UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

(X) QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 1996

OR

( ) TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _______________ to _______________

Commission File Number 0-16668

WSFS FINANCIAL CORPORATION

(Exact name of registrant as specified in its charter)

Delaware	22-2866913
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
838 Market Street, Wilmington, Delaware	19899
(Address of principal executive offices)	(Zip Code)

(302) 792-6000

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES X NO ______

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of November 8, 1996:

Common Stock, par value $.01 per share	13,789,826
(Title of Class)	(Shares Outstanding)

WSFS FINANCIAL CORPORATION

FORM 10-Q

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PART I. Financial Information

PART II. Other Information

WSFS FINANCIAL CORPORATION
CONSOLIDATED STATEMENT OF OPERATIONS

	Three Months Ended September 30, 1996	Three Months Ended September 30, 1995	Nine Months Ended September 30, 1996	Nine Months Ended September 30, 1995
	(Unaudited) (Dollars in Thousands, Except Per Share Data)			
Interest income:				
Interest and fees on loans	$ 19,145	$ 18,861	$ 57,269	$ 53,515
Interest on mortgage-backed securities	5,239	4,158	14,346	12,739
Interest and dividends on investment securities	685	594	1,635	2,709
Other interest income	1,283	653	5,010	4,812
	26,352	24,266	78,260	73,775
Interest expense:				
Interest on deposits	7,870	8,604	23,444	26,267
Interest on Federal Home Loan Bank advances	4,514	4,116	13,719	10,913
Interest on senior notes	829	850	2,504	2,649
Interest on federal funds purchased and securities sold under agreements to repurchase	1,762	1,205	4,120	3,278
Interest on other borrowed funds	80	146	264	467
	15,055	14,921	44,051	43,574
Net interest income	11,297	9,345	34,209	30,201
Provision for loan losses	477	47	1,285	1,054
Net interest income after provision for loan losses	10,820	9,298	32,924	29,147
Other income:				
Gain on the sale of deposits		14,247		14,247
Loan servicing fee income	859	722	2,447	2,193
Service charges on deposit accounts	739	716	2,134	2,107
Securities gains (losses)	(331)	75	(408)	246
Other income	617	770	1,647	1,700
	1,884	16,530	5,820	20,493
Other expenses:				
Salaries	3,534	4,368	10,628	11,937
Employee benefits and other personnel expense	916	1,614	2,679	3,560
Equipment expense	313	339	945	965
Data processing expense	595	577	1,761	1,690
Occupancy expense	634	621	1,857	1,840
Marketing expense	171	276	510	884
Professional fees	451	(2)	1,140	670
Federal deposit insurance premium	59	42	78	1,041
Net costs of assets acquired through foreclosure	277	523	1,104	2,043
Other operating expenses	1,190	1,460	3,808	4,000
	8,140	9,818	24,510	28,630
Income before taxes	4,564	16,010	14,234	21,010
Income tax provision (benefit)	(1,668)	985	1,652	(80)
Net income	$ 6,232	$ 15,025	$ 12,582	$ 21,090
Earnings per share	$ .45	$ 1.02	$ .88	$ 1.44
Weighted average shares outstanding	13,985,811	14,691,473	14,250,505	14,659,508

The accompanying notes are an integral part of these financial statements.

WSFS FINANCIAL CORPORATION
CONSOLIDATED STATEMENT OF CONDITION

	September 30, 1996	December 31, 1995
	(Unaudited) (Dollars in Thousands)	
Assets		
Cash and due from banks	$ 29,165	$ 31,135
Federal funds sold and securities purchased under agreements to resell	16,000	31,500
Interest-bearing deposits in other banks	2,218	4,768

Investment securities held-to-maturity	18,444	22,378
Investment securities available-for-sale	35,529	6,394
Mortgage-backed securities held-to-maturity	246,919	219,727
Mortgage-backed securities available-for-sale	52,660	17,405
Investment in reverse mortgages, net	37,853	35,614
Loans held for sale	1,336	4,345
Loans, net of allowance for loan losses of $24,564 at September 30, 1996 and $24,167 at December 31, 1995	805,620	787,839
Stock in Federal Home Loan Bank of Pittsburgh, at cost	15,153	15,860
Assets acquired through foreclosure	6,439	11,614
Premises and equipment	6,043	6,372
Accrued interest and other assets	33,335	23,875
Total assets	$1,306,714	$1,218,826
Liabilities and Stockholders' Equity		
Liabilities:		
Deposits	$ 736,133	$ 724,030
Federal funds purchased and securities sold under agreements to repurchase	121,157	56,159
Federal Home Loan Bank advances	303,055	307,206
Senior notes	29,100	29,850
Other borrowed funds	7,969	7,430
Accrued expenses and other liabilities	28,636	20,605
Total liabilities	1,226,050	1,145,280
Commitments and contingencies		
Stockholders' Equity:		
Serial preferred stock $.01 par value, 7,500,000 shares authorized; 10% Convertible Preferred Stock, Series 1, 2,000,000 shares authorized; none issued and outstanding		
Common stock $.01 par value, 20,000,000 shares authorized; issued 13,842,198 at September 30, 1996 and 14,509,298 at December 31, 1995	146	145
Capital in excess of par value	57,289	57,136
Net unrealized losses on securities available-for-sale	(135)	(242)
Retained earnings	29,089	16,507
Treasury stock at cost, 725,300 shares at September 30, 1996	(5,725)	
Total stockholders' equity	80,664	73,546
Total liabilities and stockholders' equity	$1,306,714	$1,218,826

The accompanying notes are an integral part of these financial statements.

WSFS FINANCIAL CORPORATION
CONSOLIDATED STATEMENT OF CASH FLOWS

	Nine Months Ended September 30, 1996	1995
	(Unaudited) (In Thousands)	
Operating activities:		
Net income	$ 12,582	$ 21,090
Adjustments to reconcile net income to net cash provided by operating activities:		
Provision for loan losses	1,285	1,054
Provision for losses on assets acquired through foreclosure	325	956
Depreciation, accretion and amortization	(523)	(1,083)
Increase in accrued interest receivable and other assets	(4,671)	(3,193)
Origination of loans held for sale	(23,857)	(18,274)
Proceeds from sales of loans held for sale	26,908	15,534

Gain on sale of deposits		(16,553)
Loss on property and equipment liquidation related to deposit sale		2,318
Increase in accrued interest payable on deposits and other liabilities	7,556	14,073
Other, net	(482)	37
Net cash provided by operating activities	19,123	15,959
Investing activities:		
Net decrease in interest-bearing deposits in other banks	2,550	3,207
Maturities of investment securities held-to-maturity	3,535	929
Sales of investment securities available-for-sale	25,825	63,493
Purchases of investment securities available for sale	(54,615)	(39,973)
Repayments of mortgage-backed securities held-to-maturity	36,474	16,509
Repayments of mortgage-backed securities available-for-sale	795	1,496
Purchases of mortgage-backed securities held-to-maturity	(61,441)	
Purchases of mortgage-backed securities available-for-sale	(38,763)	
Repayments of reverse mortgages	8,328	9,422
Disbursements for reverse mortgages	(9,102)	(11,641)
Sales of loans	4,297	6,196
Purchases of loans	(12,897)	(48,856)
Net increase in loans	(12,331)	(22,306)
Net increase decrease) in stock in the Federal Home Loan Bank of Pittsburgh	707	(4,078)
Sales of assets acquired through foreclosure	4,505	6,639
Disbursements for real estate held for investment	(1,361)	
Other, net	(11)	435
Net cash used for investing activities	(103,505)	(18,528)
Financing activities:		
Net increase (decrease) in demand and savings deposits	484	(22,265)
Net increase in certificates of deposit and time deposits	14,592	110,534
Sale of deposits, net		(180,758)
Net increase in federal funds purchased and securities sold under agreements to repurchase	64,998	15,250
Receipts from additional other borrowed funds	55,000	120,000
Repayments of other borrowed funds	(61,840)	(41,330)
Repurchase of senior notes	(750)	(2,150)
Issuance of common stock	153	4
Purchase treasury stock	(5,725)	
Net cash provided by (used for) financing activities	66,912	(715)
Decrease in cash and cash equivalents	(17,470)	(3,284)
Cash and cash equivalents at beginning of period	62,635	54,974
Cash and cash equivalents at end of period	$ 45,165	$ 51,690
Supplemental Disclosure of Cash Flow Information:		
Cash paid during the period for:		
Interest	$ 36,929	$ 31,263
Income taxes, net	4,568	2,322
Loans transferred to assets acquired through foreclosure, net	3,830	5,336
Net unrealized gains (losses) on securities available-for-sale, net of tax	107	1,268
Assets acquired through foreclosure transferred to investments in real estate	4,258	

The accompanying notes are an integral part of these financial statements.

WSFS FINANCIAL CORPORATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 1996
(UNAUDITED)

1. BASIS OF PRESENTATION

WSFS Financial Corporation (the "Corporation") is the parent company of Wilmington Savings Fund Society, FSB (the "Bank"). The consolidated financial statements for the three and nine months ended September 30, 1996 include the accounts of the parent company, the Bank and its wholly owned subsidiaries, WSFS Credit Corporation, Providential Home Income Plan, Inc., 838 Investment Group, Inc., Community Credit Corporation and Star States Development Company.

The consolidated statement of condition as of September 30, 1996, the consolidated statement of operations for the three and nine months ended September 30, 1996 and 1995 and the consolidated statement of cash flows for the nine months ended September 30, 1996 and 1995 are unaudited and include all adjustments solely of a normal recurring nature which management believes are necessary for a fair presentation. All significant intercompany transactions are eliminated in consolidation. Certain reclassifications have been made to prior periods' financial statements to conform them to the September 30, 1996 presentation. The results of operations for the three and nine month periods ending September 30, 1996 are not necessarily indicative of the expected results for the full year ending December 31, 1996. The accompanying unaudited financial statements should be read in conjunction with the audited financial statements and notes thereto included in the Corporation's 1995 Annual Report.

2. EARNINGS PER SHARE

Earnings per share is computed by dividing income applicable to common stockholders by the weighted average number of common stock and common stock equivalents outstanding during the periods presented. Common stock equivalents represent the dilutive effect of the assumed exercise of certain outstanding stock options.

3. ACQUISITION OR DISPOSITION OF ASSETS

On July 28, 1995, the Corporation's wholly-owned subsidiary, Fidelity Federal Savings and Loan Association (the "Association"), completed the sale of deposits and certain real estate at four of its branches to Commonwealth Savings Bank. Commonwealth assumed approximately $197.3 million of deposit liabilities in exchange for certain branch related assets, loans and cash. The Corporation reported a gain of approximately $12.5 million, net of taxes, or $.85 per outstanding share from this sale. In November 1995, the remaining operations of the Association were merged into WSFS.

WSFS FINANCIAL CORPORATION
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

GENERAL

WSFS Financial Corporation (the "Corporation") is a savings and loan holding company headquartered in Wilmington, Delaware. Substantially, all of the Corporation's assets are held by its subsidiary, Wilmington Savings Fund Society, FSB (the "Bank" or "WSFS"), the largest thrift institution headquartered in Delaware and among the five largest financial institutions in the state on the basis of total deposits.

The Corporation's market area is the Mid-Atlantic region of the United States which is characterized by a diversified manufacturing and service economy. The banking operations of WSFS are presently conducted from 14 retail banking offices located in the greater Wilmington and Dover, Delaware area. The Bank provides residential real estate, commercial real estate, commercial and consumer lending services and funds these activities primarily by attracting retail deposits. Deposits are insured by the Federal Deposit Insurance Corporation.

Additional subsidiaries of the Bank include WSFS Credit Corporation, which is engaged primarily in motor vehicle leasing, and 838 Investment Group, Inc. which markets various insurance products and mutual funds through the Bank's branch system. Community Credit Corporation ("CCC") specializes in consumer loans secured by first and second mortgages. In November 1994, the Bank acquired Providential Home Income Plan, Inc. ("Providential"), a San Francisco, California-based reverse mortgage lender. Providential is expected to be merged into WSFS in the fourth quarter of 1996. Management and operations of

Providential's reverse mortgage portfolio will be absorbed by WSFS. In addition, Providential acted as servicer for a portfolio of Federal Housing Administration Home Equity Conversion Mortgages and Fannie Mae HomeKeeper Mortgages. Effective October 31, 1996, Providential sold the servicing rights and other assets related to these reverse mortgages. The sale of this servicing did not result in a significant gain or loss. An additional Bank subsidiary, Star States Development Company, is currently phasing down its real estate investments and developments.

FINANCIAL CONDITION, CAPITAL RESOURCES AND LIQUIDITY

Financial Condition

Total assets grew $87.9 million, or 7.2%, during the nine months ended September 30, 1996 to $1.3 billion. The majority of this growth occurred in mortgage-backed securities which increased $62.4 million. This increase resulted from the purchase of approximately $100.0 million in collateralized mortgage obligations, offset in part by principal repayments of the portfolio. In addition, investment securities and net loans increased $25.2 million and $14.8 million, respectively. These increases were funded through short-term borrowings and deposit growth as well as the use of existing liquidity.

Total liabilities increased by $80.8 million between September 30, 1996 and December 31, 1995. This increase is due in part to $65.0 million of additional short-term borrowings. In addition, deposits increased $12.1 million during the nine months ended September 30, 1996. Interest credited to deposits during the nine months totalled $10.4 million for a net deposit inflow of $1.7 million. Deposit growth included the acquisition of $10.4 million in deposits from another institution located in Dover, Delaware, offset in part by an outflow of deposits.

Capital Resources

Stockholders' equity increased $7.1 million between December 31, 1995 and September 30, 1996. This increase reflects net income of $12.6 million for the first nine months of 1996, offset in part by the impact of a stock repurchase program which began in March 1996. The Corporation completed this stock repurchase program in May 1996 and acquired 725,300 shares, or approximately 5% of the common stock outstanding, in open market transactions for $5.7 million. On October 28, 1996, the Corporation announced that its Board of Directors had approved a second stock repurchase program to purchase up to 10% of its outstanding common stock, $.01 par value per share. Under the new repurchase program, stock repurchases may be effected through open-market repurchases and privately negotiated transactions.

A table presenting the Bank's consolidated capital position relative to the minimum regulatory requirements as of September 30, 1996 follows (dollars in thousands):

	Consolidated Bank Capital		Regulatory Requirement		Excess	
	Amount	Percent of Assets	Amount	Percent of Assets	Amount	Percent of Assets
Tangible Capital	$97,934	7.51%	$19,559	1.50%	$78,375	6.01%
Core Capital	97,934	7.51	52,158	4.00	45,776	3.51
Tier 1 Capital	97,934	11.20	34,979	4.00	62,955	7.20
Risk-based Capital	101,884	11.65	69,957	8.00	31,927	3.65

Under Office of Thrift Supervision (OTS) capital regulations, savings institutions such as the Bank must maintain "tangible" capital equal to 1.5% of adjusted total assets, "core" capital equal to 4.0% of adjusted total assets and "total" or "risk-based" capital (a combination of core and "supplementary" capital) equal to 8.0% of risk-weighted assets. In addition, OTS regulations impose certain restrictions on savings associations that have a total risk-based capital ratio that is less than 8.0%, a ratio of tier 1 capital to risk-weighted assets of less than 4.0% or a ratio of tier 1 capital to adjusted total assets of less than 4.0% (or 3.0% if the institution is rated Composite 1 under the OTS examination rating system). For purposes of these regulations, tier 1 capital has the same definition as core capital. At September 30, 1996 the Bank is classified as a "well capitalized" institution and is in compliance with all regulatory capital requirements.

Liquidity

The OTS requires institutions, such as the Bank to maintain a 5.0% minimum liquidity ratio of cash and qualified assets to net withdrawable deposits and borrowings due within one year. At September 30, 1996, the Bank's liquidity ratio was 8.4% compared to 8.0% at December 31, 1995. Additionally, the Corporation is required to maintain a reserve of 100% of the aggregate interest expense for 12 full calendar months on the $29.1 million of 11% senior notes. The interest reserve requirement on the senior notes at September 30, 1996 was approximately $3.2 million.

NONPERFORMING ASSETS

The following table sets forth the Corporation's nonperforming assets, restructured loans and past due loans at the dates indicated. Past due loans are loans contractually past due 90 days or more as to principal or interest payments but which remain on accrual status because they are considered well secured and in the process of collection.

	September 30, 1996	December 31, 1995
	(Dollars in Thousands)	
Nonaccruing loans:		
Commercial	$ 697	$ 563
Consumer	228	291
Commercial mortgages	3,495	2,527
Residential mortgages	3,031	3,568
Construction	3,532	3,588
Total nonaccruing loans	10,983	10,537
Nonperforming investments in real estate	1,252	1,252
Assets acquired through foreclosure	6,439	11,614
Total nonperforming assets	$ 18,674	$ 23,403
Restructured loans	$ 17,359	$ 17,393
Past due loans:		
Residential mortgages	$ 1,029	$ 111
Commercial and commercial mortgages	63	789
Consumer	222	143
Total past due loans	$ 1,314	$ 1,043
Ratios:		
Nonaccruing loans to total loans (1)	1.26%	1.30%
Allowance for loan losses to total gross loans (1)	2.89	2.90

Nonperforming assets to total assets...............	1.43	1.92

(1) Excludes loans held for sale.

Nonperforming assets decreased $4.7 million between December 31, 1995 and September 30, 1996. The major factor contributing to this decline was the reclassification of a $4.2 million asset acquired through foreclosure to an investment in real estate. The reclassification was completed in conjunction with the purchase of an adjacent property in order to maximize value. The combined properties generate rental income for the Bank. An analysis of the change in the balance of nonperforming assets is presented on the following page.

	Nine Months Ended September 30, 1996	Year Ended December 31, 1995
	(In Thousands)	
Beginning balance....................................	$ 23,403	$ 41,440
Additions...	7,533	8,224
Collections.......................................	(5,553)	(12,247)
Transfers to accrual/restructured status...........	(1,372)	(10,424)
Provisions, charge-offs, other adjustments.........	(5,337)	(3,590)
Ending balance.......................................	$ 18,674	$ 23,403

At September 30, 1996, 55.9% of nonperforming assets of the Corporation were comprised of nonperforming assets with a carrying value of $1.0 million or more as compared to 64.0% at December 31, 1995. The table below reflects the stratification of such assets at September 30, 1996 and December 31, 1995.

	September 30, 1996		December 31, 1995	
	Number of items	Balance	Number of items	Balance
	(Dollars in Thousands)			
$5 million and over.............................	1	$ 5,699	1	$ 5,950
$1 million - $4.99 million......................	3	4,743	4	9,021
$0.5 million - $0.99 million....................	1	600		
Under $500,000..................................	162	7,632	150	8,432
Total nonperforming assets......................	167	$18,674	155	$23,403

A key element in the Corporation's strategy to manage its loan portfolios is the timely identification of problem loans. The Corporation's loan review system monitors the asset quality of its loans and investments in real estate portfolios as well as facilitates the timely identification of problem loans. This enables the Corporation to take appropriate action and, accordingly, minimize losses.

INTEREST SENSITIVITY

The matching of maturities or repricing periods of interest-sensitive assets and liabilities to ensure a favorable interest rate spread and mitigate exposure to fluctuations in interest rates is the Corporation's primary focus for achieving its asset/liability management strategies. Management regularly reviews interest-rate sensitivity of the Corporation and adjusts sensitivity within acceptable tolerance ranges established by management as needed. The excess of interest-earning assets over interest-bearing liabilities that mature within one year (interest-sensitivity gap) decreased from December 31, 1995 by $42.8 million to $54.1 million at September 30, 1996. The decrease was due primarily to the Corporation's effort to manage interest rate risk. Additionally, interest-sensitive assets as a percentage of interest-sensitive liabilities within the one year window declined to 109% at September 30, 1996 compared to 120.5% at December 31, 1995. Likewise, the one year interest-sensitivity gap as a percentage of total assets decreased to 4.1% from 8.0% at December 31, 1995.

COMPARISON FOR THREE AND NINE MONTHS ENDED SEPTEMBER 30, 1996 AND 1995

Results of Operations

The Corporation reported net income of $6.2 million, or $.45 per share, for the three months ended September 30, 1996, compared to $15.0 million, or $1.02 per share, for the third quarter of 1996. Net income for the nine months ended September 30, 1996 was $12.6 million, or $.88 per share, compared to $21.0 million, or $1.44 per share, for the same period last year.

Earnings for the three and nine months ended September 30, 1995 included a nonrecurring after tax gain of $11.8 million, or $.80 per share, from the sale of the deposits of the Corporation's former subsidiary, Fidelity Federal Savings and Loan Association (the "Association"). The Corporation recorded a $1.7 million reduction in net interest income on the Corporation's investment in reverse mortgages in the third quarter of 1995.

Total operating expenses decreased by $1.7 million and $4.1 million between the three and nine month periods ended September 30, 1996 and 1995, respectively. Decreases in the net costs of assets acquired through foreclosure and compensation expense were two of the more significant factors contributing to lower operating expenses during both periods.

Net income for the three and nine months ended September 30, 1996 included a $3.4 million tax benefit. The Corporation recognized this benefit as a result of the planned merger of Providential into WSFS, which is anticipated to occur in the fourth quarter of 1996. Included in 1995 was the recognition of tax benefits related to the utilization of the Corporation's net operating loss carryforwards. These benefits totalled $2.0 million for the quarter and $2.8 million for the nine month period.

Net Interest Income

The tables on the following two pages, dollars expressed in thousands, provides information concerning the balances, yields and rates on interest-earning assets and interest-bearing liabilities during the periods indicated.

	Three Months Ended September 30,					
	1996			1995		
	Average Balance	Interest	Yield/ Rate	Average Balance	Interest	Yield/ Rate
Assets						
Interest-earning assets:						
Loans (1) (2):						
Real estate loans (3).............	$ 586,156	$ 13,513	9.22%	$577,756	$ 13,712	9.49%
Commercial loans..................	28,473	717	9.85	24,239	748	12.08
Consumer loans	212,932	4,872	9.10	183,918	4,354	9.39
Total loans....................	827,561	19,102	9.23	785,913	18,814	9.58
Mortgage-backed securities (4)........	306,863	5,239	6.83	250,230	4,158	6.69
Loans held for sale (2)..............	2,359	43	7.29	2,286	47	8.22
Investment securities (4)............	43,315	685	6.33	35,929	594	6.61
Other interest-earning assets (5).....	77,954	1,283	6.58	120,933	653	2.11
Total interest-earning assets......	1,258,052	26,352	8.38	1,195,291	24,266	8.12
Allowance for loan losses............	(24,469)			(25,182)		
Cash and due from banks..............	22,990			24,867		
Other noninterest-earning assets......	42,554			39,549		
Total assets......................	$1,299,127			$1,234,525		
Liabilities and Stockholders' Equity						
Interest-bearing liabilities:						
Interest-bearing deposits:						
Money market and interest-bearing demand..................	$ 53,966	364	2.68	$ 64,285	416	2.58
Savings...........................	156,916	1,039	2.63	159,405	1,038	2.57
Time..............................	458,130	6,467	5.62	474,719	7,150	5.98
Total interest-bearing deposits..	669,012	7,870	4.68	698,409	8,604	4.89
FHLB advances........................	306,554	4,514	5.86	269,623	4,116	6.06
Senior notes.........................	29,100	829	11.39	29,850	850	11.39
Other borrowed funds.................	128,713	1,842	5.72	87,662	1,351	6.61
Total interest-bearing liabilities.	1,133,379	15,055	5.31	1,085,544	14,921	5.50
Noninterest-bearing demand deposits...	67,571			63,299		
Other noninterest-bearing liabilities.	20,321			22,026		
Stockholders' equity.................	77,856			63,656		
Total liabilities and stockholders' equity..........................	$1,299,127			$ 1,234,525		
Excess of interest-earning assets over interest-bearing liabilities.......	$ 124,673			$ 109,747		
Net interest and dividend income......		$ 11,297			$ 9,345	
Interest rate spread.................			3.07%			2.62%
Net interest margin..................			3.59%			3.13%
Net interest and dividend income to total average assets..............			3.48%			3.03%

(1) Nonperforming loans are included in average balance computations.
(2) Balances are reflected net of unearned income.
(3) Includes commercial mortgage loans.
(4) Includes securities available-for-sale.
(5) Includes investment in reverse mortgages.

	Nine Months Ended September 30,					
	1996			1995		
	Average Balance	Interest	Yield/ Rate	Average Balance	Interest	Yield/ Rate
Assets						
Interest-earning assets:						
Loans (1) (2):						
Real estate loans (3).............	$586,411	$ 40,830	9.28%	$ 554,618	$ 38,705	9.30%
Commercial loans..................	26,627	1,980	9.77	25,094	2,218	11.66
Consumer loans	205,716	14,215	9.23	176,726	12,513	9.47
Total loans....................	818,754	57,025	9.29	756,438	53,436	9.42
Mortgage-backed securities (4)........	285,063	14,346	6.71	255,817	12,739	6.64
Loans held for sale (2)..............	4,456	244	7.30	1,200	79	8.78
Investment securities (4)............	33,813	1,635	6.45	55,601	2,709	6.50
Other interest-earning assets (5).....	88,239	5,010	7.57	106,528	4,812	5.96
Total interest-earning assets......	1,230,325	78,260	8.48	1,175,584	73,775	8.37
Allowance for loan losses............	(24,490)			(22,811)		
Cash and due from banks..............	23,331			26,141		
Other noninterest-earning assets......	41,764			47,027		
Total assets......................	$1,270,930			$1,225,941		
Liabilities and Stockholders' Equity						
Interest-bearing liabilities:						
Interest-bearing deposits:						
Money market and interest-bearing demand..................	$ 54,699	1,064	2.60	$ 76,995	1,512	2.63
Savings...........................	157,220	3,049	2.59	174,452	3,272	2.51
Time..............................	455,831	19,331	5.66	487,170	21,483	5.90
Total interest-bearing deposits..	667,750	23,444	4.69	738,617	26,267	4.75
FHLB advances........................	310,907	13,719	5.89	240,880	10,913	6.06
Senior notes.........................	29,303	2,504	11.39	30,999	2,649	11.39
Other borrowed funds.................	101,144	4,384	5.78	79,583	3,745	6.27
Total interest-bearing liabilities.	1,109,104	44,051	5.30	1,090,079	43,574	5.33
Noninterest-bearing demand deposits...	66,608			63,421		
Other noninterest-bearing liabilities.	18,668			17,849		
Stockholders' equity.................	76,550			54,592		
Total liabilities and stockholders' equity..........................	$1,270,930			$1,225,941		
Excess of interest-earning assets over interest-bearing liabilities.......	$ 121,221			$ 85,505		
Net interest and dividend income......		$ 34,209			$ 30,201	
Interest rate spread.................			3.18%			3.04%
Net interest margin..................			3.71%			3.43%
Net interest and dividend income to total average assets..............			3.59%			3.28%

(1) Nonperforming loans are included in average balance computations.
(2) Balances are reflected net of unearned income.
(3) Includes commercial mortgage loans.
(4) Includes securities available-for-sale.
(5) Includes investment in reverse mortgages.

Net interest income grew $2.0 million, or 21%, between the third quarter of

1996 and 1995 and $4.0 million, or 13%, between the nine months ended September 30, 1996 and 1995. The net interest margin increased 46 basis points between quarters and 28 basis points between comparable nine month periods.

A major factor contributing to the increase in net interest income was a $1.7 million income reduction on the Corporation's investment in reverse mortgages recognized in the third quarter of 1995. This reduction reflected a yield adjustment resulting from changes in the underlying assumptions regarding current and future real estate values. Also contributing to the growth in net interest income was the continued growth in the excess of interest-earning assets over interest-bearing liabilities. The Corporation's acquisition of a $47.5 million portfolio of discounted commercial loans and commercial mortgages in July 1995 also favorably contributed to the growth in net interest income year over year.

Prevailing economic conditions greatly influence net interest income and the levels of interest-earning assets and interest-bearing liabilities. Management anticipates interest rates to remain relatively level during 1996 as economic growth stabilizes. All else equal, this projected interest rate environment and current asset/liability management strategies are anticipated to favorably impact net interest income.

Provision for Loan Losses

The following table presents a summary of the changes in the allowance for loan losses during the periods indicated:

	Nine Months Ended September 30, 1996	Year Ended December 31,1995
	(Dollars in Thousands)	
Beginning balance	$24,167	$21,700
Transfer from lease residual reserve	362	
Balance at acquisition for discounted commercial mortgages		2,600
Provision for loan losses	1,285	1,403
Charge-offs:		
Residential real estate	67	154
Commercial real estate (1)	263	814
Commercial	575	404
Consumer (2)	555	826
Total charge-offs	1,460	2,198
Recoveries:		
Residential real estate	15	1
Commercial real estate (1)	3	293
Commercial	5	169
Consumer (2)	187	199
Total recoveries	210	662
Net charge-offs	1,250	1,536
Ending balance	$24,564	$24,167
Net charge-offs to average gross loans outstanding, net of unearned income (3)	.20%	.20%

(1) Includes commercial mortgages and construction loans.
(2) Includes lease financings.
(3) Ratio for the nine months ended September 30, 1996 is annualized.

The provision for loan losses increased $231,000 between the nine months ended September 30, 1996 and 1995. A charge-off of a $495,000 nonaccruing commercial loan was recorded during the first quarter of 1996.

Other Income and Expenses

Other income decreased between the three and nine months ended September 30, 1996 and 1995. This significant decrease resulted predominantly from a nonrecurring pretax gain of $14.2 million on the sale of the Association's deposits in the third quarter of 1995. In addition, the corporation recognized losses on the disposition of securities of $331,000 and $408,000 for the three and nine months ended September 30, 1996, respectively, compared to gains of $75,000 and $246,000 for the same periods last year. The securities losses in 1996 included a loss of $353,000 on the disposition of a fund, classified as an investment available-for-sale, which invested in adjustable-rate government securities.

Other expenses for the third quarter of 1996 were $1.7 million lower than the third quarter of 1995. The majority of this decrease was attributable to salaries and benefits which declined $834,000 and $698,000, respectively. Salary expenses for the third quarter of 1995 included $720,000 in compensation expenses associated with stock appreciation rights resulting from increases in the Corporation's stock price during 1995. No such expense was recorded during 1996. The decrease in employee benefits reflects a one-time supplemental contribution of $734,000 to the employee 401(k) plan in the third quarter of 1995 related to the sale of the Association's deposits. The net costs of foreclosed assets, which decreased $246,000 between comparable quarters, relates to the reduction in the level of problem assets. Partially offsetting these declines in expenses was an increase in professional fees of $453,000. This increase reflects additional expenses related to the Corporation's reengineering for growth initiative. In addition, professional fees in the third quarter of 1995 included the reimbursement of legal fees which were previously expensed.

Other expenses decreased $4.1 million between the nine months ended September 30, 1996 and 1995. Federal deposit insurance premiums, salaries, the net costs of foreclosed assets and employee benefits were the major factors contributing to this decline. FDIC insurance premiums which decreased $1.0 million between comparable periods, reflect the impact of a premium reduction that became effective in June 1995. Salaries declined $1.3 million between comparable periods and reflect expenses of $1.1 million for stock appreciation rights as a result of the above mentioned increase in the Corporation's stock price in 1995. The reduction in the net costs of foreclosed assets of $939,000 between the nine months ended September 1996 and 1995, was a result of the lower level of problem assets. Employee benefits, which decreased $881,000 between comparable nine month periods, were affected by the previously mentioned supplementary contribution to the employee 401(k) plan in the third quarter of 1995. Other operating expenses for the nine months ended September 30, 1996 were also adversely impacted by an increase in professional fees of $470,000 over the comparable period in 1995. Consistent with the quarterly results, professional fees for the first nine months of 1996 reflect additional expenses related to the Corporation's reengineering for growth initiative. In addition, the nine months ended September 30, 1995 were impacted by the previously discussed legal fee reimbursement.

The federal deposit insurance premium during the third quarter of 1996 includes an estimated $53,000 special assessment which was the result of recent legislation to recapitalize the SAIF fund. This additional assessment relates to "OAKAR" deposits acquired by WSFS, a BIF insured institution.

Management continues to review existing operations as well as other income opportunities in order to enhance earnings. Accordingly, other income and expenses may fluctuate during the year.

Income Taxes

The Corporation and its subsidiaries file a consolidated income tax return and separate state income tax returns. The Corporation recorded a net income tax benefit of $1.7 million for the third quarter of 1996 compared to an income tax provision of $985,000 for the third quarter of 1995. For the nine months ended September 30, 1996, the Corporation recognized an income tax provision of $1.7 million compared to an income tax benefit of $80,000 for the nine months ended September 30, 1995. The respective three and nine month periods in 1996 include a $3.4 million tax benefit resulting from the planned merger of Providential into WSFS. As a result of this merger, certain Providential tax benefits which were previously offset by a valuation allowance have become recognizable by WSFS, because of the ability to offset future taxable income of the Corporation with the tax net operating loss carryforwards of Providential. Previously, these tax net operating loss carryforwards were not recognized because it was deemed more likely than not that Providential would not have sufficient future taxable income to utilize the carryforwards before they expired. Included in 1995 was the recognition of tax benefits related to the utilization of the Corporation's net operating loss carryforwards. This benefit totalled $2.0 million and $2.8 million for the three and nine month period respectively.

The Corporation analyzes its projections of taxable income on an ongoing basis and makes adjustments to its provision for incomes taxes accordingly.

Recent Accounting Pronouncements

In October 1995, the Financial Accounting Standards Board ("FASB") issued SFAS No. 123, "Accounting for Stock-based Compensation" ("SFAS 123"). This statement encourages the adoption of fair value accounting for stock-based compensation to employees. Further, in the event that fair value accounting is not adopted, SFAS 123 requires proforma disclosure of net income and earnings per share as if fair value accounting had been adopted. The Company has elected not to adopt the fair value accounting provisions of SFAS 123, and will instead provide the required proforma disclosures, as permitted.

In June 1996, the FASB issued SFAS No. 125, "Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities" ("SFAS 125"). This statement provides accounting and reporting standards for transfers and servicing of financial assets and extinguishments of liabilities based on consistent application of a financial-components approach that focuses on control. It distinguishes transfers of financial assets that are sales from transfers that are secured borrowings. Under the financial-components approach, after a transfer of financial assets, an entity recognizes all financial and servicing assets it controls and liabilities it has incurred and derecognizes financial assets it no longer controls and liabilities that have been extinguished. The approach focuses on the assets and liabilities that exist after the transfer. If a transfer does not meet the criteria for a sale, the transfer is accounted for as a secured borrowing with pledge of collateral. The Company has not yet determined the effect, if any that SFAS 125 will have on its final statements and will adopt SFAS 125 prospectively, effective January 1, 1997, the required date of adoption.

PART II. OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K

(a) None

(b) The following was reported under Other Events on Form 8-K filed on November 4, 1996:

On October 28, 1996, the Registrant announced that its Board of Directors had approved a second stock repurchase program to purchase up to 10% of the Registrant's outstanding common stock, $.01 par value per share (the "Common Stock"). Under the new repurchase program, stock repurchases may be effected through open-market repurchases and privately negotiated transactions. As previously announced, the Registrant completed a stock repurchase program during the first half of 1996 in which 5% of the Common Stock was repurchased.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

WSFS FINANCIAL CORPORATION

Date: November 13, 1996

/s/ MARVIN N. SCHOENHALS

Marvin N. Schoenhals
Chairman, President and
Chief Executive Officer

Date: November 13, 1996

/s/ R. WILLIAM ABBOTT

R. William Abbott

Executive Vice President and
Chief Financial Officer

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