



PROVIDENT
FINANCIAL

Provident Financial

Interim results to 30 June 2001

Provident Financial

Overview

- > UK home credit – relatively mature market
- > Motor insurance – successful niche player
- > International home credit– excellent growth prospects
- > New opportunities
- > A bright and prosperous future

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Highlights

- > Group customers up by 15%
- > Group turnover up by 17%
- > Profit before tax up 7.8% to £70.2m
- > EPS up 7.5% to 20.52p
- > Interim dividend up 7.8% to 11.75p

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Profit before tax (£m)

	2000	2001	% change
UK home credit	60.3	61.3	1.7%
International home credit	(6.9)	(2.3)	-
Motor insurance	16.3	19.4	19.0%
balance	(0.6)	(1.8)	
Central costs	(4.0)	(6.4)	60.0%
Profit before tax	65.1	70.2	7.8%

6 months to 30 June

Provident Financial
2001 interim results

Motor insurance

Motor insurance Profit before tax (£m)

	2000	2001	change
Underwriting	15.0	17.9	+19%
Broking	1.3	1.5	+15%
<hr/> Total	<hr/> 16.3	<hr/> 19.4	<hr/> +19%

6 months to 30 June

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Motor insurance highlights

- > Lower premium increases
- > Strong volume growth
- > Claims inflation 5 – 6 %
- > Combined ratio at 94%
- > Investment income up 13% to £11.2m

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2001 interim results

UK home credit

UK home credit

Demanding market – focus on quality

	2000	2001	change	like for like change
Customers (000)	1,553	1,540	-0.8%	
Credit issued	£364.0m	£390.6m	7.3%	3.5%
Collections	£596.3m	£634.1m	6.3%	4.5%
Turnover	£212.4m	£224.3m	5.6%	3.4%
Bad debt	£37.8m	£41.0m	8.5%	
Bad debt % credit issued (MAT)	8.2%	8.2%	-	
Operating costs	£104.4m	£111.4m	6.7%	
Interest	£9.9m	£10.6m	7.1%	
Profit	£60.3m	£61.3	1.7%	

6 months to 30 June

UK home credit catalogue



home

from Provident

We offer you...

- Easy weekly payments!
- Free home delivery!
- Top brand names at high street prices guaranteed!
- Hassle free shopping at your convenience!

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Personal Credit



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UK home credit catalogue

A. Hollywood Home
 This giant size play house in nylon construction folds up and can be stored in a carry bag (supplied). Measuring 60cm (12") Diam. Assembled size L275 x W130 x H140cm (108 1/4 x 51 1/4 x 51")
CASH PRICE £80
 26 WEEKS ONLY £4.20 APR 187.2 TAP £104
 For children aged 3 years +.
 For tunnel and garage see item B.
21-31-28PV

B. Hollywood Garage
 This Hollywood garage can be used in conjunction with the Hollywood home or simply use on its own. Comes complete with play tunnel. For children aged 3 years +.
 Assembled size L107 x W117 x H114cm. (42 x 46 x 45")
 Length of tunnel 88cm.
21-31-52PV
CASH PRICE £50
 26 WEEKS ONLY £2.50 APR 187.2 TAP £65

C. Heavy Duty Pump
 Quick fill electric pump. Inflates and deflates. High volume airflow. 3 different modes. 230 volt ac.
23-69-18PV
CASH PRICE £50
 26 WEEKS ONLY £2.50 APR 187.2 TAP £65

D. Jungle Playland
 Jungle Playland bouncing fun. For children aged 3 years +.
 Size of main jumping area: 200 x 160cm (79 x 63")
21-35-78PV
CASH PRICE £70
 26 WEEKS ONLY £3.50 APR 187.2 TAP £91

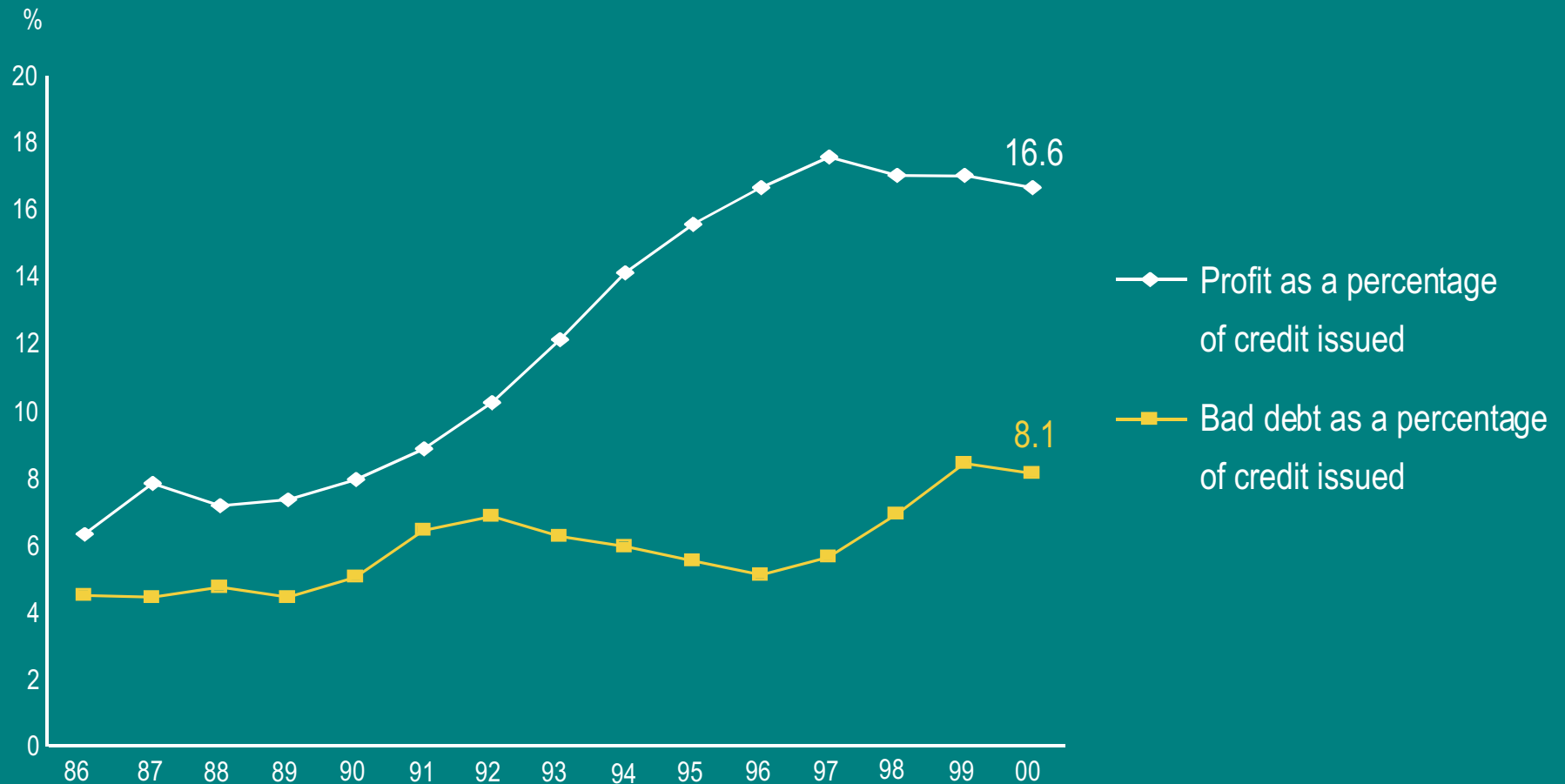
UK home credit

Bad debt as a percentage of credit issued (MAT)



UK home credit

Bad debt and pre-tax profit as a percentage of credit issued



Years to 31 December

Provident Financial
2001 interim results

International home credit

International home credit



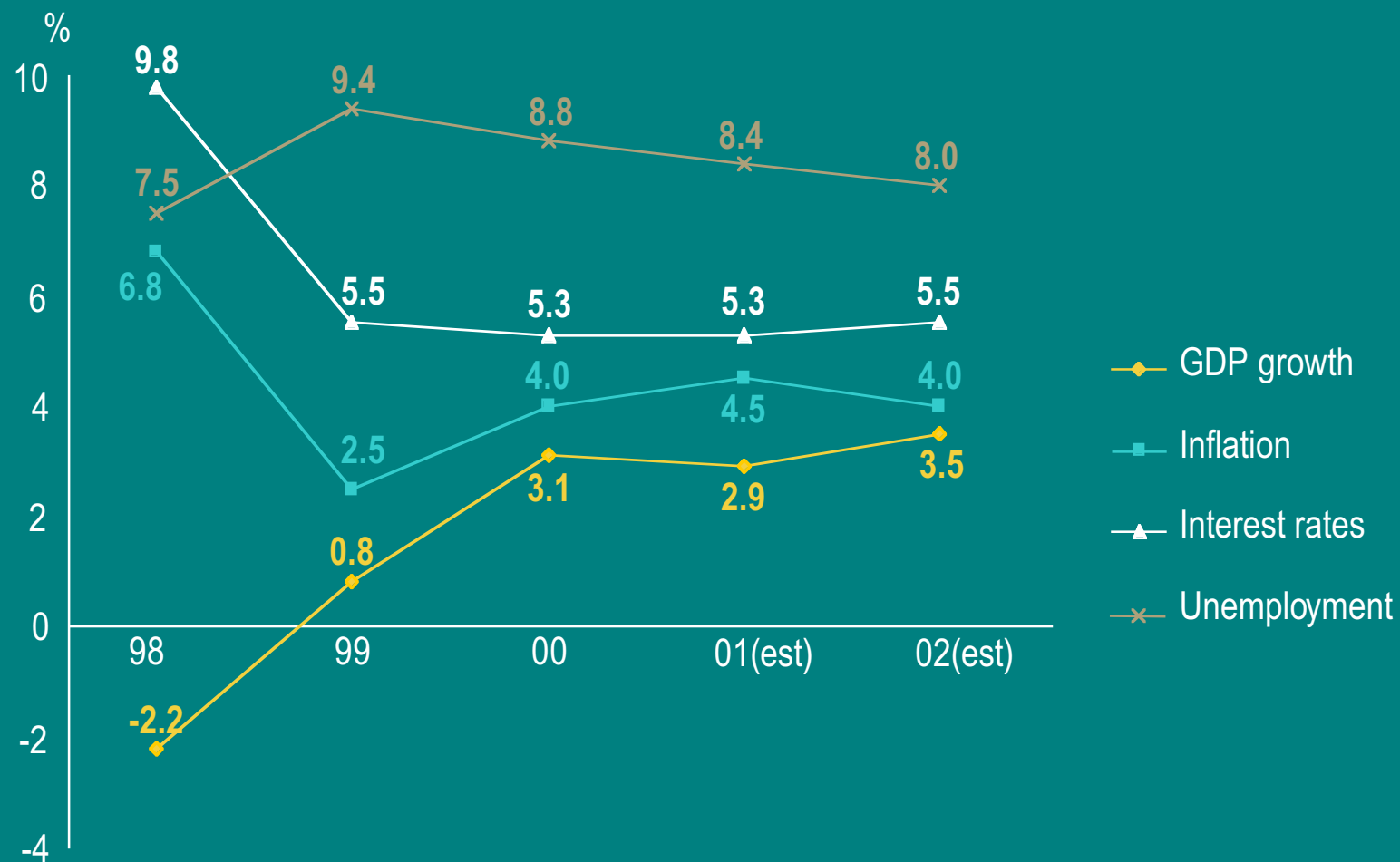
International home credit

Poland – economic indicators



International home credit

Czech Republic – economic indicators



International home credit

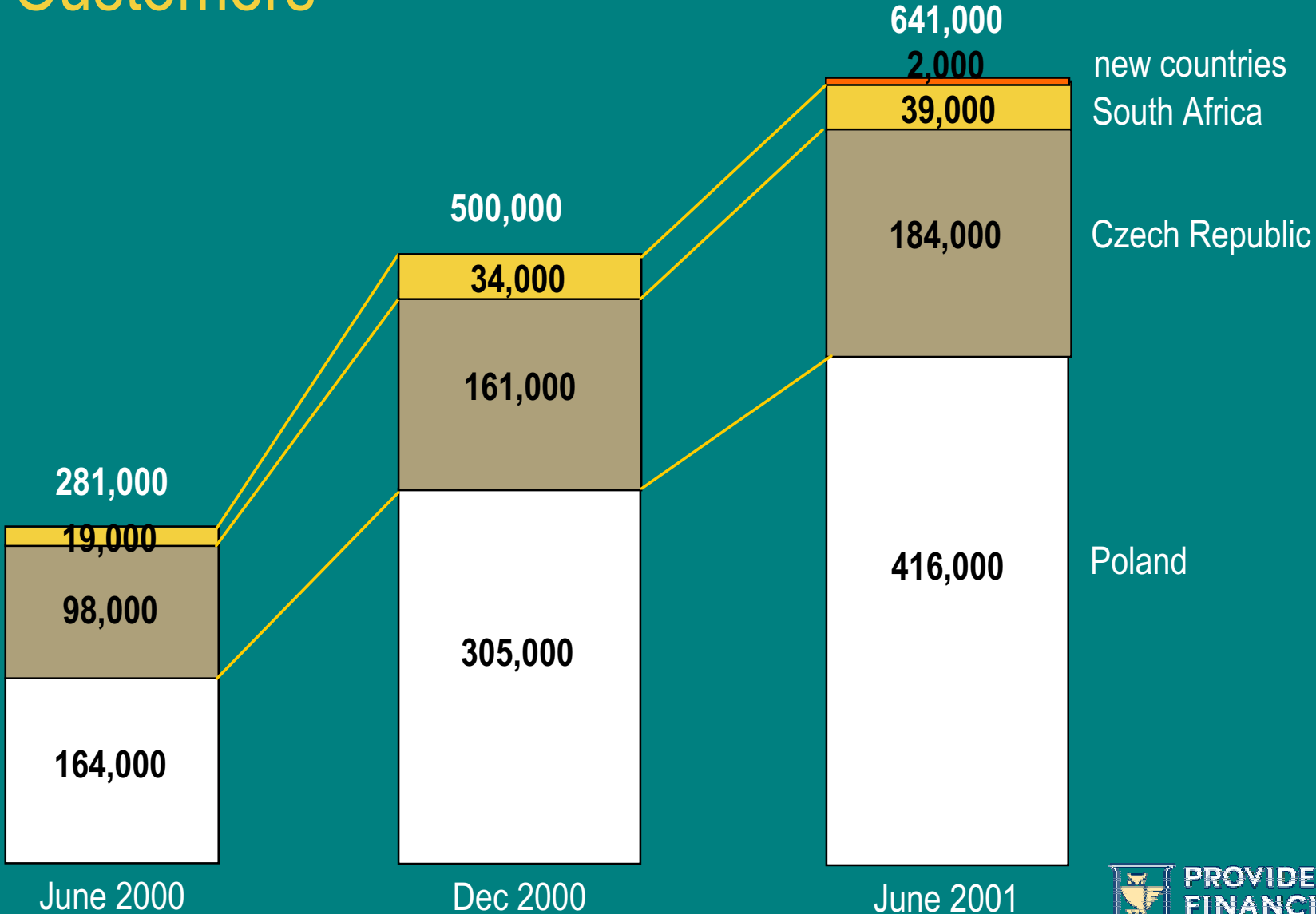
Profit/(loss) before tax (£m)

	2000	2001
Poland	(3.4)	0.9
Czech Republic	(1.4)	0.8
South Africa	(0.5)	(0.8)
New countries	-	(1.3)
Divisional overhead	(1.6)	(1.9)
Loss	(6.9)	(2.3)

6 months to 30 June

International home credit

Customers



International home credit

Czech Republic : key statistics

	2000	2001	change
Credit issued	£14.8m	£26.9m	82%
Collections	£14.8m	£32.4m	119%
Turnover	£4.9m	£11.8m	141%
Operating costs	£5.2m	£7.1m	37%
Bad debt	£0.7m	£2.9m	314%
Bad debt % credit issued (MAT)	4.0%	7.2%	-
Interest	£0.4m	£1.0m	150%
Profit/(loss)	£(1.4)m	£0.8m	

6 months to 30 June

International home credit

Poland : key statistics

	2000	2001	change
Credit issued	£22.5m	£76.7m	241%
Collections	£20.5m	£80.0m	290%
Turnover	£7.5m	£33.0m	340%
Operating costs	£8.7m	£21.6m	148%
Bad debt	£1.1m	£5.8m	427%
Bad debt % credit issued (MAT)	4.3%	6.0%	-
Interest	£1.1m	£4.7m	327%
<hr/> Profit/(loss) <hr/>	£(3.4)m	£0.9m	

6 months to 30 June

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Group prospects for 2001

- > UK home credit to grow at a similar rate to 2000
- > Motor insurance to have a good result
- > International home credit on track to report a profit

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Group prospects for 2001

We are making good progress and remain confident of a good result in 2001.



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