

VENTURE FINANCIAL GROUP  
CONSOLIDATED BALANCE SHEET  
(Dollars in thousands, except per share amounts; unaudited)

	September 30, 2006	December 31, 2005	September 30, 2005
<b>Assets</b>			
Cash and due from banks	\$ 15,341	\$ 16,791	\$ 15,799
Interest bearing deposits in banks	673	1,308	1,342
Federal funds sold	1,900	6,230	28,350
Securities available for sale, at fair value	161,304	61,593	65,437
FHLB Stock	4,490	4,490	4,490
Loans held for sale	5,236	5,699	4,343
Loans	704,574	596,636	561,056
Allowance for credit losses	(8,555)	(8,434)	(8,476)
<b>Net loans</b>	<b>696,019</b>	<b>588,202</b>	<b>552,580</b>
Premises and equipment	25,348	19,034	18,602
Foreclosed real estate	314	474	474
Accrued interest receivable	4,207	3,117	2,750
Cash value of life insurance	17,318	16,655	16,148
Intangible assets	25,938	26,508	23,375
Other assets	3,307	2,692	3,199
<b>Total assets</b>	<b>\$961,395</b>	<b>\$752,793</b>	<b>\$736,889</b>
<b>Liabilities</b>			
Deposits:			
Demand	\$ 104,885	\$ 99,161	\$ 98,850
Savings and interest bearing demand	285,455	189,419	208,860
Time deposits	360,653	225,448	221,373
<b>Total deposits</b>	<b>750,993</b>	<b>514,028</b>	<b>529,083</b>
Federal funds purchased	--	--	--
Repurchase agreements	38,846	33,309	31,873
Short term borrowing	27,732	68,489	16,984
Long term debt	52,682	52,682	66,682
Accrued interest payable	1,465	1,288	1,025
Other liabilities	7,689	6,843	19,118
<b>Total liabilities</b>	<b>879,407</b>	<b>676,639</b>	<b>664,765</b>
<b>Stockholders' Equity</b>			
Common stock, (no par value); 10,000,000 shares authorized, shares issued and outstanding: September 2006 – 7,179,337 December 2005 – 7,218,152, September 2005 – 7,157,313	35,534	36,905	34,329
Retained earnings	47,388	40,879	38,060
Accumulated other comprehensive income	53	(651)	(265)
Advances to employee retirement plan	(493)	(493)	--
Unearned employee stock awards	--	(104)	--
Additional minimum pension liability	(494)	(382)	--
<b>Total stockholders' equity</b>	<b>81,988</b>	<b>76,154</b>	<b>72,124</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$961,395</b>	<b>\$752,793</b>	<b>\$736,889</b>
<b>Other Data</b>			
Nonperforming assets to total assets	0.12%	0.36%	0.76%
Nonperforming loans to total loans	0.12%	0.37%	0.90%
Allowance for credit losses to loans	1.21%	1.41%	1.51%
Allowance for credit losses to nonperforming loans	986.74%	378.72%	167.05%
Equity to Assets	8.53%	10.12%	9.59%
Net interest margin	4.44%	4.93%	4.77%