FEDERAL DEPOSIT INSURANCE CORPORATION

WASHINGTON, D.C. 20429

FORM 10 - Q

QUARTERLY REPORT UNDER SECTION 13 OF THE SECURITIES EXCHANGE ACT OF 1934 FOR

THE QUARTER ENDED JUNE 30, 2003

FDIC CERTIFICATE NUMBER - 90211-0

HINGHAM INSTITUTION FOR SAVINGS
(Exact name of registrant as specified in its charter)

Massachusetts
(State of Incorporation)

04-1442480
(I.R.S. Employer Identification Number)

55 Main Street, Hingham, MA
(Address of Principal Executive Offices)

02043
(Zip Code)

(781) 749-2200
(Registrant's telephone number, including area code)

Indicate by check mark whether the Bank (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Bank was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

(1) YES X NO ___

(2) YES X NO ___

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Act).
Yes __ No X

Indicate the number of shares outstanding of each of the Bank's classes of common stock, as of the latest practicable date:

At July 31, 2003 there were 2,070,750 shares of common stock outstanding.

PART I - FINANCIAL INFORMATION

ITEM 1 - FINANCIAL STATEMENTS

HINGHAM INSTITUTION FOR SAVINGS AND SUBSIDIARIES

Consolidated Balance Sheets

(Unaudited)	June 30, 2003	December 31, 2002
	($ In Thousands)	
ASSETS		
Cash and due from banks	$ 5,285	$ 5,224
Short-term investments	10,583	29,347
Cash and cash equivalents	15,868	34,571
Certificates of deposit	2,922	1,940
Securities available for sale, at fair value	75,096	49,333
Federal Home Loan Bank stock, at cost	7,208	5,469
Loans, net of allowance for loan losses of $2,900,000 in 2003 and $2,810,000 in 2002	343,917	320,692
Cash value of life insurance	7,587	7,429
Banking premises and equipment, net	3,672	3,785
Accrued interest receivable	2,036	1,991
Deferred income tax asset, net	763	564
Other assets	737	656
Total assets	$ 459,806	$ 426,430
LIABILITIES AND STOCKHOLDERS' EQUITY		
Deposits	$ 272,907	$ 275,573
Federal Home Loan Bank advances	144,160	106,386
Other borrowed funds	907	394
Mortgagors' escrow accounts	1,236	1,197
Accrued interest payable	414	426
Other liabilities	740	4,252
Total liabilities	420,364	388,228
Commitments and contingencies		
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: 2,069,750 at June 30, 2003 and 2,067,250 at December 31, 2002	2,070	2,067
Additional paid-in capital	9,225	9,188
Undivided profits	27,773	26,173
Accumulated other comprehensive income	374	774
Total stockholders' equity	39,442	38,202
Total liabilities and stockholders' equity	$ 459,806	$ 426,430

See accompanying Notes to Unaudited Consolidated Financial Statements.

ITEM 1 - FINANCIAL STATEMENTS (continued)

HINGHAM INSTITUTION FOR SAVINGS AND SUBSIDIARIES

Consolidated Statements of Income

(In Thousands, Except for Per Share Amounts) (Unaudited)	Three Months Ended June 30, 2003	Three Months Ended June 30, 2002	Six Months Ended June 30, 2003	Six Months Ended June 30, 2002
Interest and dividend income:				
Loans	$ 5,794	$ 5,782	$ 11,548	$ 11,394
Debt and trust preferred securities	473	490	892	1,038
Other equity securities	46	83	120	163
Short-term investments and certificates of deposit	50	130	132	243
Total interest and dividend income	6,363	6,485	12,692	12,838
Interest expense:				
Deposits	1,045	1,426	2,300	2,974
Borrowed funds	1,145	1,168	2,277	2,265
Total interest expense	2,190	2,594	4,577	5,239
Net interest income	4,173	3,891	8,115	7,599
Provision for loan losses	45	75	90	150
Net interest income after provision for loan losses	4,128	3,816	8,025	7,449
Other income:				
Customer service fees on deposits	188	168	371	337
Gain on sale of securities available for sale, net	-	-	439	-
Gain on sale of loans	25		25	
Other	122	171	240	211
Total other income	335	339	1,075	548
Operating expenses:				
Salaries and employee benefits	1,203	1,100	2,370	2,104
Data processing	173	151	345	306
Occupancy and equipment	206	201	427	387
Legal	34	9	59	14
Other	504	442	998	834
Total operating expenses	2,120	1,903	4,199	3,645
Income before income taxes	2,343	2,252	4,901	4,352
Income tax provision	213	759	2,574	1,468
Net income	$ 2,130	$ 1,493	$ 2,327	$ 2,884
Cash dividends declared per common share	$ 0.18	$ 0.16	$ 0.35	$ 0.32
Weighted average common shares outstanding:				
Basic	2,070	2,059	2,070	2,055
Diluted	2,093	2,086	2,092	2,083
Earnings per common share:				
Basic	$ 1.03	$ 0.73	$ 1.12	$ 1.40
Diluted	$ 1.02	$ 0.72	$ 1.11	$ 1.39

See accompanying Notes to Unaudited Consolidated Financial Statements.

HINGHAM INSTITUTION FOR SAVINGS AND SUBSIDIARIES

Consolidated Statements of Changes in Stockholders' Equity
For the Six Months Ended
June 30, 2003 and 2002

(In Thousands, except per share amounts) (Unaudited)	Common Stock	Additional Paid-In Capital	Undivided Profits	Accumulated Other Comprehensive Income	Total Stockholders' Equity
Balance at December 31, 2001	$ 2,047	$ 8,891	$ 21,924	$ 675	$ 33,537
Comprehensive Income:					
Net Income	-	-	2,884	-	2,884
Change in unrealized gain on securities available for sale, net of reclassification adjustment and tax effect	-	-	-	(6)	(6)
Total comprehensive income					2,878
Stock options exercised, after tax effect of $66,000	13	184			197
Cash dividends declared - common ($0.32 per share)	-	-	(659)	-	(659)
Balance at June 30, 2002	$ 2,060	$ 9,075	$ 24,149	$ 669	$ 35,953
Balance at December 31, 2002	$ 2,067	$ 9,188	$ 26,173	$ 774	$ 38,202
Comprehensive Income:					
Net Income	-	-	2,327	-	2,327
Change in unrealized gain on securities available for sale, net of reclassification adjustment and tax effect	-	-	-	(400)	(400)
Total comprehensive income					1,927
Stock options exercised, after tax effect of $17,000	3	37	-	-	40
Cash dividends declared - common ($0.35 per share)	-	-	(727)	-	(727)
Balance at June 30, 2003	$ 2,070	$ 9,225	$ 27,773	$ 374	$ 39,442

See accompanying Notes to Unaudited Consolidated Financial Statements.

HINGHAM INSTITUTION FOR SAVINGS AND SUBSIDIARIES

Consolidated Statements of Cash Flows

(In Thousands) (Unaudited)	Six Months Ended June 30, 2003	Six Months Ended June 30, 2002
Cash flows from operating activities:		
Net income	$ 2,327	$ 2,884
Adjustments to reconcile net income to net cash provided (used) by operating activities:		
Provision for loan losses	90	150
Amortization of securities, net	296	163
Amortization of deferred loan origination costs, net	37	40
Depreciation	215	196
Increase in cash value of life insurance	(158)	
Gain on sales of securities	(439)	--
Gain on sale of loans	(25)	--
Changes in operating assets and liabilities:		
Accrued interest receivable and other assets	(126)	(235)
Accrued interest payable and other liabilities	(3,158)	90
Net cash provided (used) by operating activities	(941)	3,288
Cash flows from investing activities:		
Activity in available-for-sale securities:		
Sales	4,438	--
Maturities, prepayments and calls	11,698	8,266
Purchases	(42,355)	(4,087)
Purchase of certificates of deposit	(982)	(970)
Loans originated, net of payments received	(24,307)	(24,687)
Proceeds from sale of loans	980	--
Increase in Federal Home Loan Bank stock	(1,739)	(491)
Additions to banking premises and equipment	(102)	(237)
Net cash used in investing activities	(52,369)	(22,206)

See accompanying Notes to Unaudited Consolidated Financial Statements.

(continued)

ITEM 1 - FINANCIAL STATEMENTS (continued)

HINGHAM INSTITUTION FOR SAVINGS AND SUBSIDIARIES

Consolidated Statements of Cash Flows (concluded)

(In Thousands) (Unaudited)	Six Months Ended June 30, 2003	Six Months Ended June 30, 2002
Cash flows from financing activities:		
Increase (decrease) in deposits, net	$ (2,666)	$ 5,948
Increase in mortgagors' escrow accounts	39	14
Proceeds from stock options exercised	23	131
Cash dividends paid on common stock	(1,076)	(964)
Net proceeds (repayments) of borrowings with maturities of less than three months	7,513	(33)
Proceeds from Federal Home Loan Bank advances with maturities of three months or more	53,500	27,000
Repayment of Federal Home Loan Bank advances with maturities of three months or more	(22,726)	(17,219)
Net cash provided by financing activities	34,607	14,877
Net decrease in cash and cash equivalents	(18,703)	(4,041)
Cash and cash equivalents at beginning of period	34,571	41,157
Cash and cash equivalents at end of period	$ 15,868	$ 37,116
Supplementary information:		
Interest paid on deposit accounts	$ 2,298	$ 2,976
Interest paid on borrowed funds	2,290	2,248
Income taxes paid	6,014	1,273

See accompanying Notes to Unaudited Consolidated Financial Statements.

HINGHAM INSTITUTION FOR SAVINGS AND SUBSIDIARIES

Notes to Unaudited Consolidated Financial Statements

June 30, 2003 and 2002

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The unaudited consolidated financial statements of Hingham Institution for Savings presented herein should be read in conjunction with the consolidated financial statements of Hingham Institution for Savings for the year ended December 31, 2002 filed on Form 10-K.

Financial information as of June 30, 2003 and the results of operations and cash flows for the three and six month periods ended June 30, 2003 and 2002 are unaudited, and in the opinion of management reflect all adjustments necessary for a fair presentation of such information. Interim results are not necessarily indicative of results to be expected for the entire year.

Certain amounts in prior year financial statements have been reclassified to reflect the current year's presentation.

COMMITMENTS

At June 30, 2003, there was $70.8 million in outstanding commitments as follows:

(In Thousands)	
Mortgage Origination	$ 33,438
Unadvanced Home Equity Lines	16,767
Unadvanced Construction Funds	10,933
Letters of Credit	38
Other Credit Lines	9,603
Total	$ 70,779

DIVIDEND PAYMENT

On June 26, 2003, the Board of Directors declared a $0.18 cash dividend to all stockholders of record as of July 10, 2003, payable July 21, 2003.

MASSACHUSETTS TAX LEGISLATION

Beginning in the year 2000 and continuing throughout 2002, the Bank accrued taxes based on the Massachusetts state tax law which allowed for the deduction of 95% of the dividends paid to the Bank by its real estate investment trust ("REIT") subsidiary. In March 2003, the Massachusetts legislature enacted a law which disallows such deductions, retroactive to tax periods beginning in 1999. As a result, the Bank accrued an additional state tax liability of $2.1 million in the first quarter of 2003, the cumulative effect of the new tax law. Also, the Bank accrued the Federal tax benefit related to such state taxes in the amount of $700,000. At that time, the Bank intended to contest the retroactive feature of the legislation.

In June 2003, the Bank reached an agreement with the Commonwealth of Massachusetts Department of Revenue ("DOR"), whereby the Bank would be liable to the DOR for 50% of the contested cumulative amount of taxes due. On June 23, 2003, the Bank paid $1.0 million to the DOR in full and final satisfaction of taxes due related to its REIT and accordingly recorded a reversal of the remaining $1.1 tax it had expensed in the first quarter of 2003. The Bank also recorded a reversal of the related Federal tax benefit in the amount of $350,000.

FORWARD-LOOKING STATEMENTS

This report may contain statements relating to future results of the Bank (including certain projections and business trends) that are considered "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from those projected as a result of certain risks and uncertainties, including but not limited to changes in political and economic conditions, interest rate fluctuations, competitive product and pricing pressures within the Bank's market, bond market fluctuations, personal and corporate customers' bankruptcies, and inflation, as well as other risks and uncertainties.

STOCK COMPENSATION PLANS

At June 30, 2003, the Bank had two fixed stock option plans. The Bank applies APB Opinion 25 and related Interpretations in accounting for the plans. Accordingly, no compensation cost has been recognized for the plans as all options granted under the plans had an exercise price equal to the market value of the underlying common stock on the date of grant. Had compensation cost for the plans been determined based on the fair value at the grant dates for awards under the plans consistent with the method prescribed by SFAS No. 123, "Accounting for Stock-Based Compensation," the Bank's net income and earnings per share would have been reduced to the pro forma amounts indicated below:

	Three Months Ended June 30,		Six Months Ended June 30,	
(In Thousands, Except Per Share Amounts)	2003	2002	2003	2002
Net Income:				
As reported	$ 2,130	$ 1,493	$ 2,327	$ 2,884
Less total stock-based employee compensation expense determined under fair value based method for all awards, net of tax effects	–	6	–	6
Pro forma	$ 2,130	$ 1,487	$ 2,327	$ 2,878
Earnings per common share:				
As reported	$ 1.03	$ 0.73	$ 1.12	$ 1.40
Pro forma	1.03	0.72	1.12	1.40
Earnings per common share - assuming dilution for stock options:				
As reported	$ 1.02	$ 0.72	$ 1.11	$ 1.39
Pro forma	1.02	0.71	1.11	1.38

ITEM 2 - MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

RESULTS OF OPERATIONS FOR THE THREE MONTH PERIODS ENDED JUNE 30, 2003 AND 2002

GENERAL

The Bank reported net income of $2.1 million for the quarter ended June 30, 2003 as compared with $1.5 million for the same period in 2002, an increase of 43%. Net income was $1.03 per share (basic) for the quarter ended June 30, 2003 as compared with $0.73 (basic) for the same period in 2002. Earnings for the second quarter of 2003 reflect the recording of $700,000 in state tax credits, net of federal tax effects, pursuant to a settlement agreement reached with the Commonwealth of Massachusetts Department of Revenue on June 23, 2003. The Bank reported $2.3 million of pre-tax income in each of the second quarters of 2003 and 2002.

NET INTEREST INCOME

Net interest income increased by $282,000, or 7%, to $4.2 million for the second quarter of 2003 from the comparable quarter in 2002 primarily as a result of a 14 basis point increase in the weighted average rate spread accompanied by a 7% increase in average earning assets. The yield on average assets declined when comparing the two quarters. However, the average rate on interest-bearing liabilities decreased to a greater extent due to market declines in the deposit and borrowed funds categories.

The following table details components of net interest income and yields/rates on average earning assets/liabilities.

Three months ended June 30,	2003			2002		
	AVERAGE BALANCE	INTEREST	YIELD/ RATE	AVERAGE BALANCE	INTEREST	YIELD/ RATE
(Dollars In Thousands)						
Loans (1) (2)	$ 339,372	$ 5,794	6.83 %	$ 308,564	$ 5,782	7.50 %
Investment securities (3) (4)	64,922	519	3.20	50,529	573	4.54
Short-term investments	10,427	50	1.92	29,426	130	1.77
Total earning assets	414,721	6,363	6.14	388,519	6,485	6.68
Other assets	17,729			11,015		
Total assets	$ 432,450			$ 399,534		
Interest-bearing deposits (5)	$ 242,198	1,045	1.73	$ 228,555	1,426	2.50
Borrowed funds	116,645	1,145	3.93	103,796	1,168	4.50
Total interest-bearing liabilities	358,843	2,190	2.44	332,351	2,594	3.12
Demand deposits	32,252			28,235		
Other liabilities	2,630			3,480		
Total liabilities	393,725			364,066		
Stockholders' equity	38,725			35,468		
Total liabilities and stockholders' equity	$ 432,450			$ 399,534		
Net interest income		$ 4,173			$ 3,891	
Weighted average rate spread			3.70 %			3.56 %
Net interest margin (6)			4.02 %			4.01 %

(1) Before allowance for loan losses.

(2) Includes average non-accrual loans.

(3) Excludes the impact of the average net unrealized gain or loss on securities available for sale.

(4) Includes Federal Home Loan Bank stock.

(5) Includes mortgagors' escrow accounts.

(6) Net interest income divided by average total earning assets.

Interest and dividend income decreased by $122,000 for the second quarter of 2003 compared to the second quarter of 2002 and is primarily attributable to a decrease of 54 basis points in the average yield partially offset by an increase of approximately $26.2 million, or 7%, in the volume of average earning assets. Interest income on loans increased by $12,000 over the same two periods primarily as a result of an increase of approximately $30.8 million in average loans outstanding while the average yield declined by 67 basis points. Interest on investment securities and short-term investments decreased by $134,000 due to decreases in the overall yield and lower combined average account balances. The yield on total interest-earning assets was 6.14% for the quarter ended June 30, 2003 as compared to 6.68% for the quarter ended June 30, 2002, reflecting the declines in market rates.

The average rate on interest-bearing liabilities decreased to 2.44% for the second quarter of 2003 from 3.12% for the comparable quarter of 2002. Total interest expense decreased $404,000 for the quarter ended June 30, 2003 compared to the quarter ended June 30, 2002. In response to market conditions, the Bank lowered the rates it pays on most of its interest bearing deposit accounts. Interest on deposits decreased by $381,000 primarily as a result of a 77 basis point decrease in the weighted average rate, partially offset by a $13.6 million increase in average interest-bearing deposit balances. Interest expense paid on borrowed funds for the second quarter of 2003 decreased by $23,000 as compared to the same quarter in 2002 as a result of a 57 basis point decrease in the weighted average rate partially offset by a $12.8 million increase in average borrowings.

PROVISION FOR LOAN LOSSES

At June 30, 2003 and 2002, management's review of the allowance for loan losses concluded that the balance was adequate to provide for losses based upon evaluation of risk in the loan portfolio. A $45,000 provision for loan losses was charged to operations for the second quarter of 2003 due to $13.4 million in net loan growth. The allowance for loan losses at June 30, 2003 was $2.9 million and represented 0.84% of total loans as compared to 0.86% at June 30, 2002.

OTHER INCOME

Total other income was $335,000 for the quarter ended June 30, 2003 as compared to $339,000 for the same quarter of 2002, a decrease of $4,000. Other income is comprised of customer service fees, the increase in the cash value of life insurance policies, gains and losses on sales of securities available for sale and loans, and other items. Customer service fees increased by $20,000 over the two periods, primarily the result of an increase in the volume of fee-based customer transactions. There was a $25,000 gain on sale of loans for the second quarter of 2003 resulting from the sale of $1.0 million in fixed rate residential mortgages to Freddie Mac. There were no such sales for the same period in 2002. In the second quarter of 2003, the Bank recorded $86,000 in increased cash value of life insurance policies which were purchased in August 2002. For 2002, other income included $130,000 related to the curtailment of the Bank's defined benefit pension plan.

OPERATING EXPENSES

Total operating expenses were $2.1 million, or an annualized 1.96% of average total assets, for the quarter ended June 30, 2003 as compared to $1.9 million, or 1.91%, for the same quarter of 2002. Operating expenses include salaries and employee benefits, data processing, occupancy and equipment and other items. Salaries and employee benefits expenses rose primarily due to annual merit-based salary increases and the adoption of a Supplemental

Employee Retirement Plan for certain Bank officers which became effective in September 2002.

Legal expenses increased in 2003 as a result of litigation between the Bank and the Commonwealth of Massachusetts Department of Revenue related to the tax treatment of dividends received from its real estate investment trust subsidiary. The settlement of such issue occurred in June of 2003.

INCOME TAXES

The Bank recognizes income taxes under the asset and liability method established in Financial Accounting Standards Board Statement No. 109, "Accounting for Income Taxes". Under this method, deferred tax assets and liabilities are established for the temporary difference between the accounting basis and the tax basis of the Bank's assets and liabilities at enacted tax rates expected to be in effect when the amounts related to such temporary differences are realized or settled. The Bank's deferred tax asset is reviewed quarterly and adjustments to such asset are recognized as deferred income tax expense or benefit based on management's judgment relating to the realizability of such asset.

Beginning in the year 2000 and continuing throughout 2002, the Bank accrued taxes based on the Massachusetts state tax law which allowed for the deduction of 95% of the dividends paid to the Bank by its real estate investment trust ("REIT") subsidiary. In March 2003, the Massachusetts legislature enacted a law which disallows such deductions, retroactive to tax periods beginning in 1999. As a result, the Bank accrued an additional state tax liability of $2.1 million in the first quarter of 2003, the cumulative effect of the new tax law. Also, the Bank accrued the federal tax benefit related to such state taxes in the amount of $700,000. At that time, it was the Bank's intention to contest the retroactive feature of the legislation.

In June 2003, the Bank reached an agreement with the Commonwealth of Massachusetts Department of Revenue ("DOR") whereby the Bank would be liable to the DOR for 50% of the contested cumulative amount of taxes due. On June 23, 2003, the Bank paid $1.1 million to the DOR in full and final satisfaction of taxes due related to its REIT. Accordingly, in the second quarter of 2003, it recorded a state tax credit of approximately $700,000, net of the federal tax benefit.

State taxes for the second quarter of 2003 were accrued based upon the new tax law. Excluding the impact of the settlement agreement, for the second quarter of 2003, the Bank's effective tax rate was 39% as compared to 34% for the second quarter of 2002.

RESULTS OF OPERATIONS FOR THE SIX MONTH PERIODS ENDED JUNE 30, 2003 AND 2002

GENERAL

The Bank reported net income of $2.3 million, or $1.12 per share (basic) for the six months ended June 30, 2003 as compared with $2.9 million or $1.40 per share (basic) for the same period in 2002. The decrease in net income is primarily attributable to the recording of $700,000 in state tax expenses, net of the federal tax deduction. Please refer to the section "Massachusetts Tax Legislation" which appears on page 8 of this document for more details.

On a pre-tax basis, the Bank recorded $4.9 million in earnings for the first six months of 2003 as compared to $4.4 million for the same period in 2002. The improvement in pre-tax income was primarily the result of an increase in net interest income of $516,000 and $464,000 in gains on sales of investments and loans for 2003, partially offset by a $554,000 increase in operating expense.

NET INTEREST INCOME

Net interest income increased to $8.1 million for the first half of 2003 from $7.6 million for the comparable period in 2002, principally the result of a 7 basis point increase in the weighted average rate spread. The yield on average assets declined 58 basis points reflecting market rates as shown in all of the Bank's earning asset categories. The average rate paid on liabilities decreased 65 basis points during the first half of the year.

The following table details components of net interest income and yields/rates on average earning assets/liabilities.

Six months ended June 30,	2003			2002		
	AVERAGE BALANCE	INTEREST	YIELD/ RATE	AVERAGE BALANCE	INTEREST	YIELD/ RATE
(Dollars In Thousands)						
Loans (1) (2)	$ 333,244	$ 11,548	6.93 %	$ 300,816	$ 11,394	7.58 %
Investment securities (3) (4)	59,671	1,012	3.39	51,960	1,201	4.62
Short-term investments	18,499	132	1.43	27,776	243	1.75
Total earning assets	411,414	12,692	6.17	380,552	12,838	6.75
Other assets	17,972			11,311		
Total assets	$ 429,386			$ 391,863		
Interest-bearing deposits (5)	$ 244,846	2,300	1.88	$ 224,998	2,974	2.64
Borrowed funds	111,520	2,277	4.08	100,664	2,265	4.50
Total interest-bearing liabilities	356,366	4,577	2.57	325,662	5,239	3.22
Demand deposits	30,739			27,557		
Other liabilities	3,681			3,748		
Total liabilities	390,786			356,967		
Stockholders' equity	38,600			34,896		
Total liabilities and stockholders' equity	$ 429,386			$ 391,863		
Net interest income		$ 8,115			$ 7,599	
Weighted average rate spread			3.60 %			3.53 %
Net interest margin (6)			3.94 %			3.99 %

(1) Before allowance for loan losses.

(2) Includes average non-accrual loans.

(3) Excludes the impact of the average net unrealized gain or loss on securities available for sale.

(4) Includes Federal Home Loan Bank stock.

(5) Includes mortgagors' escrow accounts.

(6) Net interest income divided by average total earning assets.

Interest and dividend income decreased by $146,000 for the first six months of 2003 as compared to the same period in 2002. This decrease is primarily attributable to a 58 basis point decline in the yield on earning assets partially offset by an increase of approximately $30.9 million in the volume of average earning assets. Interest income on loans increased by $154,000 over the same two periods primarily as a result of an increase of approximately $32.4 million in average loans outstanding partially offset by a decrease in yields from 7.58% to 6.93%. Over the same two periods, interest on investment securities and short-term investments decreased $300,000 principally due to decreases in yield.

Total interest expense decreased $662,000 for the six-month period ended June 30, 2003 compared to the same period in 2002. Interest on deposits decreased by $674,000 as a result of a 76 basis point decline in the average rate paid, partially offset by higher average balances. The average deposit rate decreased from 2.64% to1.88% while average balances increased from $225.0 million to $244.8 million. Interest expense on borrowed funds for the first half of 2003 increased by $12,000 as compared to the same period in 2002 primarily as a result of a $10.9 million increase in average borrowings partially offset by a 42 basis point decrease in the weighted average rate. The average rate on interest-bearing liabilities decreased to 2.57% for the first half of 2003 from 3.22% for the comparable period in 2002.

PROVISION FOR LOAN LOSSES

At June 30, 2003 and 2002, management's review of the allowance for loan losses concluded that the balance was adequate to provide for losses based upon evaluation of risk in the loan portfolio. During the first half of 2003, a $90,000 provision for loan losses was charged to operations due primarily to $23.3 million in net loan growth, bringing the balance of the allowance for loan losses at June 30, 2003 to $2.9 million, or 0.84% of loans. Comparably, for the first half of 2002, a $150,000 provision for loan losses was charged to operations due primarily to $23.3 million in net loan growth.

OTHER INCOME

Total other income was $1.1 million for the six months ended June 30, 2003 as compared to $548,000 for the same period in 2002, an increase of $527,000 which is primarily attributable to $464,000 in gains on sales of loans and securities available for sale in 2003. In the first quarter of 2003, the Bank sold its entire investment in preferred stocks at a gain of $439,000. In the second quarter of 2003, the Bank sold $1.0 million in residential mortgage loans at a gain of $25,000. There were no such sales in 2002. Customer service fees increased $34,000 over the two periods as a result of an increase in the volume of fee-based transactions. Also reflected in other income for 2003 was $158,000 which represents the increase in the cash value of life insurance policies which the Bank purchased in August 2002. Included in other income for 2002 was $130,000 related to the curtailment of the Bank's defined benefit pension plan.

OPERATING EXPENSES

Total operating expenses were $4.2 million, or an annualized 1.96% of average total assets, for the six months ended June 30, 2003 as compared to $3.6 million, or 1.86%, for the same period in 2002. Operating expenses include salaries and employee benefits, data processing, occupancy and equipment and other items. Salaries and employee benefits expenses rose primarily due to annual merit-based salary increases and the adoption of a Supplemental Employee Retirement Plan for certain Bank officers which became effective in September 2002. Data processing expenses increased in 2003 over 2002 primarily due to improvements in the Bank's data communication network which were implemented in 2003. Legal expenses increased in 2003 over 2002 as a result of litigation and subsequent settlement of a dispute with the Commonwealth of Massachusetts Department of Revenue.

INCOME TAXES

The Bank recognizes income taxes under the asset and liability method established in Financial Accounting Standards Board Statement No. 109, "Accounting for Income Taxes". Under this method, deferred tax assets and liabilities are established for the temporary difference between the accounting basis and the tax basis of the Bank's assets and liabilities at enacted tax rates expected to be in effect when the amounts related to such temporary differences are realized or settled. The Bank's deferred tax asset is reviewed quarterly and adjustments to such asset are recognized as deferred income tax expense or benefit based on management's judgment relating to the realizability of such asset.

Beginning in the year 2000 and continuing throughout 2002, the Bank accrued taxes based on the Massachusetts state tax law which allowed for the deduction of 95% of the dividends paid to the Bank by its real estate investment trust ("REIT") subsidiary. In March 2003, the Massachusetts legislature enacted a law which disallows such deductions, retroactive to tax periods beginning in 1999. As a result, the Bank accrued an additional state tax liability of $2.1 million in the first quarter of 2003, the cumulative effect of the new tax law. Also, the Bank accrued the federal tax benefit related to such state taxes in the amount of $700,000. At that time, the Bank intended to contest the retroactive feature of the legislation.

In June 2003, the Bank reached an agreement with the Commonwealth of Massachusetts Department of Revenue ("DOR") whereby the Bank would be liable to the DOR for 50% of the contested cumulative amount of taxes due. On June 23, 2003, the Bank paid $1.1 million to the DOR in full and final satisfaction of taxes due related to its REIT. Accordingly, in the second quarter of 2003, it recorded a state tax credit of approximately $700,000, net of the federal tax benefit.

State taxes for the second quarter of 2003 were accrued based upon the new tax law. Excluding the impact of the settlement agreement, for the first half of 2003, the Bank's effective tax rate was 39% as compared to 34% for the first half of 2002.

BALANCE SHEET ANALYSIS - COMPARISON AT JUNE 30, 2003 TO DECEMBER 31, 2002

Assets totaled $459.8 million at June 30, 2003, as compared to $426.4 million at December 31, 2002, an increase of 8%.

INVESTMENT SECURITIES

Investment securities were $75.1 million, or 16% of total assets, at June 30, 2003, an increase of $25.8 million from $49.3 million at December 31, 2002. During the first half of 2003, there were $42.4 million in security purchases offset by $16.1 million in sales, calls, maturities and principal paydowns.

The investment portfolio is comprised of federal agency obligations and mortgage-backed securities issued by the Federal Home Loan Mortgage Corporation (FHLMC) and the Federal National Mortgage Association (FNMA). Approximately 64% of the portfolio consisted of fixed-rate agency bond issues. Mortgage-backed issues comprised 36% of the portfolio at June 30, 2003. At December 31, 2002, the portfolio also included of $4.4 million in bank and government agency-issued preferred securities, all of which were sold during the first quarter of 2003.

At June 30, 2003 and December 31, 2002, the Bank's entire investment portfolio was classified as available for sale and reflected on the balance sheet at fair value with unrealized gains and losses, net of tax effect, excluded from earnings and reported in accumulated other comprehensive income. The net unrealized gain on securities available for sale, net of tax, was $374,000 at June 30, 2003, as compared to $774,000 at December 31, 2002, a decrease resulting primarily from sales of preferred securities. The fair value of securities fluctuates with the movement of interest rates. Generally, during periods of falling interest rates, the fair values improve whereas the opposite may hold true during a rising interest rate environment.

LOANS

During the first six months of 2003, total loans outstanding increased by $23.3 million to $346.5 million at June 30, 2003, from $323.2 million at December 31, 2002, attributable primarily to originated loans of $99.8 million offset by payoffs and amortization. Comparably, loan originations for the entire year of 2002 were $158.7 million. On June 30, 2003 and December 31, 2002, net loans outstanding represented 75% of assets. Mortgage loans continue to account for more than 99% of the loan portfolio.

	Loan Balances by Type	
(In Thousands)	June 30, 2003	December 31, 2002
Mortgage loans:		
Residential	$ 149,197	$ 138,152
Commercial	159,294	155,720
Construction	20,025	12,482
Equity lines-of-credit	14,579	15,141
Second mortgages	2,738	963
Total mortgage loans	345,833	322,458
Other loans:		
Personal installment	427	522
Commercial loans	103	116
Revolving credit	146	127
Total other loans	676	765
Total loans	346,509	323,223
Allowance for loan losses	(2,900)	(2,810)
Net deferred loan origination costs	308	279
Loans, net	$ 343,917	$ 320,692

Loans are carried net of the allowance for loan losses. The allowance is maintained at a level to absorb losses within the loan portfolio. At June 30, 2003 and December 31, 2002, the allowance had a balance of $2.9 million and $2.8 million, respectively, and included no funds allocated to loans classified as impaired pursuant to SFAS No. 114.

At June 30, 2003, there were three loans classified as non-accrual totaling $414,000 as compared to $519,000 at December 31, 2002. At June 30, 2003 and December 31, 2002, the Bank held no foreclosed assets. At June 30, 2003, non-performing assets were 0.12% of total loans as compared to 0.16% of total loans at December 31, 2002.

Non-Performing Assets

(In Thousands)	June 30, 2003	December 31, 2002
Non-accrual loans:		
Commercial mortgages	$ 307	519
Construction	107	-
Total non-accrual loans	414	519
Foreclosed real estate, net	–	–
Total non-performing assets	$ 414	$ 519
Percentage of non-accrual loans to:		
Loans, net	0.12%	0.16%
Total assets	0.09%	0.12%
Percentage of non-performing assets, net to:		
Loans, net and foreclosed real estate, net	0.12%	0.16%
Total assets	0.09%	0.12%

Included in the non-accrual loan amounts listed above are loans which have been classified as impaired in the amounts of $414,000 and $139,000 pursuant to SFAS No. 114 at June 30, 2003 and at December 31, 2002, respectively.

BANK-OWNED LIFE INSURANCE

At June 30, 2003, the Bank reported $7.6 million in Cash Value of Life Insurance which was purchased during August 2002. The policies, which insure the lives of certain Bank officers, accrete at a variable rate of interest with minimum stated guaranteed rates.

DEPOSITS

Deposits decreased by $2.7 million to $272.9 million at June 30, 2003 from $275.6 million at December 31, 2002. Core deposits, which include regular, money market, NOW and demand deposits, were $159.3 million at June 30, 2003, an increase of $17.4 million over the December 31, 2002 balance. Core deposits represented 58% of total deposits at June 30, 2003 as compared to 52% at December 31, 2002. Certificate accounts were $113.6 million, or 42% of total deposits, at June 30, 2003 as compared to 49% at December 31, 2002.

Deposit Balances by Type

(Dollars in Thousands)	June 30, 2003	% of Total	December 31, 2002	% of Total
Non-certificate accounts:				
Regular	$ 53,091	19.5%	$ 51,354	18.6%
Money market deposits	50,810	18.6	42,439	15.4
NOW	21,797	8.0	18,615	6.8
Demand	33,604	12.3	29,446	10.7
Total non-certificate accounts	159,302	58.4	141,854	51.5
Term certificates less than $100,000	78,311	28.7	88,970	32.3
Term certificates $100,000 or more	35,294	12.9	44,749	16.2
Total certificate accounts	113,605	41.6	133,719	48.5
Total deposits	$ 272,907	100.00%	$ 275,573	100.0%

BORROWINGS

Federal Home Loan Bank of Boston (FHLB) advances were $144.2 million at June 30, 2003 as compared to $106.4 million at December 31, 2002. These advances are fixed rate in nature and the majority have remaining maturities of less than three years. During the first half of 2003, $23.7 million in advances matured and were re-financed at the FHLB. There were $37.8 million in new borrowings initiated at the FHLB primarily to purchase mortgage-backed securities and to fund loan growth. The recent economic environment indicates continued low interest rates for the near term and, as such, the Bank has refinanced recent borrowings at shorter terms.

Other borrowed funds represent the balance held in treasury tax and loan deposits under the Bank's note option depository agreement. These borrowings amounted to $907,000 and $394,000 at June 30, 2003 and December 31, 2002, respectively.

LIQUIDITY AND CAPITAL RESOURCES

The Bank continually assesses its liquidity position by forecasting incoming and outgoing cash flows. In some cases, contractual maturity dates are used to anticipate cash flows. However, when an asset or liability is subject to early repayment or redemption at the discretion of the issuer or customer, cash flows can be difficult to predict. Generally, these prepayment rights are exercised when it is most financially favorable to the issuer or customer.

The majority of the Bank's investment portfolio is fixed with respect to rate and maturity date. The remaining securities can be called at the discretion of the issuer. Mortgage-backed securities, which comprise 36% of the portfolio, are subject to repayment at the discretion of the underlying borrower.

Residential loans are susceptible to principal repayment at the discretion of the borrower. Commercial mortgages, while subject to significant penalties for early repayment in most cases, can also prepay at the borrower's discretion.

The proceeds to the Bank under key executive life insurance policies are illiquid during the lives of the executives. Such policies total $7.6 million, or 2% of total assets at June 30, 2003.

Core deposit balances can generally be withdrawn from the Bank at anytime. Certificates of deposit, with predefined maturity dates and subject to early redemption penalties, can also be withdrawn. The Bank estimates the volatility of its deposits in light of the general economic climate and recent actual experience.

Approximately 80% of the Bank's borrowings are fixed in term of rate and maturity. The remaining 20%, or $29.5 million, can be called for earlier repayment at the discretion of the issuer. However, in the current economic environment, it is unlikely that these borrowings will be called in the near term.

The Bank also monitors its off-balance sheet items. At June 30, 2003, the Bank had approximately $70.8 million in commitments to extend credit as compared to $69.1 million at December 31, 2002.

The Bank takes each of these issues into consideration when measuring its liquidity position. Specific measurements include the Bank's cash flow position at both the 30 day and 90 day horizon, the level of volatile assets on earning assets and its loan to deposit ratio. At June 30, 2003 and December 31, 2002, each measurement was within predefined Bank guidelines. To supplement its liquidity position, should the need arise, the Bank maintains its membership in the Federal Home Loan Bank of Boston where it is eligible to obtain both short and long-term credit advances. The Bank can borrow up to approximately $206.9 million to meet its borrowing needs, based on the Bank's available qualified collateral which consists primarily of 1-4 family residential mortgages, the Bank's investment in securities issued by U.S. government agencies and the qualifying portion of the Bank's investment in its real estate investment trust subsidiary. Upon specific approval from the FHLB, the Bank may also pledge other mortgages as collateral to secure as much as $48.4 million in additional borrowings. At June 30, 2003, the Bank had $144.2 million in advances outstanding.

At June 30, 2003, the Bank had capital of $39.4 million, or 8.6% of total assets, as compared to $38.2 million, or 9.0%, at December 31, 2002. During the six month period ended June 30, 2003, stockholders' equity increased by $1.2 million due primarily to net income for the period of $2.3 million. Stock option exercises during the first half of 2003 contributed $40,000 to capital.

During 2003, the Bank declared dividends of $0.35 per share, which reduced capital by $727,000. Total capital is adjusted by the unrealized gains or losses in the Bank's available-for-sale securities portfolio and, as such, it is subject to fluctuations resulting from changes in the market values of its investment securities.

Massachusetts chartered savings banks that are insured by the FDIC are subject to minimum capital maintenance requirements. Regulatory guidelines define the minimum amount of qualifying capital an institution must maintain as a percentage of risk-weighted assets and average total assets.

	Actual Regulatory Capital Ratios		
	June 30, 2003	December 31, 2002	Required Minimum Regulatory Ratios
(Dollars in Thousands)			
Tier 1 Capital as a Percentage of Risk-Weighted Assets	14.17%	14.47%	4.0%
Total Capital as a Percentage of Risk-Weighted Assets	15.22%	15.55%	8.0%
Tier 1 Capital to Average Assets	9.04%	8.89%	4.0%
Total Risk-Weighted Assets	$275,698	$258,720	

At June 30, 2003 and December 31, 2002, the Bank exceeded all of the minimum regulatory capital ratio requirements.

ITEM 3 - QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

ASSET/LIABILITY MANAGEMENT

The earnings of most banking institutions are exposed to interest rate risk because their balance sheets, both assets and liabilities, are predominantly interest bearing. It is the Bank's objective to minimize, to the degree prudently possible, its exposure to interest rate risk, bearing in mind that the Bank, by its very nature, will always be in the business of taking on interest rate risk. Interest rate risk is monitored on a quarterly basis by the Asset Liability Committee of the Bank.

The primary tool used by the Bank in managing interest rate risk is income simulation modeling. Income simulation modeling measures changes in net interest income by projecting the future composition of the Bank's balance sheet and applying different interest rate scenarios. Management incorporates numerous assumptions into the simulation model, such as prepayment speeds, interest rate environments, balance sheet growth and deposit elasticity. To a significantly lesser degree, the Bank also utilizes GAP analysis which involves comparing the difference between interest-rate sensitive assets and liabilities that mature or reprice during a given period of time.

The results of these analyses indicate that the Bank's interest rate risk exposure is well managed and within pre-defined limits.

ITEM 4 – CONTROLS AND PROCEDURES

An evaluation was carried out under the supervision and with the participation of the Bank's management, including the Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), of the effectiveness , as of June 30, 2003, of the Bank's disclosure controls and procedures as defined in Rules 13a-15(e) and 15d-15(e) under the Securities and Exchange Act of 1934, as amended. Based on that evaluation, the CEO and CFO have concluded the Bank's disclosure controls and procedures are effective to ensure that information required to be disclosed by the Bank in reports that it files or submits under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in Securities and Exchange Commission rules and forms. There were no significant changes in the Bank's internal controls over financial reporting, as defined in Rules 13a-15(f) and 15d-15(f), during the fiscal quarter ended June 30, 2003 that have materially affected, or are reasonably likely to reasonably affect, the Bank's internal controls over financial reporting.

PART II - OTHER INFORMATION

ITEM 1 - LEGAL PROCEEDINGS
Not applicable

ITEM 2 - CHANGES IN SECURITIES AND USE OF PROCEEDS
Not applicable

ITEM 3 - DEFAULTS UPON SENIOR SECURITIES
Not applicable

ITEM 4 - SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

On April 24, 2003, the Bank held an Annual Meeting of Stockholders. There were two matters voted upon at the meeting.

The first matter was "to elect five Class III Directors of the Bank, each to hold office until the 2006 Annual Meeting of Stockholders of the Bank and until his or her respective successor is duly elected and qualified." The following Directors were elected at the meeting:

Director	Voting Results: For	Voting Results: Against or Withheld
James V. Consentino	1,950,673	11,681
Ronald D. Falcione	1,951,273	11,081
Robert H. Gaughen, Jr.	1,941,298	21,056
Robert A. Lane	1,951,273	11,081
Jacqueline M. Youngworth	1,951,273	11,081

The second matter was "to elect a Clerk of the Bank, to hold office until the next Annual Meeting of Stockholders of the Bank, and until his or her successor is elected and qualified." Marion J. Fahey was elected as Clerk with 1,944,651 votes cast for; 7,186 votes against or withheld; and 10,517 abstentions.

ITEM 5 - OTHER INFORMATION
Not applicable

PART II – OTHER INFORMATION (continued)

ITEM 6 – EXHIBITS AND REPORTS ON FORM 8-K

Exhibit No.

31 Certification

32 Certification

During the quarter for which this report is filed, the following reports on Form 8-K have been filed:

Date Filed	Items Reported
June 26, 2003	Settlement of a tax dispute with the Commonwealth of Massachusetts Department of Revenue

CERTIFICATION PURSUANT TO

18 U.S.C. §1350,

AS ADOPTED PURSUANT TO

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Hingham Institution for Savings (the "Bank") for the quarter ended June 30, 2003, as filed with the Federal Deposit Insurance Corporation on the date hereof (the "Report"), the undersigned Robert H. Gaughen, Jr., Chief Executive Officer of the Bank, and Deborah J. Jackson, Chief Financial Officer of the Bank, each hereby certifies pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly present, in all material respects, the financial condition and results of operations of the Bank.

Robert H. Gaughen, Jr.
Chief Executive Officer

Date: August 13, 2003

Deborah J. Jackson
Senior Vice President and Treasurer

Date: August 13, 2003

SIGNATURES

Under the requirements of the Securities Exchange Act of 1934, the Bank has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

HINGHAM INSTITUTION FOR SAVINGS

Date: August 13, 2003 ______________________________
Robert H. Gaughen, Jr.
President & Chief Executive Officer

Date: August 13, 2003 ______________________________
Deborah J. Jackson
Senior Vice President & Treasurer

CERTIFICATIONS EXHIBIT 31

I, Robert H. Gaughen, Jr., certify that:

1. I have reviewed this quarterly report on Form 10-Q of the Hingham Institution for Savings;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of material fact or omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures [as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)] for the registrant and we have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) [Paragraph omitted in accordance with SEC transition instructions contained in SEC Release 34-47986.]

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures, and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the registrant's internal controls over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal controls over financial reporting;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and to the audit committee of the registrant's board of directors (or persons performing the equivalent function):

a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: August 13, 2003

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Robert H. Gaughen, Jr.
Chief Executive Officer

CERTIFICATIONS EXHIBIT 32

I, Deborah J. Jackson, certify that:

1. I have reviewed this quarterly report on Form 10-Q of the Hingham Institution for Savings;

2. Based on my knowledge, this quarterly report does not contain any untrue statement of material fact or omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures [as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)] for the registrant and we have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) [Paragraph omitted in accordance with SEC transition instructions contained in SEC Release 34-47986.]

c) evaluated the effectiveness of the registrant's disclosure controls and procedures, and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal controls over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal controls over financial reporting;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and to the audit committee of the registrant's board of directors (or persons performing the equivalent function):

a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: August 13, 2003

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Deborah J. Jackson
Chief Financial Officer