
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported):

September 25, 2012

COLUMBIA BANKING SYSTEM, INC.

(Exact name of registrant as specified in its charter)

Washington

(State or other jurisdiction of incorporation)

0-20288
(Commission
File Number)

91-1422237
IRS Employer
Identification No.

1301 A Street

Tacoma, WA 98402

(Address of principal executive offices) (zip code)

Registrant's telephone number, including area code: (253) 305-1900

(Former Name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligations of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act of (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act of (17 CFR 240.13e-4(c))
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Item 7.01. Regulation FD Disclosure

On September 26, 2012, Columbia Banking System, Inc. (“Columbia”) announced its entry into a definitive agreement (the “Merger Agreement”) with West Coast Bancorp (“West Coast”) providing for the acquisition of West Coast by Columbia through the merger of a newly formed subsidiary of Columbia with and into West Coast (the “Merger”), with West Coast continuing as the surviving corporation (the “Surviving Corporation”), followed as soon as reasonably practicable thereafter by the merger of the Surviving Corporation with and into Columbia. On September 26, 2012, Columbia and West Coast issued a joint press release announcing the entry into the Merger Agreement. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

On September 26, 2012, Columbia and West Coast intend to hold a joint investor conference call regarding the Merger. On the call, Columbia and West Coast intend to discuss certain financial and other information relating to the Merger and the Merger Agreement. Slides that will be made available in connection with the conference call are attached hereto as Exhibit 99.2 and are incorporated into this Item 7.01 by reference.

The information in Exhibits 99.1 and 99.2 shall not be deemed “filed” for purposes of Section 18 of the U.S. Securities Exchange Act of 1934, as amended, nor shall it be incorporated by reference in any filing under the U.S. Securities Act of 1933, as amended.

Item 8.01. Other Events

To the extent required, the information included in Item 7.01 of this Form 8-K is hereby incorporated by reference into this Item 8.01.

Cautionary Statements Regarding Forward-Looking Information

This Current Report on Form 8-K may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause Columbia’s or West Coast’s performance or achievements to be materially different from any expected future results, performance, or achievements. Forward-looking statements speak only as of the date they are made and neither Columbia nor West Coast assumes any duty to update forward looking statements. Such forward-looking statements include, but are not limited to, statements about the benefits of the business combination transaction involving Columbia and West Coast, including future financial and operating results, the combined company’s plans, objectives, expectations and intentions and other statements that are not historical facts. The following factors, among others, could cause actual results to differ from those set forth in the forward-looking statements: (i) the possibility that the Merger does not close when expected or at all because required regulatory, shareholder or other approvals and other conditions to closing are not received or satisfied on a timely basis or at all; (ii) changes in Columbia’s stock price before closing, including as a result of the financial performance of West Coast prior to closing, or more generally due to broader stock market movements, and the performance of financial companies and peer group companies, (iii) the risk that the benefits from the transaction may not be fully realized or may take longer to realize than expected, including as a result of changes in general economic and market conditions, interest and exchange rates, monetary policy, laws and regulations and their enforcement, and the degree of competition in the geographic and business areas in which West Coast operates; (iv) the ability to promptly and effectively integrate the businesses of Columbia and West Coast; (v) the reaction of the companies’ customers, employees and counterparties to the transaction; and (vi) diversion of management time on merger-related issues. For more information, see the risk factors described in each of Columbia’s and West Coast’s Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and other filings with the Securities and Exchange Commission (the “SEC”).

Additional Information about the Merger and Where to Find It

In connection with the Merger, Columbia will file with the U.S. Securities and Exchange Commission (the "SEC") a Registration Statement on Form S-4 that will include a Joint Proxy Statement of Columbia and West Coast and a Prospectus of Columbia, as well as other relevant documents concerning the proposed transaction. Shareholders of Columbia and West Coast are urged to read the Registration Statement and the Joint Proxy Statement/Prospectus regarding the transaction when it becomes available and any other relevant documents filed with the SEC, as well as any amendments or supplements to those documents, because they will contain important information. The Joint Proxy Statement/Prospectus and other relevant materials (when they become available) filed with the SEC may be obtained free of charge at the SEC's Website at <http://www.sec.gov>. **SHAREHOLDERS ARE URGED TO READ THE JOINT PROXY STATEMENT AND THE OTHER RELEVANT MATERIALS BEFORE VOTING ON THE MERGER.**

Participants in Solicitation

Columbia and West Coast and certain of their directors and executive officers may be deemed to be participants in the solicitation of proxies from the shareholders of Columbia and West Coast in connection with the Merger. Information about the directors and executive officers of Columbia and their ownership of Columbia common stock is set forth in the proxy statement for Columbia's 2012 annual meeting of shareholders, as filed with the SEC on a Schedule 14A on March 22, 2012. Information about the directors and executive officers of West Coast and their ownership of West Coast common stock is set forth in the proxy statement for West Coast's 2012 annual meeting of shareholders, as filed with the SEC on a Schedule 14A on March 13, 2012. Additional information regarding the interests of those participants and other persons who may be deemed participants in the transaction may be obtained by reading the Joint Proxy Statement regarding the Merger when it becomes available. Free copies of this document may be obtained as described in the preceding paragraph.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits.

- 99.1 Joint Press Release issued September 26, 2012
- 99.2 Slide Presentation to be made available in connection with investor conference call held on September 26, 2012.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: September 26, 2012

COLUMBIA BANKING SYSTEM, INC.

By: /s/ Melanie J. Dressel
Melanie J. Dressel
President and Chief Executive Officer

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
99.1	Joint Press Release dated September 26, 2012
99.2	Slide Presentation to be made available in connection with investor conference call held on September 26, 2012.

FOR IMMEDIATE RELEASE
September 26, 2012

Columbia Contacts:

Melanie J. Dressel, President and
Chief Executive Officer
(253) 305-1911

Clint E. Stein, Executive Vice President and
Chief Financial Officer
(253) 593-8304

West Coast Contact:

Robert D. Szniewajs, President and
Chief Executive Officer
(503) 598-3243

COLUMBIA BANKING SYSTEM AND WEST COAST BANCORP AGREE TO MERGE

*The combination will create the
Premier Pacific Northwest Community Banking Franchise*

Tacoma, Washington and Lake Oswego, Oregon, September 26, 2012. Columbia Banking System, Inc. (NASDAQ: COLB, "Columbia") and West Coast Bancorp (NASDAQ: WCBO, "West Coast") today jointly announced that the companies have agreed to combine their two leading Pacific Northwest community bank franchises in a transaction valued at approximately \$506 million. The combined company will have approximately \$7.2 billion in assets with over 150 branches throughout Washington and Oregon and will rank number 1 in deposit market share amongst commercial community banks in the combined states of Washington and Oregon.

"We are very pleased that West Coast has agreed to join and grow with Columbia," said Melanie J. Dressel, President and Chief Executive Officer of Columbia. "We see this as an exciting opportunity for both companies, our shareholders, customers and employees to create the Premier Community Banking Franchise in the Pacific Northwest. On a combined basis, we will have extensive coverage throughout Washington and Oregon, including serving all major MSAs."

Robert D. Szniewajs, President and Chief Executive Officer of West Coast commented, "This merger is a rare fit of two high quality organizations with similar business models, cultures and values. We think the transaction will provide outstanding benefits to our customers, communities, shareholders, and other constituencies, along with enhancing our proven approach to community banking."

The merger is expected to be immediately accretive to Columbia's earnings per share with an IRR in excess of 15%. Anticipated cost savings are expected to be approximately 25% of the operating expense base of West Coast, with 50% being realized in 2013 and 100% being realized thereafter.

The transaction is expected to be completed in the first quarter of 2013, after obtaining the approval of the shareholders of each company and receipt of necessary regulatory approvals. The agreement was unanimously approved by the Board of Directors of each company. In addition, shareholders of West Coast owning or controlling approximately 22% in the aggregate of the currently outstanding shares of West Coast have already agreed to vote in favor of the merger.

Under the terms of the merger agreement West Coast shareholders can elect, subject to allocation procedures, to receive either Columbia common stock, cash, or a combination of both stock and cash for each share of West Coast stock. Aggregate consideration offered in exchange for all of West Coast's capital securities consists of a fixed amount of cash totaling approximately \$264.5 million and a fixed amount of Columbia common stock totaling approximately 12.8 million shares. The value received by West Coast shareholders on a per share basis will fluctuate based on Columbia's stock price. Based on Columbia's closing stock price of \$18.85 on September 25, West Coast shareholders would have received consideration valued at approximately \$23.10 per share. West Coast shareholders will own approximately 24% of the common stock of the combined company.

One independent member of West Coast's current Board of Directors will be invited to join Columbia's Board of Directors. Mr. Szniewajs will assist with the transition process and plans to retire after the integration is successfully underway. Hadley S. Robbins, West Coast's current Chief Credit Officer, will become the Group Manager for the State of Oregon for Columbia Bank after the close of the transaction, with responsibilities for all commercial and retail banking operations within the State.

Columbia was advised in this transaction by Keefe, Bruyette & Woods, Inc., as financial advisor and Graham & Dunn PC, as legal counsel. West Coast was advised by Sandler O'Neill + Partners, L.P., as financial advisor and Wachtell, Lipton, Rosen & Katz, as legal counsel.

Conference Call: Wednesday, September 26th at 9 a.m. PDT

Columbia and West Coast will hold a joint conference call regarding this announcement today, Wednesday, September 26, 2012 at 9:00 a.m. PDT. Those wishing to participate in the call may dial (866) 378-3802; Conference ID code #34476274. The investor presentation for this transaction can be accessed at Columbia's website at www.columbiabank.com and clicking on the West Coast Bank logo in the lower right hand corner of the home page. A replay of the call will be available through midnight PDT October 26, 2012 by calling (855) 859-2056 and entering Conference ID code #34476274.

About Columbia

Headquartered in Tacoma, Washington, Columbia Banking System, Inc. is the holding Company of Columbia State Bank, a Washington state-chartered full-service commercial bank. For the sixth consecutive year, the bank was named in 2012 as one of *Puget Sound Business Journal's* "Washington's Best Workplaces."

Columbia Banking System has 101 banking offices, including 76 branches in Washington State and 25 branches in Oregon. Columbia Bank does business under the Bank of Astoria name in Astoria, Warrenton, Seaside, Cannon Beach, Manzanita and Tillamook in Oregon. More information about Columbia can be found on its website at www.columbiabank.com.

About West Coast

West Coast Bancorp is a publicly held, Northwest bank holding company headquartered in Oregon with \$2.4 billion in assets, and the parent company of West Coast Bank and West Coast Trust Company, Inc. West Coast Bank operates 58 branches in Oregon and Washington. The Company serves clients who seek the resources, sophisticated products and expertise of larger financial institutions, along with the local decision-making, market knowledge, and customer service orientation of a community bank. The Company offers a broad range of banking, investment, fiduciary and trust services. For more information, please visit the Company web site at www.wcb.com.

This press release may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause Columbia's or West Coast's performance or achievements to be materially different from any expected future results, performance, or achievements. Forward-looking statements speak only as of the date they are made and neither Columbia nor West Coast assumes any duty to update forward looking statements. Such forward-looking statements include, but are not limited to, statements about the benefits of the business combination transaction involving Columbia and West Coast, including future financial and operating results, the combined company's plans, objectives, expectations and intentions and other statements that are not historical facts. The following factors, among others, could cause actual results to differ from those set forth in the forward-looking statements: (i) the possibility that the merger does not close when expected or at all because required regulatory, shareholder or other approvals and other conditions to closing are not received or satisfied on a timely basis or at all; (ii) changes in Columbia's stock price before closing, including as a result of the financial performance of West Coast prior to closing, or more generally due to broader stock market movements, and the performance of financial companies and peer group companies, (iii) the risk that the benefits from the transaction may not be fully realized or may take longer to realize than expected, including as a result of changes in general economic and market conditions, interest and exchange rates, monetary policy, laws and regulations and their enforcement, and the degree of competition in the geographic and business areas in which Columbia and West Coast operate; (iv) the ability to promptly and effectively integrate the businesses of Columbia and West Coast; (v) the reaction to the transaction of the

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Annualized, pro forma, projected and estimated numbers and percentages are used for illustrative purposes only, are not forecasts and may not reflect actual results.

ADDITIONAL INFORMATION ABOUT THE MERGER AND WHERE TO FIND IT

In connection with the proposed transaction, Columbia will file with the SEC a Registration Statement on Form S-4 that will include a Joint Proxy Statement of Columbia and West Coast and a Prospectus of Columbia, as well as other relevant documents concerning the proposed transaction. Shareholders of Columbia and West Coast are urged to read the Registration Statement and the Joint Proxy Statement/Prospectus regarding the transaction when it becomes available and any other relevant documents filed with the SEC, as well as any amendments or supplements to those documents, because they will contain important information. The Joint Proxy Statement/Prospectus and other relevant materials (when they become available) filed with the SEC may be obtained free of charge at the SEC's Website at <http://www.sec.gov>. Shareholders are urged to read the Joint Proxy Statement and the other relevant materials before voting on the transaction.

Investors will also be able to obtain these documents, free of charge, from West Coast by accessing West Coast's website at www.wcb.com under the heading "Investor Relations" or from Columbia at www.columbiabank.com under the tab "About Us" and then under the heading "Investor Relations." Copies can also be obtained, free of charge, by directing a written request to Columbia Banking System, Inc., Attention: Corporate Secretary, 1301 A Street, Suite 800, Tacoma, Washington 98401-2156 or to West Coast Bancorp, 5335 Meadows Road, Suite 201, Lake Oswego, Oregon 97035.

PARTICIPANTS IN THE SOLICITATION

West Coast and Columbia and certain of their directors and executive officers may be deemed to be participants in the solicitation of proxies from the shareholders of West Coast and Columbia in connection with the merger. Information about the directors and executive officers of West Coast and their ownership of West Coast common stock is set forth in the proxy statement for West Coast's 2012 annual meeting of shareholders, as filed with the SEC on a Schedule 14A on March 13, 2012. Information about the directors and executive officers of Columbia and their ownership of Columbia common stock is set forth in the proxy statement for Columbia's 2012 annual meeting of shareholders, as filed with the SEC on a Schedule 14A on March 22, 2012. Additional information regarding the interests of those participants and other persons who may be deemed participants in the transaction may be obtained by reading the Joint Proxy Statement regarding the merger when it becomes available. Free copies of this document may be obtained as described in the preceding paragraph.

Creating the Premier Pacific Northwest Community Banking Franchise

Columbia
 Banking
System Inc.

**Investor Presentation
September 26, 2012**


WEST COAST
BANCORP

Cautionary Note: Forward Looking Statements

This presentation includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements relate to future events and expectations and involve known and unknown risks and uncertainties. Actual results may differ materially from those currently expected or projected in these forward-looking statements. These forward-looking statements are based on current expectations and assumptions, and we assume no obligation to update these forward-looking statements. Investors are cautioned not to place undue reliance on these forward-looking statements. For risks relating to these forward-looking statements and factors that could cause actual results to differ materially from those anticipated, please review Columbia's latest Annual Report on Form 10-K and Quarterly Reports on Form 10-Q (including the "Risk Factors", "Business" and "Management's Discussion and Analysis" sections therein) and other filings with the Securities and Exchange Commission.

Such forward-looking statements include, but are not limited to, statements about the benefits of the business combination transaction involving Columbia and West Coast, including future financial and operating results, the combined company's plans, objectives, expectations and intentions and other statements that are not historical facts. The following factors, among others, could cause actual results to differ from those set forth in the forward-looking statements: (i) the possibility that the merger does not close when expected or at all because required regulatory, shareholder or other approvals and other conditions to closing are not received or satisfied on a timely basis or at all; (ii) changes in Columbia's stock price before closing, including as a result of the financial performance of West Coast prior to closing, or more generally due to broader stock market movements, and the performance of financial companies and peer group companies, (iii) the risk that the benefits from the transaction may not be fully realized or may take longer to realize than expected, including as a result of changes in general economic and market conditions, interest and exchange rates, monetary policy, laws and regulations and their enforcement, and the degree of competition in the geographic and business areas in which Columbia and West Coast operates; (iv) the ability to promptly and effectively integrate the businesses of Columbia and West Coast; (v) the reaction to the transaction of the companies' customers, employees and counterparties; and (vi) diversion of management time on merger-related issues.

Annualized, pro forma, projected and estimated numbers and percentages are used for illustrative purposes only, are not forecasts and may not reflect actual results.

Transaction Highlights

Transaction Rationale

- Creates the Premier Pacific Northwest Community Banking Franchise
 - #1 community bank in Washington and Oregon ⁽¹⁾
 - Significantly increases Oregon deposit market share; especially within the Portland MSA
 - Enhances Washington deposit market share; adds significantly to presence in the Olympia MSA
 - Adds over 50 branches primarily along the I-5 corridor from Seattle to Eugene
- Effective use of capital, enhancing both profitability and shareholder value
- Culturally compatible banks with similar strong core deposit bases
- Enhances breadth of banking products for all customers and augments fee income generation

Attractive Financial Returns

- 20% of 2013e EPS accretion
- 33% of 2014e EPS accretion
- > 15% IRR

3 (1) Based on 6/30/2011 deposit market share data per FDIC S.O.D.

Transaction Overview

Transaction Value ⁽¹⁾	\$505.9 million
Price per Share ⁽¹⁾	\$23.10 / 14.5% premium to WCBO closing price ⁽²⁾
Consideration Mix	48% stock / 52% cash ⁽¹⁾ 12,809,525 in fixed shares of COLB \$264.5 million in cash
Board Seat	One current independent member from WCBO
Due Diligence	Completed; including an extensive loan review
Termination Fee	\$20.0 million for superior offer
Walk-Aways	Double trigger: COLB stock declining 17.5% relative to the KBW Regional Banking Index
Required Approval	Customary regulatory and shareholder approvals
Targeted Closing	Within 6 months

(1) Based on COLB's stock price as of 9/25/2012 and WCBO's fully diluted share count of 21.9 million. Transaction value, price per share, and consideration mix % will change based on the fluctuation in COLB's stock price. Please see Appendix.

(2) Based on WCBO's stock price as of 9/25/2012.

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Overview of West Coast Bancorp⁽¹⁾ (NASDAQ: WCBO)

Overview

Headquarters:	Lake Oswego, OR
Established (BHC / Bank):	1982 / 1925
Assets (\$Millions):	\$2,408
Deposits (\$Millions):	\$1,877
Gross Loans (\$Millions):	\$1,496

Asset Quality

NPAs / Assets:	3.05%
NPAs / (Loans + OREO):	4.82%
Reserves / Loans:	2.22%
NCOs / Avg. Loans:	0.07%

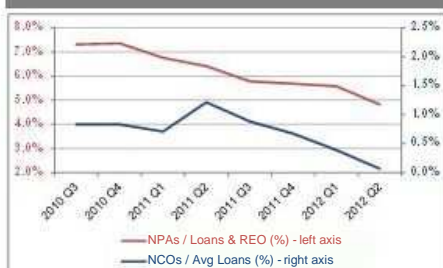
Balance Sheet & Capital

Loans / Deposits:	79.7%
Securities / Assets:	30.0%
DDAs / Deposits ⁽²⁾ :	33.2%
TCE / TA ⁽³⁾ :	13.62%
Tier 1 Leverage Ratio:	15.55%

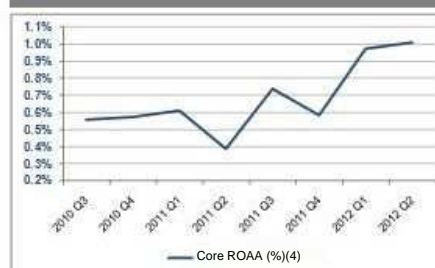
Performance (2Q 2012)

ROAA:	1.01%
ROAE:	7.50%
Net Interest Margin:	3.93%
Noninterest Income / Avg. Assets:	1.42%
Cost of Deposits:	0.09%
Efficiency Ratio:	70.9%

Reduction of NPAs



Profitability Improvement



(1) U.S. GAAP financial data as of and for the quarter ended 6/30/2012.

(2) Calculated using average balances per WCBO's 2nd quarter earnings release.

(3) Assumes the conversion of preferred shares into common.

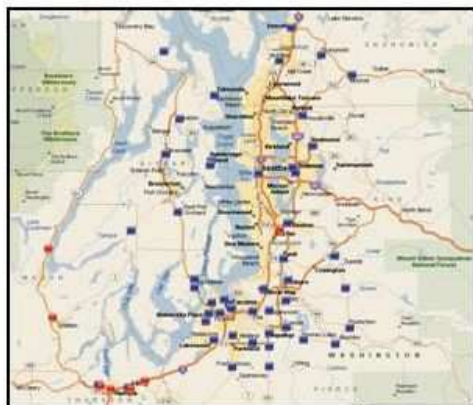
(4) Core ROAA in 2011 Q3 and 2011 Q4 was normalized for FHLB prepayment penalties, DTA reversals, and branch closures. All periods were taxed at a 35% rate.

Note: NPAs include performing TDRs.

Source: WCBO Filings and SNL Financial.

Largest Community Bank in the Pacific Northwest

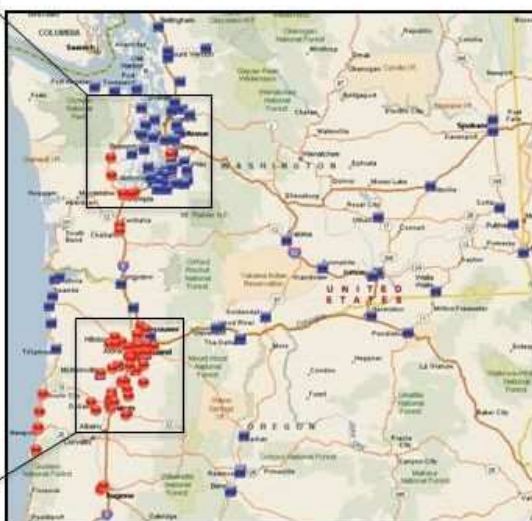
■ COLB (101 branches) ● WCBO (58 branches)



Puget Sound



Portland



	COLB (\$Millions)	WCBO (\$Millions)	Pro Forma ⁽¹⁾ (\$Millions)
Assets:	4,789	2,408	7,198
Gross Loans:	2,934	1,496	4,430
Deposits:	3,831	1,877	5,708

(1) Pro forma excludes purchase accounting marks.
Source: Company Filings, SNL Financial and Microsoft MapPoint.


Deposit Franchise Expansion

Washington State

2011 Rank	Institution (ST)	Branches	2011 Deposits (\$000s)	2011 Market Share (%)
1	Bank of America Corp. (NC)	221	23,755,153	21.74
2	Wells Fargo & Co. (CA)	156	11,354,756	10.39
3	U.S. Bancorp (MN)	188	10,632,752	9.73
4	JPMorgan Chase & Co. (NY)	209	9,461,001	8.66
5	KeyCorp (OH)	167	8,130,850	7.44
6	Washington Federal Inc. (WA)	66	4,382,831	4.01
7	Sterling Financial Corp. (WA)	87	3,896,409	3.57
	Pro Forma Company	89	3,713,705	3.40
8	Columbia Banking System Inc. (WA)	77	3,360,889	3.08
9	W.T.B. Financial Corp. (WA)	26	2,735,229	2.50
10	Banner Corp. (WA)	67	2,713,231	2.48
11	Mitsubishi UFJ Finl Grp Inc	45	2,102,838	1.92
12	Washington Banking Co. (WA)	30	1,487,923	1.36
13	HomeStreet Inc. (WA)	16	1,411,823	1.29
14	Yakima FS&LA (WA)	10	1,348,792	1.23
15	SKBHC Holdings LLC (WA)	42	1,249,545	1.14
16	Heritage Financial Corp. (WA)	32	1,111,957	1.02
17	Peoples Bancorp (WA)	23	1,069,851	0.98
18	Opus Bank (CA)	23	1,057,712	0.97
19	Umpqua Holdings Corp. (OR)	33	1,047,344	0.96
20	Cashmere Valley Financial Corp (WA)	11	1,010,282	0.92
34	West Coast Bancorp (OR)	12	352,816	0.32
	Other institutions in market (77)	341	15,588,235	14.29
Total For Institutions In Market		1,882	109,262,219	100.00

Oregon State

2011 Rank	Institution (ST)	Branches	2011 Deposits (\$000s)	2011 Market Share (%)
1	U.S. Bancorp (MN)	196	10,875,875	19.08
2	Bank of America Corp. (NC)	83	9,315,139	16.34
3	Wells Fargo & Co. (CA)	125	8,826,005	15.48
4	Umpqua Holdings Corp. (OR)	78	4,653,693	8.16
5	JPMorgan Chase & Co. (NY)	115	4,083,463	7.16
6	KeyCorp (OH)	79	3,348,734	5.88
	Pro Forma Company	74	2,325,902	4.08
7	Washington Federal Inc. (WA)	52	2,055,779	3.61
8	Sterling Financial Corp. (WA)	66	1,802,392	3.16
9	West Coast Bancorp (OR)	48	1,588,541	2.79
10	BNP Paribas	31	1,080,989	1.90
11	Cascade Bancorp (OR)	19	852,792	1.50
12	Pacific Continental Corp. (OR)	11	773,262	1.36
13	Columbia Banking System Inc. (WA)	26	737,361	1.29
14	Home Federal Bancorp (ID)	17	609,101	1.07
15	Banner Corp. (WA)	16	591,518	1.04
16	PremierWest Bancorp (OR)	17	508,526	0.89
17	Citizens Bancorp (OR)	14	340,504	0.60
18	Evergreen FS&LA (OR)	6	304,065	0.53
19	Community Bancshares Inc. (OR)	12	296,450	0.52
20	Mitsubishi UFJ Finl Grp Inc	3	287,388	0.50
	Other institutions in market (37)	107	4,065,813	7.13
Total For Institutions In Market		1,121	56,997,390	100.00

 Elevates COLB to #1 ranked community bank⁽¹⁾ in Oregon and solidifies COLB's already strong position in Washington

7 (1) Based on 6/30/2011 deposit market share data per FDIC S.O.D.
Source: Most recent available FDIC S.O.D. as of 6/30/2011.



Conservative Cost Savings

- Cost savings of ~25% of West Coast's noninterest expense
- 8-10 branch consolidations assumed

Expense Items	Approximate Value in Millions
Compensation & benefits	\$10.6
Occupancy & equipment	\$4.0
Marketing & promotion	\$0.4
Professional fees	\$1.3
Technology & communications	\$1.2
Other	\$3.4
TOTAL	\$20.9

Credit Due Diligence and Fair Value Marks

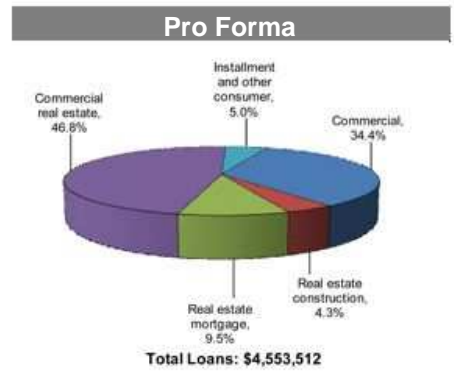
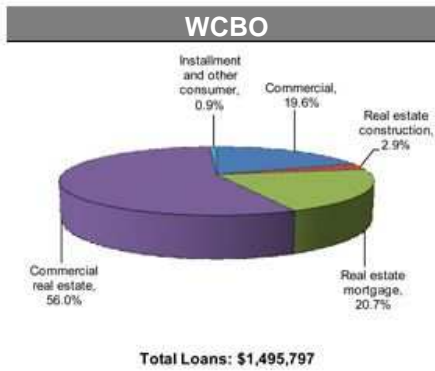
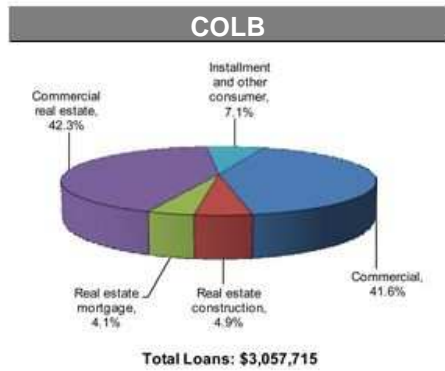
- Estimated credit mark of \$73.5 million or ~5.0% of loans
- Comprehensive credit review covering ~65% of loans and 100% of OREO
 - Analyzed credit files, underwriting methodology, and policy and portfolio management processes
 - Reviewed approximately 650 loans and 100% of OREO properties

Summary of Other Estimated Fair Value Adjustments

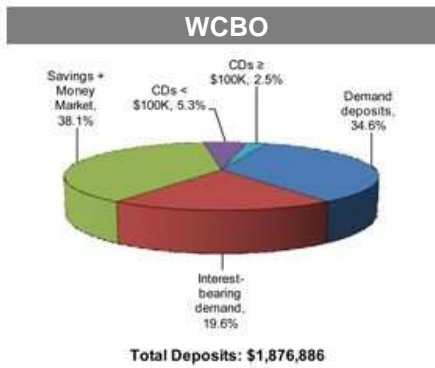
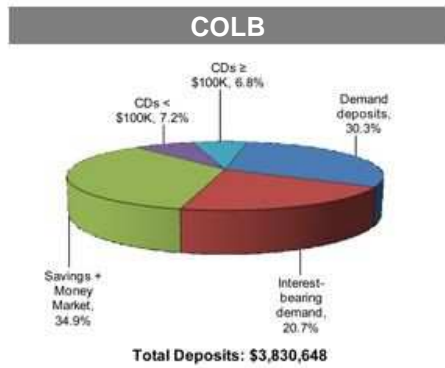
- Estimated OREO markdown of \$5.0 million
- Estimated Investment Securities markdown of \$3.0 million
- Estimated Core Deposit Intangible equaling 1.0% of West Coast's core deposits⁽¹⁾

Pro Forma Loan & Deposit Composition (6/30/2012)

LOANS



DEPOSITS



Pro Forma Financial Impact

Transaction Assumptions

Consideration:	12,809,525 in fixed shares of COLB \$264.5 million in fixed cash
Earnings Estimates ⁽¹⁾:	2013e of \$1.25 and 2014e of \$1.32 for COLB 2013e of \$1.17 and 2014e of \$1.29 for WCBO
Cost Savings:	Approximately \$21 million or 25% Phased-in 50% in 2013 and 100% in 2014
Deal Related Expenses:	Approximately \$30 million, pre-tax
Assumed Credit Mark:	5.0% of WCBO's gross loans ⁽²⁾ Credit mark less LLR is accreted back into interest income ⁽³⁾
Revenue Enhancements:	None assumed
Core Deposit Intangible:	1.0% of WCBO's core deposits Amortized on a Sum of the Years Digits basis over 10 years
Targeted Closing:	Within 6 months

(1) Mean Street Consensus Estimates from Thomson Financial, as of 9/25/2012. WCBO's 2014e is based on a 10% long-term growth rate.



(2) Company management per 3rd party loan review.

(3) Accretion was recognized over a 5 year period with a 50% recapture rate.

Pro Forma Financial Impact

2013e EPS Accretion⁽¹⁾ :	20%
2014e EPS Accretion⁽²⁾ :	33%
IRR⁽³⁾ :	> 15%
Tangible Book Value Earnback Period⁽⁴⁾ :	~7 years, using incremental earnings

Capital Ratios

	COLB	WCBO	PRO FORMA
			
TCE / TA:	13.43%	12.74%	9.35%
Leverage Ratio:	12.88%	15.55%	9.31%
Tier 1 Common Ratio:	19.51%	16.37%	12.37%
Tier 1 Ratio:	19.51%	20.33%	13.43%
Total Risk-based Capital Ratio:	20.78%	21.50%	14.66%

- (1) Based on mean street consensus estimates of \$1.25 / share for COLB and \$1.17 / share for WCBO from Thomson Financial, as of 9/25/2012.
- (2) Based on mean street consensus estimates of \$1.32 / share for COLB from Thomson Financial as of 9/25/2012 and \$1.29 / share for WCBO, grown using the mean street long term earnings growth rate from Thomson Financial as of 9/25/2012 of 10% from 2013e EPS.
- (3) Forward projections based on mean street analyst Long Term Growth Rate of 10%. Realized cost savings of 50% in 2013 and 100% in 2014, and grown at a 5% rate thereafter.
- (4) Incremental Tangible Book Value Earnback represents the number of years to eliminate tangible book value dilution at closing utilizing incremental earnings created in the merger including earnings from WCBO, cost savings and purchase accounting adjustments.

13 Note: Pro forma capital ratios are calculated as of 6/30/2012.
Source: SNL Financial and KBW IBD.



Attractive Investment Opportunity

Attractive Investment Opportunity

Leading Community Bank in the Pacific Northwest

- Creates the Premier Pacific Northwest Community Banking Franchise
- Culturally compatible banks with similar strong core deposit bases
- Enhances breadth of banking products for all customers and augments fee income generation

Financially Attractive

- Highly accretive to earnings with conservative cost save assumptions
- Efficient Use of Capital with combined capital ratios in excess of well-capitalized guidelines
- Strong IRR of > 15%

Augments Presence in Key Markets

- Increases visibility in the Portland MSA and enhances presence in the Pacific Northwest
- Pacific Northwest considered one of 5 U.S. "regions to watch" for brightest economic future. ⁽¹⁾

Appendix: Merger Consideration

Merger Consideration

Defined Terms in the Merger Agreement

Purchaser Avg Closing Price	Total Stock Consideration	Total Cash Amount	Aggregate Consideration	Per Share Consideration	Exchange Ratio	Cash Percentage	Stock Percentage
\$17.00	\$217.8	\$264.5	\$482.2	\$22.07	1.2982	54.8%	45.2%
\$17.25	\$221.0	\$264.5	\$485.4	\$22.21	1.2875	54.5%	45.5%
\$17.50	\$224.2	\$264.5	\$488.6	\$22.35	1.2771	54.1%	45.9%
\$17.75	\$227.4	\$264.5	\$491.8	\$22.49	1.2669	53.8%	46.2%
\$18.00	\$230.6	\$264.5	\$495.0	\$22.63	1.2571	53.4%	46.6%
\$18.25	\$233.8	\$264.5	\$498.2	\$22.77	1.2475	53.1%	46.9%
\$18.50	\$237.0	\$264.5	\$501.4	\$22.91	1.2382	52.7%	47.3%
\$18.75	\$240.2	\$264.5	\$504.6	\$23.05	1.2291	52.4%	47.6%
As of 9/25/12	\$18.85	\$241.5	\$505.9	\$23.10	1.2255	52.3%	47.7%
\$19.00	\$243.4	\$264.5	\$507.8	\$23.18	1.2203	52.1%	47.9%
\$19.25	\$246.6	\$264.5	\$511.1	\$23.32	1.2116	51.7%	48.3%
\$19.50	\$249.8	\$264.5	\$514.3	\$23.46	1.2033	51.4%	48.6%
\$19.75	\$253.0	\$264.5	\$517.5	\$23.60	1.1951	51.1%	48.9%
\$20.00	\$256.2	\$264.5	\$520.7	\$23.74	1.1871	50.8%	49.2%
\$20.25	\$259.4	\$264.5	\$523.9	\$23.88	1.1794	50.5%	49.5%
\$20.50	\$262.6	\$264.5	\$527.1	\$24.02	1.1718	50.2%	49.8%
\$20.75	\$265.8	\$264.5	\$530.3	\$24.16	1.1644	49.9%	50.1%
\$21.00	\$269.0	\$264.5	\$533.5	\$24.30	1.1571	49.6%	50.4%

Additional Information

In connection with the proposed transaction, Columbia will file with the U.S. Securities and Exchange Commission (the "SEC") a Registration Statement on Form S-4 that will include a Joint Proxy Statement of Columbia and West Coast and a Prospectus of Columbia, as well as other relevant documents concerning the proposed transaction. Shareholders of Columbia and West Coast are urged to read the Registration Statement and the Joint Proxy Statement/Prospectus regarding the transaction when it becomes available and any other relevant documents filed with the SEC, as well as any amendments or supplements to those documents, because they will contain important information. The Joint Proxy Statement/Prospectus and other relevant materials (when they become available) filed with the SEC may be obtained free of charge at the SEC's Website at <http://www.sec.gov>. Shareholders are urged to read the Joint Proxy Statement and the other relevant materials before voting on the transaction.

Investors will also be able to obtain these documents, free of charge, from Columbia at www.columbiabank.com under the tab "About Us" and then under the heading "Investor Relations" or from West Coast by accessing West Coast's website at www.wcb.com under the heading "Investor Relations." Copies can also be obtained, free of charge, by directing a written request to Columbia Banking System, Inc., Attention: Corporate Secretary, 1301 A Street, Suite 800, Tacoma, Washington 98402 or to West Coast Bancorp, 5335 Meadows Road, Suite 201, Lake Oswego, Oregon 97035.

Columbia and West Coast and certain of their directors and executive officers may be deemed to be participants in the solicitation of proxies from the shareholders of Columbia and West Coast in connection with the merger. Information about the directors and executive officers of Columbia and their ownership of Columbia common stock is set forth in the proxy statement for Columbia's 2012 annual meeting of shareholders, as filed with the SEC on a Schedule 14A on March 22, 2012. Information about the directors and executive officers of West Coast and their ownership of West Coast common stock is set forth in the proxy statement for West Coast's 2012 annual meeting of shareholders, as filed with the SEC on a Schedule 14A on March 13, 2012. Additional information regarding the interests of those participants and other persons who may be deemed participants in the transaction may be obtained by reading the Joint Proxy Statement regarding the merger when it becomes available. Free copies of this document may be obtained as described in the preceding paragraph.



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You'll Notice the Difference.

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