

TO: J.C. Wilcox

FROM: A.M. Miller

NB□

DATE: March 2, 1984

RE: Household International, Inc.

FACT:

Household International, Inc. (the "Company") is contemplating adoption of one or more extraordinary charter amendments (the "Amendments").

QUESTION:

If the stockholder vote required for adoption is the affirmative vote of a majority of the voting power of the outstanding capital stock of the Company entitled to vote generally in the election of directors, what is the likelihood of the Company's stockholders adopting the contemplated Amendments?

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HCC6042

ANSWER: The Company probably can obtain stockholder adoption of the contemplated Amendments. Institutional investors control approximately 32% of the Company's voting capital stock and can be expected to adhere to their established voting policies. If the Company takes all steps necessary to maximize the vote from the other stockholder categories, the low affirmative vote from institutions can, in our opinion, be overcome and adoption of the Amendments is probable. We anticipate that at least 50.8% and possibly 58.3% of the outstanding shares would be voted affirmatively on the proposal to adopt the Amendments.

#### ANALYSIS

This analysis was completed by our Broker, Bank, Individual and Institutional Investor solicitation departments working under my supervision. It is based on recent registered stockholder listings, securities clearing agency participant listings and filings made with the Securities and Exchange Commission by stockholders of the Company. In developing the stockholder voting assumptions used herein, we considered our experiences in recent solicitations to adopt charter amendments similar to those being considered by the Company. Whenever we had a choice of several reasonable voting assumptions, we chose to work with the most conservative assumption.

The approximate share ownership of the Company appears on the following page.

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STOCKHOLDER CATEGORIES	SHARES CONTROLLED	SHARES CONTROLLED AS A % OF OUTSTANDING SHARES (2)
I. Institutional Investors	17,375,707 (1)	32.007
II. Banks (other than Institutional Investors)	13,149,891	24.222
III. Brokers (other than Institutional Investors)	5,319,880	9.799
IV. Directors, Officers and Affiliated Persons	811,054	1.494
V. Friendly Preferred	2,621,873	4.829
VI. Company Plans	2,501,110	4.607
VII. All Others (Mainly Individuals)	12,507,600	23.039
TOTALS	54,287,115	100.000

(1) The Shares Controlled figure for Institutional Investors is based on filings made with the Securities and Exchange Commission indicating sole and shared voting authority.

(2) Assuming 54,287,115 shares outstanding.

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HC06044

Two voting scenarios appear below to give you a preliminary indication of the kind of voting that we anticipate on the Amendments. The first scenario Voting Scenario A, is a worst case scenario. In voting Scenario A each stockholder category votes the lowest anticipated percentage of the shares it controls for Adoption of the Amendments. The second scenario, Voting Scenario B, is a best case scenario. In Voting Scenario B each stockholder category votes the highest anticipated percentage of the shares it controls for adoption of the Amendments. Voting scenario A and Voting Scenario B establish a range of anticipated voting which begins at 30.8% and end at 58.3% of the outstanding shares.

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**HC06045**

VOTING SCENARIO A: WORST CASE

STOCKHOLDER CATEGORIES	SHARES CONTROLLED AS A % OF OUTSTANDING SHARES (1)	% OF SHARES CONTROLLED VOTED FOR ADOPTION	FOR VOTES AS A % OF OUTSTANDING SHARES (1)
I. Institutional Investors	32.007	15	4.801
II. Banks (other than Institutional Investors)	24.222	65	15.744
III. Brokers (other than Institutional Investors)	9.799	35	3.430
IV. Directors, Officers and Affiliated Persons	1.494	100	1.494
V. Friendly Preferred	4.829	100	4.829
VI. Company Plans	4.607	95	4.377
VII. All Others (Mainly Individuals)	23.039	70	16.127

Final Vote FOR Adoption 50.8022

(1) Assuming 54,287,115 shares outstanding.

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HC06046

VOTING SCENARIO B: BEST CASE

STOCKHOLDER CATEGORIES	SHARES CONTROLLED AS A % OF OUTSTANDING SHARES (1)	% OF SHARES CONTROLLED VOTED FOR ADOPTION	FOR VOTES AS A % OF OUTSTANDING SHARES (1)
I. Institutional Investors	32.007	20	6.401
II. Banks (other than Institutional Investors)	24.222	75	18.167
III. Brokers (other than Institutional Investors)	9.799	45	4.410
IV. Directors, Officers and Affiliated Persons	1.494	100	1.494
V. Friendly Preferred	4.829	100	4.829
VI. Company Plans	4.607	100	4.607
VII. All Others (Mainly Individuals)	23.839	80	18.431

Final Vote FOR Adoption 58.339%

(1) Assuming 54,287,115 shares outstanding.

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