

**PRESS RELEASE**

**FOR IMMEDIATE RELEASE**

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**HOME LOAN FINANCIAL CORPORATION REPORTS  
EARNINGS FOR THE QUARTER ENDED SEPTEMBER 30, 2016**

Coshocton, Ohio, October 19, 2016 – Home Loan Financial Corporation (OTCBB: HLFN), the parent company of The Home Loan Savings Bank, today announced net income of \$746,000, or \$0.53 basic and diluted earnings per share, for the quarter ended September 30, 2016 compared to net income of \$810,000 or \$0.58 basic and diluted earnings per share, for the quarter ended September 30, 2015, a decrease of \$64,000, or 7.9%.

This decrease in earnings for the quarter ended September 30, 2016 compared with September 30, 2015 was primarily attributable to a decrease in net interest income of \$22,000, an increase in the provision for loan losses of \$10,000, and an increase in noninterest expense of \$99,000, partially offset by an increase in noninterest income of \$33,000 and a decrease in federal income tax expense of \$34,000.

Total assets at September 30, 2016 were \$201.2 million compared to June 30, 2016 assets of \$200.3 million, an increase of \$956,000 or 0.5%. Total deposits at September 30, 2016 were \$153.5 million compared to June 30, 2016 deposits of \$150.0 million, an increase of \$3.5 million or 2.4%. Total equity at September 30, 2016 was \$25.3 million compared to \$25.4 million at June 30, 2016, a decrease of \$161,000.

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, 2016</u>	<u>June 30, 2016</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 13,212,276	\$ 11,651,109
Interest-bearing time deposits	849,981	1,349,293
Securities available for sale	3,510,007	3,510,638
Federal Home Loan Bank stock	2,513,400	2,513,400
Loans held for sale	185,473	222,151
Loans, net	172,192,975	172,252,324
Premises and equipment	2,654,649	2,695,294
Accrued interest receivable	451,594	512,500
Bank owned life insurance	4,699,001	4,664,001
Other assets	<u>947,452</u>	<u>889,661</u>
Total assets	<u>\$201,216,808</u>	<u>\$200,260,371</u>
 <b>LIABILITIES</b>		
Deposits	\$ 153,511,475	\$ 149,962,748
Federal Home Loan Bank advances	21,152,288	23,555,632
Accrued interest payable	176,882	177,341
Accrued expenses and other liabilities	<u>1,112,160</u>	<u>1,139,994</u>
Total liabilities	175,952,805	174,835,715
 <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	15,004,535	14,994,322
Retained earnings	21,224,663	21,388,847
Treasury stock, at cost – 846,994 shares at September 30, 2016 and June 30, 2016	(10,971,001)	(10,964,566)
Accumulated other comprehensive income	<u>5,806</u>	<u>6,053</u>
Total shareholders' equity	<u>25,264,003</u>	<u>25,424,656</u>
Total liabilities and shareholders' equity	<u>\$201,216,808</u>	<u>\$200,260,371</u>

## CONSOLIDATED STATEMENTS OF INCOME

	Three Months Ended	
	September 30,	
	<u>2016</u>	<u>2015</u>
Total interest income	\$2,308,497	\$2,261,990
Total interest expense	<u>257,977</u>	<u>189,381</u>
Net interest income	2,050,520	2,072,609
Provision for loan losses	<u>35,000</u>	<u>25,000</u>
Net interest income after provision for loan losses	2,015,520	2,047,609
Total noninterest income	326,476	293,221
Total noninterest expense	<u>1,211,639</u>	<u>1,112,690</u>
Income before income tax expense	1,130,357	1,228,140
Income tax expense	<u>384,300</u>	<u>417,700</u>
Net income	<u>\$ 746,057</u>	<u>\$ 810,440</u>
Basic earnings per share	<u>\$ 0.53</u>	<u>\$ 0.58</u>
Diluted earnings per share	<u>\$ 0.53</u>	<u>\$ 0.58</u>