

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

	Three months ended March 31,	
	2006	2005
Interest income		
Loans	\$12,144	\$7,995
Federal funds sold and deposits in banks	31	8
Investments	770	783
Total interest income	12,945	8,786
Interest Expense		
Deposits	3,158	1,164
Fed funds purchased	34	8
Repurchase agreements	346	217
Other borrowings	1,591	934
Total interest expense	5,129	2,323
Net interest income	7,816	6,463
Provision for credit losses	150	215
Net interest income after provision for credit losses	7,666	6,248
Non-interest income		
Service charges on deposit accounts	940	735
Origination fees on mortgage loans sold	442	411
Other operating income	585	904
Total non-interest income	1,967	2,050
Non-interest expense		
Salaries and employee benefits	3,399	2,985
Occupancy and equipment	1,053	887
Other expense	1,641	1,459
Total non-interest expense	6,093	5,331
Operating income before provision for income taxes	3,540	2,967
Provision for income taxes	1,226	934
Net income	\$ 2,314	\$ 2,033
Other comprehensive income, net of tax:		
Unrealized holding gains (losses) on securities arising during the period	(211)	(641)
Minimum pension liability adjustment	(113)	--
Comprehensive Income	\$ 1,990	\$ 1,392
Earnings Per Share Data		
Basic earnings per share	\$0.32	\$0.31
Diluted earnings per share	\$0.31	\$0.30
Dividends declared per share	\$0.07	\$0.07
Weighted average number of common shares outstanding	7,215,485	6,531,379
Weighted average number of common shares outstanding, Including dilutive stock options	7,365,276	6,730,927
Return on average assets	1.21%	1.45%
Return on average equity	12.04%	14.07%