

HINGHAM INSTITUTION FOR SAVINGS

Consolidated Statements of Income

(In Thousands, Except for Per Share Amounts) (Unaudited)	Three Months Ended March 31,	
	2004	2003
Interest and dividend income:		
Loans	\$ 5,666	\$ 5,754
Debt and trust preferred securities	510	419
Other equity securities	49	74
Short term investments and certificates of deposit	52	82
Total interest and dividend income	6,277	6,329
Interest expense:		
Deposits	976	1,255
Borrowed funds	1,210	1,132
Total interest expense	2,186	2,387
Net interest income	4,091	3,942
Provision for loan losses	23	45
Net interest income after provision for loan losses	4,068	3,897
Other income:		
Customer service fees on deposits	191	183
Gain on sales of securities available for sale	80	439
Other	174	118
Total other income	445	740
Operating expenses:		
Salaries and employee benefits	1,361	1,167
Data processing	191	172
Occupancy and equipment	221	221
Legal	8	25
Other	514	494
Total operating expenses	2,295	2,079
Income before income taxes	2,218	2,558
Income tax provision	815	2,361
Net income	\$ 1,403	\$ 197
Cash dividends declared per common share	\$ 0.18	\$ 0.17
Weighted average shares outstanding:		
Basic	2,080	2,070
Diluted	2,101	2,091
Earnings per share:		
Basic	\$ 0.68	\$ 0.10
Diluted	\$ 0.67	\$ 0.09
Return on average equity	13.43 %	2.05 %

