WSFS Financial Corporation



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Forward-Looking Statements

WSFS Financial Corporation

This presentation contains estimates, predictions, opinions, projections and other "forward-looking statements" as that phrase is defined in the Private Securities Litigation Reform Act of 1995. Such statements include, without limitation, references to the Company's financial goals, management's plans and objectives for future operations, financial and business trends, business prospects, and management's outlook or expectations for earnings, revenues, expenses, capital levels, liquidity levels, asset quality or other future financial or business performance, strategies or expectations. Such forward-looking statements are based on various assumptions (some of which may be beyond the Company's control) and are subject to risks and uncertainties (which change over time) and other factors which could cause actual results to differ materially from those currently anticipated. Such risks and uncertainties include, but are not limited to, those related to the economic environment, particularly in the market areas in which the Company operates, including an increase in unemployment levels; the volatility of the financial and securities markets, including changes with respect to the market value of financial assets; changes in market interest rates may increase funding costs and reduce earning asset yields thus reducing margin; increases in benchmark rates would increase debt service requirements for customers whose terms include a variable interest rate, which may negatively impact the ability of borrowers to pay as contractually obligated; changes in government regulation affecting financial institutions, including the Dodd-Frank Wall Street Reform and Consumer Protection Act and the rules being issued in accordance with this statute and potential expenses and elevated capital levels associated therewith; possible additional loan losses and impairment of the collectability of loans; seasonality, which may impact customer, such as construction-related businesses, the availability of public funds, and certain types of the Company's fee revenue, such as mortgage originations; possible changes in trade, monetary and fiscal policies, laws and regulations and other activities of governments, agencies, and similar organizations, may have an adverse effect on business; possible rules and regulations issued by the Consumer Financial Protection Bureau or other regulators which might adversely impact our business model or products and services; possible stresses in the real estate markets, including possible continued deterioration in property values that affect the collateral value of underlying real estate loans; the Company's ability to expand into new markets, develop competitive new products and services in a timely manner and to maintain profit margins in the face of competitive pressures; possible changes in consumer and business spending and savings habits could affect the Company's ability to increase assets and to attract deposits; the Company's ability to effectively manage credit risk, interest rate risk market risk, operational risk, legal risk, liquidity risk, reputational risk, and regulatory and compliance risk; the effects of increased competition from both banks and non-banks; the effects of geopolitical instability and risks such as terrorist attacks; the effects of weather and natural disasters such as floods, droughts, wind, tornadoes and hurricanes, and the effects of man-made disasters; possible changes in the speed of loan prepayments by the Company's customers and loan origination or sales volumes; possible acceleration of prepayments of mortgage-backed securities due to low interest rates, and the related acceleration of premium amortization on prepayments on mortgage-backed securities due to low interest rates; the Company's ability to timely integrate any businesses it may acquire and realize any anticipated cost savings from those acquisitions; and the costs associated with resolving any problem loans, litigation and other risks and uncertainties, discussed in the Company's Form 10-K for the year ended December 31, 2013 and other documents filed by the Company with the Securities and Exchange Commission from time to time. Forward looking statements are as of the date they are made, and the Company does not undertake to update any forward-looking statement, whether written or oral, that may be made from time to time by or on behalf of the Company.

Quarter Highlights

Review of 1Q 2014 Results

- **1Q 2014 results reflect revenue growth and expense management**
  - $1.85 per share; 81% increase over 1Q 2013; aided by a nonrecurring tax benefit
    - Core EPS of $1.10 per share, **up 22% from $0.90 per share in 1Q 2013**
  - ROA increased to 1.52%; ROTCE increased to 18.9%
    - Core ROA of 0.90% increased 11% from 0.81% in 1Q 2013
    - 1Q 2014 results reflect typical seasonality and the impact of severe weather
  - On increased operating leverage
    - **Core revenue growth of 8% reflects top line momentum across all business lines**
    - Improved net interest income $2.5 million, and margin 3% over 1Q 2013
    - Core fee income of $17.8 million for 1Q 2014; increased 8% from 1Q 2013; now stands at a robust 35% of total revenue
  - Total loan growth was $34.7 million, or 5% (annualized) over 4Q 2013
    - **C&I and CRE growth of $61.2 million, or 11% annualized**

Quarter Highlights

- **Asset quality reflects volatility and remains strong**
  - Total credit costs (provision for loan losses, loan workout expenses, OREO expenses and other credit reserves), were $3.1 million during 1Q 2014, and were consistent with prior guidance
  - Delinquency increased to 0.92% of loans (includes nonperforming loans) – mainly related to two relationships (approximately $7.7 million) that became delinquent and moved to nonperforming status during the quarter
  - NPAs increased $7.6 million to $55.4 million, or 1.22% of total assets, at March 31, 2014
- **Capital levels remain strong, boosted by earnings and MBS appreciation**
  - Tangible common book value per share improved over 7% to $41.56, and tangible common equity increased 7% to 8.21%
  - Tier 1 leverage ratio was 10.68%, Tier 1 risk-based capital ratio was 13.47% and total risk-based capital ratio was 14.66% at quarter-end
    - All substantially above “well capitalized” levels

4Q 2013 Combination with First National Bank of Wyoming (DE)

Strategic Rationale:	Consistent with WSFS's strategic growth plan
	Size: Assets of $307.7MM; Loans $186.1MM; Deposits of $249.7 MM; 6 Branches
	Enhances franchise in Kent County – from #6 to #2 in market share
	Diversifies revenue stream and improves core funding and liquidity; The First National Bank of Wyoming is ranked 2nd in SBA lending in Delaware
	Low risk in-market transaction and plain balance sheet; business lines are easily integrated
	Attractive financial returns; opportunity for significant cost savings
	Accretive in 1st full year (excluding integration costs) with IRR well in excess of 20%
Purchase Price:	$60.00 per share / approximately $64.0 million in aggregate
	Tangible Book Value of 129%
	50% Stock / 50% Cash
Due Diligence:	Completed comprehensive due diligence, including in depth review of The First National Bank of Wyoming's loan portfolio
Expected Closing:	Third Quarter of 2014

The WSFS Franchise

- **Largest independent bank headquartered in Delaware**
  - $4.5 billion in assets
  - $9.5 billion in fiduciary assets, includes $1.1 billion in assets under management
  - 52 offices
- **Founded in 1832, WSFS is one of the ten oldest banks in the U.S.**
- **Major business lines**
  - Retail
  - Commercial
  - Wealth Management
  - Cash Connect® (ATM cash and related businesses)



Market opportunities from significant disruption/distraction among major competitors

Deposits of Traditional Banks in Delaware

June 30, 2013*

Rank	Institution	Branch Count	Total Deposits in Market	Total Market Share	CAGR '08-'13
1	M&T Bancorp (NY)	43	5,486,476	30.28%	2.89%
2	PNC Financial Services Group (PA)	46	3,441,968	19.00%	7.21%
3	**WSFS (DE)**	**35**	**2,823,904**	**15.58%**	**12.76%**
4	Wells Fargo & Company (CA)	18	2,153,990	11.89%	-7.84%
5	TD Bank (Canada)[1]	13	1,954,656	10.79%	10.47%
6	Citizens (RBS -Scotland)	25	915,573	5.05%	-2.26%
7	Artisan's Bank (DE)	13	442,498	2.44%	-2.90%
8	Fulton Financial Corp. (PA)	11	374,500	2.07%	7.36%
9	County Bank (DE)	7	283,236	1.56%	-.30%
10	Mid Coast Community Bank (DE)[2]	4	243,420	1.34%	24.48%
	Top 10 Delaware Banks[3]	**215**	**$18,120,221**	**100.00%**	**3.26%**

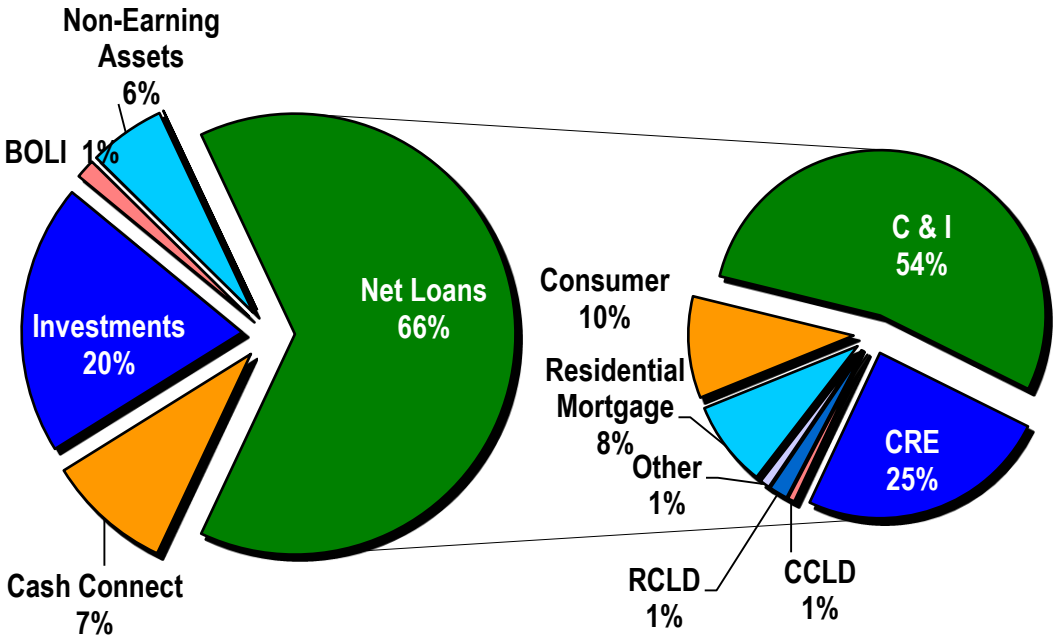
(1) Excludes estimated out-of-market deposits of TD bank
(2) Mid Coast Community Bank opened in 2007
(3) Top 10 Delaware Banks house 96% of all traditional deposits in the state

*Most recently available FDIC data

WSFS Bank – Balance Sheet

Asset Composition – March 31, 2014

Assets - $4.5 billion; Net Loans $3.0 Billion



RCLD = Residential Construction & Land Development

CCLD = Commercial Construction & Land Development

Comments

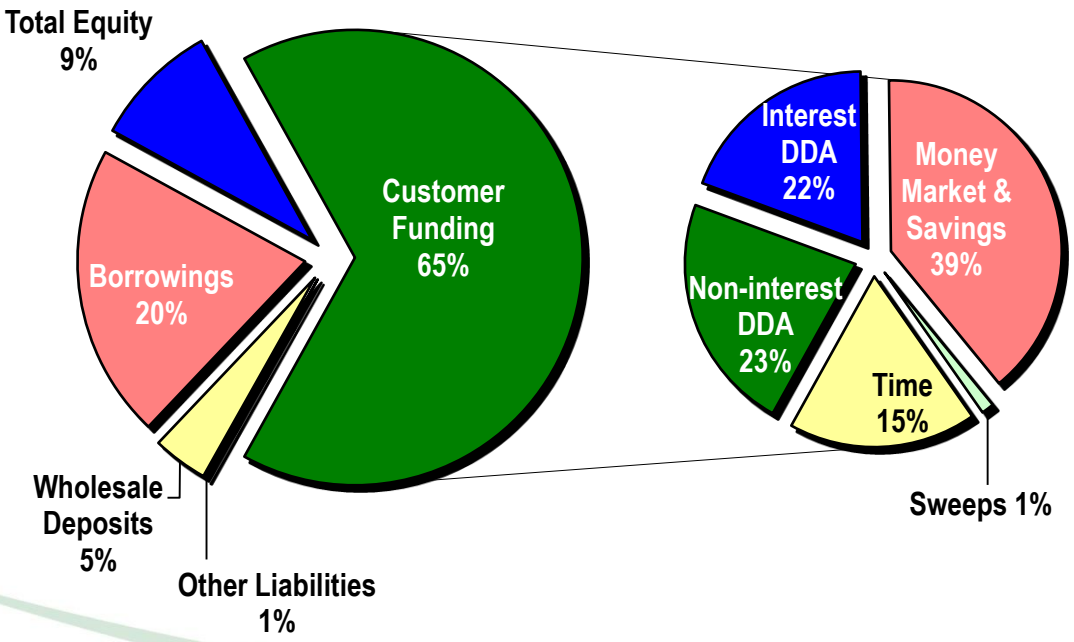
Commercial Bank Assets 1Q 2014:

- Commercial loans comprise 82% of the loan portfolio
  - C&I (including owner-occupied real estate), the largest component, makes up 54% of all loans
- Net loans grew 5% annualized, and Commercial loans grew 9% annualized compared to 4Q 2013

WSFS Bank – Balance Sheet

Funding Composition – March 31, 2014

Customer Funding - $2.9 billion



Comments

Heavy Bias Towards Core:

- Core customer funding comprises 84% of total customer funding
  - Non-interest and very low interest DDA (WAC 9bps) stands at 45% of total customer funding
- Loan to customer funding ratio is at 101%
  - Down from a high of 140% prior to the beginning of the economic cycle

Wealth Management

WSFS Financial Corporation

WSFS Investment Group

- Offers insurance and brokerage products
- Focus on retail banking clients
- $371,000 revenue in 1Q 2014

CYPRESS
CAPITAL MANAGEMENT, LLC

- Registered investment advisor offering a "balanced' investment style focused on preservation of capital and current income
- Focus on high net worth individuals
- $600 million + assets under management
- $799,000 revenue in 1Q 2014

WSFS Private Banking

- Offers credit and deposit products
- Focus on high net worth individuals
- Partners/refers to other wealth units

CHRISTIANATrust
A DIVISION OF WSFS BANK

- Fiduciary and investment services
- Services to personal trust clients as well as trustee, agency, custodial and commercial domicile services to corporate and institutional clients
- $2.7 million revenue in 1Q 2014
- $500 million in assets under management and $8 billion assets under administration
- Ranked sixth among all U.S. corporate trustees for transactions conducted during 2013(1)

(1) Per the January 2014 issue of *Asset-Backed Alert*

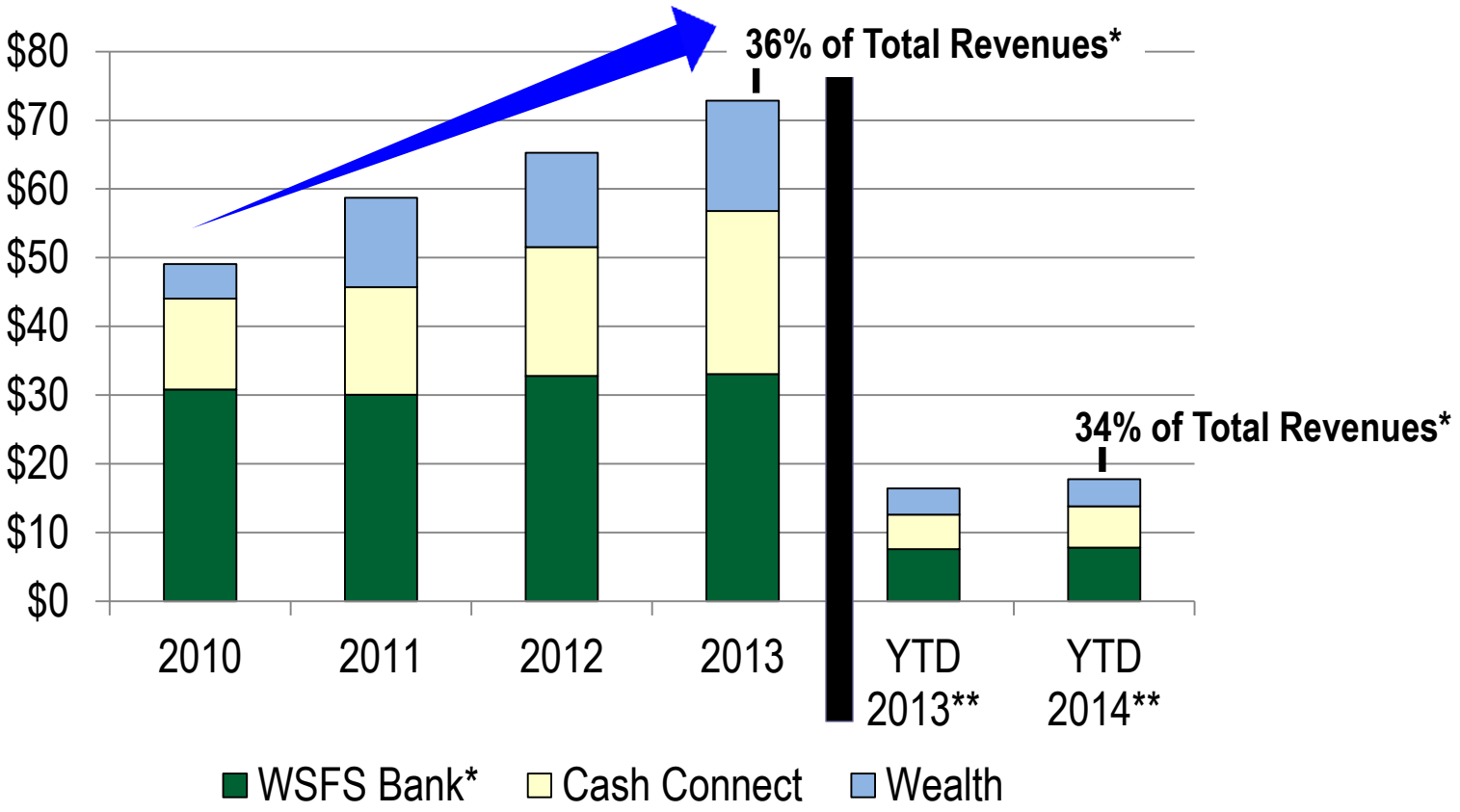
Cash Connect®



- **Leading provider of ATM vault cash, armored carrier management, cash forecasting services, insurance and equipment**
- **Services non-bank ATM owners**
  - More than $470 million in vault cash
  - Nearly 15,000 non-bank ATMs nationwide
- **Operates more than 450 ATMs for WSFS Bank; largest in-market ATM franchise**
- **$5.7 million revenue and $1.7 million in pre-tax profitability in 1Q 2014**
  - Revenue growth of 22% over prior year 1Q
- **Also serves as an innovation center for the company, both expanding core ATM offerings and additional payment-, processing- and software-related activities**

Fee Income Businesses

Significant Growth in Fee Businesses



* Excludes security gains, reverse mortgage consolidation gains and BOLI gain

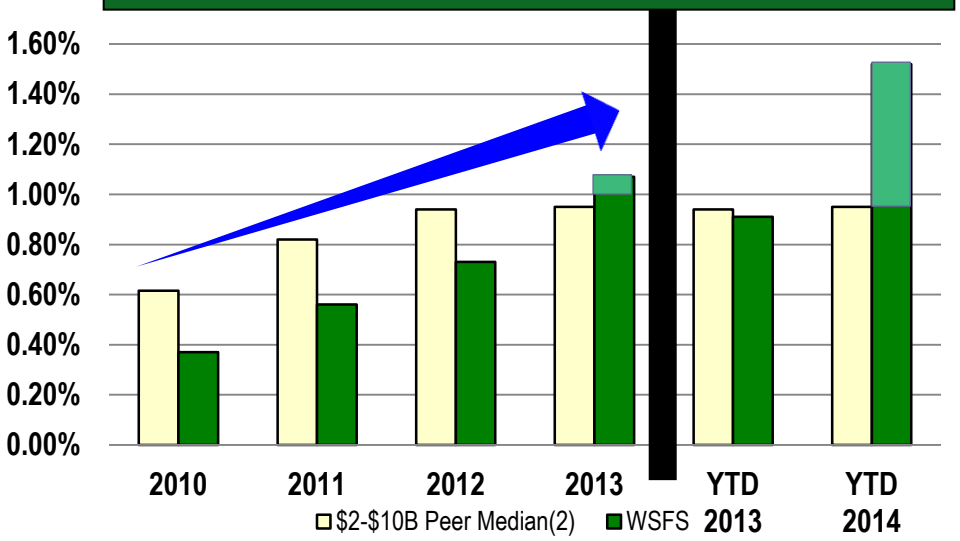
** 1st quarter fee incomes are typically low due to seasonal factors

Organizational Focus

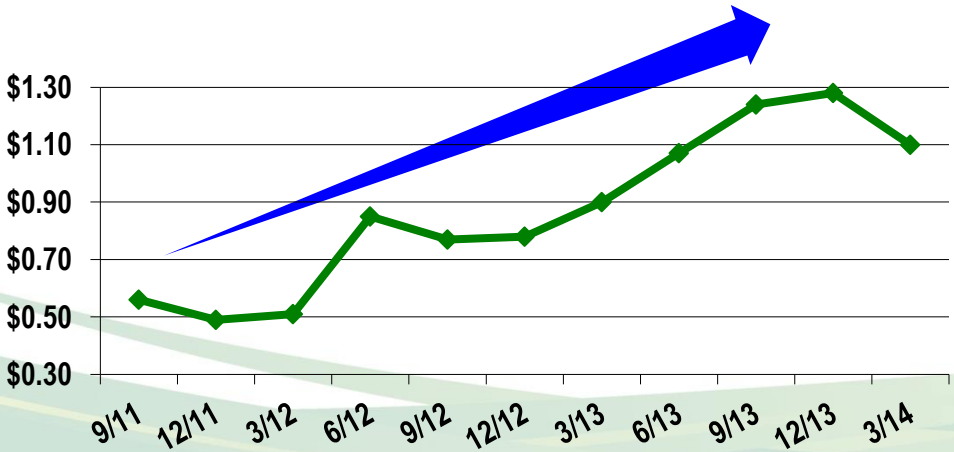
- **Focus on increasing operating leverage and earnings by harvesting investments made during prior several years ✓**
- **Continued credit quality improvement ✓**
- **Managing capital prudently and thoughtfully ✓**
- **Continuing strong alignment of management and owners ✓**
- **Goal – become solidly high performing (top quintile of peers in ROA), supporting above-peer Total Shareholder Returns**
  - Identified path to high performing, see analysis on page 21
  - Above peer Total Shareholder Returns over 1, 3, 5, and 10 year time frames, see analysis on page 22

Increasing Earnings

ROA Progression(1)



Normalized EPS Trend(2)



Comments

Building Bottom Line Performance:

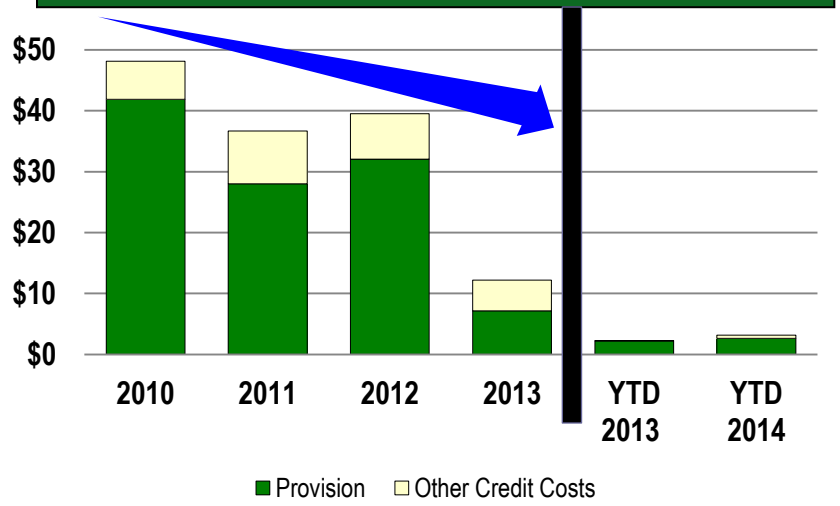
- **ROA trend has consistently improved from a break-even year in 2009**
  - 1Q 2014 Core ROA of 0.90% , ahead of 0.81% in 1Q 2013
    - Reflects seasonally slow first quarter and harsher weather in 2014
  - Goal of 1.20% -1.30% by end of 2015
- **Normalized EPS growth momentum**
  - Increased 22% from 1Q 2013 reflecting success in building market share

(1) Light green bars reflect the impact of non-recurring reverse mortgage gains/tax benefit in their respective periods.
(2) Peer group reflects data through December 31, 2013, the most recent period available.
(3) Represents normalization for securities gains/losses, non-routine BOLI income, bulk sale provision, OREO impact and debt extinguishment loss. Please see Appendix 3 – Non-GAAP Financial Information for detail.

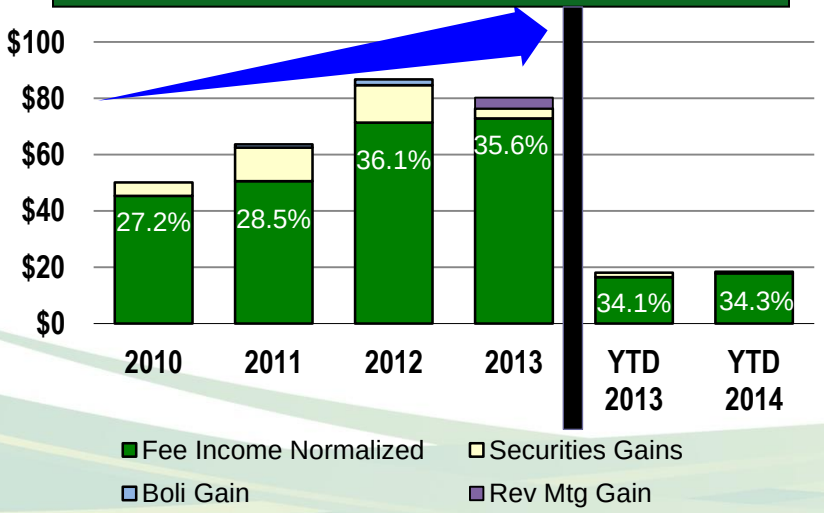
Increasing Earnings

WSFS Financial Corporation

… reflects improved provisioning,



improved core fee income,



Percentages represent normalized fee income as a percentage of total revenues

Comments

Provision and Credit Costs

- Decreased significantly, reflecting improved credit quality and the "Asset Strategies" impact from 2Q 2012
- Total Problem assets reduced significantly to 35.2% of Tier I Capital plus ALLL

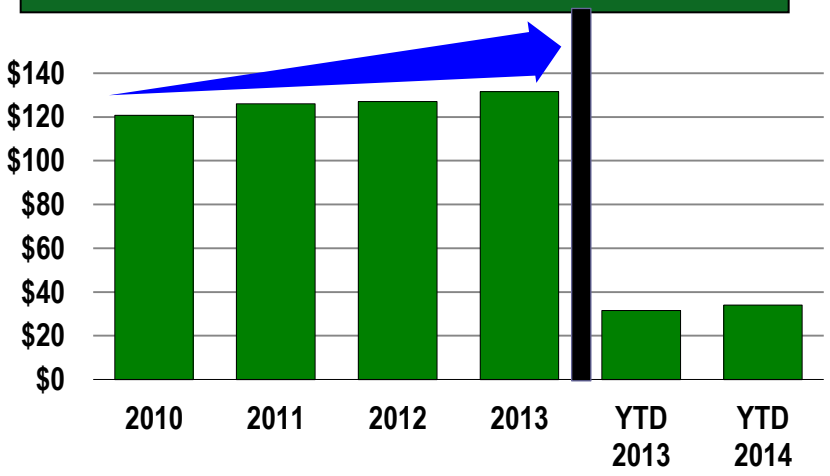
Fee Income

- Increased focus on fee income growth – now 34% of revenues YTD (1)
- Fee income increased $1.4 million or 8% from 1Q 2013 reflecting growth in most segments of the business
  - Cash Connect net revenue increased 22%
  - Wealth Management income increased 4%
- 1st quarter fee incomes are typically low due to seasonal factors

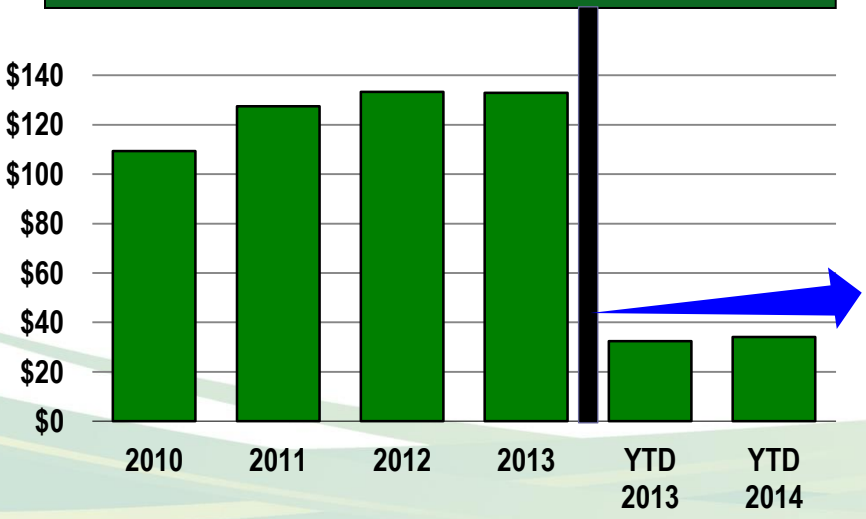
(1) Excludes securities gains

Increasing Earnings

improved net interest income,



moderating expenses recently



Comments

Net Interest Margin / Net Interest Income

- **Net interest margin was 3.57% in 1Q 2014; net interest income increased $2.5 million over 1Q 2013**
  - Benefited from the consolidation of the reverse mortgages and balance sheet mix improvements
- **Future opportunity for margin growth based on balance sheet mix management and continued pricing focus**

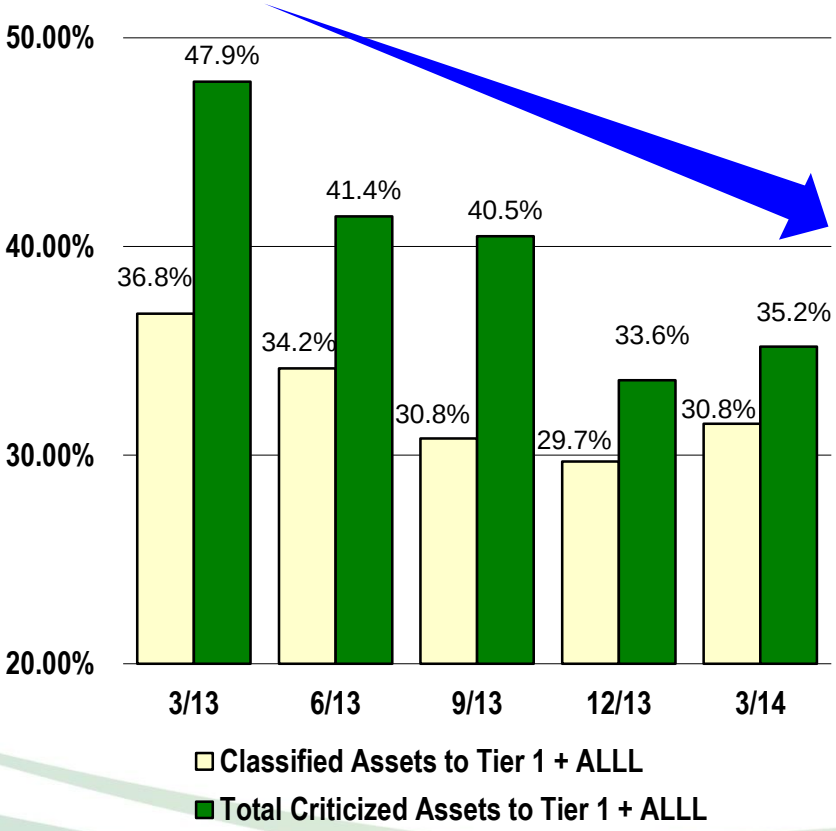
Noninterest Expenses

- **Significant investment in franchise from 2009 – 2011; continued harvesting of that investment**
- **5% growth from 2013 levels, reflecting addition of Array & Arrow, weather and supporting growth of Cash Connect revenues**

Credit Quality Continues to Improve

Asset Quality Metrics

Problem Loan Key Ratios



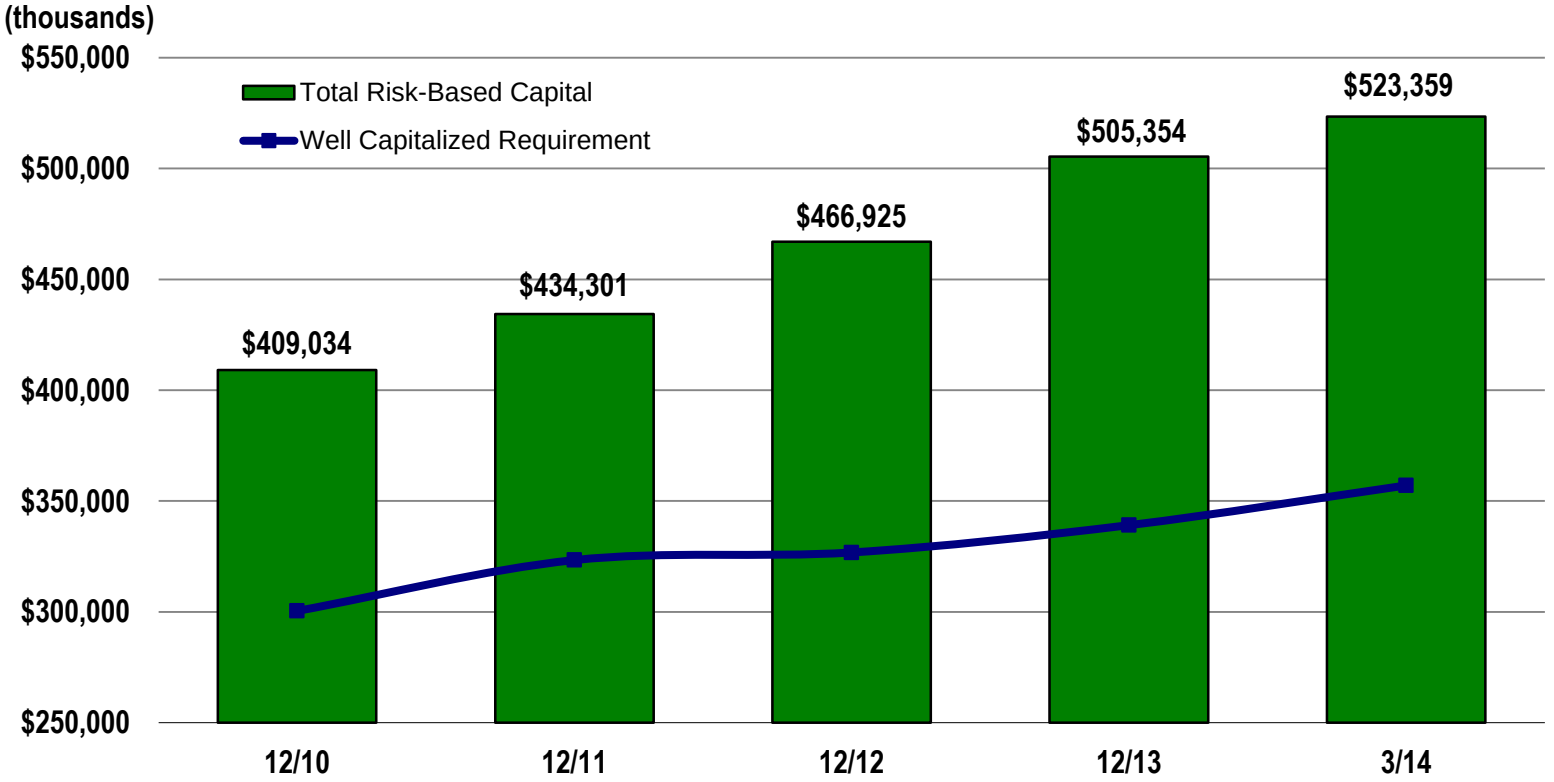
Comments

Improving credit quality trends:

- **Classified loans decreased to 30.8% of Tier 1 Capital + ALLL**
  - From a cycle–high of over 70%
- **NPAs were only 1.22% of total assets at March 31, 2014**
- **ALLL remains at a strong 1.38% of loans**
- **Coverage ratio stands at 103% of non-performing loans at March 31, 2014**
- **Ratios were impacted by two commercial relationships**
  - Normal “lumpiness”, but within expectations

Managing Capital

Bank-Level Capital Ratios



Total Risk-Based Capital	**12.24%**	**13.62%**	**13.43%**	**14.29%**	**14.46%**
Tier 1 Capital	**11.02%**	**12.36%**	**12.18%**	**13.04%**	**13.21%**
Excess RBC (above 10%)	**$65,881**	**$108,611**	**$110,940**	**$140,117**	**$151,370**
Tangible Common Equity	**6.31%**	**7.18%**	**7.18%**	**7.72%**	**7.73%**
Tangible Common Book Value	**$33.03**	**$35.20**	**$38.21**	**$38.68**	**$41.56**

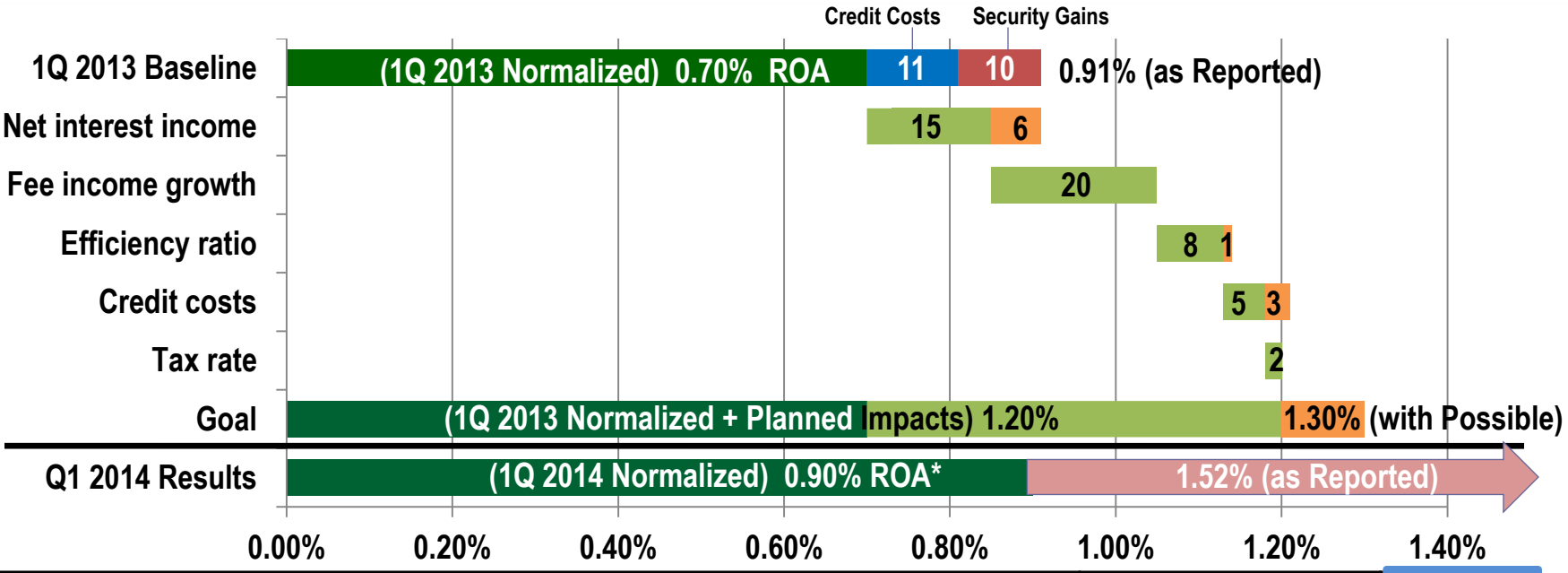
Strong Alignment

- **Insider ownership is nearly 9%***
  - Board of Directors and Executive Management ownership guidelines in place
- **Executive management bonuses and equity awards based on <u>bottom-line performance</u>**
  - ROA, ROE, EPS growth

* As defined in our most recent proxy, adjusted for options approved by shareholders and awarded to the CEO and EVP's in April 2013.

Path to High Performing – 2015 Goal

WSFS Financial Corporation



Item	Action Plan	Planned Impact	+	Possible Impact	LTD Improvements
NII (Goal: 3.60 – 3.75%)	Planned: 2012 deleverage strategy, municipal investment, fixed rate loan growth, balance sheet mix. Possible: Rate environment	15 bp	+	6 bp	7 bp
Fee income (Goal: 36 – 40%)	Planned: Low double digit growth in Cash Connect, high single digit growth in Wealth Division fees, intro of new banking solutions	20 bp	+	0 bp	2 bp
Efficiency ratio (Goal: low 60s%)	Planned: Reduction in regulatory costs from release of MOU, higher 1Q seasonal costs. Possible: Contain expense growth to 2% in 2013, 5% in later year	8 bp	+	1 bp	3 bp
Credit costs (Goal: 0.27%)	Planned: Reduced credit costs to industry median (35 bps of loans 2012). Possible: Further improvement possible in stronger economy	5 bp	+	3 bp	8 bp
Tax rate	Planned: Tax impact of muni investment	2 bp	+	0 bp	0 bp
Total		50 bp	+	10 bp	20 bp

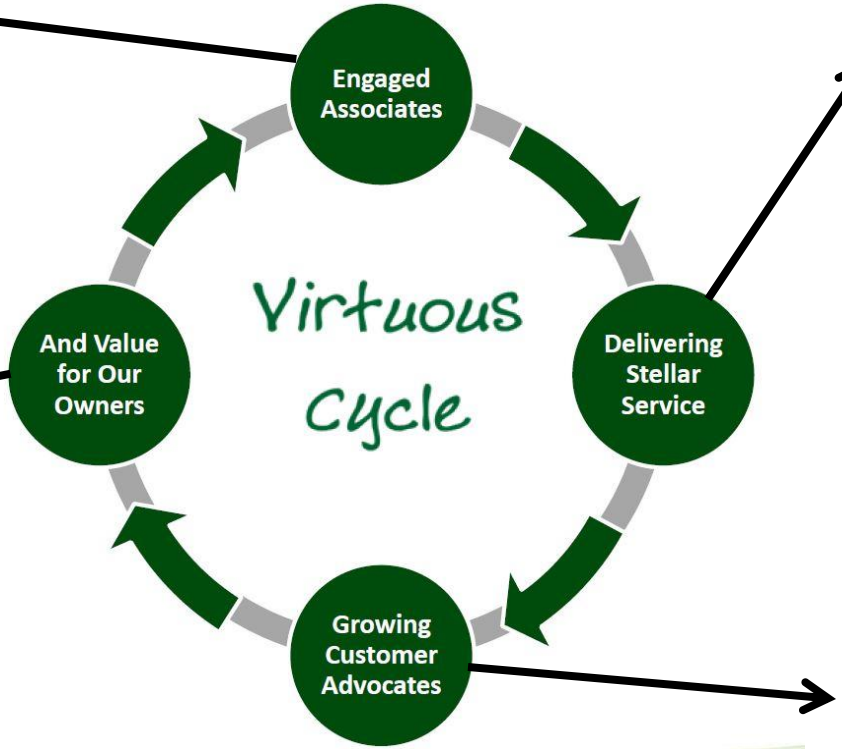
* 0.91% normalized ROA for 1Q 2014 adjusted for one time tax benefit and includes credit costs at long term expectations for the industry and impact of securities gains and expenses related to corporate development activities; 1st quarter has seasonally slow impact on margin and fees and weather related impact

Business Model and Total Shareholder Returns

WSFS Financial Corporation

Focused Business Model

- Consistently ranked in the top quintile of all business units surveyed *
- WSFS has been recognized by The Wilmington News Journal as a "Top Workplace Award" winner eight years in a row; "Top 3" the last 5 years



- Gallup survey shows WSFS **best** among top players in market at delivering service *

- Builds sustainable real profit growth
- Leads to increased shareholder value
- **Total Shareholder Returns****

	WSFS	Nasdaq Bank Index
1 year	**47.96%**	30.62%
3 year	**56.55%**	55.76%
5 year	**239.30%**	97.21%
10 year	**56.40%**	15.08%

- Customer advocacy survey places WSFS at the **89th percentile***
- On a scale of 1-5, 44% of WSFS customers rated us a "5" ("strongly agree") saying "**I can't imagine a world without WSFS"** *
- Voted "Top Bank" in Delaware 3 years running (The News Journal)

* **Completed by the Gallup Organization, as of December 31, 2013**

** **Per Bloomberg; closing price as of March 31, 2014**

WSFS Financial Corporation

Appendices

Appendix – Table of Contents

Section	Pg #
• Appendix 1 – Management Team	25-26
• Appendix 2 – Business Model	27
• Appendix 3 – Non-GAAP Financial Information	28-29

Appendix 1 – Management Team

- **Mark A. Turner, 50,** has served as President and Chief Executive Officer since 2007. Mr. Turner was previously Chief Operating Officer and the Chief Financial Officer for WSFS**.** Prior to joining WSFS, his experience includes working at CoreStates Bank and Meridian Bancorp. Mr. Turner started his career at the international professional services firm of KPMG, LLP. He received his MBA from the Wharton School of the University of Pennsylvania, his Masters Degree in Executive Leadership from the University of Nebraska and his Bachelor's Degree in Accounting and Management from LaSalle University.

- **Peggy H. Eddens, 57,** Executive Vice President, Chief Human Capital Officer since 2007. From 2003 to 2007 she was Senior Vice President for Human Resources and Development for NexTier Bank, Butler PA. Ms. Eddens received a Master of Science Degree in Human Resource Management from La Roche College and her Bachelor of Science Degree in Business Administration with minors in Management and Psychology from Robert Morris University.

- **Stephen A. Fowle, 48,** Executive Vice President and Chief Financial Officer since 2005. From 2000 to 2004, he was Chief Financial Officer at Third Federal Savings and Loan Association of Cleveland. Mr. Fowle received his Masters of Management, Finance and Marketing from Northwestern University and his Bachelor's Degree in Chemistry from Stanford University.

- **Paul D. Geraghty, 59,** Executive Vice President and Chief Wealth Officer since 2011. From 2007 to 2010, he was Chief Executive Officer at Harleysville National Corporation, Harleysville, PA. Mr. Geraghty received his Bachelor of Science in Accounting from Villanova University and pursued graduate study in business at Lehigh University.

Appendix 1 – Management Team

- **Thomas W. Kearney, 65,** Executive Vice President and Chief Risk Officer has been with WSFS since 1998. Mr. Kearney holds a Bachelor's degree in Business Administration (Finance and Accounting) from Drexel University. He also holds the professional designations of Certified Bank Auditor (CBA) and Certified Financial Services Auditor (CFSA). As Chief Risk Officer, Mr. Kearney's primary responsibility is to manage and direct the various oversight functions throughout the Company. These oversight functions include Enterprise Risk Management, Loan Review, In-house Counsel, Security/Fraud Investigations, Regulatory Compliance, Internal Control/Audit and Credit Administration.

- **Rodger Levenson, 51,** Executive Vice President and Chief Commercial Banking Officer since 2006. From 2003 to 2006, Mr. Levenson was Senior Vice President and Manager of the Specialized Banking and Business Banking Divisions of Citizens Bank. Mr. Levenson received his MBA in Finance from Drexel University and his Bachelor's Degree in Finance from Temple University.

- **S. James Mazarakis, 55,** Executive Vice President and Chief Technology Officer since 2010. Mr. Mazarakis served in a senior leadership role as Chief Information Officer for T. Rowe Price, and Managing Director and Divisional CIO at JP Morgan Investment Asset Management. He received his Master of Science degree in Management of Technology from Polytechnic Institute of New York University.

- **Thomas Stevenson, 59,** has served as President of Cash Connect Division since 2003. Mr. Stevenson joined WSFS in 1996 as Executive Vice President and Chief Information Officer. Prior to joining WSFS, Mr. Stevenson was the Manager of Quality Assurance at Electronic Payment Services. Mr. Stevenson attended Wayne State University and the Banking and Financial Services program at the University of Michigan's Graduate School of Business Administration.

- **Richard M. Wright, 60,** Executive Vice President and Chief Retail Banking Officer since 2006. From 2003 to 2006, Mr. Wright was Executive Vice President, Retail Banking and Marketing for DNB First in Downingtown, PA. Mr. Wright received his MBA in Management Decision Systems from the University of Southern California and his Bachelor's Degree in Marketing and Economics from California State University.

Appendix 2 – Business Model

Mission (Purpose):

- We Stand for Service®

Vision (View of the Future):

- We envision a day when all our constituents say, "I can't imagine a world without WSFS."

Strategy (Business Model):

- Engaged Associates delivering Stellar Service growing Customer Advocates and value for our Owners℠

Values (Culture and Behaviors):

At WSFS we:

- Do the right thing
- Serve others
- Are open and candid
- Grow and improve

Appendix 3 – Non-GAAP Financial Information

WSFS Financial Corporation

Proforma EPS

	EPS	Securities (Gains) Losses	Non-Routine BOLI Income	Bulk Sale	Debt Extinguishment Loss	Rev Mtg Consolidation Gain / Tax Benefit	Corporate Development Costs	Proforma EPS
1st Quarter 2011	**$ 0.40**	$ (0.03)						**$ 0.37**
2nd Quarter 2011	**0.55**	(0.04)	$ (0.13)					**0.38**
3rd Quarter 2011	**0.70**	(0.14)						**0.56**
4th Quarter 2011	**0.63**	(0.14)						**0.49**
1st Quarter 2012	**0.66**	(0.15)						**0.51**
2nd Quarter 2012	**0.76**	(0.95)		$ 1.04				**0.85**
3rd Quarter 2012	**1.06**	(0.18)	(0.11)					**0.77**
4th Quarter 2012	**0.78**	(0.27)			$ 0.27			**0.78**
1st Quarter 2013	**1.02**	(0.12)						**0.90**
2nd Quarter 2013	**1.16**	(0.07)						**1.09**
3rd Quarter 2013	**1.54**	(0.02)				$ (0.28)		**1.24**
4th Quarter 2013	**1.33**	(0.05)					$ 0.04	**1.32**
1st Quarter 2014	**1.85**	(0.04)				(0.73)	0.02	**1.10**

Appendix 3 – Non-GAAP Financial Information

WSFS Financial Corporation

Tangible common book value and equity to assets

	End of period		
	March 31, 2014	December 31, 2013	March 31, 2013
Total assets	**$ 4,545,962**	$ 4,515,763	$ 4,354,643
Less: Goodwill and other intangible assets	**(38,610)**	(38,979)	(33,134)
Total tangible assets	**$ 4,507,352**	$ 4,476,784	$ 4,321,509
Total Stockholders' equity	**$ 408,860**	$ 383,050	$ 424,269
Less: Goodwill and other intangible assets	**(38,610)**	(38,979)	(33,134)
Total tangible equity	**370,250**	344,071	391,135
Less: Preferred stock	**-**	-	(52,509)
Total tangible common equity	**$ 370,250**	$ 344,071	$ 338,626
Calculation of tangible common book value:			
Book Value (GAAP)	**$ 45.90**	$ 43.06	$ 48.25
Tangible book value (non-GAAP)	**41.56**	38.68	44.47
Tangible common book value (non-GAAP)	**41.56**	38.68	38.51
Calculation of tangible common equity to assets:			
Equity to asset ratio (GAAP)	**8.99 %**	8.48 %	9.74 %
Tangible equity to asset ratio (non-GAAP)	**8.21**	7.69	9.05
Tangible common equity to asset ratio (non-GAAP)	**8.21**	7.69	7.84