



ColumbiaManagementSM

Columbia Select Large Cap Growth Fund

Hi, my name is Tom Galvin and I am a senior portfolio manager at Columbia Management. I, along with Todd Herget and Richard Carter manage the Columbia Select Large Cap Growth Fund.

What is your process for managing the Columbia Select Large Cap Growth Fund?"

Our philosophy is that stock returns will follow earnings growth. Therefore, we try to identify roughly two dozen high-growth companies whose stocks have very little to do with one another. With about 25 names in the fund, we are very selective about what we buy and sell.

Our process comes in two parts:

- > First, we identify fast growing companies and own them for several years so their growth can germinate in the portfolio.
- > Second, we continuously review the cross correlation of our holdings to ensure that the 25 or so stocks in our portfolio are high growth, but with a low correlation, in order to reduce volatility. Going beyond 30 stocks can actually lead to more risk, where stocks have inter-relationships. We try to remove that domino effect to help protect the fund from negative market events.

There tend to be three characteristics in the positions we hold in the fund.

First, high quality. We want companies that:

- > Control their own destiny;
- > Put cash in research and development;
- > They innovate with a product cycle focus rather than economic cycle dependence; and
- > They're able to invest in sales and distribution to grow their footprint.

Second, high growth — meaning mid- to high-teens earnings per share growth on a forward-looking basis.

And third, strong risk controls through position size limitations. We tend to sell or trim when a holding reaches the five-percent level. We tend to think that fewer holdings are better, especially in today's low-growth environment. Clearly there are no longer "rising tides lifting all boats" in this sluggish economy.

How is your fund positioned to take advantage of current conditions?

If I had to give a title to 2011, it would be: "How to invest in a low-growth world." In March, we witnessed the second anniversary of the depths of the recession. To be sure, the U.S. economy is making progress, but it remains challenged. Consumers and businesses continue to deleverage, and the global financial system remains fragile due to European debt concerns and our own swelling deficit.

Our over-weighting in the tech sector and underweight on consumer areas are indicative of current economic challenges and tepid consumer spending. We believe companies will continue to spend more on tech equipment and software, which in turn should raise productivity. In other words, the solutions from tech productivity also come at the expense of limited job growth. In absolute

terms, we have nearly two times more dollars invested in tech companies than we do in consumer franchises, because consumers are still paying down mortgage debt and credit card balances. We also have limited optimism for the job market, and believe a high unemployment rate will constrain retail sales, at least from a broad perspective.

Healthcare represents nearly one-fourth of our portfolio as spending on healthcare remains high despite the economy and reforms; an aging population here and abroad is still driving greater consumption of necessary medical products and services; and also innovation remains strong, enabling some companies to register above average growth helped by their products gaining market share.

The U.S. economy is \$14 trillion dollars in size and we want to understand for whom the cash register rings the most. Typically demographics and the need to improve productivity are key drivers to spending, so we try to find firms that are increasing market share in industries that are gaining wallet share of GDP.

For more information on our fund, be sure to visit our website, columbiamanagement.com. Thanks for listening.

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Investors should consider the investment objectives, risks, charges and expenses of a mutual fund carefully before investing. For a free prospectus, which contains this and other important information about the funds, visit columbiamanagement.com. The prospectus should be read carefully before investing.

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The fund is subject to stock market fluctuations. By maintaining a relatively concentrated portfolio, the fund may be subject to greater risk than a fund that is more fully diversified. The fund may invest in foreign securities. International investing involves special risks, including foreign taxation, currency risks, risks associated with possible differences in financial standards, and other monetary and political risks.

Investment products are not federally or FDIC-insured, are not deposits or obligations of, or guaranteed by any financial institution, and involve investment risks including possible loss of principal and fluctuation in value.