

HINGHAM INSTITUTION FOR SAVINGS

Consolidated Statements of Income

	Three Months Ended June 30,		Six Months Ended June 30,	
	2002	2001	2002	2001
<i>(In Thousands, Except for Per Share Amounts)</i>				
<i>(Unaudited)</i>				
Interest and dividend income:				
Loans	\$ 5,782	\$ 5,740	\$ 11,394	\$ 11,421
Investment securities	573	630	1,201	1,291
Interest-bearing deposits and certificates of deposit	130	175	243	322
Total interest and dividend income	6,485	6,545	12,838	13,034
Interest expense:				
Deposits	1,426	2,084	2,974	4,259
Borrowed funds	1,168	1,117	2,265	2,254
Total interest expense	2,594	3,201	5,239	6,513
Net interest income	3,891	3,344	7,599	6,521
Provision for loan losses	75	60	150	120
Net interest income after provision for loan losses	3,816	3,284	7,449	6,401
Other income:				
Customer service fees on deposits	168	177	337	356
Gain on sale of loans and securities available for sale	--	2	--	136
Other	41	38	81	82
Total other income	209	217	418	574
Operating expenses:				
Salaries and employee benefits	970	924	1,974	1,835
Data processing	151	131	306	269
Occupancy and equipment	201	187	387	366
Legal	9	6	14	10
Other	442	393	834	757
Total operating expenses	1,773	1,641	3,515	3,237
Income before income taxes	2,252	1,860	4,352	3,738
Income tax provision	759	631	1,468	1,266
Net income	\$ 1,493	\$ 1,229	\$ 2,884	\$ 2,472
Cash dividends declared per common share	\$ 0.16	\$ 0.15	\$ 0.32	\$ 0.30
Weighted average shares outstanding:				
Basic	2,059	2,045	2,055	2,045
Diluted	2,086	2,069	2,083	2,067
Earnings per share:				
Basic	\$ 0.73	\$ 0.60	\$ 1.40	\$ 1.21
Diluted	\$ 0.72	\$ 0.59	\$ 1.39	\$ 1.20