
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):
January 25, 2017

United Community Banks, Inc.
(Exact name of registrant as specified in its charter)

Georgia
(State or other jurisdiction of
incorporation)

No. 001-35095
(Commission File Number)

No. 58-180-7304
(IRS Employer
Identification No.)

125 Highway 515 East
Blairsville, Georgia 30512
(Address of principal executive offices)

Registrant's telephone number, including area code:
(706) 781-2265

Not applicable
(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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Results of Operations and Financial Condition.

On January 25, 2017, United Community Banks, Inc. (the “Registrant”) issued a news release announcing its financial results for the quarter ended December 31, 2016 (the “News Release”). The News Release, including financial schedules, is attached as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference. In connection with issuing the News Release, on January 25, 2017 at 11:00 a.m. ET, the Registrant intends to hold a conference call/webcast to discuss the News Release. In addition to the News Release, during the conference call the Registrant intends to discuss certain financial information contained in the Fourth Quarter 2016 Investor Presentation (the “Investor Presentation”), which will be posted to the Registrant’s website at www.ucbi.com. The Investor Presentation is attached as Exhibit 99.2 to this Current Report on Form 8-K and is incorporated herein by reference.

The presentation of the Registrant’s financial results includes financial information determined by methods other than in accordance with generally accepted accounting principles, or GAAP. This financial information includes certain operating performance measures, which exclude merger-related and other charges that are not considered part of recurring operations, such as “operating net income,” “operating net income per diluted share,” “tangible book value,” “operating return on common equity,” “operating return on tangible common equity,” “operating return on assets,” “operating dividend payout ratio,” “operating efficiency ratio,” “average tangible equity to average assets,” “average tangible common equity to average assets” and “tangible common equity to risk-weighted assets.” In addition, management has included the presentation of “pre-tax, pre-credit earnings”, which excludes the provision for credit losses, income taxes and merger-related charges. Management has included these non-GAAP measures because it believes they may provide useful supplemental information for evaluating the Registrant’s underlying performance trends. Further, management uses these measures in managing and evaluating the Registrant’s business and intends to refer to them in discussions about the Registrant’s operations and performance.

Operating performance measures should be viewed in addition to, and not as an alternative to or substitute for, measures determined in accordance with GAAP, and are not necessarily comparable to non-GAAP measures that may be presented by other companies. To the extent applicable, reconciliations of these non-GAAP measures to the most directly comparable measures as reported in accordance with GAAP are included in the News Release and the Investor Presentation attached as Exhibit 99.1 and Exhibit 99.2, respectively, to this Current Report on Form 8-K.

Item 9.01 **Financial Statements and Exhibits.**

(d) Exhibits

**Exhibit
No.**

Description

99.1 News Release, dated January 25, 2017

99.2 Investor Presentation, Fourth Quarter 2016

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.

UNITED COMMUNITY BANKS, INC.

By: /s/ Rex S. Schuette
Rex S. Schuette
Executive Vice President and
Chief Financial Officer

Date: January 25, 2017



For Immediate Release

For more information:

Rex S. Schuette
Chief Financial Officer
(706) 781-2266
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**UNITED COMMUNITY BANKS, INC.
ANNOUNCES FOURTH QUARTER EARNINGS**
Diluted earnings per share up 52 percent, to 38 cents, from fourth quarter 2015
Excluding merger-related and other non-operating charges,
diluted operating EPS up 21 percent, to 40 cents

- Return on assets of 1.03 percent, or 1.10 percent excluding merger-related and other charges
- Loan growth of \$196 million from the third quarter, or 12 percent annualized
- Core transaction deposits up \$62.4 million from the third quarter, or 4 percent annualized
- Efficiency ratio of 57.7 percent, or 56.6 percent excluding merger-related and other charges

BLAIRSVILLE, GA – January 25, 2017 – United Community Banks, Inc. (NASDAQ: UCBI) (“United”) today announced strong fourth quarter results with solid loan growth, effective expense management, sound credit quality and improvement in nearly every other performance measure. Net income grew to \$27.2 million, or 38 cents per diluted share, compared with \$18.2 million, or 25 cents per diluted share, for the fourth quarter of 2015. Net income for the full year of 2016 was \$100.7 million, or \$1.40 per diluted share. This compares with \$71.6 million, or \$1.09 per diluted share, for 2015.

On an operating basis, net income rose to \$28.9 million for the fourth quarter of 2016 compared with \$23.8 million for the fourth quarter of 2015. Fourth quarter 2016 operating net income excludes pre-tax merger-related charges of \$1.14 million and the associated tax benefit of \$432,000, as well as a tax charge of \$976,000 related to the cancellation of nonqualified stock options.

Fourth quarter 2015 operating net income excludes \$3.11 million in pre-tax merger-related charges and \$5.97 million in pre-tax charges for impairment on properties acquired for future expansion. The tax benefit on the fourth quarter 2015 charges was \$3.49 million. On a per diluted share basis, operating net income was 40 cents for the fourth quarter of 2016 compared with 33 cents for the fourth quarter of 2015. For the full year of 2016, operating net income was \$106.7 million, or \$1.48 per diluted share, compared with \$83.1 million, or \$1.27 per diluted share, for 2015.

At December 31, 2016, preliminary regulatory capital ratios were as follows: Tier 1 Risk-Based of 11.3 percent; Total Risk-Based of 12.1 percent; Common Equity Tier 1 Risk-Based of 11.3 percent; and, Tier 1 Leverage of 8.5 percent.

“Our fourth quarter results mark a solid ending to an exceptional year for United Community Banks,” said Jimmy Tallent, chairman and chief executive officer. “Our bankers continue to make progress in improving our financial performance. A year ago we set a goal of achieving a 1.10 percent operating return on assets by the fourth quarter of 2016. We knew that achieving this goal would not be easy, but we also knew our determined bankers and how they react to a challenge. I am proud to say that in the fourth quarter, not only did they achieve that goal, but they also pushed our operating return on tangible common equity to 12.5 percent and improved our operating efficiency ratio to 56.6 percent. I could not be more pleased.” Operating performance measures exclude the charges mentioned above. Including those charges, return on assets was 1.03 percent, return on common equity was 9.89 percent and the efficiency ratio was 57.7 percent.

“In the fourth quarter we completed all systems conversions for Tideland Bank, and we have achieved all expected cost savings from that acquisition,” Tallent said. “We are proud that Tideland is now fully integrated with United Community Bank, operating under our brand in coastal South Carolina.

“Fourth quarter loan production was \$747 million,” Tallent added. “Linked-quarter loan growth of \$196 million, or 12 percent annualized, was slightly above our 2016 loan growth target of mid-to-upper single-digit. Our community banks originated \$490 million in loans while specialized lending produced \$216 million. United’s specialized lending area encompasses commercial real estate, middle market, SBA, asset-based lending, senior living and builder finance.”

Fourth quarter net interest revenue totaled \$80.9 million, up \$1.9 million from the third quarter and up \$7.2 million from the fourth quarter of 2015. The increase from both periods reflects loan growth, and the increase from a year ago also includes net interest revenue from recent acquisitions.

The taxable-equivalent net interest margin of 3.34 percent remained the same as in the third quarter of 2016 and the fourth quarter of 2015. The effect of rising short-term interest rates and lower wholesale borrowings offset the impact of competitive loan pricing.

No provision for credit losses was required for the fourth quarter. This compares with a provision recovery of \$300,000 in the third quarter, and a provision of \$300,000 in the fourth quarter of 2015. Fourth quarter net charge-offs totaled \$1.5 million, compared with \$1.4 million in the third quarter and \$1.3 million in the fourth quarter of 2015. Contributing to the low level of net charge-offs were continued strong recoveries of previously charged-off loans. Nonperforming assets were .28 percent of total assets at December 31, 2016, compared with .30 percent at September 30, 2016 and .29 percent at December 31, 2015.

“Our lack of need for a provision for loan losses reflects continued strong credit quality and a low overall level of net charge-offs,” Tallent commented. “Our credit quality indicators remain favorable and our outlook is for positive credit quality and low provision levels through 2017. We expect to gradually increase provision levels with loan growth during the year, which is expected to slightly decrease our allowance and the related ratio to total loans.”

Fourth quarter fee revenue totaled \$25.2 million, a decrease of \$1.13 million from the third quarter and up \$3.95 million from a year ago. Mortgage fees were up \$477,000 from the third quarter, and \$3.23 million from a year ago. Gains from sales of SBA loans were up \$549,000 from the third quarter, and up \$1.03 million from a year ago due to continued growth in SBA lending. Offsetting the mortgage and SBA business growth from the third quarter of 2016 were decreases in merchant services and brokerage fees, and in deposit account fees and service charges. Customer derivative fees were also down from the record level achieved in the third quarter.

“The rise in mortgage fees reflects our strategic investment in additional mortgage lenders where we see opportunities to gain market share and higher spreads on loan sales,” Tallent said. “Also, our SBA lending business remains a top priority. In the fourth quarter we sold \$41 million in loans compared with \$32 million in the third quarter and \$25 million in the fourth quarter of 2015.”

Operating expenses were \$61.3 million for the fourth quarter, compared with \$64.0 million for the third quarter and \$65.5 million for the fourth quarter of 2015. Included in operating expenses are merger-related and impairment charges of \$1.14 million in the fourth quarter, \$3.15 million in the third quarter and \$9.08 million in the fourth quarter of 2015. Excluding these charges, fourth quarter operating expenses were \$60.2 million compared with \$60.9 million for the third quarter, and \$56.4 million a year ago.

The decrease in operating expenses from the third quarter is mostly in salaries and employee benefits costs and a decrease in professional fees. The increase from a year ago reflects the additional operating expenses of Tideland Bank following its acquisition on July 1, 2016. United’s financial results include operating expenses of acquired companies beginning on their respective acquisition dates. The benefit of higher revenue and the lower level of fourth quarter expenses compared to the third quarter also improved the operating efficiency ratio to 56.6 percent, compared to 57.8 percent in the third quarter and 59.4 percent a year ago.

Tallent concluded, “I am very proud of our bankers and the exceptional results they achieved in 2016. They steadily improved financial performance while providing the best in customer service, which is the foundation of our success and the core of everything we do. With our strong earnings momentum, a high-quality balance sheet and strategic investments in our franchise, I look forward with optimism going into 2017.”

Conference Call

United will hold a conference call today, Wednesday, January 25, 2017, at 11 a.m. ET to discuss the contents of this earnings release and to share business highlights for the quarter. To access the call, dial (877) 380-5665 and use the conference number 47644518. The conference call also will be webcast and available for replay for 30 days by selecting “Events & Presentations” within the Investor Relations section of United’s website at www.ucbi.com.

About United Community Banks, Inc.

United Community Banks, Inc. (NASDAQ: UCBI) is a registered bank holding company based in Blairsville, Georgia with \$10.7 billion in assets. The company’s banking subsidiary, United Community Bank, is one of the southeast region’s largest full-service banks, operating 139 offices in Georgia, North Carolina, South Carolina and Tennessee. The bank specializes in providing personalized community banking services to individuals, small businesses and corporations. Services include a full range of consumer and commercial banking products including mortgage, advisory, and treasury management. Respected national research firms consistently recognize United Community Bank for outstanding customer service: In 2014, 2015 and 2016, J.D. Power ranked United Community Bank first in customer satisfaction in the Southeast. In 2017, for the fourth consecutive year, Forbes included United among their list of the top 100 Best Banks in America. Additional information about the company and the bank’s full range of products and services can be found at www.ucbi.com.

Non-GAAP Financial Measures

This News Release contains financial information determined by methods other than in accordance with generally accepted accounting principles, or GAAP. This financial information includes certain operating performance measures, which exclude merger-related and other charges that are not considered part of recurring operations, such as “operating net income,” “operating net income per diluted share,” “tangible book value,” “operating return on common equity,” “operating return on tangible common equity,” “operating return on assets,” “operating dividend payout ratio,” “operating efficiency ratio,” “average tangible equity to average assets,” “average tangible common equity to average assets” and “tangible common equity to risk-weighted assets.” These non-GAAP measures are included because United believes they may provide useful supplemental information for evaluating United’s underlying performance trends.

These measures should be viewed in addition to, and not as an alternative to or substitute for, measures determined in accordance with GAAP, and are not necessarily comparable to non-GAAP measures that may be presented by other companies. To the extent applicable, reconciliations of these non-GAAP measures to the most directly comparable measures as reported in accordance with GAAP are included with the accompanying financial statement tables.

Safe Harbor

This News Release contains forward-looking statements, as defined by federal securities laws, including statements about United's financial outlook and business environment. These statements are based on current expectations and are provided to assist in the understanding of future financial performance. Such performance involves risks and uncertainties that may cause actual results to differ materially from those expressed or implied in any such statements. For a discussion of some of the risks and other factors that may cause such forward-looking statements to differ materially from actual results, please refer to United's filings with the Securities and Exchange Commission including its 2015 Annual Report on Form 10-K under the sections entitled "Forward-Looking Statements" and "Risk Factors." Forward-looking statements speak only as of the date they are made, and we undertake no obligation to update or revise forward-looking statements.

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UNITED COMMUNITY BANKS, INC.
Financial Highlights
Selected Financial Information

	2016				2015	Fourth Quarter	For the Twelve Months Ended		YTD
	Fourth Quarter	Third Quarter	Second Quarter	First Quarter	Fourth Quarter	2016-2015 Change	December 31, 2016	2015	2016-2015 Change
<i>(in thousands, except per share data)</i>									
INCOME SUMMARY									
Interest revenue	\$ 87,778	\$ 85,439	\$ 81,082	\$ 80,721	\$ 79,362		\$ 335,020	\$ 278,532	
Interest expense	6,853	6,450	6,164	5,769	5,598		25,236	21,109	
Net interest revenue	80,925	78,989	74,918	74,952	73,764	10%	309,784	257,423	20%
Provision for credit losses	-	(300)	(300)	(200)	300		(800)	3,700	
Fee revenue	25,233	26,361	23,497	18,606	21,284	19	93,697	72,529	29
Total revenue	106,158	105,650	98,715	93,758	94,748	12	404,281	326,252	24
Expenses	61,321	64,023	58,600	57,885	65,488	(6)	241,289	211,238	14
Income before income tax expense	44,837	41,627	40,655	35,873	29,260	53	162,992	115,014	42
Income tax expense	17,616	15,753	15,389	13,578	11,052	59	62,336	43,436	44
Net income	27,221	25,874	25,266	22,295	18,208	50	100,656	71,578	41
Preferred dividends	-	-	-	21	25		21	67	
Net income available to common shareholders	\$ 27,221	\$ 25,874	\$ 25,266	\$ 22,274	\$ 18,183	50	\$ 100,635	\$ 71,511	41
Merger-related and other charges	1,141	3,152	1,176	2,653	9,078		8,122	17,995	
Income tax benefit of merger-related and other charges	(432)	(1,193)	(445)	(1,004)	(3,486)		(3,074)	(6,388)	
Impairment of deferred tax asset on cancelled non-qualified stock options	976	-	-	-	-		976	-	
Net income available to common shareholders - operating ⁽¹⁾	\$ 28,906	\$ 27,833	\$ 25,997	\$ 23,923	\$ 23,775	22	\$ 106,659	\$ 83,118	28
PERFORMANCE MEASURES									
Per common share:									
Diluted net income - GAAP	\$.38	\$.36	\$.35	\$.31	\$.25	52	\$ 1.40	\$ 1.09	28
Diluted net income - operating ⁽¹⁾	.40	.39	.36	.33	.33	21	1.48	1.27	17
Cash dividends declared	.08	.08	.07	.07	.06		.30	.22	
Book value	15.06	15.12	14.80	14.35	14.02	7	15.06	14.02	7
Tangible book value ⁽³⁾	12.95	13.00	12.84	12.40	12.06	7	12.95	12.06	7
Key performance ratios:									
Return on common equity - GAAP ⁽²⁾⁽⁴⁾	9.89%	9.61%	9.54%	8.57%	7.02%		9.41%	8.15%	
Return on common equity - operating ⁽¹⁾⁽²⁾⁽⁴⁾	10.51	10.34	9.81	9.20	9.18		9.98	9.48	
Return on tangible common equity - operating ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾	12.47	12.45	11.56	10.91	10.87		11.86	10.24	
Return on assets - GAAP ⁽⁴⁾	1.03	1.00	1.04	.93	.76		1.00	.85	
Return on assets - operating ⁽¹⁾⁽⁴⁾	1.10	1.08	1.07	1.00	.99		1.06	.98	
Dividend payout ratio - GAAP	21.05	22.22	20.00	22.58	24.00		21.43	20.18	
Dividend payout ratio - operating ⁽¹⁾	20.00	20.51	19.44	21.21	18.18		20.27	17.32	
Net interest margin (fully taxable equivalent) ⁽⁴⁾	3.34	3.34	3.35	3.41	3.34		3.36	3.30	
Efficiency ratio - GAAP	57.65	60.78	59.02	61.94	68.97		59.80	63.96	
Efficiency ratio - operating ⁽¹⁾	56.58	57.79	57.82	59.10	59.41		57.78	58.51	
Average equity to average assets	10.35	10.38	10.72	10.72	10.68		10.54	10.27	
Average tangible equity to average assets ⁽³⁾	9.04	8.98	9.43	9.41	9.40		9.21	9.74	
Average tangible common equity to average assets ⁽³⁾	9.04	8.98	9.43	9.32	9.29		9.19	9.66	
Tangible common equity to risk-weighted assets ⁽³⁾⁽⁵⁾	11.89	12.22	12.87	12.77	12.82		11.89	12.82	
ASSET QUALITY									
Nonperforming loans	\$ 21,539	\$ 21,572	\$ 21,348	\$ 22,419	\$ 22,653	(5)	\$ 21,539	\$ 22,653	(5)
Foreclosed properties	7,949	9,187	6,176	5,163	4,883	63	7,949	4,883	63
Total nonperforming assets (NPAs)	29,488	30,759	27,524	27,582	27,536	7	29,488	27,536	7
Allowance for loan losses	61,422	62,961	64,253	66,310	68,448	(10)	61,422	68,448	(10)
Net charge-offs	1,539	1,359	1,730	2,138	1,302	18	6,766	6,259	8
Allowance for loan losses to loans	.89%	.94%	1.02%	1.09%	1.14%		.89%	1.14%	
Net charge-offs to average loans ⁽⁴⁾	.09	.08	.11	.14	.09		.11	.12	
NPAs to loans and foreclosed properties	.43	.46	.44	.45	.46		.43	.46	
NPAs to total assets	.28	.30	.28	.28	.29		.28	.29	
AVERAGE BALANCES (\$ in millions)									
Loans	\$ 6,814	\$ 6,675	\$ 6,151	\$ 6,004	\$ 5,975	14	\$ 6,413	\$ 5,298	21
Investment securities	2,690	2,610	2,747	2,718	2,607	3	2,691	2,368	14
Earning assets	9,665	9,443	9,037	8,876	8,792	10	9,257	7,834	18
Total assets	10,484	10,281	9,809	9,634	9,558	10	10,054	8,462	19
Deposits	8,552	8,307	7,897	7,947	8,028	7	8,177	7,055	16
Shareholders' equity	1,085	1,067	1,051	1,033	1,021	6	1,059	869	22
Common shares - basic (thousands)	71,641	71,556	72,202	72,162	72,135	(1)	71,910	65,488	10
Common shares - diluted (thousands)	71,648	71,561	72,207	72,166	72,140	(1)	71,915	65,492	10
AT PERIOD END (\$ in millions)									
Loans	\$ 6,921	\$ 6,725	\$ 6,287	\$ 6,106	\$ 5,995	15	\$ 6,921	\$ 5,995	15
Investment securities	2,762	2,560	2,677	2,757	2,656	4	2,762	2,656	4
Total assets	10,709	10,298	9,928	9,781	9,616	11	10,709	9,616	11
Deposits	8,638	8,442	7,857	7,960	7,873	10	8,638	7,873	10
Shareholders' equity	1,076	1,079	1,060	1,034	1,018	6	1,076	1,018	6
Common shares outstanding (thousands)	70,899	70,861	71,122	71,544	71,484	(1)	70,899	71,484	(1)

(1) Excludes merger-related charges, a fourth quarter 2016 deferred tax asset impairment charge related to cancelled non-qualified stock options and fourth quarter 2015 impairment losses on surplus bank property. (2) Net income available to common shareholders, which is net of preferred stock dividends, divided by average realized common equity, which excludes accumulated other comprehensive income (loss). (3) Excludes effect of acquisition related intangibles and associated amortization. (4) Annualized. (5) Fourth quarter 2016 ratio is preliminary.

UNITED COMMUNITY BANKS, INC.
Selected Financial Information
For the Years Ended December 31,
(in thousands, except per share data)

	2016	2015	2014	2013	2012
INCOME SUMMARY					
Interest revenue	\$ 335,020	\$ 278,532	\$ 248,432	\$ 245,840	\$ 265,977
Interest expense	25,236	21,109	25,551	27,682	37,909
Net interest revenue	309,784	257,423	222,881	218,158	228,068
Provision for credit losses	(800)	3,700	8,500	65,500	62,500
Fee revenue	93,697	72,529	55,554	56,598	56,112
Total revenue	404,281	326,252	269,935	209,256	221,680
Expenses	241,289	211,238	162,865	174,304	186,774
Income before income tax expense	162,992	115,014	107,070	34,952	34,906
Income tax expense (benefit)	62,336	43,436	39,450	(238,188)	1,050
Net income	100,656	71,578	67,620	273,140	33,856
Preferred dividends	21	67	439	12,078	12,148
Net income available to common shareholders	\$ 100,635	\$ 71,511	\$ 67,181	\$ 261,062	\$ 21,708
Merger-related and other charges	8,122	17,995	-	-	-
Income tax benefit of merger-related and other charges	(3,074)	(6,388)	-	-	-
Impairment of deferred tax asset on cancelled non-qualified stock options	976	-	-	-	-
Net income available to common shareholders - operating ⁽¹⁾	\$ 106,659	\$ 83,118	\$ 67,181	\$ 261,062	\$ 21,708

PERFORMANCE MEASURES

Per common share:

Diluted net income - GAAP	\$ 1.40	\$ 1.09	\$ 1.11	\$ 4.44	\$.38
Diluted net income - operating ⁽¹⁾	1.48	1.27	1.11	4.44	.38
Cash dividends declared	.30	.22	.11	-	-
Book value	15.06	14.02	12.20	11.30	6.67
Tangible book value ⁽³⁾	12.95	12.06	12.15	11.26	6.57

Key performance ratios:

Return on common equity - GAAP ⁽²⁾	9.41%	8.15%	9.17%	46.72%	5.43%
Return on common equity - operating ⁽¹⁾⁽²⁾	9.98	9.48	9.17	46.72	5.43
Return on tangible common equity - operating ⁽¹⁾⁽²⁾⁽³⁾	11.86	10.24	9.32	47.35	6.27
Return on assets - GAAP	1.00	.85	.91	3.86	.49
Return on assets - operating ⁽¹⁾	1.06	.98	.91	3.86	.49
Dividend payout ratio - GAAP	21.43	20.18	9.91	-	-
Dividend payout ratio - operating ⁽¹⁾	20.27	17.32	9.91	-	-
Net interest margin (fully taxable equivalent)	3.36	3.30	3.26	3.30	3.51
Efficiency ratio - GAAP	59.80	63.96	58.26	63.14	65.43
Efficiency ratio - operating ⁽¹⁾	57.78	58.51	58.26	63.14	65.43
Average equity to average assets	10.54	10.27	9.69	10.35	8.47
Average tangible equity to average assets ⁽³⁾	9.21	9.74	9.67	10.31	8.38
Average tangible common equity to average assets ⁽³⁾	9.19	9.66	9.60	7.55	5.54
Tangible common equity to risk-weighted assets ⁽³⁾⁽⁴⁾	11.89	12.82	13.82	13.17	8.26

ASSET QUALITY

Nonperforming loans	\$ 21,539	\$ 22,653	\$ 17,881	\$ 26,819	\$ 109,894
Foreclosed properties	7,949	4,883	1,726	4,221	18,264
Total nonperforming assets (NPAs)	29,488	27,536	19,607	31,040	128,158
Allowance for loan losses	61,422	68,448	71,619	76,762	107,137
Net charge-offs	6,766	6,259	13,879	93,710	69,831
Allowance for loan losses to loans	.89%	1.14%	1.53%	1.77%	2.57%
Net charge-offs to average loans	.11	.12	.31	2.22	1.69
NPAs to loans and foreclosed properties	.43	.46	.42	.72	3.06
NPAs to total assets	.28	.29	.26	.42	1.88

AVERAGE BALANCES (\$ in millions)

Loans	\$ 6,413	\$ 5,298	\$ 4,450	\$ 4,254	\$ 4,166
Investment securities	2,691	2,368	2,274	2,190	2,089
Earning assets	9,257	7,834	6,880	6,649	6,547
Total assets	10,054	8,462	7,436	7,074	6,865
Deposits	8,177	7,055	6,228	6,027	5,885
Shareholders' equity	1,059	869	720	732	582
Common shares - basic (thousands)	71,910	65,488	60,588	58,787	57,857
Common shares - diluted (thousands)	71,915	65,492	60,590	58,845	57,857

AT PERIOD END (\$ in millions)

Loans	\$ 6,921	\$ 5,995	\$ 4,672	\$ 4,329	\$ 4,175
Investment securities	2,762	2,656	2,198	2,312	2,079
Total assets	10,709	9,616	7,558	7,424	6,801
Deposits	8,638	7,873	6,335	6,202	5,952
Shareholders' equity	1,076	1,018	740	796	581
Common shares outstanding (thousands)	70,899	71,484	60,259	59,432	57,741

⁽¹⁾ Excludes merger-related charges, a 2016 deferred tax asset impairment charge related to cancelled non-qualified stock options and 2015 impairment losses on surplus bank property.

⁽²⁾ Net income available to common shareholders, which is net of preferred stock dividends, divided by average realized common equity, which excludes accumulated other comprehensive income (loss). ⁽³⁾ Excludes effect of acquisition related intangibles and associated amortization. ⁽⁴⁾ 2016 ratio is preliminary.

UNITED COMMUNITY BANKS, INC.
Non-GAAP Performance Measures Reconciliation
Selected Financial Information

(in thousands, except per share data)	2016				2015	For the Twelve Months Ended				
	Fourth Quarter	Third Quarter	Second Quarter	First Quarter	Fourth Quarter	December 31,				
	2016	2015	2014	2013	2012					
Expense reconciliation										
Expenses (GAAP)	\$ 61,321	\$ 64,023	\$ 58,060	\$ 57,885	\$ 65,488	\$ 241,289	\$ 211,238	\$ 162,865	\$ 174,304	\$ 186,774
Merger-related and other charges	(1,141)	(3,152)	(1,176)	(2,653)	(9,078)	(8,122)	(17,995)	-	-	-
Expenses - operating	\$ 60,180	\$ 60,871	\$ 56,884	\$ 55,232	\$ 56,410	\$ 233,167	\$ 193,243	\$ 162,865	\$ 174,304	\$ 186,774
Net income reconciliation										
Net income (GAAP)	\$ 27,221	\$ 25,874	\$ 25,266	\$ 22,295	\$ 18,208	\$ 100,656	\$ 71,578	\$ 67,620	\$ 273,140	\$ 33,856
Merger-related and other charges	1,141	3,152	1,176	2,653	9,078	8,122	17,995	-	-	-
Income tax benefit of merger-related and other charges	(432)	(1,193)	(445)	(1,004)	(3,486)	(3,074)	(6,388)	-	-	-
Impairment of deferred tax asset on cancelled non-qualified stock options	976	-	-	-	-	976	-	-	-	-
Net income - operating	\$ 28,906	\$ 27,833	\$ 25,997	\$ 23,944	\$ 23,800	\$ 106,680	\$ 83,185	\$ 67,620	\$ 273,140	\$ 33,856
Net income available to common shareholders reconciliation										
Net income available to common shareholders (GAAP)	\$ 27,221	\$ 25,874	\$ 25,266	\$ 22,274	\$ 18,183	\$ 100,635	\$ 71,511	\$ 67,181	\$ 261,062	\$ 21,708
Merger-related and other charges	1,141	3,152	1,176	2,653	9,078	8,122	17,995	-	-	-
Income tax benefit of merger-related and other charges	(432)	(1,193)	(445)	(1,004)	(3,486)	(3,074)	(6,388)	-	-	-
Impairment of deferred tax asset on cancelled non-qualified stock options	976	-	-	-	-	976	-	-	-	-
Net income available to common shareholders - operating	\$ 28,906	\$ 27,833	\$ 25,997	\$ 23,923	\$ 23,775	\$ 106,659	\$ 83,118	\$ 67,181	\$ 261,062	\$ 21,708
Diluted income per common share reconciliation										
Diluted income per common share (GAAP)	\$.38	\$.36	\$.35	\$.31	\$.25	\$ 1.40	\$ 1.09	\$ 1.11	\$ 4.44	\$.38
Merger-related and other charges	.01	.03	.01	.02	.08	.07	.18	-	-	-
Impairment of deferred tax asset on cancelled non-qualified stock options	.01	-	-	-	-	.01	-	-	-	-
Diluted income per common share - operating	\$.40	\$.39	\$.36	\$.33	\$.33	\$ 1.48	\$ 1.27	\$ 1.11	\$ 4.44	\$.38
Book value per common share reconciliation										
Book value per common share (GAAP)	\$ 15.06	\$ 15.12	\$ 14.80	\$ 14.35	\$ 14.02	\$ 15.06	\$ 14.02	\$ 12.20	\$ 11.30	\$ 6.67
Effect of goodwill and other intangibles	(2.11)	(2.12)	(1.96)	(1.95)	(1.96)	(2.11)	(1.96)	(.05)	(.04)	(.10)
Tangible book value per common share	\$ 12.95	\$ 13.00	\$ 12.84	\$ 12.40	\$ 12.06	\$ 12.95	\$ 12.06	\$ 12.15	\$ 11.26	\$ 6.57
Return on tangible common equity reconciliation										
Return on common equity (GAAP)	9.89%	9.61%	9.54%	8.57%	7.02%	9.41%	8.15%	9.17%	46.72%	5.43%
Merger-related and other charges	.26	.73	.27	.63	2.16	.48	1.33	-	-	-
Impairment of deferred tax asset on cancelled non-qualified stock options	.36	-	-	-	-	.09	-	-	-	-
Return on common equity - operating	10.51	10.34	9.81	9.20	9.18	9.98	9.48	9.17	46.72	5.43
Effect of goodwill and other intangibles	1.96	2.11	1.75	1.71	1.69	1.88	.76	.15	.63	.84
Return on tangible common equity - operating	12.47%	12.45%	11.56%	10.91%	10.87%	11.86%	10.24%	9.32%	47.35%	6.27%
Return on assets reconciliation										
Return on assets (GAAP)	1.03%	1.00%	1.04%	.93%	.76%	1.00%	.85%	.91%	3.86%	.49%
Merger-related and other charges	.03	.08	.03	.07	.23	.05	.13	-	-	-
Impairment of deferred tax asset on cancelled non-qualified stock options	.04	-	-	-	-	.01	-	-	-	-
Return on assets - operating	1.10%	1.08%	1.07%	1.00%	.99%	1.06%	.98%	.91%	3.86%	.49%
Dividend payout ratio reconciliation										
Dividend payout ratio (GAAP)	21.05%	22.22%	20.00%	22.58%	24.00%	21.43%	20.18%	9.91%	-%	-%
Merger-related and other charges	(.54)	(1.71)	(.56)	(1.37)	(5.82)	(1.02)	(2.86)	-	-	-
Impairment of deferred tax asset on cancelled non-qualified stock options	(.51)	-	-	-	-	(.14)	-	-	-	-
Dividend payout ratio - operating	20.00%	20.51%	19.44%	21.21%	18.18%	20.27%	17.32%	9.91%	-%	-%
Efficiency ratio reconciliation										
Efficiency ratio (GAAP)	57.65%	60.78%	59.02%	61.94%	68.97%	59.80%	63.96%	58.26%	63.14%	65.43%
Merger-related and other charges	(1.07)	(2.99)	(1.20)	(2.84)	(9.56)	(2.02)	(5.45)	-	-	-
Efficiency ratio - operating	56.58%	57.79%	57.82%	59.10%	59.41%	57.78%	58.51%	58.26%	63.14%	65.43%
Average equity to assets reconciliation										
Equity to assets (GAAP)	10.35%	10.38%	10.72%	10.72%	10.68%	10.54%	10.27%	9.69%	10.35%	8.47%
Effect of goodwill and other intangibles	(1.31)	(1.40)	(1.29)	(1.31)	(1.28)	(1.33)	(.53)	(.02)	(.04)	(.09)
Tangible equity to assets	9.04	8.98	9.43	9.41	9.40	9.21	9.74	9.67	10.31	8.38
Effect of preferred equity	-	-	-	(.09)	(.11)	(.02)	(.08)	(.07)	(2.76)	(2.84)
Tangible common equity to assets	9.04%	8.98%	9.43%	9.32%	9.29%	9.19%	9.66%	9.60%	7.55%	5.54%
Tangible common equity to risk-weighted assets reconciliation ⁽¹⁾										
Tier 1 capital ratio (Regulatory)	11.27%	11.04%	11.44%	11.32%	11.45%	11.27%	11.45%	12.06%	12.74%	14.16%
Effect of other comprehensive income	(.34)	-	(.06)	(.25)	(.38)	(.34)	(.38)	(.35)	(.39)	(.51)
Effect of deferred tax limitation	1.27	1.50	1.63	1.85	2.05	1.27	2.05	3.11	4.26	-
Effect of trust preferred	(.25)	(.26)	(.08)	(.08)	(.08)	(.25)	(.08)	(1.00)	(1.04)	(1.15)
Effect of preferred equity	-	-	-	-	(.15)	-	(.15)	-	(2.39)	(4.24)
Basel III intangibles transition adjustment	(.06)	(.06)	(.06)	(.07)	(.10)	(.06)	(.10)	-	-	-
Basel III disallowed investments	-	-	-	-	.03	-	.03	-	-	-
Tangible common equity to risk-weighted assets	11.89%	12.22%	12.87%	12.77%	12.82%	11.89%	12.82%	13.82%	13.18%	8.26%

(1) Fourth quarter 2016 ratios are preliminary.

UNITED COMMUNITY BANKS, INC.
Financial Highlights
Loan Portfolio Composition at Period-End

<i>(in millions)</i>	2016				2015	Linked Quarter Change	Year over Year Change
	Fourth Quarter	Third Quarter ⁽¹⁾	Second Quarter ⁽¹⁾	First Quarter ⁽¹⁾	Fourth Quarter ⁽¹⁾		
LOANS BY CATEGORY							
Owner occupied commercial RE	\$ 1,650	\$ 1,587	\$ 1,527	\$ 1,509	\$ 1,571	\$ 63	\$ 79
Income producing commercial RE	1,282	1,277	1,101	1,071	1,021	5	261
Commercial & industrial	1,070	994	925	854	785	76	285
Commercial construction	634	567	565	535	518	67	116
Total commercial	4,636	4,425	4,118	3,969	3,895	211	741
Residential mortgage	857	814	784	774	764	43	93
Home equity lines of credit	655	693	616	597	589	(38)	66
Residential construction	190	200	170	167	176	(10)	14
Consumer installment	583	593	599	599	571	(10)	12
Total loans	\$ 6,921	\$ 6,725	\$ 6,287	\$ 6,106	\$ 5,995	196	926
LOANS BY MARKET							
North Georgia	\$ 1,097	\$ 1,110	\$ 1,097	\$ 1,097	\$ 1,125	(13)	(28)
Atlanta MSA	1,399	1,332	1,314	1,257	1,259	67	140
North Carolina	545	548	543	543	549	(3)	(4)
Coastal Georgia	581	565	541	543	537	16	44
Gainesville MSA	248	236	240	248	254	12	(6)
East Tennessee	504	506	509	495	504	(2)	-
South Carolina	1,233	1,199	862	821	819	34	414
Specialized Lending	855	763	706	628	492	92	363
Indirect auto	459	466	475	474	456	(7)	3
Total loans	\$ 6,921	\$ 6,725	\$ 6,287	\$ 6,106	\$ 5,995	196	926

⁽¹⁾ Certain prior period amounts have been reclassified to conform to the current presentation.

UNITED COMMUNITY BANKS, INC.
Financial Highlights
Loan Portfolio Composition at Year-End

<i>(in millions)</i>	2016	2015 ⁽¹⁾	2014 ⁽¹⁾	2013 ⁽¹⁾	2012 ⁽¹⁾
LOANS BY CATEGORY					
Owner occupied commercial RE	\$ 1,650	\$ 1,571	\$ 1,257	\$ 1,238	\$ 1,254
Income producing commercial RE	1,282	1,021	767	807	891
Commercial & industrial	1,070	785	710	471	456
Commercial construction	634	518	364	336	407
Total commercial	<u>4,636</u>	<u>3,895</u>	<u>3,098</u>	<u>2,852</u>	<u>3,008</u>
Residential mortgage	857	764	614	604	517
Home equity lines of credit	655	589	456	430	375
Residential construction	190	176	131	136	122
Consumer installment	583	571	373	307	153
Total loans	<u>\$ 6,921</u>	<u>\$ 5,995</u>	<u>\$ 4,672</u>	<u>\$ 4,329</u>	<u>\$ 4,175</u>
LOANS BY MARKET					
North Georgia	\$ 1,097	\$ 1,125	\$ 1,163	\$ 1,240	\$ 1,364
Atlanta MSA	1,399	1,259	1,243	1,235	1,204
North Carolina	545	549	553	572	579
Coastal Georgia	581	537	456	423	400
Gainesville MSA	248	254	257	255	261
East Tennessee	504	504	280	280	283
South Carolina	1,233	819	30	4	-
Specialized Lending	855	492	421	124	46
Indirect auto	459	456	269	196	38
Total loans	<u>\$ 6,921</u>	<u>\$ 5,995</u>	<u>\$ 4,672</u>	<u>\$ 4,329</u>	<u>\$ 4,175</u>

⁽¹⁾ Certain prior period amounts have been reclassified to conform to the current presentation.

UNITED COMMUNITY BANKS, INC.

Financial Highlights

Credit Quality

(in thousands)	Fourth Quarter 2016			Third Quarter 2016 ⁽²⁾			Second Quarter 2016 ⁽²⁾		
	Nonperforming Loans	Foreclosed Properties	Total NPAs	Nonperforming Loans	Foreclosed Properties	Total NPAs	Nonperforming Loans	Foreclosed Properties	Total NPAs
NONPERFORMING ASSETS BY CATEGORY									
Owner occupied CRE	\$ 7,373	\$ 3,145	\$ 10,518	\$ 7,693	\$ 3,188	\$ 10,881	\$ 8,218	\$ 3,096	\$ 11,314
Income producing CRE	1,324	36	1,360	2,422	765	3,187	2,511	1,554	4,065
Commercial & industrial	966	-	966	1,079	-	1,079	949	-	949
Commercial construction	1,538	2,977	4,515	1,977	1,274	3,251	1,398	-	1,398
Total commercial	11,201	6,158	17,359	13,171	5,227	18,398	13,076	4,650	17,726
Residential mortgage	6,368	1,260	7,628	5,440	1,211	6,651	5,636	1,160	6,796
Home equity lines of credit	1,831	531	2,362	1,194	514	1,708	1,308	83	1,391
Residential construction	776	-	776	369	2,235	2,604	379	283	662
Consumer installment	1,363	-	1,363	1,398	-	1,398	949	-	949
Total NPAs	\$ 21,539	\$ 7,949	\$ 29,488	\$ 21,572	\$ 9,187	\$ 30,759	\$ 21,348	\$ 6,176	\$ 27,524
NONPERFORMING ASSETS BY MARKET									
North Georgia	\$ 5,278	\$ 856	\$ 6,134	\$ 5,356	\$ 653	\$ 6,009	\$ 6,219	\$ 1,086	\$ 7,305
Atlanta MSA	1,259	716	1,975	979	1,530	2,509	1,140	2,041	3,181
North Carolina	4,750	632	5,382	5,216	543	5,759	4,762	224	4,986
Coastal Georgia	1,778	-	1,778	1,606	47	1,653	1,186	168	1,354
Gainesville MSA	279	-	279	222	-	222	234	-	234
East Tennessee	2,354	675	3,029	3,281	160	3,441	3,616	247	3,863
South Carolina	2,494	5,070	7,564	2,015	6,254	8,269	1,271	2,410	3,681
Specialized Lending	2,072	-	2,072	1,597	-	1,597	2,108	-	2,108
Indirect auto	1,275	-	1,275	1,300	-	1,300	812	-	812
Total NPAs	\$ 21,539	\$ 7,949	\$ 29,488	\$ 21,572	\$ 9,187	\$ 30,759	\$ 21,348	\$ 6,176	\$ 27,524
NONPERFORMING ASSETS ACTIVITY									
Beginning Balance	\$ 21,572	\$ 9,187	\$ 30,759	\$ 21,348	\$ 6,176	\$ 27,524	\$ 22,419	\$ 5,163	\$ 27,582
Acquisitions	-	-	-	-	7,495	7,495	-	(497)	(497)
Loans placed on non-accrual	6,346	-	6,346	6,680	-	6,680	6,786	-	6,786
Payments received	(3,832)	-	(3,832)	(3,938)	-	(3,938)	(4,201)	-	(4,201)
Loan charge-offs	(1,293)	-	(1,293)	(1,236)	-	(1,236)	(1,803)	-	(1,803)
Foreclosures	(1,254)	1,530	276	(1,282)	2,335	1,053	(1,853)	2,722	869
Capitalized costs	-	26	26	-	3	3	-	98	98
Property sales	-	(2,737)	(2,737)	-	(6,553)	(6,553)	-	(1,424)	(1,424)
Write downs	-	(254)	(254)	-	(53)	(53)	-	(73)	(73)
Net gains (losses) on sales	-	197	197	-	(216)	(216)	-	187	187
Ending Balance	\$ 21,539	\$ 7,949	\$ 29,488	\$ 21,572	\$ 9,187	\$ 30,759	\$ 21,348	\$ 6,176	\$ 27,524

(in thousands)	Fourth Quarter 2016		Third Quarter 2016 ⁽²⁾		Second Quarter 2016 ⁽²⁾	
	Net Charge-Offs	Net Charge-Offs to Average Loans ⁽¹⁾	Net Charge-Offs	Net Charge-Offs to Average Loans ⁽¹⁾	Net Charge-Offs	Net Charge-Offs to Average Loans ⁽¹⁾
NET CHARGE-OFFS BY CATEGORY						
Owner occupied CRE	\$ 1	-.%	\$ 46	.01%	\$ 800	.21%
Income producing CRE	527	.16	70	.02	81	.03
Commercial & industrial	(201)	(.08)	453	.18	(392)	(.18)
Commercial construction	241	.16	(194)	(.13)	(196)	(.14)
Total commercial	568	.05	375	.03	293	.03
Residential mortgage	322	.15	(47)	(.02)	489	.25
Home equity lines of credit	151	.09	267	.16	253	.17
Residential construction	(16)	(.03)	242	.51	210	.51
Consumer installment	514	.35	522	.34	485	.33
Total	\$ 1,539	.09	\$ 1,359	.08	\$ 1,730	.11
NET CHARGE-OFFS BY MARKET						
North Georgia	\$ 575	.21%	\$ 68	.02%	\$ 428	.16%
Atlanta MSA	12	-	398	.12	1	-
North Carolina	714	.52	329	.24	575	.43
Coastal Georgia	118	.08	432	.31	177	.13
Gainesville MSA	(32)	(.05)	15	.03	(87)	(.14)
East Tennessee	(139)	(.11)	(69)	(.05)	346	.28
South Carolina	(2)	-	(66)	(.02)	49	.02
Specialized Lending	(21)	(.01)	69	.04	(18)	(.01)
Indirect auto	314	.27	183	.15	259	.22
Total	\$ 1,539	.09	\$ 1,359	.08	\$ 1,730	.11

(1) Annualized. (2) Certain prior period amounts have been reclassified to conform to the current presentation.

UNITED COMMUNITY BANKS, INC.
Consolidated Statement of Income (Unaudited)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2016	2015	2016	2015
<i>(in thousands, except per share data)</i>				
Interest revenue:				
Loans, including fees	\$ 71,494	\$ 63,442	\$ 268,382	\$ 223,256
Investment securities, including tax exempt of \$165, \$189, \$614 and \$705	15,988	14,952	64,027	51,848
Deposits in banks and short-term investments	296	968	2,611	3,428
Total interest revenue	<u>87,778</u>	<u>79,362</u>	<u>335,020</u>	<u>278,532</u>
Interest expense:				
Deposits:				
NOW	522	426	1,903	1,505
Money market	1,321	1,006	4,982	3,466
Savings	33	27	135	98
Time	1,084	922	3,136	3,756
Total deposit interest expense	<u>2,960</u>	<u>2,381</u>	<u>10,156</u>	<u>8,825</u>
Short-term borrowings	121	85	399	364
Federal Home Loan Bank advances	945	436	3,676	1,743
Long-term debt	2,827	2,696	11,005	10,177
Total interest expense	<u>6,853</u>	<u>5,598</u>	<u>25,236</u>	<u>21,109</u>
Net interest revenue	80,925	73,764	309,784	257,423
Provision for credit losses	-	300	(800)	3,700
Net interest revenue after provision for credit losses	<u>80,925</u>	<u>73,464</u>	<u>310,584</u>	<u>253,723</u>
Fee revenue:				
Service charges and fees	10,653	11,500	42,113	36,825
Mortgage loan and other related fees	6,516	3,290	20,292	13,592
Brokerage fees	911	1,058	4,280	5,041
Gains from sales of government guaranteed loans	3,028	1,995	9,545	6,276
Securities gains, net	60	378	982	2,255
Loss from prepayment of debt	-	-	-	(1,294)
Other	4,065	3,063	16,485	9,834
Total fee revenue	<u>25,233</u>	<u>21,284</u>	<u>93,697</u>	<u>72,529</u>
Total revenue	<u>106,158</u>	<u>94,748</u>	<u>404,281</u>	<u>326,252</u>
Operating expenses:				
Salaries and employee benefits	35,677	32,939	138,789	116,688
Communications and equipment	4,753	4,735	18,355	15,273
Occupancy	5,210	4,666	19,603	15,372
Advertising and public relations	1,151	978	4,426	3,667
Postage, printing and supplies	1,353	1,293	5,382	4,273
Professional fees	2,773	3,331	11,822	10,175
FDIC assessments and other regulatory charges	1,413	1,463	5,866	5,106
Amortization of intangibles	1,066	1,041	4,182	2,444
Merger-related and other charges	1,141	9,078	8,122	17,995
Other	6,784	5,964	24,742	20,245
Total operating expenses	<u>61,321</u>	<u>65,488</u>	<u>241,289</u>	<u>211,238</u>
Net income before income taxes	44,837	29,260	162,992	115,014
Income tax expense	17,616	11,052	62,336	43,436
Net income	<u>27,221</u>	<u>18,208</u>	<u>100,656</u>	<u>71,578</u>
Preferred stock dividends and discount accretion	-	25	21	67
Net income available to common shareholders	<u>\$ 27,221</u>	<u>\$ 18,183</u>	<u>\$ 100,635</u>	<u>\$ 71,511</u>
Earnings per common share:				
Basic	\$.38	\$.25	\$ 1.40	\$ 1.09
Diluted	.38	.25	1.40	1.09
Weighted average common shares outstanding:				
Basic	71,641	72,135	71,910	65,488
Diluted	71,648	72,440	71,915	65,492

UNITED COMMUNITY BANKS, INC.
Consolidated Balance Sheet (Unaudited)

(in thousands, except share and per share data)

	December 31, 2016	December 31, 2015
ASSETS		
Cash and due from banks	\$ 99,489	\$ 86,912
Interest-bearing deposits in banks	117,859	153,451
Cash and cash equivalents	217,348	240,363
Securities available for sale	2,432,438	2,291,511
Securities held to maturity (fair value \$333,170 and \$371,658)	329,843	364,696
Mortgage loans held for sale (includes \$27,891 and \$0 at fair value)	29,878	24,231
Loans, net of unearned income	6,920,636	5,995,441
Less allowance for loan losses	(61,422)	(68,448)
Loans, net	6,859,214	5,926,993
Premises and equipment, net	189,938	178,165
Bank owned life insurance	143,543	105,493
Accrued interest receivable	28,018	25,786
Net deferred tax asset	154,336	197,613
Derivative financial instruments	23,688	20,082
Goodwill and other intangible assets	156,222	147,420
Other assets	144,189	94,075
Total assets	\$ 10,708,655	\$ 9,616,428
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities:		
Deposits:		
Demand	\$ 2,637,004	\$ 2,204,755
NOW	1,989,763	1,975,884
Money market	1,846,440	1,599,637
Savings	549,713	471,129
Time	1,287,142	1,282,803
Brokered	327,496	338,985
Total deposits	8,637,558	7,873,193
Short-term borrowings	5,000	16,640
Federal Home Loan Bank advances	709,209	430,125
Long-term debt	175,078	163,836
Derivative financial instruments	27,648	28,825
Accrued expenses and other liabilities	78,427	85,524
Total liabilities	9,632,920	8,598,143
Shareholders' equity:		
Preferred stock, \$1 par value; 10,000,000 shares authorized; Series H; \$1,000 stated value; 0 and 9,992 shares issued and outstanding	-	9,992
Common stock, \$1 par value; 150,000,000 shares authorized; 70,899,114 and 66,198,477 shares issued and outstanding	70,899	66,198
Common stock, non-voting, \$1 par value; 26,000,000 shares authorized; 0 and 5,285,516 shares issued and outstanding	-	5,286
Common stock issuable; 519,874 and 458,953 shares	7,327	6,779
Capital surplus	1,275,849	1,286,361
Accumulated deficit	(251,857)	(330,879)
Accumulated other comprehensive loss	(26,483)	(25,452)
Total shareholders' equity	1,075,735	1,018,285
Total liabilities and shareholders' equity	\$ 10,708,655	\$ 9,616,428

UNITED COMMUNITY BANKS, INC.
Average Consolidated Balance Sheets and Net Interest Analysis
For the Three Months Ended December 31,

<i>(dollars in thousands, fully taxable equivalent (FTE))</i>	2016			2015		
	Average Balance	Interest	Avg. Rate	Average Balance	Interest	Avg. Rate
Assets:						
Interest-earning assets:						
Loans, net of unearned income (FTE) ⁽¹⁾⁽²⁾	\$ 6,814,114	\$ 71,522	4.18%	\$ 5,975,491	\$ 63,509	4.22%
Taxable securities ⁽³⁾	2,664,395	15,823	2.38	2,575,846	14,763	2.29
Tax-exempt securities (FTE) ⁽¹⁾⁽³⁾	25,735	270	4.20	30,748	309	4.02
Federal funds sold and other interest-earning assets	160,391	430	1.07	210,341	1,065	2.03
Total interest-earning assets (FTE)	9,664,635	88,045	3.63	8,792,426	79,646	3.60
Non-interest-earning assets:						
Allowance for loan losses	(62,767)			(69,743)		
Cash and due from banks	101,006			88,057		
Premises and equipment	189,719			192,040		
Other assets ⁽³⁾	591,491			554,974		
Total assets	\$ 10,484,084			\$ 9,557,754		
Liabilities and Shareholders' Equity:						
Interest-bearing liabilities:						
Interest-bearing deposits:						
NOW	\$ 1,920,124	522	.11	\$ 1,865,305	426	.09
Money market	2,058,589	1,321	.26	1,897,364	1,006	.21
Savings	544,490	33	.02	465,993	27	.02
Time	1,317,794	813	.25	1,317,770	1,007	.30
Brokered time deposits	103,577	271	1.04	258,698	(85)	(.13)
Total interest-bearing deposits	5,944,574	2,960	.20	5,805,130	2,381	.16
Federal funds purchased and other borrowings	51,224	121	.94	40,148	85	.84
Federal Home Loan Bank advances	476,698	945	.79	191,484	436	.90
Long-term debt	175,018	2,827	6.43	165,620	2,696	6.46
Total borrowed funds	702,940	3,893	2.20	397,252	3,217	3.21
Total interest-bearing liabilities	6,647,514	6,853	.41	6,202,382	5,598	.36
Non-interest-bearing liabilities:						
Non-interest-bearing deposits	2,607,878			2,223,011		
Other liabilities	143,609			111,757		
Total liabilities	9,399,001			8,537,150		
Shareholders' equity	1,085,083			1,020,604		
Total liabilities and shareholders' equity	\$ 10,484,084			\$ 9,557,754		
Net interest revenue (FTE)		\$ 81,192			\$ 74,048	
Net interest-rate spread (FTE)			3.22%			3.24%
Net interest margin (FTE) ⁽⁴⁾			3.34%			3.34%

(1) Interest revenue on tax-exempt securities and loans has been increased to reflect comparable interest on taxable securities and loans. The rate used was 39%, reflecting the statutory federal income tax rate and the federal tax adjusted state income tax rate.

(2) Included in the average balance of loans outstanding are loans where the accrual of interest has been discontinued and loans that are held for sale.

(3) Securities available for sale are shown at amortized cost. Pretax unrealized gains of \$18.6 million in 2016 and \$7.45 million in 2015 are included in other assets for purposes of this presentation.

(4) Net interest margin is taxable equivalent net-interest revenue divided by average interest-earning assets.

UNITED COMMUNITY BANKS, INC.
Average Consolidated Balance Sheets and Net Interest Analysis
For the Twelve Months Ended December 31,

<i>(dollars in thousands, fully taxable equivalent (FTE))</i>	2016			2015		
	Average Balance	Interest	Avg. Rate	Average Balance	Interest	Avg. Rate
Assets:						
Interest-earning assets:						
Loans, net of unearned income (FTE) ⁽¹⁾⁽²⁾	\$ 6,412,740	\$ 268,478	4.19%	\$ 5,297,687	\$ 223,713	4.22%
Taxable securities ⁽³⁾	2,665,051	63,413	2.38	2,342,533	51,143	2.18
Tax-exempt securities (FTE) ⁽¹⁾⁽³⁾	26,244	1,005	3.83	25,439	1,154	4.54
Federal funds sold and other interest-earning assets	152,722	3,149	2.06	168,494	3,799	2.25
Total interest-earning assets (FTE)	9,256,757	336,045	3.63	7,834,153	279,809	3.57
Non-interest-earning assets:						
Allowance for loan losses	(65,294)			(71,001)		
Cash and due from banks	95,613			81,244		
Premises and equipment	187,698			174,835		
Other assets ⁽³⁾	579,051			442,878		
Total assets	\$ 10,053,825			\$ 8,462,109		
Liabilities and Shareholders' Equity:						
Interest-bearing liabilities:						
Interest-bearing deposits:						
NOW	\$ 1,826,729	1,903	.10	\$ 1,563,911	1,505	.10
Money market	1,941,288	4,982	.26	1,678,765	3,466	.21
Savings	515,179	135	.03	372,414	98	.03
Time	1,289,876	3,138	.24	1,269,360	4,823	.38
Brokered time deposits	171,420	(2)	.00	269,162	(1,067)	(.40)
Total interest-bearing deposits	5,744,492	10,156	.18	5,153,612	8,825	.17
Federal funds purchased and other borrowings	34,906	399	1.14	49,301	364	.74
Federal Home Loan Bank advances	499,026	3,676	.74	250,404	1,743	.70
Long-term debt	170,479	11,005	6.46	139,979	10,177	7.27
Total borrowed funds	704,411	15,080	2.14	439,684	12,284	2.79
Total interest-bearing liabilities	6,448,903	25,236	.39	5,593,296	21,109	.38
Non-interest-bearing liabilities:						
Non-interest-bearing deposits	2,432,846			1,901,521		
Other liabilities	112,774			97,890		
Total liabilities	8,994,523			7,592,707		
Shareholders' equity	1,059,302			869,402		
Total liabilities and shareholders' equity	\$ 10,053,825			\$ 8,462,109		
Net interest revenue (FTE)		\$ 310,809			\$ 258,700	
Net interest-rate spread (FTE)			<u>3.24%</u>			<u>3.19%</u>
Net interest margin (FTE) ⁽⁴⁾			<u>3.36%</u>			<u>3.30%</u>

(1) Interest revenue on tax-exempt securities and loans has been increased to reflect comparable interest on taxable securities and loans. The rate used was 39%, reflecting the statutory federal income tax rate and the federal tax adjusted state income tax rate.

(2) Included in the average balance of loans outstanding are loans where the accrual of interest has been discontinued and loans that are held for sale.

(3) Securities available for sale are shown at amortized cost. Pretax unrealized gains of \$16.0 million in 2016 and \$11.4 million in 2015 are included in other assets for purposes of this presentation.

(4) Net interest margin is taxable equivalent net-interest revenue divided by average interest-earning assets.

2016

INVESTOR PRESENTATION

Fourth Quarter 2016
January 25, 2017



Disclosures

CAUTIONARY STATEMENT

This investor presentation may contain forward-looking statements, as defined by federal securities laws, including statements about United and its financial outlook and business environment. These statements are based on current expectations and are provided to assist in the understanding of our operations and future financial performance. Our operations and such performance involves risks and uncertainties that may cause actual results to differ materially from those expressed or implied in any such statements. For a discussion of some of the risks and other factors that may cause such forward-looking statements to differ materially from actual results, please refer to United Community Banks, Inc.'s filings with the Securities and Exchange Commission, including its 2015 Annual Report on Form 10-K and its most recent quarterly report on Form 10-Q under the sections entitled "Forward-Looking Statements." Forward-looking statements speak only as of the date they are made, and we undertake no obligation to update or revise forward-looking statements.

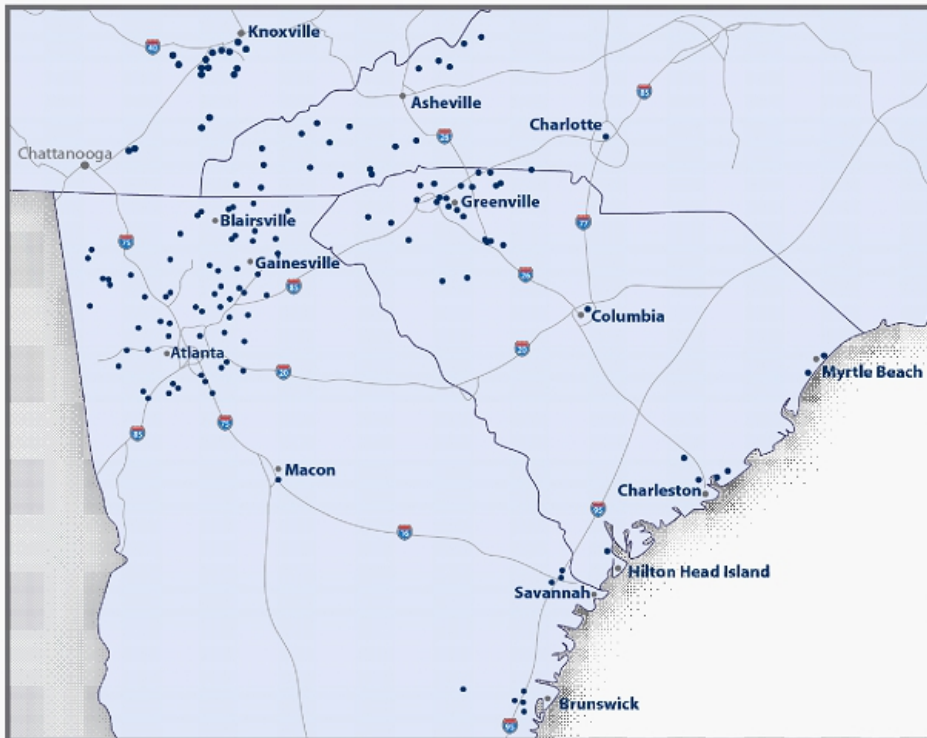
NON-GAAP MEASURES

This presentation includes financial information determined by methods other than in accordance with generally accepted accounting principles ("GAAP"). This financial information includes certain operating performance measures, which exclude merger-related and other charges that are not considered part of recurring operations, such as "operating net income,"

"operating net income per diluted share," "tangible book value," "operating return on common equity," "operating return on tangible common equity," "operating return on assets," "operating dividend payout ratio," "operating efficiency ratio," "average tangible equity to average assets," "average tangible common equity to average assets" and "tangible common equity to risk-weighted assets." The most comparable GAAP measures to these measures are: net income, net income available to common shareholders, diluted income per common share, ROE, ROA, efficiency ratio, dividend payout ratio, expenses, net income, and equity to assets.

Management has included these non-GAAP measures because we believe they may provide useful supplemental information for evaluating our underlying performance trends. Further, management uses these measures in managing and evaluating our business and intends to refer to them in discussions about our operations and performance. Operating performance measures should be viewed in addition to, and not as an alternative to or substitute for, measures determined in accordance with GAAP, and are not necessarily comparable to non-GAAP measures that may be presented by other companies. For a reconciliation of the differences between our non-GAAP financial measures and the most comparable GAAP measures, please refer to the 'Non-GAAP Reconciliation Tables' included in the exhibits to this presentation.

Snapshot of United Community Banks, Inc.



- Headquartered in Blairsville, GA
- Regional Headquarters in Greenville, SC
- Four state regional community bank: GA, NC, SC and TN
- One of the largest community banks in the Southeast
- Established in 1950
- 139 locations
- 1,961 employees



Market Data

Ticker	UCBI
Price (as of 1/20/2017)	\$27.90
Market Cap	\$2.0B
P/E (2017e)	17.8x
P/TBV	215%
Avg. Daily Vol. (LTM)	537,000
Institutional Ownership	87.2%
Quarterly Dividend (4Q16)	\$0.08

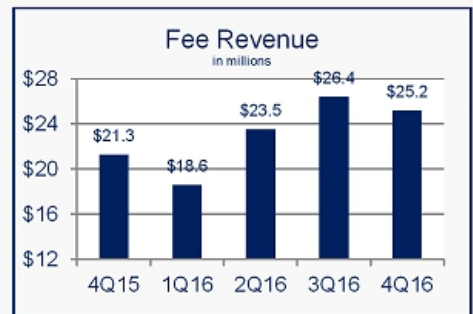
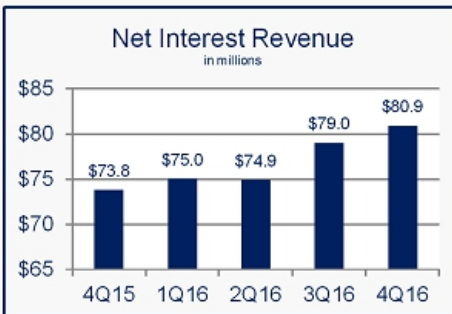
Fourth Quarter 2016

Assets	\$10.7B
Loans	\$6.9B
Deposits	\$8.6B
EPS – GAAP	\$0.38
EPS – Operating	\$0.40
Total RBC	12.1%
CET1	11.3%
NPAs/Assets	0.28%
ROA – GAAP	1.03%
ROA – Operating	1.10%
ROCE – GAAP	9.89%
ROTCE – Operating	12.47%

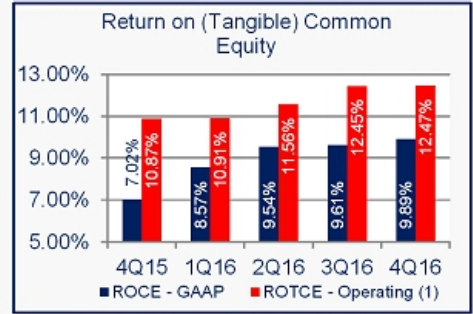
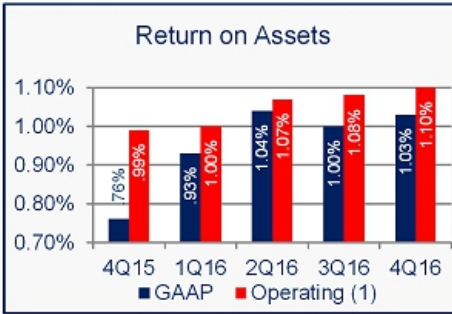
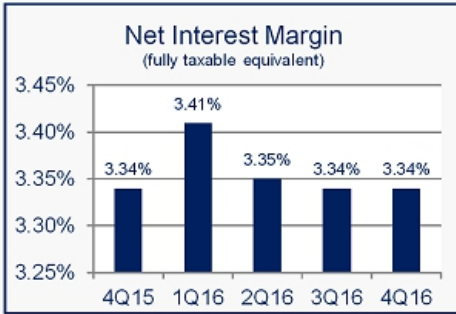


Fourth Quarter 2016 Highlights

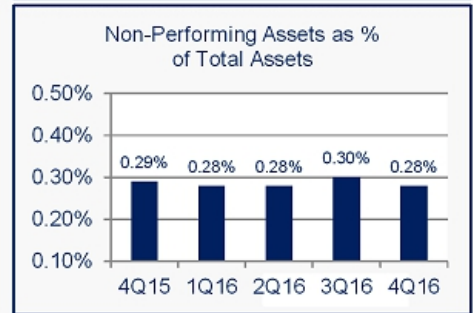
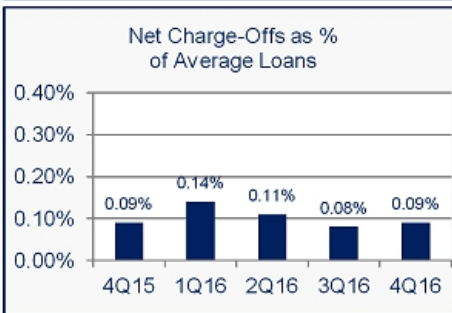
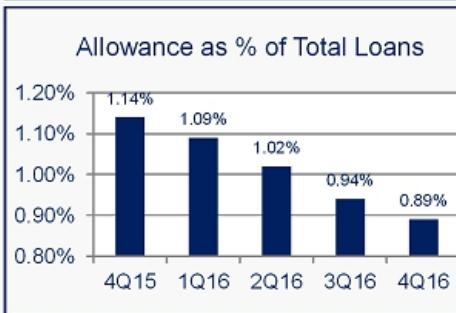
EARNINGS



PROFITABILITY



ASSET QUALITY



(1) See non-GAAP reconciliation table slides at the end of the exhibits for a reconciliation of operating performance measures to GAAP performance measures

Fourth Quarter 2016 Highlights

	2015	2016				Variance - Incr / (Decr)	
	4Q	1Q	2Q	3Q (3)	4Q	3Q16	4Q15
EARNINGS SUMMARY (\$ in thousands)							
Net Income Available to Common Shareholders - GAAP	\$18,183	\$22,274	\$25,266	\$25,874	\$27,221	\$ 1,347	\$ 9,038
Net Income Available to Common Shareholders - Operating ⁽¹⁾	23,775	23,923	25,997	27,833	28,906	1,073	5,131
Net Interest Revenue	73,764	74,952	74,918	78,989	80,925	1,936	7,161
Fee Revenue	21,284	18,606	23,497	26,361	25,233	(1,128)	3,949
Expenses - GAAP	65,488	57,885	58,060	64,023	61,321	(2,702)	(4,167)
Expenses - Operating ⁽¹⁾	56,410	55,232	56,884	60,871	60,180	(691)	3,770
PER SHARE DATA							
Diluted EPS - GAAP	\$ 0.25	\$ 0.31	\$ 0.35	\$ 0.36	\$ 0.38	\$ 0.02	\$ 0.13
Diluted EPS - Operating ⁽¹⁾	0.33	0.33	0.36	0.39	0.40	0.01	0.07
Book Value per Share	14.02	14.35	14.80	15.12	15.06	(0.06)	1.04
Tangible Book Value per Share	12.06	12.40	12.84	13.00	12.95	(0.05)	0.89
KEY OPERATING PERFORMANCE MEASURES							
Return on Assets - GAAP	0.76 %	0.93 %	1.04 %	1.00 %	1.03 %	0.03 %	0.27 %
Return on Assets - Operating ⁽¹⁾	0.99	1.00	1.07	1.08	1.10	0.02	0.11
Return on Common Equity - GAAP	7.02	8.57	9.54	9.61	9.89	0.28	2.87
Return on Tangible Common Equity - Operating ⁽¹⁾	10.87	10.91	11.56	12.45	12.47	0.02	1.60
Net Interest Margin (fully taxable equivalent)	3.34	3.41	3.35	3.34	3.34	-	-
Efficiency Ratio - GAAP	68.97	61.94	59.02	60.78	57.65	(3.13)	(11.32)
Efficiency Ratio - Operating ⁽¹⁾	59.41	59.10	57.82	57.79	56.58	(1.21)	(2.83)
ASSET QUALITY							
Allowance for Loan Losses to Loans	1.14 %	1.09 %	1.02 %	0.94 %	0.89 %	(0.05) %	(0.25) %
NPAs to Loans and Foreclosed Properties	0.46	0.45	0.44	0.46	0.43	(0.03)	(0.03)
NPAs to Total Assets	0.29	0.28	0.28	0.30	0.28	(0.02)	(0.01)
AT PERIOD END (\$ in millions)							
Loans	\$ 5,995	\$ 6,106	\$ 6,287	\$ 6,725	\$ 6,921	\$ 196	\$ 926
Investment Securities	2,656	2,757	2,677	2,560	2,762	202	106
Total Assets	9,616	9,781	9,928	10,298	10,709	411	1,093
Deposits	7,873	7,960	7,857	8,442	8,638	196	765

⁽¹⁾ See non-GAAP reconciliation table slides at the end of the exhibits ⁽²⁾ includes Tideland as of the acquisition date of July 1, 2016

Fourth Quarter 2016 Highlights

		4Q16	3Q16	4Q15
Net Income (\$ in millions)	GAAP	\$ 27.2	\$ 25.9	\$ 18.2
	Operating ⁽¹⁾	28.9	27.8	23.8
EPS	GAAP	.38	.36	.25
	Operating ⁽¹⁾	.40	.39	.33
ROA	GAAP	1.03%	1.00%	0.76%
	Operating ⁽¹⁾	1.10	1.08	0.99
ROCE	GAAP	9.89	9.61	7.02
ROTCE	Operating ⁽¹⁾	12.47	12.45	10.87

Protecting High-Quality Balance Sheet ⁽¹⁾

Asset Quality

- ▶ Top-Quartile Credit Quality Performance
 - No provision compared with a recovery of \$300 thousand in 3Q16 and provision of \$300 thousand in 4Q15
 - Net charge-offs to loans of 0.09% - increased 1bp from 3Q16 and unchanged from 4Q15
 - NPAs were 0.28% of total assets compared with 0.30% in 3Q16 and 0.29% in 4Q15
 - Allowance was 0.89% of total loans compared with 0.94% at 3Q16 and 1.14% at 4Q15

Capital Management

- ▶ Solid and Well-Capitalized Regulatory Capital Ratios
 - Tier I Common to Risk Weighted Assets of 11.3% and Tier I Leverage of 8.5%
 - Tier I Risk Based Capital of 11.3% and Total Risk Based Capital of 12.1%
- ▶ Committed to Returning Value to Shareholders While Balancing Reinvestment in United
 - Quarterly dividend of \$0.08 in 4Q16 and 3Q16 and \$0.07 per share in 2Q16 and 1Q16 compared with \$0.06 in 4Q15
 - Dividend payout ratio of 21.1% in 4Q16 compared with 22.2% in 3Q16 and 24.0% in 4Q15; on an operating basis, the dividend payout ratio was 20.0%, 20.5% and 18.2%, respectively
 - Stock repurchases to-date of \$13.6 million (764,000 shares / average price of \$17.85 per share) – authorized \$50 million

⁽¹⁾ See non-GAAP reconciliation table slides at the end of the exhibits for a reconciliation of operating performance measures to GAAP performance measures

Fourth Quarter 2016 Highlights

Increasing Profitability

Net Interest Revenue

- ▶ \$80.9 Million – Increased from 3Q16 and from 4Q15
 - Increased \$1.9 million from 3Q16 and \$7.2 million from 4Q15
 - Average loans increased to \$6.81 billion in 4Q16 from \$6.68 billion in 3Q16 and \$5.98 billion in 4Q15
 - Average investment securities increased to \$2.69 billion in 4Q16 from \$2.61 billion in 3Q16 and 4Q15

Taxable Equivalent Net Interest Margin

- ▶ 3.34% - Unchanged from 3Q16 and 4Q15
 - Loan yield increased to 4.18% in 4Q16 from 4.14% in 3Q16 and decreased from 4.22% in 4Q15
 - Decline from 4Q15 due to pricing pressures and higher mix of floating-rate loans
 - Linked quarter increase due to rising short-term interest rates
 - Investment securities yield increased to 2.39% in 4Q16 from 2.38% in 3Q16 and 2.31% in 4Q15
 - Funding costs increased to 0.41% in 4Q16 from 0.39% in 3Q16 and 0.36% in 4Q15

Fee Revenue

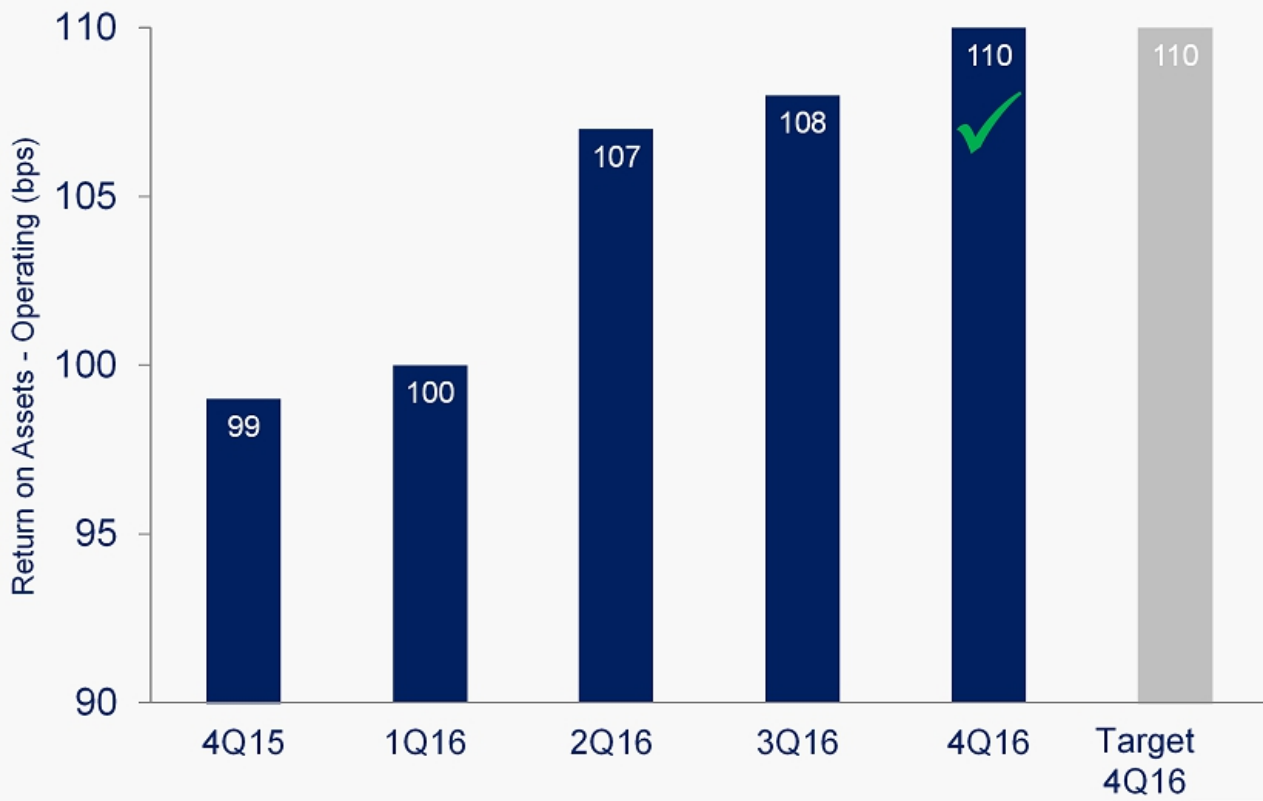
- ▶ \$25.2 Million – Fee Revenue Expansion Focus Through Targeted Growth Initiatives
 - Decreased \$1.1 million from 3Q16 and increased \$3.9 million from 4Q15
 - Linked quarter growth in gains from sales of SBA government guaranteed loans of \$549 thousand and mortgage loan and related fees of \$477 thousand offset partially by a decline of \$1.5 million in other fee revenue due primarily to lower customer derivative and merchant services fees.
 - Year-over-year growth in gains from the sales of SBA government guaranteed loans of \$1.0 million, mortgage loan and related fees of \$3.2 million and other fee revenue of \$1.0 million.

Fourth Quarter 2016 Highlights

Generating Growth

- | | |
|---------------------------|---|
| Loan Growth | <ul style="list-style-type: none"> ▶ \$6.92 Billion - Well-Diversified Loan Portfolio <ul style="list-style-type: none"> • Increased \$196 million from 3Q16, or 12% annualized and \$619 million from 4Q15, or 10% (excluding mergers) • Strong loan production of \$747 million vs. \$641 million in 3Q16 and \$590 million in 4Q15 |
| Core Transaction Deposits | <ul style="list-style-type: none"> ▶ \$5.9 Billion – Solid Low-Cost Core Transaction Deposits <ul style="list-style-type: none"> • Increased \$62 million from 3Q16, or 4% annualized, and \$489 million from 4Q15, or 9%, excluding deposits acquired in mergers |
| Acquisitions | <ul style="list-style-type: none"> ▶ 2016 - Tideland Bancshares, Inc. <ul style="list-style-type: none"> • Closed merger with Tideland Bancshares, Inc., headquartered in Mt. Pleasant, South Carolina, on July 1, 2016 • Added seven branches to our Coastal, South Carolina footprint • System conversion completed in November 2016 • Strategic purchase completes a two-step plan, accelerating growth in attractive coastal South Carolina markets, providing additional organic growth from the lift-out of an experienced lending team and was immediately accretive to operating earnings |

Path to 1.10% ROA (Operating) by Q416



Protecting High-Quality Balance Sheet

Credit Quality



\$ in millions

	4Q15	1Q16	2Q16	3Q16	4Q16
Net Charge-offs	\$ 1.3	\$ 2.1	\$ 1.7	\$ 1.4	\$ 1.5
as % of Average Loans	0.09 %	0.14 %	0.11 %	0.08 %	0.09 %
Allowance for Loan Losses	\$ 68.4	\$ 66.3	\$ 64.3	\$ 63.0	\$ 61.4
as % of Total Loans	1.14 %	1.09 %	1.02 %	0.94 %	0.89 %
as % of NPLs	302	296	301	292	285
Past Due Loans (30 - 89 Days)	0.26 %	0.21 %	0.22 %	0.33 %	0.25 %
Non-Performing Loans	\$ 22.6	\$ 22.4	\$ 21.3	\$ 21.6	\$ 21.5
OREO	4.9	5.2	6.2	9.2	8.0
Total NPAs	27.5	27.6	27.5	30.8	29.5
Performing Classified Loans	127.5	121.1	118.5	121.6	114.3
Total Classified Assets	\$ 155.0	\$ 148.7	\$ 146.0	\$ 152.4	\$ 143.8
as % of Tier 1 / Allowance	17 %	16 %	15 %	15 %	14 %
Accruing TDRs	\$ 83.0	\$ 72.8	\$ 73.3	\$ 70.1	\$ 67.8
Total NPAs					
as % of Total Assets	0.29	0.28	0.28	0.30	0.28
as % of Loans & OREO	0.46	0.45	0.44	0.46	0.43

Protecting High-Quality Balance Sheet

Prudent Capital Management

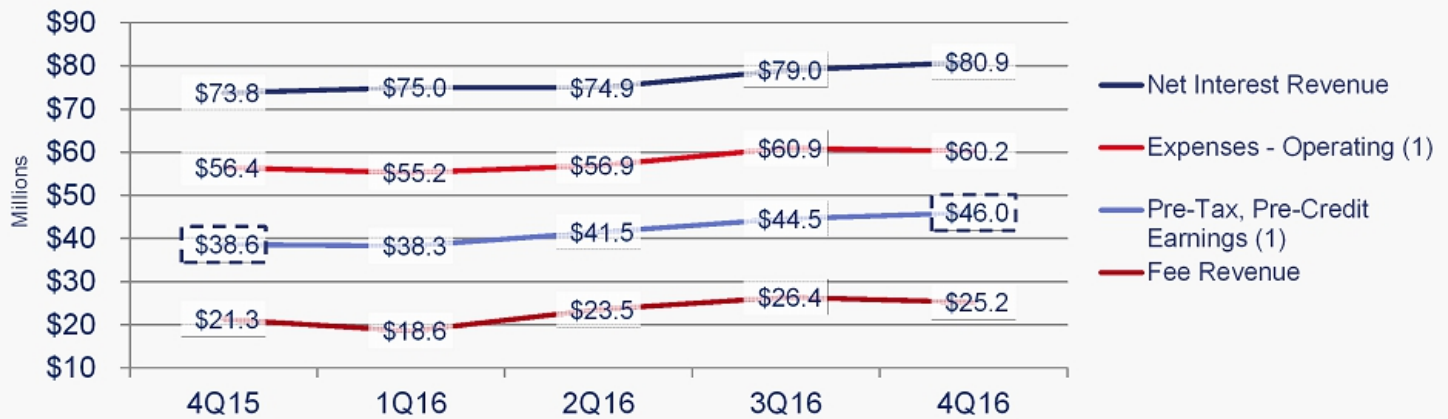


Holding Company	4Q16	3Q16	2Q16	1Q16	4Q15
Tier I Risk-Based Capital	11.3%	11.0%	11.4%	11.3%	11.5%
Total Risk-Based Capital	12.1	11.9	12.4	12.3	12.5
Leverage	8.5	8.4	8.5	8.4	8.3
Tier I Common Risk-Based Capital	11.3	11.0	11.4	11.3	11.5
Tangible Common Equity to Risk-Weighted Assets	11.9	12.2	12.9	12.8	12.8
Average Tangible Equity to Average Assets	9.0	9.0	9.4	9.4	9.4

- ▶ All regulatory capital ratios significantly above "well-capitalized"
- ▶ Stock repurchases of \$13.6 million through September 30, 2016 (764,000 shares / average price of \$17.85 per share); None in 4Q16
- ▶ Paid fourth quarter shareholder dividend of \$0.08 per share on January 5, 2017 to shareholders of record on December 15, 2016; Up \$0.02 per share from 4Q15
- ▶ Tidelands acquisition completed on July 1, 2016. No shares issued
- ▶ Palmetto acquisition lowered Leverage ratio in 4Q15 (full quarter impact of average assets)
- ▶ Continued strong earnings and \$98.5 million of future DTA recovery driving regulatory capital growth

Increasing Profitability

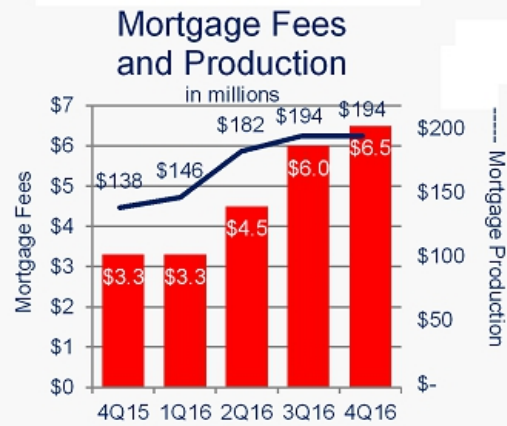
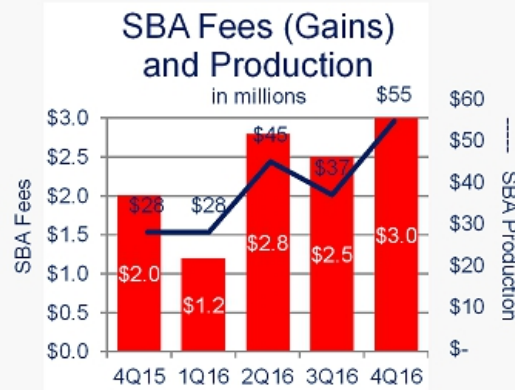
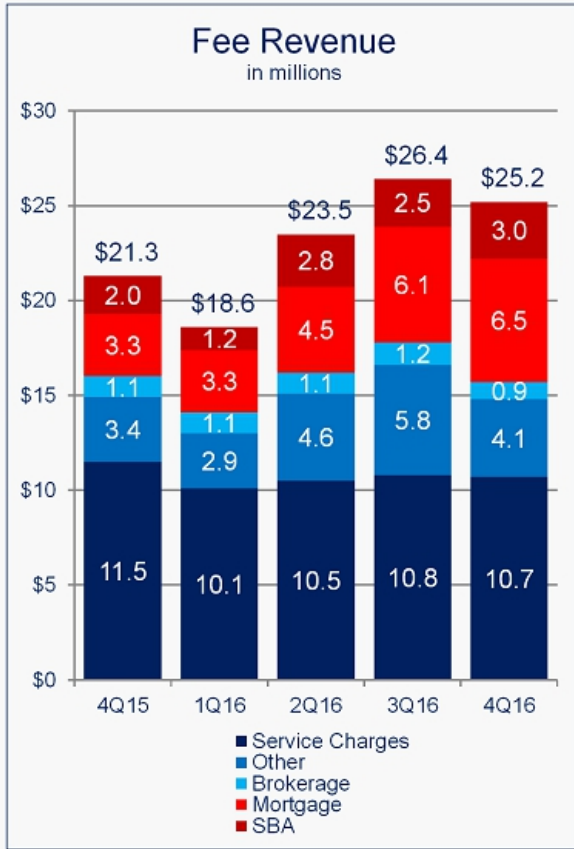
Earnings, Fee Revenue, and Expenses



Earnings (pre-tax, pre-credit) \$ in thousands				Fee Revenue \$ in thousands				Expenses \$ in thousands			
	4Q16	Variance - Incr/(Decr)			Variance - Incr/(Decr)				Variance - Incr/(Decr)		
		3Q16	4Q15		4Q16	3Q16	4Q15		4Q16	3Q16	4Q15
Net Interest Revenue	\$ 80,925	\$ 1,936	\$ 7,161	Overdraft Fees	\$ 3,545	\$ (103)	\$ (327)	Salaries & Employee Benefits	\$ 36,677	\$ (801)	\$ 2,738
Fee Revenue	25,233	(1,128)	3,949	Interchange Fees	5,250	(33)	(195)	Communications & Equipment	4,753	(166)	18
Gross Revenue	106,158	808	11,110	Other Service Charges	1,858	(30)	(325)	Occupancy	5,210	78	544
Expenses - Operating ⁽¹⁾	60,180	(691)	3,770	Total Service Charges and Fees	10,653	(166)	(847)	FDIC Assessment	1,413	1	(50)
Pre-Tax, Pre-Credit Earnings ⁽¹⁾	45,978	1,499	7,340	Mortgage Loan & Related Fees	6,516	477	3,226	Advertising & Public Relations	1,151	63	173
Merger-Related and Other Charges	(1,141)	(2,011)	(7,937)	Brokerage Fees	911	(288)	(147)	Postage, Printing & Supplies	1,353	(98)	60
Provision for Credit Losses	-	300	(300)	Gains from SBA Loan Sales	3,028	549	1,033	Professional Fees	2,773	(387)	(558)
Income Taxes	(17,616)	1,863	6,564	Securities Gains, Net	60	(201)	(318)	Other Expense	7,860	619	845
Net Income - GAAP	\$ 27,221	\$ 1,347	\$ 9,013	Other	4,065	(1,499)	1,002	Expenses - Operating ⁽¹⁾	60,180	(691)	3,770
Net Interest Margin (fully taxable equivalent)	3.34 %	- %	- %	Fee Revenue	\$25,233	\$ (1,128)	\$ 3,949	Merger-Related and Other Charges	1,141	(2,011)	(7,937)
								Expenses - GAAP	\$ 61,321	\$ (2,702)	\$ (4,167)

⁽¹⁾ See non-GAAP reconciliation table slides at the end of the exhibits for a reconciliation of operating performance measures to GAAP performance measures

Driving Fee Revenue Through Core Banking Infrastructure



SBA

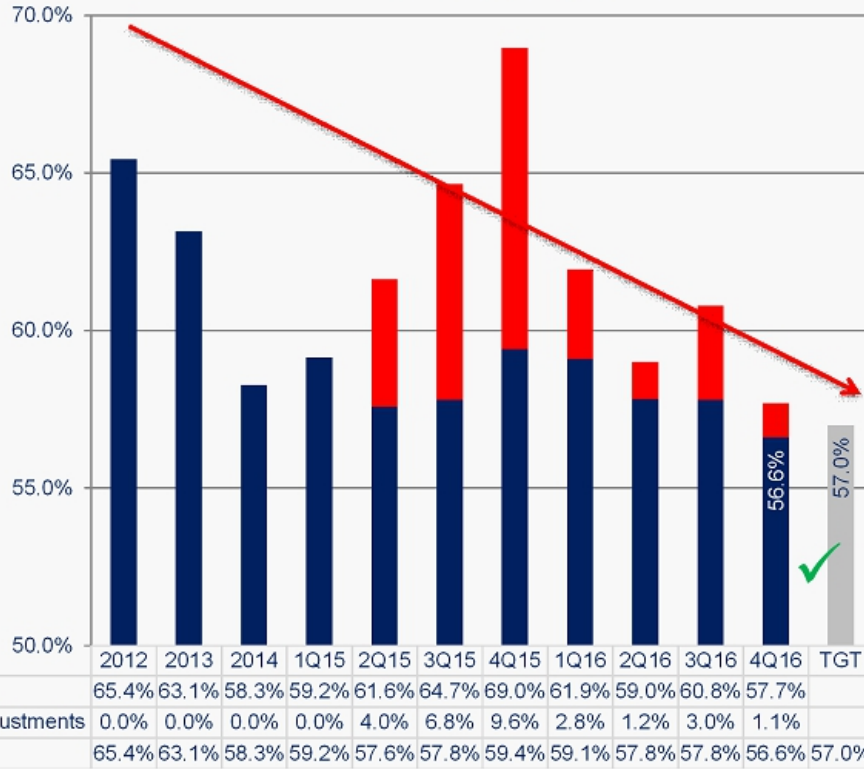
- ▶ 4Q16 Sales \$41 million
- ▶ 2016 Sales \$120 million
- ▶ 2015 Sales \$71 million
- ▶ Target market: small businesses with revenue between \$1 million and \$25 million
- ▶ Two Channels
 - Footprint
 - National Verticals

Mortgage

- ▶ Growth Strategy
 - Building on proven strengths in legacy markets of capturing business from a large percentage of United customers
 - Increase sales capacity in metro area growth markets
 - Compete favorably on product and service with banks and non-banks of all sizes

Expense Discipline

Efficiency Ratio ⁽¹⁾



- ▶ Efficiency improvements are attributable to various expense reduction initiatives while maintaining high business growth

- ▶ Declining trend sustained while making substantial investments in growth and infrastructure

⁽¹⁾ See non-GAAP reconciliation table slides at the end of the exhibits for a reconciliation of operating performance measures to GAAP performance measures

Increasing Profitability

Key Drivers of Net Interest Revenue / Margin



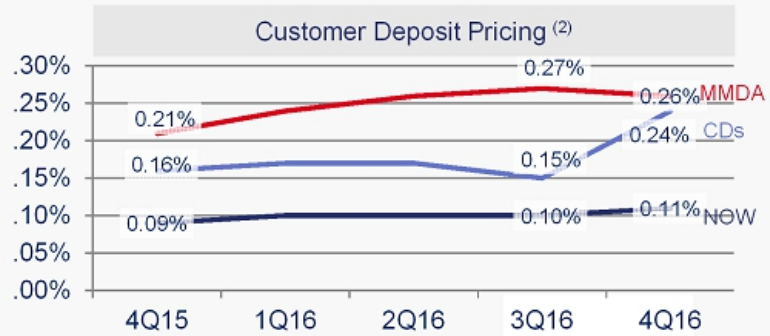
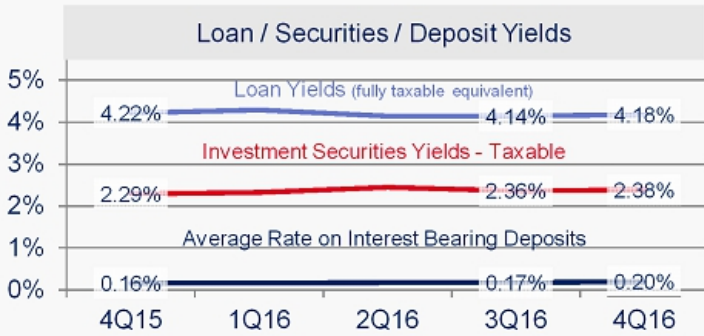
Net Interest Revenue & Margin ⁽¹⁾



3Q16 Impacted By

- NET INTEREST REVENUE**
- ▶ Tideland's acquisition on July 1, 2016
 - ▶ Margin steady; Continued loan pricing pressures offset by benefit of rising short-term interest rates

Net Interest Revenue Key Drivers

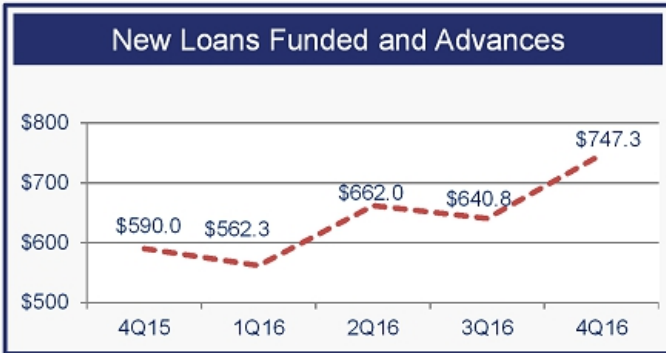


⁽¹⁾ Net interest margin is calculated on a fully taxable equivalent basis ⁽²⁾ Excludes brokered deposits

Generating Growth

New Loans Funded and Advances⁽¹⁾

\$ in millions



New Loans Funded and Advances by Category

	4Q16	3Q16	Variance-Incr(Decr)	
			4Q15	3Q16
Commercial & Industrial	\$ 168.0	\$ 140.0	\$ 160.5	\$ 28.0
Owner-Occupied CRE	139.5	92.8	85.9	46.7
Income-Producing CRE	160.4	148.0	102.2	12.4
Commercial Constr.	10.7	45.7	41.3	(35.0)
Total Commercial	478.6	426.5	389.9	88.7
Residential Mortgage	68.7	39.8	31.8	28.9
Residential HELOC	60.6	66.4	41.0	(5.8)
Residential Construction	83.7	46.7	33.2	37.0
Consumer	55.7	61.4	94.1	(5.7)
Total	\$ 747.3	\$ 640.8	\$ 590.0	\$ 157.3

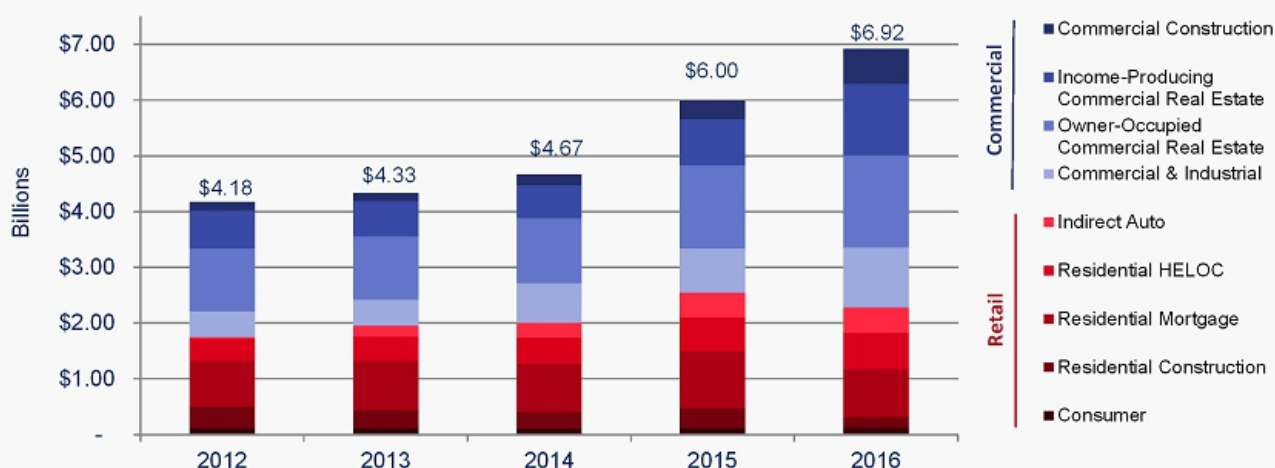
New Loans Funded and Advances by Region

	4Q16	3Q16	4Q15	Variance-Incr(Decr)	
				3Q16	4Q15
Atlanta	\$ 143.6	\$ 110.6	\$ 94.7	\$ 33.0	48.9
Coastal Georgia	34.4	53.6	59.2	(19.2)	(24.8)
North Georgia	74.4	71.0	61.0	3.4	13.4
North Carolina	36.1	35.4	27.6	.7	8.5
Tennessee	34.6	35.1	27.3	(.5)	7.3
Gainesville	20.3	9.8	21.5	10.5	(1.2)
South Carolina	146.3	120.4	68.3	25.9	78.0
Total Community Banks	489.7	435.9	359.6	53.8	130.1
Asset-based Lending	38.0	9.7	18.4	28.3	19.6
Commercial RE	48.3	37.8	47.5	10.5	0.8
Senior Care	17.4	4.8	-	12.6	17.4
Middle Market	32.8	51.6	48.2	(18.8)	(15.4)
SBA	54.7	37.0	24.1	17.7	30.6
Builder Finance	24.9	25.2	19.2	(0.3)	5.7
Total Specialized Lending	216.1	166.1	157.4	50.0	58.7
Indirect Auto	41.5	38.8	73.0	2.7	(31.5)
Total	\$ 747.3	\$ 640.8	\$ 590.0	\$ 106.5	\$ 157.3

NOTE - Certain prior period amounts have been reclassified to conform to the current presentation ⁽¹⁾ Represents new loans funded and net loan advances (net of payments on lines of credit)

Generating Growth

Loan Mix



Loans by Category in millions					
	2012	2013	2014	2015	2016
Commercial & Industrial	\$ 456	\$ 471	\$ 710	\$ 785	\$ 1,070
Owner-Occupied CRE	1,254	1,238	1,257	1,571	1,650
Income-Producing CRE	891	807	767	1,021	1,282
Commercial Constr.	407	336	364	518	634
Total Commercial	3,008	2,852	3,098	3,895	4,636
Residential Mortgage	517	604	614	764	857
Residential HELOC	375	430	456	589	655
Residential Construction	122	136	131	176	190
Consumer	115	111	104	115	124
Indirect Auto	38	196	269	456	459
Total Loans	\$ 4,175	\$ 4,329	\$ 4,672	\$ 5,995	\$ 6,921

Loans by Region in millions					
	2012	2013	2014	2015	2016
North Georgia	\$ 1,364	\$ 1,240	\$ 1,163	\$ 1,125	\$ 1,097
Atlanta MSA	1,204	1,235	1,243	1,259	1,399
North Carolina	579	572	553	549	545
Coastal Georgia	400	423	456	537	581
Gainesville MSA	261	255	257	254	248
East Tennessee ⁽¹⁾	283	280	280	504	504
South Carolina ⁽²⁾	-	4	30	819	1,233
Total Community Banks	4,091	4,009	3,982	5,047	5,607
Specialized Lending	46	124	421	492	855
Indirect Auto ⁽³⁾	38	196	269	456	459
Total Loans	\$ 4,175	\$ 4,329	\$ 4,672	\$ 5,995	\$ 6,921

⁽¹⁾Includes \$244 million from the acquisition of FNB on May 1, 2015

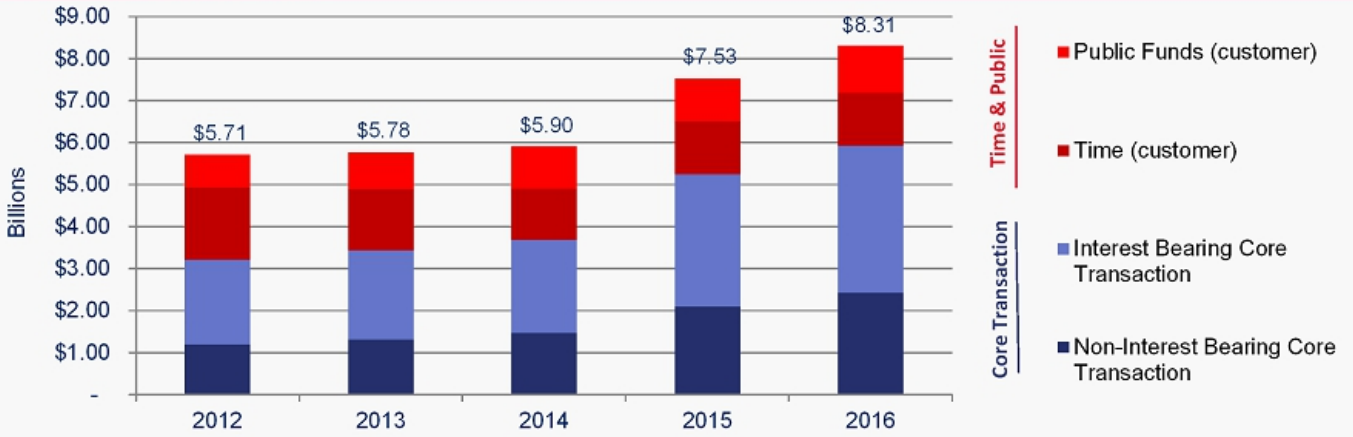
⁽²⁾Includes \$733 million and \$306 million, respectively, from the acquisitions of Palmetto on September 1, 2015 and Tideland on July 1, 2016

⁽³⁾Includes \$63 million from the acquisition of Palmetto on September 1, 2015

NOTE - Certain prior period amounts in the loans by category table have been reclassified to conform to the current presentation

Generating Growth

Customer Deposit Mix



Deposits by Category					
in millions					
	2012	2013	2014	2015	2016
Non-Interest Bearing Core					
Demand Deposit	\$ 1,188	\$ 1,311	\$ 1,471	\$ 2,089	\$ 2,423
Interest Bearing Core					
NOW	654	659	668	1,109	1,114
MMDA	1,145	1,218	1,259	1,584	1,830
Savings	226	250	292	469	548
Total Interest Bearing Core	2,025	2,127	2,219	3,162	3,492
Total Core Trans Deposits	3,213	3,438	3,690	5,251	5,915
Time (Customer)	1,724	1,445	1,223	1,251	1,267
Public Funds (Customer)	770	894	989	1,032	1,128
Brokered	245	412	425	339	328
Total Deposits	\$ 5,952	\$ 6,189	\$ 6,327	\$ 7,873	\$ 8,638

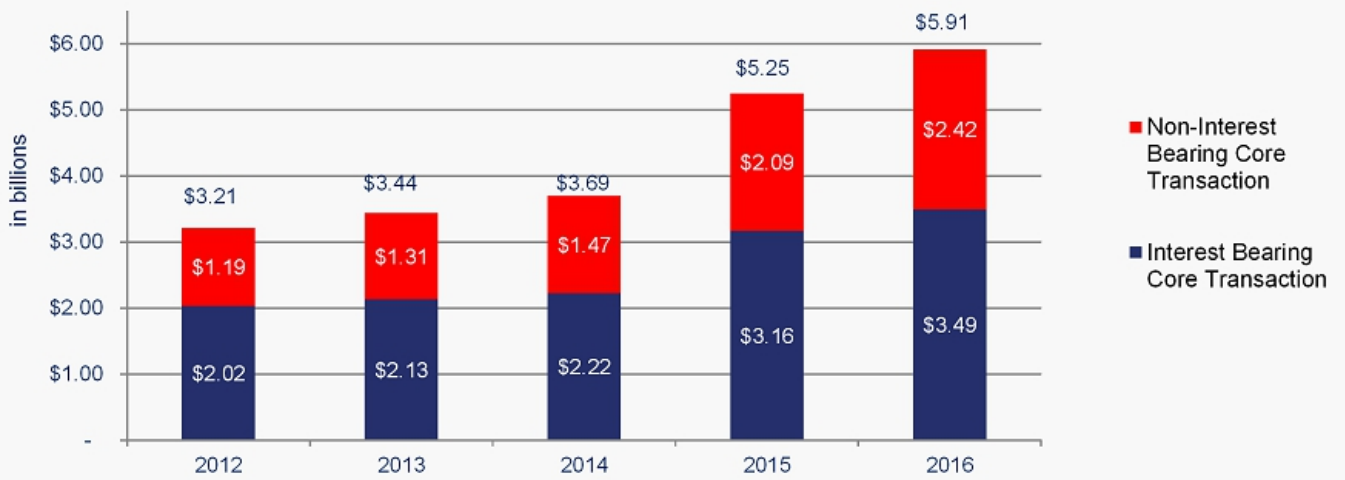
Core Transaction Deposit Growth					
by Category & Region					
in millions					
	2012	2013	2014	2015	2016
Demand Deposit	\$ 232	\$ 123	\$ 161	\$ 618	\$ 334
NOW	(65)	4	9	441	5
MMDA	115	73	41	325	246
Savings	29	24	41	177	79
Growth by Category	\$ 311	\$ 224	\$ 252	\$ 1,561	\$ 664
Atlanta MSA	\$ 160	\$ 75	\$ 84	\$ 223	\$ 168
North Georgia	41	62	90	158	133
North Carolina	47	42	35	63	62
Coastal Georgia	38	2	22	24	16
East Tennessee ⁽¹⁾	9	4	8	234	(16)
Gainesville MSA	16	19	10	34	48
South Carolina ⁽²⁾	-	20	3	825	253
Growth by Region	\$ 311	\$ 224	\$ 252	\$ 1,561	\$ 664

⁽¹⁾Includes \$247 million from the acquisition of FNB on May 1, 2015
⁽²⁾Includes \$790 million and \$175 million, respectively, from the acquisition of Palmetto on September 1, 2015 and Tideland on July 1, 2016

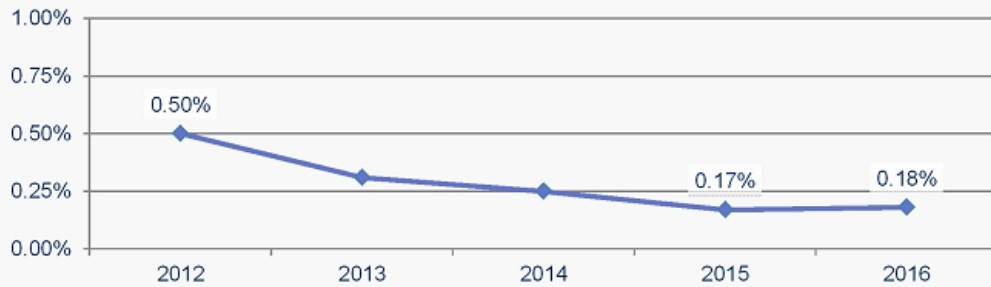
Generating Growth

Customer Deposit Mix

High-Quality, Low-Cost Core Transaction Deposit Base



Cost of Interest Bearing Deposits



Generating Growth

Acquisition of Tidelands Bancshares, Inc.



Transaction Summary

- Closed on July 1, 2016
- Conversion completed on November 11, 2016
- \$11.2 million aggregate transaction value; 100% cash consideration
 - \$2.2 million value to common, or \$0.52 per common share
 - \$9.0 million to redeem TARP, which represents a 56% discount
- Target cost savings: approximately \$5.0 million (completed 4Q16)
- Total credit mark: \$17.8 million
 - Loan mark of \$15.4 million gross or 4.8% of gross loans
 - OREO mark of \$2.4 million or 24% of year-end 2015 balances
 - Covers nonaccrual loans and OREO of \$20.5 million
- Estimated \$0.09 to \$0.10 EPS accretive in 2017
- Tangible book value dilution of approximately 1.5% with expected earn-back in just over two years
- Anticipated internal rate of return in excess of 20%

Transaction Rationale

- Significantly accelerates UCBI's Coastal South Carolina expansion and leverages existing lift-out team of experienced bankers and in-market resources, fully executing the two-step Coastal SC growth plan
- Tidelands' markets are in the top 10 fastest growing in the U.S
- Significant cost synergies enhance already compelling deal economics
- Consistent with UCBI's Southeastern expansion strategy
- Projected earnings accretion offsets the estimated earnings reduction associated with crossing the \$10 billion threshold
- Integration risk is offset by merger experience / preparedness and local management already in place

Source: SNL Financial - Financial Metrics as of December 31, 2015

⁽¹⁾ NPAs / Assets = (Nonaccrual Loans + OREO) / Total Assets

Company Overview

Headquarters	Mt. Pleasant, SC
Established	2003
Branches (7)	Charleston (4) Myrtle Beach (2) Hilton Head (1)
Assets (\$MM)	\$451
Total Gross Loans (\$MM)	\$306
Deposits (\$MM)	\$402
NPAs / Assets ⁽¹⁾	4.40%

Combined Branch Map



EXHIBITS

Fourth Quarter 2016

Who We Are

Protecting High-Quality Balance Sheet

- ▶ Underwriting conservatism and portfolio diversification
- ▶ Top quartile credit quality performance
- ▶ Prudent capital, liquidity and interest-rate risk management
- ▶ Focused on improving return to shareholders with increasing return on tangible common equity and dividend growth

Increasing Profitability

- ▶ Achieved 1.10% ROA (operating) target in 4Q16, up from 0.99% in 4Q15
- ▶ Managing a steady margin with minimal accretion income
- ▶ Fee revenue expansion through focused growth initiatives
- ▶ Continued operating expense discipline while investing in growth opportunities
- ▶ Executing on M&A cost savings
- ▶ High-quality, low-cost core deposit base

Generating Growth

- ▶ Entered into and continue to target new markets with team lift-outs (Charleston, Greenville, Atlanta)
- ▶ Continuous emphasis on and enhancement of Mortgage product offerings to drive loan and revenue growth
- ▶ Addition of Specialized Lending platforms (income-property, asset-based, middle-market, SBA, senior living, builder finance) and actively pursuing additional lending platforms
- ▶ Acquisitions that fit our footprint and culture and deliver desired financial returns

Protecting High-Quality Balance Sheet

Disciplined Credit Processes



Granular Portfolio – Exposure and Industry Limits

- | | | |
|------------------------|---------|--|
| •Legal Lending Limit | \$ 268M | Concentration limits set for all segments of the portfolio |
| •House Lending Limit | 28M | |
| •Project Lending Limit | 17M | |
| •Top 25 Relationships | 397M | |

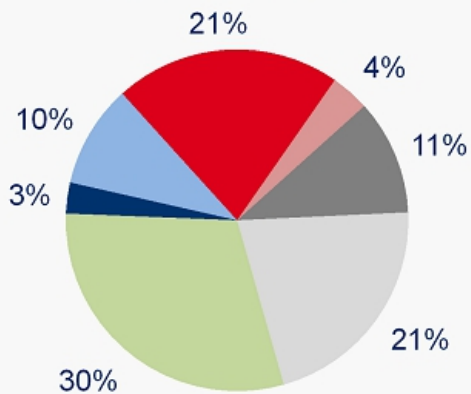
Consistent Underwriting



Protecting High-Quality Balance Sheet

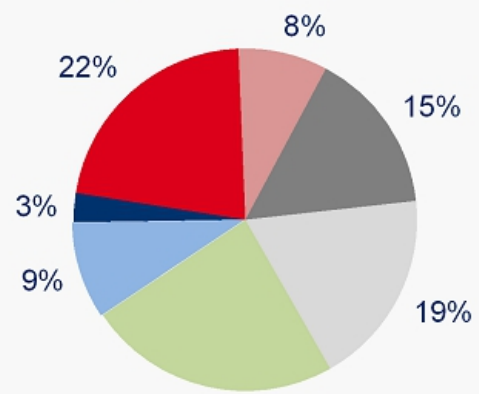
Loan Portfolio Diversification

\$4.2 Billion Loan Portfolio as of 12/31/2012



- Commercial (C&I)
- CRE Income Producing
- CRE Owner-Occupied
- Residential Construction
- Commercial Construction
- Residential Mortgage & HELOC
- Installment

\$6.9 Billion Loan Portfolio as of 12/31/2016



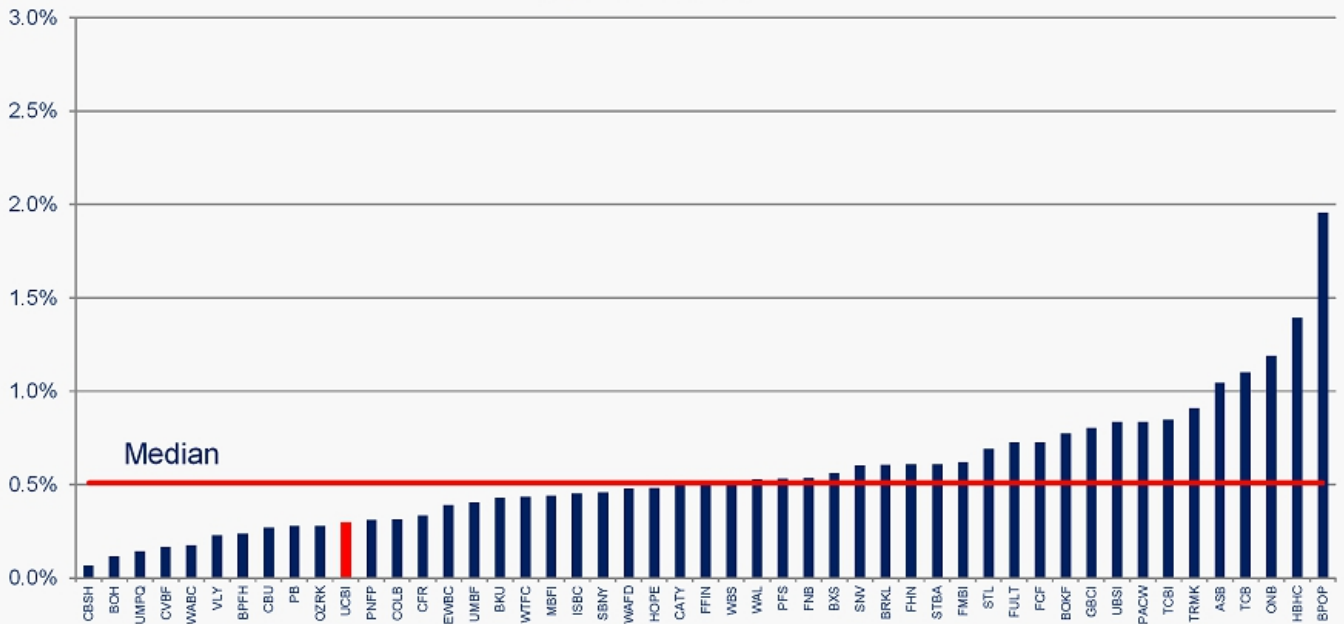
- Commercial (C&I)
- CRE Income Producing
- CRE Owner-Occupied
- Residential Construction
- Commercial Construction
- Residential Mortgage & HELOC
- Installment

► Specialized Lending, which began in 2013, had loans totaling \$855 million at December 31, 2016 (12% of the loan portfolio).

Protecting High-Quality Balance Sheet

Excellent Credit Performance and Management

3Q16 NPA Ratio



- ▶ Eight of the top twelve credit leaders recruited post-crisis
- ▶ Centralization of special assets
- ▶ Centralization of consumer loan underwriting and approval
- ▶ Changed commercial approval process, including a Senior Credit Committee for visibility and culture building
- ▶ Instituted highly-disciplined concentration management process
- ▶ Dedicated credit officers for all specialty businesses and community markets

Source: SNL Financial LC

Note: Peer comparison banks comprise the KBW Regional Bank Index (ticker: KRX)

Protecting High-Quality Balance Sheet

Performing Classified Loans



\$ in millions



By Category

	4Q15	1Q16	2Q16	3Q16	4Q16
Commercial & Industrial	\$ 6	\$ 9	\$ 9	\$ 10	\$ 9
Owner-Occupied CRE	45	38	38	42	42
Total Commercial & Industrial	51	47	47	52	51
Income-Producing CRE	38	38	35	32	29
Commercial Construction	8	5	6	9	9
Total Commercial	97	90	88	93	89
Residential Mortgage	18	20	20	18	15
Residential HELOC	7	6	6	5	5
Residential Construction	4	3	3	4	3
Consumer / Installment	2	2	2	2	2
Total Performing Classified	\$ 128	\$ 121	\$ 119	\$ 122	\$ 114
Classified to Tier 1 + ALL	17 %	16 %	15 %	15 %	14 %

NOTE - Certain prior period amounts have been reclassified to conform to the current presentation

Protecting High-Quality Balance Sheet

TDRs



\$ in millions

LOAN TYPE	Accruing			Non-Accruing			Total TDRs		
	4Q16 ⁽¹⁾	3Q16	4Q15	4Q16 ⁽¹⁾	3Q16	4Q15	4Q16 ⁽¹⁾	3Q16	4Q15
Commercial & Industrial	\$ 1.3	\$ 1.8	\$ 2.8	\$ 0.1	\$ -	\$ -	\$ 1.4	\$ 1.8	\$ 2.8
Owner-Occupied CRE	24.5	25.0	32.3	1.7	2.2	1.3	26.2	27.2	33.6
Income-Producing CRE	23.6	24.2	18.7	.1	.1	.4	23.7	24.3	19.1
Commercial Construction	4.1	4.5	14.3	.9	.9	.3	5.0	5.4	14.6
Total Commercial	53.5	55.5	68.1	2.8	3.2	2.0	56.3	58.7	70.1
Residential Mortgage	11.8	12.4	12.4	1.9	1.5	1.4	13.7	13.9	13.8
Residential HELOC	.1	.1	.2	-	-	-	0.1	0.1	0.2
Residential Construction	1.4	1.2	1.4	.2	.2	-	1.6	1.4	1.4
Consumer / Installment	1.0	.9	.9	.4	.4	.2	1.4	1.3	1.1
Total TDRs	<u>\$ 67.8</u>	<u>\$ 70.1</u>	<u>\$ 83.0</u>	<u>\$ 5.3</u>	<u>\$ 5.3</u>	<u>\$ 3.6</u>	<u>\$ 73.1</u>	<u>\$ 75.4</u>	<u>\$ 86.6</u>

Accruing TDRs



▶ 0.9% of accruing TDRs are past due 30 – 89 days

▶ 63.5% of accruing TDRs are pass credits

NOTE - Certain prior period amounts have been reclassified to conform to the current presentation ⁽¹⁾ 87% of accruing TDR loans have an interest rate of 4% or greater

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Protecting High-Quality Balance Sheet

Commercial Real Estate Diversification

Commercial Construction

in millions

	Committed			Outstanding		
	\$		%	\$		%
Retail Building	\$ 146	14.1	%	\$ 79	12.5	%
Multi-Residential	120	11.5		81	12.8	
Office Buildings	108	10.4		53	8.4	
Assisted Living/Nursing Home/Rehab	87	8.4		13	2.0	
Commercial Residential CIP: Spec	86	8.3		58	9.1	
Land Develop - Vacant (Improved)	72	6.9		58	9.1	
Commercial Residential Land						
Development: Builder Lots	66	6.4		64	10.1	
Other Properties	61	5.9		37	5.8	
Hotels / Motels	60	5.8		20	3.1	
Raw Land - Vacant (Unimproved)	42	4.0		33	5.2	
Commercial Residential CIP: Presold	37	3.6		22	3.5	
Commercial Residential Land	32	3.1		27	4.3	
Development: Subdivisions in						
Warehouse	31	3.0		24	3.8	
Commercial Land Development	26	2.5		24	3.8	
Churches	26	2.5		11	1.7	
Commercial Residential Raw Land	20	1.9		17	2.7	
Restaurants / Franchise	15	1.4		10	1.6	
Leasehold Property	3	0.3		3	0.5	
Total Commercial Construction	\$ 1,038	100.0	%	\$ 634	100.0	%

Commercial Real Estate – Income Producing

in millions

	Committed			Outstanding		
	\$		%	\$		%
Retail Building	\$ 332	24.5	%	\$ 313	24.4	%
Office Buildings	309	22.8		297	23.2	
Investor Residential	183	13.5		182	14.2	
Warehouse	125	9.2		117	9.1	
Hotels / Motels	106	7.8		95	7.4	
Multi-Residential	94	6.9		86	6.7	
Other Properties	69	5.1		55	4.3	
Convenience Stores	46	3.4		44	3.4	
Restaurants / Franchise Fast Food	34	2.5		34	2.7	
Manufacturing Facility	24	1.8		24	1.9	
Leasehold Property	17	1.2		17	1.3	
Automotive Service	6	0.4		6	0.5	
Daycare Facility	5	0.4		5	0.4	
Mobile Home Parks	4	0.3		4	0.3	
Automotive Dealership	3	0.2		3	0.2	
Total Commercial Real Estate - Income Producing	\$ 1,357	100.0	%	\$ 1,282	100.0	%

Committed Average Loan Size

(in thousands)



• Commercial Construction	\$582
• Commercial RE:	
• Composite CRE	402
• Owner-Occupied	396
• Income-Producing	410

Outstanding Average Loan Size

(in thousands)



• Commercial Construction	\$357
• Commercial RE:	
• Composite CRE	382
• Owner-Occupied	376
• Income-Producing	391

Protecting High-Quality Balance Sheet

Liquidity



\$ in millions

	Capacity	4Q16	3Q16	4Q15	vs 3Q16	vs 4Q15
WHOLESALE BORROWINGS						
Brokered Deposits ⁽¹⁾	\$ 1,071	\$ 328	\$ 359	\$ 339	\$ (31)	\$ (11)
FHLB	1,226	709	449	430	260	279
Holding Company LOC	50	-	-	-	-	-
Fed Funds	860	5	25	-	(20)	5
Other Wholesale	1,155	-	10	17	(10)	(17)
Total	\$ 4,362	\$ 1,042	\$ 843	\$ 786	\$ 199	\$ 256
LONG-TERM DEBT (par)						
Senior Debt		\$ 160	\$ 160	\$ 160	\$ -	\$ -
Trust Preferred Securities		20	20	6	-	14
Total Long-Term Debt		\$ 180	\$ 180	\$ 166	\$ -	\$ 14
Cash		\$ 43	\$ 49	\$ 50	\$ (6)	\$ (7)
Loans / Deposits						
Loans		\$ 6,921	\$ 6,725	\$ 5,995	\$ 196	\$ 926
Core (DDA, MMDA, Savings)		\$ 5,915	\$ 5,853	\$ 5,251	\$ 62	\$ 664
Public Funds		1,128	910	1,032	218	96
CD's		1,267	1,320	1,251	(53)	16
Total Customer Deposits (excl Brokered)		\$ 8,310	\$ 8,083	\$ 7,534	\$ 227	\$ 776
Loan to Customer Deposit Ratio		83%	83%	80%		
Investment Securities						
Available for Sale -Fixed		\$ 1,831	\$ 1,584	\$ 1,648	\$ 247	\$ 183
-Floating		601	631	643	(30)	(42)
Held to Maturity -Fixed		327	342	361	(15)	(34)
-Floating		3	3	4	-	(1)
Total Investment Securities		\$ 2,762	\$ 2,560	\$ 2,656	\$ 202	\$ 106
Floating as % of Total Securities		22%	25%	24%		

Wholesale Borrowings

Holding Company Long-Term Debt / Cash

Loans / Customer Deposits

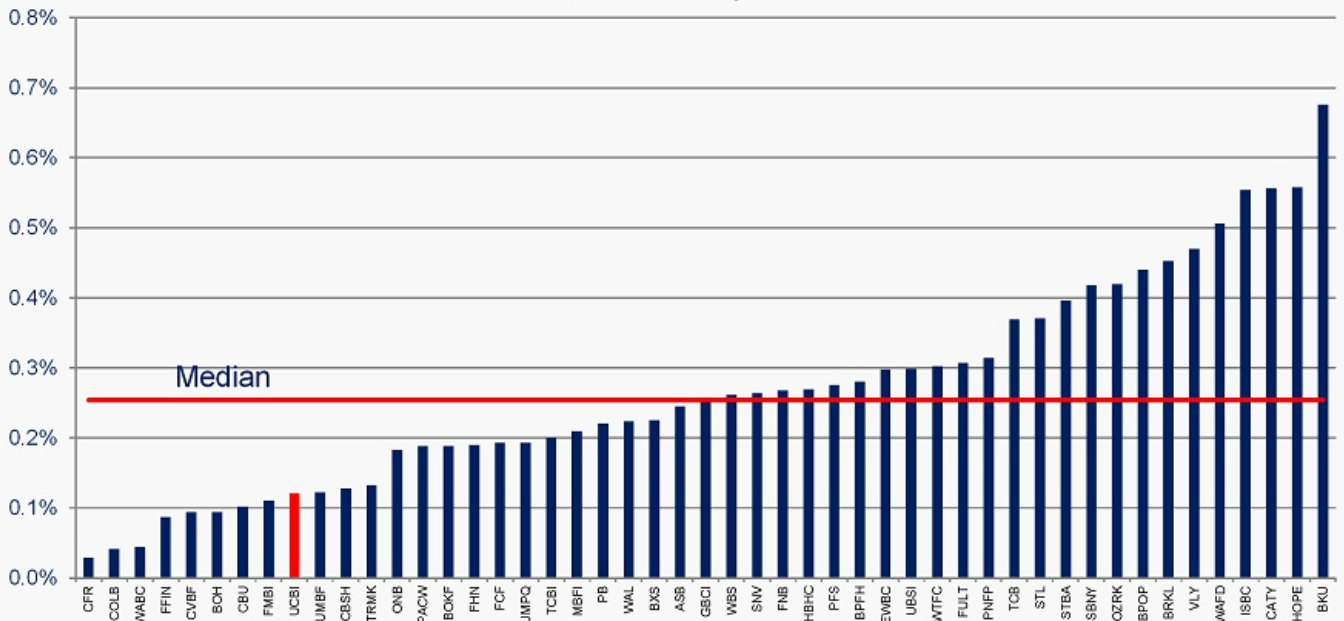
Investment Securities

⁽¹⁾ Estimated brokered deposit total capacity at 10% of assets

Increasing Profitability

High-Quality, Low-Cost Core Deposit Base

3Q16 Cost of Deposits



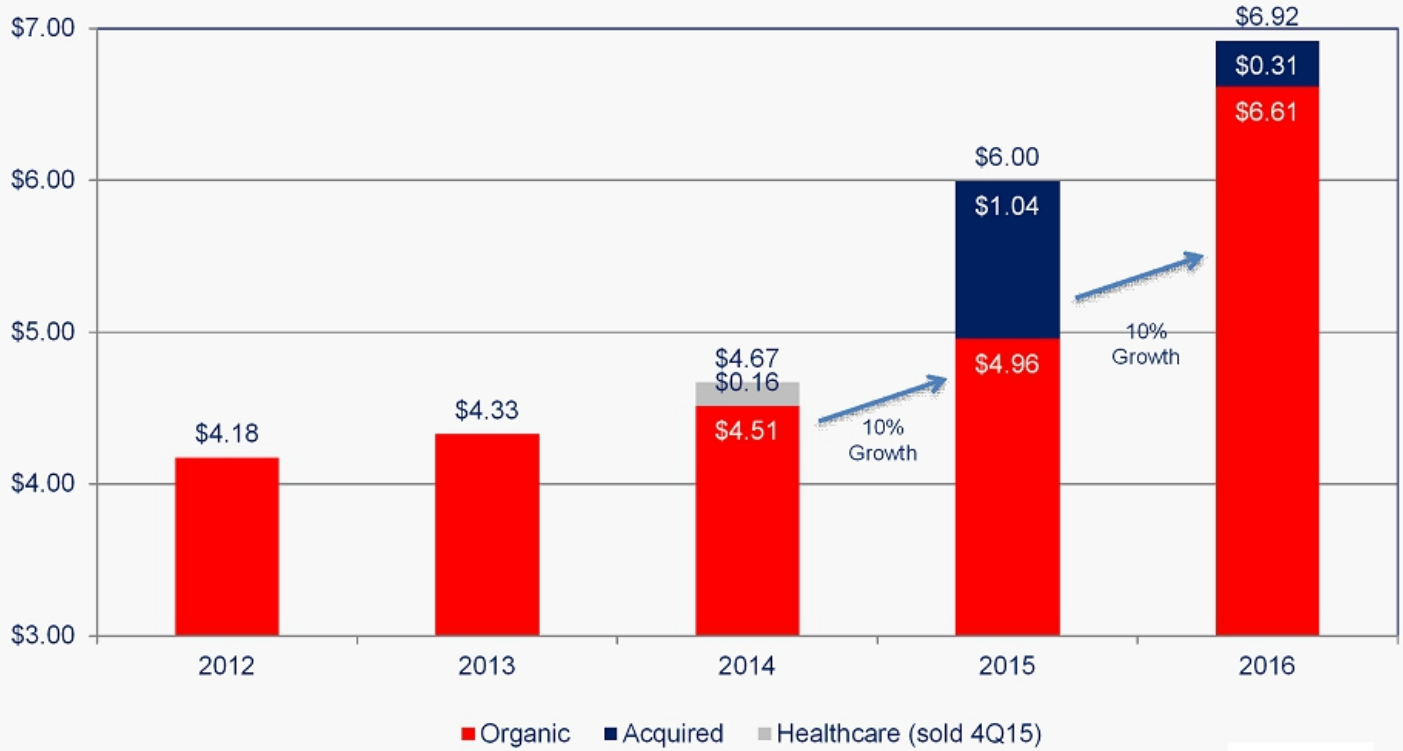
- ▶ Our third quarter 2016 total cost of deposits was 12 basis points, which compared favorably to peers with a median of 25 basis points
- ▶ Core deposits (excludes Jumbo CDs / Brokered) comprised approximately 90% of our total customer deposits at September 30, 2016

Source: SNL Financial LC

Note: Peer comparison banks comprise the KBW Regional Bank Index (ticker: KRX)

Steady Loan Growth

Total Loans
in billions



Generating Growth

Market Share Opportunities



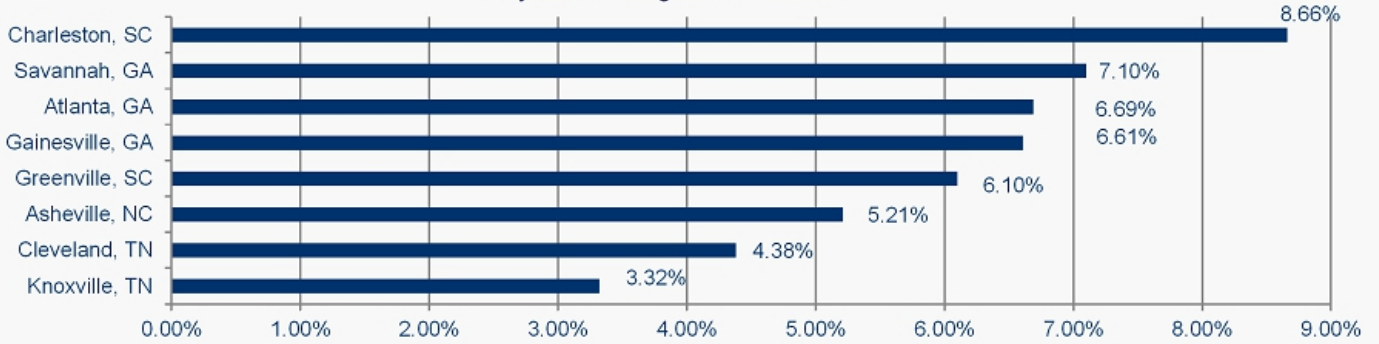
\$ in billions

Excellent Growth Opportunities							
	Market Deposits (1)	United Deposits (2)	Banks	Offices	Deposit Share (1)	Rank (1)	
North Georgia	\$ 6.5	\$ 2.3	9	22	36 %	1	
Atlanta, Georgia	66.2	2.6	10	36	4	7	
Gainesville, Georgia	3.2	0.4	1	5	11	4	
Coastal Georgia	8.7	0.3	2	7	4	8	
Western North Carolina	11.9	1.0	1	19	8	3	
East Tennessee	17.4	0.5	2	11	3	6	
Upstate South Carolina	23.2	1.1	4	25	5	7	
Coastal South Carolina	20.8	0.4	1	7	2	14	
Loan Production Offices	-	-	-	7			
Total Markets, September 30, 2016	\$ 157.9	\$ 8.6	30	139			

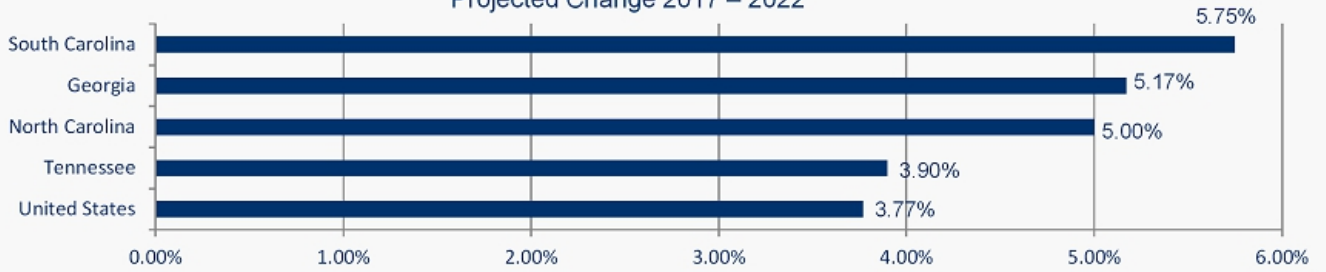
⁽¹⁾FDIC deposit market share and rank as of June 30, 2016 for markets where United takes deposits. Data Source: FDIC.

⁽²⁾Based on current quarter.

Key MSA Growth Markets
Projected Change 2017 - 2022



State Population Growth
Projected Change 2017 - 2022



Source: SNL Financial

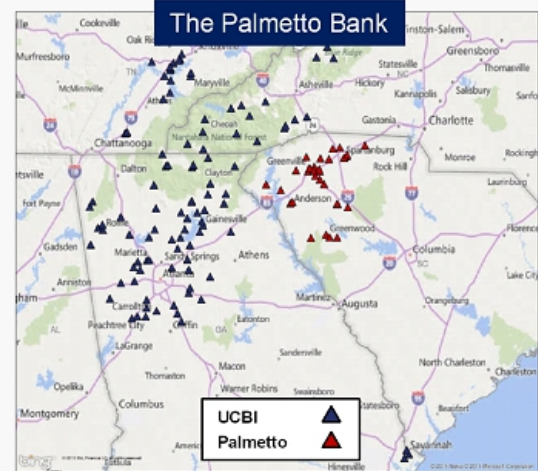
Mergers & Acquisitions Strategy

- ▶ M&A accelerates our growth strategy in new and existing markets and can be accomplished more efficiently than with a de novo plan; we seek to pair M&A with organic growth opportunities, including adding teams of local bankers to quickly increase growth.
- ▶ We are interested in pursuing transactions in our target markets including:
 - Coastal South Carolina – Charleston, Myrtle Beach, Hilton Head;
 - East Tennessee – Knoxville to Chattanooga and Cleveland;
 - Atlanta – Northern region; and
 - North Carolina – Western (Asheville area) to Eastern (Raleigh/Cary area).
- ▶ While larger transformational deals are not out of the question, we have decided to focus on roll-up targets, as we believe there are more actionable opportunities with a shorter time to complete and less risk.
- ▶ We carefully evaluate and price potential acquisitions with specific financial return targets in mind, including:
 - Year one EPS accretion, not including transaction expenses;
 - TBV dilution threshold in the low single digits and earnback within three years; and
 - IRR of 20%+.

2015 Acquisitions



- Closed on May 1 with successful operational conversion on July 18-19; business has remained stable
- Added a \$425 million, 107 year old community bank
- Doubled UCBI's East TN presence in key markets – Knoxville, Lenoir City and Cleveland
- Consolidated six branches – three UCBI and three MoneyTree / FNB branches and now have 12 branches
- Executed on cost savings, which exceeded original estimates due mainly to branch overlap and back office redundancies
- Expect EPS accretion of 3% in 2017
- TBV dilution of <1% and breakeven in < 3 years



- Closed on September 1 with successful operational conversion on February 21-22
- Added a \$1.2 billion, 109 year old community bank with 25 branches covering Upstate SC
- United had previously established a regional headquarters in Greenville, including several members of Executive Management; however, only one existing branch
- Retained Senior Management positions in Banking, Mortgage, Finance and Ops/IT for business continuity and to lead growth
- Targeted cost savings fully realized in 2Q16
- Double-digit EPS accretion in 2017 with TBV earnback < 5 years and IRR > 20%

Experienced Proven Leadership

- Over 40 years in banking
- Led company from \$42 million in assets in 1989 to \$10.7 billion today
- Trustee of Young Harris College
- Georgia Power Company Board Member
- GA Economic Developers Association Spirit of Georgia Award recipient

Jimmy C. Tallent
Chairman & CEO
Joined 1984



- Over 30 years in banking
- Responsible for overall banking, credit and operations
- Former Consultant and Special Assistant to the CEO and EVP of Commercial Banking for TD Bank Financial Group; and President & CEO of The South Financial Group

H. Lynn Harton
Board, President & COO
Joined 2012



- Over 35 years in banking
- Responsible for accounting, finance and reporting activities, M&A and investor relations
- Former CAO and Controller for State Street Corporation
- Former ABA Accounting Committee Chairman

Rex S. Schuette
EVP & CFO
Joined 2001



- Over 35 years in banking
- Responsible for 30 community banks with 140 banking offices
- Formerly of Riegel Textile Credit Union; President of Farmers and Merchants Bank
- Former Georgia Board of Natural Resources Board Chairman

Bill M. Gilbert
President,
Community Banking
Joined 2000



- Over 20 years experience in consumer and banking law
- Responsible for legal, enterprise risk management, and compliance
- Chairman of the Georgia Bankers Association Bank Counsel Section
- Member of the American Bankers Association Regional General Counsels

Bradley J. Miller
EVP, CRO &
General Counsel
Joined 2007



- Over 25 years in banking
- Responsible for credit risk including credit underwriting, policy and special assets
- Former EVP & Executive Credit Officer for TD Bank, NA and Chief Credit Officer of The South Financial Group.

Robert A. Edwards
EVP & CCO
Joined 2015



- Over 25 years in lending
- Responsible for specialized lending
- Former SBA head: TD Bank and Carolina First's SBA programs; President of UPS Capital Business Credit
- Highly decorated Commander in the U.S. Naval Reserve Intelligence Program (retired)

Richard W. Bradshaw
President,
Specialized Lending
Joined 2014



Non-GAAP Reconciliation Tables

\$ in thousands, except per share data

	4Q15	1Q16	2Q16	3Q16	4Q16
Net Income					
Net income - GAAP	\$ 18,208	\$ 22,295	\$ 25,286	\$ 25,874	\$ 27,221
Merger-related and other charges	9,078	2,653	1,176	3,152	1,141
Tax benefit on merger-related and other charges	(3,486)	(1,004)	(445)	(1,193)	(432)
Impairment of deferred tax asset on cancelled nonqualified stock options	-	-	-	-	876
Net income - Operating	<u>\$ 23,800</u>	<u>\$ 23,944</u>	<u>\$ 25,997</u>	<u>\$ 27,833</u>	<u>\$ 28,906</u>
Diluted Earnings per share					
Diluted earnings per share - GAAP	\$ 0.25	\$ 0.31	\$ 0.35	\$ 0.36	\$ 0.38
Merger-related and other charges	0.08	0.02	0.01	0.03	0.01
Impairment of deferred tax asset on cancelled nonqualified stock options	-	-	-	-	0.01
Diluted earnings per share - Operating	<u>\$ 0.33</u>	<u>\$ 0.33</u>	<u>\$ 0.36</u>	<u>\$ 0.39</u>	<u>\$ 0.40</u>
Return on Assets					
Return on assets - GAAP	0.76 %	0.93 %	1.04 %	1.00 %	1.03 %
Merger-related and other charges	0.23	0.07	0.03	0.08	0.03
Impairment of deferred tax asset on cancelled nonqualified stock options	-	-	-	-	0.04
Return on assets - Operating	<u>0.99 %</u>	<u>1.00 %</u>	<u>1.07 %</u>	<u>1.08 %</u>	<u>1.10 %</u>
Return on Tangible Common Equity					
Return on common equity - GAAP	7.02 %	8.57 %	9.54 %	9.61 %	9.89 %
Effect of merger-related charges	2.16	0.63	0.27	0.73	0.26
Impairment of deferred tax asset on cancelled nonqualified stock options	-	-	-	-	0.36
Return on common equity - Operating	<u>9.18</u>	<u>9.20</u>	<u>9.81</u>	<u>10.34</u>	<u>10.51</u>
Effect of goodwill and intangibles	1.69	1.71	1.75	2.11	1.96
Return on tangible common equity - Operating	<u>10.87 %</u>	<u>10.91 %</u>	<u>11.56 %</u>	<u>12.45 %</u>	<u>12.47 %</u>
Expenses					
Expenses - GAAP	\$ 65,488	\$ 57,885	\$ 58,080	\$ 64,023	\$ 61,321
Merger-related charges	(3,109)	(2,653)	(1,176)	(3,152)	(1,141)
Impairment charge on real estate held for future use	(5,969)	-	-	-	-
Expenses - Operating	<u>\$ 56,410</u>	<u>\$ 55,232</u>	<u>\$ 56,884</u>	<u>\$ 60,871</u>	<u>\$ 60,180</u>
Pre-Tax, Pre-Credit Earnings					
Pre-Tax Earnings - GAAP	\$ 29,280	\$ 35,873	\$ 40,655	\$ 41,627	\$ 44,637
Merger-related charges	3,109	2,653	1,176	3,152	1,141
Impairment charge on real estate held for future use	5,969	-	-	-	-
Provision for credit losses	300	(200)	(300)	(300)	-
Pre-Tax, Pre-Credit Earnings - Operating	<u>\$ 38,658</u>	<u>\$ 38,326</u>	<u>\$ 41,531</u>	<u>\$ 44,479</u>	<u>\$ 45,978</u>
Efficiency Ratio					
Efficiency Ratio - GAAP	68.97 %	61.94 %	59.02 %	60.78 %	57.65 %
Merger-related and other charges	(9.56)	(2.84)	(1.20)	(2.99)	(1.07)
Efficiency Ratio - Operating	<u>59.41 %</u>	<u>59.10 %</u>	<u>57.82 %</u>	<u>57.79 %</u>	<u>56.58 %</u>