SECURITIES AND EXCHANGE COMMISSION

FORM 10-Q

Quarterly report pursuant to sections 13 or 15(d)

Filing Date: **1995-05-10** | Period of Report: **1995-03-31**
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PROVIDENT BANCORP INC

CIK:**316770**| IRS No.: **310982792** | State of Incorp.:**OH** | Fiscal Year End: **1231**
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SIC: **6022** State commercial banks

Business Address
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CINCINNATI OH 45202
5135792000

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

Quarterly Report Pursuant to Section 13 or 15 (d) of
the Securities Exchange Act of 1934

For the Quarterly Period Ended March 31, 1995 — Commission File No. 1-8019

P R O V I D E N T   B A N C O R P,   I N C .

Incorporated under the Laws of Ohio — IRS Employer I.D. No. 31-0982792

One East Fourth Street, Cincinnati, Ohio 45202
Phone: 513-579-2000

Indicate by check mark whether the registrant (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 registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No ______

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: Common stock, without par value, at April 30, 1995 is 15,516,094.

Please address all correspondence to:

John R. Farrenkopf
Vice President and Chief Financial Officer
Provident Bancorp, Inc.
One East Fourth Street
Cincinnati, Ohio 45202

<TABLE>

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

PROVIDENT BANCORP, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Unaudited)
(Dollars in Thousands)

<CAPTION>

ASSETS	March 31, 1995	December 31, 1994
<S>	<C>	<C>
Cash and Noninterest Bearing Deposits	$157,194	$172,025
Federal Funds Sold and Reverse Repurchase Agreements	45,425	252,550

Investment Securities:		
Held to Maturity (market value - $32,394 and $31,699)	32,394	31,699
Available for Sale (amortized cost - $685,257 and $679,310)	670,574	654,221
Loans (Net of Unearned Income):		
Commercial Lending:		
Commercial and Financial	1,943,077	1,878,351
Commercial Mortgage	427,295	420,222
Commercial Construction	186,114	172,190
Equipment Lease Financing	94,684	109,743
Consumer Lending:		
Instalment	924,251	930,545
Residential	499,504	507,734
Lease Financing	210,740	185,753
Total Loans	4,285,665	4,204,538
Reserve for Possible Loan Losses	(53,987)	(51,979)
Net Loans	4,231,678	4,152,559
Premises and Equipment	73,647	64,210
Other Assets	87,415	84,227
	$5,298,327	$5,411,491
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities:		
Deposits:		
Noninterest Bearing	$394,326	$452,458
Interest Bearing	3,678,751	3,616,191
Total Deposits	4,073,077	4,068,649
Short-Term Debt	395,852	521,707
Long-Term Debt	366,407	383,433
Accrued Interest and Other Liabilities	90,636	78,351
Total Liabilities	4,925,972	5,052,140
Shareholders' Equity:		
Preferred Stock, 5,000,000 Shares Authorized, Series B, 371,418 Issued	37,000	37,000
Common Stock, No Par Value, $.67 Stated Value, 60,000,000 Shares Authorized, 15,645,249 and 15,639,849 Issued	10,431	10,427
Capital Surplus	107,506	107,264
Retained Earnings	220,200	210,355
Reserve for Retirement of Capital Securities	11,333	10,667
Treasury Stock, 147,209 and 4,487 Shares	(4,648)	(134)
Unrealized Losses on Marketable Securities (net of deferred income tax)	(9,467)	(16,228)
Total Shareholders' Equity	372,355	359,351
	$5,298,327	$5,411,491

</TABLE>

<TABLE>

PROVIDENT BANCORP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EARNINGS
(Unaudited)
(In Thousands, Except Per Share Amounts)

<CAPTION>

	Three Months Ended March 31,	
	1995	1994
<S>	<C>	<C>
Interest Income:		
Interest and Fees on Loans:		
Taxable	$95,761	$66,287
Exempt From Federal Income Taxes	132	158
	95,893	66,445
Interest on Investment Securities:		
Taxable	9,305	8,895
Exempt From Federal Income Taxes	95	2
	9,400	8,897
Interest on Federal Funds Sold and Reverse Repurchase Agreements	671	284
Total Interest Income	105,964	75,626
Interest Expense:		

Interest on Deposits:		
Savings and Demand Deposits	7,055	6,118
Time Deposits	40,391	18,225
Total Interest on Deposits	47,446	24,343
Interest on Short-Term Debt	5,792	3,979
Interest on Long-Term Debt	6,610	4,162
Total Interest Expense	59,848	32,484
Net Interest Income	46,116	43,142
Provision for Possible Loan Losses	2,000	3,000
Net Interest Income After Provision for Possible Loan Losses	44,116	40,142
Other Income:		
Service Charges on Deposit Accounts	3,771	3,626
Other Service Charges and Fees	3,785	3,423
Gain on Sales of Loans	1,802	768
Security Gains	-	-
Other	1,437	1,619
Total Other Income	10,795	9,436
Other Expense:		
Compensation:		
Salaries	13,288	12,183
Benefits	2,450	2,272
Profit Sharing	806	745
Occupancy	2,147	1,951
Equipment Expense	2,303	1,881
Deposit Insurance	2,177	1,766
Other	9,171	7,964
Total Other Expense	32,342	28,762
Earnings Before Income Taxes	22,569	20,816
Applicable Income Taxes	7,569	7,113
Net Earnings	$15,000	$13,703
Net Earnings Per Common Share:		
Primary	$.90	$.81
Fully Diluted	.82	.75
Average Primary Shares	16,025	16,040
Average Fully Diluted Shares	18,346	18,361

</TABLE>

<TABLE>

PROVIDENT BANCORP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(Dollars in Thousands)

<CAPTION>

	Three Months Ended March 31,	
	1995	1994
<S>	<C>	<C>
Operating Activities:		
Net Earnings	$15,000	$13,703
Adjustments to Reconcile Net Earnings to		
Net Cash Provided by Operating Activities:		
Provision for Possible Loan Losses	2,000	3,000
Provision for Depreciation and Amortization	2,721	2,458
Amortization of Investment Security Premiums (Discounts)	(63)	274
Amortization of Unearned Income	(4,850)	(1,481)
Net (Increase) Decrease in Trading Securities	(55)	154
Proceeds from Sale of Loans Held for Sale	14,107	44,177
Origination of Loans Held for Sale	(13,387)	(75,366)
Realized Gains on Loans Held for Sale	(110)	(755)
Realized Gains on Sale of Loans	(1,692)	(13)
Realized Investment Security Gains	-	-
Decrease in Interest Receivable	1,809	1,934
Increase in Accounts Receivable and Other Assets	(6,260)	(4,620)
Increase in Interest Payable	6,802	1,343
Decrease in Accounts Payable and Other Liabilities	(7,264)	(3,542)
Other	7,083	5,567
Net Cash Provided By (Used In) Operating Activities	15,841	(13,167)

Investing Activities:		
Investment Securities Available for Sale:		
Proceeds from Sales	-	-
Proceeds from Maturities and Prepayments	41,036	59,450
Purchases	(46,925)	(55,308)
Investment Securities Held to Maturity:		
Proceeds from Sales	-	-
Proceeds from Maturities and Prepayments	850	755
Purchases	(1,533)	(11,850)
Net Increase in Loans and Leases	(77,536)	(87,872)
Proceeds from Sale of Other Real Estate	1,538	2,088
Purchases of Premises and Equipment	(8,062)	(2,646)
Proceeds from Sales of Premises and Equipment	182	254
Net Cash Used In Investing Activities	(90,450)	(95,129)
Financing Activities:		
Net Decrease in Demand and Savings Deposits	(104,830)	(107,881)
Net Increase in Certificates of Deposit	109,258	589
Net Decrease in Short-Term Debt	(125,855)	(66,209)
Principal Payments on Long-Term Debt	(17,049)	(1,163)
Proceeds From Issuance of Long-Term Debt	-	210,082
Cash Dividends Paid	(4,487)	(4,178)
Proceeds from Sale of Common Stock	1,476	-
Repurchase of Common Stock	(5,860)	-
Net Cash Provided By (Used In) Financing Activities	(147,347)	31,240
Decrease in Cash and Cash Equivalents	(221,956)	(77,056)
Cash and Cash Equivalents at Beginning of Period	424,575	539,394
Cash and Cash Equivalents at End of Period	$202,619	$462,338
Supplemental Disclosures of Cash Flow Information:		
Cash Paid for:		
Interest	$53,046	$31,142
Income Taxes	-	2,700
Non-Cash Activity:		
Additions to Other Real Estate in Settlement of Loans	377	292
Transfer of Premises and Equipment to Other Real Estate	-	101

</TABLE>

PROVIDENT BANCORP, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

In the opinion of management, the accompanying unaudited consolidated financial statements contain all adjustments (consisting of only normal recurring accruals) necessary for fair presentation. The results of operations for interim periods are not necessarily indicative of the results to be expected for the full year.

The financial statements presented herein should be read in conjunction with the financial statements and notes thereto included in Provident Bancorp, Inc.'s 1994 annual report on Form 10-K filed with the Securities and Exchange Commission.

Basis of Presentation

The consolidated financial statements include the accounts of Provident Bancorp, Inc. and its subsidiaries ("Bancorp"), all of which are wholly owned. All significant intercompany balances and transactions have been eliminated. Certain reclassifications have been made to conform to the current year presentation.

The accompanying financial statements have been prepared in accordance with the instructions to Form 10-Q and therefore do not include all information and footnotes necessary to be in conformity with generally accepted accounting principles.

Bancorp adopted Financial Accounting Standards Board("FASB") Statement No. 114, "Accounting by Creditors for Impairment of a Loan", on January 1, 1995. This statement requires a creditor to measure the value of an impaired loan, as defined in the statement, based on the present value of expected future cash flows discounted at the loan's effective interest rate or, if more practical, at the loan's observable market price or the fair value of the collateral, if the loan is collateral dependent. Generally, interest income on impaired loans is computed on the outstanding principal balance. Impaired loans are generally placed on nonaccrual status when the payment of principal and/or interest is past due 90 days or more. FASB Statement No. 114 is not applicable to Bancorp's instalment loans, residential loans, leases and debt securities. The adoption of FASB Statement No. 114 had no material impact on Bancorp's financial condition or results of operations.

Stock Options

Pursuant to Bancorp's 1988 Stock Option Plan, options to purchase 43,000 shares of Bancorp common stock were granted during the first three months of 1995. The options have exercise prices ranging from $29.69 to $30.89.

Off-Balance Sheet Financial Agreements

In the normal course of business, Bancorp uses various financial instruments with off-balance sheet risk to manage its interest rate risk and to meet the financing needs of its customers. At March 31, 1995, these off-balance sheet instruments consisted of standby letters of credit of $96 million, commitments to extend credit of $1.3 billion and interest rate swaps with a notional amount of $1.5 billion.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Results of Operations

Summary

Bancorp's net earnings for the first quarter of 1995 were $15.0 million compared to $13.7 million for the first quarter of 1994. Net interest income increased by $3 million, or 7%, over the comparable period in 1994. Interest income increased by $30.3 million, or 40%, which more than offset the $27.4 million, or 84%, increase in interest expense. Other income increased $1.4 million, or 14%, primarily due to the increase in gain on sales of loans. Other expense increased $3.6 million, or 12%, primarily due to increases in salaries and benefits and equipment expense.

The following ratios compare returns on average assets and average equity for the first three months of 1995 and for the year 1994.

<TABLE>
<CAPTION>

	Three Months Ended March 31, 1995	Year Ended December 31, 1994
<S>	<C>	<C>
Net Earnings to Average Assets(1)	1.15%	1.24%
Net Earnings to Average Shareholders' Equity(1)	16.40%	16.64%

<FN>
(1)Net earnings for the three months ended March 31, 1995 have been annualized.
</TABLE>

The ratio of operating expense to tax equivalent revenue ("efficiency ratio") was 56.7% for the first three months of 1995 compared to 54.6% for the first three months of 1994. Tax equivalent revenue includes tax equivalent net interest income and other income but excludes non-recurring gains and security gains or losses. The primary reason for the increase in the efficiency ratio was operating expense increased at a proportionately faster rate than did tax equivalent net interest income.

Asset quality remained strong during the first quarter of 1995. The ratio of nonperforming loans to total loans was .40% at March 31, 1995, compared to .17% at December 31, 1994 and .63% at March 31, 1994. The ratio of nonperforming assets to total loans and other real estate owned was .45% at March 31, 1995, compared to .25% at December 31, 1994 and .83% at March 31, 1994.

Net Interest Income

See Table 1 for net interest income on a tax equivalent basis and Table 2 for consolidated average balances, rates earned/paid and net interest margin.

Net interest income on a tax equivalent basis increased approximately $3.0 million for the first three months of 1995 over the comparable period in 1994. This increase resulted from a $4.6 million increase due to changes in volume more than offsetting the $1.6 million decrease which was caused by changes in rates. Volume changes are caused by changes in the average balances of interest earning assets and interest bearing liabilities. The net interest margin was 3.80% for the first three months of 1995 as compared to 4.24% for the comparable period in 1994. The decrease in the net interest margin during this period reflects the increase in the average rate paid on interest bearing liabilities, which increased 189 basis points, more than offsetting the increase of 131 basis points in the average rate earned on interest earning assets. An increase in time deposits combined with an increase in the rate paid on time deposits was the primary reason for the increase in Provident Bancorp's overall cost of interest bearing liabilities. An increase in the amount of commercial and financial loans combined with repricing of commercial and financial loans were the primary reasons for the increase in the average rate earned on interest earning assets. Beginning in the first quarter of 1994, interest rates began to increase and have continued to increase through the first quarter of 1995. As interest rates have increased, interest bearing liabilities have reacted more quickly than interest earning assets, causing the net interest margin to decrease. The increase in interest rates that began in 1994 was the primary reason that interest rate swaps decreased the net interest margin by 25 basis points during the first quarter of 1995. During the first quarter of 1994, interest rate swaps increased the net interest margin by 38 basis points.

In preparing the net interest margin tables, nonaccrual loan balances are included in the average balances for loans. Loan fees are included in loan revenue as follows: first quarter 1995 - $4.6 million and first quarter 1994 - $3.5 million.

Provision for Possible Loan Losses

For the first quarter of 1995 and 1994, the provision for possible loan losses was $2 million and $3 million, respectively. As loan growth has slowed and net loan charge-offs have declined, the provision for possible loan losses has decreased. Net loan charge-offs have declined $1.1 million in the first quarter of 1995 when compared to the first quarter of 1994, primarily due to the increase in recoveries. Nonperforming assets were 33% lower at March 31, 1995 when compared to March 31, 1994.

Other Income

Other income increased $1.4 million during the first quarter of 1995, primarily due to the increase in gain on sale of loans. The sale of an equipment lease was the primary reason for the increase in gain on sale of loans. Other service charges and fees increased primarily due to an increase in credit card fee income.

Other Expense

Other expense increased $3.6 million during the first quarter of 1995 when compared to 1994. Salaries increased as a result of merit and promotion increases, increases in incentives and increased personnel in the retail banking area. Occupancy expense increased primarily due to an increase in the amount of space rented. The increase in equipment expense was primarily due to increased depreciation expense relating to the bank's data processing operations. The increase in deposits was the reason for the increase in deposit insurance expense. Increases in stationary and supplies expense and data processing expense were the primary reasons for the increase in other.

Financial Condition

Investment Securities and Short-Term Investments

Although federal funds sold and reverse repurchase agreements decreased $207.1 million, or 82%, during 1995, average balances have increased $5 million for the first three months of 1995. The decrease in the period-end balance reflects primarily the sale of such assets in order to fund a reduction in short-term debt.

Loans

The sale of equipment financed under an equipment lease financing was the primary reason for the decrease in equipment lease financing. Consumer lease financing increased $25 million, or 13%, as automobile leasing continued to grow. As competition has intensified, management decided to limit instalment loan growth. As growth in the economy begins to slow in 1995, Bancorp will more than likely experience slower loan growth in 1995 than in 1994.

The following table shows the composition of the commercial and financial loan category by industry type at March 31, 1995 (dollars in millions):

<TABLE>
<CAPTION>

Type	Amount	%	Amount on Nonaccrual
<S>	<C>	<C>	<C>
Construction	$85.6	4	$.4
Manufacturing	397.0	20	3.3
Transportation/Utilities	122.0	6	5.7
Wholesale Trade	208.2	11	.8
Retail Trade	202.3	10	-
Finance & Insurance	109.7	6	.2
Real Estate Operators/Investment	249.2	13	.9
Service Industries	270.1	14	1.1
Automobile Dealers	96.1	5	-
Other(1)	202.9	11	.8
Total	$1,943.1	100	$13.2

<FN>
(1) Includes various kinds of loans, such as small business loans and loans with balances under $100,000.
</TABLE>

The composition of the commercial mortgage and construction loan categories by property type at March 31, 1995 is shown in the following table (dollars in millions):

<TABLE>
<CAPTION>

Type	Amount	%	Amount on Nonaccrual

Apartments	$89.8	15	$.3
Office/Warehouse	130.3	21	.6
Residential Development	81.1	13	.1
Shopping/Retail	151.8	25	.9
Land	19.5	3	-
Industrial Plants	17.4	3	-
Hotel/Motel	25.2	4	-
Health Facilities	5.3	1	-
Auto Sales and Service	18.3	3	-
Churches	12.3	2	-
Mobile Home Parks	10.9	2	-
Other Commercial Properties	51.5	8	-
Total	$613.4	100	$1.9

At March 31, 1995, approximately $137.2 million, or 3.2%, of Bancorp's total loan portfolio was classified as highly leveraged loans. This is an increase of $19.4 million since December 31, 1994. In general, Bancorp does not originate highly leveraged loans but participates in loans originated by larger banks. All of the highly leveraged loans are current at this time except for one loan with a balance of $2 million that is on nonaccrual status. Placing this loan on nonaccrual reduced interest income in the first quarter of 1995 by approximately $121,000. These loans were considered by management in the determination of the adequacy of the reserve for possible loan losses. Bancorp also has commitments to lend up to an additional $52 million at market rates under this type of transaction to present borrowers.

Bancorp maintains a reserve for possible loan losses to absorb potential losses in its loan portfolio. Management's determination of the adequacy of the reserve is based on reviews of specific loans, loan loss experience, general economic conditions and other pertinent factors. Loans deemed uncollectible are charged off and deducted from

the reserve and recoveries on loans previously charged off are added to the reserve. Management considers the present reserve to be appropriate and adequate to cover potential losses inherent in the loan portfolio based on the current economic environment. However, future economic changes cannot be predicted. Deterioration in general economic conditions could result in an increase in the risk characteristics of the loan portfolio and an increase in the provision for possible loan losses.

The following table shows the progression of the reserve for possible loan losses (dollars in thousands):

	1995	1994
Balance at January 1	$51,979	$40,542
Provision for Possible Loan Losses	2,000	3,000
Loans Charged Off	(1,945)	(1,686)
Recoveries	1,953	539
Balance at March 31	$53,987	$42,395

The primary reason for the increase in recoveries in 1995 was the partial recovery of a commercial loan charge-off that occurred in 1991. As a percentage of total loans outstanding, the reserve was 1.26% at March 31, 1995, 1.24% at December 31, 1994 and 1.21% at March 31, 1994.

Table 3 shows a comparison of the major components of nonperforming assets over the past five quarters along with various asset quality ratios. Nonperforming assets have increased $8.9 million during 1995. Nonaccrual loans have increased approximately $10.1 million during the first three months of 1995, primarily due to two commercial and financial loans being put on nonaccrual status during the first quarter. The decrease in other real estate owned was due primarily to the sale of commercial properties. Nonperforming assets as a percentage of loans and total assets at March 31, 1995 are at a level that is more consistent with historical averages.

Deposits

Noninterest bearing deposits decreased $58.1 million, or 13%, during the first three months of 1995 primarily due to a decrease in commercial deposits.

Short-Term Debt

Short-term debt declined $125.9 million, or 24%, during the first three months of 1995, primarily due to the $101.2 million decrease in federal funds purchased and repurchase agreements. Commercial paper decreased $24.7 million to a balance of $116.2 million at March 31, 1995.

Capital Resources and Adequacy

During the first three months of 1995, shareholders' equity increased $13 million, or 3.6%, to $372.4 million. Dividends of $3.9 million on common stock and $.6 million on preferred stock were paid in the first three months of 1995. Treasury stock increased to $4.6 million at March 31, 1995 as Bancorp purchased 184,827 shares and sold 42,105 shares of its common stock during the first quarter. In December, 1994, Bancorp announced that it would purchase up to 200,000 shares to be used for various company benefit plans and for other corporate purposes. Unrealized losses on marketable securities, net of deferred income taxes, decreased $6.8 million during the first three months of 1995 as a result of an improvement in market conditions.

The following table of ratios is important to the analysis of the adequacy of capital resources.

<TABLE>
<CAPTION>

<S>	Three Months Ended March 31, 1995 <C>	Year Ended December 31, 1994 <C>
Average Shareholders' Equity to Average Assets	7.01%	7.43%
Preferred Dividend Payout to Net Earnings	3.87(1)	5.15
Common Dividend Payout to Net Earnings	26.05(1)	25.47
Tier 1 Leverage Ratio	7.15	7.21
Tier 1 Capital to Risk-Weighted Assets	7.88	7.86
Total Risk-Based Capital To Risk-Weighted Assets	12.83	12.85

<FN>
(1)Net earnings and dividend payouts for the three months ended March 31, 1995 have been annualized.

</TABLE>

In the fourth quarter of 1994, Bancorp proceeded with optional redemption of its Series B preferred stock. Pursuant to the terms of the Series B preferred stock, the Series B preferred shares were not redeemed but ceased to accrue dividends at the preferred stock rate of $8.00 per share. Dividends are now paid as if the Series B preferred stock had been converted to Bancorp common stock.

Capital expenditures planned by Bancorp for building improvements and furniture and equipment in 1995 are currently estimated to be approximately $14 million. Included in this amount are projected capital expenditures for improvements of the branch banking network and improvements in data processing capabilities for The Provident Bank's data processing subsidiary. Through March 31, 1995, approximately $2.0 million of these expenditures have been made.

Management believes that currently available funds and funds provided by normal operations will be sufficient to meet capital requirements.

Liquidity

Adequate liquidity is necessary to meet the borrowing needs and deposit withdrawal requirements of customers as well as to satisfy liabilities, fund operations and support asset growth. Cash flows generated by new deposits, loan payments and maturities of loans are sources of liquidity. Other sources include federal funds, investment securities and access to borrowed funds in the money markets.

Net liquid assets at March 31, 1995 were as follows (dollars in millions):

<TABLE>

<S>	<C>
Cash and deposits due from banks	$157.2
Federal funds sold net(1)	(232.8)
Investment securities due with one year	593.1
Loans due within one year	1,520.0
Net liquid assets	$2,037.5

<FN>
(1) Federal funds sold and reverse repurchase agreements less federal funds purchased and repurchase agreements.
</TABLE>

Total deposits increased $4.4 million from the amount reported at December 31, 1994. Approximately $17 million of long-term debt was repaid during the first three months of 1995; during the remainder of 1995, approximately $8.7 million of long-term debt is due to be repaid based upon scheduled principal payments.

The major source of liquidity for Bancorp on a parent-only basis is dividends paid to it by its subsidiaries. Pursuant to Federal Reserve and state banking regulations, the maximum amount available for dividend distribution to Bancorp at March 31, 1995 by its banking subsidiaries was approximately $54 million. Bancorp has not received dividends from its subsidiaries during the first three months of 1995.

At March 31, 1995, the parent had $116.2 million of short-term commercial paper outstanding. A portion of commercial paper proceeds was used to fund short-term loans. Contractual lines of credit totaling $130 million have been obtained by Bancorp to support its commercial paper borrowings. These lines had not been used at March 31, 1995. The parent had approximately $11.2 million in cash and interest earning deposits and $84.4 million in short-term repurchase agreements at March 31, 1995.

Management believes that the repayment of Bancorp's debt can be made using funds generated by Bancorp and received as dividends from subsidiaries both in the short-term as well as in the long-term.

<TABLE>
Provident Bancorp, Inc. and Subsidiaries
Condensed Consolidated Statements Of Earnings
(unaudited)
(In Thousands)
Table 1.
<CAPTION>

	Quarter Ended	
	March 1995	March 1994
<S>	<C>	<C>
Total Interest Income	$105,964	$75,626
Taxable Equivalent Adjustment	122	86

Taxable Equivalent Interest Income	106,086	75,712
Total Interest Expense	59,848	32,484
Net Interest Income	46,238	43,228
Provision for Possible Loan Losses	2,000	3,000
Taxable Equivalent Net Interest Income After Provision for Possible Loan Losses	44,238	40,228
Noninterest Income	10,795	9,436
Noninterest Expense	32,342	28,762
Taxable Equivalent Earnings Before Income Taxes	22,691	20,902
Applicable Income Taxes	7,569	7,113
Taxable Equivalent Adjustment	122	86
Net Earnings	$15,000	$13,703
Net Earnings Applicable to Common Stock	$14,420	$12,960

</TABLE>

<TABLE>
Provident Bancorp, Inc. and Subsidiaries
Consolidated Average Balances, Rates and Yields
On a Fully Taxable Equivalent Basis
(unaudited)
(Dollars In Millions)
Table 2.
<CAPTION>

	Quarter Ended March 31, 1995		March 31, 1994	
	Balance	Rate Earned/ Paid	Balance	Rate Earned/ Paid
<S>	<C>	<C>	<C>	<C>
Assets:				
Loans (Net of Unearned Income):				
Commercial Lending:				
Commercial and Financial	$1,908	10.06%	$1,516	7.58%
Commercial Mortgage	422	9.19	393	8.82
Commercial Construction	181	9.52	143	7.17
Equipment Lease Financing	103	7.65	95	8.14
Consumer Lending:				
Residential	502	8.17	498	8.16
Instalment	926	8.49	789	7.78
Lease Financing	197	6.91	1	15.04
Total Loans	4,239	9.18	3,435	7.85
Reserve for Possible Loan Losses	(55)		(43)	
Net Loans	4,184	9.30	3,392	7.95
Investment Securities:				
Taxable	687	5.49	712	5.07
Tax Exempt	10	5.86	-	8.39
Total Investment Securities	697	5.50	712	5.07
Federal Funds Sold and Reverse Repurchase Agreements	48	5.68	35	3.33
Total Earning Assets	4,929	8.73	4,139	7.42
Cash and Noninterest Bearing Deposits	145		140	
Other Assets	144		108	
Total Assets	$5,218		$4,387	
Liabilities and Shareholders' Equity:				
Deposits:				
Demand Deposits	$262	2.22	$274	2.15
Savings Deposits	671	3.39	799	2.37
Time Deposits	2,691	6.09	1,689	4.38
Total Deposits	3,624	5.31	2,762	3.58

Short-Term Debt:				
Federal Funds Purchased and Repurchase Agreements	281	5.74	384	3.19
Commercial Paper	123	5.89	105	3.66
Short-Term Notes Payable	1	5.69	1	3.54
Total Short-Term Debt	405	5.79	490	3.29
Long-Term Debt	375	7.15	392	4.31
Total Interest Bearing Liabilities	4,404	5.51	3,644	3.62
Noninterest Bearing Deposits	368		335	
Other Liabilities	80		68	
Shareholders Equity	366		340	
Total Liabilities and Shareholders' Equity	$5,218		$4,387	
Net Interest Spread		3.22%		3.80%
Net Interest Margin		3.80%		4.24%

</TABLE>

<TABLE>
Provident Bancorp, Inc. and Subsidiaries
Consolidated Quarterly Nonperforming Assets
(unaudited)
(Dollars In Thousands)
Table 3.
<CAPTION>

	Quarter Ended Mar. 1995	Dec. 1994	Sept. 1994	June 1994	March 1994
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Nonaccrual Loans: (1)					
Commercial Lending:					
Commercial and Financial	$13,173	$2,973	$2,431	$12,276	$14,682
Commercial Mortgage	1,868	1,869	2,233	2,569	3,372
Commercial Construction	78	78	201	521	518
Equipment Lease Financing	-	-	-	-	-
Consumer Lending:					
Instalment	-	-	31	1	335
Residential	1,327	1,396	1,182	1,443	2,182
Lease Financing	-	-	-	-	-
Total Nonaccrual Loans	16,446	6,316	6,078	16,810	21,089
Renegotiated Loans (2)	896	961	978	988	997
Total Nonperforming Loans	17,342	7,277	7,056	17,798	22,086
Other Real Estate and Equipment Owned:					
Commercial	84	714	2,117	1,786	1,755
Closed bank branches	189	311	274	279	449
Residential	271	350	455	947	1,857
Multifamily	740	1,094	1,101	1,185	673
Land	857	857	2,148	2,163	2,318
Total	2,141	3,326	6,095	6,360	7,052
Total Nonperforming Assets	$19,483	$10,603	$13,151	$24,158	$29,138
Loans 90 Days Past Due Still Accruing (3)	$4,858	$4,673	$4,420	$3,963	$3,078
Total Loans	4,285,665	4,204,538	3,960,845	3,700,374	3,508,805
Reserve for Possible Loan Losses	53,987	51,979	45,112	44,326	42,395
Total Assets	5,298,327	5,411,491	5,140,380	5,055,433	4,737,893
Reserve for Possible Loan Losses as a Percent of:					
Nonperforming Loans	311.31%	714.29%	639.34%	249.05%	191.95%
Nonperforming Assets	277.10%	490.23%	343.03%	183.48%	145.50%
Total Loans	1.26%	1.24%	1.14%	1.20%	1.21%

Nonperforming Loans as a % of Total Loans	.40%	.17%	.18%	.48%	.63%
Nonperforming Assets as a Percent of:					
Total Loans and Other Real Estate	.45%	.25%	.33%	.65%	.83%
Total Assets	.37%	.20%	.26%	.48%	.61%

<FN>
(1) Bancorp generally stops accruing interest on loans when the payment of principal and/or interest is past due 90 days or more.
(2) Loans renegotiated to provide a reduction or deferral of interest or principal because of a deterioration in the financial position of the borrower.
(3) Loans in this category represent primarily consumer loans contractually past due 90 days or more as to interest or principal payments.
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PART II - OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibit filed: Exhibit 27 - Financial Data Schedule

For submission in electronic filing only.

(b) Reports on Form 8-K

On March 28, 1995, Bancorp filed a report on Form 8-K for the purpose of supplying additional exhibits to its Registration Statement No. 33-61576 on Form S-8 for the Provident Bancorp, Inc. Deferred Compensation Plan.

All other items required in Part II of this form have been omitted since they are not applicable or not required.

SIGNATURES

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

Provident Bancorp, Inc.
Registrant

Date: May 10, 1995

\s\ John R. Farrenkopf
John R. Farrenkopf
Vice President and
Chief Financial Officer

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This schedule contains summary financial information extracted from
Provident Bancorp, Inc.'s 10-Q for March 31, 1995 and is qualified in its
entirety by reference to such financial statements.
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