

PRESS RELEASE**FOR IMMEDIATE RELEASE**

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WSFS ANNOUNCES 2Q '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 \$6.6 million, or \$0.90 per diluted share. This compares to net income of \$6.3 million, or \$0.82 per share, for the second quarter of 2004. This \$0.08 growth in earnings per share is a 10% increase over the same period in 2004. Earnings for the quarter were impacted by the previously announced refinancing of \$50 million of Trust Preferred Securities, resulting in a non-cash charge, net of taxes, of \$728,000, or \$0.10 per share.

Highlights for the second quarter of 2005 include: (i) growth in net loans of \$57.6 million, or 4%, over balances at March 31, 2005, primarily in commercial and commercial real estate loans; (ii) continued strong asset quality with the ratio of nonperforming assets (NPA) to total assets of 22 basis points at June 30, 2005; and (iii) an increase in total retail deposits of \$24.9 million, or 2%, over balances at March 31, 2005.

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

Net Interest Income

Net interest income for the second quarter of 2005 was \$17.8 million. This compares to the \$15.6 million reported for the same quarter in 2004 and the \$18.1 million reported for the first quarter of 2005. The net interest margin percentage of 3.03% for the second quarter of 2005 declined from 3.23% for the first quarter of 2005. The net interest margin was negatively

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affected by 18 basis points due to the redemption of \$50 million of WSFS Capital Trust I Securities, which carried an interest rate of LIBOR plus 250 basis points. In connection with the redemption, the Company recognized a \$1.1 million (pre-tax) non-cash charge from the write-down of the unamortized debt issuance costs of the called securities as a charge to interest expense. In conjunction with this redemption, the Company issued \$65 million aggregate principal amount of Pooled Floating Rate Capital Securities, which carry an interest rate of LIBOR plus 177 basis points. Without this charge the margin would have been 3.21% for the second quarter of 2005.

Overall portfolio yields on loans have continued to trend upward due to higher prevailing rates combined with the Bank's recent growth in variable rate loans. Additionally, the gross yield on the Bank's mortgage-backed securities (MBS) portfolio was 4.42% in the second quarter of 2005 versus 4.33% in the first quarter of 2005. The weighted average duration of the MBS portfolio was 2.7 years at June 30, 2005 compared to 3.1 years at March 31, 2005.

Loans and Asset Quality

Net loans grew \$57.6 million, or 4%, during the second quarter of 2005 to \$1.7 billion at June 30, 2005. Net loans grew \$259.7 million, or 19%, versus June 30, 2004. Loan volume increases resulted primarily from continued strong growth in commercial and commercial real estate (CRE) loans, which increased \$55.2 million, or 6% from balances at March 31, 2005 and \$262.6 million, or 34% from balances at June 30, 2004. The following table summarizes the current loan balances and composition as well as recent changes in balances and composition.

(Dollars in thousands)	At <u>Jun. 30, 2005</u>		At <u>Mar. 31, 2005</u>		At <u>Jun. 30, 2004</u>	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Commercial and CRE	\$1,035,656	62%	\$ 980,437	61%	\$ 773,044	55%
Residential	432,518	26	433,220	27	444,728	32
Consumer	219,675	13	216,283	14	208,591	15
Allowance for loan losses	(24,939)	(1)	(24,647)	(2)	(23,139)	(2)
Net Loans	<u>\$1,662,910</u>	<u>100%</u>	<u>\$1,605,293</u>	<u>100%</u>	<u>\$1,403,224</u>	<u>100%</u>

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The Company's provision for loan losses was \$772,000 in the second quarter of 2005, compared to \$687,000 in the same period last year. This increase reflects, among other things, the Company's strong loan growth, particularly in commercial and CRE loans. At June 30, 2005, the allowance for loan losses was 1.48% of total loans, compared to 1.51% at March 31, 2005 and 1.62% at June 30, 2004. NPA as a percentage of total assets were 0.22% at June 30, 2005 compared to 0.26% at March 31, 2005 and 0.22% at June 30, 2004 and totaled \$6.0 million at June 30, 2005, an improvement from the \$6.7 million reported at March 31, 2005 and an increase from the \$5.3 million reported at June 30, 2004. Annualized net charge-offs in the second quarter of 2005 were 0.12% of average loans compared to 0.04% for the first quarter of 2005, and 0.08% for the second quarter in 2004.

Deposits

Core deposit relationships (demand deposits, money market and savings accounts) increased \$23.3 million, or 3% during the quarter and increased \$137.6 million, or 20% over the same period last year. Total retail deposits increased \$24.9 million, or 2%, during the second quarter to \$1.1 billion at June 30, 2005 and increased \$192.7 million, or 21% over June 30, 2004. This continued deposit growth was due, in part, to the opening of three new retail banking offices during 2004, and from deposits attributable to commercial banking relationships. In addition, growth in the Company's "High-Performance Checking" initiative continues to contribute to deposit balances. 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>Jun. 30, 2005</u>		At <u>Mar. 31, 2005</u>		At <u>Jun. 30, 2004</u>	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
Non-interest demand	\$ 261,987	24%	\$ 256,926	24%	\$229,842	25%
Interest bearing demand	120,232	11	106,834	10	94,662	10
Savings	276,514	25	286,229	26	323,128	35
Money market	<u>167,854</u>	<u>15</u>	<u>153,347</u>	<u>14</u>	<u>41,380</u>	<u>5</u>
Total core deposits	826,587	75	803,336	74	689,012	75
Retail time	<u>280,652</u>	<u>25</u>	<u>278,986</u>	<u>26</u>	<u>225,549</u>	<u>25</u>
Total retail deposits	<u>\$1,107,239</u>	<u>100%</u>	<u>\$1,082,322</u>	<u>100%</u>	<u>\$914,561</u>	<u>100%</u>

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Noninterest Income

During the second quarter of 2005, the Company recorded noninterest income of \$8.7 million, which was \$494,000, or 6% greater than the second quarter of 2004 and \$858,000, or 11% greater than the first quarter of 2005. The increase over the second quarter of 2004 was primarily due to increases of \$689,000 in card and ATM income during the quarter, mostly the result of underlying growth in volumes. This increase was partially offset by lower income from mortgage banking activities of \$257,000. The increase in comparison to the first quarter 2005 was mainly attributable to increases of \$462,000 in card and ATM income, increased service charges on deposits of \$309,000 and increased loan fee income of \$143,000, resulting mostly from prepayment fees.

Noninterest Expenses

Noninterest expenses for the second quarter of 2005 totaled \$15.6 million, which was \$2.4 million, or 18% more than the same quarter last year and a \$633,000 increase over the first quarter of 2005. The increase over the second quarter of 2004 was primarily in salaries, benefits and other compensation, marketing expenses and other operating expenses. These increases were mainly the result of the Company's growth efforts including branch expansion. The increase in noninterest expenses compared to the first quarter of 2005 was primarily due to marketing expenses which were \$303,000 higher than the first quarter of 2005, reflecting expenses related to the promotion of "High-Performance Checking," and a campaign to increase market share for commercial banking. Also contributing to this quarter over quarter growth was the reversal of a \$503,000 reserve for losses in the CashConnect (ATM) business that was recorded during the previous quarter. As a result of the continued growth in commercial banking, retail banking and the newly announced formation of the Wealth Management Services division, the Company expects that expenses will continue to grow over the next several quarters.

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Capital Management

During the second quarter of 2005, the Company repurchased 166,000 of its shares of common stock at an average price of \$53.05 per share. At June 30, 2005, the Company had 382,064 shares, or nearly 6% of its 6.9 million outstanding shares remaining under its current share repurchase authorization.

The ratio of tangible equity to assets was 7.10% at June 30, 2005. The Tier 1 capital ratio was 13.39%, which is more than double the 6.00% level required to be considered “well-capitalized” under regulatory definitions. Tangible book value per share was \$27.92 at June 30, 2005.

Marvin N. Schoenhals, Chairman and President of WSFS, said, “We are very proud of our second quarter results which reflect the continued growth and strength of our banking franchise.” Mr. Schoenhals went on to say, “During the quarter, WSFS passed the benchmark of \$1 billion in commercial loan balances as we have continued to build relationships with businesses in our market. Our commitment to strengthening the core of Delaware is also evident in our retail and wealth management activities, as we have plans to open and renovate two to four branches per year, and have recently announced the formation of a Wealth Management Services division.”

WSFS Financial Corporation is a \$2.7 billion financial services company. At June 30, 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			Six months ended	
	June 30, 2005	March 31, 2005	June 30, 2004	June 30, 2005	June 30, 2004
Interest income:					
Interest and fees on loans	\$ 25,447	\$ 23,157	\$ 18,222	\$ 48,604	\$ 36,322
Interest on mortgage-backed securities	6,444	5,874	4,689	12,318	9,416
Interest and dividends on investment securities	639	755	1,219	1,394	2,348
Other interest income	356	379	152	735	358
	<u>32,886</u>	<u>30,165</u>	<u>24,282</u>	<u>63,051</u>	<u>48,444</u>
Interest expense:					
Interest on deposits	4,662	4,087	1,832	8,749	3,625
Interest on Federal Home Loan Bank advance:	7,263	6,187	5,886	13,450	11,441
Interest on federal funds purchased and securities sold under agreements to repurchase	1,092	1,011	413	2,103	813
Interest on trust preferred borrowings	1,967	712	503	2,679	999
Interest on other borrowings	124	55	40	179	78
	<u>15,108</u>	<u>12,052</u>	<u>8,674</u>	<u>27,160</u>	<u>16,956</u>
Net interest income	17,778	18,113	15,608	35,891	31,488
Provision for loan losses	772	579	687	1,351	1,374
Net interest income after provision for loan losses:	<u>17,006</u>	<u>17,534</u>	<u>14,921</u>	<u>34,540</u>	<u>30,114</u>
Noninterest income:					
Credit/debit card and ATM income	3,665	3,203	2,976	6,868	5,640
Deposit service charges	2,487	2,178	2,366	4,665	4,701
Investment advisory income	619	608	549	1,227	1,087
Bank owned life insurance income	527	496	626	1,023	1,105
Loan fee income	569	426	627	995	1,158
Mortgage banking activities, net	37	144	294	181	367
Securities gains	-	-	2	-	224
Other income	810	801	780	1,611	1,496
	<u>8,714</u>	<u>7,856</u>	<u>8,220</u>	<u>16,570</u>	<u>15,778</u>
Noninterest expenses:					
Salaries, benefits and other compensation	8,494	8,822	7,406	17,316	15,049
Occupancy expense	1,263	1,276	1,122	2,539	2,271
Equipment expense	954	983	925	1,937	1,790
Data processing and operations expense	998	911	837	1,909	1,599
Marketing expense	828	525	541	1,353	1,061
Professional fees	498	553	309	1,051	831
Other operating expenses	2,568	1,900	2,049	4,468	3,826
	<u>15,603</u>	<u>14,970</u>	<u>13,189</u>	<u>30,573</u>	<u>26,427</u>
Income before minority interest and taxes	10,117	10,420	9,952	20,537	19,465
Less minority interest	37	37	47	74	92
Income before taxes	10,080	10,383	9,905	20,463	19,373
Income tax provision	3,514	3,593	3,638	7,107	6,924
Net income	<u>\$ 6,566</u>	<u>\$ 6,790</u>	<u>\$ 6,267</u>	<u>\$ 13,356</u>	<u>\$ 12,449</u>
Diluted earnings per share:					
Net income	<u>\$ 0.90</u>	<u>\$ 0.90</u>	<u>\$ 0.82</u>	<u>\$ 1.80</u>	<u>\$ 1.62</u>
Weighted average shares outstanding for diluted EPS	7,313,355	7,508,827	7,604,845	7,412,573	7,703,868
Performance Ratios:					
Return on average assets (a)	0.99 %	1.07 %	1.09 %	1.03 %	1.10 %
Return on average equity (a)	13.52	13.66	13.26	13.59	12.98
Net interest margin (a)(b)	3.03	3.23	3.07	3.13	3.15
Efficiency ratio (c)	58.28	57.04	54.71	57.66	55.25

See "Notes"

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

(Dollars in thousands)
 (Unaudited)

	<u>June 30,</u> <u>2005</u>	<u>March 31,</u> <u>2005</u>	<u>June 30,</u> <u>2004</u>
Summary Statement of Condition:			
<i>Assets:</i>			
Cash and due from banks	\$ 56,776	\$ 52,733	\$ 55,979
Cash in non-owned ATMs	137,203	129,688	123,777
Investment securities (d)(e)	98,091	96,706	122,064
Other investments	46,606	44,004	62,719
Mortgage-backed securities (d)	586,259	577,670	527,312
Net loans (f)(g)	1,662,910	1,605,293	1,403,224
Loans held for sale (f)	1,429	2,387	1,064
Bank owned life insurance	53,213	52,686	51,105
Other assets	57,132	60,353	49,065
Loans, operating leases and other assets of discontinued operations	227	557	3,645
Total assets	<u>\$ 2,699,846</u>	<u>\$ 2,622,077</u>	<u>\$ 2,399,954</u>
<i>Liabilities and Stockholders' Equity:</i>			
Noninterest-bearing deposits	\$ 261,987	\$ 256,926	\$ 229,842
Interest-bearing deposits	845,252	825,396	684,719
Total retail deposits	1,107,239	1,082,322	914,561
Jumbo CDs - non retail	35,930	45,511	45,300
Brokered CDs	203,400	170,921	74,974
Total deposits	<u>1,346,569</u>	<u>1,298,754</u>	<u>1,034,835</u>
Federal Home Loan Bank advances	902,943	868,004	930,181
Other borrowings	236,916	244,881	241,604
Other liabilities	20,047	19,208	15,373
Total liabilities	<u>2,506,475</u>	<u>2,430,847</u>	<u>2,221,993</u>
Minority interest	184	213	237
Stockholders' equity	<u>193,187</u>	<u>191,017</u>	<u>177,724</u>
Total liabilities, minority interest and stockholders' equity	<u>\$ 2,699,846</u>	<u>\$ 2,622,077</u>	<u>\$ 2,399,954</u>

Capital Ratios:

Equity to asset ratio	7.16 %	7.28 %	7.41 %
Tangible equity to asset ratio	7.10	7.23	7.36
Core capital (h) (required: 4.00%)	9.15	9.12	9.49
Tier 1 Capital (h) (required 4.00%)	13.39	13.51	14.94
Risk-based capital (h) (required: 8.00%)	14.34	14.36	15.80

Asset Quality Indicators:

<i>Nonperforming Assets:</i>			
Nonaccruing loans	\$ 5,602	\$ 6,294	\$ 5,172
Assets acquired through foreclosure	372	425	175
Total nonperforming assets	<u>\$ 5,974</u>	<u>\$ 6,719</u>	<u>\$ 5,347</u>
Past due loans (i)	\$ 370	\$ 349	\$ 301
Allowance for loan losses	\$ 24,939	\$ 24,647	\$ 23,139
Ratio of nonperforming assets to total assets	0.22 %	0.26 %	0.22 %
Ratio of allowance for loan losses to total gross loans (j)	1.48	1.51	1.62
Ratio of allowance for loan losses to nonaccruing loans (k)	424	373	425
Ratio of quarterly net charge-offs to average gross loans (a)(f)	0.12	0.04	0.08

See "Notes"

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

	June 30, 2005			Three months ended March 31, 2005			June 30, 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	\$ 572,714	\$ 9,576	6.69 %	\$ 550,790	\$ 8,584	6.23 %	\$ 406,101	\$ 5,424	5.34 %
Residential real estate loans	429,787	5,524	5.14	437,109	5,580	5.11	446,039	5,864	5.26
Commercial loans	434,056	6,686	6.35	385,439	5,489	5.98	337,152	3,740	4.72
Consumer loans	218,328	3,633	6.67	212,762	3,469	6.61	201,013	3,163	6.33
Total loans	1,654,885	25,419	6.21	1,586,100	23,122	5.90	1,390,305	18,191	5.31
Mortgage-backed securities (d)	583,785	6,444	4.42	542,965	5,874	4.33	511,379	4,689	3.67
Loans held-for-sale (f)	2,107	28	5.32	2,510	35	5.58	2,423	31	5.12
Investment securities (d)(e)	97,459	639	2.62	97,194	755	3.11	121,179	1,219	4.02
Other interest-earning assets	49,434	356	2.89	45,950	379	3.30	45,601	152	1.33
Total interest-earning assets	2,387,670	32,886	5.56	2,274,719	30,165	5.35	2,070,887	24,282	4.74
Allowance for loan losses	(24,842)			(24,377)			(22,899)		
Cash and due from banks	51,945			54,011			49,512		
Cash in non-owned ATMs	127,760			123,306			112,559		
Loans, operating leases and other assets of discontinued operations	577			988			5,663		
Bank owned life insurance	52,877			52,367			50,691		
Other noninterest-earning assets	53,342			53,322			43,027		
Total assets	\$ 2,649,329			\$ 2,534,336			\$ 2,309,440		
Liabilities and Stockholders' Equity:									
Interest-bearing liabilities:									
Interest bearing deposits:									
Interest-bearing demand	\$ 110,565	\$ 66	0.24	\$ 99,596	\$ 59	0.24	\$ 83,720	\$ 51	0.25
Money market	162,934	747	1.84	141,107	590	1.70	36,012	33	0.37
Savings	280,668	280	0.40	285,462	271	0.39	322,682	326	0.41
Retail time deposits	278,253	1,882	2.71	286,722	1,851	2.62	222,589	1,024	1.85
Total interest-bearing retail deposits	832,420	2,975	1.43	812,887	2,771	1.38	665,003	1,434	0.87
Jumbo certificates of deposit-nonretail	39,081	280	2.87	45,250	294	2.63	45,942	168	1.47
Brokered certificates of deposit	182,220	1,407	3.10	156,471	1,022	2.65	59,841	230	1.55
Total interest-bearing deposits	1,053,721	4,662	1.77	1,014,608	4,087	1.63	770,786	1,832	0.96
FHLB of Pittsburgh advances	889,641	7,267	3.23	819,476	6,191	3.02	869,267	5,933	2.70
Trust preferred borrowings	66,161	1,967	11.76	51,547	712	5.53	51,547	503	3.86
Other borrowed funds	177,090	1,216	2.75	194,210	1,066	2.20	193,678	453	0.94
Cost of funding discontinued operations		(4)			(4)			(47)	
Total interest-bearing liabilities	2,186,613	15,108	2.76	2,079,841	12,052	2.32	1,885,278	8,674	1.84
Noninterest-bearing demand deposits	252,134			239,590			221,141		
Other noninterest-bearing liabilities	16,061			15,861			13,767		
Minority interest	195			224			213		
Stockholders' equity	194,326			198,820			189,041		
Total liabilities and stockholders' equity	\$ 2,649,329			\$ 2,534,336			\$ 2,309,440		
Excess of interest-earning assets over interest-bearing liabilities	\$ 201,057			\$ 194,878			\$ 185,609		
Net interest and dividend income		\$ 17,778			\$ 18,113			\$ 15,608	
Interest rate spread			2.80%			3.03%			2.90%
Net interest margin			3.03%			3.23%			3.07%

See "Notes"

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

 (Dollars in thousands, except per share data)
(Unaudited)

	Three months ended			Six months ended	
	June 30, 2005	March 31, 2005	June 30, 2004	June 30, 2005	June 30, 2004

Stock Information:

Market price of common stock:

High	\$ 55.91	\$ 59.91	\$ 50.75	\$ 59.91	\$ 51.40
Low	49.80	52.20	45.03	49.80	44.43
Close	54.71	52.56	48.56	54.71	48.56
Book value per share	28.16	27.29	25.33		
Tangible book value per share	27.92	27.06	25.18		
Number of shares outstanding (000s)	6,860	6,998	7,016		

Other Financial Data:

One-year repricing gap to total assets (m)	0.50 %	(1.22) %	(4.92) %		
Number of associates (FTEs) (n)	516	487	471		
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 other 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).