

COLUMBIA BANKING SYSTEM INC  
Form 10-Q  
August 07, 2008

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

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FORM 10-Q

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(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2008.

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_.

Commission File Number 0-20288

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COLUMBIA BANKING SYSTEM, INC.  
(Exact name of issuer as specified in its charter)

Washington  
(State or other jurisdiction of  
incorporation or organization)

91-1422237  
(I.R.S. Employer  
Identification Number)

1301 "A" Street  
Tacoma, Washington  
(Address of principal executive offices)

98402-2156  
(Zip Code)

(253) 305-1900

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(Issuer's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

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Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months, and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer" in Rule 12b-2 of the Exchange Act.

Large accelerated filer  Accelerated filer  Non-accelerated filer

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes  No

The number of shares of common stock outstanding at July 31, 2008 was 18,151,288

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## PART I - FINANCIAL INFORMATION

## Item 1. FINANCIAL STATEMENTS

## CONSOLIDATED CONDENSED STATEMENTS OF INCOME

Columbia Banking System, Inc.  
(Unaudited)

(in thousands except per share)	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2008	2007	2008	2007
<b>Interest Income</b>				
Loans	\$ 37,334	\$ 36,224	\$ 78,637	\$ 70,254
Taxable securities	4,895	4,657	9,875	9,442
Tax-exempt securities	1,999	1,960	4,000	3,920
Federal funds sold and deposits in banks	95	414	244	785
Total interest income	44,323	43,255	92,756	84,401
<b>Interest Expense</b>				
Deposits	11,461	13,617	26,296	25,776
Federal Home Loan Bank advances	1,995	2,484	4,577	5,663
Long-term obligations	429	513	916	1,020
Other borrowings	164	946	366	1,544
Total interest expense	14,049	17,560	32,155	34,003
Net Interest Income	30,274	25,695	60,601	50,398
Provision for loan and lease losses	15,350	329	17,426	967
Net interest income after provision for loan and lease losses	14,924	25,366	43,175	49,431
<b>Noninterest Income</b>				
Service charges and other fees	3,738	3,293	7,306	6,252
Merchant services fees	2,162	2,124	4,078	4,093
Redemption of Visa and Mastercard shares	1,066	-	3,028	-
Gain on sale of investment securities, net	-	-	882	-
Bank owned life insurance ("BOLI")	549	451	1,054	877
Other	1,790	873	3,114	1,696
Total noninterest income	9,305	6,741		