

WSFS FINANCIAL CORP
Form 10-Q
May 11, 2009

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 **March 31, 2009**

OR

O **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
(State or other jurisdiction of
Incorporation or organization)

22-2866913
(I.R.S. Employer
Identification Number)

500 Delaware Avenue, Wilmington, Delaware
(Address of principal executive offices)

19801
(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 **O**

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or such shorter period that the registrant was required to submit and post such files). _____
Yes _____ No _____

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

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Large accelerated filer ☐ Accelerated filer ☒

Non-accelerated filer ☐ Smaller reporting company ☐

(Do not check if smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of May 1, 2009:

Common Stock, par value \$.01 per share
(Title of Class)

6,190,987
(Shares Outstanding)

WSFS FINANCIAL CORPORATION

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WSFS FINANCIAL CORPORATION

CONSOLIDATED STATEMENT OF OPERATIONS

Three months ended March 31,
2009 2008
(Unaudited)
(In Thousands, Except Per Share Data)

Interest income:

Interest and fees on loans	\$ 31,374	\$ 37,682
Interest on mortgage-backed securities	7,336	5,988
Interest and dividends on investment securities	97	338
Other interest income	—	552
	38,807	44,560

Interest expense:

Interest on deposits	8,329	12,129
Interest on Federal Home Loan Bank advances	5,341	8,968
Interest on trust preferred borrowings	595	1,018
Interest on other borrowings	651	1,476
	14,916	23,591
Net interest income	23,891	20,969
Provision for loan losses	7,653	2,390
Net interest income after provision for loan losses	16,238	18,579

Noninterest income:

Deposit service charges	3,817	3,798
Credit/debit card and ATM income	3,702	4,531
Loan fee income	1,250	643
Investment advisory income	531	655
Security gains	423	1,067
Bank owned life insurance income	210	574
Mortgage banking activities, net	202	105
Other income	966	1,133
	11,101	12,506

Noninterest expenses:

Salaries, benefits and other compensation	12,331	11,487
Occupancy expense	2,436	2,107
Equipment expense	1,579	1,463
Data processing and operations expenses	1,121	1,038
Professional Fees	962	849
Marketing Expense	727	907
Other operating expense	5,218	3,086
	24,374	20,937
Income before taxes	2,965	10,148
Income tax provision	25	2,902
Net income	2,940	7,246
Dividends on preferred stock and accretion of discount	513	—

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Net income available to common stockholders	\$ 2,427	\$ 7,246
Earnings per share:		
Basic	\$ 0.39	\$ 1.17
Diluted	\$ 0.39	\$ 1.15

The accompanying notes are an integral part of these Financial Statements.

WSFS FINANCIAL CORPORATION

CONSOLIDATED STATEMENT OF CONDITION

	March 31, 2009 (Unaudited) (In Thousands, Except Share Data)	December 31, 2008
Assets		
Cash and due from banks	\$ 56,830	\$ 58,377
Cash in non-owned ATMs	144,737	189,965
Interest-bearing deposits in other banks	281	216
Total cash and cash equivalents	201,848	248,558
Investment securities held-to-maturity	1,174	1,181
Investment securities available-for-sale including reverse mortgages	46,044	48,507
Mortgage-backed securities available-for-sale	585,897	487,389
Mortgage-backed securities trading	10,691	10,816
Loans held-for-sale	5,281	2,275
Loans, net of allowance for loan losses of \$35,631 at March 31, 2009 and \$31,189 at December 31, 2008	2,498,689	2,441,560
Bank-owned life insurance	59,547	59,337
Stock in Federal Home Loan Bank of Pittsburgh, at cost	39,305	39,305
Assets acquired through foreclosure	8,023	4,471
Premises and equipment	35,293	34,966
Accrued interest receivable and other assets	51,515	54,195
Total assets	\$ 3,543,307	\$ 3,432,560
Liabilities and Stockholders' Equity		
Liabilities:		
Deposits:		
Noninterest-bearing demand	\$ 386,103	\$