

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

	Three months ended March 31,	
	2005	2004
<b>Interest income</b>		
Loans	\$7,995	\$6,651
Federal funds sold and deposits in banks	8	3
Investments	783	907
<b>Total interest income</b>	<b>8,786</b>	<b>7,561</b>
<b>Interest Expense</b>		
Deposits	1,164	1,002
Other	1,159	495
<b>Total interest expense</b>	<b>2,323</b>	<b>1,497</b>
<b>Net interest income</b>	<b>6,463</b>	<b>6,064</b>
<b>Provision for credit losses</b>	<b>215</b>	<b>132</b>
<b>Net interest income after provision for credit losses</b>	<b>6,248</b>	<b>5,932</b>
<b>Non-interest income</b>		
Service charges on deposit accounts	735	889
Origination fees on mortgage loans sold	411	338
Other operating income	904	569
<b>Total non-interest income</b>	<b>2,050</b>	<b>1,796</b>
<b>Non-interest expense</b>		
Salaries and employee benefits	2,985	2,884
Occupancy and equipment	887	855
Other expense	1,459	1,187
<b>Total non-interest expense</b>	<b>5,331</b>	<b>4,926</b>
<b>Operating income before income taxes</b>	<b>2,967</b>	<b>2,802</b>
Income taxes	934	894
<b>Net income</b>	<b>\$ 2,033</b>	<b>\$ 1,908</b>
<b>Other comprehensive income, net of tax:</b>		
Unrealized holding gains (losses) on securities arising during the period	(641)	499
<b>Comprehensive Income</b>	<b>\$ 1,392</b>	<b>\$ 2,407</b>
<b>Earnings Per Share Data</b>		
<b>Basic earnings per share</b>	<b>\$0.31</b>	<b>\$0.29</b>
<b>Diluted earnings per share</b>	<b>\$0.30</b>	<b>\$0.28</b>
Dividends declared per share	\$0.07	\$0.07
Weighted average number of common shares outstanding	6,531,379	6,461,411
Weighted average number of common shares outstanding, Including dilutive stock options	6,730,927	6,746,393
Return on average assets	1.45%	1.50%
Return on average equity	14.070%	15.734%