## 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 <br> (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 | \$160,304,868 | \$158,962,217 |
| 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 |
| 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 | 14,981,988 | 14,953,288 |
| Retained earnings | 13,415,982 | 13,432,381 |
| Treasury stock, at cost $-751,909$ shares at December 31, 2007 and June 30, 2007 | $(9,735,547)$ | $(9,735,547)$ |
| Accumulated other comprehensive income | 28,543 | $(129,582)$ |
| Total shareholders' equity | 18,690,966 | 18,520,540 |
| Total liabilities and shareholders' equity | y \$160,304,868 | \$158,962,217 |

# CONSOLIDATED STATEMENTS OF INCOME 

|  | Three Months Ended |  |  | Six Months Ended |  |
| :--- | ---: | ---: | ---: | ---: | ---: |
|  | December 31, |  |  |  |  |

## KEY OPERATING RATIOS

| 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 |  |  |  |  |
| $\quad$ total assets |  |  |  |  |

