

H&R Block Announces Business Unit Leadership Change

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KANSAS CITY, Mo.--(BUSINESS WIRE)--Jan. 7, 2005--H&R Block Inc. (NYSE:HRB) today announced that Brian L. Nygaard, president and chief executive officer of H&R Block Financial Advisors Inc., has decided to leave the company. Mr. Nygaard was named head of the company's financial and investment advisory services subsidiary Nov. 5, 2001.

"Under Brian's direction, our Financial Advisors unit has made significant strides the past three years, especially given the very challenging market environment," said Mark A. Ernst, H&R Block's chairman and chief executive officer. "Brian has moved us closer to integrating our financial services with our tax offerings. He successfully transitioned H&R Block Financial Advisors from its former transaction-based focus to one that is a full service, relationship-based organization. And in creating the financial advisor-tax professional team concept, we are well positioned to meet the broader financial planning and investment needs of our millions of tax clients.

"In working to develop and enhance numerous operational systems for this business unit, Brian has helped position us for future success as we continue to work toward our long-term goal of serving as our clients' tax and financial partner," Ernst said.

"I was given a unique opportunity at H&R Block Financial Advisors to reshape an organization to become the leading supplier of financial services to Middle America, and I'm proud of our accomplishments," Nygaard said.

While leading H&R Block Financial Advisors, Mr. Nygaard strengthened the organization's leadership team, recruiting top performers from across the industry. While the company initiates a search for Mr. Nygaard's successor, the business unit will report to Jeffery W. Yabuki, H&R Block's executive vice president and chief operating officer.

About H&R Block

H&R Block Inc. (www.hrblock.com) is a diversified company with subsidiaries that deliver tax services and financial advice, investment and mortgage services, and business accounting and consulting services. H&R Block empowers clients to make tax and financial decisions by providing a unique combination of tax services, financial information and advice, and related products and services. The company's mission is to help clients achieve their tax and financial objectives by serving as their tax and financial partner.

As the world's largest tax services company, in 2004 H&R Block served more than 21 million clients in the U.S. and 12 countries. H&R Block Financial Advisors Inc. offers investment services and securities products. With approximately 1,000 financial advisors serving clients at approximately 270 branch offices, H&R Block Financial Advisors Inc. is a member NYSE, SIPC, a registered broker-dealer and investment advisor. H&R Block Inc. is not a registered broker-dealer and is not a registered investment advisor. H&R Block Mortgage Corp. offers a full range of retail mortgage services. Option One Mortgage Corp. provides mortgage services and offers wholesale mortgages through large financial institutions and a network of 24,000 independent mortgage brokers. RSM McGladrey Business Services Inc. and its subsidiaries serve mid-sized businesses and their owners with tax, accounting and business consulting services, as well as personal wealth management services.

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