DISCOUNT CASH FLOW ANALYSIS
HIFS - HINGHAM INSTITUTE FOR SAVINGS
FOR THE YEARS ENDED DECEMBER 31,

All Values in $000's USD - Yields and Interest are annualized

		2019P			2020P			2021P			2022P			2023P			Horizon		
		PROJECT 2019	Yield / Rate	Interest	PROJECT 2020	Yield / Rate	Interest	PROJECT 2021	Yield / Rate	Interest	PROJECT 2022	Yield / Rate	Interest	PROJECT 2023	Yield / Rate	Interest	PROJECT HORIZON	Yield / Rate	Interest
Cash and Cash Equivalents		8,437	0.00%	0	9,324	0.00%	0	10,280	0.00%	0	11,308	0.00%	0	12,403	0.00%	0	13,562	0.00%	0
Federal Reserve and Other Short-term Investments		325,015	2.25%	7,313	359,183	2.25%	8,082	396,023	2.25%	8,911	435,605	2.25%	9,801	477,803	2.25%	10,751	522,420	2.25%	11,754
Securities Available-for-sale, At Fair Value (2)		15	0.00%	0	16	0.00%	0	18	0.00%	0	20	0.00%	0	22	0.00%	0	24	0.00%	0
CRA Fund (1)		8,854	0.00%	0	9,784	0.00%	0	10,788	0.00%	0	11,866	0.00%	0	13,016	0.00%	0	14,231	0.00%	0
Equity Securities-at Fair Value		39,627	9.00%	3,566	43,793	9.00%	3,941	48,285	9.00%	4,346	53,111	9.00%	4,780	58,256	9.00%	5,243	63,696	9.00%	5,733
Loans, Net (3)		2,374,976	4.40%	104,499	2,624,645	4.40%	115,484	2,893,845	4.40%	127,329	3,183,084	4.40%	140,056	3,491,438	4.40%	153,623	3,817,465	4.40%	167,968
Accrued Interest Receivable		5,880	0.00%	0	6,498	0.00%	0	7,164	0.00%	0	7,880	0.00%	0	8,644	0.00%	0	9,451	0.00%	0
Federal Home Loan Bank Stock, At Cost		34,753	6.00%	2,085	38,407	6.00%	2,304	42,346	6.00%	2,541	46,578	6.00%	2,795	51,091	6.00%	3,065	55,861	6.00%	3,352
Premises & Equipment-net		16,332	0.00%	0	18,049	0.00%	0	19,900	0.00%	0	21,889	0.00%	0	24,009	0.00%	0	26,251	0.00%	0
Deferred Income Tax Asset		1,846	0.00%	0	2,040	0.00%	0	2,249	0.00%	0	2,474	0.00%	0	2,713	0.00%	0	2,967	0.00%	0
Other Assets		4,805	0.00%	0	5,310	0.00%	0	5,855	0.00%	0	6,440	0.00%	0	7,064	0.00%	0	7,723	0.00%	0
Bank Owned Life Insurance		14,236	2.00%	285	15,733	2.00%	315	17,347	2.00%	347	19,080	2.00%	382	20,929	2.00%	419	22,883	2.00%	458
Total Yield on Assets		**2,834,776**	**4.15%**	**117,748**	**3,132,781**	**4.15%**	**130,126**	**3,454,099**	**4.15%**	**143,473**	**3,799,335**	**4.15%**	**157,813**	**4,167,387**	**4.15%**	**173,101**	**4,556,534**	**4.15%**	**189,265**
Non-Interest Bearing Deposits		260,752	0.00%	0	288,163	0.00%	0	317,719	0.00%	0	349,475	0.00%	0	383,329	0.00%	0	419,124	0.00%	0
Interest Bearing Deposits		1,549,888	1.80%	27,898	1,769,914	1.80%	31,858	2,014,397	1.80%	36,259	2,250,356	1.80%	40,506	2,468,355	1.80%	44,430	2,698,847	1.80%	48,579
Advances from Federal Home Loan Bank		772,507	2.75%	21,244	796,623	2.75%	21,907	815,379	2.75%	22,423	862,255	2.75%	23,712	945,785	2.75%	26,009	1,034,101	2.75%	28,438
Other Liabilities		0	0.00%	0	0	0.00%	0	0	0.00%	0	0	0.00%	0	0	0.00%	0	0	0.00%	0
Total Cost on Liabilities		**2,583,147**	**1.90%**	**49,142**	**2,854,700**	**1.88%**	**53,766**	**3,147,495**	**1.86%**	**58,682**	**3,462,087**	**1.85%**	**64,218**	**3,797,469**	**1.85%**	**70,439**	**4,152,073**	**1.85%**	**77,017**
Implied Shareholder Dividends		4,226			5,670			7,370			9,319			11,514			40,286		
Reinvestment Rate		86.2%			83.4%			80.6%			77.8%			75.0%			20.0%		
Leverage Ratio		11.3			11.3			11.3			11.3			11.3			11.3		
Interest Bearing Deposits as % of Liabilities		60.0%			62.0%			64.0%			65.0%			65.0%			65.0%		
Net Interest Income				68,606			76,361			84,791			93,595			102,661			112,248
Provisions For Loan Losses	0.25%			(5,937)			(6,562)			(7,235)			(7,958)			(8,729)			(9,544)
Net Interest Income After Provisions				62,669			69,799			77,556			85,637			93,933			102,704
Non-Interest Income (TTM)				905			1,029			1,166			1,300			1,426			1,559
Non-Interest Expense (TTM)				(21,549)			(23,991)			(26,647)			(29,417)			(32,267)			(35,280)
Pre-Tax Income				42,026			46,837			52,076			57,520			63,092			68,983
Less: Taxes of:	27.0%			(11,347)			(12,646)			(14,060)			(15,530)			(17,035)			(18,625)
Estimated Net Income				30,679			34,191			38,015			41,989			46,057			50,358
Return on Assets (Pre-Tax)		2,834,776	1.48%	42,026	3,132,781	1.50%	46,837	3,454,099	1.51%	52,076	3,799,335	1.51%	57,520	4,167,387	1.51%	63,092	4,556,534	1.51%	68,983
Return on Assets		2,834,776	1.08%	30,679	3,132,781	1.09%	34,191	3,454,099	1.10%	38,015	3,799,335	1.11%	41,989	4,167,387	1.11%	46,057	4,556,534	1.11%	50,358
Total Return on Equity (Pre-Tax)		**251,629**	**16.70%**	**42,026**	**278,082**	**16.84%**	**46,837**	**306,603**	**16.98%**	**52,076**	**337,248**	**17.06%**	**57,520**	**369,919**	**17.06%**	**63,092**	**404,461**	**17.06%**	**68,983**
Total Return on Equity		**251,629**	**12.19%**	**30,679**	**278,082**	**12.30%**	**34,191**	**306,603**	**12.40%**	**38,015**	**337,248**	**12.45%**	**41,989**	**369,919**	**12.45%**	**46,057**	**404,461**	**12.45%**	**50,358**
Horizon Value																			576,315
Partial Period (Pro Rata)				1.00			1.00			1.00			1.00			1.00		LT Growth Rate	3.0%
Period (Mid-Point Convention)				0.50			1.50			2.50			3.50			4.50			
Present Value Factor (Mid-Point Convention)	12.00%			0.9449			0.8437			0.7533			0.6726			0.6005			0.6005
Present Value				28,989			28,846			28,636			28,241			27,658			346,082

Sum of Present Values	142,369
Horizon Value	346,082
Fair Value of HIFS	488,451
Shares Outstanding	2,134
Fair Value Per Share of HIFS	**$228.92**