

HINGHAM INSTITUTION FOR SAVINGS

2018 Shareholders Meeting

Overview

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- Financial Results
- Lending
- Commercial Deposit Growth
and Digital Initiatives

Financial Results

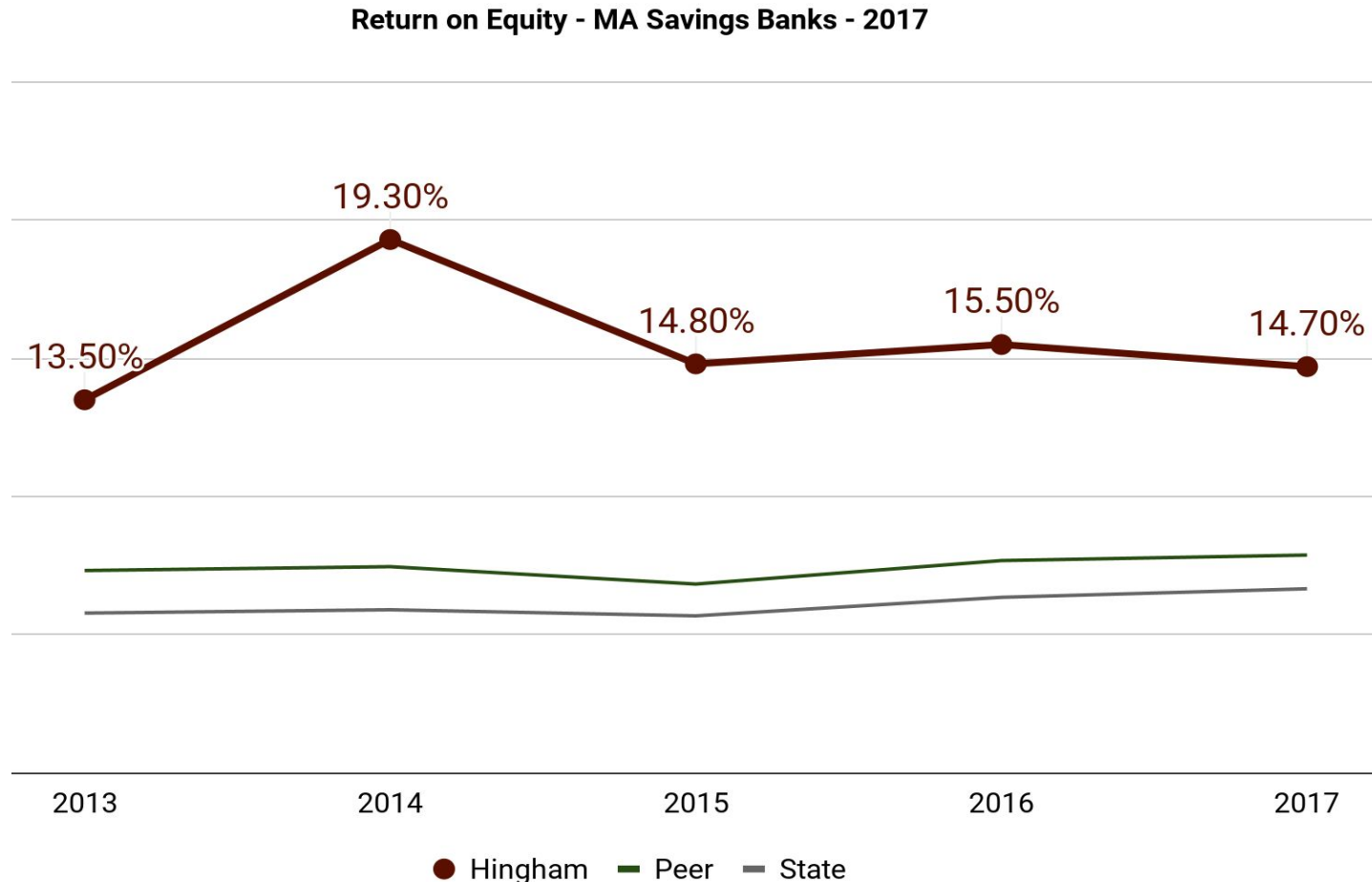
Industry Leading Earnings

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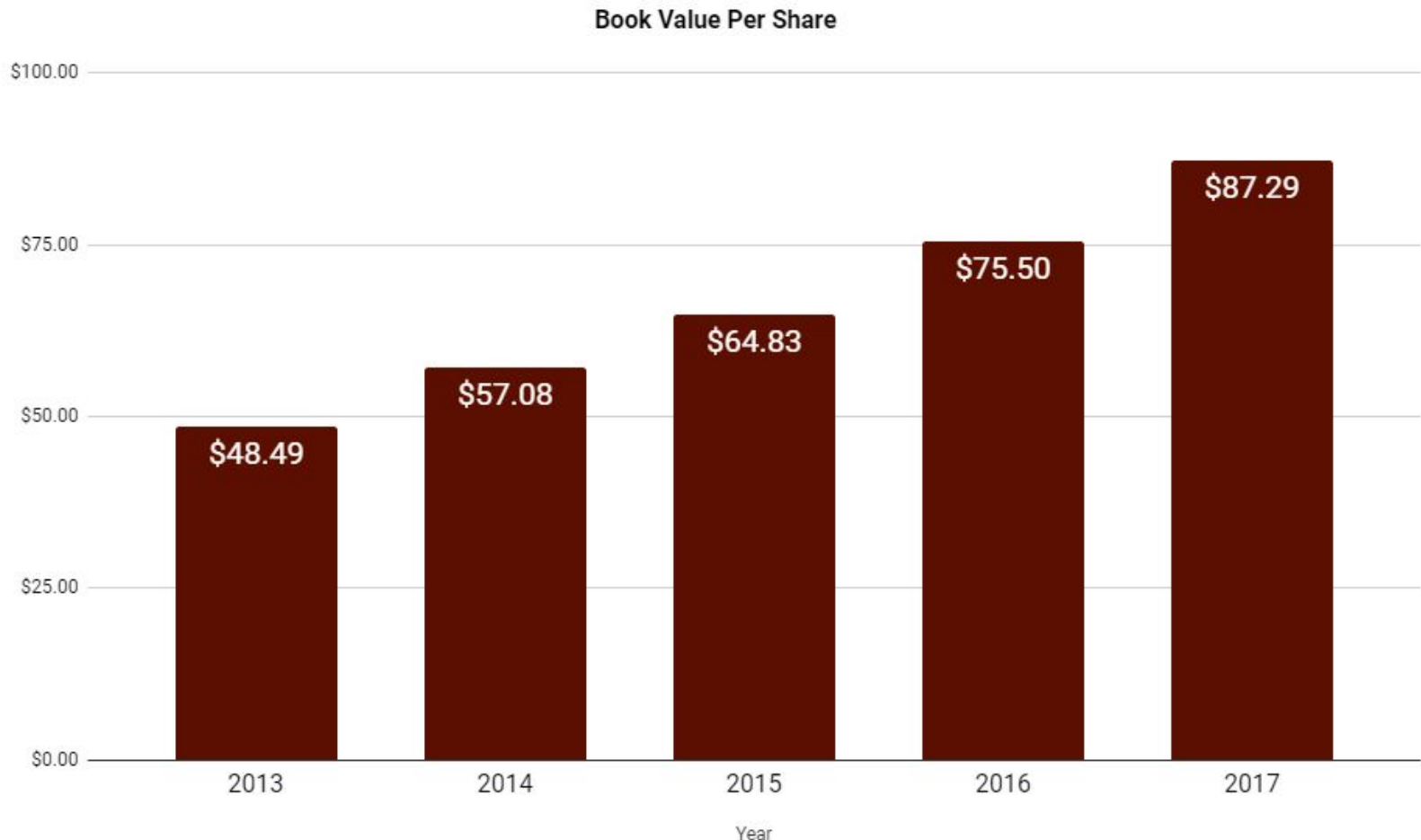
Superior Return on Shareholder Equity

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Shareholder Equity - Book Value Per Share

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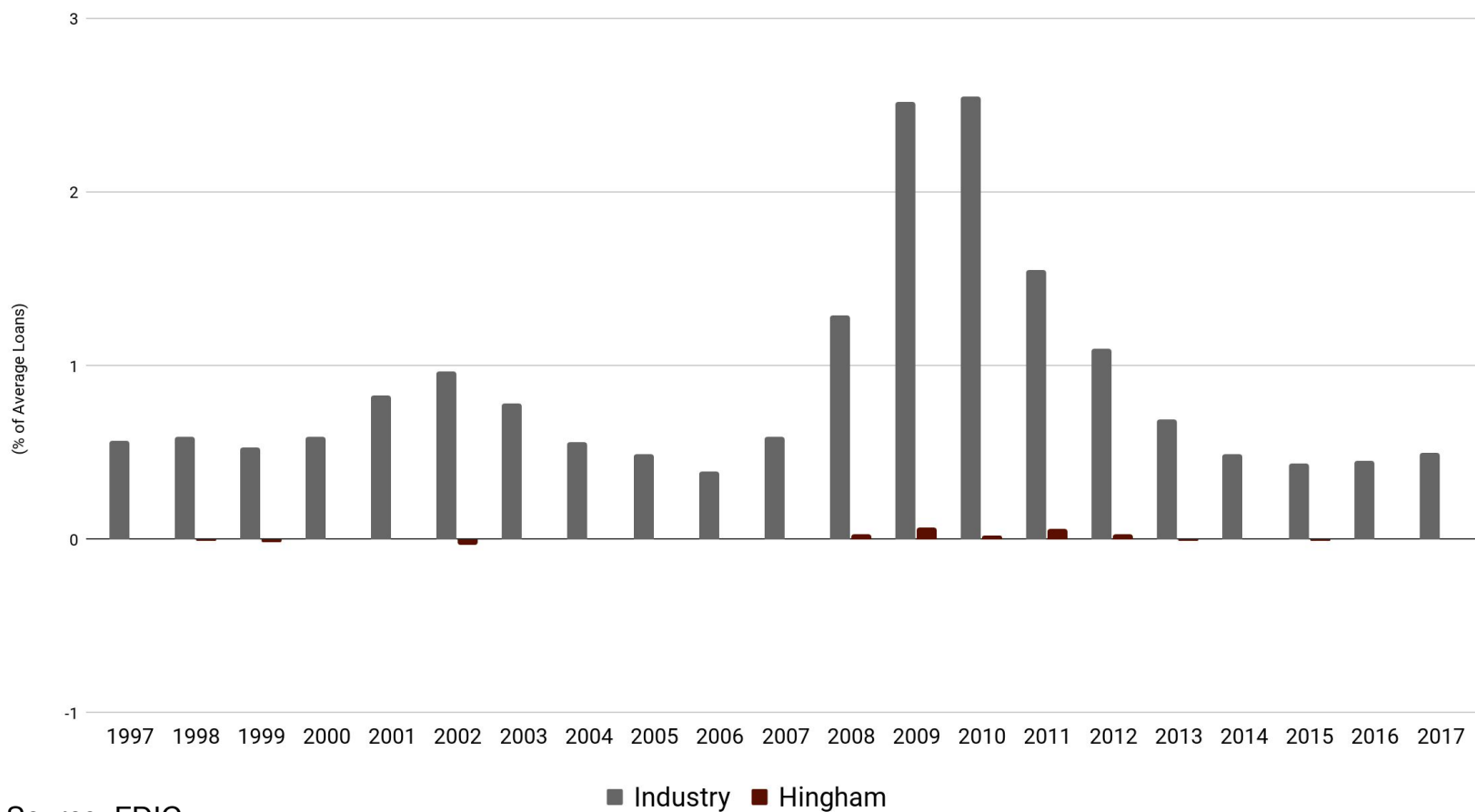


5YR CAGR of 14.90%

Avoid Loan Losses

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Net Charge Offs - Hingham v. All FDIC Insured Banks



Source: FDIC

Low Cost Leadership

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- 2017 Efficiency Ratio = 30.06%
- We are one of the most efficient banks in America
- We must be relentless in taking unnecessary costs out of our business

Reducing Waste

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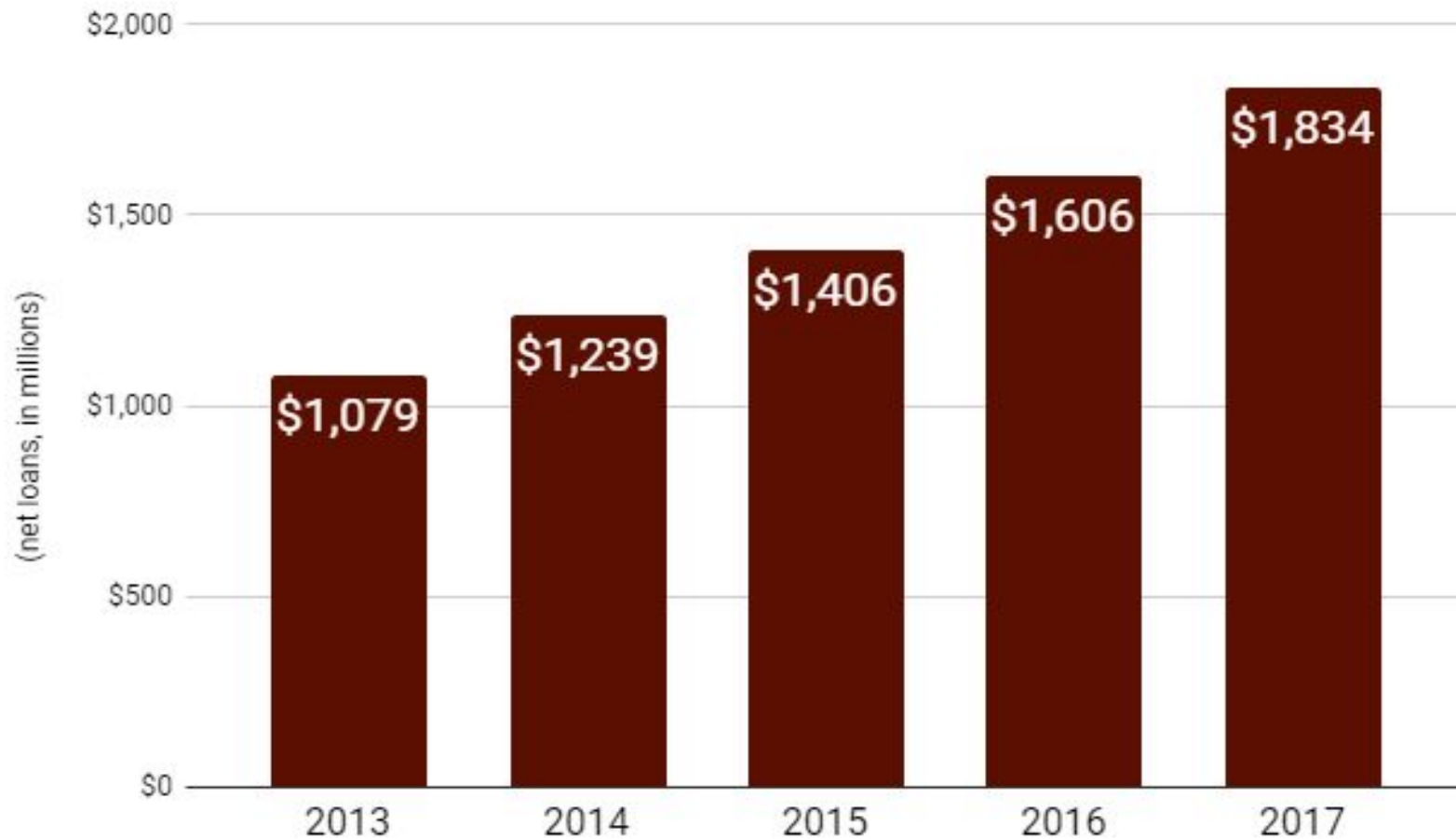
“Our profitability is not our customer’s problem...We need to take care of the customer and earn trust and we’ll figure out over time if we can ever make money with that product. If we can’t, we’ll stop selling it, but we’re not going to make customers pay for any of our inefficiencies.”

Jeff Bezos, Amazon

Lending

Disciplined Loan Growth

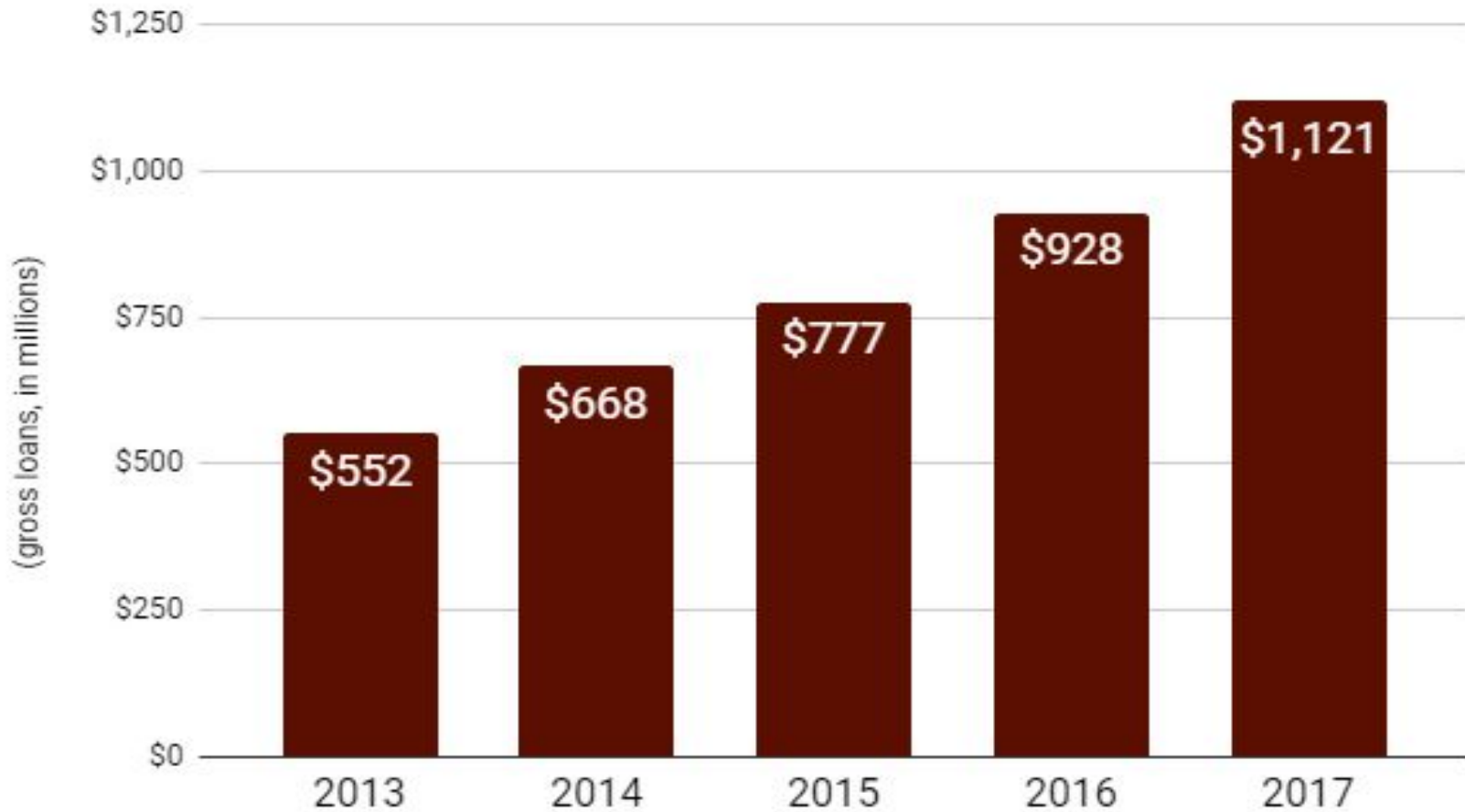
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5YR CAGR of 14.06%

Commercial and Construction Loan Growth

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5YR CAGR of 17.60%

Commercial Lending

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Washington, DC Market

- \$60M in originations in 2017
- Mix of multi-family, mixed-use, retail and office properties
- Mix of neighborhoods - Northern Virginia, Northwest Washington, CBD, Capitol Hill, 14th St/Shaw



Massachusetts Market

- \$254M in term loan and LOC originations and \$109M in construction loan originations
- Continued strong emphasis on multifamily
- Growth in the urban core in Boston, Cambridge, and inside the RT-128 beltway - maintaining presence on South Shore and Nantucket

Commercial Deposit Growth and Digital Initiatives

Commercial Deposit Focus

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- ▣ Accelerating Growth
 - ▣ 44% Overall Growth in Commercial DDA Account Balances
 - ▣ 17% Growth in # of Commercial DDA Accounts
- ▣ Capabilities
 - ▣ Specialized Deposit Group, Supported by Strong Branch Presence



**BANK WHERE
LIFE TAKES YOU**

[GET STARTED](#)

Digital Initiatives

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- ❑ Rapid Growth
 - ❑ 88% Growth in RDC Volume - current annual run rate of \$114 million (March 2018)
 - ❑ 55% Growth in Active Business Online Users
 - ❑ 33% Growth in Active Mobile User Base
- ❑ Capabilities
 - ❑ Online Account Opening in 2018
 - ❑ Enhanced Payments Tools for Business Customers
 - ❑ Product/CRM to Support Digital First Acquisition

Thank You



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Member FDIC/Member DIF
Equal Housing Lender