

HINGHAM INSTITUTION FOR SAVINGS

Consolidated Statements of Income

(In Thousands, Except for Per Share Amounts) (Unaudited)	Three Months Ended March 31,	
	2005	2004
Interest and dividend income:		
Loans	\$ 6,339	\$ 5,666
Debt securities	567	510
Equity securities	102	49
Short term investments and certificates of deposit	73	52
Total interest and dividend income	7,081	6,277
Interest expense:		
Deposits	1,232	976
Borrowed funds	1,333	1,210
Total interest expense	2,565	2,186
Net interest income	4,516	4,091
Provision for loan losses	49	23
Net interest income after provision for loan losses	4,467	4,068
Other income:		
Customer service fees on deposits	213	191
Gain on sales of securities available for sale	---	80
Increase in cash value of life insurance	104	126
Other	54	48
Total other income	371	445
Operating expenses:		
Salaries and employee benefits	1,444	1,361
Data processing	196	191
Occupancy and equipment	245	221
Legal	---	8
Other	521	514
Total operating expenses	2,406	2,295
Income before income taxes	2,432	2,218
Income tax provision	915	815
Net income	\$ 1,517	\$ 1,403
Cash dividends declared per common share	\$ 0.19	\$ 0.18
Weighted average shares outstanding:		
Basic	2,089	2,080
Diluted	2,105	2,101
Earnings per share:		
Basic	\$ 0.73	\$ 0.68
Diluted	\$ 0.72	\$ 0.67
Return on average equity	13.42 %	13.43 %

