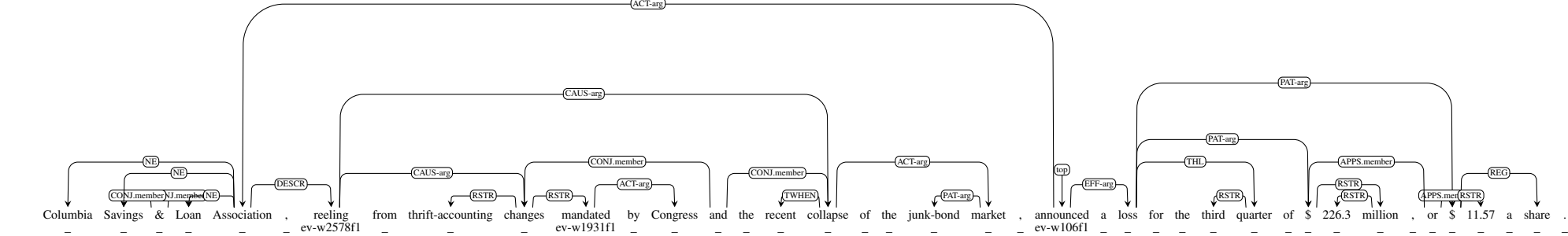
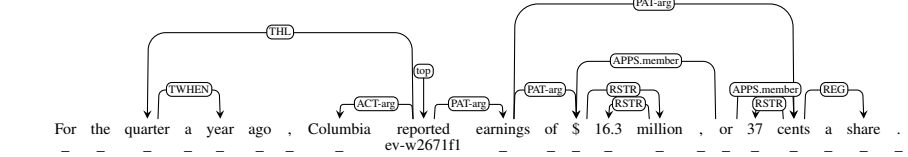


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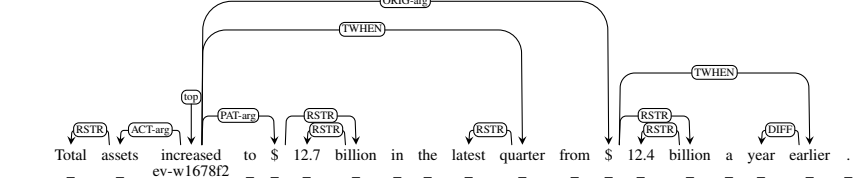
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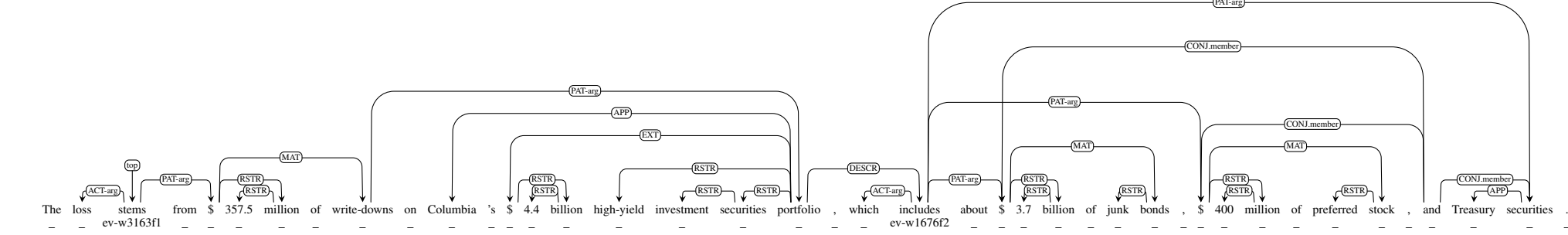
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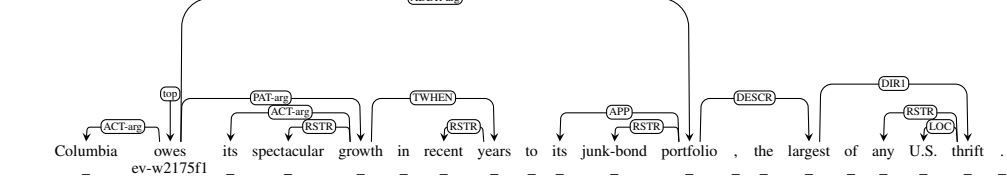
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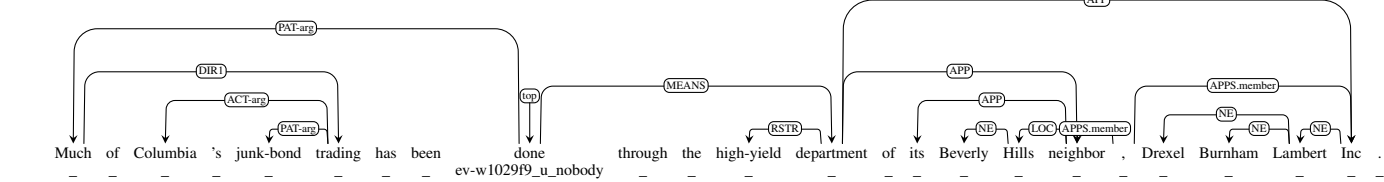
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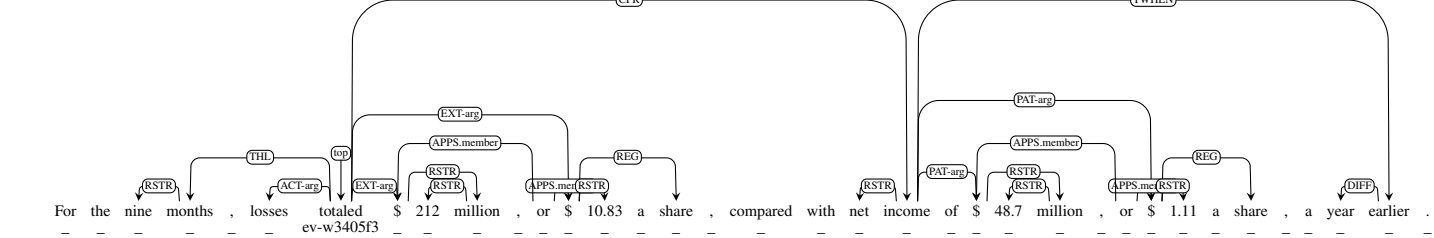
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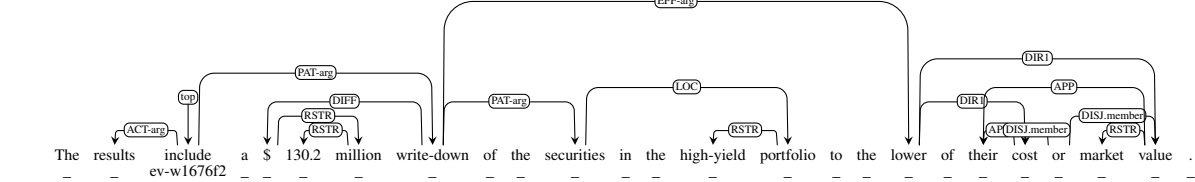
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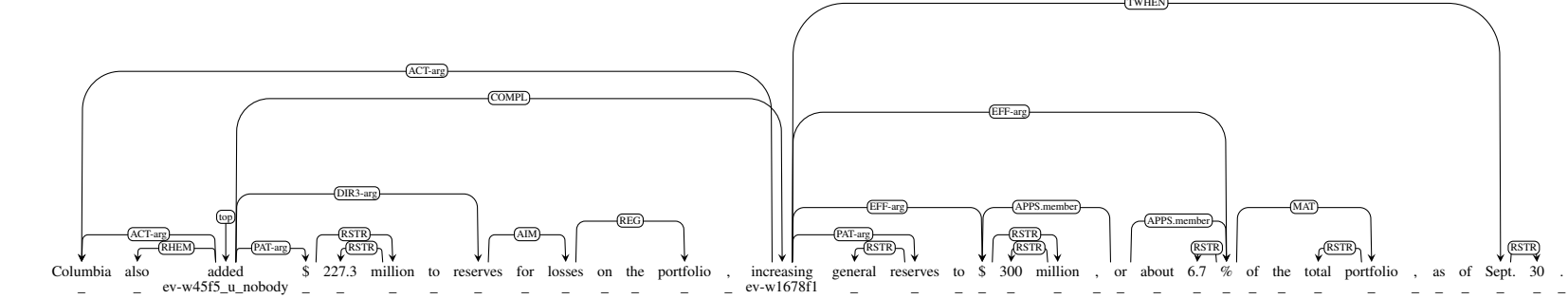
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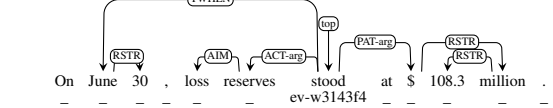
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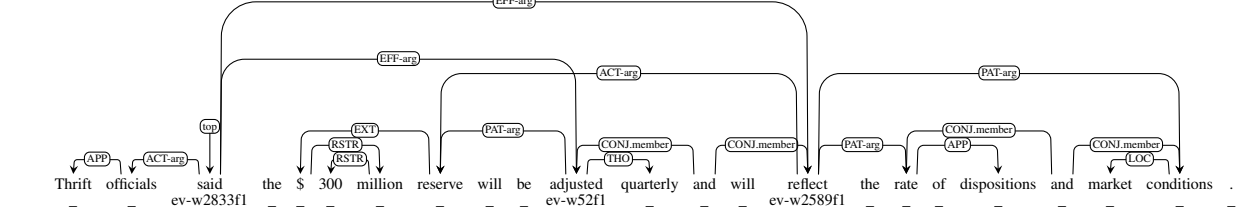
[21013009]



[21013010]



[21013011]



[21013012]

The adjustments result from the recently passed thrift-industry bailout legislation, which requires thrifts to divest all high-yield bond investments by 1994.

[21013013]

Previously, Columbia did not have to adjust the book value of its junk-bond holdings to reflect declines in market prices, because it held the bonds as long-term investments.

[21013014]

Because Columbia now must sell the bonds within five years, accounting rules require the thrift to value the bonds at the lower of cost or market prices.

[21013015]

For its future strategy, Columbia officials said the thrift may branch out into commercial lending or managing outside investments, as well as beefing up more traditional thrift activities.

[21013016]

The quarterly results also reflected \$ 21.4 million in non-recurring losses from commercial real-estate activities in California.

[21013017]

Thomas Spiegel, Columbia's chairman, said in a statement that the thrift was "disappointed" by the effects of the accounting changes.

[21013018]

But he said Columbia remains "one of the most strongly capitalized thrifts in the industry," based on the economic value of its assets and tangible capital.

[21013019]

Columbia announced the results after the close of the stock market.

[21013020]

Its shares closed at \$ 5.125 each in composite New York Stock Exchange trading, down 37.5 cents.

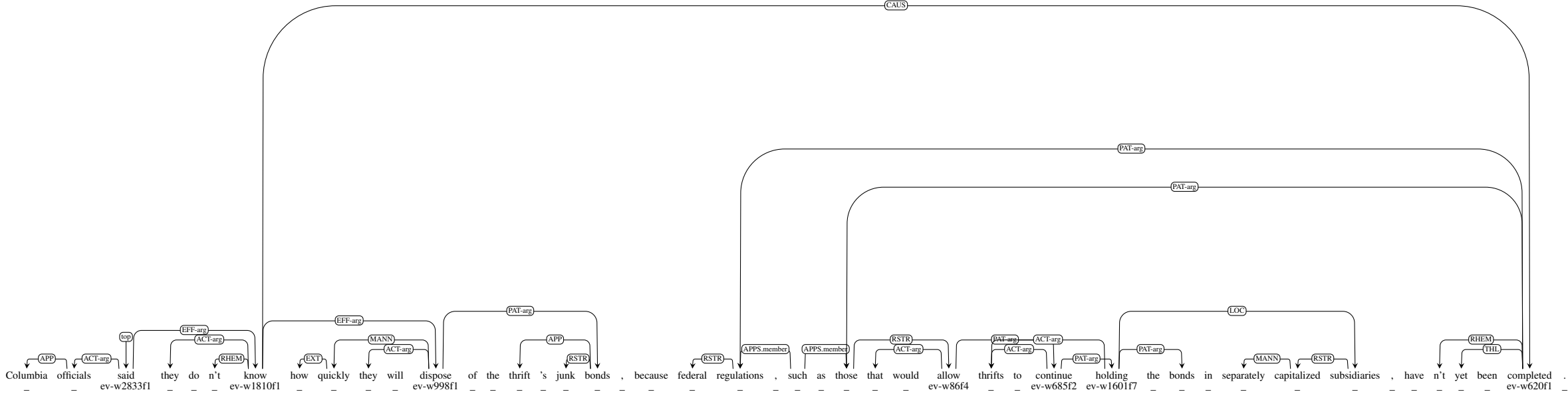
[21013021]

The price of Columbia shares has been cut nearly in half since August, when they traded at about \$ 10, as investors apparently realized that the thrift would be forced to take a big write-down.

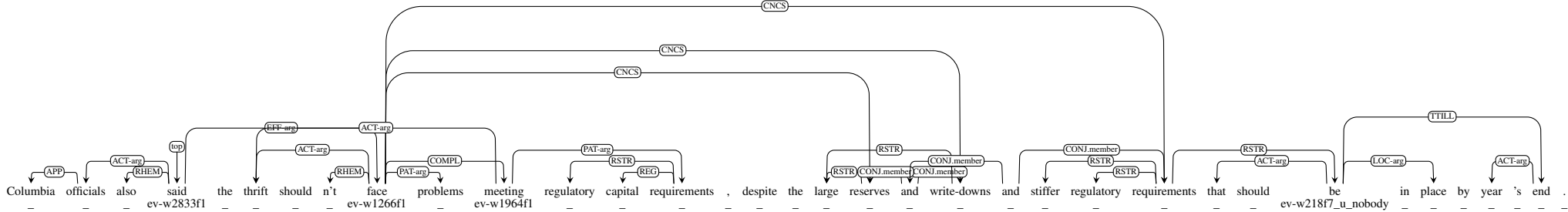
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The stock's decline accelerated in the past two weeks, from a price of \$ 8 a share on Oct. 9.

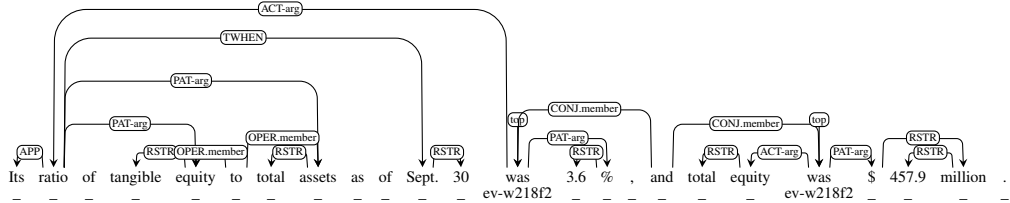
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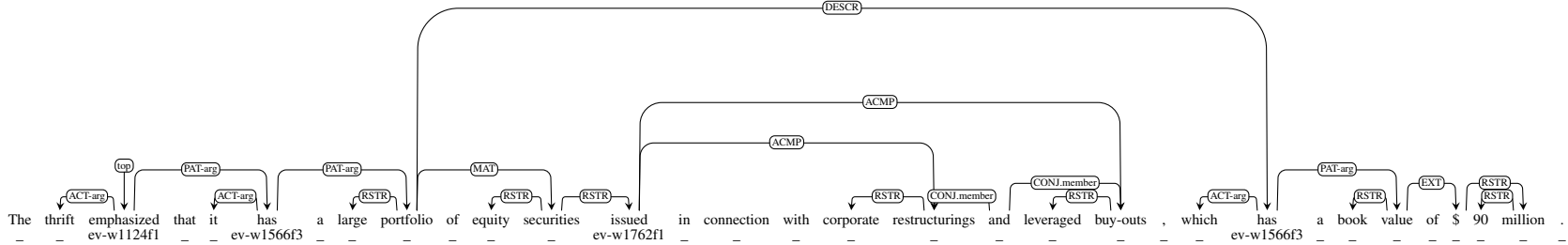
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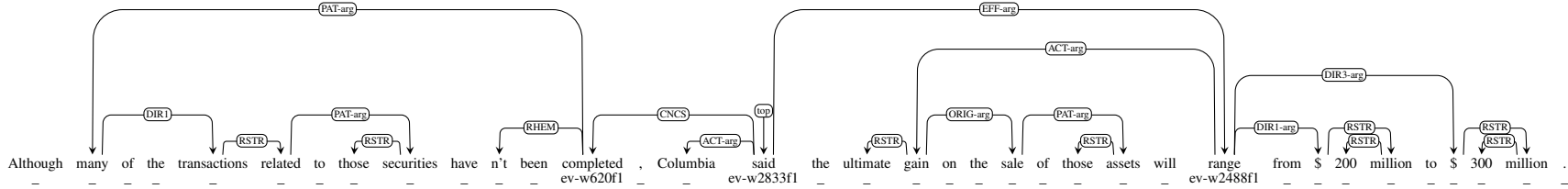
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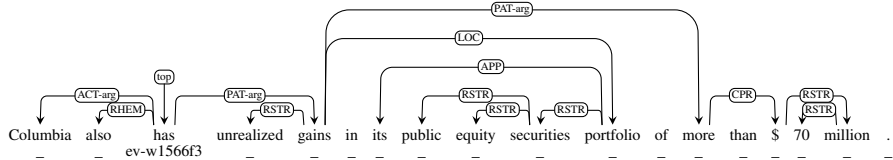
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[21013027]



[21013028]



[21013029]

