Provident Financial

Achievements to 30 June 2000

Customers up to 2.9m + 17.0%
Turnover up to £340.3m + 27.8%
Like for like profit up to £65.1m + 6.0%
Earnings per share up to 19.1p + 7.9%
Dividend per share up to 10.9p + 10.1%
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Divisional highlights

UK home credit

> Bad debt ratio improved from 8.4% at year end to 8.2%
> Agents up 4.6% to 11,961
> Customers up 3.8% to 1.55m
> Credit issued up 3.8%
> Profit before tax up 2.4% to £60.3m
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Divisional highlights

International home credit

> 30 new offices opened
> Agents up by 2,307 to 5,975
> Customers up from 149,000 at year end to 281,000
> Start up loss of £6.9m, up from £4.2m in H1 1999
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Divisional highlights

Motor insurance

> Record half year
> Premium rates up 7% in first half
> Underwriting customers up by 28% to 705,000
> Claims inflation less than premium increases
> Broking benefits from price increases
> Profit up 36% to £15.6m
<table>
<thead>
<tr>
<th>Service</th>
<th>1999 (like for like)</th>
<th>2000 (June)</th>
</tr>
</thead>
<tbody>
<tr>
<td>UK home credit</td>
<td>58.9</td>
<td>60.3</td>
</tr>
<tr>
<td>International home credit</td>
<td>(4.2)</td>
<td>(6.9)</td>
</tr>
<tr>
<td>Insurance</td>
<td>11.5</td>
<td>15.6</td>
</tr>
<tr>
<td>Central costs</td>
<td>(4.8)</td>
<td>(3.9)</td>
</tr>
<tr>
<td>Profit before tax</td>
<td>61.4</td>
<td>65.1</td>
</tr>
</tbody>
</table>
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Half year results

UK home credit
UK home credit

Agents

As at 30 June

<table>
<thead>
<tr>
<th>Year</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>96</td>
<td>9,647</td>
</tr>
<tr>
<td>97</td>
<td>10,268</td>
</tr>
<tr>
<td>98</td>
<td>10,756</td>
</tr>
<tr>
<td>99</td>
<td>11,433</td>
</tr>
<tr>
<td>00</td>
<td>11,961</td>
</tr>
</tbody>
</table>

+4.6%
UK home credit

Customers (000s)

As at 30 June

<table>
<thead>
<tr>
<th>Year</th>
<th>Customers (000s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>96</td>
<td>1,227</td>
</tr>
<tr>
<td>97</td>
<td>1,334</td>
</tr>
<tr>
<td>98</td>
<td>1,418</td>
</tr>
<tr>
<td>99</td>
<td>1,496</td>
</tr>
<tr>
<td>00</td>
<td>1,553</td>
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</tbody>
</table>

+3.8%
UK home credit

Credit issued (£m)

As at 30 June
UK home credit

Collections and bad debt

% of monies not collected
Bad debt as a % of credit issued

<table>
<thead>
<tr>
<th>Year</th>
<th>% of Monies Not Collected</th>
<th>Bad Debt as a % of Credit Issued</th>
</tr>
</thead>
<tbody>
<tr>
<td>1996</td>
<td>4.0</td>
<td>5.0</td>
</tr>
<tr>
<td>1997</td>
<td>5.0</td>
<td>6.0</td>
</tr>
<tr>
<td>1998</td>
<td>6.0</td>
<td>7.0</td>
</tr>
<tr>
<td>June 99</td>
<td>7.0</td>
<td>8.0</td>
</tr>
<tr>
<td>Dec 99</td>
<td>8.0</td>
<td>9.0</td>
</tr>
<tr>
<td>June 00</td>
<td>8.0</td>
<td>9.0</td>
</tr>
</tbody>
</table>
Improved support for field force and agents
More cautious lending and customer recruitment
Collection performance and bad debt ratio improved
Level of risk under control
Growth strategy remains in place
International home credit

Locations

- Czech Republic: June 2000 - 22, December 1999 - 15
- Poland: June 2000 - 31, December 1999 - 10
- South Africa: June 2000 - 3, December 1999 - 1
International home credit

Staff and agents

- **Czech Republic**
  - June 2000: 2,787
  - December 1999: 2,236

- **Poland**
  - June 2000: 4,020
  - December 1999: 1,888

- **South Africa**
  - June 2000: 522
  - December 1999: 289
International home credit

Czech Republic coverage

International home credit
Polish coverage
International home credit

Customers

- **Czech Republic**: 65,850 (June 2000) + 98,333 (December 1999) = 163,887
- **Poland**: 72,434 (June 2000) + 18,822 (December 1999) = 91,256
- **South Africa**: 11,085 (June 2000) + 18,822 (December 1999) = 29,907
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Half year results

Insurance
Insurance

2000 performance

> Record first half
> Premiums up by 7% in H1, 18% in last 12 months
> 10% claims inflation per policy in last 12 months
> Gross written premium up by 75% to £106m
> Investment fund up 10% to £316 million
> Profit before tax up 36% to £15.6m
Insurance

Underwriting customers (000s)

As at 30 June

<table>
<thead>
<tr>
<th>Year</th>
<th>Customers (000s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>96</td>
<td>595</td>
</tr>
<tr>
<td>97</td>
<td>477</td>
</tr>
<tr>
<td>98</td>
<td>516</td>
</tr>
<tr>
<td>99</td>
<td>550</td>
</tr>
<tr>
<td>00</td>
<td>705</td>
</tr>
</tbody>
</table>

+28.2%
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Group prospects for full year

> UK home credit - bad debt ratio to stabilise at 8.2%
  - improved profit growth
> International to trade near breakeven
> Continued excellent results for insurance division
> Confident of good result for year
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Group prospects beyond 2000

> Insurance division - near the top of the cycle?
> UK home credit - higher rates of profit growth
> International division to earn profit in 2001 and rapidly progress towards substantial profitability
> Confident in the future