



Second Quarter FY26 Financial Results Conference Call

February 3, 2026



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.hrbblock.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.

Curtis Campbell

President and Chief Executive Officer

Today's Discussion

- 1 Executing on core tax season fundamentals — the table stakes critical to H&R Block
- 2 Advancing the client and tax pro experience — improvements they will see and feel this year
- 3 Positioning H&R Block for long-term growth — building the foundation for our strategy

The Fundamentals that Matter

■ Unmatched Local Presence and Professional Expertise

■ Client Success: Confidence and Convenience

■ Marketing That Reaches Our Ideal Audiences

The Fundamentals that Matter



Client



Confidence



Accuracy

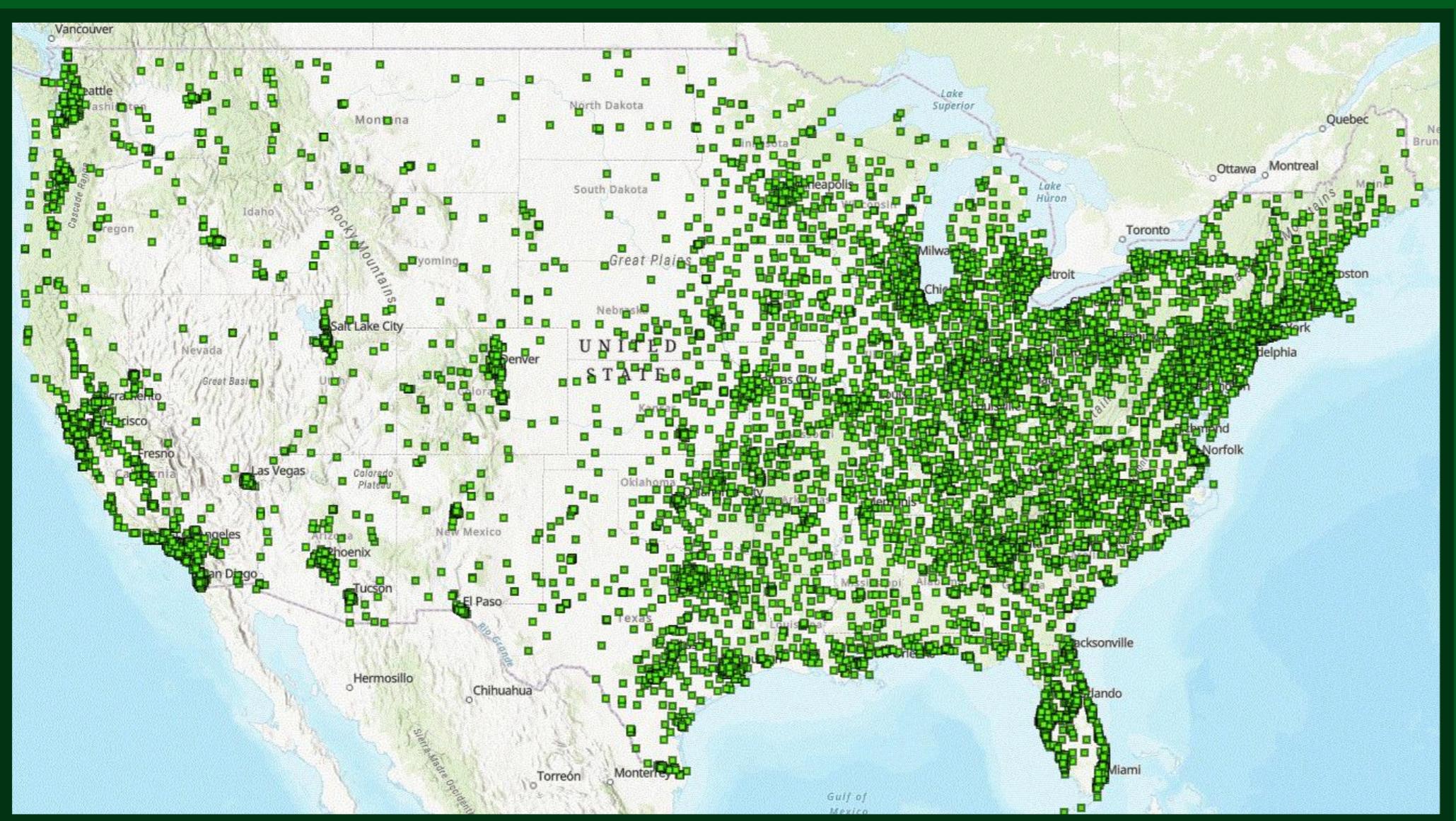


Convenience

Expert-led, technology-enabled experiences that reduce friction and help people feel informed and supported in a complex tax environment

Unmatched Local Presence and Professional Expertise

- Nearly 9,000 offices nationwide
- 60,000+ tax professionals with 10-year average tenure
- Expertise and empathy that deepen client trust and retention
- Navigating complexity with confidence, supported by our accuracy guarantee



Client Success: Confidence and Convenience

Confidence

Reassurance clients gain from expert help and trusted outcomes

Convenience

Easy, seamless experiences across omni-channel model

Expertise + Accuracy

Experiences that deliver value no matter how clients choose to file

Our goal is clear: every client completes their tax journey confident in their outcome and convinced H&R Block is their partner they want for the future

Marketing That Reaches Our Ideal Audiences

- Reaching consumers and small businesses who prioritize trust, accuracy, and personalized guidance
- Targeting clients with more complex needs who represent the greatest long-term value opportunity
- Showing up in the channels where consumers engage, with messages that resonate and build confidence
- Continuously refining our approach to stay effective in a rapidly changing landscape



Visible Change and Measurable Progress

- Scaling Second Look for New Clients
- Unmatched Value in Our Paid DIY Products
- Technology-Enabled Excellence
- Operating with Discipline

Visible Change and Measurable Progress



Delivering improvements that make every client interaction smoother, more consistent, and more valuable

Scaling Second Look for New Clients

Second Look	What It Does	Reviews prior filings to identify errors and missed refund opportunities
	What's New	Second Look is now a standard part of new client onboarding
	Why It Matters	Technology allows us to scale the service broadly and consistently
	Expected Impact	Deeper engagement, stronger retention, and greater long-term loyalty

A proven value driver, now delivered at scale

Unmatched Value in Our Paid DIY Products

Confidence-Building Experiences

- Stronger value proposition across all paid tiers
- Clear guidance that supports clients at every step

AI + Human Expertise Working Together

- AI Tax Assist provides real-time guidance
- Human help extends expert support when clients need it

Offers That Elevate Value

- Second Look free for new clients
- Free early-season Tax Pro Review for new clients

2 0 2 5

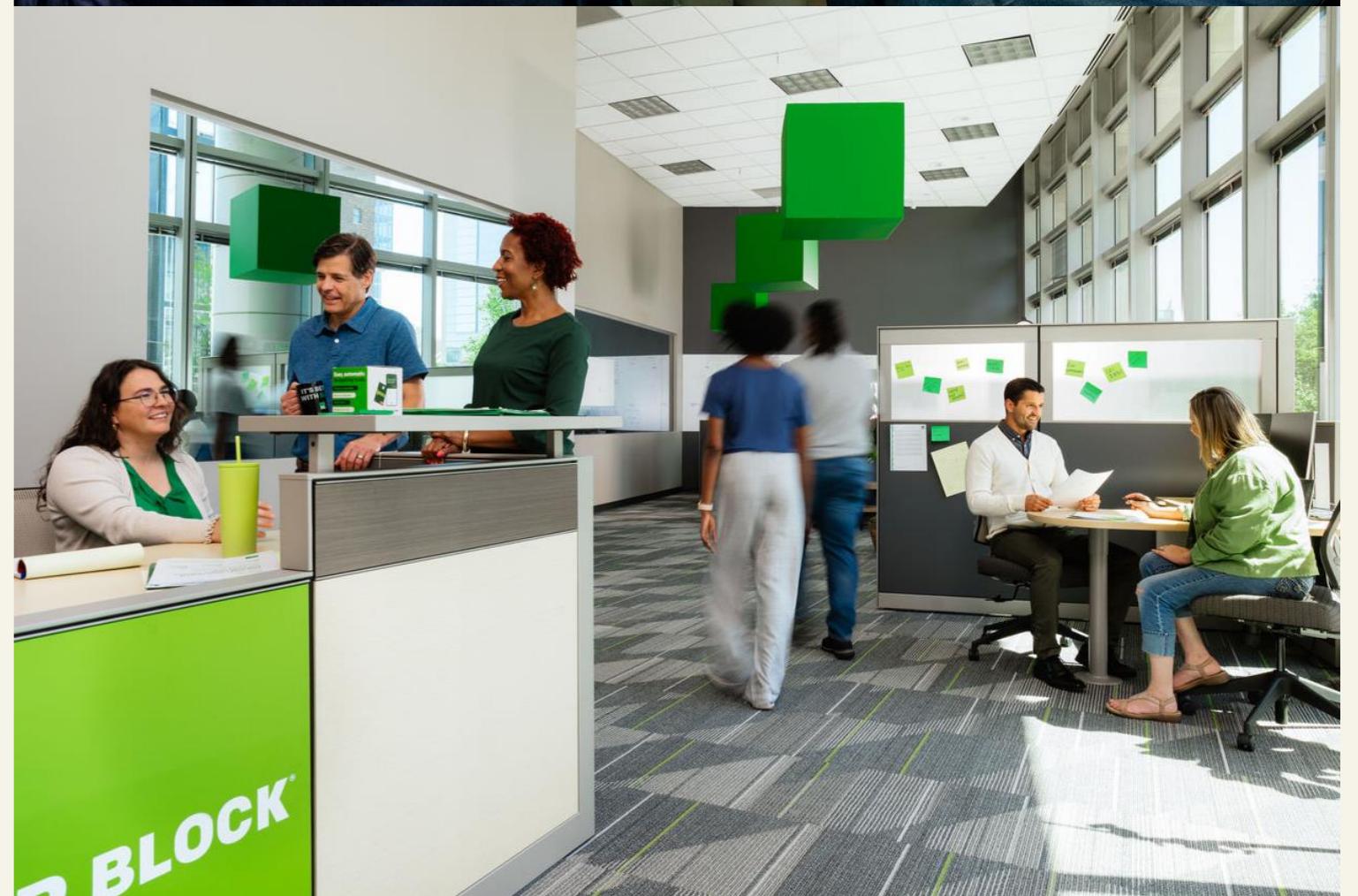
CNET

EDITORS'
CHOICE
AWARD

Technology-Enabled Excellence

- Enhanced training and AI tools aimed to make tax professionals more effective than ever
- AI-enabled tax pro assistant delivers real-time guidance during client interactions
- Experts surface insights instantly, helping clients navigate rising complexity with confidence

When technology amplifies expert judgment, clients get seamless interactions and quality advice they can trust



Operating with Discipline

DISCIPLINED EXECUTION TODAY, DEMONSTRATED PROGRESS OVER TIME

**Acquisition and
Conversion**

**Retention & Client
Experience**

**Small Business
Momentum**

Insights that refine our roadmap and prioritization

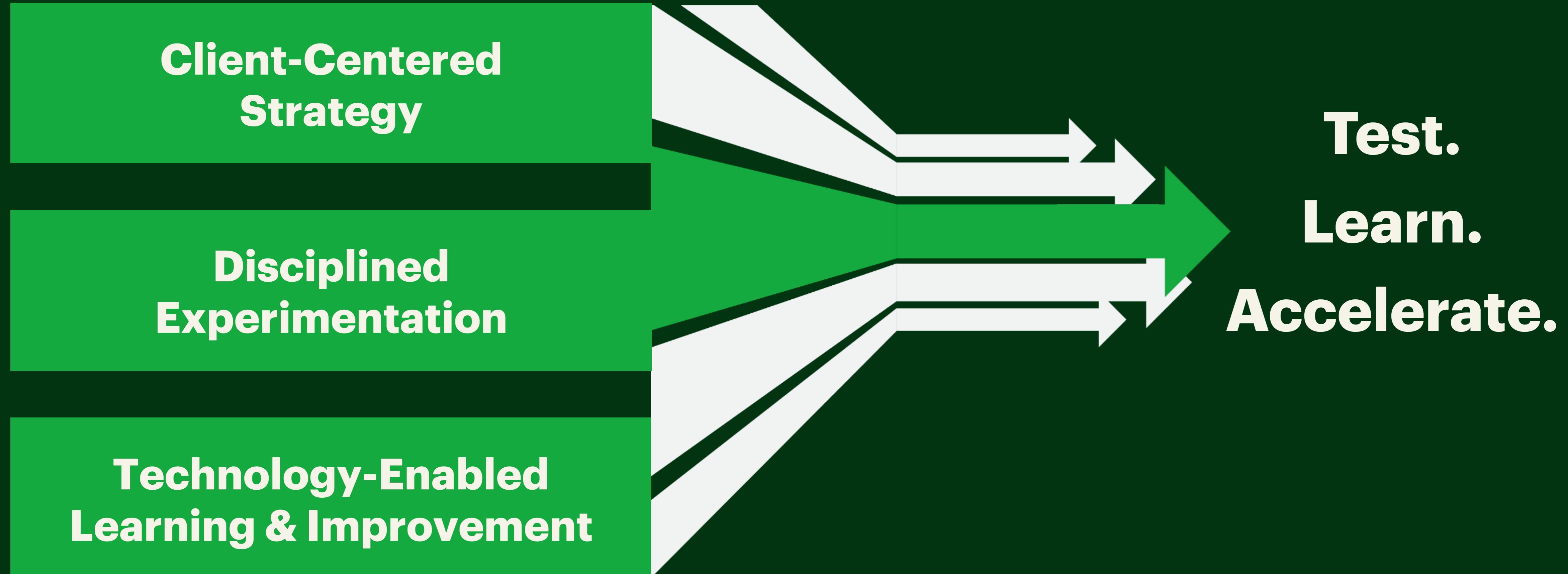
A Foundation for Long-Term Growth

Elevating Our Role to Deliver Advisory Excellence

Advancing Small Business Strategy

AI as a Strategic Enabler

Building a Foundation for Long-Term Growth



Elevating Our Role to Deliver Advisory Excellence

Technology-Enabled Human Expertise

- Delivering real insights that guide client decisions
- Human empathy and expertise remain central to the client experience
- Enabling more personalized guidance that goes beyond tax preparation
- Foundations for deeper, lasting relationships with the clients we serve

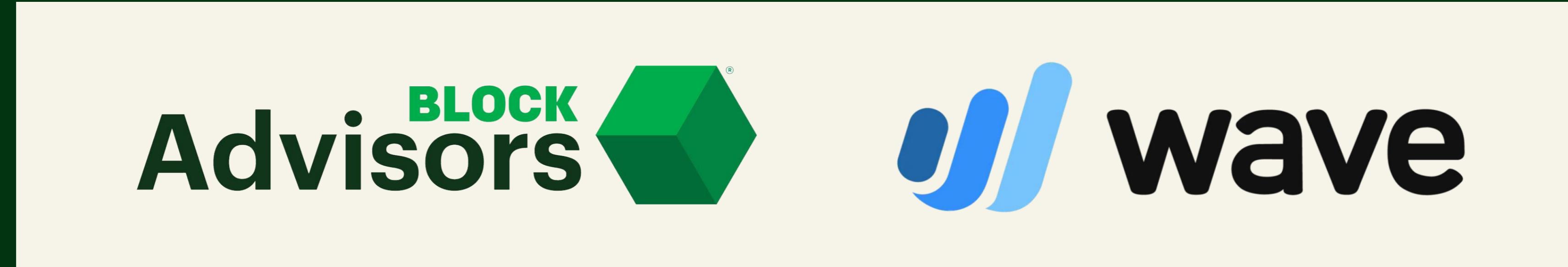


Automation Capabilities

- Piloting behind-the-scenes automation designed to streamline manual and repetitive tasks
- Document data extraction embedded into workflows
- Reducing manual administrative effort and creating greater consistency
- Giving tax professionals more time for meaningful client interactions



Advancing Small Business Strategy



Large TAM* and meaningful whitespace create long-term growth runway

Opportunity to expand value through deeper, year-round engagement

Wave integration creates a unified experience that expands our value to small business clients

*Total Addressable Market

AI as a Strategic Enabler

Intentional, Disciplined, and Responsible Approach

Applying AI with purpose to solve real client and associate challenges at scale

Technology-Enabled Human Expertise

Using technology to amplify associate expertise, enabling better insights and greater consistency

Organizational Productivity

Driving productivity with smarter workflows, embedded automation, and scalable platforms

Tiffany Mason

Chief Financial Officer

Delivered Double-Digit Revenue Growth in Q2

Revenue Growth
\$20M **11%**



Assisted

Strong demand and improved conversion

Higher NAC from favorable mix and pricing discipline

Wave

Standout growth with strong ProTier demand and rising payments volume

DIY

Increase in software sales volume



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

Q2 Performance Supported by Strong Revenue Increase

<i>In millions, except per share amounts</i>	Q2 FY26	Q2 FY25	Change
Revenue	\$198.9	\$179.1	11.1%
Operating Expenses	\$497.7	\$472.4	(5.4%)
Net Income (Loss)	(\$241.6)	(\$242.5)	0.4%
EBITDA¹	(\$265.8)	(\$261.4)	(1.7%)
Earnings (Loss) Per Share¹	(\$1.91)	(\$1.79)	(6.7%)
Adjusted Earnings (Loss) Per Share¹	(\$1.84)	(\$1.73)	(6.4%)
Effective Tax Rate	24.3%	22.4%	
Weighted Avg. Diluted Shares	126.6	135.6	

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

In 1H FY26:

Returned **\$508M** to shareholders in the form of dividends and share repurchases

1

Invest
in the
Business

2

Grow
the
Dividend

3

Return Excess
Capital to
Shareholders

FY26 Outlook Reaffirmed

Assumptions:		FY26 Outlook
	Revenue	\$3.875B – \$3.895B
	EBITDA¹	\$1.015B – \$1.035B
	Effective Tax Rate	~25%
	Adjusted EPS¹	\$4.85 – \$5.00

¹EBITDA 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.

Curtis Campbell

President and Chief Executive Officer

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:

EBITDA			(in 000s)
	Three months ended December 31, 2025	Three months ended December 31, 2024	
Net loss - as reported	\$ (242,166)	\$ (243,420)	
Discontinued operations, net	600	954	
Net loss from continuing operations - as reported	<u>(241,566)</u>	<u>(242,466)</u>	
Add back:			
Income tax benefit	(77,657)	(69,833)	
Interest expense	23,378	21,752	
Depreciation and amortization	<u>30,001</u>	<u>29,195</u>	
	<u>(24,278)</u>	<u>(18,886)</u>	
EBITDA from continuing operations	\$ (265,844)	\$ (261,352)	

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:

ADJUSTED EPS			(in 000s, except per share amounts)
	Three months ended December 31, 2025	Three months ended December 31, 2024	
Net loss from continuing operations - as reported	\$ (241,566)	\$ (242,466)	
Adjustments:			
Amortization of intangibles related to acquisitions (pretax)	11,252	10,910	
Tax effect of adjustments ⁽¹⁾	(2,444)	(2,539)	
Adjusted net loss from continuing operations	\$ (232,758)	\$ (234,095)	
Diluted loss per share from continuing operations - as reported	\$ (1.91)	\$ (1.79)	
Adjustments, net of tax	0.07	0.06	
Adjusted diluted loss per share from continuing operations	\$ (1.84)	\$ (1.73)	

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