

PRESS RELEASE

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Contact: Breann Miller, Chief Financial Officer
Telephone: (740) 622-0444

**HOME LOAN FINANCIAL CORPORATION REPORTS
EARNINGS FOR THE QUARTER AND YEAR ENDED JUNE 30, 2016**

Coshocton, Ohio, July 27, 2016 – Home Loan Financial Corporation (OTCBB: HLFN), the parent company of The Home Loan Savings Bank, today announced net income of \$919,000, or \$0.66 basic and diluted earnings per share, for the quarter ended June 30, 2016 compared to net income of \$914,000, or \$0.65 basic and diluted earnings per share, for the quarter ended June 30, 2015, an increase of \$5,000, or 0.5%.

Net income for the year ended June 30, 2016 was \$3,209,000, or \$2.30 basic and diluted earnings per share, compared to \$2,932,000 for the year ended June 30, 2015, or \$2.10 basic and diluted earnings per share, an increase of \$277,000, or 9.4%.

This increase in earnings for the year ended June 30, 2016 compared with June 30, 2015 was primarily attributable to an increase in net interest income of \$505,000, partially offset by an increase in the provision for loan losses of \$61,000, a decrease in noninterest income of \$39,000, an increase in noninterest expense of 22,000, and an increase in income tax expense of \$106,000.

Total assets at June 30, 2016 were \$200.3 million compared to June 30, 2015 assets of \$187.9 million, an increase of \$12.4 million, or 6.6%. Total deposits at June 30, 2016 were \$150.0 million compared to June 30, 2015 deposits of \$138.4 million, an increase of \$11.6 million or 8.4%. Total equity at June 30, 2016 was \$25.4 million compared to \$24.1 million at June 30, 2015, an increase of \$1.4 million, or 5.6%.

Home Loan Financial Corporation and The Home Loan Savings Bank are headquartered at 413 Main Street, Coshocton, Ohio 43812. The Home Loan Savings Bank has two offices located in Coshocton, Ohio, a branch in West Lafayette, Ohio and a branch in Mount Vernon, Ohio.

HOME LOAN FINANCIAL CORPORATION
CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION

	<u>June 30, 2016</u>	<u>June 30, 2015</u>
ASSETS		
Cash and cash equivalents	\$ 11,651,109	\$ 9,157,841
Interest-bearing time deposits	1,349,293	2,589,949
Securities available for sale	3,510,638	2,503,638
Federal Home Loan Bank stock	2,513,400	2,513,400
Loans held for sale	222,151	481,000
Loans, net	172,252,324	162,333,196
Premises and equipment	2,695,294	2,811,659
Accrued interest receivable	512,500	522,548
Bank owned life insurance	4,664,001	4,528,501
Other assets	889,661	913,794
Total assets	<u>\$200,260,371</u>	<u>\$187,874,526</u>
 LIABILITIES		
Deposits	\$ 149,962,748	\$ 138,399,297
Federal Home Loan Bank advances	23,555,632	24,208,402
Accrued interest payable	177,341	155,900
Accrued expenses and other liabilities	<u>1,139,994</u>	<u>1,037,093</u>
Total liabilities	174,835,715	163,800,692
 SHAREHOLDERS' EQUITY		
Preferred stock, no par value, 500,000 shares authorized, none outstanding	--	--
Common stock, no par value, 9,500,000 shares authorized, 2,248,250 shares issued	--	--
Additional paid-in capital	14,994,322	15,044,411
Retained earnings	21,388,847	20,053,194
Treasury stock, at cost – 864,994 and 851,744 shares at June 30, 2016 and June 30, 2015	(10,964,566)	(11,025,698)
Accumulated other comprehensive income	<u>6,053</u>	<u>1,927</u>
Total shareholders' equity	<u>25,424,656</u>	<u>24,073,834</u>
Total liabilities and shareholders' equity	<u>\$200,260,371</u>	<u>\$187,874,526</u>

CONSOLIDATED STATEMENTS OF INCOME

	Three Months Ended		Year Ended	
	June 30,		June 30,	
	2016	2015	2016	2015
Total interest income	\$2,311,318	\$2,187,810	\$9,191,810	\$8,521,669
Total interest expense	<u>235,618</u>	<u>181,513</u>	<u>853,724</u>	<u>688,567</u>
Net interest income	2,075,700	2,006,297	8,338,086	7,833,102
Provision for loan losses	<u>135,000</u>	<u>10,000</u>	<u>220,000</u>	<u>158,704</u>
Net interest income after provision for loan losses	1,940,700	1,996,297	8,118,086	7,674,398
Total noninterest income	311,247	291,138	1,166,736	1,205,658
Total noninterest expense	<u>1,188,048</u>	<u>1,200,322</u>	<u>4,750,114</u>	<u>4,728,255</u>
Income before income tax expense	1,063,899	1,087,113	4,534,708	4,151,801
Income tax expense	<u>144,964</u>	<u>173,093</u>	<u>1,325,364</u>	<u>1,219,353</u>
Net income	<u>\$ 918,935</u>	<u>\$ 914,020</u>	<u>\$3,209,344</u>	<u>\$2,932,448</u>
Basic earnings per share	<u>\$.66</u>	<u>\$.65</u>	<u>\$ 2.30</u>	<u>\$ 2.10</u>
Diluted earnings per share	<u>\$.66</u>	<u>\$.65</u>	<u>\$ 2.30</u>	<u>\$ 2.10</u>