

H&R Block Reports Fiscal Revised Second Quarter Results; Potential Impact of Hurricane Katrina Cited

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KANSAS CITY, Mo.--(BUSINESS WIRE)--Dec. 12, 2005--With the filing today of its Form 10-Q for the second quarter, H&R Block Inc. (NYSE:HRB) announced that it has revised its previously reported quarterly net loss of \$72.2 million, or 22 cents per share, to a net loss of \$86.3 million, or 26 cents per share. Subsequent to the previously announced second quarter results, the company conducted an analysis of potential losses associated with hurricanes Katrina and Rita and has recorded a specific provision for estimated losses. The revision also reflects an increase in state tax expense and change in mortgage servicing rights valuation during the quarter.

H&R Block also announced that its full-year earnings per share estimate of \$1.90 to \$2.15 remains unchanged.

About H&R Block

H&R Block Inc. (NYSE:HRB) is a leading provider of tax, financial, mortgage, accounting and business consulting products and services. H&R Block is the world's largest tax services provider, having prepared more than 400 million tax returns since 1955. The company and its subsidiaries generated revenues of \$4.4 billion and net income of \$636 million in fiscal year 2005 from operations in four principal business segments: tax preparation and advice via in-office, online and software solutions; investment and financial advisory services; retail and wholesale mortgage services; and tax/accounting /business consulting services for midsize businesses. Headquartered in Kansas City, Mo., H&R Block markets its products and services under three leading brands: H&R Block, Option One and RSM McGladrey. For more information, visit our Online Press Center at www.hrblock.com.

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