

6:35^{AM}

It's *Another* United Day





As the sun rises, so does opportunity. You can smell it in the crisp mountain air of Georgia, North Carolina and Tennessee, hear it in the early morning buzz of Metro Atlanta, and taste it in the salty air along the Georgia coast.

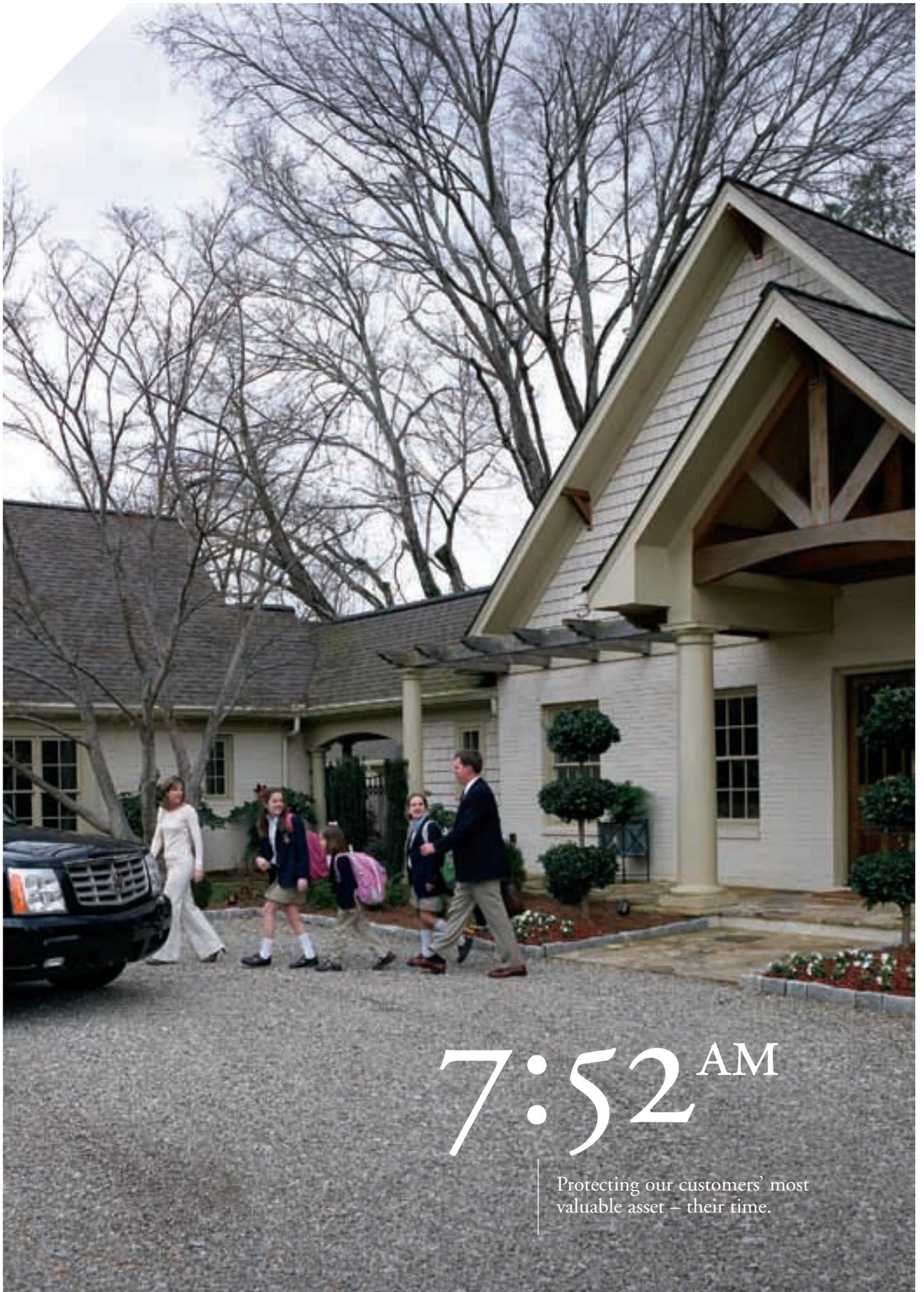
Today and every day, United Community Bank will help people realize their daily goals and their life dreams. We'll be there for businesses as they open and grow. We'll help communities become even better places to live, learn, work and play.

United bankers will live the day treating customers as we want to be treated. That is our Golden Rule of Banking; the fundamental philosophy that defines who we are and explains how we grow alongside our customers and communities.

We're excited about the day because we truly enjoy what we do. We value our customers and our communities, and we serve them with large-bank resources and small-bank values. We are as proud of our heritage and our success as we are excited about the future.

7:24^{AM}

We are The Bank That SERVICE Built and this is *another* United day.



7:52^{AM}

Protecting our customers' most
valuable asset – their time.

8:13^{AM}

Taking tips on service excellence from the pros.

Mary Ann Townsend and her daughter, Angie, deliver caring service in their Country Kitchen, which Young Harris, Georgia considers its own breakfast table. And, with more than 45,000 customers, Mary Ann's regulars, the Blue Ridge Mountain EMC team, know a little something about delivering excellent service too. Who knew such different businesses would have so much in common with each other – and with us?



9:00^{AM}

Warm smiles and hot coffee welcome the day's first customers.

As the father of three and owner of Strawn Insurance Agency in McDonough, Georgia, Rusty Strawn doesn't have a lot of spare time. So, dealing with different banks for his business and personal needs isn't an option. Fortunately, United offers every financial service he needs, from checking and money market accounts to payroll services. Even better, we go to him whenever and wherever he needs us, which allows the Strawns to maximize precious family time.

Rusty says we're going above and beyond the call of duty. We think we're just doing what a hometown bank should.

Donna Stovall is right at home in Cleveland, Georgia, where she was born and raised, and she makes everyone who walks through these doors feel at home too. To her they are not just customers, but life-long friends and neighbors. Why do 95% of United customers say they have recommended us to others or would if they had the opportunity? Because of caring community bankers like Donna.



9:47^{AM}

Building long-term relationships one home and one customer at a time.

People don't bank with banks; they bank with people. Just ask Dale Bercher, President of Traton Homes, one of Atlanta's strongest and most reliable home builders. Over the years, United and Traton have completed scores of loans, earning the confidence of the families who come home to Traton every day.

United's positive, energetic attitude and resourcefulness, combined with our ability to make the loan process simple while maintaining the appropriate sense of urgency, assures Dale that he will meet his deadlines. This peace of mind has created an invaluable partnership – and an important relationship.



10:24^{AM}

Helping our customers and our communities stand tall.

Our unique brand of service helps our employees, customers and communities continually grow, all of which help United grow. Today, with \$6 billion in assets, we serve our customers as 24, \$250 million community banks. Although we continue to carefully expand our footprint, we don't aspire to be the biggest. We aspire to be the best.





11:26^{AM}

Reeling in success by
enjoying what we do.

We secure our small-bank culture by placing leadership where it belongs - at the community level. Our 24 presidents average two decades in community banking, 90% of it in their markets.

When a bank empowers its leadership as decision makers and entrepreneurs, word gets around. As a result, United attracts and

retains talented and achievement-oriented leaders. That's why so much of our growth is internal; it is driven by local presidents who are well-known, respected and trusted.

And while our jobs might not be quite as relaxing as fly-fishing, at the end of the day helping our customers achieve success is as rewarding as catching "the big one."



12:18^{PM}

Serving the financial needs
of a thriving economy.

In 2005, United increased its Hall County presence via significant expansion. Hall County is rich in history, yet constantly evolving as one of the nation's 100 fastest-growing counties. Located just north of Atlanta on popular Lake Lanier, it is the economic nucleus of northeast Georgia. As evidence of this, in just eight months, Bank Manager, Mitch Ralston and Assistant Manager, Kelli Pirkle and the Hall County team produced \$246 million in loans and \$132 million in deposits. Now that's a thriving economy.



When employee-owned King and Prince Seafood was acquired, long-time employee, Linda Neal, wanted financial advice. In need of personal banking service from someone she could trust, Linda went to Brunswick, Georgia's most personable bank. Chad Kidwell of United Community Advisory Services helped her create a detailed financial blueprint - maximizing earnings and providing a long-range retirement plan, including the purchase of Linda's first home. It's customers like Linda who make everything we do worthwhile.

I:I4^{PM}

Treating our customers like
big fish in a little pond.



2:24^{PM}

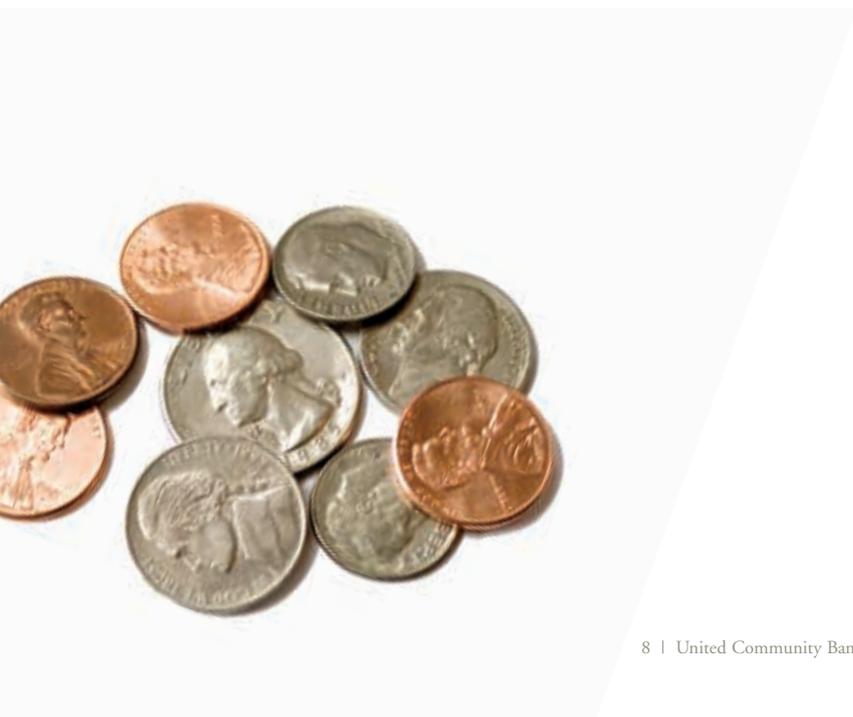
2:33^{PM}

2:46^{PM}

Supporting our communities in ways that give new meaning to bankers' hours.

Every spring, United bankers put their versatility on display in Hiawassee, Georgia, as they take to the stage for an entertainment and musical extravaganza. When the show began in 1994, there were only about 200 people in the audience. Today, it's the most highly anticipated event for miles and our audience has grown to more than 8,000. And last year, thanks to our audience's generosity, "The Bankers Hour" raised more than \$30,000 for local charities.

Actually, United bankers donate countless volunteer "hours" and resources. During 2005, we joined millions in opening our wallets, our hearts and our homes to victims of the tsunami in southeast Asia and Hurricane Katrina. We also proudly qualified as one of a select group to make the 2006 American Cancer Society's Relay for Life National Team.



Jessica Ryder, who lives in Dahlonega, Georgia, doesn't trust her piggy bank with just anyone. When it's time to deposit her hard-earned money, she goes right to Elaina Butler, her favorite teller. They both know that saving for the future is a virtue and that every penny earned increases the value of her account. United's economically strong footprint, community-focused model and balanced growth strategy share the ultimate goal of increasing shareholder value. Although Jessica may not care today that an investment in UCBI grew at a compound annual rate of 21% over the last ten years, we expect that one day she will.



3:27^{PM}

Creating consistent success
with consistent service.



4:35^{PM}

Community bank service
combined with big-bank
resources – not just a dream.

5:44^{PM}

Growing from the mountains, to the cities to the oceans – markets big and small.

United's balanced growth strategy includes internal growth, as well as expansions and selective acquisitions. Even without acquisitions, in 2005 our total loans increased by 18% and our total deposits by 22%. This success is a tribute to our bankers as well as the strength of our markets, including Savannah, Georgia's First City. The area's rich history, elegant architecture and ornate ironwork make it easy to see why Chatham is one of Georgia's most populous and one of the nation's fastest-growing counties.



As the architects for HGTV's 2006 Dream Home, in Lake Lure, North Carolina, Al and Parker Platt know what it feels like to make dreams come true.

As with all of Platt Architecture's projects, creating a home that provides a living experience like no other is no simple undertaking. As a successful business, the Platts need access to big-bank resources. However, as a small business they also need the attention, responsiveness and flexibility of a hometown bank. As members of United's Brevard Advisory Board and as customers, Al and Parker can tell you that United has helped make their dreams come true.

6:15^{PM}

Creating a dynasty – for our customers, our employees and our shareholders.

With the help of United, McMinn Development was able to finance the construction of a business park in Athens, Tennessee. Located just off of Interstate 75, the development created growth opportunities for new businesses and employment opportunities for local residents. It is now home to Dynasty Spas, one of the nation's top ten spa manufacturers, and a United customer. And like Dynasty Spas, United is creating value for our shareholders. Over the past ten years, our annual dividend has grown at an average rate of 28%.



In 2005, United provided mortgages to help purchase thousands of new homes, including Rick and Betty Blair's home in Hiawassee, Georgia.

For more than a decade, Rick and Betty called the north Georgia mountains their favorite vacation spot. Now, they call it home. Leaving the city's hustle and bustle behind, they followed their hearts and dreams and began construction on their dream home in 2001, which would also serve as a model for their new business venture, Apple Orchard Log Homes.

Having built a relationship with United for their personal financial services, Rick and Betty honored us with their commercial relationship as well. As the business took off, they purchased a warehouse and equipment and built a spec house. We've since helped other customers construct their own log home.



7:05^{PM}

Constructing homes and memories – one log and one homeowner at a time.



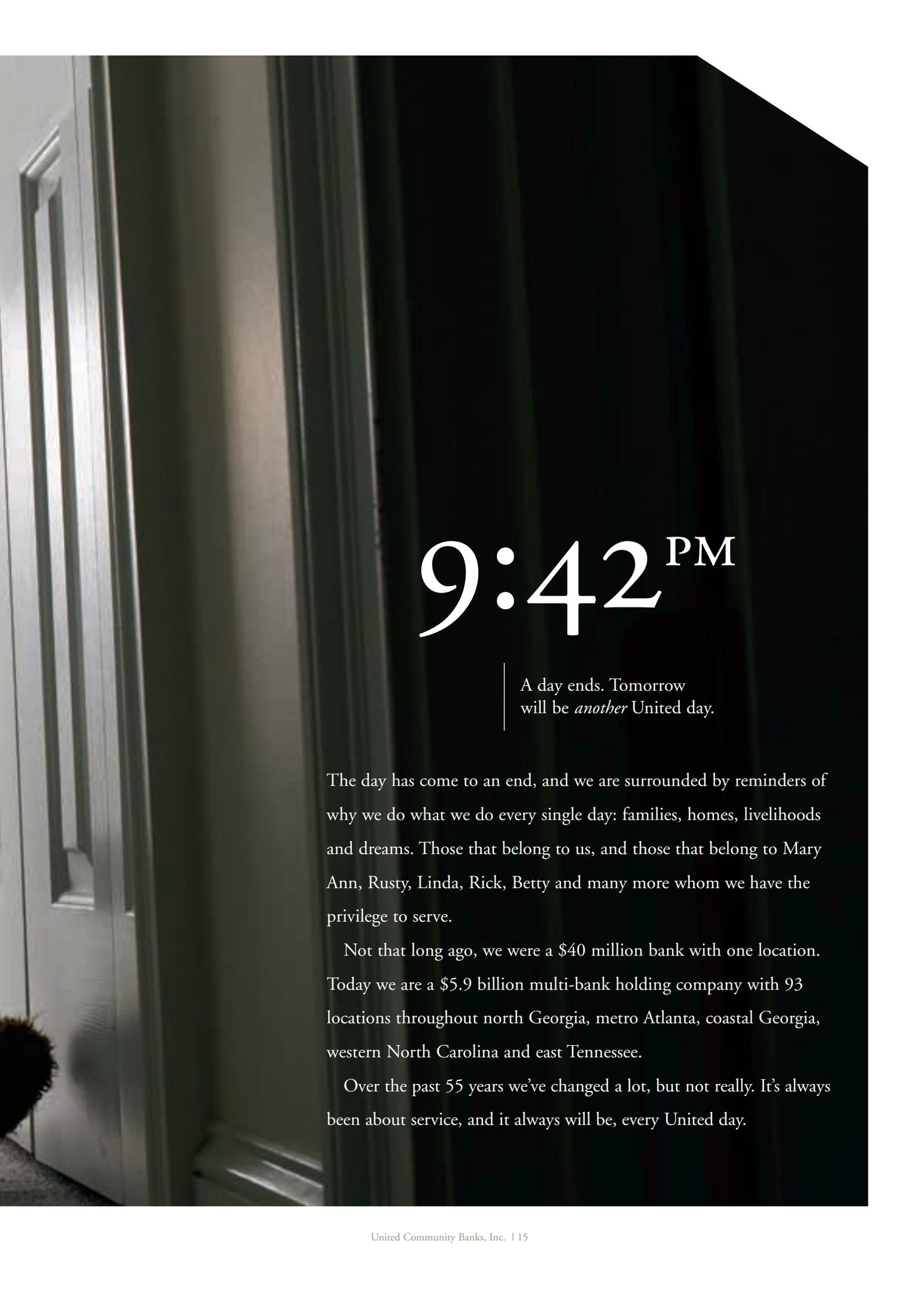


8:15^{PM}

We won't rest until we have exceeded every expectation.

Kenny Fair and Greg Ledford are two of United's 1,703 dedicated employees who know that life doesn't always stick to a 9 to 5 schedule. As Manager and Assistant Manager of United's Computer Operations department, they make sure customers have access to their money whenever and wherever they need it. We are customer-driven, even after our customers have long-since driven home.





9:42^{PM}

A day ends. Tomorrow
will be *another* United day.

The day has come to an end, and we are surrounded by reminders of why we do what we do every single day: families, homes, livelihoods and dreams. Those that belong to us, and those that belong to Mary Ann, Rusty, Linda, Rick, Betty and many more whom we have the privilege to serve.

Not that long ago, we were a \$40 million bank with one location. Today we are a \$5.9 billion multi-bank holding company with 93 locations throughout north Georgia, metro Atlanta, coastal Georgia, western North Carolina and east Tennessee.

Over the past 55 years we've changed a lot, but not really. It's always been about service, and it always will be, every United day.

FINANCIAL HIGHLIGHTS

UNITED
COMMUNITY
BANKS, INC.

(in thousands, except per share data; taxable equivalent)	2005	2004	PERCENTAGE CHANGE	FIVE YEAR CAGR
Operating Performance*				
Total revenue	\$ 245,440	\$ 196,531	25 %	18 %
Net operating income	56,742	47,156	20	21
Operating earnings per share:				
Basic	1.47	1.31	12	16
Diluted	1.43	1.27	13	16
Return on tangible equity				
Return on assets	18.99 %	19.74 %		
Efficiency ratio	1.04	1.07		
	60.15	60.05		
GAAP Performance				
Net income	\$ 56,742	\$ 46,591	22	31
Earnings per share:				
Basic	1.47	1.29	14	26
Diluted	1.43	1.25	14	25
Cash dividends declared	.28	.24	17	23
Book value per share (year-end)	11.80	10.39	14	19
As of Year-End				
Loans	\$4,398,286	\$ 3,734,905	18	20
Earning assets	5,470,718	4,738,389	15	18
Total assets	5,865,756	5,087,702	15	18
Deposits	4,477,600	3,680,516	22	18
Shareholders' equity	472,686	397,088	19	24
Common shares outstanding (thousands)				
Shareholders of record	40,020	38,168		
Full-time equivalent employees	12,000	11,200		
Banking offices	1,643	1,475		
	90	83		

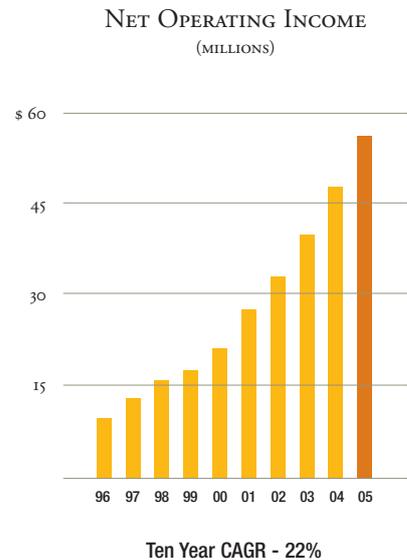
*Amounts and ratios are prepared on an operating basis, which excludes pre-tax merger charges of \$870 thousand recorded in 2004.

TO OUR SHAREHOLDERS



It's another United Day. A day not measured in hours or minutes - but in service and success. Through the service of each and every United banker, the lives of our customers and communities are deeply enriched. Through the success of our company, not only are United and our shareholders rewarded, but so are these very same customers and communities.

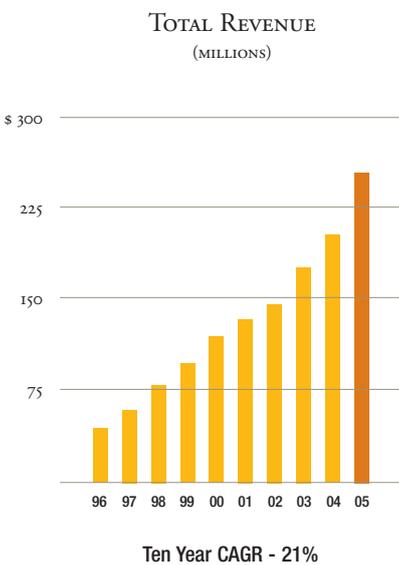
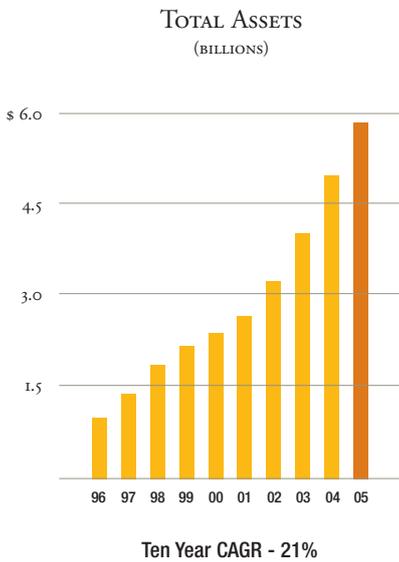
As represented in this annual report, a United Day captures everything unique and special about our company. It's enjoying a cup of coffee at Mary Ann's Country Kitchen. It's helping Rusty Strawn save time for important things like family. It's making a long-time dream come true for Rick and Betty Blair. It's celebrating with Linda Neal as she moves into her first home. It's about United bankers like Donna Stovall and Kenny Fair - as they open the bank for the day and keep it running at night. It's about bankers that put their amazing versatility and talents to work with the immensely popular "The Bankers Hour," entertaining our customers and friends, while raising money for charity.



Hard work, caring and diligence - they're at work on this day - and every day.

With all of this energy, talent and commitment, it is no surprise that 2005 was another record year for United Community Banks.

- Number of banks grew to 24.
- Added six new banking offices.
- Earnings per share increased by 13%, to \$1.43.
- Loans grew \$663 million, up 18%, to \$4.4 billion.
- Deposits increased \$797 million, or 22%, to \$4.5 billion.
- Assets now total \$5.9 billion, a 15% increase.



Also, in November, a very successful equity offering was completed, raising \$40.5 million in new capital. This was our first offering to the public and was well received and completed within two days. We are grateful for the enthusiastic response and the opportunities it provides us to continue our balanced growth strategy for years to come.

Service-based growth

Our balanced growth strategy consists of growth at existing offices, bank expansions and acquisitions with the right partners in targeted markets. Loan growth during 2005 totaled \$663 million, and deposit growth totaled \$797 million as we continued our very successful deposit program. These impressive numbers speak to the outstanding quality of our bankers and the growth opportunities in our communities. They also validate our discipline of not buying growth through acquisitions, but growing what we buy through exceptional customer service.

Our expansion in Gainesville and Hall County, Georgia has been remarkable. In May, a team of experienced, highly-respected local bankers joined United and immediately began attracting new customers. Our goal was to integrate the new bank quickly and efficiently, and the United team answered the call. In eight months they generated \$246 million in loans and \$132 million in deposits and opened three banking offices to add to our existing Murrayville location. A fifth banking office opened in early 2006.

Growth was by no means limited to Hall County. Our Fairburn bank added offices in Fayette and Coweta Counties on the south side of metro Atlanta, and our Summerville bank

added an office in Chattooga County in northwest Georgia. Our Newton/Rockdale bank also opened a commercial loan office in Walton County, located east of metro Atlanta. These banks have tremendous growth opportunities that are being served by these new locations.

The 2005 expansions, like others before them, provide insight into our business model, our bankers and our company.

Our business model

Time and again, established and successful bankers join us with a sense of excitement and a competitive spirit. They are attracted to United's community banking culture and the opportunities that come with it for service, leadership and autonomy. We believe that says something very positive about our business model.

Our bankers

When the spotlight is on growing our new markets, our other United bankers keep a disciplined focus on customer service and business development in their markets. In 2005, this focus on service allowed us to absorb significant expansion costs while still achieving our primary financial goal of double-digit growth in earnings per share. Because of the strength of our existing banks we are able to expand, investing for tomorrow, while still meeting our commitment to the shareholders.

Our company

We enter markets by finding the right people and building around them. When well-known and respected local bankers join us, customers join us too. This reminds us, once again, that banking is a *people business*.

Service, satisfaction and leadership

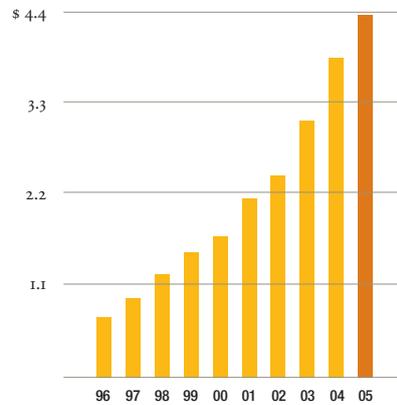
When customers join United, we strive to earn their loyalty and additional referrals through outstanding service. Our bankers have done an exceptional job with this effort. We repeatedly score above 90% on customer satisfaction surveys, which I am proud to say, is significantly higher than the industry average of 75%. As a result, 95% of surveyed customers say they have recommended United to others, or would do so if given the opportunity.

We conduct these surveys continuously and rely on them to validate what we are doing right, and to learn what we can do better. Asking for and responding to customer feedback is extremely important to us because exemplary and genuinely caring customer service is our culture. Now and then we might have to look up an account number, but rarely a name.

The service commitment extends through the bank's doors to each community and beyond, especially during times of need. In 2005, United bankers personally donated to help victims of the tsunami in southeast Asia and Hurricane Katrina on the Gulf Coast, and we matched these gifts for a total which exceeded \$100,000. In addition to financial assistance, our bankers gave time, talent, food and shelter to help rebuild lives. It is no wonder that our people are among the most admired members of their communities.

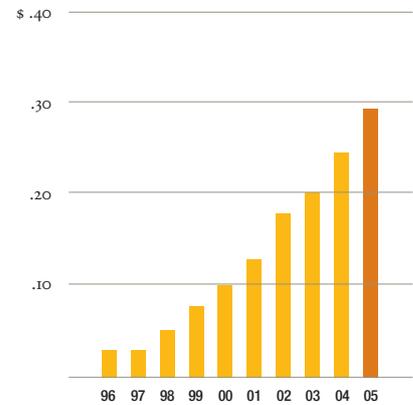
From time to time I am asked how we preserve the small-bank culture, especially since we are now the third-largest Georgia-based bank and 83rd largest in the country. The answer is leadership at the local level. It starts with our 24 empowered and entrepreneurial bank presidents

TOTAL LOANS
(BILLIONS)



Ten Year CAGR - 23%

DIVIDENDS PER SHARE
(DOLLARS)



Ten Year CAGR - 28%

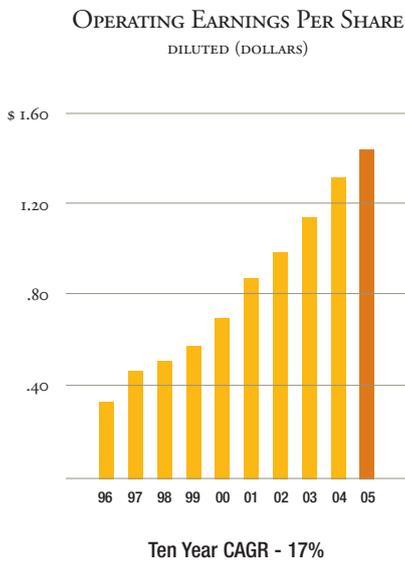
who average two decades of service in their communities. They, as well as their teams, personally know, care about and serve customers and neighbors - who often are one and the same. They lead and participate actively in professional, charitable and civic endeavors. They view United not just as the leading bank in town, but also as a vital member of the community.

Through teamwork we leverage our size and deep pool of experience and knowledge. Our management team meets regularly to discuss all aspects of the business, share expertise, brainstorm service innovations and raise the bar of performance. We have a highly skilled and dedicated team that manages our technology, operations, lending, finance, compliance and many other essential services. And although this group of people may work behind the scenes, they are absolutely critical to our success. Together, using service as the foundation, we build value for United Community Banks. Indeed,

“The Bank That SERVICE Built” is not just a slogan; it is the essence of this company.

A rich footprint

The total number of people in the markets we serve is 4.8 million. This population is projected to grow by 750,000 new residents between 2005 and 2010. To put that number in perspective, it exceeds the populations of five states and translates into 400 new people per day, every single day, for five years. Our communities, from the southern Appalachians to metro Atlanta to the Golden Coast, are economically strong and offer a high quality of life to growing families, young professionals, baby boomers, second-home buyers and retirees. As they arrive and settle, we are there welcoming and inviting them to make United Community Bank their new hometown bank.



Sharing the success

Our high-growth footprint, community-focused model and balanced growth strategy have been very rewarding for shareholders. Since we listed on Nasdaq four years ago, we split our stock twice while the value has more than doubled, outperforming the Nasdaq Composite Index composed of high-growth companies, as well as the Standard & Poor's 500 composed of large-cap, blue-chip companies. We continually seek to increase shareholder value through strategic growth combined with sustained, consistent double-digit growth in operating earnings.

We introduced a Dividend Reinvestment and Share Purchase Plan this year that allows you to reinvest dividends into shares of United stock and also make cash purchases of additional stock through the plan. This is a cost-effective way to continue investing in United without paying a brokerage commission, fee or service charge. We also introduced an Employee Stock Purchase Plan in December and are pleased that 427 employees enrolled within the first month. Our bankers demonstrate pride and a sense of ownership in United every day and the stock purchase plan provides a way for each employee to build ownership and share in the growth of our company over time.

Looking ahead, we will remain faithful to the Golden Rule of Banking that has served us so well: *Treat customers as we want to be treated.* This pact with our customers and each

other is more than a half century old and becomes more deeply ingrained every day. It is why so many outstanding people work here, bank with us, and refer family, friends and associates. It is the reason for our ten-year *average annual growth* rate of 21% in assets and 17% in earnings per share. The environment and mechanics of business will change, but the Golden Rule will stay the same. *The important things always do.*

We have celebrated service, fellowship, aspirations and success during Another United Day. "Another" doesn't mean "typical," because a United Day isn't typical at all, but meaningful and fulfilling. Because of each and every one of the 1,703 devoted people who are United and everything it stands for, I am convinced that the best United days are ahead of us. I look forward to them with confidence and enthusiasm.

Sincerely yours,

Jimmy Tallent
President and Chief Executive Officer

MANAGEMENT TEAM

UNITED
COMMUNITY
BANKS, INC.



Left to Right:

Jimmy C. Tallent - President and Chief Executive Officer

Rex S. Schuette - Executive Vice President and Chief Financial Officer

Craig Metz - Executive Vice President of Marketing

Guy W. Freeman - Executive Vice President of Banking

Thomas C. Gilliland - Executive Vice President, Secretary and General Counsel

Ray K. Williams - Executive Vice President of Risk Management

Bill M. Gilbert - Senior Vice President of Retail Banking



Left to Right: **Jamie C. Tallent**, President, Gilmer County, **Andrew M. Williams, III**, President, Union County, **Gene Haskins**, Chief Operating Officer, Brunswick, **William L. Daniel**, President, Newton/Rockdale County, **Gary W. Floyd**, President, Adairsville, **Carol A. Chastain**, Senior Vice President, Chief Compliance Officer, **Richard E. Martin, Jr.**, President, Towns County, **J. Scott Tucker**, President, Summerville, **Richard D. White**, Chairman, Hall County, **Tim Heard**, President, Forsyth County, **Hal Oswald**, President, Brintech, Inc., **Timothy I. Warren**, President, West Georgia, **Burton R. Stephens**, President, Hall County, **David Coxon**, President, Fairburn, **Richard L. Valentine**, Chief Executive Officer, Hall County, **Eugene B. White**, President, White County



MANAGEMENT TEAM

UNITED
COMMUNITY
BANKS, INC.



Left to Right: **Christian Zych**, Senior Vice President, Mergers and Acquisitions, **H. James Askew**, President, Dawson County, **Robert K. Walsh, Jr.**, President, Metro, **Greg Hining**, President, North Carolina, **Billy Hyde**, President, McCaysville, **David W. Johnson**, President, Rome, **Kurtis F. Underwood**, Vice President, Mortgage Operations, **David T. Sutton**, Senior Vice President, General Auditor, **P. Shep Calhoun**, Senior Vice President, Chief Credit Officer, North Region, **Jim Stewart**, Senior Vice President, Technology and Operations, **Alan H. Kumler**, Senior Vice President, Controller, **Vickie G. Gilchrist**, Vice President, Credit Administration and Portfolio Management Reporting, **Dana Litman**, Senior Vice President, Management Reporting and Analysis, **Susie L. Hooper**, Senior Vice President, Human Resources, **Rick L. King**, Regional Manager, North Carolina



Left to Right: **Dale Cable**, Regional Manager, North Carolina, **Robert L. Cochran**, Senior Vice President, Treasurer, **Chris Jones**, Senior Vice President, Chief Credit Officer, South Region, **Michael T. Lee**, President, Savannah, **Gary Guthrie**, Senior Vice President, Metro Atlanta Commercial Loan Office, **H. Mel Baxter**, President, Brunswick, **James H. Burrell**, President, Habersham County, **John W. Chastain, Jr.**, President, Blue Ridge, **Lawrence F. DesPres**, Vice President, Technology, **Christine M. Uhrich**, Vice President, Application Systems, **Carolyn Jarrard**, Vice President, Account Services, **Carol J. Clark**, Senior Vice President, SBA Lending, **L. Wayne Lowrey**, President, Stockbridge, **Steve Hurst**, President, Tennessee, **Jeffrey E. Fulp**, President, Rabun County, **Steven E. Kemp**, Chairman, Rome, **Larry L. Odom**, President, Lumpkin County

SELECTED FINANCIAL INFORMATION

UNITED
COMMUNITY
BANKS, INC.

For the Years Ended December 31
(in thousands, except per share data; taxable equivalent)

	2005	2004
INCOME SUMMARY		
Interest revenue	\$ 338,818	\$ 239,386
Interest expense	<u>127,426</u>	<u>74,794</u>
Net interest revenue	211,392	164,592
Provision for loan losses	12,100	7,600
Fee revenue	<u>46,148</u>	<u>39,539</u>
Total revenue	245,440	196,531
Operating expenses ⁽¹⁾	<u>155,401</u>	<u>122,568</u>
Income before taxes	90,039	73,963
Income taxes	<u>33,297</u>	<u>26,807</u>
Net operating income	56,742	47,156
Merger-related charges, net of tax	<u>-</u>	<u>565</u>
Net income	<u>\$ 56,742</u>	<u>\$ 46,591</u>
OPERATING PERFORMANCE ⁽¹⁾		
Earnings per common share:		
Basic	\$ 1.47	\$ 1.31
Diluted	1.43	1.27
Return on tangible equity ⁽³⁾	18.99 %	19.74 %
Return on assets	1.04	1.07
Efficiency ratio	60.15	60.05
Dividend payout ratio	19.05	18.32
GAAP PERFORMANCE		
Per common share:		
Basic earnings	\$ 1.47	\$ 1.29
Diluted earnings	1.43	1.25
Cash dividends declared (rounded)	.28	.24
Book value	11.80	10.39
Tangible book value ⁽³⁾	8.94	7.34
Key performance ratios:		
Return on equity ⁽²⁾	13.46 %	14.39 %
Return on assets	1.04	1.05
Net interest margin	4.14	4.00
Dividend payout ratio	19.05	18.60
Equity to assets (average)	7.63	7.45
Tangible equity to assets (average) ⁽³⁾	5.64	5.78
ASSET QUALITY		
Allowance for loan losses	\$ 53,595	\$ 47,196
Non-performing assets	12,995	8,725
Net charge-offs	5,701	3,617
Allowance for loan losses to loans	1.22 %	1.26 %
Non-performing assets to total assets	.22	.17
Net charge-offs to average loans	.14	.11
AVERAGE BALANCES		
Loans	\$ 4,061,091	\$ 3,322,916
Investment securities	989,201	734,577
Earning assets	5,109,053	4,119,327
Total assets	5,472,200	4,416,835
Deposits	4,003,084	3,247,612
Shareholders' equity	417,309	329,225
Common shares outstanding:		
Basic	38,477	36,071
Diluted	39,721	37,273
AS OF YEAR-END		
Loans	\$ 4,398,286	\$ 3,734,905
Investment securities	990,687	879,978
Earning assets	5,470,718	4,738,389
Total assets	5,865,756	5,087,702
Deposits	4,477,600	3,680,516
Shareholders' equity	472,686	397,088
Common shares outstanding	40,020	38,168

(1) Excludes pre-tax merger-related and restructuring charges totaling \$.9 million, or \$.02 per diluted common share, recorded in 2004; \$2.1 million, or \$.04 per diluted common share, recorded in 2003; \$1.6 million, or \$.03 per diluted common share, recorded in 2001.

2003	2002	2001	Five Year CAGR
\$ 209,338	\$ 195,932	\$ 210,036	
<u>70,600</u>	<u>76,357</u>	<u>100,874</u>	
138,738	119,575	109,162	17 %
6,300	6,900	6,000	
<u>38,184</u>	<u>30,734</u>	<u>25,267</u>	20
170,622	143,409	128,429	18
<u>107,900</u>	<u>91,124</u>	<u>83,906</u>	16
62,722	52,285	44,523	21
<u>23,247</u>	<u>19,505</u>	<u>16,208</u>	
39,475	32,780	28,315	21
<u>1,357</u>	<u>-</u>	<u>1,084</u>	
<u>\$ 38,118</u>	<u>\$ 32,780</u>	<u>\$ 27,231</u>	31
\$ 1.15	\$ 1.02	\$.89	16
1.12	.99	.87	16
19.24 %	17.88 %	18.19 %	
1.06	1.11	1.10	
60.89	60.66	62.52	
17.39	16.34	14.98	
\$ 1.11	\$ 1.02	\$.86	26
1.08	.99	.84	25
.20	.17	.13	23
8.47	6.89	5.98	19
6.52	6.49	5.40	15
14.79 %	16.54 %	16.08 %	
1.02	1.11	1.05	
3.99	4.33	4.51	
18.02	16.34	15.50	
7.21	7.01	6.81	
6.02	6.60	6.18	
\$ 38,655	\$ 30,914	\$ 27,124	
7,589	8,019	9,670	
4,097	3,111	4,578	
1.28 %	1.30 %	1.35 %	
.19	.25	.35	
.15	.14	.25	
\$ 2,753,451	\$ 2,239,875	\$ 1,854,968	19
667,211	464,468	489,332	11
3,476,030	2,761,265	2,419,080	17
3,721,284	2,959,295	2,585,290	17
2,743,087	2,311,717	2,010,105	16
268,446	207,312	176,144	25
34,132	32,062	31,691	
35,252	33,241	32,624	
\$ 3,015,997	\$ 2,381,798	\$ 2,007,990	20
659,891	559,390	470,176	14
3,796,332	3,029,409	2,554,530	18
4,068,834	3,211,344	2,749,257	18
2,857,449	2,385,239	2,116,499	18
299,373	221,579	194,665	24
35,289	31,895	32,266	

(2) Net income available to common stockholders, which excludes preferred stock dividends, divided by average realized common equity which excludes accumulated other comprehensive income.

(3) Excludes effect of acquisition-related intangibles and associated amortization.

CONSOLIDATED STATEMENT OF INCOME

UNITED
COMMUNITY
BANKS, INC.

For the Years Ended December 31
(in thousands, except per share data)

	2005	2004	2003
Interest revenue:			
Loans, including fees	\$ 293,990	\$ 207,571	\$ 180,035
Investment securities:			
Taxable	40,195	27,431	23,944
Tax exempt	2,086	2,161	2,819
Federal funds sold and deposits in banks	911	618	391
Total interest revenue	<u>337,182</u>	<u>237,781</u>	<u>207,189</u>
Interest expense:			
Deposits:			
Demand	19,194	8,554	7,831
Savings	791	403	369
Time	66,968	41,202	39,752
Total deposit interest expense	<u>86,953</u>	<u>50,159</u>	<u>47,952</u>
Federal funds purchased, repurchase agreements & other short-term borrowings	5,304	2,119	743
Federal Home Loan Bank advances	26,633	14,237	15,271
Long-term debt	8,536	8,279	6,634
Total interest expense	<u>127,426</u>	<u>74,794</u>	<u>70,600</u>
Net interest revenue	209,756	162,987	136,589
Provision for loan losses	12,100	7,600	6,300
Net interest revenue after provision for loan losses	<u>197,656</u>	<u>155,387</u>	<u>130,289</u>
Fee revenue:			
Service charges and fees	25,137	21,540	18,288
Mortgage loan and other related fees	7,330	6,324	10,515
Consulting fees	6,609	5,749	4,399
Brokerage fees	2,570	2,027	1,921
Securities (losses) gains, net	(809)	428	497
Losses on prepayments of borrowings	-	(391)	(787)
Other	5,311	3,862	3,351
Total fee revenue	<u>46,148</u>	<u>39,539</u>	<u>38,184</u>
Total revenue	<u>243,804</u>	<u>194,926</u>	<u>168,473</u>
Operating expenses:			
Salaries and employee benefits	99,447	77,995	68,044
Communications and equipment	13,157	10,945	8,601
Occupancy	10,835	9,271	8,783
Advertising and public relations	6,733	4,403	3,068
Postage, printing and supplies	5,501	4,451	4,439
Professional fees	4,306	3,724	3,910
Amortization of intangibles	2,012	1,674	1,065
Merger-related charges	-	870	2,088
Other	13,410	10,105	9,990
Total operating expenses	<u>155,401</u>	<u>123,438</u>	<u>109,988</u>
Income before income taxes	88,403	71,488	58,485
Income taxes	31,661	24,897	20,367
Net income	<u>\$ 56,742</u>	<u>\$ 46,591</u>	<u>\$ 38,118</u>
Net income available to common shareholders	<u>\$ 56,719</u>	<u>\$ 46,582</u>	<u>\$ 38,052</u>
Earnings per common share:			
Basic	\$ 1.47	\$ 1.29	\$ 1.11
Diluted	1.43	1.25	1.08
Weighted average common shares outstanding (in thousands):			
Basic	38,477	36,071	34,132
Diluted	39,721	37,273	35,252

CONSOLIDATED BALANCE SHEET

UNITED
COMMUNITY
BANKS, INC.

As of December 31
(in thousands, except share data)

	2005	2004
ASSETS		
Cash and due from banks	\$ 121,963	\$ 99,742
Interest-bearing deposits in banks	<u>20,607</u>	<u>35,098</u>
Cash and cash equivalents	142,570	134,840
Securities available for sale	990,687	879,978
Mortgage loans held for sale	22,335	37,094
Loans, net of allowance of \$53,595 and \$47,196	4,344,691	3,687,709
Premises and equipment, net	112,887	103,679
Accrued interest receivable	37,197	27,923
Goodwill and other intangible assets	118,651	121,207
Other assets	<u>96,738</u>	<u>95,272</u>
Total assets	<u>\$ 5,865,756</u>	<u>\$ 5,087,702</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities:		
Deposits:		
Demand	\$ 602,525	\$ 532,879
Interest-bearing demand	1,264,947	1,055,192
Savings	175,453	171,898
Time	<u>2,434,675</u>	<u>1,920,547</u>
Total deposits	4,477,600	3,680,516
Federal funds purchased, repurchase agreements & other short-term borrowings	122,881	132,931
Federal Home Loan Bank advances	635,616	737,947
Long-term debt	111,869	111,869
Accrued expenses and other liabilities	<u>45,104</u>	<u>27,351</u>
Total liabilities	<u>5,393,070</u>	<u>4,690,614</u>
Shareholders' equity:		
Preferred stock, \$1 par value; \$10 stated value; 10,000,000 shares authorized; issued and outstanding 32,200 and 44,800 shares	322	448
Common stock, \$1 par value; 100,000,000 shares authorized; 40,019,853 and 38,407,874 shares issued in 2005 and 2004, respectively	40,020	38,408
Common stock issuable; 9,948 shares in 2005	271	-
Capital surplus	193,355	155,076
Retained earnings	250,563	204,709
Treasury stock; 240,346 shares in 2004, at cost	-	(4,413)
Accumulated other comprehensive (loss) income	<u>(11,845)</u>	<u>2,860</u>
Total shareholders' equity	<u>472,686</u>	<u>397,088</u>
Total liabilities and shareholders' equity	<u>\$ 5,865,756</u>	<u>\$ 5,087,702</u>

DIRECTORY/AFFILIATE BOARDS

BOARD OF DIRECTORS

Robert L. Head, Jr.
Chairman
Owner, Head Westgate Corporation

W.C. Nelson, Jr.
Vice Chairman
Owner, Nelson Tractor Company

Jimmy C. Tallent
President and Chief Executive Officer of United

A. William Bennett
Partner, Bennett, Davidson & Associates, LLP

Robert H. Blalock
Owner, Blalock Insurance Agency, Inc.

Guy W. Freeman
Executive Vice President of Banking of United

Thomas C. Gilliland
Executive Vice President, Secretary and General Counsel of United

Charles E. Hill
Real Estate Investor

Hoyt O. Holloway
Owner, H and H Farms

Clarence W. Mason, Sr.
Owner, Mason Lawn and Garden

Zell B. Miller
Director Emeritus
Retired U.S. Senator

Tim Wallis
President and Chief Executive Officer
Wallis Printing Company

DIRECTORY AND AFFILIATE BOARDS

United Community Bank - Union County
59 Highway 515
Blairsville, Georgia 30512
(706) 745-2151
Andrew M. Williams, III, President

Board
Jimmy C. Tallent, Chairman
Billy M. Decker
Dr. G. David Gowder, III
Robert L. Head, Jr.
Charles E. Hill
Jack C. Lance, Sr.
W.C. Nelson, Jr.
Paul B. Owenby

43B Highway 515
Blairsville, Georgia 30512
(706) 745-5545

391 Brackett's Way
Blairsville, Georgia 30512
(706) 745-2231

Metro Atlanta Commercial Loan Offices
635 Whitlock Avenue
Marietta, Georgia 30064
(678) 581-0198
Gary Guthrie, Senior Vice President

2810-C Peachtree Industrial Blvd.
Duluth, Georgia 30096
(770) 495-7517

628 Eagles Landing Parkway
Stockbridge, Georgia 30281
(770) 507-6322

United Community Bank - Adairsville
7400 Highway 140 N.W.
Adairsville, Georgia 30103
(770) 773-7716
Gary W. Floyd, President

Board
Bill M. Gilbert, Chairman
Robert Dudley Barton, IV
Donna Howren
Robert M. Painter
Jim Pinkard

**United Community Bank -
Blue Ridge**

4000 Appalachian Highway
Blue Ridge, Georgia 30513
(706) 632-6000

John W. Chastain, Jr., President

Board
Thomas C. Gilliland, Chairman
Hoyt O. Holloway, Vice
Chairman
Charles E. Chance
Don R. Clement
Harold W. O'Dell
Norman E. Kaye
Larry Lance
Clarence W. Mason, Sr.
William L. Prather

5679 Appalachian Highway
Blue Ridge, Georgia 30513
(706) 632-6001

**United Community Bank -
Brunswick**

1703 Gloucester Street
Brunswick, Georgia 31520
(912) 267-7283

H. Mel Baxter, President

Board
Henry S. Bishop, Chairman
Bob Bowie
Pat H. Cooper
Guy W. Freeman
Raymond Mock
Russell Mentzer
Lamont Shell
Rick Smith
William Stembler

4510 Altama Avenue
Brunswick, Georgia 31520
(912) 267-0010

109 Scranton Connector
Brunswick, Georgia 31525
(912) 262-0936

2001 Commercial Drive S.
Brunswick, Georgia 31520
(912) 262-1500

2461 Demere Road
St. Simons Island, Georgia 31522
(912) 638-7118

1010 Plant Avenue
Waycross, Georgia 31501
(912) 287-2265

**United Community Bank -
Dawson County**

6372 Highway 53 E.
Dawsonville, Georgia 30534
(706) 265-3232

H. James Askew, President

Board
Herb Burnsed, Chairman
Clayton Bartlett
Dwight Gilleland
Deborah Pelfrey
Robert Polatty
Jimmy C. Tallent
Jackie Townley
Ted Bearden

109 Highway 53 W.
Dawsonville, Georgia 30534
(706) 265-3232

**United Community Bank -
Fairburn**

65 Washington Street
Fairburn, Georgia 30213
(770) 964-1551

David Coxon, President

Board
Robert W. Fuller, Jr.,
Vice Chairman
Dr. Ben Amoss
Edward Dodson
Douglas Fields
Guy W. Freeman
Nina Ray
Dr. Howard Turner, Sr.
Howard Turner, Jr.
Ed Wyatt

71 Bullsboro Drive
Newnan, Georgia 30263
(770) 252-1699

802 Lower Fayetteville Road
Newnan, Georgia 30263
(770) 254-0576

9165 Highway 29
Palmetto, Georgia 30268
(770) 463-2022

307 N. Highway 74
Peachtree City, Georgia 30269
(770) 486-5522

1528 Highway 74 N.
Tyrone, Georgia 30290
(770) 210-8224

6789 Shannon Parkway
Union City, Georgia 30291
(770) 964-0631

**United Community Bank -
Forsyth County**

4365 Browns Bridge Road
Cumming, Georgia 30041
(770) 888-1880

Tim Heard, President

Board
Bill H. Barnett
Paula H. Gault
William E. Lipscomb, III

**United Community Bank -
Gilmer County**

558 Industrial Blvd.
Ellijay, Georgia 30540
(706) 635-5411

Jamie C. Tallent, President

Board
Mitchell Morgan, Chairman
Mark E. Chastain
Thomas C. Gilliland
Harold W. O'Dell
Sam O. Penland, III
Dennis E. Stover
John W. Thomas
Ronnie F. Thompson
Joseph F. Wells

Commercial Loan Office
3850 Camp Road
Jasper, Georgia 30143
(706) 253-9393

**United Community Bank -
Habersham County**

1472 441 Bypass
Cornelia, Georgia 30531
(706) 776-3114

James H. Burrell, President

Board
James L. Bruce, Jr., Chairman
Jefferson D. Hames
John C. Lovell
Dr. Robert M. Miller
Jimmy C. Tallent

468 W. Louise Street
Clarksville, Georgia 30523
(706) 754-2233

255 N. Main Street
Cornelia, Georgia 30531
(706) 776-3114

**United Community Bank -
Hall County**

351 Jesse Jewell Parkway
Gainesville, Georgia 30501
(770) 531-3191

Richard D. White, Chairman
Richard L. Valentine, CEO
Burton R. Stephens, President

Board
Tomas Bower
Jack M. Chapman
Steve Gilliam
James S. Latimer
Scott McGarity
C. Steven Parks, Jr.
Ricky Presley
James Tipton, Jr.
Joe Wood, Jr.

2157 Sandridge Court
Gainesville, Georgia 30501
(770) 534-1165

5172 Cleveland Highway
Gainesville, Georgia 30506
(770) 983-2593

5504 Thompson Bridge Road
Murrayville, Georgia 30564
(770) 535-8642

3785 Mundy Mill Road
Oakwood, Georgia 30566
(770) 287-8976

United Community Bank - Lumpkin County
206 Morrison Moore Parkway
Dahlonega, Georgia 30533
(706) 864-8223
Larry L. Odom, President

Board
Dr. John H. Owen, Chairman
Mike Cottrell
W. Leon Davis
Bill T. Hardman
Joe B. Sartain, Jr.
Jimmy C. Tallent

104 Memorial Drive
Dahlonega, Georgia 30533
(706) 864-8223

United Community Bank - McCaysville
182 Blue Ridge Drive
McCaysville, Georgia 30555
(706) 492-5900
Billy Hyde, President

Board
Don Clement, Chairman
Doug Akins
Jane Callihan
John W. Chastain, Jr.
Johnny Farmer
Thomas C. Gilliland
David Haight
Roy Tipton
Edward Vest

United Community Bank - Metro
1001 Polk Street
Marietta, Georgia 30064
(770) 424-4844
Robert K. Walsh, Jr., President

Board
Guy W. Freeman
Jack D. Hall
Bill Hutson
G. Conley Ingram
Jimmy W. Jones
Timothy S. Mescon
Joseph Mykytyn, Sr.
Bob M. Prillaman
Henry P. Wilson

3781 Sixes Road
Canton, Georgia 30114
(770) 704-4949

226 Douglasville Highway
Hiram, Georgia 30141
(770) 943-4111

5100 Dallas Highway
Powder Springs, Georgia 30127
(770) 428-0590

1220 Richard Sailors Parkway
Powder Springs, Georgia 30127
(770) 943-5000

United Community Bank - Newton/Rockdale County
1000 Georgia Highway 138, S.W.
Conyers, Georgia 30013
(770) 785-7880
William L. Daniel, President

Board
Troy A. Athon, Chairman
Julia W. Morgan,
Vice Chairman
C. Dean Alford
Hazel E. Durden
John A. Fountain
Guy W. Freeman
Frances G. Jones
R. Flynn Nance
William R. Walker, II

1600 Georgia Highway 20 N.
Conyers, Georgia 30012
(770) 761-9209

9100 Covington Bypass
Covington, Georgia 30014
(678) 342-7242

Commercial Loan Office
301 Church Street
Monroe, Georgia 30655
(770) 266-6880

United Community Bank - Rabun County
516 U.S. Highway 441 S.
Clayton, Georgia 30525
(706) 782-7100
Jeffrey E. Fulp, President

Board
T. Lamar Edwards, Chairman
Robert H. Blalock
Elizabeth B. Fowler
Bill M. Gilbert
John R. Martin

United Community Bank - Rome
307 E. Second Avenue
Rome, Georgia 30161
(706) 234-5800
Steven E. Kemp, Chairman
David W. Johnson, President

Board
Tim Wallis
Dr. A. Parke Avery
F. Lynn Dempsey
Bill M. Gilbert
Dr. Frank D. Stegall
Stephen A. Stutts
Charles S. Williams, Jr.
Delos H. Yancey, III
Brooke Temple

1320 Joe Frank Harris Parkway
Cartersville, Georgia 30120
(770) 607-8004

15 Cedartown Street
Cave Spring, Georgia 30124
(706) 777-3367

2760 Martha Berry Highway
Rome, Georgia 30165
(706) 378-2225

2436 Shorter Avenue
Rome, Georgia 30165
(706) 234-2371

United Community Bank - Savannah
24 Drayton Street
Savannah, Georgia 31401
(912) 234-6565
Michael T. Lee, President

Board
Michael Wakely, Chairman
Charles M. Aimone
Marvin A. Fentress
Martin E. Melaver
D. Rhett Mouchet
Jack Wardlaw, III

2225 E. Victory Drive
Thunderbolt, Georgia 31404
(912) 303-9667

United Community Bank - Stockbridge
850 Eagles Landing Parkway
Stockbridge, Georgia 30281
(770) 507-5855
L. Wayne Lowrey, President

Board
Guy W. Freeman
William N. Strawn, Jr.
Marcia G. Taylor
William D. Coker, Sr.
William A. Moyer
A.J. Welch, III
William Strickland

865 Highway 20/81 W.
McDonough, Georgia 30253
(770) 898-1988

United Community Bank - Summerville
9699 Rome Blvd.
Summerville, Georgia 30747
(706) 857-9245
J. Scott Tucker, President

Board
Bill M. Gilbert, Chairman
Allen W. Eleam
Robert L. Himes
James R. Jackson, III
Paul E. Meredith

14031 Highway 27
Trion, Georgia 30753
(706) 734-2900

United Community Bank - Towns County
214 N. Main Street
Hiawassee, Georgia 30546
(706) 896-4186
Richard E. Martin, Jr., President

Board
Jimmy C. Tallent, Chairman
Sheila T. Chapman
Beverly T. Messer
Edward W. Reynolds
David Shook
Dr. Thomas S. Yow, III

**United Community Bank -
West Georgia**
119 Maple Street
Carrollton, Georgia 30117
(770) 838-9608
Timothy I. Warren, President

Board
Phillip Kauffman, Chairman
Ann C. Carter
J. Wayne Garner
Thomas C. Gilliland
Lester Harmon
Charles J. Puckett
William C. Seaton
M. S. "Buck" Swindle
Joe Stone

485 W. Bankhead Highway
Villa Rica, Georgia 30180
(770) 459-3100

6670 Church Street
Douglasville, Georgia 30134
(770) 942-5681

Commercial Loan Office
101 Devant Street
Fayetteville, Georgia 30214
(770) 461-4488

**United Community Bank -
White County**
153 E. Kytie Street
Cleveland, Georgia 30528
(706) 865-3151
Eugene B. White, President

Board
Dr. Donald E. Stanley, Chairman
S. Keith Brady
W. Richard Clarke
Louise S. Nix
Jimmy C. Tallent
Lamar Turner
David Wilkins

8460 Highway 75 N.
Helen, Georgia 30545
(706) 878-2121

**United Community Bank -
North Carolina**
1225 Asheville Highway
Brevard, North Carolina 28712
(828) 884-2600
Greg Hining, President
Dale Cable, Regional Manager
Rick L. King, Regional Manager

Board
Guy W. Freeman, Chairman
Ronald C. Burch
Billy M. Decker
Lloyd G. Fisher
J. Phillip Jerome
Larry Kernea
R. Maurice Sherrill
Jimmy C. Tallent

732 Main Street
Andrews, North Carolina 28901
(828) 321-2050

54 N. Mitchell Avenue
Bakersville, North Carolina 28705
(828) 688-5800

206 W. Main Street
Brevard, North Carolina 28712
(828) 884-3649

145 Slope Street
Bryson City, North Carolina
28713
(828) 488-1168

291 E. U.S. Highway 19 E.
Burnsville, North Carolina 28714
(828) 682-9992

60 U.S. Highway 64 E.
Cashiers, North Carolina 28717
(828) 743-6600

3273 U.S. Highway 441 N.
Cherokee, North Carolina 28719
(828) 497-3734

77 Etowah Center Drive
Etowah, North Carolina 28729
(828) 890-3600

257 E. Main Street
Franklin, North Carolina 28744
(828) 369-6197

95 Highway 64 W.
Hayesville, North Carolina 28904
(828) 389-6363

230 Highway 64 E.
Hayesville, North Carolina 28904
(828) 389-3711

116 Peachtree Street
Murphy, North Carolina 28906
(828) 837-9291

200 Linville Street
Newland, North Carolina 28657
(828) 733-9281

132 Rodney Orr Bypass
Robbinsville, North Carolina
28771
(828) 479-3037

12300 Highway 226 S.
Spruce Pine, North Carolina
28777
(828) 766-8880

1640 E. Main Street
Sylva, North Carolina 28779
(828) 631-9166

165 N. Main Street
Waynesville, North Carolina
28786
(828) 452-0307

**United Community Bank -
Tennessee**
725 Highway 321 N.
Lenoir City, Tennessee 37771
(865) 986-1300
Steve Hurst, President

Board
Gary Kimsey, Chairman
Barry Gordon, Vice Chairman
William Crisp
Bryan Jackson
R. Knick Myers
Bruce Martin
Peter Stimpson, MD
Ted Wampler, Jr.
James W. Wilburn, III

211 Gill Street
Alcoa, Tennessee 37701
(865) 980-0300

1087 Hunters Crossing
Alcoa, Tennessee 37701
(865) 982-4400

123 Washington Avenue W.
Athens, Tennessee 37303
(423) 745-2442

223 N. Third Street
Kingston, Tennessee 37763
(865) 717-1400

11134 Kingston Pike
Knoxville, Tennessee 37922
(865) 671-1600

1366 Highway 72 N.
Loudon, Tennessee 37774
(865) 458-1300

202 Chota Road
Tellico Village
Loudon, Tennessee 37774
(865) 458-1600

4930 New Highway 68
Madisonville, Tennessee 37354
(423) 442-5484

Brintech, Inc.
124 Canal Street
New Smyrna Beach, Florida
32168
(386) 427-6772
Hal Oswalt, President

Board
Rex S. Schuette, Chairman
Geri R. Forehand
Thomas C. Gilliland
Craig Metz
Ken Proctor

CORPORATE INFORMATION

UNITED
COMMUNITY
BANKS, INC.

Corporate Headquarters

United Community Banks, Inc.
63 Highway 515
Blairsville, Georgia 30512
(706) 781-2265
ucbi.com

Financial Information

Analysts and investors seeking financial information about United Community Banks, Inc. should contact:

Rex S. Schuette
Executive Vice President and
Chief Financial Officer
(866) 270-5900
rex_schuette@ucbi.com

Copies of United's Annual Report filed with the Securities and Exchange Commission on Form 10-K and supplemental quarterly information are available at no cost on United's web site at ucbi.com or by contacting Investor Relations:

Ms. Lois Rich
(866) 270-5900
investor_relations@ucbi.com

This Annual Report contains forward-looking statements that involve risk and uncertainty and actual results could differ materially from the anticipated results or other expectations expressed in the forward-looking statements. A discussion of factors that could cause actual results to differ materially from those expressed in the forward-looking statements is included in the Annual Report on Form 10-K filed with the Securities and Exchange Commission.

Dividend Payment Dates

Subject to the approval of the Board of Directors, quarterly dividend payments are made on the first business day of January, April, July and October.

Stock Price

United Community Banks, Inc.'s common stock is traded on the Nasdaq National Stock Market under the symbol UCBI. Quarterly stock prices for 2005 and 2004 are provided in the following table.

	High	2005 Low	Close	High	2004 Low	Close
First quarter	\$27.92	\$23.02	\$23.73	\$24.62	\$21.37	\$23.73
Second quarter	26.44	21.70	26.02	25.36	21.89	25.18
Third quarter	29.36	25.75	28.50	25.45	21.75	24.27
Fourth quarter	30.50	26.66	26.66	29.60	23.17	26.93

Electronic Deposit of Dividends

Shareholders may request dividends to be deposited electronically to a designated financial institution and credited to their account on the dividend payment date, free of charge. To request this service, contact Investor Relations.

Dividend Reinvestment and Share Purchase Plan

Shareholders can reinvest all or a portion of their cash dividends in additional shares or purchase shares directly from United without commissions or fees through United's Dividend Reinvestment and Share Purchase Plan. To find out more about how to participate or to obtain a prospectus, visit United's website or contact Investor Relations.

Account Consolidation and Elimination of Duplicate Mailings

If you receive duplicate quarterly statements from United and wish to discontinue such mailings, or would like to consolidate your accounts, contact Investor Relations. This will enable United to avoid unnecessary cost for duplication and mailing.

Shareholders seeking information on stock-transfer requirements, lost certificates, dividends and other shareholder matters, should contact Investor Relations.

Annual Meeting

The Annual Meeting of Shareholders will be held: Wednesday, April 26, 2006, 2:00 p.m. Brasstown Valley Resort Young Harris, Georgia

Transfer Agent and Registrar

SunTrust Bank
P.O. Box 4625
58 Edgewood Avenue
Suite 225-A
Atlanta, Georgia 30302
Ms. Sandra Benefield
(800) 568-3476

Independent Registered Public Accountants

Porter Keadle Moore, LLP
Atlanta, Georgia

Legal Counsel

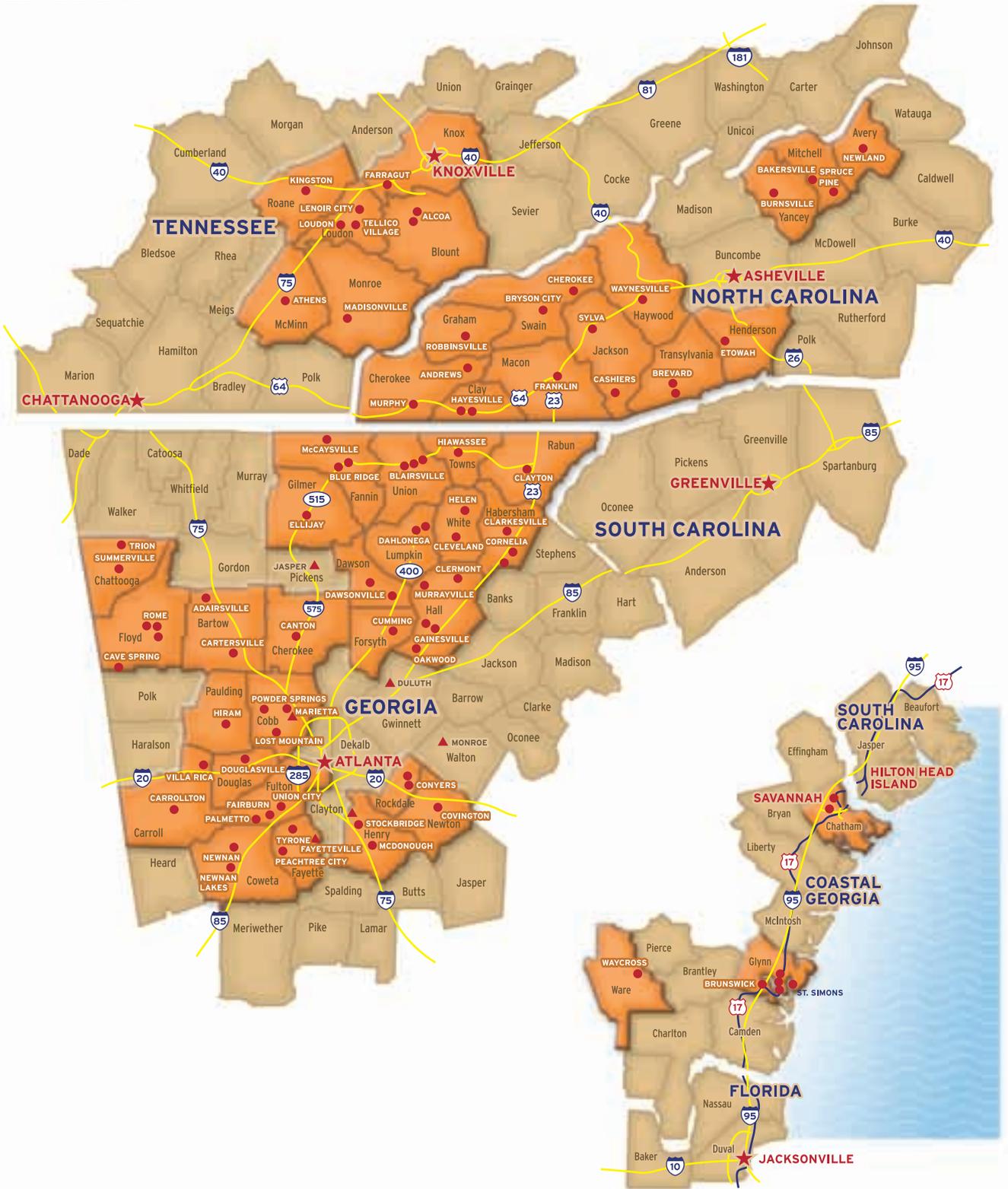
Kilpatrick Stockton, LLP
Atlanta, Georgia

Equal Opportunity Employer

United is an equal opportunity employer. All matters regarding recruiting, hiring, training, compensation, benefits, promotions, transfers and other personnel policies will remain free from discriminatory practices.

Locations

- Banking Office
- ▲ Commercial Loan Office





The Bank That **SERVICE** Built.™