



DIVISION OF  
CORPORATION FINANCE

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

January 25, 2011

Via Email

Mary Jo David  
Chief Financial Officer  
LSB Financial Corp.  
101 Main Street  
Lafayette, Indiana 47901

**Re: LSB Financial Corp.**  
**Form 10-K for the Fiscal Year Ended December 31, 2010**  
**Filed March 16, 2011**  
**File No. 0-25070**

Dear Ms. David:

We have completed our review of your filings. We remind you that our comments or changes to disclosure in response to our comments do not foreclose the Commission from taking any action with respect to the company or the filings and the company may not assert staff comments as a defense in any proceeding initiated by the Commission or any person under the federal securities laws of the United States. We urge all persons who are responsible for the accuracy and adequacy of the disclosure in the filings to be certain that the filings include the information the Securities Exchange Act of 1934 and all applicable rules require.

Sincerely,

/s/ David S. Lyon  
for  
Gregory Dundas  
Senior Counsel