

**PRESS RELEASE**

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**HOME LOAN FINANCIAL CORPORATION REPORTS  
EARNINGS FOR THE QUARTER ENDED SEPTEMBER 30, 2012**

Coshocton, Ohio, October 17, 2012 – Home Loan Financial Corporation (OTCBB: HLFN), the parent company of The Home Loan Savings Bank, today announced net income of \$702,000, or \$0.50 basic and diluted earnings per share, for the quarter ended September 30, 2012 compared to net income of \$535,000, or \$0.38 basic and diluted earnings per share, for the quarter ended September 30, 2011, an increase of \$167,000, or 31.1%.

This increase in earnings for the quarter ended September 30, 2012 compared with September 30, 2011 was primarily attributable to an increase in net interest income of \$166,000, an increase in noninterest income of \$64,000, and a decrease in noninterest expense of \$18,000, partially offset by an increase of federal income tax expense of \$81,000.

Total assets at September 30, 2012 were \$165.1 million compared to June 30, 2012 assets of \$166.6 million. Total deposits at September 30, 2012 were \$129.5 million compared to June 30, 2012 deposits of \$131.3 million, a decrease of \$1.8 million. Total equity at September 30, 2012 was \$20.3 million compared to \$20.1 million at June 30, 2012, an increase of \$137,000.

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>September 30, 2012</u>	<u>June 30, 2012</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 6,812,501	\$ 11,200,899
Interest-bearing time deposits	3,255,942	2,339,807
Securities available for sale	5,865,944	6,474,307
Federal Home Loan Bank stock	2,663,300	2,663,300
Loans, net	137,619,422	135,083,853
Premises and equipment	3,114,878	3,068,782
Accrued interest receivable	611,093	521,393
Bank owned life insurance	4,149,901	4,115,901
Other assets	981,364	1,094,027
Total assets	<u>\$165,074,345</u>	<u>\$166,562,269</u>
<b>LIABILITIES</b>		
Deposits	\$ 129,506,471	\$ 131,304,879
Federal Home Loan Bank advances	14,028,160	14,003,032
Accrued interest payable	186,204	270,486
Accrued expenses and other liabilities	1,087,402	854,562
Total liabilities	<u>144,808,237</u>	<u>146,432,959</u>
<b>SHAREHOLDERS' EQUITY</b>		
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	15,044,411	15,044,411
Retained earnings	16,231,776	16,088,831
Treasury stock, at cost – 851,744 shares at September 30, 2012 and June 30, 2012	(11,025,698)	(11,025,698)
Accumulated other comprehensive income	15,619	21,766
Total shareholders' equity	<u>20,266,108</u>	<u>20,129,310</u>
Total liabilities and shareholders' equity	<u>\$165,074,345</u>	<u>\$166,562,269</u>

## CONSOLIDATED STATEMENTS OF INCOME

	Three Months Ended	
	<u>September 30,</u>	
	<u>2012</u>	<u>2011</u>
Total interest income	\$2,168,110	\$2,158,267
Total interest expense	<u>244,238</u>	<u>400,217</u>
Net interest income	1,923,872	1,758,050
Provision for loan losses	<u>150,000</u>	<u>150,000</u>
Net interest income after provision for loan losses	1,773,872	1,608,050
Total noninterest income	327,393	263,013
Total noninterest expense	<u>1,042,818</u>	<u>1,060,495</u>
Income before income tax expense	1,058,447	810,568
Income tax expense	<u>356,900</u>	<u>275,600</u>
Net income	<u>\$ 701,547</u>	<u>\$ 534,968</u>
Basic earnings per share	<u>\$ 0.50</u>	<u>\$ 0.38</u>
Diluted earnings per share	<u>\$ 0.50</u>	<u>\$ 0.38</u>