

**UNITED STATES  
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):**

**April 21, 2022**

**COLUMBIA BANKING SYSTEM, INC.**

**(Exact name of registrant as specified in its charter)**

**Washington  
(State or other jurisdiction  
of incorporation)**

**000-20288  
(Commission  
File Number)**

**91-1422237  
(IRS Employer  
Identification No.)**

**1301 A Street  
Tacoma, WA 98402-2156  
(Address of principal executive offices and zip code)  
(253) 305-1900  
(Registrant's telephone number, including area code)**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation 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 (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

| <b>Title of each class</b>        | <b>Trading symbol</b> | <b>Name of each exchange on which registered</b> |
|-----------------------------------|-----------------------|--|
| <b>Common Stock, No Par Value</b> | <b>COLB</b>           | <b>The Nasdaq Stock Market LLC</b>               |

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

## **Items to be Included in this Report**

### **Item 2.02 Results of Operations and Financial Condition**

On April 21, 2022, Columbia Banking System, Inc. (the "Company") issued a press release reporting its financial results for the quarter ended March 31, 2022 and reporting a quarterly cash dividend of \$0.30 per share. The dividend will be paid on May 18, 2022 to shareholders of record at the close of business on May 4, 2022. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference in its entirety.

### **Item 8.01 Other Events**

The information concerning the Company's quarterly dividend included in Item 2.02 is incorporated by reference into this Item 8.01.

### **Item 9.01 Financial Statements and Exhibits**

(d)

[99.1 Press release dated April 21, 2022 reporting the financial results of Columbia Banking System, Inc. for the quarter ended March 31, 2022 and a quarterly cash dividend for the quarter ended March 31, 2022.](#)

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**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.

COLUMBIA BANKING SYSTEM, INC.

Date: April 21, 2022

/s/ CLINT E. STEIN

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Clint E. Stein  
President and  
Chief Executive Officer

# Columbia Banking System Inc.

**FOR IMMEDIATE RELEASE**

**April 21, 2022**

## **Columbia Banking System Announces First Quarter 2022 Results and Quarterly Cash Dividend**

### **Notable Items for First Quarter 2022**

- **Quarterly net income of \$57.5 million and diluted earnings per share of \$0.74, which included \$0.07 per share negative impact from acquisition-related expenses**
- **Record non-PPP first quarter loan production of \$464.2 million**
- **Deposits increased \$289.1 million**
- **Net interest margin of 3.12%, an increase of 7 basis points from the linked quarter**
- **Nonperforming assets to period-end assets ratio decreased to 0.09%**
- **Regular cash dividend declared of \$0.30 per share**
- **Bank of Commerce Holdings integration completed**

**TACOMA, Washington, April 21, 2022** -- Clint Stein, President and Chief Executive Officer of Columbia Banking System, Inc. (“Columbia”, “we” or “us”) and Columbia Bank (the “Bank”) (NASDAQ: COLB), said today upon the release of Columbia’s first quarter 2022 earnings, “We achieved robust loan and deposit growth during the first quarter, which is traditionally our slowest. Our credit metrics remain stellar, and our balance sheet is well-positioned for the expected continued rise in interest rates.” He continued, “During the quarter our team completed the Bank of Commerce Holdings integration and is ready for the close of our merger with Umpqua Holdings. I am proud of what our bankers continue to accomplish and remain exceedingly optimistic for our future.”

## **Balance Sheet**

Total assets at March 31, 2022 were \$20.96 billion, an increase of \$18.6 million from the linked quarter. Loans were \$10.76 billion, up \$117.7 million from December 31, 2021, mainly attributable to loan originations of \$464.2 million partially offset by loan payments. Total Paycheck Protection Program (“PPP”) loans decreased from \$184.1 million at December 31, 2021 to \$83.2 million at March 31, 2022. The remaining PPP loans balance consisted of \$9.1 million from the first round in 2020 and \$74.1 million from the second round in 2021. Debt securities in total were \$7.73 billion, a decrease of \$329.5 million from \$8.06 billion at December 31, 2021 substantially driven by fair value movement related to the available-for-sale portfolio. Total deposits at March 31, 2022 were \$18.30 billion, an increase of \$289.1 million from December 31, 2021. The deposit mix remained fairly consistent from December 31, 2021 with 48% noninterest-bearing and 52% interest-bearing.

Chris Merrywell, Columbia’s Executive Vice President and Chief Operating Officer, stated, “We have been successful in retaining existing and attracting new bankers in all of our markets, which generated loan production of \$464.2 million, a new non-PPP first-quarter record. This, combined with increased account retention, translated into excellent loan and deposit growth during the first quarter, which typically is our seasonally lowest.” He continued, “Our pipelines remain strong which is an extension of the purposeful investment in our people and our products.”

## **Income Statement**

### **Net Interest Income**

Net interest income for the first quarter of 2022 was \$146.2 million, an increase of \$677 thousand from the linked quarter and an increase of \$22.2 million from the prior-year period. The increase from the linked quarter was primarily due to higher interest income related to increased yield on the securities portfolio substantially driven by lower premium amortization. Also contributing was lower interest expense resulting from the \$35.0 million repayment of subordinated debentures in the prior quarter. The increase in net interest income from the prior-year period was mainly due to an increase in interest income for loans and securities, which was a result of higher average balances partially related to the Bank of Commerce acquisition. For additional information regarding net interest income, see the “Net Interest Margin” section and the “Average Balances and Rates” tables.

## **Provision for Credit Losses**

Columbia recorded a \$7.8 million recapture for credit losses for the first quarter of 2022 compared to an \$11.1 million provision for the linked quarter and a net provision recapture of \$800 thousand for the comparable quarter in 2021. The recapture for credit losses recorded in the current quarter was due to credit quality improvement.

## **Noninterest Income**

Noninterest income was \$24.2 million for the first quarter of 2022, a decrease of \$60 thousand from the linked quarter and an increase of \$1.0 million from the first quarter of 2021. The decrease compared to the linked quarter was primarily due to lower loan fees and mortgage banking revenue partially offset by financial services and trust revenue and other noninterest income including a gain on the sale of loans of \$868 thousand. The increase in noninterest income during the first quarter of 2022 compared to the same quarter in 2021 was mainly due to increases associated with other noninterest income, financial services and trust revenue and card revenue offset by lower mortgage banking revenue due to lower overall mortgage production and decreased premium on loan sales attributed to the higher rate environment.

## **Noninterest Expense**

Total noninterest expense for the first quarter of 2022 was \$105.1 million, an increase of \$2.4 million compared to the fourth quarter of 2021. Total acquisition-related expenses for the quarter were \$7.1 million, which compares to the linked quarter of \$11.8 million. Taking this into consideration, the largest contributor to the increase in noninterest expense for the current quarter is related to compensation and employee benefits that can be attributed to higher 401k and payroll tax expenses, which are typically elevated in the first quarter. The increase was also attributable to a \$500 thousand provision for unfunded loan commitments recorded in the current quarter compared to a \$2.0 million recapture recorded for the linked quarter. Higher data processing and software expenses partially offset by lower professional services expense were also drivers of the current quarter increase. Compared to the first quarter of 2021, noninterest expense increased \$21.5 million, mostly attributable to an increase in compensation and employee benefits. This increase was due to our acquisition of Bank of Commerce in the fourth quarter of 2021 and the prior-year period having substantial labor costs capitalized related to PPP loan originations. Increased acquisition-related expenses related to legal and professional fees, occupancy and data processing and software also contributed to the increase from the prior-year period.

The provision for unfunded loan commitments, a component of other noninterest expense, for the periods indicated are as follows:

|   | Three Months Ended    |                      |                   |
|---|-----------------------|----------------------|-------------------|
|   | March 31,<br>2022     | December 31,<br>2021 | March 31,<br>2021 |
|   | <i>(in thousands)</i> |                      |                   |
| Provision (recapture) for unfunded loan commitments | \$ 500                | \$ (2,000)           | \$ 1,500          |

### **Net Interest Margin**

Columbia's net interest margin (tax equivalent) for the first quarter of 2022 was 3.12%, an increase of 7 basis points from the linked quarter and a decrease of 19 basis points from the prior-year period. The increase in the net interest margin (tax equivalent) compared to the linked quarter was primarily due to higher yields on securities driven by substantially lower premium amortization. A stronger earning assets mix with a lower ratio of low-yield interest-earning deposits with banks was also a contributing factor to the improved net interest margin. The average cost of total deposits for both the current quarter and linked quarter was 4 basis points. The decrease in the net interest margin (tax equivalent) compared to the prior-year period was driven by lower average rates on loans in the current period. For additional information regarding net interest margin, see the "Average Balances and Rates" tables.

Columbia's operating net interest margin (tax equivalent)<sup>1</sup> was 3.15% for the first quarter of 2022, an increase of 7 basis points from the linked quarter and a decrease of 15 basis points compared to the prior-year period. The increase in the operating net interest margin for the first quarter of 2022 compared to the linked quarter and the decrease compared to the prior-year period were due to the items noted in the preceding paragraph.

<sup>1</sup> Operating net interest margin (tax equivalent) is a non-GAAP financial measure. See the section titled "Non-GAAP Financial Measures" in this earnings release for the reconciliation of operating net interest margin (tax equivalent) to net interest margin.

The following table highlights the yield on our PPP loans for the periods indicated:

|  | Three Months Ended            |                      |                   |
|--|-------------------------------|----------------------|-------------------|
|  | March 31,<br>2022             | December 31,<br>2021 | March 31,<br>2021 |
| <b>Paycheck Protection Program loans</b> | <i>(dollars in thousands)</i> |                      |                   |
| Interest income                          | \$ 2,462                      | \$ 4,876             | \$ 9,097          |
| Average balance                          | \$ 119,548                    | \$ 282,542           | \$ 828,051        |
| Yield                                    | 8.35 %                        | 6.85 %               | 4.46 %            |

### **Asset Quality**

At March 31, 2022, nonperforming assets to total assets decreased to 0.09% compared to 0.11% at December 31, 2021. Total nonperforming assets decreased \$5.6 million from the linked quarter, primarily due to decreases in commercial real estate, commercial business and one-to-four family residential real estate nonaccrual loans.

The following table sets forth information regarding nonaccrual loans and total nonperforming assets:

|  | March 31, 2022        | December 31, 2021 |
|--|-----------------------|-------------------|
|  | <i>(in thousands)</i> |                   |
| Nonaccrual loans:                          |                       |                   |
| Commercial loans:                          |                       |                   |
| Commercial real estate                     | \$ 939                | \$ 1,872          |
| Commercial business                        | 10,201                | 13,321            |
| Agriculture                                | 5,053                 | 5,396             |
| Consumer loans:                            |                       |                   |
| One-to-four family residential real estate | 1,236                 | 2,433             |
| Other consumer                             | 12                    | 19                |
| Total nonaccrual loans                     | 17,441                | 23,041            |
| OREO and other personal property owned     | 381                   | 381               |
| Total nonperforming assets                 | \$ 17,822             | \$ 23,422         |

Nonperforming assets to total loans were 0.16% and 0.22% at March 31, 2022 and December 31, 2021, respectively.

The following table provides an analysis of the Company's allowance for credit losses:

|   | Three Months Ended    |                      |                   |
|---|-----------------------|----------------------|-------------------|
|   | March 31,<br>2022     | December 31,<br>2021 | March 31,<br>2021 |
|   | <i>(in thousands)</i> |                      |                   |
| Beginning balance   | \$ 155,578            | \$ 142,785           | \$ 149,140        |
| Initial ACL recorded for PCD loans acquired during the period | —                     | 2,616                | —                 |
| Charge-offs:  |                       |                      |                   |
| Commercial loans:   |                       |                      |                   |
| Commercial real estate  | —                     | (728)                | —                 |
| Commercial business   | (1,632)               | (871)                | (3,339)           |
| Agriculture   | (23)                  | (200)                | —                 |
| Consumer loans:   |                       |                      |                   |
| One-to-four family residential real estate                    | —                     | (24)                 | —                 |
| Other consumer  | (246)                 | (355)                | (127)             |
| Total charge-offs   | <u>(1,901)</u>        | <u>(2,178)</u>       | <u>(3,466)</u>    |
| Recoveries:   |                       |                      |                   |
| Commercial loans:   |                       |                      |                   |
| Commercial real estate  | 14                    | 63                   | 36                |
| Commercial business   | 291                   | 446                  | 3,214             |
| Agriculture   | 125                   | 332                  | 12                |
| Construction  | 8                     | 18                   | 46                |
| Consumer loans:   |                       |                      |                   |
| One-to-four family residential real estate                    | 294                   | 150                  | 51                |
| Other consumer  | 340                   | 246                  | 61                |
| Total recoveries  | <u>1,072</u>          | <u>1,255</u>         | <u>3,420</u>      |
| Net charge-offs   | (829)                 | (923)                | (46)              |
| Provision (recapture) for credit losses                       | (7,800)               | 11,100               | (800)             |
| Ending balance  | <u>\$ 146,949</u>     | <u>\$ 155,578</u>    | <u>\$ 148,294</u> |

The allowance for credit losses to period-end loans was 1.37% at March 31, 2022 compared to 1.46% at December 31, 2021.

Excluding PPP loans, the allowance for credit losses to period-end loans<sup>2</sup> was 1.38% at March 31, 2022 compared to 1.49% at December 31, 2021.

<sup>2</sup> Allowance for credit losses to period-end loans, excluding PPP loans is a non-GAAP financial measure. See the section titled "Non-GAAP Financial Measures" in this earnings release for the reconciliation of allowance for credit losses to period-end loans to allowance for credit losses to period-end loans, excluding PPP loans.

## **Organizational Update**

### **Umpqua Merger**

Integration planning related to the combination with Umpqua Holdings Corporation, which was announced on October 12, 2021, is moving along smoothly under the guidance of an Integration Office co-led by executives from both companies. Shareholders overwhelmingly approved the merger at separate meetings in late January, and we are awaiting regulatory approvals. “Once approvals are granted, we intend to move swiftly towards increasing our capacity and depth of services for the combined client-base,” said Clint Stein. “Associates from both companies have been planning and sharing their expertise to ensure a smooth post-closing experience for our clients.”

### **Cash Dividend Announcement**

Columbia will pay a regular cash dividend of \$0.30 per common share on May 18, 2022 to shareholders of record as of the close of business on May 4, 2022.

### **Conference Call Information**

Columbia's management will discuss the first quarter 2022 financial results on a conference call scheduled for Thursday, April 21, 2022 at 11:00 a.m. Pacific Time (2:00 p.m. ET). Interested parties may join the live-streamed event by using the site: <https://edge.media-server.com/mmc/p/tsvpyaax>

The conference call can also be accessed on Thursday, April 21, 2022 at 11:00 a.m. Pacific Time (2:00 p.m. ET) by calling 833-301-1160; Conference ID password: 1141605.

A replay of the call will be accessible beginning Friday, April 22, 2022 using the link below: <https://edge.media-server.com/mmc/p/tsvpyaax>

### **About Columbia**

Headquartered in Tacoma, Washington, Columbia Banking System, Inc. (NASDAQ: COLB) is the holding company of Columbia Bank, a Washington state-chartered full-service commercial bank with locations throughout Washington, Oregon, Idaho and California. The bank has been named one of *Puget Sound Business Journal's* "Washington's Best Workplaces," more than 10 times. Columbia was named on the *Forbes* 2022 list of "America's Best Banks" marking 11 consecutive years on the publication's list of top financial institutions.

More information about Columbia can be found on its website at [www.columbiabank.com](http://www.columbiabank.com).

### Note Regarding Forward-Looking Statements

This news release includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include, but are not limited to, descriptions of Columbia's management's expectations regarding future events and developments such as future operating results, growth in loans and deposits, continued success of Columbia's style of banking and the strength of the local economy as well as the potential effects of the COVID-19 pandemic on Columbia's business, operations, financial performance and prospects. The words "will," "believe," "expect," "intend," "should," and "anticipate" or the negative of these words or words of similar construction are intended in part to help identify forward-looking statements. Future events are difficult to predict, and the expectations described above are necessarily subject to risks and uncertainties, many of which are outside our control, that may cause actual results to differ materially and adversely. In addition to discussions about risks and uncertainties set forth from time to time in Columbia's filings with the Securities and Exchange Commission (the "SEC"), available at the SEC's website at [www.sec.gov](http://www.sec.gov) and the Company's website at [www.columbiabank.com](http://www.columbiabank.com), including the "Risk Factors," "Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections of our annual reports on Form 10-K and quarterly reports on Form 10-Q (as applicable), factors that may cause actual results to differ materially from those contemplated by such forward-looking statements include, among others, the following:

- national and global economic conditions could be less favorable than expected or could have a more direct and pronounced effect on us than expected and adversely affect our ability to continue internal growth and maintain the quality of our earning assets;
- the markets where we operate and make loans could face challenges;
- the risks presented by the economy, which could adversely affect credit quality, collateral values, including real estate collateral, investment values, liquidity and loan originations and loan portfolio delinquency rates;
- continued increases in inflation, and the risk that information may differ, possibly materially, from expectations, and actions taken by the Board of Governors of the Federal Reserve System in response to inflation and their potential impact on economic conditions;
- risks related to the proposed merger with Umpqua including, among others, (i) failure to complete the merger with Umpqua or unexpected delays related to the merger or either party's inability to obtain regulatory or shareholder approvals or satisfy other closing conditions required to complete the merger, (ii) regulatory approvals resulting in the imposition of conditions that could adversely affect the combined company or the expected benefits of the transaction, (iii) certain restrictions during the pendency of the proposed transaction with Umpqua that may impact the parties' ability to pursue certain business opportunities or strategic transactions, (iv) diversion of management's attention from ongoing business operations and opportunities, (v) cost savings and any revenue synergies from the merger may not be fully realized or may take longer than anticipated to be realized, (vi) the integration of each party's management, personnel and operations will not be successfully achieved or may be materially delayed or will be more costly or difficult than expected, (vii) deposit attrition, customer or employee loss and/or revenue loss as a result of the announcement of the proposed merger, (viii) expenses related to the proposed merger being greater than expected, and (ix) shareholder litigation that may prevent or delay the closing of the proposed merger or otherwise negatively impact the Company's business and operations;
- the efficiencies and enhanced financial and operating performance we expect to realize from investments in personnel, acquisitions (including the recent acquisition of Bank of Commerce and infrastructure may not be realized;
- the ability to successfully integrate Bank of Commerce, or to integrate future acquired entities;
- interest rate changes could significantly reduce net interest income and negatively affect asset yields and funding sources;
- the effect of the discontinuation or replacement of LIBOR;
- results of operations following strategic expansion, including the impact of acquired loans on our earnings, could differ from expectations;
- changes in the scope and cost of FDIC insurance and other coverages;
- changes in accounting policies or procedures as may be required by the Financial Accounting Standards Board or other regulatory agencies could materially affect our financial statements and how we report those results, and expectations and preliminary analysis relating to how such changes will affect our financial results could prove incorrect;
- changes in laws and regulations affecting our businesses, including changes in the enforcement and interpretation of such laws and regulations by applicable governmental and regulatory agencies;
- increased competition among financial institutions and nontraditional providers of financial services;
- continued consolidation in the financial services industry resulting in the creation of larger financial institutions that have greater resources could change the competitive landscape;
- the goodwill we have recorded in connection with acquisitions could become impaired, which may have an adverse impact on our earnings and capital;

- our ability to identify and address cyber-security risks, including security breaches, “denial of service attacks,” “hacking” and identity theft;
- any material failure or interruption of our information and communications systems;
- inability to keep pace with technological changes;
- our ability to effectively manage credit risk, interest rate risk, market risk, operational risk, legal risk, liquidity risk and regulatory and compliance risk;
- failure to maintain effective internal control over financial reporting or disclosure controls and procedures;
- the effect of geopolitical instability, including wars, conflicts and terrorist attacks, including the impacts of Russia’s invasion of Ukraine;
- our profitability measures could be adversely affected if we are unable to effectively manage our capital;
- the risks from climate change and its potential to disrupt our business and adversely impact the operations and creditworthiness of our customers;
- natural disasters, including earthquakes, tsunamis, flooding, fires and other unexpected events;
- the effect of COVID-19 and other infectious illness outbreaks that may arise in the future, which has created significant impacts and uncertainties in U.S. and global markets;
- changes in governmental policy and regulation, including measures taken in response to economic, business, political and social conditions, including with regard to COVID-19; and
- the effects of any damage to our reputation resulting from developments related to any of the items identified above.

Additional factors that could cause results to differ materially from those described above can be found in Columbia’s Annual Report on Form 10-K for the year ended December 31, 2021, which is on file with the SEC and available on Columbia’s website, [www.columbiabank.com](http://www.columbiabank.com), under the heading “Financial Information” and in other documents Columbia files with the SEC, and in Umpqua’s Annual Report on Form 10-K for the year ended December 31, 2021, which is on file with the SEC and available on Umpqua’s investor relations website, [www.umpquabank.com](http://www.umpquabank.com), under the heading “Financials,” and in other documents Umpqua files with the SEC.

We believe the expectations reflected in our forward-looking statements are reasonable, based on information available to us on the date hereof. However, given the described uncertainties and risks, we cannot guarantee our future performance or results of operations and you should not place undue reliance on these forward-looking statements which speak only as of the date hereof. Neither Columbia nor Umpqua assumes any obligation to update forward-looking statements to reflect circumstances or events that occur after the date the forward-looking statements were made or to reflect the occurrence of unanticipated events except as required by federal securities laws.

Contacts: **Clint Stein,**  
President and  
Chief Executive Officer

**Investor Relations**  
[InvestorRelations@columbiabank.com](mailto:InvestorRelations@columbiabank.com)  
253-471-4065  
(COLB-ER)

**Aaron James Deer,**  
Executive Vice President and  
Chief Financial Officer

**CONSOLIDATED BALANCE SHEETS**

**Columbia Banking System, Inc.**

Unaudited

|  | March 31,<br>2022     | December 31,<br>2021 |
|--|-----------------------|----------------------|
|  | <i>(in thousands)</i> |                      |
| <b>ASSETS</b>  |                       |                      |
| Cash and due from banks  | \$ 225,141            | \$ 153,414           |
| Interest-earning deposits with banks   | 747,335               | 671,300              |
| Total cash and cash equivalents  | 972,476               | 824,714              |
| Debt securities available for sale at fair value (amortized cost of \$5,853,160 and \$5,898,041, respectively) | 5,527,371             | 5,910,999            |
| Debt securities held to maturity at amortized cost (fair value of \$2,038,037 and \$2,122,606, respectively)   | 2,202,437             | 2,148,327            |
| Equity securities  | 13,425                | 13,425               |
| Federal Home Loan Bank (“FHLB”) stock at cost  | 10,280                | 10,280               |
| Loans held for sale  | 4,271                 | 9,774                |
| Loans, net of unearned income  | 10,759,684            | 10,641,937           |
| Less: Allowance for credit losses  | 146,949               | 155,578              |
| Loans, net   | 10,612,735            | 10,486,359           |
| Interest receivable  | 55,940                | 56,019               |
| Premises and equipment, net  | 170,055               | 172,144              |
| Other real estate owned  | 381                   | 381                  |
| Goodwill   | 823,172               | 823,172              |
| Other intangible assets, net   | 32,359                | 34,647               |
| Other assets   | 539,056               | 455,092              |
| Total assets   | <u>\$ 20,963,958</u>  | <u>\$ 20,945,333</u> |
| <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>  |                       |                      |
| Deposits:  |                       |                      |
| Noninterest-bearing  | \$ 8,790,138          | \$ 8,856,714         |
| Interest-bearing   | 9,509,075             | 9,153,401            |
| Total deposits   | 18,299,213            | 18,010,115           |
| FHLB advances  | 7,345                 | 7,359                |
| Securities sold under agreements to repurchase   | 44,212                | 86,013               |
| Subordinated debentures  | 10,000                | 10,000               |
| Junior subordinated debentures   | 10,310                | 10,310               |
| Other liabilities  | 232,099               | 232,794              |
| Total liabilities  | 18,603,179            | 18,356,591           |
| Commitments and contingent liabilities   |                       |                      |
| Shareholders' equity:  |                       |                      |
|  | March 31,<br>2022     | December 31,<br>2021 |
|  | <i>(in thousands)</i> |                      |
| Preferred stock (no par value)   |                       |                      |
| Authorized shares  | 2,000                 | 2,000                |
| Common stock (no par value)  |                       |                      |
| Authorized shares  | 115,000               | 115,000              |
| Issued   | 80,828                | 80,695               |
| Outstanding  | 78,644                | 78,511               |
| Retained earnings  | 728,314               | 694,227              |
| Accumulated other comprehensive income   | (227,777)             | 35,162               |
| Treasury stock at cost   | 2,184                 | 2,184                |
| Total shareholders' equity   | <u>2,360,779</u>      | <u>2,588,742</u>     |
| Total liabilities and shareholders' equity   | <u>\$ 20,963,958</u>  | <u>\$ 20,945,333</u> |

**CONSOLIDATED STATEMENTS OF INCOME**

**Columbia Banking System, Inc.**

Unaudited

|   | Three Months Ended |                      |                   |
|---|--------------------|----------------------|-------------------|
|   | March 31,<br>2022  | December 31,<br>2021 | March 31,<br>2021 |
| <i>(in thousands except per share amounts)</i>                    |                    |                      |                   |
| <b>Interest Income</b>  |                    |                      |                   |
| Loans   | \$ 107,103         | \$ 110,575           | \$ 100,315        |
| Taxable securities  | 37,162             | 33,654               | 22,816            |
| Tax-exempt securities   | 3,725              | 3,447                | 2,759             |
| Deposits in banks   | 295                | 360                  | 152               |
| Total interest income   | <u>148,285</u>     | <u>148,036</u>       | <u>126,042</u>    |
| <b>Interest Expense</b>   |                    |                      |                   |
| Deposits  | 1,796              | 1,807                | 1,485             |
| FHLB advances and Federal Reserve Bank ("FRB") borrowings         | 71                 | 74                   | 72                |
| Subordinated debentures   | 144                | 561                  | 468               |
| Other borrowings  | 74                 | 71                   | 23                |
| Total interest expense  | <u>2,085</u>       | <u>2,513</u>         | <u>2,048</u>      |
| <b>Net Interest Income</b>  | <u>146,200</u>     | <u>145,523</u>       | <u>123,994</u>    |
| Provision (recapture) for credit losses                           | (7,800)            | 11,100               | (800)             |
| Net interest income after provision (recapture) for credit losses | <u>154,000</u>     | <u>134,423</u>       | <u>124,794</u>    |
| <b>Noninterest Income</b>   |                    |                      |                   |
| Deposit account and treasury management fees                      | 7,113              | 7,155                | 6,358             |
| Card revenue  | 4,967              | 5,108                | 3,733             |
| Financial services and trust revenue                              | 4,632              | 3,877                | 3,381             |
| Loan revenue  | 3,193              | 4,977                | 7,369             |
| Bank owned life insurance   | 1,788              | 1,753                | 1,560             |
| Other   | 2,487              | 1,370                | 765               |
| Total noninterest income  | <u>24,180</u>      | <u>24,240</u>        | <u>23,166</u>     |
| <b>Noninterest Expense</b>  |                    |                      |                   |
| Compensation and employee benefits                                | 63,079             | 64,169               | 51,736            |
| Occupancy   | 11,009             | 10,076               | 9,006             |
| Data processing and software                                      | 10,324             | 9,130                | 8,451             |
| Legal and professional fees                                       | 6,535              | 7,937                | 2,815             |
| Amortization of intangibles                                       | 2,288              | 2,376                | 1,924             |
| Business and Occupation ("B&O") taxes                             | 1,589              | 1,571                | 1,259             |
| Advertising and promotion   | 726                | 1,357                | 760               |
| Regulatory premiums   | 1,536              | 1,481                | 1,105             |
| Net cost (benefit) of operation of other real estate owned        | 10                 | 14                   | (63)              |
| Other   | 7,957              | 4,511                | 6,566             |
| Total noninterest expense   | <u>105,053</u>     | <u>102,622</u>       | <u>83,559</u>     |
| Income before income taxes  | <u>73,127</u>      | <u>56,041</u>        | <u>64,401</u>     |
| Provision for income taxes  | 15,605             | 13,130               | 12,548            |
| <b>Net Income</b>   | <u>\$ 57,522</u>   | <u>\$ 42,911</u>     | <u>\$ 51,853</u>  |
| <b>Earnings per common share</b>                                  |                    |                      |                   |
| Basic   | \$ 0.74            | \$ 0.55              | \$ 0.73           |
| Diluted   | \$ 0.74            | \$ 0.55              | \$ 0.73           |
| Dividends declared per common share (1)                           | \$ 0.30            | \$ —                 | \$ 0.28           |
| Weighted average number of common shares outstanding              | 77,925             | 77,784               | 70,869            |
| Weighted average number of diluted common shares outstanding      | 78,083             | 77,977               | 71,109            |

(1) The dividend based on third quarter earnings was declared on September 30, 2021. As a result, there were two dividend declarations made during the third quarter of 2021 and none during the three months ended December 31, 2021.

**FINANCIAL STATISTICS**  
**Columbia Banking System, Inc.**

Unaudited

|   | Three Months Ended |                      |                   |
|---|--------------------|----------------------|-------------------|
|   | March 31,<br>2022  | December 31,<br>2021 | March 31,<br>2021 |
| <i>(dollars in thousands except per share amounts)</i>                      |                    |                      |                   |
| <b>Earnings</b>   |                    |                      |                   |
| Net interest income   | \$ 146,200         | \$ 145,523           | \$ 123,994        |
| Provision (recapture) for credit losses                                     | \$ (7,800)         | \$ 11,100            | \$ (800)          |
| Noninterest income  | \$ 24,180          | \$ 24,240            | \$ 23,166         |
| Noninterest expense   | \$ 105,053         | \$ 102,622           | \$ 83,559         |
| Acquisition-related expense (included in noninterest expense)               | \$ 7,057           | \$ 11,812            | \$ —              |
| Net income  | \$ 57,522          | \$ 42,911            | \$ 51,853         |
| <b>Per Common Share</b>   |                    |                      |                   |
| Earnings (basic)  | \$ 0.74            | \$ 0.55              | \$ 0.73           |
| Earnings (diluted)  | \$ 0.74            | \$ 0.55              | \$ 0.73           |
| Book value  | \$ 30.02           | \$ 32.97             | \$ 31.71          |
| Tangible book value per common share (1)                                    | \$ 19.14           | \$ 22.05             | \$ 20.69          |
| <b>Averages</b>   |                    |                      |                   |
| Total assets  | \$ 20,955,666      | \$ 20,857,983        | \$ 16,891,682     |
| Interest-earning assets   | \$ 19,266,644      | \$ 19,186,398        | \$ 15,419,371     |
| Loans   | \$ 10,665,242      | \$ 10,545,172        | \$ 9,586,984      |
| Securities, including debt securities, equity securities and FHLB stock     | \$ 8,010,607       | \$ 7,693,659         | \$ 5,230,304      |
| Deposits  | \$ 18,097,872      | \$ 17,935,311        | \$ 14,212,616     |
| Interest-bearing deposits   | \$ 9,402,040       | \$ 9,147,184         | \$ 7,121,300      |
| Interest-bearing liabilities  | \$ 9,495,579       | \$ 9,255,214         | \$ 7,217,471      |
| Noninterest-bearing deposits  | \$ 8,695,832       | \$ 8,788,127         | \$ 7,091,316      |
| Shareholders' equity  | \$ 2,535,376       | \$ 2,584,110         | \$ 2,346,593      |
| <b>Financial Ratios</b>   |                    |                      |                   |
| Return on average assets  | 1.10 %             | 0.82 %               | 1.23 %            |
| Return on average common equity   | 9.08 %             | 6.64 %               | 8.84 %            |
| Return on average tangible common equity (1)                                | 14.14 %            | 10.36 %              | 13.73 %           |
| Average equity to average assets  | 12.10 %            | 12.39 %              | 13.89 %           |
| Shareholders' equity to total assets  | 11.26 %            | 12.36 %              | 13.12 %           |
| Tangible common shareholders' equity to tangible assets (1)                 | 7.49 %             | 8.62 %               | 8.97 %            |
| Net interest margin (tax equivalent)  | 3.12 %             | 3.05 %               | 3.31 %            |
| Efficiency ratio (tax equivalent) (2)                                       | 60.75 %            | 59.57 %              | 55.90 %           |
| Operating efficiency ratio (tax equivalent) (1)                             | 55.42 %            | 51.48 %              | 55.30 %           |
| Noninterest expense ratio   | 2.01 %             | 1.97 %               | 1.98 %            |
| Core noninterest expense ratio (1)  | 1.87 %             | 1.74 %               | 1.98 %            |
| <b>Period-end</b>   |                    |                      |                   |
|   | <b>March 31,</b>   | <b>December 31,</b>  |                   |
|   | <b>2022</b>        | <b>2021</b>          |                   |
| Total assets  | \$ 20,963,958      | \$ 20,945,333        |                   |
| Loans, net of unearned income   | \$ 10,759,684      | \$ 10,641,937        |                   |
| Allowance for credit losses   | \$ 146,949         | \$ 155,578           |                   |
| Securities, including debt securities, equity securities and FHLB stock     | \$ 7,753,513       | \$ 8,083,031         |                   |
| Deposits  | \$ 18,299,213      | \$ 18,010,115        |                   |
| Shareholders' equity  | \$ 2,360,779       | \$ 2,588,742         |                   |
| <b>Nonperforming assets</b>   |                    |                      |                   |
| Nonaccrual loans  | \$ 17,441          | \$ 23,041            |                   |
| Other real estate owned ("OREO") and other personal property owned ("OPPO") | 381                | 381                  |                   |
| Total nonperforming assets  | \$ 17,822          | \$ 23,422            |                   |
| Nonperforming loans to period-end loans                                     | 0.16 %             | 0.22 %               |                   |
| Nonperforming assets to period-end assets                                   | 0.09 %             | 0.11 %               |                   |
| Allowance for credit losses to period-end loans                             | 1.37 %             | 1.46 %               |                   |
| Net loan charge-offs (for the three months ended)                           | \$ 829             | \$ 923               |                   |

(1) This is a non-GAAP measure. See section titled "Non-GAAP Financial Measures" on the last three pages of this earnings release for a reconciliation to the most comparable GAAP measure.

(2) Noninterest expense divided by the sum of net interest income on a tax equivalent basis and noninterest income on a tax equivalent basis.

**QUARTERLY FINANCIAL STATISTICS**

**Columbia Banking System, Inc.**

Unaudited

|   | Three Months Ended |                      |                       |                  |                   |
|---|--------------------|----------------------|-----------------------|------------------|-------------------|
|   | March 31,<br>2022  | December 31,<br>2021 | September 30,<br>2021 | June 30,<br>2021 | March 31,<br>2021 |
| <b>Earnings</b>   |                    |                      |                       |                  |                   |
| <i>(dollars in thousands except per share amounts)</i>                  |                    |                      |                       |                  |                   |
| Net interest income   | \$ 146,200         | \$ 145,523           | \$ 132,540            | \$ 125,462       | \$ 123,994        |
| Provision (recapture) for credit losses                                 | \$ (7,800)         | \$ 11,100            | \$ —                  | \$ (5,500)       | \$ (800)          |
| Noninterest income  | \$ 24,180          | \$ 24,240            | \$ 23,958             | \$ 22,730        | \$ 23,166         |
| Noninterest expense   | \$ 105,053         | \$ 102,622           | \$ 90,007             | \$ 84,116        | \$ 83,559         |
| Acquisition-related expense (included in noninterest expense)           | \$ 7,057           | \$ 11,812            | \$ 2,192              | \$ 510           | \$ —              |
| Net income  | \$ 57,522          | \$ 42,911            | \$ 53,017             | \$ 55,039        | \$ 51,853         |
| <b>Per Common Share</b>   |                    |                      |                       |                  |                   |
| Earnings (basic)  | \$ 0.74            | \$ 0.55              | \$ 0.75               | \$ 0.77          | \$ 0.73           |
| Earnings (diluted)  | \$ 0.74            | \$ 0.55              | \$ 0.74               | \$ 0.77          | \$ 0.73           |
| Book value  | \$ 30.02           | \$ 32.97             | \$ 32.38              | \$ 32.52         | \$ 31.71          |
| <b>Averages</b>   |                    |                      |                       |                  |                   |
| Total assets  | \$ 20,955,666      | \$ 20,857,983        | \$ 18,330,109         | \$ 17,670,480    | \$ 16,891,682     |
| Interest-earning assets   | \$ 19,266,644      | \$ 19,186,398        | \$ 16,820,771         | \$ 16,176,328    | \$ 15,419,371     |
| Loans   | \$ 10,665,242      | \$ 10,545,172        | \$ 9,526,052          | \$ 9,664,169     | \$ 9,586,984      |
| Securities, including debt securities, equity securities and FHLB stock | \$ 8,010,607       | \$ 7,693,659         | \$ 6,545,134          | \$ 5,914,838     | \$ 5,230,304      |
| Deposits  | \$ 18,097,872      | \$ 17,935,311        | \$ 15,642,250         | \$ 15,059,406    | \$ 14,212,616     |
| Interest-bearing deposits   | \$ 9,402,040       | \$ 9,147,184         | \$ 7,821,949          | \$ 7,530,372     | \$ 7,121,300      |
| Interest-bearing liabilities  | \$ 9,495,579       | \$ 9,255,214         | \$ 7,920,146          | \$ 7,618,629     | \$ 7,217,471      |
| Noninterest-bearing deposits  | \$ 8,695,832       | \$ 8,788,127         | \$ 7,820,301          | \$ 7,529,034     | \$ 7,091,316      |
| Shareholders' equity  | \$ 2,535,376       | \$ 2,584,110         | \$ 2,364,149          | \$ 2,312,779     | \$ 2,346,593      |
| <b>Financial Ratios</b>   |                    |                      |                       |                  |                   |
| Return on average assets  | 1.10 %             | 0.82 %               | 1.16 %                | 1.25 %           | 1.23 %            |
| Return on average common equity   | 9.08 %             | 6.64 %               | 8.97 %                | 9.52 %           | 8.84 %            |
| Average equity to average assets  | 12.10 %            | 12.39 %              | 12.90 %               | 13.09 %          | 13.89 %           |
| Shareholders' equity to total assets                                    | 11.26 %            | 12.36 %              | 12.49 %               | 12.95 %          | 13.12 %           |
| Net interest margin (tax equivalent)                                    | 3.12 %             | 3.05 %               | 3.17 %                | 3.16 %           | 3.31 %            |
| <b>Period-end</b>   |                    |                      |                       |                  |                   |
| Total assets  | \$ 20,963,958      | \$ 20,945,333        | \$ 18,602,462         | \$ 18,013,477    | \$ 17,335,116     |
| Loans, net of unearned income   | \$ 10,759,684      | \$ 10,641,937        | \$ 9,521,385          | \$ 9,693,116     | \$ 9,676,318      |
| Allowance for credit losses   | \$ 146,949         | \$ 155,578           | \$ 142,785            | \$ 142,988       | \$ 148,294        |
| Securities, including debt securities, equity securities and FHLB stock | \$ 7,753,513       | \$ 8,083,031         | \$ 6,930,782          | \$ 6,238,486     | \$ 5,519,995      |
| Deposits  | \$ 18,299,213      | \$ 18,010,115        | \$ 15,953,399         | \$ 15,345,432    | \$ 14,767,466     |
| Shareholders' equity  | \$ 2,360,779       | \$ 2,588,742         | \$ 2,323,267          | \$ 2,333,246     | \$ 2,275,063      |
| Goodwill  | \$ 823,172         | \$ 823,172           | \$ 765,842            | \$ 765,842       | \$ 765,842        |
| Other intangible assets, net  | \$ 32,359          | \$ 34,647            | \$ 21,123             | \$ 22,958        | \$ 24,810         |
| <b>Nonperforming assets</b>   |                    |                      |                       |                  |                   |
| Nonaccrual loans  | \$ 17,441          | \$ 23,041            | \$ 24,176             | \$ 24,021        | \$ 33,581         |
| OREO and OPPO   | 381                | 381                  | 381                   | 381              | 521               |
| Total nonperforming assets  | \$ 17,822          | \$ 23,422            | \$ 24,557             | \$ 24,402        | \$ 34,102         |
| Nonperforming loans to period-end loans                                 | 0.16 %             | 0.22 %               | 0.25 %                | 0.25 %           | 0.35 %            |
| Nonperforming assets to period-end assets                               | 0.09 %             | 0.11 %               | 0.13 %                | 0.14 %           | 0.20 %            |
| Allowance for credit losses to period-end loans                         | 1.37 %             | 1.46 %               | 1.50 %                | 1.48 %           | 1.53 %            |
| Net loan charge-offs (recoveries)                                       | \$ 829             | \$ 923               | \$ 203                | \$ (194)         | \$ 46             |

**LOAN PORTFOLIO COMPOSITION****Columbia Banking System, Inc.**

Unaudited

|  | March 31,<br>2022    | December 31,<br>2021 | September 30,<br>2021 | June 30,<br>2021    | March 31,<br>2021   |
|--|----------------------|----------------------|-----------------------|---------------------|---------------------|
| <b>Loan Portfolio Composition - Dollars</b><br><i>(dollars in thousands)</i> |                      |                      |                       |                     |                     |
| Commercial loans:  |                      |                      |                       |                     |                     |
| Commercial real estate   | \$ 5,047,472         | \$ 4,981,263         | \$ 4,088,484          | \$ 4,101,071        | \$ 4,081,915        |
| Commercial business  | 3,492,307            | 3,423,268            | 3,436,351             | 3,738,288           | 3,792,813           |
| Agriculture  | 765,319              | 795,715              | 815,985               | 797,580             | 751,800             |
| Construction   | 409,242              | 384,755              | 326,569               | 300,303             | 282,534             |
| Consumer loans:  |                      |                      |                       |                     |                     |
| One-to-four family residential real estate                                   | 1,003,157            | 1,013,908            | 823,877               | 724,151             | 735,314             |
| Other consumer   | 42,187               | 43,028               | 30,119                | 31,723              | 31,942              |
| <b>Total loans</b>   | <b>10,759,684</b>    | <b>10,641,937</b>    | <b>9,521,385</b>      | <b>9,693,116</b>    | <b>9,676,318</b>    |
| Less: Allowance for credit losses  | (146,949)            | (155,578)            | (142,785)             | (142,988)           | (148,294)           |
| <b>Total loans, net</b>  | <b>\$ 10,612,735</b> | <b>\$ 10,486,359</b> | <b>\$ 9,378,600</b>   | <b>\$ 9,550,128</b> | <b>\$ 9,528,024</b> |
| Loans held for sale  | \$ 4,271             | \$ 9,774             | \$ 11,355             | \$ 13,179           | \$ 26,176           |

|   | March 31,<br>2022 | December 31,<br>2021 | September 30,<br>2021 | June 30,<br>2021 | March 31,<br>2021 |
|---|-------------------|----------------------|-----------------------|------------------|-------------------|
| <b>Loan Portfolio Composition - Percentages</b> |                   |                      |                       |                  |                   |
| Commercial loans:                               |                   |                      |                       |                  |                   |
| Commercial real estate                          | 46.9 %            | 46.8 %               | 42.9 %                | 42.3 %           | 42.2 %            |
| Commercial business                             | 32.5 %            | 32.2 %               | 36.1 %                | 38.6 %           | 39.2 %            |
| Agriculture                                     | 7.1 %             | 7.5 %                | 8.6 %                 | 8.2 %            | 7.8 %             |
| Construction                                    | 3.8 %             | 3.6 %                | 3.4 %                 | 3.1 %            | 2.9 %             |
| Consumer loans:                                 |                   |                      |                       |                  |                   |
| One-to-four family residential real estate      | 9.3 %             | 9.5 %                | 8.7 %                 | 7.5 %            | 7.6 %             |
| Other consumer                                  | 0.4 %             | 0.4 %                | 0.3 %                 | 0.3 %            | 0.3 %             |
| <b>Total loans</b>                              | <b>100.0 %</b>    | <b>100.0 %</b>       | <b>100.0 %</b>        | <b>100.0 %</b>   | <b>100.0 %</b>    |

**DEPOSIT COMPOSITION**  
**Columbia Banking System, Inc.**

Unaudited

|  | March 31,<br>2022             | December 31,<br>2021 | September 30,<br>2021 | June 30,<br>2021     | March 31,<br>2021    |
|--|-------------------------------|----------------------|-----------------------|----------------------|----------------------|
| <b>Deposit Composition - Dollars</b>   |                               |                      |                       |                      |                      |
|  | <i>(dollars in thousands)</i> |                      |                       |                      |                      |
| Demand and other noninterest-bearing   | \$ 8,790,138                  | \$ 8,856,714         | \$ 7,971,680          | \$ 7,703,325         | \$ 7,424,472         |
| Money market   | 3,501,723                     | 3,525,299            | 3,076,833             | 2,950,063            | 2,913,689            |
| Interest-bearing demand  | 2,103,053                     | 1,999,407            | 1,646,816             | 1,525,360            | 1,512,808            |
| Savings  | 1,637,451                     | 1,617,546            | 1,416,376             | 1,388,241            | 1,282,151            |
| Interest-bearing public funds, other than certificates of deposit            | 775,048                       | 779,146              | 740,281               | 720,553              | 662,461              |
| Certificates of deposit, less than \$250,000                                 | 239,863                       | 249,120              | 190,402               | 193,080              | 198,568              |
| Certificates of deposit, \$250,000 or more                                   | 145,372                       | 160,490              | 108,483               | 105,393              | 107,421              |
| Certificates of deposit insured by the CD Option of IntraFi Network Deposits | 32,608                        | 35,611               | 26,835                | 24,409               | 25,929               |
| Brokered certificates of deposit   | —                             | —                    | 5,000                 | 5,000                | 5,000                |
| Reciprocal money market accounts   | 1,073,405                     | 786,046              | 770,693               | 730,008              | 634,967              |
| Subtotal   | 18,298,661                    | 18,009,379           | 15,953,399            | 15,345,432           | 14,767,466           |
| Valuation adjustment resulting from acquisition accounting                   | 552                           | 736                  | —                     | —                    | —                    |
| Total deposits   | <u>\$ 18,299,213</u>          | <u>\$ 18,010,115</u> | <u>\$ 15,953,399</u>  | <u>\$ 15,345,432</u> | <u>\$ 14,767,466</u> |

|  | March 31,<br>2022 | December 31,<br>2021 | September 30,<br>2021 | June 30,<br>2021 | March 31,<br>2021 |
|--|-------------------|----------------------|-----------------------|------------------|-------------------|
| <b>Deposit Composition - Percentages</b>                                     |                   |                      |                       |                  |                   |
| Demand and other noninterest-bearing   | 48.1 %            | 49.1 %               | 50.0 %                | 50.2 %           | 50.4 %            |
| Money market   | 19.1 %            | 19.6 %               | 19.3 %                | 19.2 %           | 19.7 %            |
| Interest-bearing demand  | 11.5 %            | 11.1 %               | 10.3 %                | 9.9 %            | 10.2 %            |
| Savings  | 8.9 %             | 9.0 %                | 8.9 %                 | 9.0 %            | 8.7 %             |
| Interest-bearing public funds, other than certificates of deposit            | 4.2 %             | 4.3 %                | 4.6 %                 | 4.7 %            | 4.5 %             |
| Certificates of deposit, less than \$250,000                                 | 1.3 %             | 1.4 %                | 1.2 %                 | 1.3 %            | 1.3 %             |
| Certificates of deposit, \$250,000 or more                                   | 0.8 %             | 0.9 %                | 0.7 %                 | 0.7 %            | 0.7 %             |
| Certificates of deposit insured by the CD Option of IntraFi Network Deposits | 0.2 %             | 0.2 %                | 0.2 %                 | 0.2 %            | 0.2 %             |
| Reciprocal money market accounts   | 5.9 %             | 4.4 %                | 4.8 %                 | 4.8 %            | 4.3 %             |
| Total  | <u>100.0 %</u>    | <u>100.0 %</u>       | <u>100.0 %</u>        | <u>100.0 %</u>   | <u>100.0 %</u>    |

**AVERAGE BALANCES AND RATES**

**Columbia Banking System, Inc.**

Unaudited

|   | Three Months Ended   |                        |               | Three Months Ended   |                        |               |
|---|----------------------|------------------------|---------------|----------------------|------------------------|---------------|
|   | March 31, 2022       |                        |               | March 31, 2021       |                        |               |
|   | Average Balances     | Interest Earned / Paid | Average Rate  | Average Balances     | Interest Earned / Paid | Average Rate  |
| <i>(dollars in thousands)</i>                                     |                      |                        |               |                      |                        |               |
| <b>ASSETS</b>   |                      |                        |               |                      |                        |               |
| Loans, net (1)(2)   | \$ 10,665,242        | \$ 108,181             | 4.11 %        | \$ 9,586,984         | \$ 101,477             | 4.29 %        |
| Taxable securities  | 7,217,844            | 37,162                 | 2.09 %        | 4,624,175            | 22,816                 | 2.00 %        |
| Tax exempt securities (2)   | 792,763              | 4,715                  | 2.41 %        | 606,129              | 3,492                  | 2.34 %        |
| Interest-earning deposits with banks                              | 590,795              | 295                    | 0.20 %        | 602,083              | 152                    | 0.10 %        |
| Total interest-earning assets                                     | 19,266,644           | 150,353                | 3.16 %        | 15,419,371           | 127,937                | 3.36 %        |
| Other earning assets  | 302,865              |                        |               | 242,684              |                        |               |
| Noninterest-earning assets  | 1,386,157            |                        |               | 1,229,627            |                        |               |
| Total assets  | <u>\$ 20,955,666</u> |                        |               | <u>\$ 16,891,682</u> |                        |               |
| <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>                       |                      |                        |               |                      |                        |               |
| Money market accounts   | \$ 4,530,698         | \$ 960                 | 0.09 %        | \$ 3,450,750         | \$ 699                 | 0.08 %        |
| Interest-bearing demand   | 2,024,757            | 374                    | 0.07 %        | 1,449,642            | 265                    | 0.07 %        |
| Savings accounts  | 1,632,369            | 77                     | 0.02 %        | 1,221,431            | 40                     | 0.01 %        |
| Interest-bearing public funds, other than certificates of deposit | 776,965              | 288                    | 0.15 %        | 663,158              | 276                    | 0.17 %        |
| Certificates of deposit   | 437,251              | 97                     | 0.09 %        | 336,319              | 205                    | 0.25 %        |
| Total interest-bearing deposits                                   | 9,402,040            | 1,796                  | 0.08 %        | 7,121,300            | 1,485                  | 0.08 %        |
| FHLB advances and FRB borrowings                                  | 7,354                | 71                     | 3.92 %        | 7,408                | 72                     | 3.94 %        |
| Subordinated debentures   | 10,000               | 144                    | 5.84 %        | 35,072               | 468                    | 5.41 %        |
| Other borrowings and interest-bearing liabilities                 | 76,185               | 74                     | 0.39 %        | 53,691               | 23                     | 0.17 %        |
| Total interest-bearing liabilities                                | 9,495,579            | 2,085                  | 0.09 %        | 7,217,471            | 2,048                  | 0.12 %        |
| Noninterest-bearing deposits                                      | 8,695,832            |                        |               | 7,091,316            |                        |               |
| Other noninterest-bearing liabilities                             | 228,879              |                        |               | 236,302              |                        |               |
| Shareholders' equity  | 2,535,376            |                        |               | 2,346,593            |                        |               |
| Total liabilities & shareholders' equity                          | <u>\$ 20,955,666</u> |                        |               | <u>\$ 16,891,682</u> |                        |               |
| Net interest income (tax equivalent)                              |                      | <u>\$ 148,268</u>      |               |                      | <u>\$ 125,889</u>      |               |
| Net interest margin (tax equivalent)                              |                      |                        | <u>3.12 %</u> |                      |                        | <u>3.31 %</u> |

(1) Nonaccrual loans have been included in the tables as loans carrying a zero yield. Amortized net deferred loan fees and net unearned discounts on acquired loans were included in the interest income calculations. The amortization of net deferred loan fees was \$4.2 million and \$8.3 million for the three months ended March 31, 2022 and 2021, respectively. The net incremental amortization on acquired loans was \$350 thousand for the three months ended March 31, 2022 compared to net incremental accretion of \$1.1 million for the three months ended March 31, 2021.

(2) Tax-exempt income is calculated on a tax equivalent basis. The tax equivalent yield adjustment to interest earned on loans was \$1.1 million and \$1.2 million for the three months ended March 31, 2022 and 2021, respectively. The tax equivalent yield adjustment to interest earned on tax exempt securities was \$990 thousand and \$733 thousand for the three months ended March 31, 2022 and 2021, respectively.

**AVERAGE BALANCES AND RATES**

**Columbia Banking System, Inc.**

Unaudited

|   | Three Months Ended   |                        |               | Three Months Ended   |                        |               |
|---|----------------------|------------------------|---------------|----------------------|------------------------|---------------|
|   | March 31, 2022       |                        |               | December 31, 2021    |                        |               |
|   | Average Balances     | Interest Earned / Paid | Average Rate  | Average Balances     | Interest Earned / Paid | Average Rate  |
| <i>(dollars in thousands)</i>                                     |                      |                        |               |                      |                        |               |
| <b>ASSETS</b>   |                      |                        |               |                      |                        |               |
| Loans, net (1)(2)   | \$ 10,665,242        | \$ 108,181             | 4.11 %        | \$ 10,545,172        | \$ 111,709             | 4.20 %        |
| Taxable securities  | 7,217,844            | 37,162                 | 2.09 %        | 6,934,477            | 33,654                 | 1.93 %        |
| Tax exempt securities (2)   | 792,763              | 4,715                  | 2.41 %        | 759,182              | 4,364                  | 2.28 %        |
| Interest-earning deposits with banks                              | 590,795              | 295                    | 0.20 %        | 947,567              | 360                    | 0.15 %        |
| Total interest-earning assets                                     | 19,266,644           | 150,353                | 3.16 %        | 19,186,398           | 150,087                | 3.10 %        |
| Other earning assets  | 302,865              |                        |               | 276,828              |                        |               |
| Noninterest-earning assets  | 1,386,157            |                        |               | 1,394,757            |                        |               |
| Total assets  | <u>\$ 20,955,666</u> |                        |               | <u>\$ 20,857,983</u> |                        |               |
| <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>                       |                      |                        |               |                      |                        |               |
| Money market accounts   | \$ 4,530,698         | \$ 960                 | 0.09 %        | \$ 4,339,959         | \$ 951                 | 0.09 %        |
| Interest-bearing demand   | 2,024,757            | 374                    | 0.07 %        | 1,967,559            | 376                    | 0.08 %        |
| Savings accounts  | 1,632,369            | 77                     | 0.02 %        | 1,593,434            | 78                     | 0.02 %        |
| Interest-bearing public funds, other than certificates of deposit | 776,965              | 288                    | 0.15 %        | 787,395              | 252                    | 0.13 %        |
| Certificates of deposit   | 437,251              | 97                     | 0.09 %        | 458,837              | 150                    | 0.13 %        |
| Total interest-bearing deposits                                   | 9,402,040            | 1,796                  | 0.08 %        | 9,147,184            | 1,807                  | 0.08 %        |
| FHLB advances and FRB borrowings                                  | 7,354                | 71                     | 3.92 %        | 7,368                | 74                     | 3.98 %        |
| Subordinated debentures   | 10,000               | 144                    | 5.84 %        | 43,859               | 561                    | 5.07 %        |
| Other borrowings and interest-bearing liabilities                 | 76,185               | 74                     | 0.39 %        | 56,803               | 71                     | 0.50 %        |
| Total interest-bearing liabilities                                | 9,495,579            | 2,085                  | 0.09 %        | 9,255,214            | 2,513                  | 0.11 %        |
| Noninterest-bearing deposits                                      | 8,695,832            |                        |               | 8,788,127            |                        |               |
| Other noninterest-bearing liabilities                             | 228,879              |                        |               | 230,532              |                        |               |
| Shareholders' equity  | 2,535,376            |                        |               | 2,584,110            |                        |               |
| Total liabilities & shareholders' equity                          | <u>\$ 20,955,666</u> |                        |               | <u>\$ 20,857,983</u> |                        |               |
| Net interest income (tax equivalent)                              |                      | <u>\$ 148,268</u>      |               |                      | <u>\$ 147,574</u>      |               |
| Net interest margin (tax equivalent)                              |                      |                        | <u>3.12 %</u> |                      |                        | <u>3.05 %</u> |

(1) Nonaccrual loans have been included in the tables as loans carrying a zero yield. Amortized net deferred loan fees and net unearned discounts on acquired loans were included in the interest income calculations. The amortization of net deferred loan fees was \$4.2 million and \$6.2 million for the three months ended March 31, 2022 and December 31, 2021, respectively. The net incremental amortization on acquired loans was \$350 thousand for the three months ended March 31, 2022 compared to net incremental accretion of \$16 thousand for the three months ended December 31, 2021.

(2) Tax-exempt income is calculated on a tax equivalent basis. The tax equivalent yield adjustment to interest earned on loans was \$1.1 million for both the three months ended March 31, 2022 and December 31, 2021. The tax equivalent yield adjustment to interest earned on tax exempt securities was \$990 thousand and \$917 thousand for the three months ended March 31, 2022 and December 31, 2021, respectively.

## Non-GAAP Financial Measures

The Company considers its operating net interest margin (tax equivalent) and operating efficiency ratios to be useful measurements as they more closely reflect the ongoing operating performance of the Company. Despite the usefulness of the operating net interest margin (tax equivalent) and operating efficiency ratio to the Company, there are no standardized definitions for these metrics. As a result, the Company's calculations may not be comparable with those of other organizations. The Company encourages readers to consider its consolidated financial statements in their entirety and not to rely on any single financial measure.

The following tables reconcile the Company's calculation of the operating net interest margin (tax equivalent) and operating efficiency ratio:

|  | Three Months Ended            |                              |                           |
|--|-------------------------------|------------------------------|---------------------------|
|  | March 31,<br>2022             | December 31,<br>2021         | March 31,<br>2021         |
| <b>Operating net interest margin non-GAAP reconciliation:</b>            | <i>(dollars in thousands)</i> |                              |                           |
| Net interest income (tax equivalent) (1)                                 | \$ 148,268                    | \$ 147,574                   | \$ 125,889                |
| Adjustments to arrive at operating net interest income (tax equivalent): |                               |                              |                           |
| Premium amortization (discount accretion) on acquired loans              | 350                           | (16)                         | (1,055)                   |
| Premium amortization on acquired securities                              | 1,031                         | 1,278                        | 520                       |
| Operating net interest income (tax equivalent) (1)                       | <u>\$ 149,649</u>             | <u>\$ 148,836</u>            | <u>\$ 125,354</u>         |
| Average interest earning assets  | \$ 19,266,644                 | \$ 19,186,398                | \$ 15,419,371             |
| Net interest margin (tax equivalent) (1)                                 | 3.12 %                        | 3.05 %                       | 3.31 %                    |
| Operating net interest margin (tax equivalent) (1)                       | 3.15 %                        | 3.08 %                       | 3.30 %                    |
|  | <b>Three Months Ended</b>     |                              |                           |
|  | <b>March 31,<br/>2022</b>     | <b>December 31,<br/>2021</b> | <b>March 31,<br/>2021</b> |
| <b>Operating efficiency ratio non-GAAP reconciliation:</b>               | <i>(dollars in thousands)</i> |                              |                           |
| Noninterest expense (numerator A)  | \$ 105,053                    | \$ 102,622                   | \$ 83,559                 |
| Adjustments to arrive at operating noninterest expense:                  |                               |                              |                           |
| Acquisition-related expenses   | (7,057)                       | (11,812)                     | —                         |
| Net benefit (cost) of operation of OREO and OPPO                         | (10)                          | (14)                         | 73                        |
| Loss on asset disposals  | (29)                          | (10)                         | (6)                       |
| B&O taxes  | (1,589)                       | (1,571)                      | (1,259)                   |
| Operating noninterest expense (numerator B)                              | <u>\$ 96,368</u>              | <u>\$ 89,215</u>             | <u>\$ 82,367</u>          |
| Net interest income (tax equivalent) (1)                                 | \$ 148,268                    | \$ 147,574                   | \$ 125,889                |
| Noninterest income   | 24,180                        | 24,240                       | 23,166                    |
| Bank owned life insurance tax equivalent adjustment                      | 475                           | 466                          | 415                       |
| Total revenue (tax equivalent) (denominator A)                           | <u>\$ 172,923</u>             | <u>\$ 172,280</u>            | <u>\$ 149,470</u>         |
| Operating net interest income (tax equivalent) (1)                       | \$ 149,649                    | \$ 148,836                   | \$ 125,354                |
| Adjustments to arrive at operating noninterest income (tax equivalent):  |                               |                              |                           |
| Gain on asset disposals  | (414)                         | (242)                        | —                         |
| Operating noninterest income (tax equivalent)                            | <u>24,241</u>                 | <u>24,464</u>                | <u>23,581</u>             |
| Total operating revenue (tax equivalent) (denominator B)                 | <u>\$ 173,890</u>             | <u>\$ 173,300</u>            | <u>\$ 148,935</u>         |
| Efficiency ratio (tax equivalent) (numerator A/denominator A)            | 60.75 %                       | 59.57 %                      | 55.90 %                   |
| Operating efficiency ratio (tax equivalent) (numerator B/denominator B)  | 55.42 %                       | 51.48 %                      | 55.30 %                   |

(1) Tax-exempt interest income has been adjusted to a tax equivalent basis. The amount of such adjustment was an addition to net interest income of \$2.1 million for both the three months ended March 31, 2022 and December 31, 2021, respectively, and \$1.9 million for the three months ended March 31, 2021.

## Non-GAAP Financial Measures - Continued

The Company also considers its core noninterest expense ratio to be a useful measurement as it more closely reflects the ongoing operating performance of the Company. Despite the usefulness of the core noninterest expense ratio to the Company, there is not a standardized definition for it, as a result, the Company's calculations may not be comparable with those of other organizations. The Company encourages readers to consider its consolidated financial statements in their entirety and not to rely on any single financial measure.

The following table reconciles the Company's calculation of the core noninterest expense ratio:

|  | Three Months Ended            |                      |                   |
|--|-------------------------------|----------------------|-------------------|
|  | March 31,<br>2022             | December 31,<br>2021 | March 31,<br>2021 |
| <b>Core noninterest expense ratio non-GAAP reconciliation:</b> | <i>(dollars in thousands)</i> |                      |                   |
| Noninterest expense (numerator A)                              | \$ 105,053                    | \$ 102,622           | \$ 83,559         |
| Adjustments to arrive at core noninterest expense:             |                               |                      |                   |
| Acquisition-related expenses                                   | (7,057)                       | (11,812)             | —                 |
| Core noninterest expense (numerator B)                         | <u>\$ 97,996</u>              | <u>\$ 90,810</u>     | <u>\$ 83,559</u>  |
| Average assets (denominator)                                   | \$ 20,955,666                 | \$ 20,857,983        | \$ 16,891,682     |
| Noninterest expense ratio (numerator A/denominator) (1)        | 2.01 %                        | 1.97 %               | 1.98 %            |
| Core noninterest expense ratio (numerator B/denominator)       | 1.87 %                        | 1.74 %               | 1.98 %            |

(1) For the purpose of this ratio, interim noninterest expense has been annualized.

(2) For the purpose of this ratio, interim core noninterest expense has been annualized.

The Company considers its pre-tax, pre-provision income to be a useful measurement in evaluating the earnings of the Company as it provides a method to assess income. Despite the usefulness of this measure to the Company, there is not a standardized definition for it. As a result, the Company's calculation may not always be comparable with those of other organizations. The Company encourages readers to consider its consolidated financial statements in their entirety and not to rely on any single financial measure.

The following table reconciles the Company's calculation of the pre-tax, pre-provision income:

|  | Three Months Ended    |                      |                   |
|--|-----------------------|----------------------|-------------------|
|  | March 31,<br>2022     | December 31,<br>2021 | March 31,<br>2021 |
| <b>Pre-tax, pre-provision income:</b>          | <i>(in thousands)</i> |                      |                   |
| Income before income taxes                     | \$ 73,127             | \$ 56,041            | \$ 64,401         |
| Provision (recapture) for credit losses        | (7,800)               | 11,100               | (800)             |
| Provision (recapture) for unfunded commitments | 500                   | (2,000)              | 1,500             |
| B&O taxes                                      | 1,589                 | 1,571                | 1,259             |
| Pre-tax, pre-provision income                  | <u>\$ 67,416</u>      | <u>\$ 66,712</u>     | <u>\$ 66,360</u>  |

## Non-GAAP Financial Measures - Continued

The Company considers its tangible common equity ratio and tangible book value per share ratio to be useful measurements in evaluating the capital adequacy of the Company as they provide a method to assess management's success in utilizing our tangible capital. Despite the usefulness of these ratios to the Company, there is not a standardized definition for these metrics. As a result, the Company's calculation may not always be comparable with those of other organizations. The Company encourages readers to consider its consolidated financial statements in their entirety and not to rely on any single financial measure.

The following table reconciles the Company's calculation of the tangible common equity ratio and tangible book value per share ratio:

|   | March 31,<br>2022    | December 31,<br>2021 | March 31,<br>2021    |
|---|----------------------|----------------------|----------------------|
| <i>(dollars in thousands except per share amounts)</i>  |                      |                      |                      |
| <b>Tangible common equity ratio and tangible book value per common share non-GAAP reconciliation:</b> |                      |                      |                      |
| Shareholders' equity (numerator A)  | \$ 2,360,779         | \$ 2,588,742         | \$ 2,275,063         |
| Adjustments to arrive at tangible common equity:  |                      |                      |                      |
| Goodwill  | (823,172)            | (823,172)            | (765,842)            |
| Other intangible assets, net  | (32,359)             | (34,647)             | (24,810)             |
| Tangible common equity (numerator B)  | <u>\$ 1,505,248</u>  | <u>\$ 1,730,923</u>  | <u>\$ 1,484,411</u>  |
| Total assets (denominator A)  | \$ 20,963,958        | \$ 20,945,333        | \$ 17,335,116        |
| Adjustments to arrive at tangible assets:   |                      |                      |                      |
| Goodwill  | (823,172)            | (823,172)            | (765,842)            |
| Other intangible assets, net  | (32,359)             | (34,647)             | (24,810)             |
| Tangible assets (denominator B)   | <u>\$ 20,108,427</u> | <u>\$ 20,087,514</u> | <u>\$ 16,544,464</u> |
| Shareholders' equity to total assets (numerator A/denominator A)                                      | 11.26 %              | 12.36 %              | 13.12 %              |
| Tangible common shareholders' equity to tangible assets (numerator B/denominator B)                   | 7.49 %               | 8.62 %               | 8.97 %               |
| Common shares outstanding (denominator C)   | 78,644               | 78,511               | 71,739               |
| Book value per common share (numerator A/denominator C)   | \$ 30.02             | \$ 32.97             | \$ 31.71             |
| Tangible book value per common share (numerator B/denominator C)                                      | \$ 19.14             | \$ 22.05             | \$ 20.69             |

The Company considers its ratio of allowance for credit losses to period-end loans, excluding PPP loans, to be a useful measurement in evaluating the adequacy of the amount of allowance for credit losses to loans of the Company, as PPP loans are guaranteed by the U.S. Small Business Administration and thus do not require the same amount of reserve for credit losses as do other loans. Despite the usefulness of this ratio to the Company, there is not a standardized definition for it. As a result, the Company's calculation may not always be comparable with those of other organizations. The Company encourages readers to consider its consolidated financial statements in their entirety and not to rely on any single financial measure.

The following table reconciles the Company's calculation of the allowance for credit losses to period-end loans, excluding PPP loans:

|  | March 31,<br>2022    | December 31,<br>2021 | March 31,<br>2021   |
|--|----------------------|----------------------|---------------------|
| <i>(dollars in thousands)</i>  |                      |                      |                     |
| <b>Allowance coverage ratio non-GAAP reconciliation:</b>                 |                      |                      |                     |
| Allowance for credit losses ("ACL") (numerator)                          | \$ 146,949           | \$ 155,578           | \$ 148,294          |
| Total loans (denominator A)  | 10,759,684           | 10,641,937           | 9,676,318           |
| Less: PPP loans (0% Allowance)   | 83,196               | 184,132              | 894,080             |
| Total loans, net of PPP loans (denominator B)                            | <u>\$ 10,676,488</u> | <u>\$ 10,457,805</u> | <u>\$ 8,782,238</u> |
| ACL to period end loans (numerator / denominator A)                      | 1.37 %               | 1.46 %               | 1.53 %              |
| ACL to period end loans, excluding PPP loans (numerator / denominator B) | 1.38 %               | 1.49 %               | 1.69 %              |

## Non-GAAP Financial Measures - Continued

The Company also considers its return on average tangible common equity ratio to be a useful measurement as it evaluates the Company's ongoing ability to generate returns for its common shareholders. By removing the impact of intangible assets and their related amortization and tax effects, the performance of the business can be evaluated, whether acquired or developed internally. Despite the usefulness of this ratio to the Company, there is not a standardized definition for it. As a result, the Company's calculation may not always be comparable with those of other organizations. The Company encourages readers to consider its consolidated financial statements in their entirety and not to rely on any single financial measure.

The following table reconciles the Company's calculation of the return on average tangible common shareholders' equity ratio:

|   | Three Months Ended  |                      |                     |
|---|---------------------|----------------------|---------------------|
|   | March 31,<br>2022   | December 31,<br>2021 | March 31,<br>2021   |
| <i>(dollars in thousands)</i>   |                     |                      |                     |
| <b>Return on average tangible common equity non-GAAP reconciliation:</b>    |                     |                      |                     |
| Net income (numerator A)  | \$ 57,522           | \$ 42,911            | \$ 51,853           |
| Adjustments to arrive at tangible income applicable to common shareholders: |                     |                      |                     |
| Amortization of intangibles   | 2,288               | 2,376                | 1,924               |
| Tax effect on intangible amortization                                       | (481)               | (499)                | (404)               |
| Tangible income applicable to common shareholders (numerator B)             | <u>\$ 59,329</u>    | <u>\$ 44,788</u>     | <u>\$ 53,373</u>    |
| Average shareholders' equity (denominator A)                                | \$ 2,535,376        | \$ 2,584,110         | \$ 2,346,593        |
| Adjustments to arrive at average tangible common equity:                    |                     |                      |                     |
| Average intangibles   | (857,031)           | (854,985)            | (791,714)           |
| Average tangible common equity (denominator B)                              | <u>\$ 1,678,345</u> | <u>\$ 1,729,125</u>  | <u>\$ 1,554,879</u> |
| Return on average common equity (numerator A/denominator A) (1)             | 9.08 %              | 6.64 %               | 8.84 %              |
| Return on average tangible common equity (numerator B/denominator B) (2)    | 14.14 %             | 10.36 %              | 13.73 %             |

(1) For the purpose of this ratio, interim net income has been annualized.

(2) For the purpose of this ratio, interim tangible income applicable to common shareholders has been annualized.