

Third Quarter of Fiscal 2018

March 31, 2018

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 2018 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:	$18.09
52-Week Range:	$17.62 - $20.35
Shares Outstanding:	7,460,804 shares
Market Capitalization:	$135.0 million
P/E (ttm):	82.23x
Diluted EPS (ttm):	$0.22
Annual Dividend & Yield:	$0.56 (3.10%)
As of March 31, 2018	

Franchise Overview

Northern California:
Pleasanton
Roseville



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

- **Largest independent community bank headquartered in Riverside County, California**
- **Expanding customer base and market**
- **Eighth largest deposit market share in Riverside County; largest deposit market share 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
- Orangecrest, Riverside
- Rancho Mirage
- Redlands
- Sun City
- Temecula

Provident Bank Mortgage

Wholesale Offices:

- Pleasanton
- Rancho Cucamonga

Retail Offices:

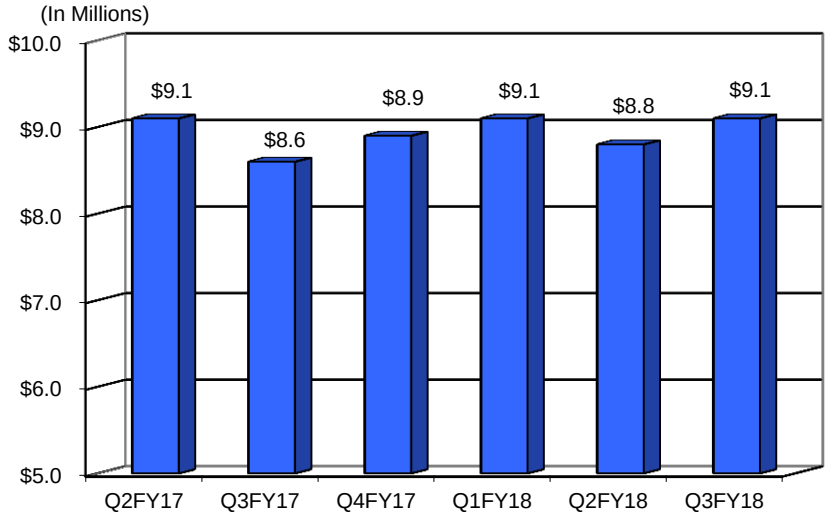
- Atascadero
- Brea
- Escondido
- Glendora
- Rancho Cucamonga
- Riverside, Canyon Crest Drive
- Riverside, Indiana Avenue
- Riverside, Riverside Avenue
- Roseville

Financial Performance

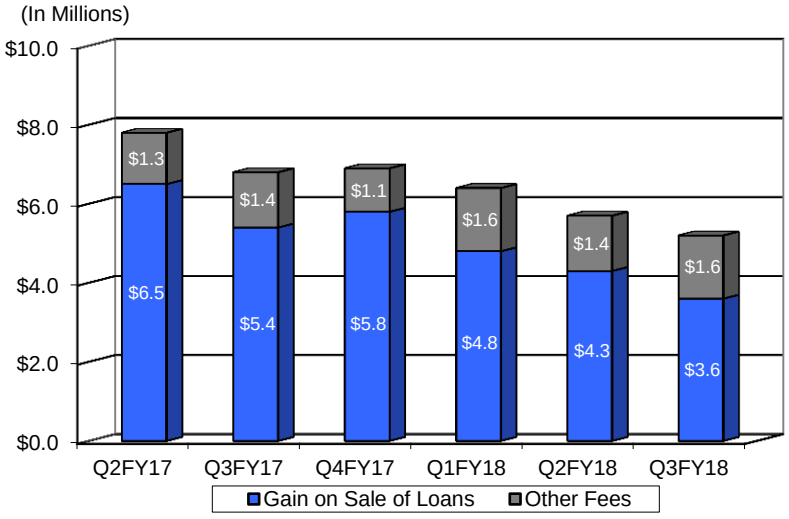
Developments

- Net Interest Income increases by 3% (sequential quarter)
- Net Interest Margin increases by 15 basis points (sequential quarter)
- Non-Interest Income decreases by 9% (sequential quarter)
- Operating Expenses decrease by 6% (sequential quarter)

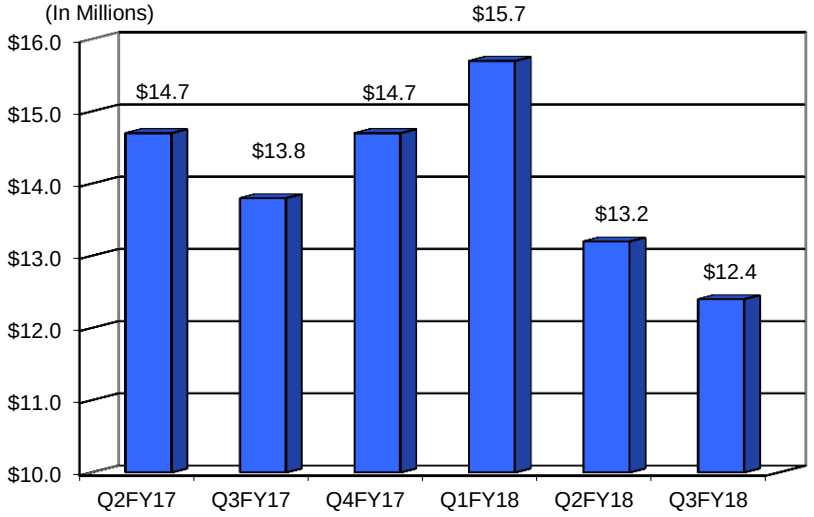
Net Interest Income



Non-Interest Income

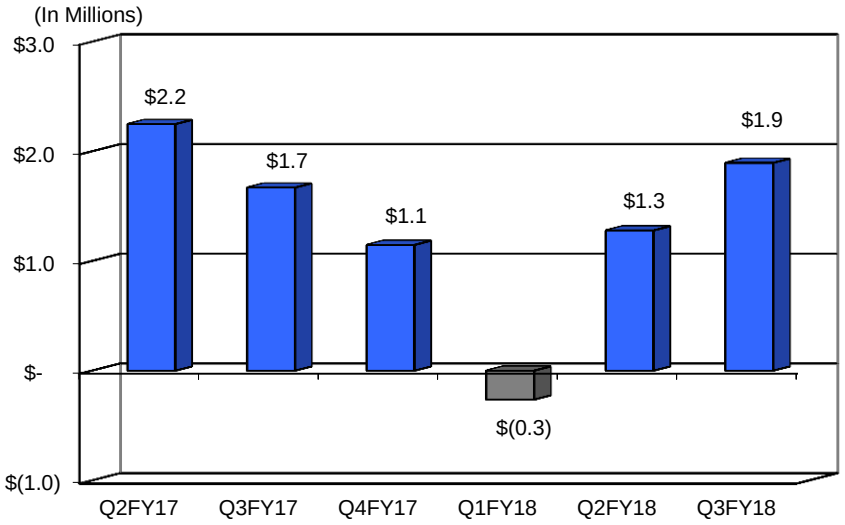


Operating Expenses

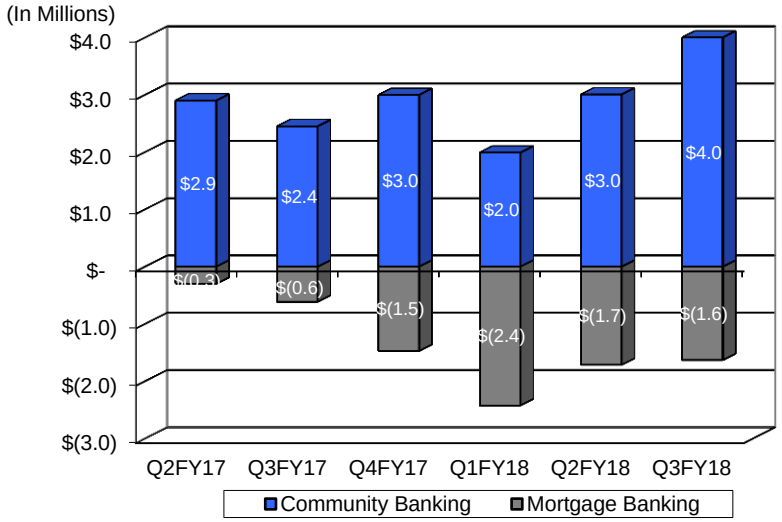


Financial Performance

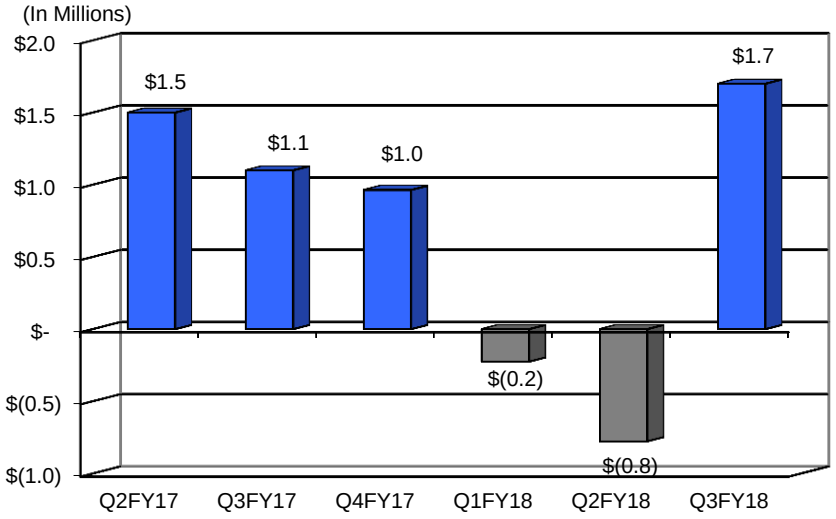
Pre-Provision, Pre-Tax Earnings (Loss)



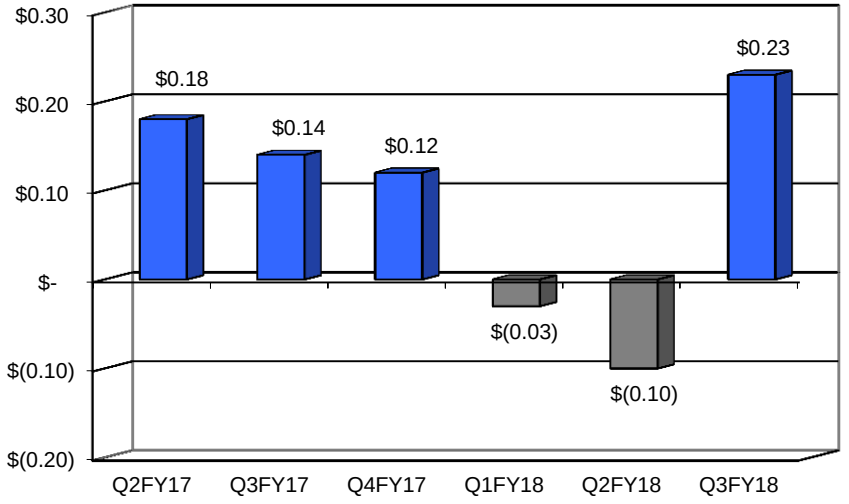
Pre-Tax Income (Loss) – Operating Segments



Quarterly Net Income (Loss)

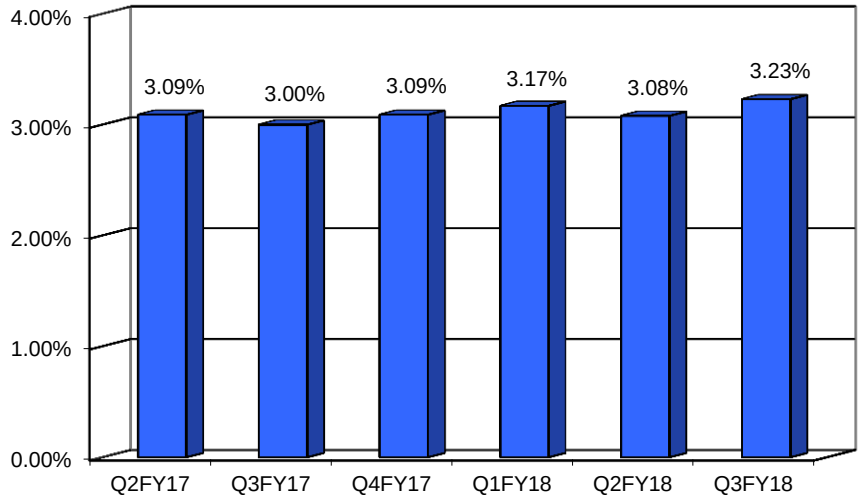


Diluted Earnings (Loss) Per Share

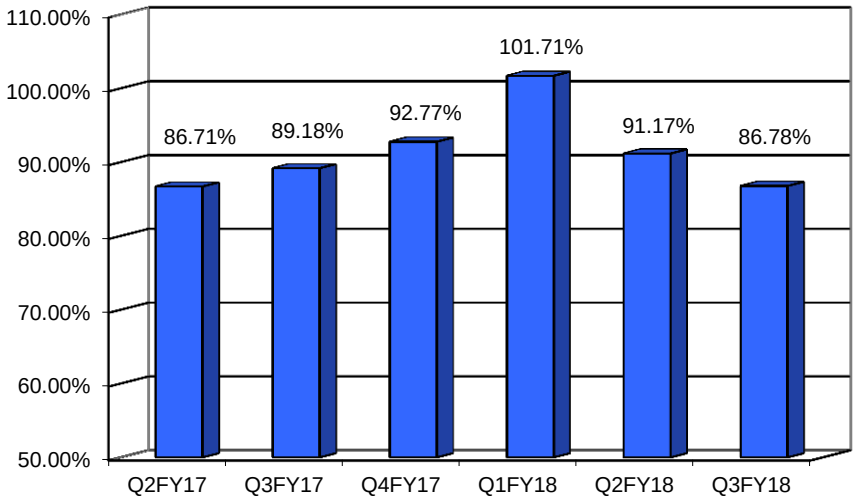


Financial Ratios

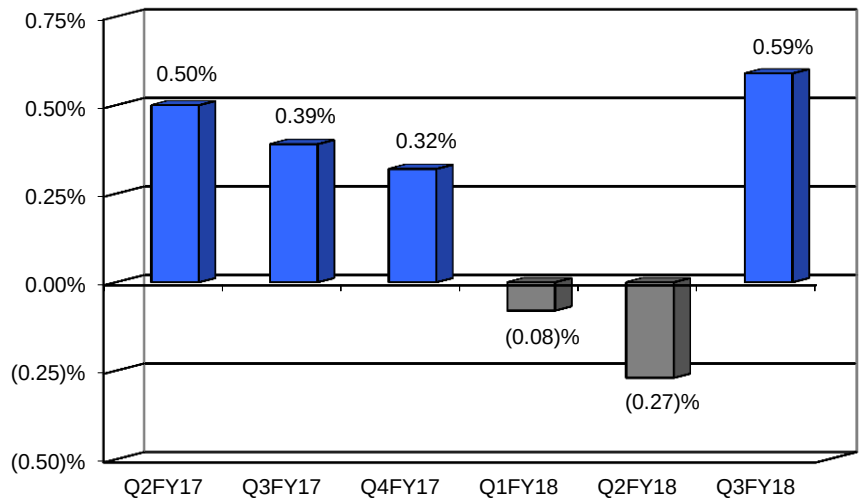
Net Interest Margin



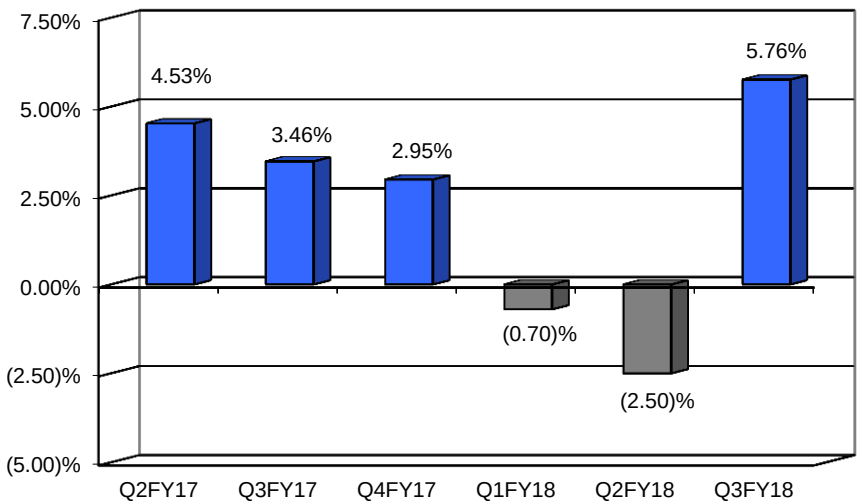
Efficiency Ratio



Return on Average Assets



Return on Average Equity

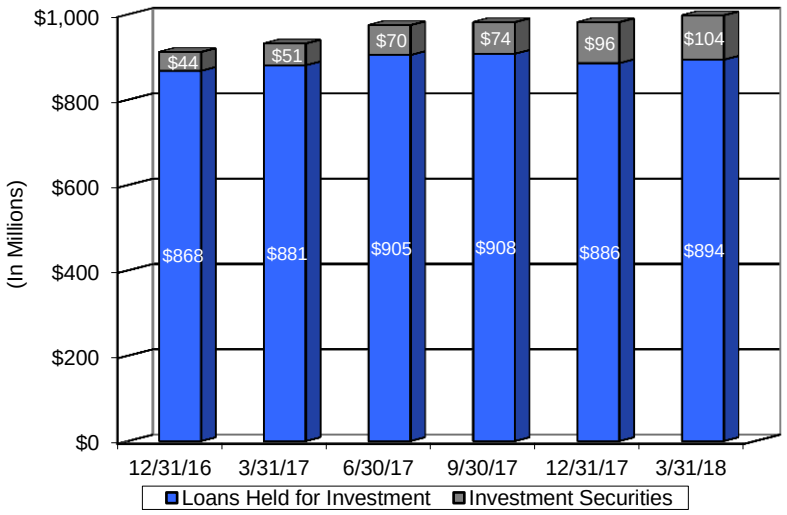


Community Banking

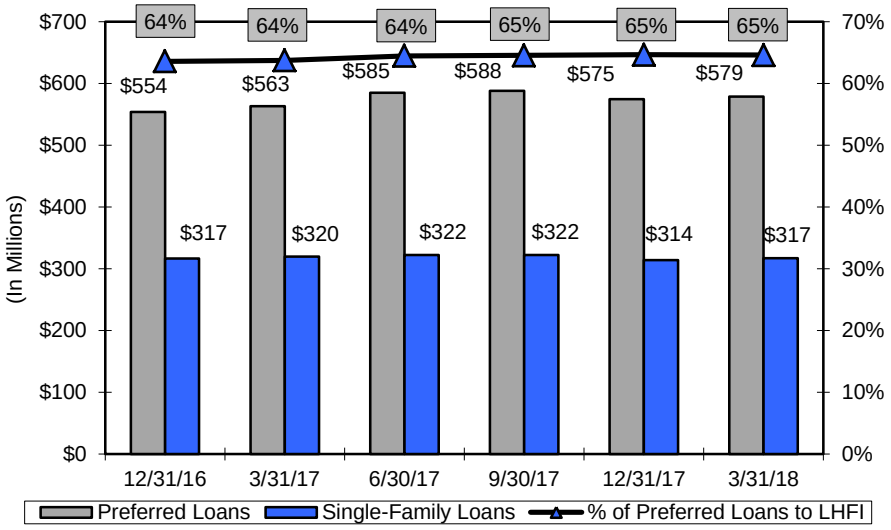
Developments

- Preferred Loans grow 3% during the past year
- Loans Held for Investment yield increases 12 basis points from March 31, 2017
- Deposit costs decrease by one basis point from March 31, 2017
- Higher cost Time Deposit balances continue to decline
- Borrowing costs decrease by four basis points from March 31, 2017

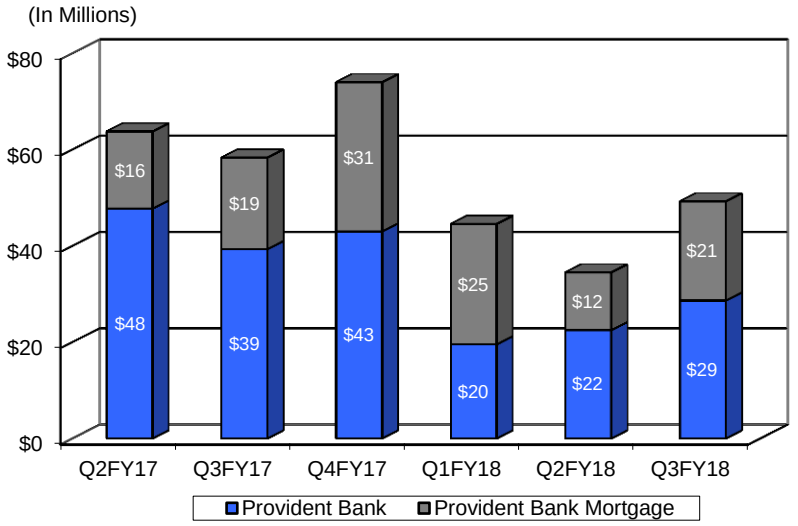
Loan to Investment Mix



Loan Portfolio Mix



Portfolio Loan Originations and Purchases

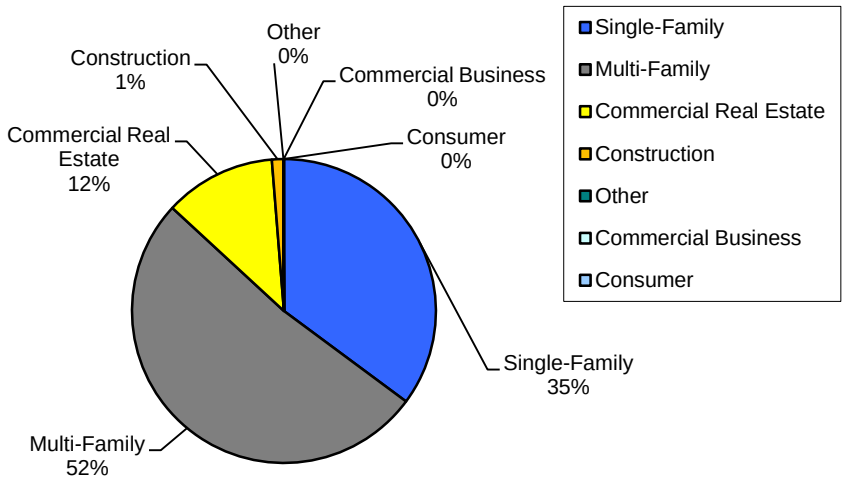


Community Banking

Loans Held for Investment Composition

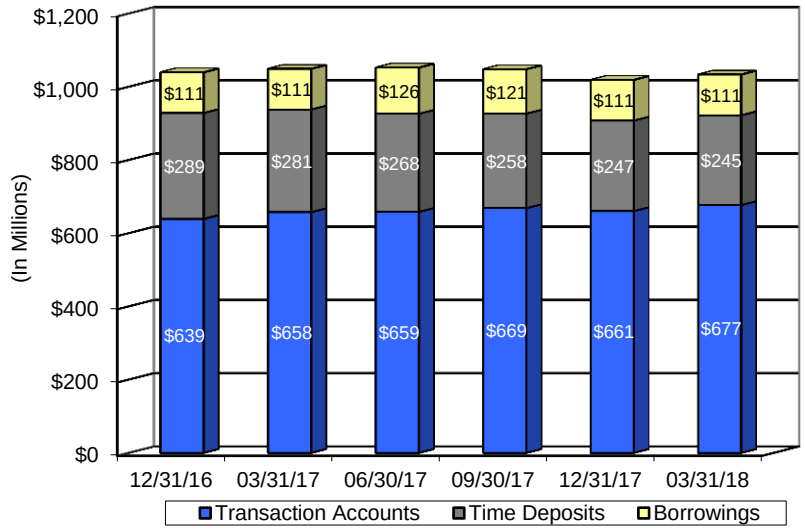
Loan Category (Dollars In Thousands)	Balance as of 03/31/18	Interest Rate	Balance as of 03/31/17	Interest Rate
Single-Family	$ 316,912	4.18%	$ 319,714	3.94%
Multi-Family	466,266	4.10%	459,180	4.05%
Commercial Real Estate	106,937	4.67%	96,364	4.63%
Construction	10,915	6.69%	16,552	5.75%
Other	-	-	241	5.57%
Commercial Business	450	6.06%	668	6.11%
Consumer	130	13.80%	126	13.48%
Total Loans Held for Investment	$ 901,610	4.23%	$ 892,845	4.11%
Undisbursed Loan Funds	(5,591)		(9,468)	
Advance Payments of Escrows	160		165	
Deferred Loan Costs, net	5,519		5,243	
Allowance for Loan Losses	(7,531)		(8,275)	
Total Loans Held for Investment, net	$ 894,167		$ 880,510	

Loan Composition as of 03/31/18



Community Banking

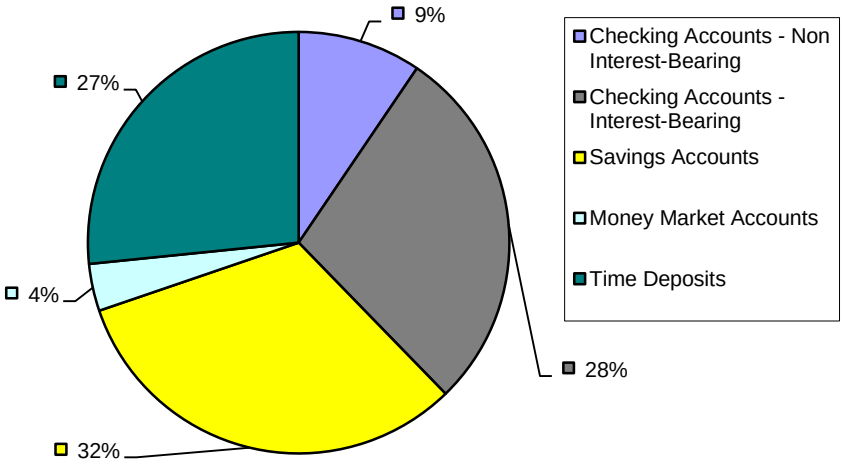
Deposits and Borrowings



Deposit Composition

Category (Dollars In Thousands)	At 03/31/2018	Rate	At 03/31/2017	Rate
Checking Accounts - Non Interest-Bearing	$ 87,520	- %	$ 76,795	- %
Checking Accounts - Interest-Bearing	260,492	0.11%	258,197	0.11%
Savings Accounts	295,606	0.20%	290,158	0.20%
Money Market Accounts	33,396	0.21%	32,648	0.21%
Time Deposits	245,485	1.03%	280,508	0.98%
Total Deposits	$ 922,499	0.38%	$ 938,306	0.39%
Brokered Deposits Included Above	$ 1,567	3.88%	$ 1,567	3.88%

Deposit Composition at 03/31/18



Borrowing Maturity Schedule

Category (Dollars In Thousands)	At 03/31/2018	Rate	At 03/31/2017	Rate
Overnight	$ -	-	$ -	-
Three Months or Less	-	-	-	-
Over Three to Six Months	-	-	-	-
Over Six to Twelve Months	-	-	10,017	3.01%
Over One to Two Years	10,000	1.53%	-	-
Over Two to Three Years	20,000	3.85%	10,000	1.53%
Over Three to Four Years	21,176	2.07%	20,000	3.85%
Over Four to Five Years	-	-	21,227	2.08%
Over Five Years	60,000	2.40%	50,000	2.36%
Total Borrowings	$ 111,176	2.52%	$ 111,244	2.56%

Asset Quality

Developments

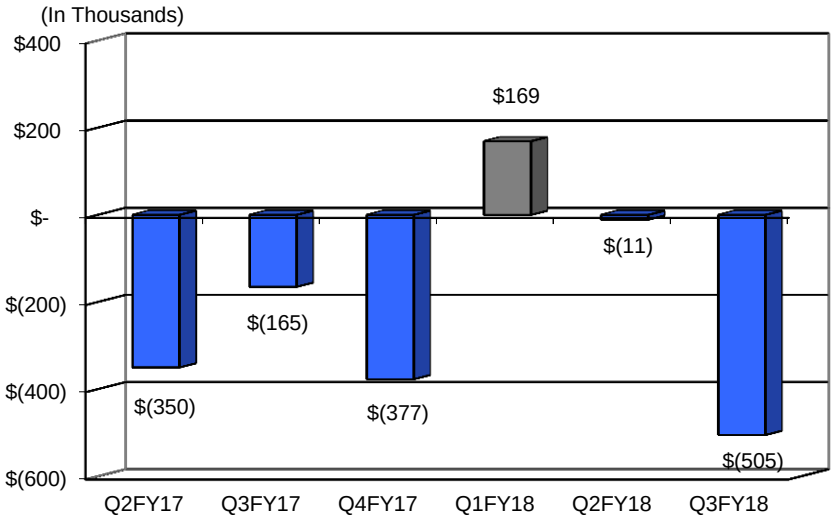
- Non-Performing Assets balance declines to lowest level in many years
- Non-Performing Assets to Total Assets Ratio at 0.64% on March 31, 2018
- REO activity remains limited
- Early-Stage Delinquencies very low at $160,000

NPA, NPA to Total Assets Ratio and ALLL to LHI Ratio

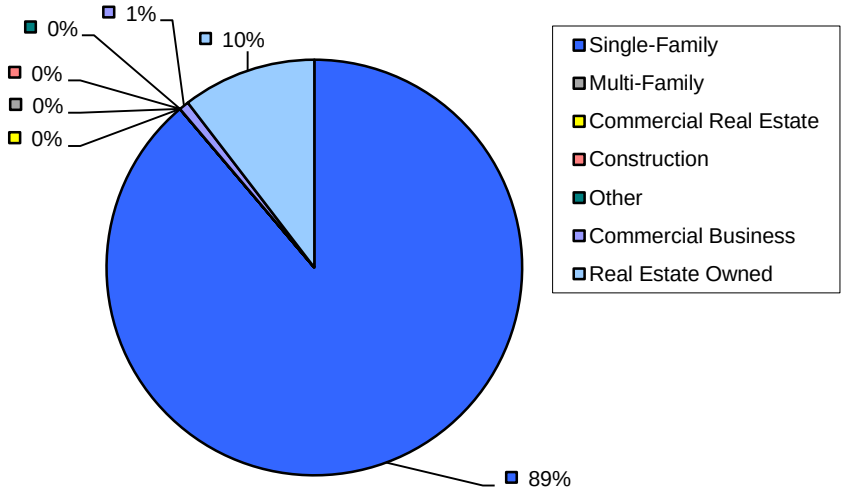


	12/31/16	03/31/17	06/30/17	09/30/17	12/31/17	03/31/18
Non-Performing Assets	$13,014	$11,620	$9,610	$7,991	$8,606	$7,553
NPA to Total Assets	1.09%	0.97%	0.80%	0.67%	0.74%	0.64%
ALLL to LHI	0.96%	0.93%	0.88%	0.88%	0.90%	0.84%

(Recovery) Provision for Loan Losses

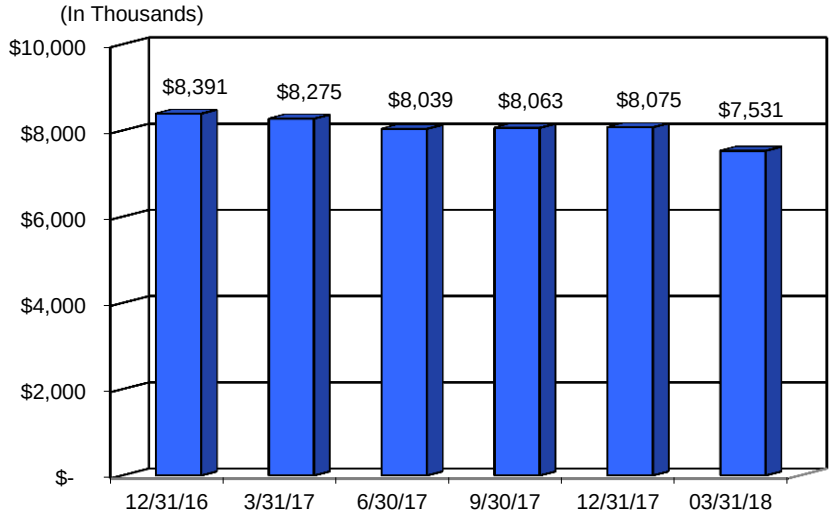


Non-Performing Asset Composition 03/31/18

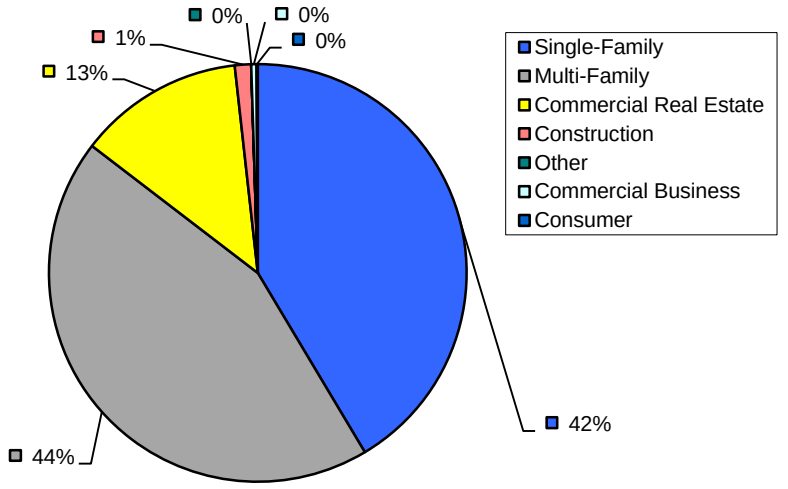


Asset Quality

Allowance for Loan Losses (ALLL)



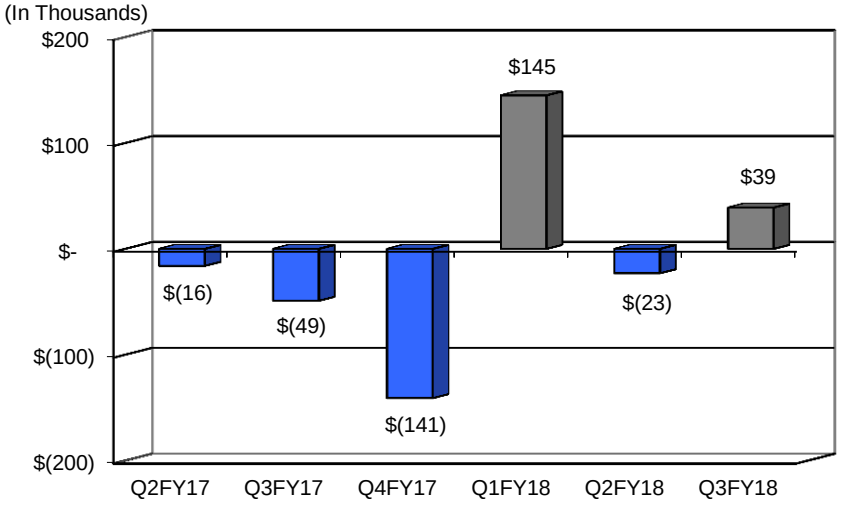
ALLL Allocation as of 03/31/18



Delinquent and Non-Performing Loans

(Dollars In Thousands)	At March 31, 2018				At March 31, 2017			
	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	1	$157	24	$6,823	3	$978	29	$8,533
Multi-Family	-	-	-	-	-	-	1	372
Commercial Real Estate	-	-	-	-	-	-	1	201
Other	-	-	-	-	-	-	-	-
Commercial Business Loans	-	-	1	73	-	-	1	83
Consumer Loans	3	3	-	-	-	-	1	-
Total	4	$ 160	25	$ 6,896	3	$ 978	33	$ 9,189

Net Charge-Offs (Recoveries)



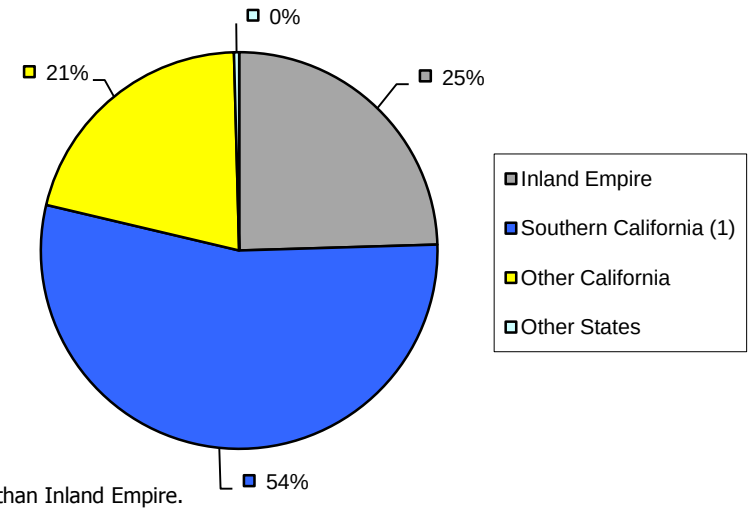
Asset Quality

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	$108,629	34%	$148,585	47%	$58,608	19%	$1,090	0%	$316,912	100%
Multi-Family	79,997	17%	281,013	60%	102,559	22%	2,697	1%	$466,266	100%
Commercial Real Estate	31,911	30%	49,424	46%	25,602	24%	-	0%	$106,937	100%
Construction	429	4%	9,088	83%	1,398	13%	-	0%	$10,915	100%
Total	$220,966	25%	$488,110	54%	$188,167	21%	$3,787	0%	$901,030	100%

[1] Other than Inland Empire.

Geographic Location 03/31/18



[1] Other than Inland Empire.

Asset Quality

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

	Year of Origination									
	2010 & Prior	2011	2012	2013	2014	2015	2016	2017	2018 YTD	TOTAL
Loan Balance (In Thousands)	$137,246	$937	$2,242	$2,460	$8,273	$12,551	$35,027	$82,695	$20,996	$302,427
Weighted Avg. LTV [1]	61%	60%	51%	44%	69%	69%	65%	74%	71%	66%
Weighted Avg. Age (In Years)	12.33	6.68	5.58	4.74	3.63	2.82	1.69	0.94	0.09	6.37
Weighted Avg. FICO [2]	730	710	758	754	756	735	744	735	747	735
Number of Loans	474	4	13	22	22	19	65	124	31	774
Geographic Breakdown (%)										
Inland Empire	37%	57%	14%	44%	40%	20%	28%	31%	50%	34%
Southern California [3]	51%	43%	51%	26%	33%	53%	37%	48%	48%	48%
Other California	11%	0%	35%	30%	27%	27%	35%	21%	2%	18%
Other States	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%
	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									
	2010 & Prior	2011	2012	2013	2014	2015	2016	2017	2018YTD	TOTAL
Loan Balance (In Thousands)	$19,329	$5,101	$11,245	$55,897	$71,189	$81,729	$125,670	$77,506	$18,600	$466,266
Weighted Avg. LTV [1]	40%	48%	49%	53%	52%	53%	48%	50%	43%	50%
W. Avg. Debt Coverage Ratio [2]	1.62x	1.65x	1.87x	1.68x	1.65x	1.64x	1.66x	1.66x	1.79x	1.67x
Weighted Avg. Age (In Years)	13.05	6.51	5.55	4.63	3.71	2.74	1.74	0.81	0.10	2.96
Weighted Avg. FICO [2]	697	757	735	767	765	757	762	752	761	757
Number of Loans	47	8	15	80	90	122	148	122	26	658
Geographic Breakdown (%)										
Inland Empire	31%	9%	2%	34%	13%	17%	10%	18%	27%	17%
Southern California [3]	47%	71%	70%	50%	56%	63%	64%	63%	63%	60%
Other California	8%	20%	28%	16%	31%	20%	26%	19%	10%	22%
Other States	14%	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.

Commercial RE – Loans Held for Investment

	Year of Origination									
	2010 & Prior	2011	2012	2013	2014	2015	2016	2017	2018YTD	TOTAL [4][5]
Loan Balance (In Thousands)	$1,476	$ -	$ 10,386	$11,291	$ 20,912	$ 19,892	$ 17,237	$ 19,821	$ 5,922	$106,937
Weighted Avg. LTV [1]	31%	-	0.44	46%	44%	41%	49%	43%	45%	44%
W. Avg. Debt Coverage Ratio [2]	1.42x	-	1.94x	1.61x	1.93x	1.80x	1.58x	1.67x	1.24x	1.72x
Weighted Avg. Age (In Years)	14.60	-	5.52	4.70	3.64	2.69	1.86	0.61	0.15	2.87
Weighted Avg. FICO [2]	705	-	743	757	752	758	759	773	756	758
Number of Loans	8	-	9	18	25	25	23	23	8	139
Geographic Breakdown (%)										
Inland Empire	68%	-	72%	22%	37%	31%	11%	26%	0%	30%
Southern California [3]	32%	-	28%	54%	43%	32%	62%	52%	61%	46%
Other California	0%	-	0%	24%	20%	37%	27%	22%	39%	24%
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: $39.8 million in Mixed Use; $18.0 million in Retail; $15.8 million in Office; $11.0 million in Mobile Home Parks; $8.8 million in Warehouse; $5.4 million in Medical/Dental Office; $3.0 million in Mini-Storage; $2.0 million in Restaurant/Fast Food; $1.6 million in Automotive – Non-Gasoline; and $1.5 million in Light Industrial/Manufacturing.

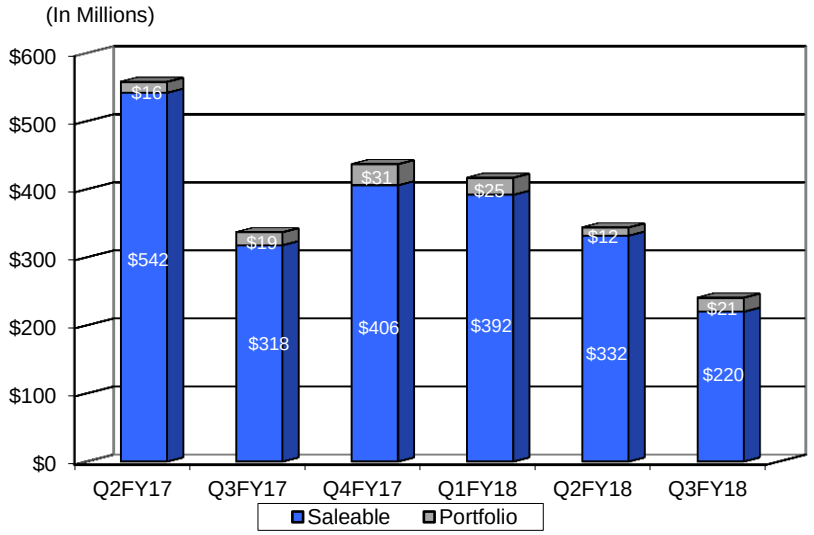
(5) Consisting of $101.9 million or 95.3% in investment properties and $5.0 million or 4.7% in owner occupied properties.

Mortgage Banking

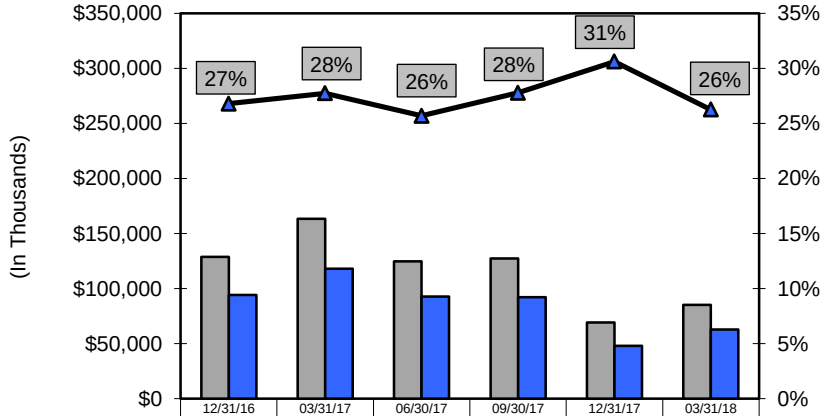
Developments

- Loan Origination Volume decreases 30% to $240.8 million (sequential quarter)
- Gain on Sale of Loans decreases 17% to $3.6 million (sequential quarter)
- Gross Locked Pipeline increases 23% to $85.3 million (sequential quarter)
- Loan Sale Margin increases four basis points to 153 basis points (sequential quarter)

PBM Loan Originations



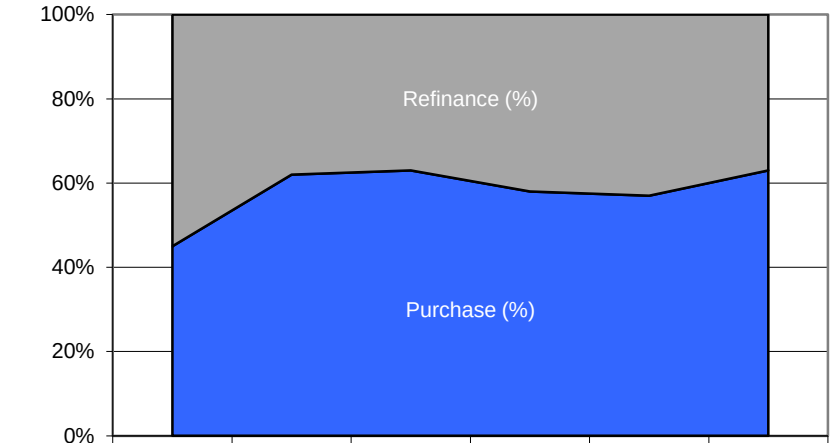
PBM Locked Pipeline



	12/31/16	03/31/17	06/30/17	09/30/17	12/31/17	03/31/18
Gross Locked Pipeline	$128,917	$163,306	$124,799	$127,505	$69,234	$85,271
Net Locked Pipeline (1)	$94,354	$117,993	$92,726	$92,065	$48,032	$62,871
Fall-Out Ratio	27%	28%	26%	28%	31%	26%

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

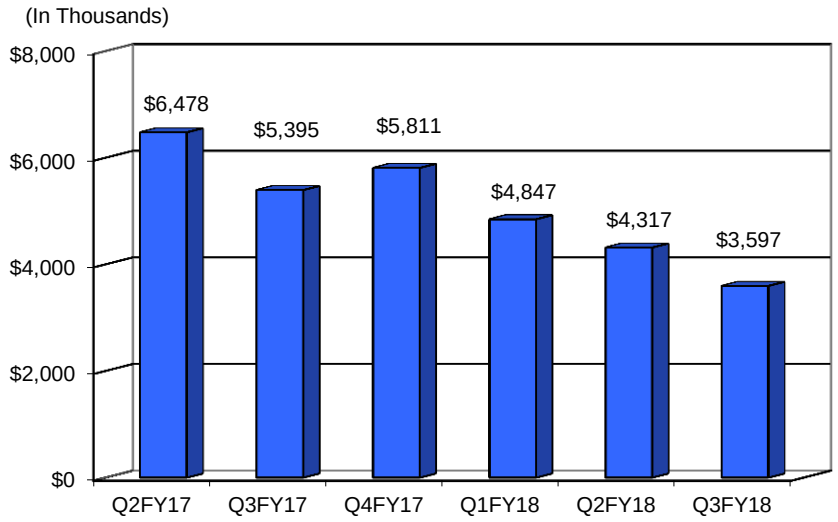
PBM Loan Purchase vs. Refinance



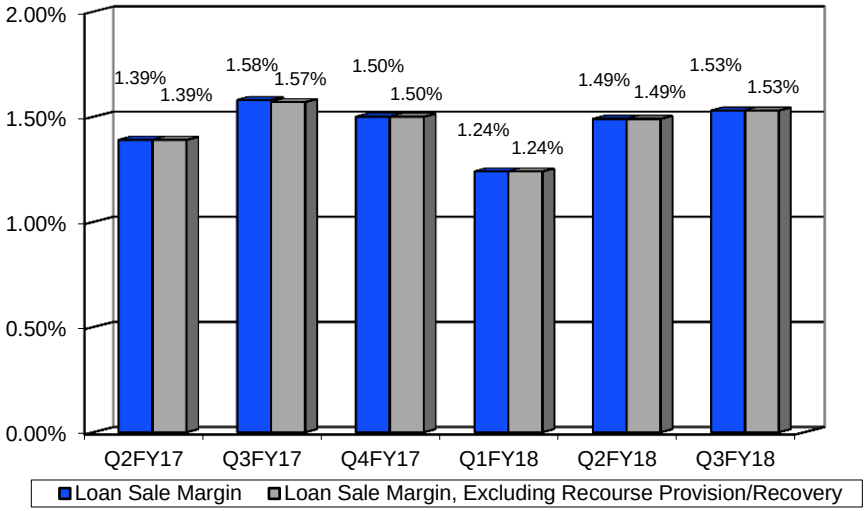
	Q2FY17	Q3FY17	Q4FY17	Q1FY18	Q2FY18	Q3FY18
Refinance	55%	38%	37%	42%	43%	37%
Purchase	45%	62%	63%	58%	57%	63%

Mortgage Banking

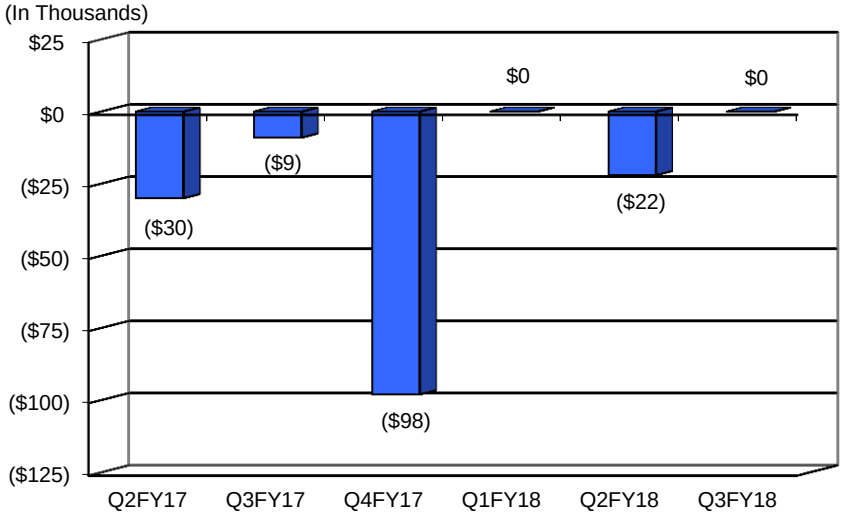
Gain on Sale of Loans



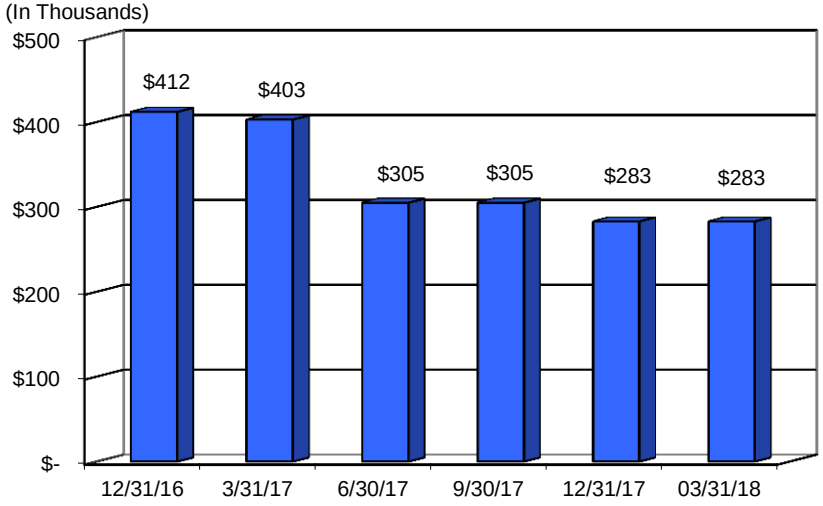
Loan Sale Margin



Recourse Provision (Recovery)



Recourse Reserve

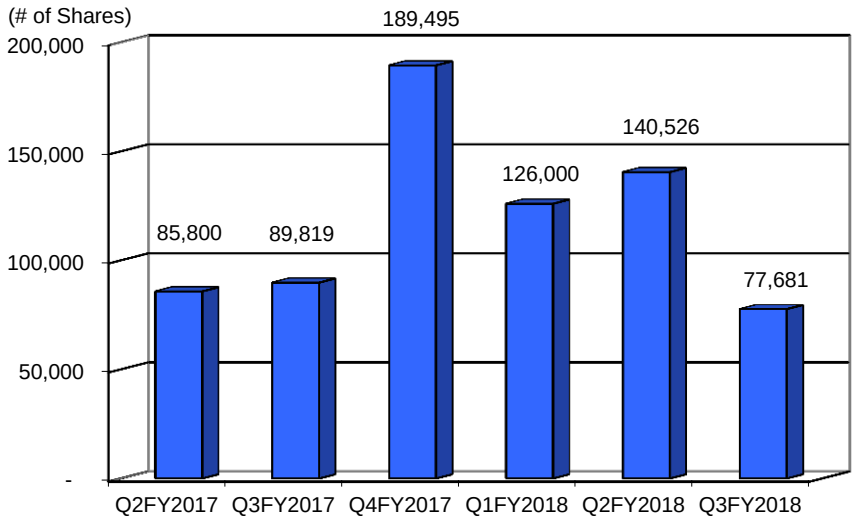


Capital Management

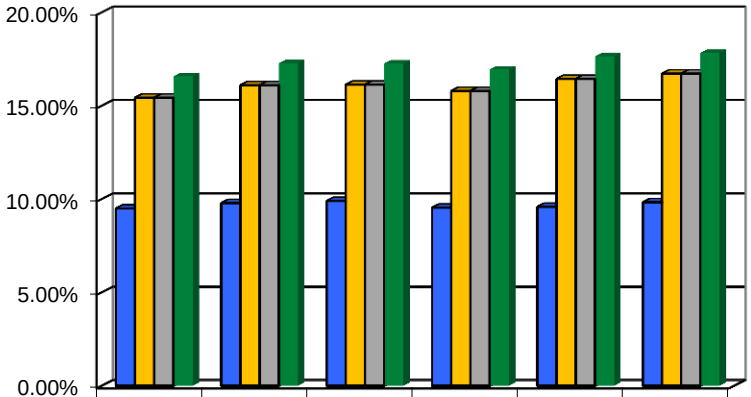
Developments

- Bank Capital Ratios remain strong
- 3.10% cash dividend yield (approximately)
- Repurchased approximately 78,000 shares of common stock

Stock Repurchase Plan Activity

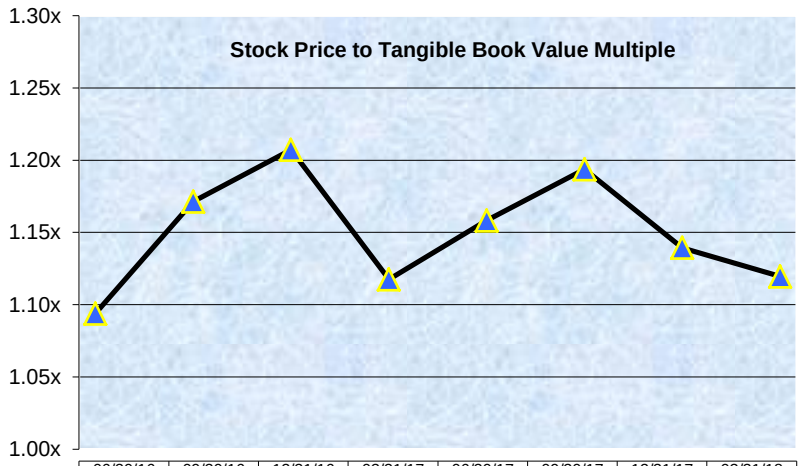


Bank Capital Ratios



	12/31/16	3/31/17	6/30/17	9/30/17	12/31/17	03/31/18
Tier 1 Leverage Ratio	9.50%	9.79%	9.90%	9.54%	9.59%	9.83%
CET1 Ratio	15.43%	16.10%	16.13%	15.79%	16.44%	16.72%
Tier 1 Risk-Based Capital Ratio	15.43%	16.10%	16.13%	15.79%	16.44%	16.72%
Total Risk-Based Capital Ratio	16.58%	17.28%	17.27%	16.95%	17.65%	17.84%

Value Proposition



	06/30/16	09/30/16	12/31/16	03/31/17	06/30/17	09/30/17	12/31/17	03/31/18
Price/TBV	1.09x	1.17x	1.21x	1.12x	1.16x	1.19x	1.14x	1.12x