



FISCAL 2021

EARNINGS CALL

June 15, 2021



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, 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. You may get such 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.

Safe Harbor Statement

Non-GAAP Measures

We refer to certain Non-GAAP financial measures in this presentation, including earnings from continuing operations before interest, taxes, depreciation, and amortization (“EBITDA”), adjusted diluted earnings per share from continuing operations, normalized revenue, and normalized EBITDA. 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 previously filed press releases posted on our investor relations website at <http://investors.hrblock.com> and the reconciliations contained in this presentation.

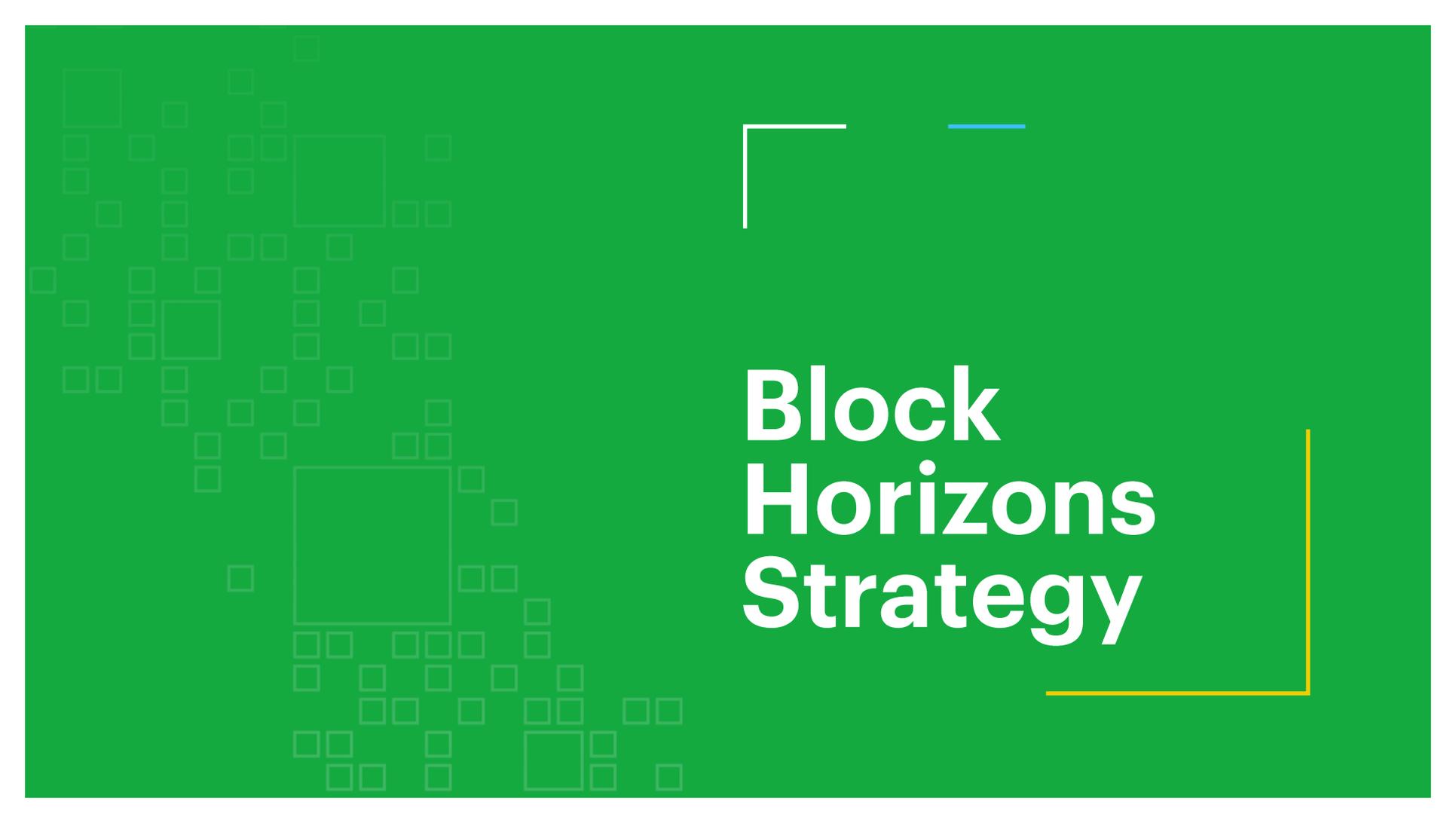
Market and Industry Data

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 and Chief Executive Officer



Block Horizons Strategy

Block Horizons Progress

Small Business

Expanded reach with Block Advisors, made strides in bookkeeping & payroll, and continued strong growth at Wave

Financial Products

Completed design phase of new mobile banking alternative; beta release expected by calendar year-end

Block Experience

Infusing human help into DIY offerings and transform the Assisted experience with digital tools



Tax Season Update

Tax Season 2021: Unique and fluid dynamics



Tax Season (TS) 2021 volumes represent best results in over 10 years

	TS21 Returns (000s)	% Change vs. TS20	Estimated Share Gain/Loss
Assisted	11,595	+7.3%	+70 bps
DIY	8,830	-0.5%	-20 bps
Total	20,425	+3.8%	+30 bps



Note: Tax Season 2021 is measured as total H&R Block U.S. return volume from 1/1/2021-5/18/2021 as reported. See our Form 8-K filed on 5/24/21. Percentage change and estimated share gain/loss are based on efile data for both years, estimated industry data, and the normalization of tax season 2020 for typical mid-May through mid-July volume.

Strong results reflect early wins from Block Horizons

Assisted Tax

- Grew clients ~7%; best result in over a decade
- Digital engagement increased >50%
- Client satisfaction scores remain strong; improvement in new client scores

DIY Tax

- Clients adding human help through Tax Pro Review grew >50%
- Higher NAC given improved mix, pricing actions and uptake of live expertise

Small Business

- Assisted Small Business tax clients grew 4%
- Wave saw increases in new customers, payments volume and use of payroll services leading to 35%+ revenue growth



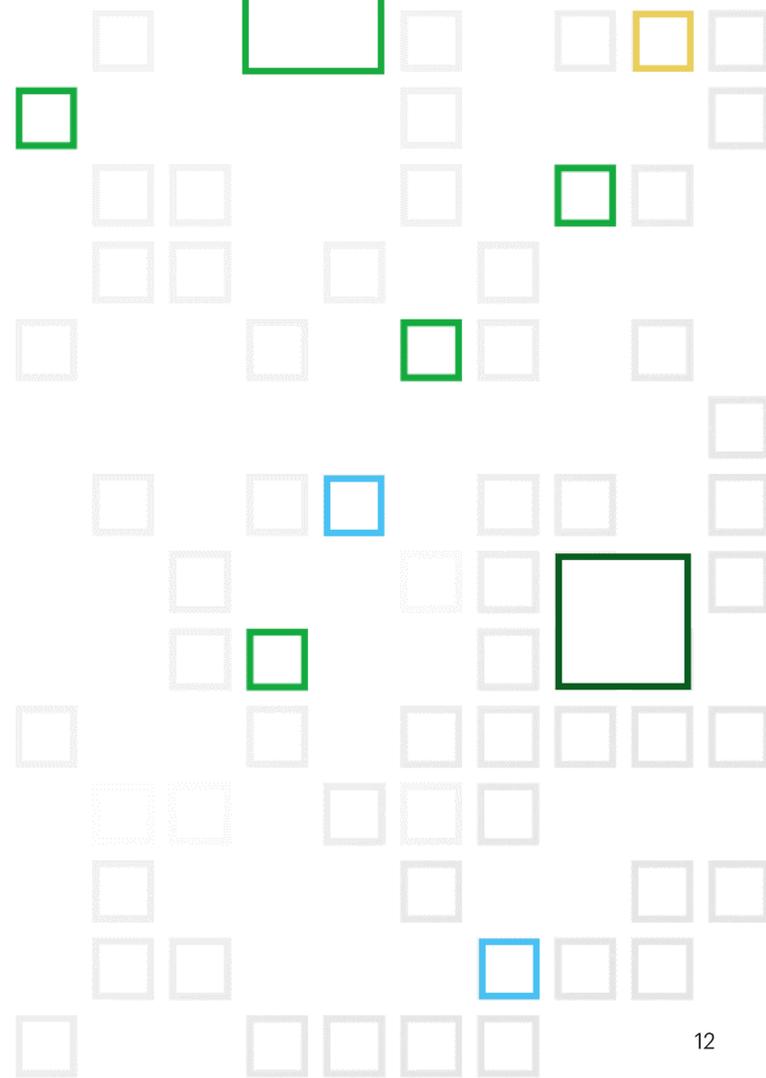
Jeff Jones

President and Chief Executive Officer



Tony Bowen

Chief Financial Officer



The background is a solid green color. On the left side, there is a pattern of white squares of various sizes, some of which are slightly faded. In the upper right quadrant, there are two white L-shaped corner brackets. In the lower right quadrant, there is a yellow L-shaped corner bracket. The text 'FY21 Results' is centered in the lower right area.

FY21 Results

FY21 results

in millions, except per share amounts	FY21	FY20	Change
Revenue	\$3,414	\$2,640	\$774
Pretax Income (loss)	\$669	\$(3)	\$672
Net Income	\$590	\$6	\$584
Weighted-Avg. Shares – Diluted	188.8	198.1	(9.3)
EPS ¹	\$3.11	\$0.03	\$3.08
Adjusted EPS ^{1,2}	\$3.39	\$0.84	\$2.55

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 priorities unchanged, demonstrating confidence in our future

1

Maintain adequate liquidity for operational needs, accounting for seasonality

2

Fund investments in strategic imperatives

3

Return excess capital through quarterly dividends and share repurchases

Committed to the dividend and opportunistic share repurchases

Dividend

+4% Increase in
quarterly
dividend

+35% Total increase in
past 6 years

Share Repurchases

\$188M Repurchased
in FY21

6% Float
repurchased in
FY21

Renewed five-year line of credit with attractive terms

Capacity aligned to
business needs

 **\$1.5B**

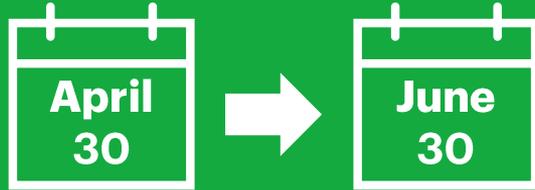
Reduce expected
annual costs by

 **\$3M**

Covenants aligned
with new calendar

 **FY22**

Upcoming change to fiscal year end to improve comparability of results



Better alignment of complete tax seasons in comparable fiscal periods and other related benefits

Plan to file 10-QT for transition period months of May and June later this summer; FY22 to begin July 1, 2021



FY 2022 Outlook

Normalizing FY21 Revenue and EBITDA for new fiscal year, last tax season, and pandemic

		Revenue (\$M)	EBITDA (\$M)
First, Adjust for new fiscal year	FY21 Actuals (April FYE)	\$3,414	\$932
	Remove May/June '20 Results & Add May/June '21 Forecast	\$129	\$65
	FY21 Estimate (June FYE)	\$3,543	\$997
Second, Normalize for pandemic-related impacts	Remove TS20 Activity in July 2020	\$(250)	\$(205)
	Emerald Card Stimulus	\$(45)	\$(38)
	Pandemic Sick Pay/PPE	--	\$6
	Normalized FY21 Forecast (June FYE)	\$3,248	\$760

Note: Normalized revenue, EBITDA, and normalized EBITDA are non-GAAP financial measures. These measures are intended to provide additional context around our outlook for fiscal year 2022 given our change in our fiscal year end from April 30 to June 30 by providing our comparable outlook for a fiscal year ending June 30, 2021. Specific quantifications of the amounts that would be required to reconcile the company's normalized FY21 EBITDA outlook to net income, the most directly comparable GAAP metric, are not available. Because of the variability of these and other items as well as the impact of future events on these items, management is unable to reconcile without unreasonable effort the company's normalized FY21 EBITDA outlook to a comparable GAAP measure. Please see the Safe Harbor Statement at the beginning of this presentation for information on non-GAAP measures, including where you can find reconciliations of non-GAAP measures for historical periods.

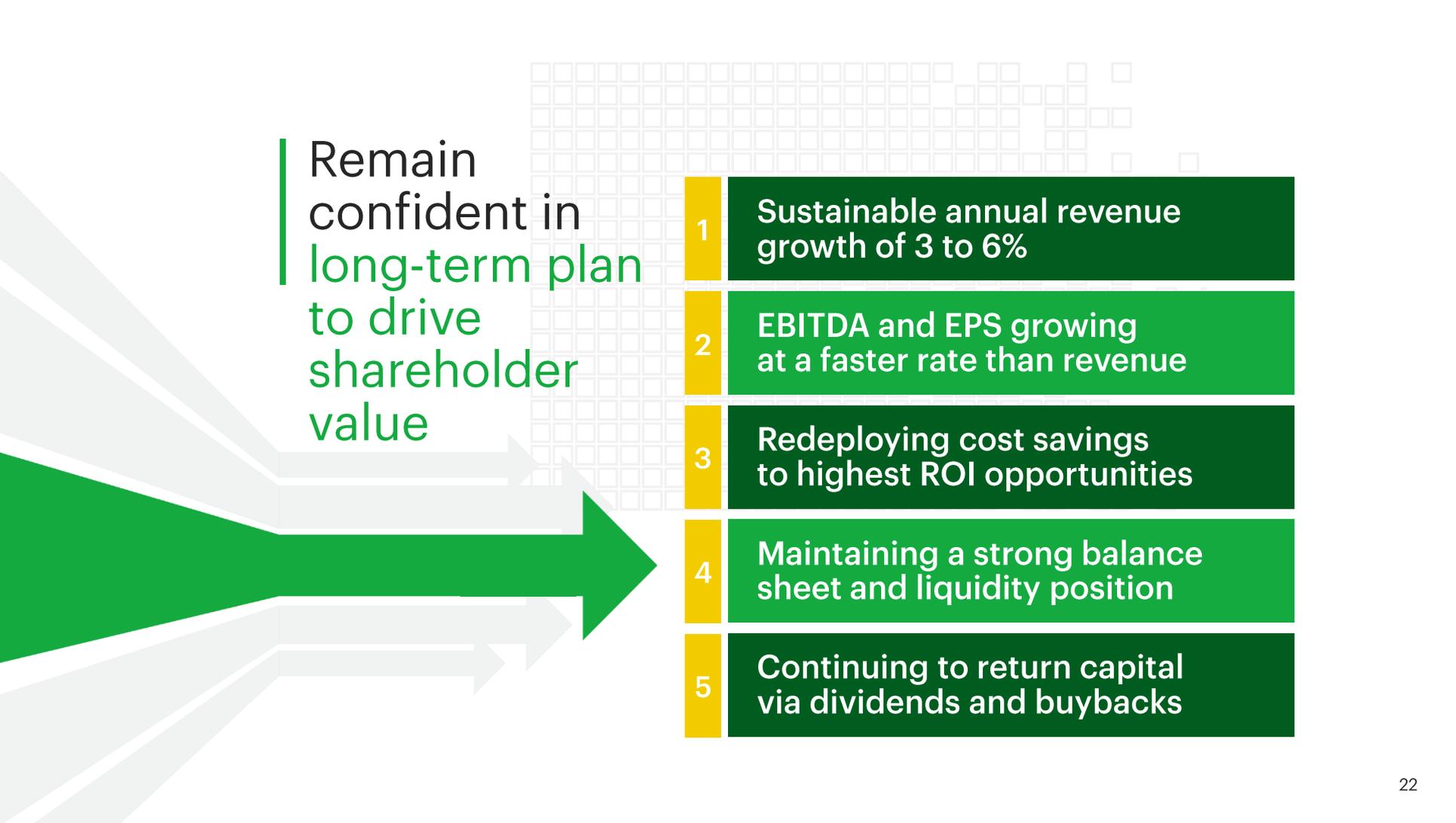
FY22 outlook

Revenue and EBITDA are an improvement to normalized FY21 results

EBITDA growing faster than revenue as cost efficiencies offset variable expenses

Revenue	\$3.25B - \$3.35B
EBITDA	\$765M - \$815M
Effective Tax Rate	16% - 18%
Depreciation & Amortization	\$150M - \$160M
Interest Expense	\$90M - \$100M

Note: EBITDA is a non-GAAP financial measure. Specific quantifications of the amounts that would be required to reconcile the company's EBITDA outlook for FY22 to net income, the most directly comparable GAAP metric, are not available. Because of the variability of these and other items as well as the impact of future events on these items, management is unable to reconcile without unreasonable effort the expected range of EBITDA for FY22 to a comparable GAAP range



Remain
confident in
long-term plan
to drive
shareholder
value

1

Sustainable annual revenue
growth of 3 to 6%

2

EBITDA and EPS growing
at a faster rate than revenue

3

Redeploying cost savings
to highest ROI opportunities

4

Maintaining a strong balance
sheet and liquidity position

5

Continuing to return capital
via dividends and buybacks



Jeff Jones

President and Chief Executive Officer



Q&A