

Top Equity Picks Outperform S&P 500 in Q1; H&R Block Financial Advisors' Research Department Beats Performance Index by 2.2%

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KANSAS CITY, Mo., May 08, 2006 (BUSINESS WIRE) -- The internal research group of H&R Block Financial Advisors, known as the Investment Management Department (IMD), announced their Top Picks for 2006 has outperformed the S&P 500 by 2.2% for the first quarter of the calendar year.

According to an independent research review by Zack's Investment Research, H&R Block Financial Advisors' Top Picks for 2006 aggregate selections returned 6.4% during the first quarter of 2006 as compared to a 4.2% return for the S&P 500.

"We feel very good about the opportunity we've outlined for our clients with these equity selections," said Joan Cohen, President of H&R Block Financial Advisors. "Our IMD group works hard to find these kinds of opportunities that advisors are able to bring to the table for the clients."

According to Cohen, IMD issued their Top Picks for 2006 on Nov. 6 last year to capture the most compelling investment ideas from a diverse team of research analysts. She said, "In our opinion, these equities offer the most attractive total return potential for 2006."

Although the list is not an asset allocation model, the equity picks represent companies in a comprehensive set of sectors including consumer discretionary, consumer staples, energy, financial services, health care, industrials, technology, telecommunications, and utilities.

"Our list of 19 equities was compiled by our internal team of sector analysts," said Lyle Schonberger, Director of IMD for the firm. "Based on our proprietary research and market outlook for the rest of the year, we believe these companies are still well-positioned to outperform in 2006." According to Schonberger, the stock picks are based upon rigorous analysis around the fundamental factors of valuation, competitive position, and market conditions.

Some of the first quarter highlights from the list are included in the table below.

Company	Ticker	Exchange	Q1 Implied Yield
3M Company	MMM	NYSE	2.43%
FPL Group Inc.	FPL	NYSE	3.74%
Global Santa Fe Corp.	GSF	NYSE	1.48%
Intel Corp	INTC	NASDAQ	2.06%
Verizon Communications	VZ	NYSE	4.76%
Wachovia Corp.	WB	NYSE	3.64%

Other compelling examples of the picks are International Speedway Corp. because of the impressive growth of motor sports (now the second largest audience behind the NFL) and Neurocrine Biosciences Inc. due to its emerging profitability and interesting product pipeline. Stryker Corp., a maker of orthopedic and other medical devices, is an interesting pick because it is taking advantage of long-term demographic trends that favor our aging population. Another pick of note is FPL Group Inc., a leader in harnessing wind and solar power -- alternatives to fossil fuel sources.

Schonberger indicates this list and other tools his department provides go a long way to helping clients achieve their financial objectives. "Our Top Picks list, model portfolios, and analyst research help our advisors present an entire arsenal of options from which they can build a financial plan together and carefully track its progress."

He indicated the unique opportunity his department presents financial advisors is not found many places in the securities industry. "Because we don't have equity investment banking ties or proprietary products, our advisors can directly call me or anyone in IMD to gain deeper insight into an investment option. We feel this ensures advisors provide appropriate and

successful advice to clients."

NOTE: Past performance is not a guarantee of future returns, and actual results may vary. Please be sure to review our full reports and updates for additional details and potential conflicts of interest.

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