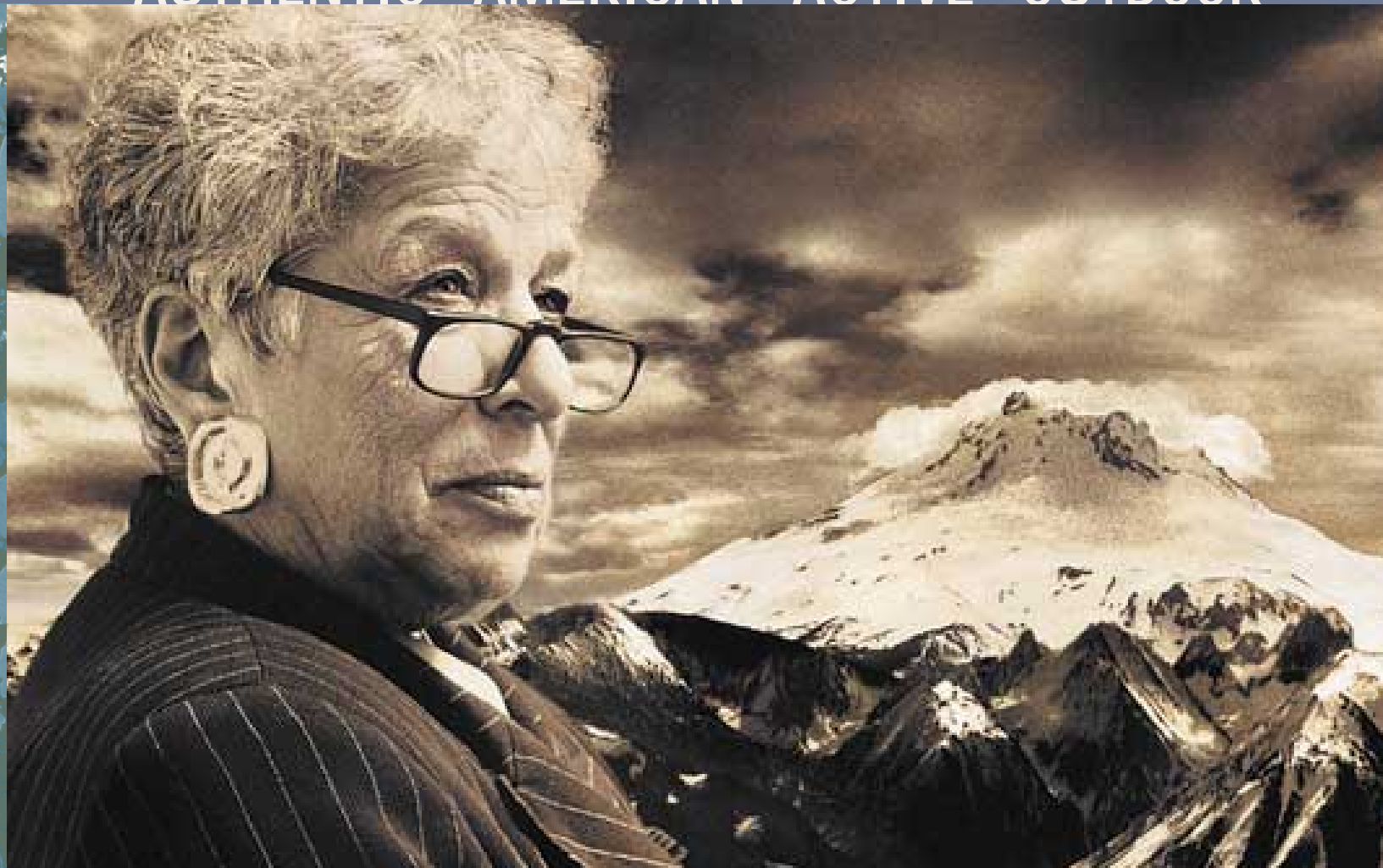



1998 ANNUAL REPORT

AUTHENTIC AMERICAN ACTIVE OUTDOOR

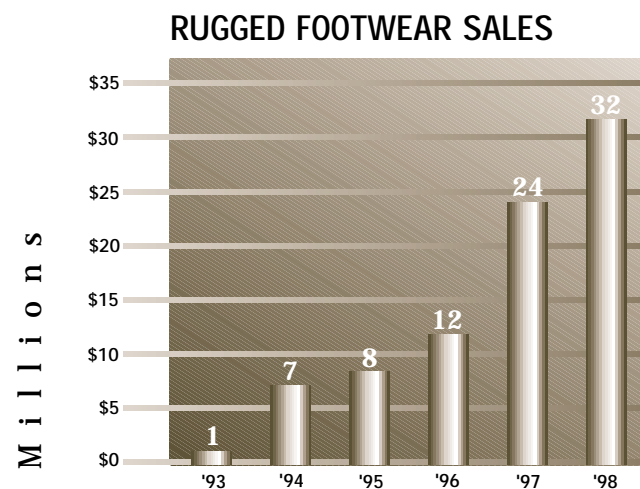
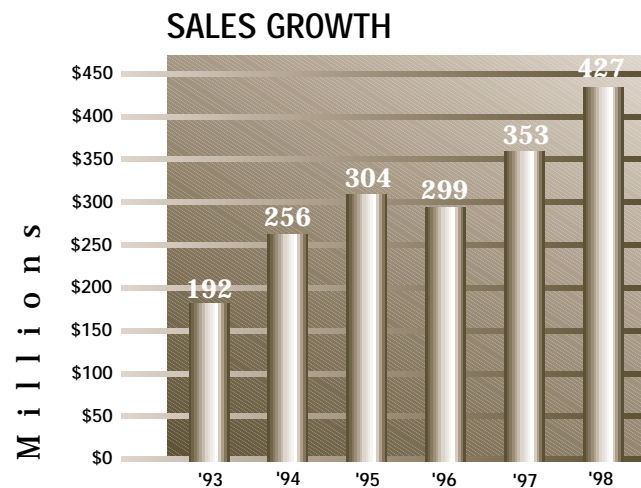
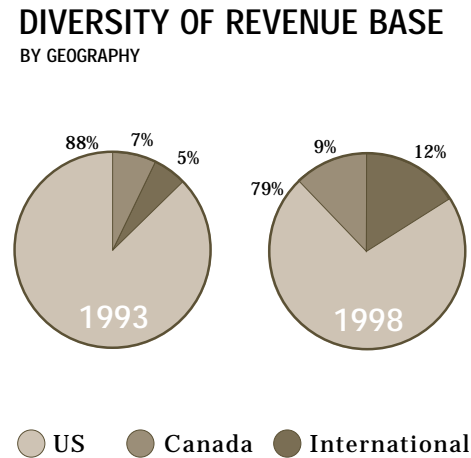


P.O. Box 83239 • Portland, Oregon 97283-0239  
(503) 286-3676 • 1-800-547-8066 • FAX: (503) 289-6602 • WEB: [www.columbia.com](http://www.columbia.com)  
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 Printed on recycled paper using soy-based inks.







\*Includes all non-US sales

Shareholders and Friends,

1998 was a year of key milestones for Columbia Sportswear Company. Not only did the Company mark its 60th anniversary and execute an initial public offering, but we were also able to achieve record sales and earnings for the year. We are very proud of the accomplishments our team achieved and of the high-quality, value-oriented product we provided to consumers under the Columbia Sportswear label. However, despite all of our successes, we are not going to rest on our laurels. We recognize our responsibility to our shareholders, and the entire management team at Columbia is dedicated to growing our business in a responsible and profitable manner to create shareholder value. Accordingly, I am not going to spend time focusing on past accomplishments. Instead, in this inaugural report, I will provide shareholders with a better sense of what drives Columbia Sportswear and then outline some objectives for 1999.

The cover of this report is imprinted with five words: **AUTHENTIC, AMERICAN, ACTIVE, OUTDOOR AND VALUE**. At Columbia, these "five key words" not only help us stay focused on designing great products that people want to buy, but they also help reinforce and strengthen our brand identity. To us, **AUTHENTIC** means more than our 60 years of experience creating innovative products for a variety of outdoor activities. It also means that our products are designed by people who actually participate in outdoor activities. We built our reputation designing products that look distinctly **AMERICAN**. We didn't change that design strategy when we introduced our products in over thirty countries around the world, and we continue to believe in our single design theme. True to our design goals, our products are created for **ACTIVE** use. Whether fly-fishing or heli-skiing, our customers expect Columbia products to withstand the rigors they put them through. Additionally, our products are designed for **OUTDOOR** use, and while not everyone who purchases a Columbia product will put it to the test, customers can be confident that our merchandise will perform as intended. **VALUE** is the foundation upon which all of the other key words are based. Columbia is focused on providing products that fall within the parameters of all of the above key words. Because of our innovative manufacturing and distribution models, we are able to offer consumers superb products at affordable prices. It is the combination of providing great merchandise that people want to buy with price points that are highly affordable that has enabled Columbia to grow to where it is today. We believe that a continuation of our core philosophies will enable us to grow the business profitably.

Looking forward, I would like to briefly outline a few of our key corporate objectives for 1999. In the first half of 1999, we look forward to implementing the newest phase of our North American distribution center. This state-of-the-art facility has been designed to increase throughput while simultaneously providing the type of value-added services that many retailers are requesting from vendors. Part of our strategic initiative is to continuously improve our service as an apparel and footwear vendor, thereby making it easier for our customers to conduct business with Columbia. The distribution center project is designed to meet that goal and is an important component of our five-year business plan.

Additionally, in 1999 we will increase our initiative to grow our business throughout Europe. Our compounded annual growth rate in Europe was 79.5 percent from 1994-1998, culminating in sales of \$27.2 million for 1998. The opportunities in Europe are tremendous, and our corporate objective for 1999 on this front is to reinforce our management infrastructure to drive growth in that business.

Finally, in 1999 we will seek to continue the rapid growth we have been experiencing in our sportswear and footwear product lines. While Columbia's roots are solidly in the outerwear business, we have made a conscious effort to selectively broaden our product offerings and leverage the Columbia brand name. To that end, we became very focused on our sportswear and footwear divisions in the early 1990s. The result has been compounded annual growth in our sportswear business of 33.6 percent since 1993, and growth in our footwear business from \$1 million in 1993 to more than \$32 million in 1998. As you can see, these divisions have become an increasingly important part of our revenue mix and growth strategy. We expect 1999 to show continued growth for both of these categories.

While the challenges are formidable, the opportunity to grow this business is significant. I believe that we have the correct combination of management experience, market potential, and strategic planning to continue growing the business going forward. I thank our customers, shareholders, and employees for their continued support, and I look forward to reporting the progress on our 1999 objectives in next year's report.

Timothy P. Boyle  
President and Chief Executive Officer  
Columbia Sportswear Company

## THE STORY

Portland, Oregon was the destination of Paul and Marie Lamfrom back in 1937, when they fled Germany with their three daughters to escape the Nazis. Settling into American life, 13 year-old Gertrude was placed in the first grade to learn English. After just two weeks, she had firmly grasped the language and jumped to her rightful position in the seventh grade. That was the second-to-last time in her life that Gertrude Lamfrom Boyle would be underestimated.

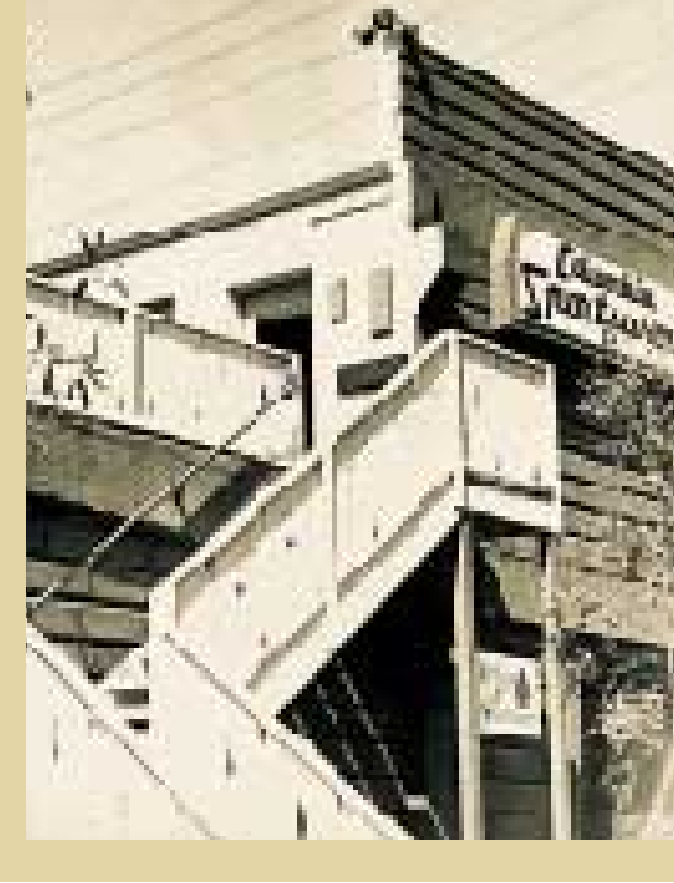


The following year, Paul and Marie Lamfrom bought a small hat distributorship and changed the name to Columbia Hat Company, after the famous river in Portland. Even in a country still working its way out of the Great Depression, Paul managed to sell lots of hats, belts, suspenders and other accessories, mostly by the sheer force of his determination and personality (sound familiar?). He sold enough goods to put Gert and her sisters through college and to lure Gert's new husband Neal Boyle to Portland to join the family business in 1950.

Frustrated by poor deliveries from suppliers, Paul and Neal decided to take up manufacturing themselves and formed Columbia Sportswear Company. They housed both the distributorship and manufacturing operations in a modest factory situated on the banks of the Willamette River. When Paul died in 1964, Neal took over at the helm of the growing company.

Just six years later, in 1970, Neal Boyle died suddenly of a heart attack. He left behind three children, an expanding company leaning heavily on bank loans and a wife whose only previous experience with finances was her monthly ritual of throwing the bills across the living room and paying only the one that flew the farthest. Running the family's million-dollar sportswear company might be – as she soon discovered – a little different.

Which leads to the final underestimation of Gert. The day after Neal's funeral, the phones at Columbia were ringing off the hook with salesmen and vendors who assumed the company would go out of business. Then the bank called. They were quite concerned when they found out a housewife was going to take control of the company. They summoned Gert in for a meeting, during which she somehow managed to buy herself a little time.



Two years later, the doubting bankers decided it was time for Gert and her twenty-something son Tim to find a buyer for their company. When Gert sat down with the prospective buyer and realized she'd only make \$1,400 off the sale, she told him, "for that kind of money, I'll run the company into the ground myself," and showed him the door.

Things went uphill from there. Gert pledged Columbia's building as collateral for loans, appeasing the bankers. She trimmed the company a bit, and Tim started hitting the trade shows. After a few years, profits went up. New products, with design innovations like Columbia Sportswear's Interchange System™, flew off the shelves. Gert started modeling for magazine advertisements. The company branched out into foreign countries. Profits soared.

Today, Columbia Sportswear is one of the world's largest outerwear manufacturers and the leading seller of skiwear in America. One of those doubting bankers sits on the company's board of directors – he doesn't underestimate Gert anymore. Nobody does.

## IN THE BEGINNING

Columbia Sportswear is one of the world's largest outerwear manufacturers and the leading seller of skiwear in America.





# LONG BEFORE THE LEISURE SUIT

In Oregon, leisurewear has never been anything but outdoor wear. German immigrant Paul Lamfrom caught onto this pretty quickly, selling his fellow Oregonians the kind of clothing that real outdoors-people would wear.



He also understood the importance of selling more than one product, and it's a good thing he did. In the 1960s, when people started dressing more casually, Columbia Hat Company had already become Columbia Sportswear Company and was offering not just hats, but gloves, jackets, fishing vests, and more.

Over the years, our niche in the apparel industry broadened, as we created innovative, high-quality active outdoor apparel and footwear for all kinds of people. We accomplished this while maintaining our original commitment to producing high quality garments at affordable prices. For example, our footwear collection began with a one-style experiment: the Bugaboot®. Careful design and development made this boot a hit, prompting us to expand the footwear category and offer a full line of multi-seasonal, multi-use footwear for the entire family.

The Columbia brand represents a differentiated active, outdoor, authentic, value-oriented and distinctly American image, and we design our products to reinforce this vision. In both the design and production phases, we focus our efforts on the development of popular, higher volume products at moderate price points. The merchandise, which is durable and functional, incorporates useful technical details such as parkas that have pockets that double as vents, footwear that incorporates our waterproof/breathable membrane and sportswear that is made from a variety of quick-dry fabrics. This attention to technical detail derives from Columbia's extensive experience producing specialized hunting and fishing apparel and contributes to the authenticity and functionality of our entire selection of merchandise.

The Columbia brand represents an active, outdoor, authentic, value-oriented and distinctly American image, and we design our products to reinforce this vision.



## THE PRODUCT MIX



### OUTERWEAR

Columbia's outerwear protects people from inclement weather in a variety of outdoor activities. Our outerwear line includes skiwear, snowboard apparel, hunting and fishing apparel, golf outerwear, and youth outerwear. Many of the jackets incorporate our revolutionary Interchange System™, which we introduced in 1982 and features a three or four-in-one design. The Interchange System typically combines a durable, nylon outershell with a removable, zip-out liner, allowing customers to wear the outershell and the liner separately or together. This layered system provides customers with a jacket for all seasons and weather conditions at a reasonable price. Outerwear, our most established product category, represented 60.2 percent of sales for 1998. We intend to use this leading US market position as a foundation upon which to grow our international business.

### RUGGED FOOTWEAR

Our newest product category, rugged footwear, was introduced in 1993. The rugged footwear collection embodies the active outdoor lifestyle. This category consists primarily of active all-weather and performance outdoor products featuring innovative technical designs that incorporate waterproof/breathable constructions, thermal insulation, advanced cushioning systems and high abrasion, slip resistant outsoles offered at moderate price points. Several styles are offered within each of the following classifications: All-Weather, Active Outdoor, Performance Outdoor and Classic Columbia Comfort.

The success of the introduction demonstrates our ability to expand our head-to-toe merchandising assortment to leverage our reputation as a provider of durable, comfortable outdoor apparel. Rugged footwear as a percentage of net sales increased from 0.6 percent in 1993 to 7.5 percent in 1998.

### SPORTSWEAR

Columbia's year-round sportswear collection defines authentic outdoors, combining active apparel with fashion appeal for men, women and children. The expansive line includes shirts, shorts, pants, vests, tees, and fleece and pile garments. The collection features a variety of active and performance fabrics. Our sportswear products are designed to look great with our outerwear and rugged footwear products as part of our unified head-to-toe outfitting concept. For example, fleece and pile products are merchandised to provide a bridge to the outerwear products.

In 1993, we targeted sportswear as a growth opportunity, recognizing that the global market for sportswear was significantly larger than the global market for outerwear. Building on a foundation of authentic fishing and hunting shirts, and drawing on our expertise in producing value-oriented outerwear, we rapidly expanded our sportswear product offering, resulting in sportswear sales increasing as a percentage of net sales from 14.8 percent for 1993 to 27.9 percent for 1998.

### ACCESSORIES

For the outdoor enthusiast, protection from the elements is a vital part of any outdoor endeavor. Columbia's accessory line provides important snow, sun and rain protection as well as total comfort. Waterproof/breathable hats and gloves, basic ball caps and visors, casual cotton and straw hats, and popular multi-purpose packs complete the collection. And best of all, they coordinate with our sportswear and outerwear collections in both style and function.



# INVENTING THE ESSENTIALS

## DESIGN

In 1960, Neal Boyle told his wife Gert that he had an idea. While fishing, he noticed he was always reaching into his fishing creel to pull out lures and bait. Why not make vests with a lot of easy-access pockets to store all of this gear? So he invited his fishing buddies over to their house and told them to bring every piece of fishing tackle they owned. With Gert stationed at her industrial sewing machine (she was still in housewife mode), the group ultimately created the prototype for a totally new kind of fishing vest. It was a huge hit, and it taught Neal and Gert two valuable lessons: 1) If it's not out there, design it, and 2) If it's designed by and for real outdoors-people, then those people will buy it.

These basic principles guide Columbia through the creation of innovative and highly popular designs, including our famous Interchange System™. Our first Interchange jackets were made for hunting and featured a weatherproof outershell and an insulating inner jacket that could be worn together or separately, so that each parka was really three- or four-jackets-in-one. This product was so popular that we applied the same concept to a ski parka and called it the Bugaboo®. Since it's the best selling ski jacket ever, we can safely say, "the rest is history."

Designed by and for  
real outdoors-people.

Today, the design function remains in-house and our designers continuously come up with ingenious yet common-sense ideas because they understand the needs of outdoor enthusiasts from firsthand experience. For instance, the skiwear designers spend weekends on the slopes testing the product themselves and grilling strangers on chairlifts about their jackets. This type of "testing" led to the creation of Radial Sleeves™, which provides unrestricted arm movement, and the Radial Venting System™, which provides enhanced ventilation and breathability. Our groundbreaking Comfort System™ was developed because hunters and anglers were tired of lugging around unconventional heavy vests and packs. This design incorporates a neoprene suspension system into hunting and fishing garments, alleviating stress and making the load feel lighter. The sole mission of Columbia Sportswear designers is to continue to innovate and create products and technologies that meet the demanding needs of our customers.

## SOURCING & MANUFACTURING

Apart from product design, an equally important component of our ability to provide high-quality active outdoor apparel and footwear at affordable price points lies in our sourcing and manufacturing strategy. Approximately 88 percent of our apparel and footwear is manufactured outside the US. In fact, we work with over 100 independent factories in approximately 20 countries to produce our merchandise. In contrast to many in the apparel industry who use third party agents to manage their production, we manage the

sourcing of raw materials and component production with Columbia employees who are strategically located in 12 field offices throughout Southeast Asia. By maintaining tight control over the sourcing operations, we are able to ensure quality and consistency of product and timeliness of delivery. We have worked hard forging strong relationships with our production partners. Our current production capabilities provide us with a competitive advantage that has allowed us to realize significant growth over the last decade. This same model will assist us in meeting our growth objectives in the future.

At Columbia Sportswear, excellence in manufacturing means more than just making great products. It also means creating products in safe, ethical working conditions and in an environmentally responsible manner. In order to maintain high standards for decent and humane working conditions in our manufacturing operations, we have established specific guidelines for our manufacturing partners around the world. Our corporate policy dictates that we will not conduct business with anyone who cannot, or is unwilling to, abide by our *Standards of Manufacturing Practices* in their facilities. Based on our rigid *Standards of Manufacturing Practices*, consumers can have confidence that their Columbia Sportswear products are not produced under exploitive or inhumane conditions.



# SHAPING THE FUTURE

As one of the largest outerwear manufacturers in the world and the leading seller of skiwear in the United States, we have developed an international reputation across an expanding product line for quality, performance, functionality and value. Our award-winning advertising campaigns effectively position the Columbia brand as active, outdoor, authentic and distinctly American. Our products appeal to a large, increasingly international consumer base. Today, we distribute products to approximately 10,000 retailers in 30 countries. Sales have increased from \$192 million in 1993 to \$427 million in 1998, representing a compounded annual growth rate of 17.3 percent over the last 5 years. While our growth has been exciting, our objective is to become the leading outdoor apparel brand. Our strategy to become the global leader in the design, manufacture, marketing and distribution of active outdoor apparel is comprised of the following elements:



#### ENHANCE CHANNEL PRODUCTIVITY OF EXISTING CUSTOMERS

In an effort to improve productivity and profitability for our customers, we will continue to expand our concept shop program and increase the installation of brand enhancement systems. Concept shops promote a consistent brand image, are located within the stores of our customers and are dedicated exclusively to selling Columbia merchandise. The goal of the concept shops is to increase sales by displaying a complete selection of merchandise and promoting cross-merchandising opportunities on a year-round basis. Smaller-scale brand enhancement systems, which include signage and fixtures that prominently display consolidated groupings of Columbia merchandise, offer benefits similar to concept shops and also play an important role in our merchandising strategy. As of December 31, 1998, we had 310 concept shops and plan to continue increasing our investment in this area by consistently adding concept shops and brand enhancement systems in 1999.

#### LEVERAGE THE COLUMBIA BRAND IN INTERNATIONAL MARKETS

Columbia Sportswear intends to capitalize on its size, strong US brand position and worldwide brand recognition by targeting certain high opportunity markets for development or expansion. We have identified Europe and Asia as regions where outdoor activities are consistently popular and where we can enhance our active, outdoor, authentic and distinctly American brand image with our reputation for value in all categories. Europe represents our most important near-term opportunity, with sales in Europe growing at a compounded annual growth rate in excess of 79 percent over the last four years, surpassing \$27 million in 1998. With the recent appointment of key sales and management personnel in that region, we anticipate continued growth in 1999 and beyond.

#### DEVELOP EXISTING MERCHANDISE CATEGORIES

The opportunity to further develop existing merchandise categories such as sportswear and rugged footwear is significant. With sportswear representing 27.9 percent of sales in 1998 and rugged footwear claiming 7.5 percent of sales for 1998, growing each of these divisions is a key objective in 1999. Our broad distribution in US and Canadian markets, combined with the rapidly growing distribution in Europe and Asia, provides us with a unique opportunity to leverage these channels by increasing our offerings to retailers in all of the countries where we sell apparel and footwear. By maintaining a design focus that is grounded in our "FIVE KEY WORDS" philosophy and providing high quality, value priced products, we will seek to increase sales and capture market share in both the sportswear and rugged footwear product categories.

#### SELECTIVELY BROADEN RETAIL DISTRIBUTION

Columbia Sportswear's current sales distribution is comprised largely of sporting goods retailers and specialty shops with 22 percent of domestic sales in 1998 coming from department stores. Over the long term, we see significant opportunity to increase sales of our products to both department stores as well as footwear specialty shops. We believe that our head-to-toe merchandising strategy, combined with our unique and value-oriented product offerings, creates incentive for more retailers to sell quality Columbia Sportswear products.

Our objective is to become the leading outdoor apparel brand.



People everywhere appreciate a well-made product.

## TIME TO GO GLOBAL

We first realized that the world wanted more Columbia Sportswear product in 1975 when our parkas were a big hit in Japan. When Gert and Tim discovered that many of Columbia's parkas were making their way across the Pacific, they realized it was time to go global. A few years later, we added Canada and Europe to our international distribution and soon discovered that people everywhere appreciate a well-made product. Today, we employ more than 1,300 people around the world, with our corporate headquarters and international distribution center located in Portland, Oregon.

### SALES AND DISTRIBUTION

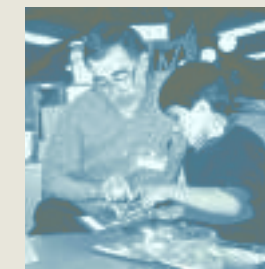
We distribute products through approximately 10,000 retailers in North America, South America, Europe, Asia, Australia and New Zealand, and we work with 19 independent sales agencies in the United States. Our wholly owned subsidiary and 6 independent sales agencies in Canada handle Canadian sales and distribution. Columbia Sportswear recently launched a fully owned subsidiary in Tokyo, Japan and we own and operate a European sales and marketing office in Strasbourg, France. European orders are fulfilled through a third party distribution center in Waalwijk, The Netherlands.

### MANUFACTURING FACILITIES

Columbia owns and operates a manufacturing facility in Chaffee, Missouri, and contracts with more than 100 other factories around the world.

### RETAIL

In November 1996, Columbia Sportswear opened its flagship retail store in downtown Portland, Oregon. This was followed by retail store openings in Seoul, Korea (January 1997), Nagoya, Japan (March 1998) and Sydney, Australia (November 1998). We own and operate eight outlet stores in the US: two in Portland, Oregon, and one each in Lincoln City, Oregon; Bend, Oregon; Birch Run, Michigan; Lancaster, Pennsylvania; Kenosha, Wisconsin; and Medford, Minnesota. We also own and operate three outlet stores internationally: Windsor, Ontario, Canada; Troyes, France; and Yokohama, Japan.



## SPREADING THE WARMTH

As Columbia Sportswear has grown, so has our commitment to serving our expanding community. This means a lot of public appearances and chicken luncheons for Gert, but she's not complaining – she loves what she does despite her busy and sometimes confusing schedule. For instance, she was chatting with a gentleman she met at the Columbia-sponsored Albuquerque International Balloon Fiesta in New Mexico when she asked what he did for a living. He replied, "I'm governor of this state." Oops.

Locally and throughout the world, Columbia provides support to organizations that specialize in human assistance, conservationism, the environment and education. Our Rethreads program provides worn but still wearable clothing to people in need all over the world. Columbia Sportswear is also a member of the Conservation Alliance, a group of specialty outdoor businesses that has become a powerful source of grass roots conservation and environmental funding. Columbia's interest in outdoor education is reflected in

our support of Outward Bound. Columbia provides scholarship assistance to low-income students who couldn't otherwise experience this type of outdoor adventure. Columbia employees also make a difference through a volunteer program that organizes groups of employees for causes like SMART (Start Making A Reader Today) and SOLV IT (a project of Stop Oregon Litter and Vandalism).

Our offices and factory are responsible for recycling tens of thousands of pounds of paper and cardboard, as well as glass, plastic, aluminum and tin. By avoiding excessive packaging and by using recycled papers and soy-based inks, Columbia's products also reflect our commitment to reduce, reuse and recycle. We educate our employees about environmental awareness, and we encourage them to carpool and use mass transit with incentives like subsidized bus passes, guaranteed reserved parking for car-poolers, and bike racks and showers in the office for cyclists.

Columbia is committed to serving its expanding community.



**SUMMARY FINANCIAL DATA** The following financial information is extracted from the Company's form 10-K.

**COLUMBIA SPORTSWEAR COMPANY**  
**CONSOLIDATED BALANCE SHEETS**  
 In thousands

ASSETS	December 31	
	1 9 9 8	1 9 9 7
Current Assets:		
Cash and cash equivalents	\$ 6,777	\$ 4,001
Accounts receivable, net of allowance of \$3,395 and \$2,461, respectively	105,967	76,086
Inventories	74,059	48,300
Deferred tax asset	8,895	-
Prepaid expenses and other current assets	2,485	2,430
<b>Total current assets</b>	<b>198,183</b>	<b>130,817</b>
Property, plant, and equipment	68,692	35,277
Intangibles and other assets	2,603	8,383
<b>Total assets</b>	<b>\$ 269,478</b>	<b>\$ 174,477</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Current Liabilities:		
Notes payable	\$ 34,727	\$ 20,427
Accounts payable	37,514	21,765
Accrued liabilities	15,469	13,128
Income taxes payable	767	(229)
Current portion of long-term debt	201	154
Distribution payable	-	5,866
<b>Total current Liabilities</b>	<b>88,678</b>	<b>61,111</b>
Long-term debt	27,275	2,831
Deferred tax liability	4,111	-
<b>Total liabilities</b>	<b>120,064</b>	<b>63,942</b>
Commitments and contingencies	-	-
Shareholders' Equity:		
Preferred stock; 10,000 shares authorized; none issued and outstanding	-	-
Common stock; 50,000 shares authorized; 25,267 and 18,792 issued and outstanding	124,990	17,886
Retained earnings	32,282	101,805
Accumulated other comprehensive income	(3,478)	(3,806)
Unearned portion of restricted stock issued for future services	(4,380)	(5,350)
<b>Total shareholders' equity</b>	<b>149,414</b>	<b>110,535</b>
<b>Total liabilities and shareholders' equity</b>	<b>269,478</b>	<b>174,477</b>

**COLUMBIA SPORTSWEAR COMPANY**  
**CONSOLIDATED STATEMENT OF OPERATIONS**  
 In thousands, except per share amounts

	Year Ended December 31		
	1 9 9 8	1 9 9 7	1 9 9 6
Net sales	\$ 427,278	\$ 353,452	\$ 298,988
Cost of sales	240,457	198,946	176,859
<b>Gross profit</b>	<b>186,821</b>	<b>154,506</b>	<b>122,129</b>
Selling, general, and administrative	131,023	110,204	95,431
<b>Income from operations</b>	<b>55,798</b>	<b>44,302</b>	<b>26,698</b>
Interest expense, net	4,075	3,593	4,220
<b>Income before income tax</b>	<b>51,723</b>	<b>40,709</b>	<b>22,478</b>
Income tax expense	18,979	1,413	1,468
<b>Net income</b>	<b>\$ 32,744</b>	<b>\$ 39,296</b>	<b>\$ 21,010</b>
Net income per share:			
Basic	\$ 1.38	\$ 2.09	\$ 1.24
Diluted	\$ 1.36	\$ 2.06	\$ 1.24
Weighted average shares outstanding:			
Basic	23,731	18,792	16,997
Diluted	24,058	19,103	16,997
Pro forma net income data (unaudited):			
Income before income taxes, as reported		\$ 40,709	\$ 22,478
Pro forma provision for income taxes		16,284	8,991
<b>Pro forma net income</b>		<b>\$ 24,425</b>	<b>\$ 13,487</b>
Proforma net income per share:			
Basic		\$ 1.30	\$ 0.79
Diluted		\$ 1.28	\$ 0.79



### BOARD OF DIRECTORS

GERTRUDE BOYLE  
Chairman of the Board since 1970  
Columbia Sportswear Company

TIMOTHY P. BOYLE  
President and Chief Executive Officer  
Columbia Sportswear Company  
Director since 1978

SARAH BANY  
Director since 1988

MURRAY (BOB) R. ALBERS<sup>1,2</sup>  
President, Chief Executive Officer  
United States Bakery  
Director since 1993

EDWARD S. GEORGE<sup>1,2</sup>  
Retired, Banking Industry  
Director since 1989

JOHN STANTON<sup>1,2</sup>  
Chairman, Chief Executive Officer  
Western Wireless Corporation  
Director since 1997

<sup>1</sup> Member of the Audit Committee  
<sup>2</sup> Member of the Compensation Committee

### SENIOR CORPORATE OFFICERS

GERTRUDE BOYLE  
Chairman of the Board

TIMOTHY P. BOYLE  
President and Chief Executive Officer

DON R. SANTORUFO  
Executive Vice President and  
Chief Operating Officer

PATRICK D. ANDERSON  
Chief Financial Officer

CARL K. DAVIS  
Vice President and General Counsel

### CORPORATE HEADQUARTERS

6600 N. Baltimore, Portland, Oregon 97203

### NASDAQ LISTING

The common shares of  
Columbia Sportswear Company  
are traded on the Nasdaq Stock exchange  
under the symbol COLM.

### SHAREHOLDER INFORMATION

For any concerns relating to your current  
or prospective Shareholdings, please contact  
Investor Relations at 1-800-547-8066.

### ANNUAL MEETING

The annual meeting of shareholders will be  
held at 2:00pm on Wednesday, June 9, 1999,  
at the Multnomah Athletic Club,  
1849 SW Salmon Street, Portland, Oregon.  
You are welcome to attend.

### 10-K REPORTS

Copies of the Report 10-K, filed with the Securities and  
Exchange Commission, are available upon request from  
Investor Relations, Columbia Sportswear Company,  
P.O. Box 83239, Portland, Oregon 97283-0239.  
In addition, these and similar reports can be accessed  
through our web site at [www.columbia.com](http://www.columbia.com).

### AUDITORS

Deloitte & Touche LLP, Portland, Oregon

### LEGAL COUNSEL

Stoel Rives LLP, Portland, Oregon

### TRANSFER AGENT AND REGISTRAR

ChaseMellon Shareholder Services LLC  
85 Challenger Rd., Overpeck Centre  
Ridgefield Park, New Jersey 07660  
1-800-522-6645

This annual report includes forward-looking statements related to the Company's business prospects. Such statements can be found in the President's letter to shareholders, which refers to the implementation of the newest phase of the Company's North American distribution center, growth initiatives in the European business, growth prospects for the Company's sportswear and footwear divisions and growth opportunities for the Company generally. Additional forward-looking statements are included in the section entitled "growth strategy." These statements are necessarily subject to risk and uncertainty. Actual results could differ materially from those projected in these forward-looking statements. Risk factors that could cause actual results to differ materially from the forward-looking statements include, but are not limited to, product acceptance by customers, consumer trends, effects of weather on consumer purchases, dependence on independent manufacturers, seasonality and fluctuations in operating results, effectiveness of the Company's sales and marketing efforts, the financial condition of the Company's customers, general economic conditions and intense competition in the industry, which the Company believes will increase. Investors should consider all risk factors carefully when evaluating the Company and its business.