

## H&R Block Reports Interim Tax Season Data Through March 15

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KANSAS CITY, Mo., April 2 /PRNewswire/ -- H&R Block Inc. (NYSE: HRB) reported today that revenues received from tax preparation and related services increased 10.7 percent to \$1.3 billion for company-owned and franchised offices from Jan. 1 through March 15, compared to the same period last year. The average fee for tax preparation and related services rose 10.4 percent to \$107.26, while total clients served increased 2.9 percent.

"We're pleased that our results through mid-March remain on track, but we also recognize the significance of the four weeks of tax season yet to report," said Mark A. Ernst, president and chief executive officer. "Current filing trends suggest we remain on course to meet our revenue and earnings goals for the full year."

Through March 15, company-owned and franchised offices prepared 11.5 million returns, an increase of 1.9 percent. The number of clients served increased 2.9 percent to 12.8 million. During this period, H&R Block filed 11.2 million federal returns electronically, representing a 7.7 percent increase over the prior year. Through the period, 87.3 percent of returns processed by the company were filed electronically.

Except for historical information contained herein, the matters set forth in this press release are forward-looking statements based upon current information and expectations. Such statements speak only as of the date on which they are made, are not guarantees of future performance, and involve certain risks, uncertainties and assumptions that could cause actual results to differ materially from what is expressed, implied or forecast in such forward-looking statements. Such differences could be caused by a number of factors, including, but not limited to, the uncertainties that the company will achieve or exceed its revenue, earnings, client and pricing growth goals for fiscal year 2001, that current filing trends will continue during the remainder of the tax season, that average fees will continue at current levels or increase during the remainder of fiscal year 2001, of the success of the company's marketing efforts, changes in economic, political or regulatory environments, and risks described from time to time in reports and registration statements filed by H&R Block Inc and its subsidiaries with the Securities and Exchange Commission. Readers should take these factors into account in evaluating such forward-looking statements.

### About H&R Block

H&R Block Inc. is a diversified company with subsidiaries providing a wide range of financial products and services. In 2000, H&R Block served 19.2 million taxpayers -- more than any tax or accounting firm -- through its more than 10,000 offices located in the United States, Canada, Australia and the United Kingdom. H&R Block served another 1.8 million tax clients through its award-winning software program, Kiplinger TaxCut(R), and through its new online tax preparation services. 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 Corporation and Option One Mortgage Corporation offer a full range of home mortgage products. RSM McGladrey Inc. is a national accounting, tax and consulting firm with 100 offices nationwide, as well as an affiliation with 550 offices in 75 countries as the U.S. member of RSM International. Quarterly results and other information are available on the company's Web site at [www.hrblock.com](http://www.hrblock.com).

H&R Block, Inc.

### Preliminary U.S. Tax Operating Data

Period January 1 through March 15

Amounts in thousands, except average charge and number of offices

|                                | For the period ended |            |          |
|--------------------------------|----------------------|------------|----------|
|                                | 03/15/2001           | 03/15/2000 | % change |
| Tax preparation & related fees |                      |            |          |
| Company owned offices          | \$822,027            | \$735,834  | 11.7%    |
| Franchised offices             | 454,414              | 417,347    | 8.9%     |

|                                    |             |             |       |
|------------------------------------|-------------|-------------|-------|
|                                    | \$1,276,441 | \$1,153,181 | 10.7% |
| Tax returns prepared               |             |             |       |
| Company owned offices              | 7,124       | 7,051       | 1.0%  |
| Franchised offices                 | 4,385       | 4,247       | 3.2%  |
|                                    | 11,509      | 11,298      | 1.9%  |
| Total clients served               |             |             |       |
| Company owned offices              | 7,254       | 7,267       | -0.2% |
| Franchised offices                 | 4,646       | 4,606       | 0.9%  |
| E-commerce *                       | 866         | 532         | 62.8% |
|                                    | 12,766      | 12,405      | 2.9%  |
| Tax returns filed electronically** |             |             |       |
| Company owned offices              | 6,501       | 6,301       | 3.2%  |
| Franchised offices                 | 3,808       | 3,523       | 8.1%  |
| E-commerce *                       | 842         | 532         | 58.3% |
|                                    | 11,151      | 10,356      | 7.7%  |
| Percent filed electronically       |             |             |       |
| Company owned offices              | 89.6%       | 86.7%       |       |
| Franchised offices                 | 82.0%       | 76.5%       |       |
| E-commerce *                       | 97.2%       | 100.0%      |       |
|                                    | 87.3%       | 83.5%       |       |
| Average fee per client served      |             |             |       |
| Company owned offices              | \$113.32    | \$101.26    | 11.9% |
| Franchised offices                 | 97.81       | 90.61       | 7.9%  |
|                                    | \$107.26    | \$97.13     | 10.4% |
| Refund anticipation loans          |             |             |       |
| Company owned offices              | 2,621       | 2,791       | -6.1% |
| Franchised offices                 | 1,580       | 1,619       | -2.4% |
| E-commerce *                       | 35          | 24          | 45.8% |
|                                    | 4,236       | 4,434       | -4.5% |
| Offices                            |             |             |       |
| Company owned offices              | 5,060       | 5,162       | -2.0% |
| Franchised offices                 | 4,012       | 4,048       | -0.9% |
|                                    | 9,072       | 9,210       | -1.5% |

- Includes on-line completed and paid returns and e-filings for software clients

\*\* Includes Federal only. State returns also electronically filed are

not included in this total. SOURCE H&R Block Inc.

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