

PRESS RELEASE

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**HOME LOAN FINANCIAL CORPORATION REPORTS
EARNINGS FOR THE QUARTER ENDED JUNE 30, 2011**

Coshocton, Ohio, July 27, 2011 – Home Loan Financial Corporation (OTCBB: HLFN), the parent company of The Home Loan Savings Bank, today announced net income of \$506,000, or \$.36 basic and diluted earnings per share, for the quarter ended June 30, 2011 compared to net income of \$369,000, or \$.26 basic and diluted earnings per share, for the quarter ended June 30, 2010, an increase of \$137,000, or 37.3%.

Net income for the year ended June 30, 2011 was \$1,856,000, or \$1.31 basic and diluted earnings per share, compared to \$1,542,000 for the year ended June 30, 2010, or \$1.08 basic and diluted earnings per share, an increase of \$314,000, or 20.3%.

This increase in earnings for the year ended June 30, 2011 compared with June 30, 2010 was primarily attributable to an increase in net interest income of \$656,000 and a decrease in the provision for loan losses of \$425,000, partially offset by a decrease in total noninterest income of \$168,000, an increase in total noninterest expense of \$442,000 and an increase in income tax expense of \$157,000.

The net interest margin for the year ended June 30, 2011 was 4.44%. Return on average equity and return on average assets for the year ended June 30, 2011 were 9.72% and 1.14%, respectively. The book value of HLFN's common stock was \$13.62 per share as of June 30, 2011 compared to \$13.24 per share as of June 30, 2010.

Total assets at June 30, 2011 were \$162.4 million compared to June 30, 2010 assets of \$163.5 million, a decrease of \$1.1 million. Total deposits at June 30, 2011 were \$129.5 million compared to June 30, 2010 deposits of \$126.6 million, an increase of \$2.9 million, or 2.3%. Total equity at June 30, 2011 was \$19.3 million compared to \$18.7 million at June 30, 2010, an increase of \$541,000.

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>June 30, 2011</u>	<u>June 30, 2010</u>
ASSETS		
Cash and cash equivalents	\$ 8,652,447	\$ 7,725,509
Interest-bearing time deposits	588,533	1,959,754
Securities available for sale	10,076,967	9,295,644
Federal Home Loan Bank stock	2,663,300	2,663,300
Loans, net	131,267,846	132,791,641
Premises and equipment	3,177,024	3,013,717
Accrued interest receivable	731,799	847,808
Bank owned life insurance	3,975,401	3,832,501
Other assets	<u>1,217,096</u>	<u>1,361,307</u>
Total assets	<u>\$162,350,413</u>	<u>\$163,491,181</u>
LIABILITIES		
Deposits	\$ 129,525,177	\$ 126,633,241
Federal Home Loan Bank advances	12,390,714	16,830,430
Accrued interest payable	350,394	574,504
Accrued expenses and other liabilities	<u>821,587</u>	<u>731,815</u>
Total liabilities	143,087,872	144,769,990
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	15,044,411	15,044,411
Retained earnings	14,922,501	14,303,620
Treasury stock, at cost ó 834,453 shares at June 30, 2011 and 2010	(10,805,238)	(10,805,238)
Accumulated other comprehensive income	<u>100,867</u>	<u>178,398</u>
Total shareholders' equity	<u>19,262,541</u>	<u>18,721,191</u>
Total liabilities and shareholders' equity	<u>\$162,350,413</u>	<u>\$163,491,181</u>

CONSOLIDATED STATEMENTS OF INCOME

	Three Months Ended		Year Ended	
	June 30,		June 30,	
	2011	2010	2011	2010
Total interest income	\$2,091,248	\$2,151,525	\$8,832,780	\$8,980,795
Total interest expense	<u>426,706</u>	<u>654,630</u>	<u>2,092,409</u>	<u>2,896,163</u>
Net interest income	1,664,542	1,496,895	6,740,371	6,084,632
Provision for loan losses	<u>150,000</u>	<u>475,000</u>	<u>650,000</u>	<u>1,075,000</u>
Net interest income after provision for loan losses	1,514,542	1,021,895	6,090,371	5,009,632
Total noninterest income	219,441	283,414	1,012,601	1,180,837
Total noninterest expense	<u>1,157,519</u>	<u>911,454</u>	<u>4,493,732</u>	<u>4,051,734</u>
Income before income tax expense	576,464	393,855	2,609,240	2,138,735
Income tax expense	<u>70,293</u>	<u>25,100</u>	<u>753,288</u>	<u>596,365</u>
Net income	<u>\$ 506,171</u>	<u>\$ 368,755</u>	<u>\$1,855,952</u>	<u>\$1,542,370</u>
Basic earnings per share	<u>\$.36</u>	<u>\$.26</u>	<u>\$ 1.31</u>	<u>\$ 1.08</u>
Diluted earnings per share	<u>\$.36</u>	<u>\$.26</u>	<u>\$ 1.31</u>	<u>\$ 1.08</u>

KEY OPERATING RATIOS

	At or For The		At or For The	
	Three Months Ended		Year Ended	
	June 30,		June 30,	
	2011	2010	2011	2010
Net interest margin	4.36%	3.99%	4.44%	4.06%
Return on average assets	1.24%	0.91%	1.14%	0.96%
Return on average equity	10.48%	7.82%	9.72%	8.14%
Total equity to total assets	11.86%	11.45%	11.86%	11.45%
Common shares outstanding	1,413,797	1,413,797	1,413,797	1,413,797
Book value per share	\$13.62	\$13.24	\$13.62	\$13.24
Nonperforming assets to total assets	1.45%	2.31%	1.45%	2.31%