



FISCAL 2020

EARNINGS CALL

JUNE 16, 2020

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," "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 also include the expected impact of the coronavirus (COVID-19) pandemic, including, without limitation, the impact on economic and financial markets, the Company's capital resources and financial condition, the expected use of proceeds under the Company's revolving credit facility, future expenditures, potential regulatory actions, such as extensions of tax filing deadlines or other related relief, changes in consumer behaviors and modifications to the Company's operations related thereto. 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, operational, 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. 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, and future actions of the company. You may get our Securities and Exchange Commission filings for free at our website at <http://investors.hrblock.com>. 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.

Non-GAAP Measures

We refer to certain Non-GAAP financial measures in this presentation, including earnings before interest, taxes, depreciation and amortization ("EBITDA") from continuing operations, adjusted EBITDA from continuing operations, EBITDA margin from continuing operations, adjusted EBITDA margin from continuing operations, and adjusted diluted earnings per share 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 our press release filed on June 16, 2020 and our previously filed press releases, both of which are posted on our investor relations website at <http://investors.hrblock.com>.

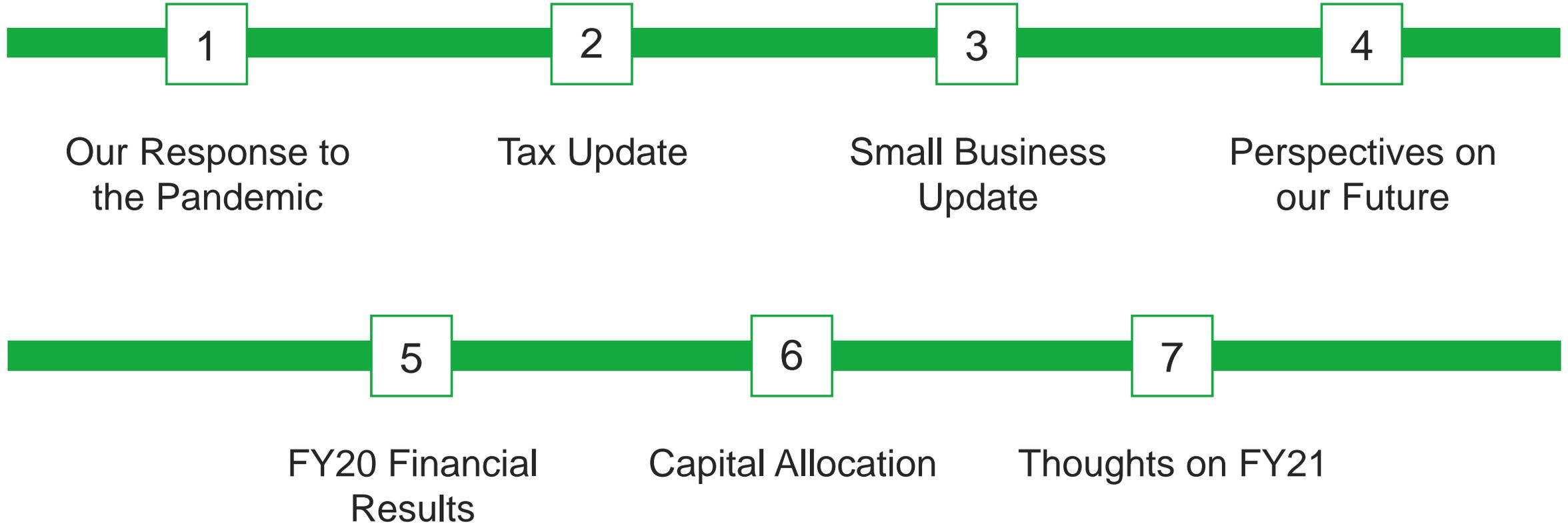
Market and Industry Data

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.

JEFF JONES

PRESIDENT & CEO

Today's Call

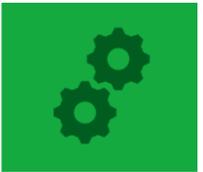


Our Response to the Pandemic

H&R Block's operational response



Quickly turned to our crisis playbook



Significantly modified our operating model



Further accelerated the digital enablement of our business



Implemented a tax professional work-from-home model



Invested in a leading benefit program for our seasonal associates

H&R Block's community response



Joined AmEx Stand For Small coalition



Provided free Instant Payouts



Offered free tax preparation for frontline workers

Tax Update

Small Business Update

Continued innovation with rollout of Wave Money

Wave Money's Unique Benefits

**No monthly fees
or minimums**

**Seamless
integration to
Wave's accounting
platform plus tax
readiness**

**Instant access to
funds via Wave
Payments**



Perspectives on our Future

TONY BOWEN

CHIEF FINANCIAL OFFICER

FY20 Financial Results

FY20 results

in millions, except per share amounts	FY20	FY19
Revenue	\$ 2,640	\$ 3,095
Pretax Income (Loss)	\$ (3)	\$ 545
Net Income	\$ 6	\$ 445
Weighted-Avg. Shares - Diluted	198.1	206.7
EPS¹	\$ 0.03	\$ 2.15
Adjusted EPS^{1,2}	\$ 0.84	\$ 2.39

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

¹ All per share amounts are based on weighted average fully diluted shares over the corresponding period.

² Adjusted EPS is a non-GAAP financial measure. Please see the Safe Harbor Statement at the beginning of this presentation for information on non-GAAP financial measures.

Capital Allocation

Capital allocation is focused on driving sustainable growth and creating shareholder value

Capital Allocation Priorities

1

Maintain adequate liquidity and strong balance sheet

- Ended FY20 with \$2.7B in cash, which includes \$2.0B draw on our line of credit

2

Make strategic investments to drive sustainable growth

- Disciplined and innovation-focused investments

3

Deploy excess capital to shareholders

- Declared \$0.26 per share dividend, payable July 1
- Repurchased 10.1M shares for \$247M in FY20

Balanced return of capital through dividends and share repurchases

Dividends

+30%

Dividend increase since FY16

5.9%

Current dividend yield¹

Share Repurchases

\$247M

Share repurchases FY20

15%

Shares outstanding repurchased
FY17 – FY20

¹ As of June 15, 2020.

Thoughts on FY21

TONY BOWEN

CHIEF FINANCIAL OFFICER

JEFF JONES

PRESIDENT & CEO

Q&A



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