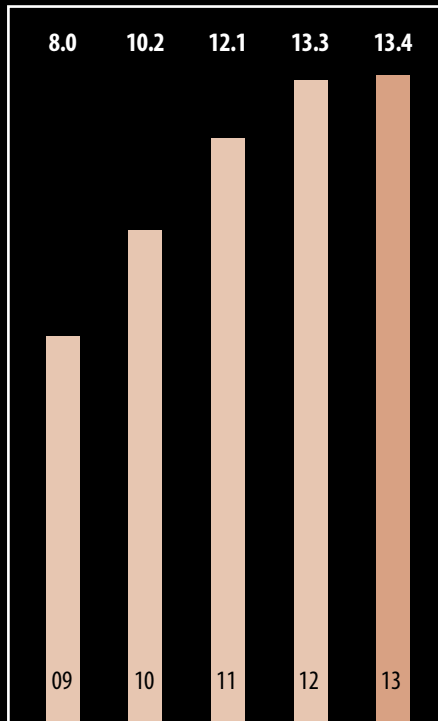




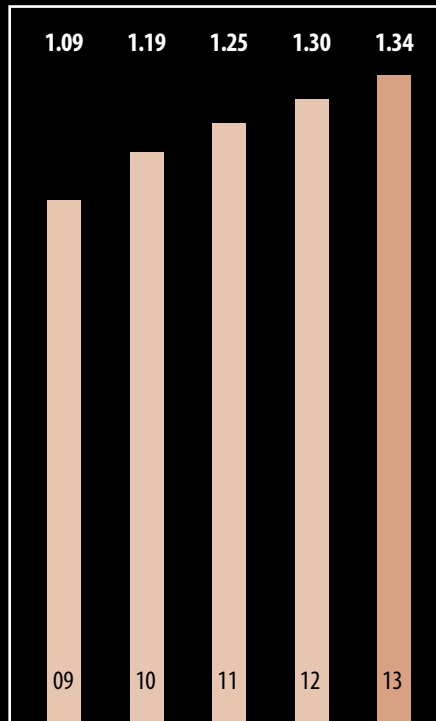
2013 ANNUAL REPORT



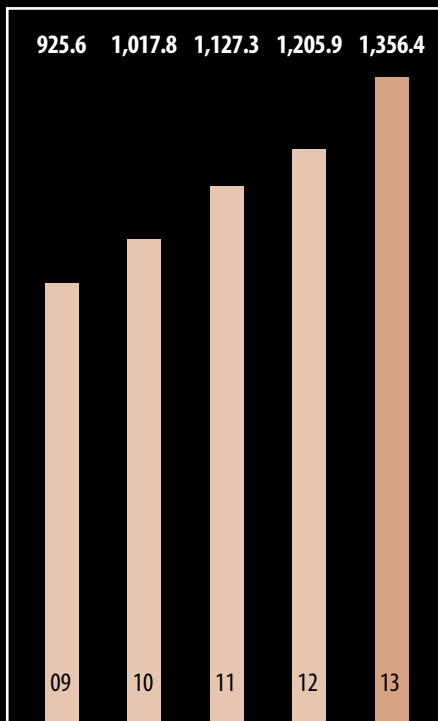
Financial Highlights



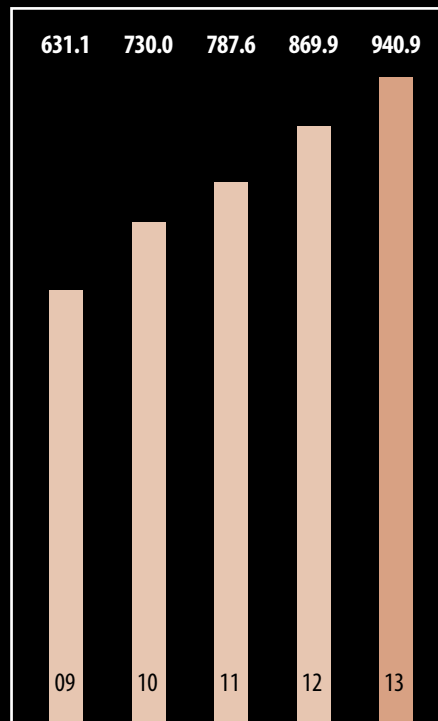
Net Income
(\$ in millions)



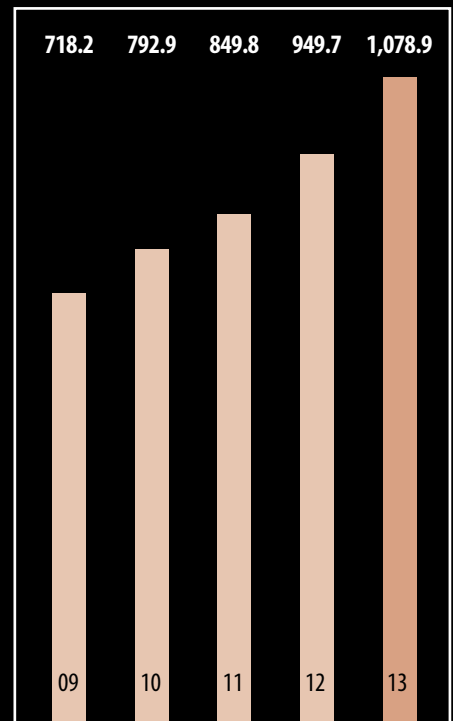
Dividends Declared
(\$ per share)



Assets
(\$ in millions)



Deposits
(\$ in millions)



Loans, net
(\$ in millions)

From the President



Dear Shareholders,

2013 was another outstanding year for Hingham Savings. We produced record earnings for you, our ownership, with a return on average equity of 13.52% and a return on average assets of 1.07%. These earnings were driven by strong balance sheet growth in both real estate loans and deposits. They are among the strongest in our industry. Our conservative and risk-averse management of our investment portfolio, weighted heavily in favor of cash, allowed us to avoid the significant bond market losses of many of our competitors. We continued our strategy of measured, organic growth, opening a new branch on Main Street in Nantucket. We have been warmly received on the Island and our performance there has already exceeded our expectations.

In 2013, deposits increased by \$71.0 million, or 8%, net loans increased by \$129.2 million, or 14%, and total assets increased by 12%. Our rigorous cost control produced an efficiency ratio of 43%; non-interest expenses as a percentage of average total assets reached a record low of 1.40%. Book value per share increased to \$48.49 per share from \$43.65 per share, reflecting the strong return on average equity and the continuation of our dividend strategy, in which we return a significant portion of our earnings to the ownership. In 2013, we declared \$1.34 in total cash dividends per share. This was the 19th consecutive year in which the Bank increased total cash dividends per share.

Despite the apparent tailwinds in the real estate markets, we are committed to the conservative strategies that have delivered superior long-term returns to our owners without undue risk. We continue to insist on a substantial margin of safety in our commercial real estate operations where we now commit the majority of our capital. We aggressively manage our troubled assets, of which we have few, and in 2013 we actually produced net recoveries to our loan loss reserve. Our residential lending and retail franchises continue to be market leaders, with strong brand recognition, outstanding service, and loyal customers. We continue to be opportunistic about expansion, recognizing, however, that growth must enhance earnings available to the shareholders. There are no empire-builders at Hingham.

In his 2006 letter to the shareholders of Berkshire Hathaway, Warren Buffett observed that “every day, in countless ways, the competitive position of our businesses grow either weaker or stronger. If we are delighting customers, eliminating unnecessary costs and improving our products and services, we gain strength. If we treat customers with indifference or tolerate bloat, our businesses will wither. On a daily basis, the effects of our actions are imperceptible; cumulatively, though, their consequences are enormous.”

At Hingham, we look to grow stronger every day in 2014 and beyond. We appreciate your continued support and we look forward to working on your behalf.

Very truly yours,

A handwritten signature in black ink, appearing to read "Robert H. Gaughen Jr.", written in a cursive style.

Robert H. Gaughen Jr.
President & Chief Executive Officer

Cohasset Golf Club

Established in 1894, the Cohasset Golf Club is a premier golf course designed by legendary architect Donald Ross. Attention to detail is crucial for smooth operations at CGC, and that's just one reason why Treasurer Don Grilli recommended Hingham Savings in 2009 to finance the club's capital projects. This year, CGC moved their operating accounts to Hingham Savings, and has been impressed with the client-friendly service, knowledgeable staff and straightforward processes. By all accounts, the seamless transition has been a hole-in-one.



Alex Boyd, Vice President, Commercial Loan Officer, Hingham Savings

Jim Simmons, General Manager, Cohasset Golf Club

Donald Grilli, Treasurer, Cohasset Golf Club





“Hingham Savings has exceeded our expectations in every way – in commercial loan services as well as business banking – the personal service and attention to detail has been superb.”

DONALD GRILLI

Ken Oringer

Chef Ken Oringer owns seven successful restaurants, has received the Best Chef Northeast 2001 award from the James Beard Foundation, won Food Network's Iron Chef America, and has been selected for Star Chefs Rising Stars Mentor Award. A world traveler, he brings a strong culinary philosophy of authenticity and innovation to his inspired dishes. When it came time to settle down in Boston with his young family, he chose Hingham Savings as his Bank for financing his new home because he knows we share his high standards for attention to detail and professional excellence.



Ken Oringer, *Chef and Restaurateur, Clio, Uni, Toro, and La Verdad (Boston), Earth (Kennebunkport), Toro (NYC)*





“Hingham Savings has shown me that they stand behind their reputation, with great service and a helpful attitude — they are the real deal, and it is great to have authenticity in your Bank.”

KEN ORINGER



“We can count on Hingham Savings to understand our needs and respond quickly to make things happen.”

FRANKLIN W. SIMON

The Simon Companies

Founded in 1966, The Simon Companies is a leading real estate investment firm that has developed and managed a substantial portfolio of commercial properties and more than 4000 multifamily units throughout New England. They demonstrate an extraordinary commitment to excellence in their projects, and the choice of Hingham Savings for their commercial financing is consistent with their own stellar credentials. Like The Simon Companies, the senior management team at Hingham Savings brings more than a century of industry know-how to their work. The Simons recognize the Bank's strength, speed, and ability to deliver solid commercial lending solutions.



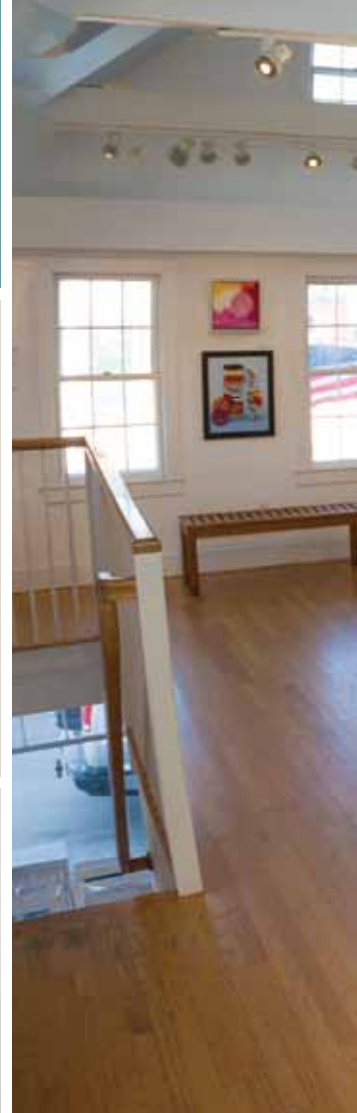
John G. Snyder, *Senior Vice President and General Counsel*

Hinda Simon Snyder, *Executive Vice President*

Franklin W. Simon, *Founder and President*

Artists Association of Nantucket

The AAN was launched in the fall of 1945, charged with fostering the visual arts on Nantucket. Today, more than 240 artists are part of this vibrant arts community, and they have moved forward to create Nantucket's first Visual Arts Center, to open in Fall 2014. Executive Director Cecil Barron Jensen views the Center as an exciting opportunity, and the organization is pleased with how Hingham Savings moved quickly and thoughtfully to deliver a financing solution that allows the AAN's dollars to work harder. Hingham Savings is proud to be a part of our client's vision, with creative solutions and an ability to keep the process simple.



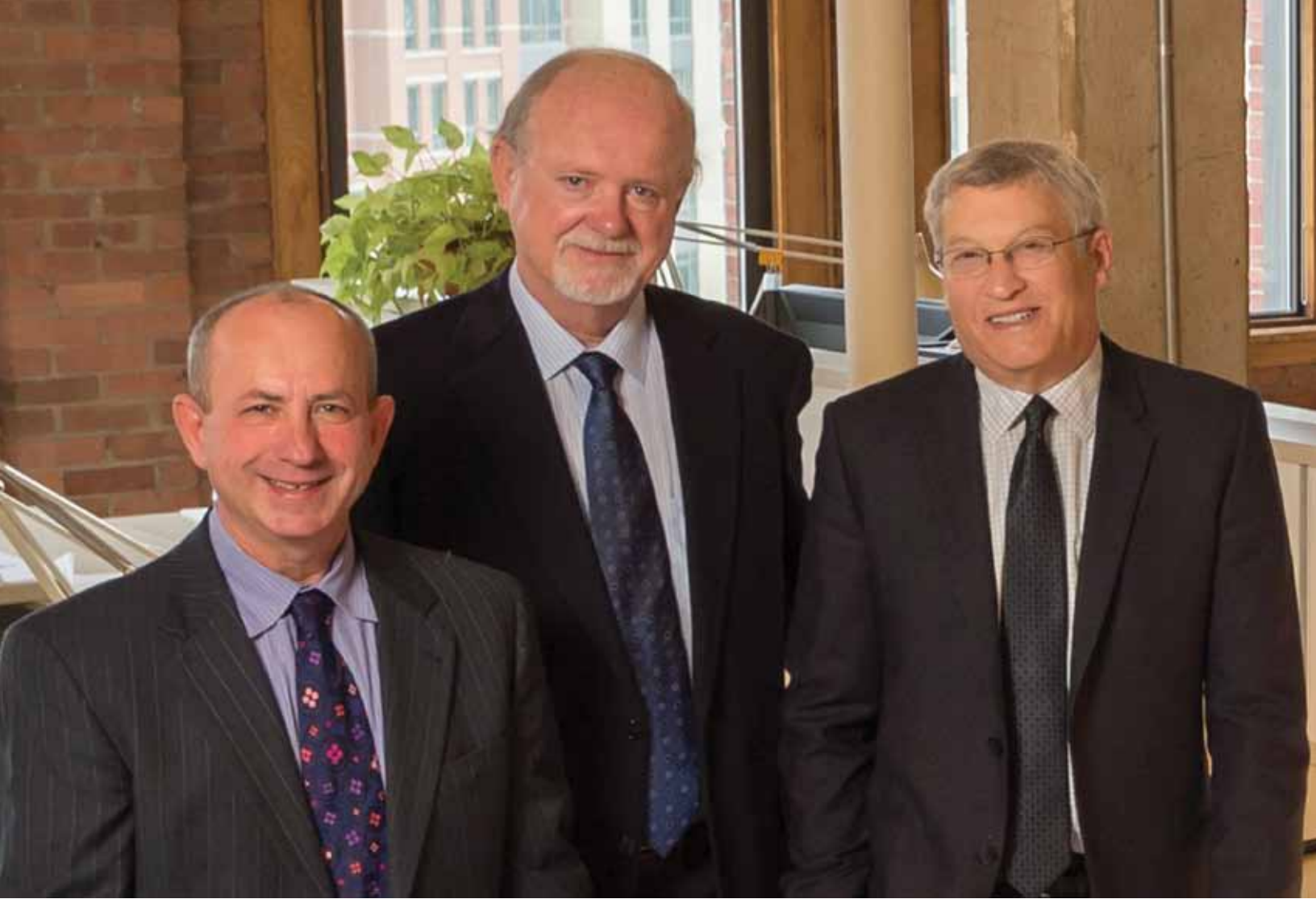
Cecil Barron Jensen, *Executive Director*

Sara Congdon, *Nantucket Branch Manager, Hingham Savings*



“Hingham Savings has helped us to fulfill our mission, with services that are both creative and responsive.”

CECIL BARRON JENSEN



“Hingham Savings’ thorough knowledge of the market, innovative thinking, and ability to move quickly has made them a trusted partner on our projects.”

NEW BOSTON VENTURES

New Boston Ventures

For more than 25 years, the award-winning team of David Goldman and Dennis Kanin has achieved impressive success in the creation of landmark developments throughout Greater Boston, with new construction as well as the preservation and adaptive re-use of historic structures. They have worked with Hingham Savings since 2007 on their project financing and business banking. The relationship has grown to include their personal banking as well, and they recognize that the Bank's strong reputation and outside-the-box thinking is a good match with their own values. Hingham Savings has served as a trusted partner on several projects, including two recent developments in Boston's South End.



David Goldman,
Co-founder, Principal

Robert H. Gaughen, Jr.
*President and CEO,
Hingham Savings*

Dennis Kanin,
Co-founder, Principal



*The Salvation Army Building,
407-409 Shawmut Ave, Boston*



*Zero Worcester Square,
Washington Street, Boston*

David Shukis and Susan Blair

David T. Shukis, CFA: *Head of Global Investment,
Cambridge Associates*

Susan Blair, *Homemaker*

Longtime residents of Hingham, David Shukis and Susan Blair enjoy their beautifully restored historic home and active community life, as well as their vacation home on Nantucket. When it came time to refinance, they were very pleased to learn that Hingham Savings also lends on Nantucket. They were delighted with how easy the Bank made the refinancing process for them, and discovered that Hingham Savings can provide exceptional, personal service, both on and off-island. David and Susan look forward to visiting the Bank's newest branch on Nantucket.



“Working with our loan officer was a pleasure throughout the mortgage process. We were guided through every step along the way. Hingham Savings knows how to treat people well.”

DAVID T. SHUKIS AND SUSAN BLAIR

Board of Directors



Howard M. Berger, Esq.



Michael J. Desmond



Marion J. Fahey



Ronald D. Falcione



Kevin W. Gaughen, Esq.



Patrick R. Gaughen



Robert H. Gaughen, Jr., Esq.



Julio R. Hernando, Esq.



Brian T. Kenner, Esq.



Robert A. Lane, Esq.



Scott L. Moser



Stacey M. Page



Robert K. Sheridan



Edward L. Sparda



Geoffrey C. Wilkinson, Sr.



Jacqueline M. Youngworth

Selected Financial Data

The following information does not purport to be complete and is qualified in its entirety by the more detailed information contained elsewhere herein.

	At December 31,				
	2013	2012	2011	2010	2009
Balance Sheet Data:					
Total assets	\$ 1,356,441	\$ 1,205,884	\$ 1,127,276	\$ 1,017,845	\$ 925,560
Securities available for sale.....	106,369	102,866	96,689	95,071	96,374
Loans:					
Residential loans	532,845	457,217	408,607	385,525	350,433
Commercial mortgage	498,592	438,037	404,343	383,361	348,700
Construction	53,520	60,390	42,269	29,065	23,228
Other	913	869	1,090	958	833
Allowance for loan losses	8,509	7,999	7,516	6,905	5,737
Deposits	940,906	869,886	787,573	729,960	631,087
Federal Home Loan Bank advances...	302,732	234,355	247,471	207,580	222,636
Stockholders' equity	103,217	92,799	82,265	72,736	65,293
Years Ended December 31,					
	2013	2012	2011	2010	2009
	(Dollars in Thousands, Except Per Share Amounts)				
Income Statement Data:					
Total interest and dividend income	\$ 49,342	\$ 48,831	\$ 48,444	\$ 46,825	\$ 44,798
Total interest expense.....	10,502	10,937	12,618	15,098	17,599
Net interest income	38,840	37,894	35,826	31,727	27,199
Provision for loan losses	380	725	1,100	1,300	1,700
Other income	1,678	1,666	1,700	1,627	2,008
Operating expenses	17,257	16,434	16,091	14,978	14,371
Income before income taxes	22,611	22,401	20,335	17,076	13,136
Income tax provision	9,240	9,111	8,273	6,848	5,091
Net income	13,371	\$ 13,290	\$ 12,062	\$ 10,228	\$ 8,045
Earnings per common share:					
Basic.....	\$ 6.28	\$ 6.25	\$ 5.68	\$ 4.81	\$ 3.79
Diluted.....	\$ 6.28	\$ 6.25	\$ 5.67	\$ 4.81	\$ 3.79
Financial Ratios:					
Return on average assets.....	1.07 %	1.15 %	1.14 %	1.05 %	0.93 %
Return on average equity.....	13.52	15.05	15.34	14.67	12.78
Average equity to average assets.....	7.89	7.62	7.44	7.14	7.26
Interest rate spread.....	3.07	3.25	3.36	3.20	3.11
Net interest margin.....	3.19	3.38	3.50	3.37	3.30
Efficiency ratio.....	43.26	41.54	42.88	44.91	49.20
Cash dividends declared per common share	\$ 1.34	\$ 1.30	\$ 1.25	\$ 1.19	\$ 1.09
Book value per common share	\$ 48.49	\$ 43.65	\$ 38.70	\$ 34.24	\$ 30.74

Comparative Stock Performance Graph

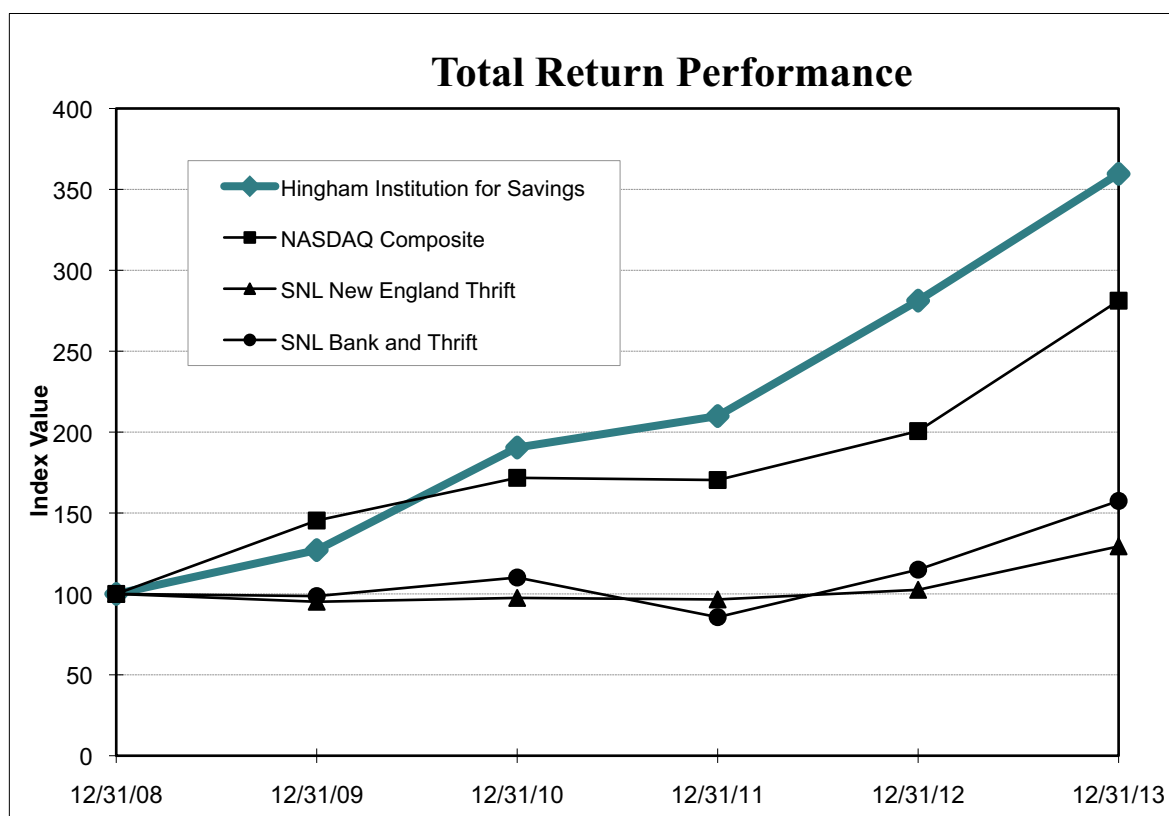
The chart which appears below sets forth the percentage change, on an annual basis, in the cumulative total return on the Bank's Common Stock since December 31, 2008 through December 31, 2013. For comparative purposes, changes in the cumulative total return on the three indices of publicly traded stocks (the "Indices") are also set forth on the chart.

The NASDAQ Composite Index reflects the total return of a group of stocks in a cross section of industries. Many of these stocks have substantially larger market capitalizations than the Bank. The SNL Bank and Thrift Index tracks a national group of publicly traded bank and thrift institutions.

The final Index, SNL New England Thrift Index, tracks a peer group of all publicly traded thrift institutions located in New England. SNL Securities is a research and publishing firm specializing in the collection and dissemination of data on the banking, thrift, and financial services industries.

The chart begins with an equal base value of \$100 for the Bank's stock and for each of the Indices on December 31, 2007 and reflects year-end closing prices and dividends paid thereafter by the Bank and by the companies which comprise the Indices. The chart assumes full reinvestment of such dividends.

Information about the Indices has been obtained from sources believed to be reliable, but neither the accuracy nor the completeness of such information is guaranteed by the Bank.



Index	Period Ending					
	12/31/08	12/31/09	12/31/10	12/31/11	12/31/12	12/31/13
Hingham Institution for Savings	100.00	127.07	190.47	209.91	281.25	359.61
NASDAQ Composite	100.00	145.36	171.74	170.38	200.63	281.22
SNL New England Thrift	100.00	95.15	97.53	96.57	102.53	129.39
SNL Bank and Thrift	100.00	98.66	110.14	85.64	115.00	157.46

Consolidated Balance Sheets

ASSETS

	December 31,	
	2013	2012
	(In Thousands)	
Cash and due from banks	\$ 11,922	\$ 7,961
Short-term investments	90,925	79,373
Cash and cash equivalents	102,847	87,334
Certificates of deposit	13,011	13,737
Securities available for sale, at fair value	106,369	102,866
Federal Home Loan Bank stock, at cost	15,978	14,105
Loans, net of allowance for loan losses of \$8,509,000 in 2013 and \$7,999,000 in 2012	1,078,879	949,662
Foreclosed assets	271	471
Bank-owned life insurance	15,375	14,945
Premises and equipment, net	15,854	14,180
Accrued interest receivable	2,792	2,667
Deferred income tax asset, net	2,934	2,556
Other assets.....	2,131	3,361
Total assets	<u>\$ 1,356,441</u>	<u>\$ 1,205,884</u>

LIABILITIES AND STOCKHOLDERS' EQUITY

Deposits	\$ 940,906	\$ 869,886
Federal Home Loan Bank advances.....	302,732	234,355
Mortgage payable.....	1,020	1,065
Mortgagors' escrow accounts.....	3,709	3,231
Accrued interest payable.....	490	478
Other liabilities.....	4,367	4,070
Total liabilities	<u>1,253,224</u>	<u>1,113,085</u>
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; 2,128,750 shares issued and outstanding at December 31, 2013 and 2,125,750 issued and outstanding at December 31, 2012	2,129	2,126
Additional paid-in capital.....	10,659	10,519
Undivided profits.....	90,449	79,930
Accumulated other comprehensive income (loss).....	(20)	224
Total stockholders' equity.....	<u>103,217</u>	<u>92,799</u>
Total liabilities and stockholders' equity.....	<u>\$ 1,356,441</u>	<u>\$ 1,205,884</u>

Consolidated Statements of Net Income

	Years Ended December 31,		
	2013	2012	2011
	(In Thousands, Except Per Share Amounts)		
Interest and dividend income:			
Loans	\$ 48,455	\$ 47,753	\$ 47,191
Debt securities	407	526	749
Equity securities	181	198	153
Short-term investments and certificates of deposit	299	354	351
Total interest and dividend income	<u>49,342</u>	<u>48,831</u>	<u>48,444</u>
Interest expense:			
Deposits.....	5,660	5,858	6,751
Federal Home Loan Bank advances	4,779	5,014	5,799
Mortgage payable	63	65	68
Total interest expense	<u>10,502</u>	<u>10,937</u>	<u>12,618</u>
Net interest income	38,840	37,894	35,826
Provision for loan losses	380	725	1,100
Net interest income, after provision for loan losses	<u>38,460</u>	<u>37,169</u>	<u>34,726</u>
Other income:			
Customer service fees on deposits.....	1,019	1,008	987
Increase in Bank-owned life insurance.....	430	421	450
Miscellaneous	229	237	263
Total other income	<u>1,678</u>	<u>1,666</u>	<u>1,700</u>
Operating expenses:			
Salaries and employee benefits	10,602	9,643	8,894
Data processing	1,015	884	883
Occupancy and equipment	1,868	1,709	1,528
Deposit insurance	684	611	701
Foreclosure.....	186	336	1,038
Marketing	557	654	650
Other general and administrative	2,615	2,597	2,397
Total operating expenses.....	<u>17,527</u>	<u>16,434</u>	<u>16,091</u>
Income before income taxes	22,611	22,401	20,335
Income tax provision	9,240	9,111	8,273
Net income	<u>\$ 13,371</u>	<u>\$ 13,290</u>	<u>\$ 12,062</u>
Earnings per common share:			
Basic	<u>\$ 6.28</u>	<u>\$ 6.25</u>	<u>\$ 5.68</u>
Diluted	<u>\$ 6.28</u>	<u>\$ 6.25</u>	<u>\$ 5.67</u>

Stockholder Information

Hingham Institution for Savings

55 Main Street
Hingham, MA 02043
(781) 749-2200

President and Chief Executive Officer

Robert H. Gaughen, Jr.

Investor Inquiries

William M. Donovan, Jr.
Vice President –Administration

Transfer Agent and Registrar

Computershare
P.O. Box 30170
College Station, TX 77842-3170
(800) 288-9541

Online Registered Shareholder Access

www.computershare.com/investor

Independent Registered Public Accounting Firm

Wolf & Company, P.C.
99 High Street
Boston, MA 02110

Special Counsel

WilmerHale
60 State Street
Boston, MA 02109

Form 10-K and Proxy Statement

A copy of the Bank's Annual Report on Form 10-K and Proxy Statement for the fiscal year ended December 31, 2013, as filed with the Federal Deposit Insurance Corporation, may be obtained without charge by any stockholder of the Bank upon written request addressed to the Investor Relations Department. Additionally, the Bank's Annual Report on Form 10-K and the Proxy Statement are available electronically at www.hinghamavings.com

Stock Data

Hingham Institution for Savings' common shares are listed and traded on The NASDAQ Stock Market under the symbol HIFS.

As of December 31, 2013, there were approximately 334 stockholders of record, holding 611,345 outstanding shares of common stock. These shares do not include the number of persons who hold their shares in nominee or street name through various brokerage firms.

The following table presents the quarterly high and low bid prices for the Bank's common stock reported by NASDAQ.

	<u>High</u>	<u>Low</u>
2013		
First Quarter	\$ 72.94	\$ 62.63
Second Quarter	70.46	57.69
Third Quarter	77.00	66.01
Fourth Quarter	79.56	66.01
2012		
First Quarter	\$ 56.94	\$ 47.90
Second Quarter	61.40	53.79
Third Quarter	66.99	57.74
Fourth Quarter	82.34	59.55

The closing sale price of the Bank's common stock at December 31, 2013 was \$78.49 per share.

OFFICES

BOSTON
BEACON HILL
SOUTH END

COHASSET

HINGHAM
HINGHAM SQUARE
SOUTH HINGHAM
LINDEN PONDS

HULL

NANTUCKET

NORWELL/HANOVER

SCITUATE

SOUTH WEYMOUTH



www.hinghamavings.com