

PRESS RELEASE

FOR IMMEDIATE RELEASE

Contact: Preston Bair, Chief Financial Officer
Telephone: (740) 622-0444

**HOME LOAN FINANCIAL CORPORATION REPORTS
EARNINGS FOR THE QUARTER ENDED SEPTEMBER 30, 2011**

Coshocton, Ohio, October 19, 2011 – Home Loan Financial Corporation (OTCBB: HLFN), the parent company of The Home Loan Savings Bank, today announced net income of \$535,000, or \$0.38 basic and diluted earnings per share, for the quarter ended September 30, 2011 compared to net income of \$447,000, or \$0.32 basic and diluted earnings per share, for the quarter ended September 30, 2010, an increase of \$88,000, or 19.8%.

This increase in earnings for the year ended September 30, 2011 compared with September 30, 2010 was primarily attributable to an increase in net interest income of \$85,000 and a decrease in noninterest expense of \$74,000, partially offset by a decrease in noninterest income of \$26,000 and an increase of federal income tax expense of \$45,000.

The net interest margin for the year ended September 30, 2011 was 4.67% compared to 4.38% for the year ended September 30, 2010, an increase of 29 basis points, or 6.6%. Return on average equity and return on average assets for the year ended September 30, 2011 were 11.26% and 1.33%, respectively. The book value of HLFN's common stock was \$13.69 per share as of September 30, 2011 compared to \$13.28 per share as of September 30, 2010, an increase of \$0.41, or 3.1%.

Total assets at September 30, 2011 and June 30, 2011 were \$162.4 million. Total deposits at September 30, 2011 were \$128.8 million compared to June 30, 2011 deposits of \$129.5 million, a decrease of \$733,000. Total equity at September 30, 2011 was \$19.4 million compared to \$19.3 million at June 30, 2011, an increase of \$93,000.

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, 2011</u>	<u>June 30, 2011</u>
ASSETS		
Cash and cash equivalents	\$ 10,085,589	\$ 8,652,447
Interest-bearing time deposits	1,583,065	588,533
Securities available for sale	8,497,770	10,076,967
Federal Home Loan Bank stock	2,663,300	2,663,300
Loans, net	130,821,666	131,267,846
Premises and equipment	3,134,308	3,177,024
Accrued interest receivable	587,184	731,799
Bank owned life insurance	4,009,901	3,975,401
Other assets	<u>1,031,552</u>	<u>1,217,096</u>
Total assets	<u>\$162,414,335</u>	<u>\$162,350,413</u>
LIABILITIES		
Deposits	\$ 128,792,485	\$ 129,525,177
Federal Home Loan Bank advances	13,064,791	12,390,714
Accrued interest payable	261,347	350,394
Accrued expenses and other liabilities	<u>940,230</u>	<u>821,587</u>
Total liabilities	143,058,853	143,087,872
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	15,033,330	14,922,501
Treasury stock, at cost ó 834,453 shares at September 30, 2011 and June 30, 2011	(10,805,238)	(10,805,238)
Accumulated other comprehensive income	<u>82,979</u>	<u>100,867</u>
Total shareholders' equity	<u>19,355,482</u>	<u>19,262,541</u>
Total liabilities and shareholders' equity	<u>\$162,414,335</u>	<u>\$162,350,413</u>

CONSOLIDATED STATEMENTS OF INCOME

	Three Months Ended	
	<u>September 30,</u>	
	<u>2011</u>	<u>2010</u>
Total interest income	\$2,158,267	\$2,315,587
Total interest expense	<u>400,217</u>	<u>642,349</u>
Net interest income	1,758,050	1,673,238
Provision for loan losses	<u>150,000</u>	<u>150,000</u>
Net interest income after provision for loan losses	1,608,050	1,523,238
Total noninterest income	263,013	288,585
Total noninterest expense	<u>1,060,495</u>	<u>1,134,935</u>
Income before income tax expense	810,568	676,888
Income tax expense	<u>275,600</u>	<u>230,250</u>
Net income	<u>\$ 534,968</u>	<u>\$ 446,638</u>
Basic earnings per share	<u>\$ 0.38</u>	<u>\$ 0.32</u>
Diluted earnings per share	<u>\$ 0.38</u>	<u>\$ 0.32</u>

KEY OPERATING RATIOS

	At or for	
	The Three Months Ended	
	<u>September 30,</u>	
	<u>2011</u>	<u>2010</u>
Net interest margin	4.67%	4.38%
Return on average assets	1.33%	1.09%
Return on average equity	11.26%	9.52%
Total equity to total assets	11.92%	11.35%
Common shares outstanding	1,413,797	1,413,797
Book value per share	\$13.69	\$13.28
Nonperforming assets to total assets	1.20%	2.60%