

**PRESS RELEASE**

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

**HOME LOAN FINANCIAL CORPORATION REPORTS  
EARNINGS FOR THE QUARTER AND YEAR ENDED JUNE 30, 2009**

Coshocton, Ohio, July 22, 2009 – Home Loan Financial Corporation (OTCBB: HLFN), the parent company of The Home Loan Savings Bank, today announced net income of \$402,000, or \$.28 basic and diluted earnings per share, for the quarter ended June 30, 2009 compared to net income of \$522,000, or \$.35 basic and diluted earnings per share, for the quarter ended June 30, 2008, a decrease of \$120,000, or 23.0%.

Net income for the year ended June 30, 2009 was \$1,457,000, or \$.99 basic and diluted earnings per share, compared to \$1,402,000 for the year ended June 30, 2008, or \$.94 basic and diluted earnings per share, an increase of \$54,000, or 3.9%.

This increase in earnings for the year ended June 30, 2009 compared with June 30, 2008 was primarily attributable to an increase in net interest income of \$646,000 and an increase in noninterest income of \$65,000, partially offset by an increase in the provision for loan losses of \$538,000 and an increase in noninterest expense of \$104,000. The provision for loan losses was funded heavily in fiscal year 2009 to allow for general economic conditions in HLFN's market area. The increase in noninterest expense was primarily due to an increase in FDIC insurance premiums of \$120,000, including \$72,000 for the FDIC Special Assessment which is payable in September 2009.

The net interest margin for the year ended June 30, 2009 was 3.93% compared to 3.63% for the year ended June 30, 2008, an increase of 30 basis points, or 8.3%. Return on average equity and return on average assets for the year ended June 30, 2009 were 7.65% and 0.89%, respectively. The book value of HLFN's common stock was \$13.07 per share as of June 30, 2009 compared to \$12.63 per share as of June 30, 2008, an increase of \$.44, or 3.5%.

Total assets at June 30, 2009 were \$160.4 million compared to June 30, 2008 assets of \$167.2 million, a decrease of \$6.7 million, or 4.0%. Total deposits at June 30, 2009 were \$107.7 million compared to June 30, 2008 deposits of \$107.9 million, a decrease of \$235,000, or 0.22%. Total equity at June 30, 2009 was \$18.9 million compared to \$18.8 million at June 30, 2008, an increase of \$99,000.

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>June 30, 2009</u>	<u>June 30, 2008</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 2,097,532	\$ 4,138,262
Interest-bearing time deposits	2,632,930	2,619,781
Securities available for sale	7,797,702	7,653,759
Mortgage-backed securities available for sale	5,778,710	7,435,443
Federal Home Loan Bank stock	2,663,300	2,627,900
Loans, net	131,570,705	134,669,371
Premises and equipment	3,056,271	3,139,080
Accrued interest receivable	966,005	907,589
Bank owned life insurance	3,692,886	3,551,191
Other assets	164,629	407,661
Total assets	<u>\$160,420,670</u>	<u>\$167,150,037</u>
 <b>LIABILITIES</b>		
Deposits	\$ 107,653,921	\$ 107,888,805
Federal Home Loan Bank advances	32,378,013	38,939,957
Accrued interest payable	652,158	749,750
Accrued expenses and other liabilities	849,424	783,058
Total liabilities	<u>141,533,516</u>	<u>148,361,570</u>
 <b>SHAREHOLDERS' EQUITY</b>		
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	15,039,383	15,001,713
Retained earnings	13,972,452	13,633,118
Treasury stock, at cost - 803,718 shares at June 30, 2009 and 760,899 shares at June 30, 2008	(10,394,471)	(9,854,024)
Accumulated other comprehensive income	269,790	7,660
Total shareholders' equity	<u>18,887,154</u>	<u>18,788,467</u>
Total liabilities and shareholders' equity	<u>\$160,420,670</u>	<u>\$167,150,037</u>

## CONSOLIDATED STATEMENTS OF INCOME

	Three Months Ended		Year Ended	
	June 30,		June 30,	
	2009	2008	2009	2008
Total interest income	\$2,300,334	\$2,512,630	\$ 9,658,523	\$10,251,079
Total interest expense	<u>798,484</u>	<u>1,109,098</u>	<u>3,647,025</u>	<u>4,885,103</u>
Net interest income	1,501,850	1,403,532	6,011,498	5,365,976
Provision for loan losses	<u>310,000</u>	<u>70,000</u>	<u>840,000</u>	<u>302,000</u>
Net interest income after provision for loan losses	1,191,850	1,333,532	5,171,498	5,063,976
Total noninterest income	285,867	287,403	1,021,380	956,306
Total noninterest expense	<u>1,068,642</u>	<u>1,013,427</u>	<u>4,181,528</u>	<u>4,077,691</u>
Income before income tax expense	409,075	607,508	2,011,350	1,942,591
Income tax expense	<u>7,110</u>	<u>85,800</u>	<u>554,745</u>	<u>540,300</u>
Net income	<u>\$ 401,965</u>	<u>\$ 521,708</u>	<u>\$ 1,456,605</u>	<u>\$ 1,402,291</u>
Basic earnings per share	<u>\$ .28</u>	<u>\$ .35</u>	<u>\$ .99</u>	<u>\$ .94</u>
Diluted earnings per share	<u>\$ .28</u>	<u>\$ .35</u>	<u>\$ .99</u>	<u>\$ .94</u>

## KEY OPERATING RATIOS

	At or For The		At or For The	
	Three Months Ended		Year Ended	
	June 30,		June 30,	
	2009	2008	2009	2008
Net interest margin	3.97%	3.76%	3.93%	3.63%
Return on average assets	0.99%	1.27%	0.89%	0.88%
Return on average equity	8.47%	11.06%	7.65%	7.46%
Total equity to total assets	11.77%	11.24%	11.77%	11.24%
Common shares outstanding	1,444,532	1,487,351	1,444,532	1,487,351
Book value per share	\$13.07	\$12.63	\$13.07	\$12.63
Nonperforming assets to total assets	2.69%	1.36%	2.69%	1.36%