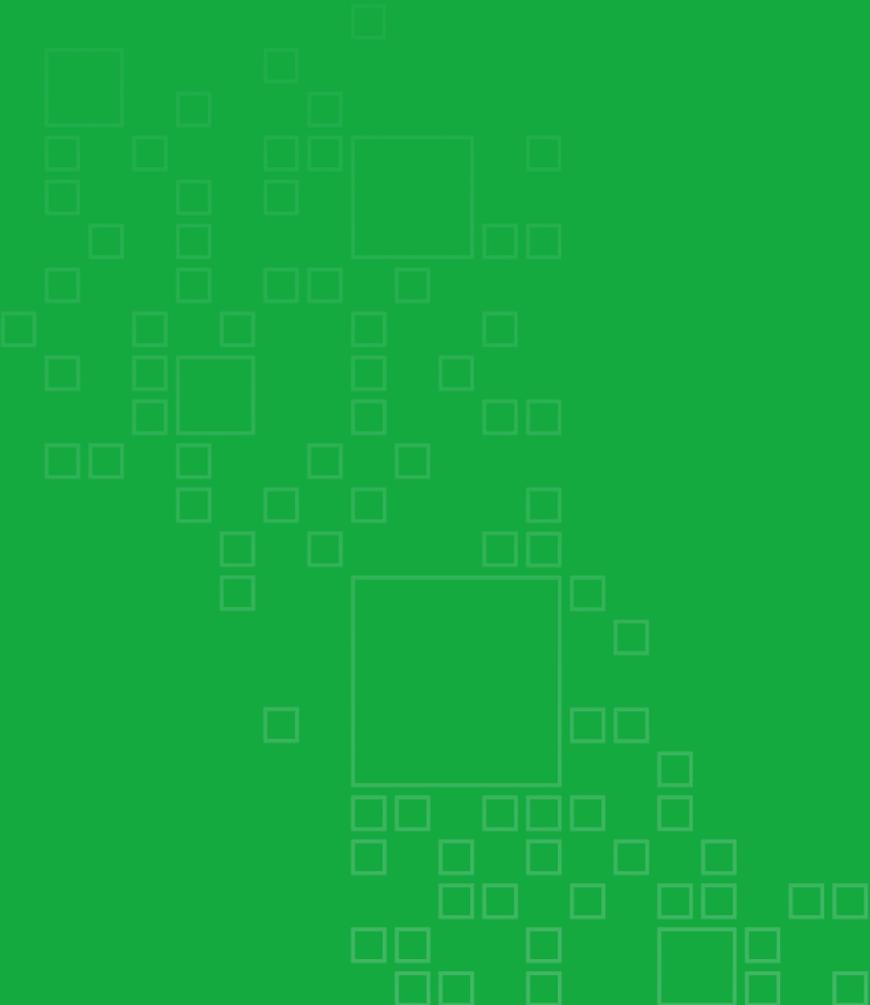
Adding mobile-wallet capabilities to Emerald Card

2

Further developing the digital experience

3

Refining customer acquisition and engagement strategy



IMPERATIVE #3

Block Experience

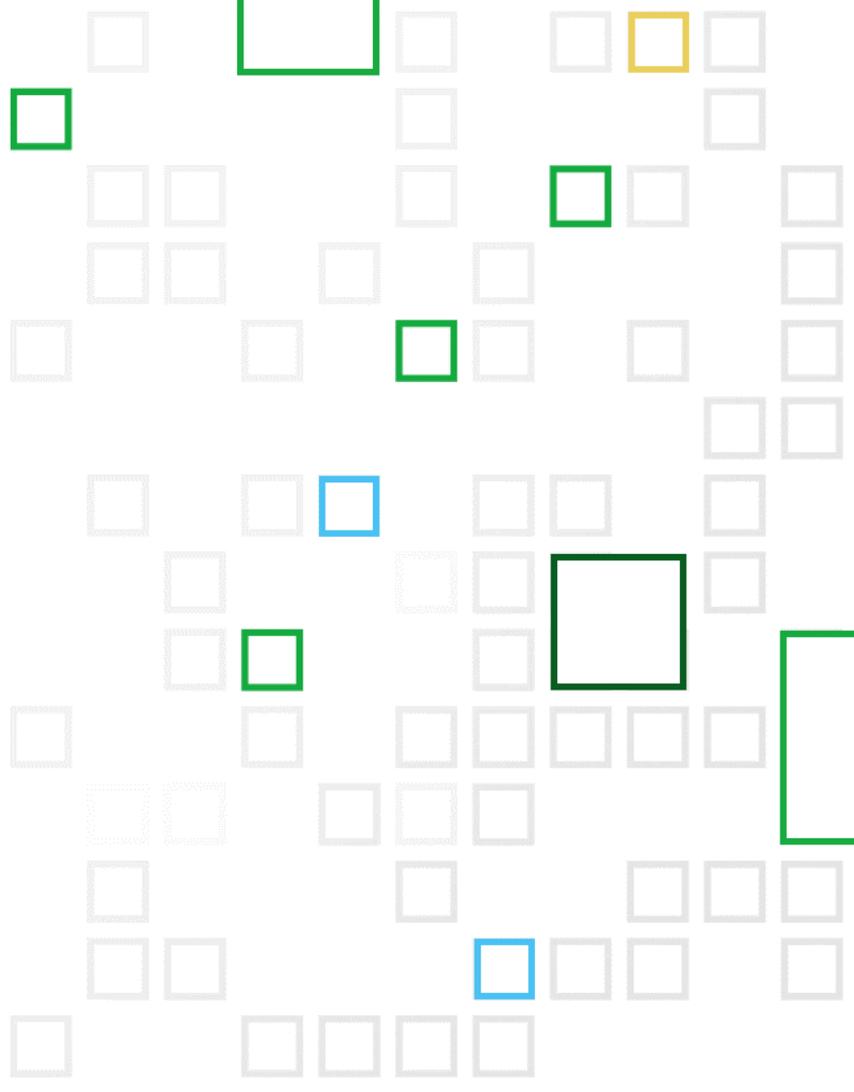


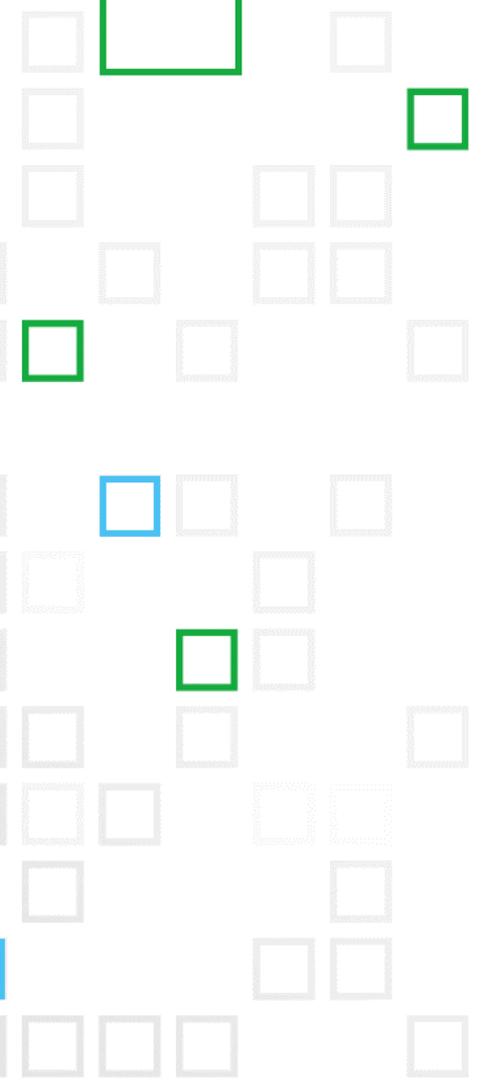
Julius Lai

Chief Product and
Experience Officer

Heather Watts

Senior Vice President,
DIY Tax





**Reimagine our experience
for customers and tax pros
in a digital-first world**

by blending technology and
data with human expertise
and care

We've already made significant progress toward a faster, easier tax prep experience

Use of Digital Services



Customers who engaged with a tax pro or approved return online **doubled in Tax Season '20**

Customer Satisfaction



'Intent to return' increased as much as **8 percentage points in Tax Season '20** among these customers

Total Clients



Total returns up more than 5% since 2017 due to improvements in service and experience

Block Experience is how we are reimagining tax

**Unique position
across digital,
people and
locations**

**More ways to get
human expertise**

**Easier and faster
tax filing**

**More convenience
and care via
AI-driven
personalization**

**All drive higher
growth in the
business**

Leading the tax industry to a converged model

Historical

1

DIY

2

ASSISTED

Today/Future



A customer who starts digitally may get online assist or Tax Pro review



An on-location customer may complete process digitally, or start digitally and come in to sign & file

Near-term target: 50% of Assisted clients using at least one digital tool

Growing DIY remains a focus

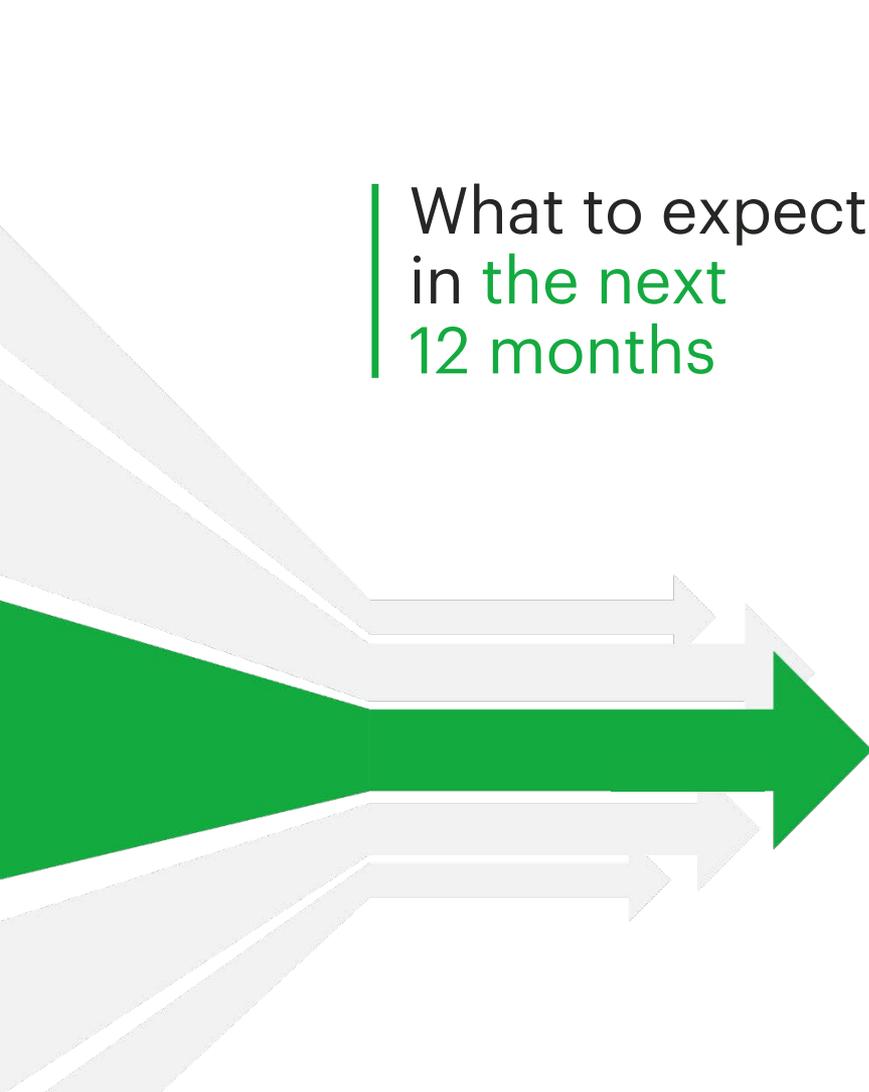


Net promoter scores up more than 10 percentage points in last two years

Customer retention up more than 2 percentage points in last two years

Delivering live help for DIY customers in <3 minutes with Online Assist

>50% yoy growth in DIY customers taking live Tax Pro help



What to expect
in the next
12 months

1

Launch new MyBlock as mobile portal to connect tax pros and customers

2

Determine new machine learning models that will further streamline tax prep and reduce time to complete

3

Test new labor models to understand opportunity for efficiencies

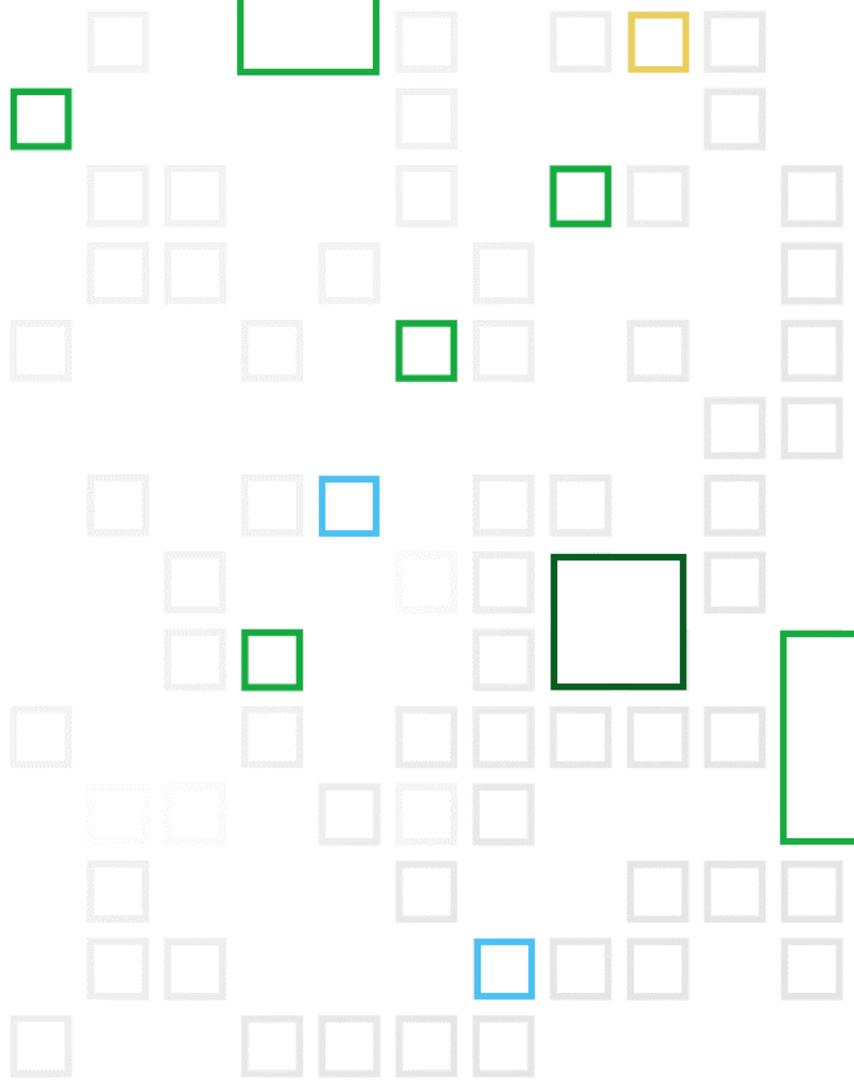


Financial Principles & Outlook



Tony Bowen

Chief Financial Officer

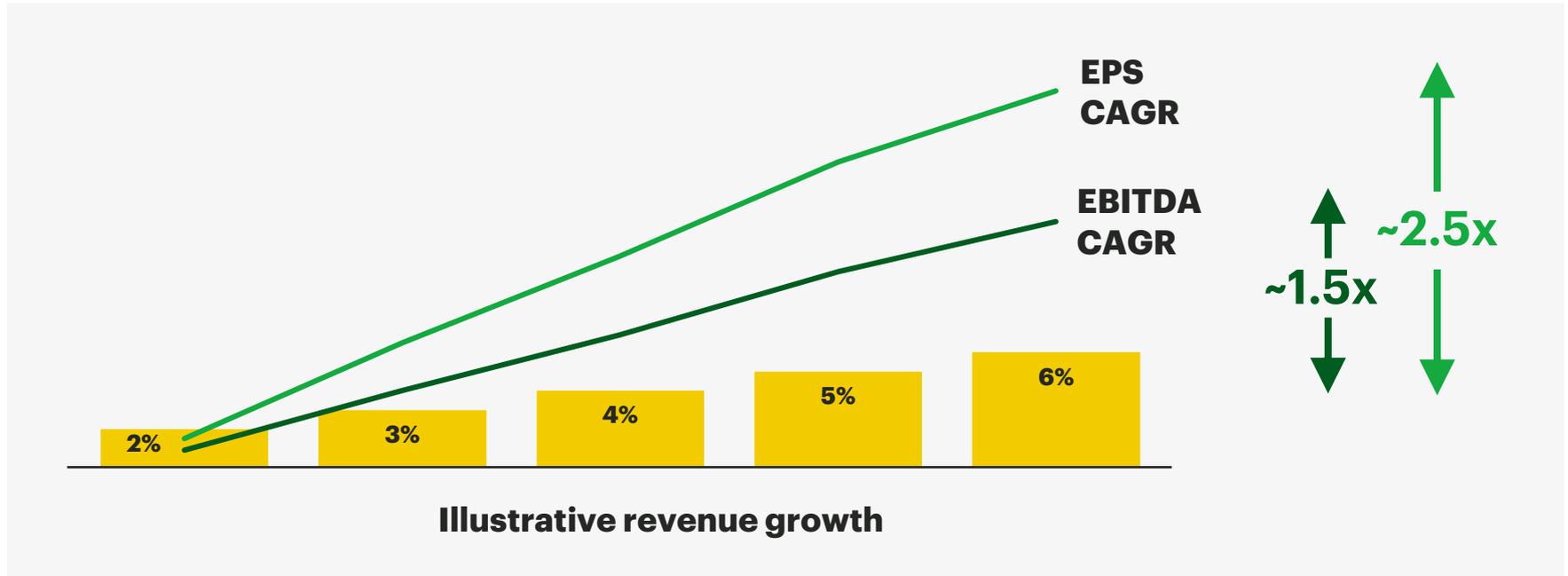


Our financial goals are tied to our strategic vision to drive growth



Note: Does not apply to fiscal years 2021 and 2022 due to the financial impact of the pandemic.

Tremendous operating leverage helps increase the impact of our investments



Note: EBITDA is a non-GAAP financial measure. Specific quantifications of the amounts that would be required to reconcile the company's EBITDA outlook for FY21 are not available. Because of the variability of these and other items as well as the impact of future events on these items, management is unable to reconcile without unreasonable effort the expected range of EBITDA for future periods to a comparable GAAP range.

We have multi-year expense reduction goals
to focus our teams on driving efficiencies

**Footprint
Optimization**



**Labor Model
Efficiencies**



**Technology
Roadmap**



**Disciplined
Expense
Management**



Goal of \$150 million in savings by 2025 to fuel investment for growth

To track our progress,
we will be sharing key metrics going forward

Total Company Financials

Revenue

EBITDA

EPS

Small Business

Total small business tax customers

Revenue / customer

Financial Products

Customers who reload

Revenue / customer

Block Experience

Total consumer tax customers

% of Assisted customers using digital tools

Our strong liquidity and balance sheet
provide the flexibility to invest for growth

Maintain investment-grade metrics

Adequate access to liquidity through
line of credit and recent debt financing

Target adjusted debt to EBITDA ratio of **2.5-3x**

And we will return capital by continuing our dividend and opportunistic share repurchases

Balanced return of capital

Dividends

+30% Dividend
increase since
FY16

~6% Current
dividend
yield*

Share Repurchases

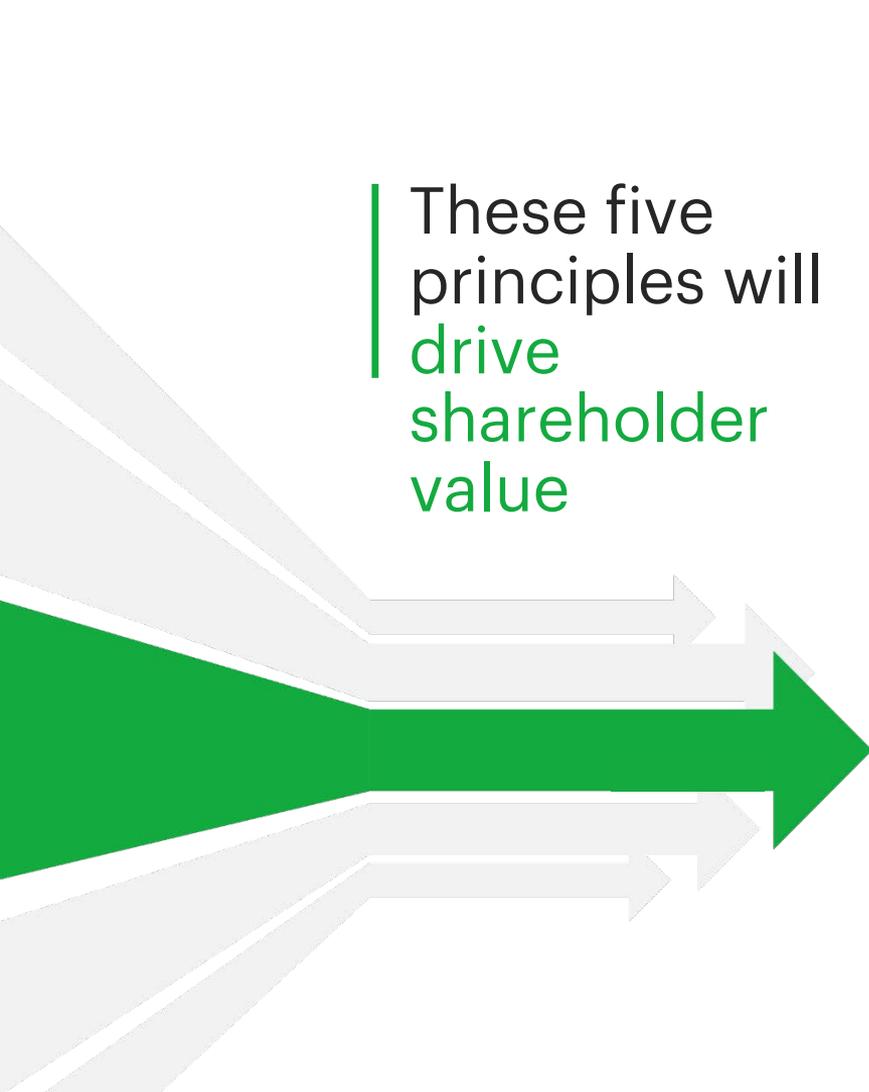
\$150M Share
repurchases
Q2 FY21

19% Shares outstanding
repurchased
FY17-Q2 FY21

Our fiscal year 2021 outlook marks the beginning of our journey

Revenue	\$3.5B - \$3.6B
EBITDA	\$950M - \$1B
Effective Tax Rate	18% - 20%
Depreciation & Amortization	\$155M - \$165M
Interest Expense	\$105M - \$115M

Note: EBITDA is a non-GAAP financial measure. Specific quantifications of the amounts that would be required to reconcile the company's EBITDA outlook for FY21 are not available. Because of the variability of these and other items as well as the impact of future events on these items, management is unable to reconcile without unreasonable effort the expected range of EBITDA for FY21 to a comparable GAAP range.

A decorative graphic on the left side of the slide consists of several overlapping arrows pointing to the right. The central arrow is a large, solid green arrow. It is flanked by several thinner, light gray arrows that are slightly offset and layered behind it, creating a sense of depth and movement towards the right.

These five principles will drive shareholder value

1

Sustainable annual revenue growth of 3 to 6%

2

EBITDA and EPS growing at a faster rate than revenue

3

Redeploying cost savings to highest ROI opportunities

4

Maintaining a strong balance sheet and liquidity position

5

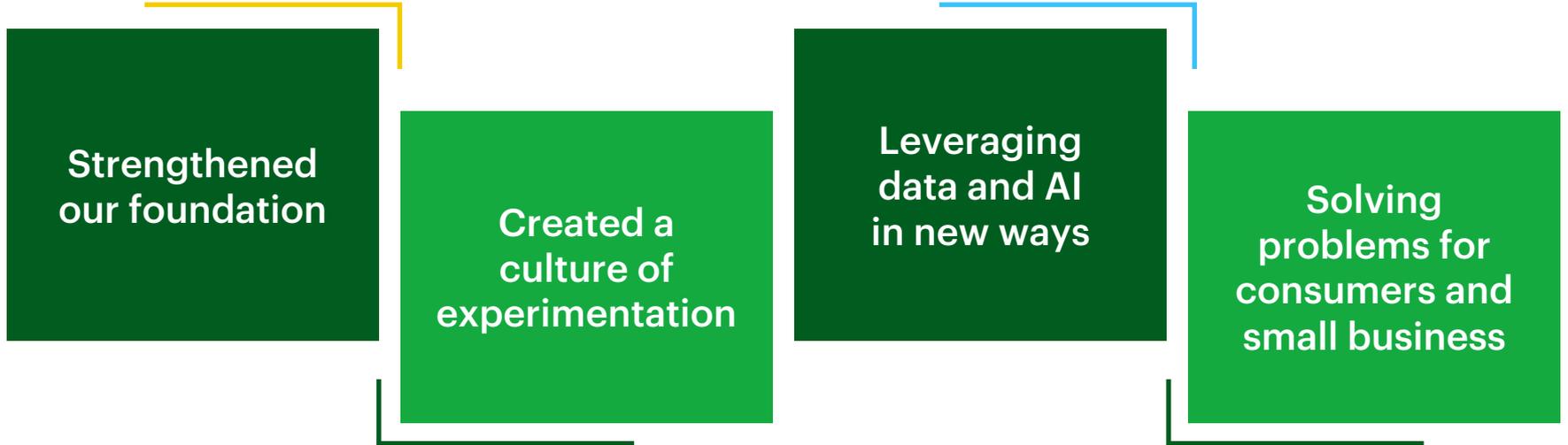
Continuing to return capital via dividends and buybacks



Jeff Jones

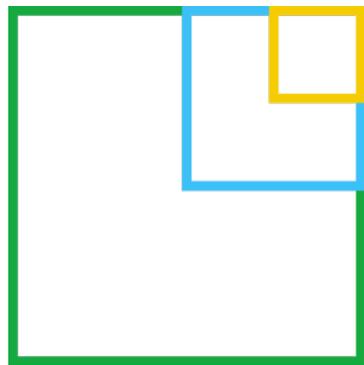
President and Chief Executive Officer

Block Horizons is the next step in our transformation





Q&A



Block Horizons

INVESTOR DAY

