COLUMBIA BANK BUILDING A PREMIER REGIONAL COMMUNITY BANK

Fourth Quarter 2016

NASDAQ: COLB

Columbia Banking System Inc.

Cautionary Note: Forward Looking Statements

This presentation includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, which can be identified by words such as “may,” “expected,” “anticipate”, “continue,” or other comparable words. In addition, all statements other than statements of historical facts that address activities that Columbia expects or anticipates will or may occur in the future are forward-looking statements. Readers are encouraged to read the SEC reports of Columbia, particularly its form 10-K for the Fiscal Year ended December 31, 2016, for meaningful cautionary language discussing why actual results may vary materially from those anticipated by management.

Table of Contents

Columbia Footprint	4
Positive Business Climate and Economic Outlook	5
Attractive Northwest Markets	6
Seasoned Acquirer with Proven Track Record	7
Growth of Total Assets 2006 - 2016	8
Growing EPS	9
Record Loan Originations & Portfolio Diversity	10
Well Diversified C&I and CRE Loan Portfolios	11
Consistent Commercial Real Estate Coverage	12
Effective Management of Nonperforming Assets	13
Consistent ALLL Coverage	14
Diversified, Relationship-Centered Deposit Base	15
Opportunity for Deposit Market Share Growth	16
Stable Operating Net Interest Margin	17
Conservative Investment Portfolio	18
Interest Rate Sensitivity	19
Financial Highlights	20
Net Income	21
Scaling Core Noninterest Expense	22
Maintaining Strong Capital with High Dividend Payout	23
An Award-Winning Company	24
Total Return Performance	25
Acquisition of PCBK	26-30
Contacts	31
Appendix	33-37



Columbia Footprint

142 locations throughout the Northwest built through de novo branching and strategic acquisitions

Positive Business Climate & Economic Outlook

- **Leading economic indicators** such as employment trends, housing, consumer confidence and spending point to continuing forward momentum in the Northwest's export-driven, diversified economy, particularly in Seattle, Portland, Eugene and Boise metro areas.

- **The Northwest has an established presence** in growing sectors such as aerospace, technology, agriculture and consumer products. Local world-class companies, including Boeing, Starbucks, Microsoft, Amazon. Costco and Nike, are anchors of these sectors.

- **Agriculture is a key component of Northwest's success**, adding over $80 billion to the region's GDP. In the U.S., Washington is the #1 producer of apples and hops; Oregon #1 for Christmas trees, hazelnuts and blackberries; Idaho is #1 for potatoes and trout.

- **Employment trends continue to improve** in the Northwest, with net gain in jobs and workers entering the job market

December 2016: (National rate: 4.7%)		**Jobs added year over year**
WA: 5.2% unemployment rate	(5.5% Dec. 2015)	82,300
OR: 4.6% unemployment rate	(5.4% Dec. 2015)	52,900
ID: 3.7% unemployment rate	(3.9% Dec. 2015)	22,700

- **Tacoma, Seattle and Portland ports are big economic drivers in the region.** The Northwest Seaport Alliance (Seattle and Tacoma ports) is the 4th largest container gateway in North America. International container volumes reached 3.6 million, the highest level since 2007. Full imports for the year were up 6%; exports increased 13%. The value of the ports' two-way international trade totaled more than $73.5 billion in 2015.

- **Military a major driver of the Northwest economy**. Over 115,000 Active and Civilian personnel across Washington, Oregon and Idaho; provides over $3 billion annually in total payroll. Washington State: $7.9 billion in installation expenditures and $5.2 billion in contract spending; over $13 billion in gross state product, 4% of total; 191,600 jobs supported.

Attractive Northwest Markets

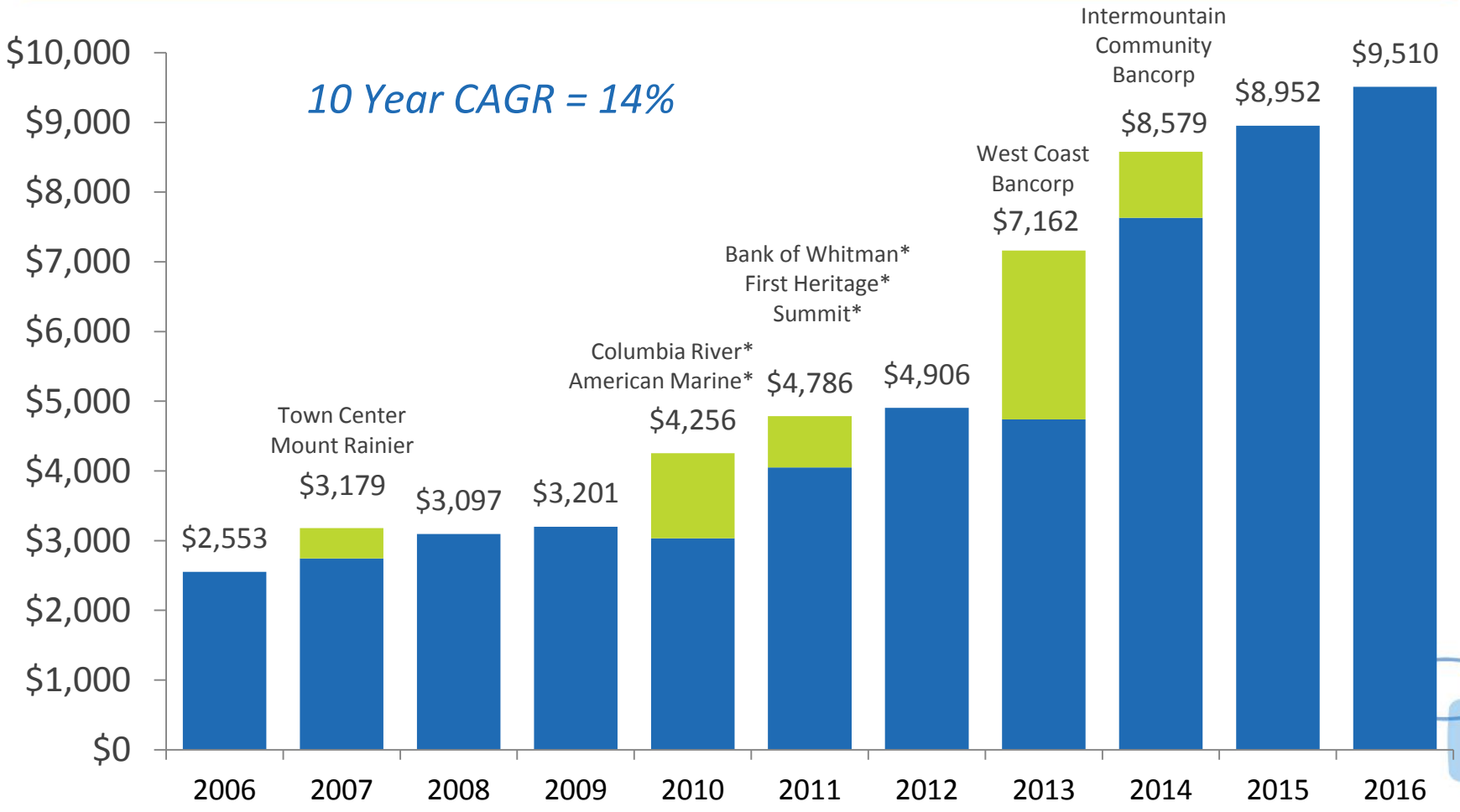
	✓ *Better Than or Equal to U.S. Average*	Seattle/ Tacoma/ Bellevue	Portland/ Vancouver	Boise	Washington	Oregon	Idaho	United States
Demographics	Population as of June, 2016 *(in millions)*	3.73	2.41	0.68	7.28	4.09	1.6	321.8
	Population Increase *(2010 – 2015)*	6.49%✓	5.36%✓	8.23%✓	5.34%✓	3.76%✓	4.23%✓	3.47%
	Projected Population Change *(2015-2020)*	6.16%✓	5.07%✓	7.10%✓	5.41%✓	3.90%✓	4.43%✓	3.52%
	Median Household Income *(7/2016)*	$68,280✓	$59,247✓	$48,750	$67,243✓	$60,834✓	$51,624	$56,516
	Projected HH Income Change *(2015-2020)*	6.38%	6.17%	1.91%	6.40%	6.04 %	4.56%	6.68%
Economics	Unemployment Rate [1] *(metro: Nov 2016; state: Dec 2016)*	4.3% ✓	4.3%✓	3.7% ✓	5.2%	4.6%✓	3.7%✓	4.7%
	Home Price Index Change *12 months ending Nov 2016* *Low in 1Q12 – Nov 2016*	10.4%✓ 59.2%✓	10.1%✓ 61.7%✓	n/a	n/a	n/a	n/a	5.6% 38.2%
	Annual Housing Starts/Permits [2] *(Jan 2016– Dec 2016)*	9,216	7,287	5,452	21,936	10,733	9,097	9.0MM
	Compound Average Growth Rate of Annual Housing Starts/Permits over past 3 Years [2]	2%	9%✓	15%✓	6%	7%✓	9%✓	6%

(1) MSA unemployment rates are not seasonally adjusted. State and US rates are seasonally adjusted.
(2) Privately Owned Housing Starts Authorized by Building Permits, Seasonally Adjusted
Sources: SNL Financial, Bureau of Labor Statistics, Case-Schiller, Federal Reserve of St. Louis

Seasoned Acquirer with Proven Integration Track Record

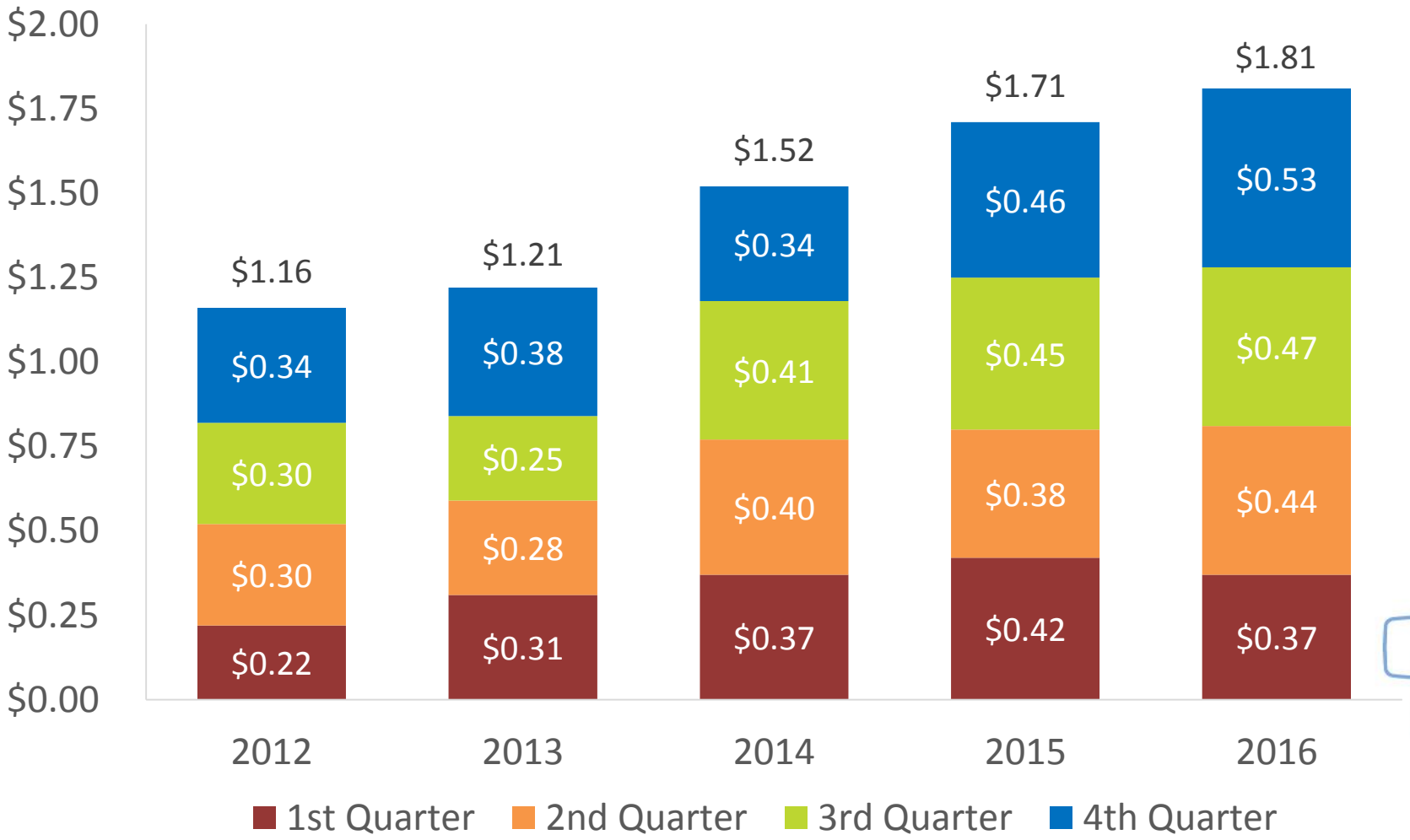
Ten acquisitions in the last 10 years	**Assets**
Pacific Continental Corporation (definitive merger agreement announced 1-9-2017; expected to close mid-2017)	$ 2.5 billion (pending)
Intermountain Community Bancorp (November 2014)	$ 964 million
West Coast Bancorp (April 2013)	$ 2.6 billion
FDIC-assisted acquisitions:	
• Bank of Whitman (August 2011)	$438 million
• First Heritage Bank (May 2011)	$165 million
• Summit Bank (May 2011)	$131 million
• American Marine Bank (January 2010)	$308 million
• Columbia River Bank (January 2010)	$913 million
Town Center Bank (July 2007)	$166 million
Mount Rainier Bank (July 2007)	$266 million

Growth of Total Assets 2006 - 2016



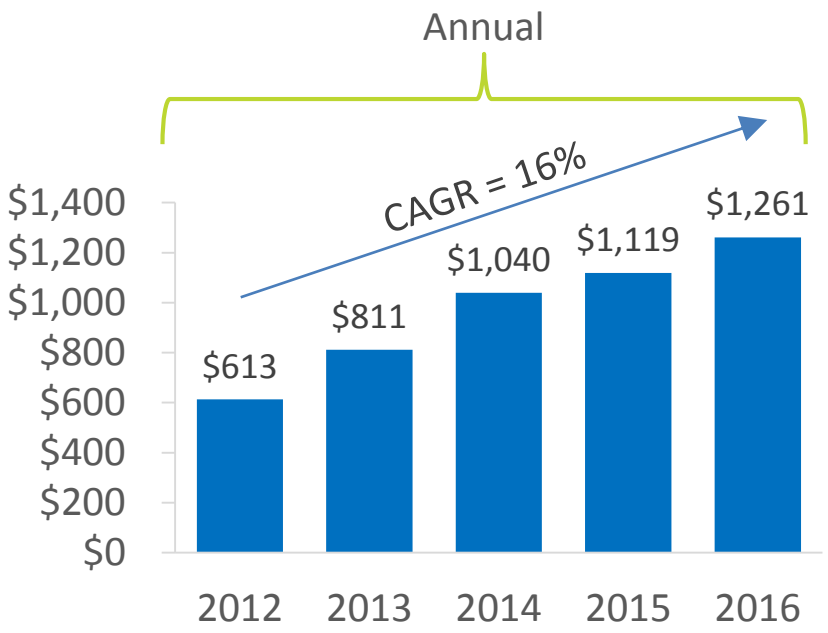
*FDIC Assisted Acquisition

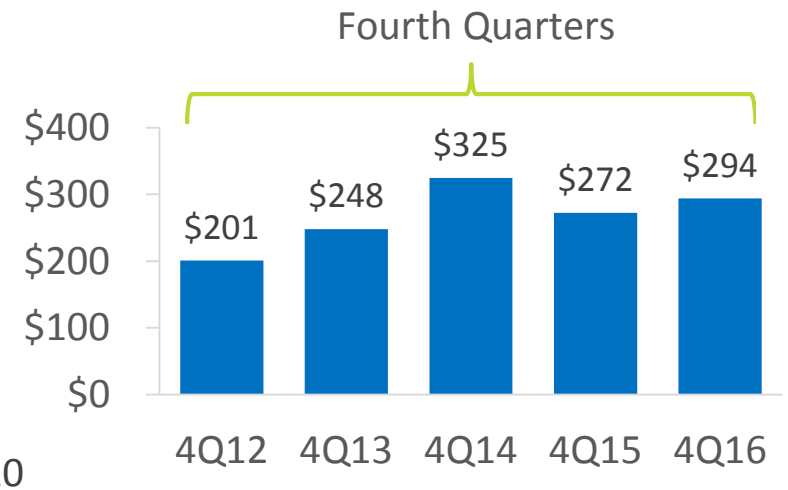
Growing EPS



Due to averaging of shares, quarterly earnings per share may not add up to the totals reported for the full year.

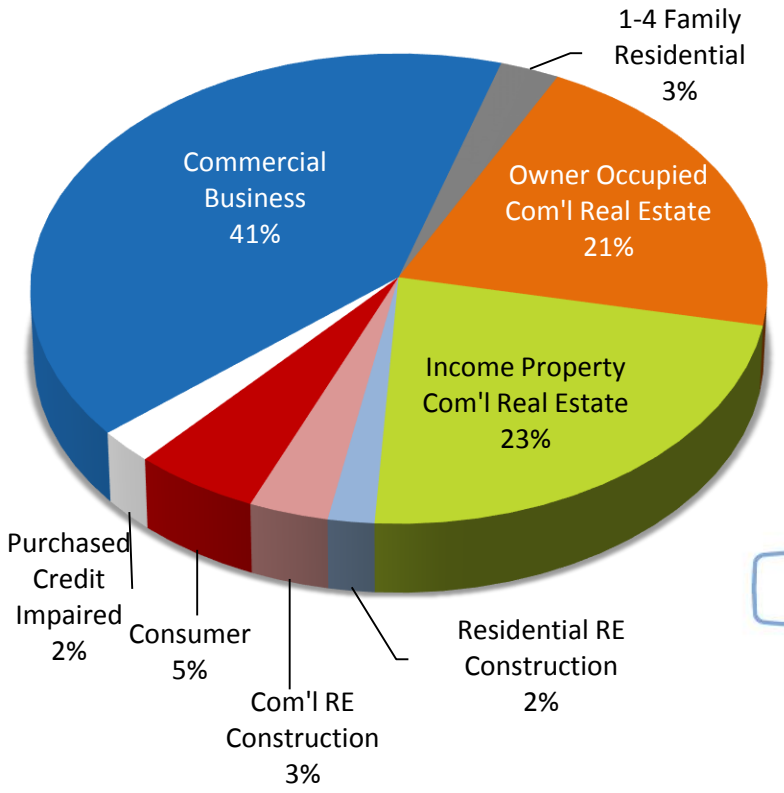
Record Loan Originations & Portfolio Diversity





Total Portfolio = $6.2 Billion

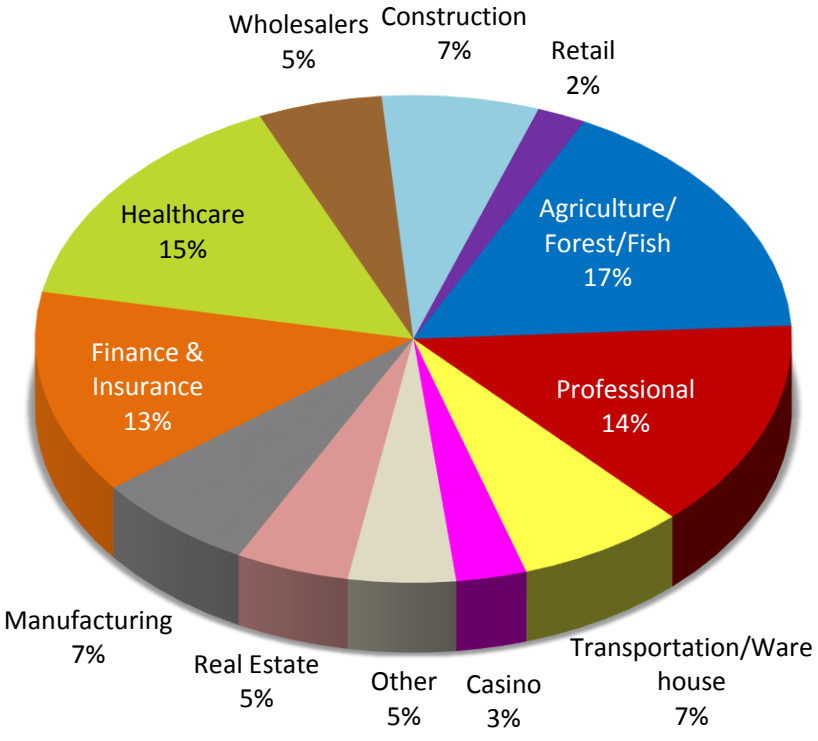
2016 annual growth rate of 7%



As of December 31, 2016

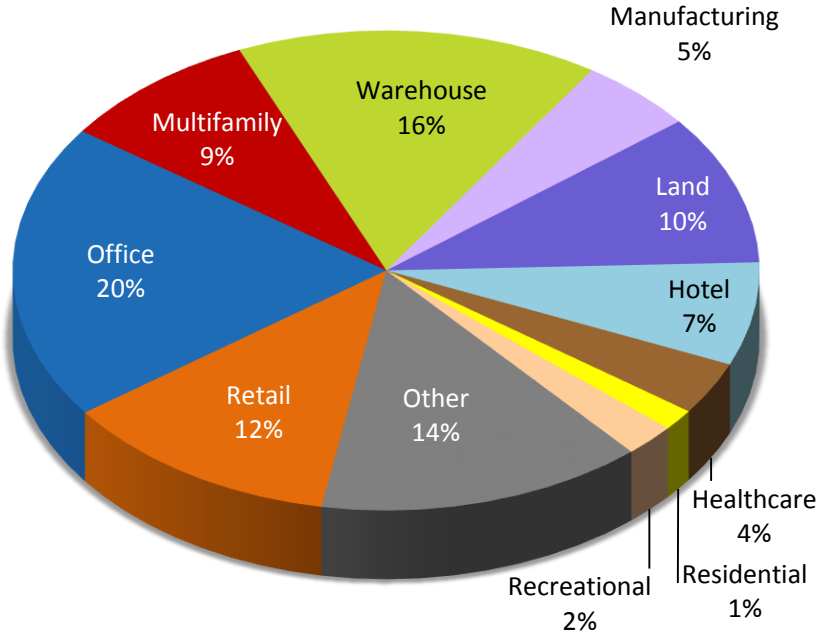
Well Diversified C&I and CRE Loan Portfolios

C&I Portfolio $2.6 Billion



2016 annual growth rate of 8%

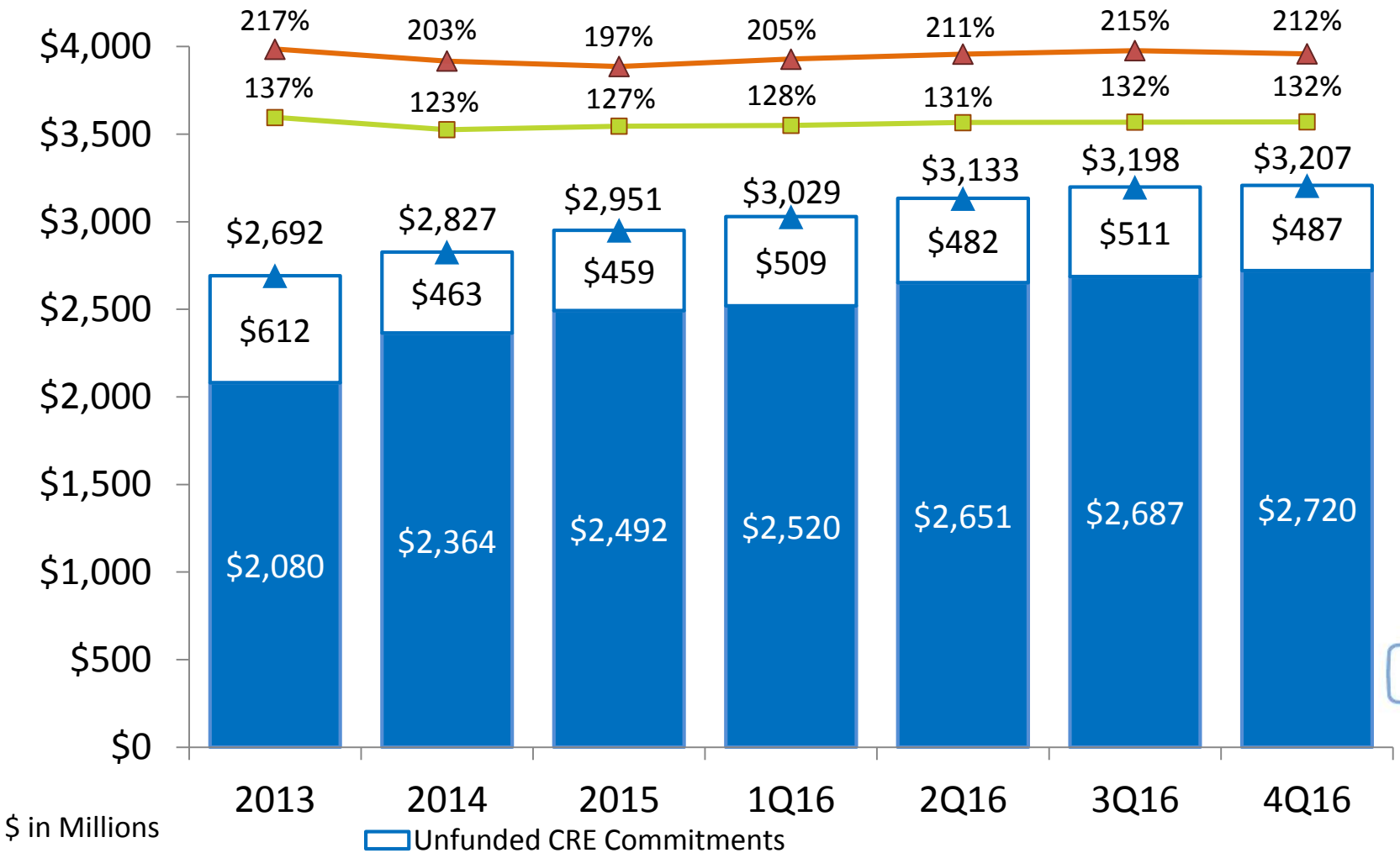
CRE Portfolio = $2.7 Billion



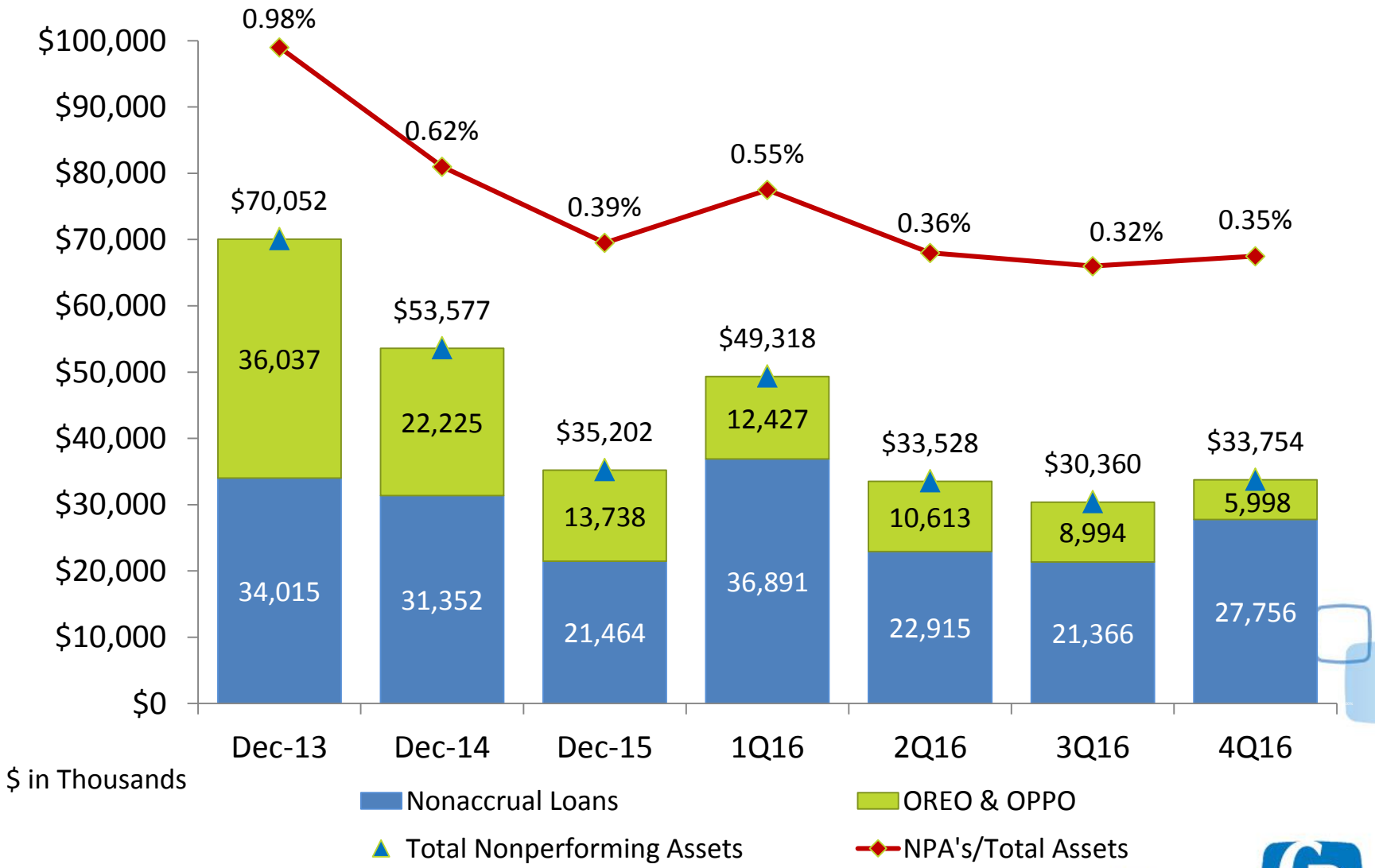
Balanced portfolio with Income Property comprising 52% and Owner Occupied 48% of the total. 2016 annual growth rate of 5%.

As of December 31, 2016

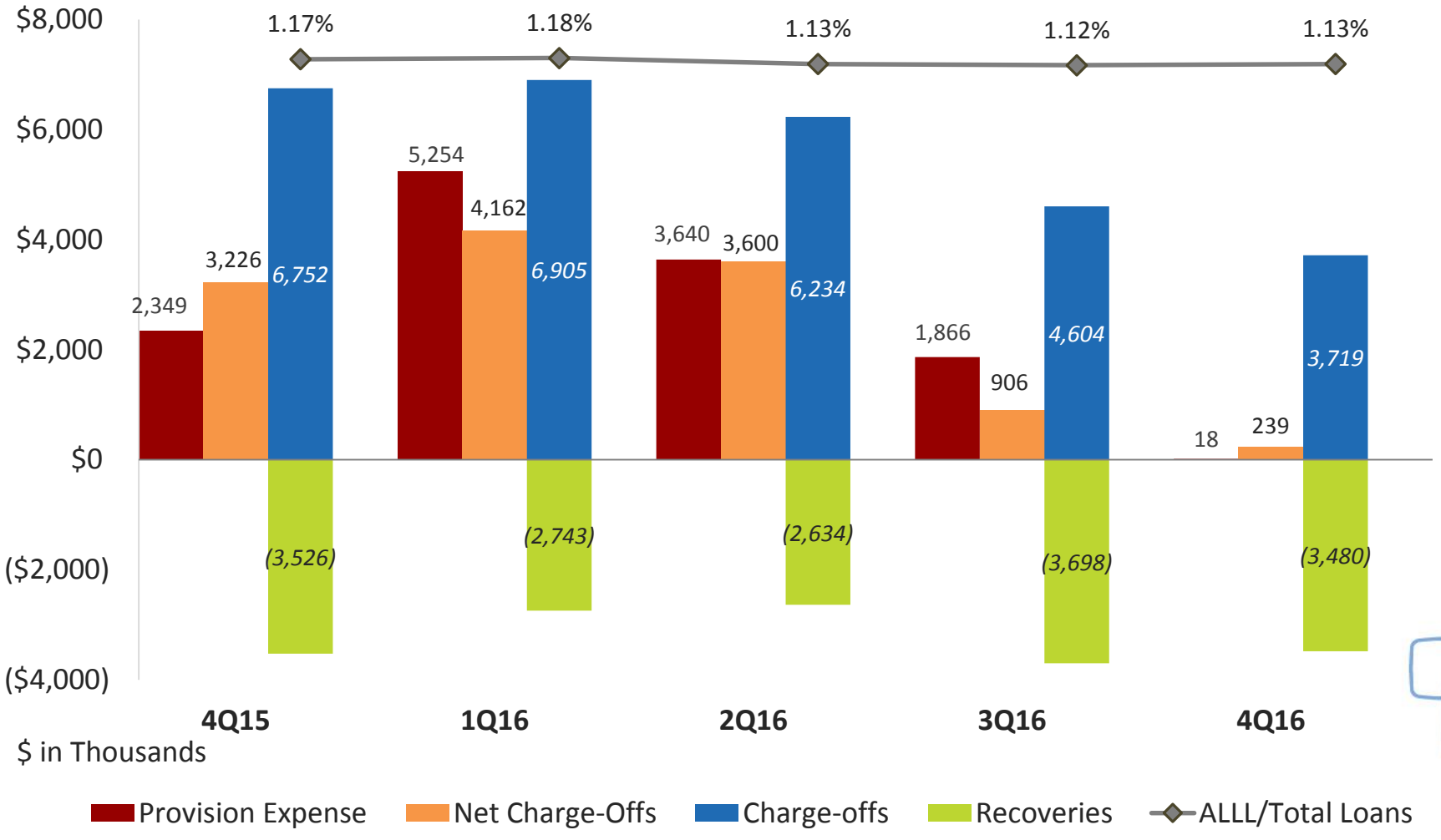
Consistent Commercial Real Estate Coverage



Effective Management of Nonperforming Assets

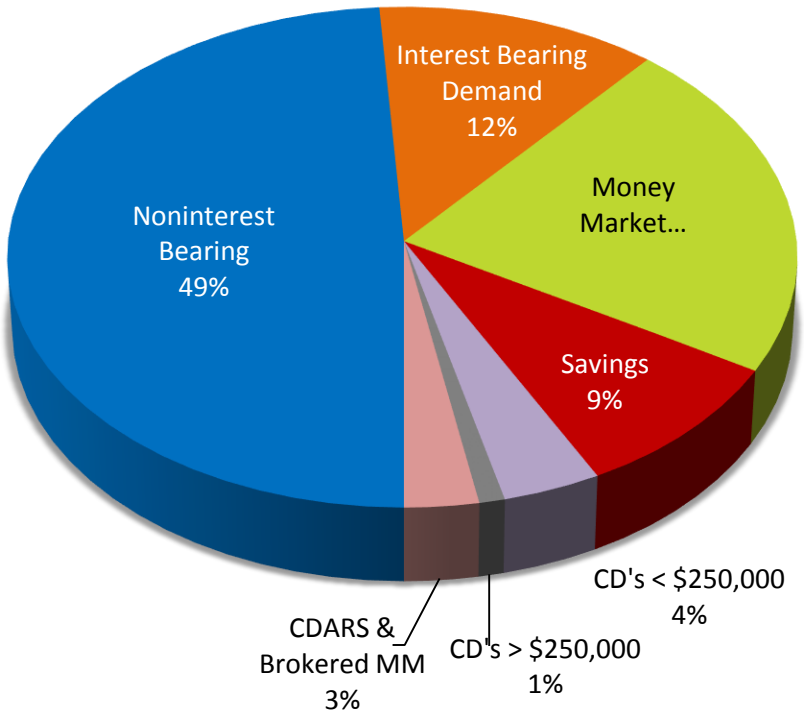


Consistent ALLL Coverage



Diversified, Relationship Centered Deposit Base

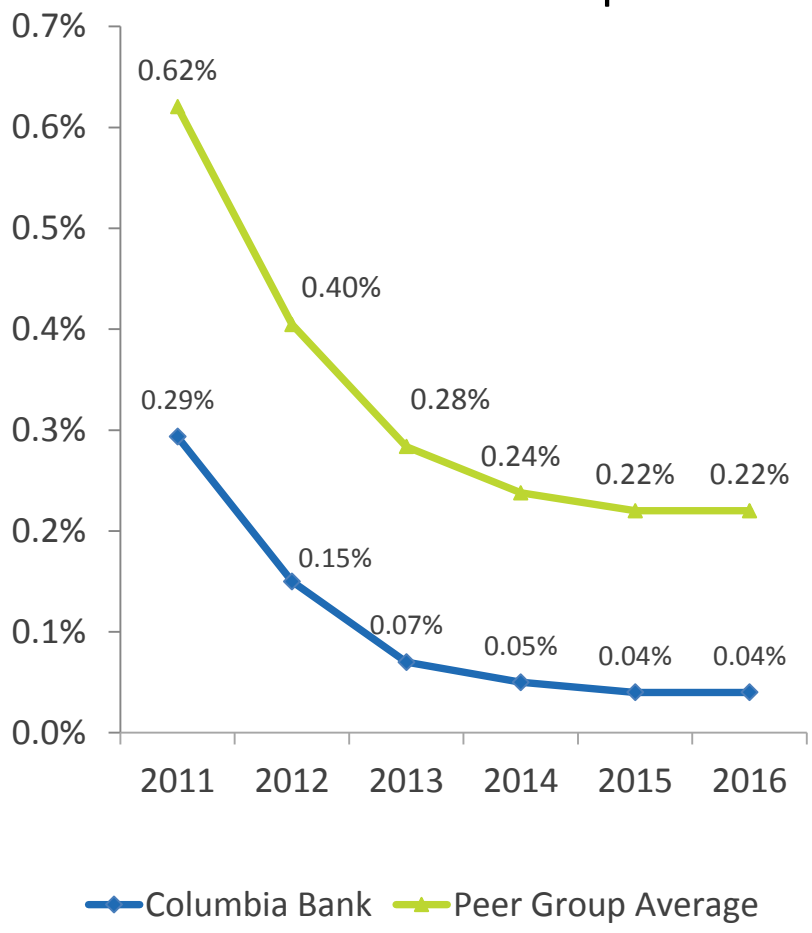
Total Deposits = $8.1 Billion



- *2016 annual growth rate of 8%.*
- *Core deposits comprise 96%*
- *Balanced 52% Business and 48% Consumer mix.*

As of December 31, 2016

Favorable Cost of Deposits



Opportunity for Deposit Market Share Growth

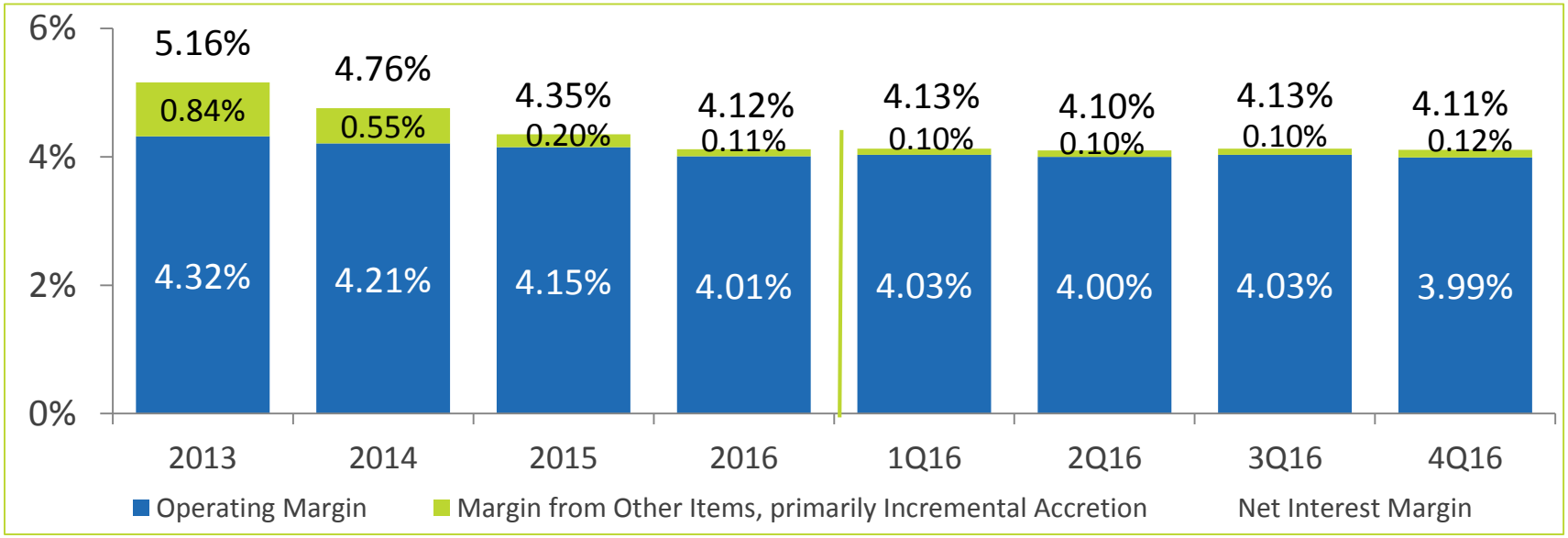
Northwest (Washington, Oregon and Idaho)

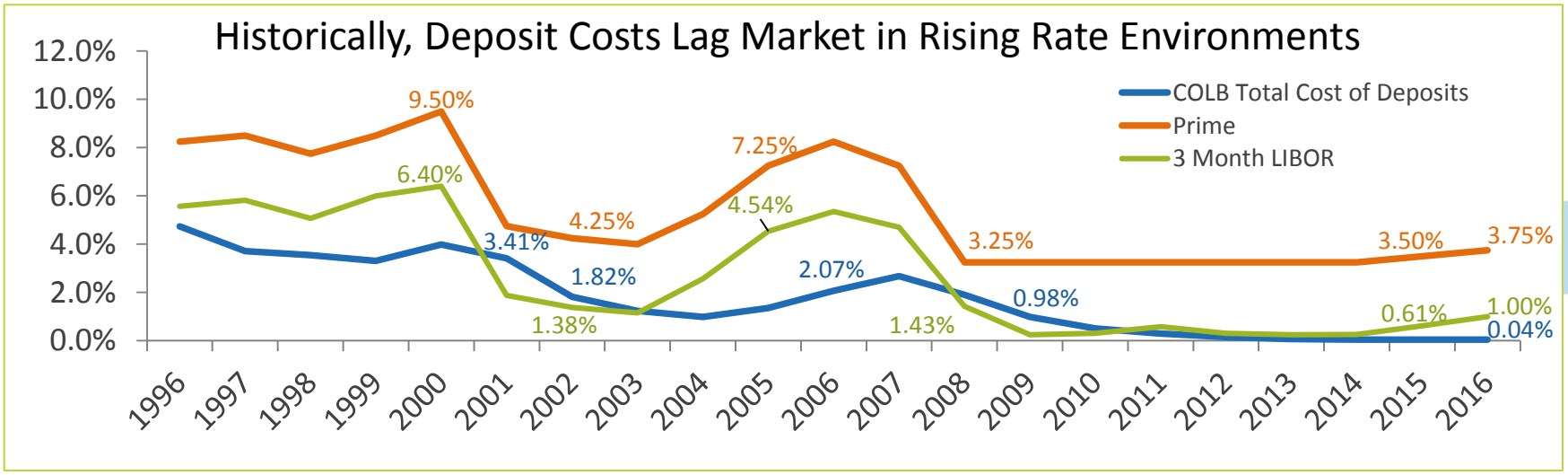
2016 Rank	Institution (ST)	2016 Deposits ($000s)	2016 Market Share*
1	Bank of America (NC)	40,727,912	17.15%
2	Wells Fargo (CA)	34,978,419	14.73%
3	U.S. Bank (MN)	33,999,427	14.31%
4	JP Morgan Chase (NY)	21,965,076	9.25%
5	Key Bank (OH)	15,465,780	6.51%
6	Umpqua Bank (OR)	12,829,082	5.40%
7	Washington Federal (WA)	7,844,037	3.30%
8	**Columbia Bank** (WA)	**7,682,683**	**3.23%**
9	Banner Bank (WA)	6,092,525	2.56%
10	Washington Trust (WA)	4,494,113	1.89%

Top 10 Institutions In Market	$186,079,054	78.33%
Other Institutions in Market	$51,454,124	21.67%
Total for Institutions in Market (122)	$237,533,178	100.00%

* Based on June 30, 2016 FDIC deposit market share data

Stable Operating Net Interest Margin*

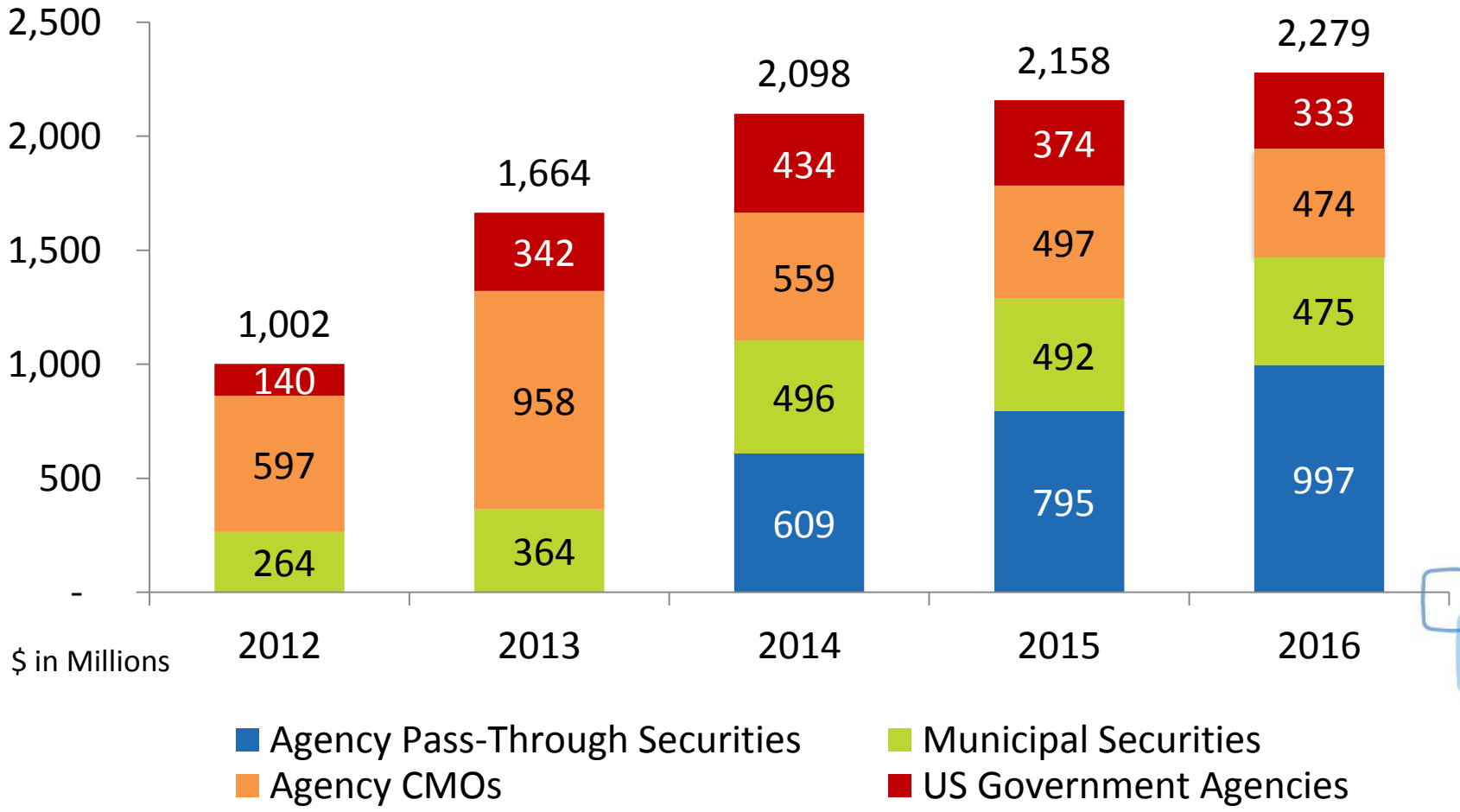




*Operating Net Interest Margin is a non-GAAP financial measure. Refer to appendix for additional information.

Conservative Investment Portfolio

Annual Yield and Portfolio Duration at 12/31/2016 = 2.30% & 3.9 Years, respectively.



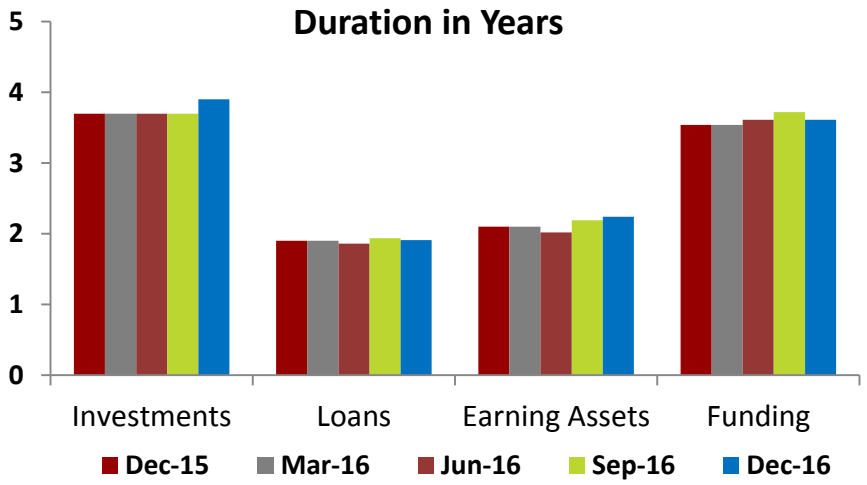
Interest Rate Sensitivity

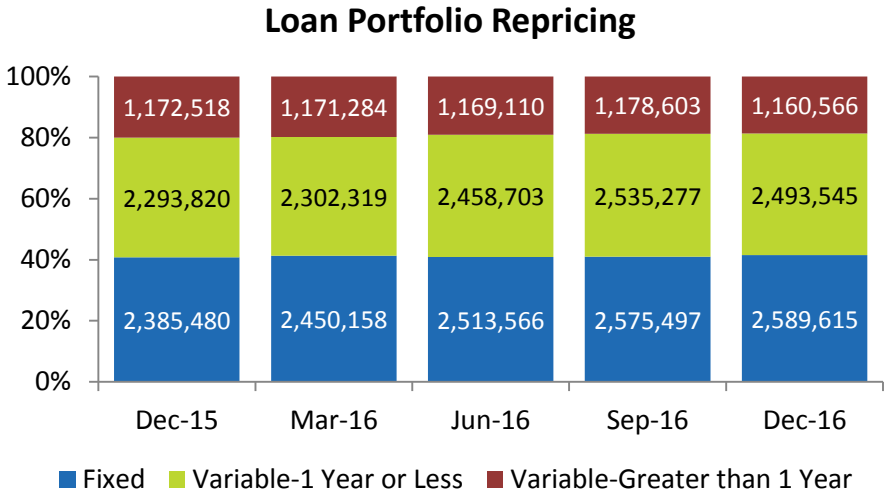
- Very slight mix shift in loan portfolio
- Weighted average remaining maturity of the fixed rate loan portfolio is approximately 7 years
- Interest rate floors within the loan portfolio total $1.95 billion with 49% or $965 million in the money.

Floor Exceeds Fully Indexed Rate by (basis points):

<=50	51-100	101-150	151-200	>200
$533MM	$315MM	$69MM	$21MM	$27MM

- Asset and liability durations are estimates and remain stable
- Note that deposit durations are effective durations and are mainly based on estimated decay rates and deposit rate betas. The decay rates assume a balloon maturity of 15 years and decay rates to achieve a five year estimated life.





Loan Repricing Detail (1)	Dec-15	Dec-16	Dec-15	Dec-16
Fixed	$2,385,480	$2,589,615	41%	41%
Prime	1,215,796	1,179,317	21%	19%
Libor	1,007,897	1,212,221	17%	19%
1Y FHLB/UST/Libor	70,127	102,008	1%	2%
Variable-1 Year or Less	2,293,820	2,493,545	39%	40%
3Y FHLB/SWAP/UST	170,594	144,817	3%	2%
5Y FHLB/SWAP/UST	902,424	914,149	15%	15%
OVER 5Y FHLB/SWAP	99,500	101,600	2%	2%
Variable-Greater than 1 Year	1,172,518	1,160,566	20%	19%
Total	**$5,851,818**	**$6,243,726**	**100%**	**100%**

(1) Loan balances exclude deferred fees/costs and premiums/discounts. Balances in $ millions.

Financial Highlights

$ in Millions	2016	2015	2014	2013	2012
Total Assets	$9,510	$8,952	$8,579	$7,162	$4,906
Total Loans [1]	$6,213	$5,815	$5,445	$4,517	$2,947
Purchased Credit Impaired Loans [1]	$146	$181	$231	$298	$421
Investment Securities [3]	$2,289	$2,170	$2,132	$1,697	$1,023
Core Deposits [4]	$7,750	$7,239	$6,753	$5,830	$3,931
Total Deposits	$8,059	$7,439	$6,925	$5,959	$4,042
Nonperforming Assets/Total Assets	0.35%	0.39%	0.62%	0.98%	1.32%
Return on Average Assets	1.13%	1.14%	1.09%	0.92%	0.96%
Return on Average Common Equity	8.26%	7.93%	7.36%	6.14%	6.06%
Return on Average Tangible Equity [2]	12.56%	12.35%	11.64%	9.42%	7.81%

[1] Total Loans include Purchased Credit Impaired Loans. Total Loans and Purchased Credit Impaired Loans are presented net of unearned income and gross of ALLL.

[2] Return on Average Tangible Equity is a non-GAAP measure. Refer to appendix for additional information.

[3] Includes Federal Home Loan Bank Stock

[4] Core deposits now include Certificates of Deposit less than $250,000. Prior periods have been adjusted to conform to current period presentation.

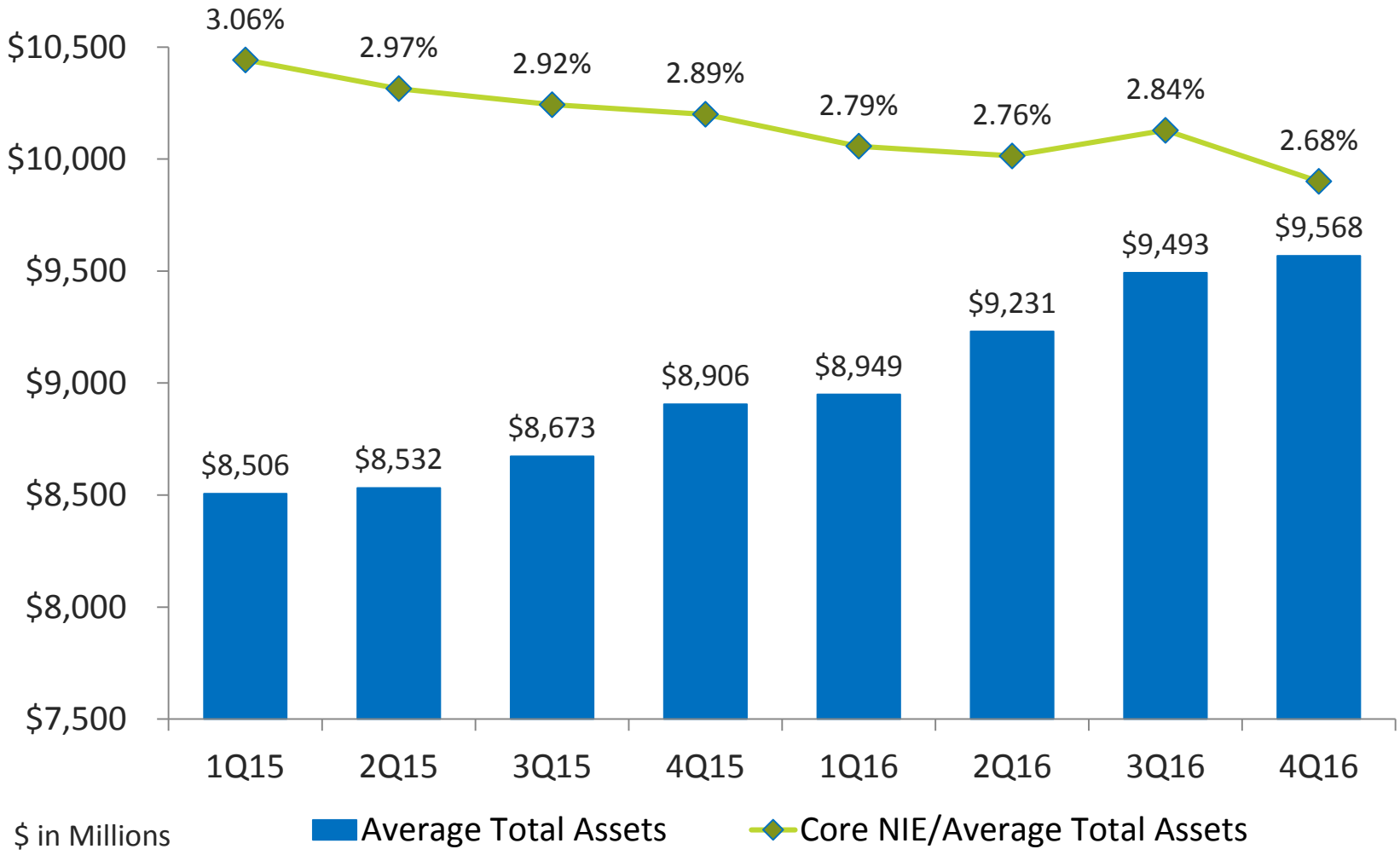
Net Income

	4Q16	3Q16	2Q16	1Q16	2016	2015
Reported Net Income						
Net Interest Income	$85,737	$85,572	$82,140	$80,170	$333,619	$324,887
Provision for Loan Losses	18	1,866	3,640	5,254	10,778	8,591
Net Interest Inc after Provision	**85,719**	**83,706**	**78,500**	**74,916**	**322,841**	**316,296**
Noninterest Income	22,330	23,166	21,940	20,646	88,082	91,473
Noninterest Expense	65,014	67,264	63,790	65,074	261,142	266,149
Pre-tax Net Income	**43,035**	**39,608**	**36,650**	**30,488**	**149,781**	**141,620**
Provision for Income Taxes	12,317	12,124	11,245	9,229	44,915	42,793
Net Income	**$30,718**	**$27,484**	**$25,405**	**$21,259**	**$104,866**	**$98,827**
Earnings per Share (Diluted)**	$0.53	$0.47	$0.44	$0.37	$1.81	$1.71
Core Pre-tax Net Income*						
Net Interest Income*	$84,538	$83,756	$80,840	$78,513	$327,647	$315,557
Provision/(Recapture) for Loan Losses*	600	2,299	3,550	4,600	11,049	4,676
Net Interest Inc after Provision*	**83,938**	**81,457**	**77,290**	**73,913**	**316,598**	**310,881**
Noninterest Income*	22,327	23,270	22,930	21,749	90,276	92,336
Noninterest Expense*	64,139	67,489	63,636	62,327	257,591	255,976
Pre-tax Net Income*	**$42,126**	**$37,238**	**$36,584**	**$33,335**	**$149,283**	**$147,241**
Pre-tax Income (before LL Prov)*	**$42,726**	**$39,537**	**$40,134**	**$37,935**	**$160,332**	**$151,917**

* A non-GAAP financial measure. Refer to appendix for additional information.

** Due to averaging of shares, quarterly earnings per share may not add up to the totals reported for the full year.

Scaling Core Noninterest Expense



*Core NIE/Average Total Assets is a non-GAAP measure. Refer to appendix for additional information.

Maintaining Strong Capital with High Dividend Payout

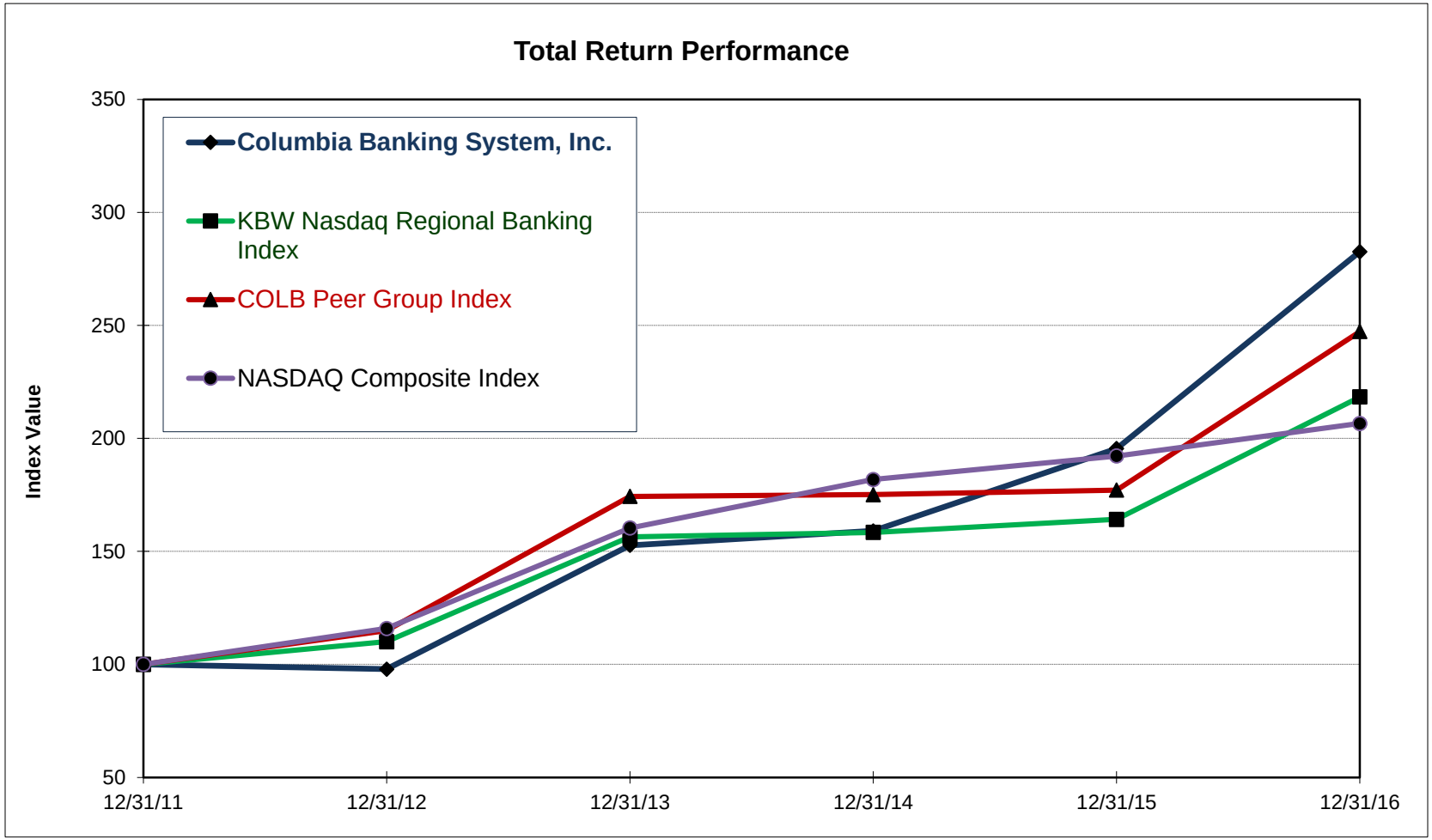


* Pending regulatory approval.

Columbia – An Award-Winning Company

- For 10th consecutive year, named in 2016 as one of *Puget Sound Business Journal*'s "**Washington's Best Workplaces,** and named *Pierce County Business Examiner's* "Top Place to Work 2015" in the Large Employer category
- *Forbes* "America's Best Banks, 2016" list ranked Columbia Bank 19th in the country, based on asset quality, capital adequacy, net interest margin and profitability among the nation's 100 largest publicly traded bank and thrifts
- Received 2015 Raymond James Community Banking Cup based on profitability, operational efficiency and balance sheet metrics
- Voted "Best Bank" and "Best Large Business" 2016 by readers of *South Sound Magazine* during annual poll
- Ranked 23rd Best Performing Regional Bank in the U.S. for 2015 by SNL Financial based on profitability, asset quality and growth
- Honored as the top Corporate Philanthropist for medium* companies in Washington State by *Puget Sound Business Journal* (*revenue of $20 to $500M; based on 2015 giving)
- Received the 2016 Silver Award for Community Impact by *Seattle Business Magazine* in the Business of the Year: Large Companies
- Melanie Dressel honored for the seventh time as one of *American Banker Magazine's* "25 Most Powerful Women in Banking" in 2016

COLB: Total Return Performance



COLB Peer Group: BANF, BXS, FCF, FFBC, FIBK, FMBI, HTLF. IBKC, MBFI, NBTB, PACW, PNFP, TCBI, TRMK, WAL

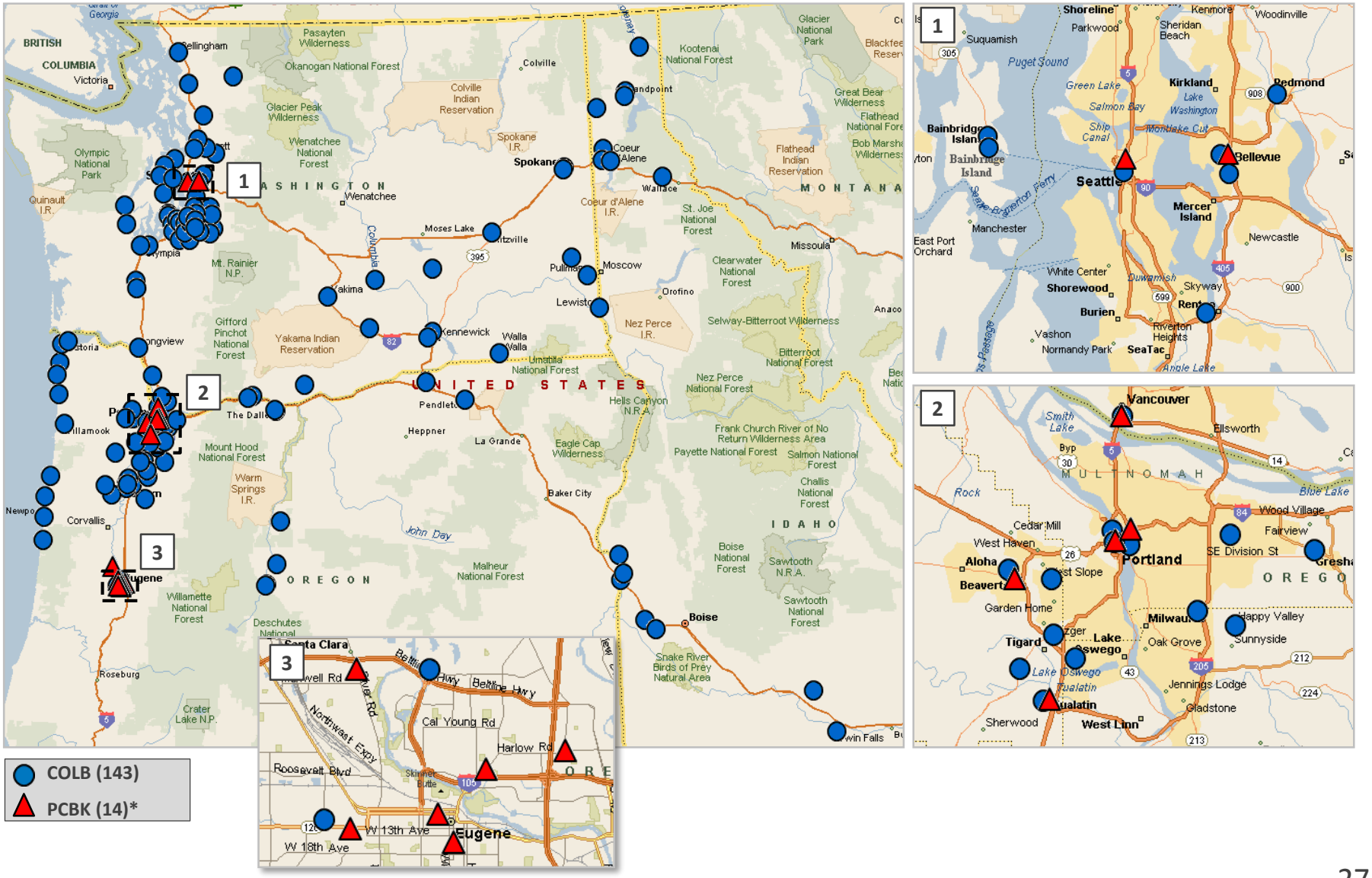
Columbia Banking System Inc.

Acquisition of
Pacific Continental Corporation

PACIFIC CONTINENTAL®
THE RIGHT BANK™

Definitive agreement signed January 9, 2017;
acquisition is expected to close mid-2017

Compelling Northwest Footprint



*Note: PCBK branches excludes branch in Bellevue that is expected to be closed in January 2017.
Source: SNL Financial, company websites, and Microsoft MapPoint.

Transaction Highlights

Transaction Rationale

- Strengthens COLB's presence in key metropolitan markets in the Northwest
  - Significantly increases COLB's market share in the Eugene MSA and provides opportunities to enhance efficiency in the Seattle and Portland markets
- PCBK is the 2nd largest community bank headquartered in Oregon with $2.5 billion in assets
- Solidifies Columbia as the largest bank solely focused on the NW with ~$12 billion in assets
- Complementary community-focused banking models built around strong core deposit cultures
  - Noninterest bearing deposits of 49% and 42% for COLB and PCBK, respectively
- Expands healthcare lending platform
- Delivers COLB's expanded product suite and higher lending capacity to PCBK's customer base

Risk Management

- Pro forma assumptions driven by significant due diligence
- COLB is well-positioned to cross the $10 billion asset threshold
- Track record of 9 successfully integrated acquisitions over the last 9 years

Attractive Financial Returns

- ~8% earnings accretion in 2018 and ~10% earnings accretion in 2019
- > 15% IRR
- Tangible Book Value Earnback of ~3.7 years
- ~6% TBV Dilution at Close

Transaction Assumptions and Pro Forma Adjustments

Transaction Value[1]	• ~$644.1 million
Cost Savings	• Estimated at approximately $19.4 million or 34% of PCBK's 2017e NIE • Expected to be phased 50% in 2017, 85% in 2018 and 100% thereafter
Revenue Enhancements	• Not included
Deal Related Expenses	• Approximately $30.4 million, pre-tax
Loan Mark[4]	• Estimated gross loan mark of $33.1 million or 1.70% of loans[2]
Estimated Fair Value and Pro Forma Adjustments[4]	• Estimated Core Deposit Intangible equaling 1.75% of PCBK's core deposits[3] • Estimated Fixed Asset markup of $2.8 million; estimated OREO markdown of $2.3 million • Estimated Subordinated debt markup of $1.1 million • Trust Preferred Redemption of $14.0 million; reversal of the $2.6 million Foundation Trust Preferred Mark

(1) Based on COLB's closing stock price as of 1/9/17. Merger consideration value and price per share will change, and partial cash consideration may be included, based on the fluctuation in COLB's stock price. Please see Appendix.

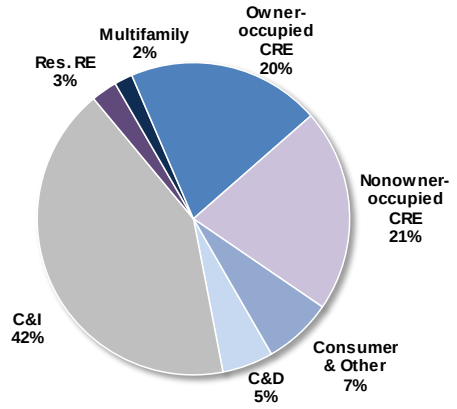
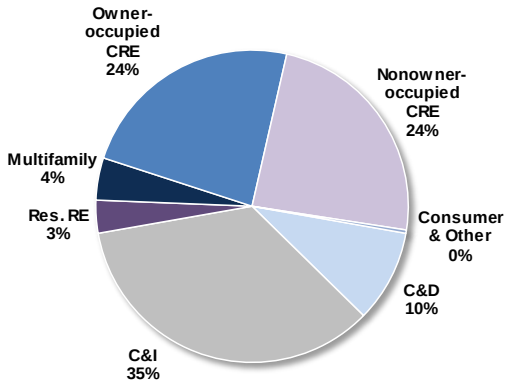
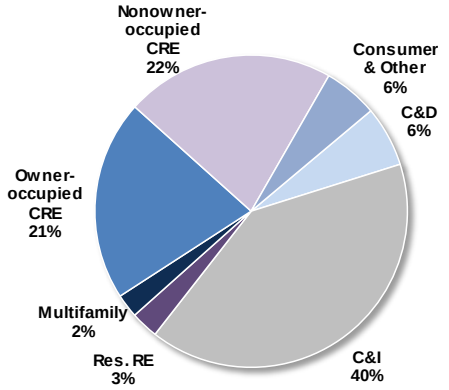
(2) Per 3rd party loan review.

(3) Core deposits equal to all non-time deposits.

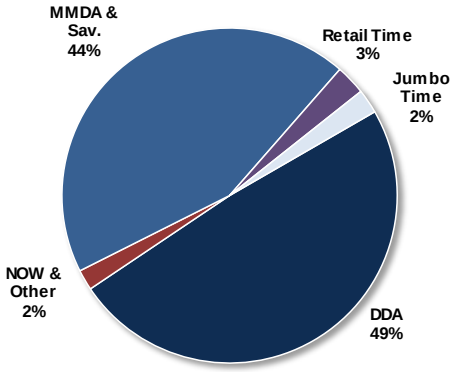
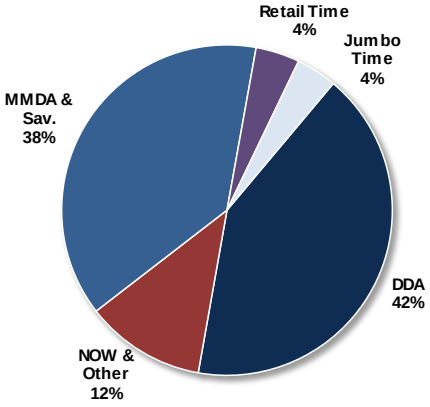
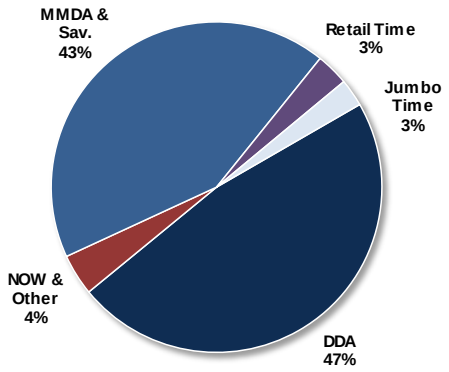
(4) Adjustments based on projected balances at close.

Pro Forma Loan and Deposit Composition

Loan Composition:

Columbia Banking System, Inc.	Pacific Continental Corporation	Pro Forma Company
		
Gross Loans (Incl. HFS): $6,263,118 Yield on Loans: 4.93%	Gross Loans (Incl. HFS): $1,806,736 Yield on Loans: 5.11%	Gross Loans (Incl. HFS): $8,069,854

Deposit Composition:

Columbia Banking System, Inc.	Pacific Continental Corporation	Pro Forma Company
		
Total Deposits: $8,057,816 Cost of Deposits: 0.04%	Total Deposits: $2,162,633 Cost of Deposits: 0.22%	Total Deposits: $10,220,449

Source: SNL Financial as of 9/30/2016.
Note: All dollars in thousands.

Hadley S. Robbins

Interim Chief Executive Officer/Chief Operating Officer
253-396-6985; robbinsh@columbiabank.com

Clint E. Stein

Chief Financial Officer
253-593-8304; cstein@columbiabank.com

Columbia Bank Center

1301 A Street, Suite 900
P.O. Box 2156
Tacoma, WA 98401-2156

Appendix

Non-GAAP Financial Measures – Net Interest Margin

$ in Thousands	2013	2014	2015	2016	1Q16	2Q16	3Q16	4Q16
Net interest margin (tax equiv)	**5.16%**	**4.76%**	**4.35%**	**4.12%**	**4.13%**	**4.10%**	**4.13%**	**4.11%**
Incremental accretion income on FDIC purchased credit impaired loans	(0.52%)	(0.31%)	(0.12%)	(0.07%)	(0.09%)	(0.06%)	(0.08%)	(0.06%)
Incremental accretion income on other FDIC acquired loans [(1)]	(0.04%)	(0.01%)	-	-	-	-	-	-
Incremental accretion income on other acquired loans	(0.46%)	(0.32%)	(0.23%)	(0.14%)	(0.15%)	(0.15%)	(0.13%)	(0.14%)
Premium amortization on acquired securities	0.13%	0.11%	0.13%	0.09%	0.12%	0.10%	0.10%	0.06%
Investment portfolio premium amortization adjustment	-	(0.04%)	-	-	-	-	-	-
Interest reversals on nonaccrual loans	0.02%	0.02%	0.02%	0.01%	0.02%	0.01%	0.01%	0.01%
Prepayment charges on FHLB advances	0.03%	-	-	-	-	-	-	-
Operating net interest margin (tax equivalent)	**4.32%**	**4.21%**	**4.15%**	**4.01%**	**4.03%**	**4.00%**	**4.03%**	**3.99%**

(1) For 2016, incremental accretion income on other FDIC acquired loans is no longer considered significant and is no longer tracked for non-GAAP financial measures.

Non-GAAP Financial Measures – Net Interest Margin

$ in Thousands	2013	2014	2015	2016	1Q16	2Q16	3Q16	4Q16
Net Interest Margin (tax equiv)	**$297,139**	**$312,146**	**$334,549**	**$344,425**	**$82,661**	**$84,946**	**$88,318**	**$88,500**
Incremental accretion income on FDIC purchased credit impaired loans	(29,815)	(20,224)	(9,096)	(5,972)	(1,657)	(1,300)	(1,816)	(1,199)
Incremental accretion income on other FDIC acquired loans [(1)]	(2,211)	(484)	(234)	-	-	-	-	-
Incremental accretion income on other acquired loans	(26,200)	(21,093)	(17,862)	(11,983)	(3,073)	(3,074)	(2,749)	(3,087)
Premium amortization on acquired securities	7,309	7,123	10,216	7,738	2,324	2,075	1,991	1,348
Investment portfolio premium amortization adjustment	-	(2,622)	-	-	-	-	-	-
Interest reversals on nonaccrual loans	882	1,291	1,713	1,072	453	107	266	246
Prepayment charges on FHLB advances	1,548	-	-	-	-	-	-	-
Operating Net Interest Margin *(tax equivalent)*	**$248,652**	**$276,137**	**$319,286**	**$335,280**	**$80,708**	**$82,754**	**$86,010**	**$85,808**
Average Earning Assets	5,754,543	6,561,047	7,685,734	8,363,308	8,005,945	8,285,183	8,544,876	8,612,498
Net Interest Margin *(tax equivalent)*	**5.16%**	**4.76%**	**4.35%**	**4.12%**	**4.13%**	**4.10%**	**4.13%**	**4.11%**
Operating Net Interest Margin *(tax equivalent)*	**4.32%**	**4.21%**	**4.15%**	**4.01%**	**4.03%**	**4.00%**	**4.03%**	**3.99%**

[(1)] For 2016, incremental accretion income on other FDIC acquired loans is no longer considered significant and is no longer tracked for non-GAAP financial measures.

Non-GAAP Financial Measures – Core Results

$ in Thousands	4Q16	3Q16	2Q16	1Q16	2016	2015
Reported Net Interest Income	**$85,737**	**$85,572**	**$82,140**	**$80,170**	**$333,619**	**$324,887**
- FDIC Loan Accretion	(1,199)	(1,816)	(1,300)	(1,657)	(5,972)	(9,330)
Core Net Interest Income	**$84,538**	**$83,756**	**$80,840**	**$78,513**	**$327,647**	**$315,557**
Reported Provision/(Recapture) for Loan Losses	**18**	**$1,866**	**$3,640**	**$5,254**	**10,778**	**$8,591**
- Purchased Credit Impaired (Provision)/ Recapture	582	433	(90)	(654)	271	(3,915)
Core Provision/(Recapture)	**$600**	**$2,299**	**$3,550**	**$4,600**	**$11,049**	**$4,676**
Reported Noninterest Income	**$22,330**	**$23,166**	**$21,940**	**$20,646**	**$88,082**	**$91,473**
- Decrease/(Increase) in FDIC Loss Sharing Asset	388	104	990	1,103	2,585	4,010
- WCB Mortgage Purchase Reserve Recapture	(391)	-	-	-	(391)	(3,147)
Core Noninterest Income	**$22,327**	**$23,270**	**$22,930**	**$21,749**	**$90,276**	**$92,336**
Reported Noninterest Expense	**$65,014**	**$67,264**	**$63,790**	**$65,074**	**$261,142**	**$266,149**
- FDIC Clawback (Expense)/Recap	28	(29)	(70)	(209)	(280)	(980)
- Acquisition Related Costs	(291)	-	-	(2,436)	(2,727)	(10,917)
- OREO/OPPO Expense, Net	(612)	254	(84)	(102)	(544)	1,724
Core Noninterest Expense	**$64,139**	**$67,489**	**$63,636**	**$62,327**	**$257,591**	**$255,976**
Average Assets	**$9,568,214**	**$9,493,451**	**$9,230,791**	**$8,949,212**	**$9,311,621**	**$8,655,243**
Noninterest Expense/Average Assets	2.72%	2.83%	2.76%	2.91%	2.80%	3.08%
Core NIE/Average Assets	2.68%	2.84%	2.76%	2.79%	2.77%	2.96%

Non-GAAP Financial Measures - ROATCE

$ in Thousands	2016	2015	2014	2013	2012
Net Income	**$104,866**	**$98,827**	**$81,574**	**$60,016**	**$46,143**
- Preferred Dividends	(157)	(138)	(96)	(32)	-
Net Income Applicable to Common Shareholders	**104,709**	**98,689**	**81,478**	**59,984**	**46,143**
+ Amortization of Intangibles	5,946	6,882	6,293	6,045	4,445
- Tax Effect on Intangible Amort	(2,081)	(2,409)	(2,283)	(2,149)	(1,580)
Adjusted Net Income	**$108,574**	**$103,162**	**$85,488**	**$63,880**	**$49,008**
Average Shareholders' Equity	**$1,269,801**	**$1,246,952**	**$1,109,581**	**$979,099**	**$761,185**
- Average Preferred Equity	(2,217)	(2,217)	(2,217)	(1,670)	-
- Average Intangibles	(403,253)	(409,436)	(372,803)	(299,335)	(133,631)
Adjusted Average Common Shareholders' Equity	**$864,331**	**$835,299**	**$734,561**	**$678,094**	**$627,554**
Return on Average Tangible Common Shareholders' Equity	**12.56%**	**12.35%**	**11.64%**	**9.42%**	**7.81%**

Non-GAAP Financial Measures – Tangible Common Equity

$ in Thousands	Dec-13	Dec-14	Dec-15	Dec-16
Total Shareholders' Equity	$1,053,249	$1,228,175	$1,242,128	$1,251,012
- Preferred Stock	(2,217)	(2,217)	(2,217)	(2,217)
- Goodwill	(343,952)	(382,537)	(382,762)	(382,762)
- Other Intangible Assets, net	(25,852)	(30,459)	(23,577)	(17,631)
Tangible Common Equity	**$681,228**	**$812,962**	**$833,572**	**$848,402**
Total Assets	$7,161,582	$8,578,846	$8,951,697	$9,509,607
- Goodwill	(343,952)	(382,537)	(382,762)	(382,762)
- Other Intangible Assets, net	(25,852)	(30,459)	(23,577)	(17,631)
Tangible Assets	**$6,791,778**	**$8,165,850**	**$8,545,358**	**$9,109,214**
Tangible Common Equity Ratio	**10.03%**	**9.96%**	**9.75%**	**9.31%**