

TAX INFORMATION FOR STOCKHOLDERS
OF
THE DIAL CORP
AND GFC FINANCIAL CORPORATION

On March 18, 1992, The Dial Corp, a Delaware corporation and successor by merger to The Dial Corp, an Arizona corporation, distributed the stock of GFC Financial Corporation to stockholders of The Dial Corp, thus resulting in two separate publicly owned companies: The Dial Corp ("Dial") and GFC Financial Corporation ("Financial"). Record holders of common stock of Dial received a distribution of one share of common stock of Financial for every two shares of Dial common stock held on March 4, 1992, the record date.

No fractional shares of Financial common stock were issued. Stockholders otherwise entitled to fractional shares were paid cash in lieu of such shares. For purposes of settling fractional shares, Dial aggregated and sold all fractional interests of Financial common stock through an independent agent and remitted the net proceeds (after deduction of brokerage fees) to stockholders entitled to fractional shares.

We have been advised by counsel that the distribution of the Financial common stock should qualify as a tax-free transaction for federal income tax purposes, so that stockholders generally will not recognize any gain or loss, except in connection with cash received in lieu of fractional shares. The taxable gain or loss required to be recognized with respect to the cash received in lieu of any fractional share of Financial common stock will be equal to the difference between the cash received and the stockholder's tax basis (determined as described below) in such fractional share.

TAX BASIS ALLOCATION AND HOLDING PERIOD

To determine the tax basis in your existing Dial shares and your newly received Financial shares, you must allocate the tax basis in your existing Dial shares between your Dial and Financial shares (including any Financial fractional share for which you received cash). The tax basis in your Dial shares is generally equal to your cost of such shares. If you acquired those shares at different times and costs, you will need to make separate basis calculations for each group of shares.

Based upon the average of the high and low prices at which Dial and Financial traded on March 19, 1992, as reported for New York Stock Exchange Composite Transactions, 78.5% of your tax basis should be allocated to your existing Dial shares, and the remaining 21.5% should be allocated to your Financial shares (including any fractional share interest). Your holding period for your Financial shares will be the same as your holding period for the Dial shares with respect to

which the Financial shares were received (assuming that such Dial shares were held as a capital asset).

For example, assume you own 101 shares of Dial common stock with a tax basis of \$30 per share for a total tax basis of \$3,030. You would have received 50 shares of Financial common stock (1 share for every 2 Dial shares you owned) plus a cash payment in lieu of the .5 fractional share of Financial common stock. You would allocate 78.5% of your \$3,030 tax basis or \$2,378.55 to the tax basis of your 101 existing Dial shares ($\$2,378.55 \div 101 = \23.55 per share), and you would allocate 21.5% of your \$3,030 tax basis or \$651.45 to the tax basis of your 50.5 Financial shares ($\$651.45 \div 50.5 = \12.90 per share). The basis in the one-half (.5) fraction share of Financial stock that was sold on your behalf would be \$6.45 ($\$12.90 \times .5$).

United States Treasury Department regulations require that you **sign** and **attach** to your income tax return a statement setting forth certain prescribed information about the Financial distribution. We are enclosing a statement for you to complete and use for this purpose when you file your **1992** federal income tax return.

The information in this enclosure represents our understanding of existing federal income tax law and regulations, but it is suggested that you consult your own tax advisor with any questions.