

PRESS RELEASE

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**HOME LOAN FINANCIAL CORPORATION REPORTS
EARNINGS FOR THE QUARTER ENDED DECEMBER 31, 2009**

Coshocton, Ohio, January 20, 2010 – Home Loan Financial Corporation (OTCBB: HLFN), the parent company of The Home Loan Savings Bank, today announced net income of \$401,000, or \$.28 basic and diluted earnings per share, for the quarter ended December 31, 2009 compared to net income of \$330,000, or \$.22 basic and diluted earnings per share, for the quarter ended December 31, 2008, an increase of \$71,000, or 21.5%.

This increase in earnings for the quarter ended December 31, 2009 compared with December 31, 2008 was primarily attributable to an increase in net interest income of \$121,000 and a decrease in the provision for loan losses of \$40,000, partially offset by an increase in total noninterest expense of \$59,000 and an increase in income tax expense of \$37,000.

The net interest margin for the three months ended December 31, 2009 was 4.24%. Return on average equity and return on average assets for the three months ended December 31, 2009 were 8.45% and 1.00%, respectively. The book value of HLFN's common stock was \$13.10 per share as of December 31, 2009 compared to \$12.82 per share as of December 31, 2008.

Total assets at December 31, 2009 were \$161.6 million compared to June 30, 2009 assets of \$160.4 million, an increase of \$1.2 million, or 0.76%. Total deposits at December 31, 2009 were \$110.7 million compared to June 30, 2009 deposits of \$107.7 million, an increase of \$3.0 million, or 2.8%. Total equity at December 31, 2009 was \$18.7 million compared to \$18.9 million at June 30, 2009, a decrease of \$181,000.

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>December 31, 2009</u>	<u>June 30, 2009</u>
ASSETS		
Cash and cash equivalents	\$ 1,853,102	\$ 2,097,532
Interest-bearing time deposits	2,210,970	2,632,930
Securities available for sale	7,840,803	7,797,702
Mortgage-backed securities available for sale	4,803,572	5,778,710
Federal Home Loan Bank stock	2,663,300	2,663,300
Loans, net	133,033,649	131,570,705
Premises and equipment	3,032,446	3,056,271
Accrued interest receivable	890,665	966,005
Bank owned life insurance	3,764,387	3,692,886
Other assets	<u>1,552,268</u>	<u>164,629</u>
Total assets	<u>\$161,645,162</u>	<u>\$160,420,670</u>
 LIABILITIES		
Deposits	\$ 110,666,145	\$ 107,653,921
Federal Home Loan Bank advances	31,038,006	32,378,013
Accrued interest payable	521,984	652,158
Accrued expenses and other liabilities	<u>712,709</u>	<u>849,424</u>
Total liabilities	142,938,844	141,533,516
 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	15,039,383
Retained earnings	14,152,248	13,972,452
Treasury stock, at cost – 834,453 shares at December 31, 2009 and 803,718 shares at June 30, 2009	(10,805,238)	(10,394,471)
Accumulated other comprehensive income	<u>314,897</u>	<u>269,790</u>
Total shareholders' equity	<u>18,706,318</u>	<u>18,887,154</u>
Total liabilities and shareholders' equity	<u>\$161,645,162</u>	<u>\$160,420,670</u>

CONSOLIDATED STATEMENTS OF INCOME

	Three Months Ended		Six Months Ended	
	December 31,		December 31,	
	2009	2008	2009	2008
Total interest income	\$2,328,297	\$2,430,065	\$4,685,814	\$4,982,638
Total interest expense	<u>743,385</u>	<u>965,767</u>	<u>1,521,257</u>	<u>1,990,152</u>
Net interest income	1,584,912	1,464,298	3,164,557	2,992,486
Provision for loan losses	<u>150,000</u>	<u>190,000</u>	<u>310,000</u>	<u>345,000</u>
Net interest income after provision for loan losses	1,434,912	1,274,298	2,854,557	2,647,486
Total noninterest income	252,767	246,912	536,032	520,395
Total noninterest expense	<u>1,081,060</u>	<u>1,022,094</u>	<u>2,140,224</u>	<u>2,084,264</u>
Income before income tax expense	606,619	499,116	1,250,365	1,083,617
Income tax expense	<u>206,000</u>	<u>169,400</u>	<u>424,865</u>	<u>368,100</u>
Net income	<u>\$ 400,619</u>	<u>\$ 329,716</u>	<u>\$ 825,500</u>	<u>\$ 715,517</u>
Basic earnings per share	<u>\$.28</u>	<u>\$.22</u>	<u>\$.58</u>	<u>\$.48</u>
Diluted earnings per share	<u>\$.28</u>	<u>\$.22</u>	<u>\$.58</u>	<u>\$.48</u>

KEY OPERATING RATIOS

	At or For The		At or For The	
	Three Months Ended		Six Months Ended	
	December 31,		December 31,	
	2009	2008	2009	2008
Net interest margin	4.24%	3.90%	4.23%	3.96%
Return on average assets	1.00%	0.81%	1.03%	0.87%
Return on average equity	8.45%	6.91%	8.67%	7.51%
Total equity to total assets	11.57%	11.61%	11.57%	11.61%
Common shares outstanding	1,413,797	1,473,437	1,413,797	1,473,437
Book value per share	\$13.10	\$12.82	\$13.10	\$12.82
Nonperforming assets to total assets	2.28%	1.37%	2.28%	1.37%