

Provident Financial Holdings, Inc.

December 31, 2008

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PROVIDENT
Provident Financial Holdings, Inc.

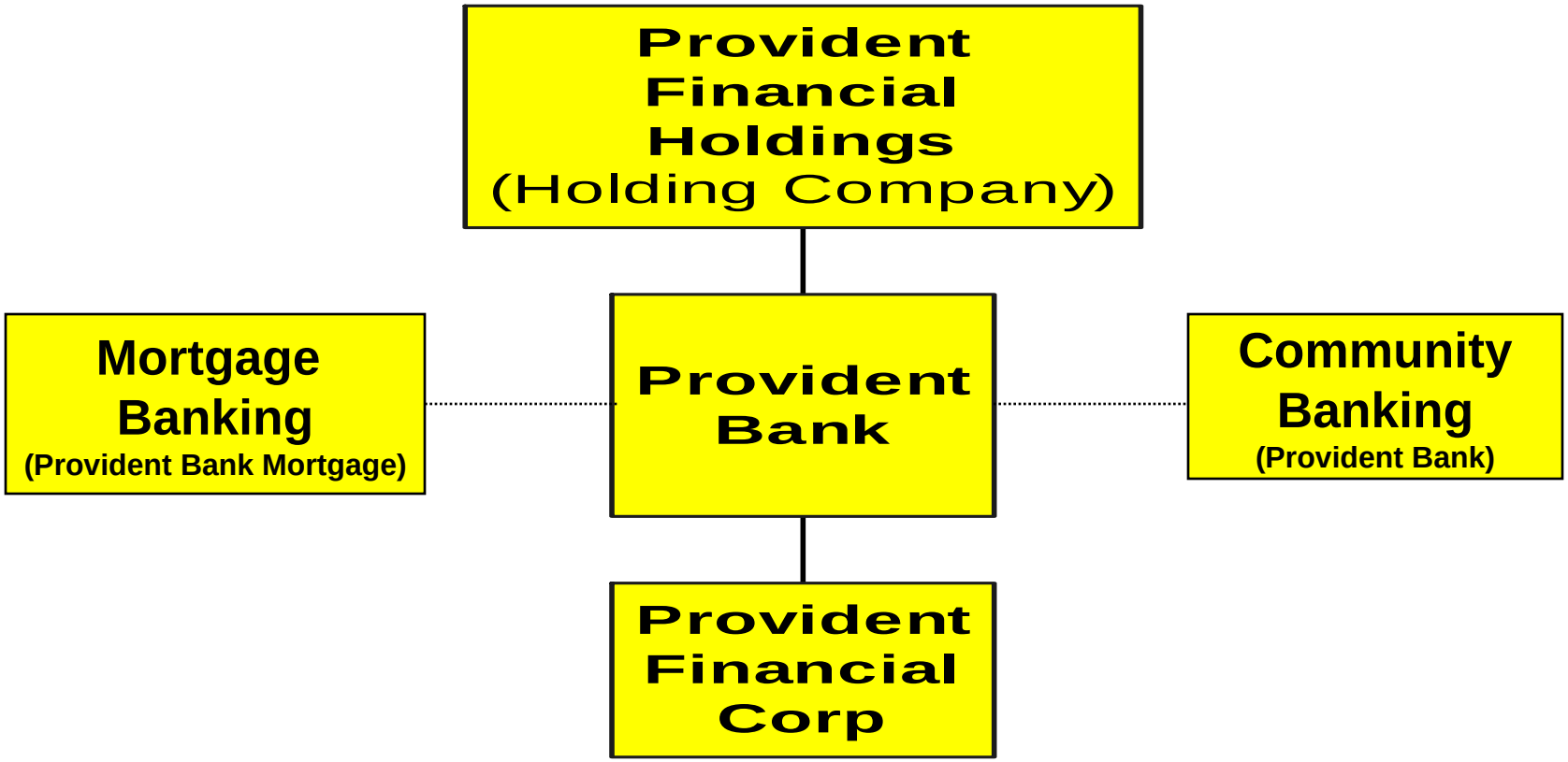
Safe-Harbor Statement

This presentation contains statements that the Corporation believes are “forward-looking statements.” These statements relate to the Corporation’s financial condition, results of operations, plans, objectives, future performance or business. You should not place undue reliance on these statements, as they are subject to risks and uncertainties. When considering these forward-looking statements, you should keep in mind these risks and uncertainties, as well as any cautionary statements the Corporation may make. Moreover, you should treat these statements as speaking only as of the date they are made and based only on information then actually known to the Corporation. There are a number of important factors that could cause future results to differ materially from historical performance and these forward-looking statements. Factors which could cause actual results to differ materially include, but are not limited to, the credit risks of lending activities, including changes in the level and trend of loan delinquencies and write-offs; changes in general economic conditions, either nationally or in our market areas; changes in the levels of general interest rates, deposit interest rates, our net interest margin and funding sources; fluctuations in the demand for loans, the number of unsold homes and other properties and fluctuations in real estate values in our market areas; results of examinations of us by the Office of Thrift Supervision and our bank subsidiary by the Federal Deposit Insurance Corporation, the Office of Thrift Supervision or other regulatory authorities, including the possibility that any such regulatory authority may, among other things, require us to increase our reserve for loan losses or to write-down assets; our ability to control operating costs and expenses; our ability to implement our branch expansion strategy; our ability to successfully integrate any assets, liabilities, customers, systems, and management personnel we have acquired or may in the future acquire into our operations and our ability to realize related revenue synergies and cost savings within expected time frames and any goodwill charges related thereto; our ability to manage loan delinquency rates; our ability to retain key members of our senior management team; costs and effects of litigation, including settlements and judgments; increased competitive pressures among financial services companies; changes in consumer spending, borrowing and savings habits; legislative or regulatory changes that adversely affect our business; adverse changes in the securities markets; inability of key third-party providers to perform their obligations to us; changes in accounting policies and practices, as may be adopted by the financial institution regulatory agencies or the Financial Accounting Standards Board; war or terrorist activities; other economic, competitive, governmental, regulatory, and technological factors affecting our operations, pricing, products and services and other risks detailed in the Corporation’s reports filed with the Securities and Exchange Commission, including its Annual Report on Form 10-K for the fiscal year ended June 30, 2008.

Market Highlights

Provident Financial Holdings, Inc.	
Nasdaq GS:	PROV
Share price:	$4.52
52-week range:	$4.00 - $18.40
Shares outstanding	6,208,519 shares
Market cap:	$28.1 million
P/E (ttm):	NM
EPS (ttm):	-$1.21
Annual div & yield:	$0.20 (4.42%)
Div distribution date:	16-Dec-08
Div record date:	21-Nov-08
As of December 31, 2008	

Organizational Chart



PROV Overview

Regional Banking Services Company Based in the Inland Empire Region of Southern California

- Expanding customer base and market
- Strong mortgage operations
- Largest independent community bank headquartered in Riverside County, California
- Fifth largest deposit market share in the Riverside-San Bernardino RMA

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Provident Locations

Pleasanton, Northern California



Provident Bank

Full Service Offices:

- Blythe
- Canyon Crest, Riverside
- Corona
- Corporate Office, Riverside
- Downtown, Riverside
- Hemet
- La Sierra, Riverside
- Moreno Valley - Heacock St.
- Moreno Valley - Iris Plaza
- Orangecrest, Riverside
- Rancho Mirage
- Redlands
- Sun City
- Temecula

Provident Bank Mortgage

Wholesale Offices:

- Pleasanton
- Rancho Cucamonga

Retail Offices:

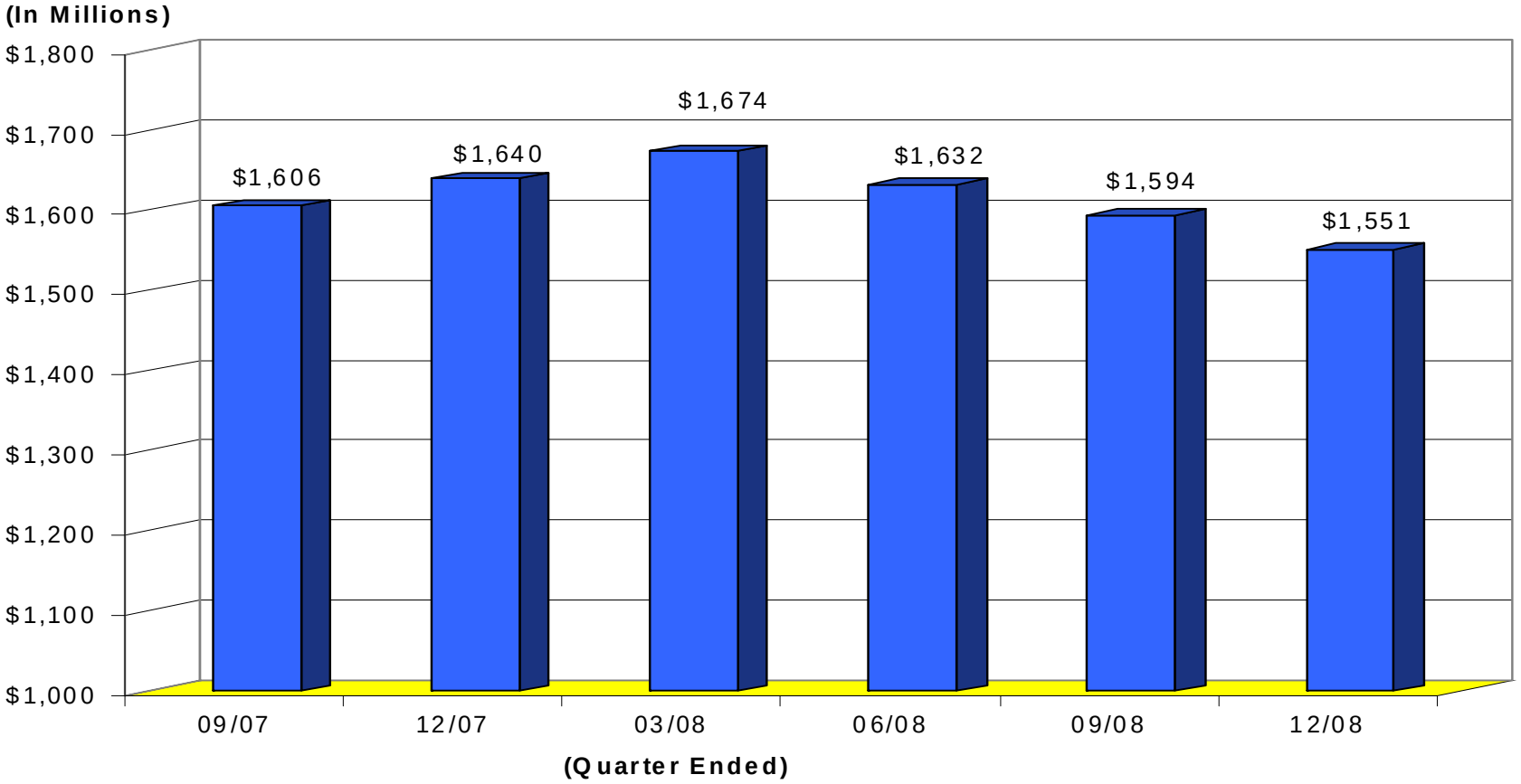
- Glendora
- Riverside

PROV Highlights

Financial Position:	As of 12/31/2008	As of 09/30/2007
Total Assets	$ 1.55 Billion	$ 1.61 Billion
Loans Held for Investment	$ 1.27 Billion	$ 1.37 Billion
Deposits	$ 934.8 Million	$ 1.01 Billion
Equity	$ 117.9 Million	$ 126.0 Million
Tangible Equity	$ 117.9 Million	$ 126.0 Million

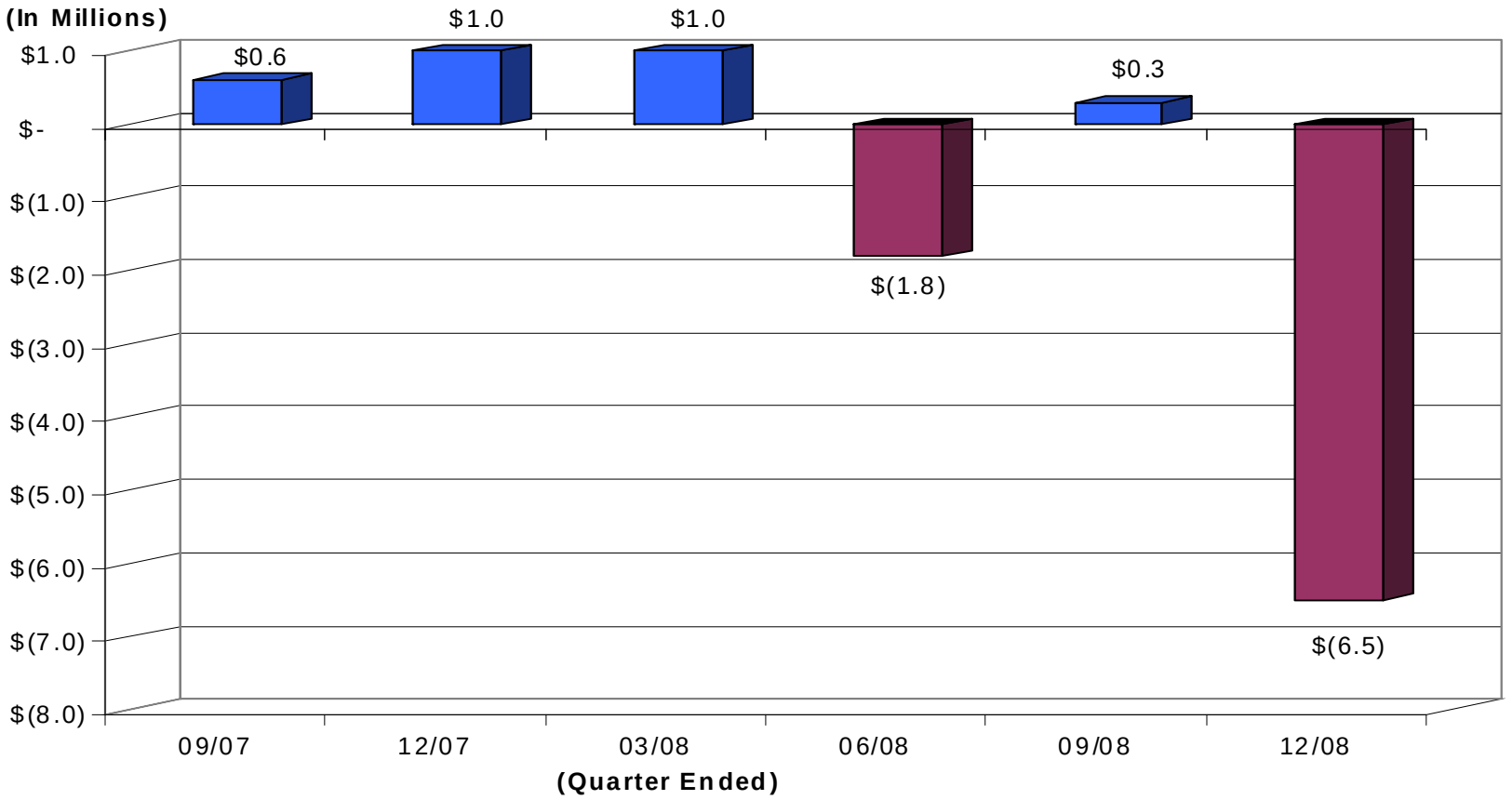
Financial Results:	Quarter Ended 12/31/2008	Quarter Ended 09/30/2007
Net (Loss) Income	$(6.5) Million	$612,000
(Loss) Return on Average Equity	(21.44)%	1.91%
(Loss) Return on Average Assets	(1.67)%	0.15%
Net Interest Margin	2.70%	2.40%
Efficiency Ratio	57.61%	72.27%
Total Loan Originations	$ 172.5 Million	$ 190.9 Million
Provident Bank	$ 3.8 Million	$ 60.2 Million
Provident Bank Mortgage	$ 168.7 Million	$ 130.7 Million

Total Assets



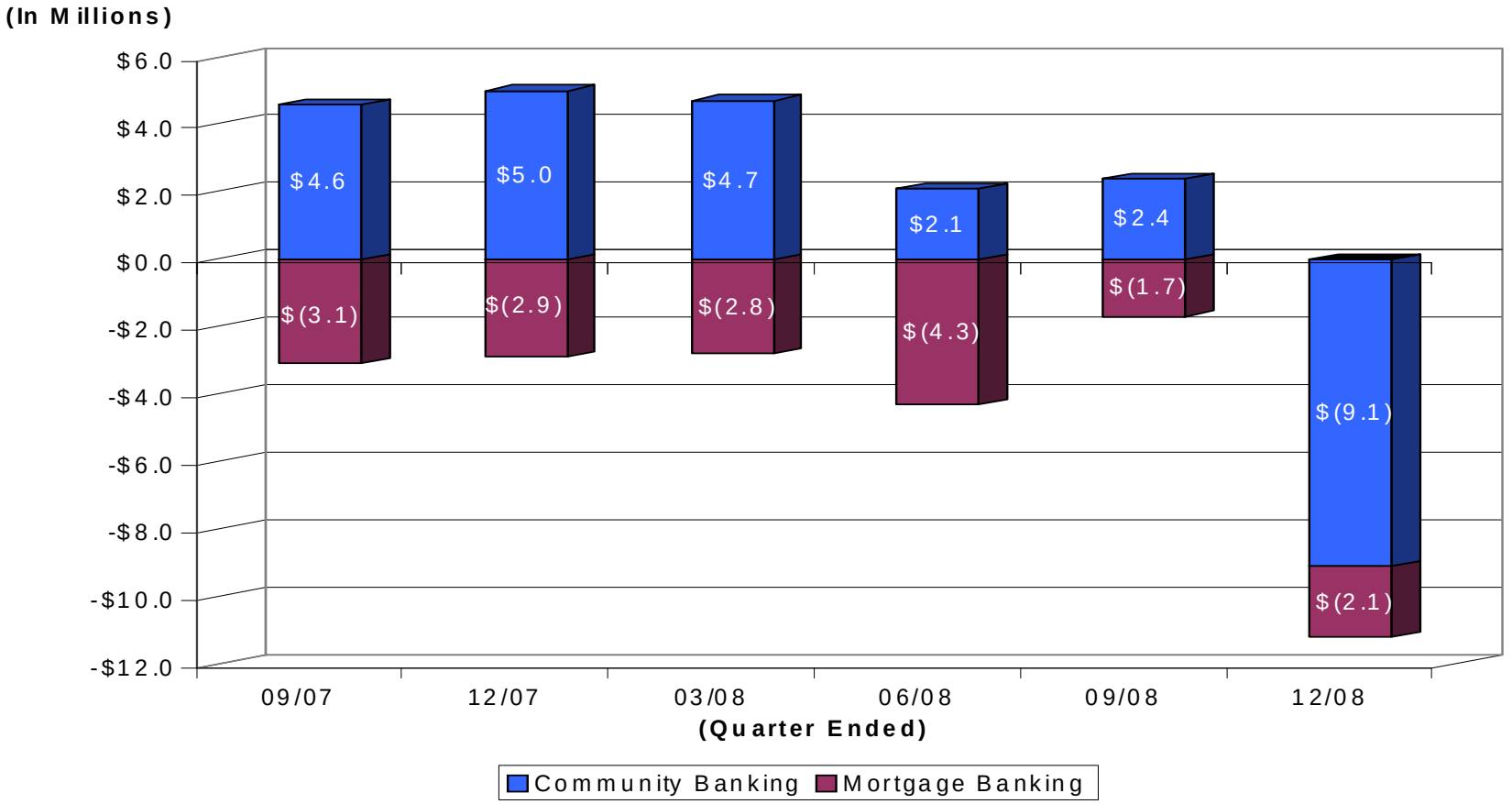
Provident Financial Holdings, Inc.

Quarterly Net Income



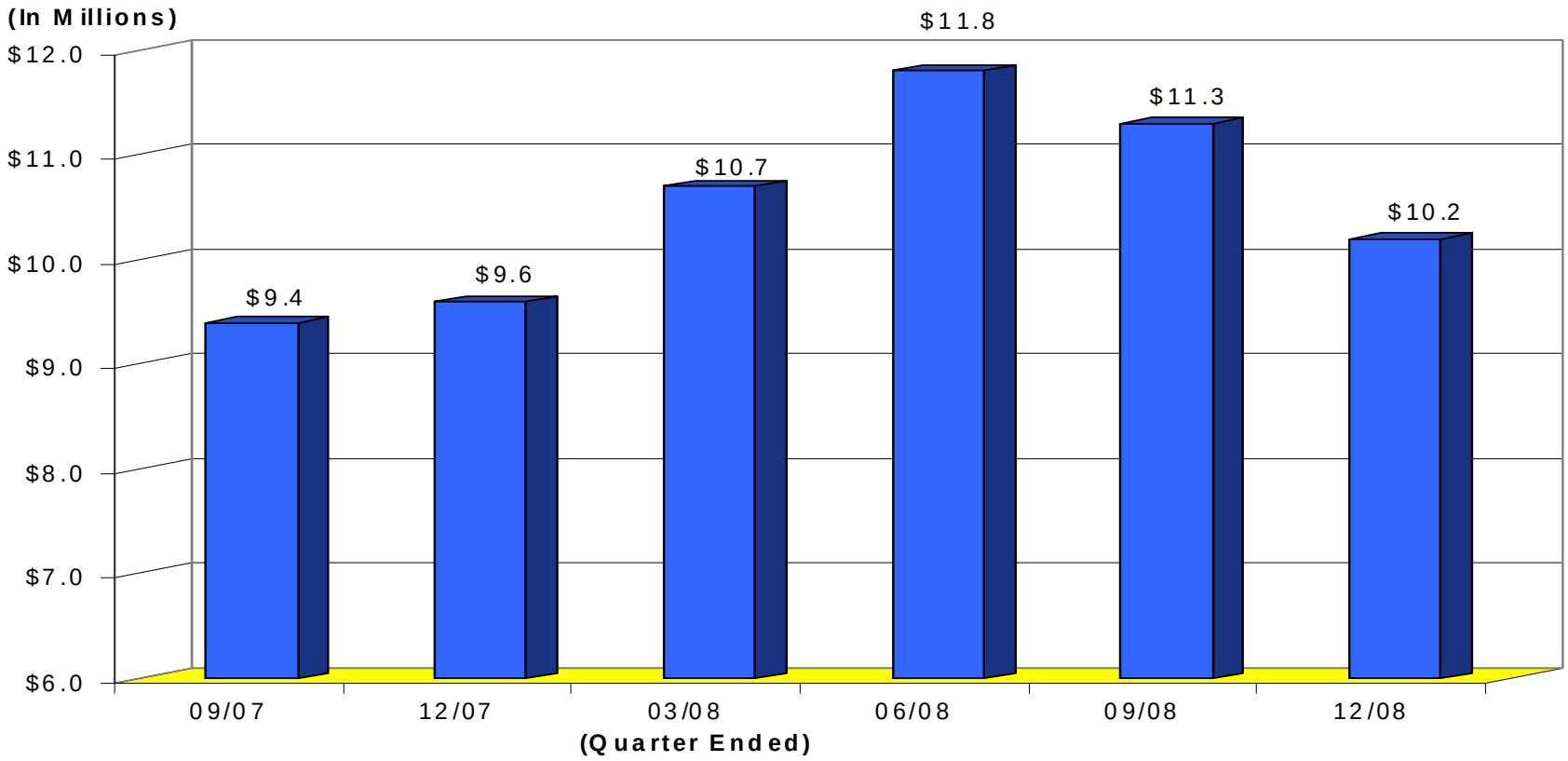
Provident Financial Holdings, Inc.

Pre-Tax Income - Operating Segments



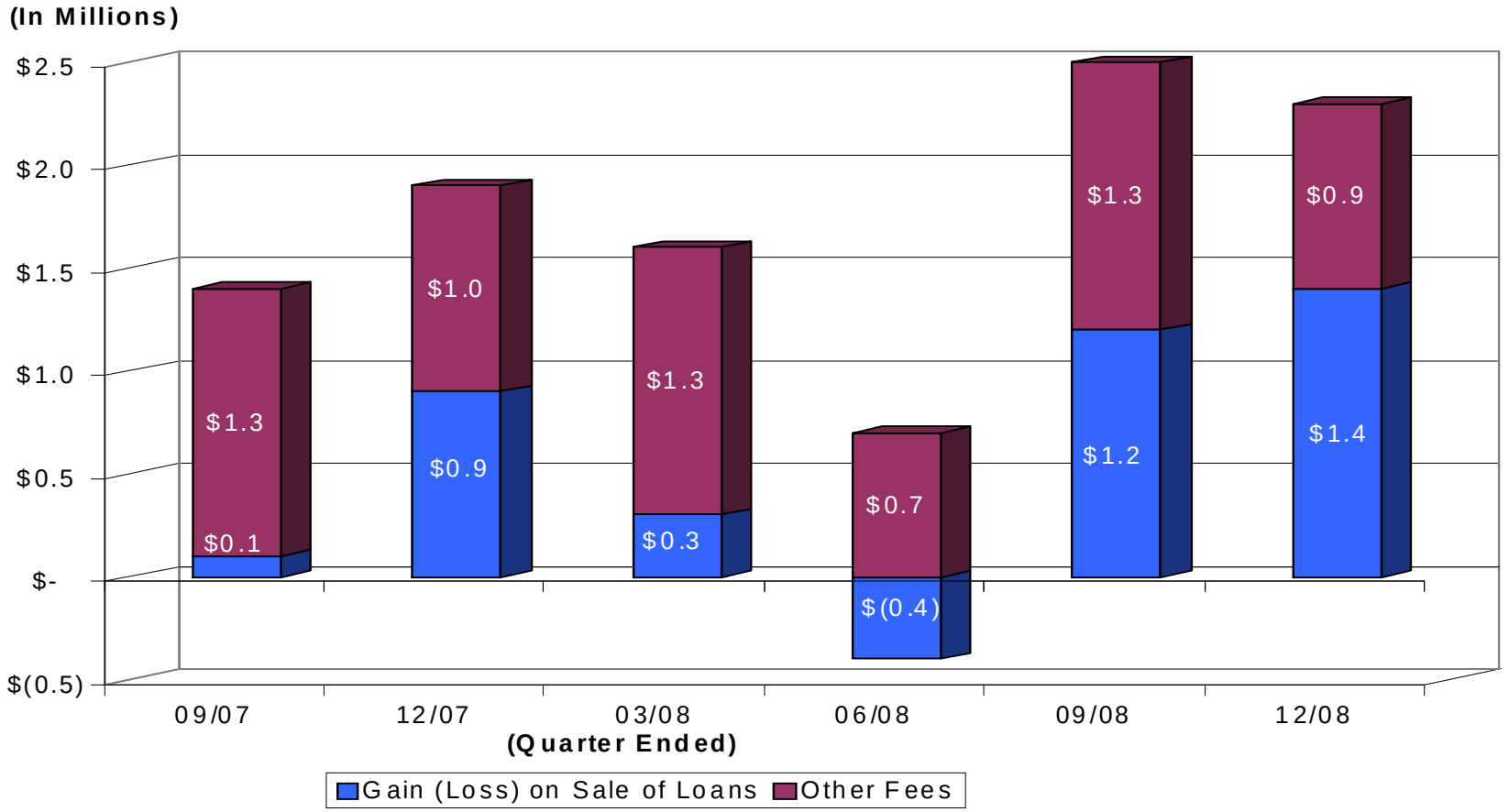
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Quarterly Net Interest Income



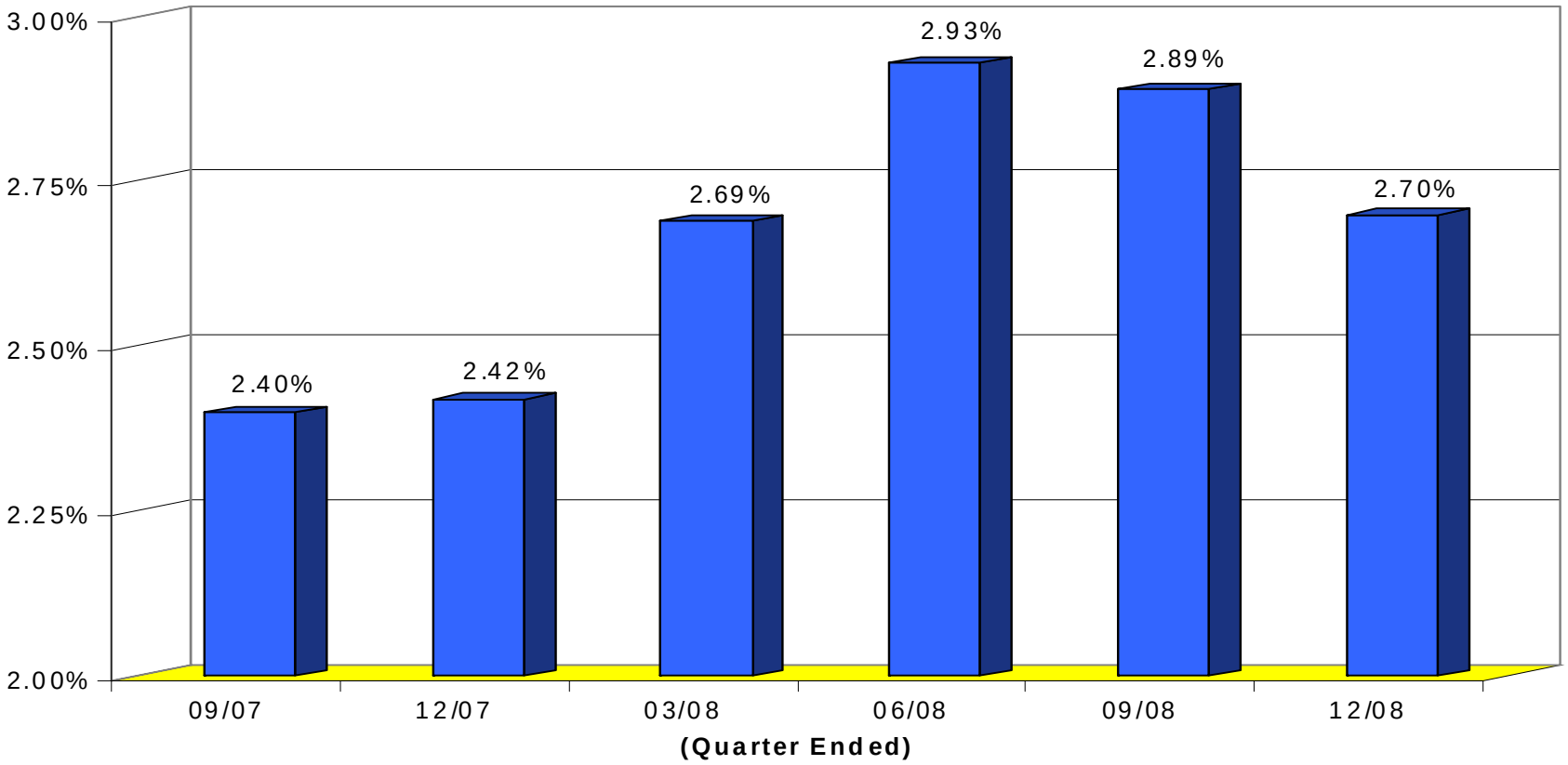
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Non-Interest Income



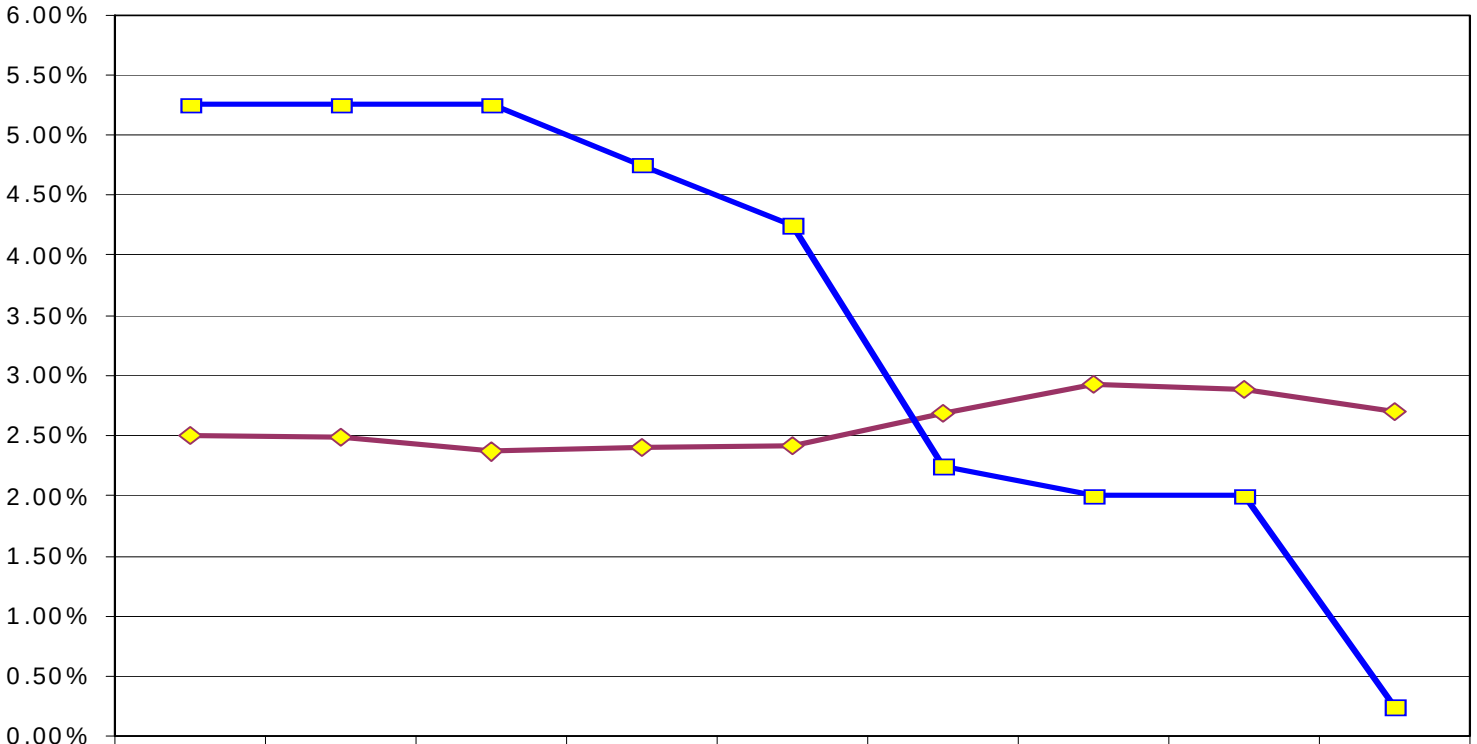
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Net Interest Margin



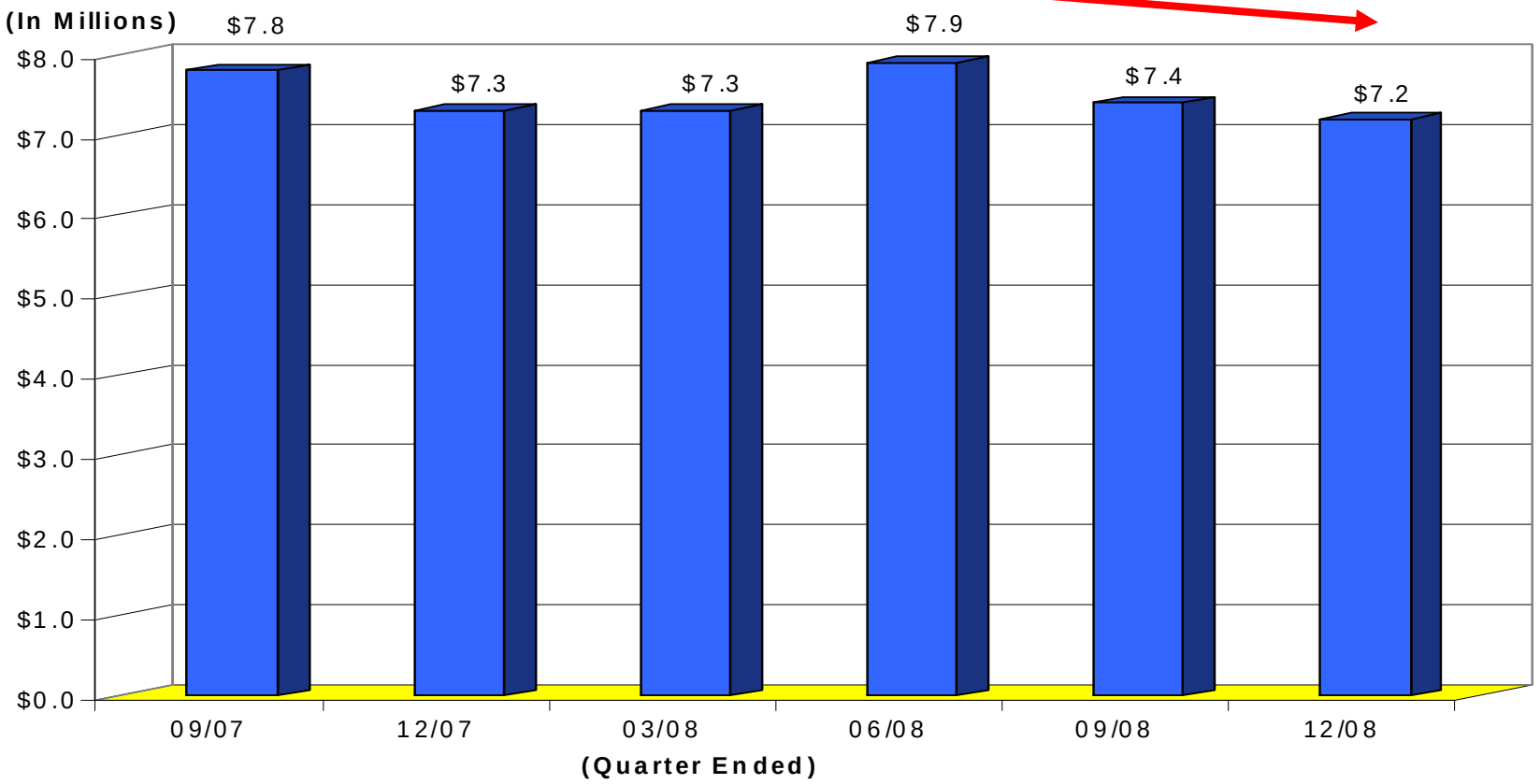
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Net Interest Margin vs. Fed Funds

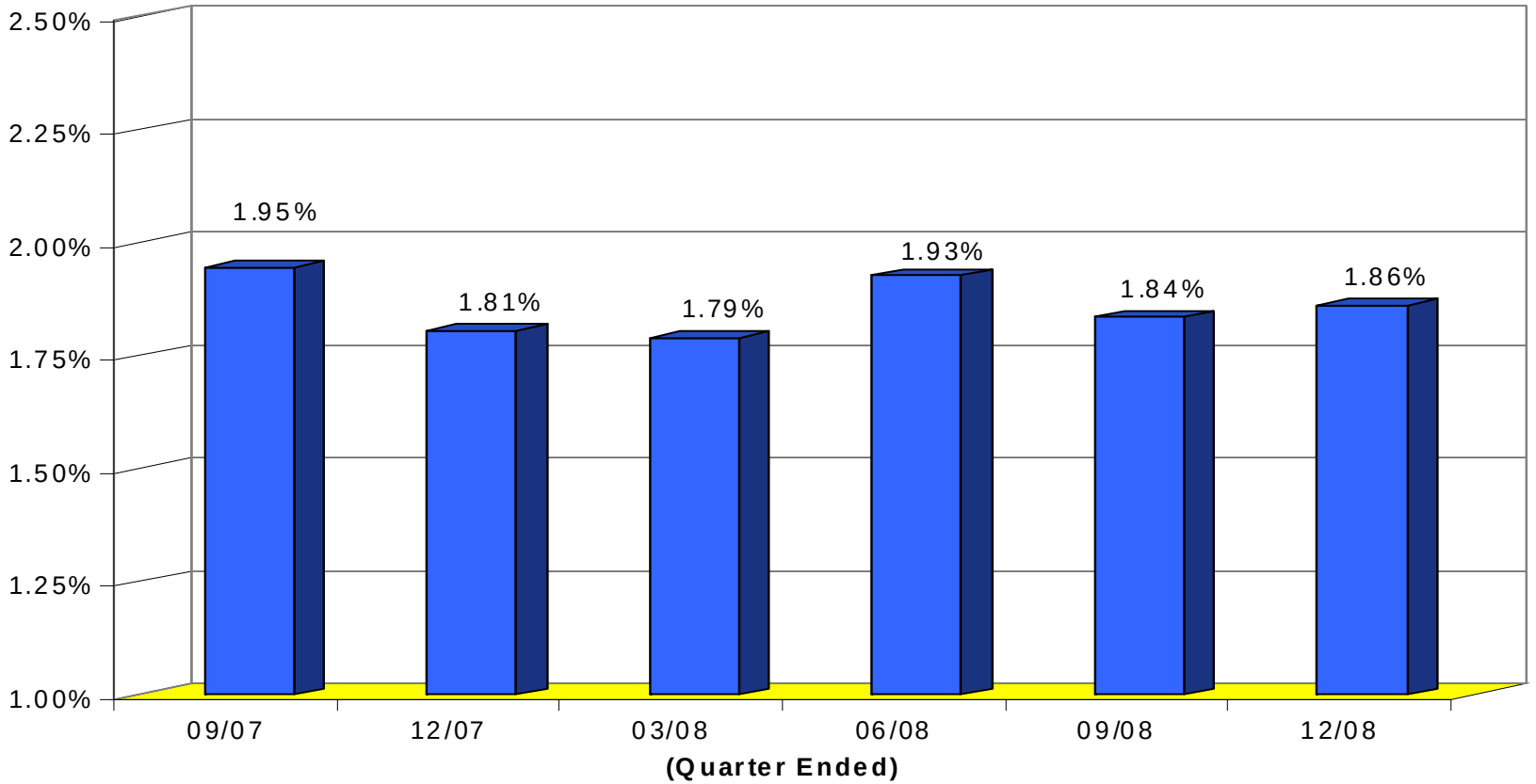


	12/06	03/07	06/07	09/07	12/07	03/08	06/08	9/08	12/08
NIM (%)	2.50%	2.49%	2.37%	2.40%	2.42%	2.69%	2.93%	2.89%	2.70%
Fed Funds (%)	5.25%	5.25%	5.25%	4.75%	4.25%	2.25%	2.00%	2.00%	0.25%

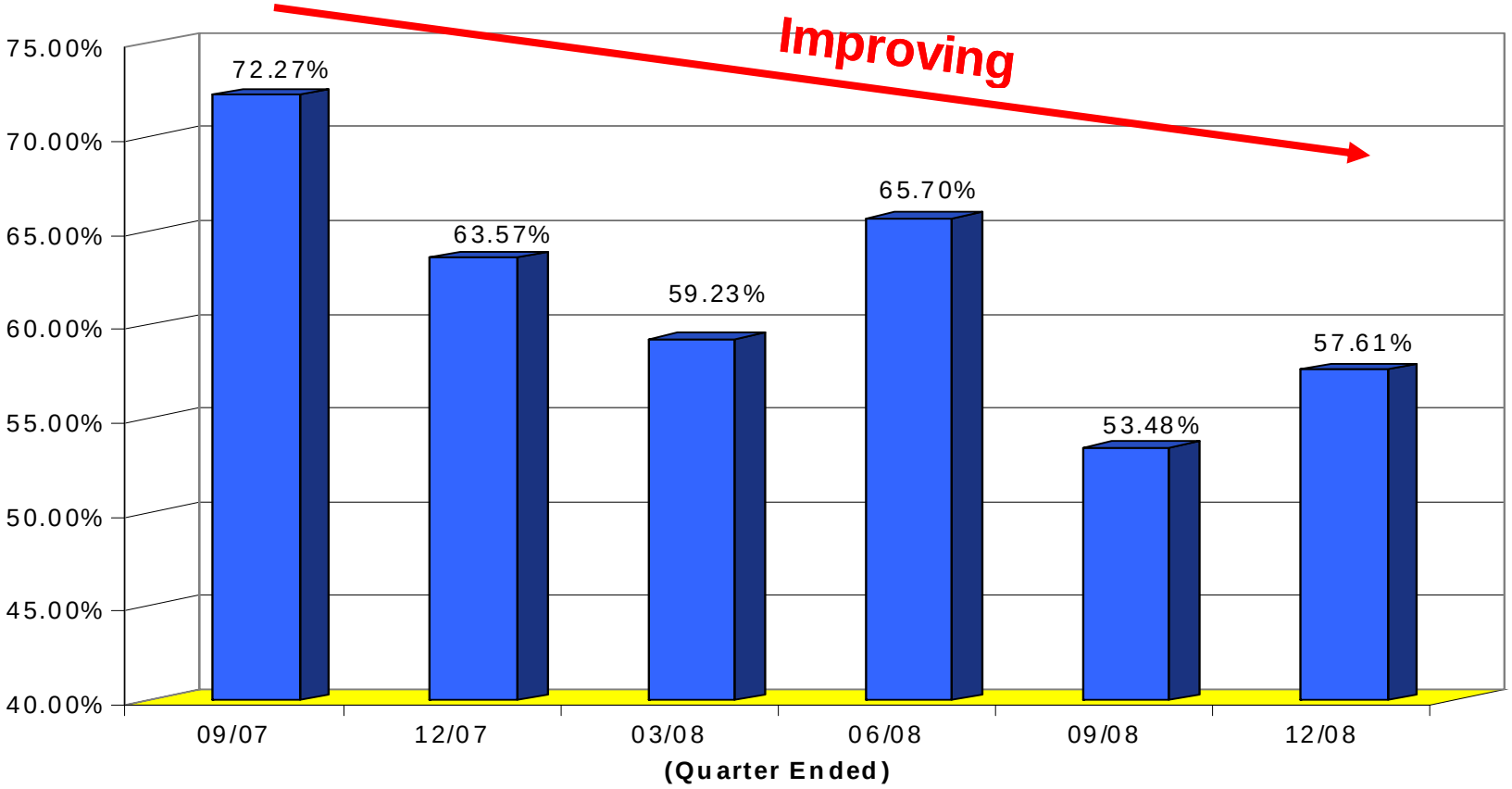
Operating Expenses



G&A to Average Assets

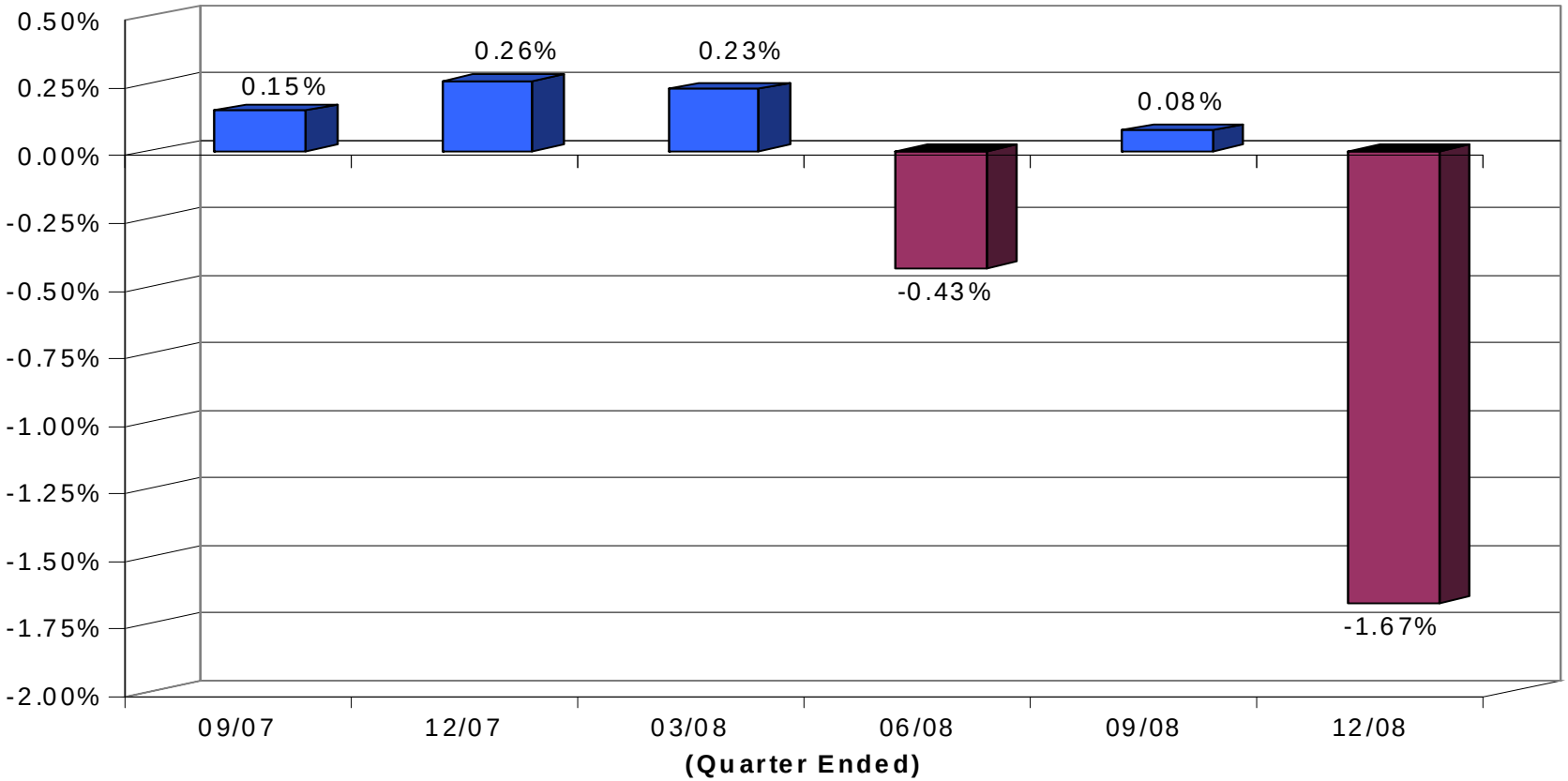


Efficiency Ratio



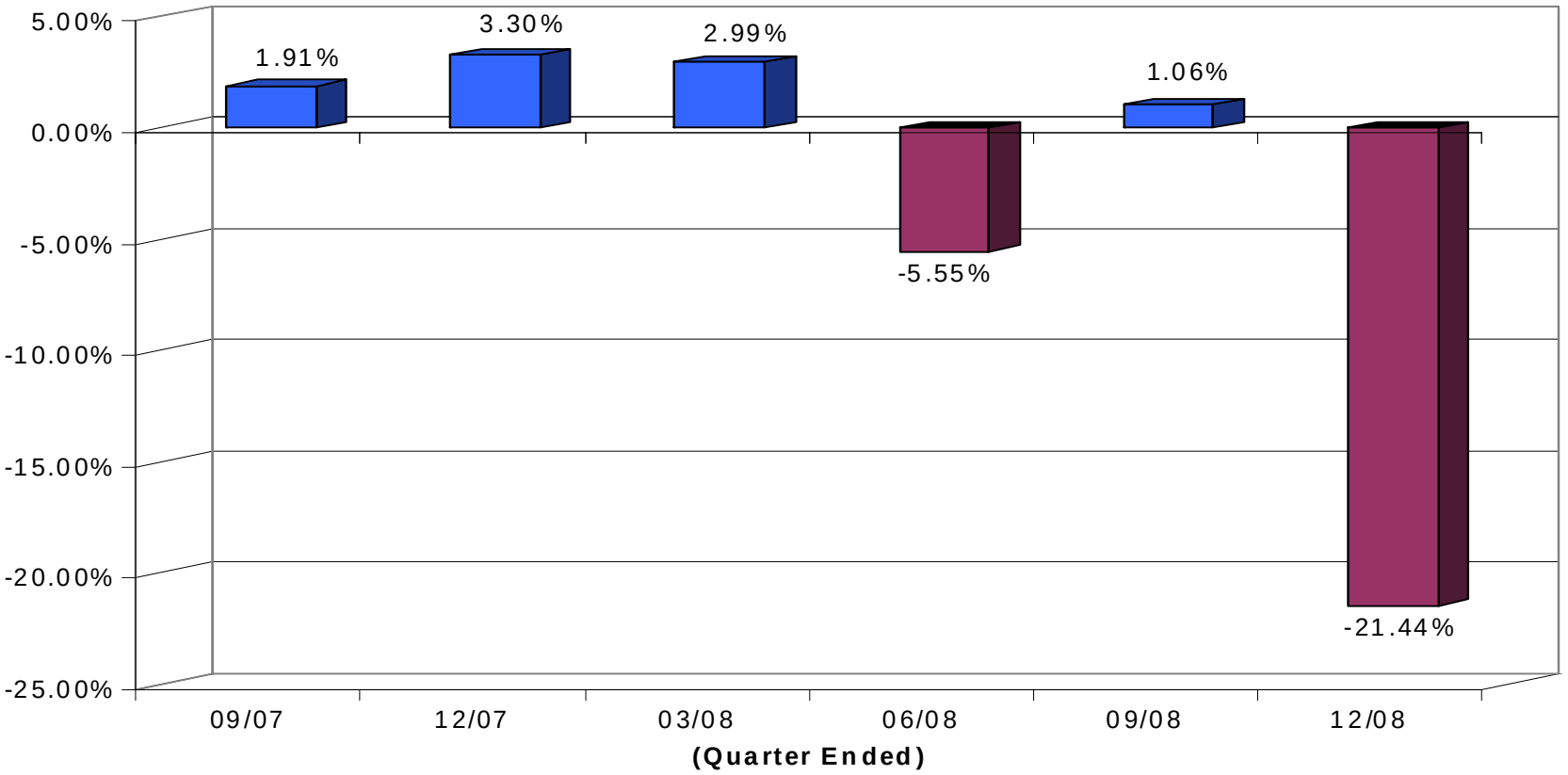
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Return on Average Assets



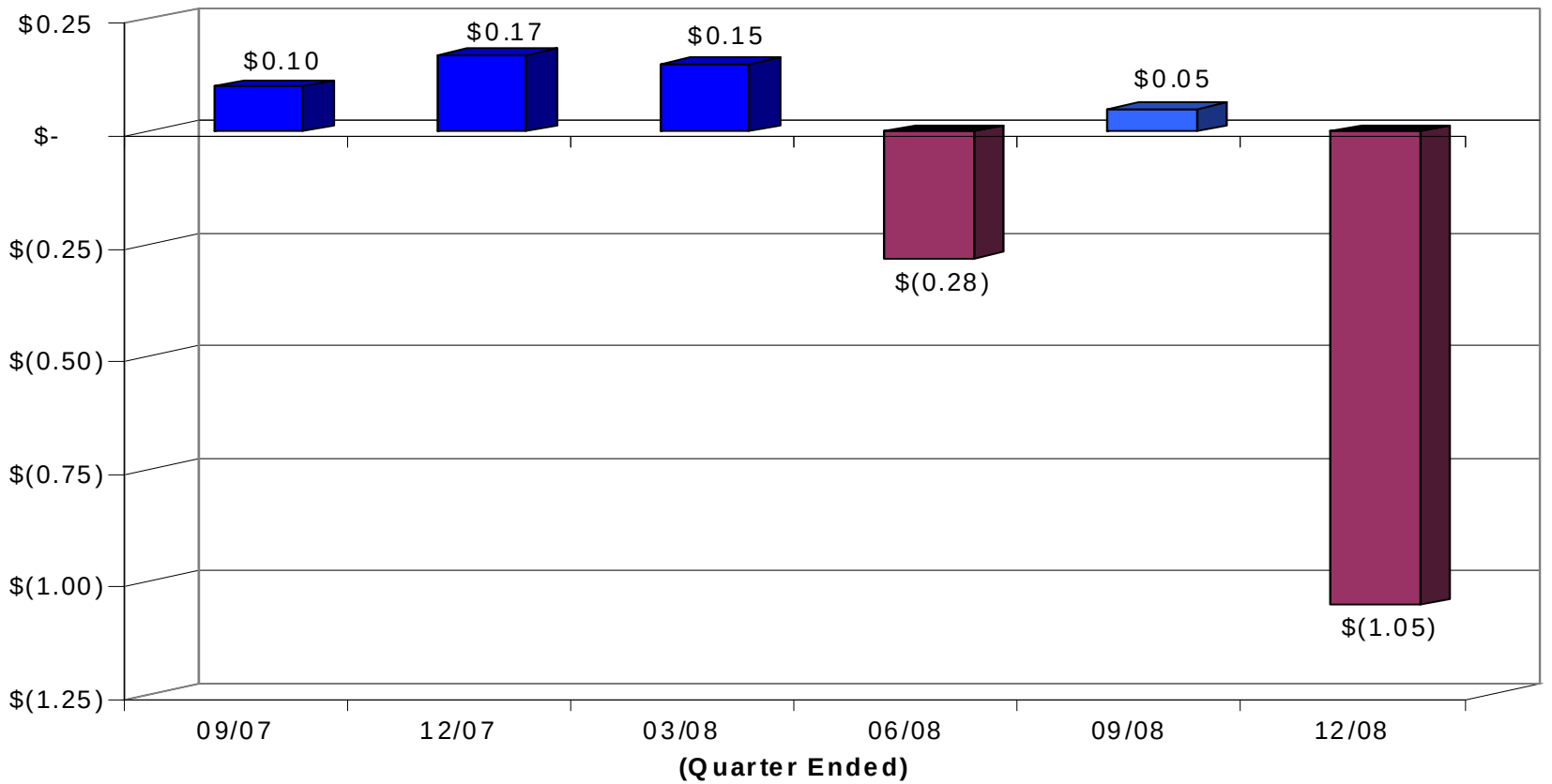
Provident Financial Holdings, Inc.

Return on Average Equity

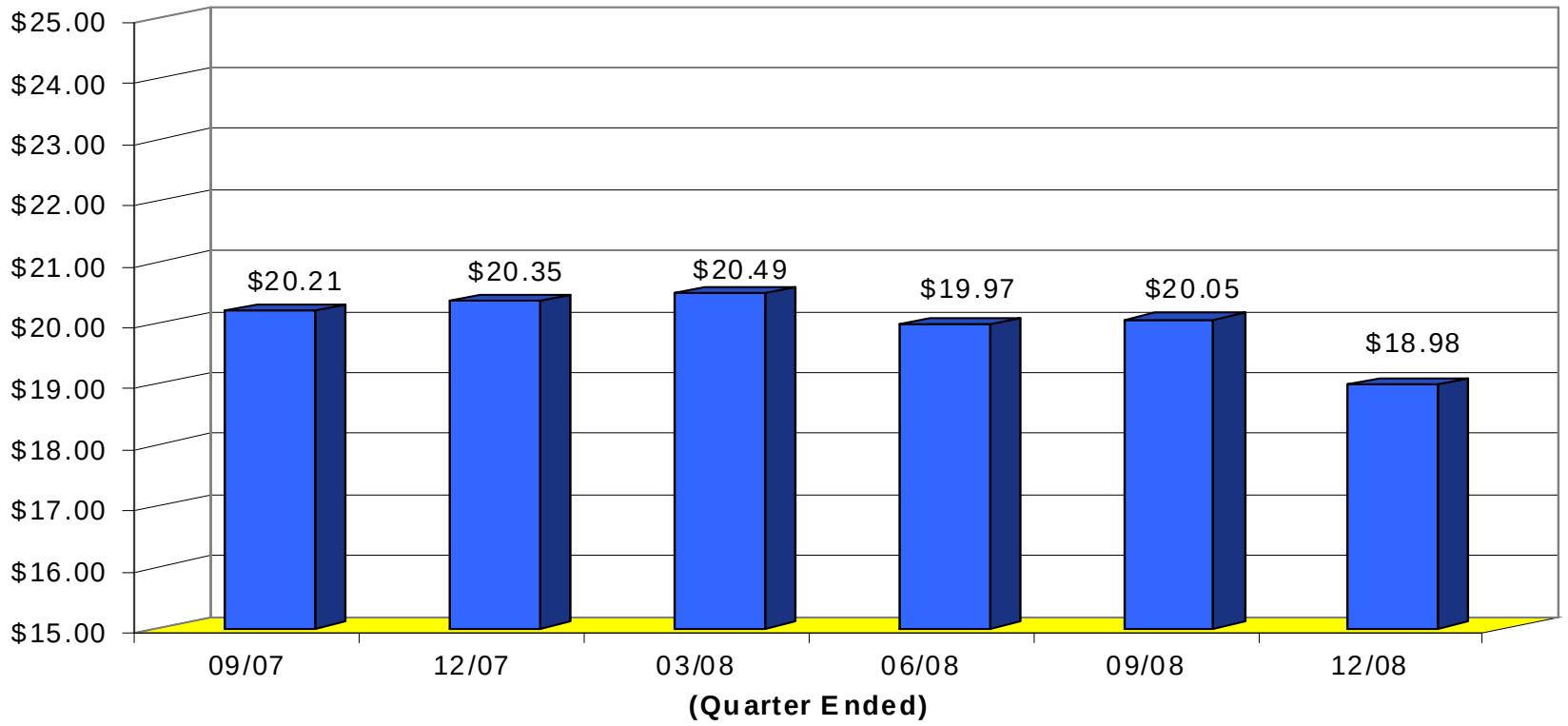


Provident Financial Holdings, Inc.

Diluted Earnings per Share



Book Value per Share



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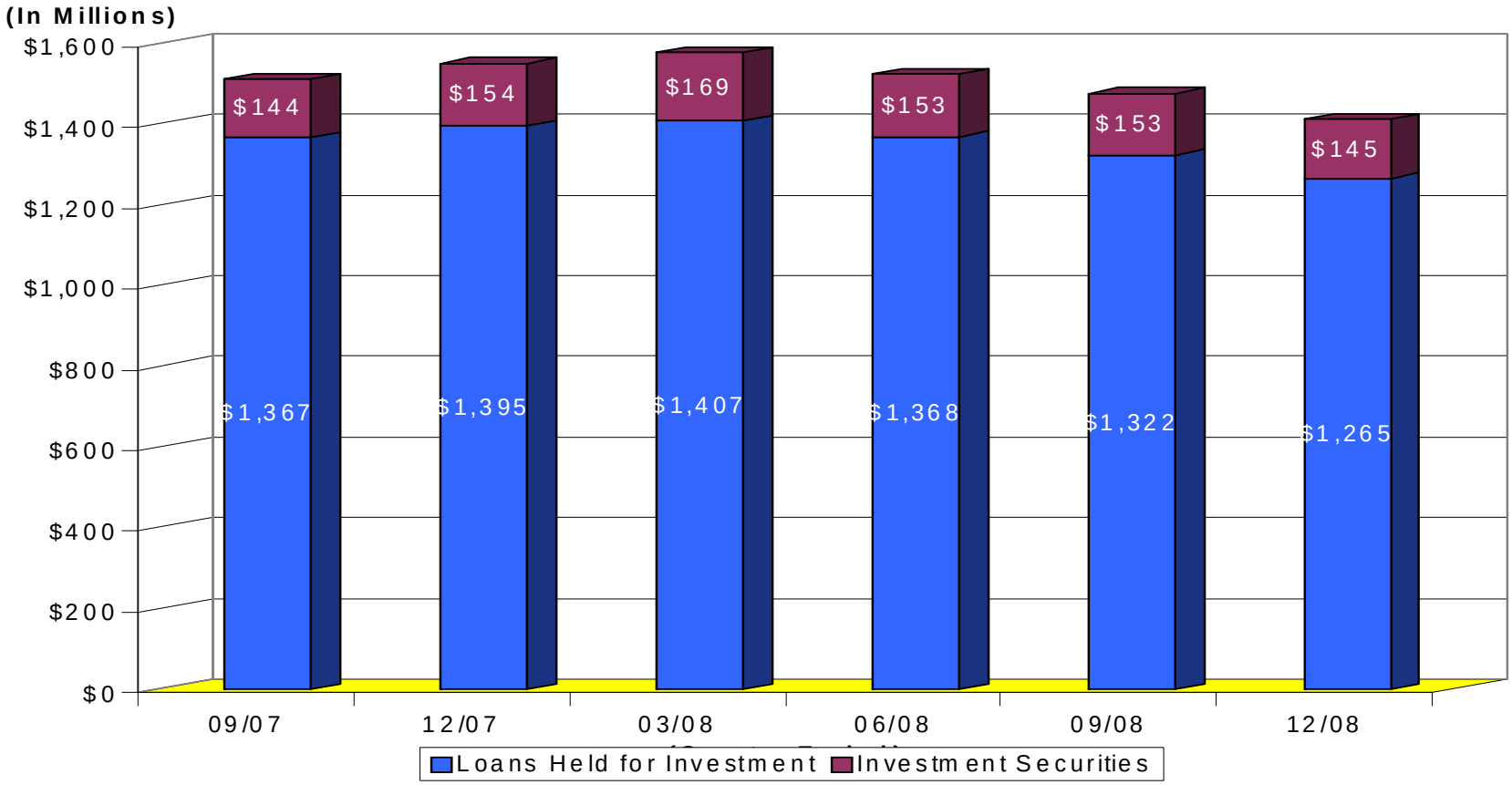
Community Banking

PROVIDENT Bank™

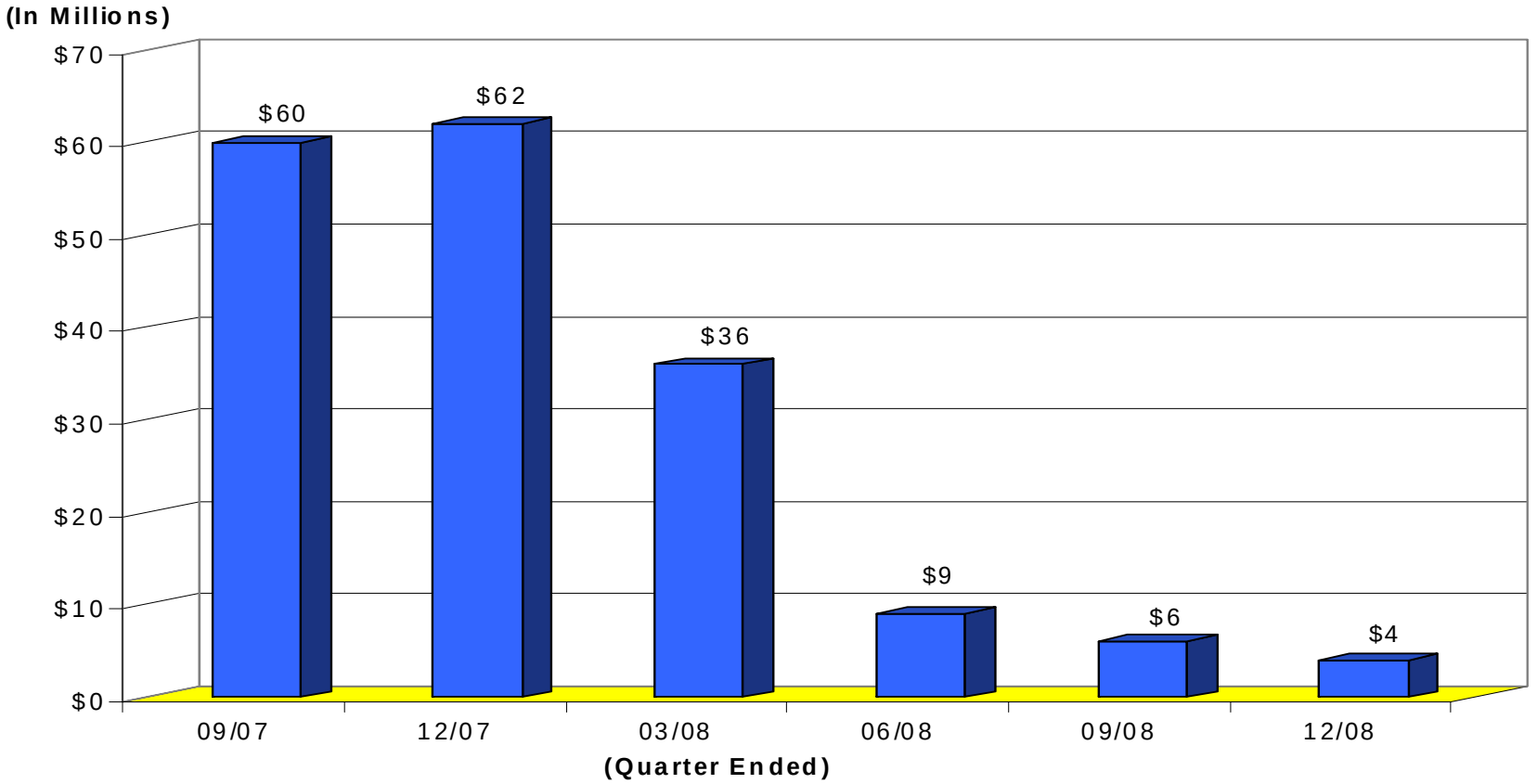
More for you everyday.

Provident Financial Holdings, Inc.

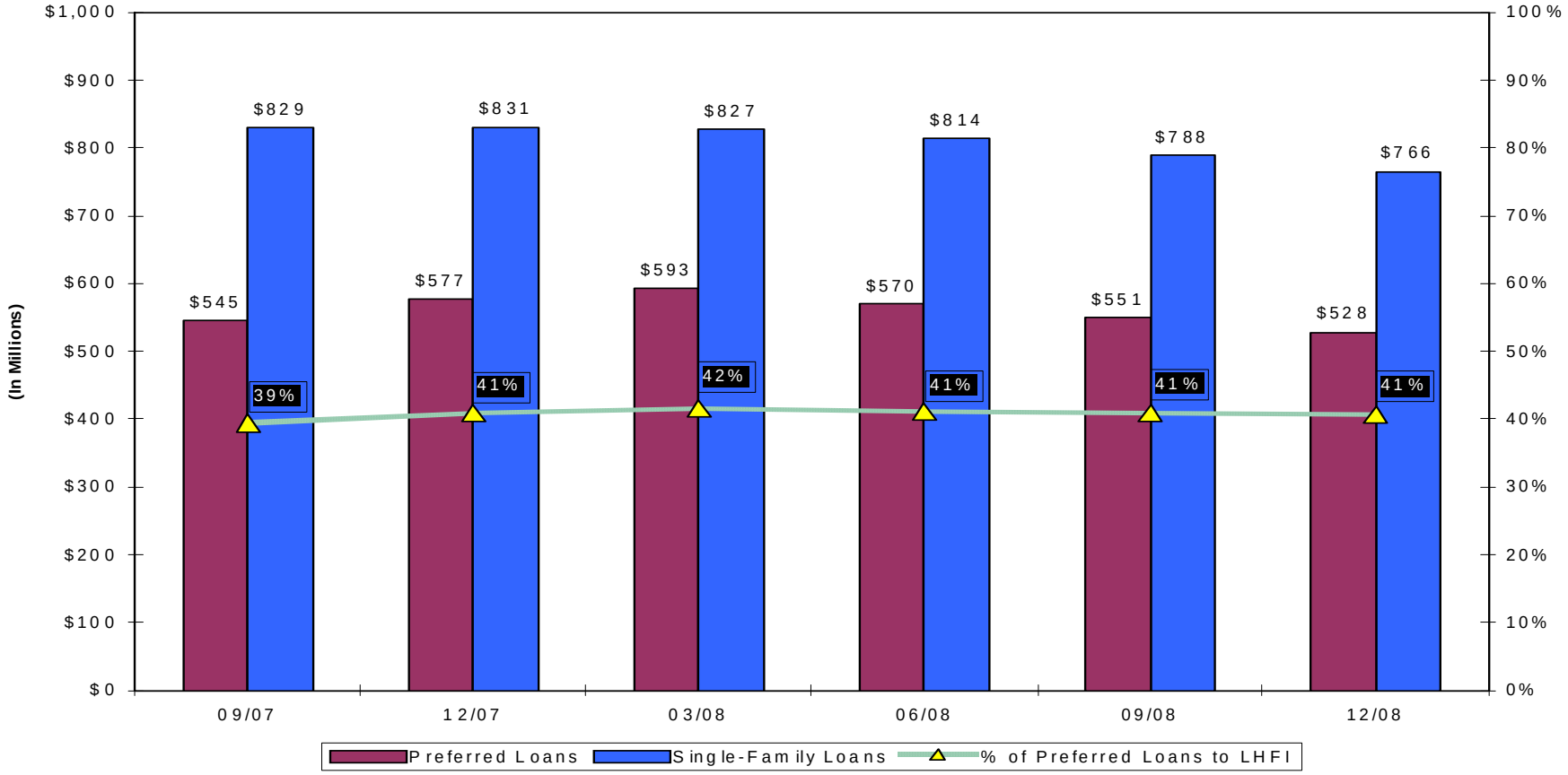
Loan to Investment Mix



Provident Bank Loan Originations (Primarily "Preferred Loans")



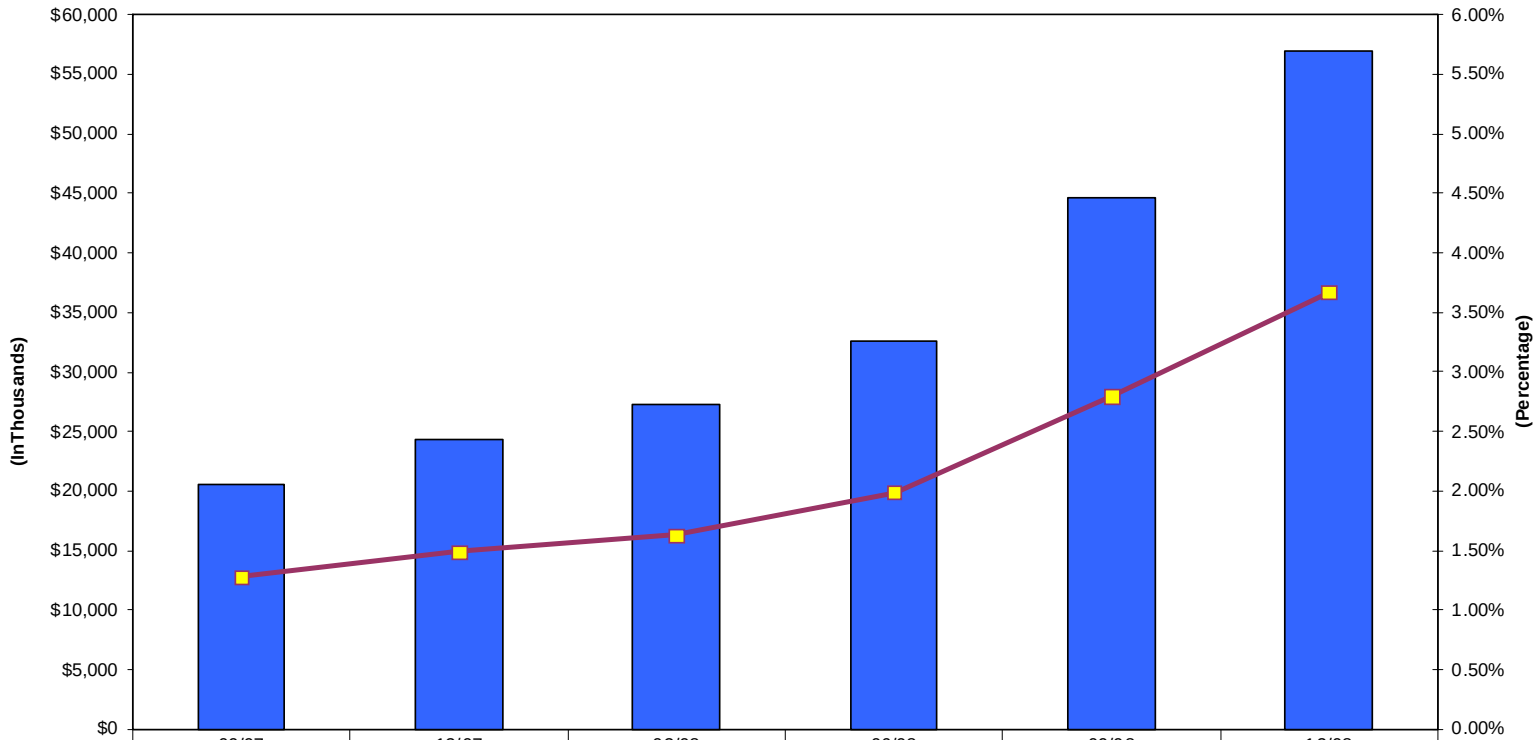
Loan Portfolio Mix
(Loans Held for Investment)



"Preferred Loans" – Multi-Family, Commercial Real Estate, Construction and Commercial Business Loans.

Asset Quality

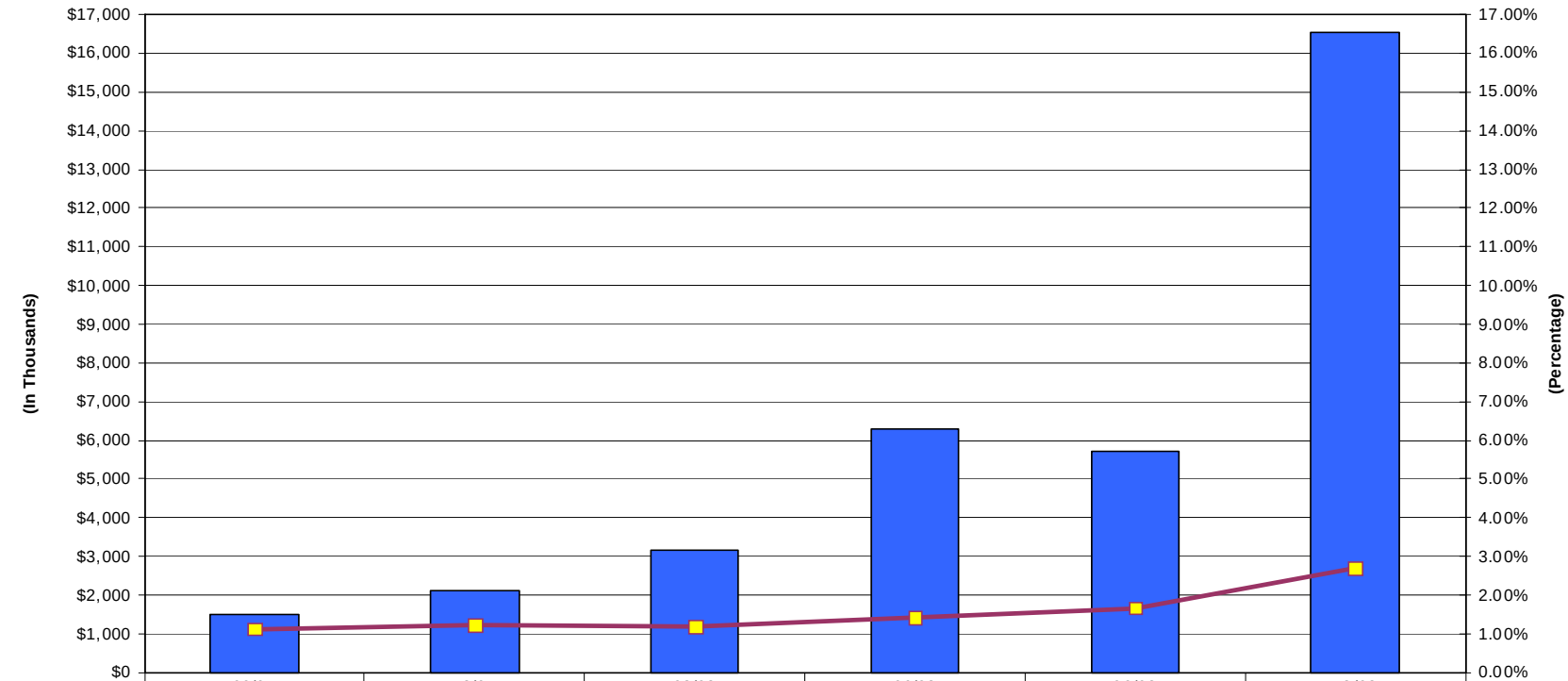
Non-Performing Assets ("NPA") & NPA to Total Assets



	09/07	12/07	03/08	06/08	09/08	12/08
Non-Performing Assets	$20,591	$24,372	$27,292	$32,548	$44,676	$56,963
NPA to Total Assets	1.28%	1.49%	1.63%	1.99%	2.80%	3.67%

Asset Quality

Provision for Loan Losses (PLL) &
Allowance for Loan Losses to Loans Held for Investment (ALL to LHI)



	09/07	12/07	03/08	06/08	09/08	12/08
PLL	$1,519	$2,140	$3,150	$6,299	$5,732	$16,536
ALL to LHI	1.13%	1.22%	1.18%	1.43%	1.67%	2.69%

Asset Quality

Single-Family (1st) – Loans Held for Investment

	Year of Origination									
	2000 & Prior	2001	2002	2003	2004	2005	2006	2007	2008	TOTAL
Loan Balance (In Thousands)	$ 12,582	$ 150	$ 3,972	$ 27,632	$ 99,684	$ 234,539	$ 192,445	$ 117,582	$ 53,559	$ 742,147
Weighted Avg. LTV (1)	51%	53%	67%	72%	76%	73%	70%	72%	76%	72%
Weighted Avg. Age (In Years)	14.80	7.34	6.32	5.33	4.30	3.45	2.46	1.49	0.73	3.08
Weighted Avg. FICO	705	611	705	725	720	731	742	735	744	734
Number of Loans	157	2	15	102	302	616	441	228	97	1,960
Geographic Breakdown (%)										
Inland Empire	35%	100%	41%	37%	30%	33%	29%	27%	21%	30%
Southern CA (Other Than Inland Empire)	54%	0%	51%	60%	64%	59%	52%	43%	53%	55%
Other California	7%	0%	8%	3%	5%	7%	17%	28%	25%	14%
Other States	4%	0%	0%	0%	1%	1%	2%	2%	0%	1%
	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

(1) Current loan balance in comparison to the original appraised value.

Asset Quality

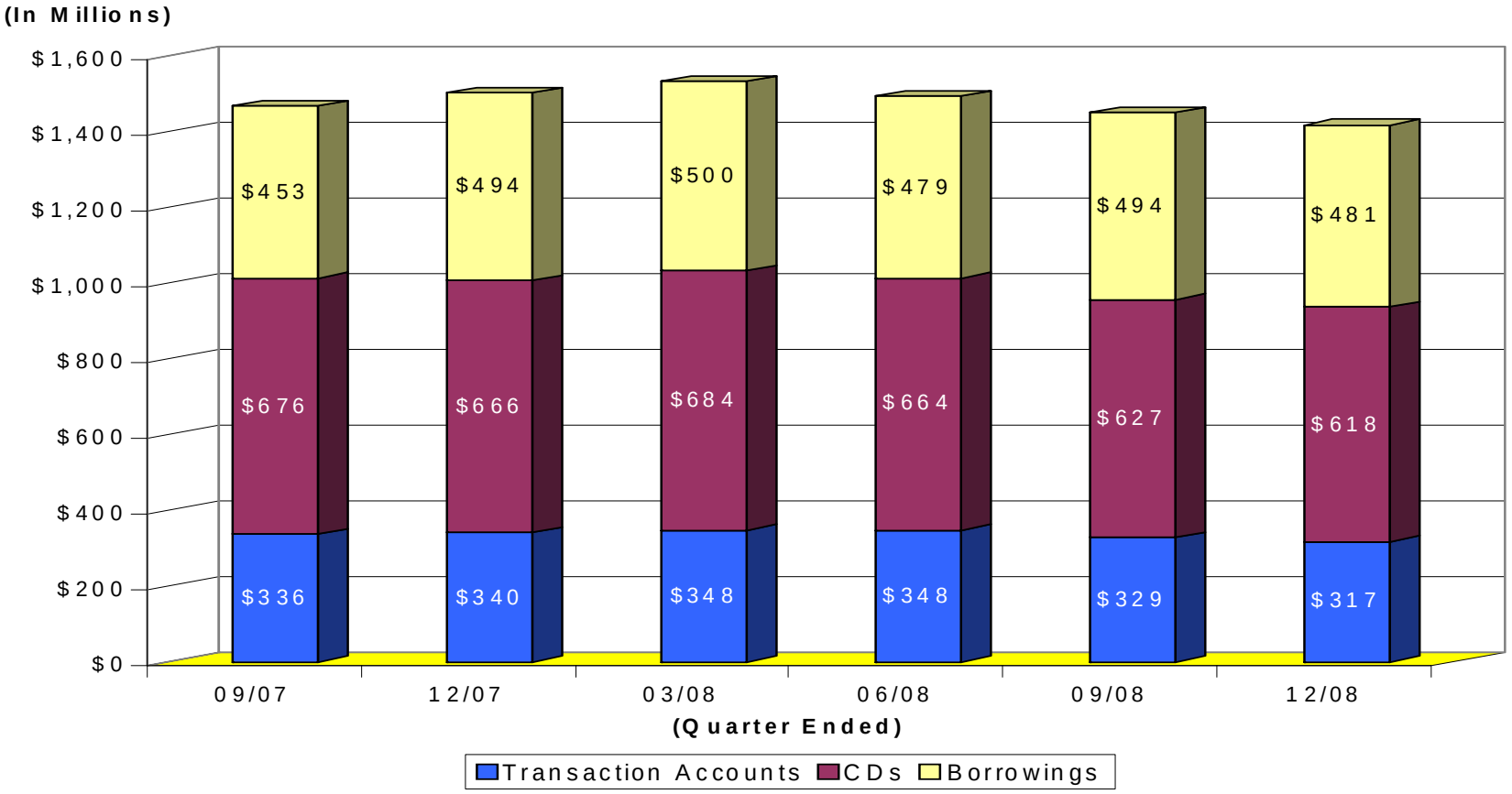
Geographic Locations

Loan Category	Inland Empire	Southern California (1)	Other California	Other States	Total
Single-Family	31%	54%	14%	1%	100%
Multi-Family	9%	70%	19%	2%	100%
Commercial Real Estate	47%	50%	2%	1%	100%
Construction	97%	3%	0%	0%	100%
Other loans	100%	0%	0%	0%	100%
Total	27%	58%	14%	1%	100%

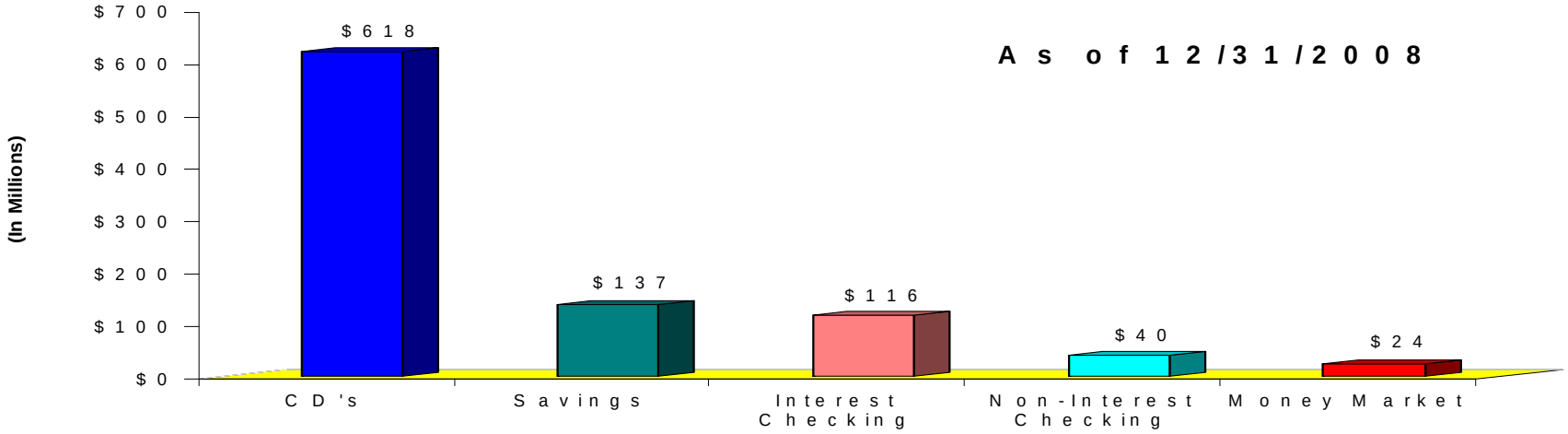
(1) Other than the Inland Empire.

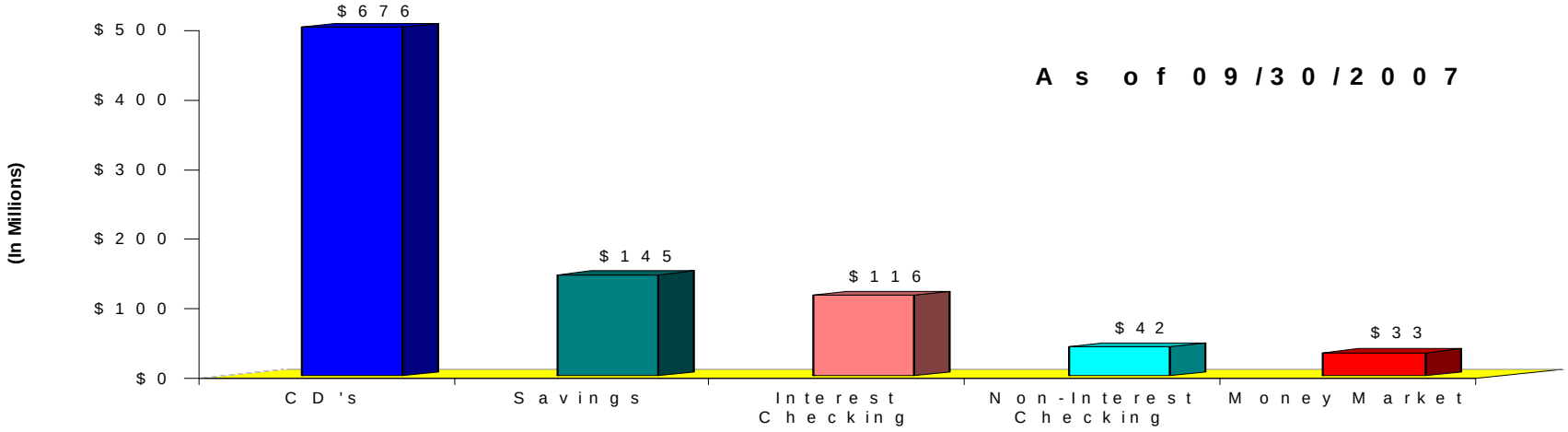
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Transaction Accounts, CDs & Borrowings



Deposit Composition





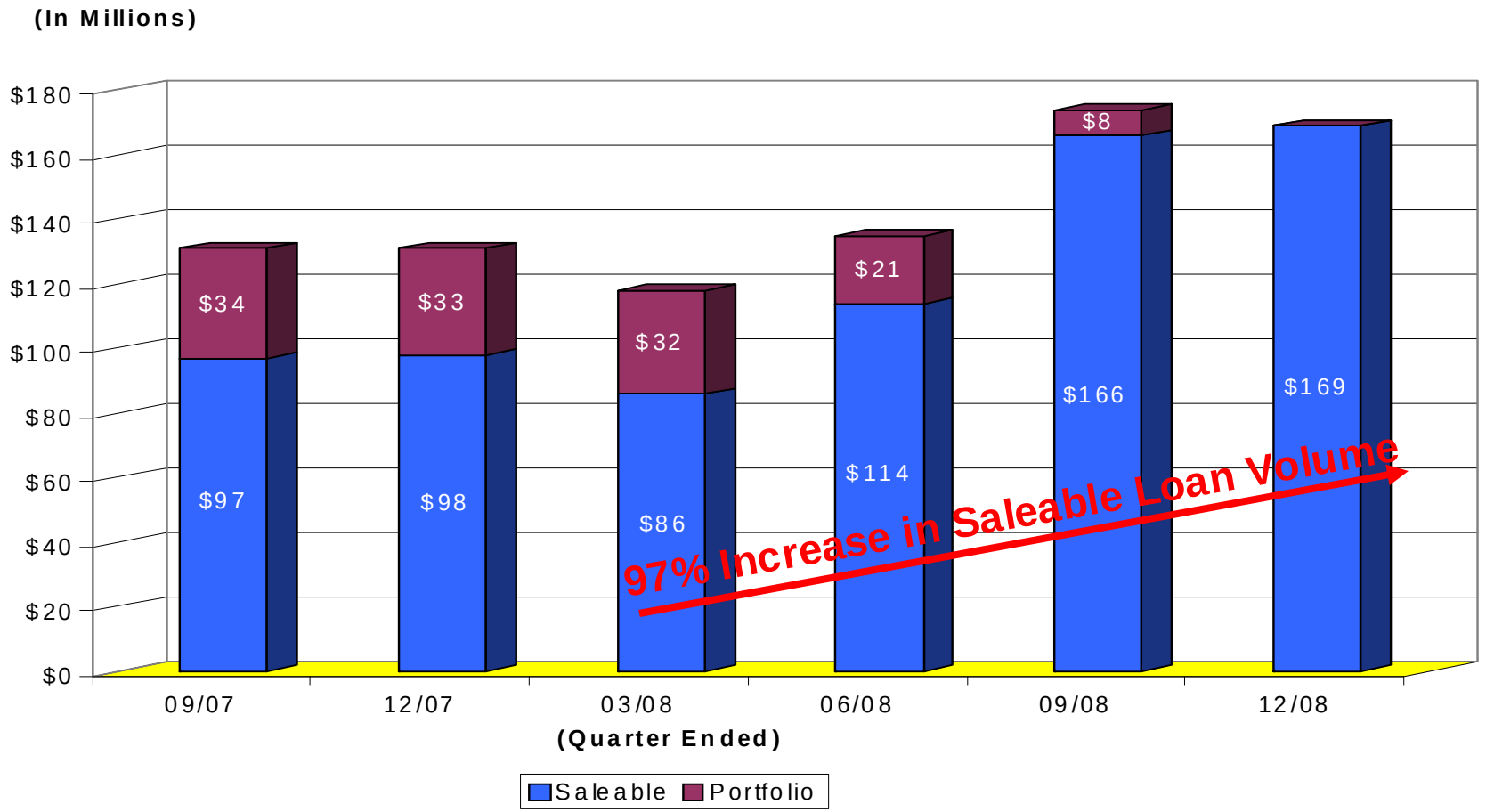
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Mortgage Banking

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Bank Mortgage™
Faster funded home loans.

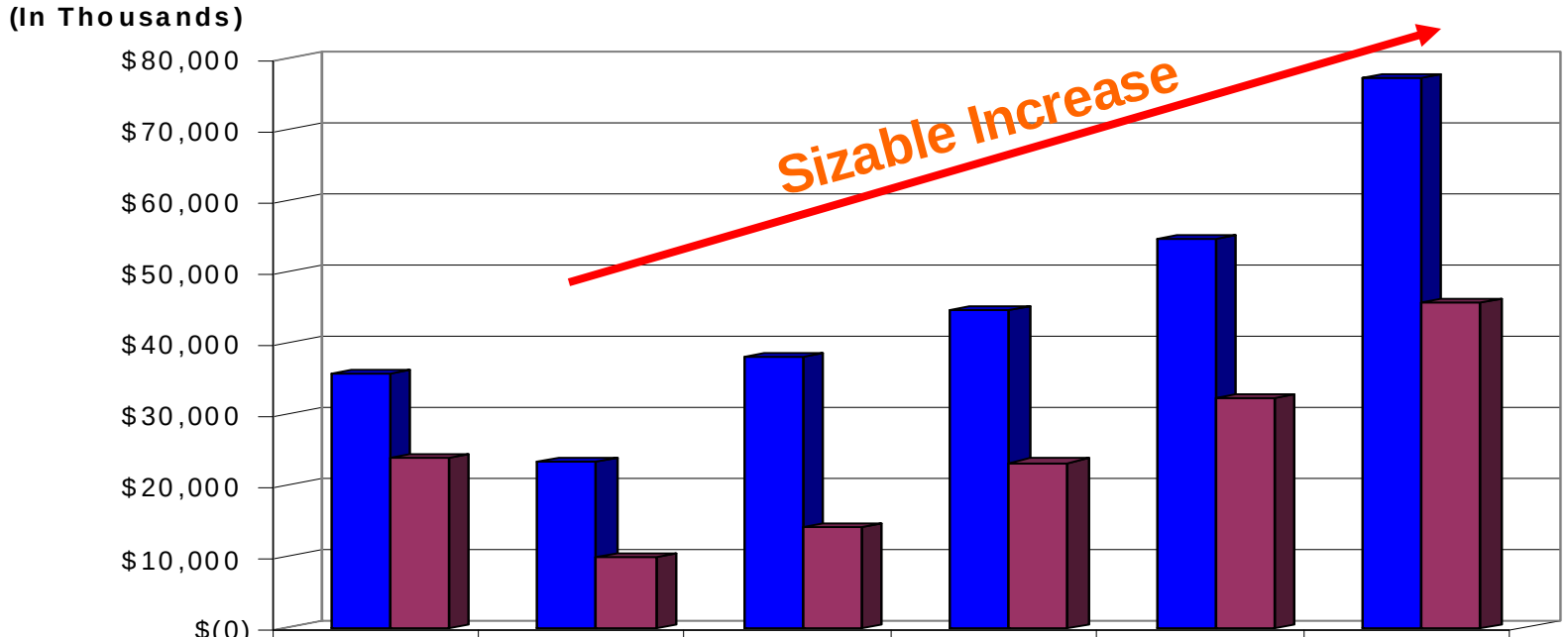
Provident Financial Holdings, Inc.

Provident Bank Mortgage Loan Originations



Provident Bank Mortgage Locked Pipeline

Locked Pipeline - Available for Sale

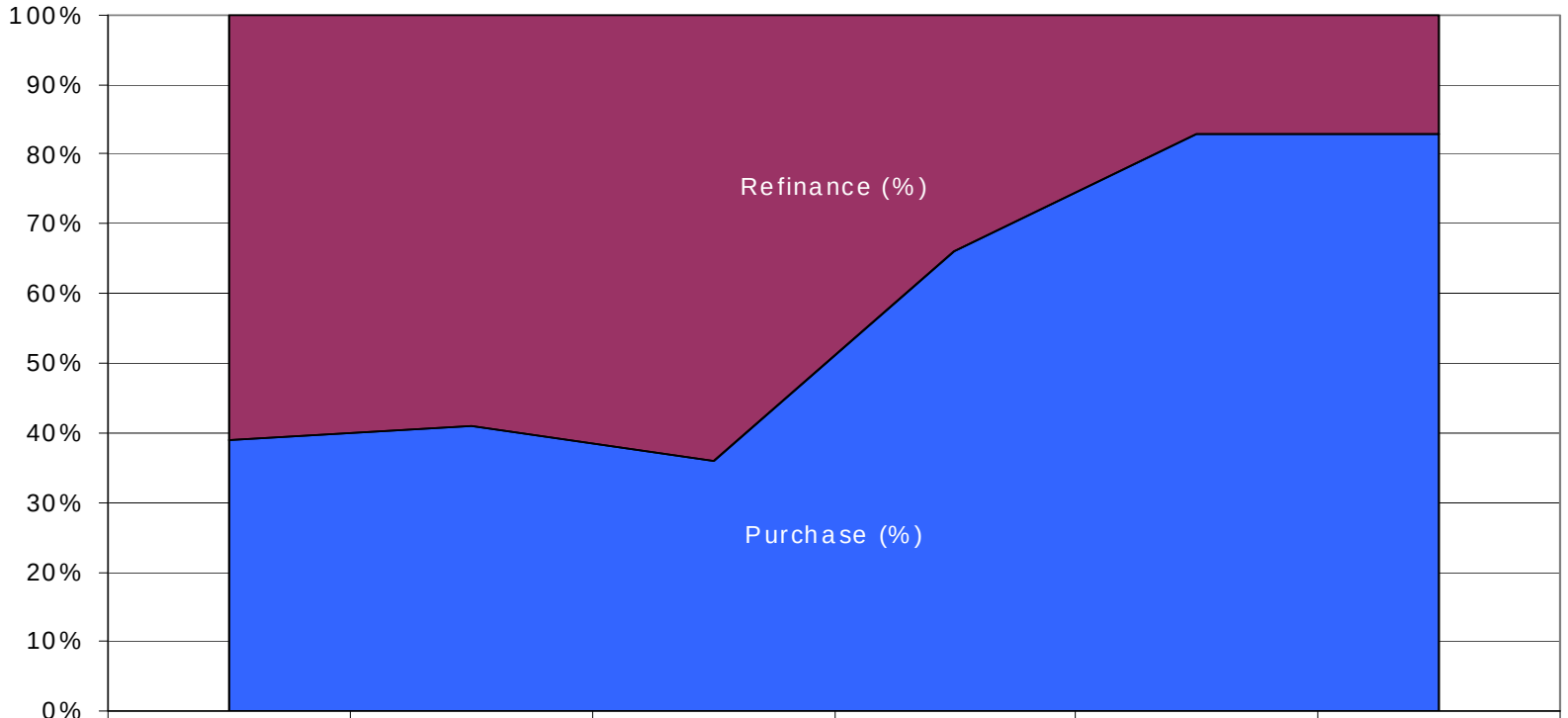


	09/07	12/07	03/08	06/08	09/08	12/08
Gross Locked Pipeline	$35,670	$23,244	$37,938	$44,599	$54,666	$77,243
Net Locked Pipeline (1)	$23,966	$9,995	$14,037	$23,191	$32,253	$45,573

(Quarter Ended)

(1) Net of management's estimate of commitments to extend credit which may not fund.

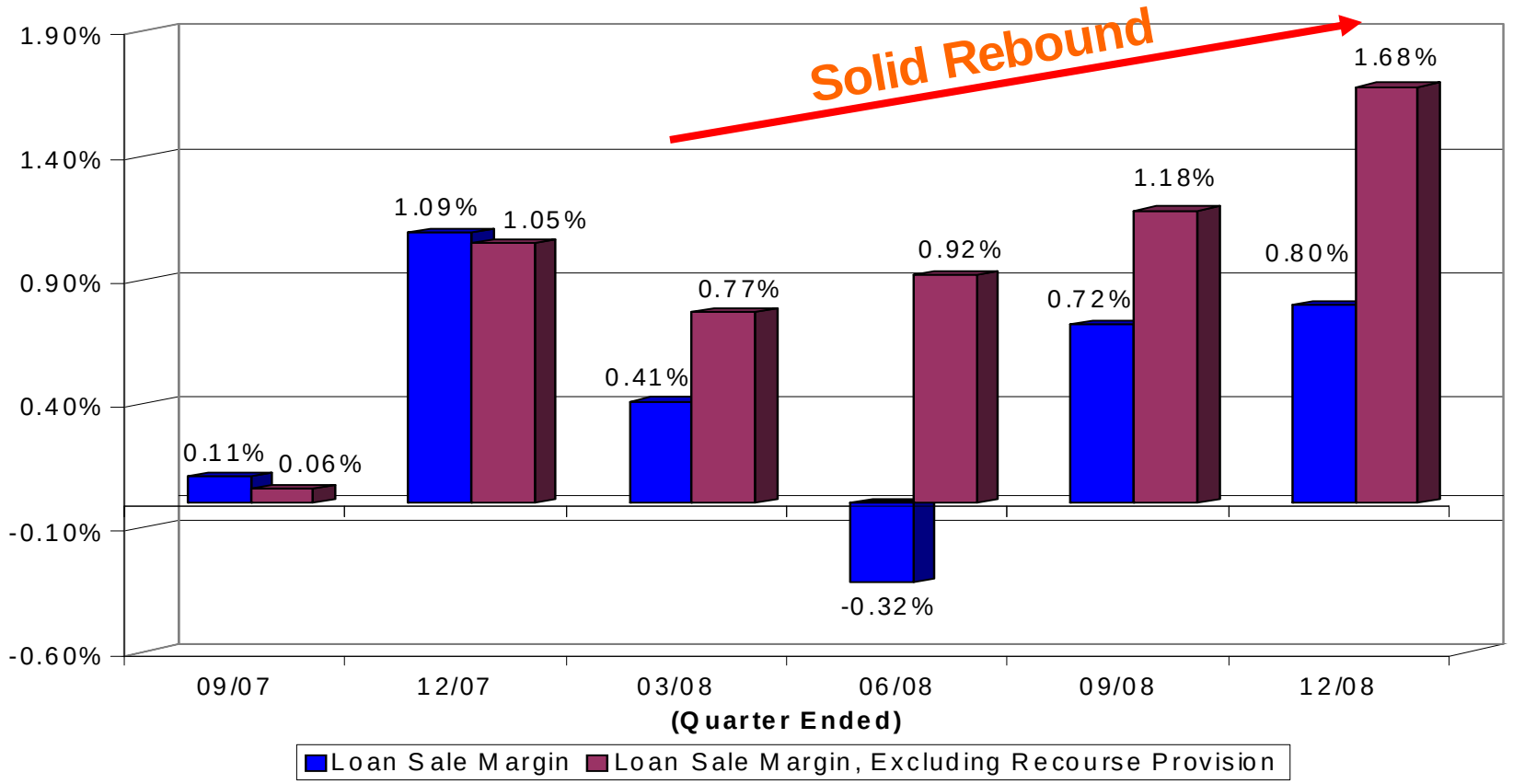
PBM Purchase vs. Refinance



	09/07	12/07	03/08	06/08	09/08	12/08
Refinance	61%	59%	64%	34%	17%	17%
Purchase	39%	41%	36%	66%	83%	83%

(Quarter Ended)

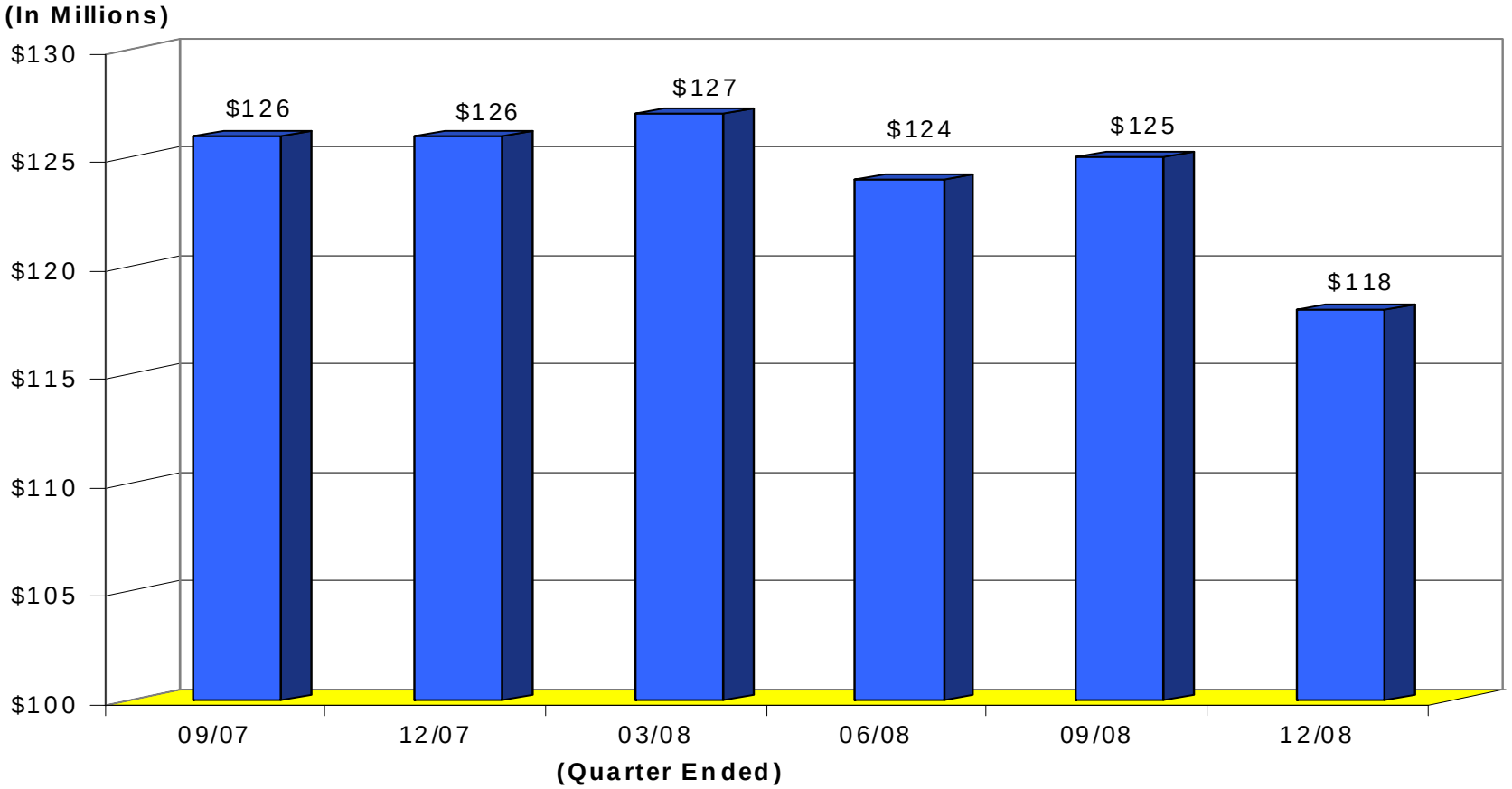
Loan Sale Margin



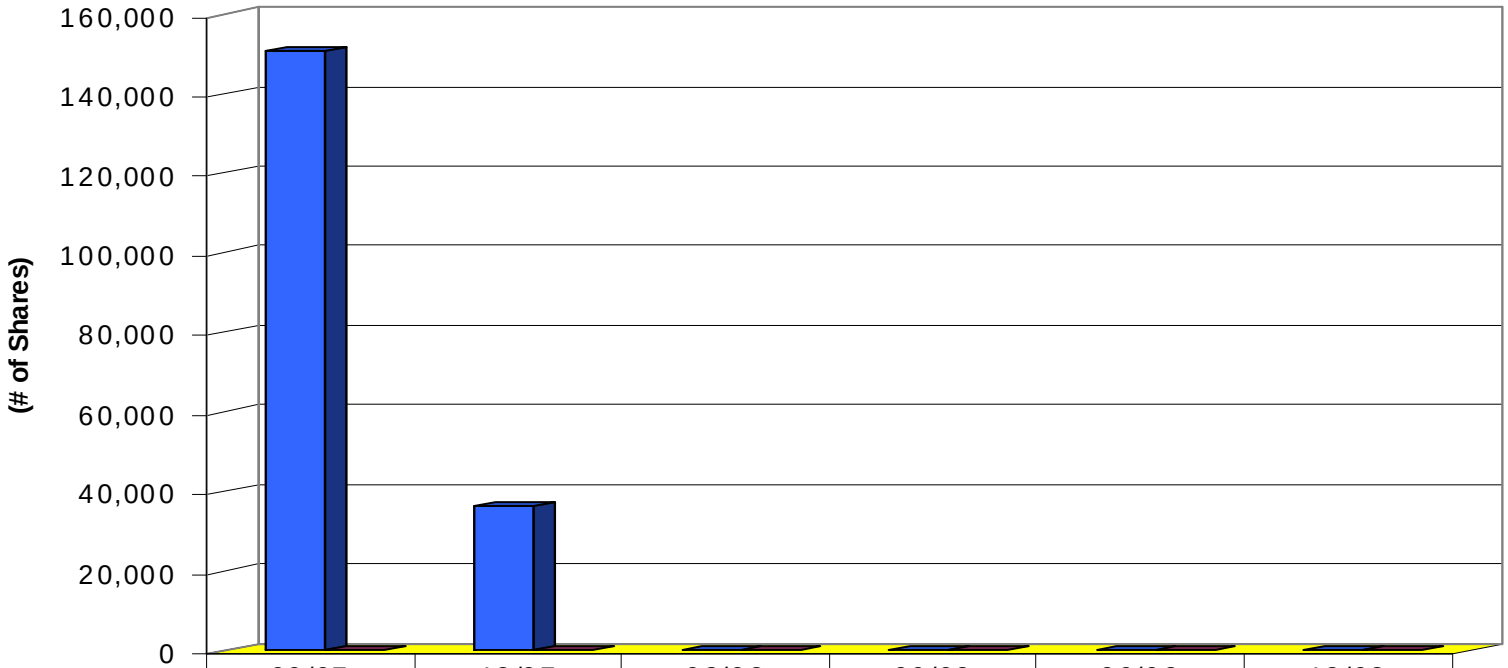
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Capital Management

Stockholders' Equity



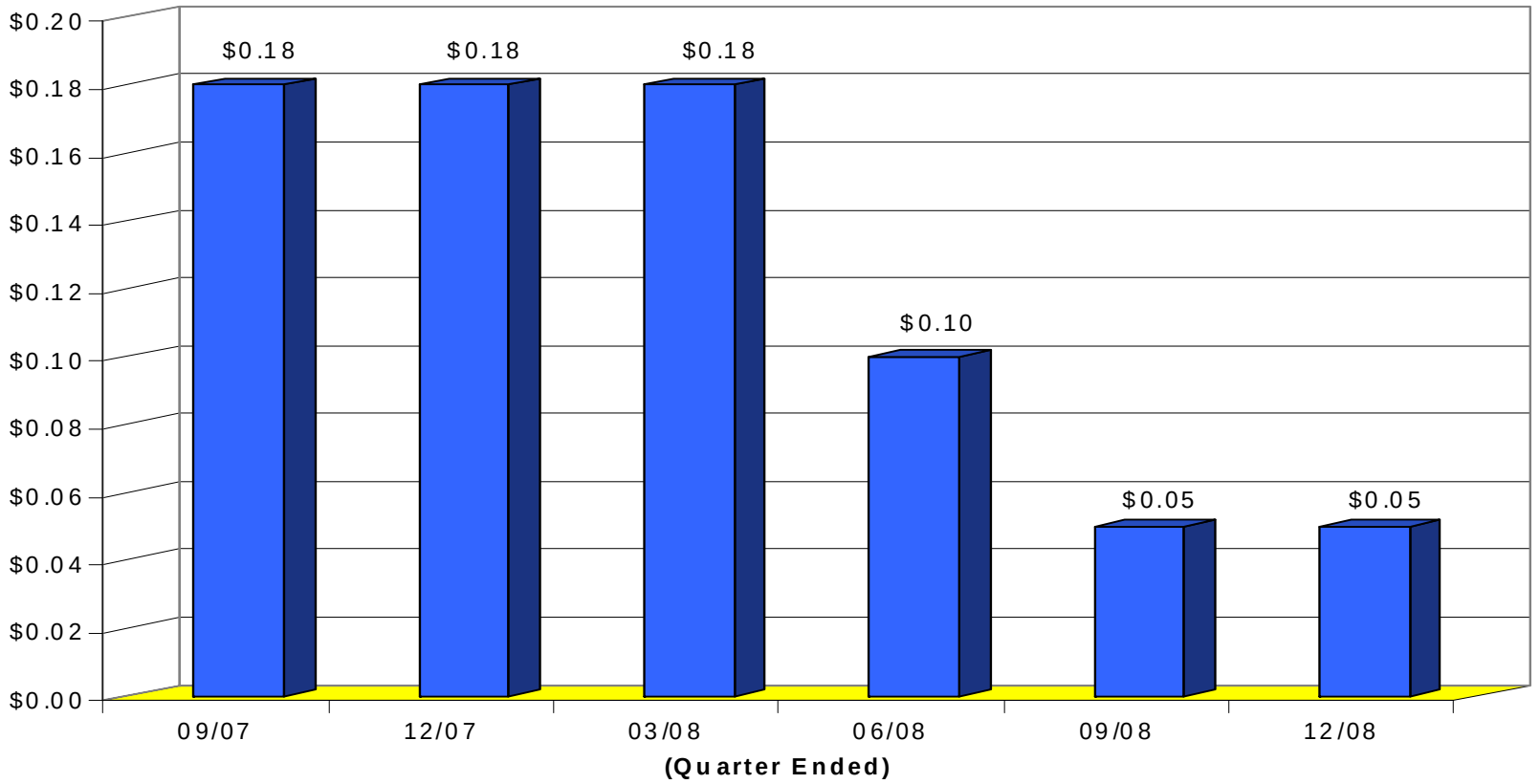
Share Repurchase Program



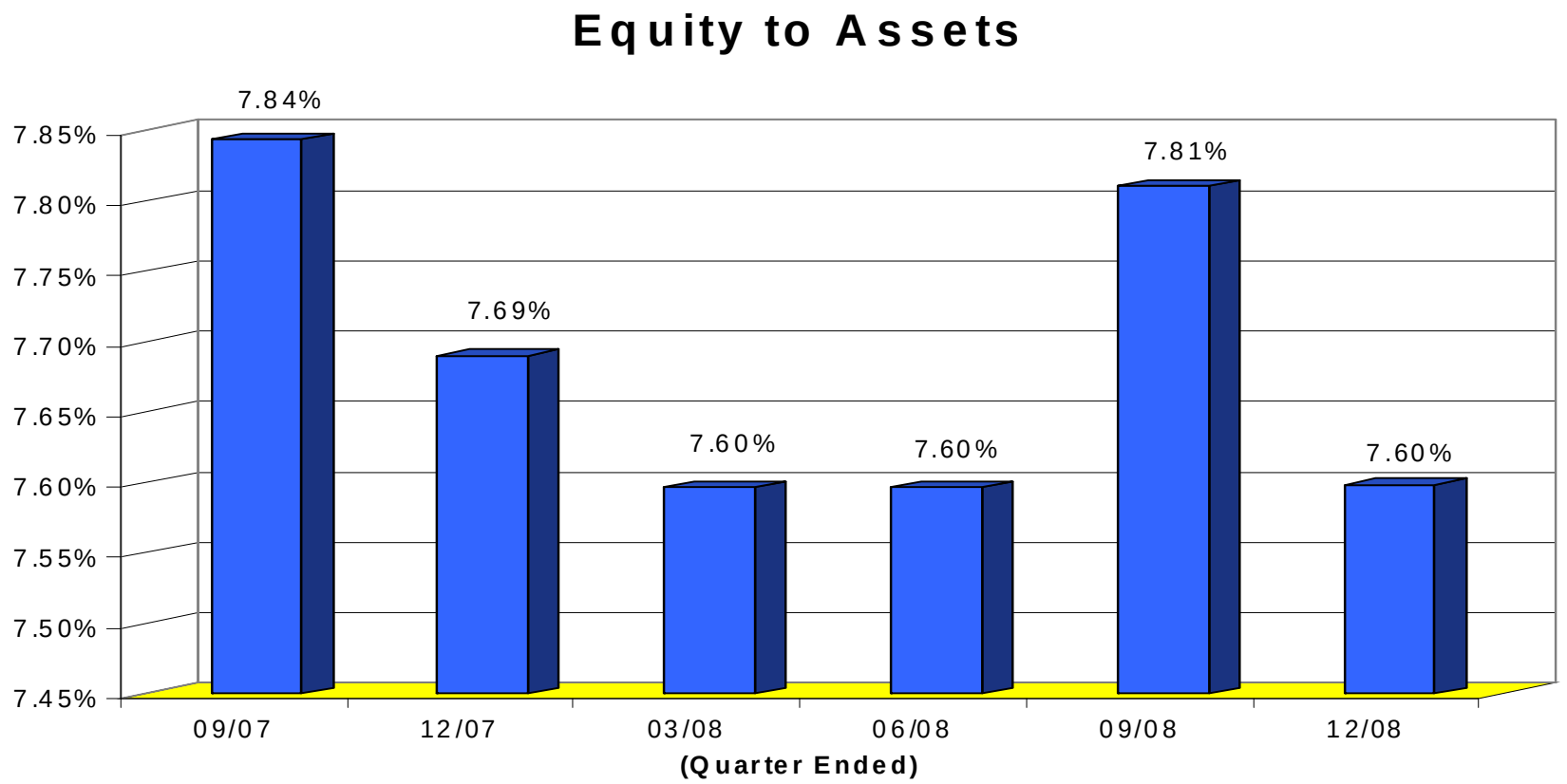
	09/07	12/07	03/08	06/08	09/08	12/08
Shares Repurchased	150,712	36,369	0	0	0	0
Average Cost per Share	$22.40	$19.24	$0.00	$0.00	$0.00	$0.00

(Quarter Ended)

Cash Dividend per Share

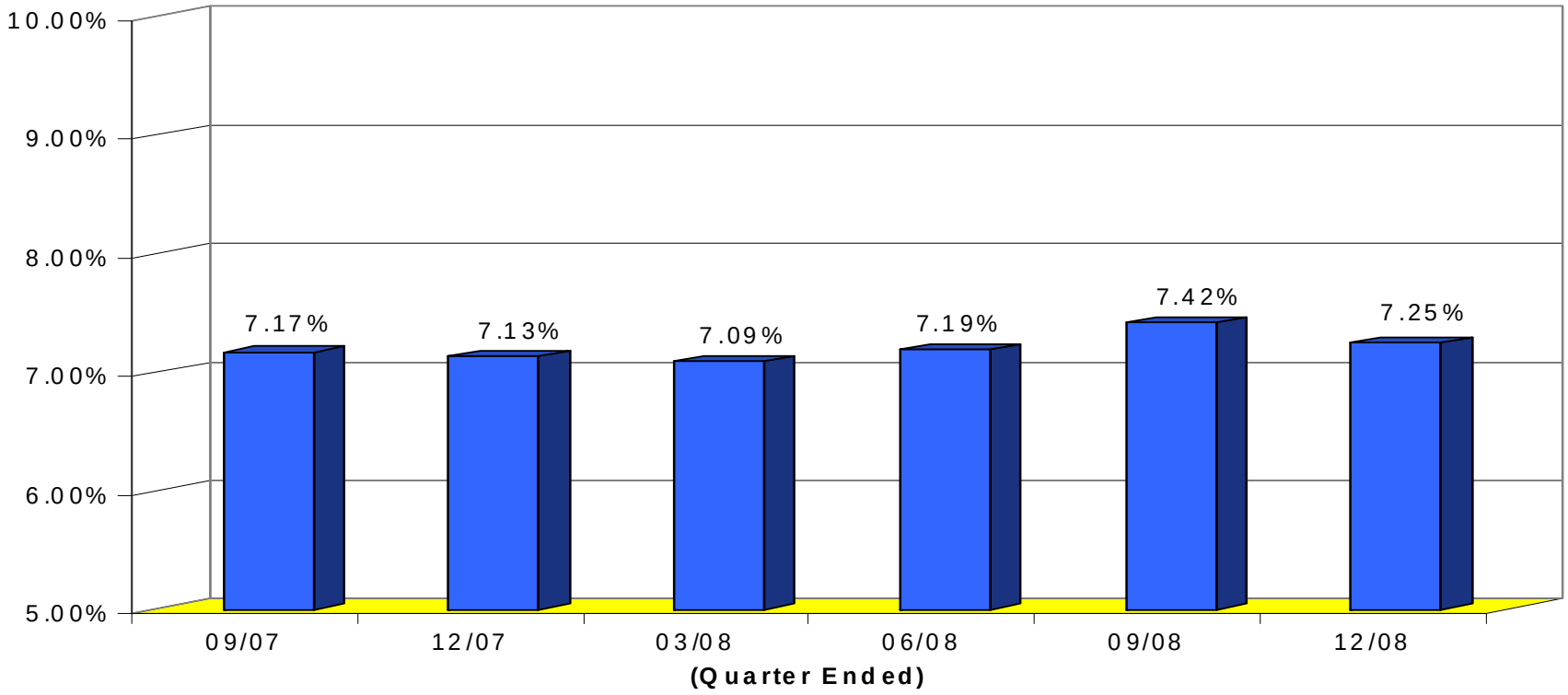


Consolidated Capital Ratio



Bank Capital Ratio

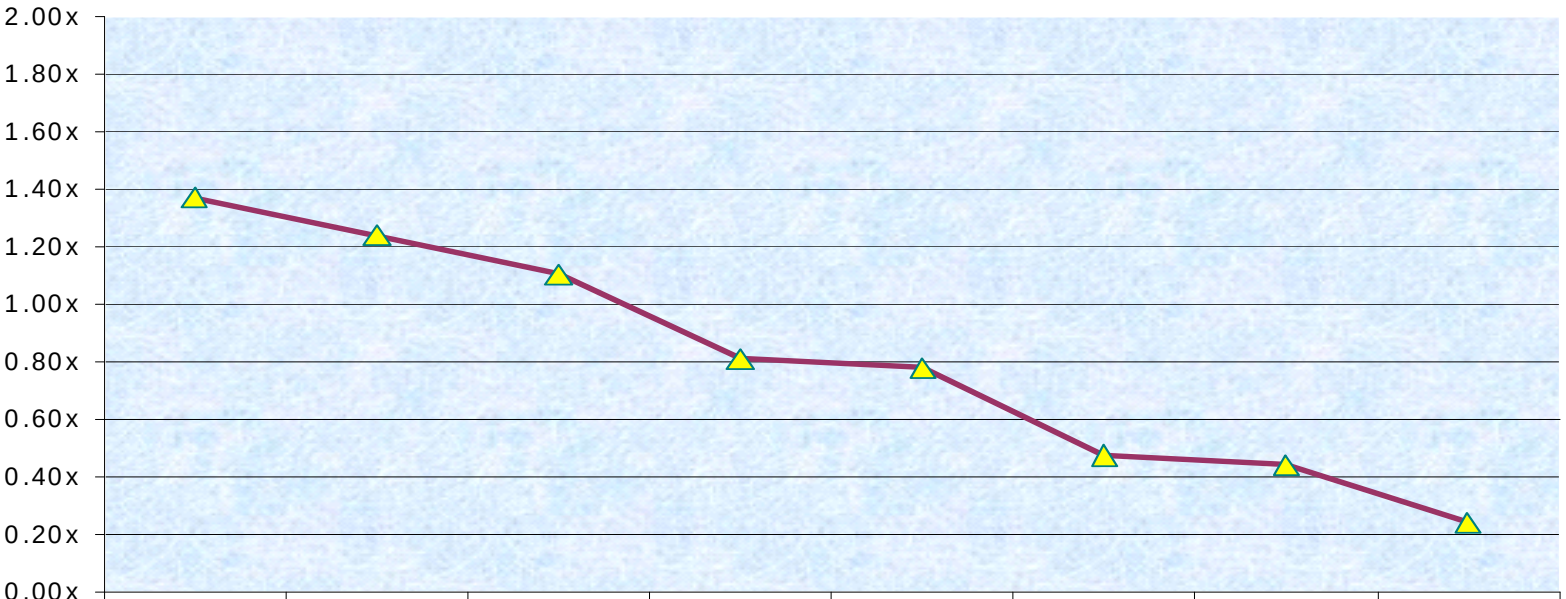
Tier 1 Core Capital Ratio



Value Proposition

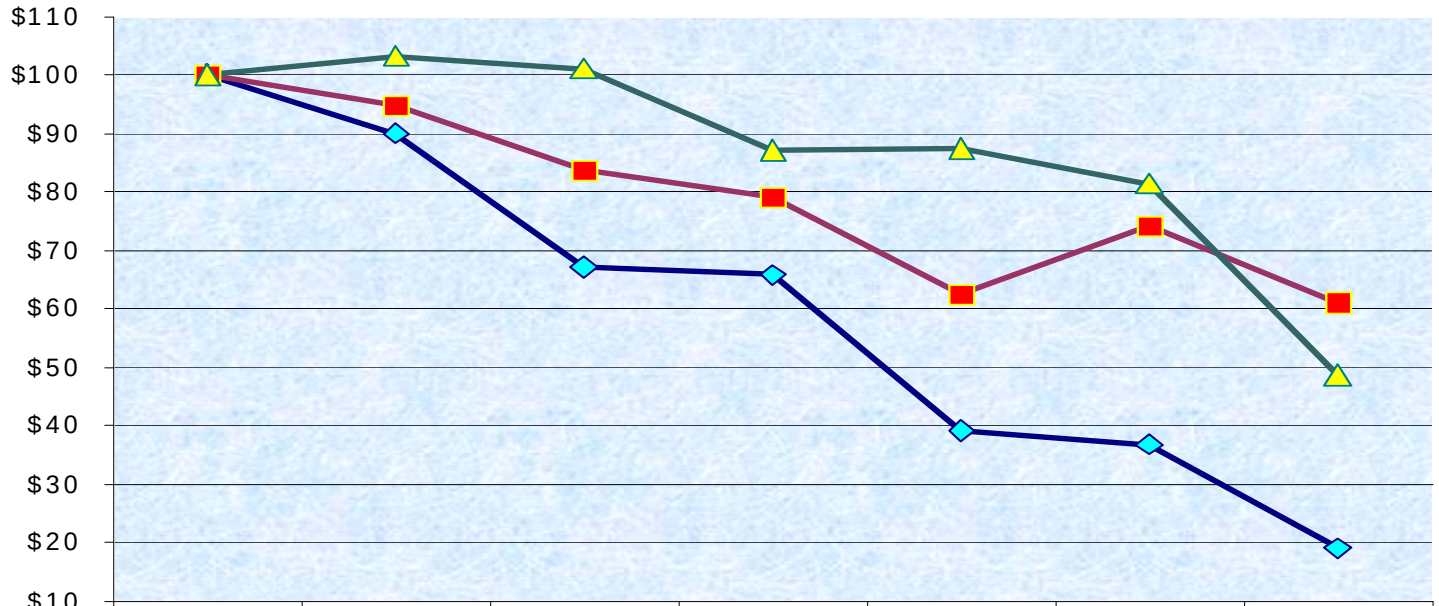
Provident Financial Holdings, Inc.

Stock Price to Tangible Book Value Multiple



	Mar 2007	Jun 2007	Sep 2007	Dec 2007	Mar 2008	Jun 2008	Sep 2008	Dec 2008
Price/TBV	1.37x	1.24x	1.10x	0.81x	0.78x	0.47x	0.44x	0.24x

Stock Performance



	Jun 2007	Sep 2007	Dec 2007	Mar 2008	Jun 2008	Sep 2008	Dec 2008
PROV	$100	$90	$67	$66	$39	$37	$19
Nasdaq Bank Index	$100	$95	$84	$79	$62	$74	$61
Nasdaq Stock Index	$100	$103	$101	$87	$87	$81	$49

Assumes that the value of the investment in the Company's Common Stock and in each Index was $100 on June 30, 2007 and that all dividends were reinvested.

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