

H&R Block Announces Tax Season Results Through March 15

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KANSAS CITY, MO, Mar 23, 2009 (MARKET WIRE via COMTEX) -- H&R Block Inc. (NYSE: HRB) today reported tax season results for the interim period through March 15, 2009. Excluding 2008 Economic Stimulus Act (ESA) rebate filers, total returns prepared through March 15 were down 3.2 percent over the prior year.

Retail returns prepared year-to-date through March 15, 2009 fell 6.2 percent compared to the prior-year period, while net average retail fees increased 7.9 percent. Pricing growth is being driven by a combination of higher complexity of tax returns prepared, a shift in client mix to higher adjusted gross income levels, planned pricing increases and lower discounts.

Total digital returns prepared through March 15, 2009 were up 5.1 percent over the prior year, driven by a 21.6 percent increase in returns prepared using software and H&R Block Online, excluding returns prepared through the Free File Alliance (FFA). Total returns prepared using H&R Block Online alone increased by nearly 700,000, or 54 percent, due in part to migration from FFA.

There continues to be a slight shift from assisted to do-it-yourself tax preparation methods this year, compared with recent years when aggregate assisted preparation grew modestly. The Company believes this shift is primarily driven by increased price sensitivity of clients due to current economic conditions.

H&R Block plans to release interim results through April 15 for its U.S. tax operations on April 24, 2009 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 \$4.1 billion in fiscal year 2008. 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. For more information visit our Online Press Center at www.hrblock.com.

H&R BLOCK

Preliminary U.S. Tax Operating Data

(in thousands, except net average fee)

	Tax Season 3/15 YTD 2009	Tax Season 3/15 YTD 2008 (1), (2)	Percent change
Net tax preparation fees			
- retail: (3)			
Company-owned operations	\$ 1,379,227	\$ 1,317,666	4.7%
Franchise operations	598,615	638,477	-6.2%
Total retail operations	\$ 1,977,842	\$ 1,956,143	1.1%
Total returns prepared:			
Company-owned operations	7,192	7,407	-2.9%
Franchise operations	3,611	4,107	-12.1%
Total retail operations	10,803	11,514	-6.2%
Digital software	1,807	1,828	-1.1%
H&R Block Online	1,979	1,285	54.0%
Sub-total	3,786	3,113	21.6%
Digital Free File Alliance	568	1,029	-44.8%

Total digital tax solutions	4,354	4,142	5.1%
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Total	15,157	15,656	-3.2%
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Net average fee			
- retail: (4)			
Company-owned operations	\$ 192.38	\$ 178.23	7.9%
Franchise operations	166.64	155.92	6.9%
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Total retail operations	\$ 183.79	\$ 170.28	7.9%
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- (1) Prior year numbers have not been reclassified between company-owned and franchise operations for offices which commenced company-owned operations during fiscal year 2009. Through 3/15/09, approximately 340,000 returns (approximately \$65 million in net tax preparation fees) were from the major franchise operator acquired on 11/3/08. Prior year numbers have been restated to include tax returns only.
- (2) Amounts exclude Economic Stimulus Act only filers of approximately 49,000 and 45,000 for company-owned and franchise operations, respectively, through 3/15/2008.
- (3) Amounts include gross tax preparation fees less coupons and discounts.
- (4) Amounts are calculated as net retail tax preparation fees divided by retail tax returns.

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