

PRESS RELEASE

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**HOME LOAN FINANCIAL CORPORATION REPORTS
EARNINGS FOR THE QUARTER ENDED DECEMBER 31, 2015**

Coshocton, Ohio, January 20, 2016 – Home Loan Financial Corporation (OTCBB: HLFN), the parent company of The Home Loan Savings Bank, today announced net income of \$767,000, or \$0.55 basic and diluted earnings per share, for the quarter ended December 31, 2015 compared to net income of \$663,000 or \$0.47 basic and diluted earnings per share, for the quarter ended December 31, 2014, an increase of \$104,000, or 15.7%.

This increase in earnings for the quarter ended December 31, 2015 compared with December 31, 2014 was primarily attributable to an increase in net interest income of \$120,000, a decrease in the provision for loan losses of \$33,000, and a decrease in noninterest expense of \$45,000, partially offset by a decrease in noninterest income of \$40,000, and an increase of federal income tax expense of \$54,000.

Total assets at December 31, 2015 were \$196.9 million compared to June 30, 2015 assets of \$187.9 million, an increase of \$9.0 million or 4.8%. Total deposits at December 31, 2015 were \$142.6 million compared to June 30, 2015 deposits of \$138.4 million, an increase of \$4.2 million or 3.0%. Total equity at December 31, 2015 was \$24.5 million compared to \$24.1 million at June 30, 2015, an increase of \$400,000.

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, 2015</u>	<u>June 30, 2015</u>
ASSETS		
Cash and cash equivalents	\$ 10,511,409	\$ 9,157,841
Interest-bearing time deposits	1,845,316	2,589,949
Securities available for sale	2,998,100	2,503,638
Federal Home Loan Bank stock	2,513,400	2,513,400
Loans, net	170,402,036	162,333,196
Premises and equipment	2,734,422	2,811,659
Accrued interest receivable	547,750	522,548
Bank owned life insurance	4,594,501	4,528,501
Other assets	755,540	913,794
Total assets	<u>\$196,902,474</u>	<u>\$187,874,526</u>
 LIABILITIES		
Deposits	\$ 142,643,145	\$ 138,399,297
Federal Home Loan Bank advances	28,831,600	24,208,402
Accrued interest payable	127,319	155,900
Accrued expenses and other liabilities	826,243	1,037,093
Total liabilities	172,428,307	163,800,692
 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	20,458,005	20,053,194
Treasury stock, at cost – 851,744 shares at December 31, 2015 and June 30, 2015	(11,025,698)	(11,025,698)
Accumulated other comprehensive income	(2,551)	1,927
Total shareholders' equity	<u>24,474,167</u>	<u>24,073,834</u>
Total liabilities and shareholders' equity	<u>\$196,902,474</u>	<u>\$187,874,526</u>

CONSOLIDATED STATEMENTS OF INCOME

	Three Months Ended		Six Months Ended	
	December 31,		December 31,	
	2015	2014	2015	2014
Total interest income	\$2,292,035	\$2,136,119	\$4,554,026	\$4,267,142
Total interest expense	<u>205,338</u>	<u>169,355</u>	<u>394,719</u>	<u>335,752</u>
Net interest income	2,086,697	1,966,764	4,159,307	3,931,390
Provision for loan losses	<u>30,000</u>	<u>62,704</u>	<u>55,000</u>	<u>93,703</u>
Net interest income after provision for loan losses	2,056,697	1,904,060	4,104,307	3,837,687
Total noninterest income	282,041	321,613	575,261	618,234
Total noninterest expense	<u>1,175,703</u>	<u>1,220,717</u>	<u>2,288,393</u>	<u>2,336,180</u>
Income before income tax expense	1,163,035	1,004,956	2,391,175	2,119,741
Income tax expense	<u>395,600</u>	<u>341,700</u>	<u>813,300</u>	<u>724,960</u>
Net income	<u>\$ 767,435</u>	<u>\$ 663,256</u>	<u>\$1,577,875</u>	<u>\$1,394,781</u>
 Basic earnings per share	 <u>\$.55</u>	 <u>\$.47</u>	 <u>\$ 1.13</u>	 <u>\$ 1.00</u>
 Diluted earnings per share	 <u>\$.55</u>	 <u>\$.47</u>	 <u>\$ 1.13</u>	 <u>\$ 1.00</u>