

Products Covered:

- Columbia Marsico International Opportunities Fund

Market Environment

After pausing in October, international equities in developed markets resumed their march upward in November and December, as global economic growth prospects brightened further, the corporate profit outlook improved and fall-out associated with the Dubai World financial crisis subsided rapidly. Developed international equity markets, as represented by the MSCI EAFE Index, rose 2.18% (USD). The dollar strengthened during the quarter, which had a mildly negative effect on U.S.-based international equity investors. In local currency terms, the MSCI EAFE Index produced a gain of 3.33%. For the year as a whole, however, the decline in the dollar's value created a 700 bp difference between the MSCI EAFE Index performance in dollar terms compared to the Index's return measured in local currency:

| | 2009 Calendar Year Return |
|--------------------|---------------------------|
| EAFE Index (US\$) | 31.78% |
| EAFE Index (Local) | 24.72% |

Evidence continued to mount throughout the quarter that a global economic recovery was well underway, highlighted by strong GDP reports from several important countries (e.g., China, India, Brazil, Taiwan and South Korea), revived manufacturing activity in a variety of regions, housing market improvement and higher commodity prices. The International Monetary Fund (IMF) continued to upgrade its economic outlook for a variety of countries. Meanwhile, emerging market equities were back atop the performance leader board, buoyed by robust economic growth reports. Many forecasts for 2010 pointed to emerging markets as being the largest contributors to worldwide GDP expansion. The MSCI Emerging Markets Index rose 8.55% and the MSCI BRIC Index (encompassing Brazil, Russia, India and China) soared 10.51% during the fourth quarter. China's government announced that it would maintain its stimulus policies in 2010. The country also reported that its manufacturing activity rose at the fastest pace in five years and its Index of Leading Economic Indicators suggested that 11% GDP growth in 2010 was feasible.

At a country level, the MSCI EAFE Index's performance was mixed and relatively subdued in nature. The index's largest country-level constituents — which comprised 77% of the index on average during the quarter — did not produce a great deal of excitement, although the United Kingdom and Australia had relatively strong returns. Japan's equity market, however, languished.

Investment Risks

International investing involves special risks, including foreign taxation, currency risks, risks associated with possible differences in financial standards, and other monetary and political risks. Since the fund maintains a relatively concentrated portfolio, it may be subject to greater risk than a fund that is more fully diversified.

Performance data quoted represents past performance, and current performance may be lower or higher. Past performance is no guarantee of future results.

Columbia Management Group, LLC ("Columbia Management") is the investment management division of Bank of America Corporation. Columbia Management entities furnish investment management services and products for institutional and individual investors. Columbia Funds are distributed by Columbia Management Distributors, Inc., member FINRA and SIPC. Columbia Management Distributors, Inc. is part of Columbia Management and an affiliate of Bank of America Corporation.

Columbia Management Advisors, LLC ("CMA") has retained Marsico Capital Management, LLC ("MCM") to serve as investment subadviser to the Columbia Marsico International Opportunities Fund. As the investment subadviser, MCM makes the investment decisions and manages all or a portion of the fund or strategy. MCM is an investment adviser registered with the Securities and Exchange Commission. MCM is not affiliated with Bank of America.

| | |
|------------------|-------------------|
| NOT FDIC INSURED | May Lose Value |
| NOT BANK ISSUED | No Bank Guarantee |

Marsico International Opportunities

Top Holdings (% of net assets) as of December 31, 2009

| | |
|---------------------|------|
| DaimlerChrysler | 3.78 |
| HSBC Holdings | 3.55 |
| Telephonica | 3.54 |
| BASF | 3.46 |
| Credit Suisse Group | 3.25 |
| Transocean | 3.10 |
| Anheuser-Busch | 2.87 |
| Novartis | 2.56 |
| Marubeni | 2.22 |
| Novo Nordisk | 2.15 |

Portfolio holdings and characteristics are subject to change periodically and may not be representative of current holdings and characteristics. Current and future holdings are subject to risk, including, but not limited to, market and credit risk.

Product Performance

For the fourth quarter of 2009, Columbia Marsico International Opportunities Fund underperformed its primary benchmark, the MSCI EAFE Index, which posted a 2.18% return.

Sector Performance

From an economic sector standpoint, using the MSCI EAFE Index as a reference, the performance picture was mixed. Seven out of 10 sectors had gains, led decisively by the resurgent materials sector (influenced by emerging markets' bright economic outlook) followed by consumer staples and energy. Meanwhile, however, financials and information technology slipped lower. Industry-level performance presented a similar variable pattern, with several pockets of relative strength and several lagging groups.

In terms of international investment style, growth finished the year strongly, in large part owing to relative weakness in financial services companies, which tend to be more heavily weighted in value-oriented indices. The MSCI EAFE Growth Index and MSCI EAFE Value Index had total quarterly returns of 4.17% and 0.28%, respectively. For the entire year, however, the value index led the growth index by 487 basis points.

Performance Contributors¹

| Portfolio Holding | GICS Industry Group | Average Portfolio Weight % |
|------------------------------------|--------------------------------------|----------------------------|
| ▪ Anheuser-Busch | ▪ Food, beverage and tobacco | ▪ 2.48 |
| ▪ Nestle | ▪ Food, beverage and tobacco | ▪ 2.24 |
| ▪ Vale | ▪ Materials | ▪ 1.88 |
| ▪ Hon Hai Precision Industry | ▪ Technology, hardware and equipment | ▪ 1.66 |
| ▪ OGX Petroleo e Gas Participacoes | ▪ Energy | ▪ 1.58 |

Performance Detractors¹

| Portfolio Holding | GICS Industry Group | Average Portfolio Weight % |
|--------------------------------------|--|----------------------------|
| ▪ Credit Suisse Group | ▪ Diversified financials | ▪ 3.48 |
| ▪ Vestas Wind Systems | ▪ Capital goods | ▪ 2.76 |
| ▪ Lonza Group | ▪ Pharmaceuticals, biotechnology and life sciences | ▪ 1.75 |
| ▪ Gamesa Corporacion Tecnologica | ▪ Capital goods | ▪ 0.90 |
| ▪ Taiwan Semiconductor Manufacturing | ▪ Semiconductors and semiconductor equipment | ▪ 0.50 |

Please read and consider the investment objectives, risks, charges and expenses for any fund carefully before investing. For a prospectus, which contains this and other important information about the fund, contact your Columbia Management representative or financial advisor or go to www.columbiamanagement.com.

The **Morgan Stanley Capital International Europe, Australasia, Far East (MSCI EAFE) Index** is a capitalization-weighted index that tracks the total return of common stocks in 21 developed-market countries within Europe, Australasia and the Far East.

The **Morgan Stanley Capital International Emerging Markets Index (MSCI EMI)** is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets. As of June 2006, the MSCI Emerging Markets Index consisted of the following 25 emerging market country indices: Argentina, Brazil, Chile, China, Colombia, Czech Republic, Egypt, Hungary, India, Indonesia, Israel, Jordan, Korea, Malaysia, Mexico, Morocco, Pakistan, Peru, Philippines, Poland, Russia, South Africa, Taiwan, Thailand and Turkey.

The **Morgan Stanley Capital International Brazil, Russia, India and China (MSCI BRIC) Index** is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of the following four emerging market country indices: **Brazil, Russia, India and China**.

The **Morgan Stanley Capital International Europe, Australasia, Far East (MSCI EAFE) Growth Index** is a subset of the MSCI EAFE Index, and constituents of the index include securities from Europe, Australasia and the Far East. The index generally represents approximately 50% of the free float-adjusted market capitalization of the MSCI EAFE Index, and consists of those securities classified by Morgan Stanley Capital International, Inc. (MSCI) as most representing the growth style, such as higher forecasted growth rates, lower book-value-to-price ratios, lower forward earnings-to-price ratios and lower dividend yields than securities representing the value style.

The **Morgan Stanley Capital International Europe, Australasia, Far East (MSCI EAFE) Value Index** is a subset of the MSCI EAFE Index, and constituents of the index include securities from Europe, Australasia and the Far East. The index generally represents approximately 50% of the free float-adjusted market capitalization of the underlying MSCI EAFE Index, and consists of those securities classified by Morgan Stanley Capital International, Inc. (MSCI) as most representing the value style, such as higher book-value-to-price ratios, higher forward earnings-to-price ratios, higher dividend yields and lower forecasted growth rates than securities representing the growth style.

¹Determinations of contributors and detractors are based on performance relative to the fund's benchmark.

Unlike mutual funds, indices are not managed and do not incur fees or expenses. It is not possible to invest directly in an index.

Since economic and market conditions change frequently, there can be no assurance that the trends described here will continue or that the forecasts will come to pass. The views and opinions expressed are those of the portfolio managers and analysts of the affiliated advisors of Columbia Management Group, are subject to change without notice at any time, may not come to pass and may differ from views expressed by other Columbia Management associates or other divisions of Bank of America. These materials are provided for informational purposes only and should not be used or construed as a recommendation of any security or sector.

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