UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

DIVISION OF
CORPORATION FINANCE

November 22, 2011

Via E-mail
Marc A. Stefanski
Chairman of the Board, President
and Chief Executive Officer
TFS Financial Corporation
7007 Broadway Avenue
Cleveland, Ohio 44105

Re: TFS Financial Corporation
Form 10-K for the Fiscal Year Ended September 30, 2010
Filed November 24, 2010
Form 10-Q for the Quarterly Period Ended March 31, 2011
Filed May 9, 2011
Form 10-Q for the Quarterly Period Ended June 30, 2011
Filed August 9, 2011
File No. 001-33390

Dear Mr. Stefanski:

We have reviewed your filings and supplemental response and have the following comments. In some of our comments, we may ask you to provide us with information so we may better understand your disclosure

Please respond to this letter within ten business days by amending your filing, by providing the requested information, or by advising us when you will provide the requested response. Where we have requested changes in future filings, please include a draft of your proposed disclosures that clearly identifies new or revised disclosures. If you do not believe our comments apply to your facts and circumstances or do not believe an amendment is appropriate, please tell us why in your response.

After reviewing any amendment to your filing and the information you provide in response to these comments, including the draft of your proposed disclosures, we may have additional comments.

Form 10-Q for Quarterly Period Ended June 30, 2011
Note 4. Loans and Allowance for Loan Losses, page 9

1. We note your response to prior comment one in our letter dated October 26, 2011. We also note that your historical loss experience has not been significant and you rely on your market valuation allowance ("MVA") to capture the risks of the current economic, and housing and lending market trends. Please address the following:

- Tell us and revise to disclose in future filings whether you have experienced an upward fluctuation in your MVA in the past three fiscal years. Tell us which year the MVA balance peaked and discuss your expectations for the MVA going forward.

- Tell us and revise future filings to disclose in greater detail the MVA calculation and whether it is on a total portfolio basis and then allocated to each loan segment or if it is formulated initially on a portfolio segment basis.

- Please describe how the MVA fluctuated in FY2011 in total and the portion allocated to the home equity loan and line of credit portfolio. In your response address how the decline in total home equity loans and lines of credit past due and on nonaccrual status was considered.

- Tell us how you consider foreclosure actions received for borrowers in your home equity loan and line of credit portfolio that are not filed by the first lien holder. Describe where in the allowance for loan loss calculation this information is considered.

- Tell us whether you intend to revise your allowance for loan loss methodology for the home equity loan and lines of credit portfolio in the future. If so, describe the changes you anticipate making and how it may impact the allowance for loan losses.

2. We note your response to prior comment three in our letter dated October 26, 2011. Please revise future filings to disclose in detail the revisions and enhancements you intend to make to your allowance for loan loss methodology for TDRs, specifically the default rate factor. In your disclosure describe how the new default rate factor will be calculated and when you will implement these changes to your methodology.

You may contact Lindsay McCord at (202) 551-3417 or Stephanie Hunsaker, Senior Assistant Chief Accountant at (202) 551-3512 if you have questions regarding comments on the financial statements and related matters.

Sincerely,

/s/ Suzanne Hayes
Suzanne Hayes
Assistant Director