

PRESS RELEASE

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**HOME LOAN FINANCIAL CORPORATION REPORTS
EARNINGS FOR THE QUARTER ENDED MARCH 31, 2003**

Coshocton, Ohio, April 16, 2003 – Home Loan Financial Corporation (Nasdaq:HLFC), the parent company of The Home Loan Savings Bank, today announced net income of \$423,000 or \$.28 basic and \$.27 diluted earnings per share, for the quarter ended March 31, 2003 compared to net income of \$378,000, or \$.25 basic and diluted earnings per share, for the quarter ended March 31, 2002, an increase of \$45,000, or 11.9%.

The increase in earnings for the quarter ended March 31, 2003 compared with March 31, 2002, was primarily attributable to increases in net interest income of \$46,000 and noninterest income of \$97,000, partially offset by an increase in noninterest expense of \$65,000. The increase in net interest income was primarily due to an increase in average earning assets. The net interest margin for the three months ended March 31, 2003 was 4.12% compared to 4.39% for the three months ended March 31, 2002. The increase in noninterest income was primarily due to HLFC's earnings from its ownership in Coshocton County Title Agency ("CCTA"). CCTA was formed in June 2002 by HLFC and two other investors to provide title insurance on properties. The increase in noninterest expense was primarily due to increases in salaries and benefits due to additional staff and an increase in ESOP expense due to the elevated price of HLFC's stock.

Return on average equity and return on average assets for the three months ended March 31, 2003 were 7.96% and 1.20%, respectively. The book value of HLFC's common stock was \$12.84 per share as of March 31, 2003 compared to \$11.95 per share as of March 31, 2002, an increase of \$0.89, or 7.45%.

Total assets at March 31, 2003 were \$147.4 million compared to June 30, 2002 assets of \$132.3 million, an increase of \$15.1 million, or 11.4%. The increase in total assets was primarily in loans, which increased \$9.8 million. Total deposits at March 31, 2003 were \$84.3 million compared to June 30, 2002 deposits of \$79.8 million, an increase of \$4.5 million, or 5.7%. Total borrowings at March 31, 2003 were \$40.8 million compared to \$28.8 million at June 30, 2002, an increase of \$12.0 million, or 41.7%. The additional borrowings were used to fund two capital leveraging strategies and to fund loan demand. Total equity at March 31, 2003 was \$21.1 million compared to \$20.1 million at June 30, 2002.

Home Loan Financial Corporation and The Home Loan Savings Bank are headquartered at 401 Main Street, Coshocton, Ohio 43812. The Bank has two offices in Coshocton, Ohio and a branch in West Lafayette, Ohio.

HOME LOAN FINANCIAL CORPORATION
CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION

	<u>March 31, 2003</u>	<u>June 30, 2002</u>
ASSETS		
Cash and cash equivalents	\$ 3,521,591	\$ 2,931,785
Securities available for sale	7,291,383	4,413,516
Mortgage-backed securities available for sale	11,264,307	9,738,990
Federal Home Loan Bank stock	2,141,600	1,927,100
Loans, net	120,842,849	111,017,080
Premises and equipment, net	1,179,500	1,278,592
Accrued interest receivable	735,928	651,707
Other assets	<u>434,853</u>	<u>322,366</u>
Total assets	<u>\$147,412,011</u>	<u>\$132,281,136</u>
LIABILITIES		
Deposits	\$ 84,341,488	\$ 79,773,087
Federal Home Loan Bank advances	40,802,136	28,802,335
Due to broker on security purchase		2,392,006
Accrued interest payable	638,170	590,581
Accrued expenses and other liabilities	<u>536,547</u>	<u>578,626</u>
Total liabilities	126,318,341	112,136,635
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	14,133,466	14,100,870
Retained earnings	14,311,806	13,831,012
Unearned employee stock ownership plan shares	(1,143,914)	(1,354,006)
Unearned recognition and retention plan shares	(300,832)	(434,692)
Treasury stock, at cost – 605,505 shares at March 31, 2003 and 599,188 shares at June 30, 2002	(6,223,600)	(6,186,296)
Accumulated other comprehensive income	<u>316,744</u>	<u>187,613</u>
Total shareholders' equity	<u>21,093,670</u>	<u>20,144,501</u>
Total liabilities and shareholders' equity	<u>\$147,412,011</u>	<u>\$132,281,136</u>

CONSOLIDATED STATEMENTS OF INCOME

	Three Months Ended		Nine Months Ended	
	March 31,		March 31,	
	2003	2002	2003	2002
Total interest income	\$2,354,830	\$2,349,311	\$7,277,555	\$7,197,055
Total interest expense	<u>959,101</u>	<u>999,702</u>	<u>3,006,214</u>	<u>3,266,261</u>
Net interest income	1,395,729	1,349,609	4,271,341	3,930,794
Provision for loan losses	<u>55,000</u>	<u>30,000</u>	<u>150,000</u>	<u>95,000</u>
Net interest income after provision for loan losses	1,340,729	1,319,609	4,121,341	3,835,794
Total noninterest income	194,661	97,252	526,890	336,728
Total noninterest expense	<u>897,742</u>	<u>833,044</u>	<u>2,638,177</u>	<u>2,446,653</u>
Income before income tax expense	637,648	583,817	2,010,054	1,725,869
Income tax expense	<u>215,100</u>	<u>206,300</u>	<u>677,300</u>	<u>598,700</u>
Net income	<u>\$ 422,548</u>	<u>\$ 377,517</u>	<u>\$1,332,754</u>	<u>\$1,127,169</u>
Basic earnings per share	<u>\$.28</u>	<u>\$.25</u>	<u>\$.90</u>	<u>\$.76</u>
Diluted earnings per share	<u>\$.27</u>	<u>\$.25</u>	<u>\$.87</u>	<u>\$.74</u>

KEY OPERATING RATIOS

	As of or For The		As of or For The	
	Three Months Ended		Nine Months Ended	
	March 31,		March 31,	
	2003	2002	2003	2002
Net interest margin	4.12%	4.39%	4.24%	4.30%
Return on average assets	1.20%	1.18%	1.28%	1.19%
Return on average equity	7.96%	7.56%	8.55%	7.59%
Total equity to total assets	14.31%	15.66%	14.31%	15.66%
Common shares outstanding	1,642,745	1,663,962	1,642,745	1,663,962
Book value per share	\$12.84	\$11.95	\$12.84	\$11.95
Nonperforming assets to total assets	0.20%	0.49%	0.20%	0.49%