

PRESS RELEASE

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**HOME LOAN FINANCIAL CORPORATION REPORTS
EARNINGS FOR THE QUARTER ENDED SEPTEMBER 30, 2014**

Coshocton, Ohio, October 15, 2014 – Home Loan Financial Corporation (OTCBB: HLFN), the parent company of The Home Loan Savings Bank, today announced net income of \$732,000, or \$0.52 basic and diluted earnings per share, for the quarter ended September 30, 2014 compared to net income of \$659,000 or \$0.47 basic and diluted earnings per share, for the quarter ended September 30, 2013, an increase of \$72,000, or 11.0%.

This increase in earnings for the quarter ended September 30, 2014 compared with September 30, 2013 was primarily attributable to an increase in net interest income of \$44,000, and a decrease in the provision for loan losses of \$99,000, partially offset by a decrease in noninterest income of \$14,000, an increase in noninterest expense of \$14,000, and an increase of federal income tax expense of \$43,000.

Total assets at September 30, 2014 were \$177.6 million compared to June 30, 2014 assets of \$170.1 million and increase of \$6.9 million or 4.1%. Total deposits at September 30, 2014 were \$131.9 million compared to June 30, 2014 deposits of \$127.4 million, an increase of \$4.5 million or 3.5%. Total equity at September 30, 2014 was \$22.8 million compared to \$22.9 million at June 30, 2014, a decrease of \$64,000.

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, 2014</u>	<u>June 30, 2014</u>
ASSETS		
Cash and cash equivalents	\$ 9,815,864	\$ 5,027,255
Interest-bearing time deposits	2,831,651	3,328,840
Securities available for sale	3,000,875	3,000,850
Federal Home Loan Bank stock	2,513,400	2,513,400
Loans, net	150,649,991	147,274,895
Premises and equipment	2,897,296	2,919,245
Accrued interest receivable	514,124	475,988
Bank owned life insurance	4,426,501	4,392,501
Other assets	<u>931,032</u>	<u>1,131,639</u>
Total assets	<u>\$177,580,734</u>	<u>\$170,640,583</u>
 LIABILITIES		
Deposits	\$ 131,940,549	\$ 127,427,320
Federal Home Loan Bank advances	21,524,328	18,876,379
Accrued interest payable	111,528	131,618
Accrued expenses and other liabilities	<u>1,212,149</u>	<u>773,026</u>
Total liabilities	154,788,554	147,208,343
 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	18,773,964	18,838,447
Treasury stock, at cost – 851,744 shares at September 30, 2014 and June 30, 2014	(11,025,698)	(11,025,698)
Accumulated other comprehensive income	<u>(497)</u>	<u>(920)</u>
Total shareholders' equity	<u>22,792,180</u>	<u>22,856,240</u>
Total liabilities and shareholders' equity	<u>\$177,580,734</u>	<u>\$170,064,583</u>

CONSOLIDATED STATEMENTS OF INCOME

	Three Months Ended	
	September 30,	
	<u>2014</u>	<u>2013</u>
Total interest income	\$2,131,023	\$2,104,169
Total interest expense	<u>166,397</u>	<u>183,672</u>
Net interest income	1,964,626	1,920,497
Provision for loan losses	<u>31,000</u>	<u>130,000</u>
Net interest income after provision for loan losses	1,933,626	1,790,497
Total noninterest income	296,621	310,580
Total noninterest expense	<u>1,115,462</u>	<u>1,101,749</u>
Income before income tax expense	1,114,785	999,328
Income tax expense	<u>383,260</u>	<u>340,150</u>
Net income	<u>\$ 731,525</u>	<u>\$ 659,178</u>
Basic earnings per share	<u>\$ 0.52</u>	<u>\$ 0.47</u>
Diluted earnings per share	<u>\$ 0.52</u>	<u>\$ 0.47</u>