

PRESS RELEASE

FOR IMMEDIATE RELEASE

Contact: Preston Bair, Chief Financial Officer
Telephone: (740) 622-0444

**HOME LOAN FINANCIAL CORPORATION REPORTS
EARNINGS FOR THE QUARTER AND YEAR ENDED JUNE 30, 2014**

Coshocton, Ohio, July 23, 2014 – Home Loan Financial Corporation (OTCBB: HLFN), the parent company of The Home Loan Savings Bank, today announced net income of \$850,000, or \$0.61 basic and diluted earnings per share, for the quarter ended June 30, 2014 compared to net income of \$820,000, or \$0.59 basic and diluted earnings per share, for the quarter ended June 30, 2013, an increase of \$30,000, or 3.7%.

Net income for the year ended June 30, 2014 was \$2,882,000, or \$2.06 basic and diluted earnings per share, compared to \$2,842,000 for the year ended June 30, 2013, or \$2.04 basic and diluted earnings per share, an increase of \$40,000, or 1.4%.

This increase in earnings for the year ended June 30, 2014 compared with June 30, 2013 was primarily attributable to a decrease in the provision for loan losses of \$240,000, partially offset by a decrease in net interest income of \$30,000, a decrease in noninterest income of 147,000, an increase in total noninterest expense of \$12,000 and an increase income tax expense of \$11,000.

Total assets at June 30, 2014 were \$170.1 million compared to June 30, 2013 assets of \$164.6 million, an increase of \$5.5 million, or 3.3%. Total deposits at June 30, 2014 were \$127.4 million compared to June 30, 2013 deposits of \$126.6 million, an increase of \$811,000 or 0.6%. Total equity at June 30, 2014 was \$22.9 million compared to \$21.5 million at June 30, 2013, an increase of \$1.3 million, or 6.2%.

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, 2014</u>	<u>June 30, 2013</u>
ASSETS		
Cash and cash equivalents	\$ 5,027,225	\$ 8,596,412
Interest-bearing time deposits	3,328,840	3,515,020
Securities available for sale	3,000,850	4,665,471
Federal Home Loan Bank stock	2,513,400	2,663,300
Loans, net	147,274,895	136,359,178
Premises and equipment	2,919,245	3,012,877
Accrued interest receivable	475,988	553,020
Bank owned life insurance	4,392,501	4,254,701
Other assets	1,131,639	973,812
Total assets	<u>\$170,064,583</u>	<u>\$164,593,791</u>
LIABILITIES		
Deposits	\$ 127,427,320	\$ 126,616,566
Federal Home Loan Bank advances	18,876,379	15,369,693
Accrued interest payable	131,618	173,933
Accrued expenses and other liabilities	773,026	904,545
Total liabilities	<u>147,208,343</u>	<u>143,064,737</u>
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	15,021,271
Retained earnings	18,838,447	17,505,771
Treasury stock, at cost – 851,744 and 849,744 shares at June 30, 2014 and June 30, 2013	(11,025,698)	(10,999,958)
Accumulated other comprehensive income	(920)	1,970
Total shareholders' equity	<u>22,856,240</u>	<u>21,529,054</u>
Total liabilities and shareholders' equity	<u>\$170,064,583</u>	<u>\$164,593,791</u>

CONSOLIDATED STATEMENTS OF INCOME

	Three Months Ended		Year Ended	
	June 30,		June 30,	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Total interest income	\$2,064,935	\$2,159,932	\$8,412,266	\$8,616,258
Total interest expense	<u>162,663</u>	<u>194,176</u>	<u>680,156</u>	<u>854,308</u>
Net interest income	1,902,272	1,965,756	7,732,110	7,761,950
Provision for loan losses	<u>10,000</u>	<u>100,000</u>	<u>260,500</u>	<u>500,000</u>
Net interest income after provision for loan losses	1,892,272	1,865,756	7,471,610	7,261,950
Total noninterest income	252,941	289,257	1,078,315	1,225,143
Total noninterest expense	<u>1,096,294</u>	<u>1,142,285</u>	<u>4,422,073</u>	<u>4,409,959</u>
Income before income tax expense	1,048,919	1,012,728	4,127,852	4,077,134
Income tax expense	<u>199,176</u>	<u>192,868</u>	<u>1,245,896</u>	<u>1,234,918</u>
Net income	<u>\$ 849,743</u>	<u>\$ 819,860</u>	<u>\$2,881,956</u>	<u>\$2,842,216</u>
Basic earnings per share	<u>\$.61</u>	<u>\$.59</u>	<u>\$ 2.06</u>	<u>\$ 2.04</u>
Diluted earnings per share	<u>\$.61</u>	<u>\$.59</u>	<u>\$ 2.06</u>	<u>\$ 2.04</u>