

PRESS RELEASE

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**HOME LOAN FINANCIAL CORPORATION REPORTS
EARNINGS FOR THE QUARTER ENDED DECEMBER 31, 2013**

Coshocton, Ohio, January 22, 2014 – Home Loan Financial Corporation (OTCBB: HLFN), the parent company of The Home Loan Savings Bank, today announced net income of \$735,000, or \$0.53 basic and diluted earnings per share, for the quarter ended December 31, 2013 compared to net income of \$700,000 or \$0.50 basic and diluted earnings per share, for the quarter ended December 31, 2012, an increase of \$35,000, or 5.0%.

This increase in earnings for the quarter ended December 31, 2013 compared with December 31, 2012 was primarily attributable to an increase in net interest income of \$69,000 and a decrease in the provision for loan losses of \$57,000, partially offset by a decrease in noninterest income of \$64,000, an increase in noninterest expense of \$11,000 and an increase in federal income tax expense of \$16,000.

Total assets at December 31, 2013 were \$166.3 million compared to June 30, 2013 assets of \$164.6 million. Total deposits at December 31, 2013 and June 30, 2013 were \$126.6 million. Total equity at December 31, 2013 was \$21.9 million compared to \$21.5 million at June 30, 2013, an increase of \$427,000.

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, 2013</u>	<u>June 30, 2013</u>
ASSETS		
Cash and cash equivalents	\$ 8,968,092	\$ 8,596,412
Interest-bearing time deposits	3,671,940	3,515,020
Securities available for sale	3,003,458	4,665,471
Federal Home Loan Bank stock	2,663,300	2,663,300
Loans, net	139,423,632	136,359,178
Premises and equipment	2,981,311	3,012,877
Accrued interest receivable	517,494	553,020
Bank owned life insurance	4,324,001	4,254,701
Other assets	756,249	973,812
Total assets	<u>\$166,309,477</u>	<u>\$164,593,791</u>
LIABILITIES		
Deposits	\$ 126,555,134	\$ 126,616,566
Federal Home Loan Bank advances	16,474,147	15,369,693
Accrued interest payable	116,100	173,933
Accrued expenses and other liabilities	1,207,764	904,545
Total liabilities	144,353,145	143,064,737
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	17,937,624	17,505,771
Treasury stock, at cost – 851,744 and 849,744 shares at December 31, 2013 and June 30, 2013	(11,025,698)	(10,999,958)
Accumulated other comprehensive income	(5)	1,970
Total shareholders' equity	<u>21,956,332</u>	<u>21,529,054</u>
Total liabilities and shareholders' equity	<u>\$166,309,477</u>	<u>\$164,593,791</u>

CONSOLIDATED STATEMENTS OF INCOME

	Three Months Ended		Six Months Ended	
	<u>December 31,</u>		<u>December 31,</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Total interest income	\$2,210,942	\$2,185,992	\$4,315,111	\$4,354,102
Total interest expense	<u>171,445</u>	<u>215,257</u>	<u>355,117</u>	<u>459,495</u>
Net interest income	2,039,497	1,970,735	3,959,994	3,894,607
Provision for loan losses	<u>93,000</u>	<u>150,000</u>	<u>223,000</u>	<u>300,000</u>
Net interest income after provision for loan losses	1,946,497	1,820,735	3,736,994	3,594,607
Total noninterest income	275,170	338,744	585,750	666,137
Total noninterest expense	<u>1,107,473</u>	<u>1,096,279</u>	<u>2,209,222</u>	<u>2,139,097</u>
Income before income tax expense	1,114,194	1,063,200	2,113,522	2,121,647
Income tax expense	<u>378,770</u>	<u>362,800</u>	<u>718,920</u>	<u>719,700</u>
Net income	<u>\$ 735,424</u>	<u>\$ 700,400</u>	<u>\$1,394,602</u>	<u>\$1,401,947</u>
Basic earnings per share	<u>\$.53</u>	<u>\$.50</u>	<u>\$ 1.00</u>	<u>\$ 1.00</u>
Diluted earnings per share	<u>\$.53</u>	<u>\$.50</u>	<u>\$ 1.00</u>	<u>\$ 1.00</u>