
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported):
July 30, 2015

COLUMBIA SPORTSWEAR COMPANY
(Exact name of registrant as specified in its charter)

Oregon
(State or other jurisdiction
of incorporation)

000-23939
(Commission
File Number)

93-0498284
(I.R.S. Employer
Identification No.)

14375 Northwest Science Park Drive
Portland, Oregon 97229
(Address of principal executive offices) (Zip code)

(503) 985-4000
(Registrant's telephone number, including area code)

No Change
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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ITEM 2.02 RESULTS OF OPERATIONS AND FINANCIAL CONDITION

On July 30, 2015, Columbia Sportswear Company (the “Company”) issued a press release reporting its second quarter 2015 financial results and revised financial outlook for fiscal year 2015. A copy of the Company’s press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference. The information in this report shall not be treated as filed for purposes of the Securities Exchange Act of 1934, as amended.

Attached hereto as Exhibit 99.2 and incorporated by reference herein is financial information and commentary by Thomas B. Cusick, Executive Vice President of Finance and Chief Financial Officer of Columbia Sportswear Company, for the second quarter of 2015 and forward-looking statements relating to the revised fiscal year 2015 financial outlook as posted on the Company’s investor relations website, <http://investor.columbia.com>, on July 30, 2015. The information in this report shall not be treated as filed for purposes of the Securities Exchange Act of 1934, as amended.

ITEM 7.01 REGULATION FD DISCLOSURE

In its July 30, 2015 press release, the Company also announced that its Board of Directors approved a cash dividend of \$0.15 per share of common stock to be paid on September 3, 2015 to its shareholders of record on August 20, 2015.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS

(d) Exhibits

- 99.1 Press Release, dated July 30, 2015 (furnished pursuant to Items 2.02 and 7.01 hereof).
 - 99.2 Commentary by Thomas B. Cusick, Executive Vice President of Finance and Chief Financial Officer of Columbia Sportswear Company dated July 30, 2015 (furnished pursuant to Items 2.02 and 7.01 hereof).
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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

COLUMBIA SPORTSWEAR COMPANY

Dated: July 30, 2015

By: /s/THOMAS B. CUSICK

Thomas B. Cusick
Executive Vice President of Finance and Chief Financial
Officer

EXHIBIT INDEX

<u>Exhibit</u>	<u>Description</u>
99.1	Press Release, dated July 30, 2015 (furnished pursuant to Items 2.02 and 7.01 hereof).
99.2	Commentary by Thomas B. Cusick, Executive Vice President of Finance and Chief Financial Officer of Columbia Sportswear Company dated July 30, 2015 (furnished pursuant to Items 2.02 and 7.01 hereof).

**Contact:**

Ron Parham
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& Corporate Communications
Columbia Sportswear Company
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**COLUMBIA SPORTSWEAR COMPANY SECOND QUARTER NET SALES INCREASE 17 PERCENT
RAISES FULL YEAR EARNINGS OUTLOOK TO 17 TO 22 PERCENT GROWTH**

Second Quarter 2015 Highlights:

- Net sales increased \$56.0 million, or 17 percent (21 percent constant-dollar), to a second-quarter record \$380.2 million.
- Net loss totaled \$6.5 million, or \$(0.09) per share, compared with a net loss of \$6.3 million, or \$(0.09) per share, in the second quarter of 2014.
- The board of directors approved a regular quarterly cash dividend of \$0.15 per share, payable on September 3, 2015 to shareholders of record on August 20, 2015.

Fiscal Year 2015 Outlook Raised to Anticipate:

- Low double-digit net sales growth (mid-teen constant-dollar);
- High-teen percentage growth in operating income, generating full year operating margin of approximately 10.3 percent of net sales;
- Net income between \$160 million and \$168 million, or \$2.25 to \$2.35 per diluted share, 17 percent to 22 percent higher than 2014 net income of \$137.2 million, or \$1.94 per diluted share.

All per-share amounts have been adjusted for the 2-for-1 stock split completed on September 26, 2014.

PORTLAND, Ore. — July 30, 2015 — Columbia Sportswear Company (NASDAQ: COLM) today announced that net sales for the quarter ended June 30, 2015 grew 17 percent (21 percent constant-dollar), to a second-quarter record \$380.2 million, compared with net sales of \$324.2 million for the same period in 2014.

Second quarter 2015 net loss totaled \$6.5 million, or \$(0.09) per share. Second quarter 2014 net loss totaled \$6.3 million, or \$(0.09) per share, including a net tax benefit of \$5.6 million, or \$0.08 per share, from the favorable resolution of uncertain tax positions, and acquisition costs totaling approximately \$2.1 million net of tax, or \$(0.03) per share, related to the purchase of prAna Living, LLC.

Through the first six months of 2015, the company's net sales grew \$110.9 million, or 15 percent (19 percent constant-dollar), to \$859.2 million, compared to \$748.3 million in the first half of 2014, including approximately \$57.7 million of incremental net sales from the prAna brand.

First-half 2015 operating income, including accretion from the prAna brand, grew 90 percent, to \$35.2 million, compared with operating income of \$18.5 million in the first half of 2014, which included acquisition costs totaling approximately \$3.4 million related to the purchase of prAna Living, LLC.

First half net income increased 25 percent, to \$19.9 million, or \$0.28 per diluted share, compared with net income of \$15.9 million, or \$0.23 per diluted share, in last year's first half, which included the net tax benefit of \$5.6 million, or \$0.08 per diluted share, noted above, and acquisition costs totaling approximately \$2.1 million net of tax, or \$(0.03) per diluted share, related to the purchase of prAna Living, LLC.

Tim Boyle, Columbia's chief executive officer, commented, "Our exceptional first-half results and our improved full year outlook illustrate the increasing earnings power of our expanded brand portfolio, seasonally diverse product offerings, and enhanced operational platforms. Strong sell-through of Spring 2015 products in North America and Europe drove demand in the second quarter and is fueling encouraging Spring 2016 wholesale advance orders."

Boyle concluded, "We enter the Fall season with robust momentum in North America behind our Columbia, Sorel and prAna brands. In addition, we are gaining traction with the Columbia brand in Europe, despite slow economic growth in that region. As planned, with earlier receipt of Fall season inventory, we are very well positioned to deliver against our strong Fall advance order book. Together, these factors give us confidence in our expectations to deliver mid-teen constant-dollar net sales growth, operating margin of approximately 10.3 percent, and better than expected earnings growth in 2015."

Second Quarter Results

(All comparisons are between second quarter 2015 and second quarter 2014, unless otherwise noted.)

The second quarter is the company's smallest revenue quarter, historically accounting for a mid-teens percentage of annual net sales. As a result, year-over-year regional, brand and category net sales comparisons often produce large percentage variances in relation to the prior year's comparable period due to the small base of comparison and shifts in the timing of shipments which, when coupled with the company's fixed cost structure, can have an amplified effect on operating results.

U.S. net sales increased 45 percent, including \$19.0 million of incremental prAna net sales. Net sales in Canada increased 27 percent (43 percent constant-dollar), including \$1.0 million of incremental prAna net sales. Latin America/Asia Pacific (LAAP) region net sales increased 1 percent (7 percent constant-dollar), including \$0.3 million of incremental prAna net sales. Europe/Middle East/Africa (EMEA) region net sales decreased 18 percent (11 percent constant-dollar), including \$0.3 million of incremental prAna net sales. (See "Geographical Net Sales" table below.)

Columbia brand net sales increased 12 percent (16 percent constant-dollar) to \$325.1 million. Sorel brand net sales increased 43 percent to \$4.3 million. Mountain Hardwear net sales decreased 3 percent to \$21.2 million. prAna net sales totaled \$26.1 million, including \$20.6 million of incremental sales. (See "Brand Net Sales" table below.)

Apparel, Accessories & Equipment net sales increased 18 percent (21 percent constant-dollar) to \$310.2 million, and Footwear net sales increased 14 percent (21 percent constant-dollar) to \$70.0 million. (See "Categorical Net Sales" table below.)

Balance Sheet and Cash Flow

The company ended the quarter with \$417.5 million in cash and short-term investments, compared with \$394.4 million at June 30, 2014.

Consolidated inventories of \$581.0 million at June 30, 2015 were 27 percent higher compared with the \$456.4 million balance at June 30, 2014, in line with our expectations. The majority of inventory growth at June 30, 2015 was concentrated in North America and resulted from earlier production of Fall 2015 inventory that was in-transit or on-hand to meet earlier requested delivery of increased Fall 2015 advance wholesale orders, and to support our expanded North American direct-to-consumer business.

The company paid quarterly cash dividends of \$21.1 million during the first half of 2015 and repurchased approximately 259,000 shares of common stock for an aggregate purchase price of approximately \$14.5 million in the second quarter of 2015. Approximately \$229.0 million remains available under the current repurchase authorization, which does not obligate the company to acquire any specific number of shares or to acquire shares over any specified period of time.

Dividend

The board of directors authorized a regular quarterly dividend of \$0.15 per share, payable on September 3, 2015 to shareholders of record on August 20, 2015.

Upward-Revised 2015 Financial Outlook

All projections related to anticipated future results are forward-looking in nature and are subject to risks and uncertainties that may cause actual results to differ, perhaps materially. The company's annual net sales are weighted more heavily toward the second half of the fiscal year, while operating expenses are more equally distributed throughout the year, resulting in a highly seasonal profitability pattern weighted toward the second half of the fiscal year.

The company expects low double-digit percentage 2015 net sales growth (mid-teen percentage constant-dollar growth) compared to 2014 net sales of \$2.1 billion.

The company expects fiscal year 2015 gross margins to improve by approximately 50 basis points, and selling, general and administrative expenses to increase at a rate slightly lower than anticipated sales growth, generating approximately 30 basis points of operating expense leverage.

Based on the above assumptions, the company expects:

- high-teen percentage growth in operating income, generating operating margin of approximately 10.3 percent, compared with operating income of \$198.8 million and operating margin of 9.5 percent in 2014;
- an effective tax rate of approximately 28.0 percent; and
- net income after non-controlling interest of approximately \$160 million to \$168 million, or approximately \$2.25 to \$2.35 per diluted share, an increase of approximately 17 percent to 22 percent compared with net income of \$137.2 million, or \$1.94 per diluted share, in 2014.

The above full year outlook includes an estimated unfavorable impact of approximately \$0.11 per diluted share from the stronger U.S. Dollar, resulting from lower gross margins within our foreign subsidiaries as a result of increased costs of inventory and, to a lesser degree, the translation of net income.

A more detailed version of the company's 2015 financial outlook can be found in the "**CFO Commentary on Second Quarter 2015 Financial Results and Upward-Revised 2015 Outlook**", available on the company's investor relations website: <http://investor.columbia.com/results.cfm>.

CFO's Commentary on Second Quarter 2015 Results and Upward-Revised 2015 Financial Outlook Available Online

At approximately 4:15 p.m. ET today, a commentary by Tom Cusick, executive vice president and chief financial officer, reviewing the company's second quarter 2015 financial results and upward-revised full year 2015 financial outlook will be furnished to the SEC on Form 8-K and published on the company's website at

<http://investor.columbia.com/results.cfm>. Analysts and investors are encouraged to review this commentary prior to participating in the conference call.

Conference Call

The company will host a conference call on Thursday, July 30, 2015 at 5:00 p.m. EDT to review its second quarter financial results and full year 2015 financial outlook. Dial 877-407-9205 to participate. The call will also be webcast live on the Investor Relations section of the Company's website at <http://investor.columbia.com> where it will remain available until July 29, 2016.

Third Quarter 2015 Reporting Schedule

Columbia Sportswear plans to report financial results for third quarter 2015 on Thursday, October 29, 2015 at approximately 4:00 p.m. EDT. Following issuance of the earnings release, a commentary reviewing the company's third quarter financial results and full year 2015 financial outlook will be furnished to the SEC on Form 8-K and published on the investor relations section of the company's website at <http://investor.columbia.com/results.cfm>. A public webcast of Columbia's earnings conference call will follow at 5:00 p.m. EDT at www.columbia.com.

About Columbia Sportswear

Columbia Sportswear Company has assembled a portfolio of brands for active lives, making it a leader in the global active lifestyle apparel, footwear, accessories and equipment industry. Founded in 1938 in Portland, Oregon, the company's brands are currently sold in approximately 100 countries. In addition to the Columbia® brand, Columbia Sportswear Company also owns the Mountain Hardwear®, Sorel®, prAna®, Montrail® and OutDry® brands. To learn more, please visit the company's websites at www.columbia.com, www.mountainhardwear.com, www.sorel.com, www.pрана.com, www.montrail.com and www.outdry.com.

Forward-Looking Statements

This document contains forward-looking statements within the meaning of the federal securities laws, including statements regarding anticipated results, net sales and net sales growth, gross margins, operating expenses and leverage, net income, earnings per share, operating income, operating margins, foreign currency hedge rates and translation effects, tax rates, expectations regarding growth in the Columbia, Sorel and prAna brands, and projected growth of advance orders in North America and Europe. Forward-looking statements often use words such as "will," "anticipate," "estimate," "expect," "should," and "may" and other words and terms of similar meaning or reference future dates. The company's expectations, beliefs and projections are expressed in good faith and are believed to have a reasonable basis; however, each forward-looking statement involves a number of risks and uncertainties, including those set forth in this document, those described in the company's Annual Report on Form 10-K and Quarterly Reports on Form 10-Q under the heading "Risk Factors," and those that have been or may be described in other reports filed by the company, including reports on Form 8-K. Potential risks and uncertainties that may affect our future revenues, earnings and performance and could cause the actual results of operations or financial condition of the company to differ materially from the anticipated results expressed or implied by forward-looking statements in this document include: labor strikes or work delays at ports, causing disruption to our ability to timely import products; loss of key customer accounts; our ability to effectively implement information technology systems, infrastructure, and business process initiatives; the effects of unseasonable weather; unfavorable economic conditions generally, the financial health of our customers, and changes in the level of consumer spending and apparel preferences; changes in international, federal or state tax policies and rates; risks inherent in doing business in foreign markets; effects of currency exchange rates; our ability to attract and retain key employees; higher than expected rates of order cancellations; increased consolidation of our retail customers; our ability to effectively source and deliver our products to customers in a timely manner; unforeseen increases and volatility in the cost of raw materials; our reliance on product innovations; our dependence on independent manufacturers and suppliers and our ability to source finished products and components at competitive prices from them; the effectiveness of our sales and marketing efforts; intense competition in the industry; unanticipated business disruptions and acts of terrorism, cyber attacks, or

military activities around the globe; and our ability to establish and protect our intellectual property. The company cautions that forward-looking statements are inherently less reliable than historical information. The company does not undertake any duty to update any of the forward-looking statements after the date of this document to conform them to actual results or to reflect changes in events, circumstances or its expectations. New factors emerge from time to time and it is not possible for the company to predict or assess the impact of all such factors or the extent to which any factor, or combination of factors, may cause results to differ materially from those contained in any forward-looking statement.

- Financial tables follow-
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COLUMBIA SPORTSWEAR COMPANY
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands)
(Unaudited)

	June 30,	
	2015	2014
Current Assets:		
Cash and cash equivalents	\$ 371,062	\$ 367,165
Short-term investments	46,428	27,238
Accounts receivable, net	198,296	204,527
Inventories	581,031	456,448
Deferred income taxes	55,519	52,202
Prepaid expenses and other current assets	45,513	42,551
Total current assets	1,297,849	1,150,131
Property, plant and equipment, net	285,833	291,270
Intangibles and other non-current assets	234,974	243,890
Total assets	\$ 1,818,656	\$ 1,685,291
Current Liabilities:		
Accounts payable	\$ 286,623	\$ 239,906
Accrued liabilities	110,528	104,332
Income taxes payable	3,436	3,315
Deferred income taxes	125	66
Total current liabilities	400,712	347,619
Note payable to related party	15,739	15,734
Other long-term liabilities	50,713	43,973
Equity:		
Columbia Sportswear Company shareholders' equity	1,337,646	1,269,971
Non-controlling interest	13,846	7,994
Total equity	1,351,492	1,277,965
Total liabilities and equity	\$ 1,818,656	\$ 1,685,291

COLUMBIA SPORTSWEAR COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share amounts)
(Unaudited)

	Three Months Ended June		Six Months Ended June 30,	
	30,			
	2015	2014	2015	2014
Net sales	\$ 380,234	\$ 324,246	\$ 859,216	\$ 748,330
Cost of sales	208,916	180,221	459,124	407,219
Gross profit	171,318	144,025	400,092	341,111
	45.1 %	44.4 %	46.6 %	45.6 %
Selling, general and administrative expenses	181,502	162,196	368,004	325,555
Net licensing income	1,222	1,182	3,072	2,906
Income (loss) from operations	(8,962)	(16,989)	35,160	18,462
Interest income, net	574	384	951	623
Interest expense on note payable to related party	(278)	(277)	(552)	(487)
Other non-operating income (expense)	467	(149)	(1,729)	(505)
Income (loss) before income tax	(8,199)	(17,031)	33,830	18,093
Income tax benefit (expense)	2,395	10,293	(11,715)	(1,155)
Net income (loss)	(5,804)	(6,738)	22,115	16,938
Net income (loss) attributable to non-controlling interest	741	(409)	2,189	1,012
Net income (loss) attributable to Columbia Sportswear Company	\$ (6,545)	\$ (6,329)	\$ 19,926	\$ 15,926
Earnings (loss) per share attributable to Columbia Sportswear Company:				
Basic	\$ (0.09)	\$ (0.09)	\$ 0.28	\$ 0.23
Diluted	(0.09)	(0.09)	0.28	0.23
Weighted average shares outstanding:				
Basic	70,339	69,916	70,210	69,668
Diluted	70,339	69,916	71,152	70,602

COLUMBIA SPORTSWEAR COMPANY
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
(In thousands)
(Unaudited)

	Six Months Ended June 30,	
	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Income	\$ 22,115	\$ 16,938
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	27,778	23,234
Loss on disposal or impairment of property, plant and equipment	507	229
Deferred income taxes	7,688	5,601
Stock-based compensation	5,939	5,208
Excess tax benefit from employee stock plans	(6,342)	(3,951)
Changes in operating assets and liabilities:		
Accounts receivable	139,730	112,340
Inventories	(202,276)	(114,716)
Prepaid expenses and other current assets	(7,442)	(7,357)
Other assets	(3,018)	297
Accounts payable	78,252	60,089
Accrued liabilities	(29,630)	(23,095)
Income taxes payable	(11,263)	(13,596)
Other liabilities	2,098	1,733
Net cash provided by operating activities	<u>24,136</u>	<u>62,954</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisition of business, net of cash acquired	-	(188,467)
Purchases of short-term investments	(38,208)	(21,471)
Sales of short-term investments	19,213	86,206
Capital expenditures	(28,365)	(24,964)
Proceeds from sale of property, plant, and equipment	104	16
Net cash used in investing activities	<u>(47,256)</u>	<u>(148,680)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from credit facilities	260	1,045
Repayments on credit facilities	(260)	(1,045)
Proceeds from issuance of common stock under employee stock plans	14,371	19,017
Tax payments related to restricted stock unit issuances	(4,531)	(2,881)
Excess tax benefit from employee stock plans	6,342	3,951
Repurchases of common stock	(14,525)	-
Proceeds from related party note payable	-	16,072
Cash dividends paid	(21,113)	(19,556)
Net cash provided by (used in) financing activities	<u>(19,456)</u>	<u>16,603</u>
NET EFFECT OF EXCHANGE RATE CHANGES ON CASH	<u>80</u>	<u>(1,201)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	<u>(42,496)</u>	<u>(70,324)</u>
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	<u>413,558</u>	<u>437,489</u>
CASH AND CASH EQUIVALENTS, END OF PERIOD	<u>\$ 371,062</u>	<u>\$ 367,165</u>
SUPPLEMENTAL DISCLOSURES OF NON-CASH INVESTING ACTIVITIES:		
Capital expenditures incurred but not yet paid	\$ 4,044	\$ 8,145

COLUMBIA SPORTSWEAR COMPANY
(In millions, except percentage changes)
(Unaudited)

	<u>Three Months Ended June 30,</u>				<u>Six Months Ended June 30,</u>			
	<u>2015</u>	<u>2014</u>	<u>% Change</u>	<u>Constant Dollar % Change (1)</u>	<u>2015</u>	<u>2014</u>	<u>% Change</u>	<u>Constant Dollar % Change (1)</u>
Geographical Net Sales:								
United States	\$ 212.1	\$ 146.3	45 %	45 %	\$ 495.9	\$ 387.5	28 %	28 %
LAAP	97.0	96.1	1 %	7 %	210.1	212.9	(1) %	5 %
EMEA	59.8	72.9	(18) %	(11) %	107.6	112.1	(4) %	6 %
Canada	11.3	8.9	27 %	43 %	45.6	35.8	27 %	41 %
Total	<u>\$ 380.2</u>	<u>\$ 324.2</u>	17 %	21 %	<u>\$ 859.2</u>	<u>\$ 748.3</u>	15 %	19 %
Brand Net Sales:								
Columbia	\$ 325.1	\$ 291.0	12 %	16 %	\$ 726.1	\$ 667.0	9 %	13 %
Sorel	4.3	3.0	43 %	40 %	17.7	15.9	11 %	15 %
Mountain Hardware	21.2	21.8	(3) %	1 %	46.3	54.2	(15) %	(11) %
prAna	26.1	5.5	375 %	371 %	63.2	5.5	1049 %	1040 %
Other	3.5	2.9	21 %	25 %	5.9	5.7	4 %	9 %
Total	<u>\$ 380.2</u>	<u>\$ 324.2</u>	17 %	21 %	<u>\$ 859.2</u>	<u>\$ 748.3</u>	15 %	19 %
Categorical Net Sales:								
Apparel, Accessories and Equipment	\$ 310.2	\$ 263.0	18 %	21 %	\$ 709.5	\$ 616.7	15 %	18 %
Footwear	70.0	61.2	14 %	21 %	149.7	131.6	14 %	20 %
Total	<u>\$ 380.2</u>	<u>\$ 324.2</u>	17 %	21 %	<u>\$ 859.2</u>	<u>\$ 748.3</u>	15 %	19 %

(1) Constant-dollar % change information excludes the effect of changes in foreign currency exchange rates vs. the U.S. dollar between comparable reporting periods. To calculate constant-dollar net sales percentage changes, net sales in foreign currencies for the current period are translated into U.S. dollars at the average exchange rates that were in effect during the comparable period of the prior year. The company uses constant-dollar information to provide a framework to assess how the business performed excluding the effects of changes in the exchange rates used to translate net sales generated in foreign currencies into U.S. dollars.



14375 NW Science Park Drive
Portland, OR 97229
July 30, 2015

CFO Commentary on Second Quarter 2015 Financial Results and Upward-Revised 2015 Financial Outlook

Related Information

Please reference accompanying financial information in the corresponding quarterly earnings release at <http://investor.columbia.com/results.cfm>.

Conference Call

The company will host a conference call on Thursday, July 30, 2015 at 5:00 p.m. ET to review second quarter results and its upward-revised FY2015 financial outlook. To participate, please dial (877) 407-9205 in the U.S. The call will be webcast live on the Investor Relations section of the company's website <http://investor.columbia.com> where it will remain available until July 29, 2016.

Summary

(All per-share amounts have been adjusted for the 2-for-1 stock split completed on September 26, 2014.)

(This document includes references to constant-dollar net sales percentage changes, which exclude the effect of changes in foreign currency exchange rates between comparable reporting periods when translating net sales recognized in foreign currencies into U.S. dollars.)

Several significant factors affected the company's second quarter 2015 financial results, financial position and comparisons to second quarter 2014, including:

- Increased demand for our Spring products within our U.S. wholesale and direct-to-consumer businesses;
- Expansion of our global direct-to-consumer (DTC) channels;
- Inclusion of financial results from the prAna business, which was acquired on May 30, 2014;
- Effects of a significantly stronger U.S. dollar against the Euro, Canadian dollar, and Yen;
- Unfavorable effects of the extremely competitive and promotional Korean outdoor market; and
- Increased operating costs associated with personnel and information technology investments.

In addition, three specific events that occurred in 2014 affected the quarter-over-quarter comparisons:

- Approximately \$14.0 million of North American wholesale shipments were accelerated into the first quarter of 2014 at the request of certain customers in order to mitigate risks associated with the company's U.S. ERP implementation in early April 2014.
 - A non-recurring tax benefit of \$5.6 million, or \$0.08 per diluted share, was recorded in the second quarter of 2014, reflecting the resolution of specific uncertain tax positions.
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- Approximately \$3.4 million of acquisition costs related to the purchase of prAna Living LLC were incurred in the second quarter of 2014 (approximately \$2.1 million, or \$0.03 per share, net of tax).

These factors are reflected in the financial results reported herein except where specifically noted otherwise.

Second quarter consolidated net sales increased \$56.0 million, or 17 percent (21 percent constant-dollar), to a second-quarter record \$380.2 million, including incremental prAna brand net sales of \$20.6 million.

Gross margin expanded approximately 70 basis points to a second-quarter record 45.1 percent of sales. Selling, general & administrative (SG&A) expenses increased \$19.3 million, or 12 percent, and represented 47.7 percent of net sales compared with 50.0 percent of net sales in last year's second quarter.

Second quarter 2015 operating loss totaled \$9.0 million, a 47 percent improvement compared to an operating loss of \$17.0 million in last year's second quarter.

First-half operating income of \$35.2 million represents a 90 percent improvement over last year's first-half operating income of \$18.5 million.

Operating loss/income for the three and six month periods ended June 30, 2014 included acquisition costs totaling approximately \$3.4 million related to the purchase of prAna Living, LLC.

The effective income tax rate for the second quarter of 2015 was 29.2 percent, compared to 60.4 percent for the second quarter of 2014. During the second quarter of 2014, we recorded a non-recurring tax benefit of \$5.6 million, or \$0.08 per share, mentioned above.

Second quarter net loss totaled \$6.5 million, or \$(0.09) per share, comparable to second quarter 2014 net loss of \$6.3 million, or \$(0.09) per share.

First-half net income of \$19.9 million, or \$0.28 per diluted share, represents a 25 percent improvement over last year's first-half net income of \$15.9 million, or \$0.23 per diluted share.

Net income or loss for the three and six month periods ended June 30, 2014 included the \$0.08 per diluted share non-recurring tax benefit mentioned above, and acquisition costs totaling approximately \$2.1 million net of tax, or \$(0.03) per diluted share, related to the purchase of prAna Living, LLC.

Our upward-revised 2015 financial outlook anticipates:

- low-double-digit percentage increase in net sales (mid-teen constant-dollar);
- high-teen percentage increase in operating income compared with 2014, generating anticipated operating margin of approximately 10.3 percent;
- an effective tax rate of approximately 28.0 percent; and
- net income of approximately \$160 million to \$168 million, or \$2.25 to \$2.35 per diluted share, representing an approximate 17 percent to 22 percent increase over 2014 net income.

The **Updated 2015 Financial Outlook** section beginning on page 6 below contains a more detailed discussion of the factors contributing to this outlook and includes comparisons of anticipated 2015 and actual 2014 operating results.

Second Quarter Financial Results

(All comparisons are between second quarter 2015 and second quarter 2014, unless otherwise noted.)

The second quarter is the company's smallest revenue quarter, historically accounting for a mid-teens percentage of annual net sales. As a result, year-over-year regional, brand and category net sales comparisons often produce large percentage variances in relation to the prior year's comparable period due to the small base of comparison and shifts in the timing of shipments which, when coupled with the company's fixed cost structure, can have an amplified effect on operating results.

Net Sales

Consolidated net sales increased 17 percent (21 percent constant-dollar) to a second-quarter record \$380.2 million, including incremental prAna brand net sales of \$20.6 million. First-half 2015 consolidated net sales increased 15 percent (19 percent constant-dollar), to \$859.2 million, including \$57.7 million of incremental net sales from prAna, compared to the first half of 2014.

Regions

- U.S. net sales increased 45 percent, to \$212.1 million, driven by increased wholesale and direct-to-consumer (DTC) sales, including \$19.0 million of incremental prAna net sales. The increase in wholesale sales primarily reflected increased advance orders, as well as stronger at-once demand driven by favorable sell-through across U.S. wholesale channels. The quarter-over-quarter comparison also benefited from a timing shift of approximately \$12.0 million of advance Spring 2014 U.S. wholesale orders originally scheduled for shipment during the second quarter of 2014 which, at the request of certain customers, were shipped in the first quarter of 2014 in order to mitigate risks associated with the company's U.S. ERP implementation in early April 2014. The company operated 95 U.S. retail stores (76 outlet, 19 branded) during the second quarter of 2015, compared with 79 stores (66 outlet, 13 branded) during the same period in 2014, plus 5 branded ecommerce sites.
- Net sales in the LAAP region increased 1 percent (7 percent constant-dollar) to \$97.0 million, including \$0.3 million in incremental prAna net sales. A net sales increase in China driven by higher off-price and ecommerce sales was largely offset by net sales declines in Korea, the effect of timing shifts in shipments of advance orders to LAAP distributors, and net sales declines in Japan. The net sales decline in Korea, reflected continued business weakness amid the extremely competitive and promotional conditions in the outdoor sector in that country. Although net sales in Japan decreased at a high-single digit rate on a GAAP basis, they grew at a high-single-digit rate on a constant-dollar basis.
- Net sales in the EMEA region decreased 18 percent (11 percent constant-dollar) to \$59.8 million, including \$0.3 million of incremental prAna net sales. Net sales to EMEA distributors decreased more than 20 percent, primarily reflecting decreased advance Fall 2015 shipments to our Russian distributor, where challenging economic conditions persist. Although Europe-direct net sales decreased at a mid-single-digit rate on a GAAP basis, they grew at a high-teen rate on a constant-dollar basis.
- Net sales in Canada increased 27 percent (43 percent constant-dollar), to \$11.3 million, including \$1.0 million of incremental prAna net sales. The sales growth reflected increased wholesale and DTC sales. The comparison was also favorably affected by an approximately

\$2.0 million timing shift out of last year's second quarter to mitigate risks associated with the company's April 2014 U.S. ERP implementation.

Brands

- Columbia brand net sales increased 12 percent to \$325.1 million (16 percent constant-dollar), primarily driven by growth in the U.S., partially offset by lower net sales to EMEA distributors, primarily reflecting difficult economic conditions in Russia.
- prAna sales totaled \$26.1 million, including \$20.6 million of incremental net sales.
- Sorel brand net sales increased 43 percent to \$4.3 million, primarily reflecting increased sales in the U.S.
- Mountain Hardwear brand net sales decreased 3 percent to \$21.2 million.

Product Categories

- Global Apparel, Accessories & Equipment net sales increased 18 percent (21 percent constant-dollar) to \$310.2 million, primarily due to increased U.S. Columbia brand net sales, and \$20.6 million of incremental prAna brand net sales.
- Global Footwear net sales increased 14 percent (21 percent constant-dollar) to \$70.0 million, consisting primarily of higher Columbia and Sorel brand net sales in the U.S.

Gross Margin

Second quarter 2015 gross margins expanded 70 basis points to a second-quarter record 45.1 percent, primarily reflecting:

- a lower mix of sales to international distributors, which carry lower gross margins than wholesale and direct to consumer channels;
- selective price increases; and
- improved gross margin in our direct-to-consumer business;

partially offset by:

- increased promotional activity and inventory provisions in our Korea subsidiary; and
- unfavorable foreign currency hedge rates.

Selling, General and Administrative (SG&A) Expense

Second quarter 2015 SG&A expense increased \$19.3 million, or 12 percent, to \$181.5 million, or 47.7 percent of net sales, compared to 50.0 percent of net sales in last year's second quarter.

The increase was primarily the result of:

- increased expenses related to the company's expanding DTC operations;
- increased personnel expenses to support business growth;
- incremental costs associated with prAna; and
- increased demand creation expense;

partially offset by:

- favorable foreign currency translation.

Operating Income/Loss

Consolidated operating loss totaled \$9.0 million, or (2.4) percent of net sales, a 47 percent improvement compared with second quarter 2014 operating loss of \$17.0 million, or (5.2) percent of net sales.

Consolidated operating income through the first half of 2015 totaled \$35.2 million, a 90 percent increase over operating income of \$18.5 million for the same period last year. Operating loss/income for the

three and six month periods ended June 30, 2014 included acquisition costs totaling approximately \$3.4 million related to the purchase of prAna Living, LLC.

Income Tax Benefit

The effective income tax rate was 29.2 percent, compared to 60.4 percent for the second quarter of 2014, which included a non-recurring tax benefit of \$5.6 million, or \$0.08 per share, primarily due to the favorable impact resulting from resolution of specific uncertain tax positions.

Net Income/Loss

Consolidated net loss totaled \$6.5 million, or \$(0.09) per share, comparable to the net loss of \$6.3 million, or \$(0.09) per share, in the second quarter of 2014.

Through the first half of fiscal year 2015, consolidated net income, including accretion from the prAna brand, totaled \$19.9 million, or \$0.28 per diluted share, an increase of 25 percent over last year's first-half net income of \$15.9 million, or \$0.23 per diluted share.

Net income or loss for the three and six month periods ended June 30, 2014 included the non-recurring tax benefit of \$5.6 million, or \$0.08 per diluted share, noted above, and acquisition costs totaling approximately \$2.1 million net of tax, or \$(0.03) per diluted share, noted above.

Balance Sheet

At June 30, 2015, cash and short-term investments totaled \$417.5 million, compared to \$394.4 million at the same time last year. At June 30, 2015, approximately 55 percent of cash and short-term investments were held in foreign jurisdictions where a repatriation of those funds to the United States would likely result in a significant tax cost to the company.

Consolidated accounts receivable at June 30, 2015 totaled \$198.3 million, a 3 percent decrease on a 17 percent net sales increase. Consolidated Days Sales Outstanding (DSO) at June 30, 2015 stood at 47 days, a decrease of 10 days compared with June 30, 2014.

Consolidated inventories at June 30, 2015 totaled \$581.0 million, an increase of 27 percent compared with June 30, 2014. This growth was in line with our expectation and resulted from earlier production of Fall 2015 inventory that was in-transit or on-hand to meet earlier requested delivery of increased Fall 2015 advance wholesale orders, and to support our expanded North American direct-to-consumer business. We expect inventory growth to return to levels more comparable to anticipated sales growth as we move through the second half of the year.

Year-to-Date 2015 Cash Flow

Net cash provided by operations in the first half of 2015 was \$24.1 million, compared to \$63.0 million in the first half of 2014.

Capital expenditures totaled \$28.4 million, compared to \$25.0 million in the first half of 2014. Capital expenditures were concentrated in the company's expanded DTC operations, corporate facilities projects, as well as investments in the company's ongoing global ERP system implementation and related projects.

The company paid quarterly cash dividends of \$21.1 million during the first half of 2015 and repurchased approximately 259,000 shares of common stock for an aggregate purchase price of

approximately \$14.5 million. Approximately \$229.0 million remains available under the current repurchase authorization.

Regular Quarterly Cash Dividend

At its regular board meeting on July 24, 2015, the board of directors authorized a regular quarterly cash dividend of \$0.15 per share, payable on September 3, 2015 to shareholders of record on August 20, 2015.

Upward-Revised 2015 Financial Outlook

Our objective in providing a forward-looking financial outlook is to help investors understand our business and the variables that we consider when planning our business and evaluating our own performance.

All projections related to anticipated future results are forward-looking in nature and may change, perhaps significantly. Our annual net sales are weighted more heavily toward the Fall/Winter season, while operating expenses are more equally distributed throughout the year, resulting in a highly seasonal sales and profitability pattern weighted toward the second half of the fiscal year.

Advance wholesale orders typically generate a significant portion of our annual sales and, as such, are one of several significant factors we use to formulate our full year outlook. However, among many risks inherent in our global business, our projected full year sales and profitability may be materially affected by unfavorable weather patterns and other factors which affect consumer demand and lead to higher-than anticipated cancellations of advance wholesale orders and lower reorders by our wholesale customers, and/or by lower-than-projected sales through our DTC channels, particularly during the fourth quarter.

We are facing macro-economic, competitive, and/or geopolitical uncertainty in certain markets, most notably in Russia, Korea, and China, making it more difficult to forecast our sales and profitability in those markets. In addition, the U.S. dollar has strengthened significantly during the past year against the Canadian dollar, Japanese Yen, and Euro.

Taking the above factors into consideration, and assuming macro and market conditions in key markets do not worsen, we expect 2015 net sales and profitability comparisons with 2014 to be driven by the following major factors:

- net sales growth in the Columbia and Sorel brands across our U.S., Canadian, and European wholesale channels;
- continued growth of our brick-and-mortar and e-commerce DTC sales in North America, including the planned addition of 14 new stores in the U.S. and 1 new store in Canada;
- financial results of the prAna business, which was acquired on May 30, 2014;
- difficult economic and/or competitive environments in certain key international markets particularly Russia, Korea, and China; and
- effects of changes in foreign currency exchange rates on sales, gross margin and operating income.

Our upward-revised fiscal year 2015 outlook assumes:

- A low double-digit percentage increase in global net sales compared to 2014 (mid-teen percentage growth on a constant-dollar basis), including approximately \$56.0 million of incremental prAna sales recognized during the January – May period.
- High-teen percentage growth in operating income, generating operating margin of approximately 10.3 percent, compared with operating income of \$198.8 million, and operating margin of 9.5 percent, in 2014.
- Net income after non-controlling interest of approximately \$160 million to \$168 million, or approximately \$2.25 to \$2.35 per diluted share, representing an increase of approximately 17 percent to 22 percent compared with net income of \$137.2 million, or \$1.94 per diluted share, in 2014.
- Second-half 2015 net income to be fairly evenly split between the third and fourth quarters.

The above projections are based on the following expectations:

- mid-twenty percent growth in the U.S. business, driven by organic growth in the Columbia and Sorel brands, plus incremental contributions and growth in the prAna brand;
- high-twenty percent constant-dollar growth in Canada translating into low double-digit percentage growth in U.S. dollars, driven by the Columbia and Sorel brands, plus incremental contributions and growth in the prAna brand;
- low-double-digit percentage declines in the EMEA region, consisting of approximately 20 percent constant-dollar growth in our European-direct markets translating into low-single-digit percentage growth in U.S. dollars, more than offset by reduced orders from our Russian distributor in response to severe currency devaluation and adverse economic conditions in that country; and
- mid-single-digit percentage declines in the LAAP region, consisting of a high-teen percentage constant-dollar decline in Korea translating into a low-twenties percentage decline in U.S. dollars, high-single-digit percentage constant-dollar growth in Japan translating into a high-single-digit percentage decline in U.S. dollars, high 20-percent growth in our LAAP distributor business, and China net sales essentially equal to last year.
- Gross margin expansion of approximately 50 basis points compared with 2014, reflecting:
 - lower provisions for excess inventory, primarily in Korea; and
 - a higher proportion of DTC net sales with a corresponding lower proportion of lower gross margin distributor net sales;partially offset by:
 - unfavorable foreign currency hedge rates; and
 - a higher proportion of lower gross margin close-out product sales in Korea.
- SG&A expense growth rate slightly lower than anticipated consolidated net sales growth, resulting in approximately 30 basis points of SG&A leverage. The increase in projected SG&A expenses consists primarily of:
 - increased expenses to support continued global DTC expansion and operations;
 - increased personnel expenses;
 - increased demand creation spending, which is anticipated to increase to approximately 5.4 percent of 2015 net sales compared with 5.2 percent of 2014 net sales;
 - incremental SG&A expenses related to a full year of prAna's operations;
 - increased SG&A expenses within China, primarily associated with transitioning into the JV administrative support functions previously provided by our China JV partner; and

- o increased expenses related to ongoing information technology initiatives; partially offset by:
- o favorable foreign currency exchange translation, resulting from a stronger U.S. dollar.

- Licensing income of approximately \$7.5 million.
- An estimated full-year effective tax rate of approximately 28.0 percent. The actual rate could differ based on the geographic mix of pre-tax income, and other discrete events that may occur during the year.
- An unfavorable impact of approximately \$(0.11) on full year 2015 earnings per share due to changes in currency exchange rates, comprising lower gross margins within our foreign subsidiaries as a result of increased costs of inventory, and to a lesser degree the translation of net income.
- 2015 capital expenditures of approximately \$75 million, comprising investments in DTC business expansion, project-based and maintenance capital, information technology, and corporate facilities.

Our international distributor businesses went live on our ERP system in May 2015, joining our North American wholesale business and the majority of our global supply chain operations on the new platform. Operations representing approximately 70 percent of the company's business are now on the new platform. We expect our continuing ERP investments to enable improved supply chain efficiencies and better inventory utilization, which will positively impact operating cash flow and gross margins over time.

Forward-Looking Statements

This document contains forward-looking statements within the meaning of the federal securities laws, including statements regarding anticipated results, net sales and net sales growth, gross margins, operating expenses and leverage, licensing income, operating income, operating margins, earnings per share, tax rates, projected growth in brands and global direct-to-consumer businesses, expected results by region, anticipated seasonality, planned implementation of, and continuing investments in our new ERP and related benefits, expectations regarding macro and market conditions, inventory, capital expenditures, foreign currency exchange rates and translation effects, and net income. Forward-looking statements often use words such as "will," "anticipate," "estimate," "expect," "should," and "may" and other words and terms of similar meaning or reference future dates. The company's expectations, beliefs and projections are expressed in good faith and are believed to have a reasonable basis; however, each forward-looking statement involves a number of risks and uncertainties, including those set forth in this document, those described in the company's Annual Report on Form 10-K and Quarterly Reports on Form 10-Q under the heading "Risk Factors," and those that have been or may be described in other reports filed by the company, including reports on Form 8-K. Potential risks and uncertainties that may affect our future revenues, earnings and performance and could cause the actual results of operations or financial condition of the company to differ materially from the anticipated results expressed or implied by forward-looking statements in this document include: labor strikes or work delays at ports, causing disruption to our ability to timely import products; loss of key customer accounts; our ability to effectively implement information technology systems, infrastructure, and business process initiatives; the effects of unseasonable weather; unfavorable economic conditions generally, the financial health of our customers, and changes in the level of consumer spending and

apparel preferences; changes in international, federal or state tax policies and rates; risks inherent in doing business in foreign markets; effects of currency exchange rates; our ability to attract and retain key employees; higher than expected rates of order cancellations; increased consolidation of our retail customers; our ability to effectively source and deliver our products to customers in a timely manner; unforeseen increases and volatility in the cost of raw materials; our reliance on product innovations; our dependence on independent manufacturers and suppliers and our ability to source finished products and components at competitive prices from them; the effectiveness of our sales and marketing efforts; intense competition in the industry; business disruptions and acts of terrorism, cyber attacks, or military activities around the globe; and our ability to establish and protect our intellectual property. The company cautions that forward-looking statements are inherently less reliable than historical information. The company does not undertake any duty to update any of the forward-looking statements after the date of this document to conform them to actual results or to reflect changes in events, circumstances or its expectations. New factors emerge from time to time and it is not possible for the company to predict or assess the impact of all such factors or the extent to which any factor, or combination of factors, may cause results to differ materially from those contained in any forward-looking statement.

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