COLUMBIA BANK

BUILDING A

PREMIER

REGIONAL

COMMUNITY BANK

NASDAQ:COLB

Columbia Banking System Inc.

Q3 2019

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 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
- **Sustained track record** of driving long-term shareholder value
- **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
- **Award-winning company** that is committed to the communities it serves
- **Located in one of the top regional economies** in the U.S.
- Well on our way to achieving our goal of being **the premier regional community bank** in the **country**


WASHINGTON
OREGON
IDAHO
Bellingham
Everett
Redmond
Bellevue
Seattle
Hoodsport
Tacoma
Puyallup
Olympia
Centralia
Longview
Astoria
Cannon Beach
Vancouver
Tillamook
Lake Oswego
Canby
McMinnville
Salem
Newport
Waldport
Eugene
Madras
Redmond
Bend
White Salmon
Goldendale
Hood River
The Dalles
Hermiston
Pendleton
Walla Walla
Richland
Sunnyside
Pasco
Yakima
Mattawa
Othello
Ritzville
Spokane
Colfax
Pullman
Clarkston
Bonners Ferry
Ponderay
Sandpoint
Priest River
Rathdrum
Coeur d'Alene
Post Falls
Kellogg
Weiser
Payette
Ontario
Caldwell
Nampa
Gooding
Twin Falls
A network of 147 branches throughout the Northwest

The Strongest Economic Region in the US

- **Washington's annual GDP growth rate of 5.7% was the best in the nation in 2018. Idaho was third growing by 4.1% and Oregon was eighth growing by 3.4%**. Information services and retail trade were the leading contributors to the increase in Washington and durable goods manufacturing the leading contributor in Idaho.

- In April 2019, US News & World report ranked **Portland #8, Seattle #9 and Boise #17 in the 125 Best Places to Live in the USA** considering Job Market, Value, Quality of Life, Desirability and Net Migration. Spokane #65 and Salem #77 also made the list.

- In July 2019, CNBC's **"These are the Best Places to Live in American in 2019"** ranked **Washington State #5** based on local attractions, environmental quality, crime rates, and legal protections.

- In July 2019, Travel + Leisure World's Best Awards 2019 readers' survey recognized **Portland International Airport** as the **Best Domestic Airport** for the **7th consecutive year** (2013-2019).

- **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. **Apple** announced a new Seattle campus adding another 2,000 high tech jobs by year end. **Google** completed its purchase of about 400,000 square feet of office space across two buildings (North and Central) at the new Kirkland Urban development site in the city east of Seattle. **Facebook** just opened its 18th Seattle-area office in September 2019 and now employs more than 5,000 people across the region.

- **Diversified agriculture is a key component of the Northwest region's success**. Washington, Oregon, and Idaho together are the #1 producer of 22 key agricultural commodities. In 2018, 98% of the US Hops crop was produced in the northwest with 73% from Washington, 15% from Idaho and 12% from Oregon. Washington is the #1 producer of apples with 70% of the total US crop; Oregon is #1 for Christmas trees, hazelnuts and blackberries; Idaho is #1 for potatoes and trout.

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

- **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 the Fall of 2020.

- Military is a major driver of the Northwest economy. There are nearly 135,000 Active, Reserve, and Civilian personnel across Washington, Oregon and Idaho (June 2019).

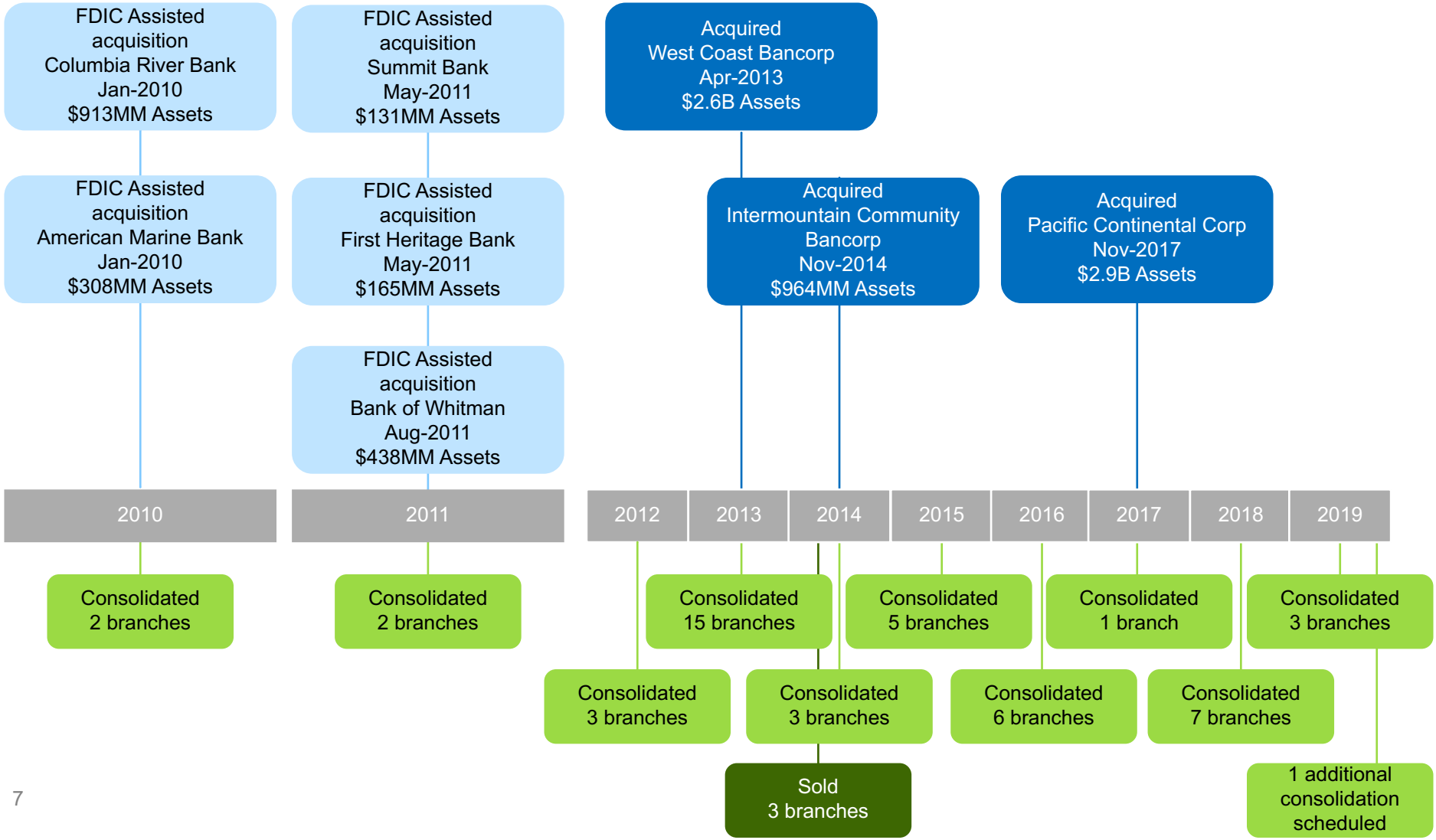
Attractive Northwest Markets

	✓ *Better Than or Equal to U.S. Average*	Seattle-Tacoma-Bellevue	Portland-Vancouver	Boise	Washington	Oregon	Idaho	United States
Demographics	Population Increase *(2010 – 2019)*	15.08%✓	12.64%✓	18.91%✓	12.60%✓	10.24%✓	12.18%✓	6.64%
	Projected Population Change *(2019-2024)*	6.85%✓	6.48%✓	7.81%✓	6.21%✓	5.83%✓	6.25%✓	3.56%
	Projected Median HH Income Change *(2019-2024)*	13.31%✓	15.70%✓	9.94%✓	13.64%✓	12.24%✓	9.93%✓	8.82%
Economics	Unemployment Rate [(1)] *(Aug 2019, MSA's Aug 2019)*	3.6%✓	4.3%	2.6%✓	4.6%	4.0%	2.9%✓	3.7%
	Home Price Index Change *12 months ending Jul 2019* *24 months ending Jul 2019* *Low in 1Q12 – Jul 2019*	-0.6% 10.8%✓ 98.6%✓	2.5% 8.3% 87.0%✓	n/a	n/a	n/a	n/a	3.1% 9.3% 58.0%

[(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

Seasoned Acquirer with Proven Integration Track Record

Over the past 10 years, completed 8 acquisitions, 3 branch sales and 47 branch consolidations

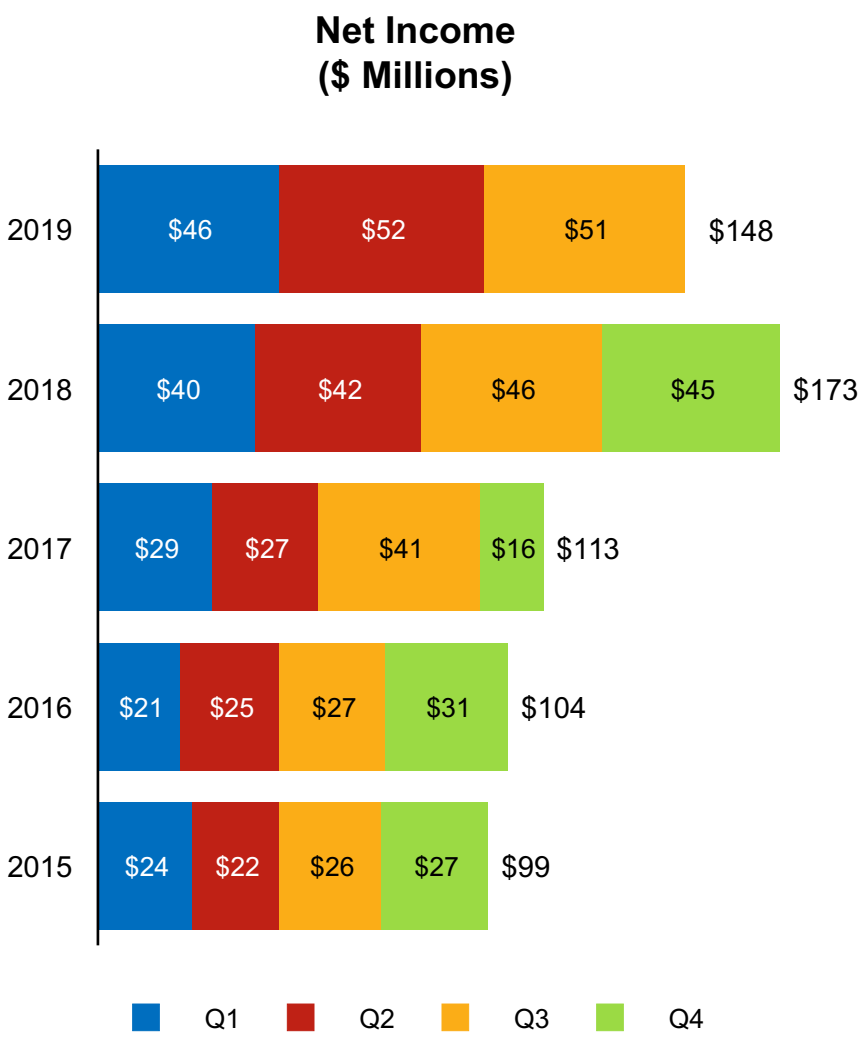


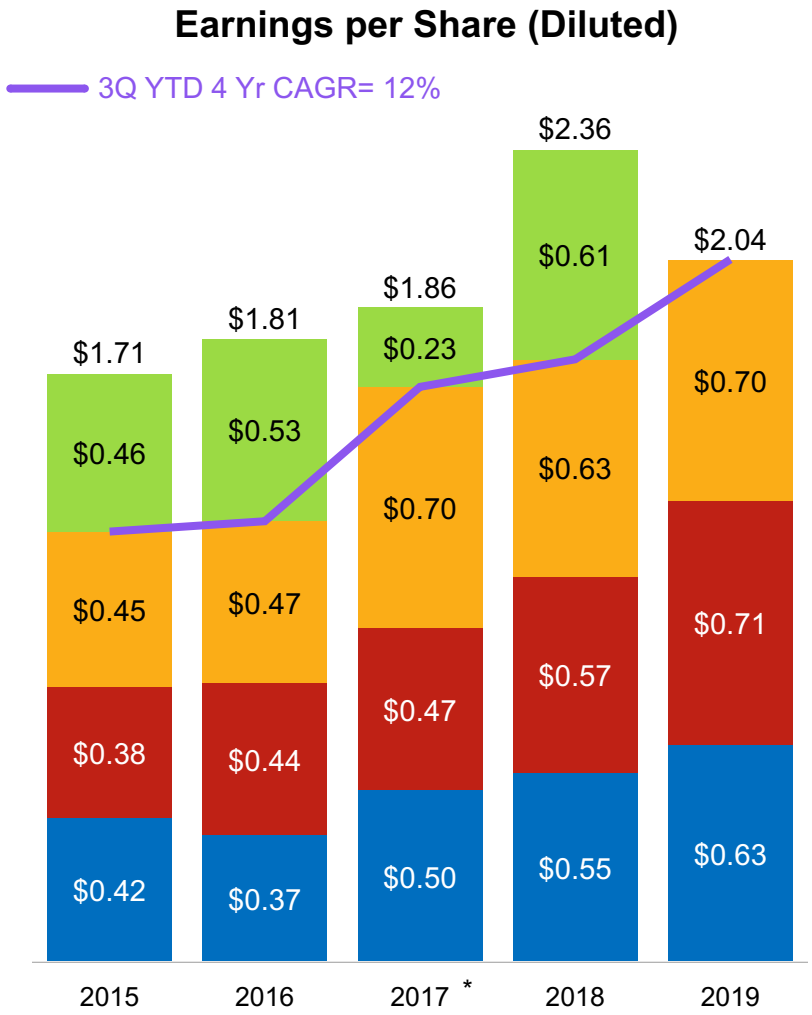
Third Quarter 2019 Highlights

- Strong quarterly net income of $50.7 million; diluted earnings per share of $0.70
- Strong third quarter loan production of $383 million, second to the third quarter record set in 2018 of $409 million
- Nonperforming assets to period end assets ratio decreased to 0.27%
- Return on Average Tangible Equity[(1)] for the quarter of 15.67%
- Repurchased 676 thousand shares of common stock during the quarter
- For the 13th consecutive year, named as one of *Puget Sound Business Journal's* Washington's Best Workplaces in 2019
- Declared a regular quarterly cash dividend of $0.28

[(1)] ROATCE is a non-GAAP measure. Refer to end of presentation for more information.

Favorable Trend of Earnings



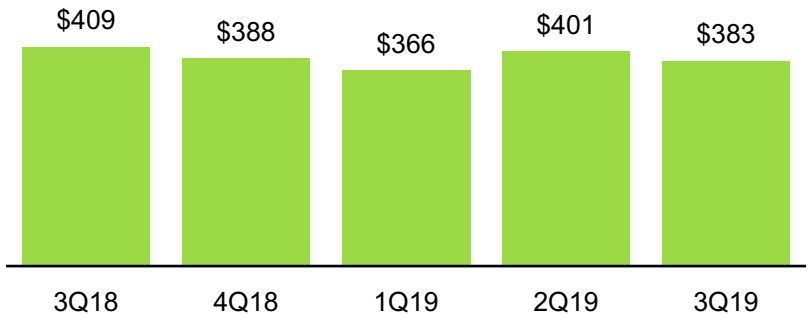


Totals may not foot due to rounding

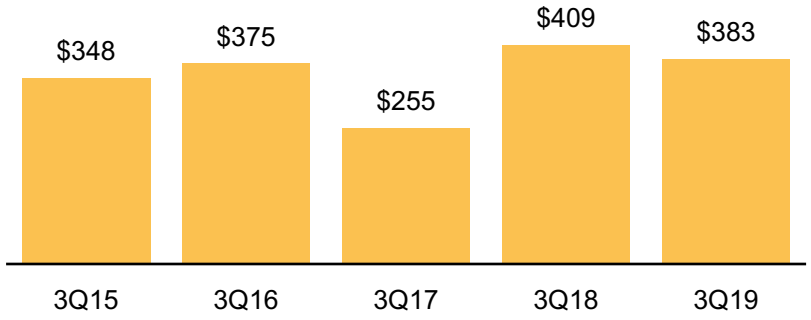
*Due to averaging of shares, quarterly earnings per share does not add up to the total reported for the full year.

Total Loans, Net of Unearned Income

Rolling 5 Quarter Loan Production

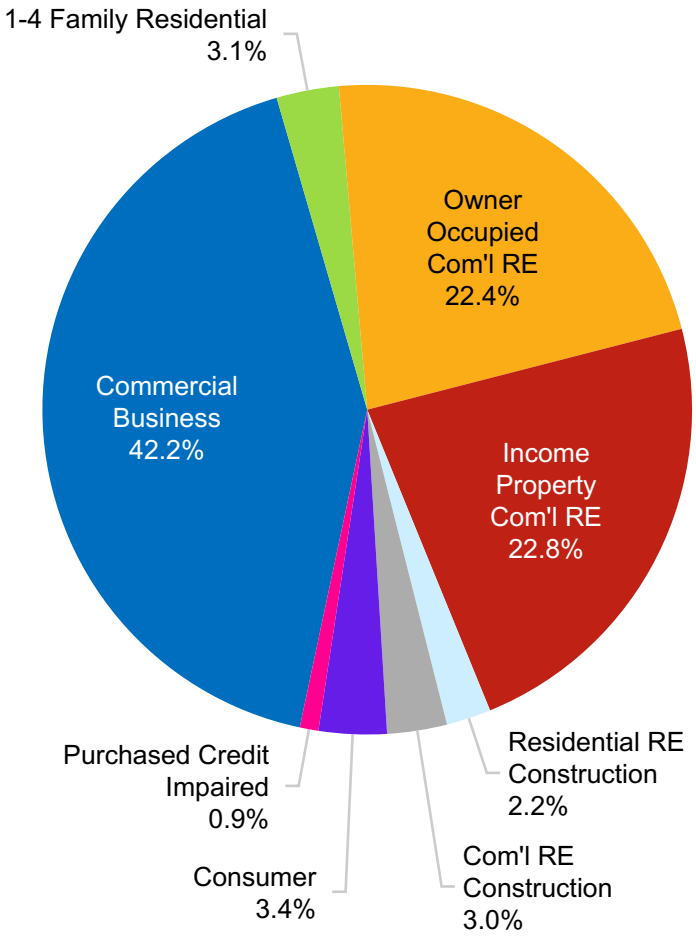


3rd Quarter Loan Production



Total Loans = $8.8 billion

Annualized quarterly growth = 9%

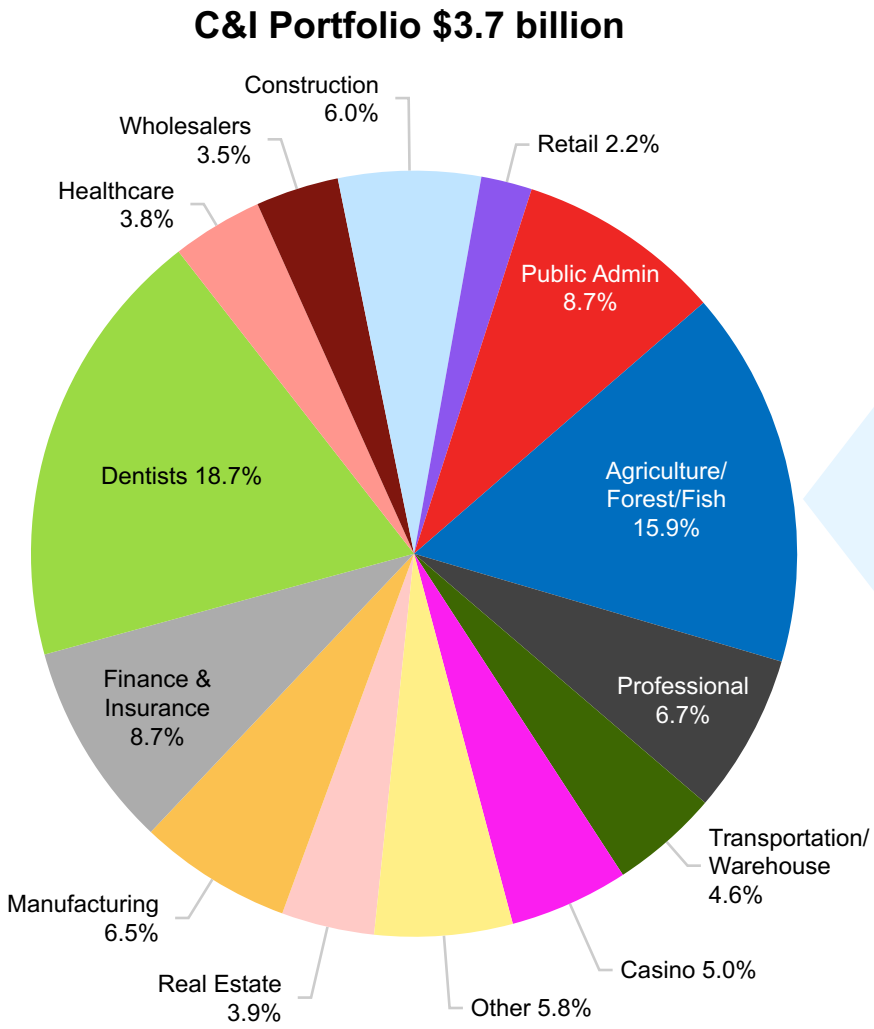


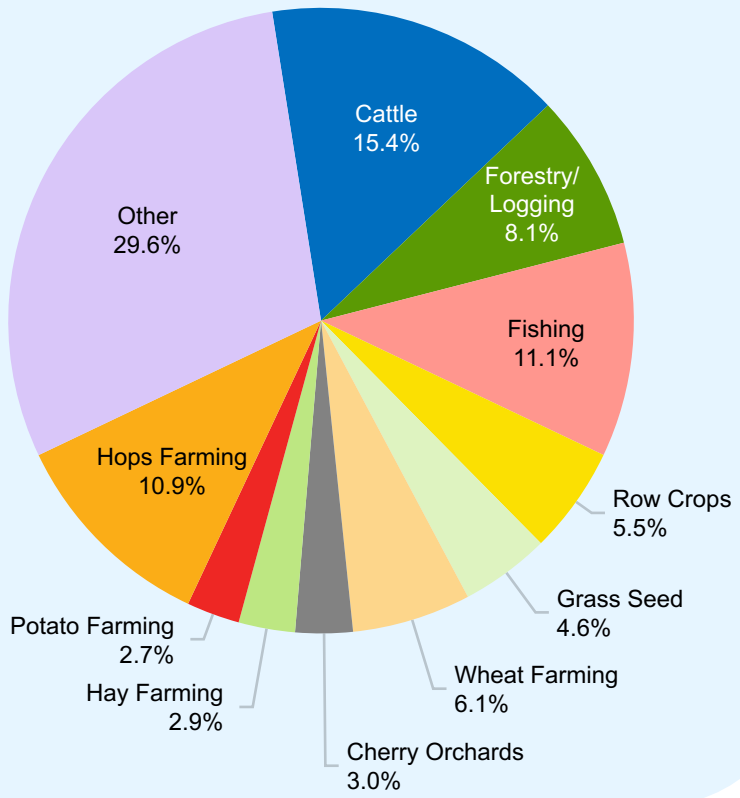
As of Sep 30, 2019

Loan categories in above chart are presented gross of unearned income.

$ in Millions

Well Diversified C&I and Agriculture Loan Portfolios



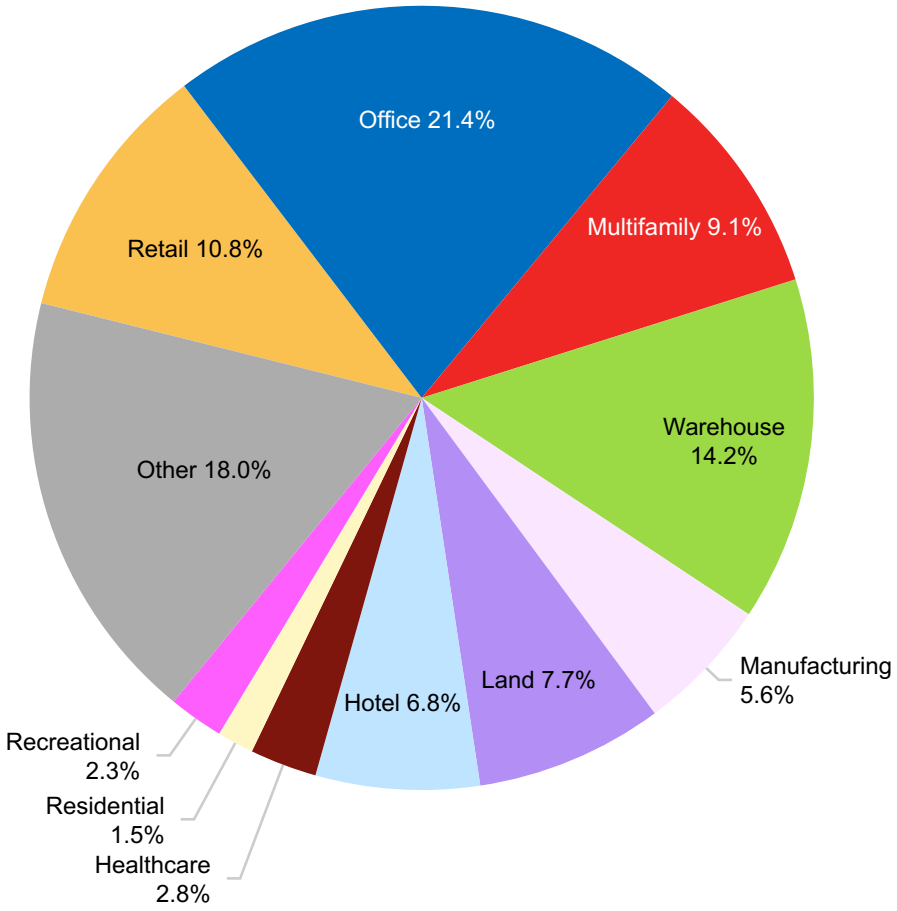


As of Sep 30, 2019

Balanced CRE Loan Portfolio

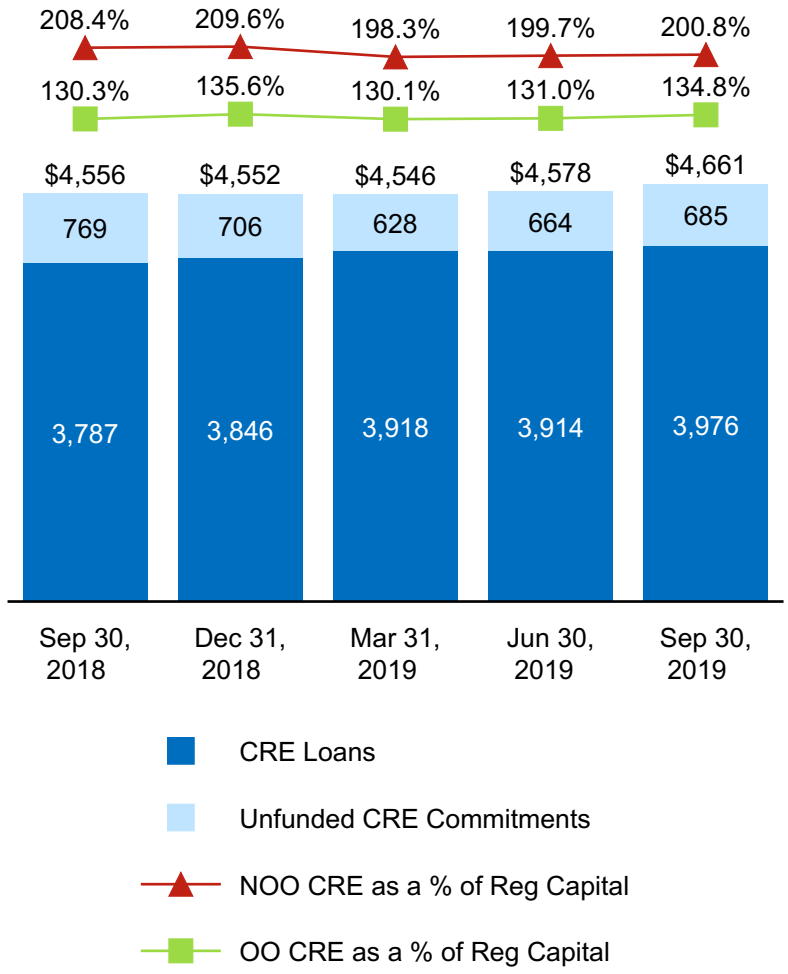
CRE Portfolio $4.0 billion

Balanced with 50% Income Property and 50% Owner-occupied



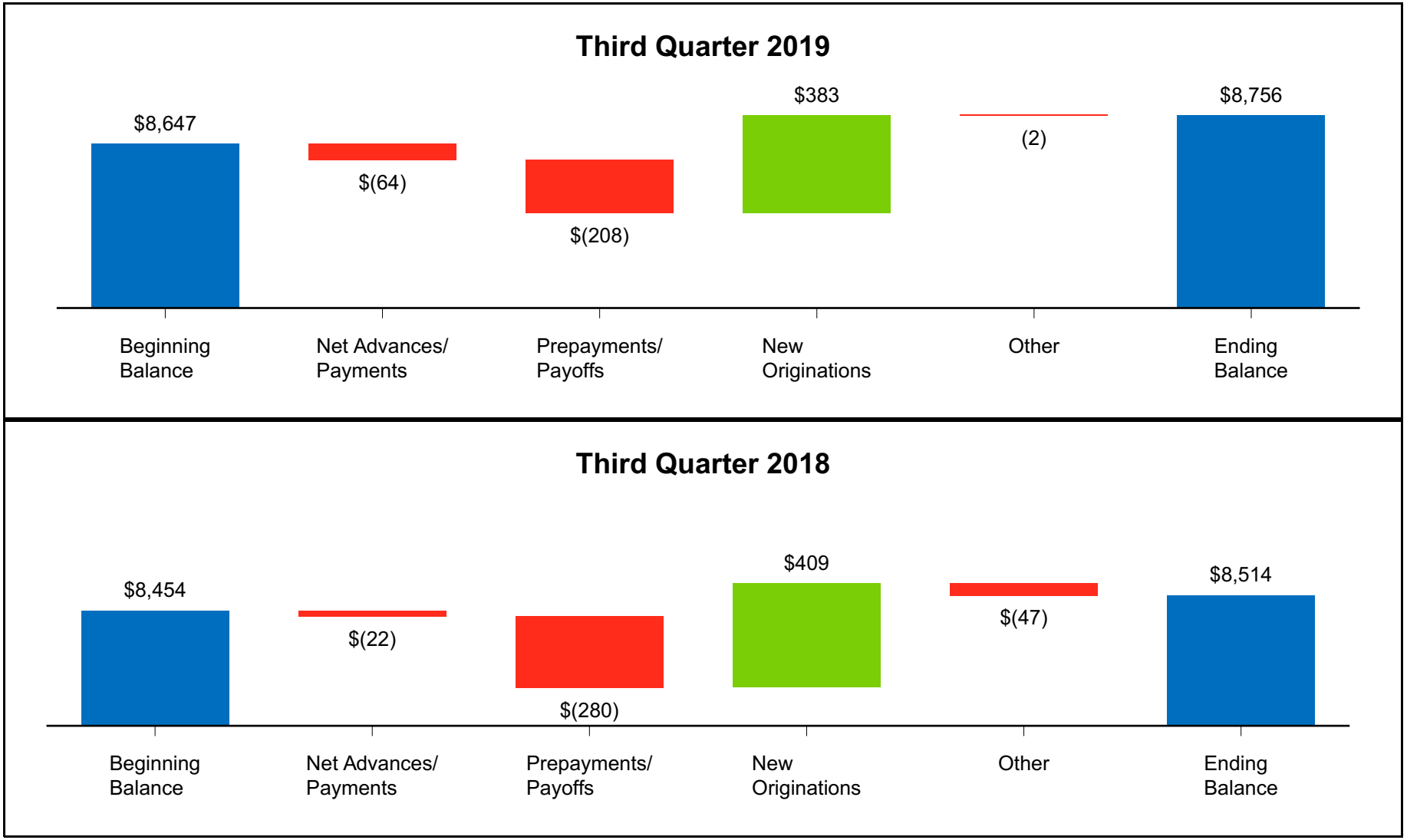
As of Sep 30, 2019

Consistent CRE Coverage



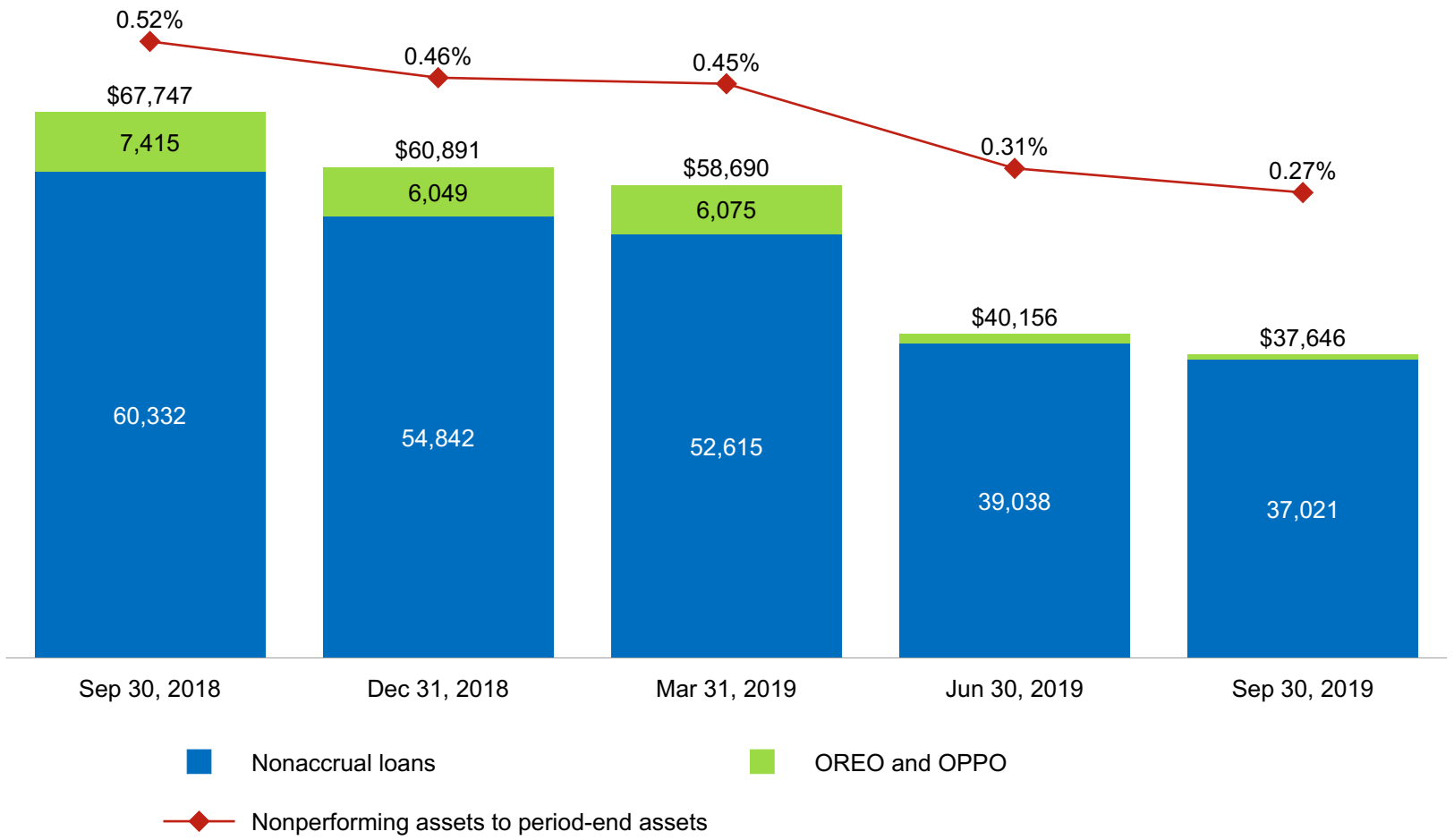
$ in Millions

Components of Third Quarter Change in Loans



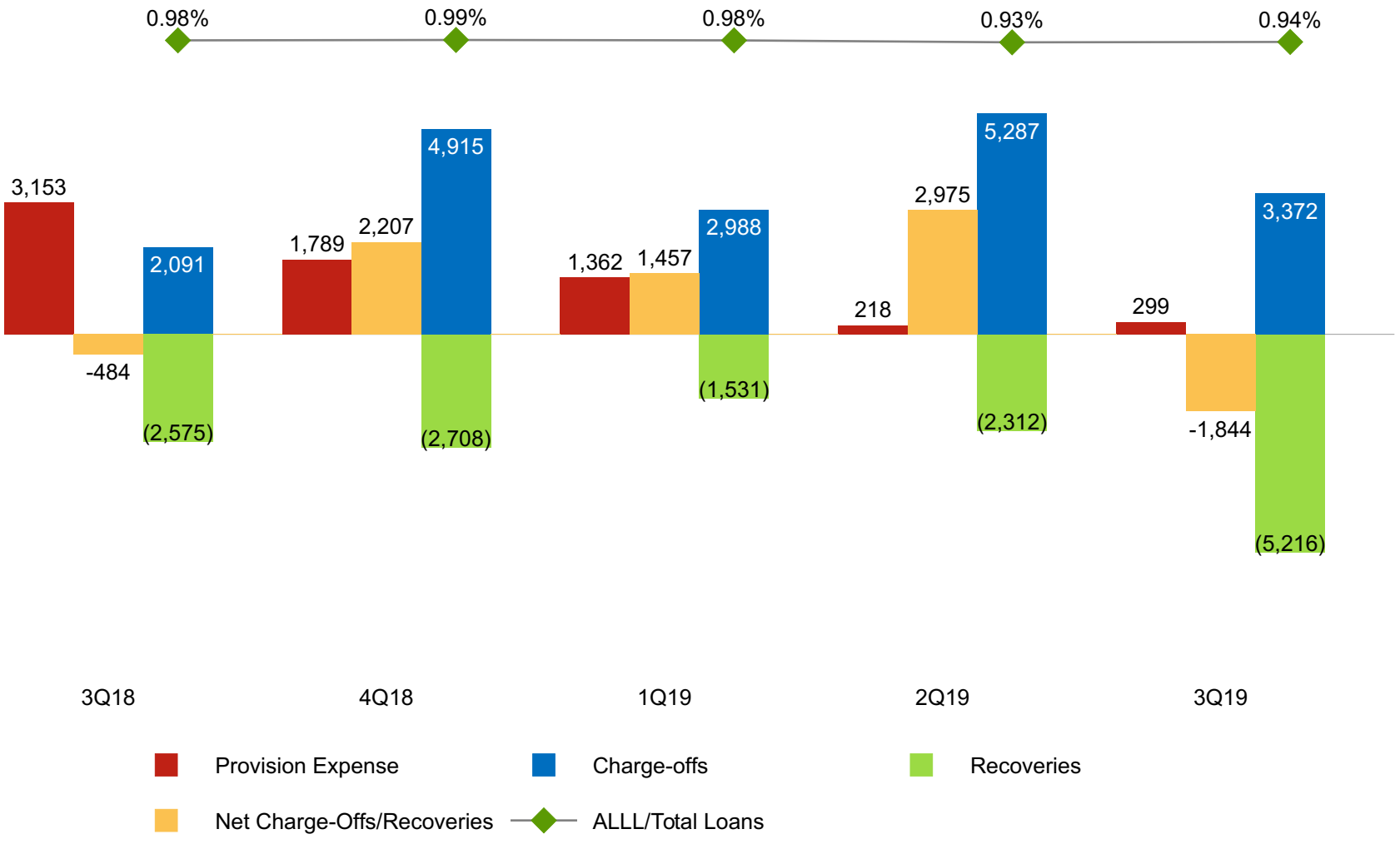
$ in Millions

Favorable Trend in Nonperforming Assets



$ in Thousands

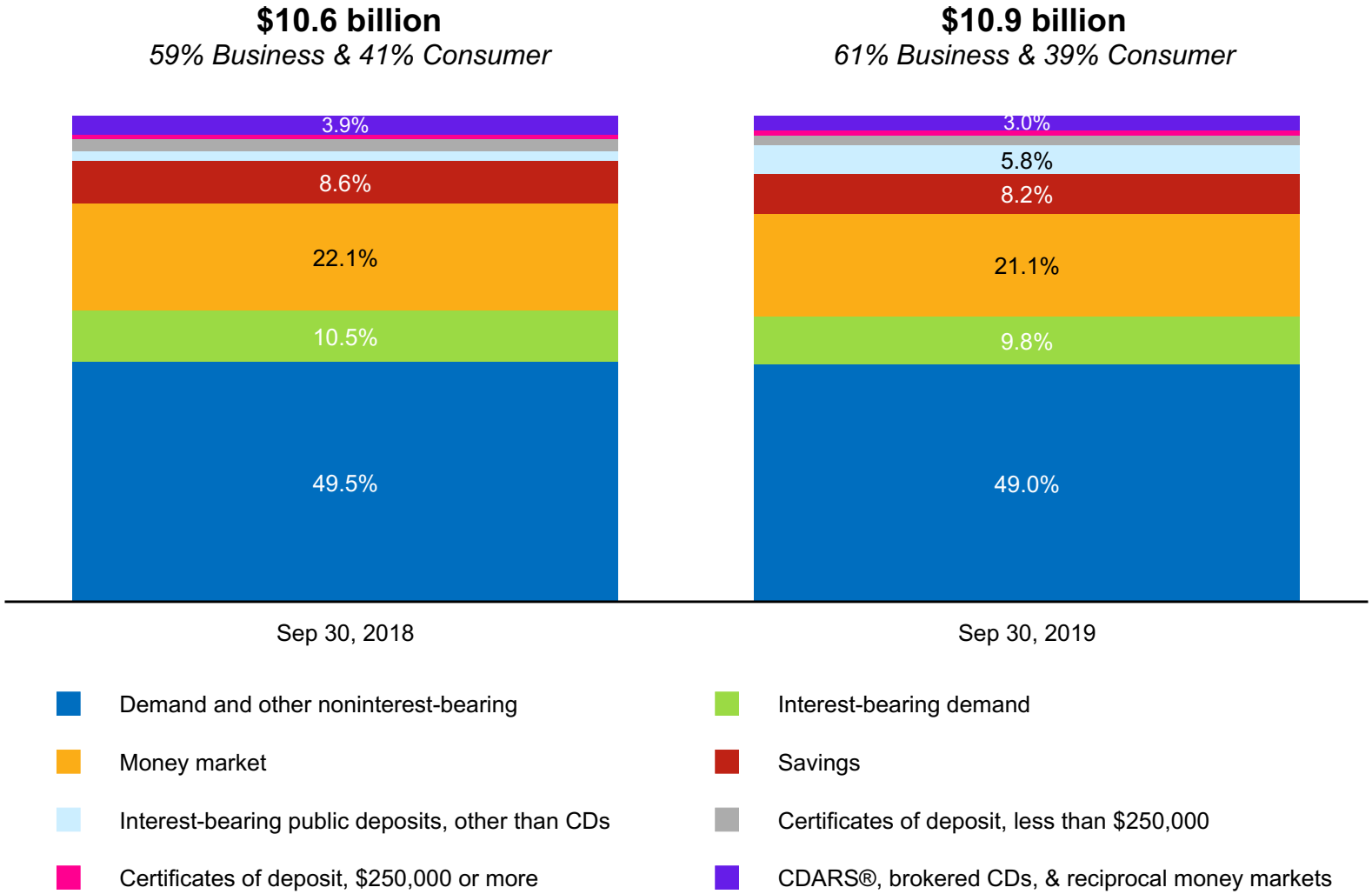
ALLL Components



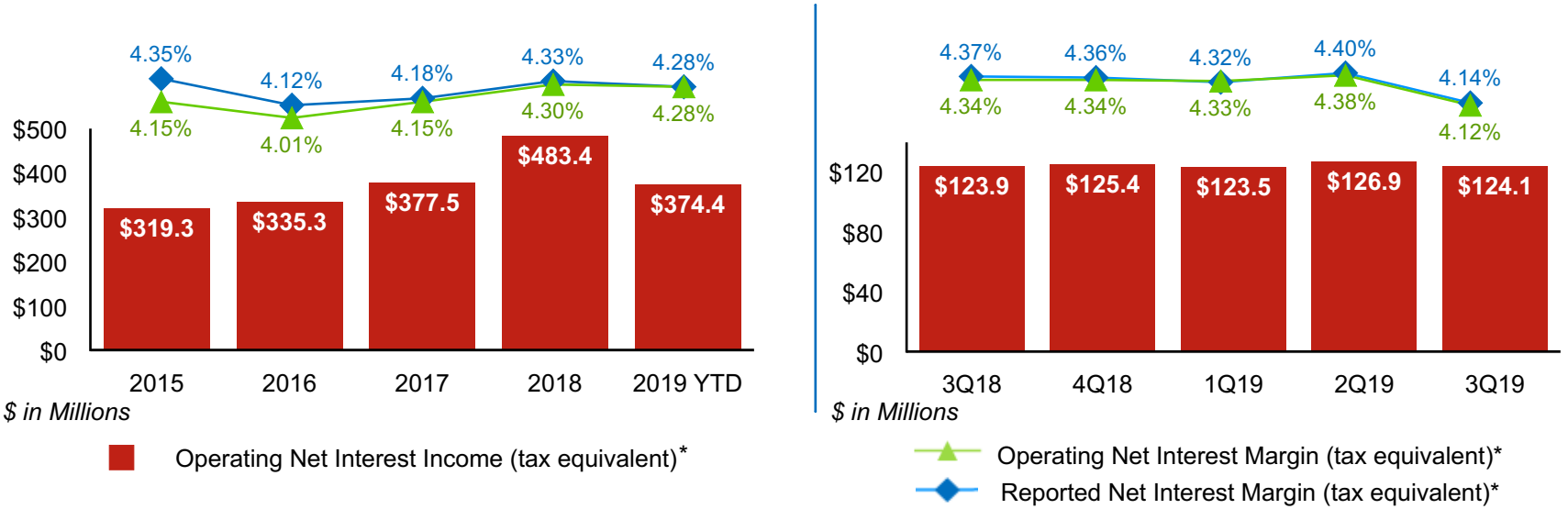
$ in Thousands

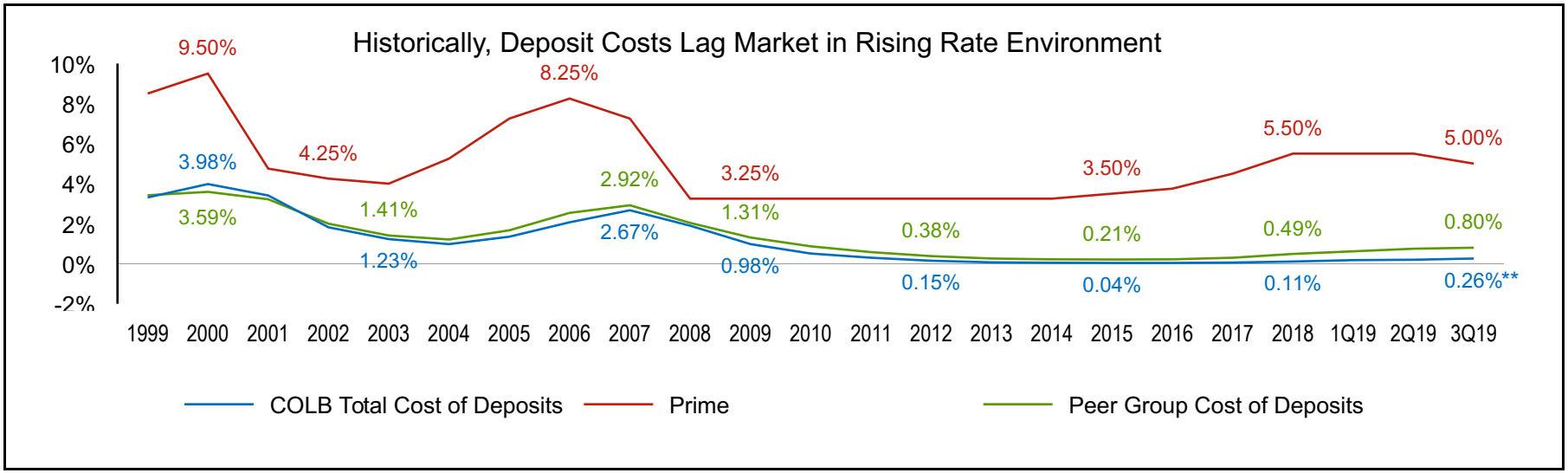
Diversified, Relationship Centered Deposit Base

Solid deposit base that is well diversified across business & consumer with a migration toward noninterest bearing.



Operating Net Interest Margin *

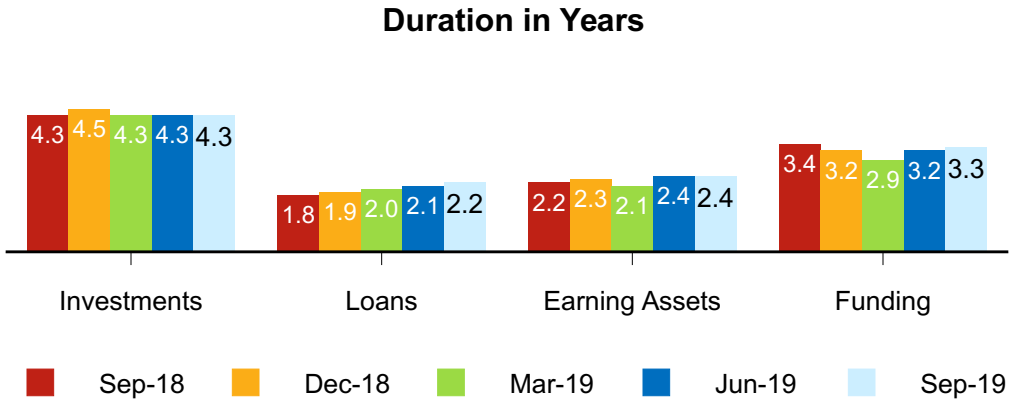


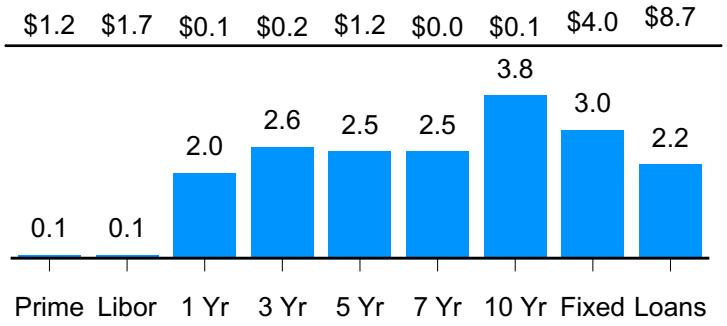


* Beginning January 2019, reported net interest margin (tax equivalent) and operating net interest margin (tax equivalent) were calculated using the actual number of days and on an Actual/ Actual basis. This change was done to provide more meaningful trend information, on a quarterly basis, for our net interest margin regardless of the number of days in the quarter. Prior periods, which were previously reported on a 30/360 basis, have been restated to conform to the current basis. Operating net interest margin is a non-GAAP measure. Refer to end of presentation for additional information.

** Includes 6 bps impact of approximately $300 million of public deposits that were selectively sourced to fund 3Q 19 expansion of the IRR strategy

Interest Rate Sensitivity





Loan Repricing Detail

	Jun-19	Sep-19	Jun-19	Sep-19
Fixed	$4,033,711	$4,134,278	46%	47%
Prime	1,207,186	1,190,284	14%	14%
1 Month	1,592,371	1,685,507	18%	19%
3 Month	131,692	130,132	2%	2%
1 Year	140,325	125,373	2%	1%
Variable <=1Y	3,071,574	3,131,296	36%	36%
3 Year	188,238	178,767	2%	2%
5 Year	1,212,334	1,178,793	14%	13%
7 Year	22,452	22,142	0%	0%
10 Year	146,786	146,388	2%	2%
Variable >1Y	1,569,810	1,526,090	18%	17%
Total	**$ 8,675,095**	**$ 8,791,664**	**100%**	**100%**

Floating and Variable Rate Loans

	<=3 Mos	>3 to 6 Mos	>6 to 12 Mos	>12 to 24 Mos	>24 to 36 Mos	>36 to 48 Mos	>48 to 60 Mos	> 60 Mos	Total
PRIME	1,155,340	1,643	5,806	5,327	6,921	3,062	9,910	2,277	1,190,284
1 MO	1,646,194	253	9,645	529	3,524	14,613	896	9,853	1,685,507
3 MO	126,325	—	—	—	3,807	—	—	—	130,132
1 YR	10,039	3,554	18,132	25,230	5,064	7,134	7,864	48,357	125,373
3 YR	9,820	6,494	5,474	39,296	34,407	17,724	36,093	29,458	178,767
5 YR	39,019	47,586	71,414	245,610	330,320	231,680	169,840	43,325	1,178,793
10 YR	114	212	143	5,465	3,236	5,276	18,462	135,621	168,530
	2,986,850	59,743	110,613	321,456	387,279	279,489	243,064	268,891	4,657,386

Floating or Variable Loan Repricing

	No Floor	At Floor	0-100 bp	101-200 bp	>200 bp	Total
Balances	$2,451,099	$895,410	$918,103	$296,748	$96,027	$4,657,386

Floor categories represent the amount of loans that would be at the floor rate or above the floor rates by the stated amounts if the credits repriced on 9/30/19

Selected Balance Sheet & Ratios

$ in Millions	3Q19	2Q19	1Q19	4Q18	3Q18
Total Assets	$13,758	$13,091	$13,064	$13,095	$12,957
Securities, Including Equity Securities & FHLB Stock	3,397	2,894	3,053	3,193	2,943
Loans, Net of unearned Income	8,756	8,647	8,521	8,392	8,514
Allowance for Loan & Leases Losses	83	81	83	83	84
Goodwill & Other Intangibles	804	806	809	812	815
Deposits	10,856	10,212	10,369	10,458	10,604
Total Shareholders' Equity	2,162	2,134	2,089	2,034	1,981
Ratios:					
ROAA	1.51%	1.58%	1.41%	1.38%	1.45%
ROAE	9.42%	9.87%	8.97%	9%	9.36%
ROATCE*	15.67%	16.71%	15.57%	16.00%	16.74%
Loans/Deposits	81%	85%	82%	80%	80%
Tangible Common Equity*	10.48%	10.80%	10.44%	9.95%	9.61%

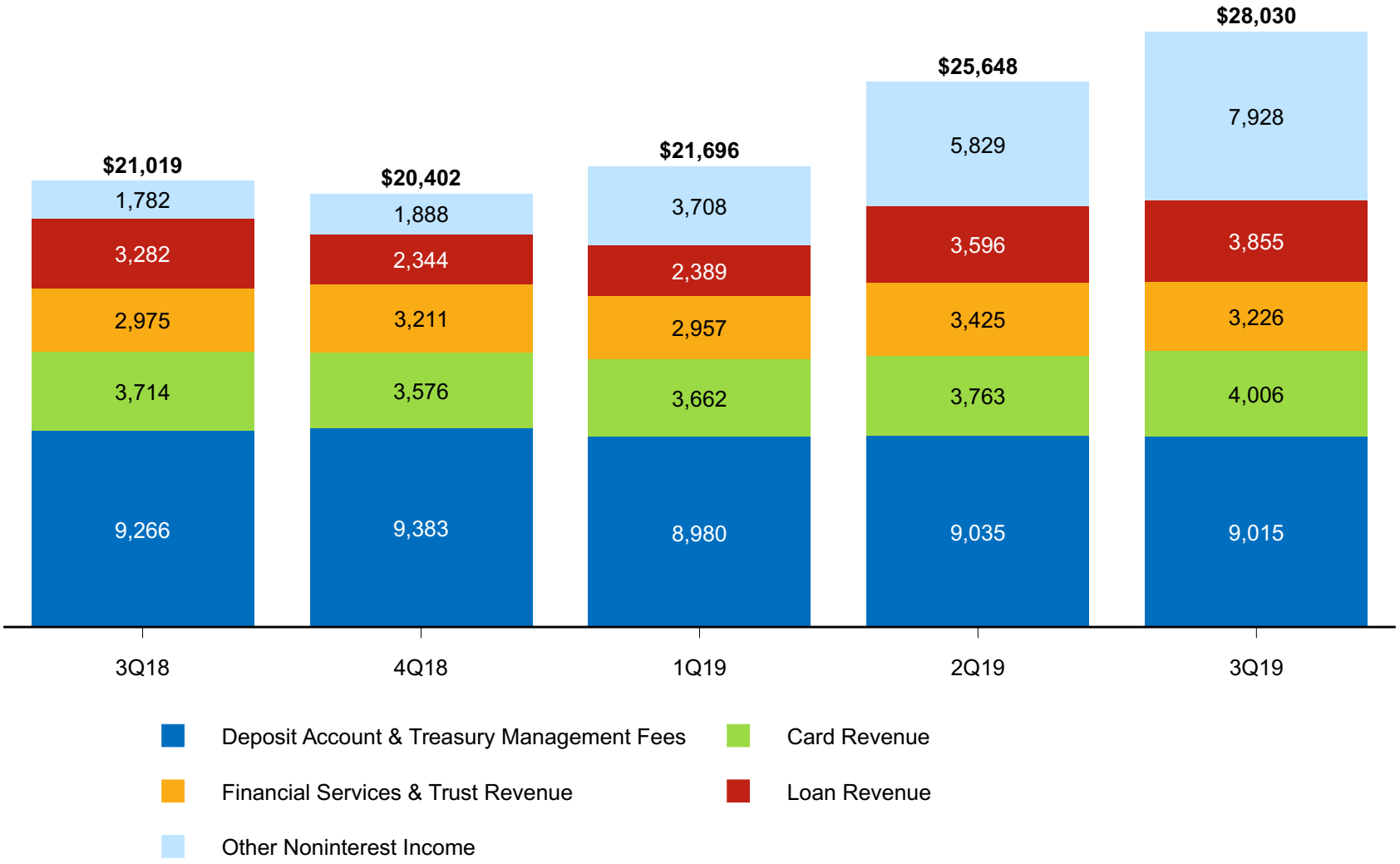
*ROATCE and Tangible Common Equity ratios are non-GAAP measures. Refer to end of presentation for additional information.

Summary Income Statement

$ in Thousands (except EPS)	3Q19	2Q19	1Q19	4Q18	3Q18	2019 YTD	2018 YTD
Net Interest Income	$122,450	$125,116	$121,022	$123,888	$122,796	$368,588	$354,951
Provision for Loan Losses	299	218	1,362	1,789	3,153	1,879	12,980
Net Interest Income after Provision	**122,151**	**124,898**	**119,660**	**122,099**	**119,643**	**366,709**	**341,971**
Noninterest Income	28,030	25,648	21,696	20,402	21,019	75,374	67,854
Noninterest Expense	87,076	86,728	84,700	87,019	82,841	258,504	253,471
Pre-tax Net Income	**63,105**	**63,818**	**56,656**	**55,482**	**57,821**	**183,579**	**156,354**
Provision for Income Taxes	12,378	12,094	10,785	10,734	11,406	35,257	28,220
Net Income	**$50,727**	**$51,724**	**$45,871**	**$44,748**	**$46,415**	**$148,322**	**$128,134**
EPS (Diluted)	$0.70	$0.71	$0.63	$0.61	$0.63	$2.04	$1.75
Weighted Avg # of Diluted Shares Outstanding	71,803	72,451	72,524	72,438	72,432	72,257	72,374
Acquisition Related Costs[1]	*$0*	*$0*	*$0*	*$493*	*$1,081*	*$0*	*$8,168*

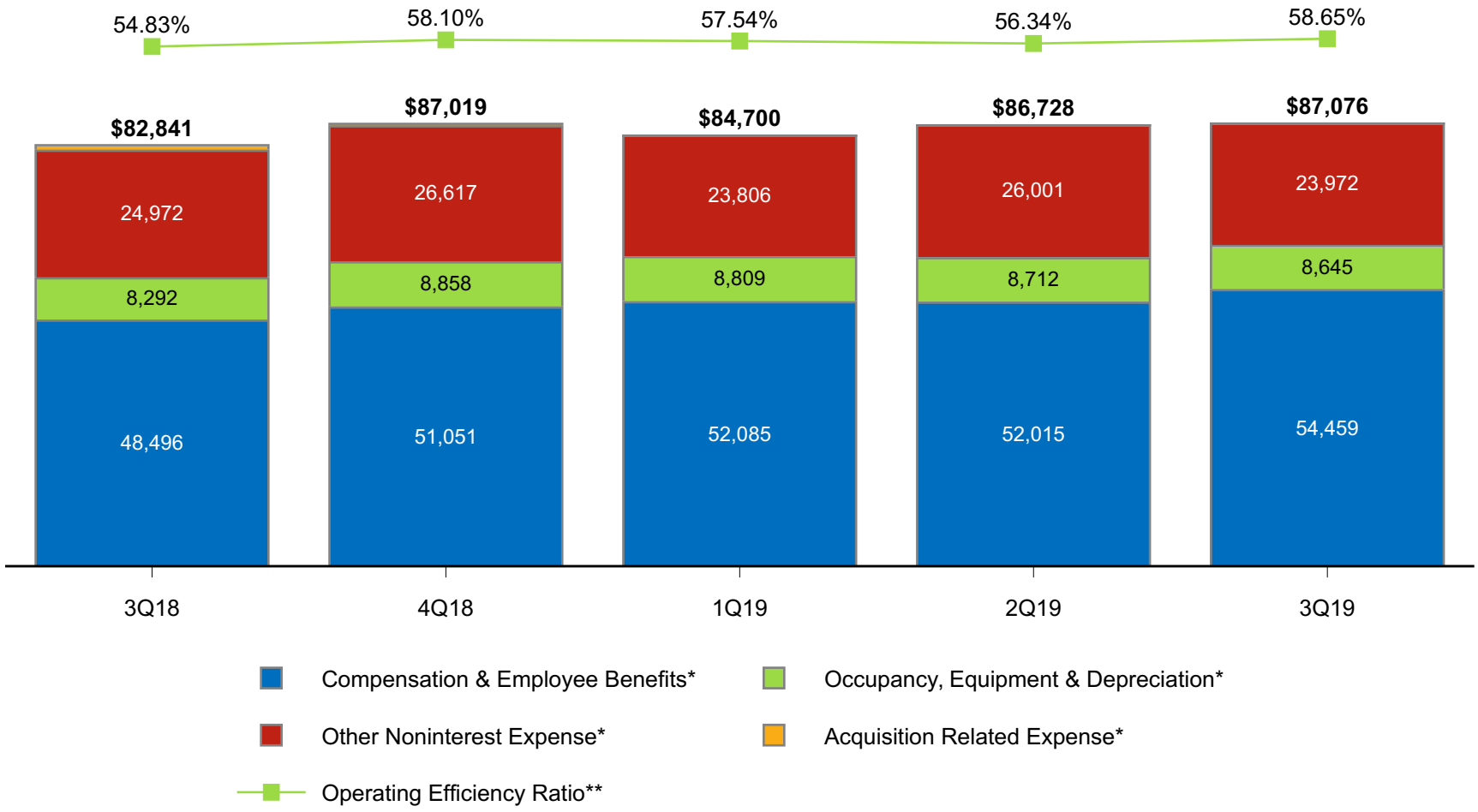
[1] Acquisition Related Costs are included in Noninterest Expense, above.

Noninterest Income



$ in Thousands

Noninterest Expense and Operating Efficiency Ratio**

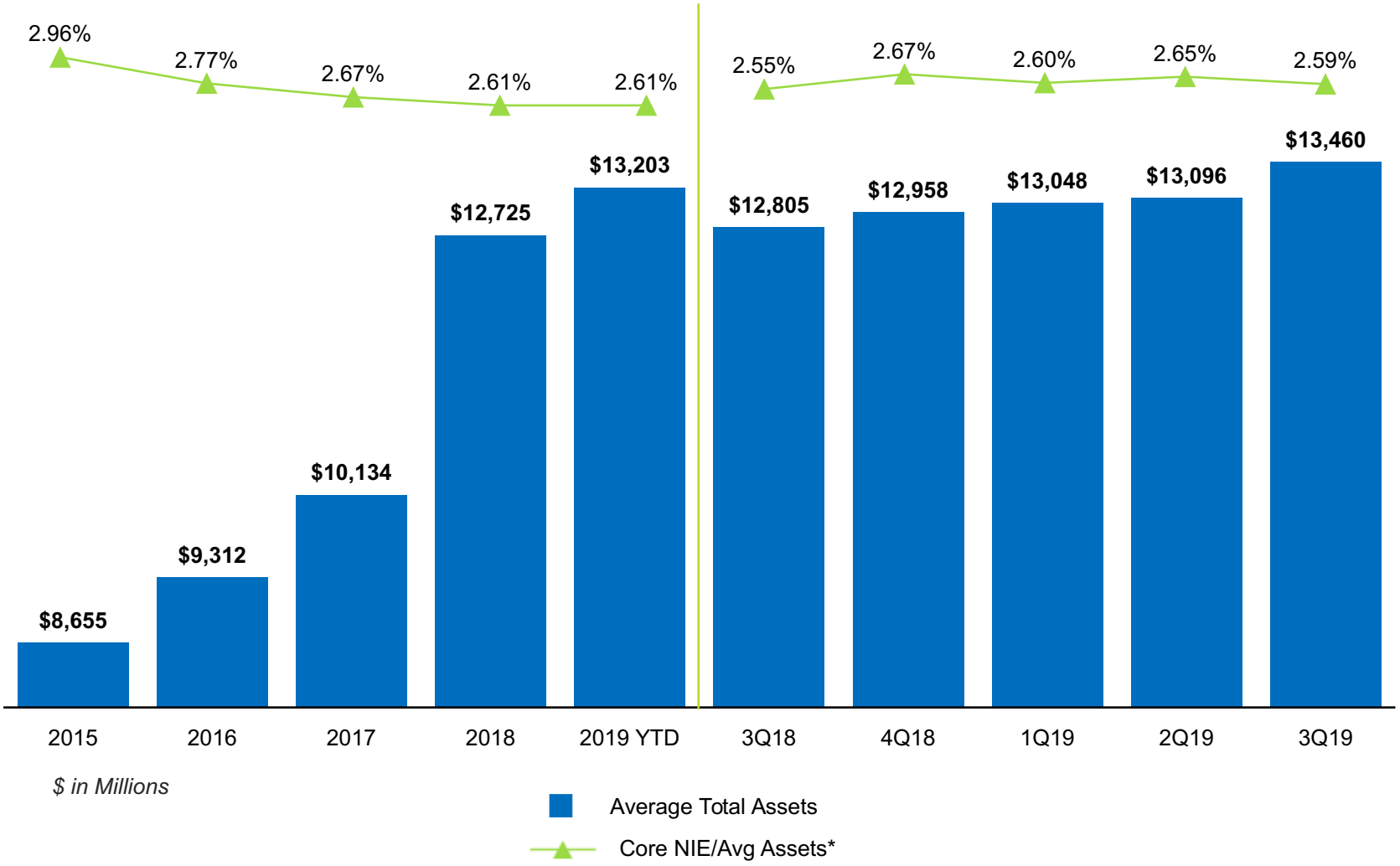


$ in Thousands

* 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.

Stable Expense Management



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

2019 Digital Program Summary

Vision

A future where clients can choose to interact with us in-person or through digital channels while seamlessly changing between them. This includes delivering a modern banking experience through digital channels and digitally-enabled bankers allowing us to attract and grow profitable relationships while ensuring our ability to continue serving our communities as the nation's premier regional bank.

Six Programs

Digitally Enabled Commercial, Business, & Healthcare Banking
Solidify the Digital Foundation of the Commercial Experience

Competitive Consumer Digital Experience
Engage Digital Consumer Clients Where They Are

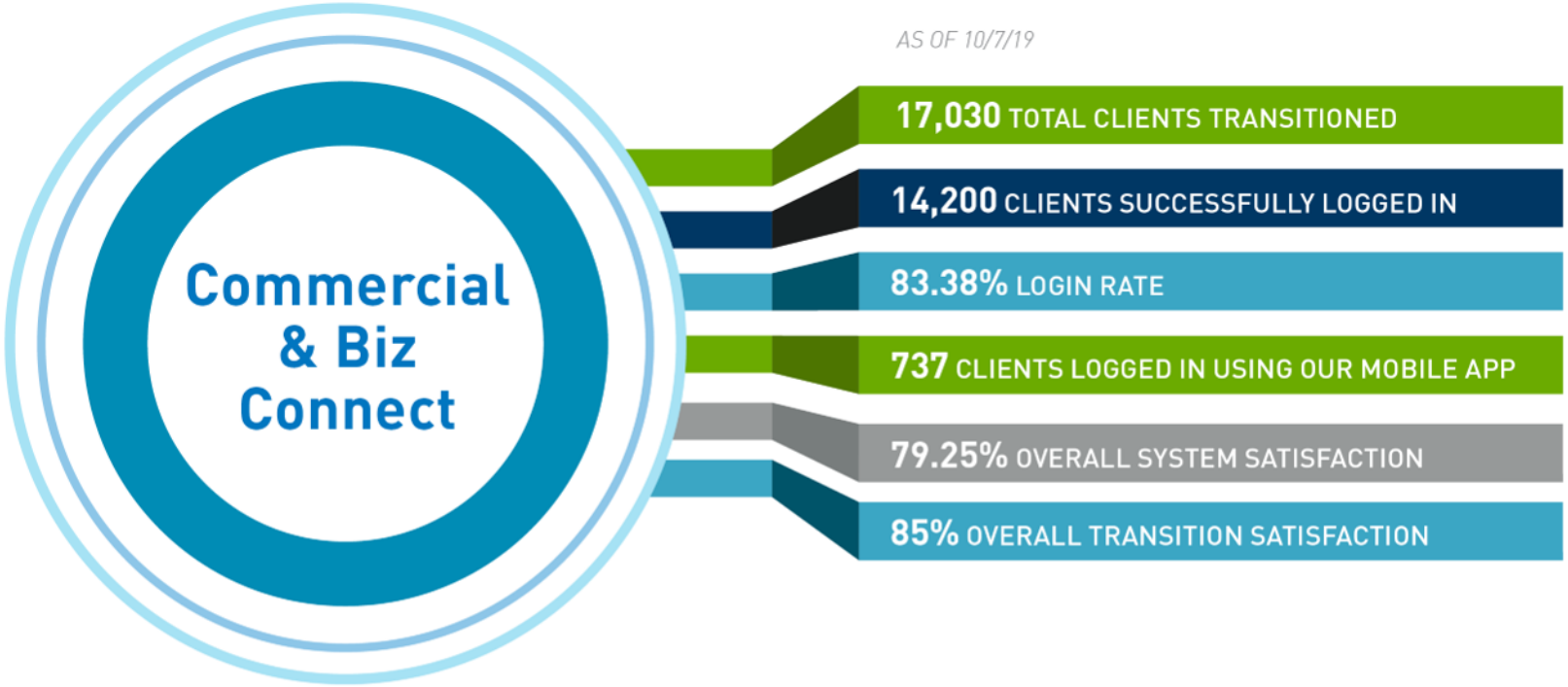
Data Driven Workforce
Sparks Actions and Interactions with Data

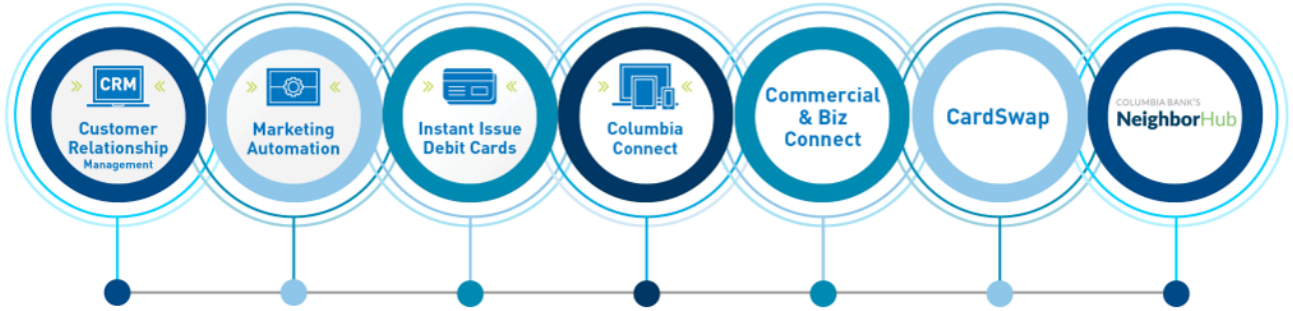
Branch & Back-Office Synergy
Create Capacity in the Branches by way of the Back Office

Digital Enterprise Workflow
Standardize and upgrade the core tools supporting the operations

Digital Talent
Leverage the Strategic Function of HR to Develop our Talent in a Digital Environment

Current & Completed Technology Initiatives





New Technology Initiatives

Zelle®



Zelle: Allows you to send and receive money with peace of mind. Safely and easily send money to people you know through online and mobile banking.

Small Business Lending



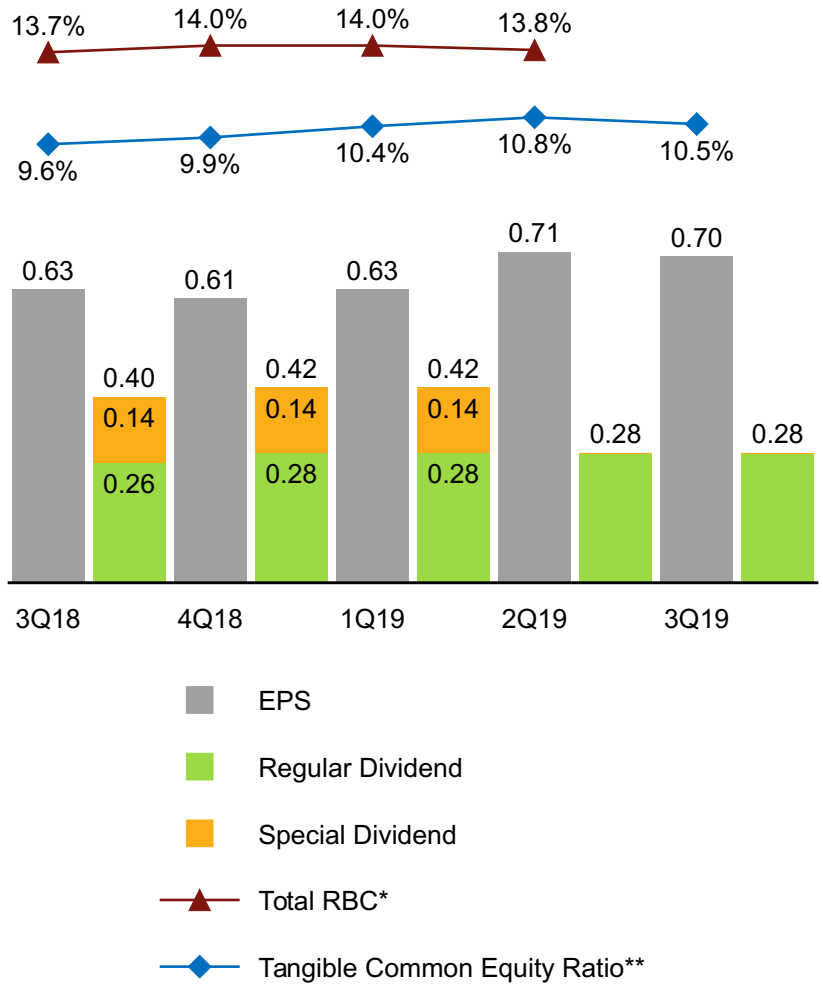
Small Business Lending: A platform to support the online application process and streamline the approval workflow.

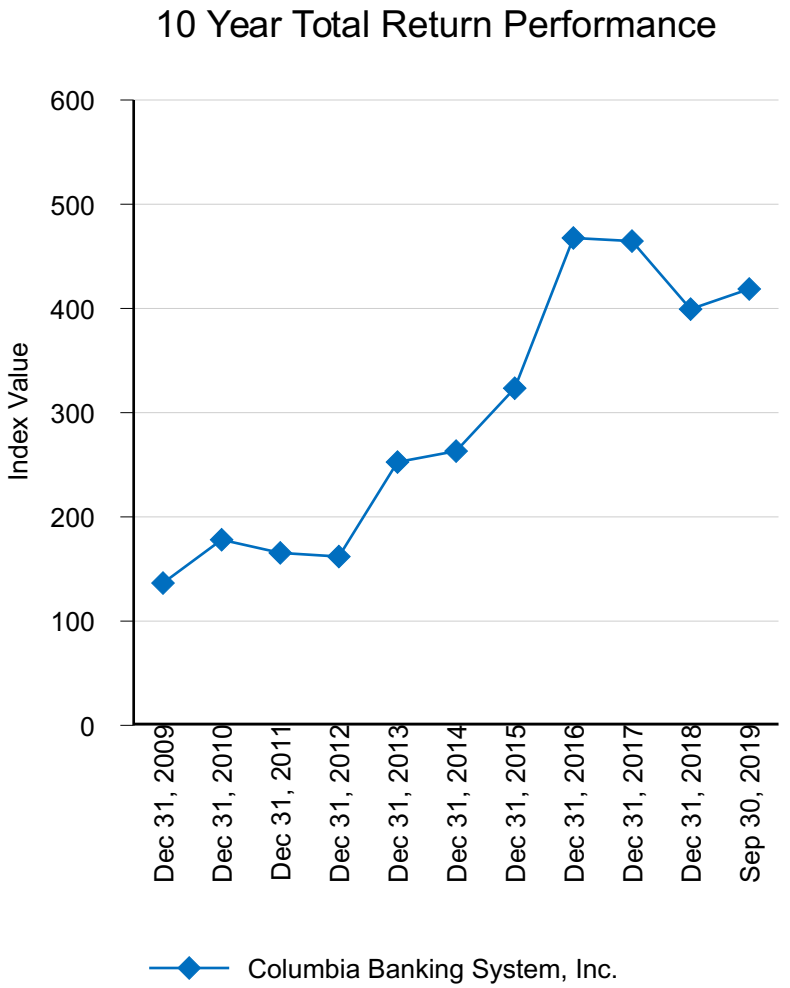
Online Account Opening



Online Account Opening: End-to-end account opening strategy accessible from the web or a mobile device.

Strong Capital, Dividend Payouts & Total Return





* The RBC ratio as of September 30, 2019 has not yet been filed.
** Tangible Common Equity Ratio is a non-GAAP measure. Refer to end of presentation for additional information.

Columbia – An Award-Winning Company

Forbes 2019 BEST BANKS IN AMERICA

8th consecutive year

PUGET SOUND BUSINESS JOURNAL CORPORATE CITIZENSHIP

Puget Sound Business Journal
2019 Corporate Citizenship Award

2019 EXECUTIVE EXCELLENCE AWARDS WINNER

Seattle Business Magazine
2019 Executive Excellence Award

Corporate Philanthropy 2018 PORTLAND BUSINESS JOURNAL Awards

Portland Business Journal
2018 Corporate Philanthropy Award

PUGET SOUND BUSINESS JOURNAL BEST

Puget Sound Business Journal
2019 Washington's Best Workplaces
13th consecutive year

EXTRAORDINARY BANKING AWARDS 2019 WINNER

Institute of Extraordinary Banking
2019 Banky™ Award
& Money Smarts Banky™ Award

SOS Office of the Secretary of State Corporations & Charities Division

The State of Washington Secretary of State's office
2018 National Association of Secretaries of State Medallion

BEST OF THE SOUTH SOUND 2019

South Sound Magazine
2019 Best Bank &
Best Large Business

TOP WORK PLACES 2018 The Oregonian OREGONLIVE

The Oregonian
2018 Oregon's Top Workplaces

OAME Oregon Association of Minority Entrepreneurs

Oregon Association of Minority Entrepreneurs
2019 Corporate Award of the Year

PORTLAND BUSINESS JOURNAL 2018 MOST ADMIRED COMPANIES

Portland Business Journal
2018 Oregon's Most Admired Companies

Best of the MID-VALLEY SILVER

Salem Statesman Journal
2019 Best Bank

#1 SBA LENDER PORTLAND DISTRICT SBA

MOST INNOVATIVE PROJECT ENERGY TRUST OF OREGON

HIGHEST PERCENT ELECTRICITY SAVINGS ENERGY TRUST OF OREGON

20% BY 2020 2020 WOMEN ON BOARDS

2020 Women on Boards
2019 Winning 'W' Company

Hadley Robbins
President & Chief Executive Officer

Andy McDonald
Chief Credit Officer

Greg Sigrist
Chief Financial Officer

Clint Stein
Chief Operating Officer

Chris Merrywell
Chief Consumer Banking Officer

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Non-GAAP Financial Measures

Net Interest Margin *$ in Thousands*	2015	2016	2017	2018	2019 YTD	3Q18	4Q18	1Q19	2Q19	3Q19
Net interest income (tax equivalent) (1)	$334,548	$344,425	$380,107	$486,667	$374,918	$124,789	$125,917	$123,110	$127,236	$124,572
Adjustments to arrive at operating net interest income (tax equivalent):										
Incremental accretion income on purchased credit impaired loans	(9,096)	(5,972)	(4,107)	(1,635)	(980)	(585)	(395)	(288)	(579)	(113)
Incremental accretion income: Other FDIC acquired loans (2)	(234)	—	—	—	—	—	—	—	—	—
Incremental accretion income on other acquired loans	(17,862)	(11,983)	(8,689)	(10,921)	(5,790)	(2,643)	(2,218)	(1,747)	(2,084)	(1,959)
Premium amortization on acquired securities	10,217	7,738	6,636	7,736	4,816	1,859	1,671	1,779	1,651	1,386
Correction of immaterial error - securities premium amortization	—	—	1,771	—	—	—	—	—	—	—
Interest reversals on nonaccrual loans	1,713	1,072	1,766	1,564	1,462	477	417	626	662	174
Operating net interest income (tax equivalent) (1)	$319,286	$335,280	$377,484	$483,411	$374,426	$123,897	$125,392	$123,480	$126,886	$124,060
Average Earning Assets	7,685.734	8,363.309	9,098.276	11,241.321	11,704,702	11,326,629	11,458,470	11,561,627	11,606,727	11,941,578
Net Interest Margin *(tax equivalent) (3)*	4.35%	4.12%	4.18%	4.33%	4.28%	4.37%	4.36%	4.32%	4.40%	4.14%
Operating Net Interest Margin *(tax equivalent) (3)*	4.15%	4.01%	4.15%	4.30%	4.28%	4.34%	4.34%	4.33%	4.38%	4.12%

Tangible Common Equity $ in Thousands	3Q18	4Q18	1Q19	2Q19	3Q19
Total Shareholders' Equity	1,981,395	2,033,649	2,088,620	2,133,638	2,161,577
- Goodwill	(765,842)	(765,842)	(765,842)	(765,842)	(765,842)
- Other Intangible Assets, net	(48,827)	(45,937)	(43,189)	(40,540)	(37,908)
Tangible Common Equity	$1,166,726	$1,221,870	$1,279,589	$1,327,256	$1,357,827
Total Assets	12,956,596	13,095,145	13,064,436	13,090,808	13,757,760
Goodwill	(765,842)	(765,842)	(765,842)	(765,842)	(765,842)
- Other Intangible Assets, net	(48,827)	(45,937)	(43,189)	(40,540)	(37,908)
Tangible Assets	$12,141,927	$12,283,366	$12,255,405	$12,284,426	$12,954,010
Tangible Common Equity Ratio	9.61%	9.95%	10.44%	10.80%	10.48%

(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
(3) Beginning January 2019, reported net interest margin (tax equivalent) and operating net interest margin (tax equivalent) were calculated using the actual number of days and on an Actual/Actual basis. This change was done to provide more meaningful trend information, on a quarterly basis, for our net interest margin regardless of the number of days in the quarter. Prior periods, which were previously reported on a 30/360 basis, have been restated to conform to the current basis.

NIE/Average Assets $ in Thousands	2015	2016	2017	2018	2019 YTD	3Q18	4Q18	1Q19	2Q19	3Q19
Reported Noninterest Expense	$266,149	$261,142	$291,017	$340,490	$258,504	$82,841	$87,019	$84,700	$86,728	$87,076
- FDIC Clawback (Expense)/Recap (4)	(979)	(280)	54	—	—	—	—	—	—	—
- Acquisition Related Costs	(10,917)	(2,727)	(17,196)	(8,661)	—	(1,081)	(493)	—	—	—
- Net OREO/OPPO Exp(4)	1,724	(544)	(466)	—	—	—	—	—	—	—
- Term of FDIC Loss Sharing Agreement	—	—	(2,409)	—	—	—	—	—	—	—
Core Noninterest Exp	$255,977	$257,591	$271,000	$331,829	$258,504	$81,760	$86,526	$84,700	$86,728	$87,076
Average Assets	8,655,243	9,311,621	10,134,306	12,725,086	13,202,917	12,805,131	12,957,754	13,048,041	13,096,413	13,459,774
Noninterest Expense/ Average Assets	3.08%	2.80%	2.87%	2.68%	2.61%	2.59%	2.69%	2.60%	2.65%	2.59%
Core NIE/Average Assets	2.96%	2.77%	2.67%	2.61%	2.61%	2.55%	2.67%	2.60%	2.65%	2.59%

ROATCE $ in Thousands	3Q18	4Q18	1Q19	2Q19	3Q19
Net Inc Applicable to Common Shareholders	46,415	44,748	45,871	51,724	50,727
+ Amortization of Intangibles	3,070	2,890	2,748	2,649	2,632
- Tax Effect on Intangible Amort	(645)	(607)	(577)	(556)	(553)
Adjusted Net Inc	48,840	47,031	48,042	53,817	52,806
Avg Shareholders' Equity	1,983,317	1,988,981	2,044,832	2,096,157	2,152,916
- Average Intangibles	(816,128)	(813,145)	(810,376)	(807,678)	(805,033)
Adjusted Avg Common Shareholders' Equity	1,167,189	1,175,836	1,234,456	1,288,479	1,347,883
Return on Average Tangible Common Shareholders' Equity	16.74%	16.00%	15.57%	16.71%	15.67%

(4) Effective January 1, 2018 Core NIE excludes acquisition expenses and other one-time non-recurring items. Prior to that, Core NIE also excluded the change in the FDIC Clawback liability and net OREO/OPPO expense.

Non-GAAP Financial Measures

Operating Efficiency Ratio $ in Thousands	3Q18	4Q18	1Q19	2Q19	3Q19
Noninterest expense (numerator A)	$ 82,841	$ 87,019	$ 84,700	$ 86,728	$ 87,076
Adjustments to arrive at operating noninterest expense:					
Acquisition-related expenses	(1,081)	(493)	—	—	—
Net benefit (cost) of operation of OREO and OPPO	(485)	(23)	(114)	705	113
Loss on asset disposals	(110)	(166)	—	—	(5)
Business and Occupation ("B&O") taxes	(1,478)	(1,410)	(1,876)	(1,411)	(1,325)
Operating noninterest expense (numerator B)	$ 79,687	$ 84,927	$ 82,710	$ 86,022	$ 85,859
Net interest income (tax equivalent) (1)	$ 124,789	$ 125,917	$ 123,110	$ 127,236	$ 124,572
Noninterest income	21,019	20,402	21,696	25,648	28,030
Bank owned life insurance tax equivalent adjustment	373	390	404	424	406
Total revenue (tax equivalent) (denominator A)	146,181	146,709	145,210	153,308	153,008
Operating net interest income (tax equivalent) (1)	123,897	125,392	123,480	126,886	124,060
Adjustments to arrive at operating noninterest income (tax equivalent):					
Investment securities loss (gain), net	$ 62	$ 16	$ (1,847)	$ (285)	$ —
Gain on asset disposals	(29)	(30)	—	—	(6,104)
Operating noninterest income (tax equivalent)	21,425	20,778	20,253	25,787	22,332
Total operating revenue (tax equivalent) (denominator B)	$ 145,322	$ 146,170	$ 143,733	$ 152,673	$ 146,392
Efficiency ratio (tax equivalent) (numerator A/denominator A)	56.67%	59.31%	58.33%	56.57%	56.91%
Operating efficiency ratio (tax equivalent) (numerator B/denominator B)	54.83%	58.10%	57.54%	56.34%	58.65%

Non-interest Expense net of Acquisition Related Expense $ in Thousands	3Q18	4Q18	1Q19	2Q19	3Q19
Compensation & Employee Benefits	$ 49,419	$ 51,261	$ 52,085	$ 52,015	$ 54,459
less: Related Acquisition Costs	(923)	(210)	—	—	—
Compensation & Employee Benefits net of ARC's	$ 48,496	$ 51,051	$ 52,085	$ 52,015	$ 54,459
Occupancy, Equipment & Depreciation	$ 8,321	$ 8,858	$ 8,809	$ 8,712	$ 8,645
less: Related Acquisition Costs	(29)	—	—	—	—
Occupancy, Equipment & Depreciation net of ARC's	$ 8,292	$ 8,858	$ 8,809	$ 8,712	$ 8,645
Total Noninterest Expense	$ 82,841	$ 87,019	$ 84,700	$ 86,728	$ 87,076
-Compensation and employee benefits	(49,419)	(51,261)	(52,085)	(52,015)	(54,459)
-Occupancy, Equipment & Depreciation	(8,321)	(8,858)	(8,809)	(8,712)	(8,645)
Other Noninterest Expense	$ 25,101	$ 26,900	$ 23,806	$ 26,001	$ 23,972
less: Related Acquisition Costs	(129)	(283)	—	—	—
Other Noninterest Expense net of ARC's	$ 24,972	$ 26,617	$ 23,806	$ 26,001	$ 23,972
Total Acquisition Related Costs	$ 1,081	$ 493	$ —	$ —	$ —