

First Quarter FY26 Financial Results Conference Call

November 6, 2025

**H&R
BLOCK®**



Jessica Hazel

Vice President, Investor Relations

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" or "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 may also include the expected impact of external events beyond the Company's control, such as outbreaks of infectious disease, severe weather events, natural or manmade disasters, or changes in the regulatory environment in which we operate. 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 <https://investors.hrblock.com>. 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, future actions of the Company, or increases in applicable tax rates in jurisdictions where the Company operates. 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 adjusted earnings per share (EPS) and earnings before interest, taxes, depreciation, and amortization (EBITDA), which management believes provide additional meaningful information regarding the Company's performance and financial strength. All non-GAAP financial measures in this presentation are 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 the tables accompanying this presentation and previously filed press releases posted on our investor relations website at <https://investors.hrblock.com>.

Market, Industry, and Operational Tax 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.

H&R Block is not a bank. Bank products and services are offered by Pathward, N.A.

Jeff Jones

President & Chief Executive Officer

We're off to a strong start to FY26...

...with **early momentum** across
Assisted Consumer Tax, Small Business Tax, and Wave

- Teams are finalizing tax season plans and applying key learnings from last year
 - **Marketing:** Strengthen messaging, personalize experiences, and optimize funnel
 - **Retail & DIY:** Enhance client experience, remove friction and boost conversion from marketing demand
 - **Key Products:** Deliver value and differentiation with Second Look, AI Tax Assist, Tax Pro Review, and Spruce¹

¹ Banking accounts established at, and debit card issued by, Pathward®, N.A., Member FDIC

Tiffany Mason

Chief Financial Officer

Q1 FY26 Results: Financial Strength and Strategic Execution

REVENUE

Achieved **5.0%** year-over-year growth

EBITDA¹

Delivered **9.4%** improvement over prior year

CAPITAL TO SHAREHOLDERS²

Returned **~\$455M** during the quarter

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

¹ Please see the safe harbor statement at the beginning of this presentation for information on non-GAAP financial measures. A reconciliation of EBITDA to the most comparable GAAP measure can be found in the Appendix.

² Computed as share repurchases and dividends declared during the period.

Strong Q1 Revenue Performance Across U.S. Assisted and Wave

Revenue Growth

\$10M

5%



Higher Prior Year and Amended Return Volume



Increased Extension Conversions over Last Year



Helped more Small Business Clients File Entity Returns



Strong Growth from Wave ProTier and Payments Volume

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

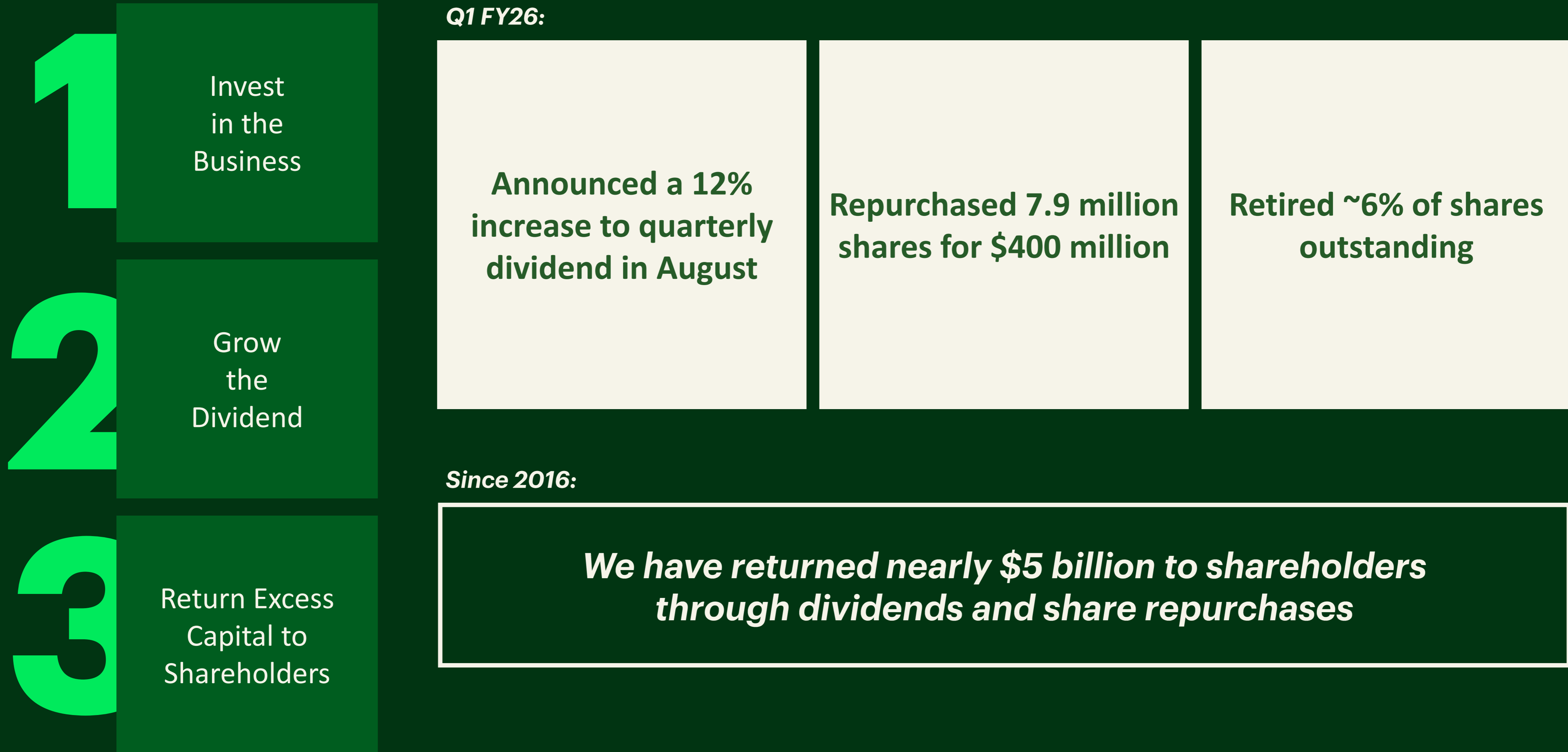
Q1 Performance Shows Strong Year-over-Year Growth

<i>In millions, except per share amounts</i>	Q1 FY26	Q1 FY25	Change
Revenue	\$203.6	\$193.8	5.0%
Operating Expenses	\$410.6	\$422.1	2.7%
Net Income	(\$165.4)	(\$171.4)	3.5%
EBITDA¹	(\$170.0)	(\$187.6)	9.4%
Earnings Per Share¹	(\$1.26)	(\$1.23)	(2.4%)
Adjusted Earnings Per Share¹	(\$1.20)	(\$1.17)	(2.6%)
Effective Tax Rate	23.6%	26.2%	
Weighted Avg. Diluted Shares	131.4	139.2	

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

¹All share amounts are based on weighted average fully diluted shares over the corresponding period. EBITDA and adjusted EPS are non-GAAP financial measures. Please see the safe harbor statement at the beginning of this presentation for information on non-GAAP financial measures. A reconciliation of EBITDA and adjusted EPS to the most comparable GAAP measures can be found in the Appendix.

Value-Creating Capital Allocation Priorities Remain Unchanged



Strong Start to FY26: Outlook Reaffirmed

Assumptions:

- ~1% industry growth, in line with historical trends
- Healthier balance of volume, price, and mix
- Small business contribution expected to grow
- Opportunistic franchise acquisitions

	FY26 Outlook
<i>Revenue</i>	\$3.875B – \$3.895B
<i>EBITDA</i> ¹	\$1.015B – \$1.035B
<i>Effective Tax Rate</i>	~25%
<i>Adjusted EPS</i> ¹	\$4.85 – \$5.00

¹ EBITDA and adjusted EPS from continuing operations are non-GAAP financial measures. Future period non-GAAP outlook includes adjustments for items not indicative of our core operations, which may include, without limitation, items described in the Appendix. Such adjustments may be affected by changes in ongoing assumptions and judgments, as well as nonrecurring, unusual, or unanticipated charges, expenses or gains, or other items that may not directly correlate to the underlying performance of our business operations. The exact amounts of these adjustments are not currently determinable but may be significant. It is therefore not practicable to provide the comparable GAAP measures or reconcile this non-GAAP outlook to the most comparable GAAP measures. Please see the safe harbor statement at the beginning of this presentation for information on non-GAAP financial measures.

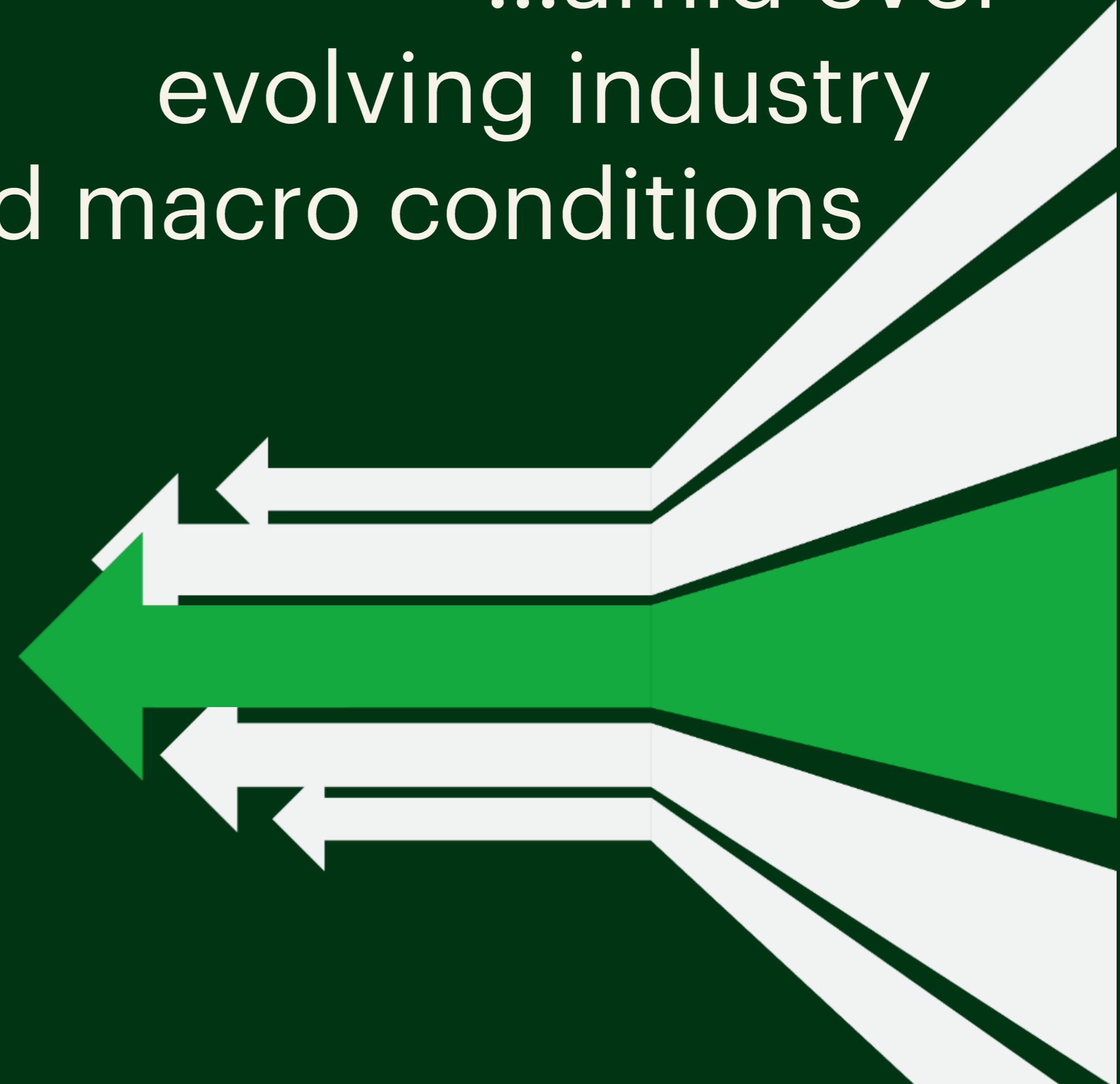
Investment Thesis Remains Strong...

Stable Industry Growth

**National Scale &
Strong Brand Recognition**

**Compelling
Financial Profile**

...amid ever
evolving industry
and macro conditions



Curtis Campbell

President, Global Consumer Tax and Chief Product Officer

Our Purpose

“To provide help and inspire confidence in our clients and communities everywhere”



Consumers

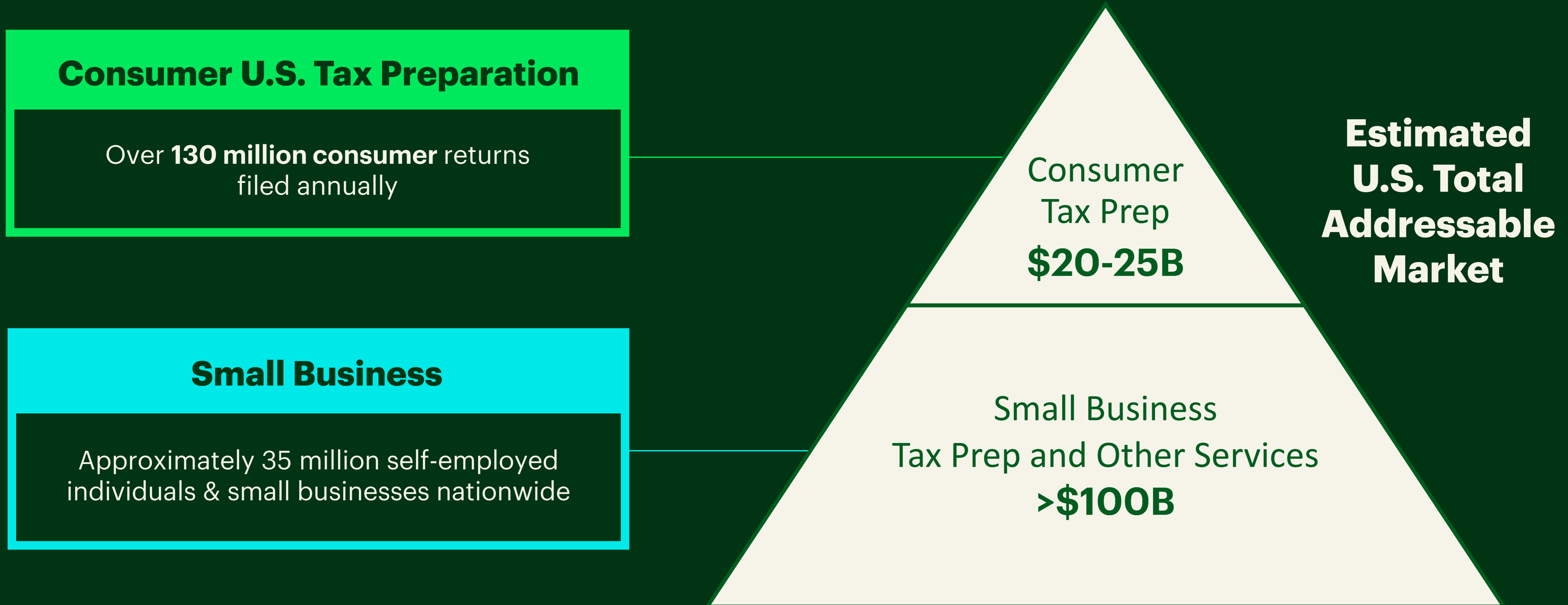
Individuals and families managing their tax and financial needs



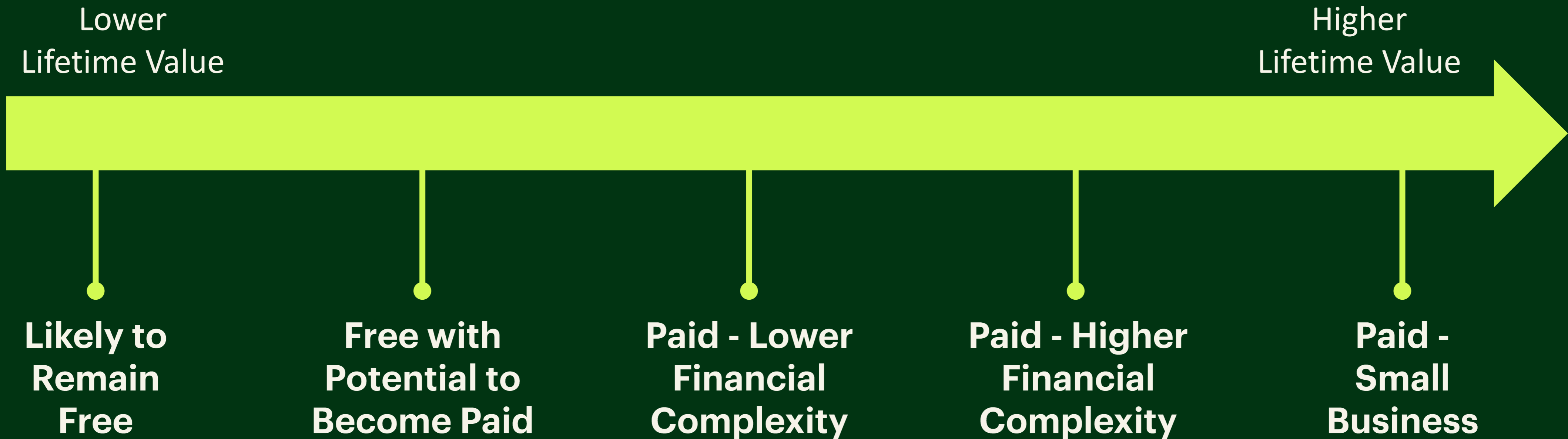
Small Businesses

Self-employed individuals and small business owners managing day-to-day demands

Consumer and Small Business Markets Provide Growth Opportunity



Prioritizing Growth Among More Complex, Higher Lifetime Value Filers



We are committed to making investments in acquiring customers that deliver the strongest lifetime value

Improving the Experience Through Innovative Solutions

Elevating the **Consumer Experience**



Second Look: helps new clients recover missed savings from prior returns



Spruce¹: supports year-round financial wellness

Elevating the **Small Business Experience**

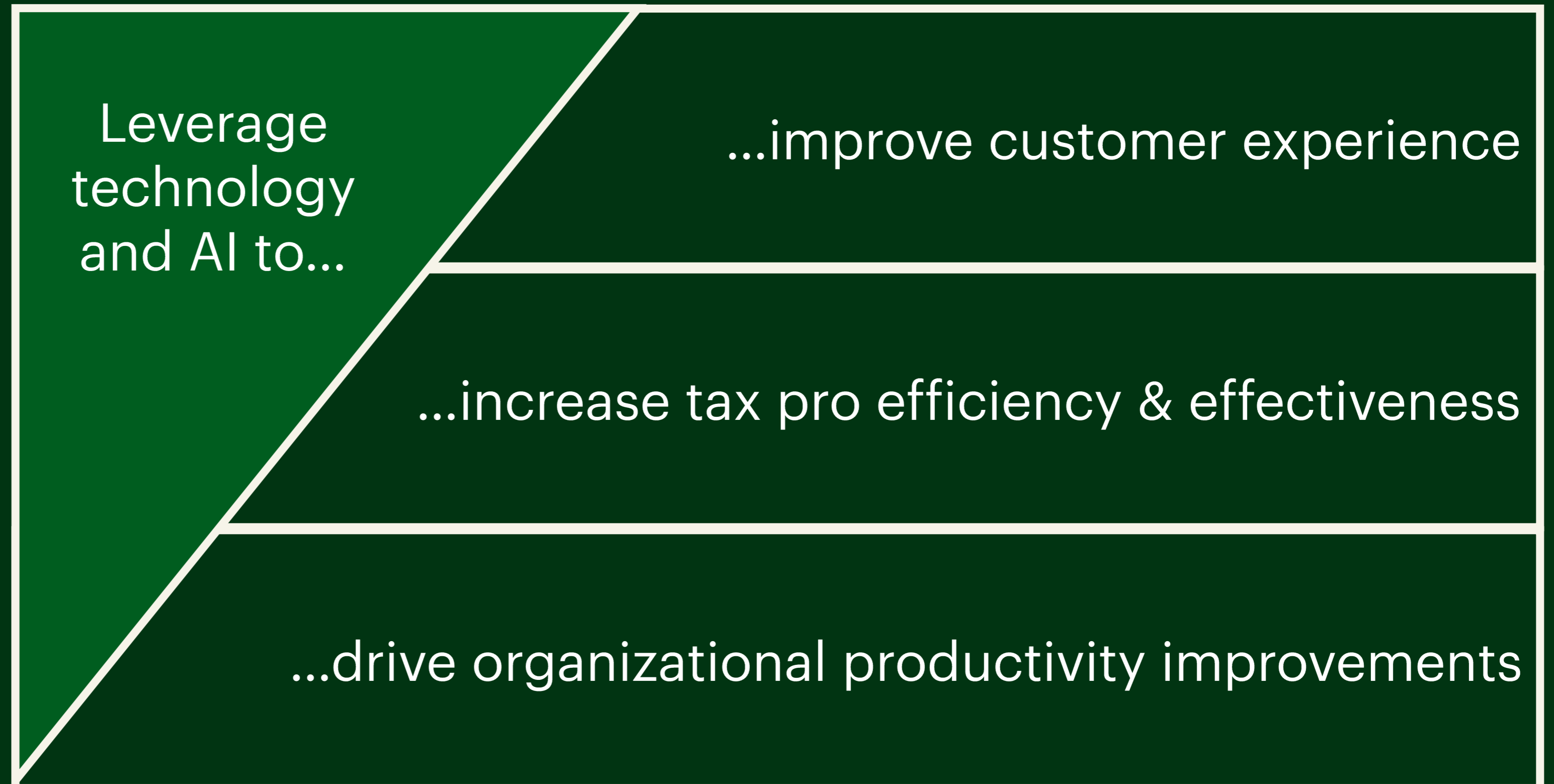


A unified experience that expands the value we deliver to small business clients

¹ Banking accounts established at, and debit card issued by, Pathward®, N.A., Member FDIC.

Advancing Capabilities to Shape the Future

Accelerate the evolution of our product, design, and engineering capabilities



Omni-Channel Experience Delivers Assistance on Our Clients' Terms



Consumer Confidence in Professionals Drives Assisted Market Share



Signed and submitted
by a tax professional

Signed and submitted
by a self-preparer




~55% Assisted

~45% DIY



Assisted channel has gained industry market share in **3 of the last 4 years**



Across both consumer and small business audiences, H&R Block's edge lies in our ability to **meet customers where they are**, digitally and in person

It's this unique combination of **trusted human expertise** and **forward-thinking innovation** that will set us apart

Jeff Jones

President & Chief Executive Officer

Closing Thoughts

- Excited for Curtis to enter the CEO role and fortunate to make such a smooth transition
- H&R Block plays an important role in enabling financial freedom for our clients
- There is great conviction for what H&R Block can achieve
- Great belief in all that remains possible for H&R Block



Q&A



Thank you for joining



Appendix

Non-GAAP Measure: EBITDA

The following is a reconciliation of net income to EBITDA from continuing operations, which is a non-GAAP financial measure:

	(in 000s)	
EBITDA	Three months ended September 30, 2025	Three months ended September 30, 2024
Net loss - as reported	\$ (165,819)	\$ (172,576)
Discontinued operations, net	451	1,155
Net loss from continuing operations - as reported	(165,368)	(171,421)
Add back:		
Income tax benefit	(50,963)	(60,840)
Interest expense	17,402	15,847
Depreciation and amortization	28,922	28,831
	(4,639)	(16,162)
EBITDA from continuing operations	\$ (170,007)	\$ (187,583)

Non-GAAP Measure: Adjusted EPS

The following is a reconciliation of our results from continuing operations to our adjusted results from continuing operations, which is a non-GAAP financial measure:

	(in 000s, except per share amounts)	
ADJUSTED EPS	Three months ended September 30, 2025	Three months ended September 30, 2024
Net loss from continuing operations - as reported	\$ (165,368)	\$ (171,421)
Adjustments:		
Amortization of intangibles related to acquisitions (pretax)	10,979	11,128
Tax effect of adjustments ⁽¹⁾	(2,792)	(2,645)
Adjusted net loss from continuing operations	\$ (157,181)	\$ (162,938)
Diluted loss per share from continuing operations - as reported	\$ (1.26)	\$ (1.23)
Adjustments, net of tax	0.06	0.06
Adjusted diluted loss per share from continuing operations	\$ (1.20)	\$ (1.17)

⁽¹⁾ Tax effect of adjustments is the difference between the tax provision calculated on a GAAP basis and on an adjusted non-GAAP basis.