

Fourth Quarter of Fiscal 2015

June 30, 2015

Safe Harbor Statement

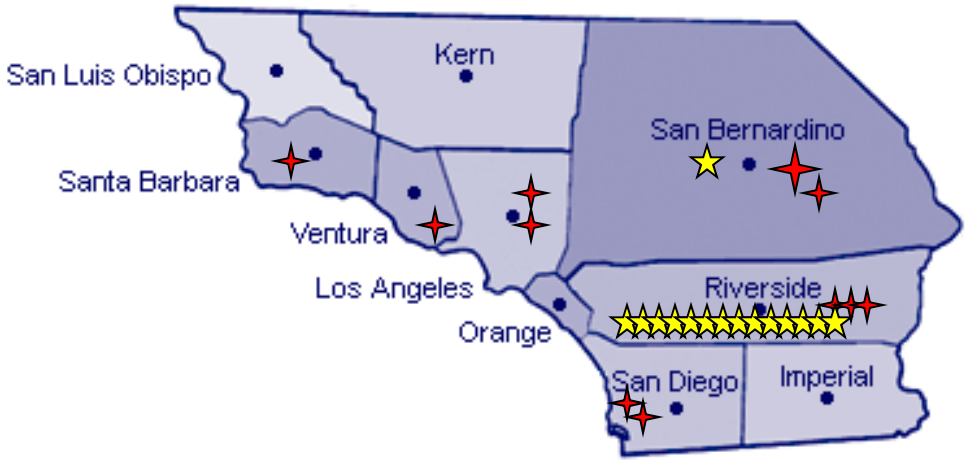
This presentation contains statements that the Company believes are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These statements relate to the Company’s financial condition, liquidity, results of operations, plans, objectives, future performance 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 Company 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 Company. 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 from the results anticipated or implied by our forward-looking statements include, but are not limited to increased competitive pressures; changes in the interest rate environment; secondary market conditions for loans and our ability to sell loans in the secondary market; changes in general economic conditions and conditions within the securities markets; legislative and regulatory changes; and other factors described in the Company’s latest annual Report on Form 10-K and Quarterly Reports on Form 10-Q and other filings with the Securities and Exchange Commission-which are available on our website at www.myprovident.com and on the SEC’s website at www.sec.gov. We do not undertake and specifically disclaim any obligation to revise any forward-looking statements to reflect the occurrence of anticipated or unanticipated events or circumstances after the date of such statements whether as a result of new information, future events or otherwise. These risks could cause our actual results for fiscal 2016 and beyond to differ materially from those expressed in any forward-looking statements by, or on behalf of us and could negatively affect our operating and stock price performance.

Market Highlights

Provident Financial Holdings, Inc.	
Nasdaq GS:	PROV
Share Price:	$16.74
52-Week Range:	$14.04 - $18.44
Shares Outstanding:	8,634,607 shares
Market Capitalization:	$144.5 million
P/E (ttm):	15.64x
Diluted EPS (ttm):	$1.07
Annual Dividend & Yield:	$0.48 (2.87%)
As of June 30, 2015	

Franchise Overview

Northern California:
Pleasanton
Elk Grove, Livermore and Roseville



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**
- **Eighth largest deposit market share in the Riverside-San Bernardino RMA; third largest of community banks**

Provident Bank

Full-Service Offices:

- Blythe
- Canyon Crest, Riverside
- Corona
- Corporate Office, Riverside
- Downtown, Riverside
- Hemet
- La Quinta
- 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:

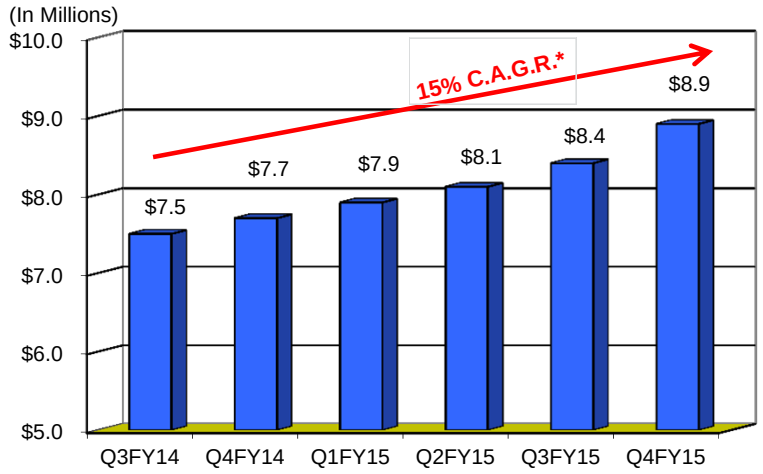
- Carlsbad
- City of Industry
- Elk Grove
- Escondido
- Glendora
- Livermore
- Rancho Cucamonga
- Riverside, Canyon Crest Drive
- Riverside, Indiana Avenue
- Riverside, Riverside Avenue
- Roseville
- Santa Barbara
- Westlake Village

Financial Performance

Highlights

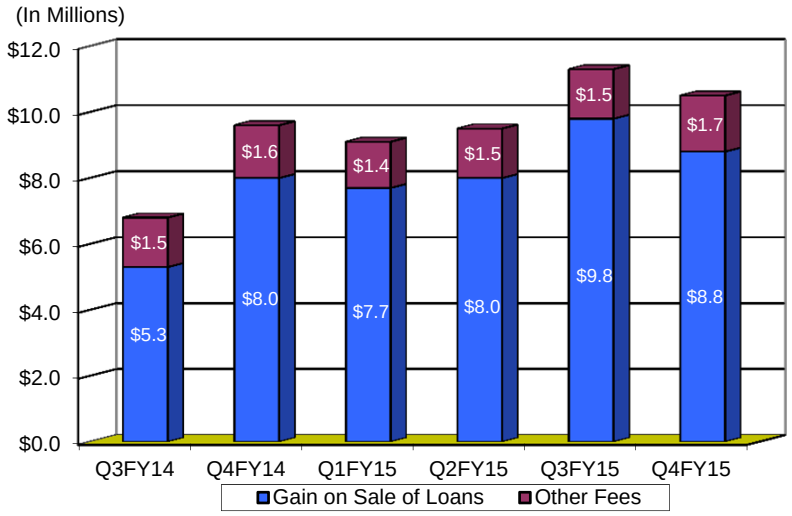
- **Net Income rises 19%**
- **Diluted Earnings per Share increases by 27%**
- **Non-Interest Income increases 10%**
- **Operating Expenses increase 7%**
- **Net Interest Margin expands 24 basis points**

Net Interest Income

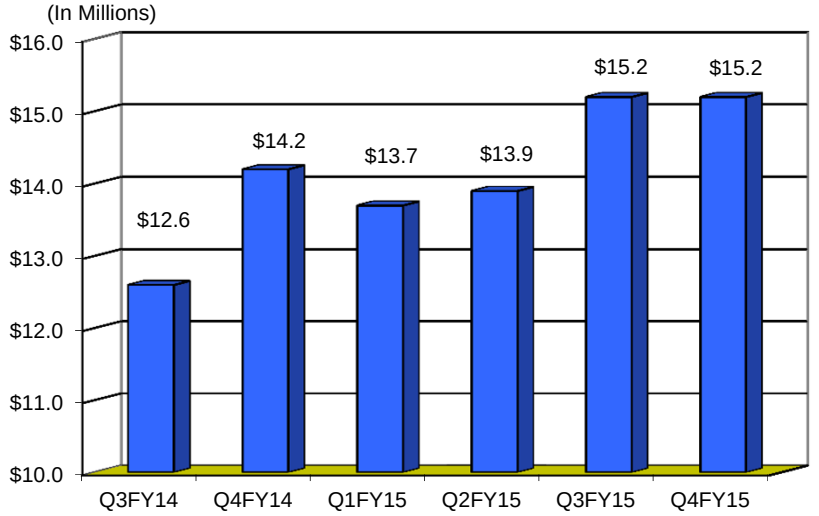


(*) C.A.G.R – Compound annual growth rate from Q3FY2014 through Q4FY15

Non-Interest Income

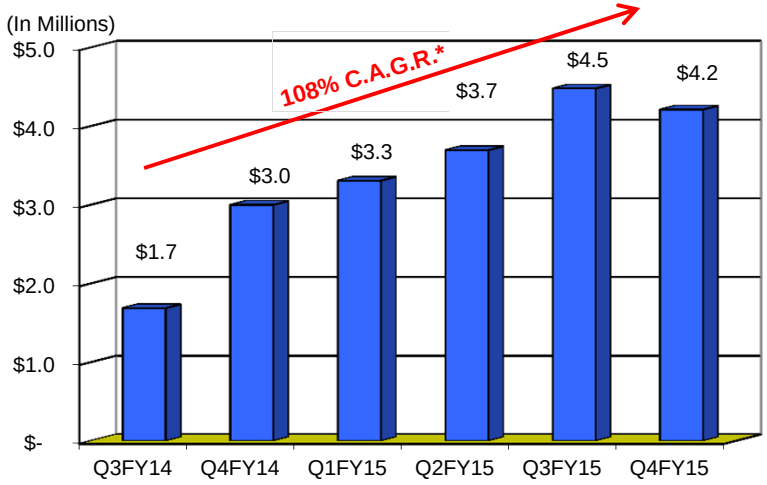


Operating Expenses



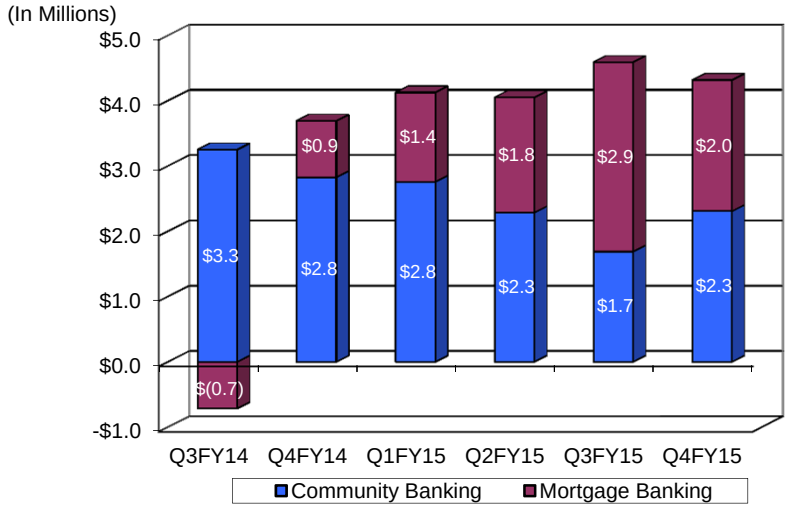
Financial Performance

Pre-Provision, Pre-Tax Earnings

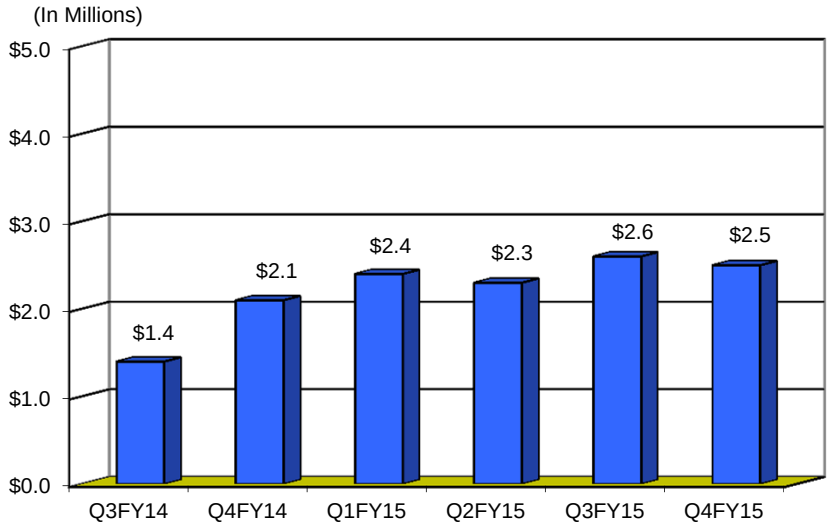


(*) C.A.G.R. - Compound annual growth rate from Q3FY14 through Q4FY15.

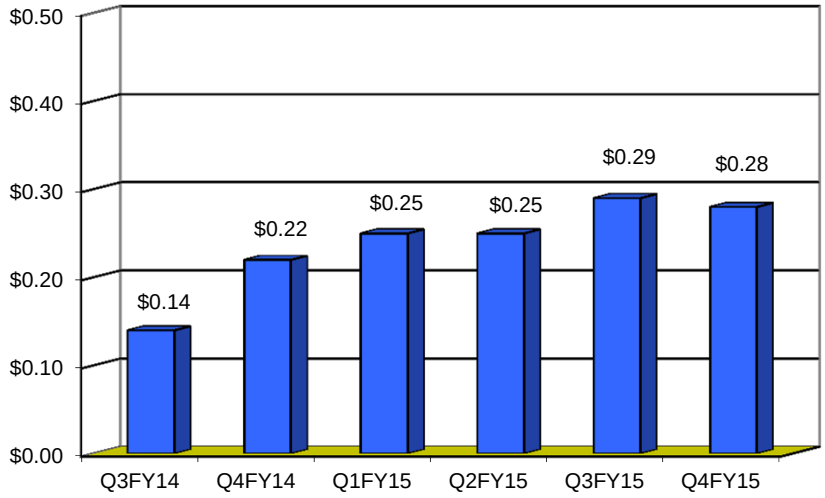
Pre-Tax Income – Operating Segments



Quarterly Net Income

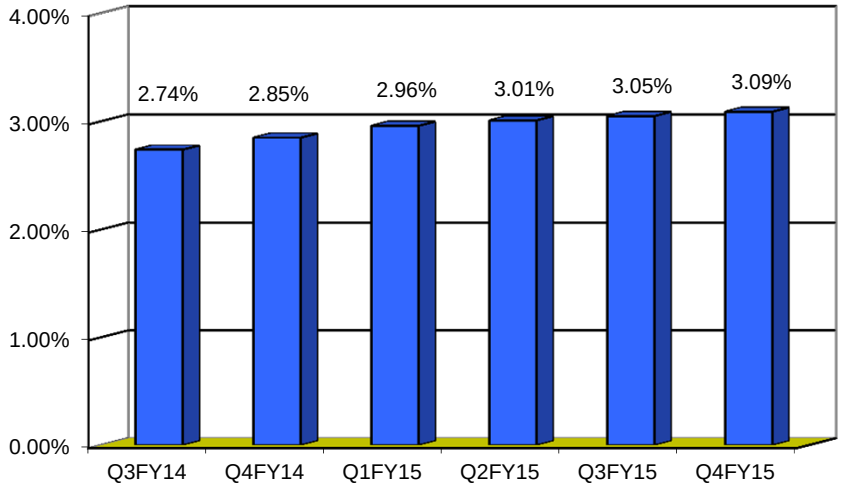


Diluted Earnings Per Share

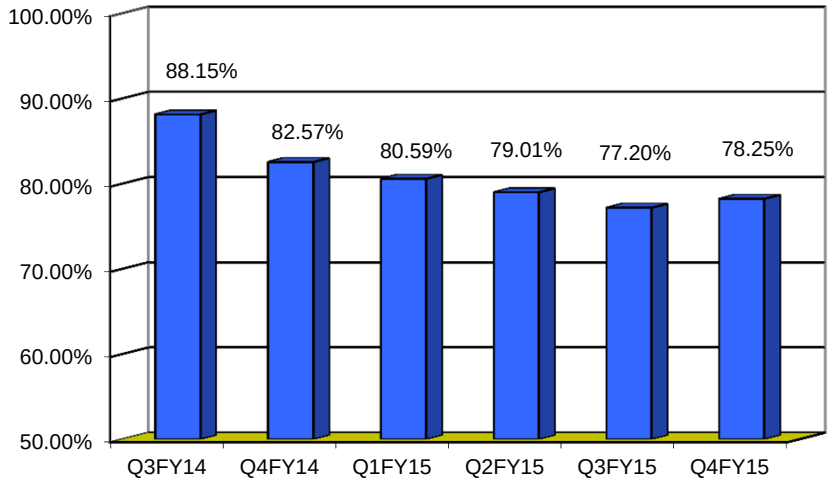


Financial Ratios

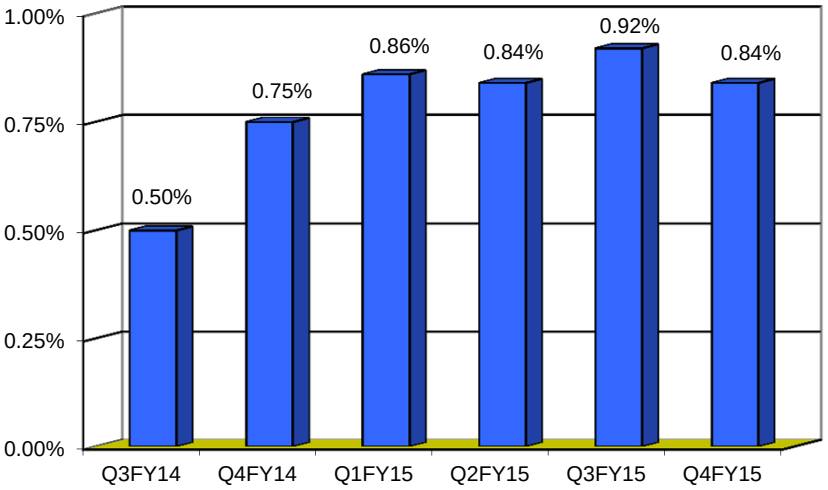
Net Interest Margin



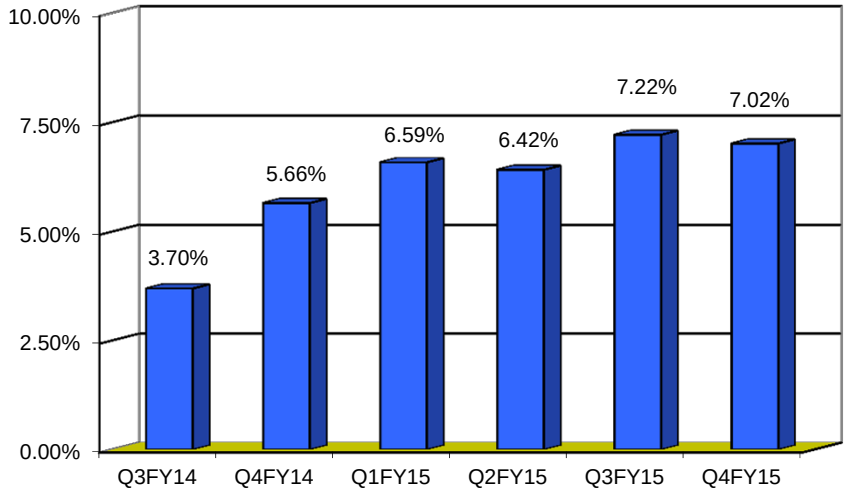
Efficiency Ratio



Return on Average Assets



Return on Average Equity

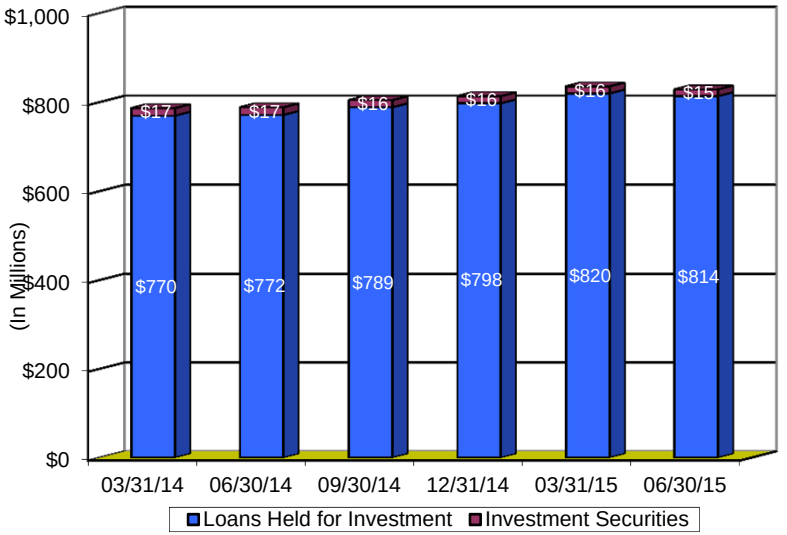


Community Banking

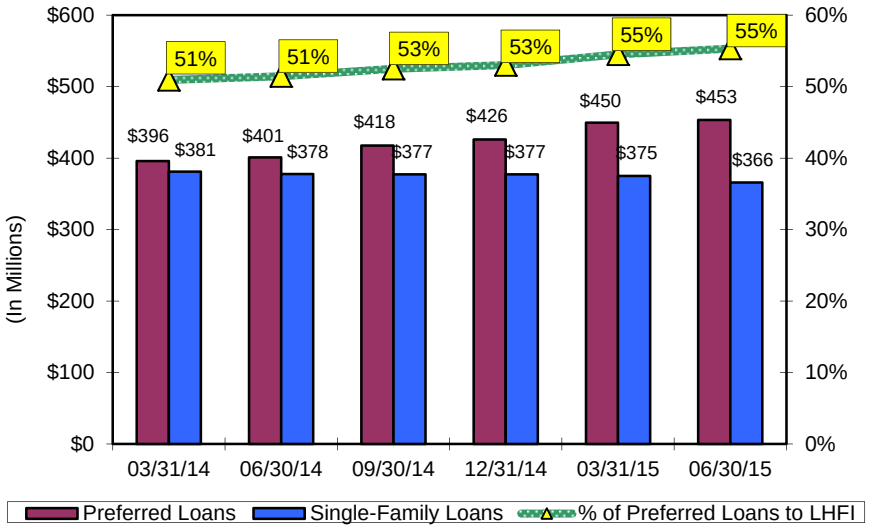
Highlights

- **Loans Held for Investment increase 5% since June 30, 2014**
- **Nine consecutive quarters of Preferred Loan growth**
- **Core Deposits increase by $51.4 million, or 10%, since June 30, 2014**
- **Higher cost Time Deposit balances continue to decline**
- **Long-Term Borrowings increase by $50.0 million since June 30, 2014**
- **Special cash dividend of $261,000 on FHLB stock**

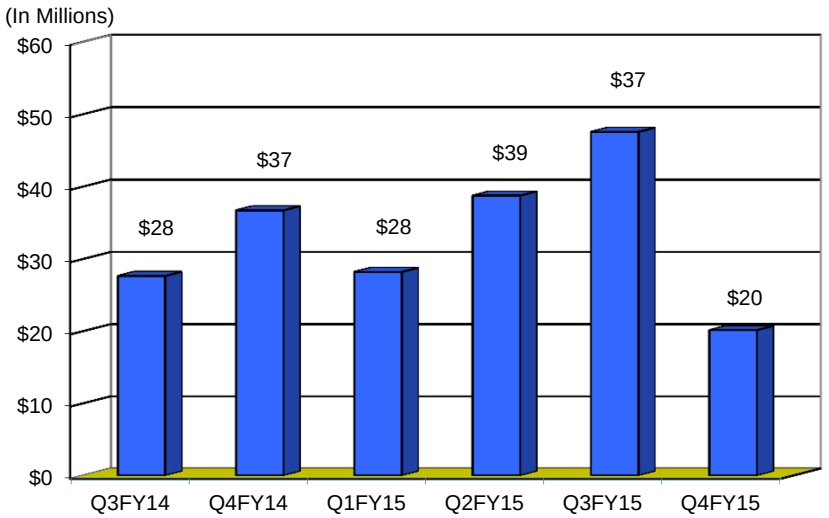
Loan to Investment Mix



Loan Portfolio Mix



Provident Bank Loan Originations and Purchases

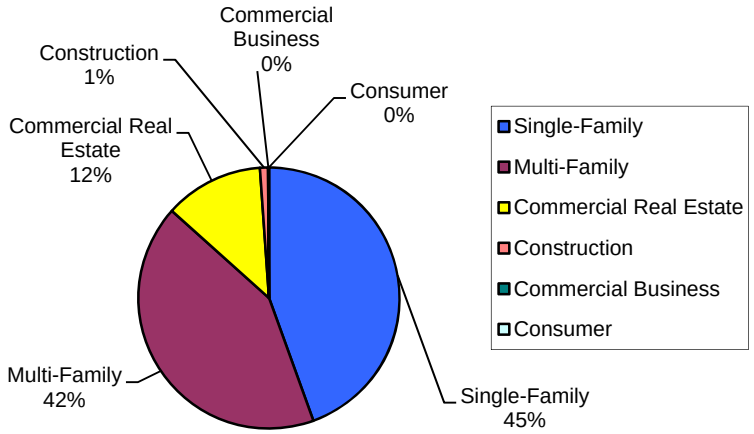


Community Banking

Loans Held for Investment Composition

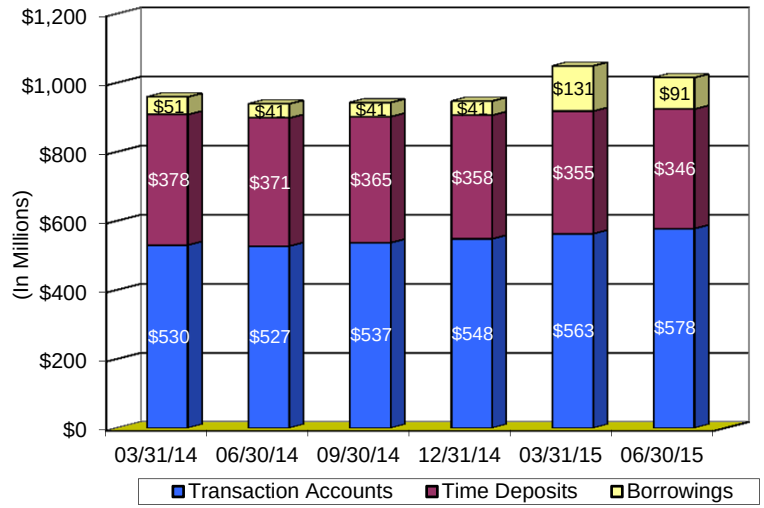
Loan Category (Dollars In Thousands)	Balance as of 06/30/15	Interest Rate	Balance as of 06/30/14	Interest Rate
Single-Family	$ 365,961	3.28%	$ 377,824	3.23%
Multi-Family	347,020	4.48%	301,191	4.74%
Commercial Real Estate	100,897	5.27%	96,781	5.74%
Construction	8,191	5.24%	2,869	5.27%
Commercial Business	666	6.53%	1,237	6.56%
Consumer	244	9.94%	306	9.06%
Total Loans Held for Investment	$ 822,979	4.06%	$ 780,208	4.14%
Undisbursed Loan Funds	(3,360)		(1,090)	
Advance payments of escrows	199		215	
Deferred Loan Costs, net	3,140		2,552	
Allowance for Loan Losses	(8,724)		(9,744)	
Total Loans Held for Investment, net	$ 814,234		$ 772,141	

Loan Composition as of 06/30/15



Community Banking

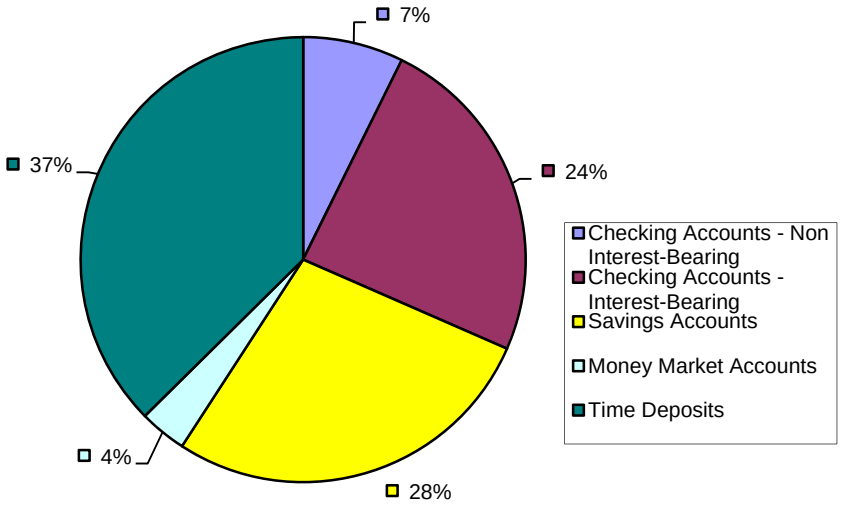
Deposits and Borrowings



Deposit Composition

Category (Dollars In Thousands)	At 06/30/2015	Rate	At 06/30/2014	Rate
Checking Accounts - Non Interest-Bearing	$ 67,538	- %	$ 58,654	- %
Checking Accounts - Interest-Bearing	224,090	0.15%	202,769	0.14%
Savings Accounts	255,090	0.26%	239,429	0.26%
Money Market Accounts	31,672	0.31%	26,125	0.36%
Time Deposits	345,696	1.02%	370,893	1.08%
Total Deposits	$ 924,086	0.50%	$ 897,870	0.56%
Brokered Deposits included above	$ 3,039	3.76%	$ 3,039	3.76%

Deposit Composition at 06/30/2015



Borrowing Maturity Schedule

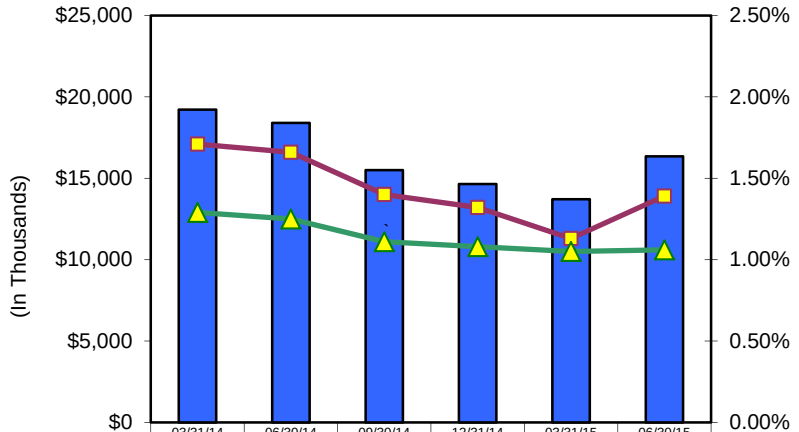
Category (Dollars In Thousands)	At 06/30/2015	Rate	At 06/30/2014	Rate
Overnight	$ -	-	$ -	-
Three Months or Less	-	-	-	-
Over Three to Six Months	-	-	-	-
Over Six to Twelve Months	-	-	-	-
Over One to Two Years	-	-	-	-
Over Two to Three Years	10,059	3.03%	-	-
Over Three to Four Years	10,000	1.53%	10,080	3.04%
Over Four to Five Years	-	-	10,000	1.53%
Over Five Years	71,308	2.92%	21,351	4.01%
Total Borrowings	$ 91,367	2.78%	$ 41,431	3.18%

Asset Quality

Highlights

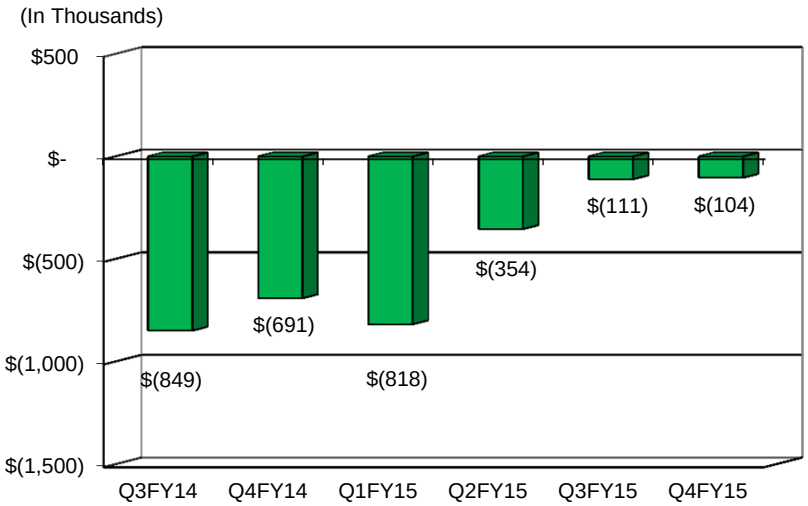
- **Non-Performing Assets decline 11% to $16.3 million since June 30, 2014**
- **Net Recoveries in four of the prior six quarters**
- **REO activity remains limited**

NPA, NPA to Total Assets and ALLL to LHI Ratios

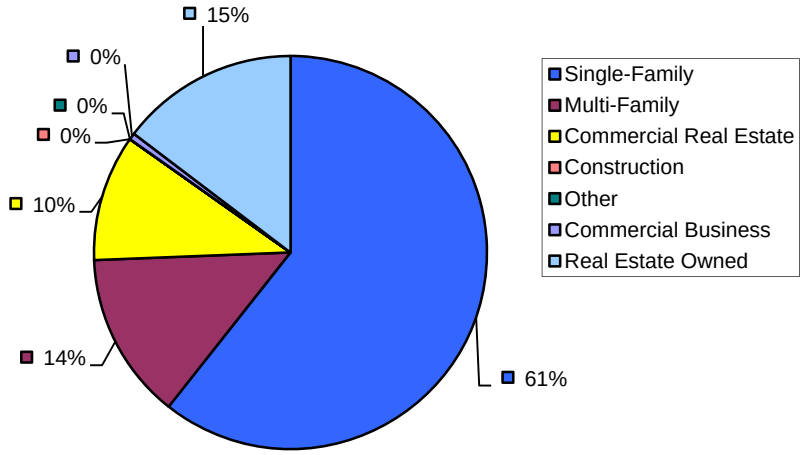


	03/31/14	06/30/14	09/30/14	12/31/14	03/31/15	06/30/15
Non-Performing Assets	$19,213	$18,403	$15,498	$14,647	$13,711	$16,344
NPA to Total Assets	1.71%	1.66%	1.40%	1.32%	1.13%	1.39%
ALLL to LHI	1.29%	1.25%	1.11%	1.08%	1.05%	1.06%

Recovery from Allowance for Loan Losses

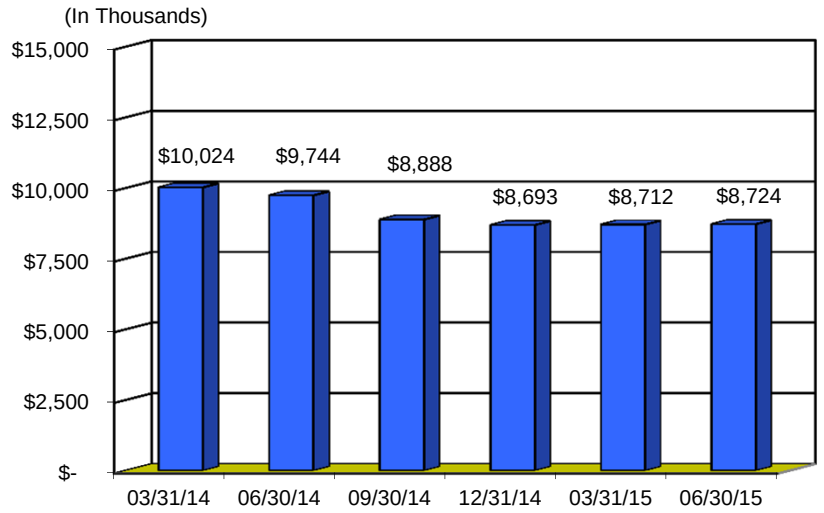


Non-Performing Asset Composition 06/30/15

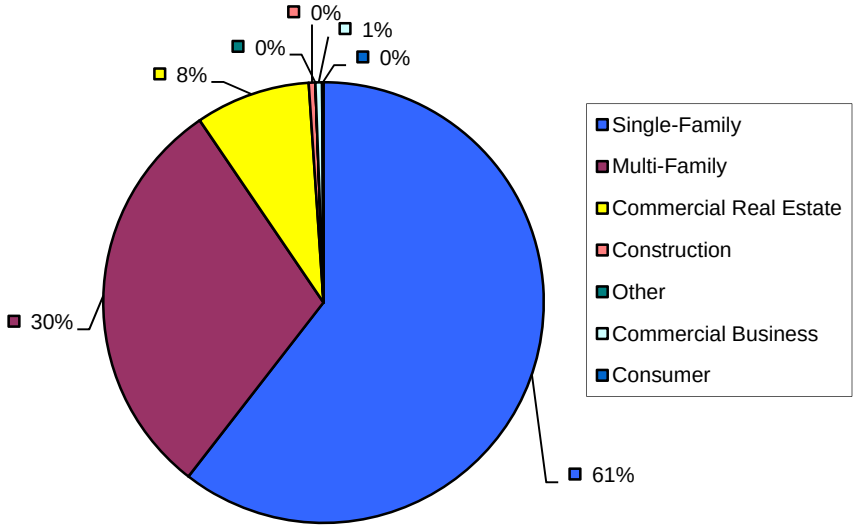


Asset Quality

Allowance for Loan Losses (ALLL)



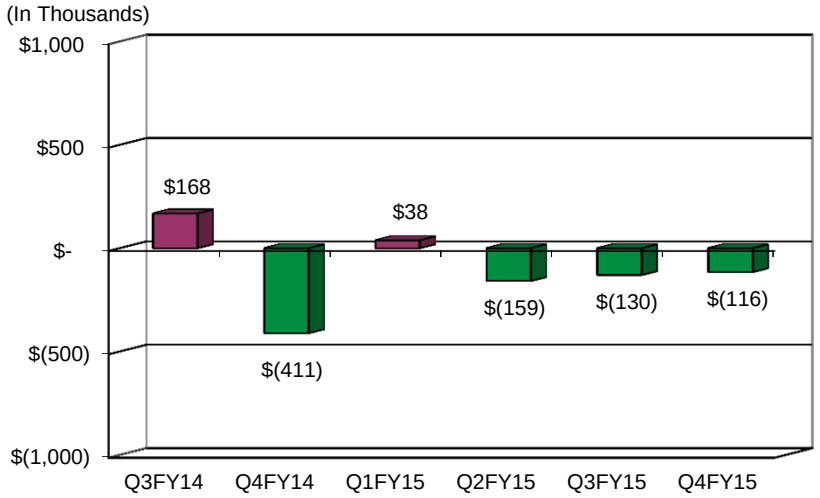
ALLL Allocation as of 06/30/15



Delinquent and Non-Performing Loans

(Dollars In Thousands)	At June 30, 2015				At June 30, 2014			
	30 - 89 Days		Non-performing		30 - 89 Days		Non-performing	
	# of Loans	Balance	# of Loans	Balance	# of Loans	Balance	# of Loans	Balance
Mortgage Loans:								
Single-Family	3	$ 1,335	34	$10,542	2	$ 322	35	$ 11,547
Multi-Family	-	-	4	2,246	-	-	7	3,447
Commercial Real Estate	-	-	5	1,699	-	-	6	2,352
Other	-	-	-	-	-	-	-	-
Commercial Business Loans	-	-	1	109	-	-	2	138
Consumer Loans	1	-	-	-	-	-	-	-
Total	4	$ 1,335	44	$14,596	2	$ 322	50	$ 17,484

Net Charge-Offs (Recoveries)



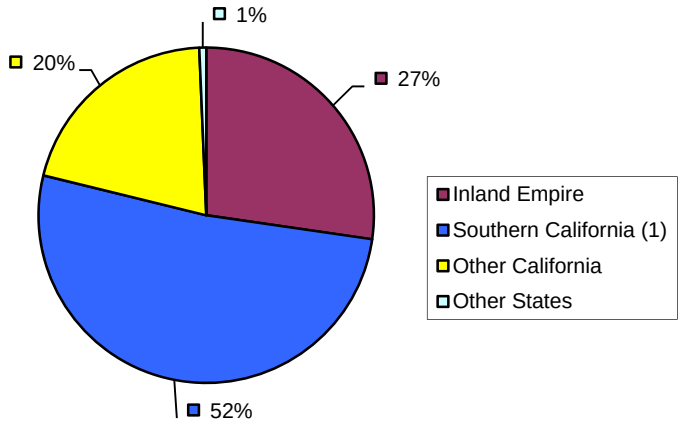
Asset Quality

Geographic Location

Category	Inland Empire Balance	Inland Empire Percentage	Southern California (1) Balance	Southern California (1) Percentage	Other California Balance	Other California Percentage	Other States Balance	Other States Percentage	Total Balance	Total Percentage
Single-Family	$108,490	30%	$194,321	53%	$60,586	16%	$2,564	1%	$365,961	100%
Multi-Family	72,758	21%	181,130	52%	90,214	26%	2,918	1%	$347,020	100%
Commercial Real Estate	41,991	42%	42,856	42%	16,050	16%	-	0%	$100,897	100%
Construction	1,095	13%	5,320	65%	1,776	22%	-	0%	$8,191	100%
Total	$224,334	27%	$423,627	52%	$168,626	20%	$5,482	1%	$822,069	100%

(1) Other than Inland Empire.

Geographic Location 06/30/15



(1) Other than Inland Empire.

Asset Quality

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

	Year of Origination									
	2007 & Prior	2008	2009	2010	2011	2012	2013	2014	YTD 2015	TOTAL
Loan Balance (In Thousands)	$282,946	$19,138	$888	$124	$1,266	$5,276	$6,501	$26,963	$13,415	$356,517
Weighted Avg. LTV [1]	66%	75%	51%	69%	67%	58%	57%	68%	75%	67%
Weighted Avg. Age (In Years)	9.71	7.27	5.90	4.63	3.90	2.89	2.01	0.91	0.28	8.28
Weighted Avg. FICO [2]	729	746	750	700	716	743	746	745	741	732
Number of Loans	853	39	3	1	5	25	34	47	18	1,025
Geographic Breakdown (%)										
Inland Empire	30%	22%	100%	100%	50%	20%	28%	32%	29%	29%
Southern California [3]	57%	48%	0%	0%	50%	37%	32%	38%	47%	54%
Other California	12%	30%	0%	0%	0%	43%	40%	30%	24%	16%
Other States	1%	0%	0%	0%	0%	0%	0%	0%	0%	1%
	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

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

(2) At time of loan origination.

(3) Other than Inland Empire.

Multi-Family – Loans Held for Investment

	Year of Origination									
	2007 & Prior	2008	2009	2010	2011	2012	2013	2014	YTD 2015	TOTAL
Loan Balance (In Thousands)	$63,016	$4,892	-	-	$18,051	$27,621	$87,200	$95,617	$50,623	$347,020
Weighted Avg. LTV [1]	48%	44%	-	-	57%	56%	57%	57%	57%	55%
Weighted Avg. Debt Coverage Ratio [2]	1.43x	1.39x	-	-	1.42x	1.74x	1.71x	1.66x	1.60x	1.61x
Weighted Avg. Age (In Years)	9.76	7.21	-	-	3.76	2.85	1.90	0.97	0.28	3.08
Weighted Avg. FICO [2]	702	708	-	-	741	727	760	764	748	746
Number of Loans	113	6	-	-	19	34	117	112	68	469
Geographic Breakdown (%)										
Inland Empire	20%	28%	-	-	32%	15%	32%	12%	20%	21%
Southern California [3]	54%	72%	-	-	53%	53%	43%	53%	60%	52%
Other California	21%	0%	-	-	15%	32%	25%	35%	20%	26%
Other States	5%	0%	-	-	0%	0%	0%	0%	0%	1%
	100%	100%	-	-	100%	100%	100%	100%	100%	100%

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

(2) At time of loan origination.

(3) Other than Inland Empire.

Commercial RE – Loans Held for Investment

	Year of Origination									
	2007 & Prior	2008	2009	2010	2011	2012	2013	2014	YTD 2015	TOTAL [4][5]
Loan Balance (In Thousands)	$ 27,417	$ 433	-	$ 362	$ 762	$ 14,959	$ 20,237	$ 26,905	$ 9,822	$100,897
Weighted Avg. LTV [1]	46%	40%	-	0.57	61%	49%	46%	48%	50%	48%
Weighted Avg. Debt Coverage Ratio [2]	1.75x	1.43x	-	1.26	1.47x	1.90x	1.82x	1.89x	1.61x	1.80x
Weighted Avg. Age (In Years)	9.44	7.18	-	5.10	3.52	2.74	1.90	0.93	0.29	3.70
Weighted Avg. FICO [2]	708	700	-	704	770	753	756	749	725	739
Number of Loans	29	2	-	2	1	14	26	32	13	119
Geographic Breakdown (%)										
Inland Empire	51%	42%	-	51%	0%	71%	33%	33%	14%	42%
Southern California [3]	43%	58%	-	49%	100%	29%	39%	49%	45%	42%
Other California	6%	0%	-	0%	0%	0%	28%	18%	41%	16%
Other States	0%	0%	-	0%	0%	0%	0%	0%	0%	0%
	100%	100%	-	100%	100%	100%	100%	100%	100%	100%

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

(2) At time of loan origination.

(3) Other than Inland Empire.

(4) Comprised of the following: $33.9 million in Mixed Use; $16.1 million in Office; $16.0 million in Retail; $12.1 million in Mobile Home Park; $5.0 million in Warehouse; $4.9 million in Medical/Dental Office; $3.9 million in Restaurant/Fast Food; $3.0 million in Mini-Storage; $2.1 million in Automotive – Non-Gasoline; $1.8 million in Light Industrial/Manufacturing; $1.7 million in Hotel and Motel; and $379,000 in Other.

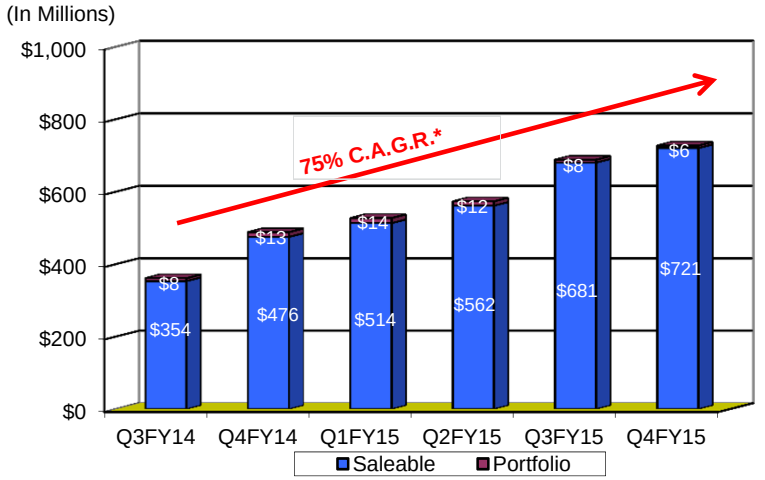
(5) Consisting of $85.0 million or 84.2% in investment properties and $15.9 million or 15.8% in owner occupied properties.

Mortgage Banking

Highlights

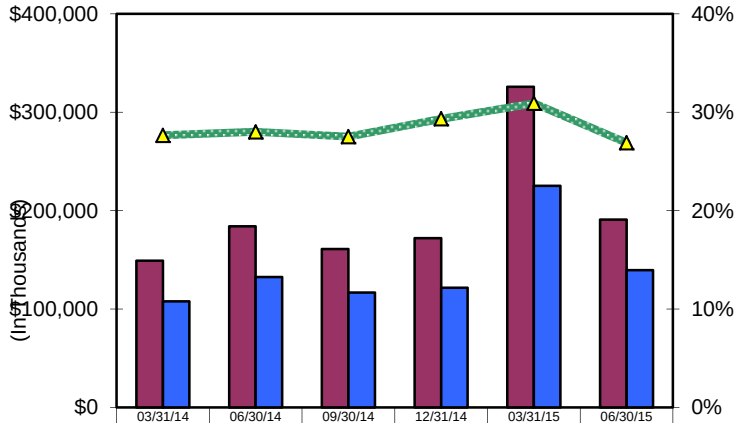
- **Loan Origination Volume increases 6% to $727.3 million (sequential quarter)**
- **Gross Locked Pipeline decreases 41% to $190.9 million (sequential quarter)**
- **Loan Sale Margin increases 14 basis points to 139 basis points (sequential quarter)**
- **Refinance Volume decreases**

PBM Loan Originations



(*) C.A.G.R – Compound annual growth rate from Q3FY2014 through Q4FY15

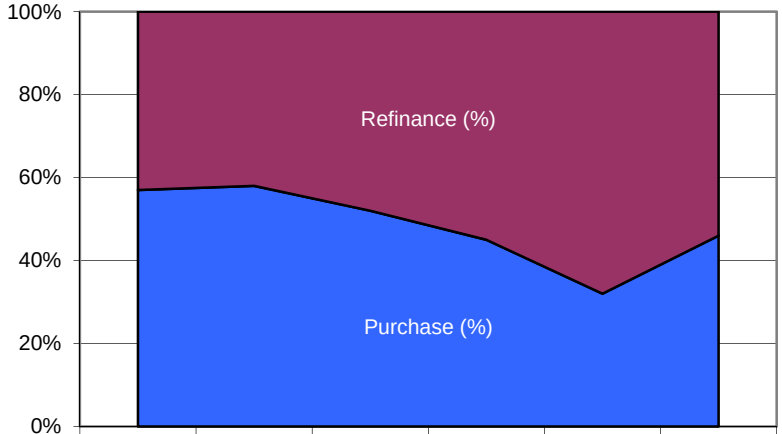
PBM Locked Pipeline



	03/31/14	06/30/14	09/30/14	12/31/14	03/31/15	06/30/15
Gross Locked Pipeline	$149,104	$184,160	$161,024	$172,063	$325,982	$190,939
Net Locked Pipeline (1)	$107,866	$132,567	$116,695	$121,575	$225,182	$139,565
Fall-out Ratio	28%	28%	28%	29%	31%	27%

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

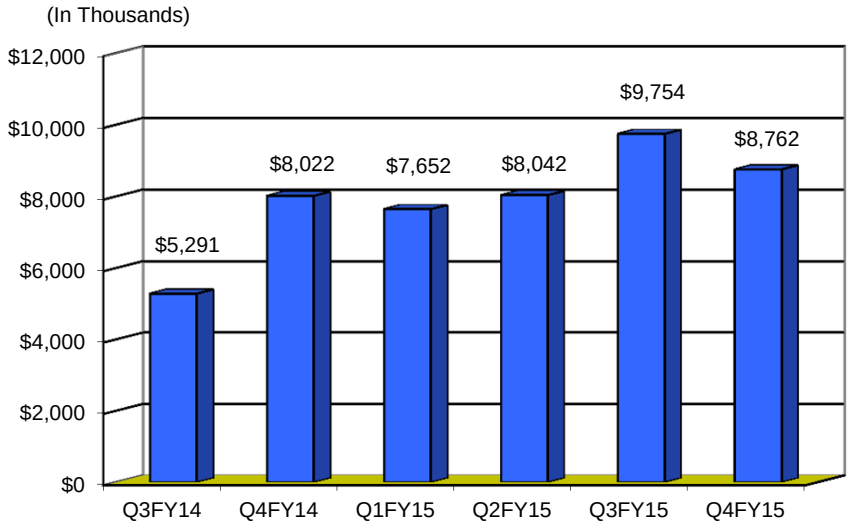
PBM Loan Purchase vs. Refinance



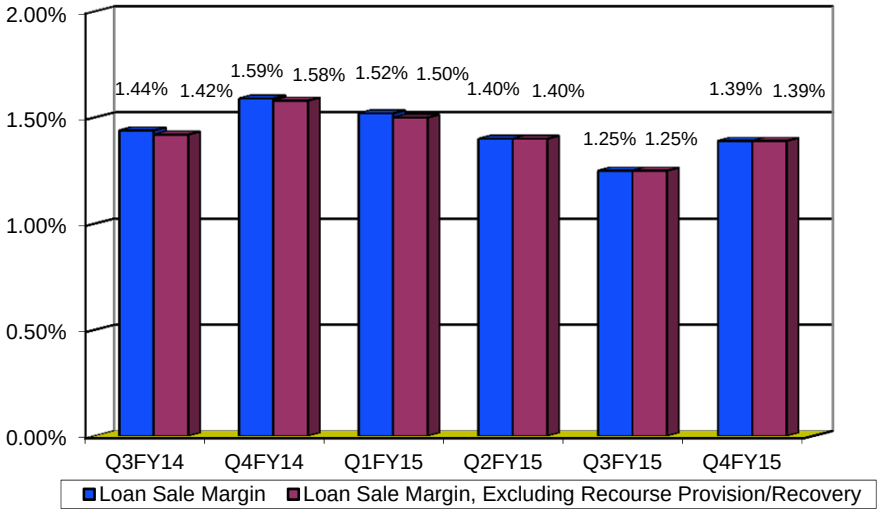
	Q3FY14	Q4FY14	Q1FY15	Q2FY15	Q3FY15	Q4FY15
Refinance	43%	42%	48%	55%	68%	54%
Purchase	57%	58%	52%	45%	32%	46%

Mortgage Banking

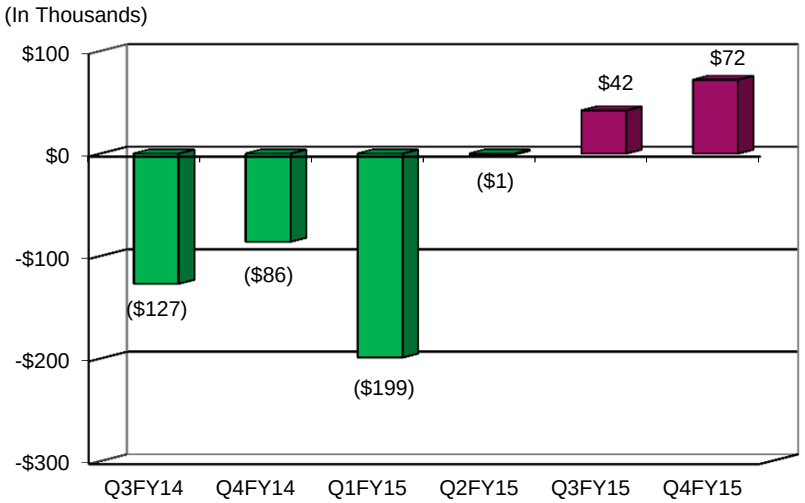
Gain on Sale of Loans



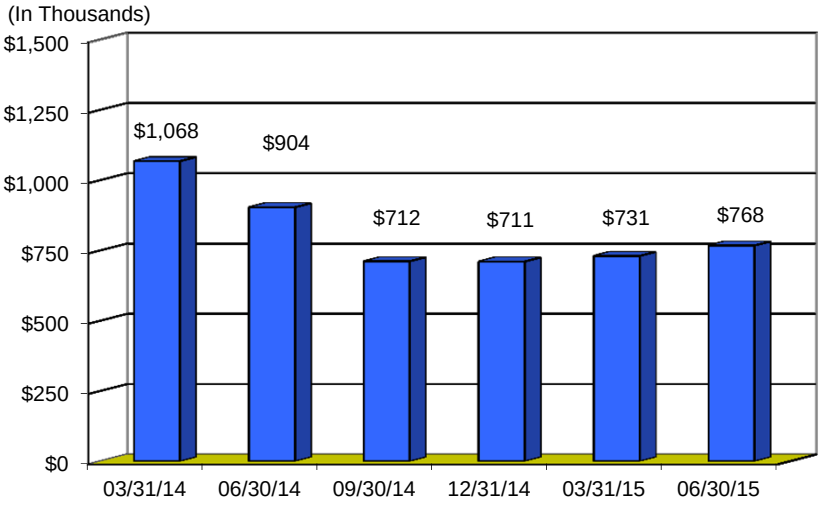
Loan Sale Margin



Recourse (Recovery) Provision



Recourse Reserve

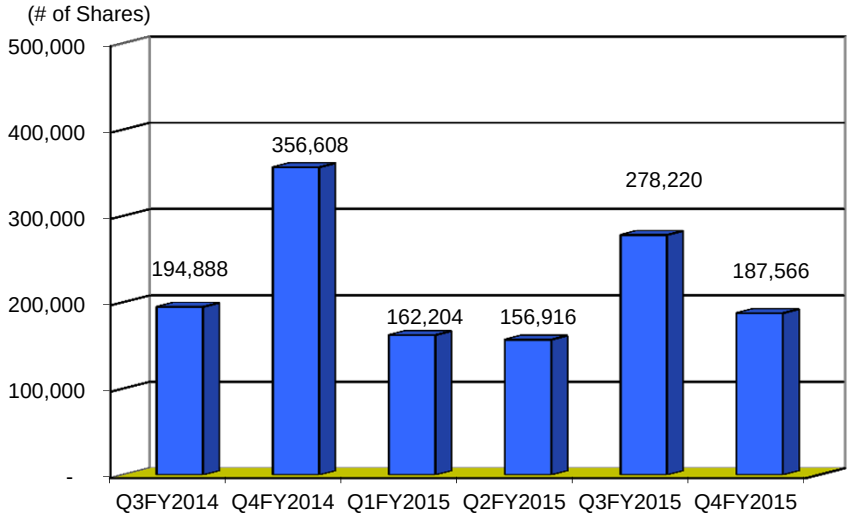


Capital Management

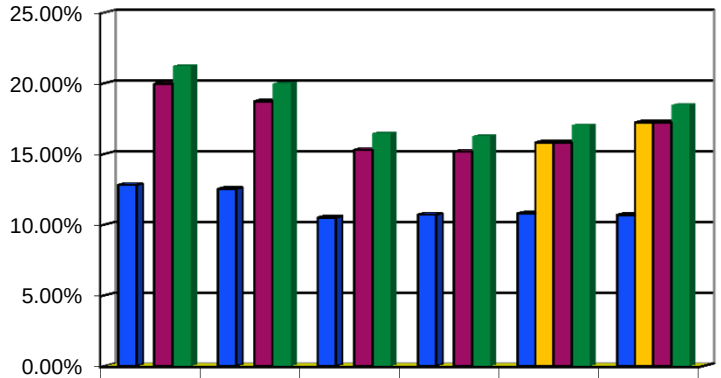
Highlights

- **Bank Capital Ratios remain strong**
- **Implemented Basel III capital protocol on January 1, 2015**
- **2.87% cash dividend yield (approximately)**
- **Repurchased approximately 188,000 shares of common stock**

Stock Repurchase Plan Activity

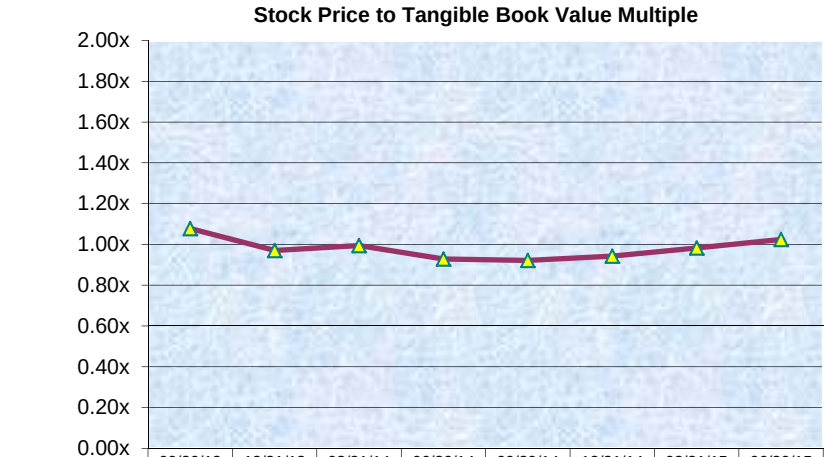


Bank Capital Ratios



	03/31/14	06/30/14	09/30/14	12/31/14	03/31/15	06/30/15
Tier 1 Leverage Ratio	12.80%	12.53%	10.50%	10.70%	10.79%	10.68%
CET1 Ratio					15.81%	17.22%
Tier 1 Risk-Based Capital Ratio	19.96%	18.72%	15.28%	15.15%	15.81%	17.22%
Total Risk-Based Capital Ratio	21.22%	19.98%	16.47%	16.26%	17.04%	18.47%

Value Proposition



	09/30/13	12/31/13	03/31/14	06/30/14	09/30/14	12/31/14	03/31/15	06/30/15
Price/TBV	1.08x	0.97x	0.99x	0.93x	0.92x	0.94x	0.98x	1.02x