

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 MARCH 31, 2004**

Coshocton, Ohio, April 21, 2004 – Home Loan Financial Corporation (Nasdaq:HLFC), the parent company of The Home Loan Savings Bank, today announced net income of \$431,000 or \$.27 basic and diluted earnings per share, for the quarter ended March 31, 2004 compared to net income of \$423,000, or \$.28 basic and \$.27 diluted earnings per share, for the quarter ended March 31, 2003, an increase of \$8,000, or 1.9%.

The increase in earnings for the quarter ended March 31, 2004 compared with March 31, 2003, was primarily attributable to increases in net interest income of \$118,000 and a decrease in provision for loan losses of \$15,000, offset by a decrease in noninterest income of \$53,000, an increase in noninterest expense of \$56,000 and an increase in income tax expense of \$16,000. 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, 2004 was 4.03% compared to 4.12% for the three months ended March 31, 2003. The decrease in noninterest income was primarily due to HLFC's decrease in earnings from its partially-owned subsidiary and a decrease in gains on sale of loans. 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 increased price of HLFC's stock.

Return on average equity and return on average assets for the three months ended March 31, 2004 were 7.59% and 1.11%, respectively. The book value of HLFC's common stock was \$13.46 per share as of March 31, 2004 compared to \$12.84 per share as of March 31, 2003, an increase of \$0.62 or 4.8%.

Total assets at March 31, 2004 were \$157.5 million compared to June 30, 2003 assets of \$147.8 million, an increase of \$9.7 million, or 6.6%. The increase in total assets was primarily in loans, which increased \$8.7 million. Total deposits at March 31, 2004 were \$84.1 million compared to June 30, 2003 deposits of \$86.0 million, a decrease of \$1.9 million, or 2.2%. Total borrowings at March 31, 2004 were \$49.4 million compared to \$38.7 million at June 30, 2003, an increase of \$10.7 million, or 27.6%. The additional borrowings were used to fund a capital leveraging strategy and to fund loan demand. Total equity at March 31, 2004 was \$22.8 million compared to \$21.7 million at June 30, 2003.

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, 2004</u>	<u>June 30, 2003</u>
ASSETS		
Cash and cash equivalents	\$ 3,372,839	\$ 4,012,397
Securities available for sale	7,444,659	7,536,746
Mortgage-backed securities available for sale	11,629,341	9,850,287
Federal Home Loan Bank stock	2,228,600	2,162,900
Loans, net	130,415,286	121,759,596
Premises and equipment, net	1,150,350	1,218,370
Accrued interest receivable	737,939	738,357
Other assets	<u>541,648</u>	<u>504,077</u>
Total assets	<u>\$157,520,662</u>	<u>\$147,782,730</u>
LIABILITIES		
Deposits	\$ 84,086,940	\$ 85,953,036
Federal Home Loan Bank advances	49,401,303	38,720,382
Accrued interest payable	558,389	580,142
Accrued expenses and other liabilities	<u>707,484</u>	<u>818,719</u>
Total liabilities	134,754,116	126,072,279
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	14,406,275	14,166,911
Retained earnings	14,610,708	14,514,056
Unearned employee stock ownership plan shares	(850,366)	(1,067,434)
Unearned recognition and retention plan shares	(196,215)	(256,212)
Treasury stock, at cost – 556,980 shares at March 31, 2004 and 596,305 shares at June 30, 2003	(5,598,401)	(6,090,975)
Accumulated other comprehensive income	<u>394,545</u>	<u>444,105</u>
Total shareholders' equity	<u>22,766,546</u>	<u>21,710,451</u>
Total liabilities and shareholders' equity	<u>\$157,520,662</u>	<u>\$147,782,730</u>

CONSOLIDATED STATEMENTS OF INCOME

	Three Months Ended		Nine Months Ended	
	March 31,		March 31,	
	2004	2003	2004	2003
Total interest income	\$2,422,810	\$2,354,830	\$7,214,475	\$7,277,555
Total interest expense	<u>909,422</u>	<u>959,101</u>	<u>2,760,682</u>	<u>3,006,214</u>
Net interest income	1,513,388	1,395,729	4,453,793	4,274,341
Provision for loan losses	<u>40,000</u>	<u>55,000</u>	<u>85,000</u>	<u>150,000</u>
Net interest income after provision for loan losses	1,473,388	1,340,729	4,368,793	4,121,341
Total noninterest income	141,670	194,661	548,073	526,890
Total noninterest expense	<u>953,467</u>	<u>897,742</u>	<u>2,856,745</u>	<u>2,638,177</u>
Income before income tax expense	661,591	637,648	2,060,121	2,010,054
Income tax expense	<u>231,000</u>	<u>215,100</u>	<u>705,900</u>	<u>677,300</u>
Net income	<u>\$ 430,591</u>	<u>\$ 422,548</u>	<u>\$1,354,221</u>	<u>\$1,332,754</u>
Basic earnings per share	<u>\$.27</u>	<u>\$.28</u>	<u>\$.87</u>	<u>\$.90</u>
Diluted earnings per share	<u>\$.27</u>	<u>\$.27</u>	<u>\$.85</u>	<u>\$.87</u>

KEY OPERATING RATIOS

	As of or For The		As of or For The	
	Three Months Ended		Nine Months Ended	
	March 31,		March 31,	
	2004	2003	2004	2003
Net interest margin	4.03%	4.12%	4.06%	4.24%
Return on average assets	1.11%	1.20%	1.19%	1.28%
Return on average equity	7.59%	7.96%	8.11%	8.55%
Total equity to total assets	14.45%	14.31%	14.45%	14.31%
Common shares outstanding	1,691,270	1,642,745	1,691,270	1,642,745
Book value per share	\$13.46	\$12.84	\$13.46	\$12.84
Nonperforming assets to total assets	1.16%	0.20%	1.16%	0.20%