First Quarter FY27 Financial Results Conference Call

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Safe Harbor Statement

Forward-Looking Statements

This presentation contains 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," "commits," "seeks," "estimates," "projects," "forecasts," "targets," "would," "will," "should," "goal," "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, client trajectory, income, effective tax rate, earnings per share, cost savings, capital expenditures, dividends, share repurchases, liquidity, capital structure, market share, industry volumes 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. They may also include the expected impact of external events beyond the Company's control, such as outbreaks of infectious disease, severe weather events, natural or manmade disasters, or changes in the regulatory environment in which we operate. 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, that are described in our Annual Report on Form 10-K for the most recently completed fiscal year in the section entitled "Risk Factors" and additional factors we may describe from time to time in other filings with the Securities and Exchange Commission. You may get such filings for free at our website at https://investors.hrblock.com. In addition, factors that may cause the Company's actual estimated effective tax rate to differ from estimates include the Company's actual results from operations compared to current estimates, future discrete items, changes in interpretations and assumptions the Company has made, future actions of the Company, or increases in applicable tax rates in jurisdictions where the Company operates. 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.

Safe Harbor Statement

Non-GAAP Measures

We refer to certain Non-GAAP financial measures in this presentation, including adjusted earnings per share (EPS), adjusted net income, free cash flow, earnings before interest, taxes, depreciation, and amortization (EBITDA), and adjusted EBITDA, which management believes provide additional meaningful information regarding the Company's performance and financial strength. All non-GAAP financial measures in this presentation are from continuing operations. Non-GAAP financial measures should not be considered as a substitute for, or superior to, measures of financial performance prepared in accordance with accounting principles generally accepted in the United States (GAAP). Because these measures are not measures of financial performance under GAAP and are susceptible to varying calculations, they may not be comparable to similarly titled measures for other companies. For a description of these non-GAAP financial measures, including the reasons management uses each measure, and reconciliations of these non-GAAP financial measures to the most directly comparable financial measures prepared in accordance with GAAP, please refer to the tables accompanying this presentation and previously filed press releases posted on our investor relations website at https://investors.hrblock.com.

Market, Industry, and Operational Tax Data

The data included in this presentation regarding the tax preparation services industry, including trends in the market and the Company's position and the position of its competitors within this industry, are based on the Company's estimates, which have been derived from management's knowledge and experience in the industry, and information obtained from customers, trade and business organizations, internal research, publicly available information, industry publications and surveys and other contacts in the industry. The Company has also cited information compiled by industry publications, governmental agencies and publicly available sources. Although the Company believes these third-party sources to be reliable, it has not independently verified the data obtained from these sources and it cannot assure you of the accuracy or completeness of the data. Estimates of market size and relative positions in a market are difficult to develop and inherently uncertain and the Company cannot assure you that it is accurate. Accordingly, you should not place undue weight on the industry and market share data presented in this presentation.

H&R Block is not a bank. Bank products and services are offered by Pathward, N.A.

Curtis Campbell

President and Chief Executive Officer

Advancing the Client Experience through Trust & Confidence

Human Expertise

Deep tax expertise and trusted support when clients need help

Technology-Enabled Experience

Flexibility to access human expertise at any point in the experience

Omnichannel Model

Broad physical and digital presence to meet clients where they are

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Trust & Confidence = Clients want to feel that they have made the right decisions, received the tax outcome they deserve, and have a tax pro who will be there when they need help

Second Look Puts Strategy into Action

Nationally Expanded

Second Look in Tax Season ‘26

Nearly 3x Volume

Compared with Prior Season

Historically, Second Look was a highly manual process that limited adoption and our ability to scale

Over the past 15 months, we’ve significantly scaled and evolved Second Look by combining AI and automation with a dedicated Second Look team

Second Look creates another opportunity to engage clients, demonstrate expertise and build trust

Continuing to Learn through Disciplined Experimentation

01 Test

5 Offices

Completing information gathering and data entry before the client conversation created more time for tax pros to apply their expertise where it matters most to clients

02 Learn

Promising Results

Higher client satisfaction and stronger perceptions of expertise and value, along with greater insight into what consistent execution requires

03 Expand

~650 Offices

An expanded test in Tax Season ’27 to evaluate the experience under broader operating conditions and assess consistent execution at greater scale

WHAT THE EXPANDED TEST WILL EVALUATE

Client

Readiness • Engagement • Satisfaction

Value

Perceptions of expertise and value

Execution

Tax Pro Experience • Consistency Across Offices

Outcomes

Potential operating and financial outcomes

Objective: Apply what worked, improve what did not, and determine whether the experience can be delivered consistently and sustainably at greater scale

Turning Evidence Into Action

Explore

Limited Experiments

Test focused concepts at a small scale

Example: Workflow Management

Testing whether new tools can improve consistency, execution, and team effectiveness

Evaluate

Build the Evidence

Measure the benefit to clients and tax pros

Determine whether to expand or redirect

Expand

Refine and scale promising concepts with greater confidence

Redirect

Apply the learning or shift resources to higher-potential opportunities

**Learn faster, match investment to evidence,
and focus resources on the opportunities with the greatest potential**

Preparing for Tax Season ‘27

Building on the focus and discipline that supported our strong performance in Tax Season ’26

Entering with a stronger base of new-client relationships

Preparing across the business

Disciplined execution of the core business

OUR GOAL

Ready from Day One

Serve clients well

Make every tax interaction reinforce trust and confidence

Continue building the capabilities that differentiate H&R Block over the long-term

URGENCY + DISCIPLINE

Tiffany Mason

Chief Financial Officer

Financial Reporting Structure Update

Effective Q1 FY27

REVENUES

Revenue by Service Line

Greater visibility into sources of revenue

OPERATING EXPENSES

Costs of Revenues + SG&A

Clearer view of the cost structure

Greater transparency for investors, grounded in how we view the business

Comparable Information Provided

Q1 FY26 recast under the new structure
Q1 FY27 also provided under the previous structure in the appendix

Revenue Growth Reflects Strong Start to Fiscal Year

Total Revenues Growth

$20.8M **10.2%**



International Services +12.5%



Tax Protection & Identity Services +17.6%



Small Business Services +12.4%



U.S. Tax Preparation Services +5.0%

Note: All amounts are unaudited and represent results from continuing operations.

Q1 FY27 Results

In millions, except per share amounts	Q1 FY27	Q1 FY26	Change
Total Revenues	$224.3	$203.6	10.2%
Total Operating Expenses	$456.2	$410.6	(11.1%)
Net Income (Loss)	($188.1)	($165.4)	(13.8%)
Adjusted EBITDA[1]	($185.2)	($170.0)	(8.9%)
Earnings (Loss) Per Share[1]	($1.53)	($1.26)	(21.4%)
Adjusted Earnings (Loss) Per Share[1]	($1.40)	($1.20)	(16.7%)
Effective Tax Rate	21.9%	23.6%	
Weighted Avg. Diluted Shares	123.1	131.4	

Note: All amounts are unaudited and represent results from continuing operations.
[1] All share amounts are based on weighted average fully diluted shares over the corresponding period. Adjusted EBITDA and adjusted EPS are non-GAAP financial measures. Please see the safe harbor statement at the beginning of this presentation for information on non-GAAP financial measures. A reconciliation of Adjusted EBITDA and adjusted EPS to the most comparable GAAP measures can be found in the Appendix.

Capital Allocation Priorities Remain Unchanged

1 Invest in the Business

2 Grow the Dividend

3 Return Excess Capital to Shareholders

Q1 FY27:

Announced a 10% increase to quarterly dividend in August

Repurchased 2.2 million shares for $100M

Retired ~2% of shares outstanding

Approximately $400M of share repurchases planned throughout FY27, subject to market conditions

Reaffirming Fiscal 2027 Outlook

Total Revenues	Adjusted EBITDA[1]
$4.11B – $4.16B	$1.11B – $1.14B

Effective Tax Rate	Adjusted EPS[1]
~23%	$6.04 – $6.24

[1] Adjusted EBITDA and adjusted EPS from continuing operations are non-GAAP financial measures. Future period non-GAAP outlook includes adjustments for items not indicative of our core operations, which may include, without limitation, items described in the Appendix. Such adjustments may be affected by changes in ongoing assumptions and judgments, as well as nonrecurring, unusual, or unanticipated charges, expenses or gains, or other items that may not directly correlate to the underlying performance of our business operations. The exact amounts of these adjustments are not currently determinable but may be significant. It is therefore not practicable to provide the comparable GAAP measures or reconcile this non-GAAP outlook to the most comparable GAAP measures. Please see the safe harbor statement at the beginning of this presentation for information on non-GAAP financial measures.

Built for Long-Term Value

Stable Industry

Expert-Led, Technology-Enabled Model

Omnichannel Capabilities

National Scale

Strong free cash flow + disciplined capital allocation

Positioned to continue creating long-term shareholder value

Curtis Campbell

President and Chief Executive Officer

Q&A

Thank you for joining

Appendix

Non-GAAP Measures: EBITDA and Adjusted EBITDA

The following is a reconciliation of net loss to EBITDA and adjusted EBITDA from continuing operations, which are non-GAAP financial measures:

(in 000s)

EBITDA and Adjusted EBITDA	Three months ended September 30, 2026	Three months ended September 30, 2025
Net loss - as reported	**$ (188,478)**	$ (165,819)
Discontinued operations, net	**351**	451
Net loss from continuing operations - as reported	**(188,127)**	(165,368)
Add back:		
Income taxes	**(52,728)**	(50,963)
Interest expense	**15,538**	17,402
Depreciation and amortization	**32,191**	28,922
	(4,999)	(4,639)
EBITDA from continuing operations	**$ (193,126)**	$ (170,007)
Severance and related costs of discrete strategic initiatives	**7,951**	—
Adjusted EBITDA from continuing operations	**$ (185,175)**	$ (170,007)

Non-GAAP Measure: Adjusted Net Loss and Adjusted EPS

The following is a reconciliation of our results from continuing operations to our adjusted results from continuing operations, which is a non-GAAP financial measure:

(in 000s, except per share amounts)

Adjusted Net Loss and Adjusted EPS	Three months ended September 30, 2026	Three months ended September 30, 2025
Net loss from continuing operations - as reported	**$ (188,127)**	$ (165,368)
Adjustments:		
Amortization of intangibles related to acquisitions (pretax)	**12,250**	10,979
Severance and related costs of discrete strategic initiatives (pretax)	**7,951**	—
Tax effect of pretax adjustments[(1)]	**(4,190)**	(2,792)
Adjusted net loss from continuing operations	**$ (172,116)**	$ (157,181)
Diluted loss per share from continuing operations - as reported	**$ (1.53)**	$ (1.26)
Adjustments, net of tax	**0.13**	0.06
Adjusted diluted loss per share from continuing operations	**$ (1.40)**	$ (1.20)

[(1)] Tax effect of adjustments is the difference between the tax provision calculated on a GAAP basis and on an adjusted non-GAAP basis.

Q1 FY27 Revenue Under Prior Reporting Structure

(in 000s)

Revenue	Three months ended September 30, 2026	Three months ended September 30, 2025
U.S. tax preparation and related services:		
Assisted tax preparation	**51,370**	48,644
Royalties	**5,683**	5,849
DIY tax preparation	**3,688**	3,745
Refund Transfers	**844**	843
Peace of Mind® Extended Service Plan	**27,109**	23,509
Tax Identity Shield®	**5,597**	4,122
Other	**15,304**	13,476
Total U.S. tax preparation and related services	**109,595**	100,188
Financial services:		
Emerald Card® and Spruce℠	**7,679**	7,852
Interest and fee income on Emerald Advance®	**—**	—
Total financial services	**7,679**	7,852
International	**73,313**	65,661
Wave	**33,749**	29,850
Total revenues	**$ 224,336**	$ **203,551**

Q1 FY27 Operating Expenses Under Prior Reporting Structure

(in 000s)

Operating Expenses	Three months ended September 30, 2026	Three months ended September 30, 2025
Compensation and benefits:		
Field wages	**86,798**	69,715
Other wages	**77,714**	79,279
Benefits and other compensation	**37,507**	36,662
	202,019	185,656
Occupancy	**109,506**	102,796
Marketing and advertising	**11,560**	8,342
Depreciation and amortization	**32,191**	28,922
Bad debt	**4,639**	2,205
Other*	**96,314**	82,661
Total operating expenses	**$ 456,229**	$ 410,582

(*) See following page for Other Expense breakout.

Q1 FY27 Other Operating Expenses Under Prior Reporting Structure

(in 000s)

Other Operating Expenses	Three months ended September 30, 2026	Three months ended September 30, 2025
Consulting and outsourced services[1]	**14,100**	13,157
Bank partner fees	**(702)**	(334)
Client claims and refunds	**6,637**	5,445
Employee and travel expenses	**5,002**	5,673
Technology-related expenses[1]	**32,806**	26,349
Credit card/bank charges	**20,556**	19,377
Insurance	**4,133**	2,680
Legal fees and settlements	**6,937**	3,462
Supplies	**2,767**	3,099
Other	**4,078**	3,753
Total other operating expenses	**$ 96,314**	$ 82,661

[1] Costs of third-party platforms and technology-enabled infrastructure are now included in technology-related expenses. Consulting and outsourced services and technology-related expenses for the three months ended September 30, 2025 have been recast to conform with the current period presentation.