

PRESS RELEASE

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**HOME LOAN FINANCIAL CORPORATION REPORTS
EARNINGS FOR THE QUARTER ENDED DECEMBER 31, 2014**

Coshocton, Ohio, January 21, 2015 – Home Loan Financial Corporation (OTCBB: HLFN), the parent company of The Home Loan Savings Bank, today announced net income of \$663,000, or \$0.47 basic and diluted earnings per share, for the quarter ended December 31, 2014 compared to net income of \$735,000 or \$0.53 basic and diluted earnings per share, for the quarter ended December 31, 2013, an decrease of \$72,000, or 9.8%.

This decrease in earnings for the quarter ended December 31, 2014 compared with December 31, 2013 was primarily attributable to a decrease in net interest income of \$73,000, and an increase in noninterest expense of 113,000, partially offset by a decrease in the provision for loan losses of \$30,000, an increase in noninterest income of \$46,000, and a decrease of federal income tax expense of \$37,000.

Total assets at December 31, 2014 were \$178.3 million compared to June 30, 2014 assets of \$170.1 million and increase of \$7.7 million or 4.5%. Total deposits at December 31, 2014 were \$131.3 million compared to June 30, 2014 deposits of \$127.4 million, an increase of \$3.9 million or 3.0%. Total equity at December 31, 2014 was \$23.1 million compared to \$22.9 million at June 30, 2014, an increase of \$290,000.

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, 2014</u>	<u>June 30, 2014</u>
ASSETS		
Cash and cash equivalents	\$ 10,252,767	\$ 5,027,255
Interest-bearing time deposits	2,834,455	3,328,840
Securities available for sale	2,497,920	3,000,850
Federal Home Loan Bank stock	2,513,400	2,513,400
Loans, net	151,467,301	147,274,895
Premises and equipment	2,863,082	2,919,245
Accrued interest receivable	481,277	475,988
Bank owned life insurance	4,459,501	4,392,501
Other assets	984,879	1,131,639
Total assets	<u>\$178,354,582</u>	<u>\$170,640,583</u>
 LIABILITIES		
Deposits	\$ 131,305,318	\$ 127,427,320
Federal Home Loan Bank advances	22,833,057	18,876,379
Accrued interest payable	112,995	131,618
Accrued expenses and other liabilities	956,557	773,026
Total liabilities	155,207,927	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	19,129,989	18,838,447
Treasury stock, at cost – 851,744 shares at December 31, 2014 and June 30, 2014	(11,025,698)	(11,025,698)
Accumulated other comprehensive income	(2,047)	(920)
Total shareholders' equity	<u>23,146,655</u>	<u>22,856,240</u>
Total liabilities and shareholders' equity	<u>\$178,354,582</u>	<u>\$170,064,583</u>

CONSOLIDATED STATEMENTS OF INCOME

	Three Months Ended		Six Months Ended	
	<u>December 31,</u>		<u>December 31,</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Total interest income	\$2,136,119	\$2,210,942	\$4,267,142	\$4,315,111
Total interest expense	<u>169,355</u>	<u>171,445</u>	<u>335,752</u>	<u>355,117</u>
Net interest income	1,966,764	2,039,497	3,931,390	3,959,994
Provision for loan losses	<u>62,704</u>	<u>93,000</u>	<u>93,703</u>	<u>223,000</u>
Net interest income after provision for loan losses	1,904,060	1,946,497	3,837,687	3,736,994
Total noninterest income	321,613	275,170	618,234	585,750
Total noninterest expense	<u>1,220,717</u>	<u>1,107,473</u>	<u>2,336,180</u>	<u>2,209,222</u>
Income before income tax expense	1,004,956	1,114,785	2,119,741	2,113,522
Income tax expense	<u>341,700</u>	<u>378,770</u>	<u>724,960</u>	<u>718,920</u>
Net income	<u>\$ 663,256</u>	<u>\$ 735,424</u>	<u>\$1,394,781</u>	<u>\$1,394,602</u>
 Basic earnings per share	 <u>\$.47</u>	 <u>\$.53</u>	 <u>\$ 1.00</u>	 <u>\$ 1.00</u>
 Diluted earnings per share	 <u>\$.47</u>	 <u>\$.53</u>	 <u>\$ 1.00</u>	 <u>\$ 1.00</u>