

PRESS RELEASE**FOR IMMEDIATE RELEASE**

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WSFS ANNOUNCES 1Q '05 EPS OF \$0.90

WSFS Financial Corporation (NASDAQ/NMS: WSFS), the parent company of Wilmington Savings Fund Society, FSB, reported quarterly net income of \$6.8 million, or \$0.90 per diluted share. This compares to net income of \$6.2 million, or \$0.79 per share, for the first quarter of 2004. This \$0.11 growth in earnings per share is a 14% increase over the same period in 2004.

Highlights for the first quarter of 2005 include: (i) growth in net loans of \$73.1 million, or 5%, over balances at December 31, 2004, primarily in commercial and commercial real estate loans; (ii) continued strong asset quality with annualized net charge-offs of only 4 basis points, and the ratio of nonperforming assets (NPA) to total assets of 26 basis points at March 31, 2005; and (iii) an increase in total retail deposits of \$30.1 million, or 3%, over balances at December 31, 2004.

The following is a brief discussion of the first quarter 2005 results.

Net Interest Income

Net interest income for the first quarter of 2005 was \$18.1 million. This compares to the \$15.9 million reported for the same quarter in 2004 and the \$18.3 million reported for the fourth quarter of 2004. The net interest margin percentage of 3.23% for the first quarter of 2005 declined from 3.38% for the fourth quarter of 2004. During the fourth quarter, the net interest margin was positively impacted by the actual experience of matured loans in the reverse

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mortgage portfolio when compared to the first quarter of 2005. WSFS recorded \$67,000 in reverse mortgage income this quarter versus \$817,000 in the fourth quarter of 2004.

Overall portfolio yields on loans have continued to trend upward due to higher prevailing rates combined with the Bank's recent robust growth in variable rate loans. Additionally, the gross yield on the Bank's mortgage-backed securities ("MBS") portfolio was 4.33% in the first quarter of 2005 versus 4.22% in the fourth quarter of 2004. The weighted average duration of the MBS portfolio was 3.1 years at March 31, 2005 compared to 2.8 years at December 31, 2004.

Loans and Asset Quality

Net loans grew \$73.1 million, or 5%, during the first quarter of 2005 to \$1.6 billion at March 31, 2005. Net loans grew \$260.7 million, or 19%, versus March 31, 2004. Loan volume increases resulted primarily from continued strong growth in commercial and commercial real estate (CRE) loans, which increased \$77.6 million, or 9% from balances at December 31, 2004 and \$257.1 million, or 36% from balances at March 31, 2004. The increase in loan volume is the result of experienced and empowered relationship managers who are committed to delivering extraordinary levels of service to their customers. The following table summarizes the current loan balances and composition as well as recent changes in balances and composition.

(Dollars in thousands)	At <u>Mar. 31, 2005</u>		At <u>Dec. 31, 2004</u>		At <u>Mar. 31, 2004</u>	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Commercial and CRE	\$ 980,437	61%	\$ 902,880	59%	\$ 723,346	54%
Residential	433,220	27	441,839	29	446,303	33
Consumer	216,283	14	211,741	14	197,738	15
Allowance for loan losses	<u>(24,647)</u>	<u>(2)</u>	<u>(24,222)</u>	<u>(2)</u>	<u>(22,745)</u>	<u>(2)</u>
Net Loans	<u>\$1,605,293</u>	<u>100%</u>	<u>\$1,532,238</u>	<u>100%</u>	<u>\$1,344,642</u>	<u>100%</u>

The Company's provision for loan losses was \$579,000 in the first quarter of 2005, compared to \$687,000 in the same period last year. Despite an increase in the dollar amount of nonaccrual loans, predominantly due to the addition of one commercial credit, the provision reflects an appropriate level given the continued strength in credit quality. Annualized net charge-offs in the first quarter 2005 were 0.04% of average loans compared to 0.18% for the

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fourth quarter of 2004, and 0.10% for the first quarter in 2004. At March 31, 2005, the allowance for loan losses was 1.51% of total loans, compared to 1.56% at December 31, 2004 and 1.66% at March 31, 2004. Non-performing assets as a percentage of total assets were 0.26% at March 31, 2005 compared to 0.18% at December 31, 2004 and 0.29% at March 31, 2004 and totaled \$6.7 million at March 31, 2005, an increase from the \$4.6 million reported at December 31, 2004 and the \$6.5 million reported at March 31, 2004.

Deposits

Core deposit relationships (demand deposits, money market and savings accounts) increased \$44.1 million, or 6% during the quarter and increased \$137.9 million, or 21% over this time last year. Total retail deposits increased \$30.1 million, or 3%, during the first quarter to \$1.1 billion at March 31, 2005 and increased \$191.7 million, or 22% over March 31, 2004. The deposit growth was due, in part, to the opening of three new retail banking offices during 2004, and from commercial banking relationships. In addition, late in the third quarter of 2004, the Company successfully introduced “High-Performance Checking,” a checking product line designed to attract a greater share of market deposits over time. The following table summarizes the current retail deposit balances and composition as well as recent changes in balances and composition.

(Dollars in thousands)	At <u>Mar. 31, 2005</u>		At <u>Dec. 31, 2004</u>		At <u>Mar. 31, 2004</u>	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Non-interest demand	\$ 256,926	24%	\$ 246,592	23%	\$223,490	25%
Savings	286,229	26	289,041	28	320,353	36
Money market and int. demand	<u>260,181</u>	<u>24</u>	<u>223,621</u>	<u>21</u>	<u>121,565</u>	<u>14</u>
Total core deposits	803,336	74	759,254	72	665,408	75
Retail time	<u>278,986</u>	<u>26</u>	<u>292,928</u>	<u>28</u>	<u>225,256</u>	<u>25</u>
Total retail deposits	<u>\$1,082,322</u>	<u>100%</u>	<u>\$1,052,182</u>	<u>100%</u>	<u>\$890,664</u>	<u>100%</u>

Noninterest Income

During the first quarter of 2005, the Company recorded noninterest income of \$7.9 million, which was \$298,000, or 4% greater than the first quarter of 2004 and lower by \$156,000, or 2%, in comparison to the fourth quarter of 2004. The increase over the first quarter of 2004 was primarily due to increases of \$539,000 in card and ATM income during the

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quarter, mostly the result of underlying growth in volumes. This increase was partially offset by lower gains on the sales of securities of \$222,000. The decrease in comparison to the fourth quarter 2004 was mainly attributable to lower deposit service charges resulting from the seasonal nature of these types of charges. In addition, loan fee income declined during the quarter as a result of decreased prepayment fees mainly due to the current rising interest rate environment.

Noninterest Expenses

Noninterest expenses for the three months ended March 31, 2005 totaled \$15.0 million, which was \$1.7 million, or 13% more than the same quarter last year and \$135,000 less than the fourth quarter of 2004. The increase in salaries, benefits and other compensation, in large part, is the result of growth in WSFS' branch system, as well as an additional \$727,000 of bonus and post-retirement related expenses recorded in 2005. Other expenses were positively impacted by the reversal of a \$503,000 reserve for losses in the CashConnect business, which is no longer necessary because losses are no longer probable. These two items resulted in a net impact on pre-tax earnings of \$224,000.

Capital Management

During the first quarter of 2005, the Company repurchased 153,500 of its shares of common stock at an average price of \$55.71 per share. These repurchases occurred late in the quarter and the impact on average shares outstanding will not be totally reflected until the second quarter. At March 31, 2005, the Company had 548,064 shares, or nearly 8% of its 7.0 million outstanding shares, remaining under its current share repurchase authorization.

The ratio of tangible equity to assets was 7.23% at March 31, 2005. The Tier 1 capital ratio was 13.51%, which is far in excess of the 6.00% level required to be considered "well-capitalized" under regulatory definitions. Tangible book value per share was \$27.06 at March 31, 2005.

Marvin N. Schoenhals, Chairman and President of WSFS, said, “We are very proud of our first quarter results because they reflect the continued success of our strategic focus on Delaware banking.” Mr. Schoenhals went on to say, “In 2005, we expect to build on the momentum generated during 2004. We look forward to opening more retail banking offices and continuing our loan and deposit growth to further strengthen our retail franchise and meeting the needs of more Delawareans.”

WSFS Financial Corporation is a \$2.6 billion financial services company. At March 31, 2005, its principal subsidiary, Wilmington Savings Fund Society, FSB, operated 24 retail banking offices in all three counties in Delaware, as well as Chester and Delaware Counties in Pennsylvania. Other continuing operating subsidiaries include: WSFS Investment Group, Inc., Montchanin Capital Management, Inc. and WSFS Reit, Inc. For more information, please visit the Bank’s website at www.wsfsbank.com.

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Statements contained in this news release, which are not historical facts, are forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are subject to risks and uncertainties which could cause actual results to differ materially from those currently anticipated due to a number of factors, which include, but are not limited to, factors discussed in documents filed by WSFS Financial Corporation with the Securities and Exchange Commission from time to time. The Corporation 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 Corporation.

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WSFS FINANCIAL CORPORATION
FINANCIAL HIGHLIGHTS
STATEMENT OF OPERATIONS

(Dollars in thousands, except per share data)

(Unaudited)

	Three months ended		
	Mar 31, 2005	December 31, 2004	Mar 31, 2004
Interest income:			
Interest and fees on loans	\$ 23,157	\$ 21,897	\$ 18,100
Interest on mortgage-backed securities	5,874	5,442	4,727
Interest and dividends on investment securities	755	1,508	1,129
Other interest income	379	218	206
	<u>30,165</u>	<u>29,065</u>	<u>24,162</u>
Interest expense:			
Interest on deposits	4,087	3,450	1,793
Interest on Federal Home Loan Bank advances	6,187	5,978	5,555
Interest on federal funds purchased and securities sold under agreements to repurchase	1,011	690	400
Interest on trust preferred borrowings	712	634	496
Interest on other borrowings	55	57	38
	<u>12,052</u>	<u>10,809</u>	<u>8,282</u>
Net interest income	18,113	18,256	15,880
Provision for loan losses	579	847	687
Net interest income after provision for loan losses:	<u>17,534</u>	<u>17,409</u>	<u>15,193</u>
Noninterest income:			
Credit/debit card and ATM income	3,203	3,220	2,664
Deposit service charges	2,178	2,373	2,335
Investment advisory income	608	591	538
Bank owned life insurance income	496	527	479
Loan fee income	426	506	531
Gain (loss) on sales of loans	144	(5)	73
Securities gains	-	40	222
Other income	801	760	716
	<u>7,856</u>	<u>8,012</u>	<u>7,558</u>
Noninterest expenses:			
Salaries, benefits and other compensation	8,822	8,019	7,643
Occupancy expense	1,276	1,244	1,149
Equipment expense	983	937	865
Data processing and operations expense	911	832	762
Professional fees	553	1,058	522
Marketing expense	525	803	520
Other operating expenses	1,900	2,212	1,777
	<u>14,970</u>	<u>15,105</u>	<u>13,238</u>
Income from continuing operations before minority interest and taxes	10,420	10,316	9,513
Less minority interest	37	32	45
Income from continuing operations before taxes	10,383	10,284	9,468
Income tax provision	3,593	3,528	3,286
Income from continuing operations:	6,790	6,756	6,182
Income on wind-down of discontinued operations, net of taxes:	-	143	-
Net income	<u>\$ 6,790</u>	<u>\$ 6,899</u>	<u>\$ 6,182</u>
Diluted earnings per share:			
Income from continuing operations	\$ 0.90	\$ 0.90	\$ 0.79
Income on wind-down of discontinued operations, net of taxes:	-	0.02	-
Net income	<u>\$ 0.90</u>	<u>\$ 0.92</u>	<u>\$ 0.79</u>
Weighted average shares outstanding for diluted EPS	7,508,827	7,502,939	7,799,699
Performance Ratios (continuing operations only):			
Return on average assets (a)	1.07 %	1.10 %	1.12 %
Return on average equity (a)	13.66	13.99	12.72
Net interest margin (a)(b)	3.23	3.38	3.24
Efficiency ratio (c)	57.04	56.89	55.81

See "Notes"

WSFS FINANCIAL CORPORATION
FINANCIAL HIGHLIGHTS (Continued)
SUMMARY STATEMENT OF CONDITION:

(Dollars in thousands)
 (Unaudited)

	Mar 31, 2005	Dec 31, 2004	Mar 31, 2004
Summary Statement of Condition:			
<u>Assets:</u>			
Cash and due from banks	\$ 52,733	\$ 61,328	\$ 50,376
Cash in non-owned ATMs	129,688	131,150	106,673
Investment securities (d)(e)	96,706	97,376	115,118
Other investments	44,004	44,477	43,018
Mortgage-backed securities (d)	577,670	524,144	480,549
Net loans (f)(g)	1,605,293	1,532,238	1,344,642
Loans held for sale (f)	2,387	3,229	3,240
Bank owned life insurance	52,686	52,190	50,479
Other assets	60,353	55,736	40,974
Loans, operating leases and other assets of discontinued operations	557	1,088	6,147
Total assets	<u>\$ 2,622,077</u>	<u>\$ 2,502,956</u>	<u>\$ 2,241,216</u>
<u>Liabilities and Stockholders' Equity:</u>			
Noninterest-bearing deposits	\$ 256,926	\$ 246,592	\$ 223,490
Interest-bearing deposits	825,396	805,590	667,174
Total retail deposits	1,082,322	1,052,182	890,664
Jumbo CD's - non retail	45,511	44,903	44,411
Brokered CD's	170,921	137,877	49,991
Total deposits	1,298,754	1,234,962	985,066
Federal Home Loan Bank advances	868,004	837,063	798,239
Other borrowings	244,881	217,093	244,540
Other liabilities	19,208	17,296	14,753
Total liabilities	<u>2,430,847</u>	<u>2,306,414</u>	<u>2,042,598</u>
Minority interest	213	239	191
Stockholders' equity	<u>191,017</u>	<u>196,303</u>	<u>198,427</u>
Total liabilities, minority interest and stockholders' equity	<u>\$ 2,622,077</u>	<u>\$ 2,502,956</u>	<u>\$ 2,241,216</u>

Capital Ratios:

Equity to asset ratio	7.28 %	7.84 %	8.86 %
Tangible equity to asset ratio	7.23	7.80	8.81
Core capital (h) (required: 4.00%; well-capitalized: 5.00%)	9.12	9.69	10.58
Tier 1 Capital (h) (required: 4.00%; well-capitalized: 6.00%)	13.51	14.41	16.45
Risk-based capital (h) (required: 8.00%; well-capitalized: 10.00%)	14.36	15.34	17.30

Asset Quality Indicators (continuing operations only):

<u>Nonperforming Assets:</u>			
Nonaccruing loans	\$ 6,294	\$ 4,396	\$ 6,256
Assets acquired through foreclosure	425	217	233
Total nonperforming assets	<u>\$ 6,719</u>	<u>\$ 4,613</u>	<u>\$ 6,489</u>
Past due loans (i)	\$ 349	\$ 807	\$ 368
Allowance for loan losses	\$ 24,647	\$ 24,222	\$ 22,745
Ratio of nonperforming assets to total assets	0.26 %	0.18 %	0.29 %
Ratio of allowance for loan losses to total gross loans (j)	1.51	1.56	1.66
Ratio of allowance for loan losses to nonaccruing loans (k)	373	524	359
Ratio of quarterly net charge-offs to average gross loans (a)(f)	0.04	0.18	0.10

See "Notes"

WSFS FINANCIAL CORPORATION
FINANCIAL HIGHLIGHTS (Continued)
AVERAGE BALANCE SHEET
 (Dollars in thousands)
 (Unaudited)

	Three months ended								
	Mar 31, 2005			Dec 31, 2004			Mar 31, 2004		
	Average Balance	Interest	Yield/Rate (a)(b)	Average Balance	Interest	Yield/Rate (a)(b)	Average Balance	Interest	Yield/Rate (a)(b)
Assets:									
Interest-earning assets:									
Loans: (f) (l)									
Commercial real estate loans	\$ 550,790	\$ 8,584	6.23 %	\$ 508,948	\$ 7,716	6.06 %	\$ 386,911	\$ 5,212	5.39 %
Residential real estate loans	437,109	5,580	5.11	443,023	5,745	5.19	452,886	6,124	5.41
Commercial loans	385,439	5,489	5.98	370,370	4,971	5.55	304,227	3,505	4.92
Consumer loans	212,762	3,469	6.61	210,718	3,420	6.46	194,168	3,226	6.68
Total loans	1,586,100	23,122	5.90	1,533,059	21,852	5.78	1,338,192	18,067	5.48
Mortgage-backed securities (d)	542,965	5,874	4.33	515,276	5,442	4.22	496,699	4,727	3.81
Loans held-for-sale (f)	2,510	35	5.58	2,799	45	6.43	1,174	33	11.24
Investment securities (d)(e)	97,194	755	3.11	97,686	1,508	6.17	114,473	1,129	3.95
Other interest-earning assets	45,950	379	3.30	46,993	218	1.85	46,643	206	1.78
Total interest-earning assets	2,274,719	30,165	5.35	2,195,813	29,065	5.35	1,997,181	24,162	4.90
Allowance for loan losses	(24,377)			(24,403)			(22,632)		
Cash and due from banks	54,011			57,964			47,126		
Cash in non-owned ATMs	123,306			125,190			103,257		
Loans, operating leases and other assets of discontinued operations	988			1,422			8,619		
Bank owned life insurance	52,367			51,852			39,684		
Other noninterest-earning assets	53,322			50,663			38,600		
Total assets	\$ 2,534,336			\$ 2,458,501			\$ 2,211,835		
Liabilities and Stockholders' Equity:									
Interest-bearing liabilities:									
Interest bearing deposits:									
Money market and interest-bearing demand									
	\$ 240,703	\$ 649	1.09	\$ 196,673	\$ 471	0.95	\$ 113,052	\$ 66	0.23
Savings	285,462	271	0.39	295,088	284	0.38	317,396	329	0.42
Retail time deposits	286,722	1,851	2.62	277,275	1,784	2.56	226,027	1,067	1.90
Total interest-bearing retail deposits	812,887	2,771	1.38	769,036	2,539	1.31	656,475	1,462	0.90
Jumbo certificates of deposit-nonretail	45,250	294	2.63	50,852	238	1.86	42,779	152	1.43
Brokered certificates of deposit	156,471	1,022	2.65	131,333	673	2.04	42,820	179	1.68
Total interest-bearing deposits	1,014,608	4,087	1.63	951,221	3,450	1.44	742,074	1,793	0.97
FHLB of Pittsburgh advances	819,476	6,191	3.02	849,734	5,989	2.76	819,713	5,631	2.72
Trust preferred borrowings	51,547	712	5.53	51,547	634	4.81	50,000	496	3.92
Other borrowed funds	194,210	1,066	2.20	167,681	747	1.78	186,780	438	0.94
Cost of funding discontinued operations		(4)			(11)			(76)	
Total interest-bearing liabilities	2,079,841	12,052	2.32	2,020,183	10,809	2.14	1,798,567	8,282	1.84
Noninterest-bearing demand deposits	239,590			227,369			205,803		
Other noninterest-bearing liabilities	15,861			17,477			12,950		
Minority interest	224			260			66		
Stockholders' equity	198,820			193,212			194,449		
Total liabilities and stockholders' equity	\$ 2,534,336			\$ 2,458,501			\$ 2,211,835		
Excess of interest-earning assets over interest-bearing liabilities	\$ 194,878			\$ 175,630			\$ 198,614		
Net interest and dividend income		\$ 18,113			\$ 18,256			\$ 15,880	
Interest rate spread			3.03%			3.21%			3.06%
Net interest margin			3.23%			3.38%			3.24%

See "Notes"

**WSFS FINANCIAL CORPORATION
FINANCIAL HIGHLIGHTS (Continued)**

(Dollars in thousands, except per share data)

(Unaudited)

	Three months ended		
	Mar 31, 2005	Dec 31, 2004	Mar 31, 2004

Stock Information:

Market price of common stock:

High	\$ 59.91	\$ 62.26	\$ 51.40
Low	52.20	50.23	44.43
Close	52.56	60.00	50.17
Book value per share	27.29	27.70	26.95
Tangible book value per share	27.06	27.55	26.80
Number of shares outstanding (000s)	6,998	7,086	7,362

Other Financial Data:

One-year repricing gap to total assets (m)	(1.22) %	(0.81) %	(4.07) %
Number of associates (FTEs) (n)	487	490	445
Number of branch offices	24	24	23

Notes:

- (a) Annualized.
- (b) Computed on a fully tax-equivalent basis.
- (c) Noninterest expense divided by (tax-equivalent) net interest income and noninterest income.
- (d) Includes securities available-for-sale.
- (e) Includes reverse mortgages.
- (f) Net of unearned income.
- (g) Net of allowance for loan losses.
- (h) Represents capital ratios of Wilmington Savings Fund Society, FSB and subsidiaries.
- (i) Accruing loans which are contractually past due 90 days or more as to principal or interest.
- (j) Excludes loans held-for-sale.
- (k) Includes general reserves only.
- (l) Nonperforming loans are included in average balance computations.
- (m) The difference between projected amounts of interest-sensitive assets and interest-sensitive liabilities repricing within one year divided by total assets, based on a current interest rate scenario.
- (n) Includes the FTEs of WCC (discontinued operations) and Cypress Capital Management (controlled, but not wholly owned subsidiary).