

H&R Block Continues Delivery Of Innovative Financial Services For Working Families

May 22, 2007 12:40 PM ET

Grameen Microcredit Model Launching in America With H&R Block

KANSAS CITY, Mo.--(BUSINESS WIRE)--May 22, 2007--Grameen America, a newly formed New York-based for-profit microcredit company, and H&R Block (NYSE: HRB), the nation's largest tax services provider, today announced an agreement through which H&R Block will support Grameen America.

Grameen Trust, which was established by 2006 Nobel Peace Prize Laureate Professor Muhammad Yunus to replicate the Grameen microcredit model for poor people around the world, is majority owner of Grameen America.

Grameen Trust Managing Director Dr. H.I. Latifee is directing Grameen America under the leadership of financial services executives Philip J. Philliou and Ragui N. Selwanes. Grameen America will be staffed in part by experienced Grameen bankers to leverage the innovative microfinance model pioneered in Bangladesh by Grameen Bank and the nationwide resources, experience and financial knowledge of H&R Block.

The Grameen America program will offer small, low-interest loans, basic banking services, savings options and financial education to Americans who may otherwise not have access to these fundamental financial opportunities.

H&R Block, based in Kansas City, Missouri, has provided initial funding and committed services to establish a pilot program in New York City. The organizations will work collaboratively to raise funds, identify other key partners, develop products and services required for the pilot, and evaluate and measure its effectiveness in creating a new channel for working families and low-income Americans to achieve their financial objectives.

"Poverty is not created by poor people, but by the decisions we have made around the world and by the frameworks and institutions we have established that limit the opportunities of people to improve their financial condition," said Yunus, who shared last year's Nobel Peace Prize with the Grameen Bank he founded to implement microcredit programs using small, non-collateral business loans to help some of the world's poorest people access credit and funding to build businesses. "With experienced partners such as H&R Block, Grameen America will focus on opportunities that together we can help lower-income families realize," Yunus said.

Grameen America will work with local organizations to help direct its efforts to individuals that can benefit from microcredit loans and other services to help pursue entrepreneurial dreams. This commercial endeavor will offer access to tailored banking solutions, small low-cost loans of \$500 to \$1,500 and direct financial education to borrowers, while offering and encouraging savings and credit establishment mechanisms.

"Low-income access to mainstream financial services is not just a problem for impoverished people elsewhere. It exists in our own backyards, and it will be attacked through corporate commitment, innovation and partnership," said Mark A. Ernst, chairman and chief executive officer of H&R Block.

"We're proud to be involved with Grameen America as the organization applies revolutionary financial thinking and global perspective to establish a sustainable, scalable program that will work here in America. We strongly encourage other corporations and foundations to consider partnering with and supporting Grameen America," Ernst said.

This agreement comes at a time when a variety of high-impact initiatives are focused on helping low- and moderate-income families responsibly gain access to affordable credit. "We applaud the efforts of FDIC Director Sheila Bair in recently convening the Advisory Committee on Economic Inclusion, which addresses solutions for low- and moderate-income families to access affordable credit," stated Ernst.

Grameen America will be the first Grameen Trust build-operate-transfer (BOT) program in the United States. It is a

for-profit social business enterprise with a mission to provide loans and savings programs and other services to foster entrepreneurship among the poor in the urban environment of New York City where the launch is expected this fall. H&R Block Bank will not provide services to this initiative.

Over time, Grameen America will expand its activities within the United States to make its brand synonymous with moving beyond survival and basic human dignity to the flourishing of human potential at all levels.

About Grameen Bank and Grameen America

Grameen Bank has 6.74 million borrowers in Bangladesh, 97 percent of whom are women. With 2,259 branches, Grameen Bank provides services in 72,833 villages, covering more than 86 percent of the total villages in Bangladesh. Grameen Bank's positive impact on its poor and formerly poor borrowers has been documented in many independent studies carried out by external agencies including the World Bank, the International Food Research Policy.

Grameen America will be the first Grameen Trust BOT program in the U.S. It is a for-profit social business enterprise with a mission to provide loans and savings programs and other services to foster entrepreneurship among the poor and to reinvest all profits towards that mission. While it will start in the urban environment of New York City, overtime, Grameen America will expand its activities within the United. For information about partnering and/or supporting Grameen America, please call 201-921-9535.

About H&R Block

H&R Block seeks to serve as its clients' tax and financial partner. Over the last several years the Company has developed and introduced numerous innovations to help working families choose healthier financial alternatives, get more of the benefits to which they are entitled and help create the ability for individuals and their families to become more financially secure and independent. H&R Block is the world's largest tax services provider. Having prepared more than 400 million tax returns since 1955 the company pioneered e-filing and consistently helps approximately 25 percent of those families who claim the Earned Income Tax Credit each year. In 2005, that represented over \$10 billion, an average of about \$1,800 per family.

MULTIMEDIA AVAILABLE:

<http://www.businesswire.com/cgi-bin/mmg.cgi?eid=5409514>

CONTACT: H&R Block

Denise Sposato, 816-854-4547

dsposato@hrblock.com

or

Global Communicators

Tim Murphy, 202-371-9600

TimMurphy@GlobalCommunicators.com

SOURCE: H&R Block