

H&R Block Board Chairman Announces Retirement

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KANSAS CITY, Mo., Jun 12, 2002 /PRNewswire-FirstCall via COMTEX/ -- Frank L. Salizzoni today announced that he would retire as chairman of the board of H&R Block Inc. (NYSE: HRB) effective at the close of the company's annual meeting of shareholders Sept. 11, 2002. He also announced that he would not seek re-election to the board of directors at the annual meeting. The board did not name a successor, but will review the role of chairman as part of its continuing governance responsibilities and governance best practices. The board also elected to reduce the size of the board from 10 to nine directors as a result of Mr. Salizzoni's retirement.

Mr. Salizzoni became H&R Block's chairman Sept. 13, 2000, succeeding the company's co-founder, Henry W. Bloch. Prior to that, Mr. Salizzoni had served as H&R Block's president and chief executive officer from June 1996 until Jan. 1, 2001, when Mark A. Ernst succeeded him. Mr. Salizzoni has served on H&R Block's board of directors since 1988.

Mr. Salizzoni was responsible for developing H&R Block's strategy to expand into mortgage and accounting services, leading several key acquisitions including Option One Mortgage Corporation in 1997 and McGladrey & Pullen, LLP in 1999. He also created the company's succession plan, recruiting Mr. Ernst as Block's executive vice president and chief operating officer in 1998. Mr. Ernst was elected to the company's board of directors and named president and chief operating officer in 1999.

"Frank led this company at a very critical time in its history," said Mark A. Ernst, president and chief executive officer. "We are very grateful for his contributions toward our change from a tax preparation firm to a financial services provider."

An executive with several Fortune 500 companies, Mr. Salizzoni had worked for USAir Inc. and USAir Group 6 years, serving in several executive positions including president and chief operating officer and chief financial officer. He also had been chairman and chief executive officer of TW Services, one of the country's largest food service companies, and was vice chairman and chief financial officer of TransWorld Corporation.

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 products and services, and business accounting and consulting services. The world's largest tax preparation company, H&R Block in fiscal year 2002 served nearly 21 million clients in approximately 10,400 retail offices worldwide and with award-winning software and online services. It is the only major tax preparation and financial services company that focuses primarily on helping middle-income Americans achieve their financial objectives. Investment services and securities products are offered through H&R Block Financial Advisors Inc., member NYSE, SIPC. H&R Block Inc is not a registered broker-dealer. H&R Block Mortgage Corp. offers retail mortgage products. Option One Mortgage Corp offers wholesale mortgage products and a range of mortgage services. RSM McGladrey Inc. serves mid-sized businesses with accounting, tax and consulting services.

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