

Edgar Filing: MOUNTAIN BANK HOLDING CO - Form 425

MOUNTAIN BANK HOLDING CO

Form 425

March 30, 2007

Filed by Columbia Banking System, Inc.

Pursuant to Rule 425 under the Securities Act of 1933

And Deemed Filed Pursuant to Rule 14a-12

Under the Securities Exchange Act of 1934

Subject Company: Mountain Bank Holding Company

Commission File No.: 0-28394

The slides below form a part of a presentation by representatives of Columbia Banking System, Inc. (Columbia), in connection with a conference call held on March 29, 2007. The slides, which include information about Columbia s proposed acquisition of Mountain Bank Holding Company (and a separate proposed acquisition of Town Center Bancorp), are hereby filed by Columbia pursuant to Rule 425 under the Securities Act of 1933 in connection with the acquisition of Mountain Bank Holding Company.

COLB
Mountain
Bank
Holding
Company
March 29, 2007 Investor Presentation
Strategically growing through acquisition of

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Safe Harbor Statement

This presentation may include forward-looking statements. Actual results may differ materially from those currently expected. Additional information concerning factors that could cause such differences is contained in Columbia's Annual

Report on Form 10-K and other filings with the
Securities and Exchange Commission.

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An Attractive Footprint

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Corporate Overview
9.65%
9.69%
8.72%
TE/TA
52.9%

68.7%

59.9%

LTM Efficiency

0.18%

0.00%

0.14%

NPA s/Assets

5.74%

4.88%

4.49%

LTM NIM

18.1%

10.3%

15.8%

LTM ROATE

1.68%

1.02%

1.30%

LTM ROAA

\$13

\$22

\$252

Equity (\$mil)

\$103

\$204

\$2,023

Deposits (\$mil)

\$107

\$165

\$1,690

Net Loans (\$mil)

\$133

\$230

\$2,553

Assets (\$mil)

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6

40

Branches

Portland, OR

Enumclaw, WA

Tacoma, WA

Headquarters

Town Center

Mt. Rainier

Columbia

December 31, 2006

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Pro Forma Consolidated Overview
\$287
Equity (\$ mil)
\$2,330
Deposits (\$ mil)
\$1,962

Net Loans (\$ mil)

\$2,916

Assets (\$ mil)

51

Branches

Columbia Banking System, Inc.

December 31, 2006

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Transaction Rationale

Mt. Rainier Bank

Remarkable cultural fit

Attractive geographic fit

Opportunity to meaningfully complement and enhance product offerings

Strong financial performance

Quality organization, loyal customer and stable deposit base

Accretive to 2008 EPS

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Integration Highlights

Mt. Rainier Bank

Successful acquisition blueprint

Continuity of key employees, culture and brand name

Similar operating infrastructure

Complementary operating model and business focus

Familiarity with markets

Strong credit quality

Continued board involvement

Shared commitment to the community

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Key Terms

Mt. Rainier Bank

\$60 million for all Mountain Bank shares and options

\$25.00 per Mountain Bank share (subject to adjustment)

Fixed cash and fixed share value

\$11.25 in Cash (45%)

\$13.75 in Columbia Shares (55%)

Regulatory approval and Mountain Bank Shareholder approval

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Transaction Rationale

Town Center

Logical geographic expansion

Similar culture and core values

Opportunity to meaningfully complement and enhance
product offerings

Strong financial performance
Accretive to earnings in the first full year.

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Integration Highlights

Town Center

Past successful acquisitions

Continuity of key employees and culture

Similar operating infrastructure

Complementary operating model and business focus

Additional platform for growth

Strong credit quality

Formation of advisory board

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Key Terms

Town Center

\$45.1 million for all Town Center shares and options

\$20.75 per Town Center share (at announcement)

\$9.382 in Cash (45% at announcement)

0.3391 shares of Columbia stock (55% at announcement)

Regulatory approval and Town Center Shareholder approval

COLB
Melanie J. Dressel
President & Chief Executive Officer
P.O. Box 2156
Tacoma, WA 98401-2156
253-305-1911
mdressel@columbiabank.com

Columbia Note Regarding Forward Looking Statements

The slides include forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, which can be identified by words such as may, expected, anticipate, continue, or other comparable words. In addition, all statements other than statements of historical facts that address activities that Columbia expects or anticipates will or may occur in the future are forward-looking statements. Readers are encouraged to read the reports of Columbia filed with the Securities and Exchange Commission (the SEC), particularly its Form 10-K for the fiscal year ended December 31, 2006, for a discussion of risks, uncertainties and other factors that may cause actual results to differ materially from those contemplated by the forward looking statements. Additional factors that could cause actual results to differ materially from those contemplated by the forward-looking statements include failure of the respective companies' shareholders to approve either or both of the transactions discussed in the slides, delays or other difficulties in obtaining required regulatory approvals of one or both of the transactions, or failure to consummate one or both of the transactions for any other reason.

Additional Information About the Transaction and Where to Find It

In connection with the proposed acquisition of Mountain Bank Holding Company, Columbia intends to file with the SEC a Registration Statement on Form S-4 that will include a proxy statement of Mountain Bank Holding Company that also constitutes a prospectus of Columbia. Mountain Bank will mail the proxy statement/prospectus to its shareholders. **Shareholders of Mountain Bank and other interested parties are urged to read the proxy statement/prospectus when it becomes available and other relevant documents Columbia and Mountain Bank have filed or will file with the SEC at the SEC's website at www.sec.gov because they contain important information.** The proxy statement/prospectus (when it is available) and other documents may also be obtained free of charge by requesting them in writing from Columbia Banking System, Inc., Attention: Corporate Secretary, 1102 Broadway Plaza, Tacoma, Washington 98402. Copies of the proxy statement/prospectus and documents filed by Mountain Bank with the SEC may also be obtained for free by contacting Sheila Brumley, Mountain Bank Holding Company, 501 Roosevelt Avenue, Enumclaw, Washington 98022.

Participants in the Solicitation

Mountain Bank, Columbia and their respective directors, executive officers and certain other members of management may be deemed to be participants in the solicitation of proxies from Mountain Bank shareholders in favor of the proposed transaction. Information regarding the persons who may, under the rules of the SEC, be considered participants in the solicitation of the Mountain Bank shareholders will be set forth in the proxy statement/prospectus when it is filed with the SEC. You can find information about Columbia's executive officers and directors in Columbia's definitive proxy statement on Schedule 14A filed with the SEC on March 19, 2007. You can find information about the interests of Mountain Bank's executive officers and directors, including their beneficial ownership of Mountain Bank common stock, in Mountain Bank's definitive proxy statement on Schedule 14A filed with the SEC on April 7, 2006. You can also obtain free copies of these documents from Columbia or Mountain Bank using the contact information above.