

PRESS RELEASE

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**HOME LOAN FINANCIAL CORPORATION REPORTS
EARNINGS FOR THE QUARTER ENDED SEPTEMBER 30, 2009**

Coshocton, Ohio, October 21, 2009 – Home Loan Financial Corporation (OTCBB: HLFN), the parent company of The Home Loan Savings Bank, today announced net income of \$425,000, or \$0.30 basic and diluted earnings per share, for the quarter ended September, 2009 compared to net income of \$386,000, or \$0.26 basic and diluted earnings per share, for the quarter ended September 30, 2008, an increase of \$39,000, or 10.1%.

This increase in earnings for the year ended September 30, 2009 compared with September 30, 2008 was primarily attributable to an increase in net interest income of \$51,000 and an increase in noninterest income of \$10,000, partially offset by an increase in income tax expense of \$20,000.

The net interest margin for the year ended September 30, 2009 was 4.02% compared to 3.56% for the year ended September 30, 2008, an increase of 46 basis points, or 12.9%. Return on average equity and return on average assets for the year ended September 30, 2009 were 8.89% and 1.06%, respectively. The book value of HLFN's common stock was \$13.18 per share as of September 30, 2009 compared to \$12.73 per share as of September 30, 2008, an increase of \$0.45, or 3.5%.

Total assets at September 30, 2009 were \$160.2 million compared to June 30, 2009 assets of \$160.4 million, a decrease of \$243,000. Total deposits at September 30, 2009 were \$109.3 million compared to June 30, 2009 deposits of \$107.7 million, an increase of \$1.7 million, or 1.6%. Total equity at September 30, 2009 was \$18.9 million, or 11.8% of total assets.

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>September 30, 2009</u>	<u>June 30, 2009</u>
ASSETS		
Cash and cash equivalents	\$ 1,920,188	\$ 2,097,532
Interest-bearing time deposits	2,281,281	2,632,930
Securities available for sale	7,879,209	7,797,702
Mortgage-backed securities available for sale	5,294,211	5,778,710
Federal Home Loan Bank stock	2,663,300	2,663,300
Loans, net	131,628,474	131,570,705
Premises and equipment	3,002,621	3,056,271
Accrued interest receivable	977,039	966,005
Bank owned life insurance	3,727,587	3,692,886
Other assets	804,217	164,629
Total assets	<u>\$160,178,127</u>	<u>\$160,420,670</u>
 LIABILITIES		
Deposits	\$ 109,339,542	\$ 107,653,921
Federal Home Loan Bank advances	30,451,824	32,378,013
Accrued interest payable	493,333	652,158
Accrued expenses and other liabilities	978,419	849,424
Total liabilities	141,263,118	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	15,039,380	15,039,383
Retained earnings	14,038,620	13,972,452
Treasury stock, at cost - 813,398 shares at September 30, 2009 and 803,718 shares at June 30, 2009	(10,513,865)	(10,394,471)
Accumulated other comprehensive income	350,874	269,790
Total shareholders' equity	<u>18,915,009</u>	<u>18,887,154</u>
Total liabilities and shareholders' equity	<u>\$160,178,127</u>	<u>\$160,420,670</u>

CONSOLIDATED STATEMENTS OF INCOME

	Three Months Ended September 30,	
	<u>2009</u>	<u>2008</u>
Total interest income	\$2,357,517	\$2,552,573
Total interest expense	<u>777,872</u>	<u>1,024,385</u>
Net interest income	1,579,645	1,528,188
Provision for loan losses	<u>160,000</u>	<u>155,000</u>
Net interest income after provision for loan losses	1,419,645	1,373,188
Total noninterest income	283,266	273,483
Total noninterest expense	<u>1,059,165</u>	<u>1,062,170</u>
Income before income tax expense	643,746	584,501
Income tax expense	<u>218,865</u>	<u>198,700</u>
Net income	<u>\$ 424,881</u>	<u>\$ 385,801</u>
Basic earnings per share	<u>\$ 0.30</u>	<u>\$ 0.26</u>
Diluted earnings per share	<u>\$ 0.30</u>	<u>\$ 0.26</u>

KEY OPERATING RATIOS

	At or for The Three Months Ended September 30,	
	<u>2009</u>	<u>2008</u>
Net interest margin	4.02%	3.69%
Return on average assets	1.06%	0.93%
Return on average equity	8.89%	8.11%
Total equity to total assets	11.81%	11.30%
Common shares outstanding	1,434,852	1,485,051
Book value per share	\$13.18	\$12.73
Nonperforming assets to total assets	2.54%	1.16%