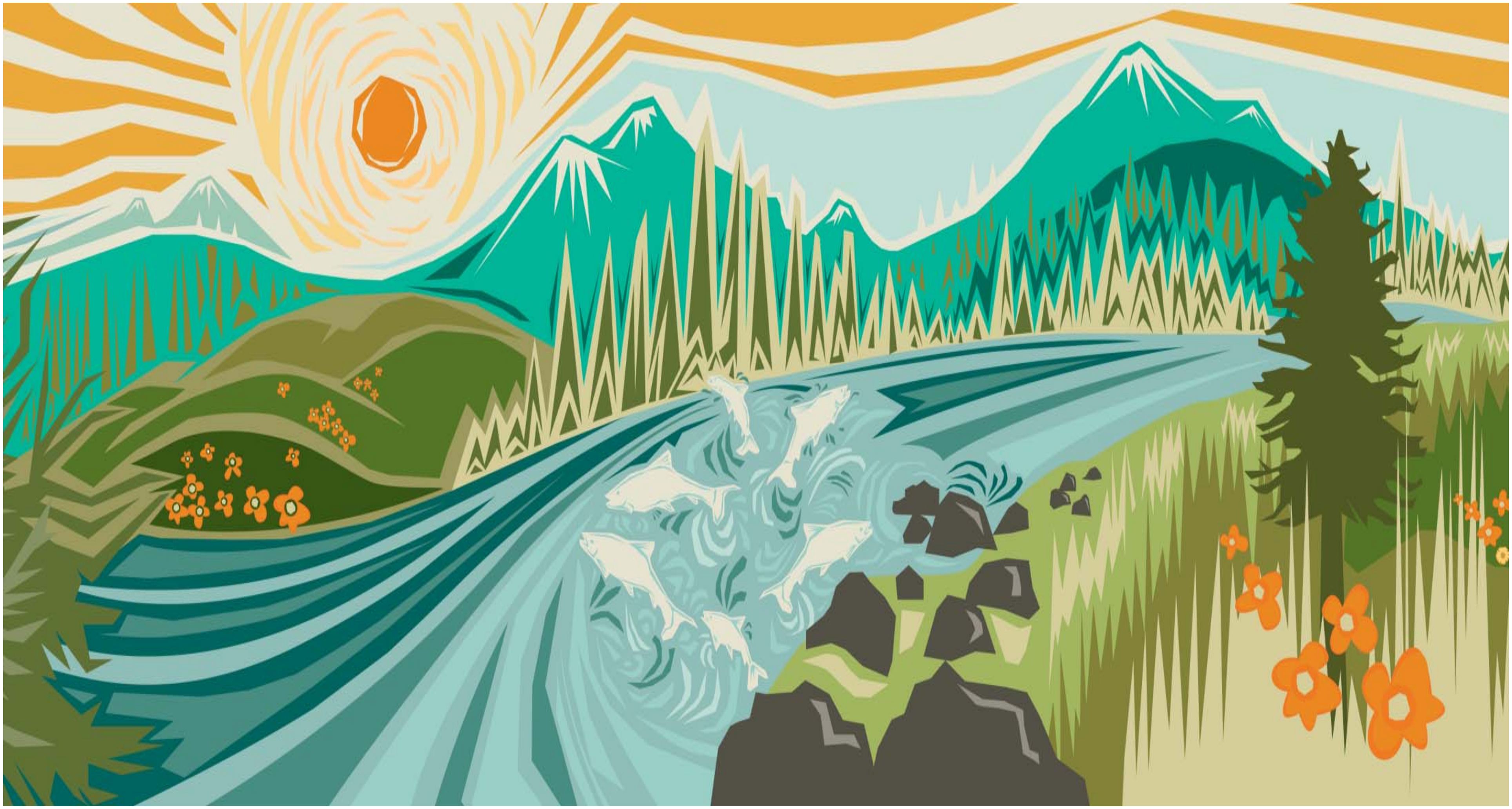

UMPQUA HOLDINGS CORPORATION

3rd Quarter 2017 Earnings Conference Call Presentation

October 19, 2017

Forward-looking Statements

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 fee revenue and operating efficiency initiatives, the credit discount accretion related to loans acquired from Sterling, store consolidations and facilities optimization and related costs and savings, and indirect auto wind down. 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; the effect of interest rate increases on the cost of deposits; 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; and changes in laws or regulations.

Third Quarter 2017 Highlights

- Net earnings available to common shareholders of $61.3 million, or $0.28 per diluted common share
- Net interest income increased by $8.4 million, or 4%, driven by growth in loans and leases, combined with a 3 basis point increase in net interest margin resulting primarily from higher accretion of the credit discount
- Provision for loan and lease losses increased by $1.3 million primarily from continued loan growth, and net charge-offs declined by two basis to 0.20% of average loans and leases (annualized)
- Non-interest income increased by $4.3 million, driven primarily by higher gains from portfolio loan sales
- Non-interest expense increased by $4.3 million, driven primarily by higher merger-related expense associated with final work on a non-customer facing system conversion
- Gross loan and lease growth of $356.6 million, or 8% annualized
- Deposit growth of $392.0 million, or 8% annualized
- Non-performing assets to total assets increased to 0.30%, primarily driven by two larger non-performing loans
- Estimated total risk-based capital ratio of 14.1% and estimated Tier 1 common to risk weighted assets ratio of 11.1%
- Increased the quarterly cash dividend by 12.5% to $0.18 per common share

Umpqua Next Gen -- Overview

- Mission: ***to provide personalized banking for all, anytime, anywhere***
- Strategy: ***Human + Digital Banking***
- Represents evolution and modernization of the Bank
- Benefits shareholders, customers, and associates
- Focused on improving organizational-wide profitability and more efficiently utilizing capital
- Includes both operational efficiency initiatives and revenue enhancements
- Establishes 3-year financial goals
- Goals achieved by 2020; positive operating leverage expected in 2018

Umpqua Next Gen -- Financial Goals and Assumptions

2020 Financial Goals

	Flat Rates	Moderately Increasing Rates
ROATCE	> 13.0%	> 15.0%
ROAA	> 1.1%	> 1.2%
NIM	3.65 - 3.75%	3.9 – 4.0%
Efficiency Ratio	Mid 50s	Low 50s

Key Assumptions

- Annual loan / deposit growth in the mid to upper-single digit range
- Non-recessionary environment, with net charge-offs of 25–35 bps of loans
- Loan and lease loss provisions of 30–40 bps of loans
- Financial goals above exclude fair value adjustments and exit disposal costs
- Exit disposal costs approximately $8–12MM per year
- Flat rates environment assumes no additional fed funds rate increase and 10-year treasury yield in the 2.0–2.5% range
- Moderately increasing rate environment assumes fed funds rate increases 50 bps per year, and 10-year treasury yield increases to mid 3% range
- No change in federal or state income tax rates

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Umpqua Next Gen -- Additional Details

Operational Efficiency Initiatives

- Identified 1/3rd of the store footprint for consolidation by 2020
  - 6 stores consolidated during Q3 2017
  - Next 30 consolidations completed during Q1 2018
  - Remaining 2/3rd of consolidations to be evaluated and phased-in over 3-year horizon
- $0.4MM in average annual expense savings per store
- 25%–35% of store cost savings reinvested in high-growth digital, data and marketing initiatives
- $4MM in annual savings from Northwest region non-store facilities optimization by 2020 (square footage reduction of 20%)
- $3MM in annual savings from commercial banking re-organization
- Winding down indirect auto business, freeing up ~$40MM in capital over next 3 years
- Evaluating other operational / efficiency opportunities on $300MM back office and operations expense base with assistance of independent 3rd party

Revenue Enhancements

- $30–$40MM in incremental annual core non-interest income by 2020
  - Commercial card: $9.5MM
  - Treasury: $7MM
  - Trade & FX: $4MM
  - Merchant: $5MM
  - Capital markets: $4MM
  - Brokerage: $4MM
  - Small business / other: $1.5MM
- Fee growth more heavily weighted towards 2019 and 2020
- Incentive plans re-aligned
- Improved speed to market on fee-based services
- Increase digital customer acquisition

Selected Ratios

		For the quarter ended				
		Q3 2017	Q2 2017	Q1 2017	Q4 2016	Q3 2016
Performance	Return on average assets	0.96%	0.92%	0.75%	1.11%	1.01%
	Return on average tangible assets	1.04%	0.99%	0.81%	1.20%	1.09%
	Return on average common equity	6.10%	5.76%	4.74%	7.04%	6.28%
	Return on average tangible common equity	11.23%	10.67%	8.83%	13.19%	11.79%
	Efficiency ratio - consolidated	63.43%	64.71%	68.15%	59.65%	62.11%
	Net interest margin - consolidated	3.94%	3.91%	3.85%	3.83%	3.95%
Credit Quality	Non-performing loans and leases to loans and leases	0.39%	0.29%	0.29%	0.32%	0.31%
	Non-performing assets to total assets	0.30%	0.23%	0.24%	0.25%	0.25%
	Net charge-offs to average loans and leases (annualized)	0.20%	0.22%	0.22%	0.29%	0.24%
Capital	Tangible common equity to tangible assets [1]	9.07%	9.12%	9.15%	9.10%	9.14%
	Tier 1 common to risk-weighted asset ratio [2]	11.1%	11.2%	11.3%	11.5%	11.3%
	Total risk-based capital ratio [2]	14.1%	14.2%	14.5%	14.7%	14.5%

> [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.

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Summary Income Statement

($ in millions except per share data)	Quarter ended Q3 2017	Q2 2017	Q3 2016
Net interest income before provision	$ 220.5	$ 212.1	$ 209.9
Provision for loan and lease losses	12.0	10.7	13.1
Net interest income after provision	208.5	201.4	196.8
Non-interest income	75.4	71.1	80.7
Non-interest expense	188.4	184.0	181.2
Income before provision for income taxes	**95.5**	**88.5**	**96.3**
Provision for income taxes	34.2	31.7	34.5
Net income	**61.3**	**56.8**	**61.8**
Dividends and undistributed earnings allocated to participating securities	0.0	0.0	0.0
Net earnings available to common shareholders	**$ 61.3**	**$ 56.8**	**$ 61.8**
Earnings per share - diluted	$0.28	$0.26	$0.28

> Note: tables may not foot due to rounding.

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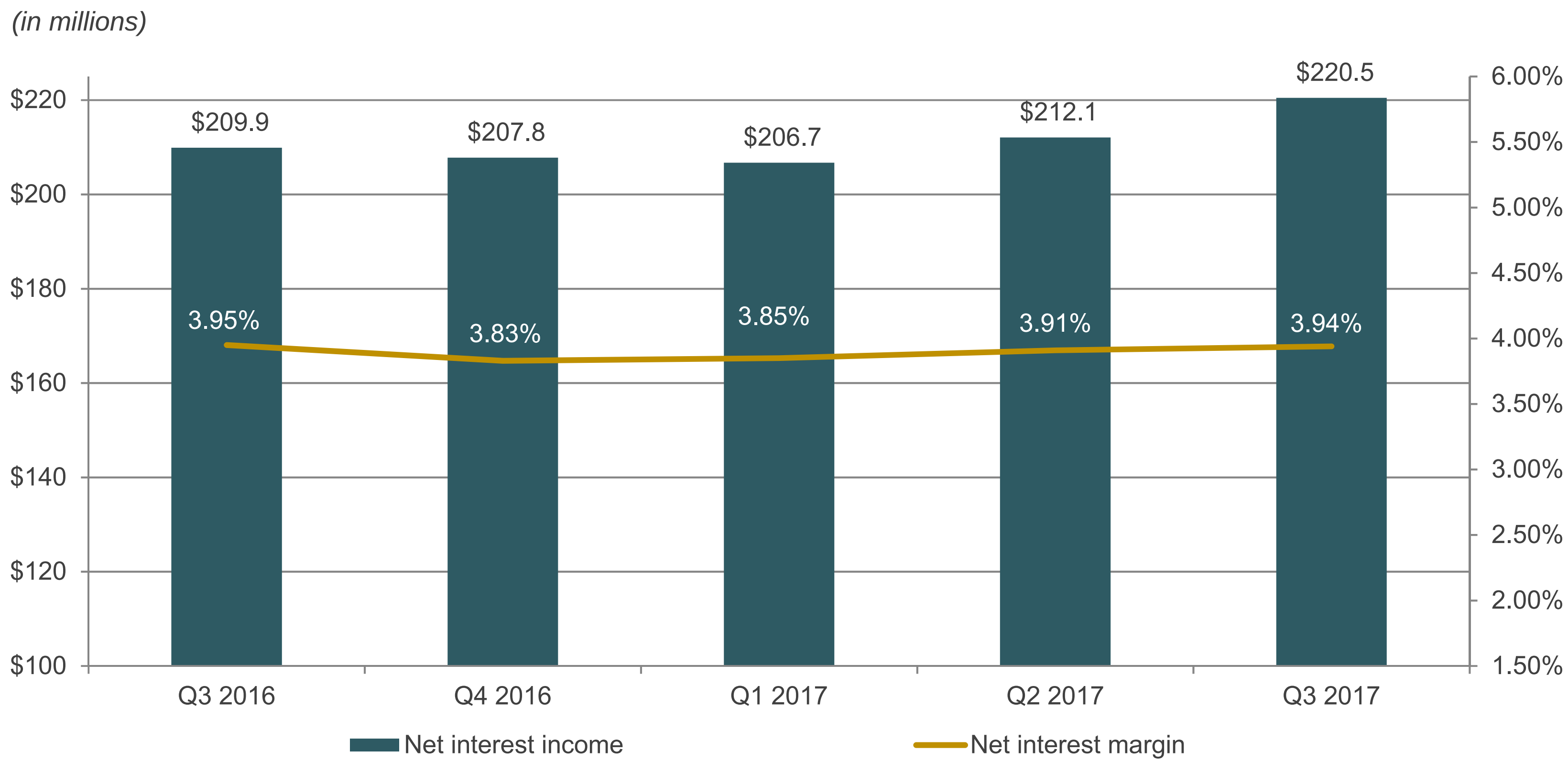
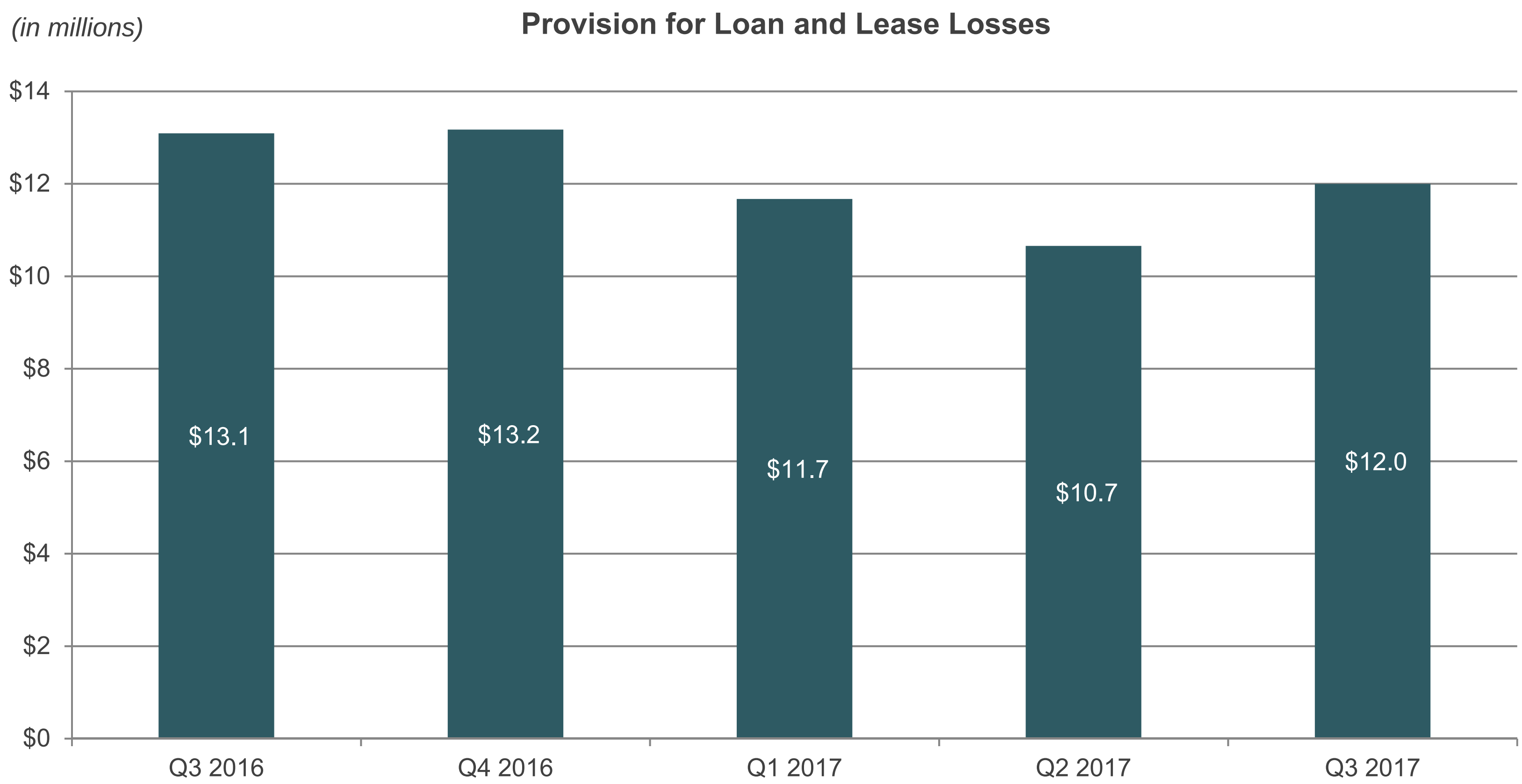
Net Interest Income and Margin



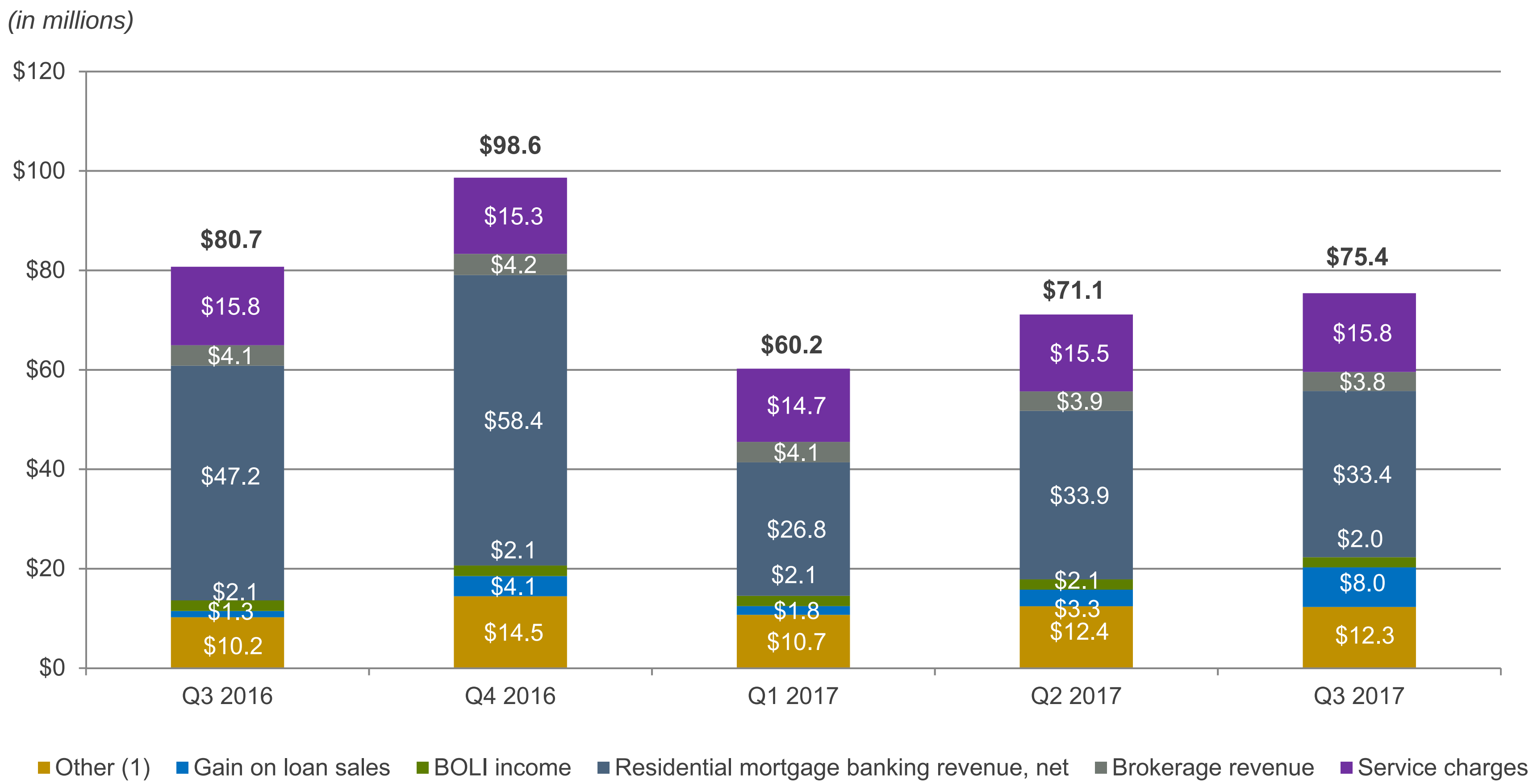
Adjusted NIM [1]	**3.77%**	**3.65%**	**3.71%**	**3.78%**	**3.78%**

> [1] Net interest margin, excluding interest income related to credit discount from Sterling deal and related to 310-30 covered loan PIFs

Provision for Loan and Lease Losses

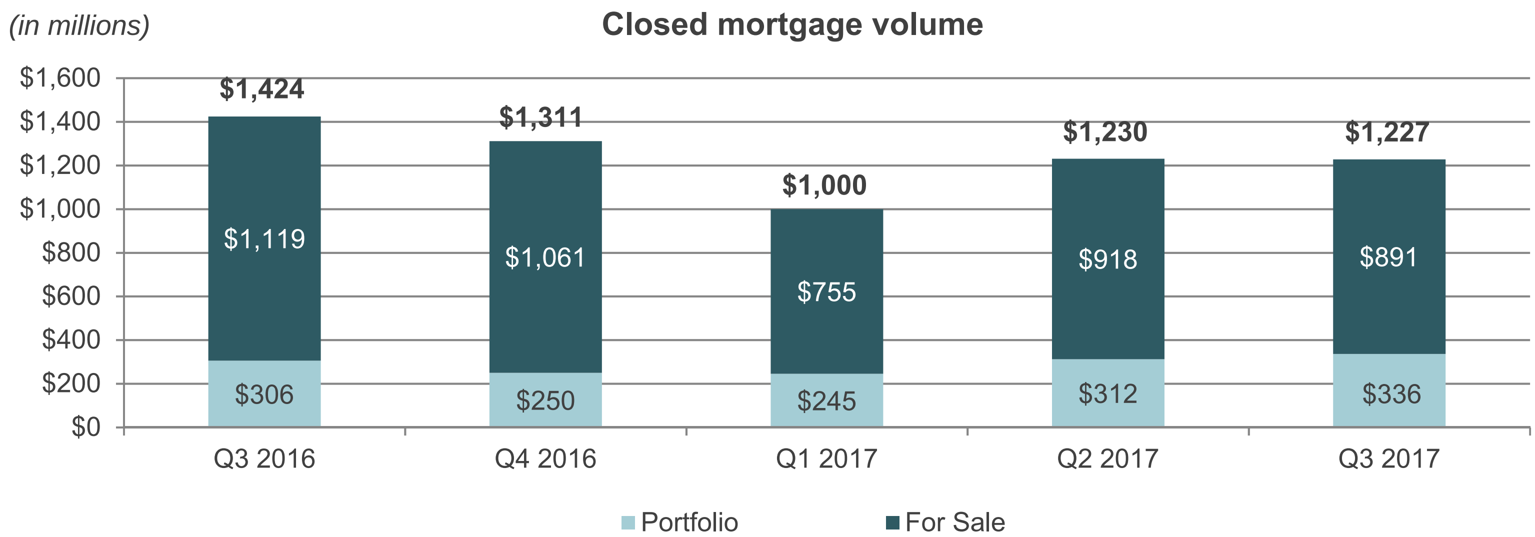


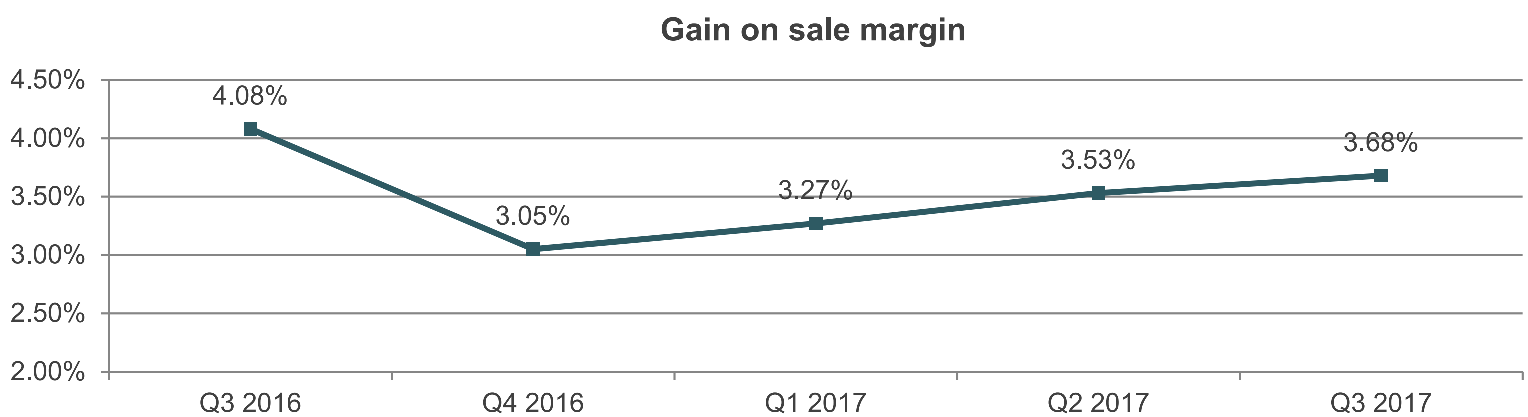
Non-interest Income



- (1) Includes other income, gains or losses on investment securities and losses on junior subordinated debentures carried at fair value.
- Note: tables may not foot due to rounding.

Mortgage Banking





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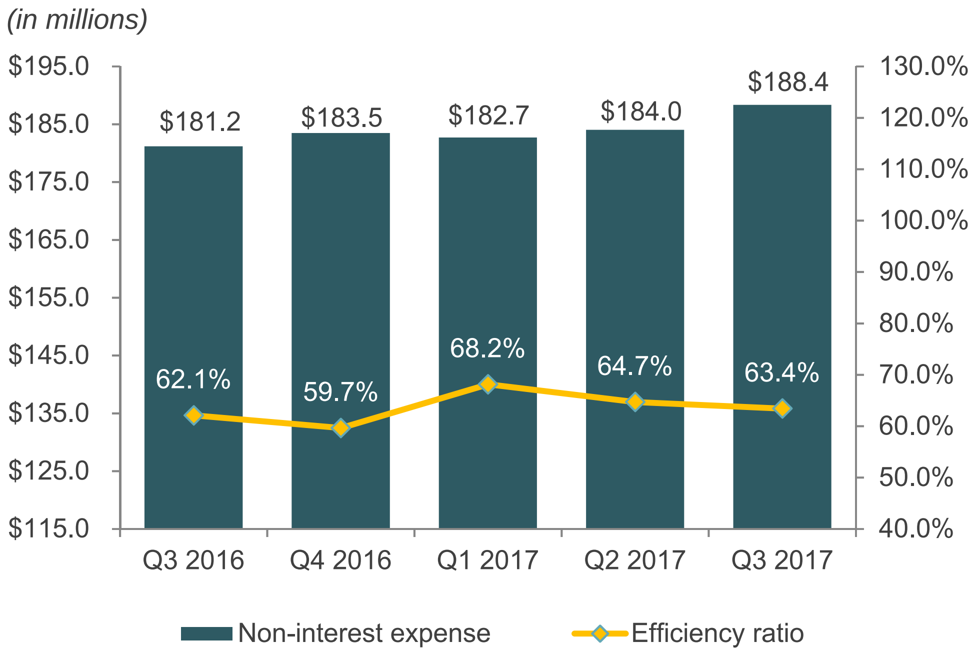
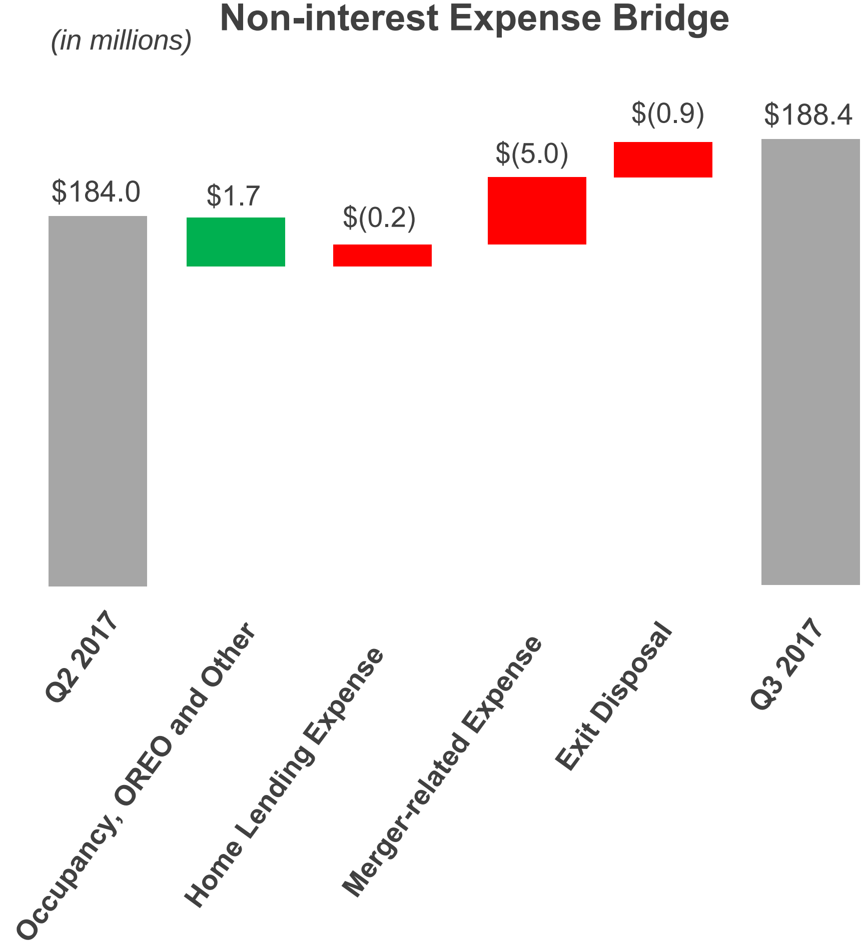
Non-interest Expense

Non-interest Expense and Efficiency Ratio



Non-interest Expense Bridge



Selected Balance Sheet

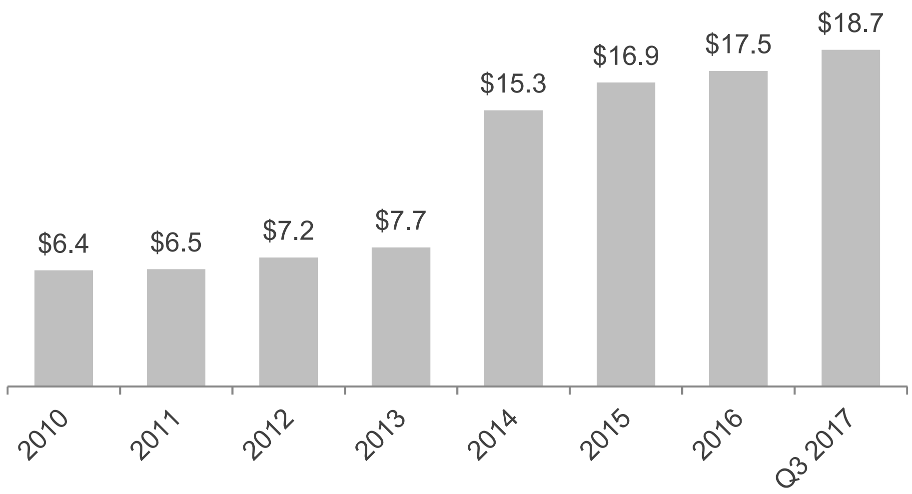
($ in millions)	Q3 2017	Q2 2017	Q3 2016
Total assets	$ 25,695.7	$ 25,257.8	$ 24,744.2
Interest bearing cash and temporary investments	540.8	295.9	1,102.4
Investment securities available for sale, fair value	3,047.4	3,132.6	2,520.0
Loans and leases, gross	18,677.8	18,321.1	17,392.1
Allowance for loan and lease losses	(139.5)	(136.9)	(133.7)
Goodwill and other intangibles, net	1,819.5	1,821.2	17,258.4
Deposits	19,851.9	19,460.0	18,918.8
Securities sold under agreements to repurchase	321.5	330.2	309.5
Term debt	852.3	852.2	902.7
Total shareholders' equity	3,985.3	3,958.8	3,920.2
Ratios:			
Loan to deposit ratio	94.1%	94.1%	91.9%
Book value per common share	$18.10	$17.98	$17.80
Tangible book value per common share [1]	$9.83	$9.71	$9.51
Tangible common equity to tangible assets [1]	9.07%	9.12%	9.14%

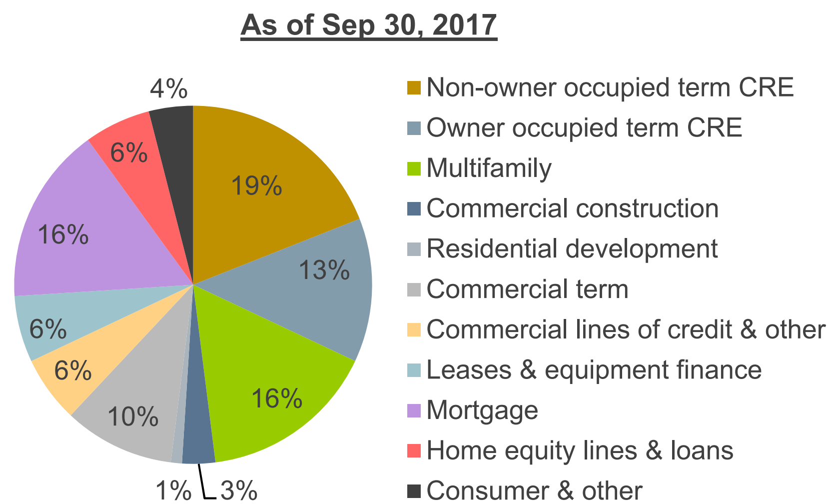
> [1] Non-GAAP financial measure. A reconciliation to the comparable GAAP measurement is provided in the appendix of this slide presentation.

Loan and Deposit Growth

(in billions)

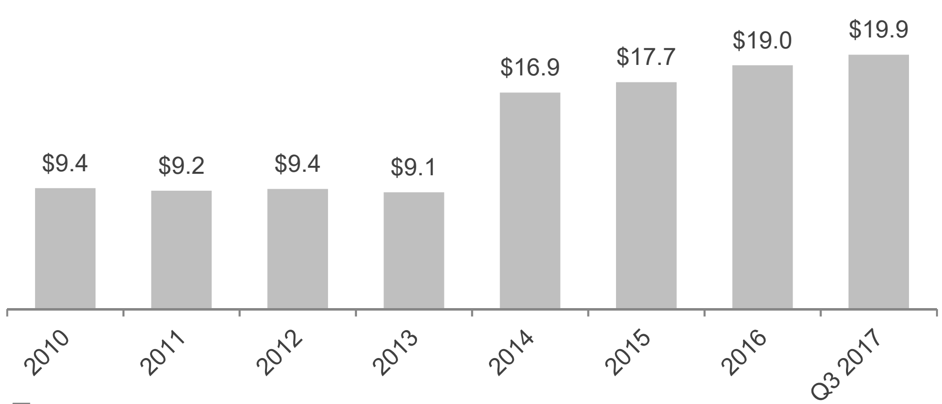
Loans and Leases (Gross)

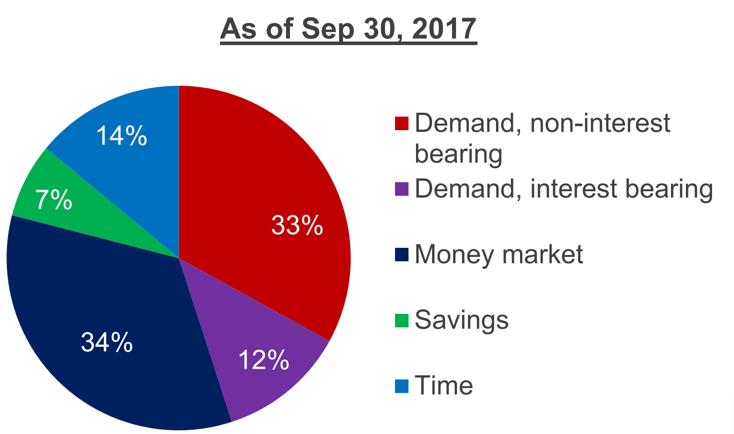




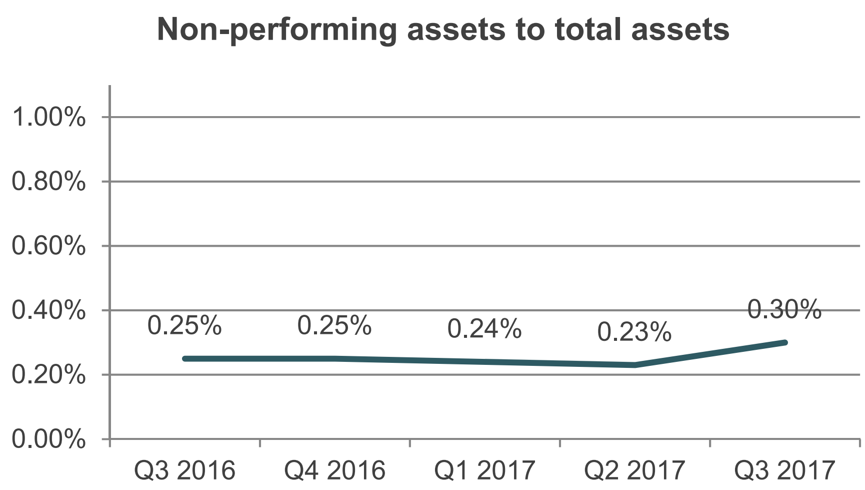
(in billions)

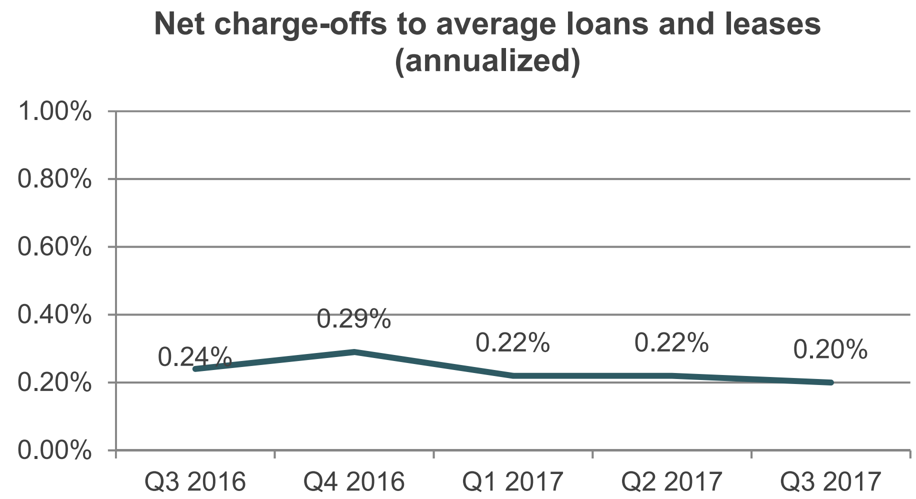
Total Deposits

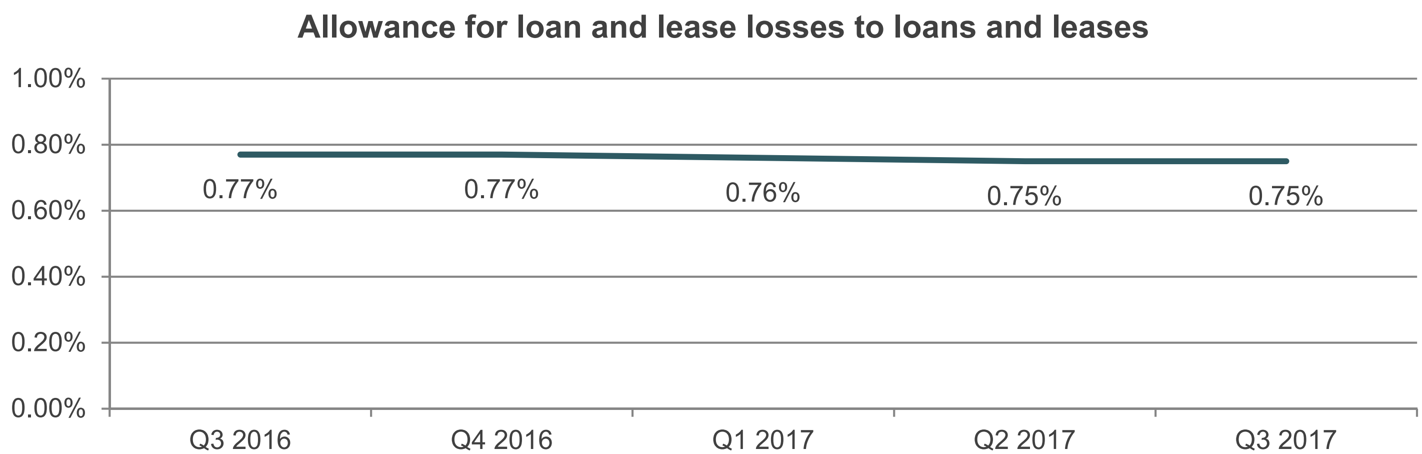




Credit Quality

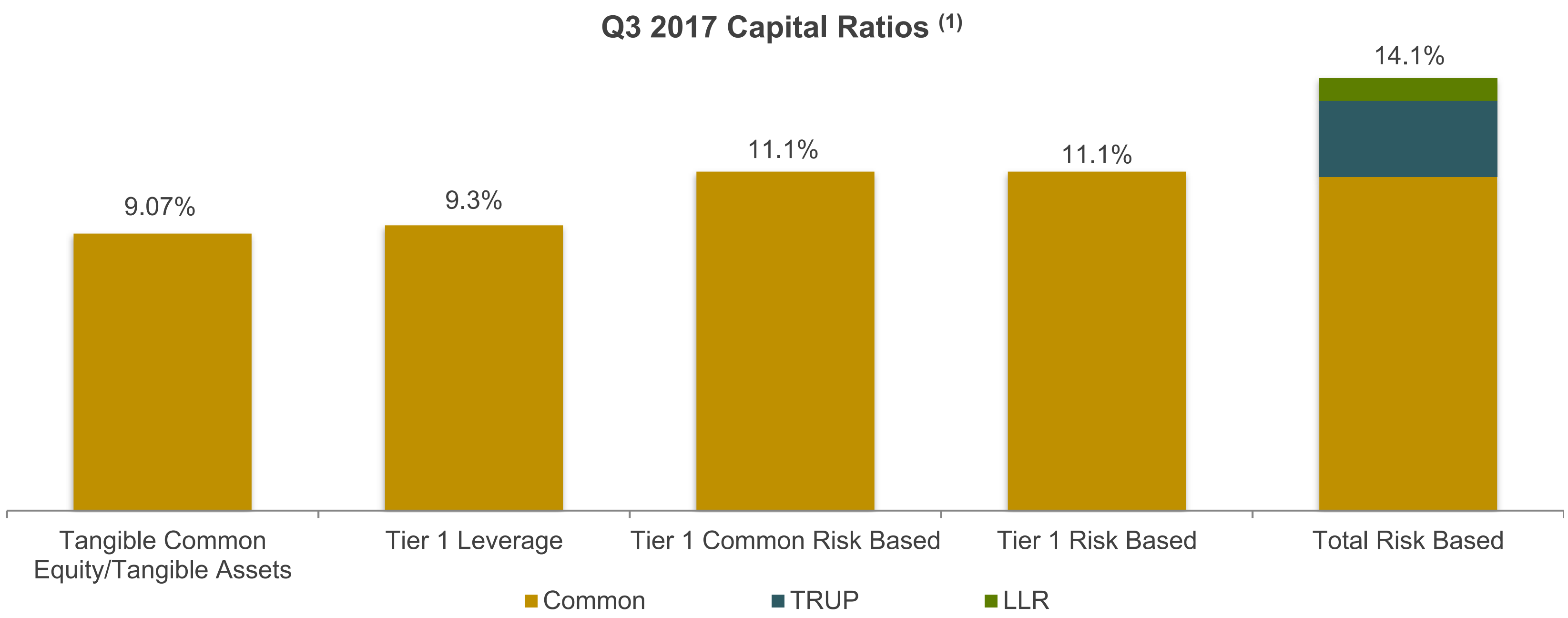






Prudent Capital Management

- All regulatory capital ratios remained in excess of well-capitalized and internal policy limits
- Focused on prudently managing capital
  - Quarterly dividend of $0.18 per share, ~3.6% dividend yield
  - Q3 total payout ratio of 65%



(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 – Tangible Book Value

(In thousands, except per share data)	Sep 30, 2017	Jun 30, 2017	Mar 31, 2017	Dec 31, 2016	Sep 30, 2016
Total shareholders' equity	$ 3,985,260	$ 3,958,845	$ 3,931,150	$ 3,916,795	$ 3,920,208
Subtract:					
Goodwill	1,787,651	1,787,651	1,787,651	1,787,651	1,787,651
Other intangible assets, net	31,819	33,508	35,197	36,886	38,753
Tangible common shareholders' equity	$ 2,165,790	$ 2,137,686	$ 2,108,302	$ 2,092,258	$ 2,093,804
Total assets	$ 25,695,663	$ 25,257,784	$ 24,861,458	$ 24,813,119	$ 24,744,214
Subtract:					
Goodwill	1,787,651	1,787,651	1,787,651	1,787,651	1,787,651
Other intangible assets, net	31,819	33,508	35,197	36,886	38,753
Tangible assets	$ 23,876,193	$ 23,436,625	$ 23,038,610	$ 22,988,582	$ 22,917,810
Common shares outstanding at period end	220,225	220,205	220,349	220,177	220,207
Common equity ratio	15.51%	15.67%	15.81%	15.79%	15.84%
Tangible common equity ratio	9.07%	9.12%	9.15%	9.10%	9.14%
Book value per common share	$ 18.10	$ 17.98	$ 17.84	$ 17.79	$ 17.80
Tangible book value per common share	$ 9.83	$ 9.71	$ 9.57	$ 9.50	$ 9.51

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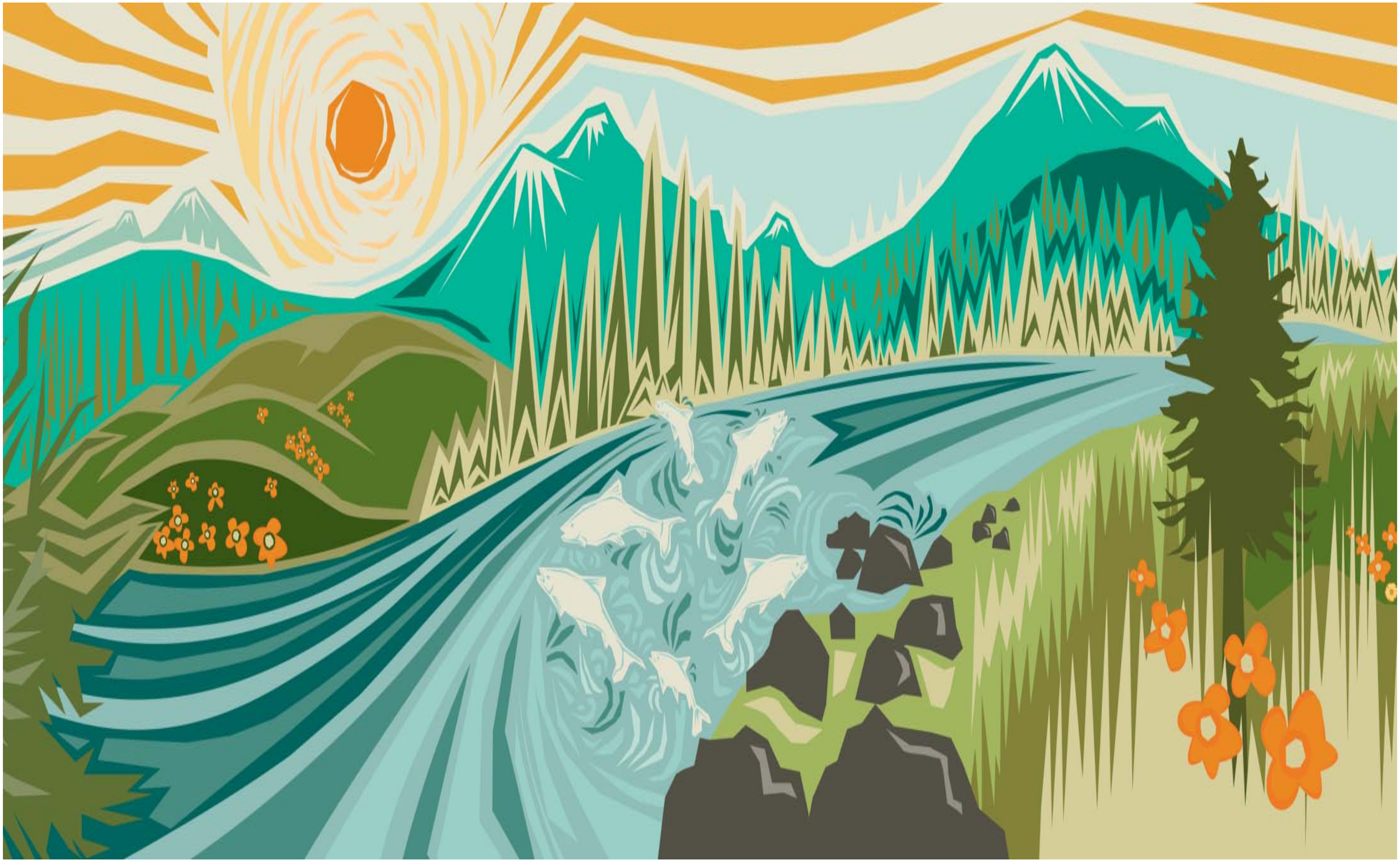

Thank you