

HINGHAM INSTITUTION FOR SAVINGS

Consolidated Statements of Income

	Three Months Ended	
	March 31,	
	2010	2009
<i>(In Thousands, Except for Per Share Amounts)</i>		
<i>(Unaudited)</i>		
Interest and dividend income:		
Loans	\$ 10,873	\$ 10,151
Debt securities	449	562
Equity securities	28	30
Short-term investments and certificates of deposit	110	123
Total interest and dividend income	11,460	10,866
Interest expense:		
Deposits	2,168	2,878
Federal Home Loan Bank advances	1,809	1,861
Mortgage payable	18	18
Total interest expense	3,995	4,757
Net interest income	7,465	6,109
Provision for loan losses	400	550
Net interest income after provision for loan losses	7,065	5,559
Other income:		
Customer service fees on deposits	200	215
Increase in bank-owned life insurance	114	111
Miscellaneous	63	51
Total other income	377	377
Operating expenses:		
Salaries and employee benefits	2,044	1,944
Data processing	215	222
Occupancy and equipment	344	362
Deposit insurance	280	178
Foreclosure	126	78
Marketing	108	100
Other general and administrative	530	516
Total operating expenses	3,647	3,400
Income before income taxes	3,795	2,536
Income tax provision	1,480	964
Net income	\$ 2,315	\$ 1,572
Cash dividends declared per common share	\$ 0.23	\$ 0.21
Weighted average shares outstanding:		
Basic	2,124	2,122
Diluted	2,124	2,123
Earnings per share:		
Basic	\$ 1.09	\$ 0.74
Diluted	\$ 1.09	\$ 0.74
Return on average equity	13.88 %	10.35 %