

HINGHAM INSTITUTION FOR SAVINGS

Consolidated Statements of Income

	Three Months Ended	
	March 31,	
	2009	2008
<i>(In Thousands, Except for Per Share Amounts)</i>		
<i>(Unaudited)</i>		
Interest and dividend income:		
Loans	\$ 10,151	\$ 9,680
Debt securities	562	664
Equity securities	30	220
Short-term investments and certificates of deposit	123	328
Total interest and dividend income	10,866	10,892
Interest expense:		
Deposits	2,878	3,594
Federal Home Loan Bank advances	1,861	2,721
Mortgage payable	18	16
Total interest expense	4,757	6,331
Net interest income	6,109	4,561
Provision for loan losses	550	68
Net interest income, after provision for loan losses	5,559	4,493
Other income:		
Customer service fees on deposits	215	240
Increase in bank-owned life insurance	111	116
Other	51	46
Total other income	377	402
Operating expenses:		
Salaries and employee benefits	1,944	1,748
Data processing	222	207
Occupancy and equipment	362	306
Miscellaneous	872	633
Total operating expenses	3,400	2,894
Income before income taxes	2,536	2,001
Income tax provision	964	714
Net income	\$ 1,572	\$ 1,287
Cash dividends declared per common share	\$ 0.21	\$ 0.20
Weighted average shares outstanding		
Basic	2,122	2,120
Diluted	2,123	2,121
Earnings per share		
Basic	\$ 0.74	\$ 0.61
Diluted	\$ 0.74	\$ 0.61
Return on average equity	10.35	% 9.26