TFS Financial Corporation®

Third Federal®
SAVINGS & LOAN

For the quarter ended
March 31, 2020

Our Mission & Values Drive Our Response to COVID-19

Our mission is to help people achieve the dream of home ownership and financial security while creating value for our shareholders, our customers, our communities and our associates.

Associates

- Excluding customer facing associates, over 75% of associates working remotely
- All associates working at branches and operations center are safely distanced and working in contained areas for safety
- Medical plan enhancements to ensure COVID-19 coverage
- Additional 10 days provided to associates for COVID-19 related absences
- $50,000 added to Rhonda's Kiss Associate Fund for family hardships

Communities

- Third Federal Foundation helped launch the Greater Cleveland COVID-19 Rapid Response Fund to support those most in need ($6 million in funds raised to date)
- Providing emergency funding to Slavic Village P-16 partners
- Donated 300 N95 masks and hazmat suits to local hospitals
- Allocated $50,000 to COVID-19 Emergency small dollar loans for Seniors

Customers

- Majority of branches are open, lobby hours shortened and appointments available after hours
- Designated branch hours for vulnerable customers
- Customer Care team fielding 1,500+ calls per day
- Production teams are fully operational and processing a record high pipeline
- Customer relief: forbearance plans available, 90 days with an option for another 90 days, with multiple repayment options; suspension of foreclosure program; waiving late fees, overdraft fees, ATM fees
- Expanded mobile banking features, including mobile deposit limits

Shareholders

- Commitment to paying an attractive dividend
- Continued serving and lending to our customers in a responsible way
- Strong credit quality and capital levels to support potential loan performance issues
- Staying true to the Third Federal Values that have guided us throughout history (love, trust, respect, commitment to excellence, and fun)

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TFS Financial Corporation® Overview

1938 Founded by Ben and Gerome Stefanski, parents of our current Chairman and CEO, Marc Stefanski

1997 Organized as a mid-tier stock holding company to own 100% of Third Federal Savings and Loan

2007 First step minority stock offering. Listed as TFSL on NASDAQ April 23

2020 82nd year of service

TFSL Shareholder Ownership

	# of shares	% of Ownership
As of April 20, 2007 Minority Offering		
Owned by Third Federal MHC	227,119,132	68.30%
Owned by Minority Shareholders	105,199,618	31.70%
Total shares outstanding	**332,318,750**	**100.00%**
As of Mar 31, 2020		
Owned by Third Federal MHC	227,119,132	81.07%
Owned by Minority Shareholders	53,020,838	18.93%
Total shares outstanding	**280,139,970**	**100.00%**
Cumulative Minority Shares Repurchased (net of benefit plan re-issuance)	***52,178,780***	***49.60%***

Financial Summary

	At or For Quarter Ended	
	Mar 31, 2020	**Dec 31, 2019**
Assets	$15.00B	$14.81B
Deposits	$9.09B	$9.00B
Shareholders' Equity	$1.66B	$1.73B
Tier I Capital to Avg Assets	11.78%	11.99%
Market Capitalization	$4.28B	$5.51B
Net Income for Fiscal Quarter	$17.3M	$25.6M

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TFSL Stock Ownership – Why Invest?

Strong Dividend
- Current annualized dividend of $1.12 per share represents 7.33% yield based on stock price of $15.27 at 3/31/20
- Dividend paid to minority shareholders only
- Total dividends paid represents 64% of net income for six months ended 3/31/20 and 63% for FYE 9/30/19

High Capital Levels
- Tier I Capital to Average Assets = 11.78%
- Total Risk-Based Capital = 21.66%
- “Well-Capitalized” levels are 5% and 10%, respectively

Quality Growth
- High-quality asset growth of 27.10%, or $3.20 billion, since the beginning of FY 2015
- Delinquency rate of 0.10% on loans originated since 2009; reported net recoveries in each of last three FY’s
- Average FICO score of 775 and average LTV of 68% for first mortgage loans originated in current fiscal year
- Deposit growth of $355.0 million last 4 quarters
- Geographical diversification by offering products in 25 states and D.C.

MHC Structure[1] and Value to 19% Minority Shareholders
- GAAP Book Value Per Share of $5.91 but Book Value Per Minority Share[2] of $31.22
- For last 4 quarters, GAAP Earnings Per Share of $0.30 but Earnings Per Minority Share[3] of $1.56

1 - In a mutual holding company structure where only the minority shares are publically held, many investors focus on the level of shareholders’ equity and net income per minority shares outstanding, which is a non-GAAP measure.

2 - Book value per Minority Share based on Total Shareholders Equity divided by minority share count at 3/31/20.

3 - Earnings per Minority Share based on Total Net Income for most recent 4 quarters divided by minority share count at 3/31/20.

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Our Disciplined Strategy Drives Our Results

Strategic Overview

- **Originate and service** first mortgage loans, and home equity loans and lines of credit, funded through retail deposits, FHLB advances and brokered CDs.
- **Loyal deposit customer base** provides stability to funding approach.
- **High average deposits per branch ($239 million) and assets per associate ($15 million)** generate efficiencies.
- **Physical presence** in Ohio (21 full-service branches, 7 loan origination offices) and Florida (16 full-service branches), and first mortgage loan origination and home equity loan products to 25 states and the District of Columbia through our online offering and customer service center.
- **Non-commissioned Third Federal associates** underwrite and process the requests to generate mortgage loans and home equity products.
- **Stringent, conservative lending standards** used for underwriting, which reduces credit risk. For first mortgage loans originated during the current fiscal year, the average FICO score was **775**, and the average LTV was **68%.**
- **Strong capital levels**, combined with consistent asset growth, allow us to drive long-term, sustainable earnings, and support cash dividends.

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Capital Highlights

	\-------------------Fiscal Year End (as of 09/30)--------------------/					For Six Months Ended
	2015	2016	2017	2018	2019	3/31/20
Net Income (in 000s)	$ 72,591	$ 80,553	$ 88,877	$ 85,407	$ 80,237	**$ 42,899** [5]
Earnings Per Share:						
-GAAP	$ 0.25	$ 0.28	$ 0.32	$ 0.30	$ 0.29	$ 0.15
-Non-GAAP Per Minority Share [1]	$ 1.14	$ 1.41	$ 1.64	$ 1.61	$ 1.52	$ 0.81
-Dividends Paid Per Minority Share	$ 0.310	$ 0.425	$ 0.545	$ 0.760	$ 1.020	**$ 0.55**
Total Dividends Paid as % of Net Income	27%	29%	31%	44%	63%	**64%**
Book Value Per Share:						
-GAAP	$ 5.95	$ 5.84	$ 6.01	$ 6.27	$ 6.06	$ 5.91
-Non-GAAP Per Minority Share [1]	$ 27.12	$ 29.08	$ 31.20	$ 33.06	$ 32.11	$ 31.22
Dividends Paid (in 000s) [2,3]	$ 19,490	$ 23,414	$ 27,709	$ 37,630	$ 50,464	**$ 27,406**
Repurchase of Common Stock (in 000s)	$ 172,366	$ 128,427	$ 52,540	$ 19,674	$ 9,063	$ 377
Total Usage of Capital (in 000s)	$ 191,856	$ 151,841	$ 80,249	$ 57,304	$ 59,527	$ 27,783
Asset Growth (in 000s)	$ 565,691	$ 537,176	$ 786,501	$ 445,554 [4]	$ 405,025	**$ 459,987**
Tier I Leverage Capital to Net Average Assets:						
- TFS Financial Corporation	13.8%	13.1%	12.4%	12.3%	12.0%	11.8%
- Third Federal Savings (Thrift)	12.8%	11.7%	11.2%	10.9%	10.5%	10.1%
Shares of TFSL Stock Held by:						
Third Federal Savings, MHC [2]	227,119,132	227,119,132	227,119,132	227,119,132	227,119,132	227,119,132
Minority Shareholders [3]	63,763,247	57,099,887	54,172,618	53,191,938	52,843,645	53,020,838
Total Shareholders	290,882,379	284,219,019	281,291,750	280,311,070	279,962,777	280,139,970

1 - In a mutual holding company structure where only the minority shares are publically held, many investors focus on the level of shareholders' equity and net income per minority shares outstanding, which is a non-GAAP measure. Non-GAAP calculation uses Total Net Income or Shareholders Equity divided by minority shares at end of respective period.

2 - Third Federal Savings, MHC waived its right to receive cash dividends.

3 - Dividends from shares held by ESOP that are not allocated to participants (approximately 4,300,000 shares at 3/31/20) are applied to the ESOP loan balance.

4 - In 2018, a private loan sale in the amount of $277.4 million was executed.

5 - Net income for 6 months ended 3/31/20 includes one-time after tax gain of approximately $3.3 million for 12/31/19 QE in connection with a sale of commercial properties.

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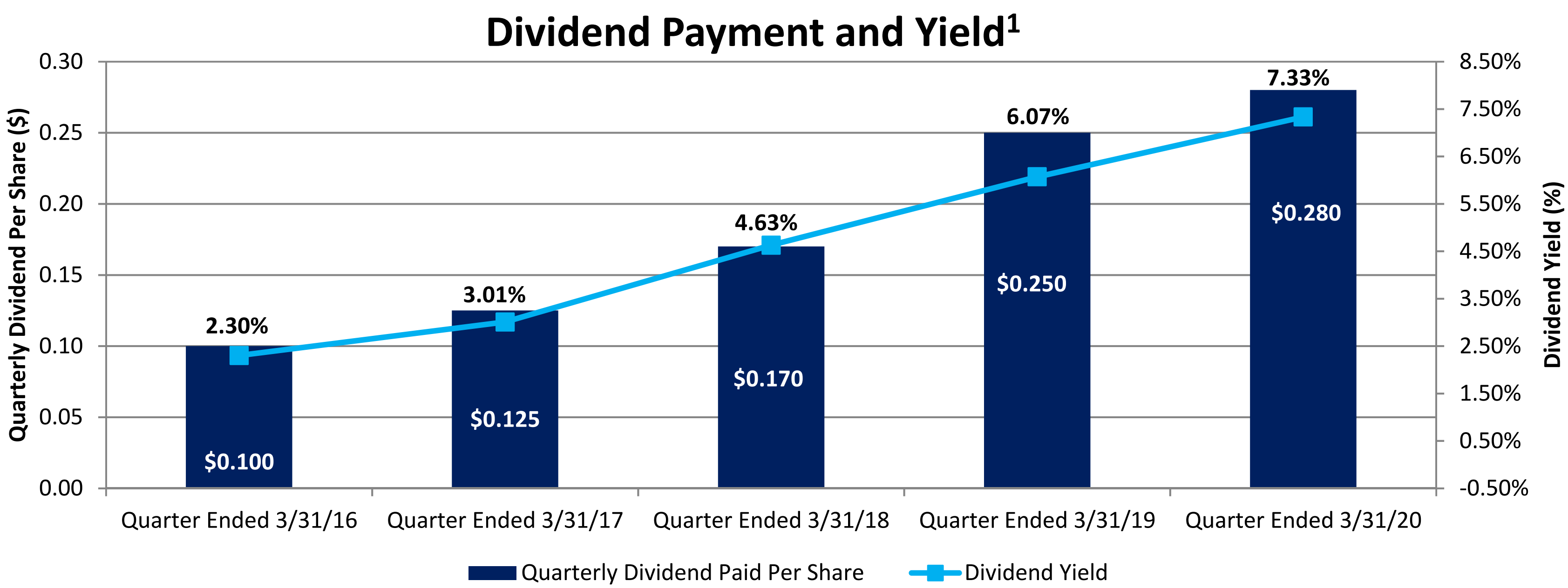
Capital Uses and Performance

- **Dividends, managed portfolio growth, and strategic share repurchases** will represent the focus for future capital deployment.
- **Quality loan growth** with a Compound Annual Growth Rate (CAGR) of 4.38% since the beginning of FY 2015.
- MHC member vote on 7/16/19 **approved dividend waiver** up to $1.10 for four quarters ending 06/30/20; 97% of members voting elected "yes" in favor of the dividend waiver.
- **8th buyback program** (for 10M shares) began January 2017, and 4,108,921 have been purchased through 3/31/20. Over 52% of original minority shares have been repurchased since 2007 IPO. The share repurchase program, although currently only a small percentage of capital use, has been suspended due to COVID-19.
- **Additional capital of $276M** held at TFS Financial Corporation at 3/31/20, which is separate from Thrift. Assets include cash and short-term investments of $218M.



1 - Dividend Yield based on quarter end stock price

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Financial Highlights

(Dollars in Thousands)	As of and for the quarter ended			As of and for the six months ended		Fiscal Year End
	3/31/2020	12/31/2019	3/31/2019	3/31/2020	3/31/2019	9/30/2019
Balance Sheet						
Assets ($)	15,002,343	14,806,191	14,206,627	15,002,343	14,206,627	14,542,356
Net loans ($)	13,576,791	13,477,380	12,885,003	13,576,791	12,885,003	13,199,411
Deposits ($)	9,087,811	9,000,920	8,732,790	9,087,811	8,732,790	8,766,384
Common equity ($)	1,655,164	1,728,949	1,735,985	1,655,164	1,735,985	1,696,754
Balance Sheet Ratios						
Loans/Deposits (%)	149.40	149.73	147.55	149.40	147.55	150.57
Tier I Leverage Capital / Average Assets YTD (%)	11.78	11.99	12.22	11.78	12.22	12.05
Return on Average Assets (%)	0.46	0.70	0.57	0.58	0.57	0.56
Return on Average Equity (%)	3.98	5.94	4.58	4.96	4.58	4.58
Profitability						
Net interest income ($)	65,038	64,185	67,761	129,223	135,573	265,421
(Provision) credit for loan losses ($)	(6,000)	3,000	4,000	(3,000)	6,000	10,000
Net interest income after credit for loan losses ($)	59,038	67,185	71,761	126,223	141,573	275,421
Non-Interest income ($)	8,947	11,930	4,906	20,877	9,582	20,464
Non-interest expense ($)	(49,558)	(47,320)	(50,727)	(96,878)	(98,707)	(193,673)
Income before income taxes ($)	18,427	31,795	25,940	50,222	52,448	102,212
Income tax expense ($)	(1,170)	(6,153)	(5,810)	(7,323)	(11,985)	(21,975)
Net income ($)	17,257	25,642	20,130	42,899	40,463	80,237
Net interest margin (%)	1.81	1.82	1.97	1.81	1.97	1.92
Non-interest expense to average assets (%)	1.33	1.30	1.43	1.31	1.4	1.36
Asset Quality						
Non-Performing Assets/Assets (%)	0.40	0.41	0.56	0.40	0.56	0.50
Reserves/Loans (%)	0.33	0.28	0.31	0.33	0.31	0.29

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Loan Performance

Strong Lending Standards

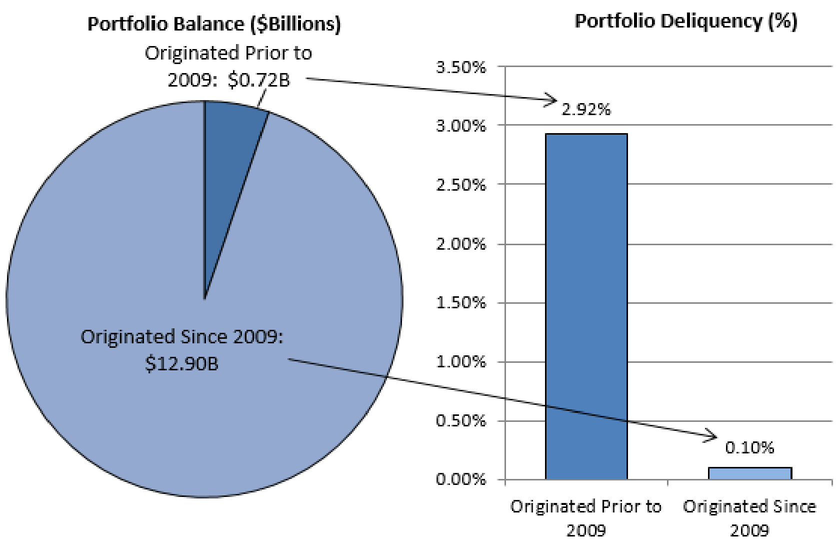
- No risk-based pricing. No incentive pay. Our principal philosophy has been to create successful homeownership, which is evident in our customer's ability to repay as well as our product offerings and their features.
- There has been net recoveries in each of the past three fiscal years. For FY 2017 through the quarter ended 3/31/20, recoveries have exceeded total charge-offs, resulting in net loan recoveries of $16.2 million.
- Of the total recorded balance of loans at 3/31/20, 94.7% were originated since 2009; and for those loans originated since 2009, the average FICO score was 769 and the average LTV was 63%.
- For all active accounts as of 3/31/20, first mortgage loans had an average FICO score of 759 and average LTV of 68% and HELOCs had an average FICO score of 766 and average LTV of 62%.

Minimal Delinquencies

- Delinquency rate of 0.10% on the $12.90 billion of loans originated since 2009.
- As of 3/31/20 entire $13.62 billion loan portfolio carries a 0.25% delinquency rate.

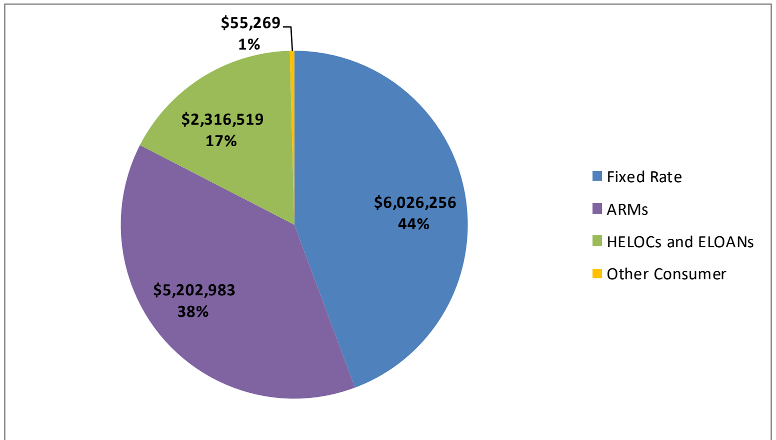
Mortgage Forbearance from COVID-19

- As of 4/27/20, 1,371 accounts in forbearance plans represents $215.5 million in unpaid principal balance or 1.61% of total loans.
- The provision for loan losses was $6.0 million for the quarter ended 3/31/20 mainly to cover potential future losses related to COVID-19.

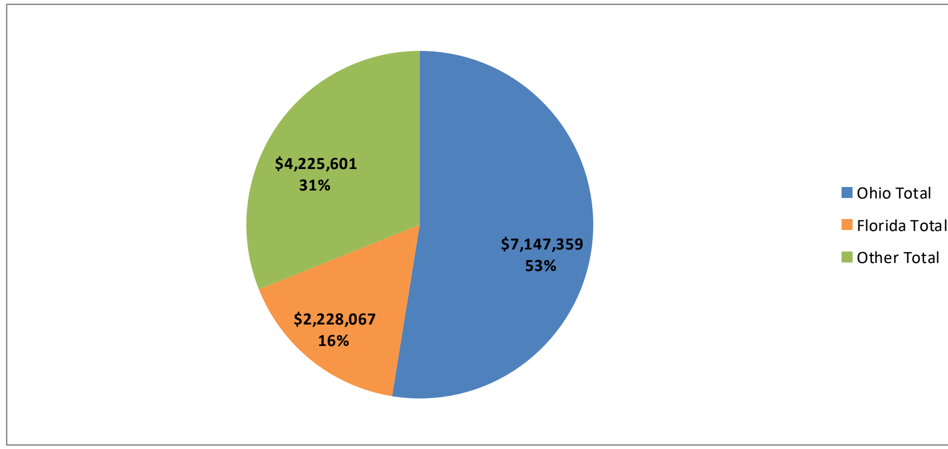


Loan Composition by Product and State

Loan Balances (Held for Investment)



Geographic Breakdown of Loan Balances



Loan Balance ($000)	Balance[1]	% of Total	Yield[1]
Fixed Rate			
Terms ≤ 10 yrs	$ 1,380,384	10.1%	2.96%
Terms > 10 yrs	$ 4,645,872	34.2%	3.99%
Total Fixed	$ 6,026,256	44.3%	3.75%
ARMs	$ 5,202,983	38.3%	3.16%
HELOCs and ELOANs	$ 2,316,519	17.0%	2.59%
Other Consumer	$ 55,269	0.4%	3.59%
Total Loans Receivable (HFI)	**$ 13,601,027**	**100%**	**3.33%**

Loan Balance ($000)	Balance[1]	Fixed Rate Balance	% of Total	Yield[1]
1st Lien Residential				
Ohio	$ 6,409,755	$ 4,525,701	47.1%	3.67%
Florida	$ 1,783,099	$ 695,838	13.1%	3.45%
Other	$ 3,036,385	$ 804,717	22.3%	3.10%
Total 1st Lien Residential	$ 11,229,239	$ 6,026,256	82.5%	3.48%
HELOCs and ELOANs:				
Ohio	$ 686,604	$ 55,011	5.1%	2.66%
Florida	$ 441,711	$ 33,838	3.2%	2.61%
California	$ 382,065	$ 21,432	2.8%	2.63%
Other	$ 806,139	$ 15,597	6.0%	2.49%
Total HELOCs and ELOANs	$ 2,316,519	$ 125,878	17.1%	2.59%
Other Consumer	$ 55,269	$ 55,269	0.4%	3.59%
Total Loans Receivable (HFI)	**$ 13,601,027**	**$ 6,207,403**	**100%**	**3.33%**

[1] As of 3/31/20

Average Loan Yield for the three months ended 3/31/20 was 3.42%

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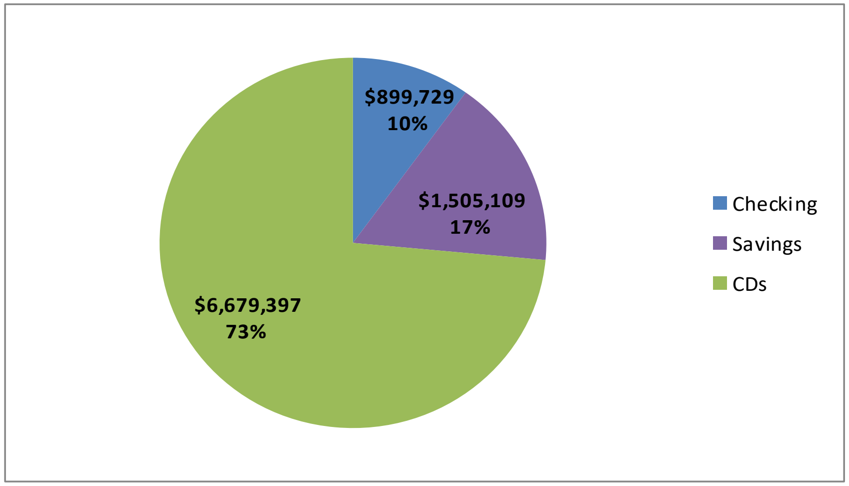
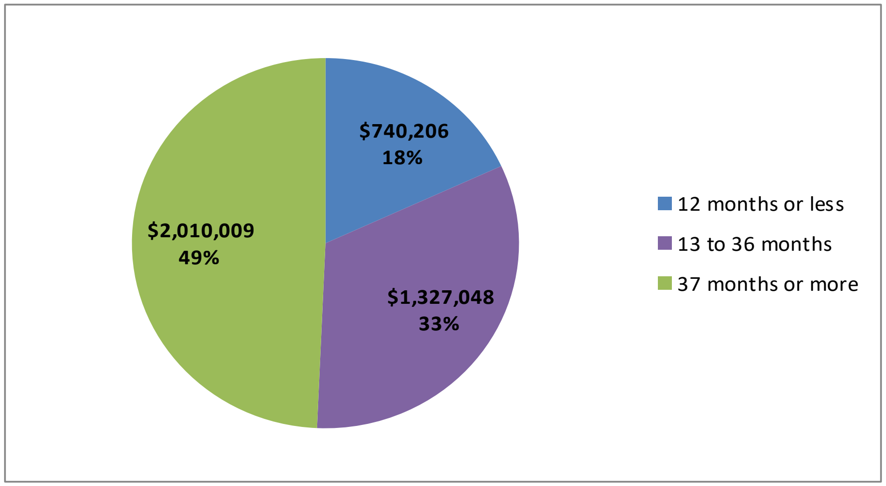
Strong Deposit Funding Base Supplemented by Wholesale Borrowings

Deposit Composition



Borrowings Composition



Deposit Type ($000)	Balance[1]	% of Total	Weighted Avg Cost of Funds
Interest Bearing:			
Checking	$ 899,729	9.9%	0.13%
Savings	$ 1,505,109	16.6%	0.31%
CDs[3]	$ 6,679,397	73.5%	2.03%
Total Deposits[4]	**$ 9,084,235**	**100%**	**1.55%**

Borrowings ($000)	Balance[1,2]	% of Total	Weighted Avg Cost of Funds[1,2]
Maturing in:			
12 months or less[2]	$ 740,206	18.2%	0.72%
13 to 36 months	$ 1,327,048	32.5%	1.74%
37 months or more	$ 2,010,009	49.3%	1.92%
Total Borrowings[4]	**$ 4,077,263**	**100%**	**1.65%**

[1] As of 3/31/20

[2] The blended balance and rate for FHLB borrowings include the impact of the associated swap hedges. Notional value of the swap portfolio was $3.00 billion at 3/31/20.

[3] Weighted Average Maturity (WAM) of the CD portfolio, including brokered CDs, was 17.07 months.

[4] Balance(s) exclude deferred repayment penalties and accrued interest.

Average Cost of Interest Bearing Liabilities for the three months ended 3/31/20 was 1.68%

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Forward-Looking Statements

This presentation contains forward-looking statements, which can be identified by the use of such words as estimate, project, believe, intend, anticipate, plan, seek, expect and similar expressions. These forward-looking statements include, among other things:

- statements of our goals, intentions and expectations;
- statements regarding our business plans and prospects and growth and operating strategies;
- statements concerning trends in our provision for loan losses and charge-offs;
- statements regarding the trends in factors affecting our financial condition and results of operations, including asset quality of our loan and investment portfolios; and
- estimates of our risks and future costs and benefits.

These forward-looking statements are subject to significant risks, assumptions and uncertainties, including, among other things, the following important factors that could affect the actual outcome of future events:

- significantly increased competition among depository and other financial institutions;
- inflation and changes in the interest rate environment that reduce our interest margins or reduce the fair value of financial instruments;
- general economic conditions, either globally, nationally or in our market areas, including employment prospects, real estate values and conditions that are worse than expected;
- the strength or weakness of the real estate markets and of the consumer and commercial credit sectors and its impact on the credit quality of our loans and other assets;
- decreased demand for our products and services and lower revenue and earnings because of a recession or other events;
- changes in consumer spending, borrowing and savings habits;
- adverse changes and volatility in the securities markets, credit markets or real estate markets;
- our ability to manage market risk, credit risk and operational risk;
- our ability to access cost-effective funding;
- legislative or regulatory changes that adversely affect our business, including changes in regulatory costs and capital requirements and changes related to our ability to pay dividends and the ability of Third Federal Savings, MHC to waive dividends;
- changes in accounting policies and practices, as may be adopted by the bank regulatory agencies, the Financial Accounting Standards Board or the Public Company Accounting Oversight Board;
- the adoption of implementing regulations by a number of different regulatory bodies, and uncertainty in the exact nature, extent and timing of such regulations and the impact they will have on us;
- our ability to enter new markets successfully and take advantage of growth opportunities, and the possible short-term dilutive effect of potential acquisitions or de novo branches, if any;
- our ability to retain key employees;
- future adverse developments concerning Fannie Mae or Freddie Mac;
- changes in monetary and fiscal policy of the U.S. Government, including policies of the U.S. Treasury and the FRS and changes in the level of government support of housing finance;
- the continuing governmental efforts to restructure the U.S. financial and regulatory system;
- the ability of the U.S. Government to remain open, function properly and manage federal debt limits;
- changes in policy and/or assessment rates of taxing authorities that adversely affect us or our customers;
- changes in accounting and tax estimates;
- changes in our organization, or compensation and benefit plans and changes in expense trends (including, but not limited to trends affecting non-performing assets, charge-offs and provisions for loan losses);
- the inability of third-party providers to perform their obligations to us;
- a slowing or failure of the prevailing economic recovery;
- cyber attacks, computer viruses and other technological risks that may breach the security of our websites or other systems to obtain unauthorized access to confidential information, destroy data or disable our systems.
- the impact of wide-spread pandemic, including COVID-19, on our business and the economy.

Because of these and other uncertainties, our actual future results may be materially different from the results indicated by any forward-looking statements. Any forward-looking statement made by us in this report speaks only as of the date on which it is made. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future developments or otherwise, except as may be required by law.

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