UMPQUA HOLDINGS CORPORATION

KBW Investor Conference, New York, NY

August 1, 2012

Safe Harbor Statement

This presentation contains forward-looking statements, within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, which are intended to be covered by the safe harbor for “forward-looking statements” provided by the Private Securities Litigation Reform Act of 1995. These statements may include statements that expressly or implicitly predict future results, performance or events. Statements other than statements of historical fact are forward-looking statements. You can find many of these statements by looking for words such as “anticipates,” “expects,” believes,” “estimates” and “intends” and words or phrases of similar meaning. We make forward-looking statements regarding projected sources of funds, availability of acquisition and growth opportunities, adequacy of our allowance for loan and lease losses and provision for loan and lease losses, our commercial real estate portfolio and subsequent charge-offs. Forward-looking statements involve substantial risks and uncertainties, many of which are difficult to predict and are generally beyond the control of Umpqua. Risks and uncertainties include those set forth in our filings with the SEC and the following factors that might cause actual results to differ materially from those presented:

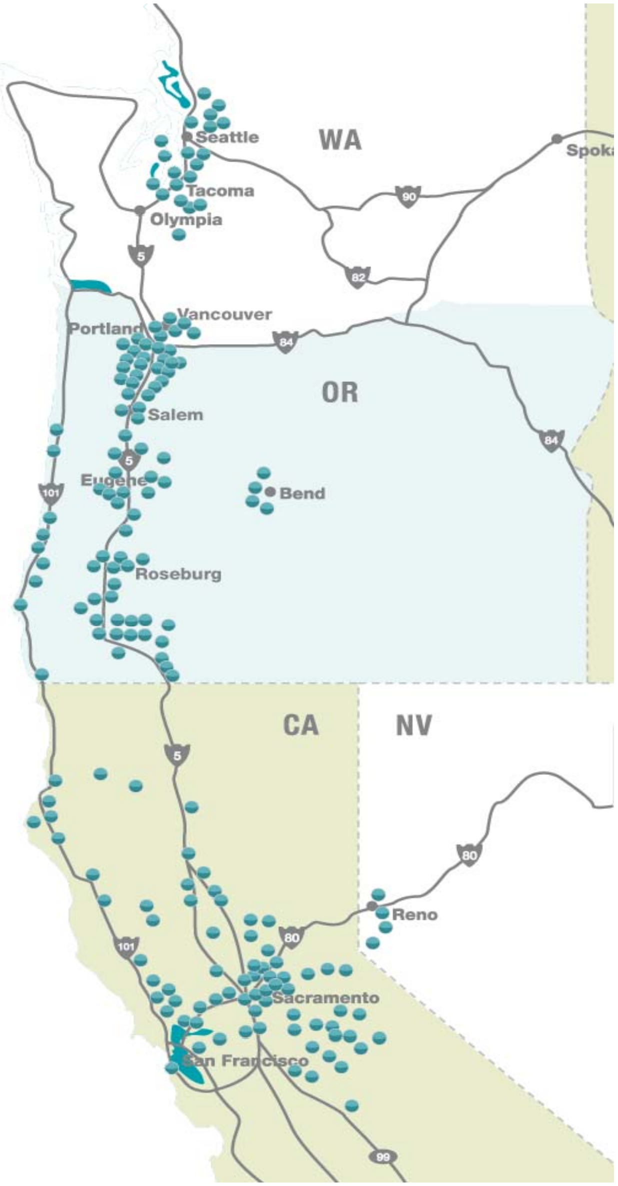
- The ability to attract new deposits and loans and leases
- Demand for financial services in our market areas
- Competitive market pricing factors
- Deterioration in economic conditions that could result in increased loan and lease losses
- Risks associated with concentrations in real estate related loans
- Market interest rate volatility
- Stability of funding sources and continued availability of borrowings
- Changes in legal or regulatory requirements or the results of regulatory examinations that could restrict growth
- The Dodd-Frank Act and other recent legislative and regulatory initiatives could detrimentally affect the Company’s business by, for example, increasing our operating expenses and decreasing revenue.
- The ability to recruit and retain key management and staff
- Risks associated with merger integration
- Significant decline in the market value of the Company that could result in an impairment of goodwill
- The ability to raise capital or incur debt on reasonable terms

There are many factors that could cause actual results to differ materially from those contemplated by these forward-looking statements. For a more detailed discussion of some of the risk factors, see the section entitled "Risk Factors" in the Form 10-K for the year ended December 31, 2011 as updated and supplemented in our filings on Form 10-Q and Form 8-K. We do not intend to update any factors or to publicly announce revisions to any of our forward-looking statements. You should consider any forward looking statements in light of this explanation, and we caution you about relying on forward-looking statements.

Umpqua is a leading community bank serving the Pacific Northwest

> 194 total stores

> 26 commercial banking centers



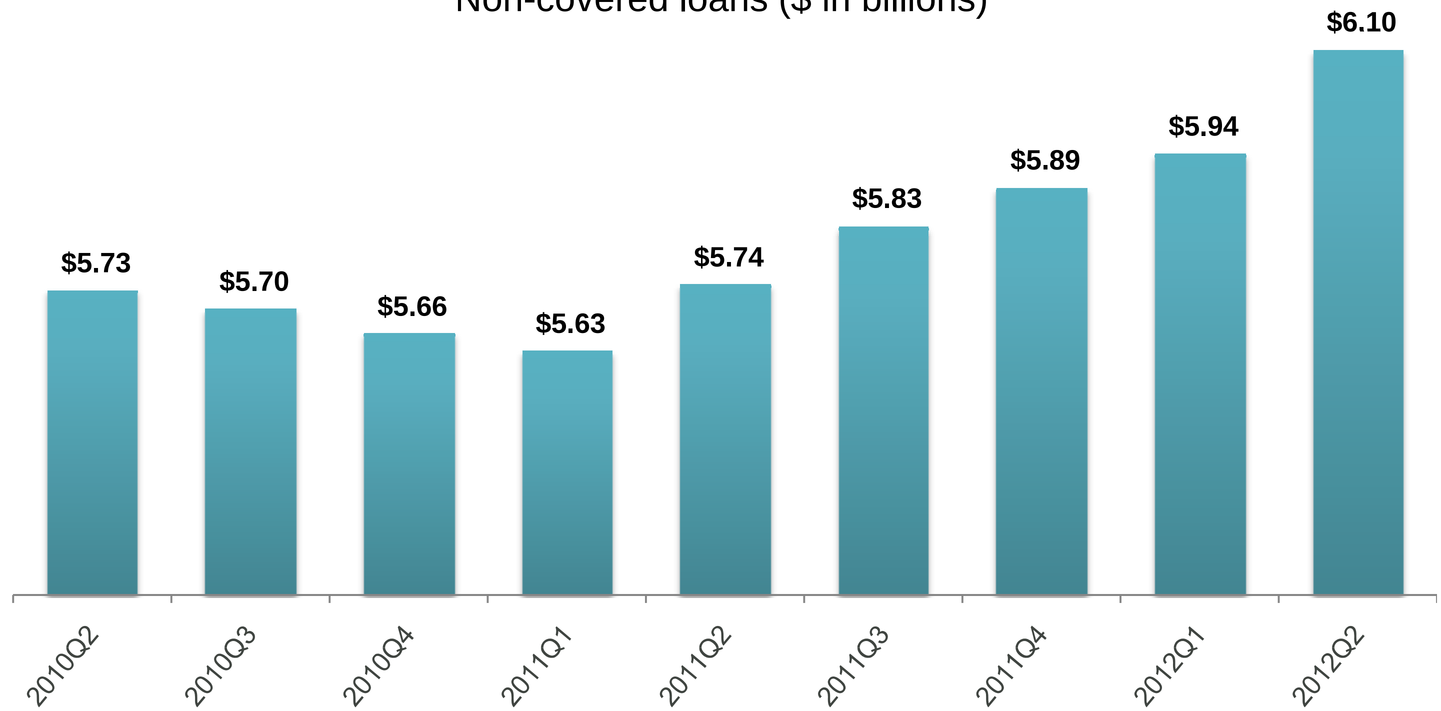
- 1H 2012 operating EPS $0.44, up 57% over prior year
- 4% non-covered loan growth, majority in C&I segment from initiatives over past two years
- Non-covered provision for loan losses down 68% from prior year
- Non-covered NPA ratio down to 1.01%, lowest in 5 years
- Record mortgage banking results, well positioned w/ strong pipeline

First Half 2012 recap

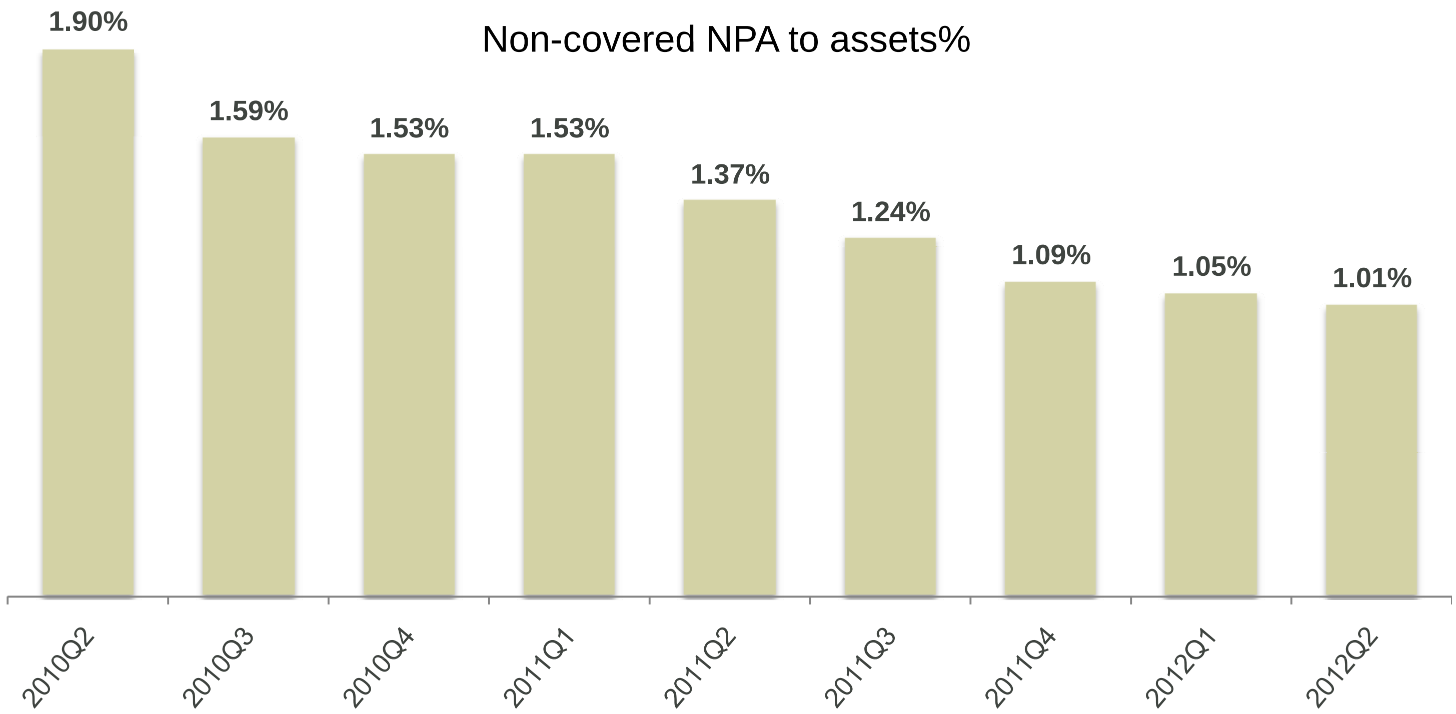
- Continue to diversify revenue with capital markets revenue of $5 million
- Tangible book value per common share of $9.13, up 5% over prior year
- Tier 1 common ratio of 12.7%, significant room for risk weighted asset leverage
- Increased quarterly dividend in Q2 to $0.09 per quarter, 37% payout ratio year to date (long term target 40-50% payout ratio)

> Continued loan growth, expanding market presence
- Record commercial production over past year
- Building relationships and C&I portfolio (now 24% of total)
- Pipeline at $1.7 billion

Non-covered loans ($ in billions)

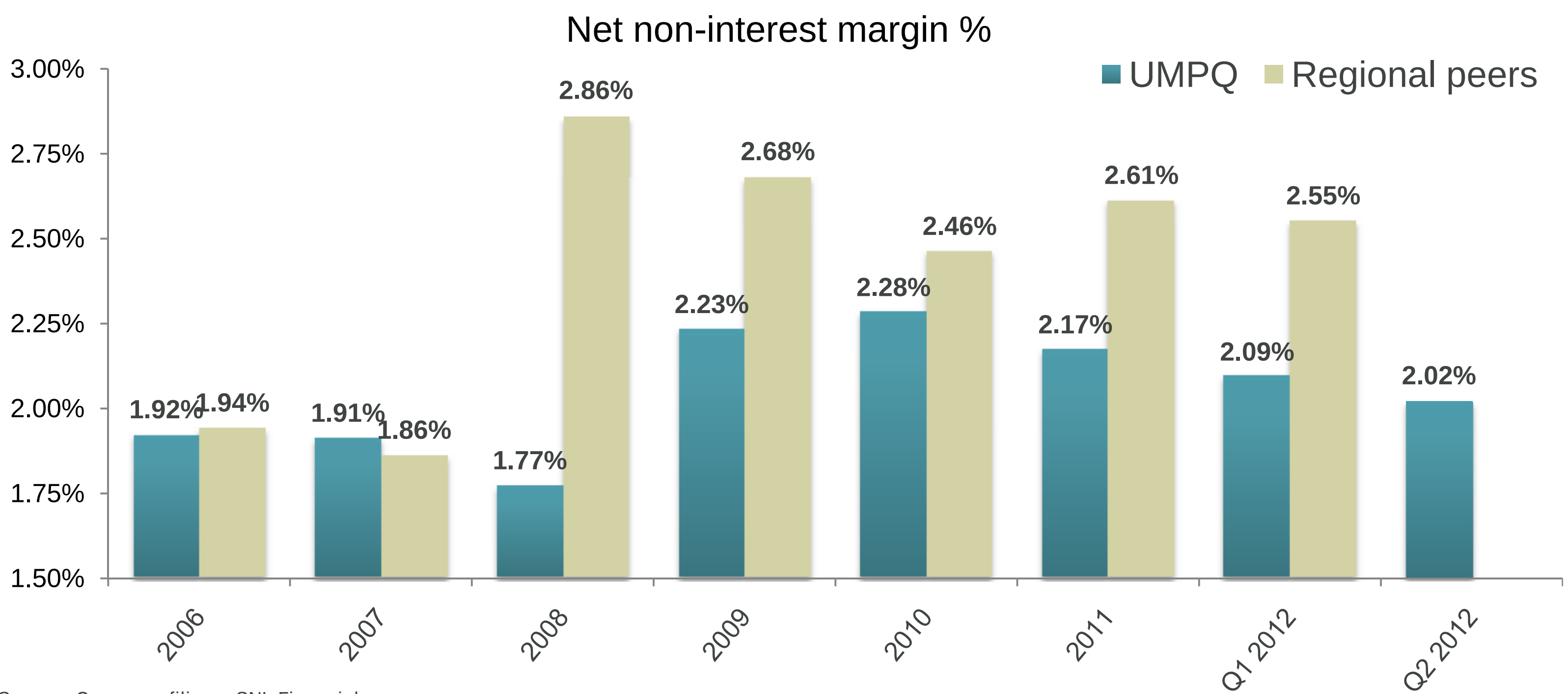


> Continued improvement in credit quality
  - Classified assets down 25% over past year
  - Non-covered classified asset to capital ratio down to 27%
  - Potential recovery pool ($10 million recoveries over past 4 quarters)



> Efficiency improvements

- Expanding revenue lines – wealth management, capital markets, international & mortgage banking
- Leverage/reduce core expense in light of low interest rate environment



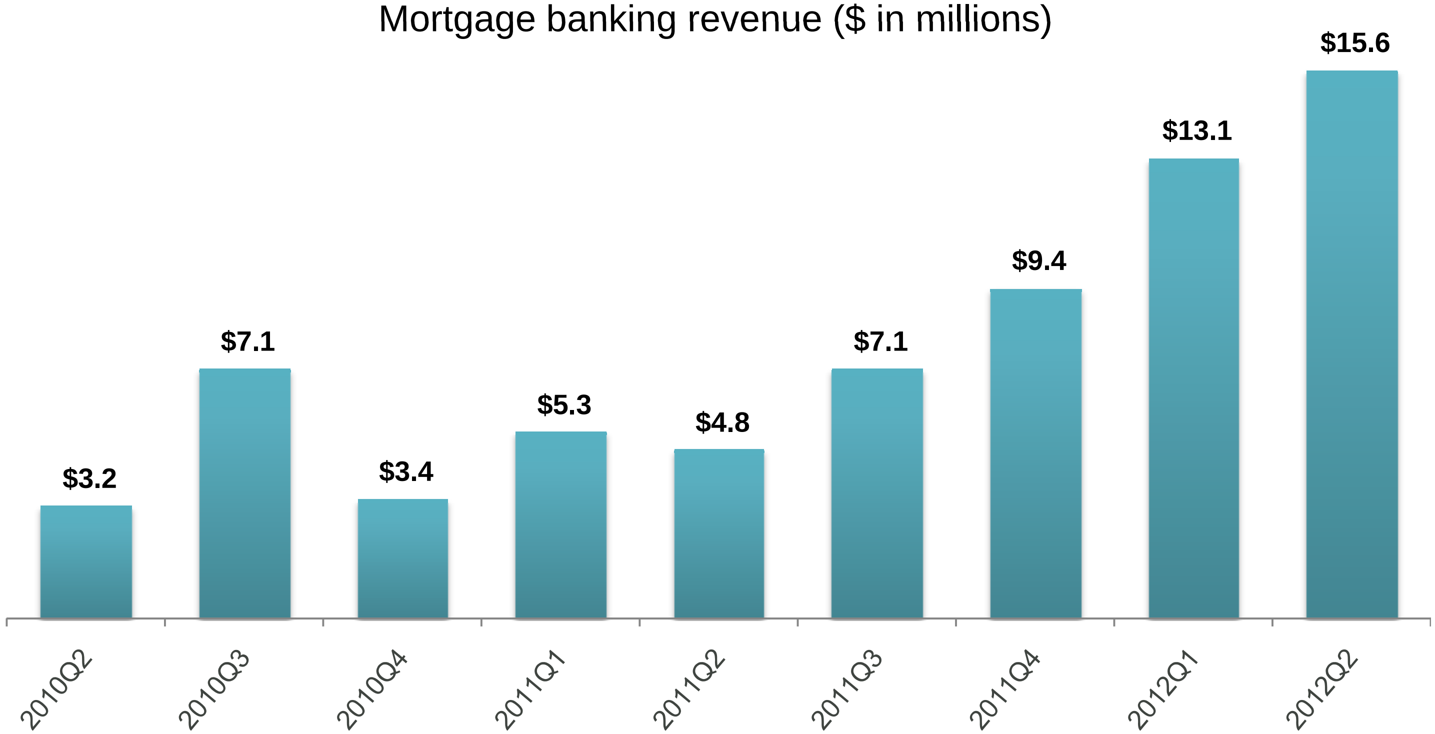
> Source: Company filings, SNL Financial

> Note: Regional peers include Banner Corporation, Cascade Bancorp, CVB Financial, PacWest Bancorp, Sterling Financial, West Coast Bancorp, and Westamerica Bancorp; Regional peers represent a median ratio. Q2 2012 regional peer data not available at preparation of this presentation.

> Strong mortgage banking

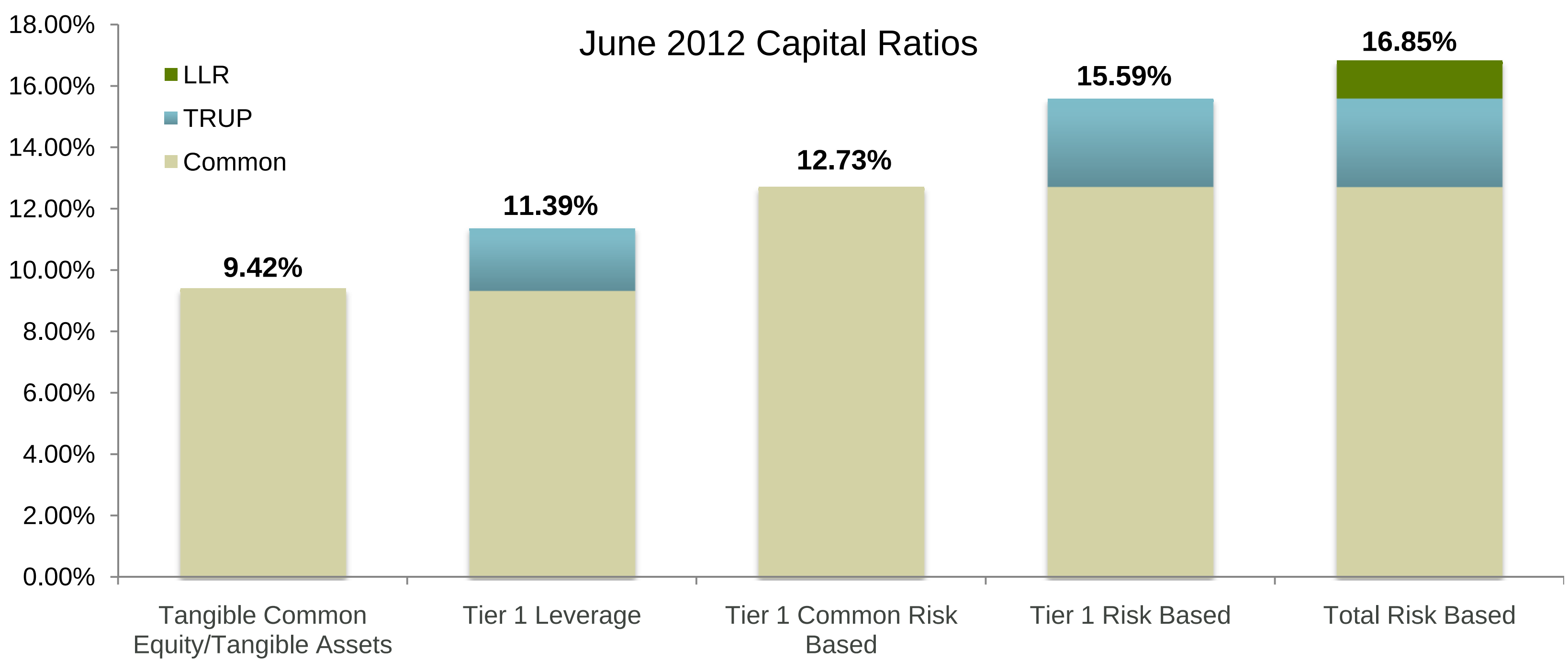
- Built in hedge to low interest rate environment
- Purchase mix was 37% in Q2
- Record pipeline heading into Q3
- Variable expense structure

Mortgage banking revenue ($ in millions)



> Leverage solid capital base

- Well positioned for Basel III capital standards
- Trust preferred redemption over next few years out of retained earnings
- Ability to increase risk weighted assets by ~$3 billion for 9% Tier 1 common



> June 2012 risk based regulatory capital ratios are estimates pending completion of the quarterly regulatory reports.

> LLR = loan loss reserve, TRUP = trust preferred capital, COMMON = tangible common equity

What we're focused on

> Market expansion – organic and acquisition

- New offices in San Francisco and San Jose first half 2013
- Opportunistic and disciplined outlook for acquisitions
- Expanding market presence in growth markets
- Significant capital flexibility for both

Thank you

UMPQUA BANK