

First Quarter of Fiscal 2016

September 30, 2015

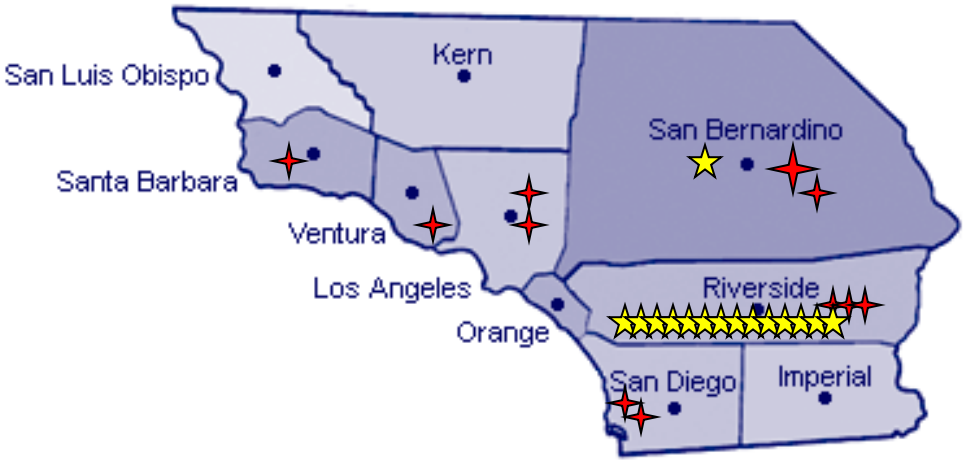
Safe Harbor Statement

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.

Provident Financial Holdings, Inc.	
Nasdaq GS:	PROV
Share Price:	$16.78
52-Week Range:	$14.10 - $18.44
Shares Outstanding:	8,429,678 shares
Market Capitalization:	$141.4 million
P/E (ttm):	15.25x
Diluted EPS (ttm):	$1.10
Annual Dividend & Yield:	$0.48 (2.86%)
As of September 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**
- **Ninth largest deposit market share in the Riverside-San Bernardino RMA; fourth 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:

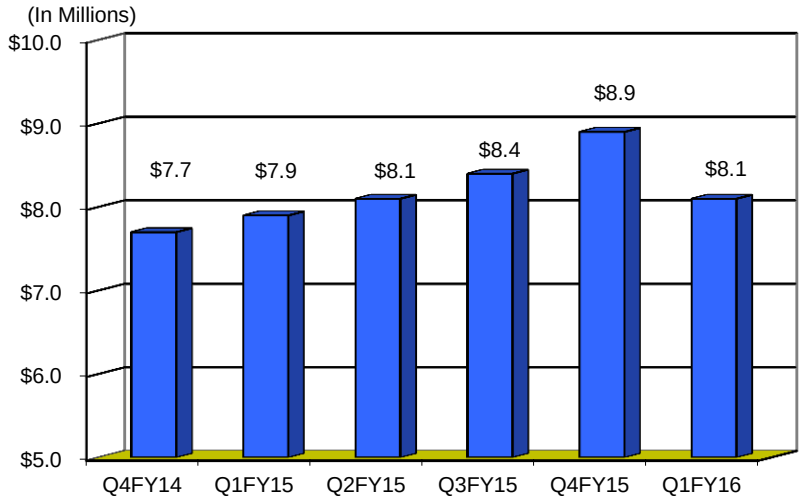
- Carlsbad
- City of Industry
- Elk Grove
- Escondido
- Glendora
- Livermore
- Rancho Cucamonga
- Riverside, Canyon Crest Drive
- Riverside, Indiana Avenue
- Riverside, Riverside Avenue
- Roseville
- Santa Barbara
- Westlake Village

Financial Performance

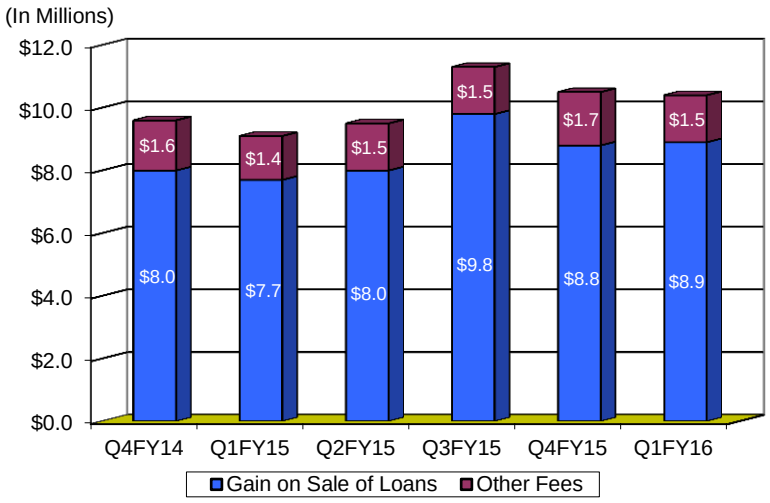
Highlights

- Net Income rises 2%
- Diluted Earnings per Share increases by 12%
- Net Interest Income increases 2%
- Non-Interest Income increases 15%
- Operating Expenses increase 5%

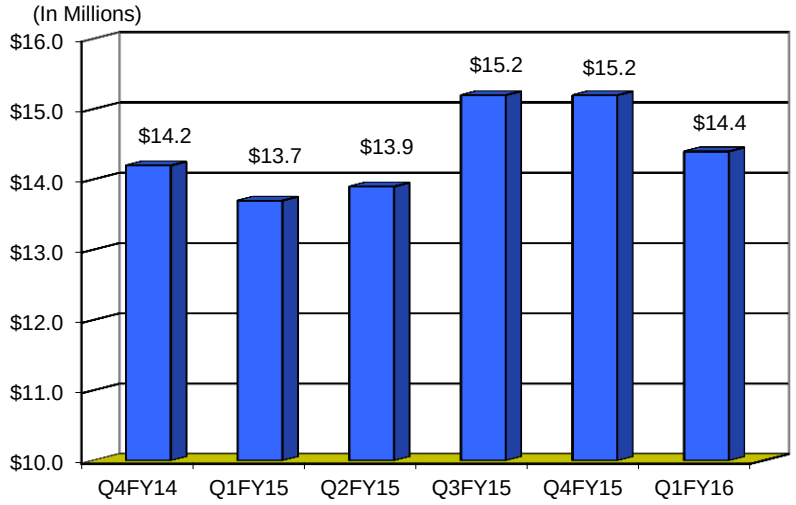
Net Interest Income



Non-Interest Income

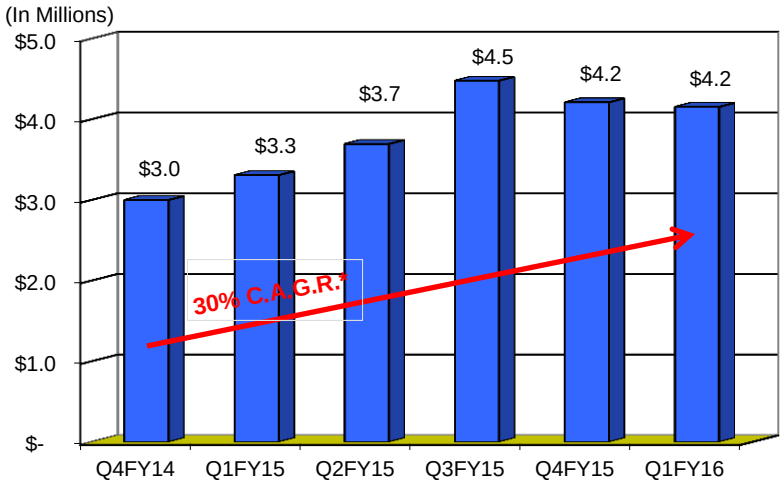


Operating Expenses



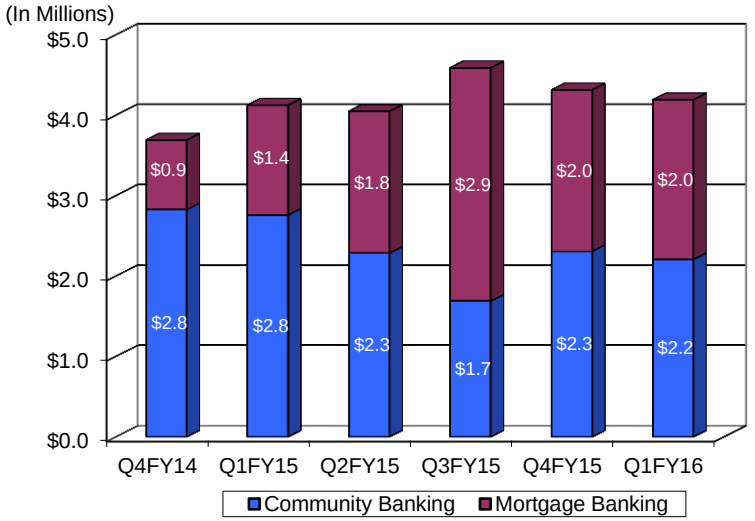
Financial Performance

Pre-Provision, Pre-Tax Earnings

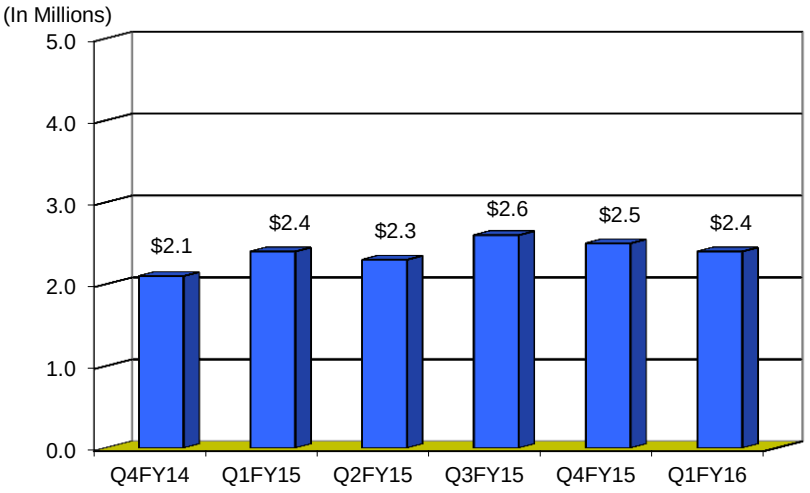


(*) C.A.G.R. - Compound annual growth rate from Q4FY14 through Q1FY16.

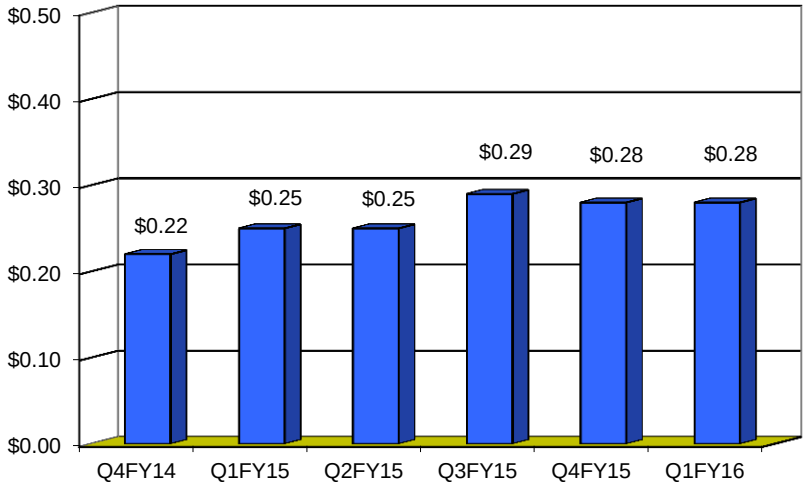
Pre-Tax Income – Operating Segments



Quarterly Net Income

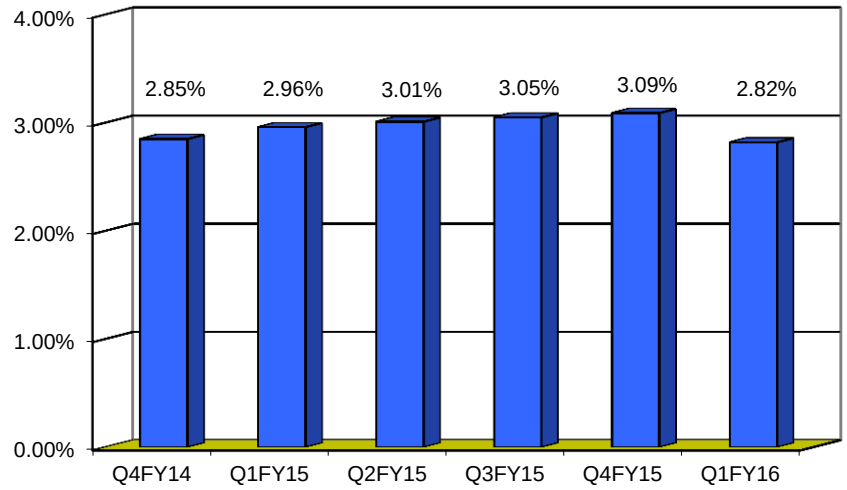


Diluted Earnings Per Share

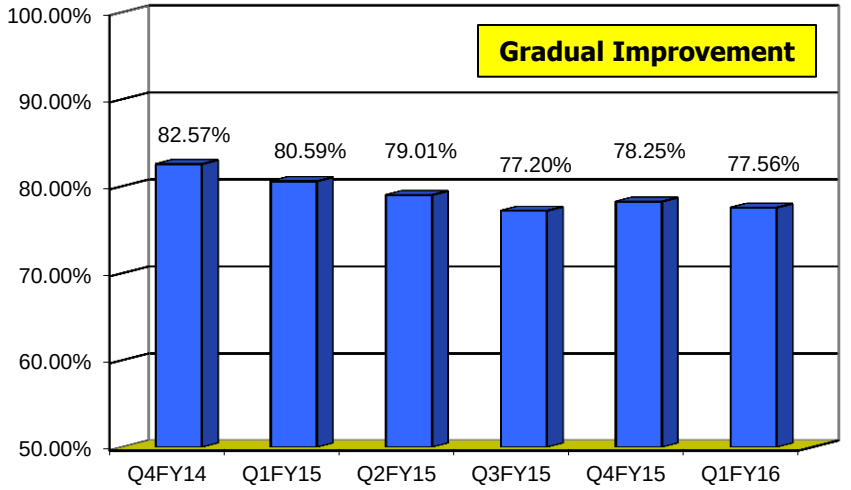


Financial Ratios

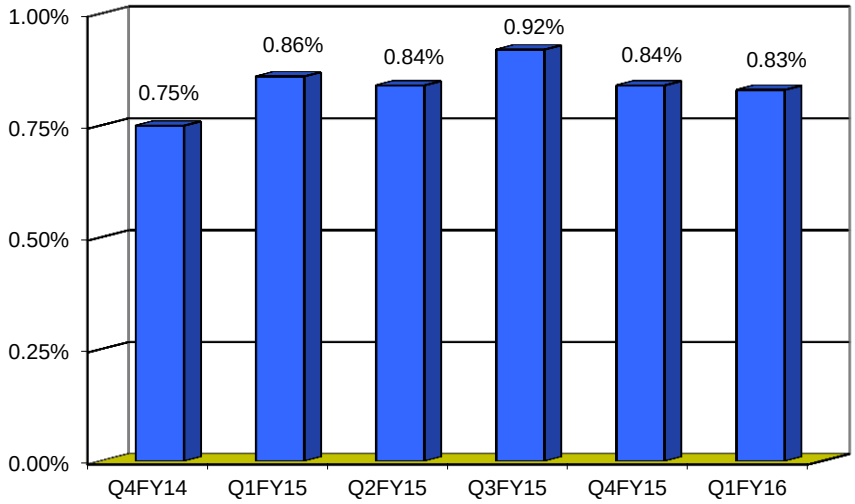
Net Interest Margin



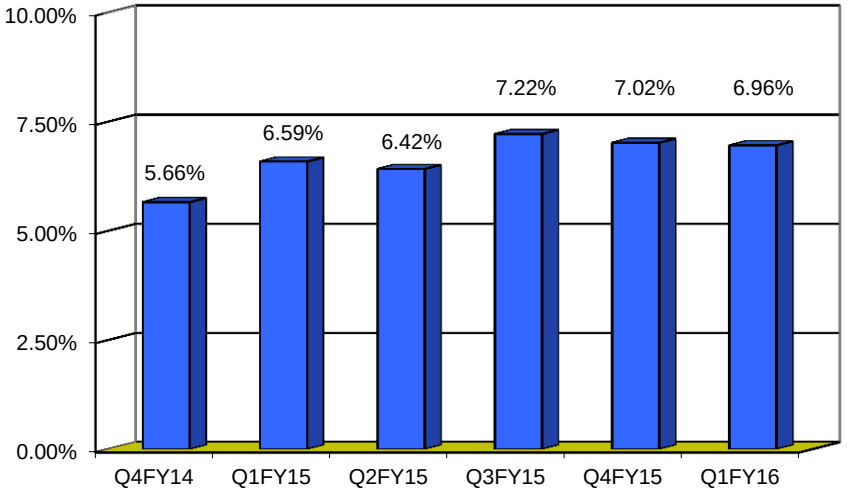
Efficiency Ratio



Return on Average Assets



Return on Average Equity

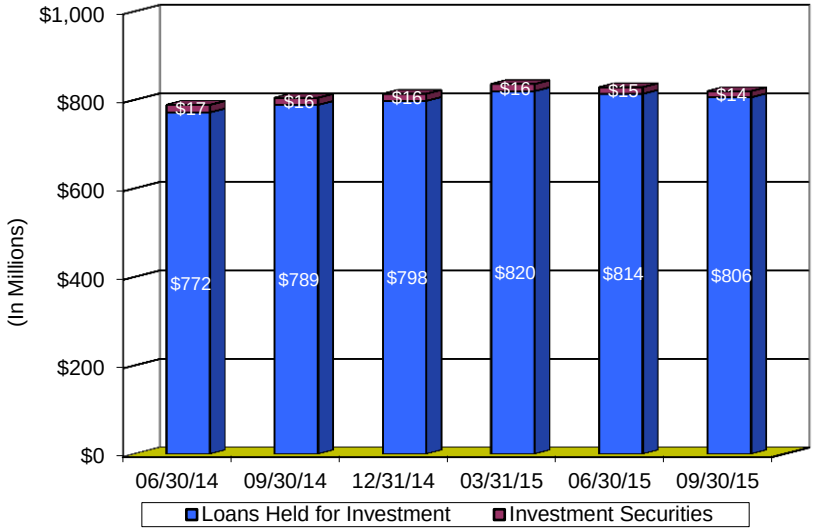


Community Banking

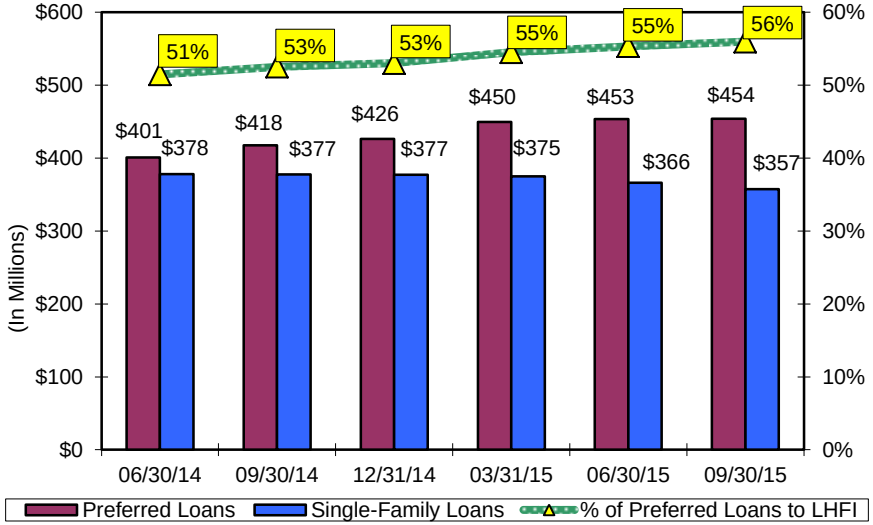
Highlights

- Loans Held for Investment decrease 1% since June 30, 2015
- Ten consecutive quarters of Preferred Loan growth
- Core Deposits increase by $10.7 million, or 2%, since June 30, 2015
- Higher cost Time Deposit balances continue to decline

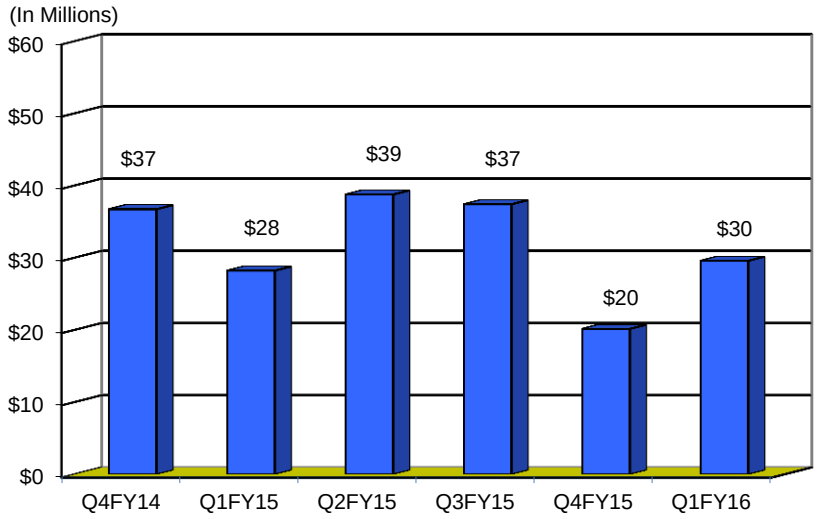
Loan to Investment Mix



Loan Portfolio Mix



Provident Bank Loan Originations and Purchases

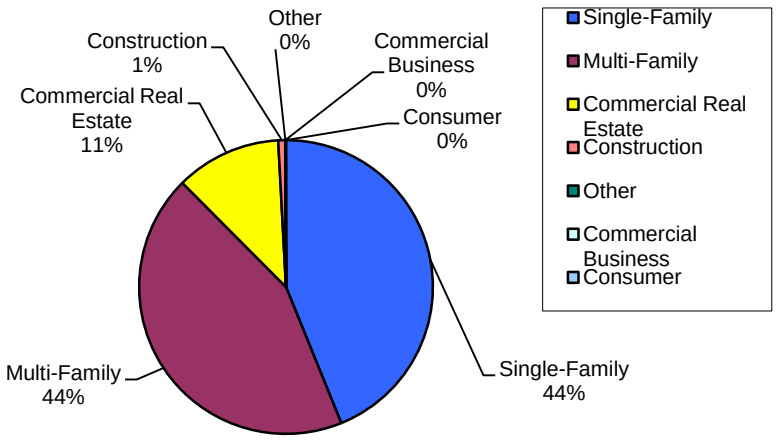


Community Banking

Loans Held for Investment Composition

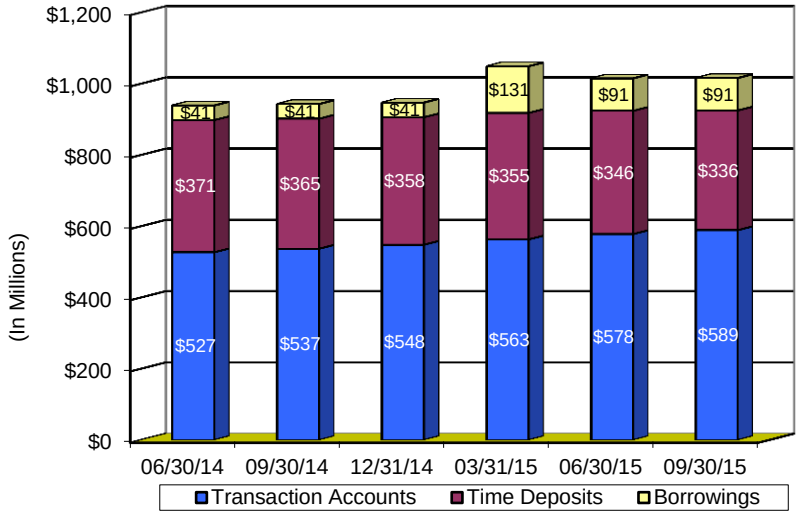
Loan Category (Dollars In Thousands)	Balance as of 09/30/15	Interest Rate	Balance as of 09/30/14	Interest Rate
Single-Family	$ 356,963	3.33%	$ 377,233	3.25%
Multi-Family	355,442	4.36%	314,874	4.66%
Commercial Real Estate	94,580	5.12%	100,727	5.71%
Construction	6,185	5.37%	4,378	5.28%
Other	72	6.25%	-	-
Commercial Business	399	6.70%	1,109	6.06%
Consumer	243	10.07%	271	10.06%
Total Loans Held for Investment	$ 813,884	4.01%	$ 798,592	4.13%
Undisbursed Loan Funds	(2,691)		(3,604)	
Advance payments of escrows	193		160	
Deferred Loan Costs, net	3,334		2,698	
Allowance for Loan Losses	(9,034)		(8,888)	
Total Loans Held for Investment, net	$ 805,686		$ 788,958	

Loan Composition as of 09/30/15



Community Banking

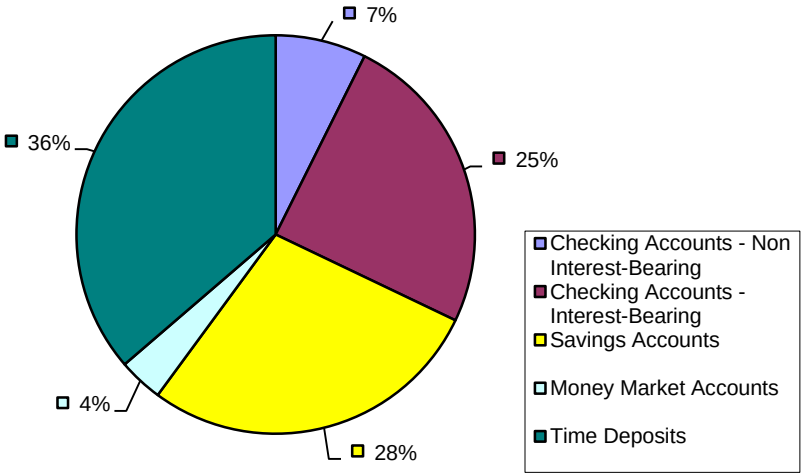
Deposits and Borrowings



Deposit Composition

Category (Dollars In Thousands)	At 09/30/2015	Rate	At 09/30/2014	Rate
Checking Accounts - Non Interest-Bearing	$ 68,102	- %	$ 57,412	- %
Checking Accounts - Interest-Bearing	228,688	0.15%	208,388	0.14%
Savings Accounts	258,911	0.26%	242,786	0.26%
Money Market Accounts	33,424	0.36%	28,738	0.41%
Time Deposits	335,741	1.02%	365,108	1.06%
Total Deposits	$ 924,866	0.49%	$ 902,432	0.54%
Brokered Deposits included above	$ 3,039	3.76%	$ 3,039	3.76%

Deposit Composition at 09/30/2015



Borrowing Maturity Schedule

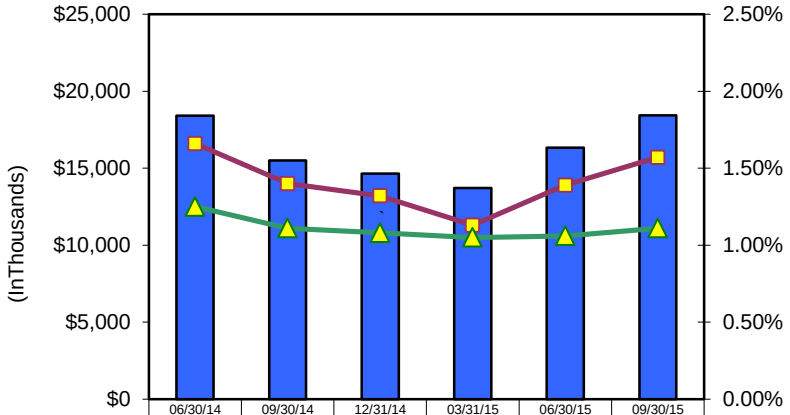
Category (Dollars In Thousands)	At 09/30/2015	Rate	At 09/30/2014	Rate
Overnight	$ -	-	$ -	-
Three Months or Less	-	-	-	-
Over Three to Six Months	-	-	-	-
Over Six to Twelve Months	-	-	-	-
Over One to Two Years	-	-	-	-
Over Two to Three Years	10,053	3.03%	-	-
Over Three to Four Years	10,000	1.53%	10,075	3.03%
Over Four to Five Years	-	-	10,000	1.53%
Over Five Years	71,298	2.92%	21,341	4.01%
Total Borrowings	$ 91,351	2.78%	$ 41,416	3.18%

Asset Quality

Highlights

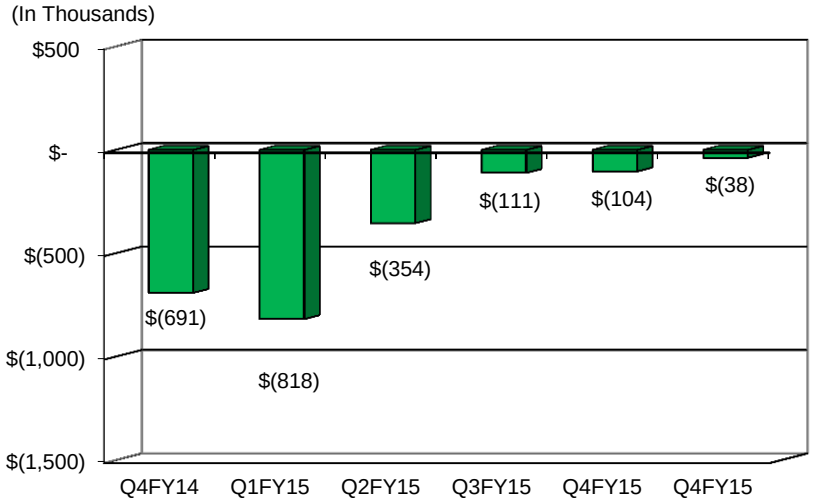
- Non-Performing Assets increase to $18.4 million
- Net Recoveries in five of the prior six quarters
- REO activity remains limited
- ALLL rises to $9.0 million
- ALLL to LHI Ratio increases to 1.11%

NPA, NPA to Total Assets and ALLL to LHI Ratios

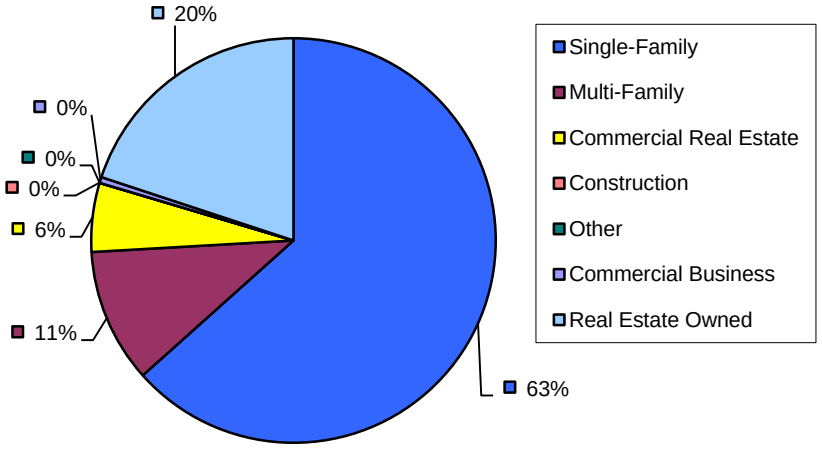


	06/30/14	09/30/14	12/31/14	03/31/15	06/30/15	09/30/15
Non-Performing Assets	$18,403	$15,498	$14,647	$13,711	$16,344	$18,438
NPA to Total Assets	1.66%	1.40%	1.32%	1.13%	1.39%	1.57%
ALLL to LHI	1.25%	1.11%	1.08%	1.05%	1.06%	1.11%

Recovery from Allowance for Loan Losses

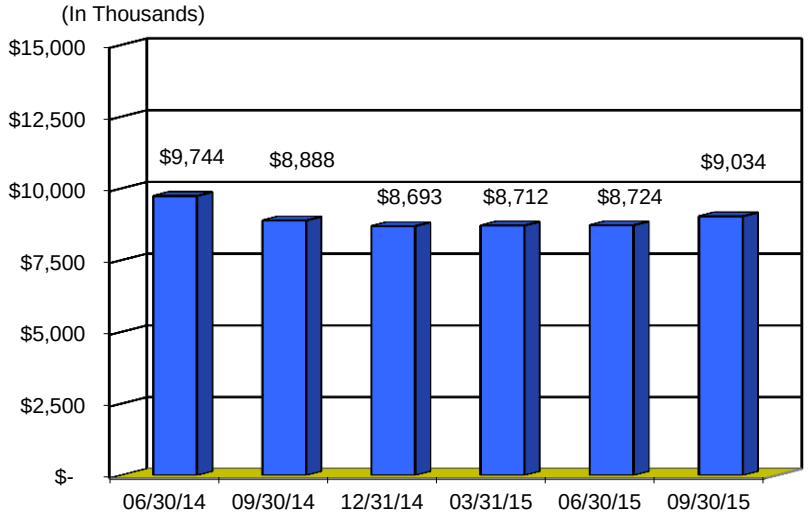


Non-Performing Asset Composition 09/30/15

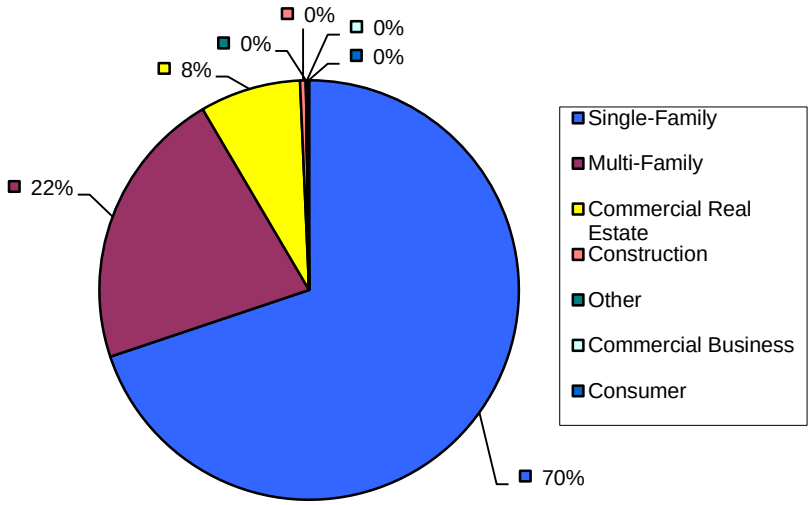


Asset Quality

Allowance for Loan Losses (ALLL)



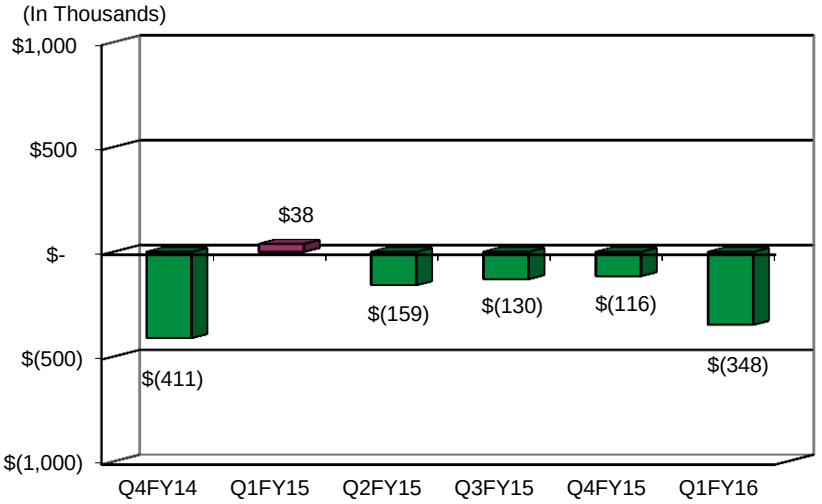
ALLL Allocation as of 09/30/15



Delinquent and Non-Performing Loans

	At September 30, 2015				At September 30, 2014			
	30 - 89 Days		Non-performing		30 - 89 Days		Non-performing	
(Dollars In Thousands)	# of Loans	Balance	# of Loans	Balance	# of Loans	Balance	# of Loans	Balance
Mortgage Loans:								
Single-Family	3	$ 1,217	38	$12,659	3	$ 579	30	$ 8,430
Multi-Family	-	-	3	1,975	-	-	5	2,465
Commercial Real Estate	-	-	3	1,016	-	-	6	2,317
Other	-	-	-	-	-	-	-	-
Commercial Business Loans	-	-	1	107	-	-	2	129
Consumer Loans	4	2	-	-	2	2	-	-
Total	7	$ 1,219	45	$15,757	5	$ 581	43	$ 13,341

Net Charge-Offs (Recoveries)



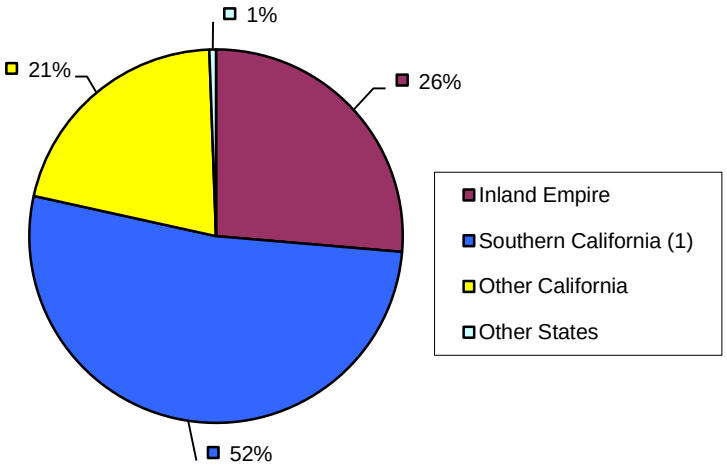
Asset Quality

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	$107,167	30%	$187,845	52%	$60,173	17%	$1,778	1%	$356,963	100%
Multi-Family	72,588	20%	188,606	53%	91,347	26%	2,901	1%	$355,442	100%
Commercial Real Estate	33,407	35%	42,572	45%	18,601	20%	-	0%	$94,580	100%
Construction	1,095	18%	4,683	76%	407	6%	-	0%	$6,185	100%
Other	-	0%	72	100%	-	0%	-	0%	$72	100%
Total	$214,257	26%	$423,778	52%	$170,528	21%	$4,679	1%	$813,242	100%

[1] Other than Inland Empire.

Geographic Location 09/30/15



[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)	$271,953	$18,161	$883	$122	$1,047	$4,780	$5,826	$25,186	$19,051	$347,009
Weighted Avg. LTV [1]	66%	75%	51%	69%	64%	56%	54%	67%	75%	67%
Weighted Avg. Age (In Years)	9.95	7.52	6.15	4.88	4.16	3.14	2.26	1.18	0.41	8.41
Weighted Avg. FICO [2]	729	745	750	700	712	748	750	744	744	732
Number of Loans	827	36	3	1	4	23	32	44	29	999
Geographic Breakdown (%)										
Inland Empire	30%	22%	100%	100%	59%	21%	29%	34%	26%	30%
Southern California [3]	57%	49%	0%	0%	41%	35%	27%	34%	49%	53%
Other California	12%	29%	0%	0%	0%	44%	44%	32%	25%	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)	$52,626	$4,012	-	-	$17,962	$26,689	$85,751	$94,620	$73,782	$355,442
Weighted Avg. LTV [1]	47%	43%	-	-	57%	55%	57%	56%	56%	55%
Weighted Avg. Debt Coverage Ratio [2]	1.45x	1.38x	-	-	1.42x	1.74x	1.71x	1.65x	1.66x	1.63x
Weighted Avg. Age (In Years)	10.11	7.42	-	-	4.01	3.10	2.15	1.22	0.40	2.94
Weighted Avg. FICO [2]	701	701	-	-	741	728	761	764	755	748
Number of Loans	98	4	-	-	19	32	116	111	107	487
Geographic Breakdown (%)										
Inland Empire	21%	34%	-	-	32%	15%	31%	12%	17%	20%
Southern California [3]	54%	66%	-	-	53%	53%	44%	54%	62%	53%
Other California	20%	0%	-	-	15%	32%	25%	34%	21%	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)	$ 17,827	$ 428	-	$ 359	$ 756	$ 14,878	$ 18,910	$ 25,941	$ 15,481	$94,580
Weighted Avg. LTV [1]	46%	40%	-	0.56	60%	49%	47%	47%	49%	48%
Weighted Avg. Debt Coverage Ratio [2]	1.89x	1.43x	-	1.26	1.47x	1.90x	1.82x	1.90x	1.59x	1.82x
Weighted Avg. Age (In Years)	9.85	7.44	-	5.35	3.77	2.99	2.16	1.17	0.39	3.23
Weighted Avg. FICO [2]	706	700	-	704	770	753	755	749	732	743
Number of Loans	22	2	-	2	1	14	23	31	20	115
Geographic Breakdown (%)										
Inland Empire	25%	41%	-	51%	0%	71%	34%	34%	17%	35%
Southern California [3]	66%	59%	-	49%	100%	29%	37%	48%	40%	45%
Other California	9%	0%	-	0%	0%	0%	29%	18%	43%	20%
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: $31.9 million in Mixed Use; $16.3 million in Office; $13.6 million in Retail; $12.1 million in Mobile Home Park; $5.0 million in Warehouse; $4.7 million in Mini-Storage; $3.8 million in Restaurant/Fast Food; $2.0 million in Medical/Dental Office; $1.8 million in Light Industrial/Manufacturing; $1.7 million in Hotel and Motel; and $1.7 million in Automotive – Non-Gasoline.

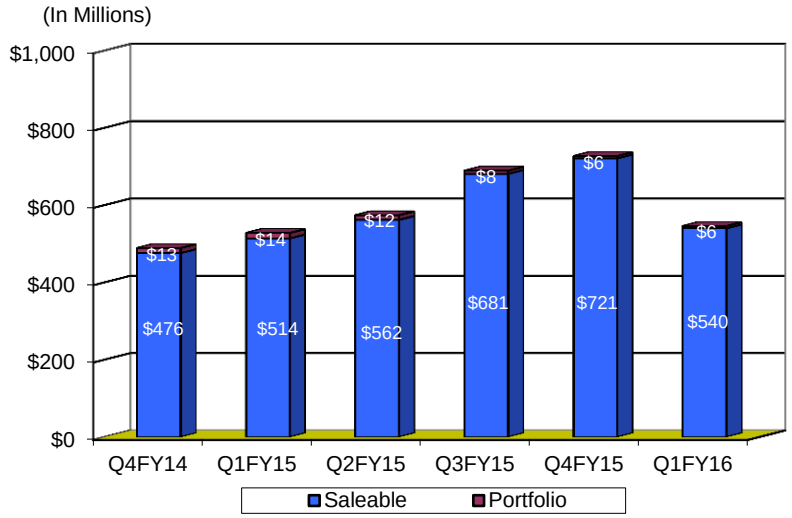
(5) Consisting of $79.8 million or 84.4% in investment properties and $14.8 million or 15.6% in owner occupied properties.

Mortgage Banking

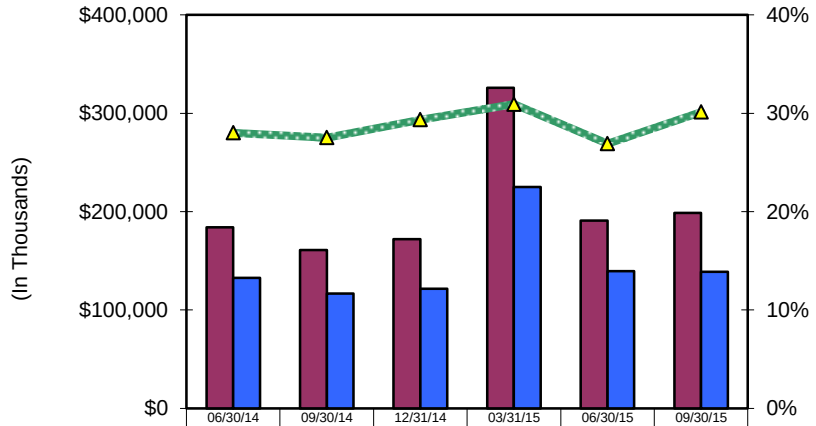
Highlights

- Loan Origination Volume decreases 25% to $545.9 million (sequential quarter)
- Gross Locked Pipeline increases 4% to $198.7 million (sequential quarter)
- Loan Sale Margin increases 26 basis points to 165 basis points (sequential quarter)
- Refinance Volume decreases (sequential quarter)

PBM Loan Originations



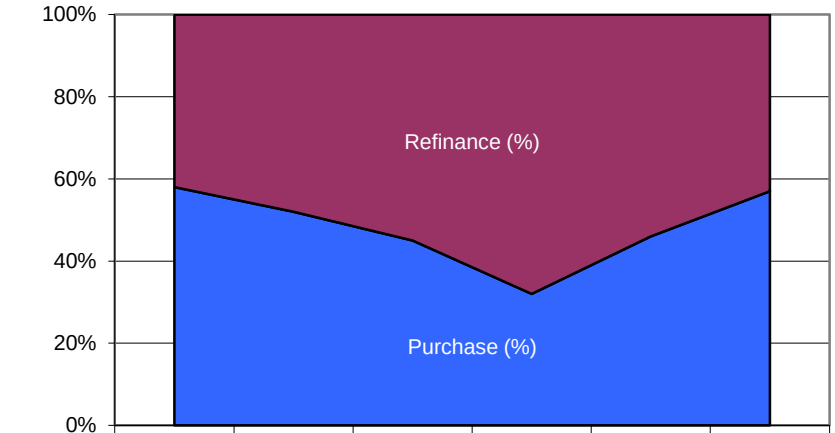
PBM Locked Pipeline



	06/30/14	09/30/14	12/31/14	03/31/15	06/30/15	09/30/15
Gross Locked Pipeline	$184,160	$161,024	$172,063	$325,982	$190,939	$198,694
Net Locked Pipeline (1)	$132,567	$116,695	$121,575	$225,182	$139,565	$138,849
Fall-out Ratio	28%	28%	29%	31%	27%	30%

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

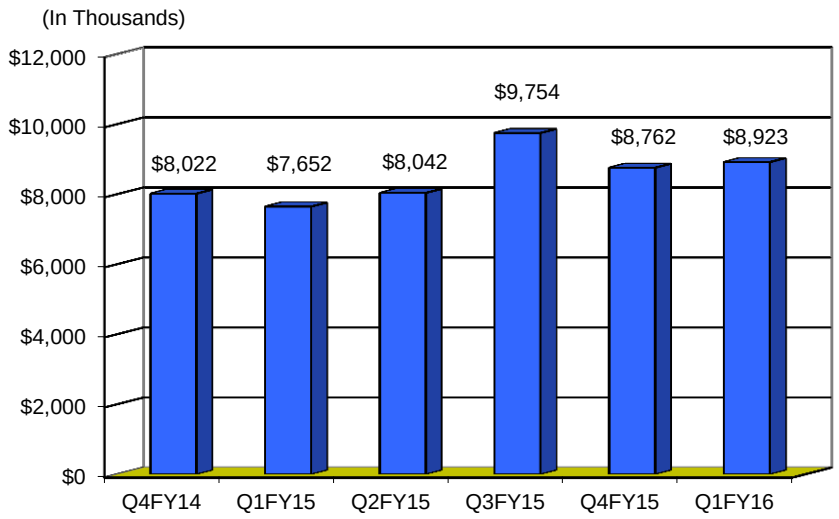
PBM Loan Purchase vs. Refinance



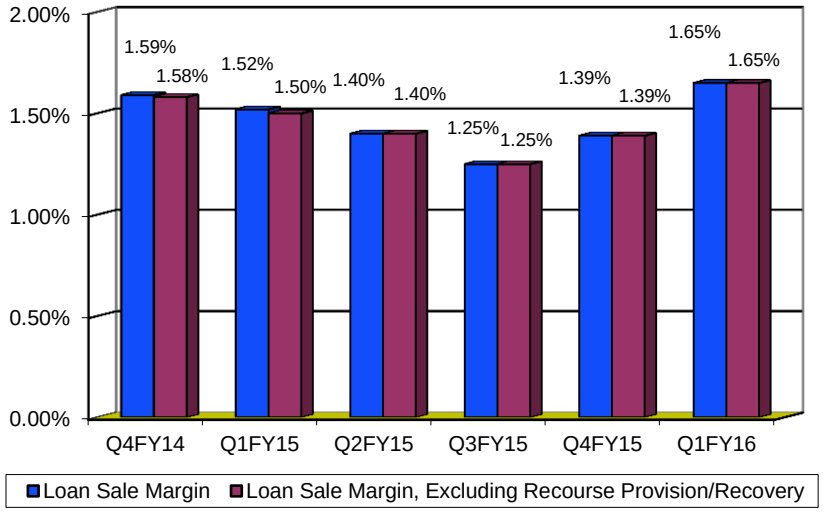
	Q4FY14	Q1FY15	Q2FY15	Q3FY15	Q4FY15	Q1FY16
Refinance	42%	48%	55%	68%	54%	43%
Purchase	58%	52%	45%	32%	46%	57%

Mortgage Banking

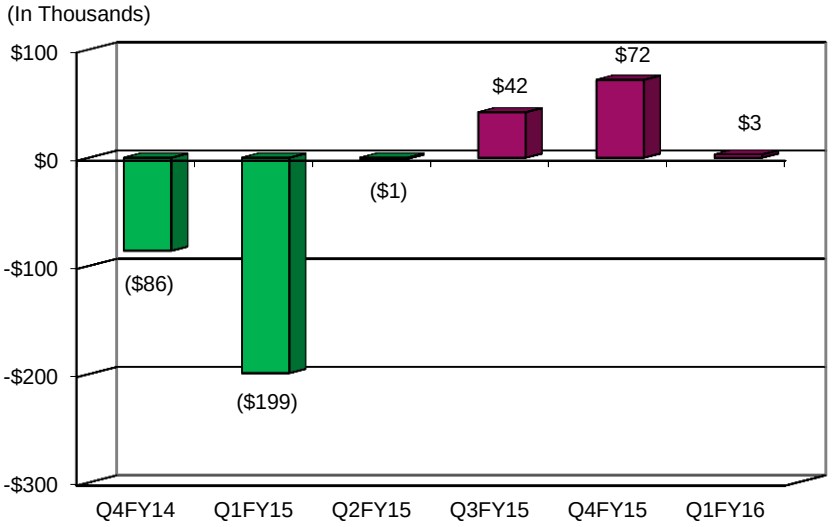
Gain on Sale of Loans



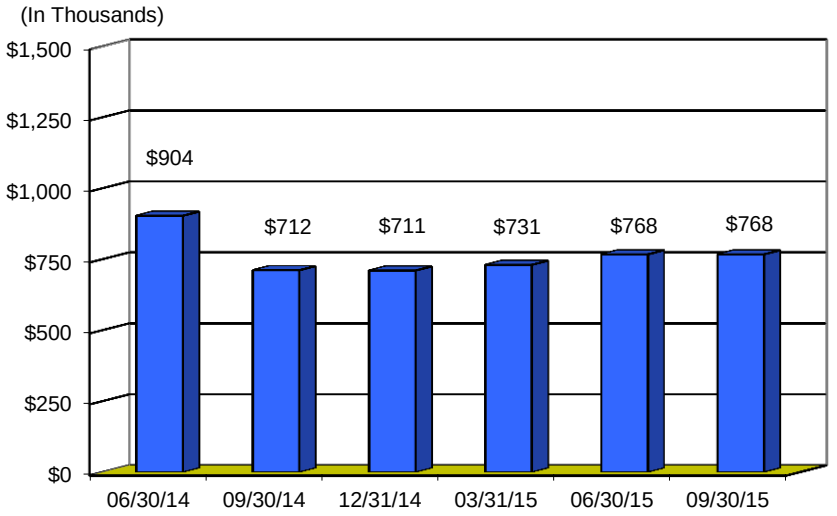
Loan Sale Margin



Recourse (Recovery) Provision



Recourse Reserve

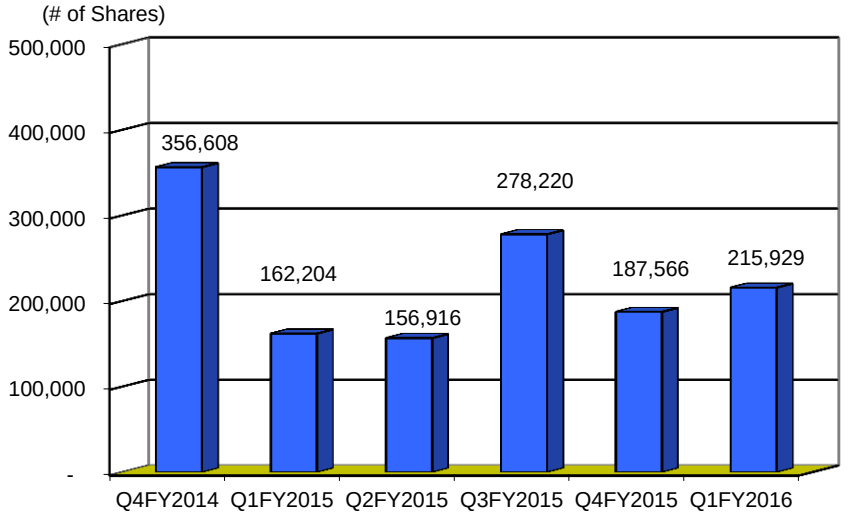


Capital Management

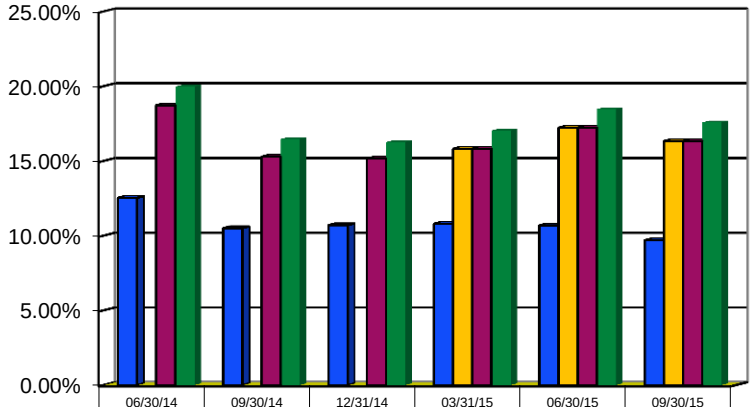
Highlights

- Bank Capital Ratios remain strong
- Implemented Basel III capital protocol on January 1, 2015
- 2.86% cash dividend yield (approximately)
- Repurchased approximately 216,000 shares of common stock

Stock Repurchase Plan Activity

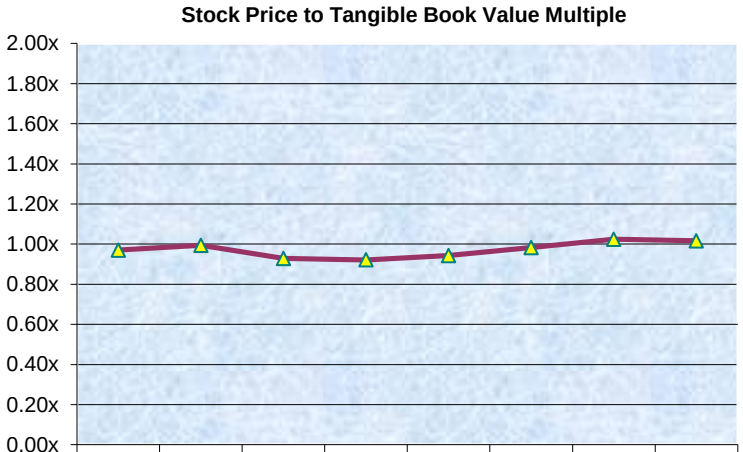


Bank Capital Ratios



	06/30/14	09/30/14	12/31/14	03/31/15	06/30/15	09/30/15
Tier 1 Leverage Ratio	12.53%	10.50%	10.70%	10.79%	10.68%	9.69%
CET1 Ratio				15.81%	17.22%	16.33%
Tier 1 Risk-Based Capital Ratio	18.72%	15.28%	15.15%	15.81%	17.22%	16.33%
Total Risk-Based Capital Ratio	19.98%	16.47%	16.26%	17.04%	18.47%	17.58%

Value Proposition



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