

PRESS RELEASE

FROM:

Robert H. Gaughen, Jr., President

Hingham Institution for Savings

Hingham, MA (Nasdaq - HIFS)

DATE:

April 18, 2000

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31% INCREASE IN EARNINGS

HINGHAM INSTITUTION FOR SAVINGS (NASDAQ – HIFS), Hingham, Massachusetts, announced first quarter results highlighted by a 31% surge in net income over that of the same quarter last year. The Bank also announced substantial increases in loans, deposits, and stockholders' equity.

President Robert H. Gaughen, Jr. stated "Earnings for the first quarter of 2000 were \$984,000 or \$0.48 per share as compared with \$751,000 or \$0.38 per share for the first quarter of 1999. This increase is primarily the result of significant growth in net interest income. Additionally, we also benefited from increased fee income and improved tax planning. We are encouraged by the fact that these earnings contain no nonrecurring items and are simply a reflection of the expansion of our core earnings capacity."

On March 31, 2000, net loans totaled \$241,695,000, an increase of \$30,677,000 or 14.5% from March 31, 1999.

Deposits grew to a total of \$200,722,000 on March 31, 2000, an increase of \$17,937,000 or 9.8% from March 31, 1999.

Total assets as of March 31, 2000 were \$303,207,000 as compared to \$268,365,000 on March 31, 1999, and stockholders' equity was \$26,794,000 as compared to \$24,173,000 on March 31, 1999.

The Bank's first quarter earnings performance represents an annualized Return on Equity of 14.76%.

Hingham Institution for Savings is a Massachusetts-chartered savings bank located in Hingham, Massachusetts. Incorporated in 1834, it is the oldest financial institution headquartered in Hingham and one of the oldest in Massachusetts. The Bank's main offices are located on Main Street, Hingham, Massachusetts 02043, phone (781) 749-2200. The Bank also maintains branch offices in South Hingham and the neighboring towns of Cohasset, Hull, Scituate, and Weymouth.

The Bank's shares of common stock are listed and traded on The Nasdaq Stock Market under the symbol HIFS.

HINGHAM INSTITUTION FOR SAVINGS

Consolidated Balance Sheets

	March 31, 2000	March 31, 1999
(Unaudited)	(\$ in thousands except p	per share amounts)
ASSETS		
Cash and due from banks	\$ 4,927	\$ 4,086
Interest-bearing deposits	8,966	15,818
Cash and cash equivalents	13,893	19,904
Securities available for sale, at fair value Loans, net of allowance for loan losses of	37,377	27,563
\$2,042,000 in 2000 and \$1,791,000 in 1999	241,695	211,018
Banking premises and equipment, net	3,335	3,402
Accrued interest receivable	1,748	1,458
Deferred income tax asset, net	1,180	950
Federal Home Loan Bank stock, at cost	3,622	2,949
Other assets	357	1,121
Total assets	\$ 303,207	\$ 268,365
Total assets	Ψ <u></u>	Ψ
LIABILITIES AND STOCKHOLDERS' EQUITY		
Deposits	\$ 200,722	\$ 182,785
Federal Home Loan Bank advances	72,431	58,986
Other borrowed funds	50	52
Mortgagors' escrow accounts	1,021	817
Accrued interest payable	375	312
Other liabilities	1,814	1,240
Total liabilities	276,413	244,192
Commitments and contingencies		
Steakhalders! equity:		
Stockholders' equity: Preferred stock, \$1.00 par value,		
2,500,000 shares authorized; none issued	_	-
Common stock, \$1.00 par value, 5,000,000 shares		
authorized; shares issued and outstanding: 2,040,750 a	i.	
March 31, 2000 and 1,964,250 at March 31, 1999	2,041	1,964
Additional paid-in capital	8,809	8,154
Undivided profits	16,277	14,005
Accumulated other comprehensive income (loss)	(333)	50
Total stockholders' equity	26,794	24,173
Tour scotting squary		
Total liabilities and stockholders' equity	\$ <u>303,207</u>	\$ <u>268,365</u>
Book value per share	\$13.13	\$12.31_
Return on average equity	14.76 %	12.47 %

HINGHAM INSTITUTION FOR SAVINGS

Consolidated Statements of Income

In Thousands, Except for Per Share Amounts) 2000 1999 (Unaudited) 1 1 Interest and dividend income: 3 4,844 \$4,236 Investment securities 622 443 Interest-bearing deposits 111 139 Total interest and dividend income 5,577 4,818 Interest expense: 11,749 1,630 Deposits 1,002 760 Borrowed funds 1,002 760 Total interest expense 2,751 2,390 Net interest income 2,826 2,428 Provision for loan losses 2,772 2,368 Other income: 2,772 2,368 Other income efter provision for loan losses 2,772 2,368 Other income 210 167 Other 54 38 Total other income 210 167 Operating expenses: 853 738 Data processing 111 99 Occupancy and equipment 188 165 <		Three Months Ended March 31,	
Interest and dividend income: Loans \$ 4,844 \$ 4,236 Investment securities 622 443 Interest-bearing deposits 111 139 Total interest and dividend income 5,577 4,818 Interest expense: 8 1,749 1,630 Borrowed funds 1,002 760 Total interest expense 2,751 2,390 Net interest income 2,826 2,428 Provision for loan losses 54 60 Net interest income after provision for loan losses 2,772 2,368 Other income: 54 60 Customer service fees on deposits 156 129 Other 54 38 Total other income 210 167 Operating expenses: 853 738 Salaries and employee benefits 853 738 Data processing 111 99 Occupancy and equipment 188 165 Legal 6 (1) Other	(In Thousands, Except for Per Share Amounts)	2000	1999
Loans \$ 4,844 \$ 4,236 Investment securities 622 443 Interest-bearing deposits 111 139 Total interest and dividend income 5,577 4,818 Interest expenses: 3,577 4,818 Deposits 1,749 1,630 Borrowed funds 1,002 760 Total interest expense 2,751 2,390 Net interest income 2,826 2,428 Provision for loan losses 5,4 60 Net interest income after provision for loan losses 2,772 2,368 Other income: 2 2,268 Customer service fees on deposits 156 129 Other income 54 38 Total other income 210 167 Operating expenses: 853 738 Salaries and employee benefits 853 738 Data processing 111 99 Occupancy and equipment 188 165 Legal 6 (1) Other	(Unaudited)		
Investment securities 622 443 Interest-bearing deposits 111 139 Total interest and dividend income 5,577 4,818 Interest expense: 3,749 1,630 Borrowed funds 1,002 760 Borrowed funds 1,002 760 Total interest expense 2,751 2,390 Net interest income 2,826 2,428 Provision for loan losses 5,4 60 Net interest income after provision for loan losses 2,72 2,368 Other income: 2 2 2,268 Other income: 54 38 38 156 129 129 129 167	Interest and dividend income:		
Interest-bearing deposits 111 139 Total interest and dividend income 5,577 4,818 Interest expense: 3,749 1,630 Deposits 1,749 1,630 Borrowed funds 1,002 760 Total interest expense 2,826 2,428 Provision for loan losses 54 60 Net interest income after provision for loan losses 54 60 Net interest income after provision for loan losses 54 60 Net interest income after provision for loan losses 54 60 Other income: 156 129 Other income: 54 38 Total other income 210 167 Other 54 38 Total other income 853 738 Data processing 111 99 Occupancy and equipment 188 165 Legal 6 (1) Other 333 312 Total operating expenses 1,491 1,313 <td< td=""><td>Loans</td><td>\$ 4,844</td><td>\$ 4,236</td></td<>	Loans	\$ 4,844	\$ 4,236
Total interest and dividend income 5,577 4,818 Interest expense: 1,749 1,630 Borrowed funds 1,002 760 Total interest expense 2,751 2,390 Net interest income 2,826 2,428 Provision for loan losses 54 60 Net interest income after provision for loan losses 2,772 2,368 Other income: 2,272 2,368 Other income: 54 38 Other of the income 210 167 Operating expenses: 321 167 Salaries and employee benefits 853 738 Data processing 111 99 Occupancy and equipment 188 165 Legal 6 (1) Other 333 312 Total operating expenses 1,491 1,313 Income before income taxes 1,491 1,222 Income tax provision 507 47 Net income \$984 751 Cash dividen		622	443
Interest expense:		111	139
Deposits 1,749 1,630 Borrowed funds 1,002 760 Total interest expense 2,751 2,390 Net interest income 2,826 2,428 Provision for loan losses 54 60 Net interest income after provision for loan losses 2,772 2,368 Other income: 2 2,368 Customer service fees on deposits 156 129 Other 54 38 Total other income 210 167 Operating expenses: 31 738 Salaries and employee benefits 853 738 Data processing 111 99 Occupancy and equipment 188 165 Legal 6 (1) Other 333 312 Total operating expenses 1,491 1,313 Income before income taxes 1,491 1,222 Income tax provision 507 471 Net income 984 751 Weighted average shares outstanding: <td>Total interest and dividend income</td> <td>5,577</td> <td>4,818</td>	Total interest and dividend income	5,577	4,818
Borrowed funds 1,002 760 Total interest expense 2,751 2,390 Net interest income 2,826 2,428 Provision for loan losses 54 60 Net interest income after provision for loan losses 2,772 2,368 Other income:	and the state of		
Total interest expense 2,751 2,390 Net interest income 2,826 2,428 Provision for loan losses 54 60 Net interest income after provision for loan losses 2,772 2,368 Other income: 32,772 2,368 Other income: 54 38 Total other income 54 38 Total other income 210 167 Operating expenses: 853 738 Salaries and employee benefits 853 738 Data processing 111 99 Occupancy and equipment 188 165 Legal 6 (1) Other 333 312 Total operating expenses 1,491 1,313 Income before income taxes 1,491 1,222 Income tax provision 507 471 Net income \$ 984 751 Cash dividends declared per common share \$ 0.13 \$ 0.11 Weighted average shares outstanding: 2,041 1,964	Deposits	1,749	1,630
Net interest income 2,826 2,428 Provision for loan losses 54 60 Net interest income after provision for loan losses 2,772 2,368 Other income: Ustomer service fees on deposits 156 129 Other 54 38 Total other income 210 167 Operating expenses: Salaries and employee benefits 853 738 Data processing 111 99 Occupancy and equipment 188 165 Legal 6 (1) Other 333 312 Total operating expenses 1,491 1,313 Income before income taxes 1,491 1,222 Income tax provision 507 471 Net income \$ 984 \$ 751 Cash dividends declared per common share \$ 0.13 \$ 0.11 Weighted average shares outstanding: 2,041 1,964 Diluted 2,054 2,007 Earnings per share: 0.48 0.38	Borrowed funds	1,002	760
Provision for loan losses 54 60 Net interest income after provision for loan losses 2,772 2,368 Other income: Ustoomer service fees on deposits 156 129 Other 54 38 Total other income 210 167 Operating expenses: Ustoomer service fees on deposits 54 38 Total other income 210 167 Operating expenses: Ustoomer service fees on deposits 54 38 Total other income 210 167 Operating expenses: Ustoome expenses: Ustoome sexpenses: Ustoomer sexpenses 111 99 Occupancy and equipment 188 165 Legal 6 (1) Other 333 312 Total operating expenses 1,491 1,313 Income before income taxes 1,491 1,222 Income tax provision 507 471 Net income \$ 984 \$ 751 Cash dividends declared p	Total interest expense	2,751	2,390
Provision for loan losses 54 60 Net interest income after provision for loan losses 2,772 2,368 Other income: Customer service fees on deposits 156 129 Other 54 38 Total other income 210 167 Operating expenses: Salaries and employee benefits 853 738 Data processing 111 99 Occupancy and equipment 188 165 Legal 6 (1) Other 333 312 Total operating expenses 1,491 1,313 Income before income taxes 1,491 1,222 Income tax provision 507 471 Net income \$ 984 \$ 751 Cash dividends declared per common share \$ 0.13 \$ 0.11 Weighted average shares outstanding: 2,041 1,964 Diluted 2,054 2,007 Earnings per share: 8 0.48 0.38	Net interest income	2,826	2,428
Other income: Customer service fees on deposits 156 129 Other 54 38 Total other income 210 167 Operating expenses: 3210 167 Operating expenses: 853 738 Data processing 111 99 Occupancy and equipment 188 165 Legal 6 (1) Other 333 312 Total operating expenses 1,491 1,313 Income before income taxes 1,491 1,222 Income tax provision 507 471 Net income \$ 984 \$ 751 Cash dividends declared per common share \$ 0.13 \$ 0.11 Weighted average shares outstanding: Basic 2,041 1,964 Diluted 2,054 2,007 Earmings per share: 8 0.48 0.38	Provision for loan losses	54	
Customer service fees on deposits 156 129 Other 54 38 Total other income 210 167 Operating expenses: Salaries and employee benefits 853 738 Data processing 111 99 Occupancy and equipment 188 165 Legal 6 (1) Other 333 312 Total operating expenses 1,491 1,313 Income before income taxes 1,491 1,222 Income tax provision 507 471 Net income \$ 984 \$ 751 Cash dividends declared per common share \$ 0.13 \$ 0.11 Weighted average shares outstanding: Basic 2,041 1,964 Diluted 2,054 2,007 Earnings per share: Basic \$ 0.48 \$ 0.38	Net interest income after provision for loan losses	2,772	2,368
Other 54 38 Total other income 210 167 Operating expenses: Salaries and employee benefits 853 738 Data processing 111 99 Occupancy and equipment 188 165 Legal 6 (1) Other 333 312 Total operating expenses 1,491 1,313 Income before income taxes 1,491 1,222 Income tax provision 507 471 Net income \$ 984 \$ 751 Cash dividends declared per common share \$ 0.13 \$ 0.11 Weighted average shares outstanding: 2,041 1,964 Diluted 2,054 2,007 Earnings per share: Basic \$ 0.48 \$ 0.38	Other income:	: 	
Total other income 210 167 Operating expenses: Salaries and employee benefits 853 738 Data processing 111 99 Occupancy and equipment 188 165 Legal 6 (1) Other 333 312 Total operating expenses 1,491 1,313 Income before income taxes 1,491 1,222 Income tax provision 507 471 Net income \$ 984 \$ 751 Cash dividends declared per common share \$ 0.13 \$ 0.11 Weighted average shares outstanding: 2,041 1,964 Diluted 2,054 2,007 Earnings per share: Basic \$ 0.48 \$ 0.38	Customer service fees on deposits	156	129
Operating expenses: Salaries and employee benefits 853 738 Data processing 111 99 Occupancy and equipment 188 165 Legal 6 (1) Other 333 312 Total operating expenses 1,491 1,313 Income before income taxes 1,491 1,222 Income tax provision 507 471 Net income \$ 984 \$ 751 Cash dividends declared per common share \$ 0.13 \$ 0.11 Weighted average shares outstanding: 2,041 1,964 Diluted 2,054 2,007 Earnings per share: Basic \$ 0.48 \$ 0.38	Other	54	38
Salaries and employee benefits 853 738 Data processing 111 99 Occupancy and equipment 188 165 Legal 6 (1) Other 333 312 Total operating expenses 1,491 1,313 Income before income taxes 1,491 1,222 Income tax provision 507 471 Net income \$ 984 \$ 751 Cash dividends declared per common share \$ 0.13 \$ 0.11 Weighted average shares outstanding: Basic 2,041 1,964 Diluted 2,054 2,007 Earnings per share: Basic \$ 0.48 \$ 0.38	Total other income	210	167
Salaries and employee benefits 853 738 Data processing 111 99 Occupancy and equipment 188 165 Legal 6 (1) Other 333 312 Total operating expenses 1,491 1,313 Income before income taxes 1,491 1,222 Income tax provision 507 471 Net income \$ 984 \$ 751 Cash dividends declared per common share \$ 0.13 \$ 0.11 Weighted average shares outstanding: Basic 2,041 1,964 Diluted 2,054 2,007 Earnings per share: Basic \$ 0.48 \$ 0.38	Operating expenses:		
Data processing 111 99 Occupancy and equipment 188 165 Legal 6 (1) Other 333 312 Total operating expenses 1,491 1,313 Income before income taxes 1,491 1,222 Income tax provision 507 471 Net income \$ 984 \$ 751 Cash dividends declared per common share \$ 0.13 \$ 0.11 Weighted average shares outstanding: Basic 2,041 1,964 Diluted 2,054 2,007 Earnings per share: Basic \$ 0.48 \$ 0.38		853	738
Occupancy and equipment 188 165 Legal 6 (1) Other 333 312 Total operating expenses 1,491 1,313 Income before income taxes 1,491 1,222 Income tax provision 507 471 Net income \$ 984 \$ 751 Cash dividends declared per common share \$ 0.13 \$ 0.11 Weighted average shares outstanding: 2,041 1,964 Diluted 2,054 2,007 Earnings per share: Basic \$ 0.48 \$ 0.38		111	99
Legal 6 (1) Other 333 312 Total operating expenses 1,491 1,313 Income before income taxes 1,491 1,222 Income tax provision 507 471 Net income \$ 984 \$ 751 Cash dividends declared per common share \$ 0.13 \$ 0.11 Weighted average shares outstanding: Basic 2,041 1,964 Diluted 2,054 2,007 Earnings per share: Basic \$ 0.48 \$ 0.38	Occupancy and equipment	188	165
Other 333 312 Total operating expenses 1,491 1,313 Income before income taxes 1,491 1,222 Income tax provision 507 471 Net income \$ 984 \$ 751 Cash dividends declared per common share \$ 0.13 \$ 0.11 Weighted average shares outstanding: Basic 2,041 1,964 Diluted 2,054 2,007 Earnings per share: Basic \$ 0.48 \$ 0.38		6	(1)
Total operating expenses 1,491 1,313 Income before income taxes 1,491 1,222 Income tax provision 507 471 Net income \$ 984 \$ 751 Cash dividends declared per common share \$ 0.13 \$ 0.11 Weighted average shares outstanding: 2,041 1,964 Diluted 2,054 2,007 Earnings per share: Basic \$ 0.48 \$ 0.38		333	1.5
Income before income taxes 1,491 1,222 Income tax provision 507 471 Net income \$ 984 \$ 751 Cash dividends declared per common share \$ 0.13 \$ 0.11 Weighted average shares outstanding: 2,041 1,964 Diluted 2,054 2,007 Earnings per share: Basic \$ 0.48 \$ 0.38	Total operating expenses	1.491	
Income tax provision 507 471 Net income \$ 984 \$ 751 Cash dividends declared per common share \$ 0.13 \$ 0.11 Weighted average shares outstanding: 2,041 1,964 Diluted 2,054 2,007 Earnings per share: Basic \$ 0.48 \$ 0.38			
Net income \$ 984 \$ 751 Cash dividends declared per common share \$ 0.13 \$ 0.11 Weighted average shares outstanding: 2,041 1,964 Diluted 2,054 2,007 Earnings per share: \$ 0.48 \$ 0.38			
Cash dividends declared per common share \$ 0.13 \$ 0.11 Weighted average shares outstanding: 2,041 1,964 Diluted 2,054 2,007 Earnings per share: \$ 0.48 \$ 0.38			
Weighted average shares outstanding: 2,041 1,964 Basic 2,054 2,007 Earnings per share: 8 0.48 0.38	- 1 to 1 t		-
Weighted average shares outstanding: 2,041 1,964 Basic 2,054 2,007 Earnings per share: 8 0.48 0.38	Cash dividends declared per common share	\$ 0.13	\$ 0.11
Basic 2,041 1,964 Diluted 2,054 2,007 Earnings per share: \$ 0.48 \$ 0.38			
Diluted 2,054 2,007 Earnings per share: Basic \$ 0.48 \$ 0.38		2.041	1.964
Earnings per share: Basic \$ 0.48 \$ 0.38			
Basic \$0.48			
	- ·	\$ 0.48	\$ 0.38
Diluted \$ 0.48 \$ 0.57	Diluted	\$ 0.48	\$ 0.37