#### FOR IMMEDIATE RELEASE

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# HOME LOAN FINANCIAL CORPORATION REPORTS EARNINGS FOR THE QUARTER ENDED DECEMBER 31, 2007

Coshocton, Ohio, January 16, 2008 – Home Loan Financial Corporation (OTCBB: HLFN), the parent company of The Home Loan Savings Bank, today announced net income of \$275,000, or \$.18 basic and diluted earnings per share, for the quarter ended December 31, 2007 compared to net income of \$349,000, or \$.23 basic and diluted earnings per share, for the quarter ended December 31, 2006, a decrease of \$74,000, or 21.2%.

This decrease in earnings for the quarter ended December 31, 2007 compared with December 31, 2006 was primarily attributable to an increase in noninterest expense of \$99,000, partially offset by a decrease in income tax expense of \$48,000.

The net interest margin for the three months ended December 31, 2007 was 3.66%. Return on average equity and return on average assets for the three months ended December 31, 2007 were 5.84% and 0.69%, respectively. The book value of HLFN's common stock was \$12.49 per share as of December 31, 2007 compared to \$12.43 per share as of December 31, 2006.

Total assets at December 31, 2007 were \$160.3 million compared to June 30, 2007 assets of \$159.0 million, an increase of \$1.3 million, or 0.8%. Total deposits at December 31, 2007 were \$107.5 million compared to June 30, 2007 deposits of \$110.4 million, a decrease of \$2.9 million, or 2.6%. Total equity at December 31, 2007 was \$18.7 million compared to \$18.5 million at June 30, 2007, an increase of \$170,000.

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

	December 31, 2007	June 30, 2007
ASSETS		
Cash and cash equivalents	\$ 4,491,148	\$ 6,405,334
Interest-bearing time deposits	2,670,821	636,150
Securities available for sale	7,710,425	7,573,864
Mortgage-backed securities available for sale	5,524,490	5,861,198
Federal Home Loan Bank stock	2,559,500	2,559,500
Loans, net	129,343,471	127,423,992
Premises and equipment	3,187,749	3,249,277
Accrued interest receivable	961,113	939,630
Bank owned life insurance	3,480,254	3,410,108
Other assets	375,897	903,164
Total assets	<u>\$160,304,868</u>	<u>\$158,962,217</u>
LIABILITIES		
Deposits	\$ 107,496,871	\$ 110,390,189
Federal Home Loan Bank advances	32,649,941	28,508,349
Accrued interest payable	721,142	844,403
Accrued expenses and other liabilities	745,948	698,736
Total liabilities	141,613,902	140,441,677
Total habilities	141,013,702	140,441,077
SHAREHOLDERS' EQUITY		
Preferred stock, no par value, 500,000 shares	authorized,	
none outstanding		
Common stock, no par value, 9,500,000 share	s authorized,	
2,248,250 shares issued		
Additional paid-in capital	14,981,988	14,953,288
Retained earnings	13,415,982	13,432,381
Treasury stock, at cost –751,909 shares at	(9,735,547)	(9,735,547)
December 31, 2007 and June 30, 2007		
Accumulated other comprehensive income	28,543	(129,582)
Total shareholders' equity	18,690,966	18,520,540
Total liabilities and shareholders' equi	ty <u>\$160,304,868</u>	<u>\$158,962,217</u>

### CONSOLIDATED STATEMENTS OF INCOME

	Three Months Ended		Six Months Ended	
	December 31,		December 31,	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
Total interest income	\$2,609,010	\$2,642,094	\$5,186,184	\$5,180,819
Total interest expense	1,293,028	1,291,787	2,564,397	2,506,747
Net interest income	1,315,982	1,350,307	2,621,787	2,674,072
Provision for loan losses	90,000	90,000	162,000	<u>150,000</u>
Net interest income after				
provision for loan losses	1,225,982	1,260,307	2,459,787	2,524,072
Total noninterest income	263,997	252,600	528,401	510,372
Total noninterest expense	1,075,508	976,298	2,098,564	1,941,721
Income before income				
tax expense	414,471	536,609	889,624	1,092,723
Income tax expense	139,900	187,500	304,700	382,300
Net income	<u>\$ 274,571</u>	<u>\$ 349,109</u>	<u>\$ 584,924</u>	<u>\$ 710,423</u>
Basic earnings per share	<u>\$.18</u>	<u>\$ .23</u>	\$ .39	<u>\$ .48</u>
Diluted earnings per share	<u>\$ .18</u>	<u>\$ .23</u>	\$ .39	<u>\$ .48</u>

## **KEY OPERATING RATIOS**

	At or	For The	At or	At or For The	
	Three Months Ended December 31,		Six Months Ended December 31,		
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	
Net interest margin	3.66%	3.66%	3.67%	3.66%	
Return on average assets	0.69%	0.87%	0.74%	0.89%	
Return on average equity	5.84%	7.46%	6.24%	7.58%	
Total equity to total assets	11.66%	11.46%	11.66%	11.46%	
Common shares outstanding	1,496,341	1,503,303	1,496,341	1,503,303	
Book value per share	\$12.49	\$12.43	\$12.49	\$12.43	
Nonperforming assets to					
total assets	1.59%	1.44%	1.59%	1.44%	