

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

	June 30, 2006	December 31, 2005	June 30, 2005
<b>Assets</b>			
Cash and due from banks	\$ 19,882	\$ 16,791	\$ 14,724
Interest bearing deposits in banks	258	1,308	684
Federal funds sold	14,355	6,230	11,350
Securities available for sale, at fair value	145,836	61,593	69,361
FHLB Stock	4,490	4,490	3,944
Loans held for sale	5,519	5,699	3,699
Loans	660,064	596,636	454,520
Allowance for credit losses	(8,110)	(8,434)	(7,100)
<b>Net loans</b>	<b>651,954</b>	<b>588,202</b>	<b>447,420</b>
Premises and equipment	22,455	19,034	14,533
Foreclosed real estate	474	474	339
Accrued interest receivable	3,810	3,117	2,200
Cash value of life insurance	17,165	16,655	13,741
Intangible assets	26,010	26,508	9,432
Other assets	5,061	2,692	3,003
<b>Total assets</b>	<b>\$917,269</b>	<b>\$752,793</b>	<b>\$594,430</b>
<b>Liabilities</b>			
Deposits:			
Demand	\$ 104,145	\$ 99,161	\$ 79,451
Savings and interest bearing demand	259,466	189,419	175,177
Time deposits	348,092	225,448	134,119
<b>Total deposits</b>	<b>711,703</b>	<b>514,028</b>	<b>388,747</b>
Federal funds purchased	--	--	--
Repurchase agreements	41,397	33,309	37,817
Short term borrowing	16,513	68,489	51,848
Long term debt	62,682	52,682	49,589
Accrued interest payable	1,511	1,288	844
Other liabilities	6,687	6,843	5,439
<b>Total liabilities</b>	<b>840,493</b>	<b>676,639</b>	<b>534,284</b>
<b>Stockholders' Equity</b>			
Common stock, (no par value); 10,000,000 shares authorized, shares issued and outstanding: June 2006 – 7,194,047 December 2005 – 7,218,152, June 2005 – 6,595,472	35,991	36,905	23,274
Retained earnings	44,741	40,879	36,886
Accumulated other comprehensive income	(2,844)	(651)	(14)
Advances to employee retirement plan	(493)	(493)	--
Unearned employee stock awards	--	(104)	--
Additional minimum pension liability	(619)	(382)	--
<b>Total stockholders' equity</b>	<b>76,776</b>	<b>76,154</b>	<b>60,146</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$917,269</b>	<b>\$752,793</b>	<b>\$594,430</b>
<b>Other Data</b>			
Nonperforming assets to total assets	0.28%	0.36%	1.03%
Nonperforming loans to total loans	0.32%	0.37%	1.27%
Allowance for credit losses to loans	1.23%	1.41%	1.56%
Allowance for credit losses to nonperforming loans	384.18%	378.72%	122.43%
Equity to Assets	8.37%	10.12%	10.12%
Net interest margin	4.41%	4.93%	5.33%