

## H&R Block Announces Tax Season Results Through March 15

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KANSAS CITY, Mo., Mar 28, 2008 (BUSINESS WIRE) -- H&R Block Inc. (NYSE:HRB) today reported tax season results for the interim periods March 1-15, 2008 and Nov. 1, 2007 - March 15, 2008. Excluding lending-products-only clients, Economic Stimulus Package (ESP) rebate filers, and the impact of an additional day due to leap year, retail clients served were estimated to be up 3.6 percent and 1.3 percent, respectively, over the prior year.

Total reported retail client growth for the March 1-15 period was 8.2 percent, of which approximately 4.6 percent was related to ESP filers. On a year-to-date basis through March 15, total reported retail clients grew 3.3 percent of which 1 percent is estimated to be related to ESP filers and 1 percent is due to the additional leap year day.

The reported increase in net average retail fee for the March 1-15 period was 2.3 percent, but would have been approximately 5.8 percent without the impact of ESP filers. On a year-to-date basis, the reported increase in net average retail fee was 5.5 percent and would have been approximately 6.5 percent without ESP.

ESP filers are individuals who would not otherwise be required to file an income tax return, but who are filing in 2008 in order to be eligible to receive rebate checks under the ESP program. The company is offering special low fees to ESP filers, which affects calculations of average fees. In addition, determination of which clients are ESP filers is also subjective, which affects the precision of retail client growth percentages. The numbers set forth above reflect the company's best estimate of client growth and average fee adjusted for the impact of one-time ESP filers as well as the impact of leap year.

Digital clients served were down 4 percent in the March 1-15 period and down 6.5 percent year-to-date through March 15, representing a slight improvement from a decline of 6.8 percent for the year-to-date period ending February 29.

H&R Block plans to release interim results through March 31 for its U.S. tax operations on April 14, 2008 before the NYSE market open.

### About H&R Block

H&R Block Inc. (NYSE: HRB) is the world's preeminent tax services provider, having served more than 400 million clients since 1955 and generating annual revenues of \$4 billion in fiscal year 2007. H&R Block provides income tax return preparation and related services and products via a nationwide network of approximately 13,000 company-owned and franchised offices and through TaxCut(R) online and software solutions. The company also provides business services through RSM McGladrey and certain consumer financial services. For more information visit our Online Press Center at [www.hrblock.com](http://www.hrblock.com).

#### H&R BLOCK Preliminary U.S. Tax Operating Data

(in thousands, except average fee)

	Period			
	11/1-1/31	Feb Total (5)	YTD 2/29 (5)	YTD 3/15 3/1-3/15 (6) (6)
Net tax preparation fees: (1)				
Fiscal year 2008				
Company-owned operations	\$439,757	\$690,811	\$1,130,568	\$188,660 \$1,319,228
Franchise operations	225,035	335,522	560,557	79,372 639,929

	\$664,792	\$1,026,333	\$1,691,125	\$268,032	\$1,959,157
Fiscal year 2007 (2)					
Company-owned operations	\$424,770	\$613,275	\$1,038,045	\$169,402	\$1,207,447
Franchise operations	218,894	298,496	517,390	73,014	590,404
	\$643,664	\$911,771	\$1,555,435	\$242,416	\$1,797,851

Percent change

Company-owned operations	3.5%	12.6%	8.9%	11.4%	9.3%
Franchise operations	2.8%	12.4%	8.3%	8.7%	8.4%
Total retail operations	3.3%	12.6%	8.7%	10.6%	9.0%

Total clients served: (3)

Fiscal year 2008

Company-owned operations	2,430	3,958	6,388	1,073	7,461
Franchise operations	1,427	2,184	3,611	541	4,152
Lending products only	245	(157)	88	(2)	86
Total retail offices	4,102	5,985	10,087	1,612	11,699
Digital tax solutions	1,136	1,556	2,692	384	3,076
	5,238	7,541	12,779	1,996	14,775

Fiscal year 2007 (2)

Company-owned operations	2,512	3,701	6,213	1,003	7,216
Franchise operations	1,485	2,049	3,534	488	4,022
Lending products only	343	(261)	82	(3)	79
Total retail offices	4,340	5,489	9,829	1,488	11,317
Digital tax solutions	1,275	1,614	2,889	400	3,289

	5,615	7,103	12,718	1,888	14,606
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Percent change					
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Company-owned operations	-3.3%	6.9%	2.8%	7.0%	3.4%
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Franchise operations	-3.9%	6.6%	2.2%	10.9%	3.2%
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Retail operations excluding lending products only	-3.5%	6.8%	2.6%	8.2%	3.3%
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Total retail operations	-5.5%	9.0%	2.6%	8.4%	3.4%
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Digital tax solutions	-10.9%	-3.6%	-6.8%	-4.0%	-6.5%
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Total	-6.7%	6.2%	0.5%	5.7%	1.2%
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Net average fee - retail:					
(4)					
Fiscal year 2008					
Company-owned operations	\$181.19	\$175.02	\$177.37	\$176.60	\$177.26
Franchise operations	157.91	154.12	155.62	147.64	154.58
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	\$172.58	\$167.59	\$169.52	\$166.91	\$169.15
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Fiscal year 2007 (2)					
Company-owned operations	\$169.47	\$165.86	\$167.32	\$169.48	\$167.62
Franchise operations	147.42	146.08	146.65	150.19	147.07
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	\$161.27	\$158.82	\$159.82	\$163.17	\$160.27
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Percent change					
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Company-owned operations	6.9%	5.5%	6.0%	4.2%	5.8%
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Franchise operations	7.1%	5.5%	6.1%	-1.7%	5.1%
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Total retail operations	7.0%	5.5%	6.1%	2.3%	5.5%
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(1)Gross tax preparation fees less coupons and discounts.

(2) Prior year numbers have not been reclassified between company-owned and franchise offices for offices which commenced company-owned operations during fiscal year 2008. Prior year numbers have been reclassified between company-owned offices and Digital tax solutions for certain products.

(3) Tax preparation clients for which revenue was earned and Emerald Advance (EA) or Instant Money Advance Loan (IMAL) clients.

(4) Calculated as net tax preparation fees divided by retail tax preparation clients served.

(5) Results are through 2/29/08 and 2/28/07 due to leap year.

(6) The additional day due to leap year represents approximately 71,000 company and 34,000 franchise clients served as of 3/15/08.

SOURCE: H&R Block Inc.

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