UMPQUA HOLDINGS CORPORATION

KBW Investor Conference, New York, NY

August 2-3, 2011

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:

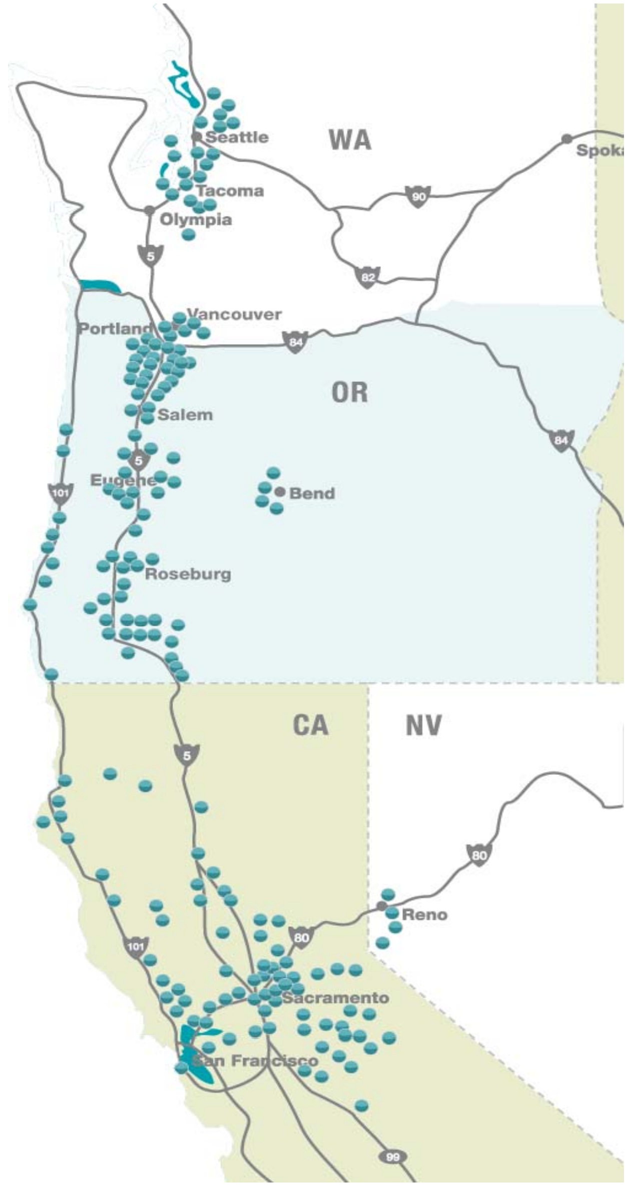
- The ability to attract new deposits and loans and leases
- Demand for financial services in our market areas
- Competitive market pricing factors
- Deterioration in economic conditions that could result in increased loan and lease losses
- Risks associated with concentrations in real estate related 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 ability to recruit and retain key management and staff
- Availability of, and competition for, FDIC-assisted acquisition opportunities
- 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
- Effectiveness of the Emergency Economic Stabilization Act of 2008 (the “EESA”) and other legislative and regulatory efforts to help stabilize the U.S. financial markets
- Future legislative or administrative changes to the Capital Purchase Program enacted under the EESA.

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, 2010 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 B·A·N·K

Umpqua is a leading community bank serving the Pacific Northwest

> 186 total stores



UMPQUA B·A·N·K

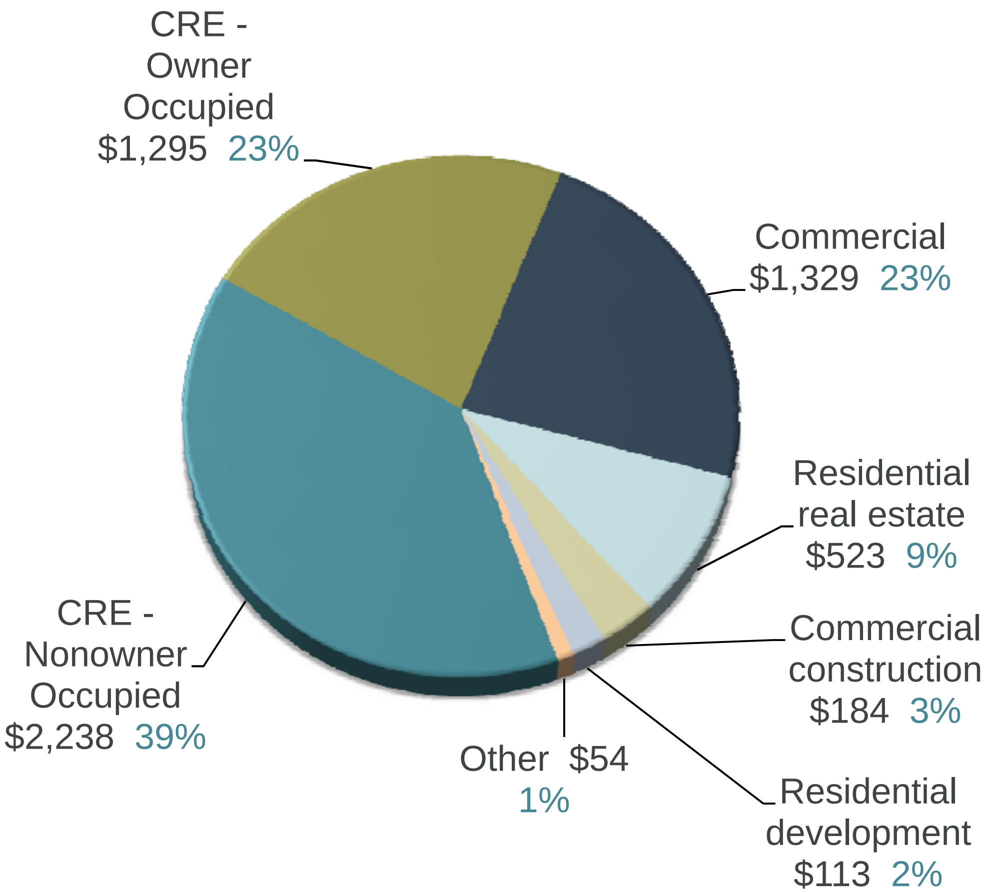
4 Topics

- Strong loan production
- Improving earnings
- Strong balance sheet
- Outlook for 2011/2012

Strong loan production

- Positioning over last 18 months with addition of experienced teams in growth markets
- Q2 non-covered loan growth of $103 million or 2%
- Commercial production first half of 2011 exceeded ALL of 2010
- Pipeline increased to $2 billion, double that of year ago – focus on owner occupied and commercial loans
- Capital markets group off to strong start, $1.2 million in new revenue

Loan Portfolio – June2011
(non-covered, $ in millions)



- Commercial, owner-occupied & residential are growth categories
- Strong, consistent underwriting
- Shifting mix over time
- Strong credit culture

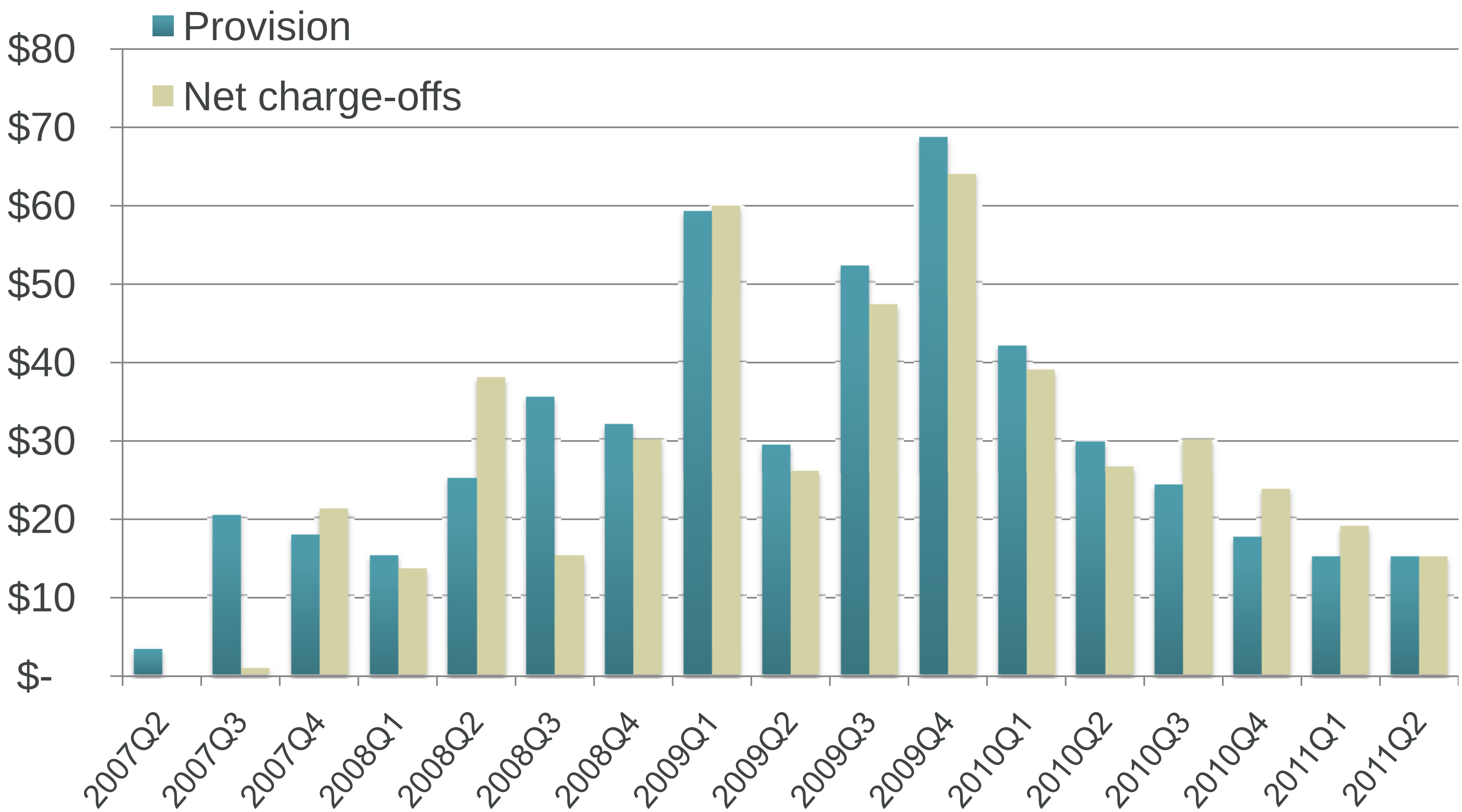
> CRE maturities:
  - 7% in 2011-2012
  - 16% in 2013-2014
  - 23% in 2015-2016
  - 54% 2017 and later

> NPAs written down 43% from original balance

> Non-covered classified assets continued decline, down 14% over last year, ending at 37% of Tier 1 capital + Allowance for credit loss

- Q2 operating EPS $0.16, excluding bond gains $0.13
- Core margin 4.08%, increased18bps sequential quarter
- Improving credit cost trends, non-covered NPA ratio down to 1.37%
- Continued focus on reducing NPA's
- Built in expense reductions as credit quality continues to improve, $25 million annualized workout costs (excl. OREO gain/loss)
- Improving loan to deposit ratio, now 70% = future upside

Provision for loan loss & net charge-off trends
(non-covered, $ in millions)



> Already low non-performing asset levels continue to improve

> Loan to deposit ratio of 70% provides opportunity for upside

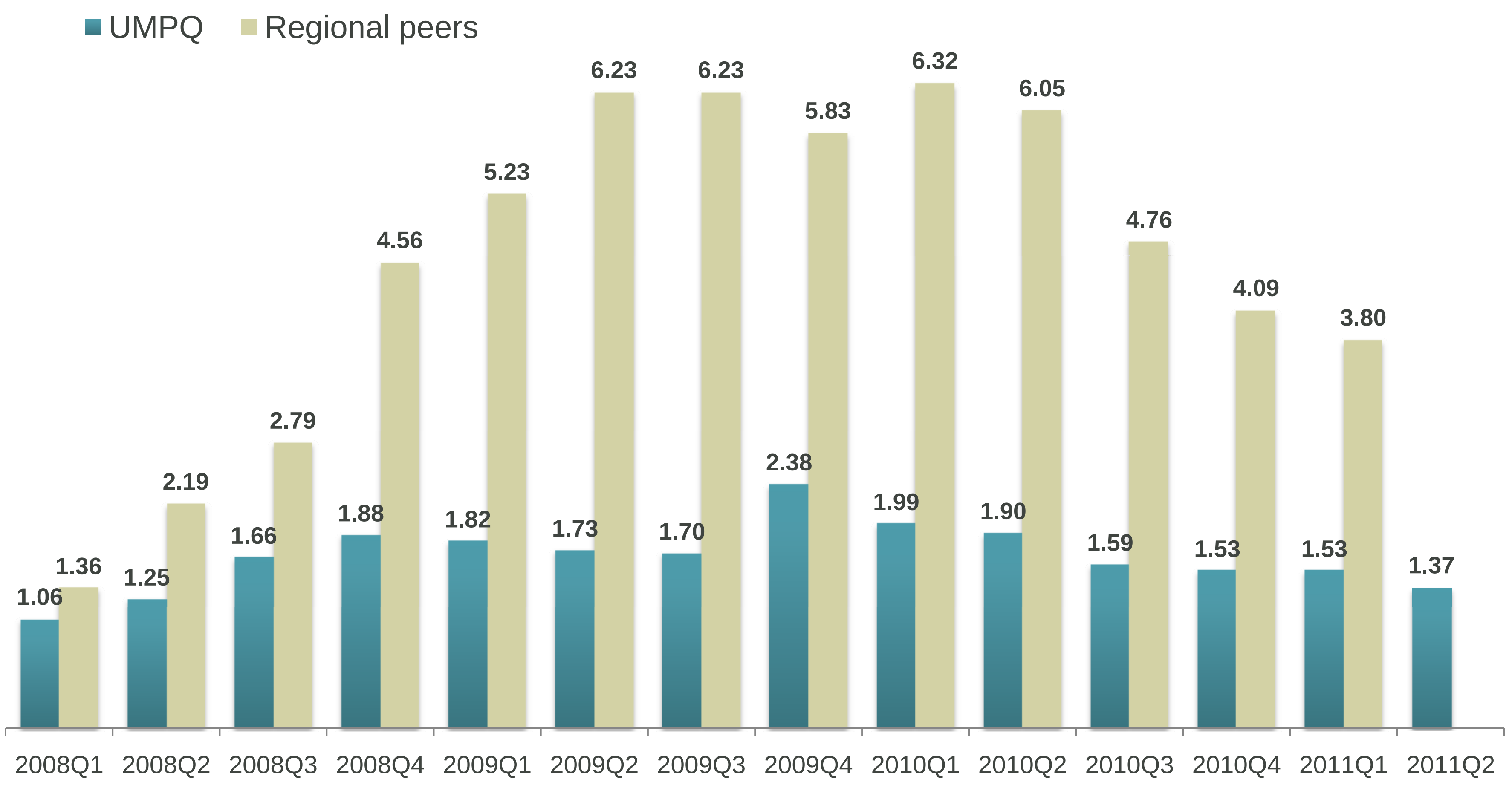
> Tangible common equity at 9.23%, flexibility for various outcomes

> Total available liquidity of $4.5 billion, flexibility to fund growth

> Opportunity for continued organic and disciplined acquisition expansion

> Stable low cost core deposit base in desirable markets

Non-performing assets to total assets % (non-covered)



- 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 2011 peer data not available at printing of this report.

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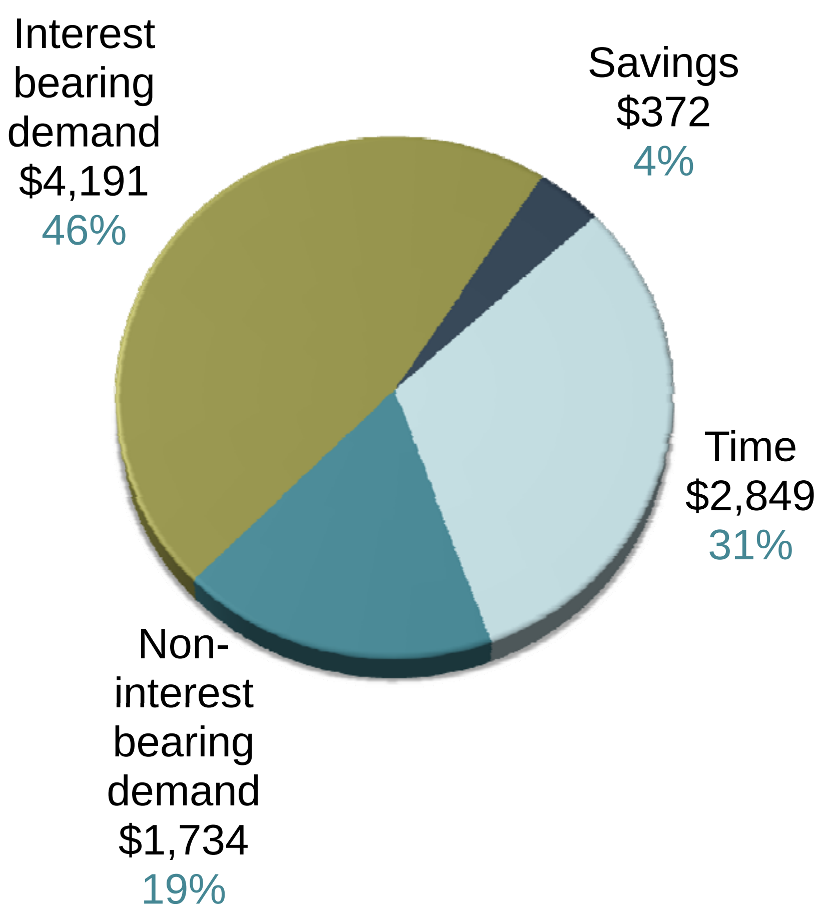
Deposit Portfolio – June 2011

($ in millions)



- Improving mix
- DDA up 7% ytd and 15% y/y
- Cost of interest bearing deposits 0.79%
- Cost of total deposits 0.64%

Capital

	Q4 2010	Q2 2011
Tier 1 Leverage	10.56%	10.89%
Tier 1 Risk Based Capital	16.36%	16.08%
Total Risk Based Capital	17.62%	17.33%
Tier 1 Common / Risk Weighted	13.23%	13.04%
Tangible Common Equity ratio	8.74%	9.23%
Tangible Book Value / Share	$8.39	$8.68

- $900 million of excess pre-tax risk based capital above 10% well capitalized threshold
- Well positioned for Basel III threshold with excess
- Capital ratios for Q2 2011 are estimates pending completion of regulatory reports

UMPQUA BANK

Outlook for 2011/2012

- Strong competitive advantage: community bank alternative of choice in growth markets
- Management team prepared for future industry consolidation
- Self discipline in place to continue our growth plans
- Expand lending, major focus in Puget Sound, Portland, San Francisco and Silicon Valley
- Continue organic expansion
- Improving earnings and dividends

Thank you