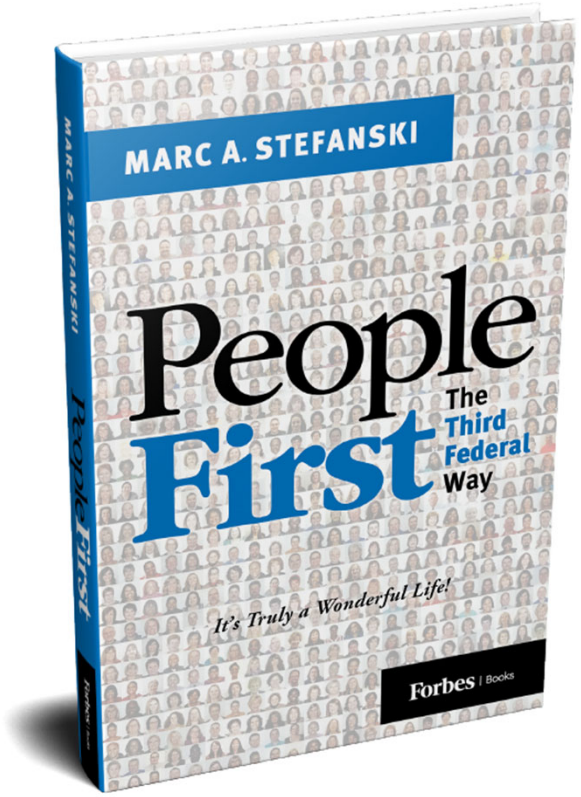
Third Federal®
SAVINGS & LOAN



For the quarter ended

September 30, 2025

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

2025 87th year of service

TFSL Shareholder Ownership

	# of shares	% of Ownership
As of Sep 30, 2025		
Owned by Third Federal MHC	227,119,132	80.94%
Owned by Minority Shareholders	53,471,365	19.06%
Total shares outstanding	**280,590,497**	**100.00%**
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%**
Cumulative Minority Shares Repurchased (net of benefit plan re-issuance)	***51,728,253***	***49.17%***

Financial Summary

	At or For Quarter Ended	
	Sep 30, 2025	**Jun 30, 2025**
Assets	$17.46B	$17.38B
Deposits	$10.45B	$10.34B
Shareholders' Equity	$1.89B	$1.89B
Tier I Capital to Avg Assets	10.76%	10.86%
Market Capitalization	$3.70B	$3.64B
Net Income for Fiscal Quarter	$26.0M	$21.5M

ThirdFederal® SAVINGS & LOAN

TFSL Stock Ownership – Why Invest?

Strong Dividend

- Current annualized dividend of $1.13 per share represents 8.57% yield based on stock price of $13.18 at 9/30/25.
- Dividend paid to minority shareholders only, subject to regulation requiring MHC annual dividend waiver vote. On 7/8/25, 59% of MHC eligible votes were cast and 97% approved the dividend waiver through July 8, 2026[1].
- Total dividends paid represents 65.60% and 74.11% of net income for the fiscal year ended 9/30/25 and for the fiscal year ended 9/30/24.

High Capital Levels

- Tier I Capital to Average Assets = 10.76%.
- Total Risk-Based Capital = 18.46%.
- "Well-Capitalized" levels are 5% and 10%, respectively.

Quality Loan Portfolio

- $427.9 million of first mortgage loans originated/acquired at a yield of 6.43% for the quarter ended 9/30/25.
- Unpaid principal balance of mortgage loans serviced for others of $2.13 billion at 9/30/25.
- Delinquency rate of 0.22% on $15.66 billion loan portfolio; reported net recoveries in each of last eight fiscal years.
- Average FICO score of 776 and average LTV of 71% for first mortgage loans originated during the quarter ended 9/30/25.
- Geographical diversification by offering products in 28 states and D.C.

MHC Structure[2] and Value to 19% Minority Shareholders

- GAAP Book Value Per Share[3] of $6.75 but Book Value Per Minority Share[4] of $35.42.
- For last 4 quarters, GAAP Earnings Per Share[5] of $0.32 but Earnings Per Minority Share[6] of $1.70.

1 - Regulation MM requires annual dividend waiver vote subject to annual non-objection by the Federal Reserve Board. The FRB has completed its normal review process for the July 8, 2025 dividend waiver with no objections.

2 - An MHC structure is unique in the banking industry, in that public shareholders own a minority of the outstanding shares publicly issued, whereas the majority shares issued and held by the MHC are still owned by a mutual entity, with such shares not having been purchased by the public, resulting in no contribution to a company's book value or earnings potential. The 227,119,132 shares owned by the MHC have not been offered for sale to the public.

3 - Book value per Share based on Total Shareholders' Equity of $1.89B divided by the total share count of 280,590,497 at 9/30/25.

4 - Book value per Minority Share based on Total Shareholders' Equity of $1.89B divided by minority share count of 53,471,365 at 9/30/25.

5 - Earnings per Share based on Total Net Income of $90.9M for most recent 4 quarters divided by total share count of 280,590,497 at 9/30/25.

6 - Earnings per Minority Share based on Total Net Income of $90.9M for most recent 4 quarters divided by minority share count of 53,471,365 at 9/30/25.

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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 certificates of deposit.
- **Loyal deposit customer base** provides stability to funding approach with 96.3% of the $10.08 billion in deposits covered by FDIC insurance.
- **High average deposits per branch** ($282 million) and assets per associate ($18.3 million) generate efficiencies.
- **Physical presence** in Ohio (21 full-service branches, 2 loan origination offices) and Florida (15 full-service branches), and first mortgage loan origination and home equity products in 28 states and the District of Columbia through our online offering and customer care center.
- **Value-based mission** serves our principal philosophy to create successful home ownership, which is evident by our customers' abilty to repay as well as our product offerings and features. Mortgage loans and home equity products are originated using our underwriting standards via a network of non-commissioned Third Federal associates and strategic partnerships.
- **Stringent, conservative lending standards** used for underwriting, which reduces credit risk.
- **Strong capital levels**, combined with managed asset growth, allow us to drive long-term, sustainable earnings and support cash dividends.

ThirdFederal® SAVINGS & LOAN

Capital & Performance Highlights

	Fiscal Year Ended 9/30/25	Fiscal Year End (as of 09/30) 2024	2023	2022	2021	2020
Net Income (in 000s)	**$ 90,959**	$ 79,588	$ 75,250	$ 74,565	$ 81,007	$ 83,317
Earnings Per Share:						
-GAAP (includes shares held in MHC)	$ 0.32	$ 0.28	$ 0.27	$ 0.26	$ 0.29	$ 0.30
-Non-GAAP Per Minority Share [1]	$ 1.70	$ 1.48	$ 1.40	$ 1.36	$ 1.52	$ 1.59
-Dividends Paid Per Minority Share	**$ 1.13**	$ 1.13	$ 1.13	$ 1.13	$ 1.12	$ 1.11
Total Dividends Paid as % of Net Income	**66%**	74%	77%	78%	70%	67%
Book Value Per Share:						
-GAAP (includes shares held in MHC)	$ 6.75	$ 6.63	$ 6.87	$ 6.57	$ 6.17	$ 5.91
-Non-GAAP Per Minority Share [1]	$ 35.42	$ 34.70	$ 36.20	$ 34.50	$ 32.29	$ 31.22
Dividends Paid (in 000s) [2,3]	$ 59,672	$ 58,980	$ 58,313	$ 58,175	$ 57,101	$ 55,465
Repurchase of Common Stock (in 000s)	$ 3,234	$ -	$ 5,000	$ 5,049	$ -	$ 378
Total Usage of Capital (in 000s)	$ 62,906	$ 58,980	$ 63,313	$ 63,224	$ 57,101	$ 55,843
First Mortgage Loans Originated and Acquired (in 000s)	**$ 1,188,066**	$ 854,247	$ 1,855,045	$ 3,645,983	$ 3,627,827	$ 3,077,798
-Loans sold and commitments to sell loans	$ 422,132	$ 237,106	$ 77,206	$ 128,118	$ 762,332	$ 844,293
Commitments Originated for ELOCS (in 000s)	**$ 2,139,778**	$ 1,913,485	$ 1,438,576	$ 2,011,597	$ 1,653,749	$ 1,225,829
Equity and Bridge Loan Originations (in 000s)	**$ 380,585**	$ 364,279	$ 264,930	$ 144,746	$ 88,393	$ 93,628
Tier I Leverage Capital to Net Average Assets:						
- TFS Financial Corporation	10.76%	10.89%	10.96%	11.66%	12.65%	11.88%
- Third Federal Savings (Thrift)	10.11%	10.11%	9.82%	10.33%	11.15%	10.39%
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]	53,471,365	53,591,722	53,240,041	53,463,609	53,642,167	53,030,874
Total Shareholders	280,590,497	280,710,854	280,359,173	280,582,741	280,761,299	280,150,006

1 - An MHC structure is unique in the banking industry, in that public shareholders own a minority of the outstanding shares publicly issued, whereas the majority shares issued and held by the MHC are still owned by a mutual entity, with such shares not having been purchased by the public, resulting in no contribution to a company's book value or earnings potential. The 227,119,132 shares owned by the MHC have not been offered for sale to the public.

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 2,166,696 shares at 9/30/2025) are applied to the ESOP loan balance.

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Capital Deployment

- **Dividends, managed portfolio growth, and strategic share repurchases** will represent the focus for future capital deployment.
- $427.9 million in First Mortgages, $531.6 million in Home Equity Lines of Credit, and $113.9 million in Equity and Bridge Loans were **originated and acquired** during the quarter ended 9/30/25.
- MHC member vote on 7/8/25 **approved dividend waiver** up to $1.13 through July 8, 2026; 97% of members voting elected "yes" in favor of the dividend waiver[1].
- **8th buyback program** (for 10M shares) began January 2017, and 5,055,914 have been purchased through 9/30/25.
- **Additional capital of $150.6M** held at TFS Financial Corporation at 9/30/25, which is separate from Thrift.

"Well-Capitalized"

- Tier 1 Leverage Ratio of 10.76%
  (Well-Capitalized defined as 5%)

Managed Growth

- 2-Year Compound Annual Growth Rate (CAGR) of 2.1%

Committed Dividend

- $1.13 Annualized Dividend Per Share

Improved Earnings

- $1.70 Non-GAAP EPS[2]
  (Up 15% from prior year)

Reinstituted Buybacks

- 190k shares repurchased in current quarter
- 245k shares repurchased YTD

Attractive Dividend Yield

- 8.57% at September 30th price of $13.18

1 – Regulation MM requires annual dividend waiver vote subject to annual non-objection by the Federal Reserve Board. The FRB has completed its normal review process for the July 8, 2025 dividend waiver with no objections.
2 - Refer to the non-GAAP disclosures on page 3.

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Financial Highlights

(Dollars in Thousands)	As of or for the three months ended			As of or for the fiscal year ended	
	9/30/2025	6/30/2025	9/30/2024	9/30/2025	9/30/2024
Balance Sheet					
Assets ($)	17,456,564	17,375,666	17,090,785	17,456,564	17,090,785
Net loans, including held for sale ($)	15,659,460	15,591,275	15,339,834	15,659,460	15,339,834
Deposits ($)	10,446,968	10,341,499	10,195,079	10,446,968	10,195,079
Common equity ($)	1,893,924	1,888,006	1,862,624	1,893,924	1,862,624
Balance Sheet Ratios					
Loans/Deposits (%)	149.89	150.76	150.46	149.89	150.46
Tier I Leverage Capital / Average Assets YTD (%)	10.76	10.86	10.89	10.76	10.89
Return on Average Assets (%)	0.60	0.50	0.43	0.53	0.47
Return on Average Equity (%)	5.42	4.49	3.81	4.74	4.12
Profitability					
Net interest income ($)	77,323	74,994	68,715	292,694	278,458
Provision (release) for credit losses ($)	1,000	1,500	(1,000)	2,500	(1,500)
Net interest income after provision for credit losses	76,323	73,494	67,715	290,194	279,958
Non-Interest income ($)	8,161	7,048	6,420	28,780	24,702
Non-interest expense ($)	(52,045)	(53,185)	(51,084)	(204,259)	(204,347)
Income before income taxes ($)	32,439	27,357	23,051	114,715	100,313
Income tax expense ($)	(6,440)	(5,844)	(4,836)	(23,756)	(20,725)
Net income ($)	25,999	21,513	18,215	90,959	79,588
Net interest margin (%)	1.84	1.81	1.67	1.76	1.69
Non-interest expense to average assets (%)	1.20	1.24	1.20	1.20	1.20
Asset Quality					
Non-Performing Assets/Assets (%)	0.23	0.22	0.20	0.23	0.20
Reserves/Loans (%)[1]	0.67	0.66	0.64	0.67	0.64

1 -The Reserves/Loans ratio at 9/30/25 includes a $30.1 million liability for unfunded commitments. The total allowance for credit losses was $104.4 million at 9/30/25.

ThirdFederal® SAVINGS & LOAN

Loan Performance & Originations

Strong Lending Standards

- Net recoveries were recorded each of the past eight fiscal years for a cumulative total of $46.0 million. Net recoveries were $4.0 million for the fiscal year ended 9/30/25. Net recoveries of $4.7 million for FY 2024 compared to $6.4 million for FY 2023 and $9.7 million for FY 2022.
- For all active accounts as of 9/30/25, mortgage loans had an average FICO score of 762 and average LTV of 68% and HELOCs had an average FICO score of 768 and average combined LTV of 60%.

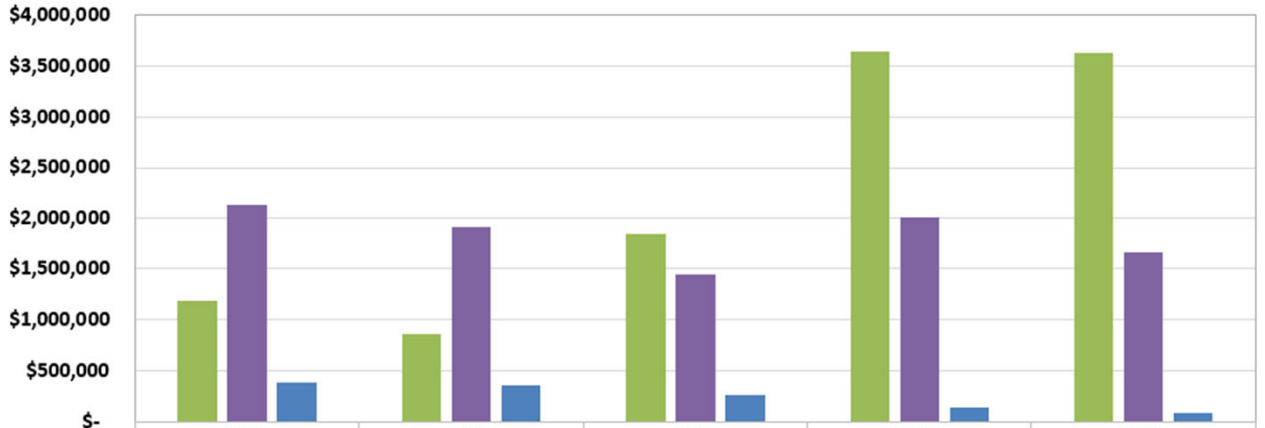
Minimal Delinquencies

- Delinquency rate of 0.21% on $15.66 billion loan portfolio as of 9/30/25.
- The provision for credit losses was $1.0 million for the three months ended 9/30/25. The total allowance for credit losses at 9/30/25 was $104.4 million, which increased $2.0 million during the quarter, and includes reserves of $30.1 million for undrawn commitments.

Originated and Acquired History

- First mortgage loans originated and acquired were $1.19 billion for the fiscal year ended 9/30/25, $854.2 million for the fiscal year ended 9/30/24, $1.86 billion for FY 2023, and $3.65 billion for FY 2022.
- Commitments originated for HELOCs were $2.14 billion for the fiscal year ended 9/30/25, $1.91 billion for the fiscal year ended 9/30/24, $1.44 billion for FY 2023, and $2.01 billion for FY 2022.
- Equity and bridge loan originations were $380.6 million for the fiscal year ended 9/30/25, $364.3 million for the fiscal year ended 9/30/24, $264.9 million for FY 2023, and $144.7 million for FY 2022.

Loan Originations (for Fiscal Year Ended)

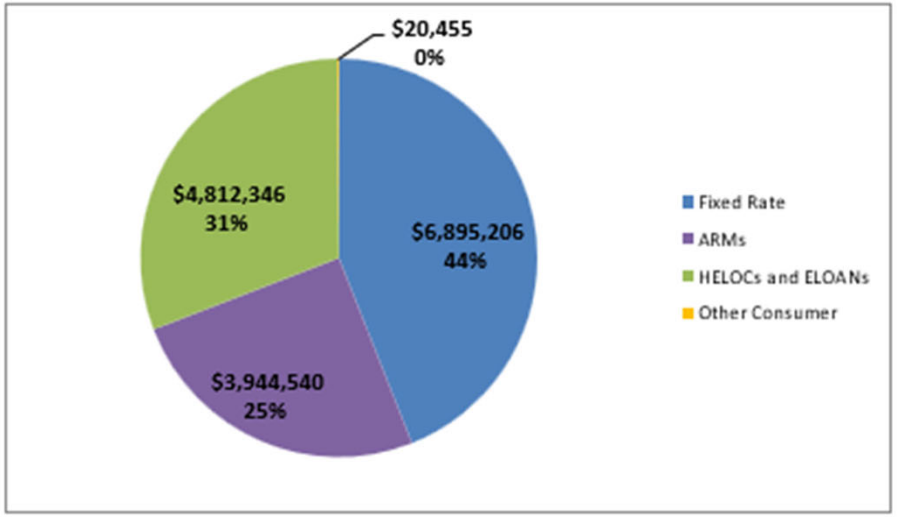


	2025	2024	2023	2022	2021
First Mortgage Loans Originated/Acquired (in 000s)	$1,188,066	$854,247	$1,855,045	$3,645,983	$3,627,827
Commitments Originated for ELOCS (in 000s)	$2,139,778	$1,913,485	$1,438,576	$2,011,597	$1,653,749
Equity and Bridge Loan Originations (in 000s)	$380,585	$364,279	$264,930	$144,746	$88,393

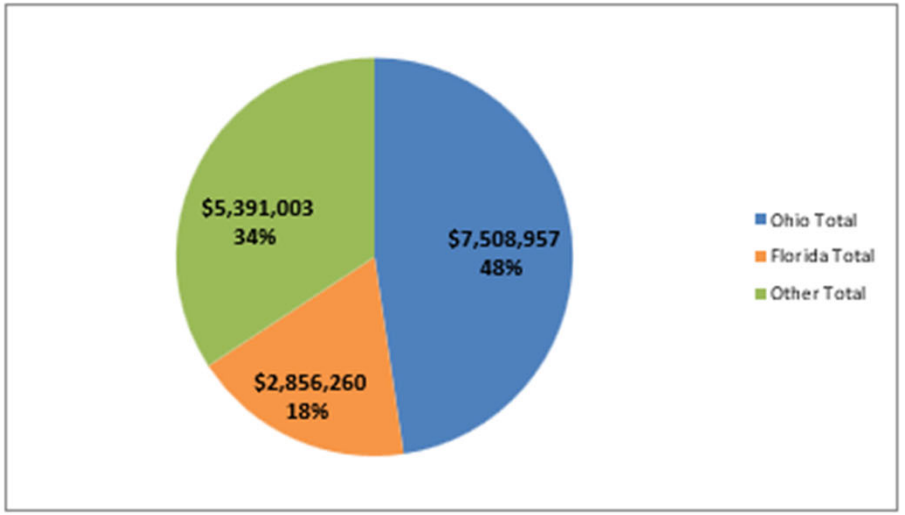
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Loan Composition by Product and State

Loan Balances by Product Type (Held for Investment)



Geographic Breakdown of Loan Balances



Loan Balance ($000)	Balance[1]	% of Total	Yield[1]
Fixed Rate			
Terms ≤ 10 yrs	$ 623,413	4.0%	2.68%
Terms > 10 yrs	$ 6,271,793	40.0%	4.25%
Total Fixed	$ 6,895,206	44.0%	4.11%
ARMs	$ 3,944,540	25.2%	3.72%
HELOCs and ELOANs	$ 4,812,346	30.7%	6.52%
Other Consumer	$ 20,455	0.1%	6.29%
Total Loans Receivable (HFI)	**$ 15,672,547**	**100%**	**4.76%**

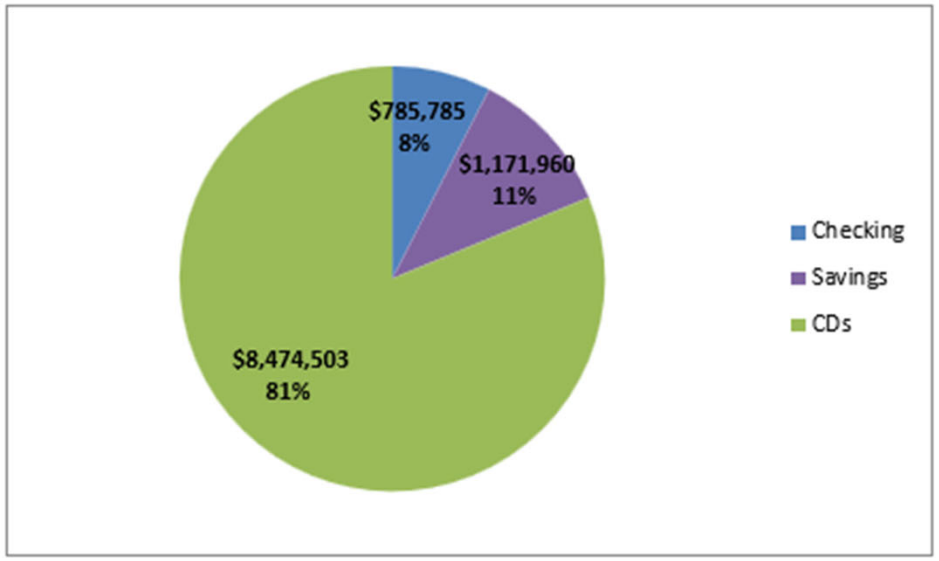
Loan Balance ($000)	Balance[1]	% of Total	Yield[1]
1st Lien Residential			
Ohio	$ 6,338,448	40.4%	4.06%
Florida	$ 1,813,455	11.6%	3.75%
widely distributed	$ 2,687,843	17.2%	3.97%
Total 1st Lien Residential	$ 10,839,746	69.2%	3.99%
HELOCs and ELOANs:			
Ohio	$ 1,077,032	6.9%	6.46%
Florida	$ 1,034,440	6.6%	6.47%
California	$ 818,639	5.2%	6.53%
widely distributed	$ 1,882,235	12.0%	6.58%
Total HELOCs and ELOANs	$ 4,812,346	30.7%	6.52%
Other Consumer	$ 20,455	0.1%	6.29%
Total Loans Receivable (HFI)	**$ 15,672,547**	**100%**	**4.76%**

1- As of 9/30/25. Balances exclude loans in process, deferred loan expenses, and the allowance for credit losses on loans.

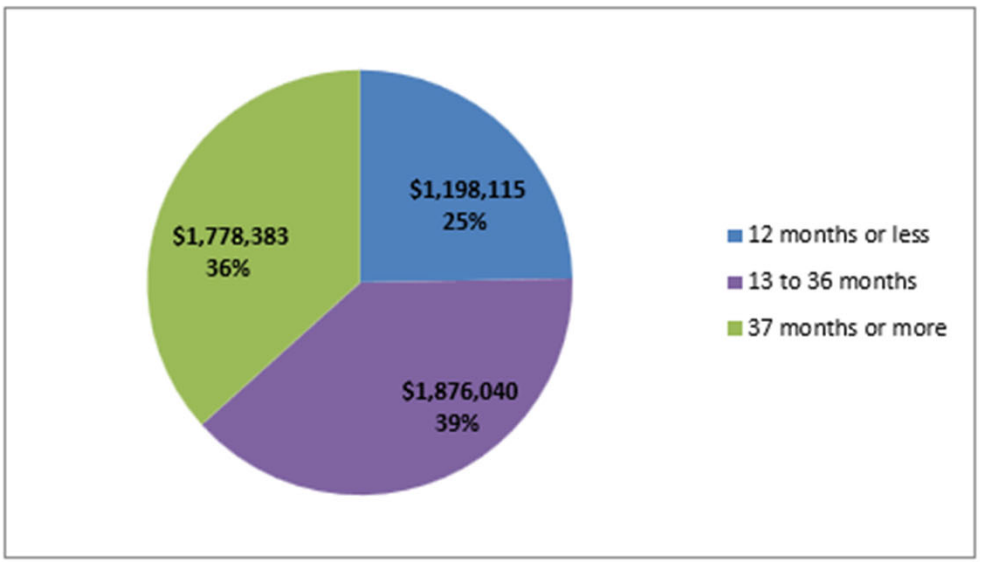
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Strong Deposit Funding Base Supplemented by Wholesale Borrowings

Deposit Composition



Borrowings Composition



Deposit Type ($000)	Balance[1]	% of Total	Weighted Avg Cost of Funds
Interest Bearing:			
Checking	$ 785,785	7.5%	0.09%
Savings	$ 1,171,960	11.2%	1.16%
CDs[2,3]	$ 8,474,503	81.3%	3.56%
Total Deposits[4]	**$10,432,248**	**100%**	**3.03%**

Borrowings ($000)	Balance[1,2]	% of Total	Weighted Avg Cost of Funds[1,2]
Maturing in:			
12 months or less	$ 1,198,115	24.7%	3.32%
13 to 36 months	$ 1,876,040	38.7%	3.53%
37 months or more	$ 1,778,383	36.6%	3.47%
Total Borrowings[4]	**$ 4,852,538**	**100%**	**3.46%**

1 - As of 9/30/25.

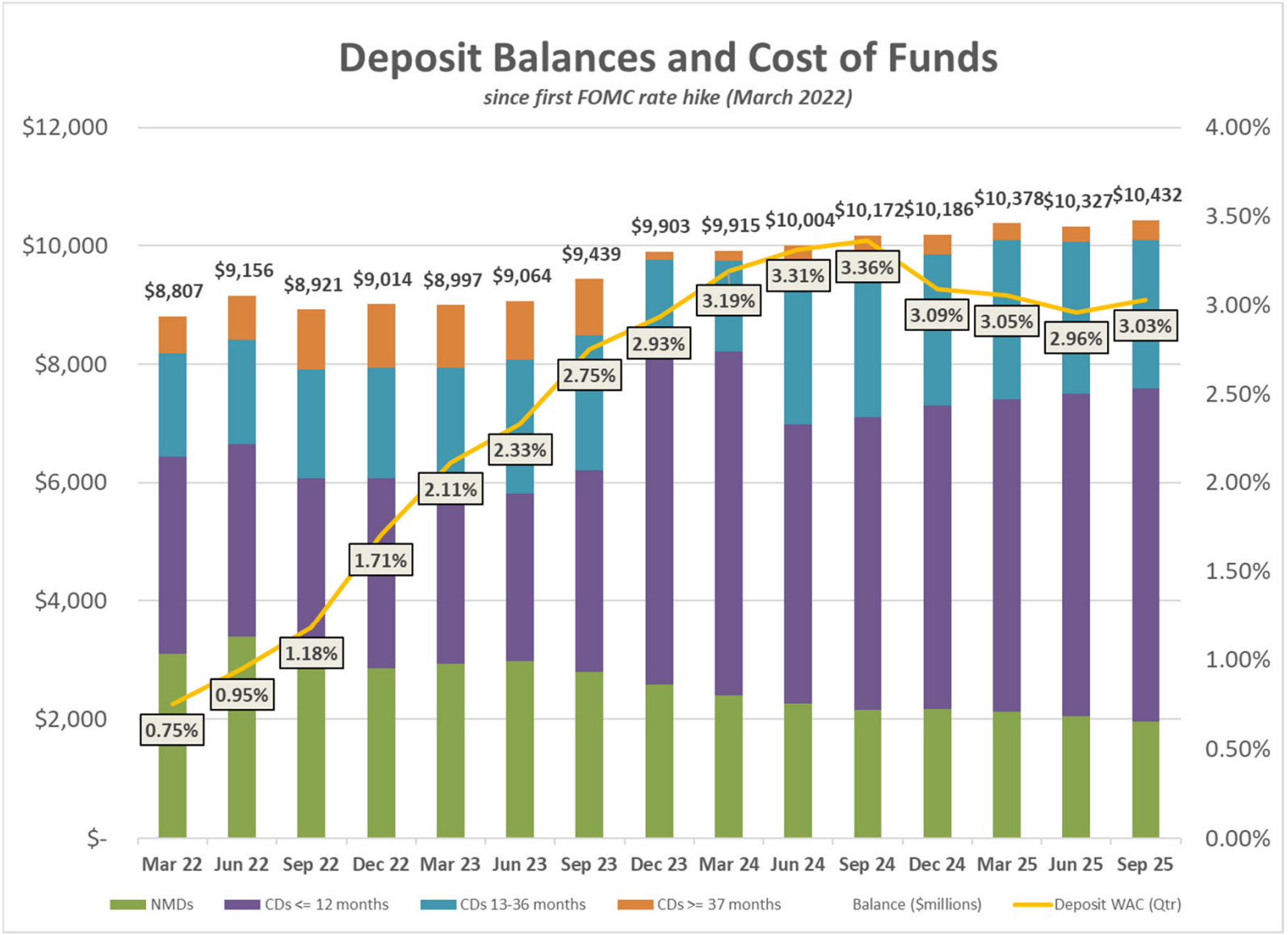
2 - The blended balance and rate for FHLB borrowings and CDs include the impact of the associated swap hedges. The Swap book holds a notional value of $3.58 billion with $3.00 billion hedged by FHLB borrowings and $575 million by Brokered CDs.

3 - Weighted Average Maturity (WAM) of the CD portfolio, including brokered CDs, was 10.6 months. $5.73 billion of the CD portfolio matures in the next twelve months.

4 - Balances exclude accrued interest.

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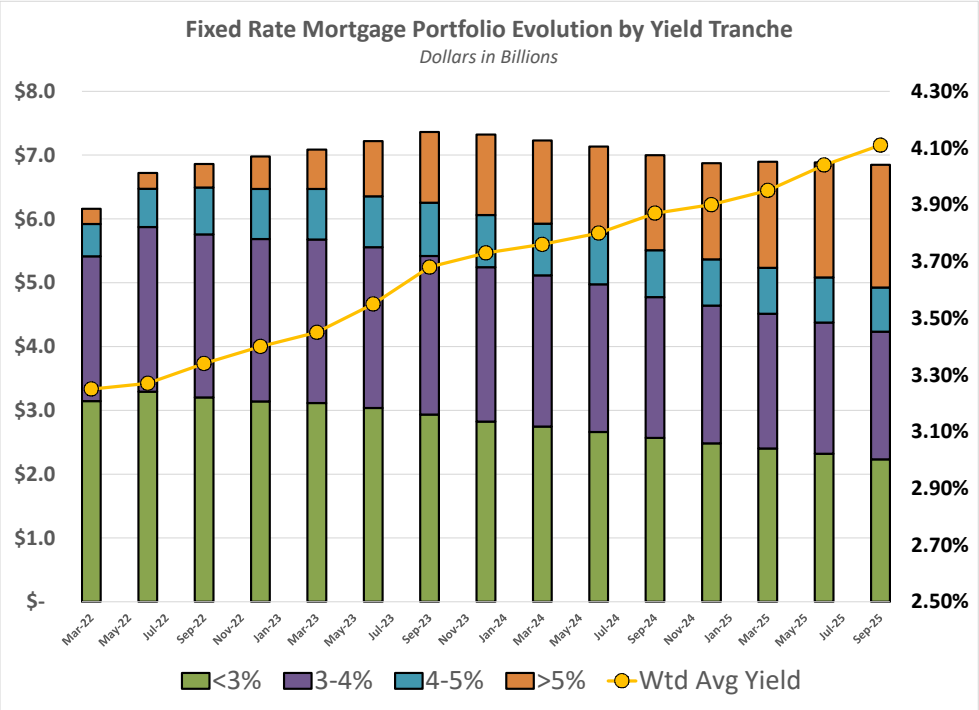
Historical Deposit Balances and Cost of Funds

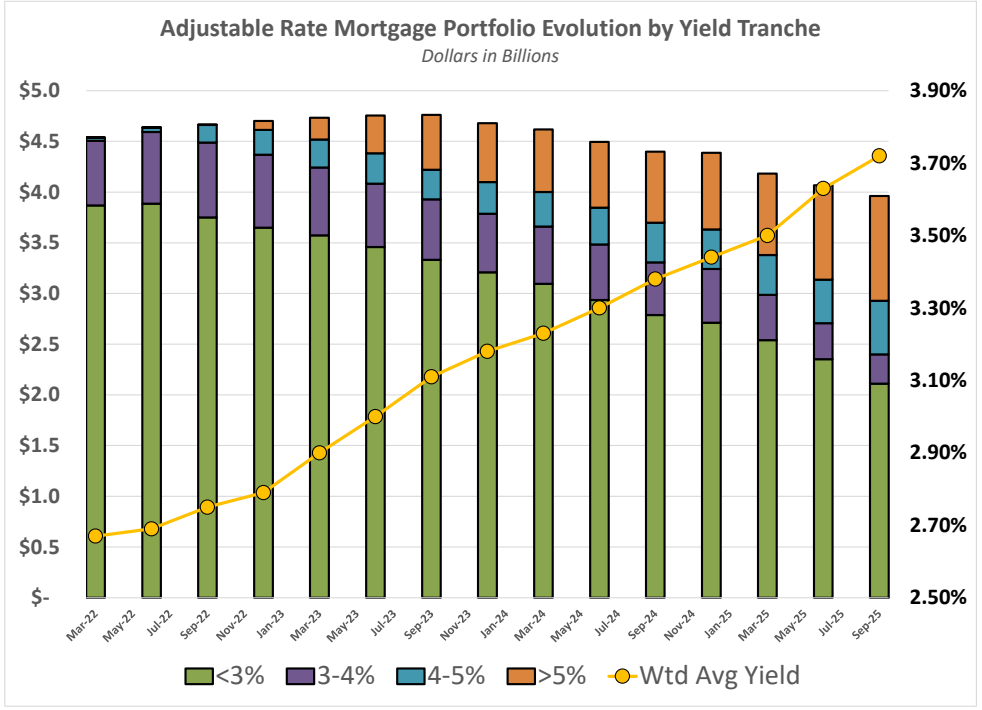


- Continued trend of growing balances with deposit cost of funds at 3.03% at fiscal year-end.
- Weighted Average Maturity (WAM) of the CD portfolio, including brokered CDs, was 10.6 months at 9/30/2025.
- $5.73 billion of the CD portfolio matures in the next twelve months.

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Historic Loan Balances and Yields





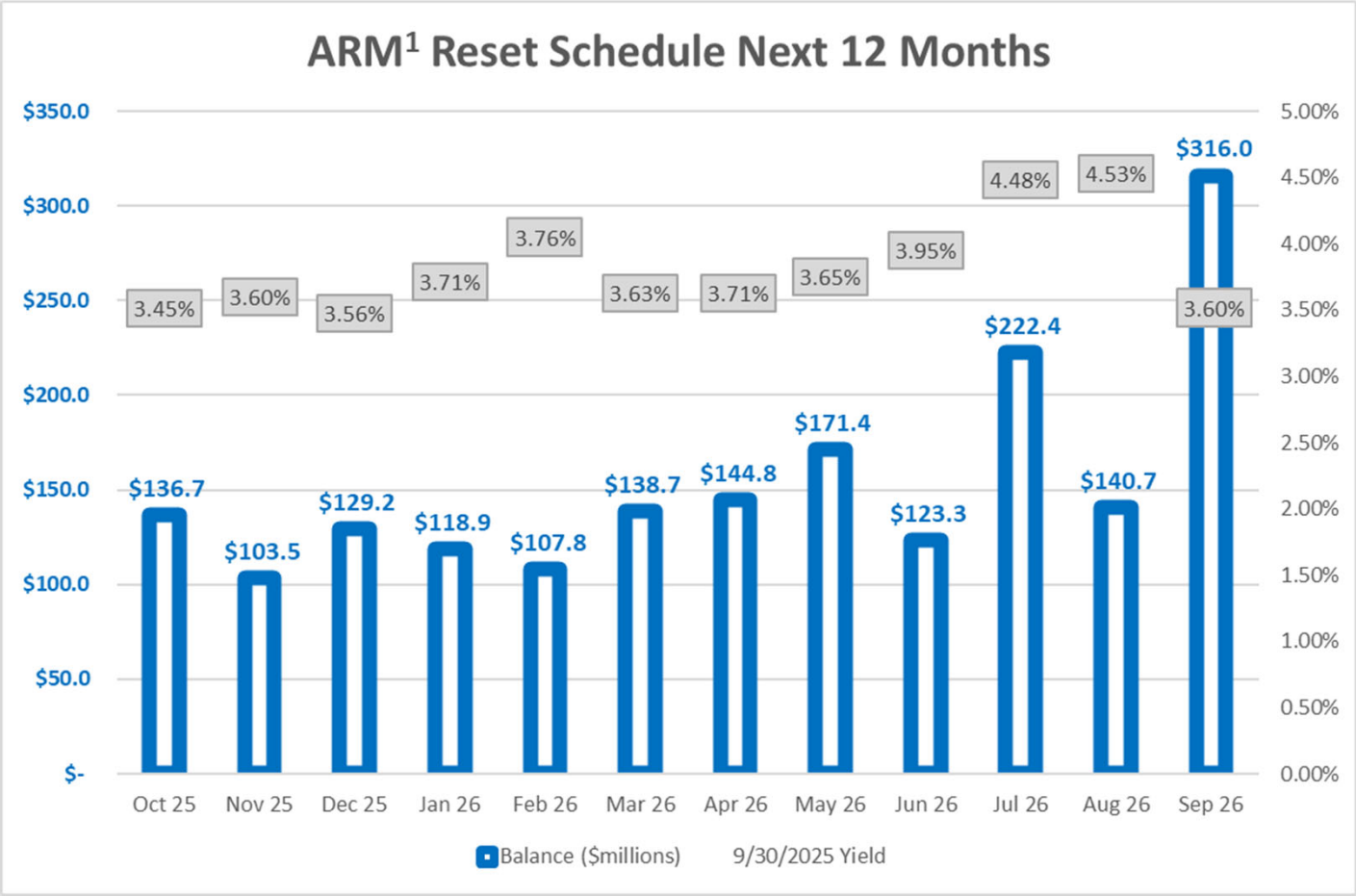
Yield Tranche	Then: Mar '22 Balance ($B)	Then: Mar '22 % of Portfolio	Now: Sep '25 Balance ($B)	Now: Sep '25 % of Portfolio
<3%	$ 3.2	51%	$ 2.3	33%
3-4%	$ 2.3	37%	$ 2.0	29%
4-5%	$ 0.5	8%	$ 0.7	10%
>5%	$ 0.2	4%	$ 1.9	28%
	$ 6.2		$ 6.9	
Wtd Avg Yield	3.25%	→	4.11%	

Yield Tranche	Then: Mar '22 Balance ($B)	Then: Mar '22 % of Portfolio	Now: Sep '25 Balance ($B)	Now: Sep '25 % of Portfolio
<3%	$ 3.9	85%	$ 2.1	52%
3-4%	$ 0.6	14%	$ 0.3	7%
4-5%	$ 0.0	1%	$ 0.6	15%
>5%	$ 0.0	0%	$ 1.0	26%
	$ 4.5		$ 4.0	
Wtd Avg Yield	2.67%	→	3.72%	

Loan Portfolio yields continue to appreciate as low yields pay down and higher yields originate.

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ARM Interest Rate Reset Outlook



- Total ARMs resetting in the next 12 months is $1.85 billion with an average yield of 3.82%. The remaining $2.09 billion of ARMs with an average yield of 3.64% are resetting in 13+ months.
- Smart ARM originations are being priced as follows as of FYE: 5.89% for 5/1 30 year product and 5.69% for 5/1 15 year product.
- Reset rates are based upon a contractual spread or margin linked to the Prime Rate. The current Prime Rate is 7.25%.
- Recent activity shows approximately 60% of ARMs reset, 30% re-locked, and 10% refinanced (within Third Federal or another institution).

1 - The Smart Rate Adjustable-Rate Mortgage (ARM) loan products amortize over a period of up to 30 years and are fixed for an initial period of three or five years, after which the interest rate generally resets every year based upon a contractual spread or margin linked to the Prime Rate. All ARM loans have initial and periodic caps of two percentage points on interest rate changes, with a cap of six percentage points for the life of the loan. The borrower is allowed to re-lock the rate an unlimited number of times at current lending rates, for another three or five years.

ThirdFederal® SAVINGS & LOAN

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 credit losses and charge-offs on loans and off-balance sheet exposures;
- statements regarding the trends in factors affecting our financial condition and results of operations, including credit 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, including with respect to our ability to charge overdraft fees;
- inflation and changes in the interest rate environment that reduce our interest margins or reduce the fair value of financial instruments, or our ability to originate loans;
- 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, and changes in estimates of the allowance for credit losses;
- 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, including prepayment speeds on loans;
- adverse changes and volatility in the securities markets, credit markets or real estate markets;
- our ability to manage market risk, credit risk, liquidity risk, reputational risk, and regulatory and compliance 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, the Federal Reserve System, Fannie Mae, the OCC, FDIC, and others and the effects of tariffs and retaliatory actions;
- the continuing governmental efforts to restructure the U.S. financial and regulatory system;
- the effects of the current federal government shutdown;
- 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 credit losses);
- the inability of third-party providers to perform their obligations to us;
- the effects of global or national war, conflict or acts of terrorism;
- civil unrest;
- 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; and
- the impact of wide-spread pandemic, including COVID-19, and related government action, 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. Please see Part II Other Information Item 1A. Risk Factors in our annual and quarterly reports as filed with the SEC for a discussion of certain risks related to our business.

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