COLUMBIA BANK

BUILDING A

PREMIER

REGIONAL

COMMUNITY BANK

NASDAQ:COLB

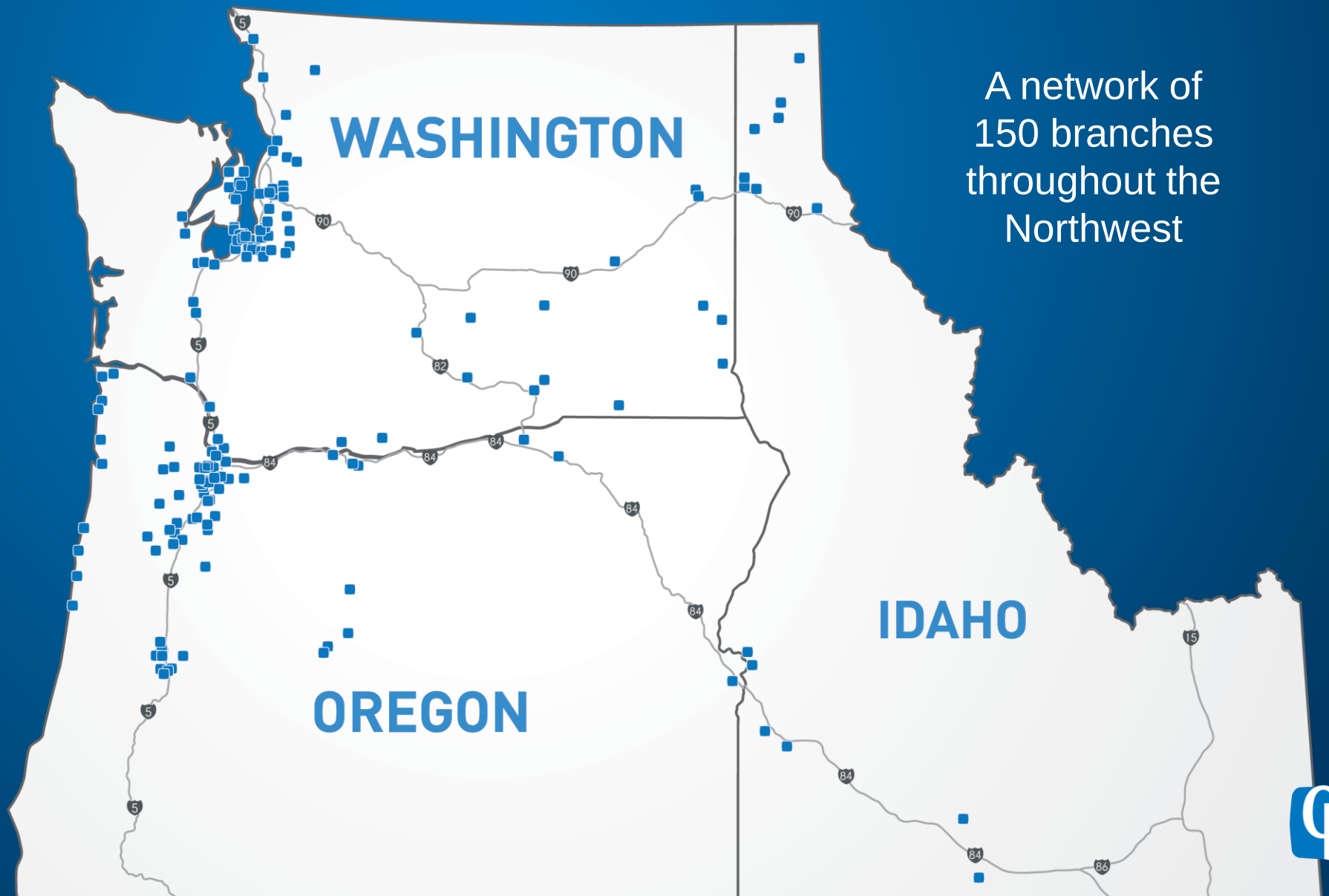
Columbia Banking System Inc.

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 most recently filed form 10-K, for meaningful cautionary language discussing why actual results may vary materially from those anticipated by management.

Why Columbia Bank?

- **Fortress balance sheet**
  - Very low cost, stable funding base
  - Relationship centric C&I focused loan portfolio
  - Diversified loan portfolio with top tier credit quality
- **Seasoned acquirer** with proven integration results and superior acquisition currency.
- **Successfully crossed the $10 Billion Asset threshold** with the acquisition of Pacific Continental Corporation on November 1, 2017.
- **Located in one of the top regional economies** in the U.S.
- **Sustained track record** of delivering above market return to shareholders.

Pacific Northwest Economy is Growing Fast



A network of 150 branches throughout the Northwest

Attractive Northwest Markets

	✓ *Better Than or Equal to U.S. Average*	Seattle-Tacoma-Bellevue	Portland-Vancouver	Boise	Washington	Oregon	Idaho	United States
Demographics	Population Increase *(2010 – 2018)*	12.96%✓	11.34%✓	15.44%✓	10.73%✓	8.95%✓	9.58%✓	5.76%
	Projected Population Change *(2018-2023)*	6.74%✓	6.59%✓	7.31%✓	6.04%✓	5.84%✓	5.57%✓	3.50%
	Projected HH Income Change *(2018-2023)*	11.99%✓	13.76%✓	7.48%	9.79%✓	12.46%✓	7.86%	8.86%
Economics	Unemployment Rate (1) *(Mar 2018, State & MSA's Feb 2018)*	4.3%	4.0%✓	3.1%✓	4.7%	4.1%✓	3.0%✓	4.1%
	Home Price Index Change *12 months ending Feb 2018* *24 months ending Feb 2018* *Low in 1Q12 – Feb 2018*	12.7%✓ 26.4%✓ 84.7%✓	6.7%✓ 17.0%✓ 74.5%✓	n/a	n/a	n/a	n/a	6.3% 12.3% 47.0%

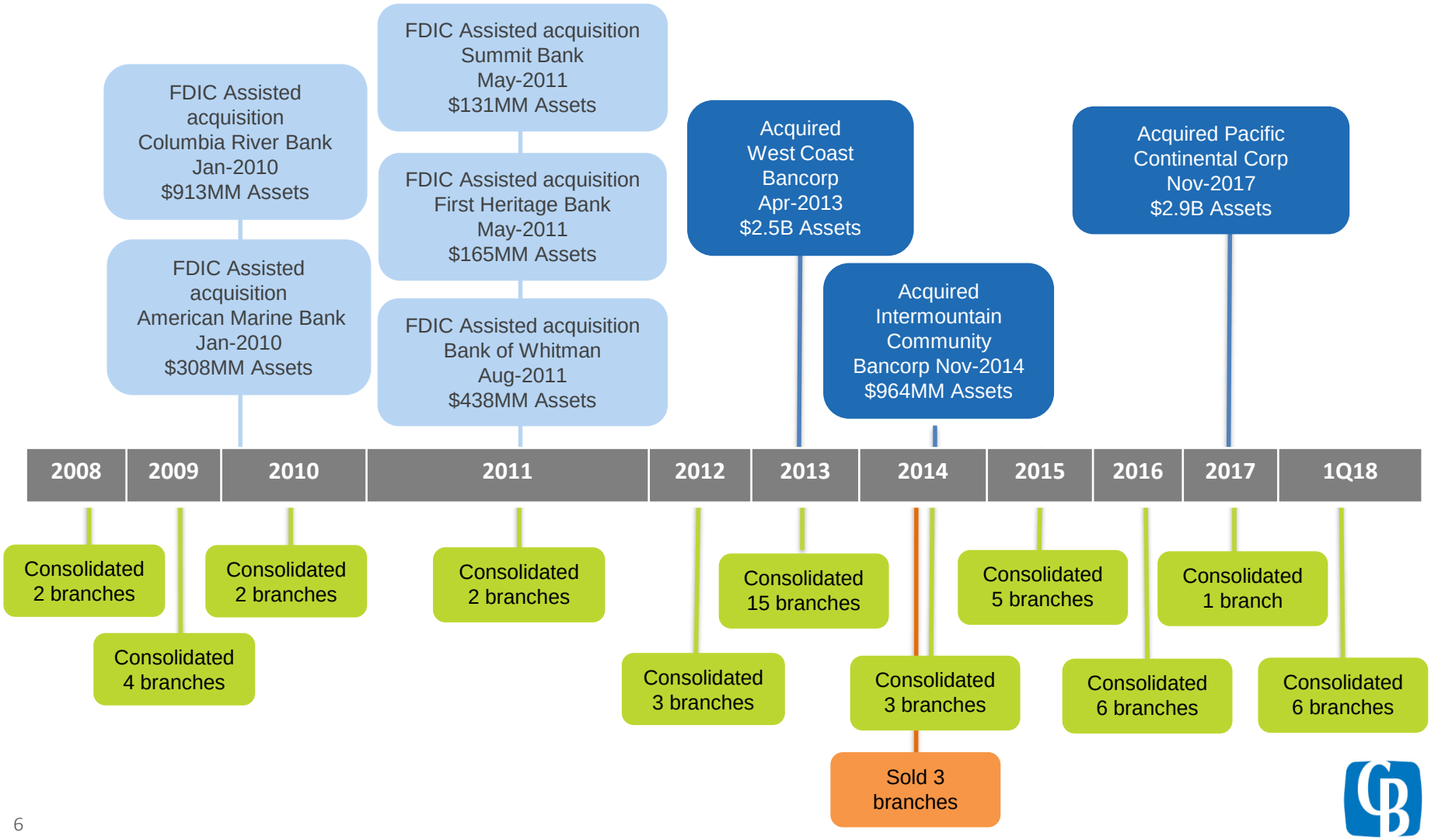
(1) *MSA unemployment rates are not seasonally adjusted. State and US rates are seasonally adjusted.*
Sources: Bureau of Labor Statistics, S&P-Case Schiller, SNL Financial

The Strongest Economic Region in the US

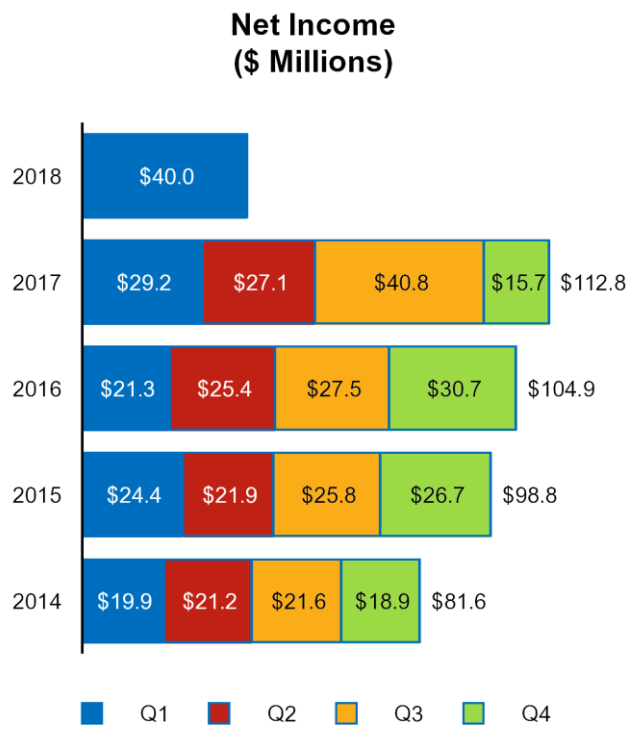
- In April 2018, US News & World report ranked **Portland #6, Seattle #10 and Boise #23 in the 125 Best Places to Live in the USA** considering Job Market, Value, Quality of Life, Desirability and Net Migration. Spokane #69 and Salem #93 also made the list.
- **Of the 20 major US metropolitan cities and, the Seattle home index continued with the highest increase** over the past 12 months rising by 12.7%. Portland's increase was 6.7% which is above the national increase of 6.3%. Exceptional growth in Seattle and Portland has resulted in above average increases in Tacoma, Spokane, Salem and Eugene.
- **The competition for commercial office space is high in the Puget Sound and Portland markets** driven by the expansion of technology companies such as Amazon, Microsoft, Google and F5 Networks.
- **The Northwest has an established presence** in aerospace, technology, agriculture and consumer product sectors. Local world-class companies, including Boeing, Starbucks, Microsoft, Amazon, Costco, Nordstrom and Nike are anchors of these sectors.
- **Diversified agriculture is a key component of Northwest's success**. In 2017, 99% of the US Hops crop was produced in the northwest with 75% from Washington, 13% from Idaho and 11% from Oregon. Washington is the #1 producer of apples with 70% of the total US crop; Oregon #1 for Christmas trees, hazelnuts and blackberries; Idaho is #1 for potatoes and trout.
- **Tacoma, Seattle and Portland ports are big economic drivers in the region.** The Northwest Seaport Alliance is the 4th largest container gateway in North America, and Portland is the number one port on the west coast for automobile exports. The Seattle-Tacoma International Airport is expanding its International Arrivals Facility more than doubling its passenger capacity by 2019.
- **Military is a major driver of the Northwest economy**. Nearly 127,000 Active and Civilian personnel across Washington, Oregon and Idaho.

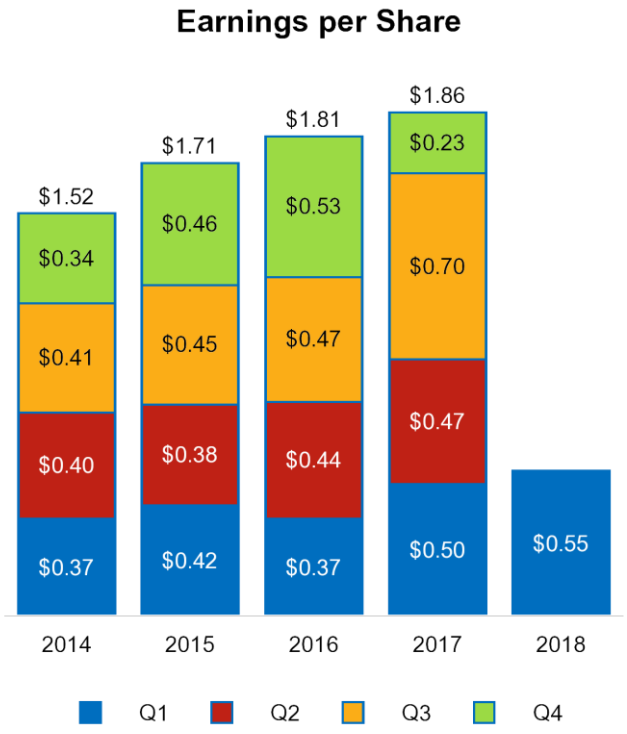
Seasoned Acquirer with Proven Integration Track Record

Consolidated 49 and sold 3 branches since 2008. Expect one more Pacific Continental consolidation in 2Q18.

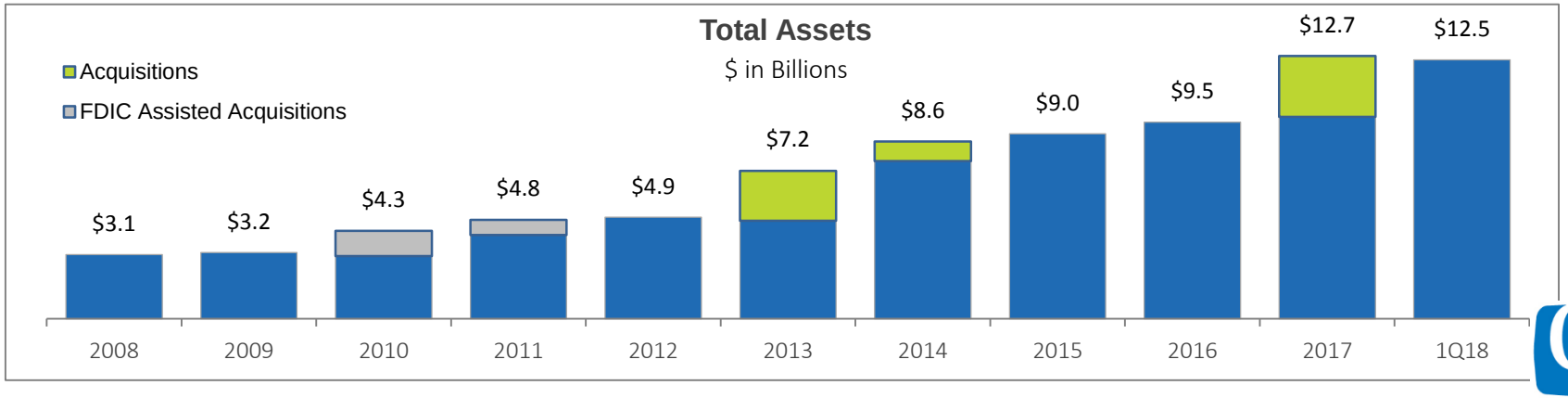


Continuous Growth in Earnings

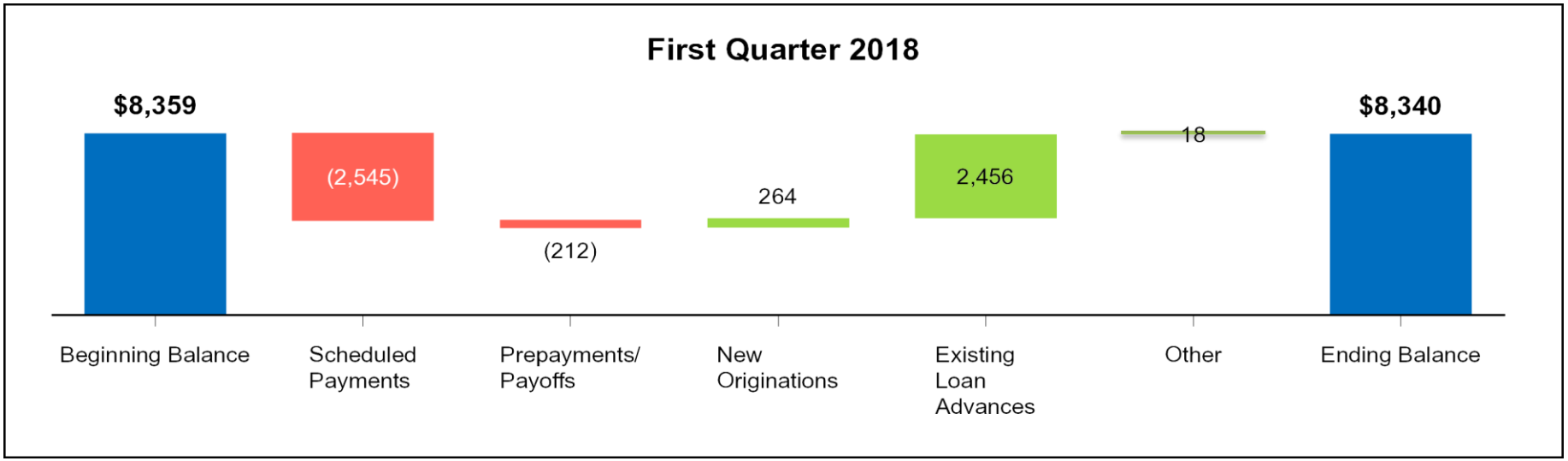


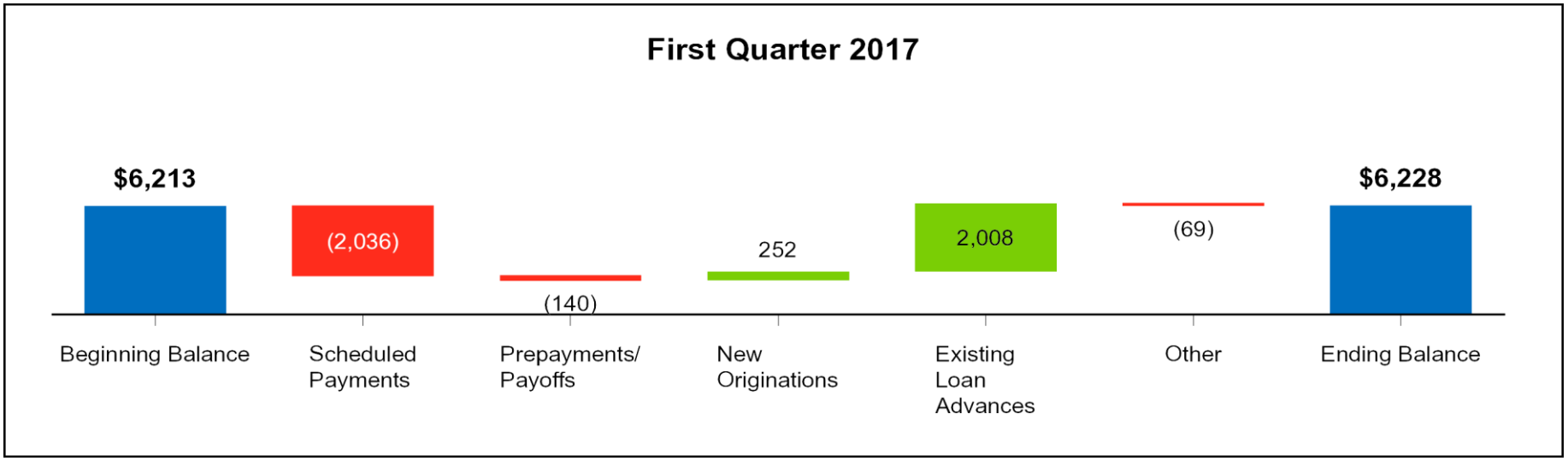


Due to averaging of shares, 2017 quarterly earnings per share does not add up to the total reported for the full year.



Components of First Quarter Change in Loans

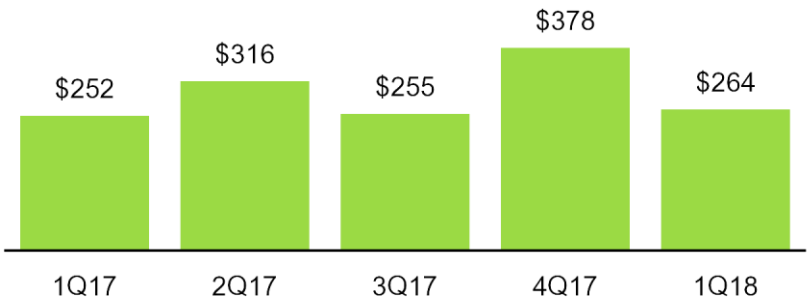




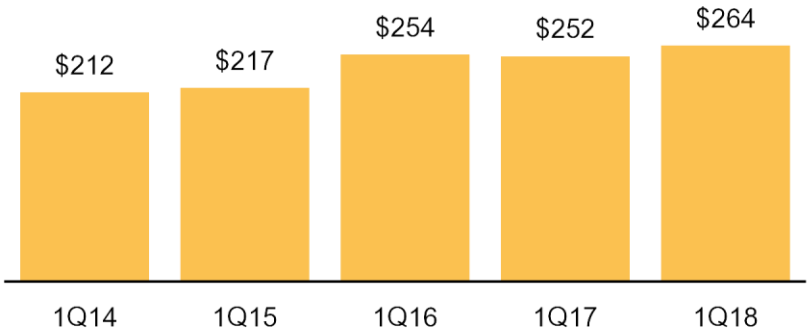
$ in Millions

Consistent 1st Quarter Production & Portfolio Diversity

Rolling 5 Quarter Loan Originations



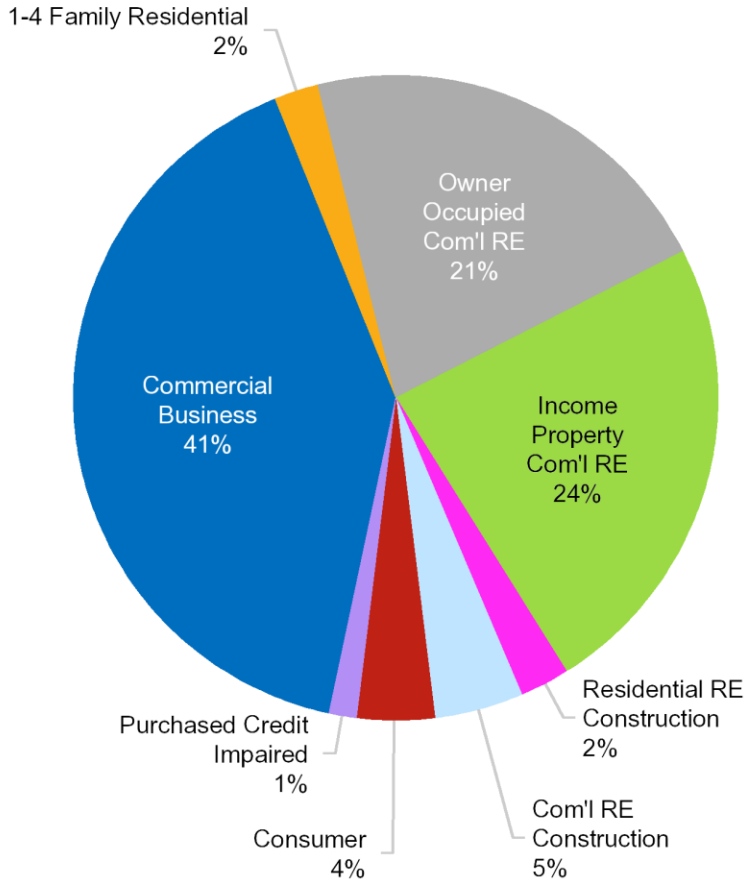
1st Quarter Loan Originations



$ in Millions

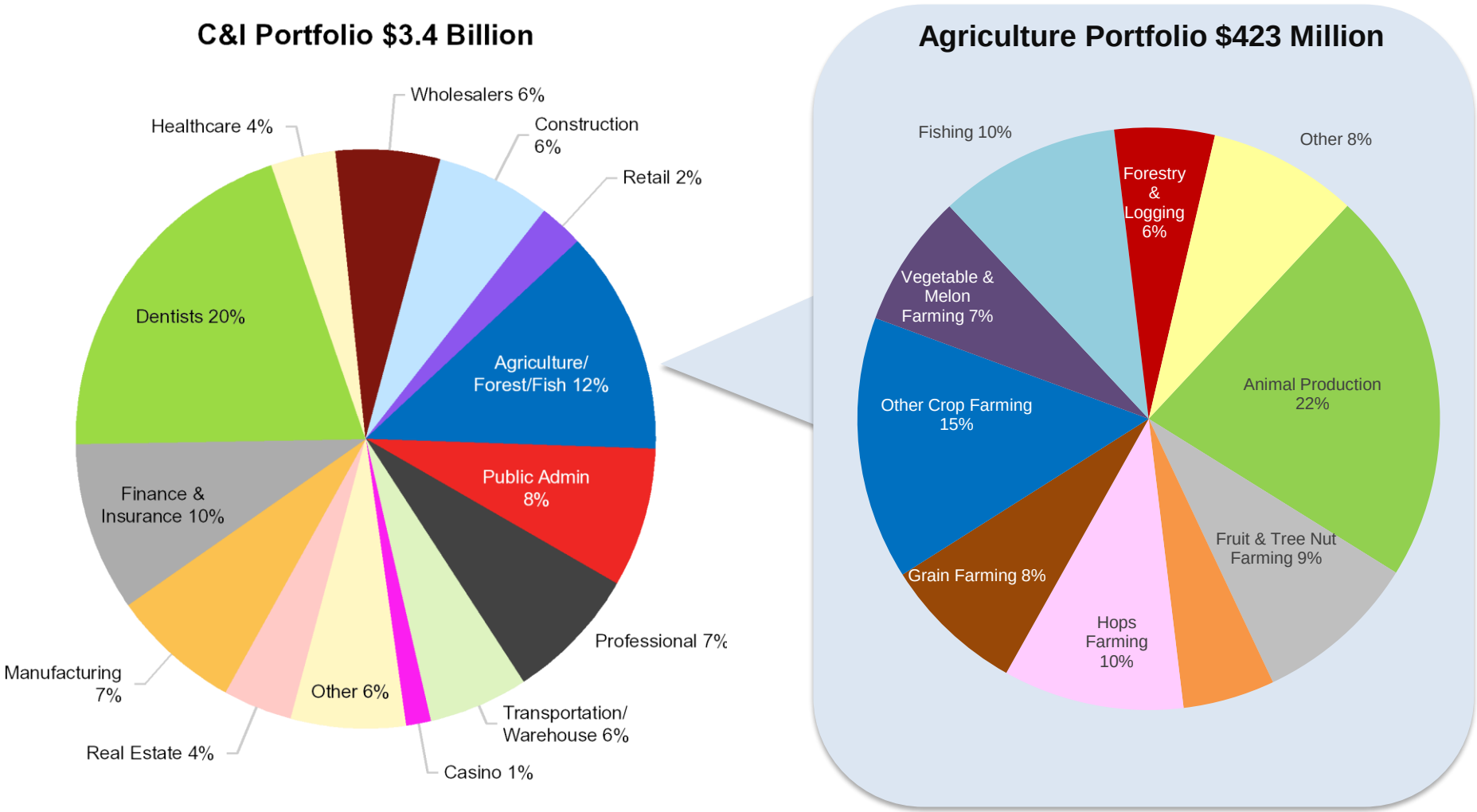
Total Loan Portfolio $8.3 Billion

Organic growth over the past 12 months = 4%



As of March 31, 2018

Well Diversified C&I Loan Portfolio

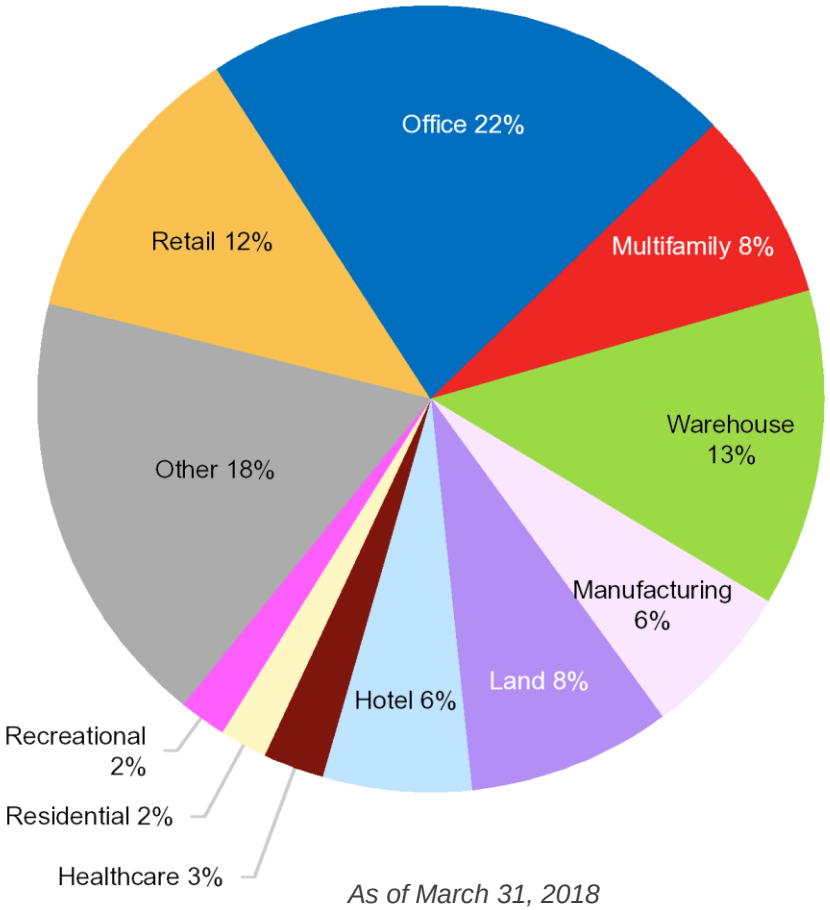


As of March 31, 2018

Balanced CRE Loan Portfolio

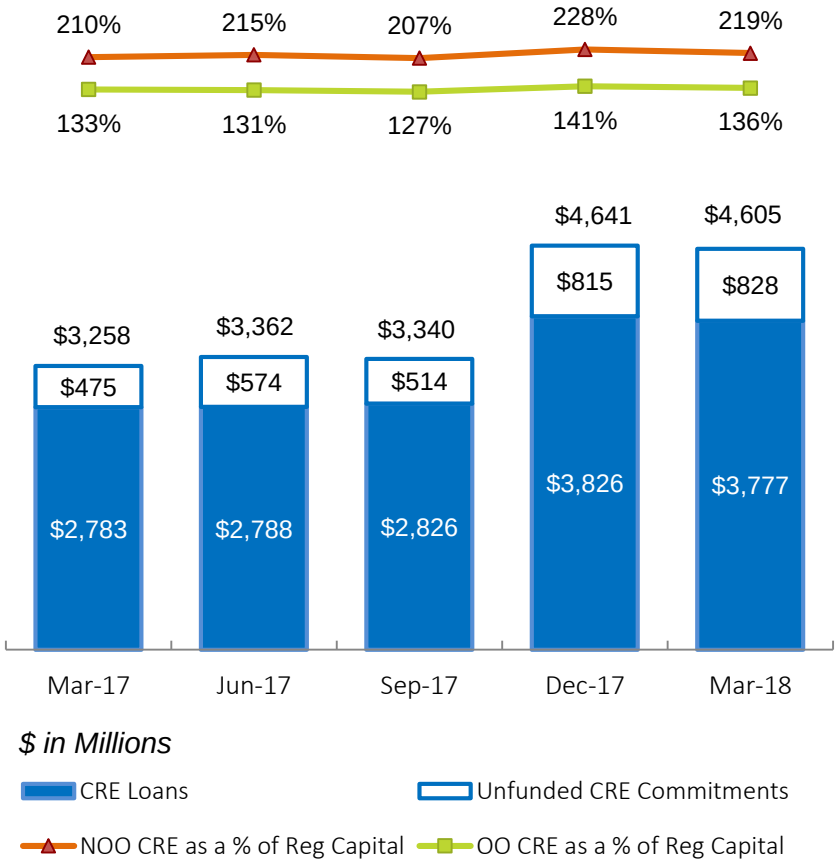
CRE Portfolio $3.8 Billion

Balanced with 52% Income Property
and 48% Owner-occupied

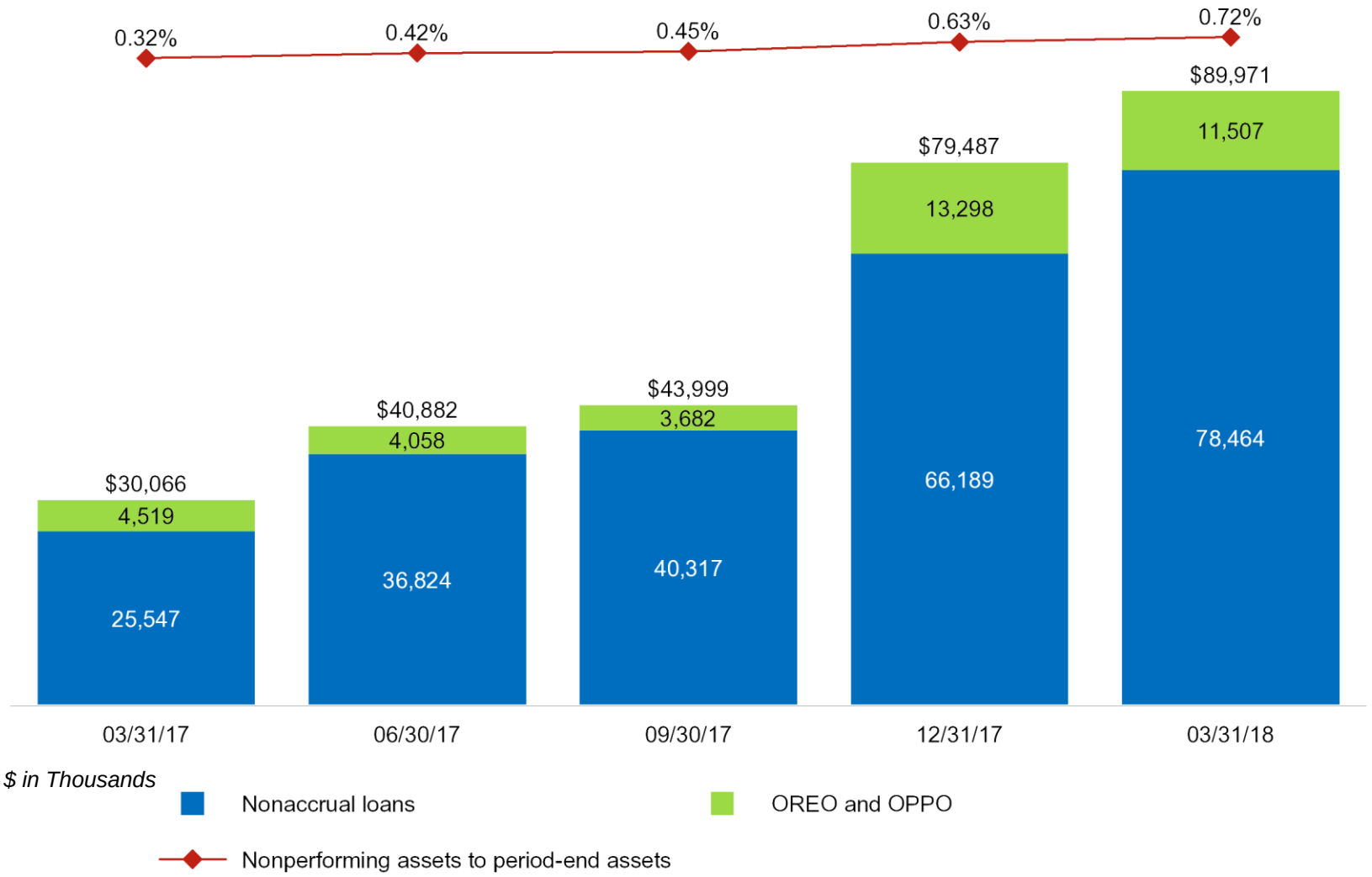


As of March 31, 2018

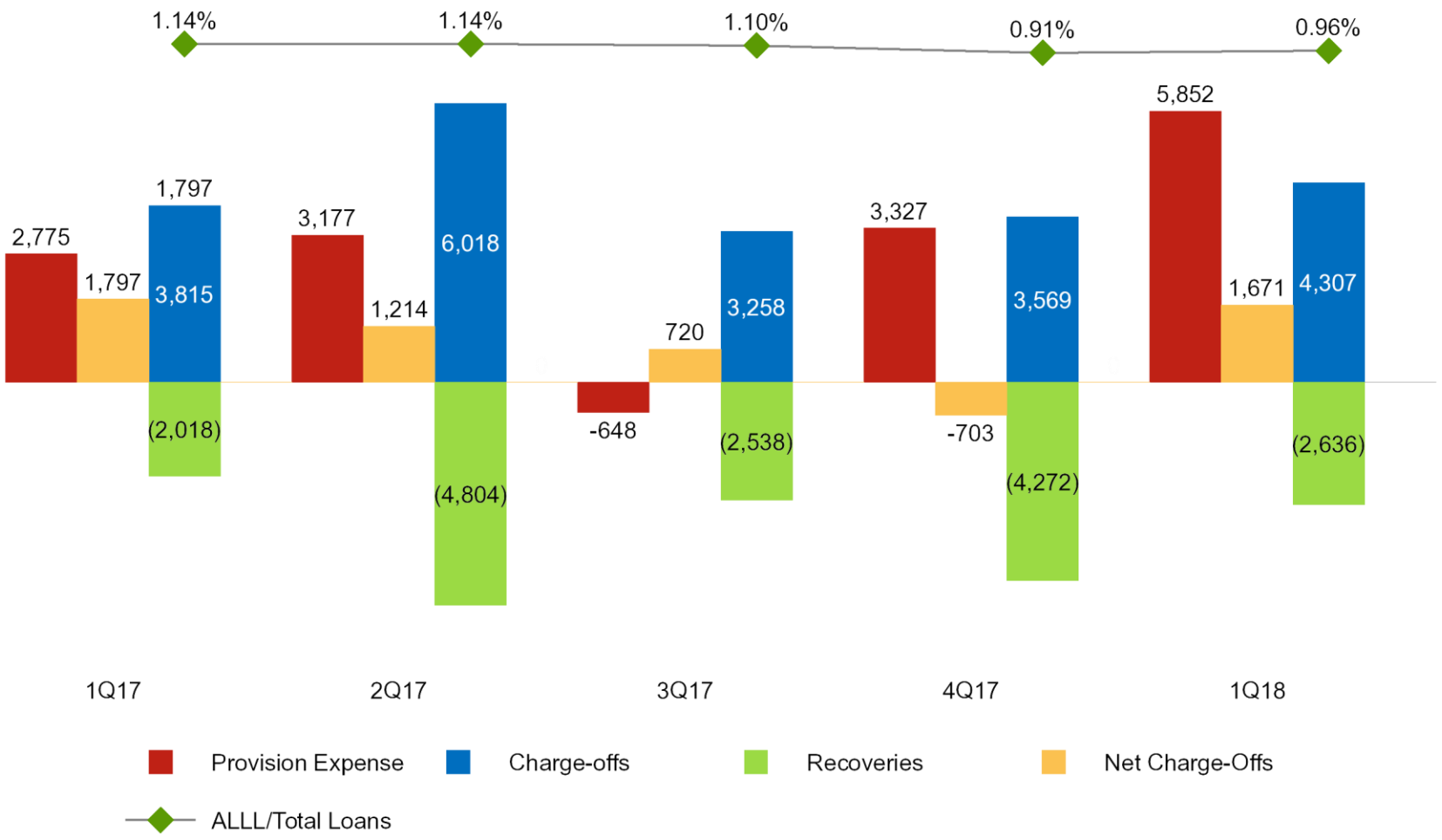
Consistent CRE Coverage



Nonperforming Assets

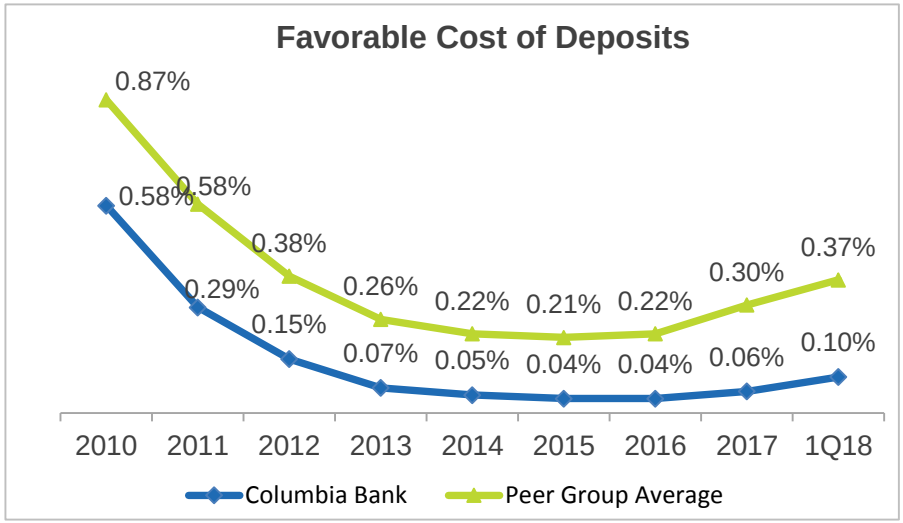


ALLL Components



$ in Thousands

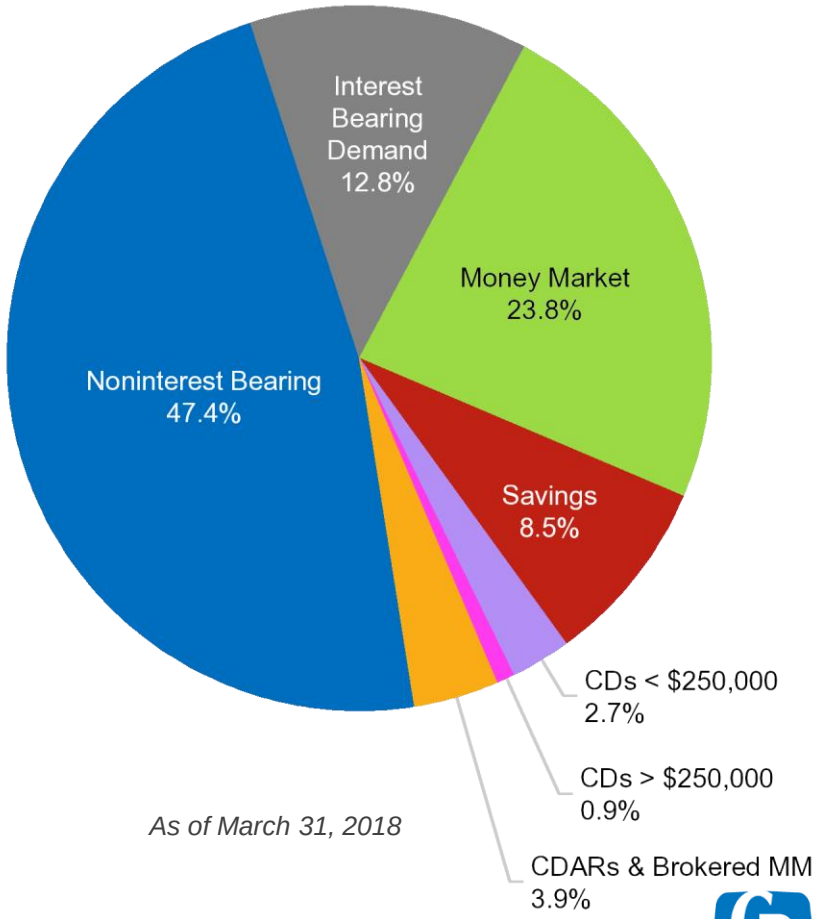
Diversified, Relationship Centered Deposit Base



Deposit Market Share Growth Northwest (Washington, Oregon & Idaho)				
2017 Rank	Institution (HQ State)	2017 Deposits ($ Millions)	2017 Market Share*	Growth since 2016
1	Bank of America (NC)	$44,031	17.28%	+0.13%
2	Wells Fargo (CA)	36,457	14.31%	-0.42%
3	U.S. Bank (MN)	36,306	14.25%	-0.07%
4	JP Morgan Chase (NY)	25,191	9.88%	+0.63%
5	Key Bank (OH)	16,913	6.64%	+0.13%
6	Umpqua Bank (OR)	13,283	5.21%	-0.19%
7	**Columbia Bank + Pacific Continental**	**10,191**	**4.00%**	**+0.76%**
8	Washington Federal (WA)	7,941	3.12%	-0.17%
9	Banner Bank (WA)	6,700	2.63%	+0.06%
10	Washington Trust (WA)	4,867	1.91%	+0.02%

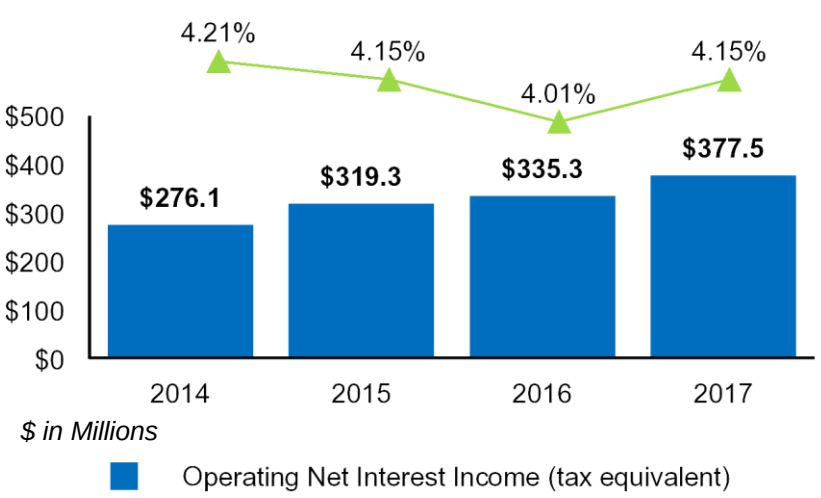
*Source FDIC Deposit Report as of 6/30/2017

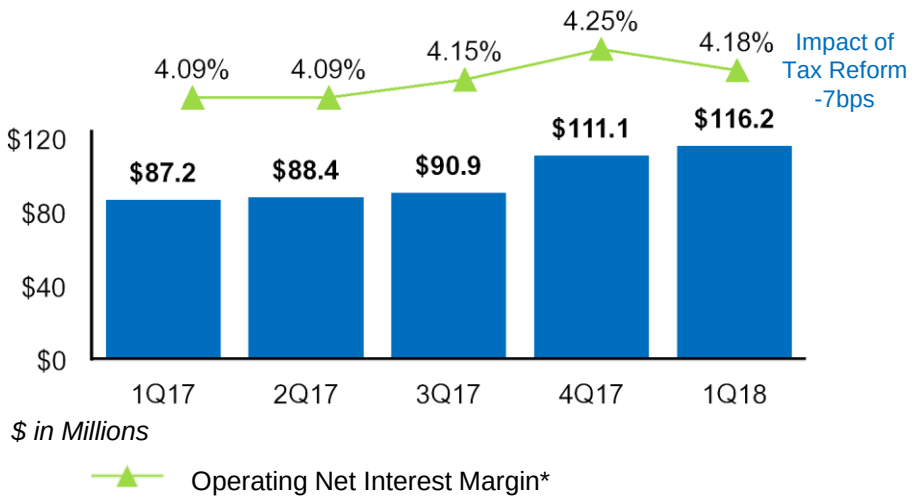
57% Business & 43% Consumer
Core deposit ratio = 95%

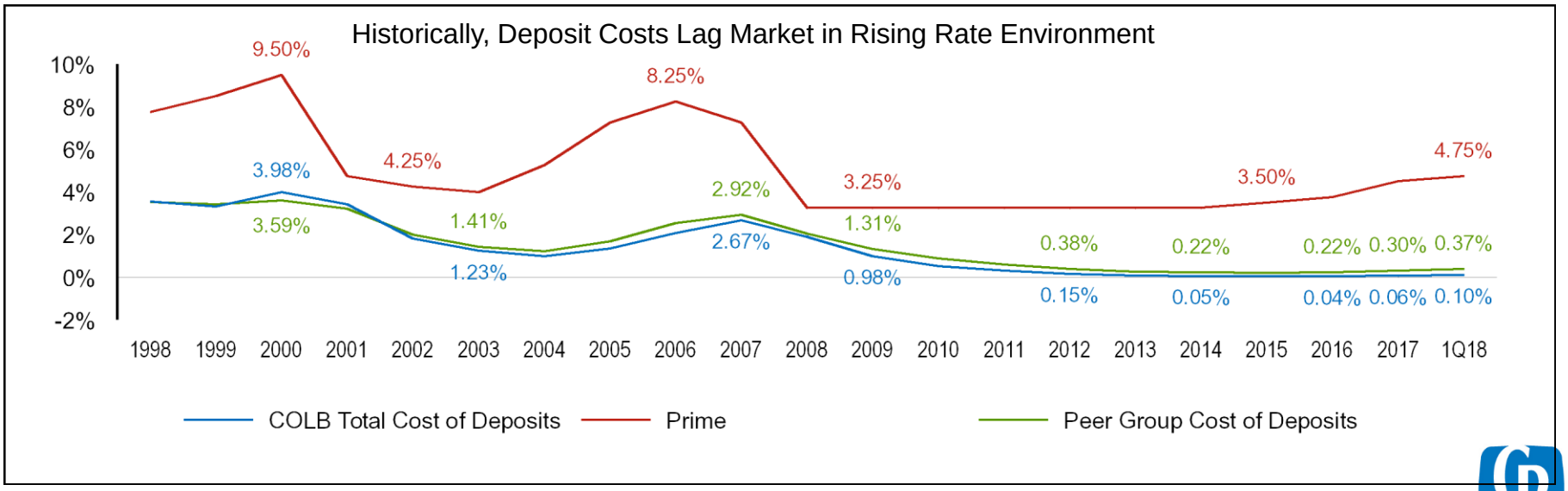


As of March 31, 2018

Expanding Operating Net Interest Margin *

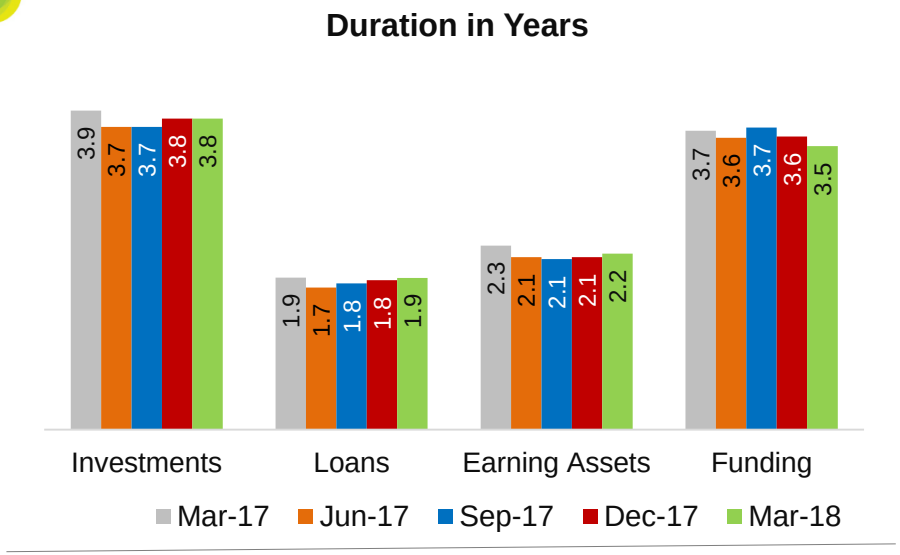


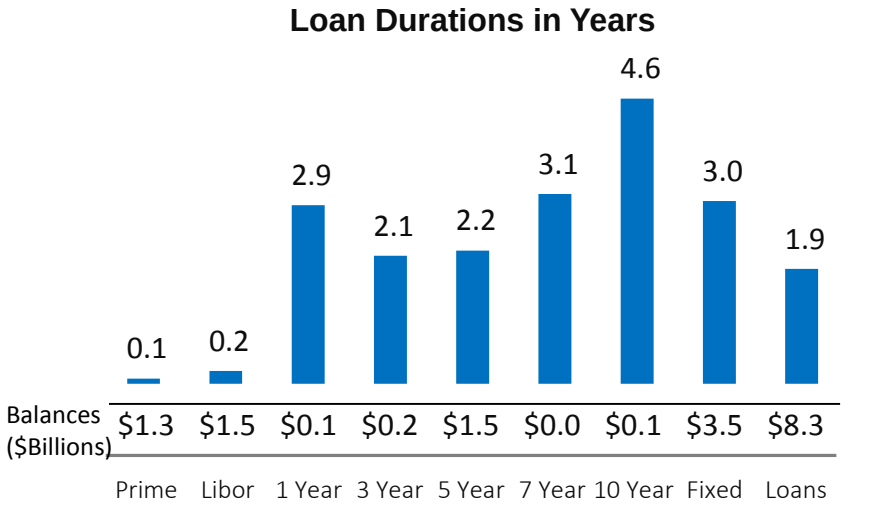




*Operating net interest margin is a non-GAAP financial measure. Refer to end of presentation for additional information.

Interest Rate Sensitivity





- Asset and liability durations are estimates
- Variable rate of 1, 3 5, 7 and 10 represent FHLB, swap or US Treasury rate indexes
- Loan balances exclude allowances, premiums/discounts

- Variable rate repricing by months to reprice:

<=12M	13-23	24-35	36-59	>60
$251MM	$200MM	$306MM	$783MM	$270MM

- Net interest income sensitivity is estimated based on a stable balance sheet, internal prepayment and loan pricing assumptions, decay rates and deposit betas. The percentage change from base scenario for the next 12 months are shown below:

-100 bp	+100 bp	+200 bp
-6.8%	+3.5%	+6.7%

- Deposit durations are effective durations and are based on estimated decay rates and deposit rate betas. The decay rate approximates 17%. Betas approximate 5% for savings, 50% to 75% for money market and interest checking and 55% for time deposits.

Loan Repricing Detail	Dec-17	Mar-18	Dec-17	Mar-18
Fixed	$3,526,003	$3,575,381	42%	42%
Prime	1,381,637	1,343,803	16%	16%
1 Month LIBOR	1,393,168	1,406,520	17%	17%
3 Month LIBOR	148,186	133,816	2%	2%
1 Year	108,480	101,658	1%	1%
Variable-1 Year or Less	3,031,471	2,985,797	36%	36%
3 Year	201,922	195,981	2%	2%
5 Year	1,478,244	1,450,764	18%	18%
7 Year	23,193	22,918	0%	0%
10 Year	140,729	140,051	2%	2%
Variable-Greater than 1 Yr	1,844,088	1,809,713	22%	22%
Total	**$8,401,562**	**$8,370,891**	**100%**	**100%**

Selected Balance Sheet & Ratios

$ in Millions	1Q18	4Q17	3Q17	2Q17	1Q17
Total Assets	$12,531	$12,717	$9,815	$9,685	$9,527
Securities, Including Equity Securities & FHLB Stock	2,641	2,753	2,218	2,281	2,342
Loans, Net of unearned Income	8,340	8,359	6,512	6,423	6,228
Allowance for Loan & Leases Losses	80	76	72	73	71
Goodwill & Other Intangibles	821	824	397	398	399
Core Deposits	9,897	10,040	7,999	7,722	7,795
Deposits	10,396	10,532	8,342	8,072	8,089
Total Shareholders' Equity	1,948	1,950	1,328	1,297	1,275
Ratios:					
ROAA	1.27%	0.54%	1.68%	1.13%	1.23%
ROAE	8.20%	3.59%	12.32%	8.38%	9.26%
ROATCE*	15.08%	6.37%	17.93%	12.46%	13.96%
Loans/Deposits	80%	79%	78%	80%	77%
Core Deposit Ratio	95%	95%	96%	96%	96%
Tangible Common Equity*	9.63%	9.47%	9.89%	9.69%	9.60%

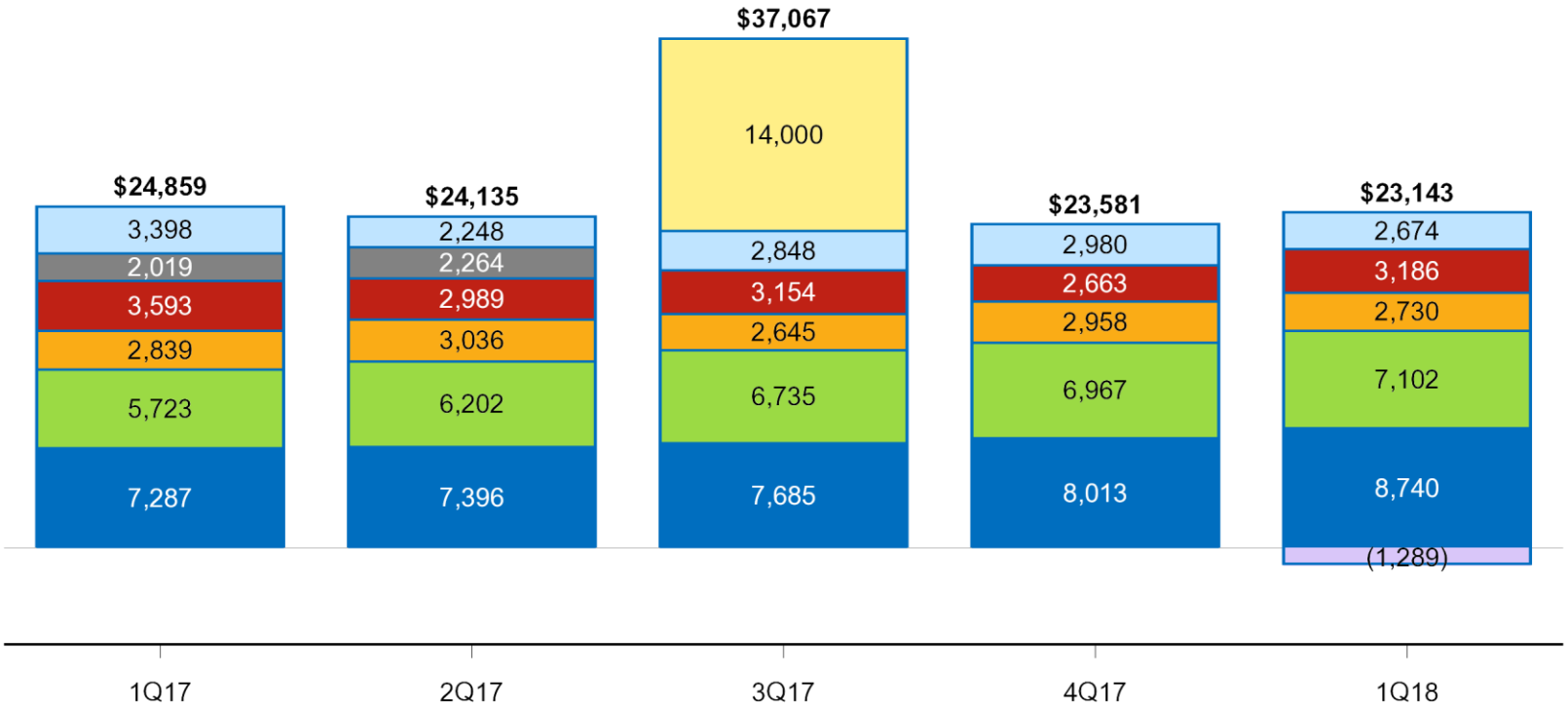
*ROATCE and Tangible Common Equity ratios are non-GAAP measures. Refer to end of presentation for additional information.

Summary Income Statement

$ in Thousands (except EPS)	1Q18	4Q17 [2]	3Q17	2Q17	1Q17
Net Interest Income	$115,481	$106,224	$88,929	$86,161	$86,675
Provision for Loan Losses	5,852	3,327	(648)	3,177	2,775
Net Int Inc after Provision	**109,629**	**102,897**	**89,577**	**82,984**	**83,900**
Noninterest Income	23,143	23,581	37,067	24,135	24,859
Noninterest Expense	85,987	85,627	67,537	68,867	68,986
Pre-tax Net Income	**46,785**	**40,851**	**59,107**	**38,252**	**39,773**
Provision for Income Taxes	6,815	25,123	18,338	11,120	10,574
Net Income	**$39,970**	**$15,728**	**$40,769**	**$27,132**	**$29,199**
EPS (Diluted)	$0.55	$0.23	$0.70	$0.47	$0.50
Acquisition Related Costs[1]	*$4,265*	*$13,638*	*$1,171*	*$1,023*	*$1,364*

[1] Acquisition Related Costs are included in Noninterest Expense, above.
[2] PCB acquisition closed November 1, 2017; therefore, 4Q17 contains only two months of combined activity.

Non-Interest Income

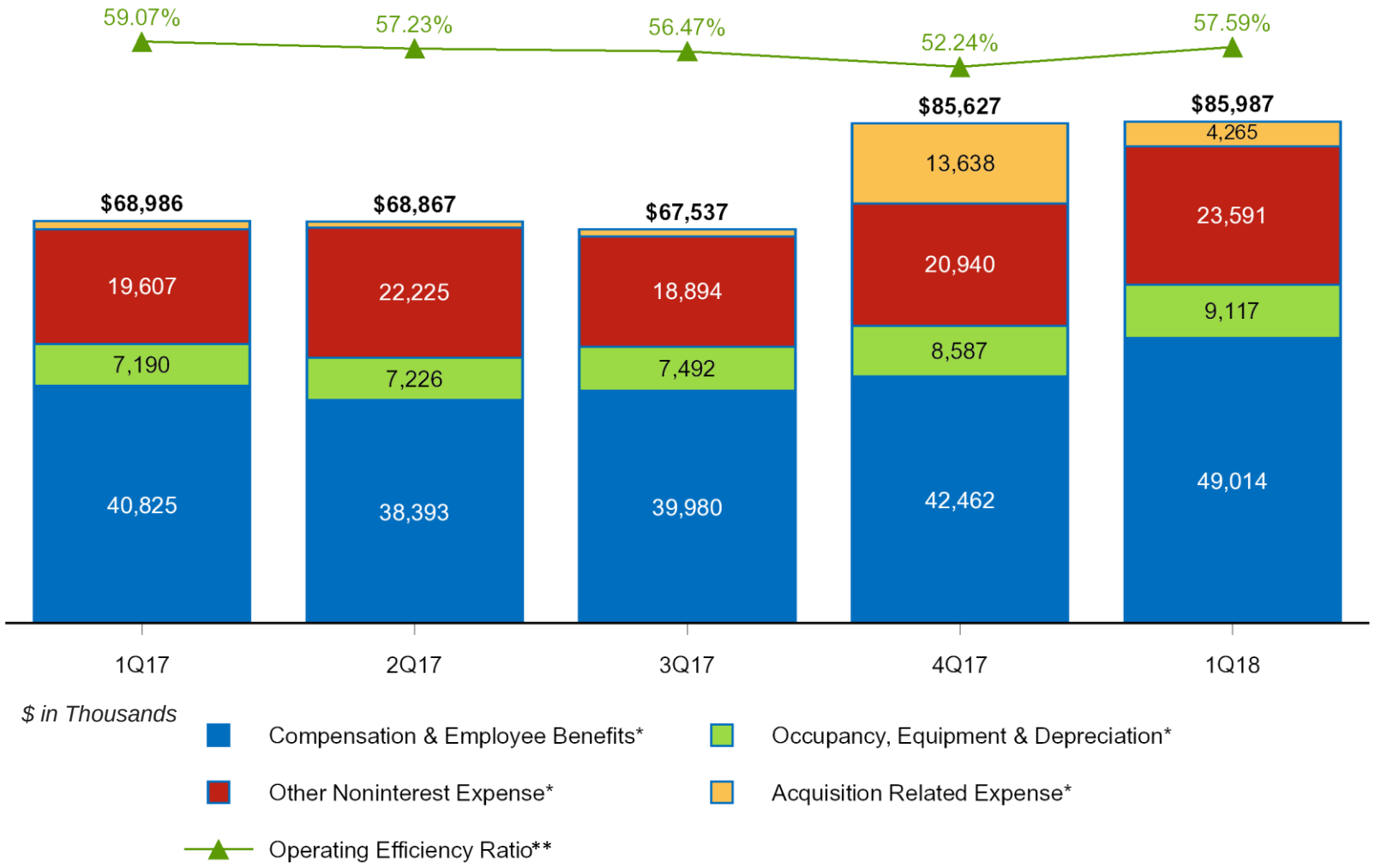


$ in Thousands

- Deposit Account & Treasury Management Fees
- Network Fees netted from Card Revenue*
- Card Revenue gross of Network Fees*
- Financial Services & Trust Revenue
- Loan Revenue
- Merchant Processing Revenue
- Other Noninterest Income
- Gain on Sale of Merchant Card Services Portfolio

*Beginning in 2018, network fees are netted against Card Revenue in noninterest income. Prior to 2018, network fees were presented in noninterest expense.

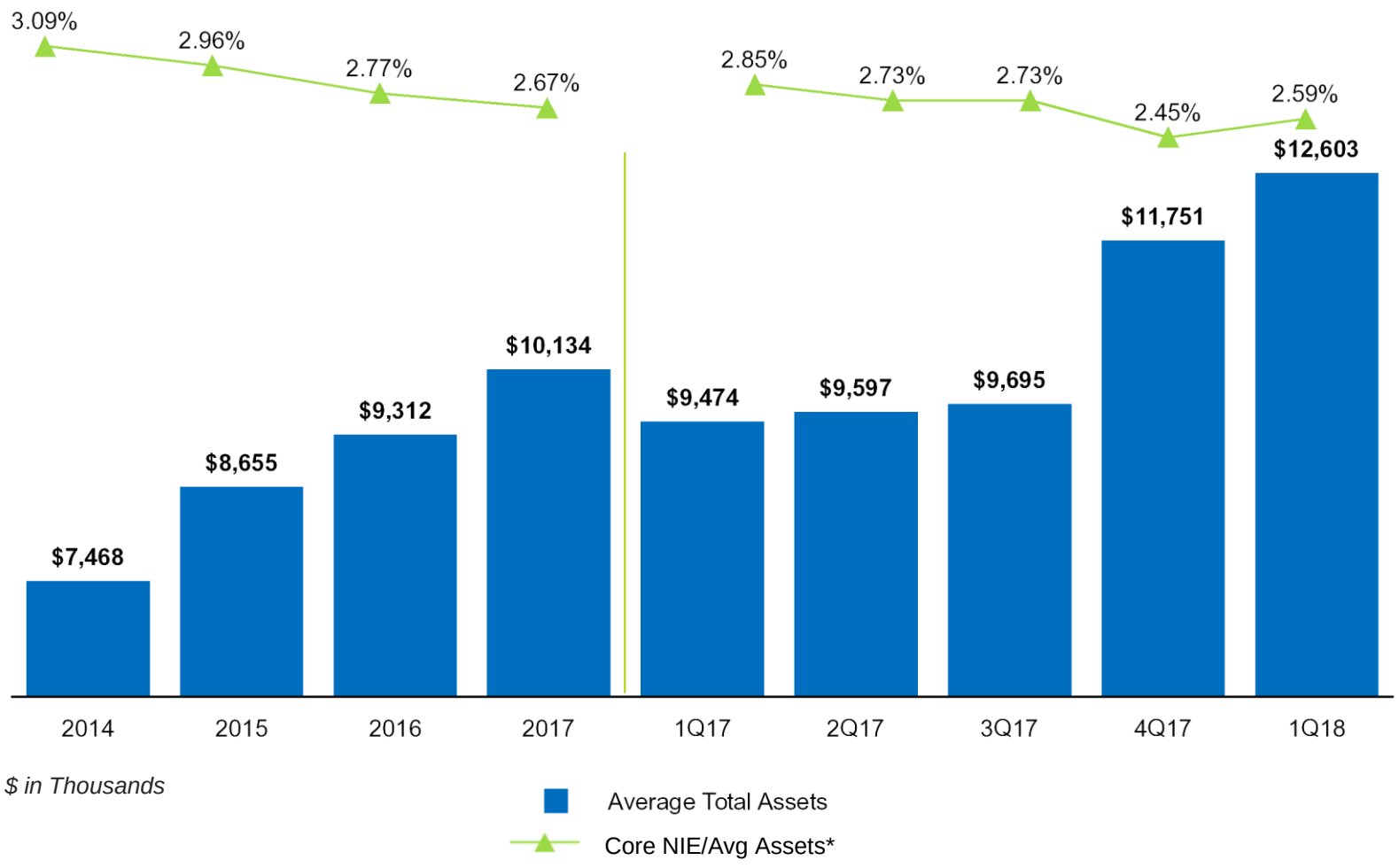
Non-Interest Expense and Operating Efficiency Ratio**



*Acquisition Related Expense is excluded from individual expense groups and shown in aggregate. Individual expense groups excluding acquisition expenses are non-GAAP measures. Refer to end of presentation for more information.

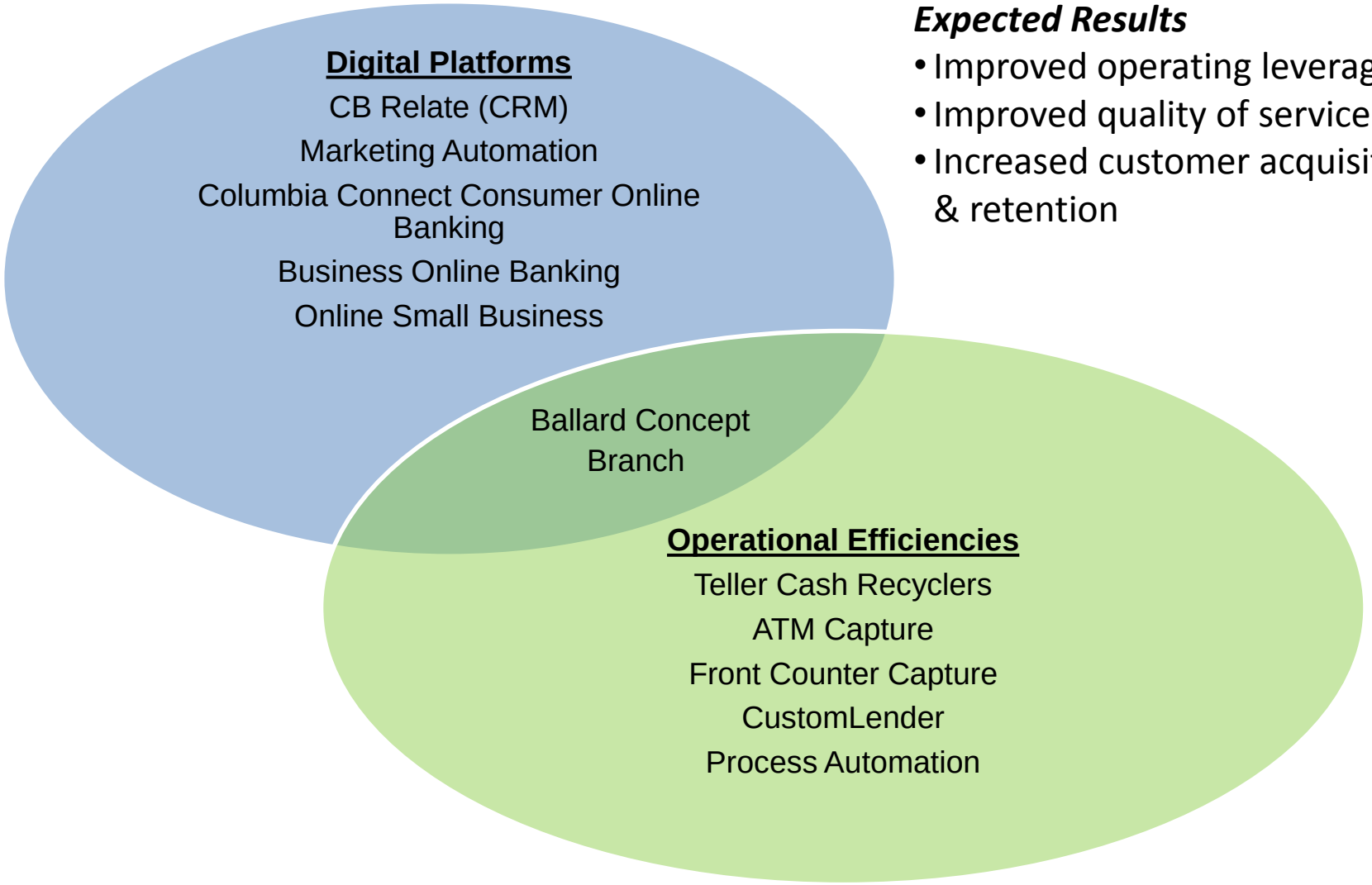
**Operating Efficiency Ratio is a non-GAAP measure. Refer to end of presentation for more information.

Favorable Trend in Expense Management



*Core NIE/Average Total Assets is a non-GAAP measure. Refer to end of presentation for more information.

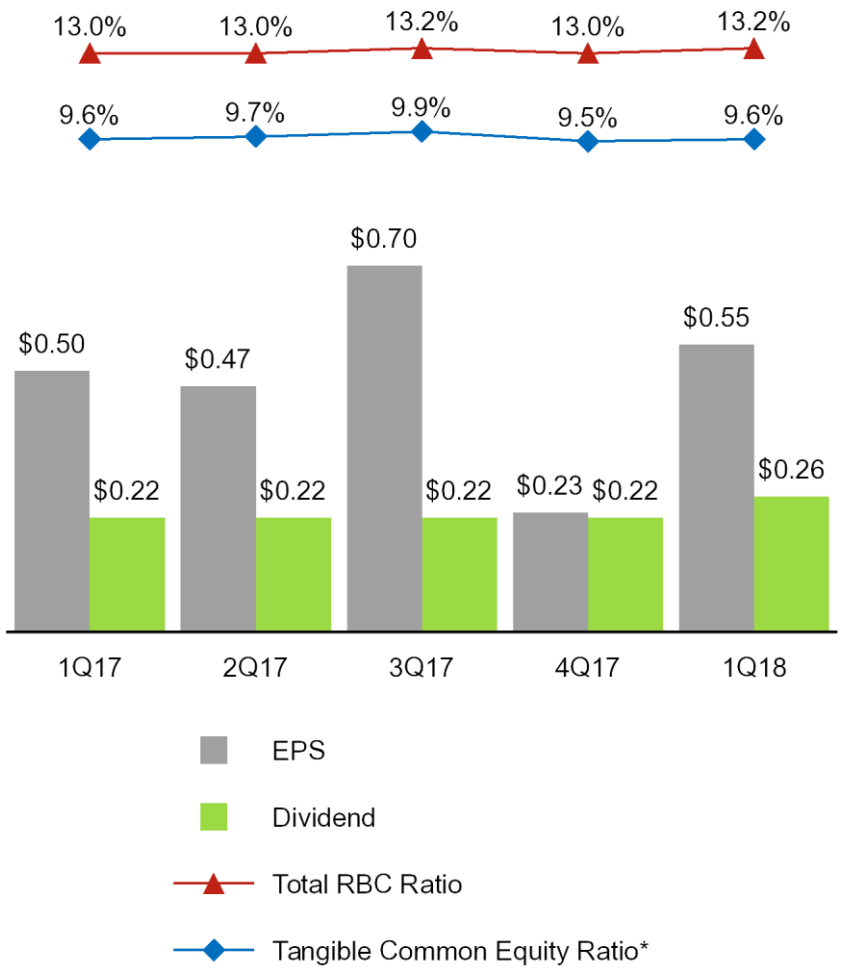
Technology Investing for the Future

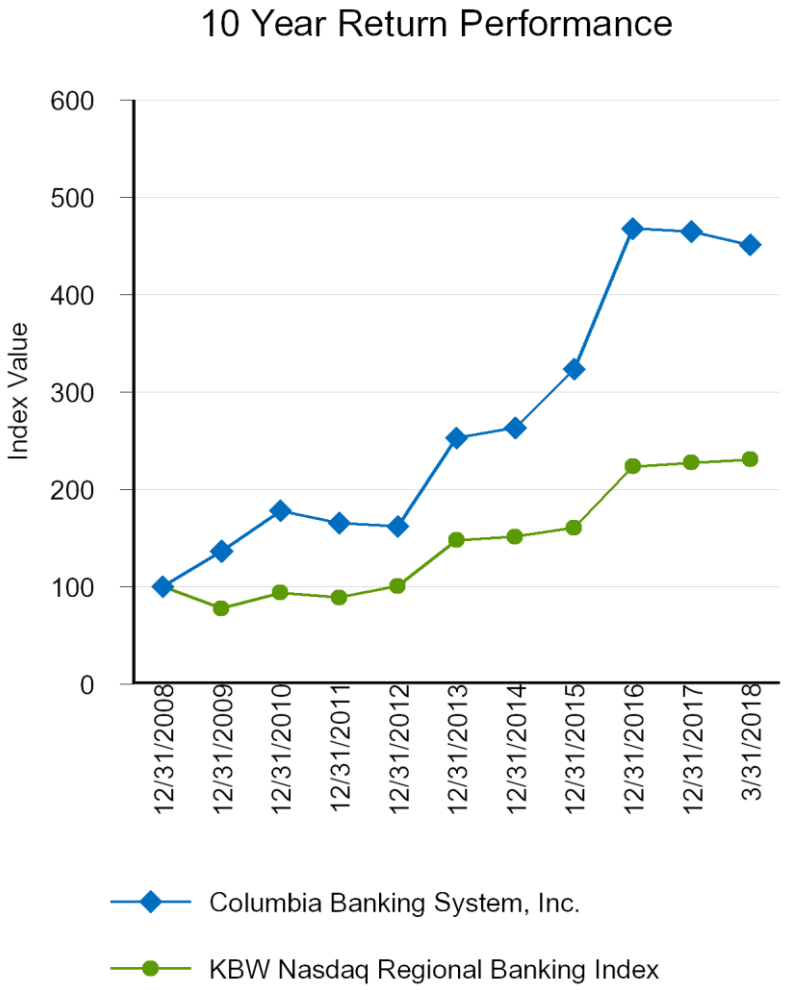


Expected Results

- Improved operating leverage
- Improved quality of service
- Increased customer acquisition & retention

Strong Capital, Dividend Payouts & Total Return





*Tangible Common Equity Ratio is a non-GAAP measure. Refer to end of presentation for additional information.

Columbia – An Award-Winning Company

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BEST

2017 WASHINGTON'S BEST WORKPLACES

BEST OF THE SOUTH SOUND 2017

PORTLAND BUSINESS JOURNAL

OREGON'S 2016 MOST ADMIRED COMPANIES

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2016 best of the MID-VALLEY

Silver Winner

COMMUNITY IMPACT AWARDS 2016

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CORPORATE CITIZENSHIP

Ballard **Neighbor**Hub – Opening May 2018



- Inviting space designed to support relationship building conversation and consultation
- Seamless digital to physical integration – new apps and tablets provide wireless service throughout the space
- Flexible space designed to bring clients and community in for after-hours events

Hadley S. Robbins
President & Chief Executive Officer

Clint E. Stein
Chief Operating Officer

Andy McDonald
Chief Credit Officer

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Non-GAAP Financial Measures

Net Interest Margin *$ in Thousands*	2014	2015	2016	2017	1Q17	2Q17	3Q17	4Q17	1Q18
Net interest income (tax equivalent) (1)	$312,146	$334,548	$344,425	$380,107	$89,518	$89,075	$91,887	$109,627	$117,359
Adjustments to arrive at operating net interest income (tax equivalent):									
Incremental accretion income on FDIC purchased credit impaired loans	(20,224	(9,096	(5,972	(4,107	(2,117	(753	(972	(265	(329
Incremental accretion income: Other FDIC acquired loans (2)	(484	(234	—	—	—	—	—	—	—
Incremental accretion income on other acquired loans	(21,093	(17,862	(11,983	(8,689	(1,948	(2,356	(1,903	(2,482	(3,370
Premium amortization on acquired securities	7,123	10,217	7,738	6,636	1,462	1,669	1,527	1,978	2,075
Correction of immaterial error - securities premium amortization	(2,622	—	—	1,771	—	—	—	1,771	—
Interest reversals on nonaccrual loans	1,291	1,713	1,072	1,766	265	747	311	443	417
Operating net interest income (tax equivalent) (1)	$276,137	$319,286	$335,280	$377,484	$87,180	$88,382	$90,850	$111,072	$116,152
Average Earning Assets	6,561,047	7,685,734	8,363,309	9,098,276	8,520,291	8,651,735	8,750,561	10,453,097	11,122,753
Net Interest Margin *(tax equivalent)*	4.76%	4.35%	4.12%	4.18%	4.20%	4.12%	4.20%	4.20%	4.22%
Operating Net Interest Margin *(tax equivalent)*	4.21%	4.15%	4.01%	4.15%	4.09%	4.09%	4.15%	4.25%	4.18%

(1) Tax-exempt interest income has been adjusted to a tax equivalent basis.
(2) Effective 1/1/2016, incremental accretion income on other FDIC acquired loans is no longer considered significant and is no longer tracked for non-GAAP financial measures.

NIE/Average Assets *$ in Thousands*	2014	2015	2016	2017	1Q17	2Q17	3Q17	4Q17	1Q18
Reported Noninterest Expense	$239,286	$266,149	261,142	291,017	68,986	68,867	67,537	85,627	85,987
- FDIC Clawback (Expense)/Recap	(294)	(979)	(280)	54	54	—	—	—	—
- Acquisition Related Costs	(9,432)	(10,917)	(2,727)	(17,196)	(1,364)	(1,023)	(1,171)	(13,638)	(4,265)
- OREO/OPPO Expense, Net	1,182	1,724	(544)	(466)	(150)	1	(271)	(46)	4
- Term of FDIC Loss Sharing Agreement	—	—	—	(2,409)	—	(2,409)	—	—	—
Core Noninterest Expense	$230,742	$255,977	$257,591	$271,000	$67,526	$65,436	$66,095	$71,943	$81,726
Average Assets	7,468,091	8,655,243	9,311,621	10,134,306	9,473,698	9,597,274	9,695,005	11,751,049	12,603,144
Noninterest Expense/Average Assets	3.20%	3.08%	2.80%	2.87%	2.91%	2.87%	2.79%	2.91%	2.73%
Core NIE/Average Assets	3.09%	2.96%	2.77%	2.67%	2.85%	2.73%	2.73%	2.45%	2.59%

Tangible Common Equity *$ in Thousands*	1Q17	2Q17	3Q17	4Q17	1Q18
Total Shareholders' Equity	1,275,343	1,297,314	1,328,428	1,949,922	1,947,923
- Preferred Equity	—	—	—	—	—
- Goodwill	(382,762)	(382,762)	(382,762)	(765,842)	(765,842)
- Other Intangible Assets, net	(16,282)	(15,033)	(13,845)	(58,173)	(54,985)
Tangible Common Equity	$ 876,299	$ 899,519	$ 931,821	$ 1,125,907	$ 1,127,096
Total Assets	$ 9,527,272	$ 9,685,110	$ 9,814,578	$ 12,716,886	$ 12,530,636
Goodwill	(382,762)	(382,762)	(382,762)	(765,842)	(765,842)
- Other Intangible Assets, net	(16,282)	(15,033)	(13,845)	(58,173)	(54,985)
Tangible Assets	$ 9,128,228	$ 9,287,315	$ 9,417,971	$ 11,892,871	$ 11,709,809
Tangible Common Equity Ratio	9.60%	9.69%	9.89%	9.47%	9.63%

ROATCE *$ in Thousands*	1Q17	2Q17	3Q17	4Q17	1Q18
Net Income	$ 29,199	$ 27,132	$ 40,769	$ 15,728	$ 39,970
- Preferred Dividends	—	—	—	—	—
Net Inc Applicable to Common Shareholders	29,199	27,132	40,769	15,728	39,970
+ Amortization of Intangibles	1,349	1,249	1,188	2,547	3,188
- Tax Effect on Intangible Amort	(472)	(437)	(416)	(891)	(669)
Adjusted Net Inc	30,076	27,944	41,541	17,384	42,489
Avg Shareholders' Equity	$ 1,261,652	$ 1,295,564	$ 1,323,794	$ 1,754,745	$ 1,949,275
- Avg Preferred Equity	(271)	—	—	—	—
- Average Intangibles	(399,672)	(398,385)	(397,160)	(662,814)	(822,376)
Adjusted Avg Common Shareholders' Equity	861,709	897,179	926,634	1,091,931	1,126,899
Return on Average Tangible Common Shareholders' Equity	13.96%	12.46%	17.93%	6.37%	15.08%

Non-GAAP Financial Measures

Operating Efficiency Ratio $ in Thousands	1Q17	2Q17	3Q17	4Q17	1Q18
Noninterest expense (numerator A)	$ 68,986	$ 68,867	$ 67,537	$ 85,627	$ 85,987
Adjustments to arrive at operating noninterest expense:					
Acquisition-related expenses	(1,364)	(1,023)	(1,171)	(13,638)	(4,265)
Net benefit (cost) of operation of OREO and OPPO	(150)	1	(271)	(46)	4
FDIC clawback liability recovery	54	—	—	—	—
Loss on asset disposals	(6)	(8)	—	(56)	—
Termination of FDIC loss share agreements charge	—	(2,409)	—	—	—
State of Washington Business and Occupation ("B&O") taxes	(1,123)	(642)	(1,394)	(1,167)	(1,317)
Operating noninterest expense (numerator B)	$ 66,397	$ 64,786	$ 64,701	$ 70,720	$ 80,409
Net interest income (tax equivalent) (1)	$ 89,518	$ 89,075	$ 91,887	$ 109,627	$ 117,359
Noninterest income	24,859	24,135	37,067	23,581	23,143
Bank owned life insurance tax equivalent adjustment	689	772	695	741	379
Total revenue (tax equivalent) (denominator A)	115,066	113,982	129,649	133,949	140,881
Operating net interest income (tax equivalent) (1)	87,180	88,382	90,850	111,072	116,152
Adjustments to arrive at operating noninterest income (tax equivalent):					
Investment securities gains (loss), net	$ —	$ —	$ —	$ 11	$ (22)
Gain on asset disposals	(29)	(256)	(38)	(34)	(35)
Mortgage loan repurchase liability adjustment	(573)	—	—	—	—
Change in FDIC loss-sharing asset	274	173	—	—	—
Gain on sale of merchant card services portfolio	—	—	(14,000)	—	—
Operating noninterest income (tax equivalent)	25,220	24,824	23,724	24,299	23,465
Total operating revenue (tax equivalent) (denominator B)	$ 112,400	$ 113,206	$ 114,574	$ 135,371	$ 139,617
Efficiency ratio (tax equivalent) (numerator A/denominator A)	59.95%	60.42%	52.09%	63.93%	61.04%
Operating efficiency ratio (tax equivalent) (numerator B/denominator B)	59.07%	57.23%	56.47%	52.24%	57.59%

[1] Tax-exempt interest income has been adjusted to a tax equivalent basis.

Non-interest Expense net of Acquisition Related Expense $ in Thousands	1Q17	2Q17	3Q17	4Q17	1Q18
Compensation & Employee Benefits	$ 40,825	$ 38,393	$ 39,983	$ 50,473	$ 50,570
less: Related Acquisition Expense	—	—	(3)	(8,011)	(1,556)
Compensation & Employee Benefits net of ARC's	$ 40,825	$ 38,393	$ 39,980	$ 42,462	$ 49,014
Occupancy, Equipment & Depreciation	$ 7,191	$ 7,577	$ 8,085	$ 9,554	$ 10,121
less: Related Acquisition Expense	(1)	(351)	(593)	(967)	(1,004)
Occupancy, Equipment & Depreciation net of ARC's	$ 7,190	$ 7,226	$ 7,492	$ 8,587	$ 9,117
Total Noninterest Expense	$ 68,986	$ 68,867	$ 67,537	$ 85,627	$ 85,987
-Compensation and employee benefits	(40,825)	(38,393)	(39,983)	(50,473)	(50,570)
-Occupancy, Equipment & Depreciation	(7,191)	(7,577)	(8,085)	(9,554)	(10,121)
Other Noninterest Expense	20,970	22,897	19,469	25,600	25,296
less: Related Acquisition Expense	(1,363)	(672)	(575)	(4,660)	(1,705)
Other Noninterest Expense net of ARC's	$ 19,607	$ 22,225	$ 18,894	$ 20,940	$ 23,591
Total Acquisition Related Expense	$ 1,364	$ 1,023	$ 1,171	$ 13,638	$ 4,265