

HOWE BARNES IS PLEASED TO ANNOUNCE OUR RECENT ADVISORY TRANSACTION



*has signed a definitive agreement
to be acquired by*

**UMPQUA HOLDINGS
CORPORATION**

January 2007

Howe Barnes acted as financial advisor to North Bay Bancorp in this transaction.

North Bay Bancorp, Napa, California has signed a definitive agreement to merge with and into Umpqua Holdings Corporation, Portland, Oregon. The agreement provides for North Bay Bancorp shareholders to receive 1.217 shares of Umpqua common stock for each share of North Bay Bancorp common stock. At announcement, the aggregate transaction value is \$157.6 million.

The acquisition of North Bay Bancorp will add 10 branches in Northern California to Umpqua's existing network of 134 Northern California, Oregon and Washington locations.

The acquisition is expected to close in the second quarter of 2007, subject to shareholder and regulatory approvals.

Deal Pricing

Deal Price / LTM Earnings:	22.5x
Deal Price / Book:	283%
Deal Price / Tangible Book:	286%
Deal Price / Assets:	24.3%
Core Deposit Premium:	24.7%

***Financials as of September 30, 2006*

Financial Highlights

	UMPQ	NBAN
Total Assets (\$000's):	7,198,848	648,984
Total Equity (\$000's):	1,141,680	55,767
Tang. Equity/Assets:	7.1%	8.5%
LTM ROAA:	1.3%	1.1%
LTM ROATE:	22.8%	13.4%

SOURCE: SNL Financial

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