

## H&R Block Announces Tax Season Results Through March 31

April 14, 2008 9:10 AM ET

KANSAS CITY, Mo.--(BUSINESS WIRE)--April 14, 2008--H&R Block Inc. (NYSE: HRB) today reported tax season results for the interim periods March 16-31, 2008 and Nov. 1, 2007 - March 31, 2008. Excluding lending-products-only clients, Economic Stimulus Package (ESP) rebate filers, and the impact of an additional day due to leap year, retail clients served were estimated to be up 4.8 percent and 1.6 percent, respectively, over the prior year.

Total reported retail client growth for the March 16-31 period was 10.5 percent, of which approximately 5.8 percent was related to ESP filers. Year-to-date through March 31, total reported retail clients grew 4.2 percent of which 1.5 percent is estimated to be related to ESP filers and 1.1 percent is due to the leap year day.

The reported decrease in net average retail fee for March 16-31 was 4.8 percent, but would have decreased approximately 0.7 percent excluding ESP filers. Year-to-date, the reported increase in net average retail fee was 4.3 percent and would have been approximately 5.4 percent without ESP. The year-to-date increase in net average retail fee has moderated from 5.5 percent reported through March 15. The Company believes that this slowing of the rate of pricing growth reflects ESP filers at lower prices who would not otherwise have filed, as well as an acceleration of lower complexity returns typically filed in April into the second half of March.

ESP filers are individuals who would not otherwise be required to file an income tax return, but who are filing in 2008 in order to be eligible to receive rebate checks under the ESP program. The company is offering special low fees to ESP filers, which affects calculations of average fees.

Digital clients served were up 31 percent in the March 16-31 period and down 3.2 percent year-to-date through March 31, representing a significant improvement from a decline of 6.5 percent for the year-to-date period ending March 15.

H&R Block plans to release interim results through April 15 for its U.S. tax operations on May 12, 2008 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 billion in fiscal year 2007. 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 and certain consumer financial services. For more information visit our Online Press Center at [www.hrblock.com](http://www.hrblock.com).

H&R BLOCK  
Preliminary U.S. Tax Operating Data

(in thousands, except average fee)

	Period			
	11/1-1/31	Feb Total (5)	YTD 2/29 (5)	3/1-3/15
Net tax preparation fees: (1)				
Fiscal year 2008				
Company-owned operations	\$439,757	\$ 690,811	\$1,130,568	\$ 188,660
Franchise operations	225,035	335,522	560,557	79,372
	\$664,792	\$1,026,333	\$1,691,125	\$ 268,032

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Fiscal year 2007 (2)				
Company-owned operations	\$424,770	\$ 613,275	\$1,038,045	\$ 169,402
Franchise operations	218,894	298,496	517,390	73,014
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	\$643,664	\$ 911,771	\$1,555,435	\$ 242,416
	=====	=====	=====	=====

Percent change

Company-owned operations	3.5%	12.6%	8.9%	11.4%
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Franchise operations	2.8%	12.4%	8.3%	8.7%
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Total retail operations	3.3%	12.6%	8.7%	10.6%
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Total clients served:

(3)

Fiscal year 2008

Company-owned operations	2,430	3,958	6,388	1,073
Franchise operations	1,427	2,184	3,611	541
Lending products only	245	(157)	88	(2)
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Total retail offices	4,102	5,985	10,087	1,612
Digital tax solutions	1,136	1,556	2,692	384
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	5,238	7,541	12,779	1,996
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Fiscal year 2007 (2)

Company-owned operations	2,512	3,701	6,213	1,003
Franchise operations	1,485	2,049	3,534	488
Lending products only	343	(261)	82	(3)
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Total retail offices	4,340	5,489	9,829	1,488
Digital tax solutions	1,275	1,614	2,889	400
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	5,615	7,103	12,718	1,888
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Percent change

Company-owned operations	-3.3%	6.9%	2.8%	7.0%
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Franchise operations	-3.9%	6.6%	2.2%	10.9%
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Retail operations excluding lending products only	-3.5%	6.8%	2.6%	8.2%
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Total retail operations	-5.5%	9.0%	2.6%	8.4%
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Digital tax solutions	-10.9%	-3.6%	-6.8%	-4.0%
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Total	-6.7%	6.2%	0.5%	5.7%

Net average fee -

retail: (4)

Fiscal year 2008

Company-owned

operations	\$ 181.19	\$ 175.02	\$ 177.37	\$ 176.60
Franchise operations	157.91	154.12	155.62	147.64
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	\$ 172.58	\$ 167.59	\$ 169.52	\$ 166.91
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Fiscal year 2007 (2)

Company-owned operations	\$ 169.47	\$ 165.86	\$ 167.32	\$ 169.48
Franchise operations	147.42	146.08	146.65	150.19
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	\$ 161.27	\$ 158.82	\$ 159.82	\$ 163.17
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Percent change

Company-owned operations	6.9%	5.5%	6.0%	4.2%
Franchise operations	7.1%	5.5%	6.1%	-1.7%
Total retail operations	7.0%	5.5%	6.1%	2.3%

YTD 3/15 3/16-3/31 Mar Total YTD 3/31

Net tax preparation fees:

(1)

Fiscal year 2008

Company-owned operations	\$1,319,228	\$192,974	\$381,634	\$1,512,202
Franchise operations	639,929	71,414	150,786	711,343
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	\$1,959,157	\$264,388	\$532,420	\$2,223,545
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Fiscal year 2007 (2)

Company-owned operations	\$1,207,447	\$179,855	\$349,257	\$1,387,302
Franchise operations	590,404	71,547	144,561	661,951
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	\$1,797,851	\$251,402	\$493,818	\$2,049,253
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Percent change

Company-owned operations	9.3%	7.3%	9.3%	9.0%
Franchise operations	8.4%	-0.2%	4.3%	7.5%
Total retail operations	9.0%	5.2%	7.8%	8.5%

Total clients served: (3)

Fiscal year 2008

Company-owned operations	7,461	1,097	2,170	8,558
Franchise operations	4,152	517	1,058	4,669
Lending products only	86	(1)	(3)	85
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Total retail offices	11,699	1,613	3,225	13,312
Digital tax solutions	3,076	406	790	3,482
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	14,775	2,019	4,015	16,794
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Fiscal year 2007 (2)

Company-owned operations	7,216	1,003	2,006	8,219
Franchise operations	4,022	458	946	4,480
Lending products only	79	(1)	(4)	78

Total retail offices	11,317	1,460	2,948	12,777
Digital tax solutions	3,289	310	710	3,599
	14,606	1,770	3,658	16,376

Percent change

Company-owned operations	3.4%	9.4%	8.2%	4.1%
Franchise operations	3.2%	12.9%	11.8%	4.2%
Retail operations excluding lending products only	3.3%	10.5%	9.3%	4.2%
Total retail operations	3.4%	10.5%	9.4%	4.2%
Digital tax solutions	-6.5%	31.0%	11.3%	-3.2%
Total	1.2%	14.1%	9.8%	2.6%

Net average fee - retail:

(4)

Fiscal year 2008

Company-owned operations	\$ 177.26	\$ 176.96	\$ 176.78	\$ 177.22
Franchise operations	154.58	138.77	143.30	152.83
	\$ 169.15	\$ 164.71	\$ 165.81	\$ 168.61

Fiscal year 2007 (2)

Company-owned operations	\$ 167.62	\$ 180.16	\$ 174.82	\$ 169.15
Franchise operations	147.07	157.10	153.54	148.10
	\$ 160.27	\$ 172.94	\$ 168.00	\$ 161.72

Percent change

Company-owned operations	5.8%	-1.8%	1.1%	4.8%
Franchise operations	5.1%	-11.7%	-6.7%	3.2%
Total retail operations	5.5%	-4.8%	-1.3%	4.3%

(1)Gross tax preparation fees less coupons and discounts.

(2)Prior year numbers have not been reclassified between company-owned and franchise offices for offices which commenced company-owned operations during fiscal year 2008. Prior year numbers have been reclassified between company-owned offices and Digital tax solutions for certain products.

(3)Tax preparation clients for which revenue was earned and Emerald Advance (EA) or Instant Money Advance Loan (IMAL) clients.

(4)Calculated as net tax preparation fees divided by retail tax preparation clients served.

(5)Results are through 2/29/08 and 2/28/07 due to leap year. The additional day represents approximately 91,000 company and 48,000 franchise clients served as of 3/31/08.

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SOURCE: H&R Block Inc.