At the heart of every great company is principle, profitability, and potential. HopFed Bancorp is that company.

Small Steps. Big rewards.
Heritage Bank was key to the revitalization of Haley Hardware, an historic business in downtown Elkton. Tim Little, Market Manager in Todd County worked with Haley Hardware owner, Dean Haley, to make the renaissance a reality.

The Pennyroyal Hospice facility is one of scores of construction projects financed by Heritage Bank.

Brenda Jones, Vice President Loan Review, has contributed her time to United Way as part of the Budget and Allocations Committee since 2001. In 2009, Heritage Bank employees devoted more than 11,000 hours to community service.

Jessica Parshall, a sophomore at Austin Peay State University, is preparing for a future in medicine thanks, in part, to a Heritage Bank Scholarship. The fund has provided college aid to more than 230 students to date.

Heritage Bank was key to the revitalization of Haley Hardware, an historic business in downtown Elkton. Tim Little, Market Manager in Todd County worked with Haley Hardware owner, Dean Haley, to make the renaissance a reality.

The Pennyroyal Hospice facility is one of scores of construction projects financed by Heritage Bank.
For more than a century,

THE GENERATIONS OF BANKERS AND NEIGHBORS WHO HAVE REPRESENTED THIS EXCEPTIONAL COMPANY HAVE BEEN SUCCESSFUL FOR THREE DISTINCT REASONS. THROUGH THE YEARS, THESE PEOPLE, BOTH INDIVIDUALLY AND COLLECTIVELY, HAVE EXHIBITED A COMMITMENT TO BOTH THE COMPANY THEY WORK FOR AND THE COMMUNITY IN WHICH THEY LIVE AND WORK. AND IT IS BECAUSE OF THAT DEVOTION TO BOTH BANKING AND THE BETTERMENT OF THEIR HOMETOWNS THAT HopFed Bancorp has profited. • At the heart of every great company are three vital elements: principle, profitability and potential. HopFed Bancorp is that great company. • Since its beginning as a savings and loan back in 1879, bankers have served their friends and neighbors with products to help preserve earnings and loans to help customers move ahead in life. Investors have been the beneficiaries of a principled, profitable company. That company is alive and well in the 21st century.

Principled. HopFed Bancorp is fundamentally grounded in its dedication to the highest integrity with regard to the creation of banking products and services. Only a company with such a principled philosophy can weather the unbridled encounters of a history spanning 100 years! The company has also never waivered in its uncompromising belief that being a caring corporate neighbor is in the best interest of everyone with which the company connects: employees, customers, communities and investors.

Profitability. The continued success of HopFed Bancorp, despite world wars and financial crises of the past ten decades, is a testament to the tenacity and competence of the hard-working people who have sustained consistent profitability for this company since its inception. The ability of a community bank serving a regional constituency to grow and prosper year after year is nothing less than exceptional.

Potential. The growth keeps on coming. In the face of a global financial crisis during the past couple of years, HopFed Bancorp stands, once again, to report profits and returns to its investors for yet another successive year. Once again, HopFed Bancorp rises to a place of respect for its conscientious use of resources and its development of new markets.

The unrivaled history of this company is a solid starting point for its future. We invite you to join us for the journey that lies ahead.
The nation’s many economic failures during the last year have obviously cut deep into the very fabric of our financial lives in the United States. Companies like Indy Mac, AIG, Freddie Mac, Washington Mutual, and Fannie Mae have all failed. Others such as General Motors and Chrysler, once darlings of Wall Street, have filed bankruptcy.

In 2009, 140 banks failed and projections through 2011 estimate an additional 500 more may cease to exist. These are, indeed, desperate times for many long-standing institutions in the financial world; probably times that few of us have ever experienced in our professional lives.

However, as we have said many times before, Heritage Bank and HopFed Bancorp have weathered greater severities in the 130 years the bank, and the corporation, have been providing financial services to the people of our region.

In a marketing campaign utilized in 2009, we compared the strong roots, continual growth, and good stewardship of Heritage Bank to that of this area’s healthy fruits and vegetables. Farmers throughout our communities know what it takes to “weather the storms and calamities” that can ensue when you plant the seeds of a future harvest. So does Heritage Bank.

If a bank’s been healthy and growing for more than 130 years, it’s clear that good seeds were planted back in 1879. Those who have tended the bank through the years have been good stewards, and the result is a great crop of people who continue to keep Heritage Bank and HopFed Bancorp GROWING and MATURING.

Growth and Maturity.

Despite these challenging times, we have been able to aggressively fund our reserve for loan losses, contributing $4 million in 2009, putting our reserve total at approximately $8.9 million. FDIC insurance premiums were increased to $2 million for 2009 and the company pre-paid more than $4.5 million in advance for 2010, 2011, and 2012 due to a special assessment, above and beyond the required 2009 amount.

Given the depth and significance of the current financial crisis, a significant number of publicly traded financial stocks experienced a measurable reduction in the price traded for the stock on the open market. As a result, HopFed wrote off 100% of our Goodwill resulting in an expense of approximately $5 million.
President Franklin D. Roosevelt once commented that “the only limit to our realization of tomorrow will be our doubts of today.” In spite of an economy and a banking industry environment in a virtual free-fall within the last year, many entities doubted their very ability to stay in business. On the contrary, Heritage Bank showed a profit of $2.6 million and HopFed recorded profits of $944,000 or $.26/share.

While many institutions retreated from their commitment to make their dividend payments, HopFed Bancorp continued to pay $.48 per share in 2009.

And at a time when many institutions have drastically reduced their lending practices, Heritage Bank was open for business! In 2009, Heritage Bank and Heritage Bank Mortgage Services teamed up to generate loans in excess of $217 million.

Maintaining profitability in a severe downturn demonstrates a clear ability on the part of senior management at HopFed Bancorp to handle our operations efficiently on behalf of our investors. We believe, and hope you agree, that if a bank is growing earnings while most in the industry are shaking off troublesome legacy loans, there’s a good possibility that it will be able to deliver more value than its stock price may currently reflect. There are unquestionably difficult days ahead, but we, at HopFed Bancorp, believe the core strategies that have served us well for 130 years will continue to place us in the respected position of growth and profits for the year ahead.

**Principle. Profitability. Potential.**

As we mentioned in our opening remarks in this 2009 annual report, at the heart of every great company are three vital elements: principle, profitability, and potential. HopFed Bancorp is that great company.

HopFed Bancorp is fundamentally grounded in its dedication to the highest integrity with regard to the creation of banking products and services. In addition, our company has never wavered from our belief that being a caring corporate neighbor is in the best interest of everyone with which the company connects: employees, customers, communities, and investors.

The continued success of HopFed Bancorp is a testament to the tenacity and competence of the hard-working people who have sustained consistent profitability for this company since its inception.

The growth keeps on coming. Once again, as in every year of the past decade, HopFed Bancorp reports profits and returns to its investors for yet another successive year. Once again, HopFed Bancorp rises to a place of respect for its conscientious use of resources and its development of new markets.

We thank you for your continued belief in our company and your investment in our future potential. Please know that we honor your trust every day we open our doors to serve our many valued customers.

John E. Peck
President and CEO
## Selected Financial Data

### Earnings Summary

**Dollars in thousands, except per share data**

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Interest income</td>
<td>$53,141</td>
<td>$49,477</td>
<td>$49,033</td>
<td>$40,668</td>
</tr>
<tr>
<td>Interest expense</td>
<td>$26,312</td>
<td>$26,420</td>
<td>$28,891</td>
<td>$23,288</td>
</tr>
<tr>
<td><strong>Net interest income after provision for loan losses</strong></td>
<td>$22,630</td>
<td>$20,640</td>
<td>$19,166</td>
<td>$16,357</td>
</tr>
<tr>
<td>Net income available to common shareholders</td>
<td>$944</td>
<td>$4,559</td>
<td>$4,116</td>
<td>$3,908</td>
</tr>
<tr>
<td><strong>Earnings per share (fully diluted)</strong></td>
<td>0.26</td>
<td>1.27</td>
<td>1.14</td>
<td>1.07</td>
</tr>
</tbody>
</table>

### Balance Sheet Data

**Dollars in thousands, except per share data**

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total assets</td>
<td>$1,029,876</td>
<td>$967,560</td>
<td>$808,352</td>
<td>$770,888</td>
</tr>
<tr>
<td>Loans receivable, net</td>
<td>$642,355</td>
<td>$628,356</td>
<td>$576,252</td>
<td>$494,968</td>
</tr>
<tr>
<td>Total deposits</td>
<td>$794,144</td>
<td>$713,005</td>
<td>$598,753</td>
<td>$569,433</td>
</tr>
<tr>
<td>Shareholders’ equity</td>
<td>$79,949</td>
<td>$78,284</td>
<td>$55,803</td>
<td>$52,270</td>
</tr>
<tr>
<td><strong>Book value per common share</strong></td>
<td>17.12</td>
<td>16.67</td>
<td>15.54</td>
<td>14.41</td>
</tr>
</tbody>
</table>

* Dollars in Millions, Numbers rounded to nearest sum
Office Locations

Christian County
**Corporate Office**
4155 Lafayette Road
Hopkinsville, KY 42240
270-885-1171

2700 Fort Campbell Boulevard
Hopkinsville, KY 42240
270-885-1171

605 South Virginia Street
Hopkinsville, KY 42240
270-885-2628

Calloway County
210 North 12th Street
Murray, KY 42071
270-753-7921

1601 North 12th Street
Murray, KY 42071
270-767-2000

**Trigg County**
352 Main Street
Cadiz, KY 42211
270-522-6638

2700 Fort Campbell Boulevard
Hopkinsville, KY 42240
270-885-1171

605 South Virginia Street
Hopkinsville, KY 42240
270-885-2628

**Todd County**
536 West Main Street
Elkton, KY 42220
270-265-5628

**Marshall County**
105 West 5th Street
Benton, KY 42025
270-527-4353

20 Oak Plaza Drive
Calvert City, KY 42029
270-395-0781

**Fulton County**
306 Lake Street
Fulton, KY 42041
270-472-3300

Carr Plaza
609 North Highland Drive
Fulton, KY 42041
270-472-4410

**Cheatham County**
108 Cumberland Street
Ashland City, TN 37015
615-792-4337

104 West Kingston Springs Road
Kingston Springs, TN 37082
615-952-9143

2556 Highway 49 East
Pleasant View, TN 37146
615-746-2111

**Montgomery County**
3845 Trenton Road
Clarksville, TN 37040
931-920-7100

2185 Madison Street
Clarksville, TN 37043
931-221-4700

322 Main Street
Clarksville, TN 37040
931-552-5627

**Houston County**
3711 West Main Street
Erin, TN 37061
931-289-5000

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2009 ANNUAL REPORT • 5
Board of Directors and Corporate Officers

HopFed Bancorp, Inc.

Board of Directors

Gilbert E. Lee
Chairman of the Board and Co-owner—C & L Rentals, L.L.C.

John E. Peck
President and Chief Executive Officer

Boyd M. Clark
Senior Vice President and Secretary

H. Joseph Dempsey, M.D.
Anesthesiologist

Ted Kinsey
Owner—Parkway Chrysler, Dodge, Jeep

Dr. Thomas I. Miller, C.P.A.
Professor of Accounting—Murray State University and Executive Director—Murray State University Foundation

Steve Hunt
Vice President—Agri-Power and Agri-Chem

Heritage Bank

Board of Directors

Gilbert E. Lee
Chairman of the Board and Co-owner—C & L Rentals, L.L.C.

John E. Peck
President and Chief Executive Officer

Boyd M. Clark
Senior Vice President and Secretary

H. Joseph Dempsey, M.D.
Anesthesiologist

Ted Kinsey
Owner—Parkway Chrysler, Dodge, Jeep

Dr. Thomas I. Miller, C.P.A.
Professor of Accounting—Murray State University and Executive Director—Murray State University Foundation

Executive Management

John E. Peck
President and Chief Executive Officer

Michael L. Woolfolk
Chief Operating Officer and Executive Vice President

Boyd M. Clark
Senior Vice President—Loan Administration

Billy C. Duvall, C.P.A.
Senior Vice President, Chief Financial Officer and Treasurer

Michael F. Stalls
Senior Vice President and Chief Credit Officer

Banking Center Management

Robert K. Burrow
Market President Fulton County

Paul Thurman
Market President Marshall County

Tim Little
Market Manager Todd County

Jimmy Dan Hicks
Market President Calloway County

Betsy Shelton
Market President Christian County

Michael F. Stalls
Senior Vice President and Chief Credit Officer
Keith Bennett
Market President
Montgomery and Houston County

Paige McVity
Market President
Cheatham County

Amanda Wells
Interim Office Manager
Trigg County

Dr. Thomas I. Miller, C.P.A.
Professor of Accounting—Murray State University and Executive Director—Murray State University Foundation

J.D. Outland, D.M.D.
Dentist

Dr. Joseph A. Morgan
School of Agriculture—Murray State University

Fall & Fall Insurance, Inc.
Roger D. Kephart, CPCU
Vice President and Manager

Heritage Solutions Brokerage & Investments
Mark Vinson
Vice President

Charlene Martin
Vice President

Ty Watts
Vice President

Heritage Mortgage
Paul Harris
Vice President

Kent A. Hutchins
President—Hornbeak Funeral Chapel, Inc.

Roger Kephart, CPCU
Vice President and Manager—Fall & Fall Insurance, Inc.; A Heritage Bank Company

Montgomery/Houston County
Johnny Piper
Mayor of Clarksville

Calloway County
Marc Peebles
Owner—Innovative Printing & Graphics, Inc.

Fulton County
Robert K. Burrow
Market President—Heritage Bank Fulton

Community Board Members

Kent A. Hutchins
President—Hornbeak Funeral Chapel, Inc.

Fulton County

Robert Gray
Farmer

Gary Mathews
President—Gary Mathews Automotive Group

Timothy Hall
President—Austin Peay State University

Tri County/Christian, Todd, Trigg Counties
Donald J. Langhi, Jr.
Plant Manager—Mid-Continent Springs Company

Camilla Diuguid
Co-Owner—ReMax Advantage Realtors

Johnny Knuckles
Manager—Knuckles Insurance Agency

Calloway County

Johnny Knuckles
Manager—Knuckles Insurance Agency

Gary Mathews
President—Gary Mathews Automotive Group

Timothy Hall
President—Austin Peay State University

Tri County/Christian, Todd, Trigg Counties
Donald J. Langhi, Jr.
Plant Manager—Mid-Continent Springs Company

Camilla Diuguid
Co-Owner—ReMax Advantage Realtors

Johnny Knuckles
Manager—Knuckles Insurance Agency

Robert Gray
Farmer
Corporate Information

Independent Auditors
Rayburn, Bates & Fitzgerald, P.C.
5200 Maryland Way, Suite 300
Brentwood, TN 37027

General Counsel
Deatherage, Myers & Lackey
701 South Main Street
Hopkinsville, KY 42241

Special Counsel
Jones Walker
2600 Virginia, NW Suite 1113
Washington, D.C. 20037

Transfer Agent
Registrar and Transfer Company
10 Commerce Drive
Cranford, NJ 07016

Annual Meeting
The 2010 Annual Meeting of Stockholders will be held on May 19, 2010; at 3:00 p.m. at Heritage Bank; 4155 Lafayette Road; Hopkinsville, Kentucky 42240.

Annual Report on Form 10-K
A copy of the Company’s 2009 Annual Report on Form 10-K will be furnished without charge to stockholders as of the record date for the 2010 Annual Meeting upon written request to the Secretary; HopFed Bancorp, Inc.; P.O. Box 537; Hopkinsville, Kentucky 42241. Information on the company’s filings can also be found on their website by visiting www.bankwithheritage.com.

Market and Dividend Information
Since February 9, 1998 the Common Stock has been quoted on the Nasdaq Stock Exchange under the symbol “HFBC.” As of March 30, 2010, there were approximately 2,100 stockholders of the Company’s Common Stock, with approximately 1,020 held in the name of the owner and the remainder held in street name. Below are the high and low stock prices of the Common Stock for the periods indicated.

A dividend of $0.12 per share was declared in each of the four quarters of 2008 and 2009.

Dividends, when and if paid, are subject to determination and declaration by the Board of Directors at its discretion, which will take into account the Company’s consolidated financial condition and results of operations, the Bank’s regulatory capital requirements, tax considerations, economic conditions, regulatory restrictions, and other factors; and there can be no assurance that dividends will be paid or, if paid, will continue to be paid in the future. The payment of future dividends by the Company will depend in large part upon the receipt of dividends from the Bank, and is subject to various tax and regulatory restrictions on the payment of dividends.

Price Range of Common Stock

<table>
<thead>
<tr>
<th></th>
<th>Year Ended December 31, 2008</th>
<th>Year Ended December 31, 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>High</td>
<td>Low</td>
</tr>
<tr>
<td>First Quarter</td>
<td>$14.97</td>
<td>$13.00</td>
</tr>
<tr>
<td>Second Quarter</td>
<td>$14.50</td>
<td>$13.15</td>
</tr>
<tr>
<td>Third Quarter</td>
<td>$14.00</td>
<td>$11.01</td>
</tr>
<tr>
<td>Fourth Quarter</td>
<td>$12.99</td>
<td>$8.78</td>
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