

# H&R Block, Inc.

## Preliminary U.S. Tax Operating Data

Amounts in thousands, except average charge and number of offices

	Period		
	1/1-1/31	2/1-2/15	YTD 2/15
<b>Tax preparation &amp; related fees</b>			
<i>Fiscal year 2003</i>			
Company owned offices	\$ 287,698	\$ 366,075	\$ 653,773
Franchised offices	173,731	209,522	383,253
	<u>\$ 461,429</u>	<u>\$ 575,597</u>	<u>\$ 1,037,026</u>
<i>Fiscal year 2002</i>			
Company owned offices	\$ 260,155	\$ 356,120	\$ 616,275
Franchised offices	148,706	199,176	347,882
	<u>\$ 408,861</u>	<u>\$ 555,296</u>	<u>\$ 964,157</u>
<b>Percent change</b>			
Company owned offices	10.6%	2.8%	6.1%
Franchised offices	16.8%	5.2%	10.2%
Total	12.9%	3.7%	7.6%

<b>Tax returns prepared</b>			
<i>Fiscal year 2003</i>			
Company owned offices	2,202	2,702	4,904
Franchised offices	1,460	1,764	3,224
	<u>3,662</u>	<u>4,466</u>	<u>8,128</u>
<i>Fiscal year 2002</i>			
Company owned offices	2,133	2,877	5,010
Franchised offices	1,350	1,811	3,161
	<u>3,483</u>	<u>4,688</u>	<u>8,171</u>
<b>Percent change</b>			
Company owned offices	3.2%	-6.1%	-2.1%
Franchised offices	8.2%	-2.6%	2.0%
Total	5.1%	-4.7%	-0.5%

<b>Total clients served</b>			
<i>Fiscal year 2003</i>			
Company owned offices	2,218	2,725	4,943
Franchised offices	1,497	1,808	3,305
E-commerce *	239	596	835
	<u>3,954</u>	<u>5,129</u>	<u>9,083</u>
<i>Fiscal year 2002</i>			
Company owned offices	2,152	2,907	5,059
Franchised offices	1,403	1,872	3,275
E-commerce *	143	414	557
	<u>3,698</u>	<u>5,193</u>	<u>8,891</u>
<b>Percent change</b>			
Company owned offices	3.1%	-6.3%	-2.3%
Franchised offices	6.7%	-3.4%	0.9%
E-commerce *	67.1%	44.0%	49.9%
Total	6.9%	-1.2%	2.2%

<b>Tax returns filed electronically**</b>			
<i>Fiscal year 2003</i>			
Company owned offices	2,159	2,599	4,758
Franchised offices	1,441	1,671	3,112
E-commerce *	167	610	777
	<u>3,767</u>	<u>4,880</u>	<u>8,647</u>
<i>Fiscal year 2002</i>			
Company owned offices	2,084	2,730	4,814
Franchised offices	1,330	1,671	3,001
E-commerce *	119	382	501
	<u>3,533</u>	<u>4,783</u>	<u>8,316</u>
<b>Percent change</b>			
Company owned offices	3.6%	-4.8%	-1.2%
Franchised offices	8.4%	0.0%	3.7%
E-commerce *	40.3%	59.7%	55.1%
Total	6.6%	2.0%	4.0%

**Percent filed electronically \*\*\*\*****Fiscal year 2003**

Company owned offices	97.3%	95.4%	96.3%
Franchised offices	96.3%	92.4%	94.2%
E-commerce *	69.9%	102.3%	93.1%
	<u>95.3%</u>	<u>95.1%</u>	<u>95.2%</u>

**Fiscal year 2002**

Company owned offices	96.8%	93.9%	95.2%
Franchised offices	94.8%	89.3%	91.6%
E-commerce *	83.2%	92.3%	89.9%
	<u>95.5%</u>	<u>92.1%</u>	<u>93.5%</u>

**Average fee per client served****Fiscal year 2003**

Company owned offices	\$ 129.71	\$ 134.34	\$ 132.26
Franchised offices	116.05	115.89	115.96
	<u>\$ 124.21</u>	<u>\$ 126.98</u>	<u>\$ 125.73</u>

**Fiscal year 2002**

Company owned offices	\$ 120.89	\$ 122.50	\$ 121.82
Franchised offices	105.99	106.40	106.22
	<u>\$ 115.01</u>	<u>\$ 116.20</u>	<u>\$ 115.69</u>

**Percent change**

Company owned offices	7.3%	9.7%	8.6%
Franchised offices	9.5%	8.9%	9.2%
Total	8.0%	9.3%	8.7%

**Average fee per tax return \*\*\*****Fiscal year 2003**

Company owned offices	\$ 106.94	\$ 118.98	\$ 113.57
Franchised offices	97.30	103.24	100.55
	<u>\$ 103.09</u>	<u>\$ 112.76</u>	<u>\$ 108.41</u>

**Fiscal year 2002**

Company owned offices	\$ 97.48	\$ 106.34	\$ 102.56
Franchised offices	87.03	93.16	90.54
	<u>\$ 93.43</u>	<u>\$ 101.24</u>	<u>\$ 97.91</u>

**Percent change**

Company owned offices	9.7%	11.9%	10.7%
Franchised offices	11.8%	10.8%	11.1%
Total	10.4%	11.4%	10.7%

**Refund anticipation loans****Fiscal year 2003**

Company owned offices	1,146	1,148	2,294
Franchised offices	784	742	1,526
E-commerce *	19	29	48
	<u>1,949</u>	<u>1,919</u>	<u>3,868</u>

**Fiscal year 2002**

Company owned offices	1,092	1,193	2,285
Franchised offices	709	753	1,462
E-commerce *	8	16	24
	<u>1,809</u>	<u>1,962</u>	<u>3,771</u>

**Percent change**

Company owned offices	5.0%	-3.8%	0.4%
Franchised offices	10.6%	-1.5%	4.4%
E-commerce *	137.5%	81.3%	100.0%
Total	7.7%	-2.2%	2.6%

**Offices**

	FY 2003	FY 2002
Company owned offices	5,279	5,017
Franchised offices	4,022	3,998
	<u>9,301</u>	<u>9,015</u>

\* Includes on-line completed and paid returns and e-filings for software clients. Excludes returns completed for no fee.

\*\* Includes Federal only. State returns also electronically filed are not included in this total.

\*\*\* Includes tax preparation fees only.

\*\*\*\* Clients served are based on payment date. Returns filed electronically are based on filing date. As such, percent filed electronically may exceed 100% in an interim period.