

1999 ANNUAL REPORT

OUTDOOR

ACTIVE

AUTHENTIC

AMERICAN

VALUE



LEVERAGE BRAND IN INTERNATIONAL MARKETS

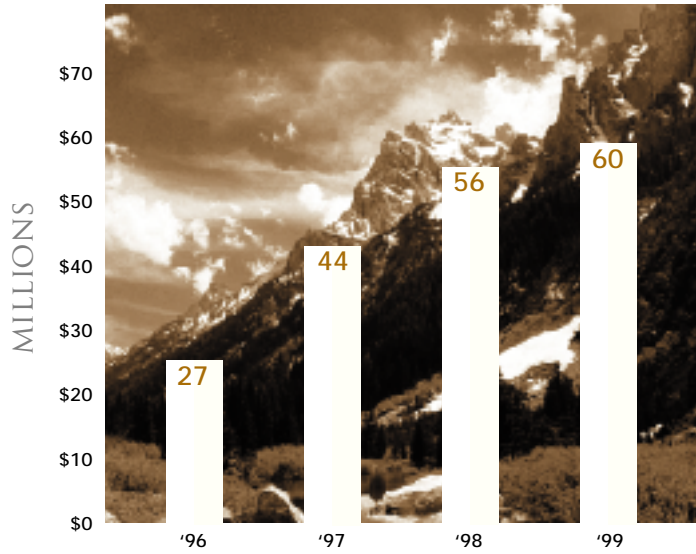
FURTHER DEVELOP EXISTING MERCHANDISE CATEGORIES

ENHANCE CHANNEL PRODUCTIVITY

SELECTIVELY BROADEN RETAIL DISTRIBUTION

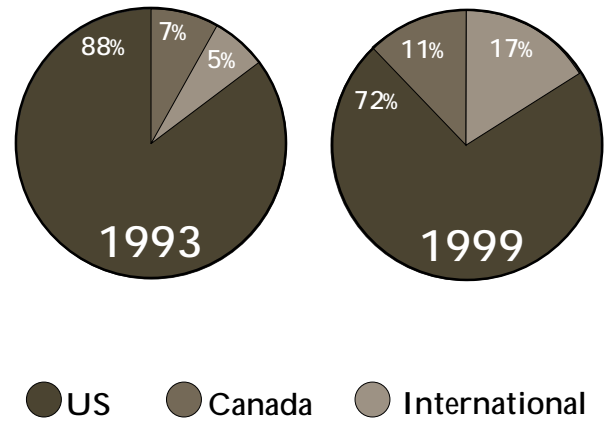
 **Columbia**
Sportswear Company®

OPERATING EARNINGS

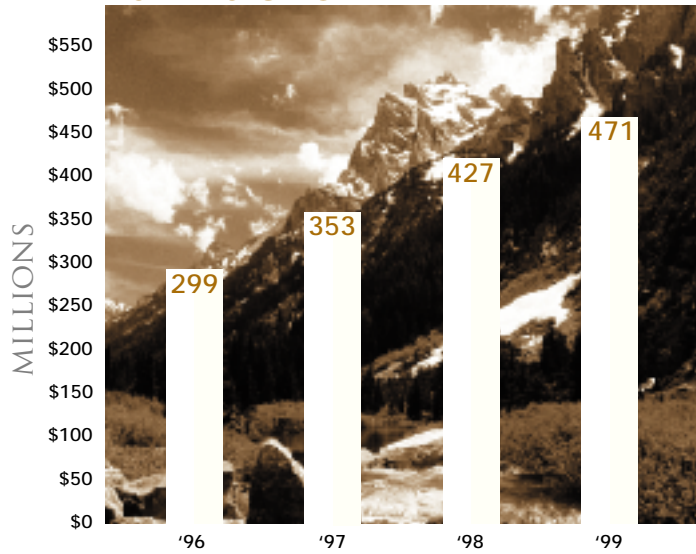


DIVERSITY OF REVENUE

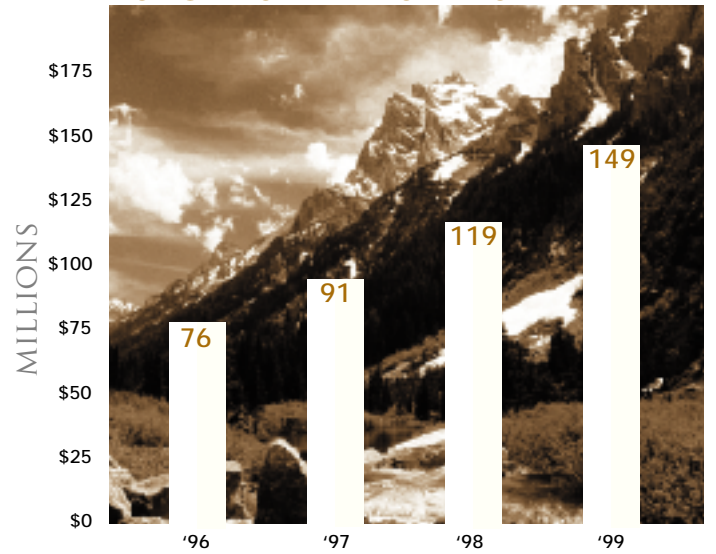
BY GEOGRAPHY



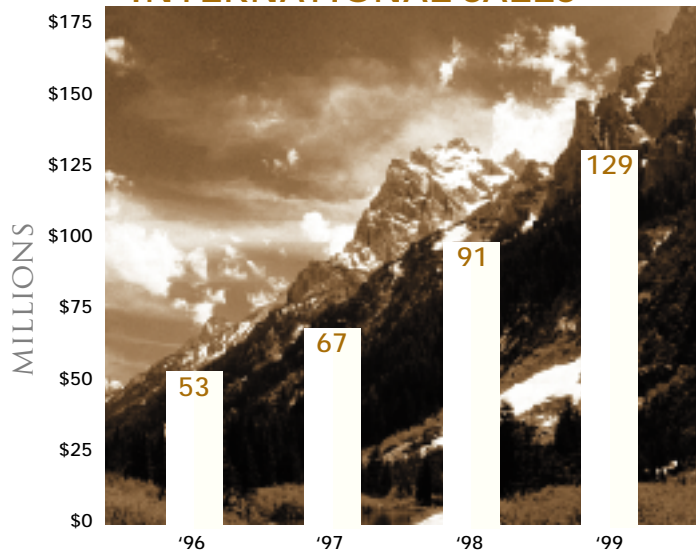
SALES GROWTH



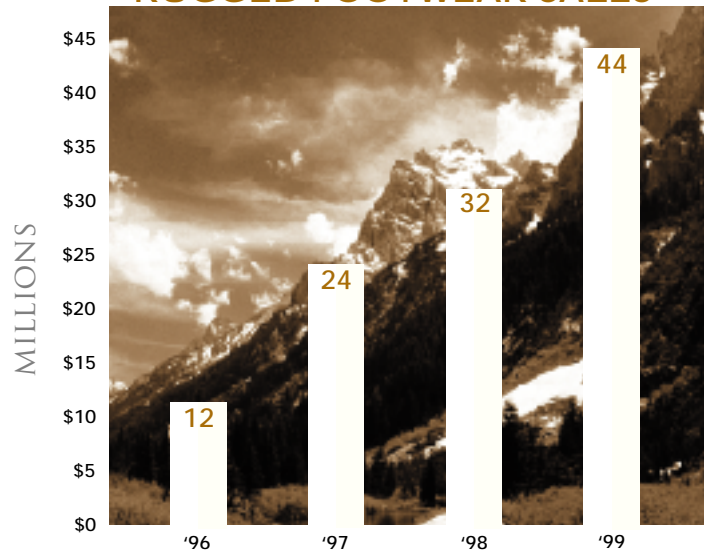
SPORTSWEAR SALES



INTERNATIONAL SALES*



RUGGED FOOTWEAR SALES



*INCLUDES ALL NON-US SALES



Shareholders and friends,

1999 was a very successful year for Columbia Sportswear. We grew revenues during 1999 to \$471 million, up 10% over 1998 revenues of \$427 million. Operating income also rose during 1999 to \$60 million, up 8% over 1998 operating income of \$56 million. We achieved this operating income growth despite some very significant additional expenses that we incurred during the year to improve our operations for future growth.

Coming into 1999, the implementation of the newest phase of our U.S. distribution center and company-wide information systems were primary focal points for the Company. I am pleased to say that while implementing these operations was no easy task, we are already experiencing the benefits of this investment. Though the substantial increases in depreciation expense associated with these projects had a dampening effect on earnings growth for the year, we believe that these investments were critical to position the Company to seize the growth opportunities we see over the next several years.

Additional key objectives during the year included further developing the international business, especially in Europe, as well as continuing to diversify our product offerings by focusing on growing our sportswear and footwear categories. I'm pleased to report significant progress on both objectives. On the European front, we were able to grow European direct revenues for 1999 to \$41 million, a 52% increase over 1998 European revenues of \$27 million. Additionally, with the continued growth in management infrastructure in Europe, the level of customer penetration throughout Europe has positioned us for further expansion in all European markets.

Sportswear and footwear also performed well during 1999. With sportswear revenues increasing a solid 25%, and footwear growing impressively with an increase of 39% during the year, the Columbia head-to-toe merchandising strategy is working well, and today the Columbia brand is stronger than ever. As a key driver of these successes, the Columbia concept shop, or store-in-store, merchandising strategy has helped immensely in raising the awareness of the Columbia brand with consumers while attractively displaying our products in retail stores. As you will learn later in this report there are plenty of opportunities to expand this program.

An additional noteworthy initiative that was undertaken during 1999 was the Company's move into the licensing arena. Early in 1999 we entered into our first agreement in which we will license the Columbia name for the production and marketing of active outdoor socks. The first offering of Columbia socks will be available at retail for the Fall 2000 season and we anticipate that over time this category will be a meaningful addition to the overall business. We have since signed two additional license agreements, one for adventure travel bags and packs, and one for small personal leather goods. We look forward to the contributions each of these licenses will provide to the business in the future.

Moving forward, we remain committed to the four basic strategies we have established for growing the Company. Specifically, we will focus on enhancing the retail productivity of our customers, leveraging the Columbia brand in international markets, further developing our existing merchandise categories, and selectively broadening our retail distribution. The balance of this report is devoted to more fully elaborating on each of these growth strategies and how we see them fitting together to help drive growth at Columbia Sportswear for the year 2000 and beyond.

Thank you for your continued support. I look forward to updating you on Columbia Sportswear's progress during the year 2000 in next year's report.

Sincerely,

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



CORPORATE AND SHAREHOLDER INFORMATION

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

MURREY R. ALBERS^{1,2,3}
President, Chief Executive Officer
United States Bakery
Director since 1993

EDWARD S. GEORGE^{1,2,3}
Retired, Banking Industry
Director since 1989

JOHN STANTON^{1,2,3}
Chairman, Chief Executive Officer
Western Wireless Corporation and
VoiceStream Wireless Corporation
Director since 1997

¹Member of the Audit Committee

²Member of the Compensation Committee

³Member of the Nominating Committee

EXECUTIVE OFFICERS

GERTRUDE BOYLE
Chairman of the Board

TIMOTHY P. BOYLE
President and Chief Executive Officer
Secretary

DON R. SANTORUFO
Executive Vice President and
Chief Operating Officer

PATRICK D. ANDERSON
Chief Financial Officer
Assistant Secretary

CARL K. DAVIS
Vice President and General Counsel
Assistant Secretary

TERRY J. BROWN
Vice President Planning and
Chief Information Officer

ROBERT G. MASIN
Director of Sales and Merchandising

CORPORATE HEADQUARTERS

6600 N. Baltimore, Portland, Oregon 97203

NASDAQ LISTING

The common stock of
Columbia Sportswear Company
is traded on the Nasdaq stock exchange
under the symbol COLM.

SHAREHOLDER INFORMATION

For any inquiries 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 Thursday, May 25, 2000,
at the Multnomah Athletic Club,
1849 SW Salmon Street, Portland, Oregon.
Shareholders are invited 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.

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





IN THE NEWS

1999

Columbia Sportswear Promotes Evans to General Manager of its Direct European Division

January 12, 1999
Outdoor industry leader Columbia Sportswear Company announced today that it has promoted John Evans to general manager of its direct European operations.

Columbia Sportswear Hits the Road Again With Popular MTV Docu-Drama

January 19, 1999
Oregon-based outerwear manufacturer Columbia Sportswear Company announced its continued role as the sole apparel supplier to Music Television's highly-rated docu-drama "Road Rules."

Columbia Sportswear Opens Newly Expanded Rivergate Distribution Center – Expansion Marks Continued Growth, Commitment to Customer Service

April 8, 1999
Columbia Sportswear Company (Nasdaq: COLM), a global leader in the active outdoor apparel and footwear industry, today announced that it completed a major expansion and renovation to its international distribution center in Portland's Rivergate Industrial District.

Columbia Sportswear Reports Solid 1999 First Quarter Results

April 27, 1999
Columbia Sportswear Company (Nasdaq: COLM) today announced net sales of \$89.2 million for its first quarter ended March 31, 1999, an increase of 19.1 percent over the \$74.9 million of net sales for the same period of last year.

Columbia Sportswear Named REI's 1998 Vendor Partner of the Year

June 7, 1999
In a special ceremony at its headquarters in Portland, Ore., Columbia Sportswear Company (Nasdaq: COLM) today received from Recreational Equipment, Inc. (REI) the international outdoor retailer's coveted Vendor Partner of the Year Award for 1998.

Columbia Sportswear and NBC Team Up for Olympic Games

June 9, 1999
Oregon outerwear giant Columbia Sportswear Company (Nasdaq: COLM) announced today that it has inked a deal with the NBC Olympic Unit to be an apparel supplier to the network's Olympic broadcast team for the upcoming Olympic Games.

Columbia Sportswear Retains The Beanstalk Group To Develop Strategic Licensing Program

June 30, 1999
Columbia Sportswear Company, maker of high quality active outdoor apparel and footwear, today announced that it has signed an agreement with licensing agency The Beanstalk Group to develop a strategy to license the Columbia name across a broad range of related categories.

Columbia Sportswear Company Reports Solid 1999 Second Quarter Results

July 27, 1999
Columbia Sportswear Company (Nasdaq: COLM) today announced net sales of \$71.4 million for its second quarter ended June 30, 1999, an increase of 6.3 percent over the \$67.2 million of net sales for the same period of last year.

Columbia Sportswear Signs License Agreement With Crescent Hosiery

July 27, 1999
International outdoor apparel and footwear manufacturer Columbia Sportswear Company (Nasdaq: COLM) today announced it has entered into a license agreement with Crescent Hosiery Mills, Inc. to produce men's, women's and children's socks.

Columbia Sportswear Sponsors Discovery Channel Eco-Challenge

October 6, 1999
International outdoor apparel and footwear brand Columbia Sportswear Company (Nasdaq: COLM) today announced it has signed a sponsorship agreement with The Discovery Channel to become the Official Promotional Clothing Supplier for the 1999 Eco-Challenge.

Columbia Sportswear Company Reports Record Results for Third Quarter – Spring 2000 Orders Up Over 40%

October 26, 1999
Columbia Sportswear Company (Nasdaq: COLM) today announced record net sales of \$187.6 million for its third quarter ended September 30, 1999, an increase of 7.8% over net sales of \$174.0 million for the same period of last year.

Columbia Sportswear Ships Millionth Pair Of Bugabootoos™

November 11, 1999
Today Columbia Sportswear Company (Nasdaq: COLM) shipped its millionth pair of Bugabootoos™, the Company's best-selling inclement weather boot. Since its fall 1993 debut, the product has revolutionized the winter boot (often called the pac boot) market as the first anatomically correct, value-priced inclement weather boot.

Columbia Sportswear Announces Intent to Open London Office

December 3, 1999
Columbia Sportswear Company (COLM: Nasdaq), a global leader in the active outdoor apparel and footwear industry, announced that it is opening a London office to directly manage the development of Columbia's brand in the United Kingdom.

Columbia Sportswear Company Reports Record Results for Fourth Quarter and Fiscal Year 1999

February 1, 2000
Columbia Sportswear Company (Nasdaq: COLM), a global leader in the active outdoor apparel industry, today announced record net sales of \$122.3 million for the fourth quarter ended December 31, 1999, an increase of 10.0% over net sales of \$111.2 million for the same period of 1998.

GROWTH STRATEGIES

1 2 3 4

“This will help you grow big and strong.”
– Mother Gert Boyle

Columbia Sportswear outlines growth strategies for 2000 and beyond.

Columbia Sportswear has shown impressive top line growth over the past seven years, driving sales from \$192 million in 1993 to \$471 million in 1999. We've achieved this growth by staying true to our 62 year-old active outdoor roots, both in product offering and brand identity. Using five key words – Outdoor, Active, Authentic, American and Value – to drive merchandising and marketing strategies, Columbia has catapulted to the top of the outdoor apparel industry, securing a place as the nation's number-one skiwear label and one of the largest outerwear companies in the world.

Moving forward into the new millennium, Columbia will continue to focus on four key strategies to drive top line growth and increase market share.

1 Leverage brand in markets outside the USA

We've succeeded over the past seven years in increasing the diversity of Columbia's geographic revenue base substantially. In 1999, 28 percent of sales came from international markets, up from 12 percent in 1993. Canada, Western Europe and Asia are Columbia's three largest international markets. In addition, we have distributors selling our products in Eastern Europe, South America and the South Pacific ... 38 countries in all. With overall international sales climbing 42 percent from \$91 million in 1998 to \$129 million in 1999, we've strengthened Columbia's foothold in foreign markets and have capitalized on significant expansion opportunities to help drive Company growth.

We are bullish about prospects in our three key international markets because they are characteristically similar in many ways to the United States. Specifically, the population and demographics within these markets match our strategic targeting objectives, consumer income and spending at this time are relatively strong, and the climates are generally well-suited to the types of products we design. In addition, these markets are currently dominated by small regional brands that have neither the global brand identity nor the sourcing and distribution capabilities that Columbia has established.

CANADA

Columbia first entered the Canadian market in 1988, where the country's cold, wet climate presented a great sales opportunity for an established U.S. outerwear brand. Moving from distributorship to subsidiary in 1992, our Canadian operations have grown every year without fail, achieving net sales of \$50 million in 1999, a 28 percent rise over net sales of \$39 million in 1998.

To sustain this growth, we have maintained the same consistent marketing message that has served to build broad awareness of the brand and an appreciation for its characteristic value and quality attributes.

To support strong categorical expansion in Canada, we're mirroring our U.S. strategy for distribution.

Specifically, we are further developing the Columbia presence across multiple retail channels, while continuing to nurture our relationships with sporting goods chains throughout the country.

EUROPE

Columbia's European direct business grew 52 percent in 1999, from revenues of \$27 million in 1998 to revenues of \$41 million in 1999. This increase is the result of calculated efforts on the part of our management team to strengthen European operational infrastructure and unify our global marketing message.

A trend toward greater market acceptance of American outdoor products has also added to our success in this region.

With 12 direct markets and 12 distributors across Europe, we've built a foundation that will help Columbia to maneuver in the complex and challenging European retail environment in 2000 and beyond. Going forward, we will focus on expanding Columbia's presence in Germany and France, two of the largest European markets. We also plan to expand the Company's customer base by targeting large buying groups, which allows us to put our products in front of thousands of buyers, and by encouraging larger orders from existing customers.

ASIA

Despite a difficult economic environment, Asia remains one of the world's largest retail markets, with consumers there continuing to covet American brands. Our established subsidiaries in Japan and Korea position us to expand our business in these regions as the Asian economies resume their growth.

The Company established subsidiary offices in Seoul, Korea and Tokyo, Japan in 1996. Immediate infrastructure and marketing investments were made to strengthen the brand presence in these retail markets. In Japan, we've achieved significant penetration with key retailers across the country, and have established a solid brand image through our flagship store in Nagoya and concept shops within prestigious department stores like Marui and Seibu.

With Korean consumer confidence and spending on the rise, Columbia is setting its sights outside of Seoul, where the Company's brand image has been elevated to the point that potential franchisees and department stores have begun approaching us to do business.

2 Further develop existing merchandise categories

Long ago, we realized that product diversification was the key to reducing the seasonality of the business and achieving long-term growth. To this end, we launched sportswear and footwear programs in 1993, both of which are reducing Columbia's former dependence on outerwear sales and creating exciting new growth opportunities for the brand and the Company. In 1999 sportswear and footwear accounted for 32 percent and 9 percent of worldwide sales respectively, after just seven years of concentrating our efforts in each of these markets.

SPORTSWEAR

Columbia is capitalizing on the increased popularity of individual, outdoor-oriented activities like hiking, fishing, mountain biking, and trail running, among others which have captured market share from team athletics and associated brands. To generate excitement among consumers, department store buyers tell us they are looking for alternative definitions of "active" and Columbia's brand of active outdoor sportswear like GRT® (Gear for Rugged Trekking, Travel, Training) apparel is a great solution. In addition, as we have added broader year-round product offerings, and invested in new distribution capabilities, department stores have become increasingly interested in selling Columbia Sportswear products.

Going forward, we will continue to expand GRT®, which has become the fastest growing segment of our sportswear business, and will further develop our sportswear offerings in youth and extended sizes. With an estimated U.S. market opportunity of \$34.7 billion¹, Columbia's 1999 sportswear sales of \$149 million, which were up 25 percent over 1998, still have plenty of room to grow.

FOOTWEAR

Columbia Sportswear's footwear category has also benefited from the athletic business slowdown, generating revenues of \$44 million in 1999 versus \$32 million in 1998, a 38 percent increase. Our strength as a provider of high quality, competitively priced branded footwear is complemented by styles that fully merchandise across all Columbia categories, creating a total product package for retailers.

In order to gain a larger portion of the global brown shoe market, which is estimated at \$5.6 billion², we'll augment our established All-Weather category with more styles that provide year-round sales opportunities and with additional women's specific collections. In addition, we are aggressively targeting footwear-only retailers to gain greater presence in this potentially lucrative retail segment.

OUTERWEAR

Outerwear, our most mature product category, continues to provide a significant portion of Columbia's overall revenue at \$258 million in net sales in 1999. The U.S. outerwear market, estimated at \$10.8 billion³, still affords Columbia room to expand in this category and we plan to achieve this through diversification to reach a broader audience. Columbia's popular high performance Titanium™ collection positions the brand as a credible technical apparel supplier to specialty retailers, and our volume-oriented price point lines address specific target audiences like snowboarders who are seeking fresh new looks each season. In addition, we'll continue to expand our women's line, the breadth and variety of which is unique in the outdoor marketplace.

¹according to Sporting Goods Manufacturers Association 1999 State of the Industry Report

²based on Sporting Goods Intelligence 1998 World Branded Brown Shoe Market Survey

³based on US Customs data for 1999



GROWTH STRATEGIES

1 2 3 4

3 Enhance channel productivity

Columbia is enhancing sales through existing retail channels by employing marketing tactics such as visual merchandising and advertising, thereby infusing the image of Mother Boyle around the world. We are also investing more dollars in our concept shop program, which has contributed to increased sales of Columbia merchandise. Further, we are also expanding our reach across all types of media to enhance the Columbia image and make our products more valuable to our retail customers.

RETAIL MARKETING

Columbia Sportswear's customer loyalty is very high, with consumers returning to buy our products again and again. In order to attract new customers to the brand, we launched a retail marketing division in 1995, which set out to create a concept shop and identity program that would raise the brand to new heights of awareness at the retail level. Since program inception, Columbia has installed 674 shops worldwide, with 238 of them in the United States.

Columbia's retail marketing strategy consists of three primary tactics: concept shops, focus areas and brand enhancement systems. Used in tandem or individually, these merchandising tools create a uniform brand presentation at retail, encouraging shoppers to purchase coordinated products from a single apparel company. Columbia employs a well-trained and growing team of visual merchandisers to manage the program from critical points around the world.

Columbia concept shops are housed primarily in major sporting goods chains like Dick's, Gander Mountain, Gart Sports and G.I. Joe's. However, we've also been successful in placing shops in such department stores as Nordstrom, May Company and JCPenney. Concept shops are a worthwhile investment because they typically provide better gross profit margins to our retailers, driving greater demand for our products at the wholesale



level, and they create a more pleasant shopping experience by enabling consumers to serve themselves when a store and its associates are busy.

Going forward, our objective on this front is to tightly manage our existing retail marketing program, keeping costs down and quality high through careful sourcing and strategic placement of fixtures. At the same time, we intend to continue working closely with customers to make sure our programs evolve to meet new retail demands and our corporate sales goals.

BRAND AWARENESS

It's widely known that Columbia Sportswear's success has been the personal mission of Mother Gert Boyle since she took over the Company reins in 1970. Our Chairman, the founder's daughter, was forever transformed in 1986 when she became the focus of Columbia's irreverently funny advertising campaign, which permeates virtually every part of our business. This campaign has helped to make Columbia Sportswear one of the most popular, not to mention entertaining, outdoor brands in the world.

In 2000 the Company will target an ever-expanding audience by placing more ads in a combination of mass-reach and enthusiast publications, thereby creating a consistent and meaningful presence. We'll also continue a categorical expansion, creating ads for a greater number of product lines. In addition, television ads for fall 2000 will continue the saga of Mother Boyle's torturous product testing sessions with son Tim.

Supporting our popular ad campaign are targeted sponsorship and public relations efforts designed to increase awareness among consumers, the media and other key audiences. For example, we recently signed an agreement to be an official apparel supplier to NBC's Olympic broadcast unit for the 2000 Summer Games in Sydney, Australia and the 2002 Winter Games in Salt Lake City, Utah. In addition, we will continue to carry our sponsorship of professional golfer Steve Jones through to the retail level to maintain credibility for our popular golf apparel.



GROWTH STRATEGIES

1 2 3 4

4

Selectively broaden retail distribution

We are still in the early stages of developing department store and footwear-specific venues as sales channels for Columbia products. Building on our broad distribution base, we are aggressively pursuing these two categories to create additional revenue opportunities.

DEPARTMENT STORES

Department stores provide heavily trafficked areas with significant volume potential. We already have an introductory presence in such chains as Nordstrom, May Company, Dillard's, Kohl's, JCPenney, Saks Fifth Avenue, and Federated Department Stores, and we plan to expand this presence within existing and new partners. Columbia's strategies for achieving this goal include:

- Continue to increase awareness to attract image-conscious department stores to the brand
- Further strengthen the Company's infrastructure to accommodate department stores' demand for value-added services
- Strategically expand apparel and footwear offerings to create comprehensive merchandising packages
- Invest in additional key account managers to cultivate department store business



FOOTWEAR-SPECIFIC VENUES

According to the June 10, 1999 issue of trade magazine

Sporting Goods

Intelligence, Columbia ranked 18th in the \$5.6 billion 1998 World Branded Brown Shoe Market, an impressive achievement for a program just seven years old. Notably, Columbia reached this status with very little penetration of footwear-specific retail stores.

Columbia's reputation for quality, our superior price-value equation, and our brand strength and identity paved the way for the successful introduction of footwear to our existing customer base. Moving forward, we will grow footwear in part by concentrating on footwear-only venues for which we're still a young brand. Our goals are to generate excitement among an entirely new customer and consumer base and to further solidify the Columbia brand as a head-to-toe outdoor apparel supplier.



MOTHER'S WATCHING AND WAITING

We've worked to set the retail stage for a command performance in 2000. We have targeted and mapped out plans to take advantage of significant growth

opportunities with regard to product, distribution and geography. With this consistent focus, we believe we are well positioned to pursue our growth goals in the new millenium.

We'd better ... or we'll have to answer to you-know-who.

Forward-Looking Statements

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 Company's four-pronged growth strategy of enhancing the retail productivity of our customers, leveraging the Columbia brand in international markets, further developing the Company's existing merchandise categories, and selectively broadening the Company's retail distribution. Additional forward-looking statements are included in the section entitled "growth strategies." These statements are necessarily subject to risk and uncertainty. Actual results could differ materially from those projected in these forward-looking statements. These risk factors include, but are not limited to, the Company's reliance on product acceptance, effects of weather, dependence on independent manufacturers and suppliers, seasonality and fluctuations in operating results, effectiveness of the Company's sales and marketing efforts, and intense competition in the industry, which the Company believes will increase. Additional risk factors include the Company's ability to achieve and manage growth effectively, unfavorable economic conditions generally, international risks including trade disruptions, political stability in foreign markets, exchange rate fluctuations, quotas and tariffs, the financial health of customers, effective implementation and expansion of the Company's distribution facilities, operations of the Company's and third party computer systems, and the Company's ability to establish and protect its intellectual property. These and other risks are described in Management's Discussion and Analysis of Financial Condition and Results of Operations under the heading "Factors That May Affect Our Business." Although forward-looking statements help provide complete information about the Company, investors should keep in mind that forward-looking statements are inherently less reliable than historical information.

Please visit our website: www.columbia.com



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