

JTH Holding, Inc.
Form S-1/A
October 15, 2012

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As filed with the Securities and Exchange Commission on October 15, 2012

Registration Number 333-176655

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

**AMENDMENT NO. 5
TO
FORM S-1
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933**

JTH Holding, Inc.

(Exact name of Registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

7200
(Primary Standard Industrial
Classification Code Number)
**1716 Corporate Landing Parkway
Virginia Beach, Virginia 23454
(757) 493-8855**

27-3561876
(I.R.S. Employer
Identification Number)

(Address, including zip code, and telephone number, including
area code, of Registrant's principal executive offices)

James J. Wheaton
**General Counsel, Vice President of Legal
and Governmental Affairs**
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(757) 493-8855**

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area code, of agent for service)

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**Approximate date of commencement of proposed sale to the public:
as soon as practicable after this registration statement is declared effective.**

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer <input type="checkbox"/>	Accelerated filer <input type="checkbox"/>	Non-accelerated filer <input type="checkbox"/> (Do not check if a smaller reporting company)	Smaller reporting company <input type="checkbox"/>
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CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Proposed Maximum Aggregate Offering Price(1)	Amount of Registration Fee(2)
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Class A Common Stock, par value \$0.01 per share	\$90,000,000	\$10,449
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- (1) Estimated solely for the purpose of computing the registration fee in accordance with Rule 457(o) under the Securities Act. Includes underwriters' option to purchase additional shares.
 - (2) Previously paid.
-

The Registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Commission, acting pursuant to such Section 8(a), may determine.

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The information contained in this preliminary prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell these securities and is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED OCTOBER 15, 2012

PRELIMINARY PROSPECTUS

Shares

JTH Holding, Inc.

Class A Common Stock

We are the holding company for JTH Tax, Inc., which operates under the name "Liberty Tax Service." We are offering _____ shares of our Class A common stock, and the selling stockholders identified in this prospectus are offering _____ shares of our Class A common stock. We will not receive any proceeds from the sale of shares by the selling stockholders. Our Class A common stock is listed on The NASDAQ Global Market under the symbol "TAX." On _____, 2012, the last reported sale price of our Class A common stock on The NASDAQ Global Market was \$ _____ per share.

Following this offering, we will have two classes of authorized common stock, Class A common stock and Class B common stock. The rights of the holders of Class A common stock and Class B common stock will be identical, except holders of our Class B common stock are entitled to elect a majority of the members of our Board of Directors. In addition, each share of Class B common stock is convertible at any time into one share of Class A common stock.

Investing in our Class A common stock involves a high degree of risk. Please read "Risk Factors" beginning on page 10 of this prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	PER SHARE	TOTAL
Public Offering Price	\$	\$
Underwriting Discounts and Commissions		
Proceeds to JTH Holding, Inc., before expenses		
Proceeds to Selling Stockholders, before expenses		

Delivery of the shares of Class A common stock is expected to be made on or about _____, 2012. We and the selling stockholders have granted the underwriters an option for a period of 30 days to purchase an additional _____ shares of our Class A common stock. If the underwriters exercise the option in full, the total underwriting discounts and commissions payable by us will be \$ _____, and the total proceeds to us, before expenses, will be \$ _____. Discounts, commissions and proceeds will be prorated between us and the selling stockholders.

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Joint Book-Running Managers

Prospectus dated _____, 2012

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You should rely only on the information contained in this document and any free writing prospectus prepared by or on behalf of us that we have referred to you. We have not, the selling stockholders have not and the underwriters have not authorized anyone to provide you with additional or different information from that contained in this prospectus. If anyone provides you with additional, different or inconsistent information, you should not rely on it. We and the selling stockholders are offering to sell, and seeking offers to buy, shares of our Class A common stock only in jurisdictions where offers and sales are permitted. The information in this document may only be accurate on the date of this document, regardless of its time of delivery or of any sales of shares of our Class A common stock. Our business, financial condition, results of operations or cash flows may have changed since such date.

This prospectus includes trademarks, including "Liberty Tax," "Liberty Tax Service," "Liberty Income Tax," "Liberty Canada" and our logo, which are protected under applicable intellectual property laws and are our property and/or the property of our subsidiaries. This prospectus also includes trademarks, trade names and service marks that are the property of other organizations.

Market, Industry and Other Data

Unless otherwise indicated, information contained in this prospectus concerning our industry and the market in which we operate, including our general expectations and market position, market opportunity and market size, is based on information from various third-party sources, on assumptions that we have made that are based on that data and other similar sources. Some data is also based on our good faith estimates, which are derived from management's knowledge of the industry and independent sources. This data involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. Similarly, we believe our internal research is reliable, even though such research has not been verified by any independent sources. While we believe the market position, market opportunity and market size information included in this prospectus is generally reliable, such information is inherently imprecise. In addition, information relating to projections, assumptions and estimates of our future performance and the future performance of the industry in which we operate is necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including those described in "Risk Factors" and elsewhere in this prospectus. These and other factors could cause our results to differ materially from those expressed in the estimates made by third parties and by us.

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Prospectus Summary

This summary highlights information contained elsewhere in this prospectus and does not contain all of the information that you should consider in making your investment decision. Before investing in our Class A common stock, you should carefully read this entire prospectus, including our consolidated financial statements and the related notes included in this prospectus and the information set forth under the headings "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations." References in this prospectus to "years" are to our fiscal years, which end on April 30 unless otherwise noted, and all references to "tax season" refer to the period between January 1 and April 30 of the referenced year. Unless the context requires otherwise, the terms "Liberty Tax," "Liberty Tax Service," "we," "the Company," "us" and "our" refer to JTH Holding, Inc. and its consolidated subsidiaries.

The Company

Overview

We are one of the leading providers of tax preparation services in the United States and Canada. As measured by both the number of returns prepared and the number of retail offices, we are the third largest and fastest growing national retail preparer of individual tax returns in the United States and the second largest retail preparer of individual tax returns in Canada. From 2001 through 2012, we have grown our number of tax offices (including retail store kiosks) from 508 to nearly 4,200 and from the 2001 tax season to the 2012 tax season we increased the number of U.S. tax returns prepared in our offices from approximately 137,000 to nearly 1.8 million. We provide our customers with value-added federal and state tax preparation services and related financial products both in retail offices and online. Our target customers include taxpayers who for reasons of complexity, convenience or the need for prompt tax refunds desire the assistance of tax preparation services. Our customer growth is driven by our ability to capture an increasing share of a continuously expanding tax preparation market.

We believe that our franchise system is the keystone of our growth. Virtually all of our offices are operated by franchisees, which allows us to focus on marketing, franchisee coaching and support, financial product development and other initiatives that drive our overall success. In addition, our franchise model allows us to grow our tax preparation system with minimal capital expenditures or fixed cost investments.

Our franchise model has been recognized as an attractive investment opportunity for entrepreneurs. In May 2012, Entrepreneur Media ranked us as the eighth fastest growing franchise system, based on the number of new franchise units added in the U.S. and Canada from 2011 to 2012. In February 2012, Forbes ranked us the seventh best franchise in their "Top 20 Franchises for the Buck" list, based on the estimated minimum initial investment, store survival rate, training hours offered and the total number of franchise locations. We believe our system offers best in class training and support to both new and existing franchisees. We have focused on keeping the cost of establishing a Liberty Tax franchise relatively low compared to other opportunities available to potential franchisees in order to attract motivated entrepreneurs seeking to minimize their initial costs. We believe this low upfront capital requirement, combined with the potential for attractive office level profitability, provides an opportunity for a significant return on investment for our franchisees.

Our growth is also reflected in our financial performance. Our total revenues grew to \$109.1 million in 2012 from \$95.5 million in 2011 and \$84.6 million in 2010, and our net income increased to \$17.4 million in 2012 from \$15.8 million in 2011 and \$11.0 million in 2010. Our systemwide revenue, which is the base from which we derive franchise royalties, grew to \$359.1 million in 2012, from \$338.6 million in 2011 and \$304.3 million in 2010. Our systemwide revenue represents the total tax preparation revenue generated by our franchised and company-owned offices.

Table of Contents**Our Market Opportunity**

During the 2012 tax season, there were approximately 134 million tax returns filed with the Internal Revenue Service ("IRS"). The IRS expects the number of tax returns to continue to grow, and projects a greater than 3% increase in tax return filings from 2012 to 2015. The tax return preparation market is divided into two primary sectors: paid tax preparation and "do it yourself" ("DIY") preparation. The paid tax preparation and DIY sectors are distinct, and although recent years have seen growth in the relative portion of the DIY sector that has been captured by online and software-based tax products, the separate paid tax preparation sector, in which we and our franchisees primarily compete, has also continued to grow. The growth in total returns filed with the IRS, the growth in the paid tax preparation sector and our growth within that sector are illustrated as follows:

	2011 Tax Season	2012 Tax Season
Total returns filed with IRS during January 1 - April 30 tax season	116 million	134 million
Percentage of returns filed through paid tax preparation sector	58%	60%
Liberty's share of the paid tax preparation sector	0.2%	2.2%

Based on available data, we believe that in 2012 less than 25% of the paid tax preparation market was represented by the national retail tax preparation companies: Liberty Tax and our two national competitors, H&R Block Inc. ("H&R Block") and Jackson Hewitt Tax Service Inc. ("Jackson Hewitt"), each operating under a different business model. While virtually all of our offices are operated by franchisees, H&R Block primarily operates company-owned offices and Jackson Hewitt operates a mixture of franchised and company-owned offices. The remaining portion of the paid tax preparation market is primarily comprised of tens of thousands of independent tax preparers operating at a local and regional level. We believe most of these independent preparers operate individual or a limited number of locations. We expect to benefit from anticipated industry consolidation in this highly fragmented tax preparation market because independent tax preparers may seek to exit the industry as they confront increased costs and regulatory requirements, including tax preparer certification requirements. Additionally, we believe the demands of many customers for their tax preparers to provide financial products that give them faster access to their tax refunds will also drive industry consolidation, given the increasing challenges faced by many independent tax preparers in providing these products.

Our Business Strengths

We attribute our success in the retail tax preparation industry to a number of strengths:

We are a market leader in providing retail tax preparation services. We are presently the third largest provider of retail tax preparation services in the United States and the second largest provider of retail tax preparation services in Canada as measured by number of tax returns prepared and the number of retail offices. For the 2012 tax season, we had a network of 2,098 franchisees and nearly 4,200 offices, the majority of which had been opened within the past five years, and many of which are in the initial stages of growth. We believe that there is no existing smaller competitor in the retail tax preparation market that could challenge our market position on a national scale due to the expense and length of time required to develop the infrastructure, systems and software necessary to create and support a nationwide network of tax preparation offices. As a result, we believe that it would be difficult for an additional national competitor to emerge in our market for the foreseeable future. Moreover, our brand identity and substantial growth have helped us cement strong repeat business in our offices. Our brand is reinforced by our Liberty logo and our unique advertising techniques, which include personalized and highly visible marketing strategies. We believe our model creates a powerful platform that allows our franchisees to continue to grow their scale and profitability as they become more seasoned.

A highly scalable and attractive franchise business model. Our franchise model enables us to rapidly expand while keeping capital expenditures and fixed cost investments low. Virtually all of our offices are

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operated by franchisees, which allows us to focus on marketing, training and expanding our value-added services, while our franchisees focus on locating and opening new office locations and increasing the number of customers at existing locations. We believe that our time-tested and proven franchise strategy, when combined with the economics of our low-cost franchise model, enables us to grow our brand by attracting highly motivated entrepreneurs. Our standard franchise fee per territory is \$40,000, which is typically lower than other franchise opportunities, and we offer our franchisees flexible structures and financing options for franchise fees and royalty payments. We believe we offer a stable franchise opportunity and have designed our franchise model to closely align our interests with those of our franchisees in an effort to promote their profitability and return on investment. Our status as a market leader is demonstrated by the fact that we continue to be highly ranked in independent national publications that rank the attractiveness of franchise opportunities and franchisee satisfaction.

Our franchisee and consumer-oriented strategy drives our success and enhances our relationships with our franchisee base. We believe that we must deliver value to both our franchisees and their customers to further drive our success. We encourage a collaborative and open culture among our franchise base and are proactive in providing ongoing training opportunities to both new and established franchisees. We actively manage our franchise base by enforcing franchisee performance standards in order to optimize systemwide revenue and the royalties we receive from our franchisees. Because of the room for growth in our franchise system, we provide our high-quality franchisees the opportunity to increase the number of offices they own and operate. Our franchise model appeals to a select group of highly motivated individuals who are attracted to a platform that requires them to be intensely focused during the relatively short tax season but also enables them to pursue other business and personal endeavors throughout the rest of the year. Because the personal success of our franchisees is directly tied to the success of their individual offices, we believe our franchisees are more focused than the operators of our primary competitors' non-franchised offices on both providing a positive customer service experience and delivering value to their customers.

The paid tax preparation business is inherently a neighborhood business, and we support our franchisees in utilizing our model in a way that allows them to maximize the success of their offices. Franchisees interact directly with existing and potential customers, which drives high customer loyalty within their market areas. We utilize our mix of franchisee support and services to mitigate the challenges of a franchise business model, which include our lack of direct control over day-to-day operations in the tax offices and our reliance on franchisee growth and expansion to grow our business.

We are a market leader in making financial product choices available to tax customers. We recognize that some of our customers value the wide range of financial products we enable our franchisees to provide. We have consistently endeavored to provide our franchisees access to a full range of competitive product and service choices, including electronic refund checks ("ERCs"), prepaid debit cards loaded with their tax refund amounts, and refund based loans, along with other electronic filing products and services.

The evolving legal and regulatory climate surrounding some of the financial products that we have made available to our franchisees and their customers has required us to adapt quickly to new limitations that made it more difficult to offer customers the same financial product choices as were available in prior tax seasons. We have adapted to these challenges by developing alternatives for customers, including our "instant cash advance" ("ICA") product, and by ensuring that we are a market leader in this area, and although the law and regulations may continue to change, we expect to be able to continue to give our franchisees and their customers a range of financial product choices that will be at least as broad as that offered by our competitors.

Our experienced management team has a proven track record. Our senior management team has significant experience in the tax preparation industry. Our founder, Chairman and CEO, John Hewitt, is a pioneer in the tax preparation industry. Prior to Liberty Tax, Mr. Hewitt began his career with H&R Block and was the founder of Jackson Hewitt. Likewise, our Chief Operating Officer, Rufe Vanderpool, has been with Liberty since 2004, and has been in the tax preparation industry since 1998, and our Chief Financial

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Officer, Mark Baumgartner, has been with us since 2003. Many of our other key personnel also have a long history of working in the tax preparation industry.

Our Growth Strategy

We believe we are uniquely positioned within the retail tax preparation industry to seize the available growth opportunities. Our strategy for growth includes:

We plan to grow our number of franchised office locations within the U.S. We plan to aggressively expand our number of office locations. We believe there is substantial untapped potential for us to add more than 7,000 additional offices, after which we would be comparable to the size of our largest national competitor, H&R Block. We believe we can increase the average number of tax offices operated by our franchisees by continuing to offer programs and support designed to encourage franchisees to expand their business. For example, we intend to place new and existing franchisees in remaining undeveloped geographic territories. We have recently begun to offer existing franchisees the ability to operate in additional territories for one tax season before electing to acquire those territories. We believe we can achieve this growth because we have a significant number of undeveloped territories. We also offer several innovative programs for new and existing franchisees, including the introduction in 2011 of a "zero franchise fee" alternative that allows franchisees to minimize their initial investment in exchange for paying higher royalties during the first five years of the franchise term. In addition, we recently entered into an agreement with Walmart that will allow Liberty Tax offices to operate as kiosks in a number of Walmart stores during the 2013 and 2014 tax seasons. We anticipate that our franchisees and we will operate these kiosks in more than 300 Walmart stores during the 2013 tax season.

We plan to grow our number of returns. Many of our offices are relatively new, and as they continue to become more seasoned, will be able to add new customers who we expect will become repeat customers. Approximately 42% of our retail offices open during the 2012 tax season were in the first three years of operation, providing substantial room to add additional customers. Our new retail offices typically experience their most rapid growth during their first five years as they develop customer loyalty, operational experience and a referral base within their community. In addition, we believe that our unique marketing programs, customer oriented services, easy to use tax preparation software, and national presence will continue to drive the number of tax returns prepared in our franchised offices.

We are poised to take advantage of anticipated industry consolidation and strategic opportunities to increase our number of offices and returns. We expect to benefit from anticipated industry consolidation as we believe many independent tax preparers will look to exit the industry as they confront increased costs, regulatory requirements and demands to provide financial products. We believe we will be a beneficiary of this consolidation because we are able to more efficiently address changing regulatory requirements due to our scale and also because we have succeeded in providing a fully competitive mix of the kinds of financial products sought by customers. In addition, our reputation in the market should continue to drive new customers to our brand, which will also enhance our position in a consolidating industry. As a result, we believe we will continue to accrete market share by virtue of our attractive platform for preparers and for new franchisees looking to capture customers from exiting independent preparers. We may also consider larger strategic transactions if those opportunities arise.

We may strategically acquire Area Developer ("AD") areas. We operate under a two-tier franchise system, which includes franchisees operating retail offices in "territories" that encompass a target population of approximately 30,000 people and ADs that operate in areas that include large clusters of territories. We use ADs to help us build out our retail franchise base by marketing available franchise territories. We initiated our AD program in 2001, at a time when we were seeking to accelerate the growth of our franchise system. We continued utilizing the AD program in recent years to focus on areas with large underdeveloped groups of territories we believed would benefit from the dedicated sales attention that an AD would bring to our franchise sales process. We presently have 178 active AD areas, and as of July 31,

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2012, those areas had 3,919 unsold franchise territories located within them. Our arrangements with our ADs require us to pay a substantial portion of the franchise fees and royalties we receive to our ADs. Although we still expect to grow our franchise network through the sale of new AD areas, opportunities often arise to acquire underperforming AD areas or AD areas in more mature markets at favorable terms, offering us better future profitability from the associated franchise locations as a consequence of repurchasing the area rights of those ADs.

We will leverage our financial products leadership to attract and retain customers and to market our competitive advantage to prospective franchisees. We have expended considerable effort since 2009 to ensure that our franchisees are able to offer a complete range of tax-related financial products to our customers, and to provide our customers choices in these products. We began to pilot our ICA refund loan product in a limited number of states in the 2011 and 2012 tax seasons. We expect to be able to offer ICAs in more than 30 states in the 2013 tax season, and are exploring other alternatives to make tax settlement product choices available to consumers. We are also exploring product alternatives in the states where we may not offer ICAs. At the same time, we expect to continue to offer non-loan tax settlement products such as ERCs to customers in all of our offices. We believe that our innovation in offering alternatives to the traditional refund anticipation loan ("RAL") will allow us to attract and retain customers by meeting customer demand for quicker access to funds. This competitive advantage over some of our competitors who are not offering similar ranges of products should also permit us to demonstrate to prospective new franchisees, as well as franchisees considering expansion, the potential advantages of the Liberty Tax brand.

Risk Factors Associated with our Business

You should carefully consider the risks described under the "Risk Factors" section and elsewhere in this prospectus. These risks could materially and adversely impact our business, financial condition, operating results and cash flow, which could cause the trading price of our Class A common stock to decline and could result in a partial or total loss of your investment.

Recent Stock Listing

We filed a registration statement on Form 10 with the Securities and Exchange Commission, which was declared effective on June 13, 2012. Accordingly, we became subject to the reporting requirements of Securities Exchange Act of 1934 in June 2012, and after a short period of trading on the over-the-counter bulletin board, became listed on The NASDAQ Global Market effective July 2, 2012. Our Class A Common Stock is traded under the symbol "TAX."

Corporate Information

We were originally incorporated in Delaware in September 2010 as JTH Holding, Inc. We are the holding company for JTH Tax, Inc. d/b/a Liberty Tax Service, which was incorporated in Delaware in October 1996. Our principal executive offices are located at 1716 Corporate Landing Parkway, Virginia Beach, Virginia 23454. Our corporate website address is www.libertytax.com. Information contained on or accessible through our website is not a part of this prospectus and the inclusion of our website addresses in this prospectus is an inactive textual reference only.

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Class A common stock offered by us	shares
Class A common stock offered by the selling stockholders	shares
Class A common stock to be outstanding after this offering	shares
Class B common stock to be outstanding after this offering	900,000 shares. The holders of our Class B common stock are entitled to elect a majority of the members of our Board of Directors. John Hewitt, our Chairman and Chief Executive Officer, owns all of the outstanding shares of our Class B common stock. See "Description of Capital Stock Class A and Class B Common Stock Voting."
Option to purchase additional shares	The underwriters also have an option to purchase up to an additional shares of Class A common stock from us and up to an additional shares of Class A common stock from the selling stockholders identified in this prospectus at the public offering price, less the underwriting discount, within 30 days from the date of this prospectus.
Use of proceeds	We estimate that the net proceeds to us from this offering, after deducting underwriting discounts and commissions and estimated offering expenses payable by us, will be approximately \$, assuming the shares are offered at \$ per share. We plan to use the net proceeds we receive in this offering for general corporate purposes, including support of our franchisees and the facilitation of customer financial products. We will not receive any of the proceeds from the sale of shares by the selling stockholders.
Risk Factors	See "Risk Factors" and other information included in this prospectus for a discussion of factors that you should carefully consider before deciding to invest in our Class A common stock.
NASDAQ Global Market Symbol	"TAX"
The number of shares of our Class A common stock to be outstanding immediately after this offering is based on 13,125,833 shares of our Class A common stock (including shares issuable as a result of the conversion of exchangeable shares) outstanding as of September 30, 2012 and excludes:	

2,475,177 shares of Class A common stock issuable upon the exercise of options outstanding as of September 30, 2012 granted pursuant to the JTH Tax, Inc. Stock Option Plan, as amended (the "1998 Stock Option Plan"), 2,032,677 of which were exercisable within 60 days of September 30, 2012; and

328,135 shares of Class A common stock issuable upon the exercise of options, and 15,971 shares underlying restricted stock units, outstanding as of September 30, 2012 and granted pursuant to our 2011 Equity and Cash Incentive Plan (the "2011 Equity and Cash Incentive Plan") and 1,957,739 shares reserved for grant or future issuance under that plan, none of which were exercisable or deliverable within 60 days of September 30, 2012.

Unless otherwise stated, information in this prospectus (except for the historical financial statements) assumes no exercise of the underwriters' option to purchase additional shares.

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The following tables summarize the consolidated financial data for our business. You should read this summary in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Selected Consolidated Financial Data," and our consolidated financial statements and related notes, all included elsewhere in this prospectus. We derived the consolidated statements of income data for the years ended April 30, 2010, 2011 and 2012 and the consolidated balance sheet data as of April 30, 2011 and 2012 from our audited consolidated financial statements included elsewhere in this prospectus. The balance sheet data as of April 30, 2010 has been derived from our audited consolidated financial statements not included in this prospectus. We derived the consolidated statements of income data for the three-month periods ended July 31, 2011 and 2012 and the balance sheet data as of July 31, 2012 from our unaudited consolidated financial statements included elsewhere in this prospectus. We derived the balance sheet data as of July 31, 2011 from our unaudited consolidated financial statements not included in this prospectus. Our historical results are not necessarily indicative of the results that may be expected in the future. The unaudited consolidated financial information was prepared on a basis consistent with that used in preparing our audited consolidated financial statements and includes all adjustments, consisting of normal and recurring items, that we consider necessary for a fair presentation of the financial position and results of operations for the unaudited periods. The interim results of operations are not indicative of the results that may be expected for a full fiscal year because of the seasonality of our business.

	Fiscal Years Ended April 30,			Three Months Ended July 31,	
	2010	2011	2012	2011	2012
	(dollars in thousands, except per share, per office amounts and fees per tax return)				
Consolidated Statements of Income Data:					
Revenue:					
Franchise fees, net	\$ 9,632	\$ 13,148	\$ 14,145	\$ 1,203	\$ 2,411
Royalties and advertising fees	41,413	46,879	49,964	1,018	1,007
Financial products	14,175	16,507	22,903	159	302
Other revenue	19,407	18,990	22,088	2,488	3,066
Total revenue	84,627	95,524	109,100	4,868	6,786
Total operating expenses	(68,264)	(67,009)	(79,445)	(12,906)	(16,733)
Income (loss) from operations	16,363	28,515	29,655	(8,038)	(9,947)
Interest expense	(1,947)	(1,954)	(1,854)	(312)	(292)
Other income	3,468	75	4	2	2
Income (loss) before income taxes	17,884	26,636	27,805	(8,348)	(10,237)
Income tax (expense) benefit	(6,882)	(10,874)	(10,394)	3,369	4,085
Net income (loss)	\$ 11,002	\$ 15,762	\$ 17,411	\$ (4,979)	\$ (6,152)
Earnings (loss) per share of Class A					

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common stock and Class B common stock										
Basic	\$	0.75	\$	1.10	\$	1.24	\$	(0.44)	\$	(0.51)
Diluted	\$	0.73	\$	1.08	\$	1.23	\$	(0.44)	\$	(0.51)

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	Fiscal Years Ended and as of April 30,			Three Months Ended and as of July 31,	
	2010	2011	2012	2011	2012
(dollars in thousands, except per share, per office amounts and fees per tax return)					
Consolidated Balance Sheet Data:					
Amounts due from franchisees and area developers, net of allowances	\$ 86,838	\$ 101,958	\$ 112,639	\$ 96,924	\$ 110,673
Property, equipment and software, net	13,127	18,228	23,948	19,767	25,462
Total assets	126,886	147,793	188,741		