

H&R Block Provides Update on Option One Sale Process

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KANSAS CITY, Mo.--(BUSINESS WIRE)--March 30, 2007--H&R Block Inc. (NYSE:HRB) today said that it remains in negotiations to sell its Option One Mortgage Corporation subsidiary.

Though the company announced in November it would explore alternatives for its mortgage business and expected to conclude that process in March, recent events in the subprime mortgage industry have affected the process.

About H&R Block

H&R Block Inc. (NYSE:HRB) is a leading provider of tax, financial, and accounting and business consulting services and products. H&R Block is the world's largest tax services provider, having prepared more than 400 million tax returns since 1955. The company and its subsidiaries generated revenues of \$3.6 billion and net income of \$287 million from continuing operations in fiscal year 2006. The company currently operates in three principal business segments: Tax Services (income tax preparation and advice via in-office, online and software solutions); Business Services (accounting, tax and business consulting services for mid-sized companies); and Consumer Financial Services (investment and financial advisory services and banking services). Headquartered in Kansas City, Mo., H&R Block markets its continuing services and products under two leading brands - H&R Block and RSM McGladrey. For more information visit our Online Press Center at www.hrblock.com.

Forward-Looking Statement

The information contained in this press release may contain forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934. Such statements are based upon current information and management's expectations regarding the company, 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 are difficult to predict. Therefore, actual outcomes and results could materially differ 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 uncertainty of the entry by the company into an agreement regarding any sale or public market alternative involving the separation of Option One Mortgage Corporation; the uncertainty regarding the terms or completion of any such transaction; the uncertainty of the impact and effect of changes in the non-prime mortgage market, including changes in interest rates, loan origination volume, availability of warehouse financing, secondary market liquidity and pricing; levels of early payment defaults and resulting loan repurchases; changes in economic, political or regulatory environments; and risks described from time to time in reports and statements filed by the company and its subsidiaries with the Securities and Exchange Commission.

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