

HINGHAM INSTITUTION FOR SAVINGS

Consolidated Statements of Income

(In Thousands, Except for Per Share Amounts) (Unaudited)	Three Months Ended March 31,	
	2003	2002
Interest and dividend income:		
Loans	\$ 5,754	\$ 5,612
Debt and trust preferred securities	419	548
Other equity securities	74	80
Short term investments and certificates of deposit	82	113
Total interest and dividend income	6,329	6,353
Interest expense:		
Deposits	1,255	1,548
Borrowed funds	1,132	1,097
Total interest expense	2,387	2,645
Net interest income	3,942	3,708
Provision for loan losses	45	75
Net interest income after provision for loan losses	3,897	3,633
Other income:		
Customer service fees on deposits	183	169
Gain on sales of securities available for sale	439	--
Other	118	40
Total other income	740	209
Operating expenses:		
Salaries and employee benefits	1,167	1,004
Data processing	172	155
Occupancy and equipment	221	186
Legal	25	5
Other	494	392
Total operating expenses	2,079	1,742
Income before income taxes	2,558	2,100
Income tax provision	2,361	709
Net income	\$ 197	\$ 1,391
Cash dividends declared per common share	\$ 0.17	\$ 0.16
Weighted average shares outstanding:		
Basic	2,070	2,052
Diluted	2,091	2,079
Earnings per share:		
Basic	\$ 0.10	\$ 0.68
Diluted	\$ 0.09	\$ 0.67
Return on average equity	2.05 %	16.21 %