Safe Harbor Statement

Forward-Looking Statements
This presentation and various comments made in connection with it will contain forward-looking statements within the meaning of the securities laws. Forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts. They often include words or variation of words such as “expects,” “anticipates,” “intends,” “plans,” “believes,” “seeks,” “estimates,” “projects,” “forecasts,” “targets,” “would,” “will,” “should,” “could” or “may” or other similar expressions. Forward-looking statements provide management's current expectations or predictions of future conditions, events or results. All statements that address operating performance, events or developments that we expect or anticipate will occur in the future are forward-looking statements. They may include estimates of revenues, income, earnings per share, capital expenditures, dividends, liquidity, capital structure or other financial items, descriptions of management’s plans or objectives for future operations, products or services, or descriptions of assumptions underlying any of the above. All forward-looking statements speak only as of the date they are made and reflect the Company’s good faith beliefs, assumptions and expectations, but they are not guarantees of future performance or events. Furthermore, the Company disclaims any obligation to publicly update or revise any forward-looking statement to reflect changes in underlying assumptions, factors, or expectations, new information, data or methods, future events or other changes, except as required by law. By their nature, forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. Factors that might cause such differences include, but are not limited to, a variety of economic, competitive and regulatory factors, many of which are beyond the Company’s control and which are described in our Annual Report on Form 10-K for the fiscal year ended April 30, 2013 in the section entitled “Risk Factors,” as well as additional factors we may describe from time to time in other filings with the Securities and Exchange Commission. You should understand that it is not possible to predict or identify all such factors and, consequently, you should not consider any such list to be a complete set of all potential risks or uncertainties.
After today, we hope you better understand:

- Who we are…
- The tax industry and what happened last season
- The opportunities before us and how we will capitalize on those opportunities
- How we deliver value for our shareholders
Who we are…

H&R Block is the largest tax preparer in the world, entering our 59th tax season…

- 625+ mm returns world-wide since 1955 (25.4 mm in 2013)
- Approx. 12,000 offices and 80,000 tax professionals and associates worldwide
- Established U.S., Canada & Australia operations, recently entered Brazil & India
- File ~1 in every 6 U.S. tax returns
- Offer complementary tax and financial services to clients
Two and a Half Years Ago

What I saw…

- Clutter and confusion
- Lack of clear direction
- Huge potential
H&R Block in 2007

HRB

- Mortgage
  - Option One
- Broker-Dealer
- RSM
  - Tax
  - Consulting
  - Non-core add-ons
- Tax
  - Assisted
  - Digital
  - HRB Bank
H&R Block in 2011

HRB

- RSM
  - Tax
  - Consulting
  - Non-core add-ons
- Tax
  - Assisted
  - Digital
  - HRB Bank
Tax Preparation

- Assisted
- Online, Mobile, Desktop
- International

Financial Services

- Emerald Prepaid Debit Card
- Refund Transfer
- Emerald Advance Line of Credit
- Peace of Mind
What Guides Us

Purpose:
We look at your life through tax... and find ways to help

Vision:
Leading global consumer tax company, bringing tax and related solutions to clients... year-round

Values:
We do the right thing

- We believe in our people
- We take care of our clients
- We deliver for our shareholders

Values:
We do the right thing
Our Founder

Henry Bloch
“The CLIENT always comes first...”
Our Greatest Asset… Our People

The best tax professionals and associates in the industry

- More than 80,000 tax professionals and associates globally
- Over 7,500 enrolled agents, CPAs and attorneys
- 35% of our tax pros are at our most advanced certification levels
- Average tax pro tenure is 8 years

Karen Mehta
Master Tax Advisor; 9 Years Experience
Additional Certifications: Enrolled Agent (EA)
- Personal Information
Our Operating Principle Today

We serve our **clients** the way they want to be served

Anywhere, Anyway, Anytime
Delivering Value for Our Shareholders

- $3.7B of total dividends paid to shareholders since HRB went public in 1962
- 205 consecutive quarterly dividends
- Current quarterly dividends of approximately $55 mm

Over $1 billion returned to shareholders since becoming CEO
May 2011
Looking Back at 2013

- Served 25.4 mm clients worldwide; revenues up modestly to $2.9 B
- Strong customer satisfaction results

### Total Returns Prepared Worldwide

<table>
<thead>
<tr>
<th></th>
<th>FY 11</th>
<th>FY 12</th>
<th>FY 13</th>
</tr>
</thead>
<tbody>
<tr>
<td>(millions)</td>
<td>24.5</td>
<td>25.6</td>
<td>25.4</td>
</tr>
</tbody>
</table>

### Total Revenues

<table>
<thead>
<tr>
<th></th>
<th>FY 11</th>
<th>FY 12</th>
<th>FY 13</th>
</tr>
</thead>
<tbody>
<tr>
<td>(millions)</td>
<td>$2,945</td>
<td>$2,894</td>
<td>$2,906</td>
</tr>
</tbody>
</table>
Returns filed were down 0.6% during tax season 2013

**Reasons for industry decline:**

- **Economic factors**
  - Labor force participation declining
  - Wages falling and part time work increasing
  - Falling homeownership rates

- **Industry factors**
  - Increased fraud screening measures
  - Increased extensions

- **Expect total returns to be up 0-1% in 2014**
Assisted

- Prepared 14.5 mm assisted U.S. returns in FY13
- Continue focus on driving profitable growth and maximizing our value offering to our clients
- Exceeded aggressive client satisfaction targets

U.S. Assisted Returns Prepared (thousands)

<table>
<thead>
<tr>
<th></th>
<th>FY 11</th>
<th>FY 12</th>
<th>FY 13</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S.</td>
<td>14,756</td>
<td>14,900</td>
<td>14,505</td>
</tr>
</tbody>
</table>
Digital DIY

- H&R Block digital returns increased 3.1% to 7.7 mm
- Online returns grew 10.7%
  - 50 bps gain in Online share

<table>
<thead>
<tr>
<th></th>
<th>FY 11</th>
<th>FY 12</th>
<th>FY 13</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. Online Returns Prepared (thousands)</td>
<td>3,722</td>
<td>4,419</td>
<td>4,892</td>
</tr>
</tbody>
</table>
3rd largest U.S. reloadable prepaid debit card

Best-in-class product

Refund Transfers, Peace of Mind, and Emerald Advance continue to provide value
Canada
- Entering its 50th tax season
- 9.7% share
- Grew revenue 5% in FY13

Australia
- Just completed our 43rd season
- 5.7% share
- Returns up 10% and revenue up 12% in FY13

Other Markets
- Recently entered Brazil and India
- Carefully evaluating additional expansion opportunities
Looking Back at 2013

- Increased earnings per share from continuing operations 46% to $1.69
  - Exceeded aggressive expense savings target of $85-100 mm
  - EBITDA margin improved 4 full points to 30%
Looking Ahead…

1. Tax Plus
2. Health Care
3. Industry Leadership
Tax Plus… It All Starts With Taxes
Tax Plus… It All Starts With Taxes

Refund Transfer

PAY NOTHING OUT OF POCKET WITH A REFUND ANTICIPATION CHECK

- Paying tax preparation fees with your refund is easy and convenient
- We'll send you an email when your money is available

Emerald Card

GET IT! USE IT! LOVE IT!

Emerald Advance

Peace of Mind
Clear intersection between taxes and health care
  • Complexity is opportunity

We are “hanging around” the issue:
  • Tax and Health Care Review version 2.0
  • HRB Enrollment Services
  • Prudent investment to position us for the future

While opportunity may exist, timing and magnitude are uncertain
Industry Challenges: Our view

We are here to help taxpayers comply with tax laws – not advocate for changes to the tax code. However, we believe there are important tax administration issues facing taxpayers today:

1. Fraudulent tax returns and improper payments

2. Lack of regulation of paid tax preparers
Fraudulent Returns & Improper Payments

- IRS estimates $11.6B – $13.6B improperly issued EITC payments*

- EITC improper payment rate is over 20% for past ten years

- Since 2008, IRS required additional due diligence on eligibility only for EITC returns completed with a paid preparer

- There has been a change in how taxpayers file EITC returns…

*Department of Treasury, FY12 Financial Statements
Industry Leadership

Fraudulent Returns & Improper Payments

EITC Returns & Assisted/DIY Share

<table>
<thead>
<tr>
<th>Year</th>
<th>Assisted (returns in thousands)</th>
<th>DIY (returns in thousands)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>22,847</td>
<td>72%</td>
</tr>
<tr>
<td>2009</td>
<td>23,209</td>
<td>70%</td>
</tr>
<tr>
<td>2010</td>
<td>25,585</td>
<td>67%</td>
</tr>
<tr>
<td>2011</td>
<td>25,810</td>
<td>65%</td>
</tr>
<tr>
<td>2012</td>
<td>26,389</td>
<td>61%</td>
</tr>
</tbody>
</table>

Overall industry mix

DIY

All returns – Assisted and DIY – should be held to the same standards
Industry Leadership

Registered Tax Preparer Program

- There is currently no federal regulation of tax preparers and only three states have regulations in place.

- August 2011 – IRS imposed new regulations to mandate testing and continuing education of tax preparers.

- January 2013 – a civil liberties, non-profit law firm won an injunction against the IRS program.

- September 2013 – D.C. Circuit Court of Appeals – decision is expected in a few months.

If the IRS loses in court, we will support a legislative solution that protects taxpayers by regulating tax preparers.
Tax Services – U.S. Retail Tax

- U.S. Assisted Tax Category
- HRB in the Category
- Tax Season 2014 and Beyond
U.S. Assisted Tax Category

HRB in the Category

Tax Season 2014 and Beyond
Predictable & Growing Market

U.S. Tax Filings

(millions)

1% - 2% Annual Growth
Two Fundamental Ways to Prepare Taxes

How Americans File Their Taxes

Assisted

DIY

Note: Based on H&R Block estimates and IRS data; DIY Online category includes Online, Free File Alliance, and Mobile.
Due to increased industry eFile adoption rates, Desktop share based on eFiles TS10-TS13
Assisted Category is Highly Fragmented

A highly fragmented market presents opportunity for HRB Growth
U.S. Assisted Tax Category

HRB in the Category

Tax Season 2014 and Beyond
### HRB’s Competitive Advantages

<table>
<thead>
<tr>
<th>Scale</th>
<th>Tax Professionals</th>
<th>Brand</th>
<th>Tax Industry Innovation</th>
</tr>
</thead>
</table>

**HRB is the best and only tax preparation company that serves clients Anywhere, Anyway and Anytime they want to be served**
Scale – U.S. Retail Footprint

Over 10,000 retail locations nationwide

We’re in your neighborhood!
Tax Professional Expertise

- 70,000+ tax professionals and associates + Kip
- 35% of our tax pros are at our most advanced certification levels
- Over 7,500 enrolled agents, CPAs and attorneys
- Average tenure 8 years
Brand Awareness and Regard

TAXES

TRUST

EXPERTISE
Tax Industry Innovation

H&R Block created the tax preparation industry

- Second Look™
- Block Live™
- My H&R Block Account™
- Free audit support
Highly inelastic pricing in the industry
- Necessity
- Unfamiliarity

H&R Block Pricing Strategy
- Simplification
- Value alignment
- Tighter discounting controls

*Align price and value for ALL clients across the U.S.*
Tax Services Segment Revenue
($ Billions)

FY11: 2.91
FY12: 2.86
FY13: 2.88
Tax Services – U.S. Retail Tax

- U.S. Assisted Tax Category

- HRB in the Category

- Tax Season 2014 and Beyond
  - Consistent Service Quality
  - Aligned Focus on Tax Plus Revenue
Tax Services – U.S. Retail Tax

- U.S. Assisted Tax Category
- HRB in the Category
- Tax Season 2014 and Beyond
  - Consistent Service Quality
  - Aligned Focus on Tax Plus Revenue
Creating a Great Client Experience Through Consistent Service Quality

Making *key investments* to improve the client experience

**Before**

**During**

**After**
Making **key investments** to improve the client experience

*From*

*To*
Redefining the Client Experience Through Technology Advances

Innovation through technology
**Investing in Our Infrastructure**

*Technology enables a great client experience*
Technology Innovation – hrblock.com Redesign
Easy Access to Information – Retail Landing Page

H&R BLOCK TAX PROS
CONVENIENT EXPERTISE

With millions of hours of training each year, our H&R Block Tax Professionals can help with nearly any tax situation.

Get Help
from our seasoned tax professionals.

Walk-In
or drop-off for your convenience.

Schedule
an appointment or find an office and go.

File
and relax, your return is in good hands.

Work with a Tax Pro
We can help with your unique tax situations.
- Find your current Tax Professional
- Search for the best tax pro for your needs
- Find appointment times that best fit your schedule

Find A Tax Pro

Your Nearest Office
101 S 18TH STREET
KANSAS CITY, KS 66102
913-371-3180 | More Info
Today’s Hours: Closed

Make An Appointment
Reschedule Appointment

Helping You Keep More Of Your Money

Personal Planning & Advice
Tax Refund & Payment Options
Year Round Services
Integrated Solutions

Conveniently work with a Tax Professional

55
Year-Round Relevancy – My H&R Block Overhaul
Tax Services – U.S. Retail Tax

- U.S. Assisted Tax Category

- HRB in the Category

- Tax Season 2014 and Beyond
  - Consistent Service Quality
  - Aligned Focus on Tax Plus Revenue
Delivering on the Tax Plus Strategy

Technology Enablers

Simplified Goals & Incentives

TAX+ Revenue
It all starts with taxes…

Defining Tax Plus Revenue

- Refund Transfer
- Emerald Card
- Peace of Mind
- Emerald Advance

TAX+

Revenue

Plus
Enabling Tax Plus Through Technology

Re-Positioned Emerald Card + Refund Transfer

…Simplified POM screens

- Customized client experience
- Leveraging data
- Improved product positioning
Incentives Aligned to Tax Plus Revenue

Getting *Emerald Cards* into the hands of our associates…

- Rewards to promote associate usage
- Enhanced tax professional compensation
- Field incentives

*GET IT! USE IT! LOVE IT!*
2014 and Beyond

- Enhance the client experience through **Consistent Service Quality**
- Innovation through **technology**
- Singular focus on **Tax Plus** revenue growth
H&R BLOCK®

Jason Houseworth
President, Global Digital & Product Management
Digital Tax Category Overview

Where We’ve Been

• Recent Performance
• Competitive Advantages

Looking Ahead – Tax Season 2014 and Beyond

• What’s New for 2014
• Tax Plus
• Opportunities for Growth in 2015+
How Americans File Their Taxes

- Proportion of Assisted (~60%) vs. Do-It-Yourself (~40%) returns has remained relatively stable over the past decade.
- Digital has grown at an 8% CAGR over the last four years at the expense of DIY pen & paper.

Note: Based on H&R Block estimates and IRS data; DIY Online category includes Online, Free File Alliance, and Mobile. Due to increased industry eFile adoption rates, Desktop share based on eFiles TS10-TS13.
~40% of total U.S. tax filers choose DIY; growth of Digital due to the decline of Pen and Paper returns

- 48 mm Digital; 6 mm ‘Pen and Paper’ in 2013

* Based on H&R Block estimates of market participants and IRS data
Digital filers continue to migrate to Online, the largest and fastest growing category in digital

Note: Based on H&R Block estimates; Online Category includes Mobile.
Due to increased industry eFile adoption rates, Desktop share based on eFiles TS10-TS13
Digital Tax Category Overview

Where We’ve Been

• Recent Performance
• Competitive Advantages

Looking Ahead – Tax Season 2014 and Beyond

• What’s New for 2014
• Tax Plus
• Opportunities for Growth in 2015+
Growing Category Share in Digital

Share of U.S. Online Returns

<table>
<thead>
<tr>
<th></th>
<th>FY10</th>
<th>FY13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Filers</td>
<td>23 mm</td>
<td>35 mm</td>
</tr>
<tr>
<td>Intuit Turbo Tax</td>
<td>59.0%</td>
<td>55.4%</td>
</tr>
<tr>
<td>H&amp;R Block</td>
<td>12.5%</td>
<td>14.2%</td>
</tr>
<tr>
<td>TaxACT</td>
<td>3.7%</td>
<td>3.2%</td>
</tr>
<tr>
<td>Free Tax USA</td>
<td>16.3%</td>
<td>14.1%</td>
</tr>
<tr>
<td>TaxSlayer</td>
<td>3.9%</td>
<td>6.6%</td>
</tr>
<tr>
<td>All Other</td>
<td>4.6%</td>
<td>6.5%</td>
</tr>
<tr>
<td>All Other</td>
<td>3.7%</td>
<td>6.6%</td>
</tr>
</tbody>
</table>

Note: Based on H&R Block estimates; Online Category excludes Desktop (Digital) and Free File Alliance (FFA)
Outpacing Key Category Competitors

- H&R Block has outpaced all major competitors in online growth the last 3 seasons

<table>
<thead>
<tr>
<th></th>
<th>H&amp;R Block</th>
<th>Turbo Tax</th>
<th>TaxACT</th>
</tr>
</thead>
<tbody>
<tr>
<td>TS11</td>
<td>28.7%</td>
<td>18.4%</td>
<td></td>
</tr>
<tr>
<td>TS12</td>
<td>18.7%</td>
<td>11.0%</td>
<td></td>
</tr>
<tr>
<td>TS13</td>
<td>10.7%</td>
<td>5.5%</td>
<td>8.4%</td>
</tr>
</tbody>
</table>

Note: Based on H&R Block estimates and market participant data, as reported
HRB digital returns up 1.8 mm or 30% since 2010

Creating opportunities for Tax Plus revenue attach

HRB U.S. Digital Returns

Note: Based on H&R Block estimates and IRS Data
Why is HRB Outpacing the Category?

Management Focus

Product Improvements

Brand Awareness

Marketing Sophistication
Gaining more insights into which web traffic is most valuable

DIY Online Conversion Funnel*

Visit-to-registration increased 2 points

* Excludes Free File Alliance
Conversion Funnel Improvements

DIY Online Conversion Funnel*

- Awareness
- Unique Web Visits
- Registrations
- Units

Convert 70% of registrations

+4 points v. 2010

* Excludes Free File Alliance
Digital Tax Category Overview

Where We’ve Been

• Recent Performance
• Competitive Advantages

Looking Ahead – Tax Season 2014 and Beyond

• What’s New for 2014
• Tax Plus
• Opportunities for Growth in 2015+
New for DIY Tax Services in 2014

- New design – inside and out
  - Software
  - hrblock.com
  - Online
  - iPad
- Unlimited live expert advice
- Tax Plus improvements
- Mobile enhancements
New packaging creates strong brand billboard
Don’t waste time driving to the bank.
Load money directly from your check to your H&R Block Emerald Prepaid Mastercard® with check to card.

File Online Now  File in an Office
Choose the right product for you

Best for First Time Tax Filers

FREE EDITION

- Start Now

1187 customer reviews

“Very easy to use. Have always used TurboTax but was pleasantly surprised by H&R Block’s product.” —Steve64

Best for Simple Tax Situations

BASIC

- Start For Free

980 customer reviews

“Goodbye to TurboTax. I have been an avid and loyal TurboTax user since 1999. However, this year I decided to use the H&R Tax Program to complete my taxes. I am glad I took the advice of my friends — I WILL NEVER go back to using TurboTax.” —Shay20

Best for Homeowners/Investors

DELUXE

- Start For Free

760 customer reviews

“Better than TurboTax. If you haven’t given H&R Block a try, then you are spending too much time on taxes and not enough time with family. I’m so glad I switched over!” —UniverseTrends

Best for Self-employed/Rental Property Owners

PREMIUM

- Start For Free

215 customer reviews

“Clear, understandable, helpful and to the point. H&R Block does a great job of filtering through federal and state tax reporting requirements and present the requirements in a succinct and easy-to-read format for the consumer.” —Worldwide
New TS14 Digital Tax Homepage

FILING TAXES ONLINE HAS NEVER BEEN EASIER

“This program was so easy and fast to use, you can check the status of your refund at any time. Helpful assistance when you call with a question and so satisfied with the results!”

- CD042

Find The Right Online Version For You

H&R BLOCK PREMIUM
$74.95
Best for the self-employed or rental property owners
Learn More>
Start For Free

H&R BLOCK DELUXE
$49.95
Best for homeowners or investors
Learn More>
Start For Free

H&R BLOCK BASIC
$34.95
Best for simple tax situations
Learn More>
Start For Free

H&R BLOCK FREE
Best for first-time tax filers
Learn More>
Start For Free

With FREE you get:
- FREE tax prep, FREE printing and FREE e-file
- FREE, in-person audit support
New TS14 Online Product Design
New TS14 Online Product Design
New TS14 Online Product Design
New TS14 Online Product Design

Wages, Salaries, and Tips From W-2

Tell us about any new W-2s. This includes scholarship income and combat or military pay. We’ll ask about self-employment and retirement income later.

You can import after 01/07/2014.

Add New W-2

<table>
<thead>
<tr>
<th>Employer</th>
<th>Employee</th>
<th>Wages</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td></td>
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</tbody>
</table>

Total: $0
TS13 iPad Product Design

Never Settle For Less℠
Welcome to H&R Block At Home. We’ll help you prepare your taxes and make sure you get your maximum refund — guaranteed.

1. **Prepare Returns**
   We’ll work together to get your federal and any state returns ready.

2. **File Returns**
   Once your returns are all set, we’ll help you e-file or print and mail.

3. **Check Status**
   Come back to make sure the IRS and state tax office accepted your returns.
New TS14 iPad Product Design
Best of Both: An On-Ramp to Assisted

Product Upgrade Required

Because you'll need Clergy Form (Publication 517) to complete your return, you must upgrade to Best of Both. Continue your return online today, then work with a local tax professional to complete this form and find any deductions you may have missed.

Step 1: Continue your return online.
Questions? Get live, personal tax-filing advice from an H&R Block tax professional.

Step 2: Choose an H&R Block tax professional.
We'll help you select a tax professional to complete Clergy Form (Publication 517) and review your return.

Step 3: Approve your return online:
Once you approve, your tax professional will file your return.

H&R Block Best of Both
Upgrade for $34.99
The Next Growth Opportunity

Online Conversion Funnel

Awareness
Unique Web Visits
Registrations
Units
Reject
Resolution
Retention
Social Referral

FY10 – FY13
“Fix the Funnel”

FY14 – FY15+
“Flip the Funnel”
Flipping The Funnel: Retention

1. Clients with an e-File
   - Reject
   - 20 points

2. H&R Block vs. Turbo Tax
   - 10 points
Social Referral A Real Opportunity

Existing FB page has most followers (347K) in the tax industry

Average FB user has 230 friends

Current followers create 80M brand impressions
Summary

- We are winning in the Digital category that counts – Online
- And expect this to continue
- We have the ability to offer a holistic combination of services that is *unmatched* in the category:
  - Audit protection and representation
  - “Paying fees with my refund”
  - Emerald Card
  - Serving them how they want to be served as complexity changes
Tax Plus

- Financial Services Landscape
- H&R Block in the Market
- Tax Plus Overview
- 2014 and Beyond
The “Mass Banking” Challenge

100MM+ consumers at stake
• 68MM “strivers” (under-banked)
• Countless “angry-banked”

Under-served and over-charged by banks
• High overhead and legacy costs
• Lack of technology know-how

Mis-targeted by non-bank market players
Cool but gimmicky OR Short-term and limited

Source for U.S. demographics : Visa Feb 2013
These Consumers are Fueling GPR Prepaid Growth

Decline of Free Checking Accounts

<table>
<thead>
<tr>
<th>Year</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>%</td>
<td>76%</td>
<td>65%</td>
<td>45%</td>
<td>39%</td>
</tr>
</tbody>
</table>

GPR Prepaid Load Volume ($ Billions)

2006: 33  
2007: 52  
2008: 78  
2009: 125 
2010: 148 
2011: 183 
2012: 227 
2013p: 282 
2014p: 354 

CAGR = 25%

Prepaid is one of the fastest growing segments in retail financial services today…

Source: Mercator Advisory Group
Prepaid: the New Checking Account

- Underserved Consumers
- Lack of banking products

- Consumer needs are increasing, though access to traditional banking is declining
- Prepaid GPR Cards are one of the fastest growing segments:
  - Balances are federally insured
  - Direct deposit (payroll, government, etc.)
  - Online bill pay
  - Increasing mobile capabilities
HRB is Well-Positioned to Address the Changing Market Landscape

- Approximately 50% of HRB clients are unbanked or under-banked

- The tax event represents the most significant financial event of the year for many of our clients
  - 86% percent of all HRB clients receive a refund
  - Average refund of over $2,600
HRB’s Strategy…It All Starts With Taxes

- Leverage HRB’s trusted advisory relationship
- Integrate products with superior customer value into the tax interview process
- Low cost of acquisition
- Extend and grow these relationships through year-round life-cycle marketing
- Enhance revenue opportunities through segmentation, cross sell, and new product development
What Tax Plus Means

We look at our clients’ lives through tax…

and find ways to help

Refund Transfer

Peace of Mind

Emerald Advance

Emerald Card

PAY NOTHING OUT OF POCKET WITH A REFUND ANTICIPATION CHECK

- Paying tax preparation fees with your refund is easy and convenient
- We’ll send you an email when your money is available

YOU COULD GET UP TO $1000 WITH AN EMERALD ADVANCE®

* NO W-2 REQUIRED
* NEW CLIENTS WELCOME

APPLY INSIDE

CALL FOR AN APPOINTMENT 866-822-9250

GET IT! USE IT! LOVE IT!
Pay Nothing Out of Pocket – Refund Transfers

Refund Transfers (millions)

- Emerald Card
  - 2011: 1.6
  - 2012: 2.5
  - 2013: 2.0
- Check
  - 2011: 1.0
  - 2012: 0.6
  - 2013: 0.5
- Direct Deposit
  - 2011: 3.1
  - 2012: 2.7
  - 2013: 2.9

If you are getting a refund, would you like to use it to pay like last year?
Peace of Mind

- **Well-established** product
- **Extension** of our standard guarantee
- Includes **audit representation**
- We pay up to **$5,500 of additional taxes** in event of our error
Emerald Advance (EA) Line of Credit

- Meets specific credit need for clients when they need it most
- Pre-Season line of credit offered to clients from November – January
- Underwriting based on deep knowledge of the client and verified ability-to-pay
- High conversion to tax preparation
One of the best prepaid options in the market:

- Low fee structure
- Feature rich
- Convenient
- Secure

3rd Largest GPR Debit Card in the U.S.
Feature Rich

The Emerald Card has **more features than most checking accounts and prepaid cards**

Emerald Cash **Rewards™**

Emerald Mobile Banking App inc. **Check to Card™**

My H&R Block **Account** (Emerald Online) with **FREE** card loads from a linked account

Much More...
Fee Schedule: Simple, Competitive

One of the lowest overall fees in the industry

- Zero Monthly Fees for Active Users
- Zero Purchase or Activation Fee
- Zero Overdraft fees
- Zero Minimum Balance
- Zero Usage Fees

Just 5 Basic Fees...

<table>
<thead>
<tr>
<th>Fee</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>ATM Withdrawal</td>
<td>$2.50</td>
</tr>
<tr>
<td>ATM Balance Inquiry/Denial</td>
<td>$1.00</td>
</tr>
<tr>
<td>Monthly Inactivity Fee</td>
<td>$2.50</td>
</tr>
<tr>
<td>Over the Counter Withdrawal</td>
<td>$25.00</td>
</tr>
<tr>
<td>Expedited Card Delivery</td>
<td>$35.00</td>
</tr>
</tbody>
</table>
### Well Positioned vs. Other Programs

<table>
<thead>
<tr>
<th>Branding</th>
<th>Emerald Card</th>
<th>American Express Bluebird</th>
<th>Chase Liquid</th>
<th>Net Spend</th>
<th>Green Dot</th>
</tr>
</thead>
<tbody>
<tr>
<td>Load Funds</td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Direct Deposit</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Cash Loads</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Bank to Card Loads</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mobile Check Loads</td>
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<td>✔</td>
<td>✔</td>
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</tr>
<tr>
<td>In Person Check Loads</td>
<td>✔</td>
<td></td>
<td>✔</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debit/Credit Card Load</td>
<td>✔</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>PayPal</td>
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<td></td>
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<tr>
<td>ATM Loads</td>
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<tr>
<td>Access Funds</td>
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<tr>
<td>ATM Access</td>
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<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Cash at Point of Sale</td>
<td>✔</td>
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<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>OTC/Bank Teller</td>
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<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Bill Pay</td>
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<tr>
<td>P2P</td>
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</tr>
<tr>
<td>Money Orders</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cell Phone Top Up</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Check/Pay Anyone</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Features</td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Line of Credit Access</td>
<td>✔</td>
<td></td>
<td>✔</td>
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</tr>
<tr>
<td>Joint Account</td>
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<tr>
<td>Savings</td>
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<td></td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Rewards</td>
<td>✔</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

As of December 3, 2013
The Emerald Card: Then and Now

THEN (2011)
- Basic online 60-day transaction history
- Manual payroll direct deposit enrollment process
- Launched text messaging capability

NOW (2013)
- Robust Online Banking
- Bill Pay
- Mobile App
- Remote Deposit Capture
- Text Messaging
- Cash Back Rewards
- External Account Funding
- Addt’l Low-Cost Funding Alternatives
- Personalized Cards

ESSENTIALLY A GIFT CARD  BEST-IN-CLASS GPR CARD
Our Focus is Yielding Results…

Gross Domestic Spend Volume
(Billions)

- 2011: $7.5
- 2012: $9.6
- 2013 Est.: $9.9

Offseason Card Spend (May – Oct)
(millions)

- 2012: $797
- 2013: $971

+22%

(*Calendar Year)

- Mobile Banking App downloads: +628%
- Emerald Online unique logins to date: 700k
- Emerald Cash Rewards to date: $1 Million

- Text Messages in TS13: 69 Million
- Bill Payments to date: $4.9 Million

*Sources: MasterCard Data Warehouse. Quarterly Member Reporting.
...and Improved Client Engagement

As of Oct 31, 2013 there were 158,413 unique reloaders compared to 122,881 this time last year.

Compared to Oct 31, 2012:
- Payroll Direct Deposit: +23%
- Government Direct Deposit: +55%
- Cash Reloaders: +39%

As of Oct 31, 2013 there were 158,413 unique reloaders compared to 122,881 this time last year....
2014 and Beyond

More Cards + More Usage

- Increase tax professional card usage
- Aligning our field incentives
- Tax professional training/awareness
- Enhanced marketing and distribution

GET IT! USE IT! LOVE IT!
Financial services landscape is changing

Tax Plus matters to our clients

HRB is well positioned to deliver Tax Plus

Focused on execution
The impact of the Affordable Care Act on the federal tax code is pervasive and complex.

Health Care + Taxes = Potential Opportunities for H&R Block

Block is well positioned to capitalize… both in the tax category and with new services.

We are in the early stages… any opportunity will take time to develop.
1. The Affordable Care Act
2. Impact on Tax Filing Complexity
3. Consumer Research Headlines
4. Health Care Consumer Positioning
5. H&R Block’s New Enrollment Services
Current U.S. Health Insurance Coverage

Employer-Sponsored Coverage

Medicaid

Medicare

Individual / Non-Group

Uninsured (15%)

Source: Kaiser Family Foundation 2011
The Affordable Care Act

PPACA + HCERA = Affordable Care Act

Desired Outcome
• Expanded health insurance coverage

ACA’s Objectives
• Driving consistent quality
• Improving affordability
• Expanding access
The Affordable Care Act

**Key Mechanisms**

- The “Individual Mandate”
- Health Plan Regulations
- Health “Marketplaces”
- Advance Tax Credits
- Expanded Medicaid
- The “Employer Mandate”
  (postponed until 2015)
The Affordable Care Act

So what does this have to do with taxes?

The Carrot --- Advance Tax Credits

The Stick --- Tax Penalties

The role of the Tax Return
…before and after
Eligible individuals/households can get government financial assistance to reduce the cost of their health insurance premiums

Available to apply in “advance” of the tax return being filed

- Must not currently have, or have access to, affordable and qualified insurance coverage
- Must enroll via a Marketplace
- Amount depends on: rating area, FPL household income level and number of household members
<table>
<thead>
<tr>
<th>Household size</th>
<th>Household min /max income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single</td>
<td>100%/138%FPL - 400% FPL</td>
</tr>
<tr>
<td></td>
<td>$11,490/$15,856 - $45,960</td>
</tr>
<tr>
<td>Two</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$15,510/$21,404 - $62,040</td>
</tr>
<tr>
<td>Three</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$19,530/$26,951 - $78,120</td>
</tr>
<tr>
<td>Four</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$23,550/$32,499 - $94,200</td>
</tr>
</tbody>
</table>

Note: 138% FPL limit used for states with expanded Medicaid coverage
The Advance Tax Credit

Eligible individuals/households can get government financial assistance to reduce the cost of their health insurance premiums

Available to apply in “advance” of the tax return being filed

• Must not currently have, or have access to, affordable and qualified insurance coverage
• Must enroll via a Marketplace
• Amount depends on: rating area, FPL household income level and number of household members
• Paid directly to insurance company
• Must file a tax return following its use
• “Reconciled” when 2014 tax return is filed
Advance Tax Credit Eligibility is Based on Household Income

HRB FY13 Assisted Tax Clients

14.5 mm

37%

Potential Advance Tax Credit-Eligible

- Low to middle-income (100%-400% FPL)
- EITC filers (presence of children)
- Large minority representation
- If uninsured through employer, Advance Tax Credit eligible
- 37% does not take into account current insurance coverage status
The Tax Penalty

Most Americans who do not get qualified health insurance coverage may face a tax penalty on their 2014 federal tax return.

**How Much?**

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
<th>Note</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>$95 per adult</td>
<td>or 1% of family income</td>
</tr>
<tr>
<td>2015</td>
<td>$325 per adult</td>
<td>or 2% of family income</td>
</tr>
<tr>
<td>2016 and beyond</td>
<td>$695 per adult</td>
<td>or 2.5% of family income</td>
</tr>
</tbody>
</table>

*The penalty cannot be greater than the national average premium for bronze coverage estimated to be $94.99-$350.00 in 2013. Source: Kaiser Family Foundation.*
Health Care Reform Timeline

2013
- Open enrollment starts October 1
- 2012 tax return is info source for Advance Tax Credit eligibility

2014
- January 1 - New insurance plan requirements and coverage go into effect
- Most households must obtain insurance coverage by March 31st or face a tax penalty in 2015

2015
- 2014 Tax return must be filed for those who took an Advance Tax Credit
- Reconciliation of the Advance Tax Credit or application of tax penalty
1. The Affordable Care Act

2. Impact on Tax Filing Complexity

3. Consumer Research Headlines

4. Health Care Consumer Positioning

5. H&R Block’s New Enrollment Services
New Health Insurance Coverage Notices (1095 series)

**Purpose:** Indicate the period that individuals/household members were covered under qualified health plans

- **1095-A**
  - Issued by Health Marketplace

- **1095-B**
  - Issued by insurance issuers, military, small employers and self-insured employers

- **1095-C**
  - Issued by larger (>50) employers for coverage of full-time employees
Advance Tax Credit “True-Up” Process

**Purpose:** Adjust the credit, based upon actual 2014 household income

**Step 1. Determine Actual Premium Tax Credit**

- Determine actual 2014 modified adjusted gross income (MAGI)
- Compare to FPL family size bracket
- Calculate share of premium cost as a percentage (2% to 9.5%) of MAGI
- Subtract from benchmark premium in client's specific rating area to get the actual Premium Tax Credit
Modified Adjusted Gross Income (MAGI) =

Adjusted Gross Income
+ Exempt Social Security
+ Tax Exempt Interest
+ Excluded Foreign Income
Advance Tax Credit “True-Up” Process

**Purpose:** Adjust the credit, based upon **actual** 2014 household income

**Step 1. Determine actual Premium Tax Credit**

- Determine actual 2014 modified adjusted gross income (MAGI)
- Compare to FPL to family size bracket
- Calculate share of premium cost as a percentage (2% to 9.5%) of MAGI
- Subtract from benchmark premium in client’s specific rating area to get the actual Premium Tax Credit

**Step 2. Compare to Advance Tax Credit used in 2014**

- Calculate the difference between the 2014 Advance Tax Credit used in 2014 and the actual Premium Tax Credit
- If actual Premium Tax Credit is > the Advance Tax Credit used, client receives difference in the form of a refundable credit
- If actual Premium Tax Credit < the Advance Tax Credit used, an additional tax liability is applied to the federal tax return

**Step 3. Adjust the tax return based on difference**

- Any tax liability* is further adjusted, based upon household income and filing status table

*Note: There are no special collection limits around IRS tax collections for this tax liability
<table>
<thead>
<tr>
<th>Household Income Category</th>
<th>Single Filers</th>
<th>All Other Taxpayers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 200% of FPL</td>
<td>$300</td>
<td>$600</td>
</tr>
<tr>
<td>200% - 300% of FPL</td>
<td>$750</td>
<td>$1,500</td>
</tr>
<tr>
<td>300% - 400% of FPL</td>
<td>$1,250</td>
<td>$2,500</td>
</tr>
<tr>
<td>400% or more of FPL</td>
<td>No limitation</td>
<td>No limitation</td>
</tr>
</tbody>
</table>
Two Methods of Tax Penalty Assessment

**Purpose:** Determine the tax penalty, based upon 2014 individual/household insurance coverage gaps

1. **Flat Fee Calculation Method**
   - $95 for every adult, $47.50 for non-covered dependent children under the age of 18
   - Maximum family penalty is $285

2. **Percentage Calculation Method**
   - 1% x (MAGI – the household tax filing threshold)
   
   *Example:* Single person earning MAGI of $55,000
   
   1% x ($35,000 - $10,150) = $450

3. **Calculate impact on the tax return**
   - For clients receiving a tax refund, the tax penalty will reduce the refund amount
   - For clients with a net *tax liability, the penalty will be added to their taxes
   - Max penalty must not exceed national average for a bronze plan.

*Note: the IRS has limits on its collection ability for this tax penalty*
Tax Penalty Exemptions

**Purpose:** Indicate individual/household who qualify for exemptions from tax penalties

### Marketplace Issued Exemptions
- Religious sect objections
- Hardship
- Indian tribes
- Health sharing ministry
- Incarceration

### Tax Return Exemptions
- Not lawfully present
- Unaffordable coverage
- Short term coverage gaps
- Indian tribes
- Health sharing ministry
- Incarceration

**Note:** Automatic exemption issued for those whose income is below the filing threshold

**Only issued by Marketplace**

**Only completed during Tax filing**
Other ACA-related tax impacts:

- Medical expenses deduction limited to expenses over 10% of AGI (up from 7.5%)

- Additional Medicare taxes
  - Additional 0.9% tax for wages over $200,000 ($250,000 joint filers) – reconciled with Form 8959
  - 3.8% on net investment income for AGI over $200,000 ($250,000 joint filers) – new Form 8960

- Annual Flexible Spending Account (FSA) contributions capped at $2,500/year
The Net Impact

- The impact of the Affordable Care Act on the federal tax code is pervasive and complex.

- Any household that uses an Advance Tax Credit, MUST file a 2014 tax return in 2015.

- New insurance coverage notices will support 2015 tax filing.

- Advance Tax Credit true-up and tax penalty calculations are complicated.

- New IRS worksheets, schedules and forms will likely be required. This will likely also include a new line added to the 1040/1040A federal tax return.

- However, none of this will be confirmed until summer/fall 2014.
With increased tax complexity comes potential opportunity to:

✓ Drive new client acquisition growth
✓ Increase client value add and retention
✓ Generate incremental tax preparation revenue
✓ Acquire share from DIY filing
Agenda

1. The Affordable Care Act
2. Impact on Tax Filing Complexity
3. Consumer Research Headlines
4. Health Care Consumer Positioning
5. H&R Block’s New Enrollment Services
Consumers are:

- Confused & anxious
- Concerned about tax consequences
- Looking for someone they can trust
- Preferring face-to-face assistance

H&R Block has relevant assets to serve them...

Source: HRB Consumer Focus group research
H&R Block’s relevant assets:

- Trusted brand
- Tax expertise
- Familiar and convenient retail locations
- Provide face-to-face assistance
- Experience interfacing with the government
- Unbiased… not the government or an insurance company
Quantitative Survey Findings

- H&R Block retail clients have **double** the propensity to be **both** tax credit eligible and uninsured versus U.S. population.

- Net out-of-pocket cost is the primary driver.

- Want to sign up for insurance right away.

- **Target profile:** currently uninsured, lower income, with children, and EITC/1040A filers.

- Survey results indicate **potential movement from DIY to assisted** due to added tax complexity.

Source: HRB and National Panel Consumer survey research.
Strategic Context

- The Affordable Care Act has created a clear intersection between Taxes and Health Care
- Tax complexity will increase
- Many of our current/potential clients are impacted
- H&R Block has assets it can leverage
1. The Affordable Care Act
2. Impact on Tax Filing Complexity
3. Consumer Research Headlines
4. Health Care Consumer Positioning
5. H&R Block’s New Enrollment Services
Objectives

- Suggest H&R Block’s reason for being in Health Care
- Stand out from the crowd
- Leverage our unique and relevant assets
- Serve as a brand umbrella
Health Care – Messaging Strategy

Be the Antidote...
Not the Messenger
Unbiased help for health insurance doesn’t exist.
So, we had to create a new word for it…
Help + Health = helpth
is help understanding health insurance.

And not just any help.

Friendly and unbiased help from H&R Block, because the Affordable Care Act has made health care a tax issue.
Helpth Messaging and Merchandising

HELP UNDERSTANDING HEALTH INSURANCE

The Affordable Care Act has made health care a tax issue. And no one knows taxes like we do.

As part of your tax preparation, our tax professionals will help you understand your health care options through a Tax and Health Care Review.

it's free, it's friendly, it's helpth. helpth.com
H&R Block’s Tax and Health Care Review

- Uses clients’ tax return to estimate eligibility for Advance Tax Credits, as well as other government programs
- Calculates max share of health insurance premiums
- Indicates potential future tax penalties
- Available in paper and electronic formats
- Spanish language version available
Agenda

1. The Affordable Care Act
2. Impact on Tax Filing Complexity
3. Consumer Research Headlines
4. Health Care Consumer Positioning
5. H&R Block’s New Enrollment Services
Current U.S. Health Insurance Coverage

U.S. Population 320 mm

Employer-Sponsored Coverage 148 mm
Medicare 49 mm
Medicaid 60 mm
Individual / Non-Group 48 mm
Uninsured (15%) 48 mm

48 MM Uninsured:
- ~11 mm non-citizens
- ~13 mm not Medicaid enrolled or not eligible
= ~24 mm total addressable market

Source: Kaiser Family Foundation 2011
Facts About the Uninsured

<table>
<thead>
<tr>
<th>Low Income Working Families</th>
<th>Adults &lt; Age 65</th>
</tr>
</thead>
<tbody>
<tr>
<td>Predominantly Minorities</td>
<td>Uninsured Vary by Region</td>
</tr>
</tbody>
</table>

### Low Income Working Families

**Reasons for Being Uninsured among Uninsured Nonelderly Adults**

- No Offer, 11.2%
- No Need, 1.5%
- Insurance not Affordable, 9.1%
- No Job, 50.4%
- Other, 17.4%
- Aged Out/Left School, 8.8%

*Source: Kaiser Foundation*

### Adults < Age 65

**Number of Nonelderly Uninsured Individuals, 2007–2012**

<table>
<thead>
<tr>
<th>Year</th>
<th>Children (0-18)</th>
<th>Nonelderly Adults (19-64)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>42.4</td>
<td>48.3</td>
</tr>
<tr>
<td>2008</td>
<td>41.9</td>
<td>49.9</td>
</tr>
<tr>
<td>2009</td>
<td>41.4</td>
<td>49.3</td>
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<tr>
<td>2010</td>
<td>42.1</td>
<td>48.2</td>
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<tr>
<td>2011</td>
<td>42.8</td>
<td>48.2</td>
</tr>
<tr>
<td>2012</td>
<td>42.1</td>
<td>47.2</td>
</tr>
</tbody>
</table>

*Figure 2* shows the number of nonelderly uninsured individuals from 2007 to 2012, with a breakdown for children (0-18) and nonelderly adults (19-64).

### Predominantly Minorities

**Characteristics of the Nonelderly Uninsured, 2012**

- Family Work Status:
  - No Income: 63%
  - Less Than Half Time: 19%
  - Full-Time: 18%

- Family Income:
  - Below poverty line: 55%
  - 100-199% FPL: 16%
  - 200-499% FPL: 15%
  - 500% FPL: 3%

- Race:
  - White: 55%
  - Black: 23%
  - Asian/Pacific Islander: 8%
  - Other: 7%
  - Unknown: 8%

*Figure 3* details the characteristics of the nonelderly uninsured in 2012.

### Uninsured Vary by Region

**Uninsured Rates Among the Nonelderly by State, 2012**

*Figure 4* illustrates the uninsured rates among the nonelderly by state in 2012.
## Future Marketplace Enrollment Forecasts

<table>
<thead>
<tr>
<th>Year</th>
<th>CBO Enrollment Forecast</th>
<th>Urban Institute</th>
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<tbody>
<tr>
<td>2014</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>13</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>22</td>
<td>25.2</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>Booz &amp; Co</th>
<th>Rand</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>22.0</td>
<td>33.0</td>
</tr>
</tbody>
</table>
The Marketplace Enrollment Process

1. File a tax return and estimate Advance Tax Credit eligibility
2. Get insurance coverage or pay a tax penalty
3. Go to Marketplace, create account, complete identity verification
4. Complete the government application questions
5. View, compare and select a health plan
6. Confirm enrollment, attest and provide premium payment
The Idealized Health Marketplace
The Reality is Much Uglier!

Daunting online Advance Tax Credit application process

Inaccessible websites

Complex health plan selection process

No qualified & unbiased assistance
Health “Marketplaces” Vary by State

Default to Federal Exchange

Declared State-based Exchange

Planning for Partnership Exchange
Health Marketplaces
How Our Clients Are Feeling

What if I already have coverage from my job?

I don’t understand how health reform impacts me!

Do I qualify for a subsidy?

How does this impact my taxes?

I CAN’T GET INTO THE SYSTEM!

Who do I trust?

What If I can’t afford the cost of a premium?
Introducing Health Care Enrollment Services

Simply put, we help clients...understand, select, enroll

Remote Assistance

Retail – PILOT
Our Enrollment Services Partner

✓ Privately held insurance services software and outsourcing company

✓ Extensive experience with developing and managing consumer-based Insurance exchange platforms

✓ Deep relationships with 100+ health insurance carriers

✓ Integrated call center capabilities, including agents licensed to sell insurance in 50 states
Broker Operating Model

H&R Block Client Leads

- Call Center
- Online
- Retail pilot

Go Health Insurance Technology Platform

- Health Marketplace
- Insurance Carriers

Shared $ Commission Revenue
Health Care Enrollment Services

- H&R Block-branded online interface
- DIY or access to remote licensed insurance agents
- ACA information
- Estimate Advance Tax Credit eligibility
- Health plan comparison and selection
- Government application assistance
- Insurance plan enrollment
- Premium payment facilitation
- Tax appointment setting available
Health Care Enrollment Online Interface

Access to “live helpth” every step of the way

Ability to schedule a tax appointment at any point in the process
Information collected on page is used to estimate the user’s Advance Tax Credit eligibility.

Tax import feature for current HRB clients with a My H&R Block Account.
Advance Tax Credit results are applied to arrive at net monthly premium cost estimates.

Estimated Advance Tax Credit

To avoid paying a tax penalty, you and members of your household may need to enroll in a health plan.

Estimated Monthly Total
For All Coverage: $0.00 - $386.27
Users can filter plans using sliders to view and rank by monthly premium, deductible, copayment, and coinsurance.

Dynamic results show available plans based on filter settings.
Users create My H&R Block Account, before being directed to Healthcare.gov.
After completing subsidy eligibility on the federal exchange, users are automatically directed back to the selections and complete enrollment.
After completing enrollment users are sent a confirmation email.
Retail Pilot Details

- 30 company offices in Phoenix market
- Staffed with H&R Block Health Care Advisors (trained, licensed and appointed agents)
- Fully integrated retail marketing plan
  - Localized TV, radio, and billboard advertisements
Our Retail Thesis

- HRB is a trusted brand
- Strong consumer preference for face-to-face assistance
- Conveniently located retail locations
- Available office capacity and technology assets
- Leverage current staffing and training models
- Pre-tax season client acquisition & retention opportunity
- Future annual enrollment window
help + health = helpth.

help getting health insurance. helpth.com

H&R BLOCK®
Helpth: Train Wrap
The impact of the Affordable Care Act on the federal tax code is **pervasive and complex**

Health Care + Taxes = **Potential Opportunities** for H&R Block

Many of our **current/potential** clients are impacted

Block is **well positioned** to capitalize... both in the tax category and with new services

H&R Block has **relevant assets** it can leverage

We are in early stages... any opportunity **will take time** to unfold
## Q2 FY14 Summary – Continuing Operations

<table>
<thead>
<tr>
<th>(in millions, except EPS)</th>
<th>Actual Fiscal Year 2014</th>
<th>Actual Fiscal Year 2013</th>
<th>Adjusted Fiscal Year 2014</th>
<th>Adjusted Fiscal Year 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$ 134</td>
<td>$ 137</td>
<td>$ 134</td>
<td>$ 137</td>
</tr>
<tr>
<td>EBITDA</td>
<td>$(138)</td>
<td>$(117)</td>
<td>$(142)</td>
<td>$(117)</td>
</tr>
<tr>
<td>Pretax Loss</td>
<td>$(179)</td>
<td>$(162)</td>
<td>$(183)</td>
<td>$(162)</td>
</tr>
<tr>
<td>Net Loss</td>
<td>$(103)</td>
<td>$(101)</td>
<td>$(112)</td>
<td>$(100)</td>
</tr>
<tr>
<td>Weighted-Avg. Shares - Diluted</td>
<td>273.9</td>
<td>271.1</td>
<td>273.9</td>
<td>271.1</td>
</tr>
<tr>
<td>EPS</td>
<td>$(0.38)</td>
<td>$(0.37)</td>
<td>$(0.42)</td>
<td>$(0.37)</td>
</tr>
</tbody>
</table>

*Adjusted amounts and EBITDA (earning before interest, taxes, depreciation, and amortization) are non-GAAP financial measures. Please refer to our Dec 10, 2013 earning release for more specifics.*
Sand Canyon Corporation (SCC)

- Received <$1 million of new claims in Q2; no losses paid
- Accrual for representation and warranty (R&W) obligations remains unchanged

Limited Mortgage Exposure Expected

- SCC continues to wind down its remaining obligations under R&Ws provided in legacy mortgage business
- SCC is engaged in bulk settlement discussions with the counterparties from whom SCC has received a significant majority of its asserted claims
- Though there is still work ahead, SCC continues to make important strides in its wind-down efforts
- HRB continues to believe that it has strong defenses on any corporate veil piercing arguments
Investment Thesis

GROWTH
- Favorable Macro Conditions
- Adjacent Financial Services
- Digital Expansion
- International Growth
- Predictable and Growing Core Business

VALUE
- Long Track Record of Strong Free Cash Flow
- Capital Light Model
- Solid Dividend & Share Repurchases Record
- Limited Mortgage Exposure Expected

LOW RISK
- Stable Management

H&R BLOCK
Predictable & Growing Core Business

- U.S. market grows 1 to 2% annually; highly correlated with non-farm employment
- Market is resilient and predictable…even through times of recession
- Life's only certainties: “Death and Taxes”

U.S. Tax Filings & Non-Farm Employment

- Efforts to reduce tax fraud
- Labor force participation declining
- Wages falling / part time work increasing
- Falling homeownership rates
- Increased extensions

(millions)


U.S. Tax Filings

Non-Farm Employment
Two Fundamental Ways to Prepare Taxes

…. and the proportion hasn’t changed

- Tax code complexity, value of tax professionals, IRS fears, cost/benefit, time
- Digital growth driven by Pen & Paper filers outsourcing calculations to software
- Online is the largest and fastest growing method of digital tax preparation

How Americans File Their Taxes…

Note: Based on H&R Block estimates and IRS data; DIY Online category includes Online, Free File Alliance, and Mobile. Due to increased industry eFile adoption rates, Desktop share based on eFiles TS10-TS13
DIY Digital Tax Preparation Trends

Note: Based on H&R Block estimates; Online Category includes Mobile.
Due to increased industry eFile adoption rates, Desktop share based on eFiles TS10-TS13
While assisted is about 60% of returns, it accounts for 90% of industry revenues.

H&R Block generates more revenue than all branded competitors combined.
Independents have lost almost 1% market share since 2010

* Based on H&R Block estimates of market participants and IRS data
Independent Category: Low Barriers to Entry

Returns Prepared Per Independent

- 1 to 100
  - 49%
- 101 to 1,000
  - 46%
- 1,001 to 2,000
  - 4%
- More than 2,001
  - 1%

Half of Independents write less than 100 returns
Independent Category: Wide Range of Pricing

Price by Form Type

- 1040: $754
- 1040A: $424
- 1040EZ: $283
### E-File Rejection Rates

<table>
<thead>
<tr>
<th>Competitor Category</th>
<th>Locations</th>
<th>TS13 Avg Accepted E-Files</th>
<th>E-File Rejection Rate*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pawn, Rentals, Travel, etc</td>
<td>558</td>
<td>373</td>
<td>11.0%</td>
</tr>
<tr>
<td>Financial/Insurance</td>
<td>12,457</td>
<td>206</td>
<td>9.7%</td>
</tr>
<tr>
<td>CPAs</td>
<td>48,024</td>
<td>194</td>
<td>3.8%</td>
</tr>
<tr>
<td>Bookkeeping</td>
<td>27,589</td>
<td>256</td>
<td>6.8%</td>
</tr>
<tr>
<td>Check Cashing</td>
<td>3,385</td>
<td>62</td>
<td>13.2%</td>
</tr>
<tr>
<td>Gov't &amp; Non-Profit</td>
<td>5,961</td>
<td>238</td>
<td>6.5%</td>
</tr>
<tr>
<td>H&amp;R Block</td>
<td>10,669</td>
<td>1,205</td>
<td>4.5%</td>
</tr>
<tr>
<td>Independents</td>
<td>130,855</td>
<td>262</td>
<td>8.2%</td>
</tr>
<tr>
<td>Jackson Hewitt</td>
<td>6,386</td>
<td>310</td>
<td>8.4%</td>
</tr>
<tr>
<td>Liberty Tax</td>
<td>3,756</td>
<td>398</td>
<td>12.3%</td>
</tr>
<tr>
<td>Regional/Small chains</td>
<td>5,747</td>
<td>325</td>
<td>11.6%</td>
</tr>
</tbody>
</table>

*Source: IRS Part Year 2013 E-File Database and HR Block Corporate Analytics

**IRS rejects Independent returns at nearly 2x rate of HRB**
Independent Category: Local Marketing
Fraud is a Major Problem in the Tax Prep Industry

Fraudulent Returns & Improper Payments

- IRS estimates $11.6B – $13.6B improperly issued EITC payments*
- EITC Improper Payment rate is over 20% for past ten years
- The EITC is identified as the only high-risk program throughout the Department of Treasury and IRS
- Several independent competitors have had issues with fraud and some have been recently shut down

*Department of Treasury, Agency Financial Report, Fiscal Year 2012, p. 204
Fraud is a Major Problem in the Tax Prep Industry

IRS is working hard to solve these issues

- Return preparer initiative to implement standards for assisted tax preparation
- IRS has implemented standards for EITC returns completed with a paid preparer, causing a shift in EITC forms filed in the DIY category

<table>
<thead>
<tr>
<th>Year</th>
<th>Assisted (returns in thousands)</th>
<th>Overall industry mix</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>22,847</td>
<td>72%</td>
</tr>
<tr>
<td>2009</td>
<td>23,209</td>
<td>70%</td>
</tr>
<tr>
<td>2010</td>
<td>25,585</td>
<td>67%</td>
</tr>
<tr>
<td>2011</td>
<td>25,810</td>
<td>65%</td>
</tr>
<tr>
<td>2012</td>
<td>26,389</td>
<td>61%</td>
</tr>
</tbody>
</table>

Overall industry mix:
- Assisted: 61%
- DIY: 39%
Growing Share in Digital

- DIY composition: 64% Online; 20% Desktop; 11% Pen & Paper; 5% FFA
- HRB gained share in the largest and fastest growing digital category, Online
- Outpaced two largest digital competitors for three consecutive years

**Share of U.S. Online Returns**

<table>
<thead>
<tr>
<th>FY10</th>
<th>FY13</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>23 mm total filers</strong></td>
<td><strong>35 mm total filers</strong></td>
</tr>
<tr>
<td>Intuit Turbo Tax</td>
<td>Intuit Turbo Tax</td>
</tr>
<tr>
<td>TaxACT</td>
<td>TaxACT</td>
</tr>
<tr>
<td>Free Tax USA</td>
<td>Free Tax USA</td>
</tr>
<tr>
<td>TaxSlayer</td>
<td>TaxSlayer</td>
</tr>
<tr>
<td>All Other</td>
<td>All Other</td>
</tr>
<tr>
<td>H&amp;R Block</td>
<td>H&amp;R Block</td>
</tr>
<tr>
<td>----------------</td>
<td>---------------</td>
</tr>
<tr>
<td>59.0%</td>
<td>55.4%</td>
</tr>
<tr>
<td>16.3%</td>
<td>14.1%</td>
</tr>
<tr>
<td>3.7%</td>
<td>6.6%</td>
</tr>
<tr>
<td>3.9%</td>
<td>3.2%</td>
</tr>
<tr>
<td>4.6%</td>
<td>6.5%</td>
</tr>
<tr>
<td><strong>12.5%</strong></td>
<td><strong>14.2%</strong></td>
</tr>
</tbody>
</table>

**Note:** Based on H&R Block estimates; Online Category excludes Desktop (Digital) and Free File Alliance (FFA)
HRB’s Competitive Advantages

<table>
<thead>
<tr>
<th>Scale</th>
<th>Tax Professionals</th>
<th>Brand</th>
<th>Tax Industry Innovation</th>
</tr>
</thead>
</table>

HRB is the best and only tax preparation company that serves clients **Anywhere, Anyway** and **Anytime** they want to be served.
Scale: HRB’s Unmatched Reach

**Operational Experience**
- Entering our 59th season
- 46% of offices open for 30+ years

**Scalability**
- Ability to quickly scale up/down to optimize network footprint
- Field offices are leased
- 85% of Americans are within 5 miles

**Operating Leverage**
- $60K to open a new office
- New offices breakeven or better in the first year
- Open year-round by appointment

**Company Offices**
- 6,211
- Avg Size: 1,700 sq ft.

**Franchise Offices**
- 4,507
- Avg Rent: $36,000
Tax Professionals: Unmatched Seasonal Staffing Experience

Delivering the industry’s best tax pros….

- More than 70,000 highly trained tax professionals and associates in the U.S.
- Average HRB tax professional completes 43 hours of training annually
- Over 7,500 Enrolled Agents and CPAs
- H&R Block’s The Tax Institute (TTI) is the nation’s largest independent tax “Think Tank”

2013 HRB U.S. Staffing Levels

~8,000 at Trough

~73,000 at Peak
Tax Professionals: HRB Experienced Tax Pros Drive Higher Client Retention

Tax Returns Prepared by Tax Professional Tenure

- 16+ years: 29%
- 10-15 yrs: 20%
- 5-9 yrs: 27%
- 3-4 yrs: 13%
- 2 yrs: 5%
- 1 yr: 6%

Average Tenure: 8 years

1 Company owned offices only
Client Retention by Tax Professional Tenure

- 2 Years: 63%
- 3-4 Years: 68%
- 5-9 Years: 70%
- 10-14 Years: 73%
- 15+ Years: 76%

Note: Company owned offices only
Why is assisted retention so high?

- Strong relationships with tax professionals
- Mandatory filing requirements
- Taxpayers’ lack of tax knowledge
- Severe consequences for inaccuracies
- Time constraints
- Access to adjacent financial products
- Easy accessibility

Note*: Based on H&R Block estimates
98% brand awareness

Similar brand recognition as Coca-Cola, McDonald’s, and Walmart

Our brand represents taxes, expertise, and trust

Competitively advantaged in both Assisted and Digital
Innovation: “Tax Plus” Strategy Improves Client Service

- Allows tax preparation fees to be paid from tax refund
- Covers audit representation and additional fees associated with errors and omissions
- 3rd largest general purpose reloadable debit card in the U.S.
- Line of credit promoted prior to tax season

*Best-in-class financial products enhance relationship with clients*
3rd Largest General Purpose Reloadable Debit Card in the U.S.

Emerald Cards (millions)

- FY 11: 2.3
- FY 13: 2.5
- Growth: +9%

Total Deposits (Billions)

- FY 11: $7.8
- FY 13: $8.7
- Growth: +12%
### With a Strong Opportunity to Grow

<table>
<thead>
<tr>
<th></th>
<th>Green Dot&lt;sup&gt;2&lt;/sup&gt;</th>
<th>NetSpend&lt;sup&gt;2&lt;/sup&gt;</th>
<th>Emerald Card</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts (#mm)</td>
<td>4.4</td>
<td>2.4</td>
<td>2.5</td>
</tr>
<tr>
<td>Load Volume ($B)</td>
<td>$17.2</td>
<td>$13.2</td>
<td>$8.7</td>
</tr>
<tr>
<td>Load Volume per Account</td>
<td>$3,909</td>
<td>$5,500</td>
<td>$3,438</td>
</tr>
<tr>
<td>Revenue ($mm)</td>
<td>$546</td>
<td>$351</td>
<td>$99</td>
</tr>
<tr>
<td>Revenue per Account</td>
<td>$124</td>
<td>$146</td>
<td>$39</td>
</tr>
<tr>
<td>Reloader Volume</td>
<td>46%</td>
<td>46%</td>
<td>7%</td>
</tr>
</tbody>
</table>

1. 2012 CFSI Money 2020 presentation
2. Based on 2011/2012 10-K filings
Customers can deduct their tax prep fees from their refund and receive that refund faster than a mailed check

- 86% of HRB clients get a refund at an average of $2,620
- $21B of tax refunds funded through Refund Transfers in 2013

Free Refund Transfer offering from 2012 not offered in 2013
In fiscal year 2013, H&R Block announced it was exploring strategic alternatives for its bank.

<table>
<thead>
<tr>
<th>Primary Objectives</th>
<th>Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Continue to grow our Financial Services business</td>
<td>Unlock capital</td>
</tr>
<tr>
<td>Cease being a Savings and Loan Holding Company</td>
<td>Minimal client impact</td>
</tr>
</tbody>
</table>

- This a unique and complicated transaction
- Goal is to transition to a third party bank prior to tax season 2015
The Affordable Care Act has created a clear intersection between Health Care and Taxes

Potential opportunity exists:

- Possible new client acquisition
- Incremental tax preparation revenue
- Possible shift from DIY to assisted
- Enrollment services

Timing and magnitude are uncertain

Investing prudently to be the best positioned in this market
Long History of Growing Earnings

HRB Tax Services Segment Pretax Earnings

- 1981-1990: Severe recession / hyperinflation
- 1999-2001: Dot.com bubble attacks
- 2002-2004: 9/11 attacks
- 2008-2013: Real estate implosion, bank failures, and recession

Fiscal Year

$0 $100 $200 $300 $400 $500 $600 $700 $800 $900 $1,000

millions

HRB Tax Services Segment Pretax Earnings
Strong EBITDA Margins

FY13 EBITDA margin increased 4 points to 30%

*All numbers represent continuing operations

**S&P 500 and S&P 500 Consumer Service Index source - Bloomberg
# Capital Allocation at HRB

## Preferences Waterfall

1. Ensure adequate funds for **operational** and **liquidity** needs
2. Support **strategic** options
3. Support **dividend**
4. Repurchase shares and/or **increase dividend**

## Requirements

- Disciplined evaluation
- Accountability
- Clear view of value

---

*Deliver Consistent, Meaningful Shareholder Returns*
A Capital Light Model: Operational Needs

- As a large retailer, we need to invest in our professional appearance
- As a large technology company, we need to invest in software and hardware
- But, as a more mature company, we are “capital light”

**Capital Expenditures as a Percent of Revenue**

<table>
<thead>
<tr>
<th>Year</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenditure as % of Revenue</td>
<td>3.1%</td>
<td>3.0%</td>
<td>2.1%</td>
<td>2.8%</td>
<td>3.9%</td>
</tr>
</tbody>
</table>

3% Target
Capital Allocation: Liquidity Needs

Seasonality is part of our business …

- Large peak to trough cash volatility
- Historically relied on commercial paper, committed line of credit as backstop

FY09-FY10 excludes RAL borrowing
Low capital requirements present compelling opportunity to create shareholder value....
**Substantial Return of Capital to Shareholders**

**~$2.2 billion returned to shareholders since FY 2009**

<table>
<thead>
<tr>
<th>Year</th>
<th>Dividends</th>
<th>Share Repurchase</th>
<th>Total $941 mm returned in FY12 &amp; FY13</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2009</td>
<td>$298</td>
<td>$199</td>
<td>$532</td>
</tr>
<tr>
<td>FY 2010</td>
<td>$451</td>
<td>$250</td>
<td></td>
</tr>
<tr>
<td>FY 2011</td>
<td>$467</td>
<td>$280</td>
<td></td>
</tr>
<tr>
<td>FY 2012</td>
<td>$409</td>
<td>$209</td>
<td></td>
</tr>
<tr>
<td>FY 2013</td>
<td>$315</td>
<td>$217</td>
<td></td>
</tr>
</tbody>
</table>

% of Income – Cont Ops
- FY 2009: 66%
- FY 2010: 99%
- FY 2011: 119%
- FY 2012: 118%
- FY 2013: 114%

Average Repurchase Price
- FY 2009: $17.53
- FY 2010: $19.55
- FY 2011: $14.77
- FY 2012: $13.74
- FY 2013: $14.82
$3.6 billion of total dividends paid to shareholders since HRB went public in 1962

Current quarterly dividends of approximately $55 mm

8% CAGR since FY2005

Compelling Return

1 Yield calculated as of NYSE market close on 12/6/13
HRB Stock Outperforms the Market

- HRB’s share price has grown more than twice as fast as the S&P 500 over the past year\(^1\)
- HRB currently ranks 54\(^{th}\) in the S&P 500 in stock price appreciation in calendar year 2013

<table>
<thead>
<tr>
<th>TSR</th>
<th>HRB</th>
<th>S&amp;P 500</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Year</td>
<td>63.5%</td>
<td>30.0%</td>
</tr>
<tr>
<td>3 Year</td>
<td>154.2%</td>
<td>55.2%</td>
</tr>
<tr>
<td>5 Year</td>
<td>76.3%</td>
<td>128.7%</td>
</tr>
</tbody>
</table>

\(^1\)Based on NYSE market close 12/6/2013
Investment Thesis

GROWTH
- Predictable and Growing Core Business
- Favorable Macro Conditions
- Long Track Record of Strong Free Cash Flow
- Capital Light Model
- Limited Mortgage Exposure Expected

VALUE
- Solid Dividend & Share Repurchases Record
- International Growth
- Digital Expansion
- Adjacent Financial Services
- Low Risk

LOW RISK
- Stable Management
- H&R BLOCK
## General Market Outlook

<table>
<thead>
<tr>
<th>Market Factor</th>
<th>FY 2014</th>
<th>3-Year Expectation</th>
</tr>
</thead>
<tbody>
<tr>
<td>IRS tax filings</td>
<td>• 0-1% due to delay in filing and other macro conditions</td>
<td>• Up 1% to 2% annually</td>
</tr>
<tr>
<td>Delayed season start</td>
<td>• 1-2 week delay</td>
<td>• Season start late-January</td>
</tr>
<tr>
<td></td>
<td>• $0.01 - $0.02 EPS dilution</td>
<td></td>
</tr>
<tr>
<td>Complexity / Tax Law Changes</td>
<td>• Continued complexity</td>
<td>• Continued complexity</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Beneficial tailwinds</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Health Care</td>
</tr>
<tr>
<td>Consolidation</td>
<td>• Continued</td>
<td>• Beneficial tailwinds</td>
</tr>
<tr>
<td>Market Factor</td>
<td>FY 2014</td>
<td>3-Year Expectation</td>
</tr>
<tr>
<td>-------------------------------------</td>
<td>----------------------------------------------</td>
<td>--------------------------------------------------------</td>
</tr>
<tr>
<td>Adjusted EBITDA Margin</td>
<td>• Approx. 30%</td>
<td>• Ongoing expense management</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• 27 – 32% Range</td>
</tr>
<tr>
<td>Bank Transaction</td>
<td>• $0.02 - $0.03 of non-recurring transaction costs per share</td>
<td>• Potential $0.06 - $0.09 ann. EPS dilution</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Unlocks ~$100 - $150 mm of equity</td>
</tr>
<tr>
<td>Health Care Reform</td>
<td>• $0.03 - $0.04 EPS dilution</td>
<td>• HRB is well positioned to capitalize</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Potential opportunity will take time</td>
</tr>
<tr>
<td>Effective tax rate</td>
<td>• 38% - 39%</td>
<td>• Identifying ways to lower effective rate</td>
</tr>
<tr>
<td>Capital Expenditures</td>
<td>• Approx. 4% of revenue</td>
<td>• FY15: ~4% of revenue</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• FY16: ~3% of revenue</td>
</tr>
<tr>
<td>Depreciation &amp; Amortization</td>
<td>• $115 mm to $125 mm</td>
<td>• FY:15 $125 to $135 mm</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• FY:16 $135 to $145 mm</td>
</tr>
<tr>
<td>Weighted Avg. Diluted Shares Outstanding</td>
<td>• Approx. 273 mm</td>
<td>• See capital allocation preferences waterfall</td>
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