

**Columbia Sportswear Company**  
**2-for-1 Stock Split of Columbia (COLM) Common Stock**  
**Frequently Asked Questions**

**Announcement** – On July 18, 2014, the Board of Directors of Columbia Sportswear approved a 2-for-1 stock split of Columbia’s common stock. To assist our shareholders and stock plan participants in understanding the stock split, below are answers to frequently asked questions.

**Part I** applies to all shareholders, including holders of shares acquired upon exercise of employee stock options, restricted stock unit (RSU) releases and performance-based stock unit (PRSU) releases.

**Part II** applies to holders of outstanding equity awards (unvested and exercisable) stock options, (unvested) restricted stock units (RSUs) and (unvested) performance-based stock units (PRSUs).

**1. FAQs THAT APPLY TO ALL SHARE HOLDERS**

**Q1) How does a 2-for-1 stock split actually work?**

A1) A 2-for-1 split means that one additional share of stock is issued for each share outstanding on the Record Date, September 8, 2014.

Here’s an example:

Let’s assume that as of the Record Date (September 8, 2014) an investor owns 100 shares of Columbia common stock and that the market price of Columbia stock is \$80 per share, so that the investment in Columbia is worth \$8,000. Let’s also assume that Columbia’s stock price doesn’t move up or down between the Record Date and the time the split actually takes place. Immediately after the split, the investor would own 200 shares of Columbia stock, but the market price would be \$40 per share instead of \$80 per share. The investor’s total investment value in Columbia would remain the same at \$8,000 until the stock price moves up or down.

**Q2) Why did Columbia decide to split the stock?**

A2) By splitting the stock (and thereby reducing the value per share of stock, which is reflected in an adjusted market price), Columbia is making the stock more accessible to a larger number of investors.

**Q3) Has Columbia stock ever split before?**

Q3) This will be Columbia's second stock split since going public. Columbia's common stock split on a 3-for-2 basis on June 4, 2001.

**Q4) What is the effective date of the split?**

A4) There are three key dates.

**The Record Date** – September 8, 2014 – determines which shareholders are entitled to receive additional shares due to the split.

**The Split\Payable Date** – September 26, 2014 – shareholders are due split shares after the close of business on this date.

**The Ex Date** – September 29, 2014 – the date when Columbia common shares will begin trading at the new split-adjusted price, which is the next trading day after the split.

**Q5) Are there any personal income tax consequences as a result of the stock split?**

A5) Based on current laws, we do not expect there to be any U.S. taxable income to U.S. residents as a result of the stock split. The tax basis of each share owned after the stock split will be 1/2 the amount it was before the split. For example, if you owned 100 shares before the split with a tax basis of \$50 per share, after the split you would own 200 shares of stock with a tax basis of \$25 per share. In addition, the new shares will be deemed to have been acquired at the same time as the original shares with respect to which the new shares were issued. The laws of jurisdictions other than the United States may impose income taxes on the receipt of additional shares, so foreign residents should consult their local tax advisors.

The foregoing tax information is furnished for your assistance, but we suggest that you consult your personal tax adviser if you have any questions or would like additional information about the tax consequences of the stock split that may pertain to your individual circumstances.

**Q6) How will I receive the split shares?**

A6) If you hold shares in a brokerage account, the additional shares to reflect the split will be credited to your account in the days following the Split\Payable Date (September 26, 2014). Contact your broker if you have any questions regarding timing. If you have a stock certificate or hold your shares directly with Columbia's transfer agent, Computershare Inc., the additional shares will be deposited in a book-entry position and Computershare will mail you a direct registration advice statement indicating the number of shares that you own following the split. New stock certificates will not be issued for the additional shares. Existing Columbia stock certificates are still valid. ***Do not destroy them.***

**Q7) Where will my direct registration advice statement be mailed?**

A7) If you currently hold stock certificates in your name or hold shares directly with Columbia's transfer agent, Computershare Inc., direct registration advice statements will be mailed to the address on Computershare's records. To verify your address, or if you did not receive a direct registration advice statement, you can call Computershare directly at 866-267-3035. If your stock is currently held in a brokerage account, information will be provided by your broker.

**Q8) How do I contact the Stock Transfer Agent?**

A8) You can reach Columbia's transfer agent, Computershare Inc., as follows:

Mailing addresses

Shareholder correspondence should be mailed to:

Computershare

P.O. BOX 30170

College Station, TX 77842-3170

Overnight correspondence should be sent to:

Computershare

211 Quality Circle, Suite 210

College Station, TX 77845

Shareholder website

[www.computershare.com/investor](http://www.computershare.com/investor)

Shareholder online inquiries

<https://www-us.computershare.com/investor/Contact>

#### Phone Numbers

Toll Free Number 866-267-3035  
Outside the U.S. 201-680-6578  
Hearing Impaired 800-490-1493  
TDD International Shareholders 781-575-4592

#### **Q9) My shares are held by a brokerage firm. How will my shares get adjusted for the stock split?**

A9) You do not need to do anything. If you hold shares in a brokerage account, the additional shares will be credited to your account to reflect the split in the days following the Split Date (September 26, 2014). Contact your broker if you have any questions regarding timing. Your broker will ensure that your Columbia stock holdings are properly adjusted for the stock split.

#### **Q10) What happens if I buy or sell shares on or after the Record Date and before the Ex Date?**

A10) If you sell shares on or after the Record Date (September 8, 2014) but before the Ex Date (September 29, 2014) you will be selling pre-split shares at the pre-split share price. At the time of the sale, you will surrender your pre-split shares and will no longer be entitled to the additional split shares that would otherwise pertain to the sold shares. Following the split, the new owner of the shares will be entitled to the additional shares resulting from the stock split.

If you buy shares after the Record Date but before the Ex Date, you will purchase pre-split shares at the pre-split price and will receive (or your brokerage account will be credited with) the shares purchased. Following the split, you will receive (or your brokerage account will be credited with) the additional shares resulting from the stock split.

#### **Q11) How will the stock split affect the number of shares outstanding and the future calculation of earnings per share?**

A11) At the time of the split, the number of shares outstanding will be multiplied by two and earnings per share will be divided by two.

## 2. FAQs THAT APPLY TO HOLDERS OF OUTSTANDING EQUITY AWARDS

### Q12) How are my stock options affected?

A12) Your stock options which are granted BUT NOT YET EXERCISED on the Record Date (September 8, 2014), will be adjusted to reflect the two-for-one split as shown in the following example:

#### PRE-SPLIT (hypothetical)

Option shares held pre-split: 100 shares  
Exercise Price per share pre-split: \$40.00 share  
Total Option Price: 100 shares X \$40.00 = \$4,000.00

#### POST-SPLIT (hypothetical)

Option shares held post-split: 200 shares  
Exercise Price per share post-split: \$20.00 share  
Total Option Price: 200 shares X \$20.00 = \$4,000.00

Any exercises between the Record Date (September 8, 2014) through the close of business on the Split\Payable Date (September 26, 2014) will be on a pre-split basis. At the close of business on September 26, 2014, your options will be officially adjusted and you will exercise thereafter on a post-split basis.

### Q13) How are my unvested restricted stock units (RSUs) and performance-based restricted stock units (PRSUs) affected?

A13) Your RSUs and PRSUS which are granted BUT NOT YET VESTED on the Record Date (September 8, 2014), will be adjusted to reflect the two-for-one split as shown in the following example:

#### PRE-SPLIT (hypothetical)

RSU\PRSU shares held pre-split: 100 shares  
Price per share pre-split: \$80.00 share  
Market value per share pre-split: \$80.00 share  
Total RSU\PRSU Value: 100 shares X \$80.00 = \$8,000.00

POST-SPLIT (hypothetical)

RSU\PRSU shares held post-split: 200 shares

Price per share post-split: \$0.00 share

Market value per share post-split: \$40.00 share

Total RSU\PRSU Value: 200 shares X \$40.00 = \$8,000.00

**Q14) I want to exercise and sell Columbia stock options between the Record Date and Split\Payable Date. Does it matter when I sell my shares?**

A14) If you exercise and sell stock options between the Record Date and Split\Payable Date (September 26, 2014), you will be selling pre-split shares at the pre-split price. The shares trade with a "due bill," i.e., the shares you trade are "due" an equal number of shares issuable in the stock split. When you make your trade, you surrender your pre-split shares. You are then going to receive (or your brokerage account will be credited with) an equal number of shares as a result of the stock-split. Because the shares you sold traded with a "due bill", you are required to forfeit that same number of shares received in the split to the broker. The Stock Administration Department works with the broker to make sure the shares due to you on your options as a result of the split are forwarded to the broker directly so the broker will settle your account.

**Q15) When will my E\*TRADE stock plan account reflect my equity award details on a post-split basis?**

A15) Effective September 29, 2014 your E\*TRADE stock plan account should reflect your equity awards on a post-split basis.

**Q16) Who do I contact if I have more specific questions regarding my equity awards?**

A16) Stock Plan Administration (stockadmin@columbia.com)