

VENTURE FINANCIAL GROUP
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Dollars in thousands, except per share amounts; unaudited)

	Three months ended December 31		Twelve months ended December 31	
	2005	2004	2005	2004
Interest Income				
Loans	\$11,938	\$7,813	\$38,043	\$28,608
Federal funds sold and deposits in banks	55	2	350	24
Investments	690	730	2,986	3,196
Total interest income	12,683	8,545	41,379	31,828
Interest Expense				
Deposits	2,820	983	7,592	4,063
Federal funds purchased	8	0	35	29
Other	1,519	1,042	5,305	2,602
Total interest expense	4,347	2,025	12,932	6,694
Net interest income	8,336	6,520	28,447	25,134
Provision for credit losses	39	(330)	753	227
Net interest income after provision for credit losses	8,297	6,850	27,694	24,907
Non-interest income				
Service charges on deposit accounts	1,006	796	3,569	3,803
Origination fees on mortgage loans sold	404	390	1,634	1,325
Other operating income	567	6,493	3,007	8,441
Total non-interest income	1,977	7,679	8,210	13,569
Non-interest expense				
Salaries and employee benefits	2,954	2,051	12,093	10,675
Occupancy and equipment	1,065	858	3,754	3,461
Other expense	2,229	2,778	6,953	6,942
Total non-interest expense	6,248	5,687	22,800	21,078
Operating income before income taxes	4,026	8,842	13,104	17,398
Provision for income taxes	1,367	3,050	4,076	5,621
Net income	\$2,659	\$5,792	\$9,028	\$11,777
Other comprehensive income, net of tax:				
Unrealized holding gains (losses) on securities arising during the period	(386)	(167)	(894)	113
Comprehensive Income	\$2,273	\$5,625	\$8,134	\$11,890
Earnings per Share Data				
Basic earnings per share	\$ 0.37	\$ 0.89	\$ 1.33	\$ 1.82
Basic earnings per share (without divestiture gain)	\$ 0.37	\$ 0.35	\$ 1.33	\$ 1.27
Diluted earnings per share	\$ 0.36	\$ 0.86	\$ 1.29	\$ 1.77
Diluted earnings per share (without divestiture gain)	\$ 0.36	\$ 0.34	\$ 1.29	\$ 1.24
Dividends declared per share	\$ 0.07	\$ 0.06	\$ 0.28	\$ 0.20
Weighted average number of common shares	7,182,421	6,535,843	6,769,481	6,487,613
Weighted average number of common shares, Including dilutive stock options	7,391,983	6,709,548	6,979,043	6,653,932
Performance Ratios				
Return on average assets (annualized)	1.44%	4.21%	1.46%	2.23%
Return on average equity (annualized)	13.77%	41.48%	14.87%	22.99%
Return on average assets (without divestiture gain)	1.44%	1.63%	1.46%	1.56%
Return on average equity (without divestiture gain)	13.77%	17.15%	14.87%	16.32%