

H&R Block Announces Agreement With Yahoo

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KANSAS CITY, Mo., Feb. 26 /PRNewswire/ -- H&R Block (NYSE: HRB), the world's leader in tax preparation, today announced an agreement with Yahoo! Inc. (Nasdaq: YHOO), a leading global Internet communications, commerce and media company, to provide content and services on the Yahoo!(R) Tax Center (<http://taxes.yahoo.com>). Under the agreement, Yahoo! consumers have access to H&R Block's comprehensive range of Internet tax tools -- from tax advice to do-it-yourself online tax filing to complete professional tax preparation -- all from the comfort of their own home.

"Over the next five years, the number of people doing their returns via the computer is going to nearly double to 40 million," said Mark A. Ernst, president and chief executive officer of H&R Block. "We're pleased to supply tax content and services on the Yahoo! Tax Center, a key destination for tax information and filing on the Web. This agreement supports our goal to deliver tax expertise where you want it, when you want it and how you want it."

"The Yahoo! Tax Center builds on the complete marketplace of online personal financial services that Yahoo! Finance provides its millions of consumers," said Tim Sheehan, director of production, Yahoo! Finance. "Our agreement with H&R Block helps to give Yahoo! consumers year-round access to comprehensive tax planning, preparation, and educational resources -- all of the tools necessary to complete their taxes."

H&R Block's new online tax services provide innovative, comprehensive choices for taxpayers, eliminating all of the guesswork and stress from tax preparation no matter how taxpayers do their taxes or how complex their individual tax situations. And when H&R Block provides online assistance -- whether users prepare and file their taxes themselves or they use an H&R Block professional -- the tax return is backed by Block's standard guarantee that covers any penalty or interest payment in the unlikely chance that there's an H&R Block error.

Do-It-Yourself -- For the taxpayer looking for a faster, easier solution than the traditional pen and paper method, the Yahoo! Tax Center features H&R Block's do-it-yourself program. The \$19.95 fee includes electronic filing and one residential state return. Best of all, there is no charge until the taxpayer is ready to file the return.

This program performs calculations automatically, checks for errors and fills out all of the appropriate forms. It cuts hours off tax preparation time and weeks off the time required to receive a refund, and it delivers the most comprehensive, easy-to-use tax tools right to the taxpayer's home.

Consumers who prepare and file their taxes themselves can also have their self-prepared return reviewed, signed and guaranteed by H&R Block. With this review service, an H&R Block tax professional will check a consumer's self-prepared return for missing information, errors or IRS "red flags" and provide tax planning tips for next year. The \$29.95 fee includes review of both the federal and resident state returns.

Use a Professional -- For those looking to combine the benefits of professional tax preparation with the convenience of the Internet, Yahoo! consumers can use an H&R Block professional. Taxpayers provide their tax information online and H&R Block prepares and sends a signed tax return to the customer, usually within 48 hours.

Affordably priced at just \$99.95 regardless of the return's complexity, this service is a fraction of the cost of the average CPA and includes one federal and one state tax return. Each additional state return costs only \$49.95.

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 .

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