

COLUMBIA BANKING SYSTEM INC

Form 424B3

April 24, 2017

Table of Contents

**Filed Pursuant to Rule 424(b)(3)
Registration Statement No. 333-216039**

MERGER PROPOSED YOUR VOTE IS VERY IMPORTANT

Dear Shareholders of Columbia Banking System, Inc. and Pacific Continental Corporation,

Columbia Banking System, Inc. which we refer to as Columbia, and Pacific Continental Corporation, which we refer to as Pacific Continental, have entered into a definitive merger agreement, which we refer to as the merger agreement, that provides for the combination of the two companies. Under the merger agreement, a to-be-formed Oregon corporation and wholly owned subsidiary of Columbia will merge with and into Pacific Continental, with Pacific Continental as the surviving corporation, which we refer to as the first merger. Immediately following the first merger and as part of a single integrated transaction, Pacific Continental will merge with and into Columbia, with Columbia as the surviving entity, which we refer to as the subsequent merger. Immediately following the subsequent merger, Pacific Continental Bank, an Oregon state-chartered bank and wholly owned subsidiary of Pacific Continental, will merge with and into Columbia State Bank, a Washington state-chartered bank and wholly owned subsidiary of Columbia, which we refer to as Columbia Bank, with Columbia Bank as the surviving bank, which we refer to as the bank merger, and collectively, with the first merger and the subsequent merger, the mergers. Before we complete the mergers, the shareholders of Columbia must approve the issuance of Columbia common shares and the shareholders of Pacific Continental must approve the merger agreement. Columbia and Pacific Continental shareholders will vote to issue Columbia common shares and approve the merger agreement, respectively, at their special meetings of shareholders, each of which will be held on June 8, 2017.

Under the terms of the merger agreement, Pacific Continental shareholders will have the right, with respect to each of their Pacific Continental common shares, to receive a number of Columbia common shares equal to the exchange ratio as set forth in the merger agreement, which we refer to as the exchange ratio, subject to any adjustment set forth in the merger agreement, which we refer to as the merger consideration. As of January 9, 2017, the date the mergers were announced, based on the expected issuance of 14,535,729 Columbia common shares in the first merger, the total merger consideration payable to holders of Pacific Continental common shares was valued at approximately \$629.5 million. As of the date of this joint proxy statement/prospectus, based on the expected issuance of 14,535,729 Columbia common shares in the first merger, the total merger consideration payable to holders of Pacific Continental common shares is valued at approximately \$583.5 million. We expect the transactions to be tax-free for Pacific Continental shareholders. After completion of the first merger, based on the current issued and outstanding Columbia common shares and the 14,535,729 Columbia common shares expected to be issued to Pacific Continental shareholders, Pacific Continental shareholders would own approximately 20% of Columbia's common shares (ignoring any shares of Columbia common shares they may already own).

The value of the consideration to be received for each Pacific Continental common share exchanged in the first merger will be determined based on to the exchange ratio, which depends on the average daily closing price of Columbia common shares on the Nasdaq Global Select Market, which we refer to as Nasdaq, on the 20 consecutive Nasdaq trading days ending on and including the trading day that is five trading days prior to the closing of the transaction, which period we refer to as the determination period and which price we refer to as the Columbia average closing price. The exchange ratio, which may be adjusted for transaction expenses as described in this joint proxy

statement/prospectus, means the following:

If the Columbia average closing price for the determination period is greater than or equal to \$27.76 and less than or equal to \$37.56, then the exchange ratio will be 0.6430;

If the Columbia average closing price for the determination period is greater than \$37.56, and the Columbia average closing price for the determination period outperforms the Keefe Bruyette & Woods Regional Banking Index, which we refer to as the KBW Index, by greater than 15%, then the exchange ratio will be the quotient, rounded to the nearest ten-thousandth, obtained by dividing (a) \$24.151 by (b) the Columbia average closing price for the determination period;

If the Columbia average closing price for the determination period is greater than \$37.56, and the Columbia average closing price for the determination period does not outperform the KBW Index by greater than 15%, then the exchange ratio will be 0.6430;

If the Columbia average closing price for the determination period is less than \$27.76, and the Columbia average closing price for the determination period underperforms the KBW Index by greater

Table of Contents

than 15%, then the exchange ratio will be (a) the quotient, rounded to the nearest ten-thousandth, obtained by dividing \$17.850 by the Columbia average closing price for the determination period if Columbia chooses not to adjust the merger consideration in accordance with the merger agreement, or (b) 0.6430 if Columbia does choose to adjust the merger consideration as set forth in the merger agreement and described below; and

If the Columbia average closing price for the determination period is less than \$27.76 and the Columbia average closing price for the determination period does not underperform the KBW Index by greater than 15%, then the exchange ratio will be 0.6430.

If Columbia chooses to adjust the merger consideration as set forth in the fourth bullet above, which it may do in its sole discretion, the merger consideration will include an amount in cash equal to (a) \$17.850 minus (b) (x) 0.6430 multiplied by (y) the Columbia average closing price for the determination period, and the exchange ratio will be 0.6430.

If the Columbia average closing price for the determination period is less than \$26.13 (with a proportionate adjustment in the event that outstanding Columbia common shares are changed into a different number of shares by reason of any stock dividend, reclassification, recapitalization, split-up, combination, exchange of shares or similar transaction between the date of the merger agreement and the end of the determination period), either party may terminate the merger agreement; provided, however, if Columbia elects to exercise such termination right, Pacific Continental will have the option of reinstating the first merger by adjusting the exchange ratio to 0.6430, as may be adjusted for transaction expenses, and adding to the merger consideration an amount in cash equal to \$1.048 per share.

You should obtain current price quotations for Columbia common shares and Pacific Continental common shares. Columbia common shares are traded on Nasdaq under the symbol COLB, and Pacific Continental common shares are traded on Nasdaq under the symbol PCBK.

The Columbia board of directors has determined that the combination of Columbia and Pacific Continental is in the best interests of Columbia and its shareholders based upon its analysis, investigation and deliberation, and the Columbia board of directors recommends that Columbia shareholders vote FOR the issuance of Columbia common shares as set forth in the merger agreement and FOR the approval of the other proposals described in this joint proxy statement/prospectus.

The Pacific Continental board of directors has determined that the combination of Pacific Continental and Columbia is in the best interests of Pacific Continental and its shareholders based upon its analysis, investigation and deliberation, and the Pacific Continental board of directors recommends that the Pacific Continental shareholders vote FOR the approval of the merger agreement and FOR the approval of the other proposals described in this joint proxy statement/prospectus.

You should read this entire joint proxy statement/prospectus, including the appendices and the documents incorporated by reference into the document, carefully because it contains important information about the mergers and the related transactions. **In particular, you should read carefully the information under the section entitled Risk Factors beginning on page 19 for a discussion of the risks you should consider in evaluating the proposed mergers and how they will affect you.**

The Columbia common shares to be issued to Pacific Continental shareholders in the first merger are not deposits or savings accounts or other obligations of any bank or savings association, and are not insured by the Federal Deposit Insurance Corporation or any other governmental agency.

Table of Contents

Sincerely,

Hadley S. Robbins

Executive Vice President and Interim Chief Executive Officer

Columbia Banking System, Inc.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved the mergers described in this joint proxy statement/prospectus or the Columbia common shares to be issued in the first merger, or passed upon the adequacy or accuracy of this joint proxy statement/prospectus. Any representation to the contrary is a criminal offense.

This joint proxy statement/prospectus is dated April 24, 2017, and is first being mailed to the shareholders of Columbia and Pacific Continental on or about April 28, 2017.

Roger S. Busse

President & Chief Executive Officer

Pacific Continental Corporation

Table of Contents

1301 A STREET

TACOMA, WASHINGTON 98402-4200

NOTICE OF THE SPECIAL MEETING OF SHAREHOLDERS

TO BE HELD JUNE 8, 2017

Notice is hereby given that a special meeting of shareholders of Columbia Banking System, Inc., which we refer to as Columbia, will be held at 1301 A Street, Suite 800, Tacoma, Washington 98402, at 10:00 a.m., Pacific Time, on June 8, 2017, which we refer to as the Columbia special meeting, for the following purposes:

To approve the issuance of Columbia common shares, which we refer to as the Columbia share issuance proposal, in the merger of a to-be-formed wholly owned subsidiary of Columbia with and into Pacific Continental Corporation, an Oregon corporation, which we refer to as the first merger; and

To approve one or more adjournments of the Columbia special meeting, if necessary or appropriate, including adjournments to solicit additional proxies in favor of the Columbia share issuance proposal, which we refer to as the Columbia adjournment proposal.

Columbia will transact no other business at the Columbia special meeting, except for business properly brought before the Columbia special meeting or any adjournment or postponement of such meeting.

The approval by Columbia's shareholders of the Columbia share issuance proposal is required for the completion of the first merger described in this joint proxy statement/prospectus.

All shareholders are invited to attend the Columbia special meeting. Only those shareholders of record at the close of business on April 12, 2017, will be entitled to notice of the Columbia special meeting and to vote at the Columbia special meeting.

Please refer to the attached joint proxy statement/prospectus with respect to the business to be transacted at the Columbia special meeting.

Your vote is very important. To ensure your representation at the Columbia special meeting, please complete and return the enclosed proxy card or submit your proxy by telephone or through the Internet. Please vote promptly whether or not you expect to attend the Columbia special meeting. Submitting a proxy now will not prevent you from being able to vote in person at the Columbia special meeting.

The Columbia board of directors unanimously recommends that you vote FOR each of the Columbia proposals.

BY ORDER OF THE BOARD OF DIRECTORS

Hadley J. Robbins

Executive Vice President and

Interim Chief Executive Officer

Tacoma, Washington

April 24, 2017

Table of Contents

111 WEST 7TH AVENUE

EUGENE, OREGON 97401

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

TO BE HELD ON JUNE 8, 2017

To the Shareholders of Pacific Continental Corporation:

Pacific Continental Corporation, which we refer to as Pacific Continental, will hold a special meeting of shareholders at The Inn at the 5th, Maple Room, 1st Floor, 205 East 6th Avenue, in Eugene, Oregon, at 10:00 a.m., Pacific Time, on June 8, 2017, which we refer to as the Pacific Continental special meeting, to consider and vote upon the following matters:

a proposal to approve the Agreement and Plan of Merger, dated as of January 9, 2017, by and between Columbia Banking System, Inc. and Pacific Continental, pursuant to which Pacific Continental will merge with and into Columbia Banking System, Inc., as more fully described in the attached joint proxy statement/prospectus, which we refer to as the merger proposal;

a proposal to approve, on a non-binding, advisory basis, the compensation that may be paid or become payable to Pacific Continental's named executive officers in connection with the mergers, and the agreements or understandings pursuant to which such compensation may be paid or become payable, discussed under the section entitled "The Mergers - Interests of Pacific Continental's Directors and Executive Officers in the Mergers," which we refer to as the merger-related named executive officer compensation proposal; and

a proposal to approve one or more adjournments of the Pacific Continental special meeting, if necessary or appropriate, including adjournments to solicit additional proxies in favor of the merger proposal, which we refer to as the Pacific Continental adjournment proposal.

Pacific Continental will transact no other business at the Pacific Continental special meeting, except for business properly brought before the Pacific Continental special meeting or any adjournment or postponement of such meeting.

The approval by Pacific Continental's shareholders of the merger proposal is required for the completion of the first merger described in this joint proxy statement/prospectus.

We have fixed the close of business on April 12, 2017, as the record date for the Pacific Continental special meeting. Only Pacific Continental common shareholders of record at that time are entitled to notice of, and to vote at, the Pacific Continental special meeting, or any adjournment or postponement of the Pacific Continental special meeting. Approval of the merger proposal requires the affirmative vote of a majority of all the votes entitled to be cast by the holders of outstanding Pacific Continental common shares. Approval of the merger-related named executive officer compensation proposal and the Pacific Continental adjournment proposal requires that the number of votes cast favoring each such proposal by holders of Pacific Continental common shares exceeds the number of votes cast in opposition by such holders of Pacific Continental common shares.

Your vote is very important. To ensure your representation at the Pacific Continental special meeting, please complete and return the enclosed proxy card or submit your proxy by telephone or through the Internet. Please vote promptly whether or not you expect to attend the Pacific Continental special meeting. Submitting a proxy now will not prevent you from being able to vote in person at the Pacific Continental special meeting.

The Pacific Continental board of directors has adopted and approved the merger agreement and the transactions contemplated thereby, and unanimously recommends that you vote FOR each of the proposals.

**BY ORDER OF THE BOARD OF
DIRECTORS**

Roger S. Busse
Chief Executive Officer
Pacific Continental Corporation

Eugene, Oregon

April 24, 2017

Table of Contents

WHERE YOU CAN FIND MORE INFORMATION

Both Columbia Banking System, Inc., which we refer to as Columbia, and Pacific Continental Corporation, which we refer to as Pacific Continental, file annual, quarterly and special reports, proxy statements and other business and financial information with the Securities and Exchange Commission, which we refer to as the SEC. You may read and copy any materials that either Columbia or Pacific Continental files with the SEC at the SEC's Public Reference Room at 100 F Street, N.E., Room 1580, Washington, D.C. 20549, at prescribed rates. Please call the SEC at (800) SEC-0330 ((800) 732-0330) for further information on the public reference room. In addition, Columbia and Pacific Continental file reports and other business and financial information with the SEC electronically, and the SEC maintains a website located at <http://www.sec.gov> containing this information. You can also obtain, free of charge, documents that Columbia files with the SEC at www.columbiabank.com under the tab "About Us" and then under the heading "Investor Relations" or documents that Pacific Continental files with the SEC at www.therightbank.com under the link "Investor Relations." The information provided on the Columbia and Pacific Continental websites is not part of this joint proxy statement/prospectus and is not incorporated herein by reference. Copies of the documents that Columbia or Pacific Continental, respectively, files with the SEC 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 Pacific Continental Corporation, Attention: Investor Relations, 111 West Seventh Avenue, Eugene, Oregon 97401.

Columbia has filed a registration statement on Form S-4 to register with the SEC Columbia common shares as specified therein. This joint proxy statement/prospectus is a part of that registration statement. As permitted by SEC rules, this document does not contain all of the information included in the registration statement or in the exhibits or schedules to the registration statement. You may read and copy the registration statement, including any amendments, schedules and exhibits, at the addresses set forth below. Statements contained in this document as to the contents of any contract or other documents referred to in this document are not necessarily complete. In each case, you should refer to the copy of the applicable contract or other document filed as an exhibit to the registration statement. This document incorporates important business and financial information about Columbia and Pacific Continental that is not included in or delivered with this document, including incorporating by reference documents that Columbia and Pacific Continental have previously filed with the SEC. These documents contain important information about the companies and their financial condition. See "Documents Incorporated by Reference." These documents are available without charge to you upon written or oral request to the applicable company's principal executive offices. The respective addresses and telephone numbers of such principal executive offices are listed below:

Columbia Banking System, Inc.
1301 A Street, Suite 800
Tacoma, Washington 98402
Attention: Corporate Secretary
Telephone: (253) 305-1900

Pacific Continental Corporation
111 West 7th Avenue
Eugene, OR 97401
Attention: Investor Relations
Telephone: (541) 686-8685

To obtain timely delivery of these documents, you must request the information no later than June 1, 2017, in order to receive them before the special meeting of Columbia shareholders, which we refer to as the Columbia special meeting, and the special meeting of Pacific Continental shareholders, which we refer to as the Pacific Continental special meeting.

Columbia common shares, no par value per share, which we refer to as Columbia common shares, are traded on the Nasdaq Global Select Market, which we refer to as Nasdaq, under the symbol COLB, and Pacific Continental common shares, no par value, which we refer to as Pacific Continental common shares, are traded on Nasdaq under

the symbol PCBK.

Table of Contents**Table of Contents**

<u>QUESTIONS AND ANSWERS</u>	1
<u>SUMMARY</u>	11
<u>RISK FACTORS</u>	19
<u>Risk Factors Relating to the Mergers</u>	19
<u>Risk Factors Relating to Pacific Continental and Pacific Continental's Business</u>	24
<u>Risk Factors Relating to Columbia and Columbia's Business</u>	24
<u>RECENT DEVELOPMENTS</u>	24
<u>SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF COLUMBIA</u>	26
<u>SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF PACIFIC CONTINENTAL</u>	28
<u>SELECTED UNAUDITED PRO FORMA COMBINED FINANCIAL DATA</u>	30
<u>COMPARATIVE PER SHARE DATA OF COLUMBIA (UNAUDITED)</u>	31
<u>MARKET PRICES, DIVIDENDS AND OTHER DISTRIBUTIONS</u>	32
<u>CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS</u>	33
<u>THE MERGERS</u>	34
<u>Terms of the Mergers</u>	34
<u>Treatment of Pacific Continental Equity Awards</u>	36
<u>Conversion of Shares; Exchange of Certificates</u>	36
<u>Regulatory Approvals Required for the Mergers</u>	38
<u>Accounting Treatment</u>	39
<u>Public Trading Markets</u>	39
<u>Resale of Columbia Common Shares</u>	39
<u>Background of the Mergers</u>	39
<u>Recommendations of the Columbia Board of Directors and Reasons for the Mergers</u>	48
<u>Recommendations of the Pacific Continental Board of Directors and Reasons for the Mergers</u>	49
<u>Opinion of Columbia's Financial Advisor</u>	51
<u>Opinion of Pacific Continental's Financial Advisor</u>	64
<u>Columbia Management and Board of Directors After the Mergers</u>	80
<u>Interests of Columbia Directors and Executive Officers in the Mergers</u>	80
<u>Interests of Pacific Continental's Directors and Executive Officers in the Mergers</u>	80
<u>Merger-Related Compensation for Pacific Continental's Named Executive Officers</u>	86
<u>THE MERGER AGREEMENT</u>	87
<u>Effects of the Mergers</u>	87
<u>Effective Time of the First Merger</u>	87
<u>Covenants and Agreements</u>	87
<u>Representations and Warranties</u>	96
<u>Conditions to the First Merger</u>	98
<u>Termination; Termination Fee</u>	100
<u>Effect of Termination</u>	101
<u>Amendments, Extensions and Waivers</u>	101
<u>Fees and Expenses</u>	102
<u>Related Agreements</u>	102
<u>MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE MERGERS</u>	104
<u>U.S. Federal Income Tax Consequences of the First Merger and the Subsequent Merger</u>	105
<u>Cash Received In Lieu of a Fractional Columbia Common Share</u>	106

<u>Alternative Consideration Scenario</u>	106
<u>Information Reporting and Backup Withholding</u>	107
<u>UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION</u>	108
<u>Unaudited Pro Forma Condensed Combined Balance Sheet as of December 31, 2016</u>	110
<u>Unaudited Pro Forma Condensed Combined Statement of Income for the Year Ended December 31, 2016</u>	111

Table of Contents

<u>Notes to Unaudited Pro Forma Condensed Combined Financial Information</u>	112
<u>DESCRIPTION OF COLUMBIA S CAPITAL STOCK</u>	117
<u>Common Shares</u>	117
<u>Preferred Shares</u>	117
<u>COMPARISON OF CERTAIN RIGHTS OF HOLDERS OF COLUMBIA AND PACIFIC CONTINENTAL COMMON SHARES</u>	118
<u>General</u>	118
<u>Comparison of Shareholders Rights</u>	118
<u>INFORMATION CONCERNING COLUMBIA</u>	127
<u>General</u>	127
<u>INFORMATION CONCERNING PACIFIC CONTINENTAL</u>	128
<u>General</u>	128
<u>INFORMATION CONCERNING MERGER SUB</u>	129
<u>COLUMBIA SPECIAL MEETING OF SHAREHOLDERS</u>	130
<u>Date, Time and Place</u>	130
<u>Purpose</u>	130
<u>Recommendations of the Columbia Board of Directors</u>	130
<u>Record Date and Quorum</u>	131
<u>Required Vote</u>	131
<u>Treatment of Abstentions: Failure to Vote</u>	131
<u>How to Vote</u>	131
<u>Shares Held in Street Name</u>	132
<u>Revoking Your Proxy</u>	132
<u>Attending the Columbia Special Meeting</u>	133
<u>Solicitation of Proxies</u>	133
<u>Delivery of Proxy Materials To Shareholders Sharing an Address</u>	133
<u>COLUMBIA PROPOSALS</u>	134
<u>Columbia Share Issuance Proposal</u>	134
<u>Columbia Adjournment Proposal</u>	134
<u>Other Matters to Come Before the Columbia Special Meeting</u>	134
<u>PACIFIC CONTINENTAL SPECIAL SHAREHOLDERS MEETING</u>	135
<u>Date, Time and Place</u>	135
<u>Purpose</u>	135
<u>Recommendations of the Pacific Continental Board of Directors</u>	135
<u>Record Date and Quorum</u>	135
<u>Required Vote</u>	136
<u>Treatment of Abstentions: Failure to Vote</u>	136
<u>How to Vote</u>	136
<u>Shares Held in Street Name</u>	137
<u>Revoking Your Proxy</u>	137
<u>Attending the Pacific Continental Special Meeting</u>	138
<u>Solicitation of Proxies</u>	138
<u>Delivery of Proxy Materials to Shareholders Sharing an Address</u>	138
<u>PACIFIC CONTINENTAL PROPOSALS</u>	139
<u>Merger Proposal</u>	139
<u>Merger-Related Named Executive Officer Compensation Proposal</u>	139
<u>Pacific Continental Adjournment Proposal</u>	139
<u>Other Matters to Come Before the Pacific Continental Special Meeting</u>	140

<u>SECURITY OWNERSHIP OF COLUMBIA DIRECTORS, EXECUTIVE OFFICERS AND CERTAIN BENEFICIAL OWNERS OF COLUMBIA</u>	141
<u>Beneficial Owners of More Than Five Percent</u>	141
<u>Beneficial Ownership of Directors and Executive Officers</u>	142

Table of Contents

<u>SECURITY OWNERSHIP OF PACIFIC CONTINENTAL DIRECTORS, EXECUTIVE OFFICERS AND CERTAIN BENEFICIAL OWNERS OF PACIFIC CONTINENTAL</u>	144
<u>Beneficial Owners of More Than Five Percent</u>	144
<u>Beneficial Ownership of Directors and Executive Officers</u>	145
<u>LEGAL OPINIONS</u>	146
<u>EXPERTS</u>	146
<u>COLUMBIA ANNUAL MEETING SHAREHOLDER PROPOSALS</u>	147
<u>PACIFIC CONTINENTAL ANNUAL MEETING SHAREHOLDER PROPOSALS</u>	148
<u>DOCUMENTS INCORPORATED BY REFERENCE</u>	149

Appendix A	<u>Agreement and Plan of Merger, dated as of January 9, 2017, by and between Columbia Banking System, Inc. and Pacific Continental Corporation.</u>
Appendix B	<u>Form of Voting and Non-Competition Agreement by and among Columbia Banking System, Inc., Pacific Continental Corporation and certain directors of Pacific Continental Corporation, dated January 9, 2017.</u>
Appendix C	<u>Form of Voting Agreement by and among Columbia Banking System, Inc., Pacific Continental Corporation and certain directors of Columbia Banking System, Inc., dated January 9, 2017.</u>
Appendix D	<u>Opinion of Keefe, Bruyette & Woods, Inc.</u>
Appendix E	<u>Opinion of D.A. Davidson & Co.</u>

Table of Contents

QUESTIONS AND ANSWERS

The following questions and answers briefly address some commonly asked questions about the transactions and the respective shareholder meetings. They may not include all the information that is important to the shareholders of Columbia or Pacific Continental. Shareholders of Columbia and Pacific Continental should each carefully read this entire joint proxy statement/prospectus, including the appendices and other documents referred to in this document.

Q: What are the transactions?

A: Columbia and Pacific Continental have entered into an agreement and plan of merger, which we refer to as the merger agreement, pursuant to which, subject to the terms and conditions of the merger agreement, a to-be-formed Oregon corporation and a wholly owned subsidiary of Columbia, which we refer to as Merger Sub, will merge with and into Pacific Continental, with Pacific Continental continuing as the surviving corporation, which we refer to as the first merger. A copy of the merger agreement is attached as Appendix A to this document. Immediately following the first merger and as a part of a single integrated transaction, Pacific Continental will merge with and into Columbia, with Columbia as the surviving entity, which we refer to as the subsequent merger. Immediately following the subsequent merger, Pacific Continental Bank, an Oregon state-chartered bank and wholly owned subsidiary of Pacific Continental, which we refer to as Pacific Continental Bank, will merge with and into Columbia State Bank, a Washington state-chartered bank and wholly owned subsidiary of Columbia, which we refer to as Columbia Bank, with Columbia Bank as the surviving bank, which we refer to as the bank merger, and together with the first merger and the subsequent merger, the mergers. In order to complete the transaction, Columbia needs the approval of its shareholders as to the issuance of Columbia common shares in the first merger, Pacific Continental needs the approval of its shareholders of the merger agreement and each party needs the approval of the mergers by the applicable banking regulators of Columbia, Columbia Bank, Pacific Continental and Pacific Continental Bank.

Q: Why am I receiving these materials?

A: Each of Columbia and Pacific Continental is sending these materials to its shareholders to help them decide how to vote their shares of Columbia or Pacific Continental with respect to the proposed merger and other matters to be considered at the special meetings, described below.

The merger cannot be completed unless Columbia shareholders approve the issuance of Columbia common shares in the first merger and Pacific Continental shareholders approve the merger agreement. Each of Columbia and Pacific Continental is holding a special meeting of shareholders to vote on the proposals necessary to complete the first merger. Information about the special meetings and the mergers is contained in this joint proxy statement/prospectus.

This document constitutes both a joint proxy statement of Columbia and Pacific Continental and a prospectus of Columbia. It is a joint proxy statement because each of the boards of directors of Columbia and Pacific Continental is soliciting proxies from their respective shareholders. It is a prospectus because Columbia will issue Columbia common shares in exchange for Pacific Continental common shares in the first merger.

Q: What will Pacific Continental shareholders receive in the first merger?

A: Under the terms of the merger agreement, Pacific Continental shareholders will have the right, with respect to each of their Pacific Continental shares, to receive a number of Columbia common shares equal to the exchange ratio. The exchange ratio will be determined as described below. In addition, we include the following tables which are intended to be illustrative of the approximate aggregate consideration that would be payable in the first merger as of the date of this joint proxy statement/prospectus based on different Columbia average closing prices. The tables do not reflect the fact that cash will be paid in lieu of fractional shares or in respect of certain equity awards as further described herein, and do not account for any

-1-

Table of Contents

adjustments that might be necessary in respect of transaction expenses exceeding the threshold amount, as further described herein.

- I.** If the average daily closing price of Columbia common shares, which we refer to as the Columbia average closing price, on Nasdaq for the 20 consecutive trading days prior to the fifth business day immediately prior to the closing date, which we refer to as the determination period, is greater than or equal to \$27.76 and less than or equal to \$37.56, then the exchange ratio will be 0.6430.

Table I.

Assumed Columbia Average Closing Price	Exchange Ratio	Aggregate Number of Columbia Shares to be Issued as Merger Consideration	Value of Aggregate Number of Columbia Shares to be Issued as Merger Consideration(1)	Aggregate Cash to be Issued as Merger Consideration(1)	Aggregate Merger Consideration(1)
\$37.56	0.6430	14,535,729	\$ 545,962	\$	\$ 545,962
35.93	0.6430	14,535,729	522,269		522,269
34.29	0.6430	14,535,729	498,430		498,430
32.66	0.6430	14,535,729	474,737		474,737
31.03	0.6430	14,535,729	451,044		451,044
29.39	0.6430	14,535,729	427,205		427,205
27.76	0.6430	14,535,729	403,512		403,512

(1) In thousands.

- II.** If the Columbia average closing price for the determination period is greater than \$37.56, and the Columbia average closing price for the determination period outperforms the Keefe, Bruyette & Woods Regional Banking Index, which we refer to as the KBW Index, by greater than 15%, then the exchange ratio will be the quotient, rounded to the nearest ten-thousandth, obtained by dividing (A) \$24.151 by (B) the Columbia average closing price for the determination period.

Table II.

Assumed Columbia Average Closing Price	Exchange Ratio	Aggregate Number of Columbia Shares to be Issued as Merger Consideration	Value of Aggregate Number of Columbia Shares to be Issued as Merger Consideration(1)	Aggregate Cash to be Issued as Merger Consideration(1)	Aggregate Merger Consideration(1)
--	----------------	--	--	--	-----------------------------------

Edgar Filing: COLUMBIA BANKING SYSTEM INC - Form 424B3

\$45.07	0.5359	12,113,645	\$	545,962	\$	\$	545,962
43.19	0.5592	12,640,935		545,962			545,962
41.32	0.5845	13,213,020		545,962			545,962
39.44	0.6123	13,842,850		545,962			545,962
37.56	0.6430	14,535,729		545,962			545,962

(1) In thousands.

- III.** If the Columbia average closing price for the determination period is greater than \$37.56, and the Columbia average closing price for the determination period does not outperform the KBW Index by greater than 15%, then the exchange ratio will be 0.6430.

-2-

Table of Contents**Table III.**

Assumed Columbia Average Closing Price	Exchange Ratio	Aggregate Number of Columbia Shares to be Issued as Merger Consideration	Value of Aggregate Number of Columbia Shares to be Issued as Merger Consideration(1)	Aggregate Cash to be Issued as Merger Consideration(1)	Aggregate Merger Consideration(1)
\$45.07	0.6430	14,535,729	\$ 655,125	\$	\$ 655,125
43.19	0.6430	14,535,729	627,798		627,798
41.32	0.6430	14,535,729	600,616		600,616
39.44	0.6430	14,535,729	573,289		573,289
37.94(2)	0.6430	14,535,729	551,486		551,486
37.56	0.6430	14,535,729	545,962		545,962

(1) In thousands.

(2) As of April 20, 2017, the Columbia average closing price was \$38.07 and was not outperforming the KBW Index by greater than 15%.

IV. If the Columbia average closing price for the determination period is less than \$27.76, and the Columbia average closing price for the determination period underperforms the KBW Index by greater than 15%, then the exchange ratio will be (A) the quotient, rounded to the nearest ten-thousandth, obtained by dividing \$17.850 by the Columbia average closing price for the determination period if Columbia chooses not to adjust the merger consideration in accordance with the merger agreement, or (B) 0.6430 if Columbia does choose to adjust the merger consideration as set forth in the merger agreement and described below.

Table IV. A. *The exchange ratio will be the quotient, rounded to the nearest ten-thousandth, obtained by dividing \$17.850 by the Columbia average closing price for the determination period if Columbia chooses not to adjust the merger consideration in accordance with the merger agreement.*

Assumed Columbia Average Closing Price	Exchange Ratio	Aggregate Number of Columbia Shares to be Issued as Merger Consideration	Value of Aggregate Number of Columbia Shares to be Issued as Merger Consideration(1)	Aggregate Cash to be Issued as Merger Consideration(1)	Aggregate Merger Consideration(1)
\$27.76	0.6430	14,535,729	\$ 403,512	\$	\$ 403,512
26.37	0.6769	15,301,928	403,512		403,512
26.13	0.6831	15,442,474	403,512		403,512

(1) In thousands.

Table IV. B. *The exchange ratio will be 0.6430 if Columbia chooses to include an amount in cash equal to (A) \$17.850 minus (B) (x) 0.6430 multiplied by (y) the Columbia average closing price for the determination period.*

Assumed Columbia Average Closing Price	Exchange Ratio	Aggregate Number of Columbia Shares to be Issued as Merger Consideration	Value of Aggregate Number of Columbia Shares to be Issued as Merger Consideration(1)	Aggregate Cash to be Issued as Merger Consideration(1)	Aggregate Merger Consideration(1)
\$27.76	0.6430	14,535,729	\$ 403,512	\$	\$ 403,512
26.37	0.6430	14,535,729	383,307	20,205	403,512
26.13	0.6430	14,535,729	379,819	23,693	403,512

(1) In thousands.

- V. If the Columbia average closing price for the determination period is less than \$27.76, and the Columbia average closing price for the determination period does not underperform the KBW Index by greater than 15%, then the exchange ratio will be 0.6430.

Table of Contents**Table V.**

Assumed Columbia Average Stock Price	Exchange Ratio	Aggregate Number of Columbia Shares to be Issued as Merger Consideration	Value of Aggregate Number of Columbia Shares to be Issued as Merger Consideration(1)	Aggregate Cash to be Issued as Merger Consideration(1)	Aggregate Merger Consideration(1)
\$27.76	0.6430	14,535,729	\$ 403,512	\$	\$ 403,512
26.37	0.6430	14,535,729	383,307		383,307
26.13	0.6430	14,535,729	379,819		379,819

(1) In thousands.

In addition, if, immediately prior to the effective time of the first merger, the transaction expenses incurred by Pacific Continental exceed \$14.5 million, which we refer to as the threshold amount, there will be an adjustment made to the exchange ratio such that the excess amount of transaction expenses will be deducted from the aggregate merger consideration. In that event, the exchange ratio will be equal to the product of (x) the exchange ratio as calculated in accordance with the merger agreement and described above and (y) the quotient obtained by dividing (1) the aggregate merger consideration, as defined below, minus the reduction amount, as defined below, by (2) the aggregate merger consideration. The aggregate merger consideration will equal \$21.00 multiplied by the total number of Pacific Continental common shares issued and outstanding immediately prior to the closing (other than treasury shares). The reduction amount means, to the extent the transaction expenses exceed the threshold amount, (a) the transaction expenses minus (b) the threshold amount, plus (c) any tax benefits estimated to result from the transaction expenses exceeding the threshold amount, as reasonably estimated by Columbia. In the event of a transaction or series of related transactions in which a person acquires record or beneficial ownership of Columbia common shares that, together with stock held by such person, constitutes greater than 50% of the outstanding Columbia common shares, the reduction amount will be zero.

Q: Will the value of the merger consideration change between the date of this document and the time the first merger is completed?

A: Yes. Although the number of Columbia common shares that Pacific Continental shareholders will receive in the first merger will be fixed based on the exchange ratio, other than in certain circumstances described below, the value of the merger consideration will fluctuate between the date of this document and the completion of the first merger based upon the market value of Columbia common shares. Any fluctuation in the market price of Columbia common shares after the date of this document will change the value of the Columbia common shares that Pacific Continental shareholders will receive.

In the event the Columbia average closing price for the determination period is greater than \$37.56, and the Columbia average closing price for the determination period outperforms the average price of the KBW Index for the determination period, in each case measured from the price on the agreed upon date of September 6, 2016, by greater than 15%, the exchange ratio will fluctuate such that the value of the merger consideration to be received by Pacific Continental shareholders will fix at \$24.151 per share, calculated based on the Columbia average closing price for the determination period. If the Columbia average closing price for the determination period is less than \$27.76, and the

Columbia average closing price for the determination period underperforms the average price of the KBW Index for the determination period, in each case measured from the price on the agreed upon date of September 6, 2016, by greater than 15%, the value of the merger consideration to be received by Pacific Continental shareholders will fix at \$17.850 per share based on the Columbia average closing price for the determination period; in that event, Columbia may, in its sole discretion, choose to either adjust the exchange ratio or maintain the exchange ratio of 0.6430 and add cash consideration such that the value of the merger consideration to be received by Pacific Continental shareholders would equal \$17.850, calculated as of the determination period.

Table of Contents

Q: How are Pacific Continental restricted stock awards addressed in the merger agreement?

A: As described under *The Mergers Treatment of Pacific Continental Equity Awards*, at the closing of the first merger, any vesting conditions applicable to any Pacific Continental outstanding restricted stock awards will automatically and without any action on the part of the holders thereof, accelerate in full and will be converted into, and become exchangeable for, the merger consideration (less applicable taxes required to be withheld with respect to such vesting).

Q: How are outstanding Pacific Continental stock options, restricted stock units and stock appreciation rights addressed in the merger agreement?

A: Holders of Pacific Continental stock options, which we refer to as Pacific Continental options, restricted stock units, which we refer to as Pacific Continental RSUs, and stock appreciation rights, which we refer to as Pacific Continental SARs, will receive an amount in cash based on the per share value of the merger consideration. For this purpose, the value of the merger consideration equals the exchange ratio multiplied by the Columbia average closing price for the determination period, which we refer to as the equity award cashout price.

Pacific Continental Options. The merger agreement provides that at the effective time of the first merger, all outstanding Pacific Continental options, whether vested or unvested, will automatically and without any action on the part of the holders thereof be cancelled and will only entitle the holders of such Pacific Continental options to receive (without interest), an amount in cash equal to the product of (i) the number of shares subject to such Pacific Continental options immediately prior to the effective time of the first merger, multiplied by (ii) the excess, if any of (A) the equity award cashout price over (B) the exercise price per share of such Pacific Continental options, less applicable taxes required to be withheld with respect to such payment.

Pacific Continental RSUs. The merger agreement provides that at the effective time of the first merger, all outstanding Pacific Continental RSUs, whether vested or unvested, will automatically and without any action on the part of the holders thereof, be cancelled and will only entitle the holders of such Pacific Continental RSUs to receive (without interest), an amount in cash equal to (i) the number of shares subject to such Pacific Continental RSUs immediately prior to the effective time of the first merger multiplied by the equity award cashout price, less applicable taxes required to be withheld with respect to such payment.

Pacific Continental SARs. The merger agreement provides that at the effective time of the first merger, all Pacific Continental SARs, whether cash-settled or stock-settled, vested or unvested, will automatically and without any action on the part of the holders thereof, be cancelled and will only entitle the holders of such Pacific Continental SARs to receive (without interest) an amount in cash equal to the product of (i) the number of shares subject to such Pacific Continental SARs immediately prior to the effective time of the first merger, multiplied by (ii) the excess, if any, of (A) the equity award cashout price over (B) the reference price per share of such Pacific Continental SARs, less applicable taxes required to be withheld with respect to such payment. See *The Mergers Treatment of Pacific Continental Equity Awards*.

Q: When do Columbia and Pacific Continental expect to complete the mergers?

A: Columbia and Pacific Continental expect to complete the mergers after all conditions to the first merger in the merger agreement are satisfied or waived, including after applicable shareholder approvals are received at the Columbia and Pacific Continental special meetings and all required regulatory approvals are received. Columbia and Pacific Continental currently expect to complete the mergers in mid-2017. It is possible, however, that as a result of factors outside of either company's control, the mergers may be completed at a later time, or may not be completed at all.

Q: Who is entitled to vote?

A: *Columbia Special Meeting.* Holders of record of Columbia common shares at the close of business on April 12, 2017, which is the date that the Columbia board of directors has fixed as the record date for the Columbia special meeting, are entitled to vote at the Columbia special meeting.

Table of Contents

Pacific Continental Special Meeting. Holders of record of Pacific Continental common shares at the close of business on April 12, 2017, which is the date that the Pacific Continental board of directors has fixed as the record date for the Pacific Continental special meeting, are entitled to vote at the Pacific Continental special meeting.

Q: What constitutes a quorum?

A: *Columbia Special Meeting.* A majority of the shares entitled to vote, represented in person or by proxy, will constitute a quorum at the Columbia special meeting. Abstentions and broker non-votes will be included in determining the number of shares present at the Columbia special meeting for the purpose of determining a quorum.

Pacific Continental Special Meeting. A majority of the shares entitled to vote, represented in person or by proxy, will constitute a quorum for the transaction of business at the Pacific Continental special meeting. Abstentions and broker non-votes will be included in determining the number of shares present at the Pacific Continental special meeting for the purpose of determining a quorum.

Q: What am I being asked to vote on?

A: *Columbia Special Meeting.* Columbia shareholders are being asked to vote on the following proposals:

Approval of the Issuance of Common Shares. To approve the issuance of Columbia common shares in the first merger, which we refer to as the Columbia share issuance proposal; and

Adjournment of Meeting. To approve one or more adjournments of the Columbia special meeting, if necessary or appropriate, including adjournments to solicit additional proxies in favor of the Columbia share issuance proposal, which we refer to as the Columbia adjournment proposal.

Pacific Continental Special Meeting. Pacific Continental shareholders are being asked to vote on the following proposals:

Approval of the Merger Agreement. To approve the merger agreement, which we refer to as the merger proposal;

Non-Binding Approval of Certain Compensation. To approve, on a non-binding, advisory basis, the compensation that may be paid or become payable to Pacific Continental's named executive officers in connection with the mergers, and the agreements or understandings pursuant to which such compensation may be paid or become payable, which we refer to as the merger-related named executive officer compensation proposal; and

Adjournment of Meeting. To approve one or more adjournments of the Pacific Continental special meeting, if necessary or appropriate, including adjournments to solicit additional proxies in favor of the merger proposal, which we refer to as the Pacific Continental adjournment proposal.

Q: What will happen if Pacific Continental's shareholders do not approve, on an advisory (non-binding) basis, the merger-related named executive officer compensation proposal?

A: The vote on the merger-related named executive officer compensation proposal is a vote separate and apart from the vote to approve the merger agreement. Pacific Continental shareholders may vote for this proposal and against the merger proposal, or vice versa. Pacific Continental shareholders also may abstain from this proposal and vote on the merger proposal, or vice versa. Because the vote on this proposal is advisory only, it will not be binding on Pacific Continental or Columbia. The merger-related named executive officer compensation to be paid in connection with the mergers is based on contractual arrangements with the named executive officers and accordingly the outcome of this advisory vote will not affect the obligation to make these payments.

Q: How does the Columbia board of directors recommend that I vote?

A: The Columbia board of directors recommends that Columbia shareholders vote **FOR** the proposals described in this joint proxy statement/prospectus.

Table of Contents

Q: How does the Pacific Continental board of directors recommend that I vote?

A: The Pacific Continental board of directors recommends that Pacific Continental shareholders vote **FOR** the proposals described in this joint proxy statement/prospectus.

Q: What do I need to do now?

A: After carefully reading and considering the information contained in this joint proxy statement/prospectus, please vote by telephone or on the Internet, or complete, sign and date the enclosed proxy card and return it in the enclosed envelope as soon as possible so that your shares will be represented at the Columbia special meeting or Pacific Continental special meeting, as applicable.

Please follow the instructions set forth on the proxy card or on the voting instruction form provided by the record holder if your shares are held in the name of your broker, bank or other nominee.

Q: How do I vote?

A: If you are a shareholder of record of Columbia as of the record date for the Columbia special meeting or a shareholder of record of Pacific Continental as of the Pacific Continental record date, you may vote by:

accessing the Internet website specified on your proxy card;

calling the toll-free number specified on your proxy card; or

signing the enclosed proxy card and returning it in the postage-paid envelope provided.

You may also cast your vote in person at your respective company's special meeting.

If your shares are held in street name through a broker, bank or other nominee, that institution will send you separate instructions describing the procedure for voting your shares. Holders in street name who wish to vote in person at the applicable special meeting will need to obtain a proxy form from the institution that holds their shares.

Q: When and where are the Columbia and Pacific Continental special meetings?

A: The Columbia special meeting will be held at 1301 A Street, Suite 800, Tacoma, Washington 98402 at 10:00 a.m. Pacific Time, on June 8, 2017. All shareholders of Columbia as of the Columbia record date, or their duly appointed proxies, may attend the Columbia special meeting.

The Pacific Continental special meeting will be held at The Inn at the 5th, Maple Room, 1st Floor, 205 East 6th Avenue, Eugene, Oregon 97401, at 10:00 a.m. Pacific Time, on June 8, 2017. All shareholders of Pacific Continental as of the Pacific Continental record date, or their duly appointed proxies, may attend the Pacific Continental special meeting.

Q: If my shares are held in street name by a broker, bank or other nominee, will my broker or nominee vote my shares for me?

A: If your shares are held in street name in a stock brokerage account or by a bank or other nominee, you must provide the record holder of your shares with instructions on how to vote your shares. Please follow the voting instructions provided by your bank or broker. Please note that you may not vote shares held in street name by returning a proxy card directly to Columbia or Pacific Continental or by voting in person at your special meeting unless you provide a legal proxy, which you must obtain from your broker, bank or other nominee.

Brokers, banks or other nominees who hold shares in street name for a beneficial owner typically have the authority to vote in their discretion on routine proposals when they have not received instructions from beneficial owners. However, brokers, banks or other nominees are not allowed to exercise their voting discretion on matters that are determined to be non-routine without specific instructions from the beneficial owner. Broker non-votes are shares held by a broker, bank or other nominee that are represented at the applicable shareholders meeting but with respect to which the broker, bank or other nominee is not instructed by the beneficial owner of such shares to vote on the particular proposal and the broker, bank or other nominee does not have discretionary voting power on such proposal.

Table of Contents

If you are a Pacific Continental shareholder and you do not instruct your broker, bank or other nominee on how to vote your shares, your broker, bank or other nominee may not vote your shares on the merger proposal, which broker non-votes will have the same effect as a vote AGAINST the proposal. If you do not instruct your broker, bank or other nominee on how to vote your shares, your broker, bank or other nominee may not vote your shares on the merger-related named executive compensation proposal or Pacific Continental adjournment proposal, which broker non-votes will have no effect on the vote on these proposals.

If you are a Columbia shareholder and you do not instruct your broker, bank or other nominee on how to vote your shares, your broker, bank or other nominee may not vote your shares on the Columbia share issuance proposal or the Columbia adjournment proposal, which broker non-votes will have no effect on the vote on these proposals.

Q: What vote is required to approve each proposal to be considered at the Columbia special meeting?

A: *The Columbia Share Issuance Proposal.* The number of votes cast favoring the Columbia share issuance proposal must exceed the number of votes cast opposing the Columbia share issuance proposal to approve the Columbia share issuance proposal.

The Columbia Adjournment Proposal. The number of votes cast favoring the Columbia adjournment proposal must exceed the number of votes cast opposing the Columbia adjournment proposal to approve the Columbia adjournment proposal.

Q: What vote is required to approve each proposal to be considered at the Pacific Continental special meeting?

A: *The Merger Proposal.* The affirmative vote of a majority of all the votes entitled to be cast by the holders of outstanding Pacific Continental common shares is required to approve the merger proposal.

The Merger-Related Named Executive Officer Compensation Proposal. The number of votes cast favoring the merger-related named executive officer compensation proposal must exceed the number of votes cast opposing the merger-related named executive officer compensation proposal to approve the merger-related named executive officer compensation proposal.

The Pacific Continental Adjournment Proposal. The number of votes cast favoring the Pacific Continental adjournment proposal must exceed the number of votes cast opposing the Pacific Continental adjournment proposal to approve the Pacific Continental adjournment proposal.

Q: What if I abstain from voting or do not vote?

A: For the purposes of the Columbia special meeting and the Pacific Continental special meeting, an abstention occurs when a shareholder attends the applicable special meeting, either in person or by proxy, but abstains from voting.

For purposes of the Columbia share issuance proposal and the Columbia adjournment proposal, if a Columbia shareholder present in person at the Columbia special meeting abstains from voting, responds by proxy with an abstain vote or is not present in person at the Columbia special meeting and does not respond by proxy, it will have no effect on the vote on these proposals.

For purposes of the merger proposal, if a Pacific Continental shareholder present in person at the Pacific Continental special meeting abstains from voting or responds by proxy with an abstain vote, it will have the same effect as a vote cast AGAINST the merger proposal. If a Pacific Continental shareholder is not present in person at the Pacific Continental special meeting and does not respond by proxy, it will have the same effect as a vote cast AGAINST the merger proposal.

For purposes of the merger-related named executive officer compensation proposal and the Pacific Continental adjournment proposal, if a Pacific Continental shareholder present in person at the Pacific

Table of Contents

Continental special meeting abstains from voting, responds by proxy with an abstain vote or is not present in person at the Pacific Continental special meeting and does not respond by proxy, it will have no effect on the vote on these proposals.

Q: May I change my vote or revoke my proxy after I have delivered my proxy or voting instruction card?

A: Yes. You may change your vote at any time before your proxy is voted at the applicable special meeting. You may do this in one of four ways:

by sending a notice of revocation to the corporate secretary of Columbia or Pacific Continental, as applicable;

by sending a completed proxy card bearing a later date than your original proxy card;

by logging onto the website specified on your proxy card in the same manner you would to submit your proxy electronically or by calling the telephone number specified on your proxy card, in each case if you are eligible to do so, and following the instructions on the proxy card; or

by attending the applicable special meeting and voting in person if your shares are registered in your name rather than in the name of a broker, bank or other nominee; however, your attendance alone will not revoke any proxy.

If you choose any of the first three methods, you must take the described action (and, in the case of the second method, your proxy card must be received) no later than the beginning of the applicable special meeting.

If your shares are held in an account at a broker, bank or other nominee, you should contact your broker, bank or other nominee to change your vote.

Q: Do I need identification to attend the Columbia special meeting or the Pacific Continental special meeting in person?

A: Yes. Please bring proper identification, together with proof that you are a record owner of Columbia or Pacific Continental common shares, as the case may be. If your shares are held in street name, please bring acceptable proof of ownership, such as a letter from your broker or an account statement showing that you beneficially owned common shares of Columbia or Pacific Continental, as applicable, on the record date.

Q: What happens if I sell my shares after the record date but before the applicable special meeting?

A: The record date for the Columbia special meeting and the Pacific Continental special meeting is earlier than the date of each such special meeting and the date that the mergers are expected to be completed. If you transfer your shares after the applicable record date but before the date of the applicable special meeting, you will retain your right to vote at the special meeting (provided that such shares remain outstanding on the date of such special meeting), but you will not have the right to receive any merger consideration for the transferred shares of Pacific Continental. You will only be entitled to receive the merger consideration in respect of shares of Pacific Continental that you hold at the effective time of the first merger.

Q: What do I do if I receive more than one joint proxy statement/prospectus or set of voting instructions?

A: If you hold shares of Columbia and/or Pacific Continental directly as a record holder and also in street name, or otherwise through a nominee, you may receive more than one joint proxy statement/prospectus and/or set of voting instructions relating to the Columbia special meeting and/or the Pacific Continental special meeting. These should each be voted or returned separately to ensure that all of your shares are voted.

Q: What are the U.S. federal income tax consequences of the mergers?

A: The first merger and the subsequent merger are intended to qualify, and the obligation of Columbia and Pacific Continental to complete the first merger is conditioned upon the receipt of legal opinions from their

Table of Contents

respective counsel to the effect that the first merger and the subsequent merger will qualify, as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code, which we refer to as the Code.

Accordingly, based on the opinions to be delivered in connection with the completion of the first merger, you generally will not recognize any gain or loss upon receipt of Columbia common shares in exchange for Pacific Continental common shares in the first merger (except with respect to any cash received in lieu of a fractional Columbia common share, as discussed below under **Material U.S. Federal Income Tax Consequences of the Mergers Cash Received In Lieu of a Fractional Columbia Common Share** and except as discussed below under **Material U.S. Federal Income Tax Consequences of the Mergers Alternative Consideration Scenario**).

For a more detailed discussion of the material U.S. federal income tax consequences of the first merger and the subsequent merger, please see the section entitled **Material U.S. Federal Income Tax Consequences of the Mergers** beginning on page 104.

The tax consequences of the first merger and the subsequent merger to any particular shareholder will depend on that shareholder's particular facts and circumstances. Accordingly, you are urged to consult your tax advisor to determine your tax consequences from the mergers.

Q: Do I have appraisal or dissenters' rights?

A: Under Oregon law, Pacific Continental shareholders are not entitled to exercise appraisal rights in connection with the first merger. See **The Mergers Conversion of Shares; Exchange of Certificates Dissenting Shares**.

Q: What happens if the mergers are not completed?

A: If the mergers are not completed, Pacific Continental shareholders will not receive any consideration for their common shares of Pacific Continental that otherwise would have been received in connection with the first merger. Instead, Pacific Continental will remain an independent public company and its common shares will continue to be listed and traded on the Nasdaq.

Q: Should I send in my stock certificates now?

A: No. Please do not send your share certificates with your proxy card. **Pacific Continental shareholders should follow the instructions that will be provided in a letter of transmittal to be mailed after closing of the first merger regarding how and when to surrender their share certificates.** If you do not vote by internet or telephone, you should send the proxy card in the enclosed envelope. If you are a shareholder of Pacific Continental, you will receive written instructions from Broadridge Issuer Solutions Inc., the exchange agent, after the first merger is completed on how to exchange your share certificates for Columbia common shares.

Q: Whom should I contact if I have any questions about the proxy materials or the meetings?

A: If you are a Columbia shareholder and have any questions about the mergers or any of the proposals to be considered at the Columbia special meeting, need assistance in submitting your proxy or voting your shares or need additional copies of this joint proxy statement/prospectus or the enclosed proxy card, you should contact Columbia Investor Relations, P.O. Box 2156 MS 3100, Tacoma, Washington 98402, (253) 305-1921.

If you are a Pacific Continental shareholder and have any questions about the mergers or any of the proposals to be considered at the Pacific Continental special meeting, need assistance in submitting your proxy or voting your shares or need additional copies of this joint proxy statement/prospectus or the enclosed proxy card, you should contact Pacific Continental Investor Relations at 111 West 7th Avenue, Eugene, Oregon 97401, (541) 686-8685.

Table of Contents

SUMMARY

This summary highlights selected information from this document. It may not contain all of the information that is important to you. We urge you to carefully read the entire document and the other documents to which we refer you in order to fully understand the mergers and the related transactions. See Where You Can Find More Information included elsewhere in this joint proxy statement/prospectus. Each item in this summary refers to the page of this joint proxy statement/prospectus on which that subject is discussed in more detail.

The Companies (pages 127 and 128)

Columbia

Headquartered in Tacoma, Washington, Columbia is the holding company of Columbia Bank, a Washington state-chartered full service commercial bank, with deposits insured by the Federal Deposit Insurance Corporation, which we refer to as the FDIC. At December 31, 2016, Columbia had 143 banking offices, including 73 branches in Washington State, 56 branches in Oregon and 14 branches in Idaho. At December 31, 2016, Columbia had total assets of approximately \$9.51 billion, total net loans receivable and loans held for sale of approximately \$6.15 billion, total deposits of approximately \$8.06 billion and approximately \$1.25 billion in shareholders' equity.

Columbia's stock is traded on Nasdaq under the symbol COLB. Financial and other information relating to Columbia is set forth in its Annual Report on Form 10-K for the year ended December 31, 2016. Information regarding the names, ages, positions, and business backgrounds of the executive officers and directors of Columbia, as well as additional information, including executive compensation, and certain relationships and related person transactions, is set forth in or incorporated by reference in Columbia's Annual Report on Form 10-K and in its proxy statement for its 2017 annual meeting of shareholders.

Columbia's principal office is located at 1301 A Street, Tacoma, Washington 98402, and its telephone number at that location is (253) 305-1900. Columbia's internet address is www.columbiabank.com. The information provided on the Columbia website is not part of this joint proxy statement/prospectus and is not incorporated herein by reference. Additional information about Columbia is included under Information Concerning Columbia and Where You Can Find More Information included elsewhere in this joint proxy statement/prospectus.

Merger Sub

Merger Sub will be an Oregon corporation and a wholly owned subsidiary of Columbia when it is formed. Merger Sub will be incorporated for the sole purpose of effecting the first merger. Merger Sub will not have conducted any activities other than those incidental to its formation, the execution of the merger agreement and the transactions contemplated by the merger agreement.

Merger Sub's principal address will be 1301 A Street, Tacoma, Washington 98402, and its telephone number at that location will be (253) 305-1900.

Pacific Continental

Headquartered in Eugene, Oregon, Pacific Continental is the holding company of Pacific Continental Bank, an Oregon state-chartered commercial bank, with deposits insured by the FDIC. At December 31, 2016, Pacific Continental Bank had 15 banking offices in Oregon and Washington and two loan production offices. Pacific Continental has established one of the most unique and attractive metropolitan branch networks in the Northwest

Table of Contents

with offices in three of the region's largest markets, Seattle, Portland and Eugene. Pacific Continental targets the banking needs of community-based businesses, health care professionals, professional service providers and nonprofit organizations. At December 31, 2016, Pacific Continental had \$2.54 billion in total assets, \$1.84 billion in net loans and \$2.15 billion in total deposits.

Pacific Continental common shares are traded on Nasdaq under the symbol PCBK. Financial and other information relating to Pacific Continental is set forth in its Annual Report on Form 10-K for the year ended December 31, 2016, as amended. Information regarding the names, ages, positions, and business backgrounds of the executive officers and directors of Pacific Continental, as well as additional information, including executive compensation, and certain relationships and related person transactions, is set forth in or incorporated by reference in Pacific Continental's Annual Report on Form 10-K and Form 10-K/A for the year ended December 31, 2016.

Pacific Continental's principal office is located at 111 West 7th Avenue, Eugene, Oregon 97401, and its telephone number at that location is (541) 686-8685. Pacific Continental's internet address is www.therightbank.com. The information provided on the Pacific Continental website is not part of this joint proxy statement/prospectus and is not incorporated herein by reference.

Additional information about Pacific Continental is included in documents incorporated by reference to this joint proxy statement/prospectus. See "Where You Can Find More Information" and "Documents Incorporated by Reference" included elsewhere in this joint proxy statement/prospectus.

The Mergers and the Merger Agreement (pages 34 and 87)

The terms and conditions of the first merger are contained in the merger agreement which is attached to this joint proxy statement/prospectus as Appendix A. The parties encourage you to read the merger agreement carefully as it is the legal document that governs the first merger.

Under the terms and conditions of the merger agreement and in accordance with Washington law, upon completion of the first merger, Merger Sub will merge with and into Pacific Continental, with Pacific Continental continuing as the surviving corporation. Immediately following the first merger and as part of a single integrated transaction, Pacific Continental will merge with and into Columbia, with Columbia continuing as the surviving entity. Immediately following the subsequent merger, Pacific Continental Bank will merge with and into Columbia Bank, with Columbia Bank as the surviving bank.

Merger Consideration (page 34)

In the first merger, Pacific Continental shareholders will have the right, with respect to each of their Pacific Continental common shares, to receive, as described below, an amount of Columbia common shares equal to the exchange ratio, which is 0.6430, subject to a customary collar and exchange ratio adjustment mechanisms, as more fully detailed in this joint proxy statement/prospectus. The value of the consideration to be received by Pacific Continental shareholders in the first merger will vary with the trading price of Columbia common shares between now and the completion of the first merger. See "The Mergers" beginning on page 34.

Recommendations of the Columbia Board of Directors and Reasons for the Mergers (page 48)

Columbia's board of directors recommends that holders of Columbia common shares vote **FOR** the Columbia share issuance proposal and **FOR** the Columbia adjournment proposal.

For further discussion of Columbia's reasons for the mergers and the recommendations of Columbia's board of directors, see "The Mergers: Background of the Mergers" and "The Mergers: Recommendations of the Columbia Board of Directors and Reasons for the Mergers."

Table of Contents

Recommendations of the Pacific Continental Board of Directors and Reasons for the Mergers (page 49)

Pacific Continental's board of directors recommends that holders of Pacific Continental common shares vote **FOR** the merger proposal, **FOR** the merger-related named executive officer compensation proposal and **FOR** the Pacific Continental adjournment proposal.

For further discussion of Pacific Continental's reasons for the mergers and the recommendations of Pacific Continental's board of directors, see [The Mergers Background of the Mergers](#) and [The Mergers Recommendations of the Pacific Continental Board of Directors and Reasons for the Mergers](#).

Opinion of Columbia's Financial Advisor (page 51)

In connection with the mergers, Columbia's financial advisor, Keefe, Bruyette & Woods, Inc., which we refer to as KBW, delivered a written opinion, dated January 9, 2017, to Columbia's board of directors as to the fairness, from a financial point of view and as of the date of the opinion, to Columbia of the exchange ratio in the proposed first merger. The full text of KBW's opinion, which describes the procedures followed, assumptions made, matters considered and qualifications and limitations on the review undertaken by KBW in preparing the opinion, is attached as Appendix D to this joint proxy statement/prospectus. The opinion was for the information of, and was directed to, the Columbia board of directors (in its capacity as such) in connection with its consideration of the financial terms of the mergers. The opinion did not address the underlying business decision of Columbia to engage in the mergers or enter into the merger agreement or constitute a recommendation to the Columbia board of directors in connection with the mergers, and it does not constitute a recommendation to any holder of Columbia common shares or any shareholder of any other entity as to how to vote in connection with the mergers or any other matter.

For further information, see [The Mergers Opinion of Columbia's Financial Advisor](#).

Opinion of Pacific Continental's Financial Advisor (page 64)

On January 9, 2017, D.A. Davidson & Co., which we refer to as Davidson, Pacific Continental's financial advisor in connection with the mergers, delivered an oral opinion to Pacific Continental's board of directors, which was subsequently confirmed in a written opinion, that, as of such date and based upon and subject to the qualifications and assumptions set forth in its written opinion, the exchange ratio was fair to the holders of Pacific Continental common shares from a financial point of view.

The full text of Davidson's opinion, dated January 9, 2017, is attached as Appendix E to this joint proxy statement/prospectus. You should read the opinion in its entirety for a discussion of, among other things, the procedures followed, assumptions made, matters considered and qualifications and limitations on the review undertaken by Davidson in rendering its opinion.

Davidson's opinion was directed to Pacific Continental's board of directors and is directed only to the fairness of the exchange ratio to the holders of Pacific Continental common shares from a financial point of view. It does not address the underlying business decision of Pacific Continental to engage in the first merger or any other aspect of the first merger and is not a recommendation to any holder of Pacific Continental common shares as to how such holder of Pacific Continental common shares should vote at the Pacific Continental special meeting with respect to the merger proposal or any other matter. Pursuant to an engagement letter between Pacific Continental and Davidson, Davidson will receive a fee for its services, a substantial portion of which will be payable upon consummation of the first merger.

For further information, see The Mergers Opinion of Pacific Continental s Financial Advisor.

Table of Contents

Interests of Pacific Continental's Directors and Executive Officers in the Mergers (page 80)

In considering the recommendation of the Pacific Continental board of directors, Pacific Continental shareholders should be aware that certain directors and executive officers of Pacific Continental have interests in the first merger that may differ from, or may be in addition to, the interests of Pacific Continental shareholders generally. The Pacific Continental board of directors was aware of these interests and considered them, among other matters, when it adopted the merger agreement and in making its recommendations that the Pacific Continental shareholders approve the merger proposal. These interests include:

In accordance with the merger agreement, one of the community-based directors of Pacific Continental will be recommended by Columbia's Nominating and Corporate Governance Committee to serve on Columbia's board of directors and the Columbia Bank board of directors effective upon the closing of the first merger;

In accordance with the merger agreement, Columbia will form an advisory board and invite all members of Pacific Continental's board of directors to join such advisory board;

Fifteen of Pacific Continental's executive officers are party to agreements that provide for severance and other benefits following a change in control of Pacific Continental in connection with a qualifying termination of employment;

Casey Hogan, who is the chief operating officer and executive vice president of Pacific Continental, entered into a transition agreement with Columbia that becomes effective upon the completion of the first merger and that replaces an existing employment agreement with Pacific Continental;

Certain of Pacific Continental's executive officers and directors may have equity awards that under the merger agreement become fully vested upon completion of the first merger; and

Pacific Continental directors and officers are entitled to continued indemnification and insurance coverage under the merger agreement.

For a more complete description of the interests of Pacific Continental's directors and executive officers in the mergers, see [The Mergers](#) [Interests of Pacific Continental's Directors and Executive Officers in the Mergers](#).

Regulatory Matters (page 38)

Columbia and Pacific Continental have each agreed to use its commercially reasonable efforts to obtain all regulatory approvals required to complete the mergers and the other transactions contemplated by the merger agreement. Regulatory approvals are required from the Federal Reserve Board, which we refer to as the Federal Reserve, the FDIC, the Oregon Department of Consumer and Business Services and the Washington State Department of Financial Institutions. As of the date of this joint proxy statement/prospectus, Columbia and Pacific Continental have submitted applications and notifications to obtain the required regulatory approvals. There can be no assurances that such approvals will be received on a timely basis, or as to the ability of Columbia or Pacific Continental to obtain the

approvals on satisfactory terms or the absence of litigation challenging such approvals. See The Mergers Regulatory Approvals Required for the Mergers.

Conditions to Completion of the First Merger (page 98)

Currently, Columbia and Pacific Continental expect to complete the first merger in mid-2017. As more fully described in this joint proxy statement/prospectus and in the merger agreement, the completion of the first merger depends on a number of conditions being satisfied or, where legally permissible, waived. We cannot provide assurance as to when or if all of the conditions to the first merger can or will be satisfied or waived by the appropriate party.

Table of Contents

No Solicitation (page 94)

Under the terms of the merger agreement, Pacific Continental has agreed not to initiate, solicit, encourage or knowingly facilitate any inquiries or the making of proposals with respect to, or engage in any negotiations concerning, or provide any confidential or nonpublic information or data to, or have any discussions with, any person relating to, any acquisition proposal (as defined below in the section entitled "The Merger Agreement Covenants and Agreements"). Notwithstanding these restrictions, the merger agreement provides that under specified circumstances, if Pacific Continental receives an unsolicited bona fide acquisition proposal and the Pacific Continental board of directors concludes in good faith that such acquisition proposal constitutes, or is reasonably expected to result in, a superior proposal (as defined below in the section entitled "The Merger Agreement Covenants and Agreements"), then Pacific Continental and its board of directors may furnish or cause to be furnished nonpublic information and participate in such negotiations or discussions to the extent that the Pacific Continental board of directors concludes in good faith (after consultation with outside legal counsel) that failure to take such actions would reasonably be expected to result in a violation of its fiduciary duties under applicable law; provided that prior to providing any such nonpublic information or engaging in any such negotiations, Pacific Continental entered into a confidentiality agreement with such third party.

Under the terms of the merger agreement, none of the members of the Pacific Continental board of directors may, except as expressly permitted by the merger agreement, make an adverse change of recommendation (as defined below in the section entitled "The Merger Agreement Covenants and Agreements"), or cause or commit Pacific Continental to enter into any agreement or understanding other than the confidentiality agreement referred to above relating to any acquisition proposal made to Pacific Continental. Nevertheless, in the event that Pacific Continental receives an acquisition proposal that the Pacific Continental board of directors concludes in good faith constitutes a superior proposal, the Pacific Continental board of directors may make an adverse change of recommendation or terminate the merger agreement, if it concludes in good faith (and based on the advice of counsel) that failure to take such actions would reasonably be expected to result in a violation of its fiduciary duties under applicable law, as long as Pacific Continental gives Columbia prior written notice at least five business days before taking such action and during such five business day period Pacific Continental negotiates in good faith with Columbia to enable Columbia to make an improved offer that is at least as favorable to the shareholders of Pacific Continental as such alternative acquisition proposal.

Termination of the Merger Agreement (page 100)

The merger agreement can be terminated at any time prior to completion of the first merger by mutual consent, or by either party in the following circumstances:

a requisite regulatory approval is denied and such denial has become final and non-appealable, or if a governmental entity of competent jurisdiction has issued a final, non-appealable order, injunction or decree permanently enjoining or otherwise prohibiting or making illegal the consummation of the transactions contemplated by the merger agreement;

the first merger has not closed by November 9, 2017, provided that, subject to certain conditions, such date may be extended to January 9, 2018, unless the failure of the closing to occur by such date is due to the failure of the party seeking to terminate the merger agreement to perform or observe the covenants and agreements of such party set forth in the merger agreement;

there is a breach by the other party of any of its covenants, agreements, representations or warranties that would, individually or in the aggregate with other breaches by such party, result in the failure of a closing condition of the other party, and such breach is not cured within 30 days following written notice to the party committing the breach, or the breach, by its nature, cannot be cured within such time (provided that the terminating party is not then in material breach of any representation, warranty, covenant or other agreement contained in the merger agreement);

Table of Contents

(a) Pacific Continental shareholders have not approved the merger agreement and the transactions contemplated thereby at the duly convened Pacific Continental special meeting or at any adjournment or postponement thereof, or (b) Columbia shareholders have not approved the issuance of Columbia common shares in the first merger at the duly convened Columbia special meeting or at any adjournment or postponement thereof, provided that the failure to obtain such shareholder approval was not caused by the terminating party's material breach of any of its obligations under the merger agreement; or

immediately following the determination period, in the event that the Columbia average closing price for the determination period is less than \$26.13 (with a proportionate adjustment in the event of certain changes in Columbia's capitalization); provided, however, if Columbia elects to exercise such termination right, Pacific Continental will have the option of reinstating the first merger by adjusting the exchange ratio to 0.6430 and adding to the merger consideration an amount in cash equal to \$1.048 per share.

The merger agreement may be terminated by Columbia prior to obtaining the Pacific Continental shareholder approval, in the event that:

Pacific Continental breaches in any material respect its non-solicitation covenants in the merger agreement;

Pacific Continental or the Pacific Continental board of directors submits the merger agreement to its shareholders without a recommendation for approval or withdraws or materially and adversely modifies its recommendation with respect to the merger agreement or recommends an acquisition proposal other than the mergers;

at any time after the end of five business days following receipt of an acquisition proposal, the Pacific Continental board of directors fails to reaffirm its board recommendation as promptly as practicable (but in any event within five business days) after receipt of any written request to do so by Columbia; or

a tender offer or exchange offer for outstanding Pacific Continental common shares is publicly disclosed (other than by Columbia or one of its affiliates) and the Pacific Continental board of directors recommends that its shareholders tender their shares in such tender or exchange offer or, within ten business days after the commencement of such tender or exchange offer, the Pacific Continental board of directors fails to recommend unequivocally against acceptance of such offer, which we refer to as a termination due to no company recommendation.

Prior to obtaining Pacific Continental shareholder approval, the merger agreement may be terminated by Pacific Continental in order to enter into a definitive agreement providing for a superior proposal (as defined below in the section entitled "The Merger Agreement Covenants and Agreements").

Expenses and Termination Fees (page 100)

Expenses

All fees and expenses incurred in connection with the mergers (including the costs and expense of printing and mailing this joint proxy statement/prospectus) will be paid by the party incurring such fees or expenses.

Pacific Continental Termination Fee

Pacific Continental is required to pay Columbia a termination fee of \$18,750,000 in the event that:

the merger agreement is terminated by Pacific Continental in order to enter into a definitive agreement providing for a superior proposal;

Table of Contents

Columbia terminates the merger agreement due to no Pacific Continental board recommendation; or

any person has made an acquisition proposal with respect to Pacific Continental, which proposal has been publicly announced, disclosed or proposed and not withdrawn, and: (1) thereafter the merger agreement is terminated (a) by either party because the merger agreement has not been consummated pursuant to the termination provision for delay or pursuant to the termination provision for no approval by Pacific Continental shareholders or (b) by Columbia pursuant to the termination provision for breach, and (2) within 12 months after such termination of the merger agreement, an acquisition proposal with respect to Pacific Continental is entered into (provided that references to more than 15% in the definition of acquisition proposal are deemed to be references to at least 50%).

Matters to Be Considered at the Columbia Special Meeting (page 134)

Columbia shareholders are being asked to vote on the following proposals:

Approval of the Issuance of Common Shares. To approve the Columbia share issuance proposal; and

Adjournment of Meeting. To approve the Columbia adjournment proposal.

Matters to Be Considered at the Pacific Continental Special Meeting (page 139)

Pacific Continental shareholders are being asked to vote on the following proposals:

Approval of the Merger Agreement. To approve the merger proposal;

Non-Binding Approval of Certain Compensation. To approve the merger-related named executive officer compensation proposal; and

Adjournment of Meeting. To approve the Pacific Continental adjournment proposal.

Material U.S. Federal Income Tax Consequences of the Mergers (page 104)

The first merger and the subsequent merger are intended to qualify, and the obligation of Columbia and Pacific Continental to complete the first merger is conditioned upon receipt of legal opinions from their respective counsel to the effect that the first merger and the subsequent merger, taken together, will qualify, as a reorganization under Section 368(a) of the Code. Subject to the limitations and qualifications described in the section entitled *Material U.S. Federal Income Tax Consequences of the Mergers* beginning on page 104 of this joint proxy statement/prospectus, it is the opinion of Sullivan & Cromwell and Pillsbury that the first merger and subsequent merger, taken together, will so qualify, and that the specific U.S. federal income tax consequences to a U.S. holder (as defined below under *Material U.S. Federal Income Tax Consequences of the Mergers*) exchanging Pacific Continental common shares in the first merger will be as follows:

no gain or loss will be recognized by U.S. holders who receive Columbia common shares in exchange for Pacific Continental common shares pursuant to the first merger (except for any gain or loss that may result from the receipt of cash in lieu of fractional Columbia common shares that the U.S. holders would otherwise be entitled to receive as discussed below under *Material U.S. Federal Income Tax Consequences of the Mergers - Cash Received In Lieu of a Fractional Columbia Common Share* and except as discussed below under *Material U.S. Federal Income Tax Consequences of the Mergers - Alternative Consideration Scenario*);

the aggregate basis of the Columbia common shares received in the first merger will be the same as the aggregate basis of the Pacific Continental common shares surrendered in the exchange, decreased by any basis attributable to fractional interests in Columbia common shares for which cash is received; and

the holding period of Columbia common shares received in exchange for Pacific Continental common shares will include the holding period of the Pacific Continental common shares surrendered in the exchange.

Table of Contents

Any gain or loss recognized upon the exchange will generally be capital gain, and will be long-term capital gain if, as of the effective date of the first merger, the U.S. holder's holding period with respect to its surrendered Pacific Continental common shares exceeds one year.

For a more detailed discussion of the material U.S. federal income tax consequences of the transactions, see [Material U.S. Federal Income Tax Consequences of the Mergers](#).

You are encouraged to consult your tax advisor as to the tax consequences of the mergers in your particular circumstances, including the applicability and effect of the alternative minimum tax, the unearned income Medicare contribution tax and any state, local or foreign and other tax laws and of changes in those laws.

The U.S. federal income tax consequences described above may not apply to all holders of Pacific Continental common shares. Your tax consequences will depend on your individual situation. Accordingly, you are urged to consult your tax advisor for a full understanding of the particular tax consequences of the mergers to you.

Rights of Pacific Continental Shareholders Will Change as a Result of the First Merger (page 118)

The rights of Pacific Continental shareholders are governed by Oregon law and by Pacific Continental's second amended and restated articles of incorporation, as amended, which we refer to as the Pacific Continental articles, and Pacific Continental's amended and restated bylaws, which we refer to as the Pacific Continental bylaws. The rights of Columbia shareholders are governed by Washington law and by Columbia's amended and restated articles of incorporation, which we refer to as the Columbia articles, and Columbia's amended and restated bylaws, which we refer to as the Columbia bylaws. Upon the completion of the first merger, there will no longer be any publicly held Pacific Continental common shares. Pacific Continental shareholders will no longer have any direct interest in Pacific Continental. Those Pacific Continental shareholders receiving Columbia common shares as merger consideration will only participate in the combined company's future earnings and potential growth through their ownership of Columbia common shares. All of the other incidents of direct stock ownership in Pacific Continental will be extinguished upon completion of the first merger. The rights of former Pacific Continental shareholders that become Columbia shareholders will be governed by Washington law, the Columbia articles and the Columbia bylaws. Therefore, Pacific Continental shareholders that receive Columbia common shares in the first merger will have different rights once they become Columbia shareholders. See [Comparison of Certain Rights of Holders of Columbia and Pacific Continental Common Shares](#).

Risk Factors (page 19)

Before voting at the Columbia special meeting or the Pacific Continental special meeting, you should carefully consider all of the information contained in or incorporated by reference into this joint proxy statement/prospectus, including the risk factors set forth in the section entitled [Risk Factors](#) and described in Columbia's and Pacific Continental's Annual Reports on Form 10-K for the year ended on December 31, 2016, as amended, and other reports filed with the SEC, which are incorporated by reference into this joint proxy statement/prospectus. Please see [Where You Can Find More Information](#) and [Documents Incorporated by Reference](#).

Table of Contents**RISK FACTORS**

In addition to the other information contained in or incorporated by reference into this document, including Columbia's Annual Report on Form 10-K for the fiscal year ended December 31, 2016, and Pacific Continental's Annual Report on Form 10-K for the fiscal year ended December 31, 2016, as amended, and the matters addressed under the caption "Cautionary Note Regarding Forward-Looking Statements," Columbia and Pacific Continental shareholders should consider the matters described below carefully in determining whether to approve the issuance of Columbia common shares in the first merger or vote to approve the merger agreement and the transactions contemplated by the merger agreement, as applicable.

Risk Factors Relating to the Mergers

Because the market price of Columbia common shares may fluctuate, you cannot be sure of the value of the merger consideration that you will receive.

Upon completion of the first merger, each Pacific Continental common share (other than treasury shares) will be converted into the right to receive merger consideration consisting of a number of Columbia common shares equal to the exchange ratio, pursuant to the terms of the merger agreement. Other than in certain circumstances described below, the number of Columbia common shares to be received by a Pacific Continental shareholder will be determined based on a fixed exchange ratio of 0.6430 of a Columbia common share for each Pacific Continental common share (other than treasury shares). Accordingly, the value of the merger consideration to be received by the Pacific Continental shareholders will be based on the value of the Columbia common shares at closing. The value of the Columbia common shares to be received by Pacific Continental shareholders in the first merger may vary from the value as of the date we announced the mergers, the date that this document was mailed to Pacific Continental shareholders, the date of the Pacific Continental special meeting and the determination period. Any change in the market price of Columbia common shares prior to completion of the first merger will affect the value of the merger consideration that Pacific Continental shareholders will receive upon completion of the first merger. Accordingly, at the time of the Pacific Continental special meeting, Pacific Continental shareholders will not know or be able to calculate the value of the per share consideration they would receive upon completion of the first merger. Share price changes may result from a variety of factors, including general market and economic conditions, changes in our respective businesses, operations and prospects, and regulatory considerations, among other things. Many of these factors are beyond the control of Columbia and Pacific Continental. Pacific Continental shareholders should obtain current market quotations for Columbia common shares before voting their shares at the Pacific Continental special meeting.

In addition, the exchange ratio adjustment mechanisms provide that, in the event that the Columbia average closing price for the determination period is greater than \$37.56 and the Columbia average closing price outperforms the average price of the KBW Index for the determination period, in each case measured from the price on the agreed upon date of September 6, 2016, by greater than 15%, the exchange ratio will be adjusted such that the value of the merger consideration to be received by Pacific Continental shareholders will fix at \$24.151 per share, calculated as of the determination period. Additionally, in the event the Columbia average closing price for the determination period is less than \$27.76 and the Columbia average closing price underperforms the average price of the KBW Index for the determination period, in each case measured from the price on the agreed upon date of September 6, 2016, by more than 15%, Columbia may adjust the exchange ratio or maintain the exchange ratio of 0.6430 and add an amount in cash such that the merger consideration to be received by Pacific Continental shareholders will fix at \$17.850 per share, calculated as of the determination period. However, as noted above, at the time of the Pacific Continental special meeting, Pacific Continental shareholders may not know or be able to calculate the exchange ratio used to determine the number of Columbia common shares they would receive with respect to each Pacific Continental

common share upon the completion of the first merger.

Table of Contents***The results of operations of Columbia after the mergers may be affected by factors different from those currently affecting the results of operations of Pacific Continental.***

The businesses of Columbia and Pacific Continental differ in certain respects and, accordingly, the results of operations of the combined company and the market price of the combined company's common shares may be affected by factors different from those currently affecting the independent results of operations of Pacific Continental and Columbia. For a discussion of the business of Columbia and certain factors to be considered in connection with Columbia's business, see Information Concerning Columbia and the documents incorporated by reference in this document and referred to under Where You Can Find More Information. For a discussion of the business of Pacific Continental and certain factors to be considered in connection with Pacific Continental's business, see Information Concerning Pacific Continental and the documents incorporated by reference in this document and referred to under Where You Can Find More Information.

The merger agreement limits Pacific Continental's ability to pursue an alternative transaction and requires Pacific Continental to pay a termination fee of \$18,750,000 under certain circumstances relating to alternative acquisition proposals.

The merger agreement prohibits Pacific Continental from soliciting, initiating, encouraging or knowingly facilitating certain alternative acquisition proposals with any third party, subject to exceptions set forth in the merger agreement. See The Merger Agreement Covenants and Agreements No Solicitation; Change of Board Recommendation included elsewhere in this joint proxy statement/prospectus. The merger agreement also provides for the payment by Pacific Continental to Columbia of a termination fee of \$18,750,000 in the event that the merger agreement is terminated in certain circumstances, involving, among others, the termination of the merger agreement in certain circumstances followed by an acquisition, or a definitive agreement providing for an acquisition, of Pacific Continental by a third party. These provisions may discourage a potential competing acquirer that might have an interest in acquiring Pacific Continental from considering or proposing such an acquisition. It should be noted, however, that the failure of Pacific Continental shareholders to approve the merger agreement will not in and of itself trigger Pacific Continental's obligation to pay the termination fee, unless other factors, including a third-party acquisition proposal for Pacific Continental, also exist. See The Merger Agreement Termination; Termination Fee included elsewhere in this joint proxy statement/prospectus.

The opinions of Columbia's and Pacific Continental's financial advisors delivered to the parties' respective boards of directors prior to the signing of the merger agreement do not reflect any changes in circumstance since the date of the opinions.

Each of the Columbia and Pacific Continental board of directors received an opinion from its respective financial advisor on January 9, 2017, to address the fairness of the exchange ratio for Pacific Continental and Columbia, respectively, from a financial point of view as of that date. Changes in the operations and prospects of Columbia or Pacific Continental, general market and economic conditions and other factors which may be beyond the control of Columbia or Pacific Continental may have altered the value of Columbia or Pacific Continental or the market prices of shares of Columbia or Pacific Continental as of the date of this document, or may alter such values and market prices by the time the mergers are completed. The financial advisors do not have any obligation to update, revise or reaffirm their respective opinions to reflect subsequent developments, and have not done so. The opinions did not address the fairness of the exchange ratio for Pacific Continental and Columbia, respectively, from a financial point of view at the time the mergers are completed or as of any date other than the date of the respective opinions. However, Pacific Continental's board of directors' recommendation that Pacific Continental shareholders vote FOR approval of the merger agreement is made as of the date of this document, and Columbia's board of directors' recommendation that Columbia shareholder vote FOR approval of the issuance of Columbia common shares is made as of the date of this

document. For a description of the opinions that Columbia and Pacific Continental received from their respective financial advisors, see [The Mergers Opinion of Columbia's Financial Advisor](#) and [The Mergers Opinion of Pacific Continental's Financial Advisor](#) included elsewhere in this joint proxy statement/prospectus.

Table of Contents

The mergers are subject to the receipt of approvals from governmental entities that may impose conditions that could have an adverse effect on the combined company following the mergers.

Before the mergers may be completed, various approvals must be obtained from the Federal Reserve, the FDIC, the Oregon Department of Consumer Business Services and the Washington State Department of Financial Institutions. These governmental entities may impose conditions on the granting of such approvals or require changes to the terms of the mergers. Although Columbia and Pacific Continental do not currently expect that any such material conditions or changes would be imposed, there can be no assurance that they will not be, and such conditions or changes could have the effect of delaying or preventing completion of the mergers or imposing additional costs or limiting the revenues of the combined company following the mergers, any of which might have an adverse effect on the combined company following the mergers.

The first merger is subject to certain closing conditions that, if not satisfied or waived, will result in the mergers not being completed, which may cause the prices of Columbia common shares or Pacific Continental common shares to decline.

The first merger is subject to customary conditions to closing, including the receipt of required regulatory approvals and approval of each party's shareholders of certain merger-related proposals. If any condition to the first merger is not satisfied or waived, to the extent permitted by law, the mergers will not be completed. In addition, Columbia and Pacific Continental may terminate the merger agreement under certain circumstances even if the merger agreement is approved by each party's shareholders. If Columbia and Pacific Continental do not complete the first merger, the trading prices of Columbia common shares or Pacific Continental common shares may decline. In addition, neither company would realize any of the expected benefits of having completed the mergers. If the mergers are not completed and Pacific Continental's board of directors seeks another merger or business combination, Pacific Continental shareholders cannot be certain that Pacific Continental will be able to find a party willing to offer equivalent or more attractive consideration than the consideration Columbia has agreed to provide. If the mergers are not completed, additional risks could materialize, which could materially and adversely affect the business, financial condition and results of Columbia or Pacific Continental. For more information on closing conditions to the merger agreement, see "The Merger Agreement Conditions to the First Merger" included elsewhere in this joint proxy statement/prospectus.

Columbia and Pacific Continental will be subject to business uncertainties and contractual restrictions while the mergers are pending.

Uncertainty about the effect of the mergers on employees, customers and vendors may have an adverse influence on the business, financial condition and results of operations of Columbia and Pacific Continental. These uncertainties may impair Columbia's or Pacific Continental's ability to attract, retain and motivate key personnel, depositors and borrowers pending the consummation of the mergers, as such personnel, depositors and borrowers may experience uncertainty about their future roles following the consummation of the mergers. Additionally, these uncertainties could cause customers (including depositors and borrowers), suppliers, vendors and others who deal with Columbia or Pacific Continental to seek to change existing business relationships with Columbia, Pacific Continental or the combined company or fail to extend an existing relationship with Columbia, Pacific Continental or the combined company.

In addition, the merger agreement restricts Pacific Continental from taking certain actions without Columbia's consent while the mergers are pending. These restrictions could have a material adverse effect on Pacific Continental's business, financial condition and results of operations. Please see the section entitled "The Merger Agreement Covenants and Agreements" for a description of the restrictive covenants applicable to Pacific Continental.

Table of Contents

Columbia common shares to be received by Pacific Continental shareholders as a result of the first merger will have rights different from the Pacific Continental common shares.

Upon completion of the first merger, the rights of former Pacific Continental shareholders who receive Columbia common shares in the first merger and thereby become Columbia shareholders will be governed by the Columbia articles and the Columbia bylaws. The rights associated with Pacific Continental common shares are different from the rights associated with Columbia common shares. In addition, the rights of shareholders under Washington law, where Columbia is organized, may differ from the rights of shareholders under Oregon law, where Pacific Continental is organized. See [Comparison of Certain Rights of Holders of Columbia and Pacific Continental Common Shares](#) for a discussion of the different rights associated with Columbia common shares.

Columbia has various provisions in the Columbia articles that could impede a takeover of Columbia.

The Columbia articles contain provisions providing for, among other things, preferred stock, super majority approval of certain business transactions, and consideration of non-monetary factors in evaluating a takeover offer. Although these provisions were not adopted for the express purpose of preventing or impeding the takeover of Columbia without the approval of the Columbia board of directors, such provisions may have that effect. Such provisions may prevent former Pacific Continental shareholders who receive shares of Columbia common shares in the first merger from taking part in a transaction in which such shareholders could realize a premium over the current market price of Columbia common shares. See [Comparison of Certain Rights of Holders of Columbia and Pacific Continental Common Shares](#).

Columbia and Pacific Continental shareholders will generally have a reduced ownership and voting interest after the first merger and will exercise less influence over management.

Columbia shareholders currently have the right to vote in the election of the Columbia board of directors and on other matters affecting Columbia. Pacific Continental shareholders currently have the right to vote in the election of the Pacific Continental board of directors and on other matters affecting Pacific Continental. Upon the completion of the first merger, except for shareholders who own common shares in both Columbia and Pacific Continental, each party's shareholders will be a shareholder of Columbia with a percentage ownership of Columbia that is smaller than such shareholder's current percentage ownership of Columbia or Pacific Continental, as applicable. It is currently expected that the former shareholders of Pacific Continental as a group will receive shares in the first merger constituting approximately 20% of the outstanding shares of the combined company immediately after the first merger. As a result, current shareholders of Columbia as a group will own approximately 80% of the outstanding shares of the combined company immediately after the first merger. Because of this, Columbia and Pacific Continental shareholders will generally have less influence on the management and policies of the combined company than they now have on the management and policies of Columbia or Pacific Continental, as applicable.

Sales of substantial amounts of Columbia's common shares in the open market by former Pacific Continental shareholders could depress Columbia's share price.

Columbia common shares that are issued to shareholders of Pacific Continental in the first merger will be freely tradable without restrictions or further registration under the Securities Act of 1933, as amended, which we refer to as the Securities Act. As of the Columbia record date, Columbia had approximately 58,328,142 common shares outstanding and 938,016 Columbia common shares were reserved for issuance under the Columbia stock plans. Based on the number of Pacific Continental common shares currently outstanding, Columbia currently expects to issue approximately 14,535,729 common shares in connection with the first merger.

If the first merger is completed and if Pacific Continental's former shareholders sell substantial amounts of Columbia common shares in the public market following completion of the first merger, the market price of Columbia common shares may decrease. These sales might also make it more difficult for Columbia to sell equity or equity-related securities at a time and price that it otherwise would deem appropriate.

Table of Contents

The combined company may fail to realize the anticipated benefits of the mergers.

The success of the mergers will depend on, among other things, the combined company's ability to combine the businesses of Columbia and Pacific Continental. If the combined company is not able to successfully achieve this objective, the anticipated benefits of the mergers may not be realized fully, or at all, or may take longer to realize than expected.

Columbia and Pacific Continental have operated and, until the consummation of the first merger, will continue to operate independently. It is possible that the integration process or other factors could result in the loss or departure of key employees, the disruption of the ongoing business of Columbia or Pacific Continental or inconsistencies in standards, controls, procedures and policies. It is also possible that clients, customers, depositors and counterparties of Columbia or Pacific Continental could choose to discontinue their relationships with the combined company because they prefer doing business with an independent company or for any other reason, which would adversely affect the future performance of the combined company. These transition matters could have an adverse effect on each of Columbia and Pacific Continental during the pre-merger period and for an undetermined amount of time after the consummation of the mergers.

The unaudited pro forma condensed combined financial information included in this document is illustrative only and the actual financial condition and results of operations after the mergers may differ materially.

The unaudited pro forma condensed combined financial information in this document is presented for illustrative purposes only and is not necessarily indicative of what Columbia's actual financial condition or results of operations would have been had the mergers been completed on the dates indicated. The pro forma condensed combined financial information reflects adjustments, which are based upon preliminary estimates, to record the Pacific Continental identifiable tangible and intangible assets acquired and liabilities assumed at fair value and the resulting goodwill recognized. The purchase price allocation reflected in this document is preliminary and final allocation of the purchase price will be based upon the actual purchase price and the fair value of the assets and liabilities of Pacific Continental as of the date of the completion of the mergers. Accordingly, the final acquisition accounting adjustments may differ materially from the pro forma adjustments reflected in this document. For more information, please see the section entitled "Unaudited Pro Forma Condensed Combined Financial Information" beginning on page 108.

Following the consummation of the mergers, the combined company will be subject to substantial additional regulation.

Following the consummation of the mergers, the combined company will have greater than \$10 billion in total consolidated assets and be subject to substantial additional regulation. Areas of additional regulation will include, but not be limited to, more sophisticated stress testing, compliance with portions of the Federal Reserve's enhanced prudential oversight requirements, enhanced governance standards, including those relating to risk management, higher FDIC deposit insurance assessments, an interchange fee cap and direct oversight and examination by the Consumer Financial Protection Bureau with respect to various federal consumer financial protection laws and regulations. These additional regulatory requirements may necessitate that we hire additional compliance or other personnel, design and implement additional internal controls or incur other significant expenses which could divert management's attention away from ongoing business concerns, place a burden on internal resources, impose additional costs or limitations on the combined company and affect profitability. In addition, compliance with the stress testing requirements, part of which must be publicly disclosed, may also be misinterpreted by the market generally or our customers and, as a result, may adversely affect the price of our common shares or our ability to retain our customers or effectively compete for new business opportunities. Finally, the Durbin Amendment to the Dodd-Frank Act resulted in rules which cap the permissible interchange fee for certain electronic debit transactions to no more than

21 cents plus 5 basis points of the transaction value for many types of debit interchange transactions. We currently anticipate a pre-tax annual impact to the combined company from those rules of approximately \$9.8 million; the combined company will be subject to the interchange fee cap beginning July 1, 2018.

Table of Contents

Certain Pacific Continental directors and officers may have interests in the first merger different from the interests of Pacific Continental shareholders.

In considering the recommendations of the Pacific Continental board of directors, Pacific Continental shareholders should be aware that certain directors and executive officers of Pacific Continental have interests in the mergers that may differ from, or may be in addition to, the interests of Pacific Continental shareholders generally. The Pacific Continental board of directors was aware of these interests and considered them, among other matters, when it adopted the merger agreement and in making its recommendations that the Pacific Continental shareholders approve the merger proposal. These interests include:

In accordance with the merger agreement, one of the community-based directors of Pacific Continental will be recommended by Columbia's Nominating and Corporate Governance Committee to serve on Columbia's board of directors and the Columbia Bank board of directors effective upon the closing of the first merger;

In accordance with the merger agreement, Columbia will form an advisory board and invite all members of Pacific Continental's board of directors to join such advisory board;

Fifteen of Pacific Continental's executive officers are party to an agreement that provides for severance and other benefits following a change in control of Pacific Continental in connection with a qualifying termination of employment;

Casey Hogan, who is the chief operating officer and executive vice president of Pacific Continental, entered into a transition agreement with Columbia that becomes effective upon the completion of the first merger and that replaces an existing employment agreement with Pacific Continental;

Certain of Pacific Continental's executive officers and directors may have equity awards that under the merger agreement become fully vested upon completion of the first merger; and

Pacific Continental directors and officers are entitled to continued indemnification and insurance coverage under the merger agreement.

For a more complete description of the interests of Pacific Continental's directors and executive officers in the mergers, see [The Mergers](#) [Interests of Pacific Continental's Directors and Executive Officers in the Mergers](#).

Risk Factors Relating to Pacific Continental and Pacific Continental's Business

Pacific Continental is, and will continue to be, subject to the risks described in Pacific Continental's Annual Report on Form 10-K for the fiscal year ended December 31, 2016, as amended and as updated by subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, all of which are filed with the SEC and incorporated by reference into this joint proxy statement/prospectus. See [Documents Incorporated by Reference](#) and [Where You Can Find More Information](#) included elsewhere in this joint proxy statement/prospectus.

Risk Factors Relating to Columbia and Columbia s Business

Columbia is, and will continue to be, subject to the risks described in Columbia s Annual Report on Form 10-K for the fiscal year ended December 31, 2016, as updated by subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, all of which are filed with the SEC and incorporated by reference into this joint proxy statement/prospectus. See Documents Incorporated by Reference and Where You Can Find More Information included elsewhere in this joint proxy statement/prospectus.

RECENT DEVELOPMENTS

Following the unexpected death of President and Chief Executive Officer, Melanie J. Dressel, Columbia s board of directors, on February 22, 2017, appointed Hadley S. Robbins to serve as Columbia s Interim Chief Executive Officer. Mr. Robbins was also appointed to serve as Interim Chief Executive Officer of Columbia Bank.

Table of Contents

Mr. Robbins, age 60, was appointed Executive Vice President and Chief Operating Officer of Columbia in March 2014. He joined Columbia as Senior Vice President and Oregon Group Manager in April 2013, when Columbia acquired West Coast Bancorp, where Mr. Robbins had served as Executive Vice President and Chief Credit Officer since 2007. Mr. Robbins has over 35 years of industry experience and has held executive or senior management positions with Wells Fargo Bank and community banks in the Pacific Northwest.

Table of Contents**SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF COLUMBIA**

The following selected consolidated financial information for the fiscal years ended December 31, 2012, through December 31, 2016, is derived from audited financial statements of Columbia. You should read this information in conjunction with Columbia's consolidated financial statements and related notes thereto included in Columbia's Annual Report on Form 10-K for the year ended December 31, 2016, which is incorporated by reference in this joint proxy statement/prospectus. See [Where You Can Find More Information](#).

	Years Ended December 31,				
	2016	2015	2014 (1)	2013 (2)	2012
	<i>(dollars in thousands except per share)</i>				
For the Year					
Interest income	\$ 337,969	\$ 328,891	\$ 308,042	\$ 296,935	\$ 248,504
Interest expense	\$ 4,350	\$ 4,004	\$ 3,994	\$ 5,840	\$ 9,577
Net interest income	\$ 333,619	\$ 324,887	\$ 304,048	\$ 291,095	\$ 238,927
Provision (recapture) for loan and lease losses	\$ 10,778	\$ 8,591	\$ 6,727	\$ (101)	\$ 39,367
Noninterest income	\$ 88,082	\$ 91,473	\$ 59,750	\$ 26,700	\$ 27,058
Noninterest expense	\$ 261,142	\$ 266,149	\$ 239,286	\$ 230,886	\$ 162,913
Net income	\$ 104,866	\$ 98,827	\$ 81,574	\$ 60,016	\$ 46,143
Net income applicable to common shareholders	\$ 104,709	\$ 98,690	\$ 81,478	\$ 59,984	\$ 46,143
Per Common Share					
Earnings (Basic)	\$ 1.81	\$ 1.71	\$ 1.53	\$ 1.24	\$ 1.16
Earnings (Diluted)	\$ 1.81	\$ 1.71	\$ 1.52	\$ 1.21	\$ 1.16
Cash dividends declared per common share	\$ 1.53	\$ 1.34	\$ 0.94	\$ 0.41	\$ 0.98
Book Value	\$ 21.52	\$ 21.48	\$ 21.34	\$ 20.50	\$ 19.25
Averages					
Total assets	\$ 9,311,621	\$ 8,655,243	\$ 7,468,091	\$ 6,558,517	\$ 4,826,283
Interest-earning assets	\$ 8,363,309	\$ 7,685,734	\$ 6,561,047	\$ 5,754,543	\$ 4,246,724
Loans	\$ 6,052,389	\$ 5,609,261	\$ 4,782,369	\$ 4,140,826	\$ 2,900,520
Securities, including Federal Home Loan Bank stock	\$ 2,269,121	\$ 2,031,859	\$ 1,708,575	\$ 1,474,744	\$ 1,011,294
Deposits	\$ 7,774,309	\$ 7,146,828	\$ 6,187,342	\$ 5,420,577	\$ 3,875,666
Shareholders' equity	\$ 1,269,801	\$ 1,246,952	\$ 1,109,581	\$ 979,099	\$ 761,185
Financial Ratios					
Net interest margin	4.12%	4.35%	4.76%	5.16%	5.77%
Return on average assets	1.13%	1.14%	1.09%	0.92%	0.96%
Return on average common equity	8.26%	7.93%	7.36%	6.14%	6.06%
Average equity to average assets	13.64%	14.41%	14.86%	14.93%	15.77%
At Year End					
Total assets	\$ 9,509,607	\$ 8,951,697	\$ 8,578,846	\$ 7,161,582	\$ 4,906,335
Loans	\$ 6,213,423	\$ 5,815,027	\$ 5,445,378	\$ 4,517,296	\$ 2,947,103

Edgar Filing: COLUMBIA BANKING SYSTEM INC - Form 424B3

Allowance for loan and lease losses	\$ 70,043	\$ 68,172	\$ 69,569	\$ 72,454	\$ 82,300
Securities, including Federal Home Loan Bank stock	\$ 2,288,817	\$ 2,170,416	\$ 2,131,622	\$ 1,696,640	\$ 1,023,484
Deposits	\$ 8,059,415	\$ 7,438,829	\$ 6,924,722	\$ 5,959,475	\$ 4,042,085
Shareholders equity	\$ 1,251,012	\$ 1,242,128	\$ 1,228,175	\$ 1,053,249	\$ 764,008

-26-

Table of Contents

	Years Ended December 31,				
	2016	2015	2014 (1)	2013 (2)	2012
	<i>(dollars in thousands except per share)</i>				
Nonperforming Assets					
Nonaccrual loans	\$ 27,756	\$ 21,464	\$ 31,352	\$ 34,015	\$ 37,395
Other real estate owned and other personal property owned	5,998	13,738	22,225	36,037	27,464
Total nonperforming assets	\$ 33,754	\$ 35,202	\$ 53,577	\$ 70,052	\$ 64,859
Nonperforming loans to year end loans	0.45%	0.37%	0.58%	0.75%	1.27%
Nonperforming assets to year end assets	0.35%	0.39%	0.62%	0.98%	1.32%
Allowance for loan and lease losses to year end loans	1.13%	1.17%	1.28%	1.60%	2.79%
Net loan charge-offs	\$ 8,907	\$ 9,988	\$ 9,612	\$ 9,745	\$ 15,052
Risk-Based Capital Ratios					
Common Equity Tier 1 (3)	11.6450%	11.94%	N/A	N/A	N/A
Tier 1 capital (3)	11.6646%	11.95%	12.98%	13.43%	19.35%
Total capital (3)	12.6347%	12.94%	14.13%	14.68%	20.62%
Leverage ratio (3)	9.5526%	10.03%	10.57%	10.19%	12.78%

- (1) During 2014, Columbia acquired Intermountain Community Bancorp.
(2) During 2013, Columbia acquired West Coast Bancorp.
(3) In the first quarter of 2015, the U.S. Basel III capital framework methodology was implemented for all banks. The 2015 capital ratios have been presented based on the new methodology. Capital ratios prior to 2015 have not been restated in conformity with the new methodology.

Table of Contents**SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF PACIFIC CONTINENTAL**

The following selected consolidated financial information for the fiscal years ended December 31, 2012, through December 31, 2016, is derived from audited financial statements of Pacific Continental. You should read this information in conjunction with Pacific Continental's consolidated financial statements and related notes thereto included in Pacific Continental's Annual Report on Form 10-K for the year ended December 31, 2016, which is incorporated by reference in this joint proxy statement/prospectus. See [Where You Can Find More Information](#).

	Years ended December 31				
	2016	2015	2014	2013	2012
	<i>(dollars in thousands, except share and per share data)</i>				
EARNINGS					
Interest income	\$ 89,943	\$ 74,236	\$ 62,027	\$ 60,933	\$ 55,894
Interest expense	\$ 6,232	\$ 4,436	\$ 4,579	\$ 4,794	\$ 5,818
Net interest income	\$ 83,711	\$ 69,800	\$ 57,448	\$ 56,139	\$ 50,076
Provision for loan loss	\$ 5,450	\$ 1,695	\$ 250	\$ 250	\$ 1,900
Noninterest income	\$ 7,817	\$ 6,625	\$ 4,995	\$ 5,826	\$ 5,741
Noninterest expense	\$ 56,593	\$ 45,890	\$ 37,729	\$ 40,732	\$ 35,105
Net income	\$ 19,776	\$ 18,751	\$ 16,042	\$ 13,767	\$ 12,653
Basic earnings per share	\$ 0.96	\$ 0.97	\$ 0.90	\$ 0.77	\$ 0.70
Diluted earnings per share	\$ 0.95	\$ 0.97	\$ 0.89	\$ 0.76	\$ 0.69
Average shares outstanding	20,610,808	19,250,838	17,812,740	17,871,439	18,085,607
Average diluted shares outstanding	20,789,995	19,392,079	18,036,188	18,059,923	18,238,160
PERFORMANCE RATIOS					
Return on average assets	0.92%	1.05%	1.09%	0.96%	0.96%
Return on average equity (book)	8.23%	8.99%	8.83%	7.61%	6.97%
Return on average equity (tangible) (1)	10.50%	11.14%	10.14%	8.75%	7.94%
Net interest margin fully tax equivalent yield (2)	4.29%	4.34%	4.30%	4.37%	4.24%
Efficiency ratio (tax equivalent) (3)	61.13%	59.22%	59.41%	65.73%	62.89%
Full-time equivalent employees	374	322	291	290	268
CAPITAL					
Tier 1 leverage ratio (4)	9.01%	9.93%	11.33%	11.49%	12.33%
Tier 1 risk based ratio (4)	10.08%	11.47%	14.48%	14.90%	16.90%
Total risk based ratio (4)	12.69%	12.58%	15.73%	16.15%	18.15%
Book value per share	\$ 12.11	\$ 11.15	\$ 10.39	\$ 10.01	\$ 10.28
Regular cash dividend per share	\$ 0.44	\$ 0.42	\$ 0.40	\$ 0.36	\$ 0.24
	\$	\$	\$ 0.29	\$ 0.37	\$ 0.07

Special cash dividend per share

ASSET QUALITY

Allowance for loan losses (ALL)	\$ 22,454	\$ 17,301	\$ 15,637	\$ 15,917	\$ 16,345
Non performing loans (NPLs) net of government guarantees	\$ 9,479	\$ 2,719	\$ 1,989	\$ 4,608	\$ 8,456
Non performing assets (NPAs) net of government guarantees	\$ 21,547	\$ 14,466	\$ 15,363	\$ 20,963	\$ 26,428
Other real estate owned	\$ 12,068	\$ 11,747	\$ 13,374	\$ 16,355	\$ 17,972
Net loan (recoveries) charge offs	\$ 297	\$ 31	\$ 280	\$ 678	\$ 496
ALL as a percentage of gross loans	1.21%	1.23%	1.50%	1.60%	1.88%
ALL as a % NPLs, net of government guarantees	236.88%	636.30%	786.17%	345.42%	193.29%
Net loan charge offs (recoveries) to average loans	0.02%	0.00%	0.03%	0.07%	0.06%
Net NPLs as a percentage of total loans	0.51%	0.19%	0.19%	0.46%	0.97%
Nonperforming assets as a percentage of total assets	0.85%	0.76%	1.02%	1.45%	1.92%
Consolidated classified asset ratio(5)	23.51%	23.03%	24.54%	29.37%	31.18%
Past due as a percentage of total loans (6)	0.04%	0.03%	0.15%	0.23%	0.30%

END OF PERIOD**BALANCES**

Total securities and short term deposits	\$ 507,955	\$ 379,454	\$ 356,804	\$ 347,441	\$ 389,979
Total loans net of allowance	\$ 1,835,313	\$ 1,387,181	\$ 1,029,384	\$ 977,928	\$ 854,071
Total loans held for sale	\$	\$	\$	\$	\$
Total earning assets	\$ 2,348,691	\$ 1,771,843	\$ 1,381,330	\$ 1,325,369	\$ 1,244,050
Total assets	\$ 2,541,437	\$ 1,909,478	\$ 1,504,325	\$ 1,449,726	\$ 1,373,487
Total non-interest bearing deposits	\$ 858,996	\$ 568,688	\$ 407,311	\$ 366,891	\$ 329,825
Core deposits (7)	\$ 2,035,067	\$ 1,533,942	\$ 1,110,861	\$ 990,315	\$ 938,629
Total deposits	\$ 2,148,103	\$ 1,597,093	\$ 1,209,093	\$ 1,090,981	\$ 1,046,154
Shareholder s equity	\$ 273,755	\$ 218,491	\$ 184,161	\$ 179,184	\$ 183,381

Table of Contents

	Years ended December 31				
	2016	2015	2014	2013	2012
	<i>(dollars in thousands, except share and per share data)</i>				
AVERAGE BALANCES					
Total securities and short term deposits	\$ 446,170	\$ 391,888	\$ 351,975	\$ 366,102	\$ 384,918
Total loans net of allowance	\$ 1,554,332	\$ 1,253,987	\$ 1,010,182	\$ 943,381	\$ 816,465
Total earning assets	\$ 2,006,472	\$ 1,645,876	\$ 1,362,157	\$ 1,309,483	\$ 1,201,573
Total assets	\$ 2,159,411	\$ 1,782,832	\$ 1,477,060	\$ 1,433,213	\$ 1,317,094
Total non-interest bearing deposits	\$ 701,137	\$ 518,267	\$ 376,175	\$ 336,063	\$ 297,428
Core deposits (7)	\$ 1,705,556	\$ 1,406,168	\$ 1,031,140	\$ 967,592	\$ 877,256
Total deposits	\$ 1,794,194	\$ 1,475,815	\$ 1,132,428	\$ 1,074,166	\$ 972,854
Shareholder s equity	\$ 240,205	\$ 208,500	\$ 181,762	\$ 180,857	\$ 181,475

- (1) Tangible equity excludes goodwill and core deposit intangible assets related to acquisitions.
- (2) Net interest margin is reported on a tax-equivalent yield basis at a 35% tax rate.
- (3) Efficiency ratio is noninterest expense as a percent of net interest income (on a tax-equivalent basis) plus noninterest income.
- (4) In first quarter 2015, the U.S. Basel III capital framework methodology was implemented for all banks. The 2015 capital ratios have been presented based on the new methodology. Capital ratios prior to 2015 have not been restated in conformity with the new methodology.
- (5) The sum of all loan-related contingent liabilities and loans internally graded substandard or worse, impaired loans (net of government guarantees), adversely classified securities, and other real estate owned, divided by total consolidated Tier 1 capital plus the allowance for loan losses.
- (6) Defined as loans past due more than 30 days and still accruing interest, as a percentage of total loans, net of deferred fees.
- (7) Core deposits include demand, interest checking, money market, savings, and local time deposits, including local nonpublic time deposits in excess of \$100 thousand.

Table of Contents**SELECTED UNAUDITED PRO FORMA FINANCIAL DATA**

The following table shows selected unaudited pro forma condensed combined financial information about the financial condition and results of operations of Columbia giving effect to the mergers with Pacific Continental. The selected unaudited pro forma condensed combined financial information assumes that the mergers are accounted for under the acquisition method of accounting with Columbia treated as the acquirer. Under the acquisition method of accounting, the assets and liabilities of Pacific Continental, as of the effective date of the mergers, will be recorded by Columbia at their respective fair values and the excess of the merger consideration over the fair value of Pacific Continental's net assets will be allocated to goodwill.

The table sets forth the information as if the mergers had become effective on December 31, 2016, with respect to financial condition data, and on January 1, 2016, with respect to the results of operations data. The selected unaudited pro forma condensed combined financial data has been derived from and should be read in conjunction with the unaudited pro forma condensed combined financial information, including the notes thereto, which is included in this joint proxy statement/prospectus under Unaudited Pro Forma Condensed Combined Financial Information.

The selected unaudited pro forma condensed combined financial information is presented for illustrative purposes only and does not necessarily indicate the financial results of the combined companies had the companies actually been combined at the beginning of the period presented. The selected unaudited pro forma condensed combined financial information also does not consider any potential impacts of current market conditions on revenues, potential revenue enhancements, anticipated cost savings and expense efficiencies, or asset dispositions, among other factors. Further, as explained in more detail in the notes accompanying the more detailed unaudited pro forma condensed combined financial information included under Unaudited Pro Forma Condensed Combined Financial Information, the pro forma allocation of purchase price reflected in the selected unaudited pro forma condensed combined financial information is subject to adjustment and may vary from the actual purchase price allocation that will be recorded at the time the mergers are completed. Additionally, the adjustments made in the unaudited pro forma condensed financial information, which are described in those notes, are preliminary and may be revised.

	For the Year Ended December 31, 2016
Pro Forma Condensed Consolidated Income Statement Information:	(dollars in thousands)
Net interest income	\$ 423,653
Provision for loan losses	16,228
Income before income taxes	180,158
Net income	125,222

	As of December 31, 2016
(Dollars in thousands) Pro Forma Condensed Consolidated Balance Sheet Information:	
Loans	\$ 7,969,531
Total assets	12,409,384
Deposits	10,207,518
Federal Home Loan Bank advances	71,493
Other borrowings	117,982

Shareholders equity	1,880,554
---------------------	-----------

**For the Year Ended
December 31, 2016**

Per Common Share

Earnings (Basic)	\$	1.75
Earnings (Diluted)		1.75
Cash dividends declared per common share		1.53

Table of Contents**COMPARATIVE PER SHARE DATA OF COLUMBIA (UNAUDITED)**

Presented below for Columbia and Pacific Continental is historical, unaudited pro forma combined and pro forma equivalent per share financial data as of and for the year ended December 31, 2016. The information presented below should be read together with the historical consolidated financial statements of Columbia and Pacific Continental, including the related notes, filed by Columbia and Pacific Continental, as applicable, with the SEC and incorporated by reference into this joint proxy statement/prospectus. See [Where You Can Find More Information](#).

The unaudited pro forma and pro forma per equivalent share information gives effect to the mergers as if the mergers had been effective on December 31, 2016, in the case of the book value data, and as if the mergers had been effective as of January 1, 2016, in the case of the earnings per share and the cash dividends data. The unaudited pro forma data combines the historical results of Pacific Continental into Columbia's consolidated statement of income. While certain adjustments were made for the estimated impact of fair value adjustments and other acquisition-related activity, they are not indicative of what could have occurred had the acquisition taken place on January 1, 2016.

The unaudited pro forma adjustments are based upon available information and certain assumptions that Columbia management believes are reasonable. The unaudited pro forma data, while helpful in illustrating the financial characteristics of the combined company under one set of assumptions, does not reflect the impact of factors that may result as a consequence of the mergers or consider any potential impacts of current market conditions or the mergers on revenues, expense efficiencies or asset dispositions, among other factors, nor the impact of possible business model changes. As a result, unaudited pro forma data is presented for illustrative purposes only and does not represent an attempt to predict or suggest future results. Upon completion of the mergers, the operating results of Pacific Continental will be reflected in the consolidated financial statements of Columbia on a prospective basis.

	Columbia Historical	Pacific Continental Historical	Pro Forma Combined	Per Equivalent Pacific Continental Share (1)
For the year ended December 31, 2016:				
Basic earnings per share	\$ 1.81	\$ 0.96	\$ 1.75	\$ 1.13
Diluted earnings per share	\$ 1.81	\$ 0.95	\$ 1.75	\$ 1.13
Cash dividends declared (2)	\$ 1.53 (3)	\$ 0.44	\$ 1.53	\$ 0.98
Book value per share as of December 31, 2016	\$ 21.52	\$ 12.11	\$ 25.91	\$ 16.66

- (1) Reflects Pacific Continental shares at the exchange ratio of 0.6430.
- (2) Pro forma combined cash dividends declared are based only upon Columbia's historical amounts.
- (3) Includes \$0.77 in regular quarterly dividends and \$0.76 in special dividends declared for the year ended December 31, 2016.

Table of Contents**MARKET PRICES, DIVIDENDS AND OTHER DISTRIBUTIONS****Stock Prices**

The table below sets forth, for the calendar quarters indicated, the high and low sales price per share of, and the dividends declared on, Columbia common shares, which trade on Nasdaq under the symbol COLB, and Pacific Continental common shares, which trade on Nasdaq under the symbol PCBK. As of April 12, 2017, there were approximately 2,835 registered holders of Columbia's common shares, and there were approximately 908 registered holders of Pacific Continental common shares.

	Columbia Common Shares			Pacific Continental Common Shares		
	High	Low	Dividends	High	Low	Dividends
2015						
First Quarter	\$ 29.48	\$ 24.60	\$ 0.30	\$ 13.81	\$ 12.64	\$ 0.10
Second Quarter	\$ 33.39	\$ 28.28	\$ 0.34	\$ 13.95	\$ 12.74	\$ 0.10
Third Quarter	\$ 33.70	\$ 28.63	\$ 0.34	\$ 13.63	\$ 12.63	\$ 0.11
Fourth Quarter	\$ 36.27	\$ 29.52	\$ 0.36	\$ 16.11	\$ 13.10	\$ 0.11
2016						
First Quarter	\$ 32.15	\$ 26.56	\$ 0.38	\$ 16.46	\$ 13.60	\$ 0.11
Second Quarter	\$ 31.81	\$ 26.17	\$ 0.37	\$ 17.12	\$ 14.76	\$ 0.11
Third Quarter	\$ 33.28	\$ 26.21	\$ 0.39	\$ 16.98	\$ 14.35	\$ 0.11
Fourth Quarter	\$ 45.27	\$ 31.75	\$ 0.39	\$ 22.05	\$ 16.00	\$ 0.11
2017						
First Quarter	\$ 45.68	\$ 36.38	\$ 0.22	\$ 26.85	\$ 20.60	\$ 0.11
Second Quarter (through April 24, 2017)	\$ 40.50	\$ 36.85	\$	\$ 25.65	\$ 23.28	\$

The following table sets forth the closing sale prices per Columbia common share and Pacific Continental common share on January 9, 2017, the last trading day completed before the public announcement of the signing of the merger agreement, and on April 24, 2017, the latest practicable date before the date of this joint proxy statement/prospectus.

	Columbia Common Shares	Pacific Continental Common Shares
	January 9, 2017	\$43.31
April 24, 2017	\$40.14	\$25.40

Table of Contents

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This document, including information included or incorporated by reference in this document, may contain 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, (i) statements about the benefits of the mergers, including future financial and operating results, cost savings, enhancements to revenue and accretion to reported earnings that may be realized from the mergers; (ii) statements about our respective plans, objectives, expectations and intentions and other statements that are not historical facts; and (iii) other statements identified by words such as expects, anticipates, intends, plans, believes, seeks, estimates, continues, prospects, projections, or potential verbs such as will, would, should, could, or may or words of similar meaning. These forward-looking statements are based on current beliefs and expectations of Columbia's and Pacific Continental's managements and are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond Columbia's and Pacific Continental's control. In addition, these forward-looking statements are subject to assumptions with respect to future business strategies and decisions that are subject to change.

In addition to factors previously disclosed in Columbia's and Pacific Continental's reports filed with the SEC and those identified elsewhere in this filing (including the section entitled Risk Factors), the following potential factors, among others, could cause actual results to differ materially from the anticipated results or other expectations in the forward-looking statements:

the mergers may not close when expected or at all because required regulatory, shareholder or other approvals and other conditions to closing are not received on a timely basis or at all;

Columbia's share price could change, before closing of the first merger, including as a result of broader stock market movements, and the performance of financial companies and peer group companies;

benefits from the mergers 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 Pacific Continental operate;

operating costs, customer losses and business disruption following the mergers, including adverse developments in relationships with employees, may be greater than expected; and

management time and effort may be diverted to the resolution of merger-related issues.

All subsequent written and oral forward-looking statements concerning the proposed transactions or other matters attributable to Columbia or Pacific Continental or any person acting on behalf of Columbia or Pacific Continental are expressly qualified in their entirety by the cautionary statements above. Neither Columbia nor Pacific Continental undertakes any obligation to update any forward-looking statements to reflect circumstances or events that occur after the date the forward-looking statements are made.

Table of Contents

THE MERGERS

The following is a discussion of the mergers and the material terms of the merger agreement between Columbia and Pacific Continental. You are urged to read carefully the merger agreement in its entirety, a copy of which is attached as Appendix A to this document and incorporated by reference herein. This summary may not contain all of the information about the merger agreement that is important to you. We encourage you to read the merger agreement carefully and in its entirety. Factual information about Columbia and Pacific Continental can be found elsewhere in this joint proxy statement/prospectus and in the public filings Columbia and Pacific Continental make with the SEC, as described in the section entitled *Where You Can Find More Information*.

Terms of the Mergers

Transaction Structure

The merger agreement provides for the acquisition of Pacific Continental by Columbia through the merger of Merger Sub with and into Pacific Continental with Pacific Continental continuing as the surviving corporation in the first merger. Immediately following the first merger, Pacific Continental will merge with and into Columbia, with Columbia continuing as the surviving entity in the subsequent merger. Immediately following the subsequent merger, Pacific Continental Bank will merge with and into Columbia Bank, with Columbia Bank continuing as the surviving bank in the bank merger.

Merger Consideration

In the merger, Pacific Continental shareholders will have the right, with respect to each of their Pacific Continental common shares, to receive a number of Columbia common shares equal to the exchange ratio, subject to any adjustments set forth in the merger agreement. The exchange ratio means the following:

- i. if the Columbia average closing price for the determination period is greater than or equal to \$27.76 and less than or equal to \$37.56, then the exchange ratio will be 0.6430;
- ii. if the Columbia average closing price for the determination period is greater than \$37.56, and the Columbia average closing price for the determination period outperforms the average price of the KBW Index for the determination period, in each case measured from the price on the agreed upon date of September 6, 2016, by greater than 15%, then the exchange ratio will be the quotient, rounded to the nearest ten-thousandth, obtained by dividing (A) \$24.151 by (B) the Columbia average closing price for the determination period;
- iii. if the Columbia average closing price for the determination period is greater than \$37.56, and the Columbia average closing price for the determination period does not outperform the average price of the KBW Index for the determination period, in each case measured from the price on the agreed upon date of September 6, 2016, by greater than 15%, then the exchange ratio will be 0.6430;
- iv.

if the Columbia average closing price for the determination period is less than \$27.76, and the Columbia average closing price for the determination period underperforms the average price of the KBW Index for the determination period, in each case measured from the price on the agreed upon date of September 6, 2016, by greater than 15%, then the exchange ratio will be (A) the quotient, rounded to the nearest ten-thousandth, obtained by dividing \$17.850 by the Columbia average closing price for the determination period if Columbia chooses not to adjust the merger consideration in accordance with the merger agreement, or (B) 0.6430 if Columbia does choose to adjust the merger consideration as set forth in the merger agreement and described below; and

- v. if the Columbia average closing price for the determination period is less than \$27.76, and the Columbia average closing price for the determination period does not underperform the average price of the KBW Index for the determination period, in each case measured from the price on the agreed upon date of September 6, 2016, by greater than 15%, then the exchange ratio will be 0.6430.

Table of Contents

In connection with clause (iv) above, if Columbia chooses to adjust the merger consideration, which it may do in its sole discretion under those circumstances, the merger consideration will include an amount in cash equal to (A) \$17.850 minus (B) (x) 0.6430 multiplied by (y) the Columbia average closing price for the determination period, and the exchange ratio will be 0.6430.

The exchange ratio adjustment mechanisms provide that, in the event that the Columbia average closing price for the determination period is greater than \$37.56 and the Columbia average closing price outperforms the average price of the KBW Index for the determination period, in each case measured from the price on the agreed upon date of September 6, 2016, by greater than 15%, the exchange ratio will be adjusted such that the value of the merger consideration to be received by Pacific Continental shareholders will fix at \$24.151 per share, calculated as of the determination period. Additionally, in the event the Columbia average closing price for the determination period is less than \$27.76 and the Columbia average closing price underperforms the average price of the KBW Index for the determination period, in each case measured from the price on the agreed upon date of September 6, 2016, by more than 15%, Columbia may adjust the exchange ratio or maintain the exchange ratio of 0.6430 and add an amount in cash such that the merger consideration to be received by Pacific Continental shareholders will fix at \$17.850 per share, calculated as of the determination period. However, as noted previously, at the time of the Pacific Continental special meeting, Pacific Continental shareholders may not know or be able to calculate the exchange ratio used to determine the number of Columbia common shares they would receive with respect to each Pacific Continental common share upon the completion of the first merger.

If the Columbia average closing price for the determination period is less than \$26.13 (with a proportionate adjustment in the event that outstanding Columbia common shares are changed into a different number of shares by reason of any stock dividend, reclassification, recapitalization, split-up, combination, exchange of shares or similar transaction between the date of the merger agreement and the end of the determination period), either party may terminate the merger agreement; provided, however, if Columbia elects to exercise such termination right, Pacific Continental will have the option of reinstating the first merger by adjusting the exchange ratio to 0.6430, as may be adjusted for transaction expenses, as described below, and adding to the merger consideration an amount in cash equal to \$1.048 per share.

The value of the Columbia common shares to be received by Pacific Continental shareholders in the first merger may vary from the value as of the date we announced the mergers, the date that this document was mailed to Pacific Continental shareholders, the date of the meeting of Pacific Continental shareholders and the determination period. Any change in the market price of Columbia common shares prior to completion of the first merger will affect the value of the merger consideration that Pacific Continental shareholders will receive upon completion of the first merger. Accordingly, at the time of the Pacific Continental special meeting, Pacific Continental shareholders will not know or be able to calculate the value of the per share consideration they would receive upon completion of the first merger.

Adjustment for Transaction Expenses

If, immediately prior to the effective time of the first merger, the transaction expenses incurred by Pacific Continental exceed the threshold amount, there will be an adjustment made to the exchange ratio such that the excess amount of transaction expenses will be deducted from the aggregate merger consideration. In that event, the exchange ratio will be equal to the product of (x) the exchange ratio as calculated in accordance with the merger agreement and (y) the quotient obtained by dividing (1) the aggregate merger consideration minus the reduction amount by (2) the aggregate merger consideration. In the event of a transaction or series of related transactions in which a person acquires record or beneficial ownership of Columbia common shares that, together with stock held by such person, constitutes greater than 50% of the outstanding Columbia common shares, the reduction amount will be zero.

Table of Contents

Treatment of Pacific Continental Equity Awards

Pacific Continental RSUs

At the effective time of the first merger, each outstanding Pacific Continental RSU, whether vested or unvested, will, automatically and without any action on the part of the holder thereof, be cancelled and will only entitle the holder of such Pacific Continental RSU to receive (without interest), no later than the first payroll period following the effective time of the first merger and in any event no later than 30 calendar days following the closing date, an amount in cash equal to (x) the number of shares subject to such Pacific Continental RSUs multiplied by (y) the equity award cashout price, less applicable taxes required to be withheld with respect to such payment. The term equity award cashout price means an amount equal to the product of (x) the exchange ratio multiplied by (y) the Columbia average closing price for the determination period.

Pacific Continental Options

At the effective time of the first merger, each outstanding Pacific Continental option, whether vested or unvested, will, automatically and without any action on the part of the holder thereof, be cancelled and will only entitle the holder of such Pacific Continental option to receive (without interest), no later than the first payroll period following the effective time of the first merger and in any event no later than 30 calendar days following the closing date, an amount in cash equal to the product of (x) the number of shares subject to such Pacific Continental options multiplied by (y) the excess, if any, of (A) the equity award cashout price over (B) the exercise price per share of such Pacific Continental options less applicable taxes required to be withheld with respect to such payment. Any Pacific Continental option which has an exercise price per share that is greater than or equal to the equity award cashout price will be cancelled at the effective time of the first merger for no consideration or payment.

Pacific Continental SARs

At the effective time of the first merger, each outstanding Pacific Continental SAR, whether cash-settled or stock-settled, whether vested or unvested, will, automatically and without any action on the part of the holder thereof, be cancelled and will only entitle the holder of such Pacific Continental SAR to receive (without interest), no later than the first payroll period following the effective time of the first merger and in any event no later than 30 calendar days following the closing date, an amount in cash equal to the product of (x) the number of shares subject to such Pacific Continental SARs multiplied by (y) the excess, if any, of (A) the equity award cashout price over (B) the reference price per share of such Pacific Continental SARs less applicable taxes required to be withheld with respect to such payment. Any Pacific Continental SAR which has a reference price per share that is greater than or equal to the equity award cashout price will be cancelled at the effective time of the first merger for no consideration or payment.

Restricted Stock Awards

At the effective time of the first merger, each outstanding Pacific Continental restricted stock award will, automatically and without any action on the part of the holder thereof, accelerate in full and will be converted into, and become exchanged for the merger consideration (less applicable taxes required to be withheld with respect to such vesting).

Conversion of Shares; Exchange of Certificates

The conversion of Pacific Continental common shares (other than treasury shares) into the right to receive the merger consideration will occur automatically at the effective time of the first merger. As soon as reasonably practicable after the effective time of the first merger, the exchange agent will exchange certificates representing Pacific Continental common shares (other than treasury shares) for merger consideration to be received in the first merger pursuant to the terms of the merger agreement.

Table of Contents

Letters of Transmittal

As soon as reasonably practicable after the completion of the first merger, but in any event within five business days thereafter, the exchange agent will send a letter of transmittal and instructions for surrendering certificates or book-entry shares in exchange for the merger consideration, any cash in lieu of fractional shares of Columbia (as described below), and any dividends or distributions to which a holder may be entitled (as described below), to each holder of record of certificates or book-entry shares which, immediately prior to the completion of the first merger, represented Pacific Continental common shares, whose shares were converted into the right to receive the merger consideration.

If a certificate for Pacific Continental common shares has been lost, stolen or destroyed, the exchange agent will issue the consideration properly payable under the merger agreement upon receipt of an affidavit as to that loss, theft or destruction and, if requested by the exchange agent, the posting of a bond to indemnify the exchange agent against any claim that may be made against it with respect to such certificate.

Cash in Lieu of Fractional Shares

No fractional Columbia common shares will be issued upon the surrender of certificates or book-entry shares for exchange, and no dividend or distribution with respect to Columbia common shares will be payable on or with respect to any fractional share, and such fractional share interests will not entitle the owner thereof to vote or to any other rights of a shareholder of Columbia. In lieu of the issuance of any such fractional share, Columbia will pay to each former shareholder of Pacific Continental who otherwise would be entitled to receive such fractional share an amount in cash (rounded to the nearest cent) determined by multiplying (i) the Columbia average closing price for the determination period by (ii) the fraction of a share (after taking into account all shares of Pacific Continental common stock held by such holder at the effective time of the first merger and rounded to the nearest thousandth when expressed in decimal form) of Columbia common shares which such holder would otherwise be entitled to receive.

Dividends and Distributions

Until certificates or book-entry shares representing Pacific Continental common shares are surrendered for exchange, any dividends or other distributions with a record date after the effective time of the first merger with respect to Columbia common shares into which such Pacific Continental common shares may have been converted will not be paid. Following surrender of any such certificates or book-entry shares, the record holder thereof will be entitled to receive, without interest, any dividends or other distributions with a record date after the effective time of the first merger payable with respect to the whole number of Columbia common shares represented by such certificates or book-entry shares and paid prior to the surrender date, and at the appropriate payment date, the amount of dividends or other distributions payable with respect to Columbia common shares represented by such certificates or book-entry shares with a record date after the effective time of the first merger but before the surrender date and with a payment date after the issuance of Columbia common shares issuable with respect to such certificates or book-entry shares.

After the effective time of the first merger, there will be no transfers on the share transfer books of Pacific Continental of any Pacific Continental common shares. If certificates representing such shares are presented for transfer after the completion of the first merger, they will be cancelled and exchanged for the merger consideration into which the shares represented by that certificate have been converted.

Dissenting Shares

Under Oregon law, Pacific Continental shareholders will not be entitled to exercise any appraisal or dissenters' rights in connection with any of the proposals being presented to them.

Table of Contents

Regulatory Approvals Required for the Mergers

Each of Columbia and Pacific Continental has agreed to use its commercially reasonable efforts to obtain all regulatory approvals required to complete the mergers and the other transactions contemplated by the merger agreement. These approvals include approval from the Federal Reserve, the FDIC, the Oregon Department of Consumer and Business Services and the Washington State Department of Financial Institutions, among others. As of the date of this joint proxy statement/prospectus, Columbia and Pacific Continental have submitted applications and notifications to obtain the required regulatory approvals.

Federal Deposit Insurance Corporation

The prior approval of the FDIC will be required under Section 18(c) of the Federal Deposit Insurance Act, which we refer to as the Bank Merger Act, to merge Pacific Continental Bank with and into Columbia Bank. In evaluating an application filed under the Bank Merger Act, the FDIC generally considers: (1) the competitive impact of the transaction, (2) financial and managerial resources of the banks party to the bank merger, (3) the banks' effectiveness in combating money-laundering activities and (4) the extent to which the bank merger or mergers would result in greater or more concentrated risks to the stability of the United States banking or financial system. The FDIC also reviews the performance records of the relevant depository institutions under the Community Reinvestment Act of 1997, which we refer to as CRA, including their CRA ratings. In connection with its review under the Bank Merger Act, the FDIC will provide an opportunity for public comment on the application for the bank merger and is authorized to hold a public meeting or other proceeding if it determines that would be appropriate.

Transactions approved by the FDIC generally may not be completed until 30 days after the approval of the FDIC is received, during which time the Department of Justice, which we refer to as the DOJ, may challenge the transaction on antitrust grounds. With the approval of the FDIC and the concurrence of the DOJ, the waiting period may be reduced to no less than 15 days. The commencement of an antitrust action would stay the effectiveness of such an approval unless a court specifically ordered otherwise. In reviewing the bank merger, the DOJ could analyze the bank merger's effect on competition differently than the FDIC, and thus it is possible that the DOJ could reach a different conclusion than the FDIC does regarding the bank merger's effects on competition. A determination by the DOJ not to object to the bank merger may not prevent the filing of antitrust actions by private persons or state attorneys general.

Federal Reserve Board

The transactions contemplated by the merger agreement are subject to approval by the Federal Reserve pursuant to the Bank Holding Company Act of 1956, as amended, which we refer to as the BHC Act. Columbia will submit an application pursuant to the BHC Act and Regulation Y seeking the prior approval of the Federal Reserve for Columbia to acquire Pacific Continental. In considering the approval of transactions such as the mergers, the Federal Reserve is required by the BHC Act to review, with respect to the bank holding companies and the banks concerned: (1) the competitive impact of the transaction, (2) the financial condition and future prospects, including capital positions and managerial resources, (3) the convenience and needs of the communities to be served and the record of the insured depository institution subsidiaries of the bank holding companies under the CRA, (4) the effectiveness of the companies' and the depository institutions' concerned in combating money laundering activities and (5) the extent to which the proposal would result in greater or more concentrated risks to the stability of the United States banking or financial system. In connection with such a review, the Federal Reserve will provide an opportunity for public comment on the application and is authorized to hold a public meeting or other proceeding if it determines such meeting or other proceeding would be appropriate. The Federal Reserve may not approve a proposal that would have significant adverse effects on competition or on the concentration of resources in any banking market.

Table of Contents

Additional Regulatory Approvals and Notices

The transactions contemplated by the merger agreement are also subject to approval by the Oregon Department of Consumer and Business Services and the Washington State Department of Financial Institutions, and notifications may be filed with various other regulatory agencies.

There can be no assurances that such approvals will be received on a timely basis, or as to the ability of Columbia and Pacific Continental to obtain the approvals on satisfactory terms or the absence of litigation challenging such approvals. There can likewise be no assurances that federal or state regulatory authorities will not attempt to challenge the mergers on antitrust grounds or for other reasons, or, if such a challenge is made, as to the result of such challenge. The parties' obligations to complete the transactions contemplated by the merger agreement are subject to a number of conditions, including the receipt of all requisite regulatory approvals.

Accounting Treatment

In accordance with current accounting guidance, the mergers will be accounted for using the acquisition method. The result of this method is that the assets and liabilities of Columbia will be carried forward at their recorded amounts, Columbia's historical operating results will be unchanged for the prior periods being reported on and the assets and liabilities of Pacific Continental will be adjusted to fair value at the date of the mergers. In addition, all identified intangibles will be recorded at fair value and included as part of the net assets acquired. To the extent that the purchase price, consisting of cash plus the number of Columbia common shares to be issued to former Pacific Continental shareholders at fair value, exceeds the fair value of the net assets acquired, including identifiable intangible assets, from Pacific Continental at the date of the mergers, that amount will be reported as goodwill. In accordance with current accounting guidance, goodwill will not be amortized but, in general, will be evaluated for impairment annually. Identified intangibles will be amortized over their estimated lives. Further, the acquisition method of accounting results in the operating results of Pacific Continental being included in the operating results of Columbia beginning from the date of completion of the mergers.

Public Trading Markets

Columbia common shares are listed on Nasdaq under the symbol COLB. Pacific Continental common shares are listed on Nasdaq under the symbol PCBK. Upon completion of the first merger, Pacific Continental common shares will be delisted from Nasdaq and thereafter will be deregistered under the Securities Exchange Act of 1934, as amended, which we refer to as the Exchange Act. The Columbia common shares issued in the first merger will be listed on Nasdaq.

Resale of Columbia Common Shares

All Columbia common shares received by Pacific Continental shareholders in the first merger will be freely tradable for purposes of the Securities Act and the Exchange Act, except for Columbia common shares received by any such holder who becomes an affiliate of Columbia after completion of the first merger. This document does not cover resales of Columbia common shares received by any person upon completion of the first merger, and no person is authorized to make any use of this document in connection with any resale.

Background of the Mergers

From time to time, the board of directors of Pacific Continental assesses the economic, regulatory and competitive conditions in which Pacific Continental operates as well as its long-term business strategy and objectives. During

recent years, Pacific Continental's board of directors has reviewed and assessed strategic opportunities and challenges and has considered various strategic options potentially available to Pacific Continental, all with the goal of enhancing Pacific Continental's strategic capabilities and increasing value for Pacific Continental's shareholders. Columbia's management and board of directors also regularly review the

Table of Contents

financial services industry environment, including the trend towards consolidation in the industry, and periodically discuss ways in which to enhance Columbia's competitive position, including through the acquisition of other financial institutions.

During the past two years, the Pacific Continental board of directors has held strategic planning sessions during which representatives of Davidson have provided the Pacific Continental board of directors with an overview of the banking environment, updated the Pacific Continental board of directors on the bank equity market conditions and participated in discussions with the Pacific Continental board of directors regarding various strategic transactions. During these strategic planning sessions, the Pacific Continental board of directors has maintained an interest in remaining independent, but with an understanding of its fiduciary responsibilities to its shareholders and with a mind to the overall goal of enhancing the franchise value for Pacific Continental's shareholders.

Members of executive management, and less often members of the Pacific Continental board of directors, informally meet CEOs, board members and executives of other banking institutions while attending investor conferences sponsored by investment banking companies, the Washington and Oregon Bankers Associations and others, and on other occasions. Such meetings are typically brief and involve discussions of current industry issues, but can include questions as to interest in pursuing more formalized discussions on possible business combinations. During various of these conferences in 2015, Melanie Dressel, the Chief Executive Officer of Columbia, and Roger Busse, the Chief Executive Officer of Pacific Continental, met informally. These meetings generally related to industry issues relevant to both institutions, including developments and trends in the Pacific Northwest banking industry.

On June 17, 2015, Mr. Busse and Ms. Dressel met in Seattle, Washington and held informal discussions concerning the potential benefits of a combination of the two companies for each company's shareholders, customers and employees. Mr. Busse indicated that he would inform the Pacific Continental board of directors of the discussion, and Ms. Dressel and Mr. Busse agreed to stay in touch on the topic. On October 20, 2015, Mr. Busse and Ms. Dressel met again to discuss the possibility of a potential combination of Pacific Continental and Columbia, and they agreed that the next step would be for the Chairman of each company's board to meet and discuss.

On or around February 3, 2016, Ms. Dressel and Mr. Busse spoke by telephone. Ms. Dressel suggested to Mr. Busse that the respective Chairmen of Pacific Continental and Columbia meet in Seattle or Portland, at an offsite location, to discuss the strategies of the two banks. On February 16, 2016, Mr. Busse advised the Executive Committee of the Pacific Continental board of directors of this informal discussion with Ms. Dressel and Columbia's interest in a meeting between the Columbia board of director's Chairman, Bill Weyerhaeuser, and the Pacific Continental board of director's Chairman, Bob Ballin. Mr. Ballin agreed to the meeting, but, in light of discussions underway between Pacific Continental and several potential acquisition targets, including Foundation Bank, the Pacific Continental Executive Committee decided that the meeting should be put off. Mr. Busse communicated this to Ms. Dressel, and, at Mr. Ballin's request, agreed to meet with Ms. Dressel sooner to gather information on specific topics of mutual interest and to schedule a possible date for a meeting between Messrs. Ballin and Weyerhaeuser.

On March 8, 2016, at a banking conference, Ms. Dressel and Mr. Busse met briefly to discuss the date for the meeting between Messrs. Ballin and Weyerhaeuser. It was determined that the meeting would be held in May 2016.

On March 23, 2016, the Columbia M&A Committee met to discuss, among other things, aspects of the model for a potential business combination with Pacific Continental. The Columbia M&A Committee reported its discussions to the full board of directors at a board meeting held later that same day.

On May 24, 2016, Mr. Ballin and Mr. Weyerhaeuser met at a restaurant at the Portland, Oregon airport. Topics discussed during this meeting included Columbia's interest in acquiring Pacific Continental and the

Table of Contents

strategic rationale for such a combination, as well as Columbia's interest in expanding the discussion to a more formal process by executing a non-disclosure agreement allowing for due diligence to further ascertain the merits of a potential combination and the potential price and pricing structure. Mr. Ballin advised Mr. Weyerhaeuser that, at that time, Pacific Continental intended to remain independent and complete the acquisition and integration of Foundation Bank in Bellevue, Washington, which had been announced on April 26, 2016. Both agreed to stay in touch as progress on the Foundation Bank acquisition continued.

On May 25, 2016, representatives of KBW met with the Columbia M&A Committee to discuss a potential combination of Columbia and Pacific Continental and next steps in connection with a possible transaction. The M&A Committee then provided an update to Columbia's board of directors at a board meeting held later that same day.

On June 8, 2016, Mr. Ballin updated the Executive Committee as to his meeting with Mr. Weyerhaeuser, and Columbia's interest in a potential transaction with Pacific Continental and in entering into a non-disclosure agreement to conduct due diligence and ascertain potential pricing for a transaction. The Executive Committee considered the request, but expressed concern as to timing and the demands on senior management's time, given the pending Foundation Bank transaction and integration work in process. At this meeting, Mr. Busse also outlined the status of discussions currently underway with four other banks that were potential acquisition targets of Pacific Continental. The Executive Committee determined to refer Columbia's interest in a potential transaction to the full Pacific Continental board of directors for consideration at its next regularly scheduled board meeting.

On June 13, 2016, Mr. Busse spoke by telephone with representatives of Davidson and Pillsbury Winthrop Shaw Pittman LLP, Pacific Continental's corporate legal counsel, which we refer to as Pillsbury, to advise them of Columbia's interest in a potential transaction with Pacific Continental and to request their participation at the Pacific Continental board of directors meeting scheduled for July 19, 2016, when the matter would be discussed.

At its meeting on June 14, 2016, the Pacific Continental board of directors was advised of the growing interest of Columbia in a potential transaction with Pacific Continental. After discussion, Mr. Busse was instructed to continue informal discussions with Ms. Dressel. Mr. Busse agreed to arrange a follow-up meeting with Ms. Dressel later in June 2016, with the goal to prepare for a thorough discussion of Columbia's interest in a transaction with Pacific Continental and its strategic rationale at the Pacific Continental board of directors meeting scheduled for July 19, 2016.

On June 20, 2016, Pacific Continental announced it was planning to raise \$35 million in subordinated debt to help fund future acquisitions, including its pending acquisition of Foundation Bank. The Columbia board of directors was kept apprised and continued to evaluate Pacific Continental's debt offering and its pending acquisition of Foundation Bank in executive sessions in June, July and August 2016.

On June 28, 2016, Ms. Dressel and Mr. Busse spoke by telephone. Mr. Busse indicated to Ms. Dressel that further discussions were not materially beneficial without a general idea of potential valuation and synergies, and that Pacific Continental was still focused on its acquisition and growth strategies. Ms. Dressel indicated that only a non-disclosure agreement would allow for the exchange of information that would provide sufficient detail to enable potential valuation estimates. Mr. Busse and Ms. Dressel discussed next steps. Mr. Busse indicated to Ms. Dressel that, at the request of the Pacific Continental board of directors and the Executive Committee, representatives of Davidson would be making a presentation on the potential synergies and value to shareholders at the Pacific Continental board of directors' next meeting. Following the Pacific Continental board of directors' review of this information, which would include metrics on Pacific Continental remaining independent, and assuming continued positive progress on the Foundation Bank acquisition and integration process, it would evaluate the merits of entering into a non-disclosure agreement with Columbia.

On July 19, 2016, the Pacific Continental board of directors held a meeting, also attended by representatives of Davidson and Pillsbury, to discuss the state of the bank equity market, the acquisition landscape and potential

Table of Contents

bank acquisition candidates. At this meeting, the Pacific Continental board of directors also discussed the interest expressed by Columbia in a potential business combination and the synergies, rationale and financial metrics associated with the possible transaction. Following a thorough discussion of the risks and benefits of a potential transaction with Columbia, as well as the strategic and financial benefits and risks of Pacific Continental remaining independent, the Pacific Continental board of directors authorized senior management to negotiate and enter into a mutual non-disclosure agreement with Columbia to facilitate the exchange of information.

In order to facilitate further transaction discussions, on July 27, 2016, Pacific Continental and Columbia entered into a mutual non-disclosure agreement. An initial due diligence request list was provided to Pacific Continental on July 28, 2016, and an electronic data room was established on or around August 8, 2016; the parties commenced their respective diligence, which continued until the transaction was publicly announced on January 9, 2017.

On August 2, 2016, while attending a community banking investor conference in New York City, Mr. Busse and Ms. Dressel met to outline a theoretical agenda for a comprehensive due diligence meeting scheduled to be held the following week, on August 11, 2016, in the Seattle area.

On August 11, 2016, members of executive management of each of Pacific Continental and Columbia, together with representatives of Davidson and KBW, met at the Sea-Tac Conference Center to discuss the respective companies financial results, business models, credit processes, niche segments, management/cultural strengths and growth outlook, as well as potential integration of the two banks if a business combination were to occur, and a possible transaction timeline. An additional due diligence request list was provided by Columbia.

From early August 2016 through January 9, 2017, Pacific Continental and Columbia engaged in a thorough mutual due diligence process. In furtherance of these diligence efforts, each party conducted a review of the other's loan and investment portfolios, reviewed the other's funding and liquidity policies and deposit accounts and conducted interviews with members of the other party's executive management team. Throughout this time, Columbia's and Pacific Continental's executive management teams and members of Pacific Continental's Executive Committee and Columbia's M&A Committee separately convened for periodic meetings regarding the potential transaction and the status of the diligence process. In addition, at various times starting in June 2016 through January 9, 2017, Davidson and KBW held discussions regarding potential valuation and synergies on behalf of Pacific Continental and Columbia, respectively.

On August 12, 2016, Mr. Busse provided an update to the Pacific Continental board of directors regarding the August 11, 2016 meeting between executive management of the two companies and the progress of due diligence to date.

On August 17, 2016, Pacific Continental formally engaged Davidson on an exclusive basis to render financial advisory and investment banking services to Pacific Continental in connection with the possible sale of the company.

On August 24, 2016, the Columbia M&A Committee met to discuss Columbia's plans for Pacific Continental executives following a potential transaction, Pacific Continental's business and the drafting of a non-binding letter of interest.

On September 2, 2016, the Executive Committee met with Mr. Busse to discuss the exchange of information between Pacific Continental and Columbia. Representatives of Davidson attended the meeting by telephone to discuss the results of diligence to date and its discussions with KBW regarding potential valuation and synergies. Also in attendance, by teleconference, was a representative of Pillsbury. Mr. Busse had been told by Ms. Dressel that, based on their due diligence to date, Columbia would be sending Pacific Continental a non-binding letter of interest soon.

Mr. Busse recommended that the Executive Committee meet on September 9, 2016, to receive a presentation on any proposal received. The Executive Committee agreed, and a special meeting of the Executive Committee was scheduled for that date.

Table of Contents

On September 8, 2016, the Columbia board of directors held a special meeting to discuss the proposed non-binding letter of interest. Following discussion, Ms. Dressel sent the non-binding letter of interest to Pacific Continental. The letter of interest proposed a strategic merger between the two companies, the terms of which provided for Pacific Continental shareholders to receive, in exchange for their Pacific Continental common shares, 90% Columbia common shares and 10% cash, or approximately 13,070,871 Columbia common shares and a fixed cash component of approximately \$47.4 million. Based on Columbia's closing price per share on September 6, 2016, of \$32.66, the transaction would have resulted in total consideration of \$484.4 million, or \$21.00 per Pacific Continental common share. This fixed share structure, with an implied exchange ratio of 0.5787, represented a 25.4% market premium over Pacific Continental's closing price on September 6, 2016, of \$16.75. The non-binding letter of interest also proposed that one current community-based director of Pacific Continental be nominated for appointment to the Columbia board of directors effective upon the closing of the transaction.

The Executive Committee of the Pacific Continental board of directors met the next day, on September 9, 2016, to discuss the non-binding letter of interest received from Columbia. Also present were members of executive management of Pacific Continental. Participating by telephone were representatives of Davidson, who outlined the proposed terms of the non-binding letter of interest, and a representative of Pillsbury. Davidson outlined the financial metrics of the proposed offer and the potential value to shareholders of a combination with Columbia. The Executive Committee discussed the specific terms of the non-binding letter of interest, and, in particular, the pricing structure, potential price protection mechanisms, market reaction, board representation, as well as impacts on Pacific Continental's employees and communities and Pacific Continental's anticipated results on a stand-alone basis. The Executive Committee also considered Columbia's franchise value and potential synergies with Pacific Continental. After further discussion, the Executive Committee determined to refer the non-binding letter of interest to the full Pacific Continental board of directors for review and consideration at its meeting on September 20, 2016. Davidson was asked to prepare a presentation modeling the transaction pricing and structure and analyzing recent deal metrics for comparison, and to clarify certain terms of the non-binding letter of interest with KBW prior to the September 20, 2016, meeting of the Pacific Continental board of directors. Mr. Busse stated that, at that meeting, senior management would provide Pacific Continental's 2017-19 financial outlook and anticipated financial results as an independent organization for comparative purposes. The Executive Committee also unanimously agreed to invite Ms. Dressel to address the Pacific Continental board of directors at its September 20, 2016, meeting.

On September 20, 2016, the Pacific Continental board of directors met to discuss the non-binding letter of interest received from Columbia. Davidson attended the meeting, and participating by telephone were representatives of Pillsbury. Mr. Busse presented management's three-year financial outlook and anticipated financial results as an independent bank. The Pillsbury representative made a presentation to the Pacific Continental board of directors regarding the fiduciary duties of directors in connection with a business combination. Davidson outlined the terms offered by Columbia, price modeling and valuation, using a discounted valuation for comparative purposes. After thorough discussion, Mr. Busse invited Ms. Dressel to join the meeting, and she made a formal presentation to the Pacific Continental board of directors regarding Columbia and answered various questions from directors. After Ms. Dressel was excused, the Pacific Continental board of directors then further discussed the terms of the non-binding letter of interest. Mr. Busse voluntarily stepped out of the room for a portion of the meeting to allow full discussion by all of the independent directors. Mr. Busse was invited back into the full meeting for final discussion and voting. The Pacific Continental board of directors discussed the specific terms of the non-binding letter of interest, and, in particular, pricing and potential price protection, the potential impacts on Pacific Continental's employees and communities, severance and benefits, proposed deal protection terms, anticipated market reaction, board representation and expectations regarding Pacific Continental's anticipated results on a stand-alone basis. Following lengthy discussions and analysis of the transaction, the Pacific Continental board of directors, by majority vote, determined that it was in the best interests of Pacific Continental and its shareholders to proceed with negotiations and further diligence regarding the proposed merger, subject to the further negotiation of the non-binding letter of interest

by Mr. Busse with the assistance of legal counsel and Davidson, and the possible improvement in certain of the offered terms, including the price per share, price protection, deal protection terms and severance benefits for affected employees.

Table of Contents

On or around September 21, 2016, Pacific Continental revised the non-binding letter of interest to reflect their proposed changes, including a revision to the proposed fixed share structure such that each Pacific Continental common share would receive 0.5919 of a Columbia common share and \$2.15 per share in cash, or \$21.50 per share (based on Columbia's closing price on September 20, 2016 of \$32.69). In addition, the mark-up proposed a price protection mechanism in the form of a collar, additional severance benefits for affected employees of Pacific Continental, a second Columbia board of directors seat, a reduced termination fee and clarification regarding certain closing conditions. This draft was circulated to the Executive Committee on September 21, 2016, and discussed at a meeting of the Executive Committee held on September 22, 2016, at which representatives of Davidson and Pillsbury participated by teleconference. A revised non-binding letter of interest was sent by Davidson to KBW on September 22, 2016, as instructed by the Pacific Continental Executive Committee.

On September 24, 2016, a further revised non-binding letter of interest was received by Davidson from KBW. While accepting many of the changes proposed by Pacific Continental on September 22, 2016, including a compromise on severance benefits and a reduction in the termination fee, this revised draft of the non-binding letter of interest provided that Pacific Continental shareholders would receive 0.5787 of a Columbia common share and \$2.10 per share in cash for each Pacific Continental common share outstanding. In the aggregate, this translated into Pacific Continental shareholders receiving approximately 13,070,871 Columbia common shares, plus a fixed cash component in the amount of approximately \$47.4 million. Columbia also proposed a cap on the exchange ratio if Columbia's average share price reached \$37.56, and a termination right if Columbia's average share price fell below \$26.94, with a Pacific Continental right to reinstate with an exchange ratio of 0.5962 and \$2.10 per share in cash for each Pacific Continental common share outstanding. This offer represented a market premium of 29.1% over Pacific Continental's closing price on September 23, 2016, of \$16.44.

On September 26, 2016, the Executive Committee met to discuss the revised non-binding letter of interest received from Columbia. Participating by telephone were representatives of Davidson and Pillsbury. On the basis of discussions among members of executive management, Executive Committee members and representatives of Davidson and Pillsbury, Pacific Continental proposed further changes to the non-binding letter of interest, including, among other matters, further clarification regarding the collar mechanism. This revised non-binding letter of interest was sent by Davidson to KBW on September 26, 2016.

Later that same day, on September 26, 2016, a further revised non-binding letter of interest was received by Davidson from KBW. This further revised non-binding letter of interest proposed that Columbia and Pacific Continental should each have the right to terminate the transaction if Columbia's average share price were to fall below \$26.13 (subject to Pacific Continental's right to reinstate at an exchange ratio of 0.5787 and \$3.05 per share in cash).

Also on September 26, 2016, the Columbia M&A Committee and the Columbia board of directors met and were provided with updates regarding the discussions with Pacific Continental.

On September 28, 2016, the Executive Committee met to discuss the latest draft of the non-binding letter of interest. Representatives of Davidson and Pillsbury attended this meeting by teleconference. After extensive discussion of the specific terms of the non-binding letter of interest, and, in particular, the adjustments to the price protection mechanism, and an updated presentation from Davidson regarding the financial metrics of the proposed transaction, the Executive Committee determined that it would be in best interests of Pacific Continental and its shareholders to enter into the non-binding letter of interest with Columbia. In reaching this determination, the Executive Committee considered the significant market premium implied by Columbia's offer and the strength of Columbia's market presence, its financial condition and its good standing with regulators. The Executive Committee unanimously approved the execution of the non-binding letter of interest received from Columbia and instructed senior management and Pacific Continental's advisors to proceed with further diligence, evaluations and negotiations with

respect to the proposed strategic transaction.

Table of Contents

On September 29, 2016, Mr. Busse executed the non-binding letter of interest and returned it to Columbia, and a detailed reverse due diligence request list was sent to KBW by Davidson.

During October and November 2016, representatives of Pacific Continental, Pillsbury, Columbia, Sullivan & Cromwell LLP, Columbia's corporate legal counsel, which we refer to as Sullivan & Cromwell, and other third party advisors conducted due diligence with respect to each of Pacific Continental and Columbia, including in respect of credit matters, executive compensation matters, regulatory relationships and compliance, certain litigation matters and related developments and other general corporate matters. On October 26, 2016, the Columbia board of directors, during an executive session at a regularly scheduled meeting, was briefed with respect to the draft definitive agreement prepared by Sullivan & Cromwell and the due diligence that Columbia and its advisors had performed to date.

On October 27, 2016, Sullivan & Cromwell sent an initial draft of the merger agreement to Pillsbury. The details of this draft were discussed among senior management of Pacific Continental, Davidson and Pillsbury on October 31, 2016, and, on November 3, 2016, a draft of the merger agreement was sent to the Executive Committee for its review and discussion.

On November 4, 2016, a special Executive Committee meeting was held to discuss the draft merger agreement. Participating by telephone were representatives of Pillsbury and Davidson. Mr. Busse updated the Executive Committee on the status of discussions with Columbia, and Pacific Continental's legal counsel outlined for the Executive Committee the material terms of the agreement, including structure, conditions to closing, operating covenants, employee benefits matters and timing. Following this meeting, on November 4, 2016, Pillsbury sent a mark-up of the merger agreement draft to Sullivan & Cromwell.

On November 7, 2016, a special meeting of the Pacific Continental board of directors was held to update the directors on the transaction and the status of diligence and reverse due diligence and to provide an overview of the merger agreement draft. Participating by telephone were representatives of Pillsbury and Davidson. Mr. Busse updated the Pacific Continental board of directors on the status of discussions with Columbia, and legal counsel outlined for the Pacific Continental board of directors the material terms of the agreement, including structure, conditions to closing, operating covenants, employee benefits matters, the parties' respective representations and warranties and timing.

During the ensuing nine weeks, representatives of Pacific Continental and Columbia, with the assistance of their respective legal counsel and financial advisors, conducted negotiations regarding the terms of the merger agreement, holding a number of telephonic meetings to discuss the terms of the proposed transaction and to negotiate acceptable final transaction documents, including, without limitation, provisions relating to the scope of representations, warranties and covenants, the amount of termination fees and the circumstances under which they would be paid and the terms under which Pacific Continental would be permitted to respond to certain unsolicited alternative proposals. During the course of negotiations, the economic terms remained substantially consistent with the terms outlined in the executed non-binding letter of interest.

During this period, Pacific Continental's executive management team, members of the Executive Committee and representatives of Pillsbury and Davidson convened on a regular basis to discuss the status of the due diligence process, plans for communications with Pacific Continental's staff, customers, shareholders and regulators and negotiation of the transaction terms.

The Executive Committee was updated regularly at its meetings conducted on November 14 and December 7, 2016. The Pacific Continental board of directors was briefed on the status of the transaction and merger agreement negotiations on November 15, 2016.

On November 16, 2016, the Columbia board of directors was updated on the results of due diligence by Columbia management, including in respect of ongoing developments in certain Pacific Continental litigation,

Table of Contents

various contractual and employee matters, financial performance and others. At this meeting, the Columbia board of directors also discussed the anticipated next steps in the transaction.

On November 27, 2016, the exclusivity period provided for in the non-binding letter of interest expired. In light of the progress made in continuing negotiations, both Pacific Continental and Columbia verbally agreed to extend the exclusivity period to allow for continued negotiations of the definitive agreement and ancillary agreements and continued due diligence by each party, including with respect to ongoing developments in certain Pacific Continental litigation and potential resolutions of that litigation. An extension of the exclusivity period until December 15, 2016, was formally agreed to in writing by Pacific Continental and Columbia on November 30, 2016.

In the week that followed, representatives of Pacific Continental and Columbia, with the assistance of their respective legal counsel and financial advisors, continued to negotiate the terms of the merger agreement and ancillary agreements, with particular emphasis on certain benefits and severance matters.

On December 8, 2016, KBW contacted Davidson regarding a proposed alternative pricing structure for the transaction, which would provide for 100% stock consideration and an exchange ratio, fixed within the collar, of 0.6430. The exchange ratio was set based on Columbia's common share price of \$32.66 as of September 6, 2016 and Columbia's first offer to Pacific Continental at that time of \$21.00 per share. The collar was updated for the newly proposed structure. If Columbia's average closing price were above \$37.56, the exchange ratio would float if Columbia's average closing price outperformed the average price of the KBW Index for the determination period, in each case measured from the price on the agreed upon date of September 6, 2016, by 15 percentage points and would be set at \$24.151 divided by Columbia's average closing price. If Columbia's average closing price were below \$27.76 and if Columbia's average closing price underperformed the average price of the KBW Index for the determination period, in each case measured from the price on the agreed upon date of September 6, 2016, by more than 15 percentage points, the price would fix at \$17.850 and the fill could be made up of a higher exchange ratio or cash, at Columbia's option. Below \$26.13, there would still be a termination right for both sides, and, if Columbia chose to terminate, then Pacific Continental could have the transaction reinstated with an exchange ratio of 0.6430 plus \$1.048 per share in cash. Based on the closing price of Columbia common shares as of December 14, 2016, of \$43.43, this proposed change in the form of consideration increased the per share consideration payable to Pacific Continental shareholders from \$27.23 to \$27.93, representing an approximately \$16.2 million aggregate increase in merger consideration payable. In light of the post-election increase in banking sector stocks, including the price of Columbia's and Pacific Continental's common shares, Columbia proposed that the transaction consideration be changed to 100% common shares. The reasons for this proposed change in the form of merger consideration were the resulting improvements in certain transaction metrics, including regulatory capital ratios. That same day, Mr. Busse and Ms. Dressel discussed this alternative pricing structure, as well as the potential impact on transaction timing.

During December 2016, the parties and their representatives continued to conduct due diligence with respect to each other, including Pacific Continental's reverse due diligence with respect to Columbia's regulatory relationships and compliance program and Columbia's due diligence with respect to ongoing developments in Pacific Continental litigation, as well as various integration and third party contractual matters. On December 9, 2016, the parties agreed to further extend the exclusivity period until January 10, 2017, in order to provide adequate time to complete these due diligence efforts as well as to monitor the developments with respect to the expected settlement of certain Pacific Continental litigation and to take into account the timing of related court approvals, and to allow further time to evaluate and consider the proposed change in pricing structure.

On December 14, 2016, the Columbia board of directors met to discuss, among other things, the progress of the transaction negotiations and due diligence and the proposal for the merger consideration to be 100% Columbia common shares.

On December 15, 2016, the Executive Committee met to discuss Columbia's 100% common share proposal. Also present were members of executive management, and representatives of Davidson and Pillsbury. Davidson

Table of Contents

outlined the proposed change in the form of consideration and details of the collar mechanism. After extensive discussion regarding valuation multiples, the status and findings of reverse due diligence, anticipated year-end results of both companies and transaction timing, the Executive Committee agreed to recommend this change in the form of merger consideration for the Pacific Continental board of directors consideration at its next meeting.

On December 20, 2016, the Pacific Continental board of directors met in executive session to discuss the proposed change in the form of merger consideration, as well as other matters related to transaction progress. Also present were members of executive management, and representatives of Davidson and Pillsbury. Davidson outlined the proposed change in the form of consideration and the reasons underlying the proposed change. Based on December 14, 2016 closing prices, the change to 100% stock consideration increased the per share consideration payable to Pacific Continental shareholders from \$27.23 per share under the previous 90% stock / 10% cash structure to \$27.93 per share. Davidson then summarized recent bank merger transactions and metrics and noted that the proposed transaction represented the highest price/tangible book value bank transaction announced since 2007 for a bank with assets of \$1.0 billion or greater. The directors then discussed the proposed change in the form of consideration, the factors driving the increases in bank stocks, the potential for fluctuation in the value of the consideration between signing and closing and the assumptions used in Davidson's analysis. Following further discussion regarding the merits of the proposed change in form of merger consideration, the Pacific Continental board of directors approved the change in the merger consideration.

Over the course of the ensuing weeks, representatives of Pacific Continental and Columbia, with the assistance of their respective legal counsel and financial advisors, continued to negotiate the terms of the merger agreement and ancillary agreements. Pacific Continental and Columbia also continued their due diligence efforts.

On January 7, 2017, the engagement letter between Davidson and Pacific Continental was revised to clarify that the aggregate compensation payable to Davidson thereunder upon closing of a transaction shall in no event cause Pacific Continental's transaction expenses to exceed the \$14.5 million threshold provided for in the merger agreement.

On January 9, 2017, a special meeting of the Pacific Continental board of directors was held. Representatives of Davidson and Pillsbury also participated. Davidson and Pillsbury outlined the extensive negotiations that had taken place and explained the merger consideration to be received by the Pacific Continental shareholders. The Pacific Continental board of directors discussed the fact that, given the appreciation in Columbia's share price, the fixed exchange ratio of 0.6430 would result in per share consideration for Pacific Continental shareholders of \$28.50, based on Columbia's closing price on January 6, 2017 of \$44.33, and the performance of Columbia's share price within the 15% collar. The closing price of Pacific Continental common shares on the last business day before this meeting, January 6, 2017, was \$20.95 per share. At this meeting, Davidson reviewed the financial aspects of the proposed transactions and rendered to the Pacific Continental board of directors an opinion to the effect that, as of such date and subject to the procedures followed, assumptions made, matters considered and qualifications and limitations on the review undertaken by Davidson, as set forth in its opinion, the exchange ratio in the proposed mergers was fair, from a financial point of view, to the holders of Pacific Continental common shares. Pillsbury then reviewed with the directors their fiduciary duties under applicable law to Pacific Continental's shareholders, as well as terms of the merger agreement and the related voting and non-competition agreements to be entered into in connection therewith, copies of each of which had been delivered to the directors in advance of the meeting. The Pacific Continental board of directors then engaged in a discussion of the terms of the agreements and the representatives of Pillsbury and Davidson answered their questions. After extensive discussion, and taking into account the factors described below in greater detail, the Pacific Continental board of directors adopted resolutions approving the merger agreement and transactions contemplated thereby.

Also on January 9, 2017, a special meeting of the Columbia board of directors was held. Representatives of KBW and Sullivan & Cromwell also participated. KBW and Sullivan & Cromwell summarized the extensive negotiations that had taken place and reviewed the merger consideration to be received by the Pacific Continental

Table of Contents

shareholders. The Columbia board of directors discussed the fixed exchange ratio of 0.6430 that would result in per share consideration for Pacific Continental shareholders of \$28.50, based on Columbia's closing price on January 6, 2017 of \$44.33, and the performance of Columbia's share price within the 15% collar. At this meeting, KBW reviewed the financial aspects of the proposed transaction and rendered to the Columbia board of directors an oral opinion (later confirmed in writing) to the effect that, as of such date and subject to the procedures followed, assumptions made, matters considered and qualifications and limitations on the review undertaken by KBW as set forth in its opinion, the exchange ratio in the proposed first merger was fair, from a financial point of view, to Columbia. Sullivan & Cromwell then reviewed with the Columbia directors their fiduciary duties under applicable law. Following this review, Sullivan & Cromwell outlined for the directors the terms of the merger agreement and the related voting agreements to be entered into in connection therewith, copies of each of which had been delivered to the directors in advance of the meeting. The Columbia board of directors then engaged in a discussion of the terms of the agreements and the representatives of Sullivan & Cromwell and KBW answered their various questions. After extensive discussion and taking into account the factors described below in greater detail, the Columbia board of directors adopted resolutions approving the merger agreement and transactions contemplated thereby.

Following the Pacific Continental and Columbia boards of directors meetings, the terms of the merger agreement and related agreements were finalized, and the agreements were executed and delivered and the transaction announced on the evening of January 9, 2017, in a press release jointly issued by Pacific Continental and Columbia. Based on a \$43.31 per share closing price of Columbia common shares on January 9, 2017, the aggregate consideration for Pacific Continental was approximately \$644.1 million, or \$27.85 per share.

Recommendations of the Columbia Board of Directors and Reasons for the Mergers

In reaching its decision to adopt and approve the merger agreement and recommend that Columbia shareholders approve the Columbia share issuance proposal, the Columbia board of directors evaluated the mergers in consultation with Columbia's management, as well as Columbia's legal and financial advisors, and considered a number of factors, including:

its knowledge of Columbia's business, operations, financial condition, asset quality, earnings and prospects, and of Pacific Continental's business, operations, financial condition, asset quality, earnings and prospects, taking into account the presentations made by Pacific Continental officers, the results of Columbia's due diligence review of Pacific Continental and information provided by Pacific Continental's financial advisor;

its knowledge of the current environment in the financial services industry, including national, regional and local economic conditions and the interest rate environment, continued consolidation, increased operating costs resulting from regulatory initiatives and compliance mandates, increasing nationwide and global competition, the current environment for community banks, particularly in the Northwest, and current financial market conditions and the likely effects of these factors on the companies' potential growth, development, productivity and strategic options, and the historical market prices of Pacific Continental common shares;

its belief that combining the two companies would create a larger and more diversified financial institution that is both better equipped to respond to economic and industry developments and better positioned to develop and build on its strong market share in Oregon, Washington, and the Northwest;

the complementary aspects of Pacific Continental's and Columbia's businesses, including customer focus, geographic coverage, business orientation and compatibility of the companies' management and operating styles;

its understanding of Pacific Continental's commitment to enhancing the strategic position of the combined company in the Northwest;

the potential expense-saving and revenue-enhancing opportunities in connection with the mergers and the related potential impact on the combined company's earnings;

Table of Contents

Columbia's successful operating and acquisition track record, specifically Columbia's history of efficiently closing and integrating acquisitions, and Columbia's board of directors' belief that the combined enterprise would benefit from Columbia's ability to take advantage of economies of scale and grow in the current economic environment, making Pacific Continental an attractive partner for Columbia;

its assessment of the likelihood that the mergers would be completed in a timely manner and that the management team of the combined company would be able to successfully integrate and operate the businesses of the combined company after the mergers;

the financial presentation, dated January 9, 2017, of KBW to the Columbia board of directors and the opinion, dated January 9, 2017, of KBW to the Columbia board of directors as to the fairness, from a financial point of view and as of the date of the opinion, to Columbia of the exchange ratio in the proposed first merger, as more fully described below under "Opinion of Columbia's Financial Advisor";

the structure of the mergers and the terms of the merger agreement, including the fact that Pacific Continental shareholders would receive Columbia common shares except in the limited circumstances that a per share cash amount may be included in the merger consideration, the no-solicitation and shareholder approval covenants and the termination fee provisions;

the expectation that the first merger and the subsequent merger taken together as a single integrated transaction would qualify as a reorganization for U.S. federal income tax purposes;

the regulatory and other approvals required in connection with the mergers and the likelihood that such approvals would be received in a timely manner and without unacceptable conditions; and

the potential risk of diverting management focus and resources from other strategic opportunities and from operational matters while working to implement the mergers.

The foregoing discussion of the factors considered by the Columbia board of directors is not intended to be exhaustive, but, rather, includes the material factors considered by the Columbia board of directors. In reaching its decision to adopt and approve the merger agreement, and the other transactions contemplated by the merger agreement, the Columbia board of directors did not quantify or assign any relative weights to the factors considered, and individual directors may have given different weights to different factors. The Columbia board of directors considered all these factors as a whole and overall considered the factors to be favorable to, and to support, its determination.

For the reasons set forth above, the Columbia board of directors determined that the mergers, the merger agreement and the transactions contemplated by the merger agreement are advisable and in the best interests of Columbia and its shareholders, and approved and adopted the merger agreement. The Columbia board of directors recommends that the Columbia shareholders vote FOR the Columbia share issuance proposal and FOR the Columbia adjournment proposal.

Recommendations of the Pacific Continental Board of Directors and Reasons for the Mergers

In reaching its decision to approve the merger agreement and the transactions contemplated thereby, the Pacific Continental board of directors evaluated the merger agreement in consultation with executive management, as well as its legal counsel and financial advisor, and considered numerous factors, including the following:

information with respect to Pacific Continental's business, earnings, operations, financial condition, asset quality and prospects, and information with respect to Columbia's business, earnings, operations, financial condition, asset quality and prospects, taking into account the presentations made by Pacific Continental's officers, the results of Pacific Continental's due diligence review of Columbia and information provided by Pacific Continental's financial advisor;

Table of Contents

its knowledge of the current environment in the financial services industry, including national, regional and local economic conditions and the interest rate environment, continued consolidation, the uncertainties in the regulatory climate for financial institutions, increased operating costs resulting from regulatory initiatives and compliance mandates, including increasing capital requirements, increasing competition, the current environment for community banks, particularly in the Northwest, and current financial market conditions and the likely effects of these factors on the companies' potential growth, development, productivity and strategic options and the historical market prices of Pacific Continental common shares;

its belief that combining the two companies would create a larger and more diversified financial institution that is both better equipped to respond to economic and industry developments and better positioned to develop and build on its existing market position in the Northwest;

the complementary aspects of Pacific Continental's and Columbia's businesses, including customer focus, geographic coverage, business orientation and compatibility of the companies' cultures and management and operating styles;

the fact that the merger consideration consists entirely of Columbia common shares, except in the limited circumstances that a per share cash amount may be included in the merger consideration, giving former Pacific Continental shareholders the opportunity to participate as Columbia shareholders in the benefits of the combination and the future performance of the combined company generally;

the potential expense-saving and revenue-enhancing opportunities in connection with the mergers and the related potential impact on the combined company's earnings;

Columbia's successful track record, including, among other things, with respect to the integration of acquisitions;

its assessment of the likelihood that the mergers would be completed in a timely manner and that the management team of the combined company would be able to successfully integrate and operate the businesses of the combined company after the mergers;

the fact that the Pacific Continental board of directors is permitted to change its recommendation that the Pacific Continental shareholders approve the merger agreement in certain circumstances;

the expectation that the first merger and the subsequent merger taken together as a single integrated transaction would qualify as a reorganization for U.S. federal income tax purposes;

the Pacific Continental board of directors' belief that the merger consideration exceeds Pacific Continental's likely value in the absence of a merger, including its potential for future growth, which belief was based on a

number of factors, including:

the risks and uncertainties associated with maintaining Pacific Continental's performance as a stand-alone company; and

the Pacific Continental board of directors' analysis of other strategic alternatives available to Pacific Continental;

the greater market capitalization and anticipated trading liquidity of Columbia common shares after the transaction in the event Pacific Continental shareholders desire to sell the Columbia common shares to be received by them upon completion of the mergers;

the financial analyses presented by Davidson to the Pacific Continental board of directors and the opinion, dated January 9, 2017, delivered by Davidson to the Pacific Continental board of directors to the effect that, as of that date, and subject to and based on the qualifications and assumptions set forth in the opinion, the exchange ratio was fair, from a financial point of view, to the holders of Pacific Continental common shares, as more fully described below under "Opinion of Pacific Continental's Financial Advisor";

Table of Contents

the terms of the merger agreement, including the exchange ratio, price protection mechanisms, deal protection and termination fee provisions, conditions to closing and the restrictions on the conduct of the business of both companies between the date of the merger agreement and the effective date of the mergers, which it reviewed with its outside legal and financial advisors, which terms are described more fully under The Merger Agreement ;

the need to obtain approval by shareholders of Pacific Continental and Columbia, as well as regulatory approvals, in order to complete the transaction and the risk that those or other conditions will not be satisfied;

the risks associated with the operations of the combined company including the challenges both of integrating Pacific Continental's business, operations and employees with those of Columbia and of achieving the anticipated cost savings;

the potential risk of diverting management focus and resources from other strategic opportunities and from operational matters while working to implement the mergers; and

the fact that some of the directors and officers of Pacific Continental have interests in the mergers and have arrangements that are different from or in addition to those of Pacific Continental shareholders generally. The foregoing discussion of the factors considered by the Pacific Continental board of directors is not intended to be exhaustive, but, rather, includes the material factors considered by the Pacific Continental board of directors. In reaching its decision to adopt and approve the merger agreement, and the other transactions contemplated by the merger agreement, the Pacific Continental board of directors did not quantify or assign any relative weights to the factors considered, and individual directors may have given different weights to different factors. The Pacific Continental board of directors considered all these factors as a whole, including discussions with, and questioning of, Pacific Continental's management and its financial and legal advisors, and overall considered the factors to be favorable to, and to support, its determination. The Pacific Continental board of directors also relied on the experience of Davidson, its financial advisor, for analyses of the financial terms of the mergers and for its opinion as to the fairness from a financial point of view, of the exchange ratio to the shareholders of Pacific Continental.

For the reasons set forth above, the Pacific Continental board of directors determined that the mergers, the merger agreement and the transactions contemplated by the merger agreement are advisable and in the best interests of Pacific Continental and its shareholders, and approved and adopted the merger agreement. The Pacific Continental board of directors recommends that the Pacific Continental shareholders vote FOR the merger proposal, FOR the merger-related named executive officer compensation proposal, and FOR the Pacific Continental adjournment proposal.

Opinion of Columbia's Financial Advisor

Columbia engaged KBW to render financial advisory and investment banking services to Columbia, including an opinion to the Columbia board of directors as to the fairness, from a financial point of view, to Columbia of the exchange ratio in the proposed first merger. Columbia selected KBW because KBW is a nationally recognized investment banking firm with substantial experience in transactions similar to the mergers. As part of its investment banking business, KBW is continually engaged in the valuation of financial services businesses and their securities in

connection with mergers and acquisitions.

As part of its engagement, representatives of KBW attended the meeting of the Columbia board of directors held on January 9, 2017, at which the Columbia board of directors evaluated the proposed mergers. At this meeting, KBW reviewed the financial aspects of the proposed mergers and rendered an opinion to the effect that, as of such date and subject to the procedures followed, assumptions made, matters considered and qualifications and limitations on the review undertaken by KBW as set forth in such opinion, the exchange ratio in the proposed

Table of Contents

first merger was fair, from a financial point of view, to Columbia. The Columbia board of directors approved the merger agreement at this meeting.

The description of the opinion set forth herein is qualified in its entirety by reference to the full text of the opinion, which is attached as Appendix D to this joint proxy statement/prospectus and is incorporated herein by reference, and describes the procedures followed, assumptions made, matters considered and qualifications and limitations on the review undertaken by KBW in preparing the opinion.

KBW's opinion speaks only as of the date of the opinion. The opinion was for the information of, and was directed to, the Columbia board of directors (in its capacity as such) in connection with its consideration of the financial terms of the mergers. The opinion addressed only the fairness, from a financial point of view, of the exchange ratio in the first merger to Columbia. It did not address the underlying business decision of Columbia to engage in the mergers or enter into the merger agreement or constitute a recommendation to the Columbia board of directors in connection with the mergers, and it does not constitute a recommendation to any holder of Columbia common shares or any shareholder of any other entity as to how to vote in connection with the mergers or any other matter, nor does it constitute a recommendation as to whether or not any such shareholder should enter into a voting, shareholders', affiliates' or other agreement with respect to the mergers or exercise any dissenters' or appraisal rights that may be available to such shareholder.

KBW's opinion was reviewed and approved by KBW's Fairness Opinion Committee in conformity with its policies and procedures established under the requirements of Rule 5150 of the Financial Industry Regulatory Authority.

In connection with the opinion, KBW reviewed, analyzed and relied upon material bearing upon the financial and operating condition of Columbia and Pacific Continental and bearing upon the mergers, including, among other things:

a draft of the merger agreement, dated January 4, 2017 (the most recent draft then made available to KBW);

the audited financial statements and the Annual Reports on Form 10-K for the three fiscal years ended December 31, 2015, of Columbia;

the unaudited quarterly financial statements and Quarterly Reports on Form 10-Q for the fiscal quarters ended March 31, 2016, June 30, 2016, and September 30, 2016, of Columbia;

the audited financial statements and the Annual Reports on Form 10-K for the three fiscal years ended December 31, 2015, of Pacific Continental;

the unaudited quarterly financial statements and Quarterly Reports on Form 10-Q for the fiscal quarters ended March 31, 2016, June 30, 2016, and September 30, 2016, of Pacific Continental;

certain regulatory filings of Columbia and Pacific Continental and their respective subsidiaries, including the quarterly reports on Form FRY-9C and quarterly call reports filed with respect to each quarter during the three year period ended December 31, 2015, and the quarters ended March 31, 2016, June 30, 2016, and September 30, 2016;

certain other interim reports and other communications of Columbia and Pacific Continental to their respective shareholders; and

other financial information concerning the respective businesses and operations of Columbia and Pacific Continental furnished to KBW by Columbia and Pacific Continental or which KBW was otherwise directed to use for purposes of its analysis.

Table of Contents

KBW's consideration of financial information and other factors that it deemed appropriate under the circumstances or relevant to its analyses included, among others, the following:

the historical and current financial position and results of operations of Columbia and Pacific Continental;

the assets and liabilities of Columbia and Pacific Continental;

the nature and terms of certain other merger transactions and business combinations in the banking industry;

a comparison of certain financial and stock market information of Columbia and Pacific Continental with similar information for certain other companies, the securities of which were publicly traded;

publicly-available consensus street estimates of Pacific Continental, as well as assumed Pacific Continental long term growth rates provided to KBW by Columbia management, all of which information was discussed with KBW by such management and used and relied upon by KBW, based on such discussions, at the direction of Columbia management and with the consent of the Columbia board of directors;

publicly-available consensus street estimates of Columbia, as well as assumed Columbia long term growth rates provided to KBW by Columbia management, all of which information was discussed with KBW by such management and used and relied upon by KBW at the direction of such management and with the consent of the Columbia board of directors; and

estimates regarding certain pro forma financial effects of the mergers on Columbia (including without limitation the cost savings and related expenses expected to result or be derived from the mergers) that were prepared by Columbia management, provided to and discussed with KBW by such management, and used and relied upon by KBW at the direction of such management and with the consent of the Columbia board of directors.

KBW also performed such other studies and analyses as it considered appropriate and took into account its assessment of general economic, market and financial conditions and its experience in other transactions, as well as its experience in securities valuation and knowledge of the banking industry generally. KBW also participated in discussions that were held by managements of Columbia and Pacific Continental regarding the past and current business operations, regulatory relations, financial condition and future prospects of each of their respective companies and such other matters as KBW deemed relevant to its inquiry.

In conducting its review and arriving at its opinion, KBW relied upon and assumed the accuracy and completeness of all of the financial and other information that was provided to it or that was publicly available and did not independently verify the accuracy or completeness of any such information or assume any responsibility or liability for such verification, accuracy or completeness. KBW relied upon the management of Columbia as to the reasonableness and achievability of the publicly available consensus street estimates of Columbia and Pacific

Continental (and the assumed long-term growth rates of Columbia and Pacific Continental) referred to above that were provided to or otherwise discussed with KBW by such management, and that in each case KBW was directed by such management to use. KBW further relied upon such management as to the reasonableness and achievability of the estimates regarding certain pro forma financial effects of the mergers on Columbia (including, without limitation, the cost savings and related expenses expected to result or be derived from the mergers) referred to above. KBW assumed, at the direction of Columbia, that all of the foregoing information was reasonably prepared on bases reflecting, or in the case of the Columbia and Pacific Continental publicly available street estimates referred to above that such estimates were consistent with, the best currently available estimates and judgments of Columbia management, and that the forecasts, projections and estimates reflected in such information would be realized in the amounts and in the time periods estimated. The financial and operating forecasts, projections and estimates of Pacific Continental that KBW was directed by Columbia management to use reflected differences from the forecasts, projections and estimates that were prepared by Pacific Continental and provided to Columbia.

Table of Contents

Accordingly, with the consent of Columbia, in rendering its opinion, KBW's reliance upon Columbia management as to the reasonableness and achievability of such information included reliance upon the judgments and assessments of Columbia and Columbia management with respect to such differences.

It is understood that the portion of the foregoing financial information of Columbia and Pacific Continental that was provided to KBW was not prepared with the expectation of public disclosure, that all of the foregoing financial information, including the publicly available consensus street estimates of Columbia and Pacific Continental referred to above that KBW was directed to use, was based on numerous variables and assumptions that are inherently uncertain, including, without limitation, factors related to general economic and competitive conditions and that, accordingly, actual results could vary significantly from those set forth in such information. KBW assumed, based on discussions with the respective managements of Columbia and Pacific Continental and with the consent of the Columbia board of directors, that all such information provided a reasonable basis upon which KBW could form its opinion, and KBW expressed no view as to any such information or the assumptions or bases therefor. KBW relied on all such information without independent verification or analysis and did not in any respect assume any responsibility or liability for the accuracy or completeness thereof.

KBW assumed that there were no material changes in the assets, liabilities, financial condition, results of operations, business or prospects of either Columbia or Pacific Continental since the date of the last financial statements of each such entity that were made available to KBW and that KBW was directed to use. KBW is not an expert in the independent verification of the adequacy of allowances for loan and lease losses, and KBW assumed, without independent verification and with Columbia's consent, that the aggregate allowances for loan and lease losses for each of Columbia and Pacific Continental are adequate to cover such losses. In rendering its opinion, KBW did not make or obtain any evaluations or appraisals or physical inspection of the property, assets or liabilities (contingent or otherwise) of Columbia or Pacific Continental, the collateral securing any of such assets or liabilities or the collectability of any such assets, nor did KBW examine any individual loan or credit files, nor did it evaluate the solvency, financial capability or fair value of Columbia or Pacific Continental under any state or federal laws, including those relating to bankruptcy, insolvency or other matters. Estimates of values of companies and assets do not purport to be appraisals or necessarily reflect the prices at which companies or assets may actually be sold. Because such estimates are inherently subject to uncertainty, KBW assumed no responsibility or liability for their accuracy. With respect to any litigation to which Pacific Continental is or has been a party, KBW relied upon the assessments of Columbia's management and counsel as to all matters relating to such litigation and have assumed, without verification, that there will be no developments that would be material to KBW's analyses.

KBW assumed, in all respects material to its analyses:

the mergers (including the bank merger) and any related transactions would be completed substantially in accordance with the terms set forth in the merger agreement (the final terms of which KBW assumed would not differ in any respect material to its analyses from the latest draft version of the merger agreement that had been reviewed by KBW) with no adjustments to the exchange ratio and with no other consideration or payments in respect of the Pacific Continental common shares;

the representations and warranties of each party in the merger agreement and in all related documents and instruments referred to in the merger agreement were true and correct;

each party to the merger agreement or any of the related documents would perform all of the covenants and agreements required to be performed by such party under such documents;

that there are no factors that would delay or subject to any adverse conditions, any necessary regulatory or governmental approval for the mergers (including the bank merger) or any related transactions and that all conditions to the completion of the mergers (including the bank merger) and any related transactions would be satisfied without any waivers or modifications to the merger agreement or any of the related documents; and

in the course of obtaining the necessary regulatory, contractual or other consents or approvals for the mergers (including the bank merger) and any related transactions, no restrictions, including any divestiture

Table of Contents

requirements, termination or other payments or amendments or modifications, would be imposed that would have a material adverse effect on the future results of operations or financial condition of Columbia, Pacific Continental or the pro forma entity or the contemplated benefits of the mergers, including the cost savings and related expenses expected to result or be derived from the mergers.

KBW assumed that the mergers would be consummated in a manner that complied with the applicable provisions of the Securities Act, the Exchange Act and all other applicable federal and state statutes, rules and regulations. KBW was further advised by representatives of Columbia that Columbia relied upon advice from its advisors (other than KBW) or other appropriate sources as to all legal, financial reporting, tax, accounting and regulatory matters with respect to Columbia, Merger Sub, Pacific Continental, the mergers (including the bank merger) and any related transaction) and the merger agreement. KBW did not provide advice with respect to any such matters.

KBW's opinion addressed only the fairness, from a financial point of view, as of the date of such opinion, of the exchange ratio in the first merger to Columbia. KBW expressed no view or opinion as to any other terms or aspects of the mergers (including the bank merger) or any term or aspect of any related transaction, including without limitation, the form or structure of the mergers (including the bank merger) or any related transaction, any consequences of the mergers to Columbia, its shareholders, creditors or otherwise, or any terms, aspects, merits or implications of any employment, retention, consulting, voting, support, cooperation, shareholder or other agreements, arrangements or understandings contemplated or entered into in connection with the mergers, any related transaction or otherwise. KBW's opinion was necessarily based upon conditions as they existed and could be evaluated on the date of such opinion and the information made available to KBW through such date. Developments subsequent to the date of KBW's opinion may have affected, and may affect, the conclusion reached in KBW's opinion and KBW did not and does not have an obligation to update, revise or reaffirm its opinion. KBW's opinion did not address, and KBW expressed no view or opinion with respect to:

the underlying business decision of Columbia to engage in the mergers or enter into the merger agreement;

the relative merits of the mergers as compared to any strategic alternatives that are, have been or may be available to or contemplated by Columbia or the Columbia board of directors;

any business, operational or other plans with respect to Pacific Continental or the pro forma entity that may be currently contemplated by Columbia or the Columbia board of directors or that may be made by Columbia or the Columbia board of directors subsequent to the closing of the mergers;

the fairness of the amount or nature of any compensation to any of Columbia's officers, directors or employees, or any class of such persons, relative to any compensation to the holders of Columbia common shares or relative to the exchange ratio;

the effect of the mergers (including the bank merger) or any related transaction on, or the fairness of the consideration to be received by, holders of any class of securities of Columbia, Pacific Continental or any other party to any transaction contemplated by the merger agreement;

any adjustment (as provided in the merger agreement) to the exchange ratio assumed for purposes of KBW's opinion;

any payment of cash consideration in respect of the Pacific Continental common shares (as provided in the merger agreement) in the event certain conditions as further described in the merger agreement are met, including without limitation, in the event the respective conditions in connection therewith are so met, any election by Columbia to pay cash consideration in lieu of an adjustment to the exchange ratio and any election by Pacific Continental to receive cash consideration;

whether Columbia has sufficient cash, available lines of credit or other sources of funds to enable it to pay any cash consideration in respect of the Pacific Continental common shares (if applicable);

the actual value of Columbia common shares to be issued in connection with the first merger;

Table of Contents

the prices, trading range or volume at which Columbia common shares or Pacific Continental common shares will trade following the public announcement of the mergers or the prices, trading range or volume at which Columbia common shares will trade following the consummation of the mergers;

any advice or opinions provided by any other advisor to any of the parties to the mergers or any other transaction contemplated by the merger agreement; or

any legal, regulatory, accounting, tax or similar matters relating to Columbia, Pacific Continental, Merger Sub, any of their respective shareholders, or relating to or arising out of or as a consequence of the mergers (including the bank merger) or any other related transaction, including whether or not the first merger and the subsequent merger taken together would qualify as a tax-free reorganization for United States federal income tax purposes.

In performing its analyses, KBW made numerous assumptions with respect to industry performance, general business, economic, market and financial conditions and other matters, which are beyond the control of KBW, Columbia and Pacific Continental. Any estimates contained in the analyses performed by KBW are not necessarily indicative of actual values or future results, which may be significantly more or less favorable than suggested by these analyses. Additionally, estimates of the value of businesses or securities do not purport to be appraisals or to reflect the prices at which such businesses or securities might actually be sold. Accordingly, these analyses and estimates are inherently subject to substantial uncertainty. In addition, the KBW opinion was among several factors taken into consideration by the Columbia board of directors in making its determination to approve the merger agreement and the mergers. Consequently, the analyses described below should not be viewed as determinative of the decision of the Columbia board of directors with respect to the fairness of the exchange ratio. The type and amount of consideration payable in the first merger were determined through negotiation between Columbia and Pacific Continental and the decision to enter into the merger agreement was solely that of the Columbia board of directors.

The following is a summary of the material financial analyses presented by KBW to the Columbia board of directors in connection with its opinion. The summary is not a complete description of the financial analyses underlying the opinion or the presentation made by KBW to the Columbia board of directors, but summarizes the material analyses performed and presented in connection with such opinion. The financial analyses summarized below include information presented in tabular format. The tables alone do not constitute a complete description of the financial analyses. The preparation of a fairness opinion is a complex analytic process involving various determinations as to appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances. Therefore, a fairness opinion is not readily susceptible to partial analysis or summary description. In arriving at its opinion, KBW did not attribute any particular weight to any analysis or factor that it considered, but rather made qualitative judgments as to the significance and relevance of each analysis and factor. Accordingly, KBW believes that its analyses and the summary of its analyses must be considered as a whole and that selecting portions of its analyses and factors or focusing on the information presented below in tabular format, without considering all analyses and factors or the full narrative description of the financial analyses, including the methodologies and assumptions underlying the analyses, could create a misleading or incomplete view of the process underlying its analyses and opinion.

For purposes of the financial analyses described below, KBW utilized an implied transaction value for the proposed mergers of \$659.4 million, or \$28.50 per outstanding Pacific Continental common share, based on the 0.6430x exchange ratio in the proposed first merger and the closing price of Columbia common shares on January 6, 2017. In addition to the financial analyses described below, KBW reviewed with the Columbia board of directors for informational purposes, among other things, the implied transaction multiple for the proposed mergers of 31.3x

Pacific Continental's estimated 2016 earnings per share, which we refer to as EPS, taken from consensus street estimates of Pacific Continental, based on the implied transaction value for the proposed mergers of \$28.50 per outstanding Pacific Continental common share.

Table of Contents*Columbia Selected Companies Analysis*

Using publicly available information, KBW compared the financial performance, financial condition and market performance of Columbia to 13 major exchange-traded banks and bank holding companies (referred to as the Columbia selected companies) headquartered in the Western Region (Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington and Wyoming) with total assets between \$5.0 billion and \$25.0 billion. Merger targets, savings banks/thrifts, ethnic-focused banks and banks with negative earnings for the most recent completed quarter were excluded from the Columbia selected companies.

The Columbia selected companies were as follows:

Umpqua Holdings Corporation	Banner Corporation
PacWest Bancorp	Glacier Bancorp, Inc.
First Hawaiian, Inc.	First Interstate BancSystem, Inc.
Western Alliance Bancorporation	CVB Financial Corp.
Bank of Hawaii Corporation	Central Pacific Financial Corp.
Washington Federal, Inc.	Westamerica Bancorporation

Banc of California, Inc.

To perform this analysis, KBW used profitability data and other financial information for, as of, or, in the case of latest 12 months, which we refer to as LTM, information, through the most recently completed quarter, which we refer to as MRQ, ended September 30, 2016, and market price information as of January 6, 2017. KBW also used 2017 and 2018 EPS estimates taken from consensus street estimates for Columbia and the Columbia selected companies. Where consolidated holding company level financial data for the Columbia selected companies was unreported, subsidiary bank level data was utilized to calculate ratios. Certain financial data prepared by KBW, as referenced in the tables presented below, may not correspond to the data presented in Columbia's historical financial statements, or the data prepared by D.A. Davidson presented under the section The Mergers Opinion of Pacific Continental's Financial Advisor, as a result of the different periods, assumptions and methods used by KBW to compute the financial data presented.

KBW's analysis showed the following concerning the financial performance of Columbia and the Columbia selected companies:

	Columbia Selected Companies		
	Columbia	Average	Median
MRQ Core Return on Average Assets (1)	1.14%	1.25%	1.10%
MRQ Core Return on Average Equity (1)	8.48%	10.77%	9.54%
MRQ Core Return on Average Tangible Common Equity (1)	12.41%	14.29%	13.17%
MRQ Net Interest Margin	4.13%	3.63%	3.32%
MRQ Fee Income / Revenue Ratio (2)	20.9%	22.7%	26.0%

Edgar Filing: COLUMBIA BANKING SYSTEM INC - Form 424B3

MRQ Noninterest Expense / Average Assets	2.83%	2.38%	2.20%
MRQ Efficiency Ratio	60.0%	54.2%	55.8%

- (1) Core Income excludes extraordinary items, non-recurring items, gains/losses on sale of securities, reversal in DTA valuation allowance and release in ALLL.
- (2) Excludes gains/losses on sale of securities.

-57-

Table of Contents

KBW's analysis also showed the following concerning the financial condition of Columbia and the Columbia selected companies:

	Columbia Selected Companies		
	Columbia	Average	Median
Tangible Common Equity / Tangible Assets	9.50%	9.47%	9.28%
Total Capital Ratio	12.41%	15.23%	14.87%
Loans / Deposits	77.7%	76.1%	76.1%
Loan Loss Reserve / Gross Loans	1.12%	1.29%	1.18%
Nonperforming Assets / Total Assets	0.40%	0.76%	0.50%
Nonperforming Assets / Loans + OREO	0.62%	1.23%	0.96%
Net Charge-offs / Average Loans	0.07%	0.01%	0.04%

In addition, KBW's analysis showed the following concerning the market performance of Columbia and the Columbia selected companies.

	Columbia Selected Companies		
	Columbia	Average	Median
One-Year Stock Price Change (1)	40.3%	37.3%	39.6%
One-Year Total Return (1)	45.1%	40.4%	42.8%
Stock Price Change Since 12/31/2015 (1)	36.4%	33.2%	34.5%
Three-Month Average Daily Traded Volume	281,434	611,276	362,451
Stock Price / Book Value per Share	2.02x	2.01x	1.91x
Stock Price / Tangible Book Value per Share	2.95x	2.55x	2.71x
Stock Price / LTM EPS	25.5x	21.0x	21.2x
Stock Price / 2017e EPS	22.3x	19.2x	19.3x
Stock Price / 2018e EPS	20.5x	17.5x	17.5x
Dividend Yield	3.5%	2.2%	2.2%
LTM Dividend Payout	86.2%	47.5%	49.9%

(1) Excluding one of the selected companies, which announced its IPO on July 8, 2016.

Note: Market data as of 1/06/2017.

No company used as a comparison in the above selected companies analysis is identical to Columbia. Accordingly, an analysis of these results is not mathematical. Rather, it involves complex considerations and judgments concerning differences in financial and operating characteristics of the companies involved.

Pacific Continental Selected Companies Analysis

Using publicly available information, KBW compared the financial performance, financial condition and market performance of Pacific Continental to 16 major exchange-traded banks and bank holding companies (referred to as the Pacific Continental selected companies) headquartered in the Western Region with total assets between \$1.0 billion

and \$5.0 billion. Merger targets, savings banks/thrifts, ethnic-focused banks and banks with negative earnings for the most recent completed quarter were excluded from the Pacific Continental selected companies.

Table of Contents

The Pacific Continental selected companies were as follows:

National Bank Holdings Corporation	Heritage Commerce Corp
TriCo Bancshares	Bank of Marin Bancorp
Heritage Financial Corporation	Sierra Bancorp
Pacific Premier Bancorp, Inc.	People's Utah Bancorp
First Foundation Inc.	Northrim BanCorp, Inc.
CoBiz Financial Inc.	Central Valley Community Bancorp
Guaranty Bancorp	Bank of Commerce Holdings
CU Bancorp	First Financial Northwest, Inc.

To perform this analysis, KBW used profitability data and other financial information for, as of, or, in the case of LTM information, through the most recently completed quarter ended September 30, 2016, and market price information as of January 6, 2017. KBW also used 2017 and 2018 EPS estimates taken from consensus street estimates for Pacific Continental and 15 of the Pacific Continental selected companies for which consensus street estimates were available. Where consolidated holding company level financial data for the Pacific Continental selected companies was unreported, subsidiary bank level data was utilized to calculate ratios. Certain financial data prepared by KBW, as referenced in the tables presented below, may not correspond to the data presented in Pacific Continental's historical financial statements, or the data prepared by D.A. Davidson presented under the section "The Mergers Opinion of Pacific Continental's Financial Advisor," as a result of the different periods, assumptions and methods used by KBW to compute the financial data presented.

KBW's analysis showed the following concerning the financial performance of Pacific Continental and the Pacific Continental selected companies:

	Pacific Continental Selected Companies		
	Pacific Continental	Average	Median
MRQ Core Return on Average Assets (1)	1.09%	1.03%	1.00%
MRQ Core Return on Average Equity (1)	9.84%	9.20%	9.15%
MRQ Core Return on Average Tangible Common Equity (1)	12.92%	10.47%	10.78%
MRQ Net Interest Margin	4.22%	3.93%	3.94%
MRQ Fee Income / Revenue Ratio (2)	7.8%	18.9%	18.6%
MRQ Noninterest Expense / Average Assets	2.23%	2.88%	2.85%
MRQ Efficiency Ratio	60.2%	62.9%	60.8%

(1) Core Income excludes extraordinary items, non-recurring items, gains/losses on sale of securities, reversal in DTA valuation allowance and release in ALLL.

(2) Excludes gains/losses on sale of securities.

KBW's analysis also showed the following concerning the financial condition of Pacific Continental and the Pacific Continental selected companies:

	Pacific Continental	Pacific Continental Selected Companies	
		Average	Median
Tangible Common Equity / Tangible Assets	8.34%	9.94%	9.58%
Total Capital Ratio	12.55%	14.78%	14.37%
Loans / Deposits	83.5%	82.9%	79.2%
Loan Loss Reserve / Gross Loans	1.14%	1.16%	1.18%
Nonperforming Assets / Total Assets	1.17%	0.96%	0.88%
Nonperforming Assets / Loans + OREO	1.63%	1.38%	1.26%
Net Charge-offs / Average Loans	(0.01%)	0.09%	(0.01%)

Table of Contents

In addition, KBW's analysis showed the following concerning the market performance of Pacific Continental and, to the extent publicly available, the Pacific Continental selected companies (excluding the impact of the LTM EPS multiples of two of the Pacific Continental selected companies, which multiples were not considered to be meaningful because they were greater than 30.0x):

	Pacific Continental Selected Companies		
	Pacific Continental	Average	Median
One-Year Stock Price Change	40.4%	40.6%	41.1%
One-Year Total Return	43.4%	42.4%	42.0%
Stock Price Change Since 12/31/2015	40.8%	38.6%	37.0%
Three-Month Average Daily Traded Volume	83,683	94,604	62,039
Stock Price / Book Value per Share	1.71x	1.74x	1.68x
Stock Price / Tangible Book Value per Share	2.30x	1.99x	1.87x
Stock Price / LTM EPS	22.8x	21.0x	21.3x
Stock Price / 2017e EPS	15.9x	18.5x	18.4x
Stock Price / 2018e EPS	14.5x	16.3x	16.6x
Dividend Yield	2.1%	1.3%	1.2%
LTM Dividend Payout	47.8%	27.6%	32.9%

Note: Market data as of 1/06/2017

No company used as a comparison in the above selected companies analysis is identical to Pacific Continental. Accordingly, an analysis of these results is not mathematical. Rather, it involves complex considerations and judgments concerning differences in financial and operating characteristics of the companies involved.

Select Transactions Analysis

KBW reviewed publicly available information related to 19 selected U.S. bank transactions announced since December 31, 2014, with major exchange-traded buyers and announced deal values between \$250 million and \$1 billion. Transactions with non-bank buyers, transactions where the target was a thrift, mergers of equals, transactions with no reported deal value as defined by SNL Financial, and terminated transactions were excluded from the selected transactions. The selected transactions were as follows:

Acquiror	Acquired Company
Simmons First National Corporation	Southwest Bancorp, Inc.
Pacific Premier Bancorp, Inc.	Heritage Oaks Bancorp
Independent Bank Group, Inc.	Carlisle Bancshares, Inc.
First Interstate BancSystem, Inc.	Cascade Bancorp
Community Bank System, Inc.	Merchants Bancshares, Inc.
United Bankshares, Inc.	Cardinal Financial Corporation

Cathay General Bancorp	SinoPac Bancorp
First Midwest Bancorp, Inc.	Standard Bancshares, Inc.
People s United Financial, Inc.	Suffolk Bancorp
South State Corporation	Southeastern Bank Financial Corporation
Capital Bank Financial Corp.	CommunityOne Bancorp
MB Financial, Inc.	American Chartered Bancorp, Inc.
United Bankshares, Inc.	Bank of Georgetown
Bank of the Ozarks, Inc.	C1 Financial, Inc.
Bank of the Ozarks, Inc.	Community & Southern Holdings, Inc.
Yadkin Financial Corporation	NewBridge Bancorp
F.N.B. Corporation	Metro Bancorp, Inc.
Western Alliance Bancorporation	Bridge Capital Holdings
PacWest Bancorp	Square 1 Financial, Inc.

Table of Contents

For each selected transaction, KBW derived the following implied transaction statistics, in each case based on the transaction consideration value paid for the acquired company and using financial data based on the acquired company's then latest publicly available financial statements and, to the extent publicly available, next year EPS consensus street estimates prior to the announcement of the respective transaction:

Price per common share to LTM EPS of the acquired company (in the case of selected transactions involving a private acquired company, this transaction statistic was calculated as total transaction consideration divided by LTM net income);

Price per common share to Core LTM EPS of the acquired company (in the case of selected transactions involving a private acquired company, this transaction statistic was calculated as total transaction consideration divided by Core LTM net income) in the 13 selected transactions in which Core LTM EPS or Core LTM net income for the acquired company was publicly available;

Price per common share to next year estimated EPS of the acquired company in the 12 selected transactions in which consensus street estimates for the acquired company were then available;

Price per common share to book value per share of the acquired company (in the case of selected transactions involving a private acquired company, this transaction statistic was calculated as total transaction consideration divided by total common equity);

Price per common share to tangible book value per share of the acquired company (in the case of selected transactions involving a private acquired company, this transaction statistic was calculated as total transaction consideration divided by total tangible common equity);

Transaction value as a percentage of deposits of the acquired company; and

Tangible equity premium to core deposits (total deposits less time deposits greater than \$100,000) of the acquired company, referred to as core deposit premium.

KBW also reviewed the price per common share paid for the acquired company for the 12 selected transactions in which the acquired company was publicly traded as a premium/discount to the closing price of the acquired company one day prior to the announcement of the acquisition and one month prior to the announcement of the acquisition (expressed as a percentage and referred to as the one-day market premium and one-month market premium). The above transaction statistics for the selected transactions were compared with the corresponding transaction statistics for the proposed mergers based on the implied transaction value for the proposed mergers of \$659.4 million, or \$28.50 per outstanding Pacific Continental common share, and using historical financial information for Pacific Continental as of or for the 12 months ended September 30, 2016, and 2017 EPS consensus street estimates for Pacific Continental.

The results of the analysis are set forth in the following table (excluding the impact of the LTM EPS multiples for three of the selected transactions, which multiples were not considered to be meaningful because they were greater than 35.0x):

	Columbia/Pacific Continental		Selected Transactions				
	\$28.50 Per Share	Low	25th Percentile	Average	Median	75th Percentile	High
Price / LTM EPS	31.0x	2.1x	18.6x	21.2x	22.0x	25.4x	31.7x
Price / LTM Core EPS	27.8x	2.1x	19.4x	21.6x	21.3x	25.0x	33.4x
Price / Next Year EPS	21.7x	16.4x	17.1x	19.3x	18.0x	20.6x	25.8x
Price / Book Value	2.33x	1.15x	1.58x	1.84x	1.87x	2.05x	2.62x
Price / Tangible Book Value	3.13x	1.26x	1.87x	1.98x	2.03x	2.19x	2.63x
Price / Deposits	29.8%	16.9%	21.0%	24.7%	23.1%	28.1%	35.3%
Core Deposit Premium	21.8%	5.2%	11.3%	13.9%	13.5%	18.3%	20.5%
One-Day Market Premium	34.8%	(0.7%)	5.5%	20.8%	22.0%	33.5%	44.2%
One-Month Market Premium	43.6%	6.6%	21.6%	28.0%	28.5%	36.5%	43.3%

Table of Contents

No company or transaction used as a comparison in the above selected transactions analysis is identical to Pacific Continental or the proposed mergers. Accordingly, an analysis of these results is not mathematical. Rather, it involves complex considerations and judgments concerning differences in financial and operating characteristics of the companies involved.

Relative Contribution Analysis

KBW analyzed the relative standalone contribution of Columbia and Pacific Continental to various pro forma balance sheet and income statement items of the combined entity. This analysis did not include purchase accounting adjustments or cost savings. To perform this analysis, KBW used (i) balance sheet data for Columbia and Pacific Continental as of September 30, 2016, (ii) year-to-date income statement data for Columbia and Pacific Continental for the nine months ended September 30, 2016, and (iii) estimated earnings data for Columbia and Pacific Continental taken from consensus street estimates for Columbia and Pacific Continental. The results of KBW's analysis are set forth in the following table, which also compares the results of KBW's analysis with the implied pro forma ownership percentages of Columbia and Pacific Continental shareholders in the combined company based on the 0.6430x exchange ratio in the proposed first merger:

	Columbia as a % of Total	Pacific Continental as a % of Total
Ownership		
100% stock	80.0%	20.0%
Balance Sheet		
Total Assets	79.1%	20.9%
Gross Loans	77.6%	22.4%
Deposits	78.8%	21.2%
Tangible Common Equity (1)	81.0%	19.0%
Income Statement		
YTD 2016 Core Net Income to Common (2)	83.8%	16.2%
Q4 2016e Net Income to Common (3)	82.3%	17.7%
2017e Net Income to Common (3)	79.1%	20.9%
2018e Net Income to Common (3)	78.8%	21.2%

- (1) Columbia tangible common equity assumes conversion of convertible preferred equity.
- (2) Core net income to common excludes non-recurring items, gains/losses on sale of securities, amortization of intangibles and goodwill impairment.
- (3) Q4 2016e, 2017e and 2018e net income to common per consensus street estimates.

Pro Forma Financial Impact Analysis

KBW performed a pro forma financial impact analysis that combined projected income statement and balance sheet information of Columbia and Pacific Continental. Using closing balance sheet estimates as of June 30, 2017, for Columbia and Pacific Continental provided by Columbia management, EPS consensus street estimates for Columbia and Pacific Continental, assumed long-term growth rates for Columbia and Pacific Continental provided by Columbia management and pro forma assumptions (including, without limitation, the cost savings and related expenses expected

to result from the mergers, and certain accounting adjustments assumed with respect thereto) provided by Columbia management, KBW analyzed the estimated financial impact of the mergers on certain projected financial results. This analysis indicated that the mergers could be accretive to Columbia's second half 2017, 2018 and 2019 estimated EPS (assuming the impact of one-time, merger-related charges at closing and no additional impact to earnings of one-time, merger-related charges) and dilutive to Columbia's estimated tangible book value per share as of June 30, 2017. Furthermore, the analysis indicated that, pro forma for the mergers, Columbia's tangible common equity to tangible assets ratio, Common Equity Tier 1 Ratio, Leverage Ratio and Total Risk-Based Capital Ratio could be lower as of June 30, 2017. For all of the

Table of Contents

above analysis, the actual results achieved by Columbia following the mergers may vary from the projected results, and the variations may be material.

Discounted Cash Flow Analysis

KBW performed a discounted cash flow analysis to estimate a range for the implied equity value of Pacific Continental, taking into account the cost savings and related expenses expected to result from the mergers as well as certain accounting adjustments assumed with respect thereto. In this analysis, KBW used EPS consensus street estimates of Pacific Continental through 2018, assumed Pacific Continental long term growth rates provided by Columbia management and estimated cost savings and related expenses and accounting adjustments provided by Columbia management. KBW assumed discount rates ranging from 8.0% to 12.0%. The ranges of values were derived by adding (i) the present value of the estimated excess cash flows that Pacific Continental could generate over the 4.5-year period from second half 2017 through 2021, and (ii) the present value of Pacific Continental's implied terminal value at the end of such period, in each case applying estimated cost savings and related expenses and accounting adjustments. In calculating the terminal value of Pacific Continental at the end of 2021, KBW applied a range of 15.0x to 19.0x on estimated 2022 earnings. This discounted cash flow analysis resulted in a range of implied values per Pacific Continental common share, taking into account the cost savings and related expenses expected to result from the mergers as well as certain accounting adjustments assumed with respect thereto, of \$27.28 per share to \$39.07 per share.

The discounted cash flow analysis is a widely used valuation methodology, but the results of such methodology are highly dependent on the assumptions that must be made, including asset and earnings growth rates, terminal values, dividend payout rates and discount rates. The analysis did not purport to be indicative of the actual values or expected values of Pacific Continental.

Miscellaneous

KBW acted as financial advisor to Columbia in connection with the proposed mergers and did not act as an advisor to or agent of any other person. As part of its investment banking business, KBW is continually engaged in the valuation of bank and bank holding company securities in connection with acquisitions, negotiated underwritings, secondary distributions of listed and unlisted securities, private placements and valuations for various other purposes. As specialists in the securities of banking companies, KBW has experience in, and knowledge of, the valuation of banking enterprises. In the ordinary course of its and their broker-dealer businesses, and further to certain existing sales and trading relationships between Columbia and certain KBW affiliates, KBW and its affiliates may from time to time purchase securities from, and sell securities to, Columbia and Pacific Continental, and as a market maker in securities, KBW and its affiliates may from time to time have a long or short position in, and buy or sell, debt or equity securities of Columbia or Pacific Continental for its and their own accounts and for the accounts of its and their respective customers and clients.

Pursuant to the KBW engagement agreement, Columbia agreed to pay KBW a cash fee of \$2.75 million in the aggregate, \$250,000 of which became payable with the rendering of KBW's opinion and the balance of which is contingent upon the closing of the mergers. Columbia also agreed to reimburse KBW for reasonable out-of-pocket expenses and disbursements incurred in connection with its engagement and to indemnify KBW against certain liabilities relating to or arising out of KBW's engagement or KBW's role in connection therewith. In addition to the present engagement, in the past two years, KBW from time to time provided other investment banking assistance to Columbia, for which KBW did not enter into any engagement agreement or receive compensation. Prior to the past two years, KBW acted as financial advisor to Columbia in connection with its November 2014 acquisition of Intermountain Community Bancorp and received compensation for such services. In the two years preceding the date

of its opinion, KBW did not provide investment banking and financial advisory services to Pacific Continental. KBW may in the future provide investment banking and financial advisory services to Columbia or Pacific Continental and receive compensation for such services.

Table of Contents

Opinion of Pacific Continental's Financial Advisor

On August 17, 2016, Pacific Continental entered into an engagement agreement with Davidson to render financial advisory and investment banking services to Pacific Continental. As part of its engagement, Davidson agreed to assist Pacific Continental in analyzing, structuring, negotiating and, if appropriate, effecting a transaction between Pacific Continental and another corporation or business entity. Davidson also agreed to provide Pacific Continental's board of directors with an opinion as to the fairness, from a financial point of view, to Pacific Continental shareholders of the exchange ratio to be paid to the holders of Pacific Continental common shares in the first merger. Pacific Continental engaged Davidson because Davidson is a nationally recognized investment banking firm with substantial experience in transactions similar to the mergers and is familiar with Pacific Continental and its business. As part of its investment banking business, Davidson is continually engaged in the valuation of financial institutions and their securities in connection with mergers and acquisitions and other corporate transactions.

On January 9, 2017, Pacific Continental's board of directors held a meeting to evaluate the proposed mergers. At this meeting, Davidson reviewed the financial aspects of the proposed mergers and rendered an opinion to Pacific Continental's board of directors that, as such date and based upon and subject to assumptions made, procedures followed, matters considered and limitations on the review undertaken, the exchange ratio to be paid to the holders of Pacific Continental common shares was fair, from a financial point of view, to the holders of Pacific Continental common shares in the first merger.

The full text of Davidson's written opinion, dated January 9, 2017, is attached as Appendix E to this joint proxy statement/prospectus and is incorporated herein by reference. The description of the opinion set forth herein is qualified in its entirety by reference to the full text of such opinion. Pacific Continental shareholders are urged to read the opinion in its entirety.

Davidson's opinion speaks only as of the date of the opinion and Davidson undertakes no obligation to revise or update its opinion. The opinion is directed to Pacific Continental's board of directors and addresses only the fairness, from a financial point of view, to Pacific Continental shareholders of the exchange ratio to be paid to the holders of Pacific Continental common shares in the first merger. The opinion does not address, and Davidson expresses no view or opinion with respect to, (i) the underlying business decision of Pacific Continental to engage in or proceed with the mergers, (ii) the relative merits or effect of the mergers as compared to any strategic alternatives or business strategies or combinations that may be or may have been available to or contemplated by Pacific Continental or by Pacific Continental's board of directors or (iii) any legal, regulatory, accounting, tax or similar matters relating to Pacific Continental, its shareholders or relating to or arising out of the mergers. The opinion expresses no view or opinion as to any terms or other aspects of the mergers. Pacific Continental and Columbia determined the exchange ratio through the negotiation process. The opinion does not constitute a recommendation to any Pacific Continental shareholder as to how such shareholder should vote at the Pacific Continental special meeting on the merger proposal or any related matter. The opinion does not express any view as to the fairness of the amount or nature of the compensation to any of Pacific Continental's or Columbia's officers, directors or employees, or any class of such persons, relative to the exchange ratio. The opinion has been reviewed and approved by Davidson's Fairness Opinion Committee in conformity with its policies and procedures established under the requirements of Rule 5150 of the Financial Industry Regulatory Authority.

Davidson has reviewed the registration statement on Form S-4 of which this joint proxy statement/prospectus is a part and consented to the inclusion of its opinion to Pacific Continental's board of directors as Appendix E to this joint proxy statement/prospectus and to the references to Davidson and its opinion contained herein. A copy of the consent of Davidson is attached as Exhibit 99.6 to the registration statement on Form S-4.

Table of Contents

In connection with rendering its opinion, Davidson reviewed, analyzed and relied upon material bearing upon the mergers and the financial and operating condition of Pacific Continental and Columbia and the mergers, including among other things, the following:

a draft of the merger agreement, dated January 4, 2017;

certain financial statements and other historical financial and business information about Columbia and Pacific Continental made available to us from published sources and/or from the internal records of Columbia and Pacific Continental that we deemed relevant;

certain publicly available analyst earnings estimates for Columbia for the years ending December 31, 2016, December 31, 2017 and December 31, 2018 and estimated long-term growth rate for the years thereafter, in each case as discussed with, and confirmed by, senior management of Columbia and Pacific Continental;

certain publicly available analyst earnings estimates for Pacific Continental for the years ending December 31, 2016, December 31, 2017 and December 31, 2018 and estimated long-term growth rate for the years thereafter, in each case as discussed with, and confirmed by, senior management of Pacific Continental;

the current market environment generally and the banking environment in particular;

the financial terms of certain other transactions in the financial institutions industry, to the extent publicly available;

the market and trading characteristics of public companies and public bank holding companies in particular;

the relative contributions of Columbia and Pacific Continental to the combined company;

the pro forma financial impact of the mergers, taking into consideration the amounts and timing of the transaction costs and cost savings;

the net present value of Pacific Continental with consideration of projected financial results;

the net present value of Columbia with consideration of projected financial results; and

such other financial studies, analyses and investigations and financial, economic and market criteria and other information as we considered relevant including discussions with management and other representatives and advisors of Columbia and Pacific Continental concerning the business, financial condition, results of operations and prospects of Columbia and Pacific Continental.

In arriving at its opinion, Davidson has assumed and relied upon the accuracy and completeness of all information supplied or otherwise made available to Davidson, discussed with or reviewed by or for Davidson, or publicly available, and Davidson has not assumed responsibility for independently verifying such information or undertaken an independent evaluation or appraisal of any of the assets or liabilities (contingent or otherwise) of Pacific Continental or Columbia, nor did Davidson make an independent appraisal or analysis of Pacific Continental or Columbia with respect to the mergers. In addition, Davidson has not assumed any obligation to conduct, nor has Davidson conducted any physical inspection of the properties or facilities of Pacific Continental or Columbia. Davidson has further relied on the assurances of management of Pacific Continental and Columbia that they are not aware of any facts or circumstances that would make any of such information inaccurate or misleading. Davidson did not make an independent evaluation or appraisal of the specific assets or liabilities including the amount of any fair value adjustments per FASB 141(R). Davidson did not make an independent evaluation of the adequacy of the allowance for loan losses of Pacific Continental or Columbia nor has Davidson reviewed any individual credit files relating to Pacific Continental or Columbia. Davidson has assumed that the respective allowances for loan losses for both Pacific Continental and Columbia are adequate to cover such losses and will be adequate on a pro forma basis for the combined entity. Davidson has assumed that there has been no material change in Pacific Continental's or Columbia's assets, financial condition, results of operations,

Table of Contents

business or prospects since the date of the most recent financial statements provided to Davidson. Davidson has assumed in all respects material to its analysis that Pacific Continental and Columbia will remain as going concerns for all periods relevant to its analysis. Davidson has also assumed in all respects material to its analysis that all of the representations and warranties contained in the merger agreement and all related agreements are true and correct, that each party to such agreements will perform all of the covenants required to be performed by such party under such agreements and that the conditions precedent in the merger agreement are not waived. Davidson has assumed that in the course of obtaining the necessary regulatory or other consents or approvals (contractual or otherwise) for the mergers, no restrictions, including any divestiture requirements or amendment or modifications, will be imposed that will have a material adverse effect on the contemplated benefits of the mergers. Davidson's opinion is necessarily based upon information available to Davidson and economic, market, financial and other conditions as they exist and can be evaluated on the date the fairness opinion letter was delivered to Pacific Continental's board of directors.

Set forth below is a summary of the material financial analyses performed by Davidson in connection with rendering its opinion. The summary of the analyses of Davidson set forth below is not a complete description of the analysis underlying its opinion, and the order in which these analyses are described below is not indicative of any relative weight or importance given to those analyses by Davidson. The following summaries of financial analyses include information presented in tabular format. You should read these tables together with the full text of the summary financial analyses, as the tables alone are not a complete description of the analyses.

Unless otherwise indicated, the following quantitative information, to the extent it is based on market data, is based on market data as of January 6, 2017, the last trading day prior to the date on which Davidson delivered the fairness opinion letter to Pacific Continental's board of directors, and is not necessarily indicative of market conditions after such date.

Table of Contents*Summary of Proposal*

Davidson reviewed the financial terms of the proposed transaction. As described in the merger agreement, each outstanding Pacific Continental common share will be converted into 0.6430 of a Columbia common share at closing, subject to certain adjustments. The terms and conditions of the mergers are more fully described in the merger agreement. For purposes of the financial analyses described below, based on the closing price of Columbia common shares on January 6, 2017, of \$44.33, the exchange ratio represented a value of \$28.50 per Pacific Continental common share. Based upon financial information as of or for the twelve month period ended September 30, 2016, Davidson calculated the following transaction ratios:

Transaction Ratios		
	Aggregate	Per Share
Transaction Price / Most Recent Quarter Net Income, Annualized	34.0x	31.0x
Transaction Price / Last Twelve Months Net Income	35.7x	31.0x
Transaction Price / Most Recent Quarter Operating Income, Annualized (1)	27.5x	24.6x
Transaction Price / Last Twelve Months Operating Income (1)	31.6x	27.4x
Transaction Price / Last Twelve Months Net Income (2016E) (2)	34.9x	31.3x
Transaction Price / Last Twelve Months Net Income (2017E) (2)	22.1x	21.8x
Transaction Price / Last Twelve Months Net Income (2018E) (2)	19.9x	19.7x
Transaction Price / Book Value	238.4%	233.2%
Transaction Price / Tangible Book Value	320.3%	313.3%
Tangible Book Premium / Core Deposits (3)	22.1%	
Transaction Price / Pacific Continental's closing price as of 1/6/2017 (4)		36.1%
Transaction Price / Pacific Continental's 20-day average price as of 1/6/2017 (5)		33.9%

- (1) Operating income for Pacific Continental on an annualized basis, adjusted to exclude merger-related expenses on an after-tax basis.
- (2) Net income based on average FactSet Research Systems, Inc., which we refer to as FactSet, consensus estimates.
- (3) Tangible book premium/core deposits calculated by dividing the excess or deficit of the aggregate transaction value compared to tangible book value by core deposits.
- (4) Based on Pacific Continental's closing price as of 1/6/2017 of \$20.95.
- (5) Based on Pacific Continental's 20-day average price as of 1/6/2017 of \$21.28.

Table of Contents*Common Share Trading History of Pacific Continental and Columbia*

Davidson reviewed the history of the reported trading prices and volume of Pacific Continental and Columbia common shares and the relationship between the movements in the prices of Pacific Continental and Columbia common shares to movements in certain stock indices, including the Standard & Poor's 500 Index, the SNL Bank Index and the KBW Index.

One Year Stock Performance

	Beginning Index Value on 1/6/2016	Ending Index Value on 1/6/2017
Standard & Poor's 500 Index	100.0%	114.4%
SNL Bank Index	100.0%	129.7%
KBW Index	100.0%	140.6%
Columbia	100.0%	140.3%
Pacific Continental	100.0%	140.4%

Three Year Stock Performance

	Beginning Index Value on 1/6/2014	Ending Index Value on 1/6/2017
Standard & Poor's 500 Index	100.0%	124.6%
SNL Bank Index	100.0%	134.6%
KBW Index	100.0%	143.8%
Columbia	100.0%	164.3%
Pacific Continental	100.0%	133.6%

Contribution Analysis

Davidson analyzed the relative contribution of Pacific Continental and Columbia to certain financial and operating metrics for the pro forma combined company. Such financial and operating metrics included: (i) market capitalization as of January 6, 2017; (ii) annualized net income for the preceding three months ended September 30, 2016; (iii) net income for the preceding twelve months ended September 30, 2016; (iv) annualized operating income for the preceding three months ended September 30, 2016; (v) operating income for the preceding twelve months ended September 30, 2016; (vi) estimates for Pacific Continental net income in 2016, 2017 and 2018 based on average FactSet consensus estimates, as discussed and confirmed by Pacific Continental management and estimates for Columbia net income in 2016, 2017 and 2018 based on average FactSet consensus estimates, as discussed with and confirmed by Pacific Continental management; (vii) total assets; (viii) total cash; (ix) total investment securities; (x) gross loans; (xi) loan loss reserve; (xii) total deposits; (xiii) total non-interest bearing demand deposits; (xiv) non-maturity deposits; and (xv) tangible common equity.

Table of Contents

The relative contribution analysis did not give effect to the impact of any synergies as a result of the proposed mergers. The results of this analysis are summarized in the table below:

	Contribution Analysis			
	Columbia Stand-alone	Columbia % of Total	Pacific Continental Stand-alone	Pacific Continental % of Total
<u>Market Capitalization</u>				
Current Market Capitalization (in thousands)	\$ 2,573,011	84.5%	\$ 473,546	15.5%
<u>Income Statement Historical</u>				
MRQ, Annualized Net Income (in thousands) (1)	\$ 109,936	85.0%	\$ 19,404	15.0%