

**PRESS RELEASE**

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**HOME LOAN FINANCIAL CORPORATION REPORTS  
EARNINGS FOR THE QUARTER ENDED DECEMBER 31, 2012**

Coshocton, Ohio, January 16, 2013 – Home Loan Financial Corporation (OTCBB: HLFN), the parent company of The Home Loan Savings Bank, today announced net income of \$700,000, or \$0.50 basic and diluted earnings per share, for the quarter ended December 31, 2012 compared to net income of \$557,000, or \$0.39 basic and diluted earnings per share, for the quarter ended December 31, 2011, an increase of \$144,000, or 25.8%.

This increase in earnings for the quarter ended December 31, 2012 compared with December 31, 2011 was primarily attributable to an increase in net interest income of \$147,000 and an increase in noninterest income of \$85,000, partially offset by an increase in noninterest expense of \$23,000 and an increase in federal income tax expense of \$76,000.

Total assets at December 31, 2012 were \$167.2 million compared to June 30, 2012 assets of \$166.6 million. Total deposits at December 31, 2012 were \$128.2 million compared to June 30, 2012 deposits of \$131.3 million, a decrease of \$3.1 million. Total equity at December 31, 2012 was \$20.7 million compared to \$20.1 million at June 30, 2012, an increase of \$554,000.

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>December 31, 2012</u>	<u>June 30, 2012</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 7,726,624	\$ 11,200,899
Interest-bearing time deposits	3,254,759	2,339,807
Securities available for sale	5,864,588	6,474,307
Federal Home Loan Bank stock	2,663,300	2,663,300
Loans, net	138,807,038	135,083,853
Premises and equipment	3,096,496	3,068,782
Accrued interest receivable	619,553	521,393
Bank owned life insurance	4,185,401	4,115,901
Other assets	<u>1,019,858</u>	<u>1,094,027</u>
Total assets	<u>\$167,237,617</u>	<u>\$166,562,269</u>
<b>LIABILITIES</b>		
Deposits	\$ 128,225,294	\$ 131,304,879
Federal Home Loan Bank advances	17,491,426	14,003,032
Accrued interest payable	147,090	270,486
Accrued expenses and other liabilities	<u>690,929</u>	<u>854,562</u>
Total liabilities	146,554,739	146,432,959
<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	16,652,875	16,088,831
Treasury stock, at cost – 851,744 shares at December 31, 2012 and June 30, 2012	(11,025,698)	(11,025,698)
Accumulated other comprehensive income	<u>11,290</u>	<u>21,766</u>
Total shareholders' equity	<u>20,682,878</u>	<u>20,129,310</u>
Total liabilities and shareholders' equity	<u>\$167,237,617</u>	<u>\$166,562,269</u>

## CONSOLIDATED STATEMENTS OF INCOME

	Three Months Ended		Six Months Ended	
	<u>December 31,</u>		<u>December 31,</u>	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Total interest income	\$2,185,992	\$2,199,010	\$4,354,102	\$4,357,266
Total interest expense	<u>215,257</u>	<u>375,895</u>	<u>459,495</u>	<u>776,113</u>
Net interest income	1,970,735	1,823,115	3,894,607	3,581,153
Provision for loan losses	<u>150,000</u>	<u>160,000</u>	<u>300,000</u>	<u>310,000</u>
Net interest income after provision for loan losses	1,820,735	1,663,115	3,594,607	3,271,153
Total noninterest income	338,744	253,737	666,137	516,750
Total noninterest expense	<u>1,096,279</u>	<u>1,073,408</u>	<u>2,139,097</u>	<u>2,133,891</u>
Income before income tax expense	1,063,200	843,444	2,121,647	1,654,012
Income tax expense	<u>362,800</u>	<u>286,700</u>	<u>719,700</u>	<u>562,300</u>
Net income	<u>\$ 700,400</u>	<u>\$ 556,744</u>	<u>\$1,401,947</u>	<u>\$1,091,712</u>
Basic earnings per share	<u>\$ .50</u>	<u>\$ .39</u>	<u>\$ 1.00</u>	<u>\$ .77</u>
Diluted earnings per share	<u>\$ .50</u>	<u>\$ .39</u>	<u>\$ 1.00</u>	<u>\$ .77</u>