

# WSFS Financial Corporation

## Overview of Acquisition of Christiana Bank & Trust Company

June 25, 2010



and strengthening  
our communities.

*This report may contain statements which are not historical facts and are forward-looking statements, as that term is defined in the Private Securities Litigation Reform Act of 1995. Such forward-looking statements, which are based on various assumptions, some of which may be beyond the company's control, are subject to risks and uncertainties 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, the volatility of the financial and securities markets, including changes with respect to the market value of our financial assets, changes in government laws and regulations affecting financial institutions, including potential expenses associated therewith, changes resulting from our participation in the CPP, including additional conditions that may be imposed in the future on participating companies, and the costs associated with resolving any problem loans and other risks and uncertainties discussed in documents filed by WSFS Financial Corporation with Securities and Exchange Commission from time to time. The corporation does not undertake to update any forward looking statements, whether written or oral, that may be made from time to time or on behalf of the corporation.*

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- **A highly strategic transaction with compelling financial results**
- **Christiana is a very attractive franchise**
- **Christiana has a strong and growing trust business**
  - \$6.0 billion in fiduciary assets at May 31, 2010; National presence
  - Trust and other non-interest revenues of \$6.5 million in 2009 (52% of total revenue), grown from \$3.1 million five years earlier
  - Market presence built by strong management and business development team
  - Further builds WSFS market share in an attractive market
- **Through the acquisition of Christiana, WSFS will meaningfully accelerate its position in the trust and custody businesses**
  - Christiana will increase WSFS' non-interest income by approximately 14%<sup>(1)</sup>
  - Advances WSFS' trust initiatives by several years and provides critical mass and scale
  - Results in WSFS now having a strong and diversified revenue platform in Retail Banking, Commercial Banking, and Trust AND Wealth Management

(1) Based on first quarter 2010 reported results

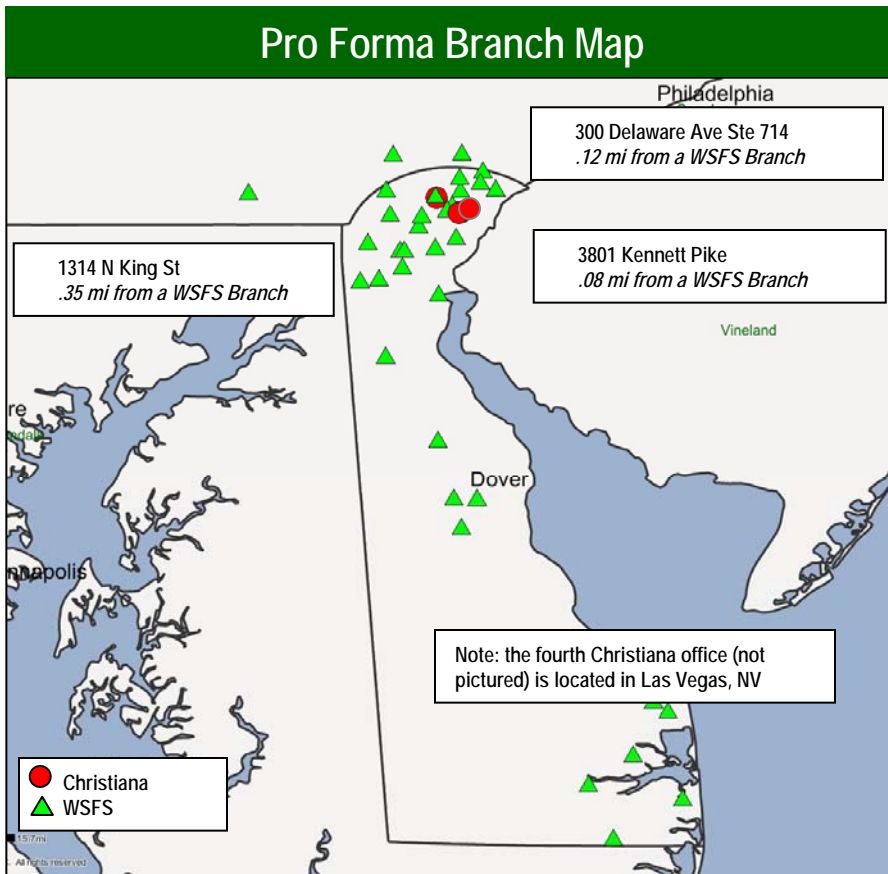
- **In addition, Christiana's traditional Bank operations are highly complementary with WSFS'**
  - Further builds WSFS market share in a desirable Delaware sub-market
  - All 3 Delaware offices are all within 0.35 mile of a WSFS office
  - Christiana loan / deposit ratio of 81% provides added liquidity for WSFS
  - Opportunity for significant synergies, with limited execution risk, given relative size of operations and geographic overlap
- **Attractive deal structure and prudent due diligence significantly mitigates risk**
  - Extensive loan due diligence, including outside reviewers, coupled with WSFS *not acquiring any classified or non-accrual loans or OREO in the transaction*
  - WSFS possesses familiar knowledge of Christiana's markets and customer base
- **Financially compelling**
  - Expected to be accretive to earnings starting in 2011 by 4% versus consensus analyst estimates<sup>(1)</sup>
  - Expected IRR over 20%
  - Reduces WSFS March 31, 2010 pro forma NPAs / Total Assets ratio by 11 basis points

(1) Excluding one-time costs related to the transaction

# Acquisition of Christiana

<b>Transaction:</b>	WSFS will acquire 100% of the stock of Christiana, which is currently a wholly-owned subsidiary of National Penn Bancshares, Inc.
<b>Purchase Price:</b>	\$34.5 million in cash
<b>Key Provisions:</b>	Clean balance sheet: all currently classified and non-accrual loans and OREO at Christiana will be retained by NPBC
<b>Board Roles:</b>	Christiana CEO to become member of WSFS Board; WSFS to establish Trust Advisory Board
<b>Due Diligence:</b>	Completed comprehensive due diligence, including detailed review of loans utilizing WSFS senior personnel and outside loan review firm
<b>Expected Closing:</b>	Fourth Quarter of 2010
<b>Conditions to Closing:</b>	Customary regulatory approvals

# Overview of Christiana Franchise



## Financial Highlights (Dollar Values in Thousands)

	Quarter Ended 3/31/10
Total Loans <sup>(1)</sup>	\$126,044
Total Deposits <sup>(1)</sup>	\$156,129
Loans/ Deposits	80.7%
Trust Assets <sup>(1)</sup>	\$5,255,176
Non-Int. Inc. from Fiduciary Activities	\$1,488
Fiduciary Non-Int. Inc./ Revenue	49.87%
Non-Int. Inc./ Avg. Assets	2.63%
Tangible Equity	\$18,186
Tang. Equity/ Tang. Assets	10.29%

(1) As of 5/31/10, Christiana had approximately \$123 million of loans, approximately \$161 million of deposits, and approximately \$6 billion in trust assets  
Source: SNL Financial

- Started in 1994
- Built up to \$6.0 billion in trust assets at May 31, 2010
- 2009 trust related revenues and other non-interest income of \$6.5 million
- Products provided include:
  - Personal Trust
  - Corporate Trust
  - Custody
  - Commercial Domicile
  - Investment Management
- **WSFS has been emphasizing its National Trust Business since only 2008**
  - Highly complementary strategies and market approach

# Acquired Loan Portfolio

- Improvement in pro forma asset quality metrics generated by a conservative deal structure in which WSFS does not take NPLs, problem loans or OREO
- Enables WSFS to focus on integration and business execution with minimal disruption due to asset resolution
- In line with WSFS' stated corporate objective to reduce exposure to problem loans, while pursuing attractive growth opportunities

*(Dollar Values in Thousands)*

	Christiana Stand-Alone <sup>(1)</sup>	Assets to be retained by NPBC	Christiana Adjusted	WSFS 3/31/2010	WSFS Pro Forma
Gross Loans	126,044	(7,842)	118,202	2,516,817	2,635,019
Non Accrual Loans	1,399	(1,399)	0	63,766	63,766
Nonperforming Loans	1,399	(1,399)	0	71,361	71,361
Real Estate Owned	<u>257</u>	<u>(257)</u>	<u>0</u>	<u>10,711</u>	<u>10,711</u>
Nonperforming Assets	\$1,656	(\$1,656)	\$0	\$82,072	\$82,072
<b>Asset Quality Metrics</b>					
NPAs / Assets	0.82%		0.00%	2.15%	2.04%
Non Accrual Loans / Loans	1.11%		0.00%	2.53%	2.42%
NPLs / Loans	1.11%		0.00%	2.84%	2.71%

(1) As of 3/31/10  
Source: SNL Financial

# Deal Metrics

- 100% cash consideration
- Approximately \$3.4 million in pre-tax cost savings (approximately 38% of Christiana 2009 noninterest expenses)
- Pre-tax transaction / transition costs of \$2.3 million expected
- Core deposit intangible equal to 3.00% of core deposits
- Treated as an asset purchase for tax purposes allowing WSFS to deduct goodwill and save cash taxes (estimated net present value of \$3 million)
- Premium to tangible book value paid reflects attractive results of trust business, high ROE business, and significant synergy opportunities
- Multiples being paid are below the medians seen in acquisitions of other trust banks

Aggregate Purchase Price	\$34.5mm
Price / Tangible Book Value <sup>(1)</sup>	190%
Price / Core Earnings <sup>(2)</sup>	14.5x
Price / Core Earnings + Cost Savings <sup>(2)(3)</sup>	7.5x

(1) Data as of 3/31/10

(2) 2009 Net Income excluding Parent Company's Goodwill Impairment charge and Provision for Loan Losses

(3) Including after-tax benefit of cost savings

# Precedent Trust Bank Acquisitions

Acquiror	St	Target	St	Ann. Date	Deal Value (\$mm)	Consideration	Transaction Information			
							Price/LTM EPS (x)	Price/Book Value (%)	Price/Tangible Book Value (%)	Core Deposit Prem. (%)
National Penn Bancshares, Inc.	PA	Christiana Bank & Trust Co.	DE	06/25/07	64.6	Mixed	22.9	282	282	34.2
Boston Private Financial	MA	Charter Financial Corporation	WA	03/03/07	72.9	Mixed	24.3	353	353	26.4
Bank of America Corp.	NC	U.S. Trust Corporation	NY	11/19/06	3,300.0	Cash	34.5	258	425	40.9
PrivateBancorp Inc.	IL	Piedmont Bancshares, Inc.	GA	08/02/06	46.6	Mixed	25.8	317	317	23.6
First Republic Bank	CA	BWC Financial Corp.	CA	05/20/06	176.9	Mixed	19.5	329	329	30.1
Boston Private Financial	MA	Gibraltar Financial Corp.	FL	04/18/05	242.4	Mixed	24.8	367	370	NM
PrivateBancorp Inc.	IL	Bloomfield Hills Bancorp, Inc.	MI	04/14/05	64.0	Cash	19.5	339	339	35.0
<b>High</b>					3,300.0		34.5	367	425	40.9
<b>Low</b>					46.6		19.5	258	282	23.6
<b>Mean</b>					566.8		24.5	321	345	31.7
<b>Median</b>					72.9		24.3	329	339	32.2

(1) M&A transactions of banks with significant trust business announced since 1/1/2005  
Source: SNL Financial

- Pro forma capital ratios well in excess of regulatory guidelines
- Modestly dilutive to Tangible Common Equity on a pro forma basis only; WSFS managing to 6%+ TCE / TA and 12%+ total risk based capital ratio both before and after close
- Near term tangible book value dilution
- Diversifies revenue stream and improves core funding and liquidity
- Significant EPS accretion expected, inclusive of the impact of actions taken to maintain Tangible Common Equity target
  - 4% in 2011<sup>(1)</sup>
- Expected to be accretive to ROAA and ROAE as well
- Expected Return on Investment in excess of 20%

(1) Excluding one-time costs related to the transaction; based on consensus analyst estimates

Stockholders or others seeking information regarding the Company may call or write:

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