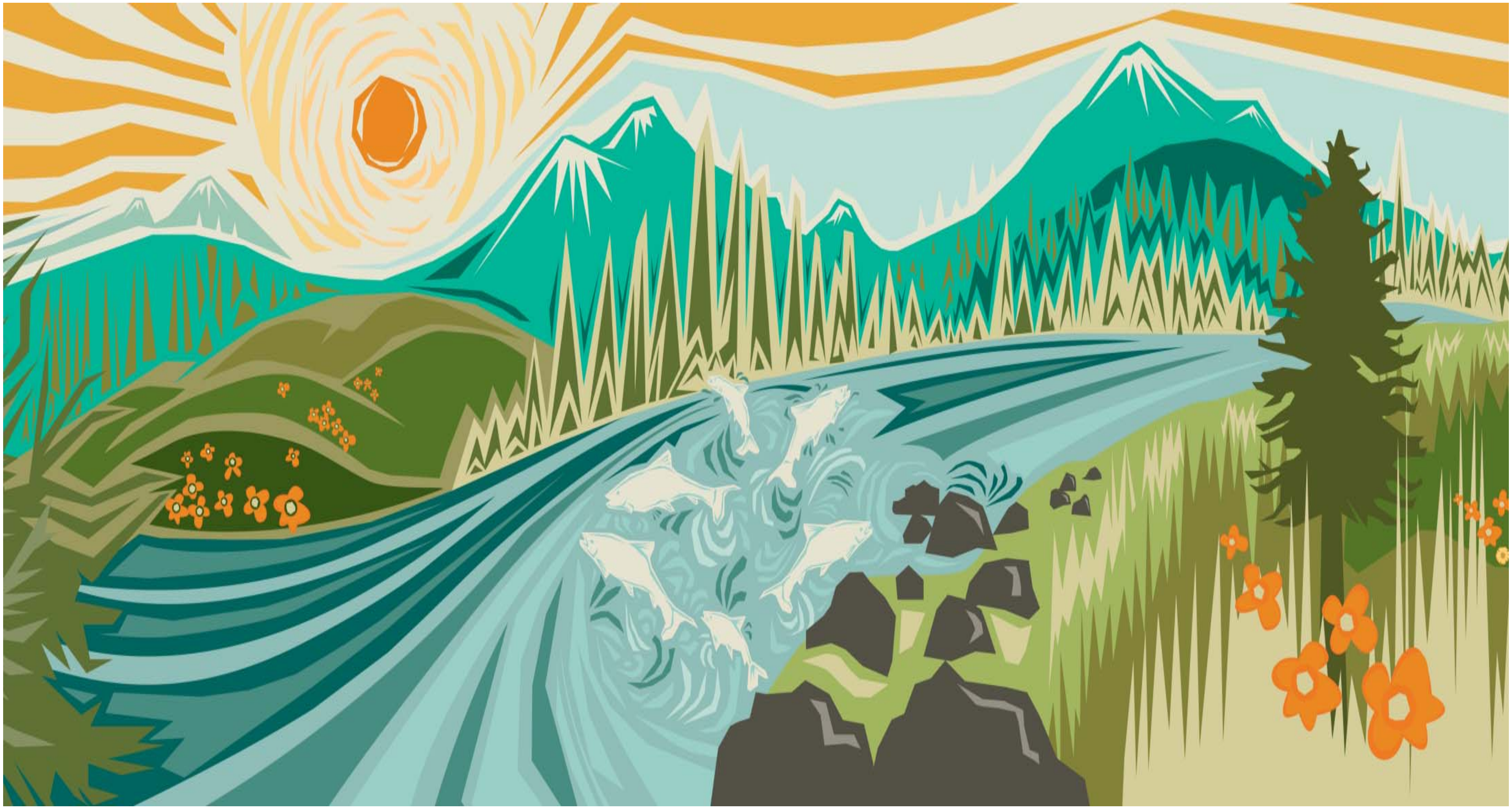

UMPQUA HOLDINGS CORPORATION

2nd Quarter 2016 Earnings Conference Call Presentation

July 21, 2016

Forward-looking Statements and Notes

This presentation includes forward-looking statements within the meaning of the "Safe-Harbor" provisions of the Private Securities Litigation Reform Act of 1995, which management believes are a benefit to shareholders. These statements are necessarily subject to risk and uncertainty and actual results could differ materially due to various risk factors, including those set forth from time to time in our filings with the SEC. You should not place undue reliance on forward-looking statements and we undertake no obligation to update any such statements. In this presentation we make forward-looking statements about credit discount accretion related to loans acquired from Sterling Financial Corporation, loan and lease growth and loan sales, growth opportunities at FinPac and with Pivotus Ventures, and results of efficiency initiatives. Risks that could cause results to differ from forward-looking statements we make are set forth in our filings with the SEC and include, without limitation, prolonged low interest rate environment; unanticipated weakness in loan demand or loan pricing; deterioration in the economy; lack of strategic growth opportunities or our failure to execute on those opportunities; our inability to effectively manage problem credits; our inability to successfully implement efficiency initiatives; our ability to successfully develop and market new products and technology; changes in laws or regulations; and changes in general economic conditions.

Q2 2016 Highlights

- **Delivered solid financial performance:**
  - Net interest income decreased by $8.5 million, primarily driven by a lower level of credit discount accretion recorded on loans acquired from Sterling, as well as lower average yields on interest-earning assets. Net interest income in Q1 2016 included $6.5 million of accelerated credit discount accreted from the sale of purchase credit impaired loans, which did not recur in Q2 2016
  - Provision for loan and lease losses increased by $5.8 million, driven primarily by higher net charge-offs
  - Non-interest income increased by $28.7 million, driven primarily by increased for sale mortgage originations and a higher home lending gain on sale margin, along with increased services charges, income from portfolio loan sales and debt capital markets revenue. Excluding the impact of non-operating items[1], total non-interest income increased by $22.3 million
  - Non-interest expense increased by $4.5 million. Excluding the impact of non-operating items[1], total noninterest expense increased by $393,000, and included a $5.9 million increase in mortgage banking expenses related to higher mortgage origination volume

- **Strong balance sheet:**
  - Loan and lease growth of $399.7 million, or 9% annualized, including $135.7 million of loan sales and $9.8 million of loans transferred to held for sale. Gross loan and lease growth (prior to the impact of loan sales and transfers) of $545.2 million, or 13% annualized
  - Deposit growth of $95.5 million, or 2% annualized, which included large seasonal outflows related to tax payments
  - Loan to deposit ratio increased to 95%

- **Prudently managed capital:**
  - Book value per share increased to $17.70 per share and tangible book value per share[1] increased to $9.41
  - Estimated total risk-based capital ratio of 14.1% and estimated Tier 1 common to risk weighted assets ratio of 10.9%
  - Paid quarterly cash dividend of $0.16 per common share

> [1] Non-GAAP financial measure. A reconciliation to the comparable GAAP measurement is provided in the appendix of this slide presentation.

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Key Performance Ratios

		For the quarter ended				
		Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015
Profitability (operating basis)[1]	Return on average assets	1.16%	1.10%	1.10%	1.19%	1.20%
	Return on average tangible assets	1.26%	1.19%	1.20%	1.29%	1.30%
	Return on average common equity	7.16%	6.63%	6.64%	7.13%	7.17%
	Return on average tangible common equity	13.51%	12.57%	12.70%	13.74%	13.89%
	Efficiency ratio - consolidated	59.78%	62.49%	63.00%	60.17%	59.96%
	Net interest margin - consolidated	4.08%	4.34%	4.37%	4.42%	4.48%
Credit Quality	Non-performing loans and leases to loans and leases	0.28%	0.31%	0.26%	0.25%	0.29%
	Non-performing assets to total assets	0.27%	0.30%	0.28%	0.28%	0.31%
	Net charge-offs to average loans and leases (annualized)	0.23%	0.12%	0.10%	0.13%	0.11%
Capital	Tangible common equity to tangible assets [1]	9.30%	9.26%	9.35%	9.36%	9.37%
	Tier 1 common to risk-weighted asset ratio [2]	10.9%	10.9%	11.4%	11.5%	11.6%
	Total risk-based capital ratio [2]	14.1%	14.2%	14.3%	14.5%	14.6%

> [1] Non-GAAP financial measure. A reconciliation to the comparable GAAP measurement is provided at the end of this slide presentation.
> [2] Capital ratio estimated for current quarter, pending completion and filing of regulatory reports.

Summary Income Statement

($ in millions except per share data)	Q2 2016	Q1 2016	Q2 2015
	Quarter ended		
Net interest income before provision	$ 209.2	$ 217.7	$ 217.5
Provision for loan and lease losses	10.6	4.8	11.3
Net interest income	198.6	212.9	206.2
Non-interest income	74.7	46.0	81.1
Non-interest expense	188.5	184.0	201.9
Income before provision for income taxes	**84.8**	**74.8**	**85.4**
Provision for income taxes	30.5	27.3	30.6
Net income	**54.3**	**47.6**	**54.8**
Dividends and undistributed earnings allocated to participating securities	0.0	0.0	0.1
Net earnings available to common shareholders	**$ 54.3**	**$ 47.5**	**$ 54.7**
Total non-operating adjustments, pre tax [1][2]	24.9	27.2	22.4
Income tax effect [1]	(10.0)	(10.8)	(8.9)
Operating earnings [2]	**$ 69.2**	**$ 63.9**	**$ 68.1**
Earnings per diluted share:			
Earnings available to common shareholders	$0.25	$0.22	$0.25
Operating earnings [2]	$0.31	$0.29	$0.31

> Note: tables may not foot due to rounding.
> [1] Income tax effect of pro forma operating earnings adjustments at 40% for tax-deductible items.
> [2] Non-GAAP financial measure. A reconciliation to the comparable GAAP measurement is provided in the appendix of this slide presentation.

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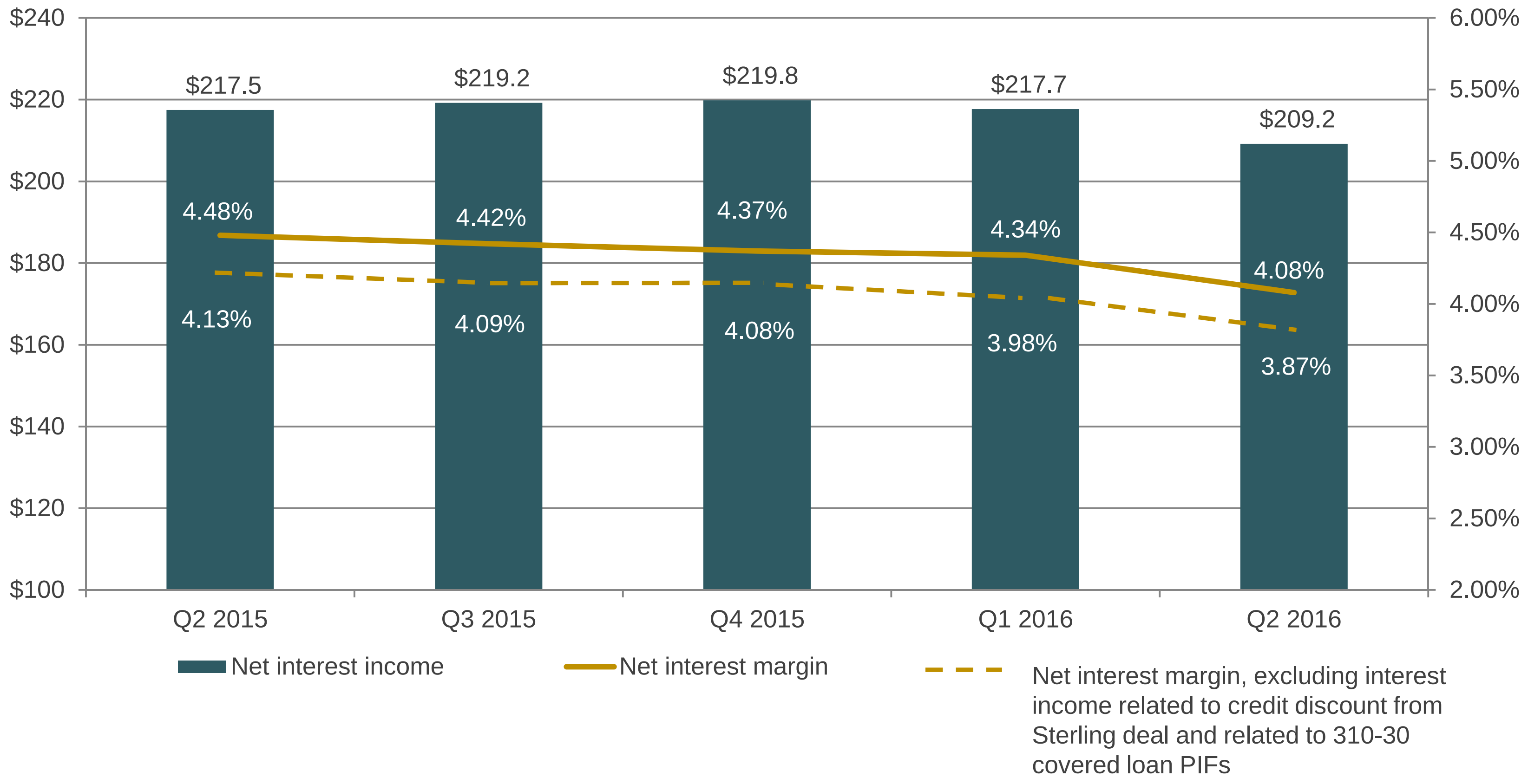
Net Interest Income and Margin

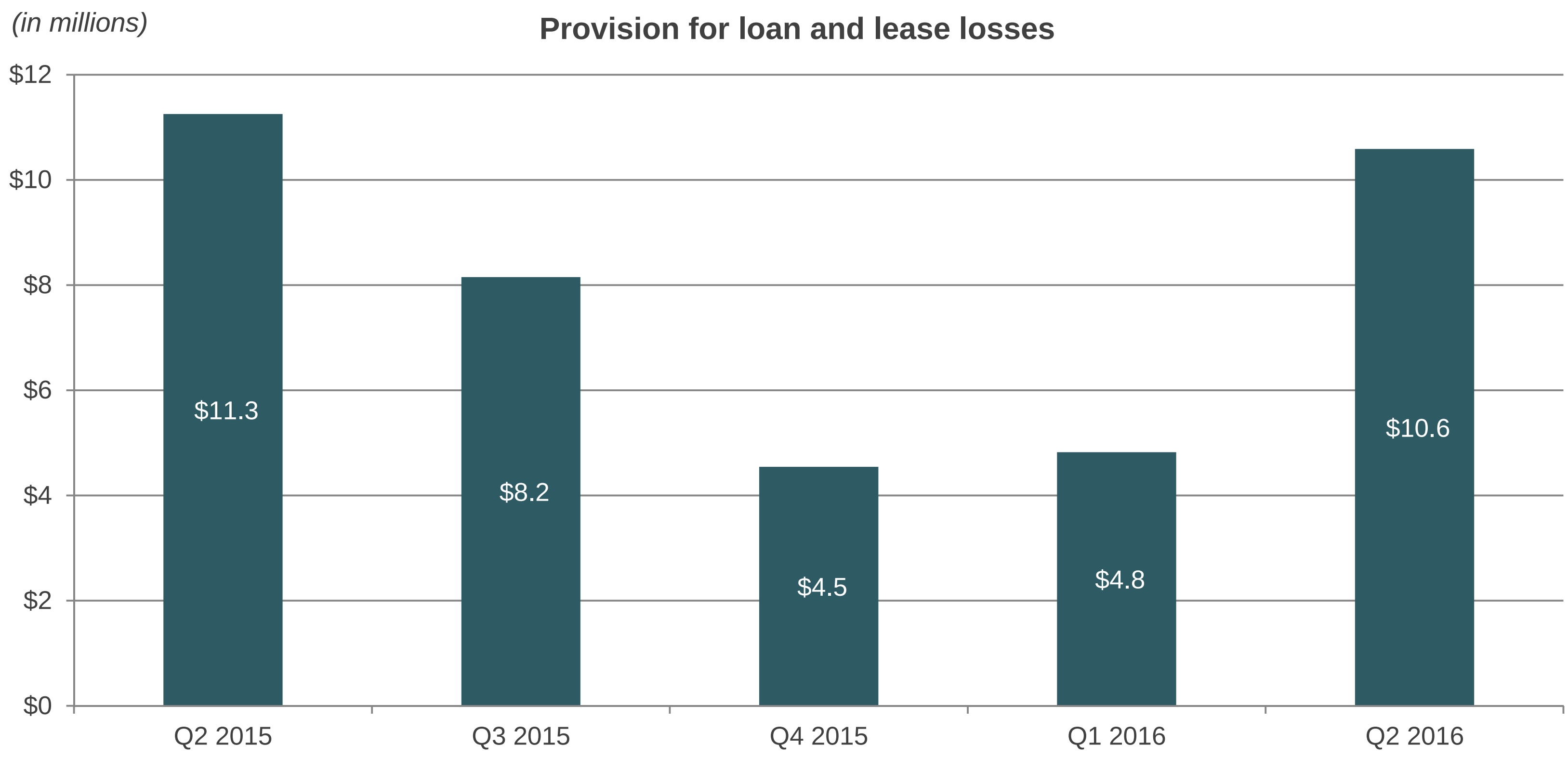
- Net interest income decreased by $8.5 million from the prior quarter
  - Net interest income in Q1 2016 included $6.5 million of accelerated credit discount accreted from the sale of purchase credit impaired loans
  - Net interest margin, excluding credit discount, declined by 11 bps, reflecting portfolio mix changes and the impact from a continued low interest rate environment

(in millions)



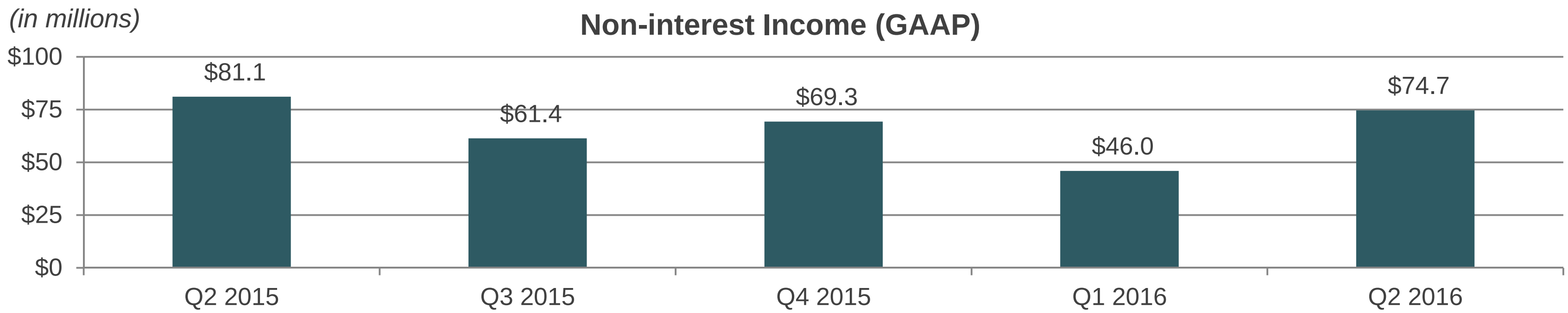
Provision for Loan and Lease Losses

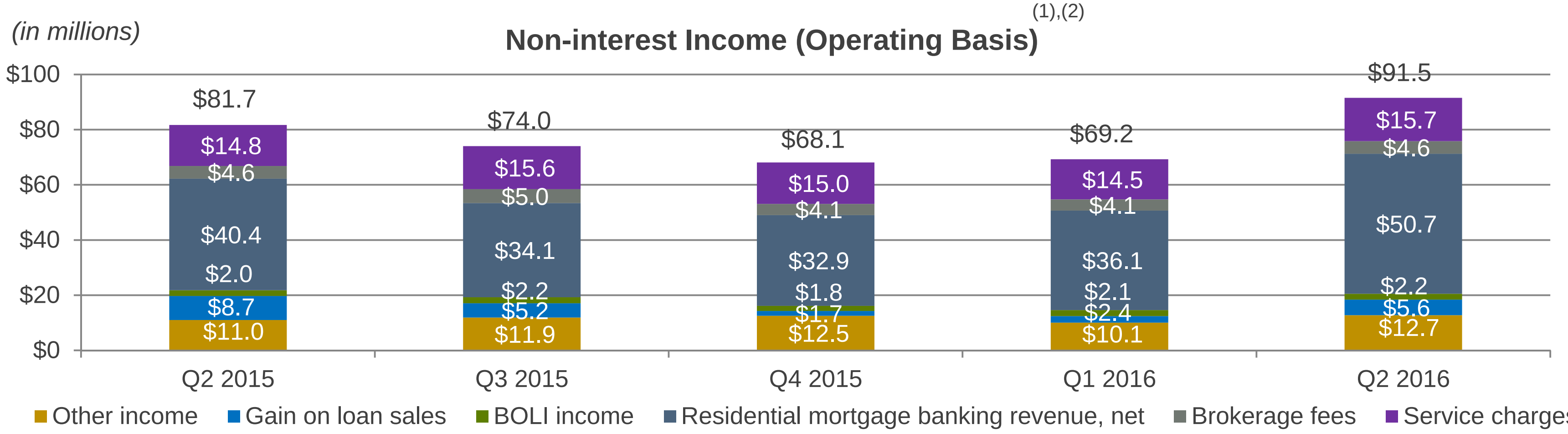
- Provision for loan and lease losses increased by $5.8 million from the prior quarter
  - Primarily driven by higher net charge-offs



Non-interest Income

- Non-interest income increased by $28.7 million from the prior quarter
  - Driven primarily by higher mortgage banking revenue, service charges, income from portfolio loan sales and debt capital markets revenue
- On an non-operating basis [(1),(2)], non-interest income increased by $22.3 million from the prior quarter

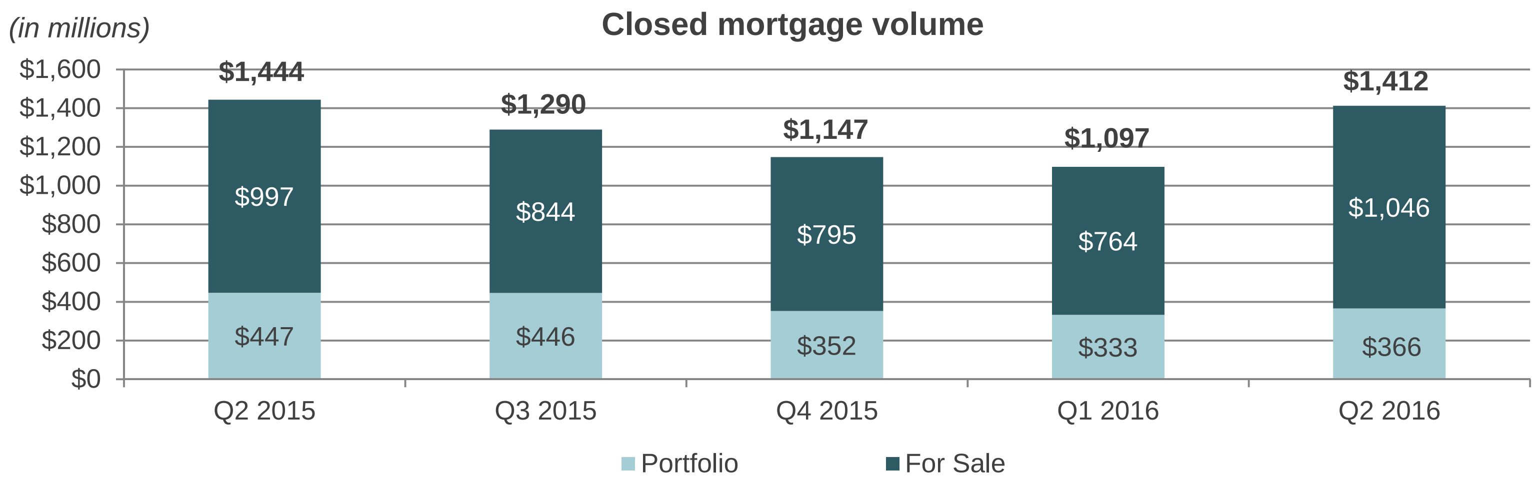


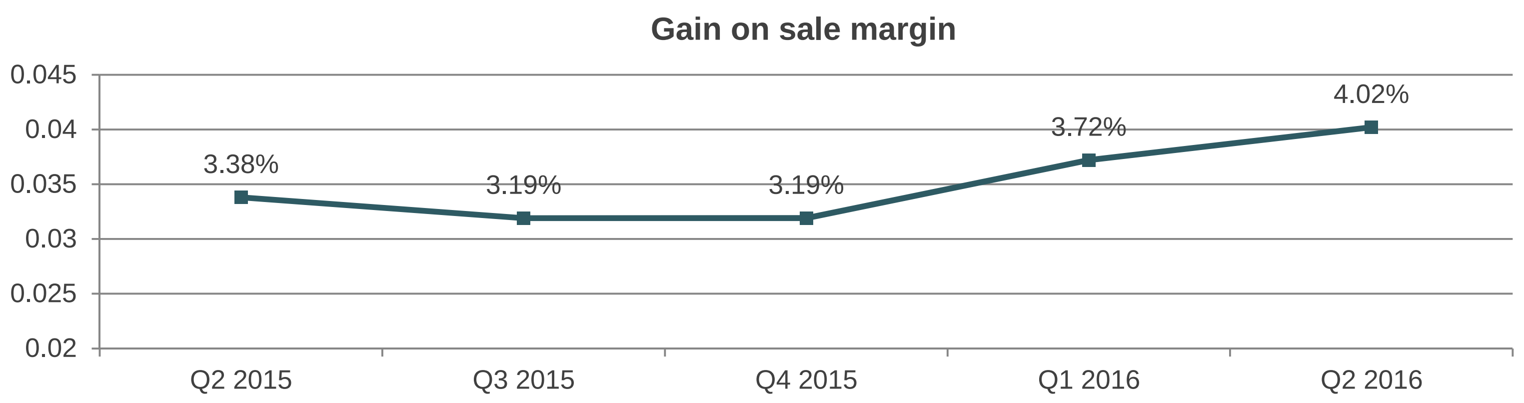


- [(1)] Non-GAAP financial measure. A reconciliation to the comparable GAAP measurement is provided at the end of this slide presentation.
- [(2)] Excludes change in fair value of MSR asset (included in residential mortgage banking revenue, net) and change in fair value of swap derivative (included in other income).

Mortgage Banking

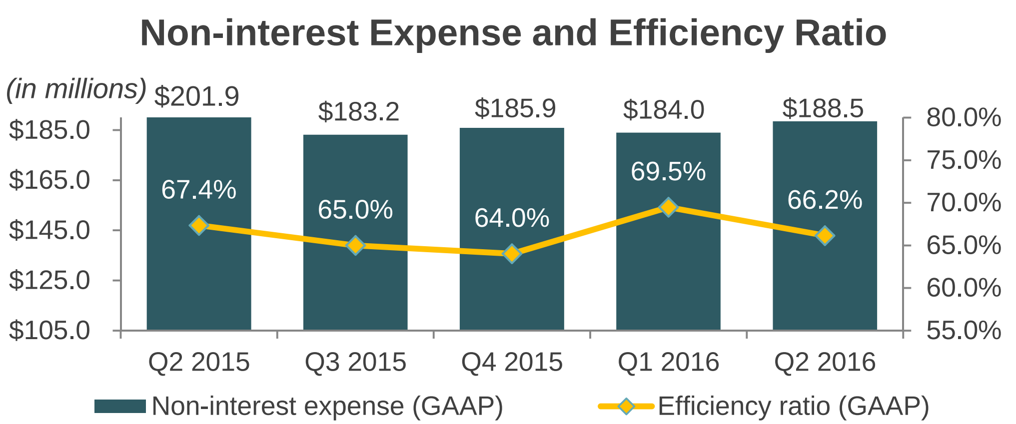
- For sale mortgage originations increased by 37% from the prior quarter, and gain on sale margin increased to 4.02%

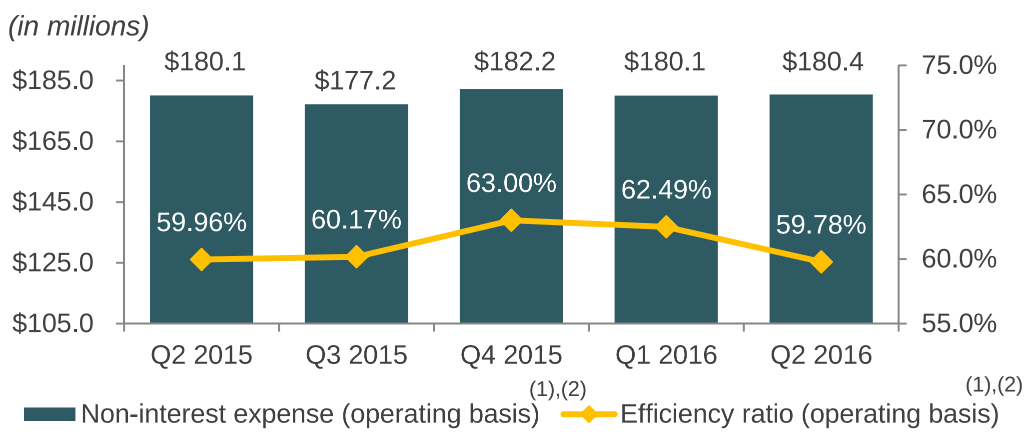


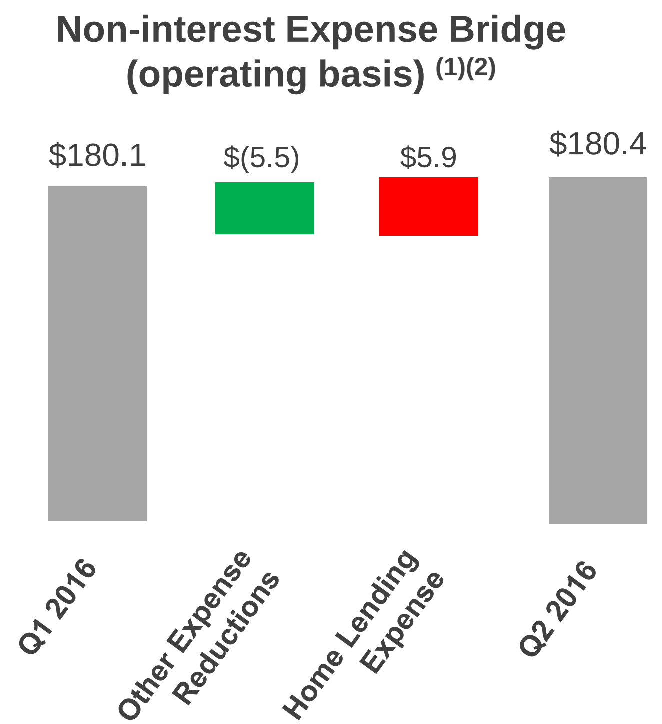


Non-interest Expense

- Non-interest expense increased by $4.5 million from the prior quarter
  - Included a $5.9 million increase in mortgage banking expenses related to higher mortgage origination volume
- On an operating basis [(1),(2)], non-interest expense increased by $393,000 from the prior quarter







- [(1)] Non-GAAP financial measure. A reconciliation to the comparable GAAP measurement is provided at the end of this slide presentation.
- [(2)] Excludes merger related expenses, goodwill impairment and exit or disposal costs.

Selected Balance Sheet

($ in millions)	Q2 2016	Q1 2016	Q2 2015
Total assets	$ 24,132.5	$ 23,935.7	$ 22,807.9
Interest bearing cash and temporary investments	535.8	613.0	515.7
Investment securities available for sale, fair value	2,482.1	2,542.5	2,557.2
Loans and leases, gross	17,355.2	16,955.6	15,988.8
Allowance for loan and lease losses	(131.0)	(130.2)	(127.1)
Goodwill and other intangibles, net	1,828.3	1,830.6	1,839.8
Deposits	18,258.5	18,163.0	17,145.0
Securities sold under agreements to repurchase	360.2	325.2	325.7
Term debt	903.0	903.4	890.0
Total shareholders' equity	3,902.2	3,878.6	3,804.2
Ratios:			
Loan to deposit ratio	95.1%	93.4%	93.3%
Book value per common share	$17.70	$17.62	$17.27
Tangible book value per common share [1]	$9.41	$9.30	$8.92
Tangible common equity to tangible assets [1]	9.30%	9.26%	9.37%

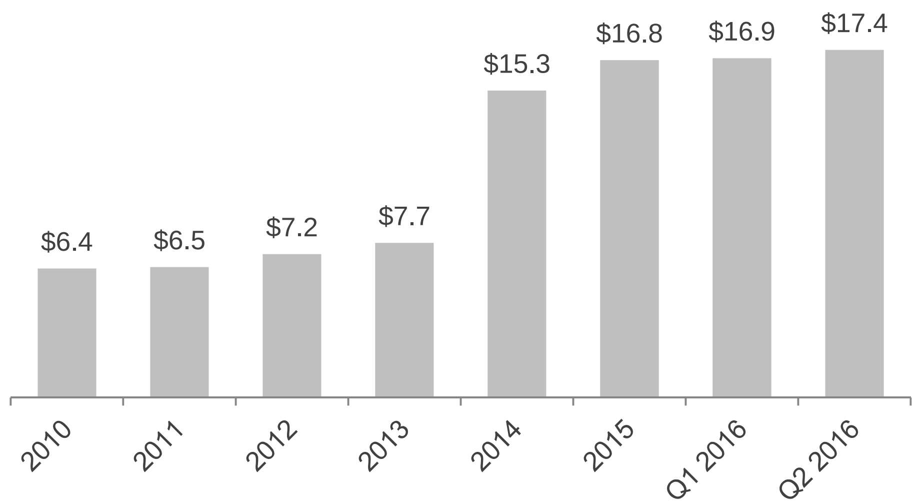
> [1] Non-GAAP financial measure. A reconciliation to the comparable GAAP measurement is provided in the appendix of this slide presentation.

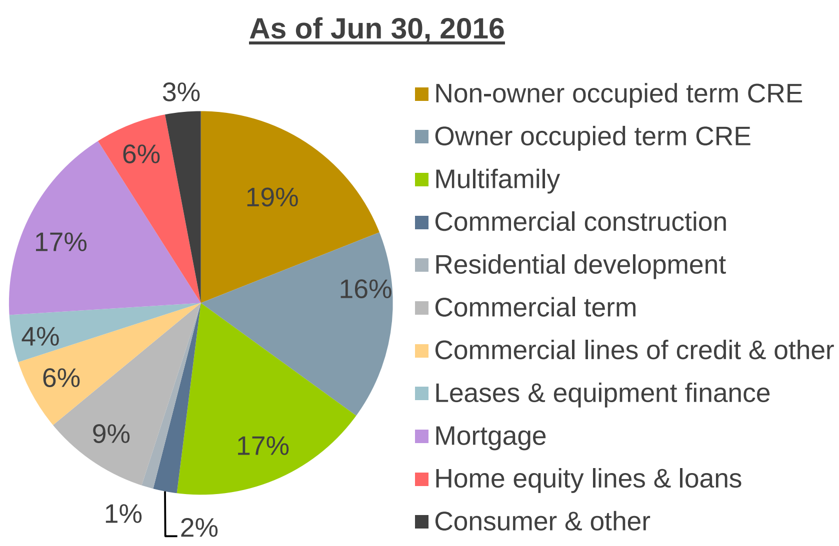
Loan Growth

- Loan and lease growth (before sales and transfers) of $545.2 billion, or 13%, annualized, from the prior quarter
  - Partially offset by $135.7 million of portfolio residential mortgage loans sold and $9.8 million of portfolio residential mortgage loans transferred to held for sale (expected to be sold during the third quarter of 2016)

(in billions)

Loans and Leases (Gross)





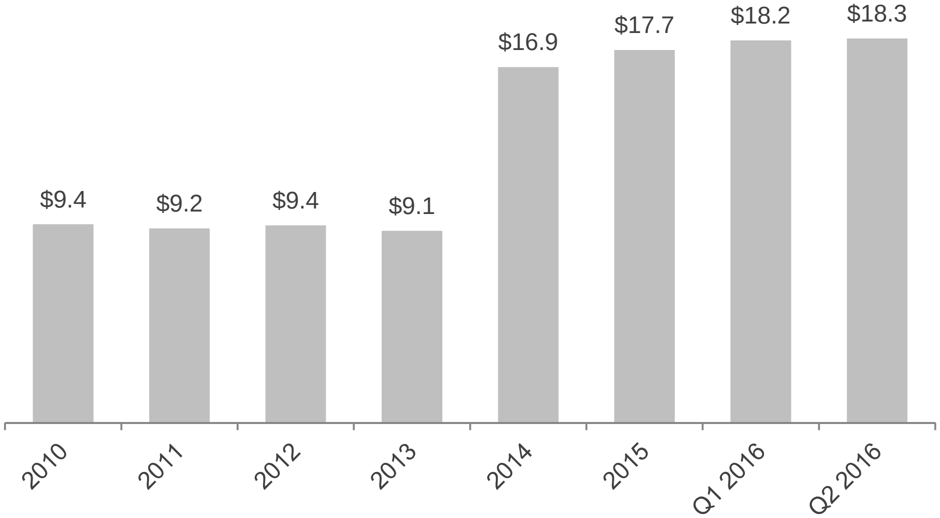
Deposit Growth

> Total deposits increased by $95.5 million, or 2% annualized, from the prior quarter

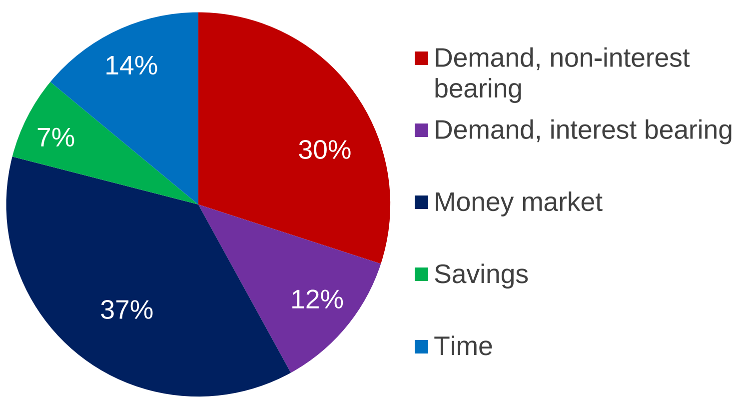
- Included large seasonal outflows related to tax payments
- Cost of interest bearing deposits was flat at 0.27%

(in billions)

Total Deposits

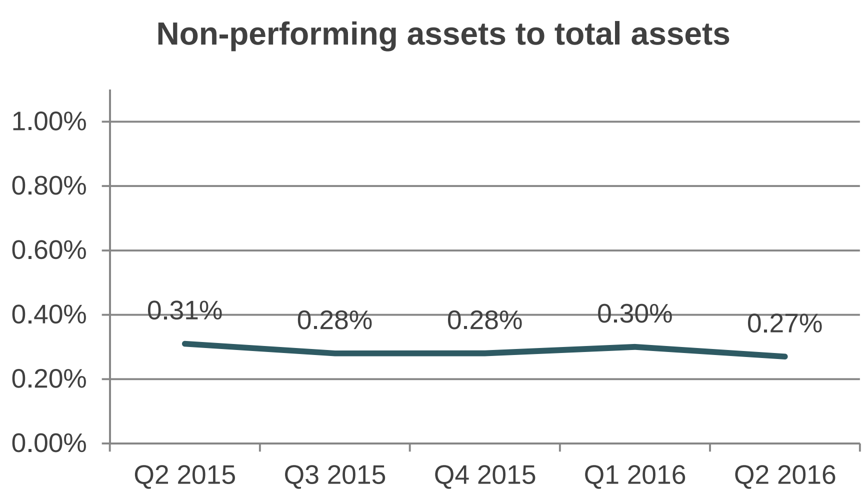


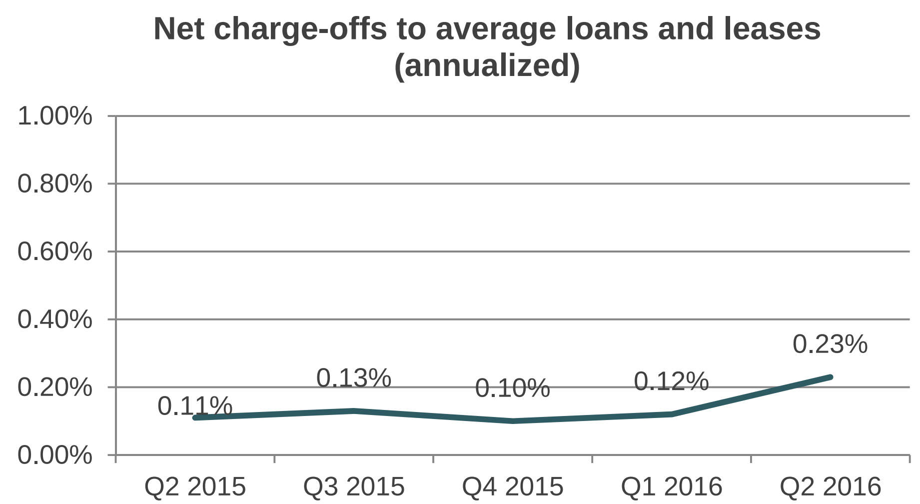
As of Jun 30, 2016

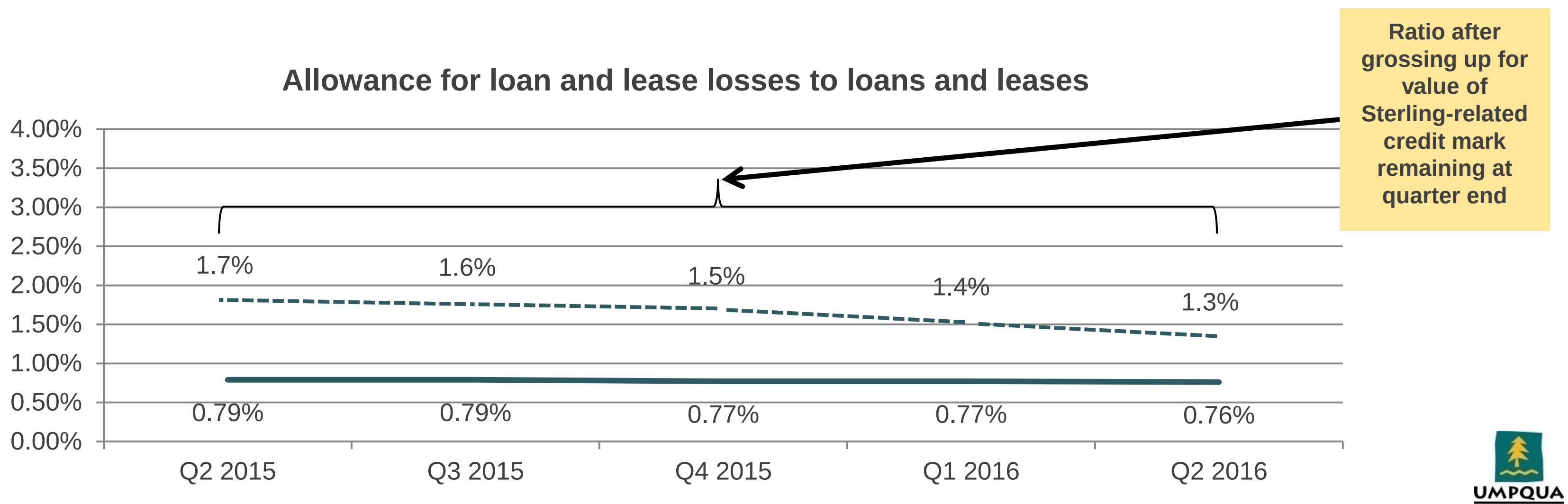


Credit Quality

- All of the key credit quality ratios remained strong

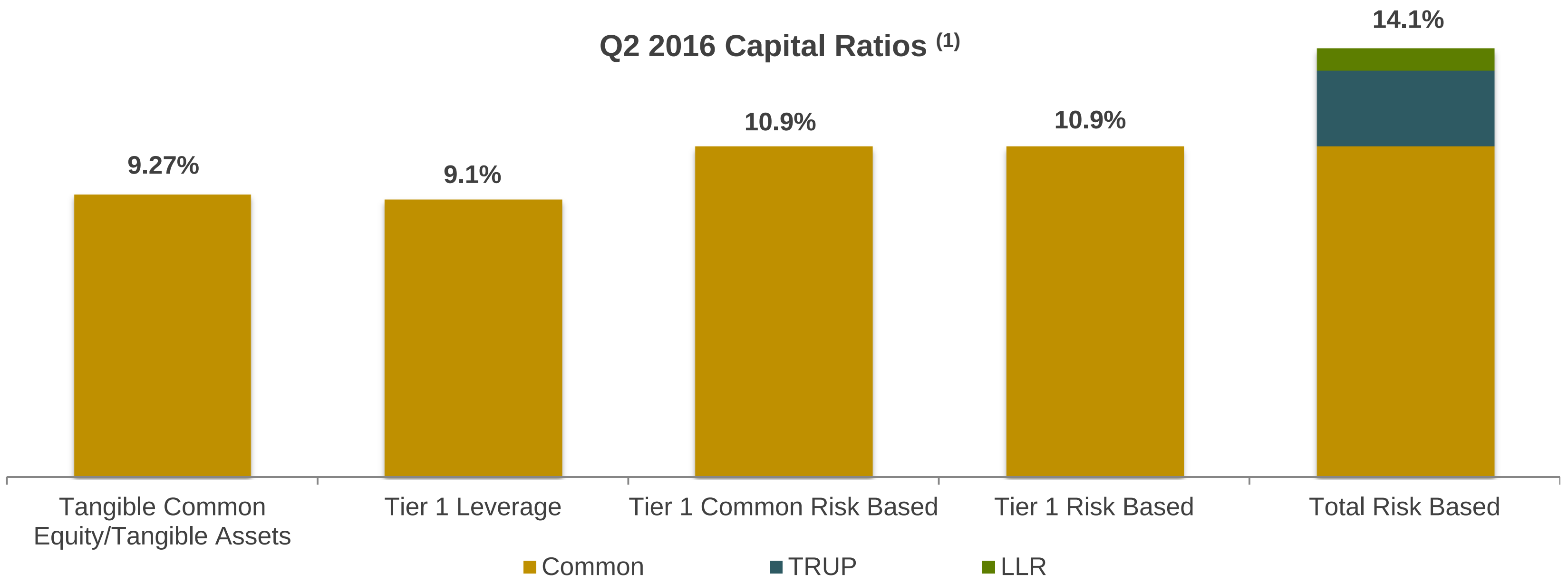






Prudent Capital Management

- All regulatory capital ratios remained in excess of well-capitalized and internal policy limits
- Focused on prudently managing capital
  - Quarterly dividend of $0.16 per share, ~4.0% dividend yield
  - Total payout ratio of 51% of operating earnings



(1) **Regulatory capital ratios are estimates pending completion and filing of the Company's regulatory reports.**

Note: LLR = loan loss reserve, TRUP = trust preferred capital, Common = tangible common equity.

Appendix – Non-GAAP Reconciliation

Non-GAAP Reconciliation – Operating Earnings

(In thousands, except per share data)	Quarter Ended: Jun 30, 2016	Quarter Ended: Mar 31, 2016	Quarter Ended: Dec 31, 2015	Quarter Ended: Sep 30, 2015	Quarter Ended: Jun 30, 2015	% Change: Seq. Quarter	% Change: Year over Year
Net earnings available to common shareholders	$ 54,255	$ 47,540	$62,923	$ 57,523	$ 54,691	14 %	(1)%
Adjustments:							
Loss from change in fair value of MSR asset	13,940	20,625	469	10,103	423	(32)%	nm
Gain on investment securities, net	(162)	(696)	(2,567)	(220)	(19)	(77)%	753 %
Net loss on junior subordinated debentures carried at fair value	1,572	1,572	1,589	1,590	1,572	0 %	0 %
Loss (gain) from change in fair value of swap derivative	1,493	1,793	(715)	1,181	(1,408)	(17)%	(206)%
Merger related expenses	6,634	3,450	3,712	5,991	21,797	92 %	(70)%
Goodwill impairment	—	142	—	—	—	nm	nm
Exit or disposal costs	1,434	347	—	—	—	313 %	nm
Total pre-tax adjustments	24,911	27,233	2,488	18,645	22,365	(9)%	11 %
Income tax effect (1)	(9,965)	(10,836)	(995)	(7,458)	(8,946)	(8)%	11 %
Net adjustments	14,946	16,397	1,493	11,187	13,419	(9)%	11 %
Operating earnings	$ 69,201	$ 63,937	$64,416	$ 68,710	$ 68,110	8 %	2 %
Earnings per diluted share:							
Earnings available to common shareholders	$ 0.25	$ 0.22	$ 0.28	$ 0.26	$ 0.25	14 %	0 %
Operating earnings	$ 0.31	$ 0.29	$ 0.29	$ 0.31	$ 0.31	7 %	0 %

(1) Income tax effect of pro forma operating earnings adjustments at 40% for tax-deductible items.

nm = not meaningful.

Non-GAAP Reconciliation – Operating Earnings

	Six Months Ended		% Change
	Jun 30, 2016	Jun 30, 2015	Year over Year
Net earnings available to common shareholders	$ 101,795	$ 101,736	0 %
Adjustments:			
Loss from change in fair value of MSR asset	34,565	10,151	241 %
Gain on investment securities, net	(858)	(135)	536 %
Net loss on junior subordinated debentures carried at fair value	3,144	3,127	1 %
Loss (gain) from change in fair value of swap derivative	3,286	(627)	(624)%
Merger related expenses	10,084	35,879	(72)%
Goodwill impairment	142	—	nm
Exit or disposal costs	1,781	—	nm
Total pre-tax adjustments	52,144	48,395	8 %
Income tax effect (1)	(20,801)	(19,358)	7 %
Net adjustments	31,343	29,037	8 %
Operating earnings	$ 133,138	$ 130,773	2 %
Earnings per diluted share:			
Earnings available to common shareholders	$ 0.46	$ 0.46	0 %
Operating earnings	$ 0.60	$ 0.59	2 %

(1) Income tax effect of pro forma operating earnings adjustments at 40% for tax-deductible items.

nm = not meaningful.

Non-GAAP Reconciliation – Operating Earnings

(Dollars in thousands)	Quarter Ended Jun 30, 2016	Mar 31, 2016	Dec 31, 2015	Sep 30, 2015	Jun 30, 2015
Non-interest income (GAAP)	$ 74,659	$ 45,951	$ 69,345	$ 61,372	$ 81,102
Adjustments:					
Loss from change in fair value of MSR asset	13,940	20,625	469	10,103	423
Loss (gain) from change in fair value of swap derivative	1,493	1,793	(715)	1,181	(1,408)
Net loss on junior subordinated debentures carried at fair value	1,572	1,572	1,589	1,590	1,572
Gain on investment securities, net	(162)	(696)	(2,567)	(220)	(19)
Non-interest income (operating basis)	$ 91,502	$ 69,245	$ 68,121	$ 74,026	$ 81,670

	Quarter Ended Jun 30, 2016	Mar 31, 2016	Dec 31, 2015	Sep 30, 2015	Jun 30, 2015
Non-interest expense (GAAP)	$ 188,511	$ 183,989	185,911	$ 183,194	$ 201,918
Adjustments:					
Merger related expenses	(6,634)	(3,450)	(3,712)	(5,991)	(21,797)
Goodwill impairment	—	(142)	—	—	—
Exit or disposal costs	(1,434)	(347)	—	—	—
Non-interest expense (operating basis)	$ 180,443	$ 180,050	$ 182,199	$ 177,203	$ 180,121

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Non-GAAP Reconciliation – Tangible Book Value

(In thousands, except per share data)	Jun 30, 2016	Mar 31, 2016	Dec 31, 2015	Sep 30, 2015	Jun 30, 2015
Total shareholders' equity	$ 3,902,158	$ 3,878,630	$ 3,849,334	$ 3,835,552	$ 3,804,179
Subtract:					
Goodwill	1,787,651	1,787,651	1,787,793	1,788,640	1,788,640
Other intangible assets, net	40,620	42,948	45,508	48,314	51,120
Tangible common shareholders' equity	$ 2,073,887	$ 2,048,031	$ 2,016,033	$ 1,998,598	$ 1,964,419
Total assets	$ 24,132,507	$ 23,935,686	$ 23,406,381	$ 23,181,006	$ 22,807,886
Subtract:					
Goodwill	1,787,651	1,787,651	1,787,793	1,788,640	1,788,640
Other intangible assets, net	40,620	42,948	45,508	48,314	51,120
Tangible assets	$ 22,304,236	$ 22,105,087	$ 21,573,080	$ 21,344,052	$ 20,968,126
Common shares outstanding at period end	220,482	220,171	220,171	220,217	220,280
Common equity ratio	16.17%	16.20%	16.45%	16.55%	16.68%
Tangible common equity ratio	9.30%	9.26%	9.35%	9.36%	9.37%
Book value per common share	$ 17.70	$ 17.62	$ 17.48	$ 17.42	$ 17.27
Tangible book value per common share	$ 9.41	$ 9.30	$ 9.16	$ 9.08	$ 8.92

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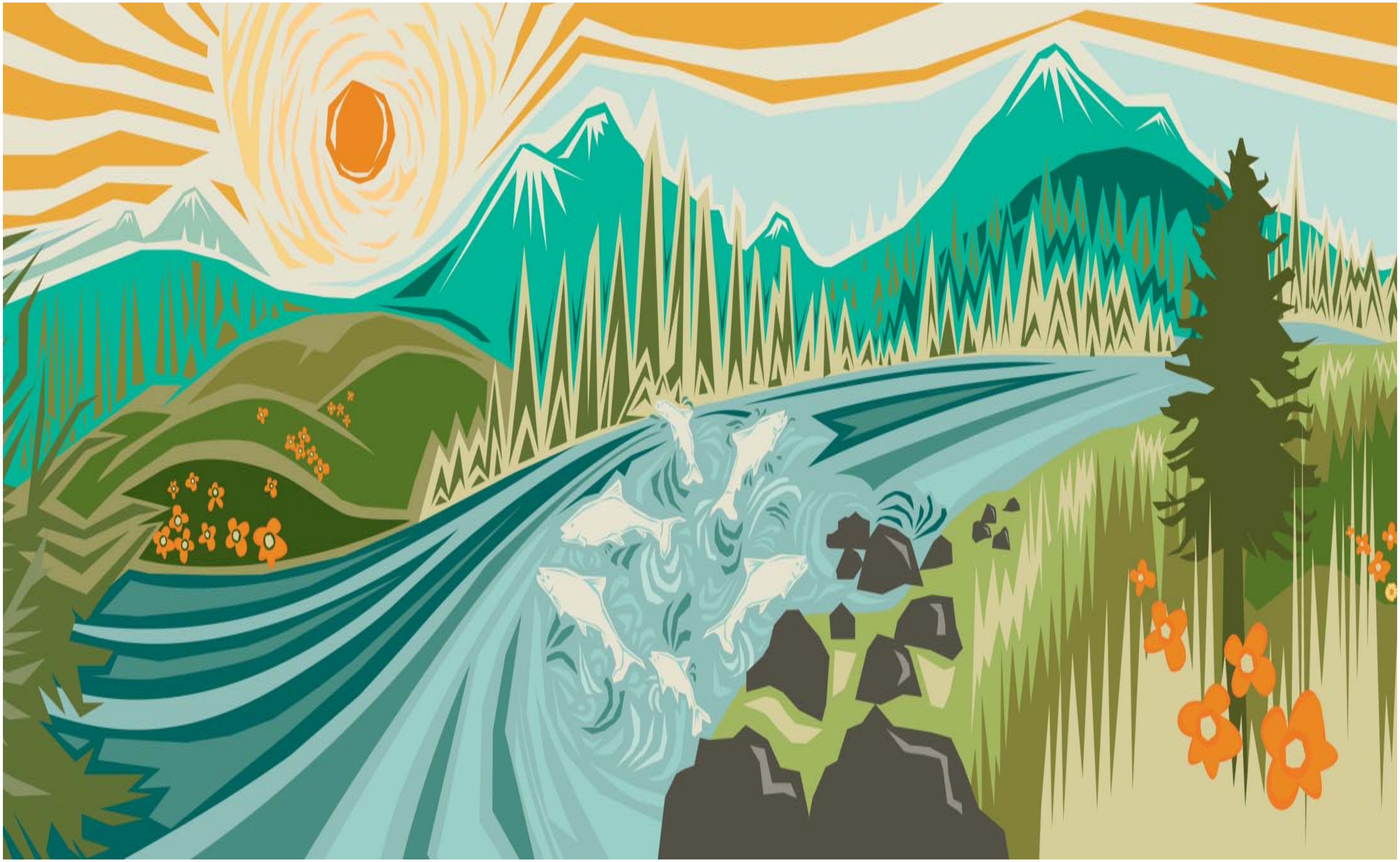

Thank you