

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

	Three months ended March 31,	
	2007	2006
Interest income		
Loans	\$15,925	\$12,144
Federal funds sold and deposits in banks	22	31
Investments	2,491	770
Total interest income	18,438	12,945
Interest Expense		
Deposits	6,987	3,158
Fed funds purchased	--	34
Trust preferred debt with fair value option	391	346
Other borrowings	1,552	1,591
Total interest expense	8,930	5,129
Net interest income	9,508	7,816
Provision for credit losses	375	150
Net interest income after provision for credit losses	9,133	7,666
Non-interest income		
Service charges on deposit accounts	946	940
Origination fees on mortgage loans sold	402	442
Other operating income	1,220	585
Total non-interest income	2,568	1,967
Non-interest expense		
Salaries and employee benefits	4,074	3,399
Occupancy and equipment	1,008	1,053
Other expense	1,992	1,641
Total non-interest expense	7,074	6,093
Operating income before provision for income taxes	4,627	3,540
Provision for income taxes	1,433	1,226
Net income	\$ 3,194	\$ 2,314
Other comprehensive income, net of tax:		
Unrealized holding gains (losses) on securities arising during the period	(144)	(172)
Minimum pension liability adjustment	--	(113)
Comprehensive Income	\$ 3,050	\$ 2,029
Earnings Per Share Data		
Basic earnings per share	\$0.45	\$0.32
Diluted earnings per share	\$0.44	\$0.31
Dividends declared per share	\$0.08	\$0.07
Weighted average number of common shares outstanding	7,154,805	7,215,485
Weighted average number of common shares outstanding, Including dilutive stock options	7,282,498	7,365,276
Return on average assets	1.28%	1.21%
Return on average equity	14.97%	12.04%