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 29, 2010

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

Georgia	**No. 0-21656**	**No. 58-180-7304**
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

63 Highway 515, P.O. Box 398 Blairsville, Georgia	**30512**
(Address of principal executive offices)	(Zip Code)

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:

o Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02 Results of Operation and Financial Condition

On January 29, 2010, United Community Banks, Inc. (the “Registrant”) issued a news release announcing its financial results for the quarter and year ended December 31, 2009 (the “News Release”). The News Release, including financial schedules, is attached as Exhibit 99.1 to this report. In connection with issuing the News Release, on January 29, 2010 at 11:00 a.m. EST, 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 2009 Investor Presentation (the “Investor Presentation”) which will be posted to the Registrant’s website. The Investor Presentation is attached as Exhibit 99.2 to this report.

The presentation of the Registrant’s financial results included operating performance measures and core earnings measures, which are measures of performance determined by methods other than in accordance with generally accepted accounting principles, or GAAP. Management included non-GAAP operating performance and core earnings measures because it believes it is useful for evaluating the Registrant’s operations and performance over periods of time, and uses operating performance and core earnings measures in managing and evaluating the Registrant’s business and intends to use it in discussions about the Registrant’s operations and performance. Operating performance measures for 2009 exclude the effects of $25 million and $70 million, non-cash goodwill impairment charges in the third and first quarters, respectively, (bringing the total goodwill impairment charge for the year to $95 million), $2.9 million in non-recurring severance charges related to a reduction in workforce recorded in the first quarter and an $11.4 million gain in the second quarter from the acquisition of Southern Community Bank that resulted from a bargain purchase. These items have been excluded from operating performance measures because management feels that the two expense items and the bargain purchase gain are non-recurring in nature and do not reflect overall trends in the Registrant’s earnings. Additionally, core earnings measures exclude credit related costs such as the provision for loan losses and foreclosed property expense, securities gains and losses, income taxes and other items of a non-recurring nature. Core earnings are useful in evaluating the underlying earnings performance trends of the Registrant. Management believes these non-GAAP performance measures may provide users of the Registrant’s financial information with a meaningful measure for assessing the Registrant’s financial results and comparing those financial results to prior periods.

Operating performance and core earnings measures should be viewed in addition to, and not as an alternative or substitute for, the Registrant’s performance measures determined in accordance with GAAP, and is not necessarily comparable to non-GAAP performance measures that may be presented by other companies.

Item 9.01 Financial Statements and Exhibits

(a) Financial statements: None

(b) Pro forma financial information: None

(c) Exhibits:

99.1 Press Release, dated January 29, 2010

99.2 Investor Presentation, Fourth Quarter 2009

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.

/s/ Rex S. Schuette

Rex S. Schuette
Executive Vice President and
Chief Financial Officer

January 29, 2010

For Immediate Release

For more information:
Rex S. Schuette
Chief Financial Officer
(706) 781-2266
Rex_Schuette@ucbi.com

UNITED COMMUNITY BANKS, INC. REPORTS
NET OPERATING LOSS FOR FOURTH QUARTER 2009

- Non-performing assets down $30 million to $385 million from last quarter
- Provision for loan losses of $90 million exceeded charge-offs by $5.4 million
- Allowance-to-loans ratio of 3.02 percent, up from 2.80 percent last quarter
- Margin continues to improve to 3.40%, up 70 basis points from a year ago
- Capital ratios remain strong

BLAIRSVILLE, GA – January 29, 2010 – United Community Banks, Inc. (NASDAQ: UCBI) today reported a net operating loss of $39.8 million, or 45 cents per diluted share, for the fourth quarter of 2009.

Net operating loss for the year 2009 was $138.6 million, or $2.47 per diluted share, and did not reflect $95 million of non-cash charges for goodwill impairment in the first and third quarters. Also not included were $2.9 million in severance costs in the first quarter and the $11.4 million gain on the Southern Community Bank acquisition in the second quarter, all of which are considered non-operating items and are therefore excluded from operating earnings. Including these non-operating items, the net loss for 2009 was $228.3 million, or $3.95 per diluted share.

“Credit continues to be our major challenge,” stated Jimmy Tallent, president and chief executive officer. “We were able to sell non-performing loans and foreclosed properties totaling $81 million, up from $55 million in the third quarter. In addition, we made significant progress in 2009 in terms of implementing offensive strategies that allowed us to almost double our quarter’s core earnings from a year ago.”

Total loans were $5.151 billion at year-end, down $212 million from the third quarter and $554 million from year-end 2008, reflecting ongoing reductions due to weakness in the residential construction market and the overall weak business environment. “The decline in loans was primarily in residential construction and acquisition and development loans,” stated Tallent. As of December 31, 2009, residential construction loans were $1.050 billion, or 20 percent of total loans, a decrease of $429 million from a year ago and $135 million from the third quarter of 2009. Our new loan business continues to offset some of this decline and totaled $273 million, or five percent for the year. The growth was consistent for all quarters, with the majority of the growth in commercial loans within the Atlanta market.

Taxable equivalent net interest revenue of $63.9 million reflected an increase of $925 thousand from last quarter. “The taxable equivalent net interest margin was 3.40 percent, up slightly from 3.39 percent last quarter,” stated Tallent. “The margin improvement would have been greater, but we made a decision to build liquidity due to uncertainties in the market. This lowered our margin by approximately 20 basis points this quarter compared to two basis points last quarter. We expect most of the excess liquidity to run off in the first half of 2010. During the quarter we continued to maintain our loan pricing while significantly reducing deposit costs, which drove the expansion of our net interest margin.”

“Though core customer transaction deposits were up only slightly from the third quarter, they grew $205 million for the year, or 10 percent, excluding the acquisition in the second quarter,” Tallent said. “This growth reflects the continued success of adding to our customer base through customer referral and cross-selling programs. For the full year of 2009, we opened 9,904 net new core deposit accounts and added 60,318 new services.”

The fourth quarter provision for loan losses was $90.0 million compared to $95.0 million for the third quarter of 2009. Net charge-offs for the fourth quarter were $84.6 million compared to $90.5 million for the third quarter of 2009. At quarter-end, non-performing assets totaled $385 million compared to $415 million at September 30, 2009. The ratio of non-performing assets to total assets at the end of the fourth and third quarters was 4.81 percent and 4.91 percent, respectively. The allowance for loan losses to total loans was 3.02 percent and 2.80 percent, respectively.

"We are pleased to report a decline in non-performing assets in the fourth quarter," stated Tallent. "Also, on the positive side, we did see a decline this quarter in our classified and watch list loans. Our past due loans over 30 days declined from 2.02 percent to 1.44 percent. Residential construction loans continue to be at the center of our challenges. In terms of non-performing assets, we are hopeful our declining trend will continue given the portfolio run-off in Atlanta, and the decline in past dues and classified loans. However, we could face more difficulty liquidating properties in our non-Atlanta markets. We expect charge-offs to decline from current levels, but remain elevated in 2010."

Operating fee revenue of $17.2 million for the fourth quarter of 2009 increased $1.6 million from last quarter and $6.5 million from last year primarily due to non-core revenue items. These non-core items included securities gains of $2.0 million, $1.1 million and $838 thousand for the fourth quarter 2009, third quarter 2009 and fourth quarter 2008, respectively. Also, the fourth quarter 2008 included $2.7 million in prepayment charges to restructure borrowings. Excluding these items, core fee revenue was $15.2 million for the fourth quarter of 2009, compared to $14.5 million for last quarter and $12.6 million a year ago. Service charges and fees of $8.3 million for the fourth quarter of 2009 were up $515 thousand from a year ago, primarily due to higher ATM and debit card fees relating to an increase in transactions and new customer accounts. Consulting fees of $2.8 million were up $492 thousand from last quarter and $1.5 million from a year ago due in large part to increasing demand for regulatory compliance assistance. Consulting fees were down in the fourth quarter of 2008 due to an internal project for United to improve profitability that did not result in the recognition of revenue.

Operating expenses for the fourth quarter of 2009 were $62.5 million, an increase of $10.1 million from fourth quarter 2008, driven by the $9.2 million increase in foreclosed property costs and $1.7 million increase in FDIC insurance premiums. Foreclosed property costs for the fourth quarter were $14.4 million as compared to $5.2 million last year and $7.9 million last quarter. Foreclosed property costs this quarter included $9.6 million for write-downs and losses on sales and $4.8 million for maintenance, property taxes, and other related costs. This quarter included $7.4 million of losses on sales due to the higher volume of property sold during the quarter. Also, $2.2 million of additional write downs were taken on existing foreclosed properties to help expedite future sales. Salary and benefit costs for the fourth quarter totaled $26.2 million, up from $24.4 million last year due primarily to a $3.0 million bonus accrual reduction and a deferred compensation credit adjustment of $736 thousand recorded last year. Excluding these items, salary and benefit costs were down $2.0 million compared to last year, reflective of the reduction in work force of 183 staff positions during 2009, that was offset partially by the acquisition of Southern Community Bank in June 2009. Communications costs for the quarter remained flat, while advertising and printing costs were down $325 thousand and $448 thousand, respectively, from last year. Other expenses of $4.5 million decreased $2.5 million from the fourth quarter of 2008, due primarily to $2.0 million of bank owned life insurance expenses accrued last year that were later recovered in the second quarter of 2009 with the decision to cancel the surrender of our bank owned life insurance policies.

The effective tax rate for the fourth quarter of 2009 was 45 percent, compared to 28 percent last quarter and 38 percent last year. The fourth quarter 2009 tax benefit includes the favorable settlement of a several-year state tax audit dispute that was fully reserved due to the uncertainty of the tax position. The third quarter 2008 effective rate was lower due to a goodwill impairment charge which was not a taxable event and therefore did not result in the recognition of a tax benefit. The effective tax rate for 2010 is expected to be 40 percent, slightly higher than the effective tax rate for 2008.

On December 31, 2009, the company’s regulatory capital ratios were as follows: Tier I Risk-Based Capital of 12.4 percent; Leverage of 8.5 percent; and Total Risk-Based of 15.1 percent. Also, the quarterly average tangible equity-to-assets ratio was 9.5 percent and tangible common equity-to-assets ratio was 7.4 percent.

"Our ultimate goal is to return to profitability as soon as possible, and our attention is relentlessly focused toward that goal," concluded Tallent.

Conference Call

United Community Banks will hold a conference call today, Friday, January 29, 2010, at 11 a.m. ET to discuss the contents of this news release and to share business highlights for the quarter. To access the call, dial (888) 806-6208 and use the password '8006436.' The conference call also will be webcast and can be accessed by selecting 'Calendar of Events' within the Investor Relations section of the company's web site at ir.ucbi.com.

About United Community Banks, Inc.

Headquartered in Blairsville, United Community Banks is the third-largest bank holding company in Georgia. United Community Banks has assets of $8.0 billion and operates 27 community banks with 107 banking offices throughout north Georgia, the Atlanta region, coastal Georgia, western North Carolina and east Tennessee. The company specializes in providing personalized community banking services to individuals and small to mid-size businesses. United Community Banks also offers the convenience of 24-hour access through a network of ATMs, telephone and on-line banking. United Community Banks common stock is listed on the Nasdaq Global Select Market under the symbol UCBI. Additional information may be found at the company's web site at www.ucbi.com.

Safe Harbor

This news release contains forward-looking statements, as defined by Federal Securities Laws, including statements about financial outlook and business environment. These statements are provided to assist in the understanding of future financial performance and such performance involves risks and uncertainties that may cause actual results to differ materially from those in such statements. Any such statements are based on current expectations and involve a number of risks and uncertainties. For a discussion of some factors that may cause such forward-looking statements to differ materially from actual results, please refer to the section entitled "Forward-Looking Statements" on page 3 of United Community Banks, Inc.'s annual report filed on Form 10-K with the Securities and Exchange Commission.

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UNITED COMMUNITY BANKS, INC.
Financial Highlights
Selected Financial Information

(in thousands, except per share data; taxable equivalent)	2009 Fourth Quarter	2009 Third Quarter	2009 Second Quarter	2009 First Quarter	2008 Fourth Quarter	Fourth Quarter 2009-2008 Change	For the Twelve Months Ended 2009	For the Twelve Months Ended 2008	YTD 2009-2008 Change
INCOME SUMMARY									
Interest revenue	$ 97,481	$ 101,181	$ 102,737	$ 103,562	$ 108,434		$ 404,961	$ 466,969	
Interest expense	33,552	38,177	41,855	46,150	56,561		159,734	228,265	
Net interest revenue	63,929	63,004	60,882	57,412	51,873	23%	245,227	238,704	3%
Provision for loan losses	90,000	95,000	60,000	65,000	85,000		310,000	184,000	
Operating fee revenue(1)	17,221	15,671	13,050	12,846	10,718	61	58,788	53,141	11
Total operating revenue (1)	(8,850)	(16,325)	13,932	5,258	(22,409)	61	(5,985)	107,845	(106)
Operating expenses(2)	62,532	53,606	55,348	52,569	52,439	19	224,055	206,699	8
Operating loss before taxes	(71,382)	(69,931)	(41,416)	(47,311)	(74,848)	5	(230,040)	(98,854)	(133)
Operating income tax benefit	(31,547)	(26,213)	(18,353)	(15,335)	(28,101)		(91,448)	(35,404)	
Net operating loss(1)(2)	(39,835)	(43,718)	(23,063)	(31,976)	(46,747)	15	(138,592)	(63,450)	(118)
Gain from acquisition, net of tax expense	—	—	7,062	—	—		7,062	—	
Noncash goodwill impairment charge	—	(25,000)	—	(70,000)	—		(95,000)	—	
Severance costs, net of tax benefit	—	—	—	(1,797)	—		(1,797)	—	
Net loss	(39,835)	(68,718)	(16,001)	(103,773)	(46,747)	15	(228,327)	(63,450)	(260)
Preferred dividends and discount accretion	2,567	2,562	2,559	2,554	712		10,242	724	
Net loss available to common shareholders	$ (42,402)	$ (71,280)	$ (18,560)	$ (106,327)	$ (47,459)		$ (238,569)	$ (64,174)	
PERFORMANCE MEASURES									
Per common share:									
Diluted operating loss(1)(2)	$ (.45)	$ (.93)	$ (.53)	$ (.71)	$ (.99)	55	$ (2.47)	$ (1.35)	(83)
Diluted loss	(.45)	(1.43)	(.38)	(2.20)	(.99)	55	(3.95)	(1.35)	(193)
Cash dividends declared	—	—	—	—	—		—	.18	
Stock dividends declared(6)	—	1 for 130	1 for 130	1 for 130	1 for 130		3 for 130	2 for 130	
Book value	8.36	8.85	13.87	14.70	16.95	(51)	8.36	16.95	(51)
Tangible book value(4)	6.02	6.50	8.85	9.65	10.39	(42)	6.02	10.39	(42)
Key performance ratios:									
Return on equity(3)(5)	(22.08)%	(45.52)%	(11.42)%	(58.28)%	(23.83)%		(34.40)%	(7.82)%	
Return on assets(5)	(1.91)	(3.32)	(.78)	(5.03)	(2.19)		(2.76)	(.76)	
Net interest margin(5)	3.40	3.39	3.28	3.08	2.70		3.29	3.18	
Operating efficiency ratio(1)(2)	79.02	69.15	74.15	75.15	81.34		74.37	70.49	
Equity to assets	11.94	10.27	10.71	11.56	10.04		11.12	10.22	
Tangible equity to assets(4)	9.53	7.55	7.96	8.24	6.56		8.33	6.67	
Tangible common equity to assets(4)	7.37	5.36	5.77	6.09	6.21		6.15	6.57	
Tangible common equity to risk-weighted assets(4)	10.39	10.67	7.49	8.03	8.34		10.39	8.34	
ASSET QUALITY *									
Non-performing loans (NPLs)	$ 264,092	$ 304,381	$ 287,848	$ 259,155	$ 190,723		$ 264,092	$ 190,723	
Foreclosed properties	120,770	110,610	104,754	75,383	59,768		120,770	59,768	
Total non-performing assets (NPAs)	384,862	414,991	392,602	334,538	250,491		384,862	250,491	
Allowance for loan losses	155,602	150,187	145,678	143,990	122,271		155,602	122,271	
Net charge-offs	84,585	90,491	58,312	43,281	74,028		276,669	151,152	
Allowance for loan losses to loans	3.02%	2.80%	2.64%	2.56%	2.14%		3.02%	2.14%	
Net charge-offs to average loans(5)	6.37	6.57	4.18	3.09	5.09		5.03	2.57	
NPAs to loans and foreclosed properties	7.30	7.58	6.99	5.86	4.35		7.30	4.35	
NPAs to total assets	4.81	4.91	4.63	4.09	2.92		4.81	2.92	
AVERAGE BALANCES									
Loans	$5,357,150	$5,565,498	$5,597,259	$5,675,054	$5,784,139	(7)	$5,547,915	$5,890,889	(6)
Investment securities	1,528,805	1,615,499	1,771,482	1,712,654	1,508,808	1	1,656,492	1,489,036	11
Earning assets	7,486,790	7,400,539	7,442,178	7,530,230	7,662,536	(2)	7,464,639	7,504,186	(1)
Total assets	8,286,544	8,208,199	8,212,140	8,372,281	8,487,017	(2)	8,269,387	8,319,201	(1)
Deposits	6,835,052	6,689,948	6,544,537	6,780,531	6,982,229	(2)	6,712,605	6,524,457	3
Shareholders’ equity	989,279	843,130	879,210	967,505	851,956	16	919,631	850,426	8
Common shares — basic	94,219	49,771	48,794	48,324	47,844		60,374	47,369	
Common shares — diluted	94,219	49,771	48,794	48,324	47,844		60,374	47,369	
AT PERIOD END									
Loans	$5,151,476	$5,362,689	$5,513,087	$5,632,705	$5,704,861	(10)	$5,151,476	$5,704,861	(10)
Investment securities	1,530,047	1,532,514	1,816,787	1,719,033	1,617,187	(5)	1,530,047	1,617,187	(5)
Total assets	7,999,914	8,443,617	8,477,355	8,171,663	8,591,933	(7)	7,999,914	8,591,933	(7)
Deposits	6,627,834	6,821,306	6,848,760	6,616,488	7,003,624	(5)	6,627,834	7,003,624	(5)
Shareholders’ equity	962,321	1,006,638	855,272	888,853	989,382	(3)	962,321	989,382	(3)
Common shares outstanding	94,046	93,901	48,933	48,487	48,009		94,046	48,009	

(1) Excludes the gain from acquisition of $11.4 million, net of income tax expense of $4.3 million in the second quarter of 2009.

(2) Excludes the goodwill impairment charges of $25 million and $70 million in the third and first quarters of 2009, respectively, and severance costs of $2.9 million, net of income tax benefit of $1.1 million in the first quarter of 2009.

(3) Net loss available to common shareholders, which is net of preferred stock dividends, divided by average realized common equity, which excludes accumulated other comprehensive income (loss).

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

(5) Annualized.

(6) Number of new shares issued for shares currently held.

NM — Not meaningful.

* Excludes loans and foreclosed properties covered by loss sharing agreements with the FDIC.

UNITED COMMUNITY BANKS, INC.
Selected Financial Information
For the Years Ended December 31,

(in thousands, except per share data; taxable equivalent)	2009	2008	2007	2006	2005
INCOME SUMMARY					
Net interest revenue	$ 245,227	$ 238,704	$ 274,483	$ 237,880	$ 196,799
Provision for loan losses (1)	310,000	184,000	37,600	14,600	12,100
Operating fee revenue (2)	58,788	53,141	62,651	49,095	46,148
Total operating revenue (1)(2)	(5,985)	107,845	299,534	272,375	230,847
Operating expenses (3)	224,055	206,699	190,061	162,070	140,808
Operating (loss) income before taxes	(230,040)	(98,854)	109,473	110,305	90,039
Operating income taxes	(91,448)	(35,404)	40,482	41,490	33,297
Net operating (loss) income	(138,592)	(63,450)	68,991	68,815	56,742
Gain from acquisition, net of tax	7,062	—	—	—	—
Noncash goodwill impairment charge	(95,000)	—	—	—	—
Severance cost, net of tax benefit	(1,797)	—	—	—	—
Fraud loss provision, net of tax benefit	—	—	(10,998)	—	—
Net (loss) income	(228,327)	(63,450)	57,993	68,815	56,742
Preferred dividends and discount accretion	10,242	724	18	19	23
Net (loss) income available to common shareholders	$ (238,569)	$ (64,174)	$ 57,975	$ 68,796	$ 56,719
PERFORMANCE MEASURES					
Per common share:					
Diluted operating (loss) earnings (1)(2)(3)	$ (2.47)	$ (1.35)	$ 1.48	$ 1.66	$ 1.43
Diluted (loss) earnings	(3.95)	(1.35)	1.24	1.66	1.43
Cash dividends declared (rounded)	—	.18	.36	.32	.28
Stock dividends declared (6)	3 for 130	2 for 130	—	—	—
Book value	8.36	16.95	17.73	14.37	11.80
Tangible book value (5)	6.02	10.39	10.94	10.57	8.94
Key performance ratios:					
Return on equity (4)	(34.40)%	(7.82)%	7.79%	13.28%	13.46%
Return on assets	(2.76)	(.76)	.75	1.09	1.04
Net interest margin	3.29	3.18	3.88	4.05	3.85
Operating efficiency ratio (2)(3)	74.37	70.49	56.53	56.35	57.77
Equity to assets	11.12	10.22	9.61	8.06	7.63
Tangible equity to assets (5)	8.33	6.67	6.63	6.32	5.64
Tangible common equity to assets (5)	6.15	6.57	6.63	6.32	5.64
Tangible common equity to risk-weighted assets (5)	10.39	8.34	8.21	8.09	7.75
ASSET QUALITY *					
Non-performing loans (NPLs)	$ 264,092	$ 190,723	$ 28,219	$ 12,458	$ 11,997
Foreclosed properties	120,770	59,768	18,039	1,196	998
Total non-performing assets (NPAs)	384,862	250,491	46,258	13,654	12,995
Allowance for loan losses	155,602	122,271	89,423	66,566	53,595
Operating net charge-offs (1)	276,669	151,152	21,834	5,524	5,701
Allowance for loan losses to loans	3.02%	2.14%	1.51%	1.24%	1.22%
Operating net charge-offs to average loans (1)	5.03	2.57	.38	.12	.14
NPAs to loans and foreclosed properties	7.30	4.35	.78	.25	.30
NPAs to total assets	4.81	2.92	.56	.19	.22
AVERAGE BALANCES					
Loans	$ 5,547,915	$ 5,890,889	$ 5,734,608	$ 4,800,981	$ 4,061,091
Investment securities	1,656,492	1,489,036	1,277,935	1,041,897	989,201
Earning assets	7,464,639	7,504,186	7,070,900	5,877,483	5,109,053
Total assets	8,269,387	8,319,201	7,730,530	6,287,148	5,472,200
Deposits	6,712,605	6,524,457	6,028,625	5,017,435	4,003,084
Shareholders' equity	919,631	850,426	742,771	506,946	417,309
Common shares — Basic	60,374	47,369	45,948	40,413	38,477
Common shares — Diluted	60,374	47,369	46,593	41,575	39,721
AT YEAR END					
Loans	$ 5,151,476	$ 5,704,861	$ 5,929,263	$ 5,376,538	$ 4,398,286
Investment securities	1,530,047	1,617,187	1,356,846	1,107,153	990,687
Total assets	7,999,914	8,591,933	8,207,302	7,101,249	5,865,756
Deposits	6,627,834	7,003,624	6,075,951	5,772,886	4,477,600
Shareholders' equity	962,321	989,382	831,902	616,767	472,686
Common shares outstanding	94,046	48,009	46,903	42,891	40,020

(1) Excludes pre-tax provision for fraud-related loan losses and related charge-offs of $18 million, net of income tax benefit of $7 million in 2007.

(2) Excludes the gain from acquisition of $11.4 million, net of income tax expense of $4.3 million in 2009.

(3) Excludes the goodwill impairment charge of $95 million and severance costs of $2.9 million, net of income tax benefit of $1.1 million in 2009.

(4) Net (loss) 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).

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

(6) Number of new shares issued for shares currently held.

NM — Not meaningful.

* Excludes loans and foreclosed properties covered by loss sharing agreements with the FDIC.

UNITED COMMUNITY BANKS, INC.
Operating Earnings to GAAP Earnings Reconciliation
Selected Financial Information

(in thousands, except per share data; taxable equivalent)	2009 Fourth Quarter	2009 Third Quarter	2009 Second Quarter	2009 First Quarter	2008 Fourth Quarter	For the Twelve Months Ended 2009	2008	2007	2006	2005
Interest revenue reconciliation										
Interest revenue — taxable equivalent	$ 97,481	$ 101,181	$ 102,737	$ 103,562	$ 108,434	$ 404,961	$ 466,969	$ 550,917	$ 446,695	$ 324,225
Taxable equivalent adjustment	(601)	(580)	(463)	(488)	(553)	(2,132)	(2,261)	(1,881)	(1,868)	(1,636)
Interest revenue (GAAP)	$ 96,880	$ 100,601	$ 102,274	$ 103,074	$ 107,881	$ 402,829	$ 464,708	$ 549,036	$ 444,827	$ 322,589
Net interest revenue reconciliation										
Net interest revenue — taxable equivalent	$ 63,929	$ 63,004	$ 60,882	$ 57,412	$ 51,873	$ 245,227	$ 238,704	$ 274,483	$ 237,880	$ 196,799
Taxable equivalent adjustment	(601)	(580)	(463)	(488)	(553)	(2,132)	(2,261)	(1,881)	(1,868)	(1,636)
Net interest revenue (GAAP)	$ 63,328	$ 62,424	$ 60,419	$ 56,924	$ 51,320	$ 243,095	$ 236,443	$ 272,602	$ 236,012	$ 195,163
Provision for loan losses reconciliation										
Operating provision for loan losses	$ 90,000	$ 95,000	$ 60,000	$ 65,000	$ 85,000	$ 310,000	$ 184,000	$ 37,600	$ 14,600	$ 12,100
Special fraud-related provision for loan losses	—	—	—	—	—	—	—	18,000	—	—
Provision for loan losses (GAAP)	$ 90,000	$ 95,000	$ 60,000	$ 65,000	$ 85,000	$ 310,000	$ 184,000	$ 55,600	$ 14,600	$ 12,100
Fee revenue reconciliation										
Operating fee revenue	$ 17,221	$ 15,671	$ 13,050	$ 12,846	$ 10,718	$ 58,788	$ 53,141	$ 62,651	$ 49,095	$ 46,148
Gain from acquisition	—	—	11,390	—	—	11,390	—	—	—	—
Fee revenue (GAAP)	$ 17,221	$ 15,671	$ 24,440	$ 12,846	$ 10,718	$ 70,178	$ 53,141	$ 62,651	$ 49,095	$ 46,148
Total revenue reconciliation										
Total operating revenue	$ (8,850)	$ (16,325)	$ 13,932	$ 5,258	$ (22,409)	$ (5,985)	$ 107,845	$ 299,534	$ 272,375	$ 230,847
Taxable equivalent adjustment	(601)	(580)	(463)	(488)	(553)	(2,132)	(2,261)	(1,881)	(1,868)	(1,636)
Gain from acquisition	—	—	11,390	—	—	11,390	—	—	—	—
Special fraud-related provision for loan losses	—	—	—	—	—	—	—	(18,000)	—	—
Total revenue (GAAP)	$ (9,451)	$ (16,905)	$ 24,859	$ 4,770	$ (22,962)	$ 3,273	$ 105,584	$ 279,653	$ 270,507	$ 229,211
Expense reconciliation										
Operating expense	$ 62,532	$ 53,606	$ 55,348	$ 52,569	$ 52,439	$ 224,055	$ 206,699	$ 190,061	$ 162,070	$ 140,808
Noncash goodwill impairment charge	—	25,000	—	70,000	—	95,000	—	—	—	—
Severance costs	—	—	—	2,898	—	2,898	—	—	—	—
Operating expense (GAAP)	$ 62,532	$ 78,606	$ 55,348	$ 125,467	$ 52,439	$ 321,953	$ 206,699	$ 190,061	$ 162,070	$ 140,808
(Loss) income before taxes reconciliation										
Operating (loss) income before taxes	$ (71,382)	$ (69,931)	$ (41,416)	$ (47,311)	$ (74,848)	$ (230,040)	$ (98,854)	$ 109,473	$ 110,305	$ 90,039
Taxable equivalent adjustment	(601)	(580)	(463)	(488)	(553)	(2,132)	(2,261)	(1,881)	(1,868)	(1,636)
Gain from acquisition	—	—	11,390	—	—	11,390	—	—	—	—
Noncash goodwill impairment charge	—	(25,000)	—	(70,000)	—	(95,000)	—	—	—	—
Severance costs	—	—	—	(2,898)	—	(2,898)	—	—	—	—
Special fraud-related provision for loan losses	—	—	—	—	—	—	—	(18,000)	—	—
(Loss) income before taxes (GAAP)	$ (71,983)	$ (95,511)	$ (30,489)	$ (120,697)	$ (75,401)	$ (318,680)	$ (101,115)	$ 89,592	$ 108,437	$ 88,403
Income tax (benefit) expense reconciliation										
Operating income tax (benefit) expense	$ (31,547)	$ (26,213)	$ (18,353)	$ (15,335)	$ (28,101)	$ (91,448)	$ (35,404)	$ 40,482	$ 41,490	$ 33,297
Taxable equivalent adjustment	(601)	(580)	(463)	(488)	(553)	(2,132)	(2,261)	(1,881)	(1,868)	(1,636)
Gain from acquisition, tax expense	—	—	4,328	—	—	4,328	—	—	—	—
Severance costs, tax benefit	—	—	—	(1,101)	—	(1,101)	—	—	—	—
Special fraud-related provision for loan losses	—	—	—	—	—	—	—	(7,002)	—	—
Income tax (benefit) expense (GAAP)	$ (32,148)	$ (26,793)	$ (14,488)	$ (16,924)	$ (28,654)	$ (90,353)	$ (37,665)	$ 31,599	$ 39,622	$ 31,661
(Loss) earnings per common share reconciliation										
Operating (loss) earnings per common share	$ (.45)	$ (.93)	$ (.53)	$ (.71)	$ (.99)	$ (2.47)	$ (1.35)	$ 1.48	$ 1.66	$ 1.43
Gain from acquisition	—	—	.15	—	—	.12	—	—	—	—
Noncash goodwill impairment charge	—	(.50)	—	(1.45)	—	(1.57)	—	—	—	—
Severance costs	—	—	—	(.04)	—	(.03)	—	—	—	—
Special fraud-related provision for loan losses	—	—	—	—	—	—	—	(.24)	—	—
(Loss) earnings per common share (GAAP)	$ (.45)	$ (1.43)	$ (.38)	$ (2.20)	$ (.99)	$ (3.95)	$ (1.35)	$ 1.24	$ 1.66	$ 1.43
Book value reconciliation										
Tangible book value	$ 6.02	$ 6.50	$ 8.85	$ 9.65	$ 10.39	$ 6.02	$ 10.39	$ 10.94	$ 10.57	$ 8.94
Effect of goodwill and other intangibles	2.34	2.35	5.02	5.05	6.56	2.34	6.56	6.79	3.80	2.86
Book value (GAAP)	$ 8.36	$ 8.85	$ 13.87	$ 14.70	$ 16.95	$ 8.36	$ 16.95	$ 17.73	$ 14.37	$ 11.80
Efficiency ratio reconciliation										
Operating efficiency ratio	79.02%	69.15%	74.15%	75.15%	81.34%	74.37%	70.49%	56.53%	56.35%	57.77%
Gain from acquisition	—	—	(9.82)	—	—	(2.71)	—	—	—	—
Noncash goodwill impairment charge	—	32.24	—	100.06	—	30.39	—	—	—	—
Severance costs	—	—	—	4.14	—	.93	—	—	—	—
Efficiency ratio (GAAP)	79.02%	101.39%	64.33%	179.35%	81.34%	102.98%	70.49%	56.53%	56.35%	57.77%
Average equity to assets reconciliation										

Tangible common equity to assets	7.37%	5.36%	5.77%	6.09%	6.21%	6.15%	6.57%	6.63%	6.32%	5.64%
Effect of preferred equity	2.16	2.19	2.19	2.15	.35	2.18	.10	—	—	—
Tangible equity to assets	9.53	7.55	7.96	8.24	6.56	8.33	6.67	6.63	6.32	5.64
Effect of goodwill and other intangibles	2.41	2.72	2.75	3.32	3.48	2.79	3.55	2.98	1.74	1.99
Equity to assets (GAAP)	11.94%	10.27%	10.71%	11.56%	10.04%	11.12%	10.22%	9.61%	8.06%	7.63%
Actual tangible common equity to risk-weighted assets reconciliation										
Tangible common equity to risk-weighted assets	10.39%	10.67%	7.49%	8.03%	8.34%	10.39%	8.34%	8.21%	8.09%	7.75%
Effect of other comprehensive income	(.87)	(.90)	(.72)	(1.00)	(.91)	(.87)	(.91)	(.23)	.07	.23
Effect of deferred tax limitation	(1.27)	(.58)	(.22)	—	—	(1.27)	—	—	—	—
Effect of trust preferred	.97	.92	.90	.89	.88	.97	.88	.65	.81	.89
Effect of preferred equity	3.19	3.04	2.99	2.96	2.90	3.19	2.90	—	.01	.01
Tier I capital ratio (Regulatory)	12.41%	13.15%	10.44%	10.88%	11.21%	12.41%	11.21%	8.63%	8.98%	8.88%
Net charge-offs reconciliation										
Operating net charge-offs	$ 84,585	$ 90,491	$ 58,312	$ 43,281	$ 74,028	$ 276,669	$ 151,152	$ 21,834	$ 5,524	$ 5,701
Fraud related charge-offs	—	—	—	—	—	—	—	18,000	—	—
Net charge-offs (GAAP)	$ 84,585	$ 90,491	$ 58,312	$ 43,281	$ 74,028	$ 276,669	$ 151,152	$ 39,834	$ 5,524	$ 5,701
Net charge-offs to average loans reconciliation										
Operating net charge-offs to average loans	6.37%	6.57%	4.18%	3.09%	5.09%	5.03%	2.57%	.38%	.12%	.14%
Effect of fraud related charge offs	—	—	—	—	—	—	—	.31	—	—
Net charge-offs to average loans (GAAP)	6.37%	6.57%	4.18%	3.09%	5.09%	5.03%	2.57%	.69%	.12%	.14%

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

	2009				2008	Linked Quarter Change(2)	Year over Year Change
(in millions)	Fourth Quarter(1)	Third Quarter(1)	Second Quarter(1)	First Quarter	Fourth Quarter	Actual	Actual
LOANS BY CATEGORY							
Commercial (sec. by RE)	$ 1,779	$ 1,787	$ 1,797	$ 1,779	$ 1,627	(2)%	9%
Commercial construction	363	380	379	377	500	(18)	(27)
Commercial & industrial	390	403	399	387	410	(13)	(5)
Total commercial	2,532	2,570	2,575	2,543	2,537	(6)	—
Residential construction	1,050	1,185	1,315	1,430	1,479	(46)	(29)
Residential mortgage	1,427	1,461	1,470	1,504	1,526	(9)	(6)
Consumer / installment	142	147	153	156	163	(14)	(13)
Total loans	$ 5,151	$ 5,363	$ 5,513	$ 5,633	$ 5,705	(16)	(10)
LOANS BY MARKET							
Atlanta MSA	$ 1,435	$ 1,526	$ 1,605	$ 1,660	$ 1,706	(24)%	(16)%
Gainesville MSA	390	402	413	422	420	(12)	(7)
North Georgia	1,884	1,942	1,978	2,014	2,040	(12)	(8)
Western North Carolina	772	786	794	808	810	(7)	(5)
Coastal Georgia	405	440	455	460	464	(32)	(13)
East Tennessee	265	267	268	269	265	(3)	—
Total loans	$ 5,151	$ 5,363	$ 5,513	$ 5,633	$ 5,705	(16)	(10)
RESIDENTIAL CONSTRUCTION							
Dirt loans							
Acquisition & development	$ 332	$ 380	$ 413	$ 445	$ 484	(51)%	(31)%
Land loans	127	159	159	155	153	(81)	(17)
Lot loans	336	336	369	390	358	—	(6)
Total	795	875	941	990	995	(37)	(20)
House loans							
Spec	178	218	268	317	347	(73)%	(49)%
Sold	77	92	106	123	137	(65)	(44)
Total	255	310	374	440	484	(71)	(47)
Total residential construction	$ 1,050	$ 1,185	$ 1,315	$ 1,430	$ 1,479	(46)	(29)
RESIDENTIAL CONSTRUCTION — ATLANTA MSA							
Dirt loans							
Acquisition & development	$ 76	$ 100	$ 124	$ 148	$ 167	(96)%	(54)%
Land loans	43	61	63	52	56	(118)	(23)
Lot loans	52	54	81	98	86	(15)	(40)
Total	171	215	268	298	309	(82)	(45)
House loans							
Spec	68	91	127	164	189	(101)%	(64)%
Sold	16	22	29	33	40	(109)	(60)
Total	84	113	156	197	229	(103)	(63)
Total residential construction	$ 255	$ 328	$ 424	$ 495	$ 538	(89)	(53)

(1) Excludes total loans of $85.1 million, $104.0 million and $109.9 million as of December 31, 2009, September 30, 2009 and June 30, 2009, respectively, that are covered by the loss-sharing agreement with the FDIC, related to the acquisition of Southern Community Bank.

(2) Annualized.

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

(in millions)	2009	2008	2007	2006	2005	2004
LOANS BY CATEGORY						
Commercial (sec. by RE)	$ 1,779	$ 1,627	$ 1,476	$ 1,230	$ 1,055	$ 967
Commercial construction	363	500	527	469	359	249
Commercial & industrial	390	410	418	296	237	212
Total commercial	2,532	2,537	2,421	1,995	1,651	1,428
Residential construction	1,050	1,479	1,829	1,864	1,380	1,055
Residential mortgage	1,427	1,526	1,502	1,338	1,206	1,102
Consumer / installment	142	163	177	180	161	150
Total loans	$ 5,151	$ 5,705	$ 5,929	$ 5,377	$ 4,398	$ 3,735
LOANS BY MARKET						
Atlanta MSA	$ 1,435	$ 1,706	$ 2,002	$ 1,651	$ 1,207	$ 1,061
Gainesville MSA	390	420	399	354	249	—
North Georgia	1,884	2,040	2,060	2,034	1,790	1,627
Western North Carolina	772	810	806	773	668	633
Coastal Georgia	405	464	416	358	306	274
East Tennessee	265	265	246	207	178	140
Total loans	$ 5,151	$ 5,705	$ 5,929	$ 5,377	$ 4,398	$ 3,735

UNITED COMMUNITY BANKS, INC.
Financial Highlights
Credit Quality (1)

(in thousands)	Fourth Quarter 2009 Non-performing Loans	Fourth Quarter 2009 Foreclosed Properties	Fourth Quarter 2009 Total NPAs	Third Quarter 2009 Non-performing Loans	Third Quarter 2009 Foreclosed Properties	Third Quarter 2009 Total NPAs	Second Quarter 2009 Non-performing Loans	Second Quarter 2009 Foreclosed Properties	Second Quarter 2009 Total NPAs
NPAs BY CATEGORY									
Commercial (sec. by RE)	$ 37,040	$ 15,842	$ 52,882	$ 38,379	$ 12,566	$ 50,945	$ 37,755	$ 5,395	$ 43,150
Commercial construction	19,976	9,761	29,737	38,505	5,543	44,048	15,717	5,847	21,564
Commercial & industrial	3,946	—	3,946	3,794	—	3,794	11,378	—	11,378
Total commercial	60,962	25,603	86,565	80,678	18,109	98,787	64,850	11,242	76,092
Residential construction	142,332	76,519	218,851	171,027	79,045	250,072	176,400	81,648	258,048
Residential mortgage	58,767	18,648	77,415	50,626	13,456	64,082	44,256	11,864	56,120
Consumer / installment	2,031	—	2,031	2,050	—	2,050	2,342	—	2,342
Total NPAs	$ 264,092	$ 120,770	$384,862	$ 304,381	$ 110,610	$414,991	$ 287,848	$ 104,754	$392,602
NPAs BY MARKET									
Atlanta MSA	$ 106,536	$ 41,125	$147,661	$ 120,599	$ 54,670	$175,269	$ 148,155	$ 50,450	$198,605
Gainesville MSA	5,074	2,614	7,688	12,916	8,429	21,345	9,745	3,511	13,256
North Georgia	87,598	53,072	140,670	96,373	36,718	133,091	72,174	37,454	109,628
Western North Carolina	29,610	5,096	34,706	25,775	5,918	31,693	21,814	7,245	29,059
Coastal Georgia	26,871	17,150	44,021	38,414	3,045	41,459	30,311	3,904	34,215
East Tennessee	8,403	1,713	10,116	10,304	1,830	12,134	5,649	2,190	7,839
Total NPAs	$ 264,092	$ 120,770	$384,862	$ 304,381	$ 110,610	$414,991	$ 287,848	$ 104,754	$392,602
NPA ACTIVITY									
Beginning Balance	$ 304,381	$ 110,610	$414,991	$ 287,848	$ 104,754	$392,602	$ 259,155	$ 75,383	$334,538
Loans placed on non-accrual	174,898	—	174,898	190,164	—	190,164	169,351	—	169,351
Payments received	(26,935)	—	(26,935)	(16,597)	—	(16,597)	(15,597)	—	(15,597)
Loan charge-offs	(88,427)	—	(88,427)	(92,359)	—	(92,359)	(60,644)	—	(60,644)
Foreclosures	(79,983)	79,983	—	(56,624)	56,624	—	(64,417)	64,417	—
Capitalized costs	—	981	981	—	579	579	—	1,324	1,324
Note / property sales	(19,842)	(61,228)	(81,070)	(8,051)	(47,240)	(55,291)	—	(33,752)	(33,752)
Write downs	—	(2,209)	(2,209)	—	(1,906)	(1,906)	—	(2,738)	(2,738)
Net gains (losses) on sales	—	(7,367)	(7,367)	—	(2,201)	(2,201)	—	120	120
Ending Balance	$ 264,092	$ 120,770	$384,862	$ 304,381	$ 110,610	$414,991	$ 287,848	$ 104,754	$392,602

(in thousands)	Fourth Quarter 2009 Net Charge-Offs	Fourth Quarter 2009 Net Charge-Offs to Average Loans (2)	Third Quarter 2009 Net Charge-Offs	Third Quarter 2009 Net Charge-Offs to Average Loans (2)	Second Quarter 2009 Net Charge-Offs	Second Quarter 2009 Net Charge-Offs to Average Loans (2)
NET CHARGE-OFFS BY CATEGORY						
Commercial (sec. by RE)	$ 3,896	.86%	$ 10,568	2.33%	$ 5,986	1.34%
Commercial construction	4,717	5.03	4,369	4.55	756	.80
Commercial & industrial	153	.15	1,792	1.76	3,107	3.16
Total commercial	8,766	1.36	16,729	2.57	9,849	1.54
Residential construction	67,393	23.87	67,520	21.31	44,240	12.90
Residential mortgage	7,026	1.93	5,051	1.36	3,526	.95
Consumer / installment	1,400	3.83	1,191	3.13	697	1.80
Total	$ 84,585	6.37	$ 90,491	6.57	$ 58,312	4.18
NET CHARGE-OFFS BY MARKET						
Atlanta MSA	$ 43,595	12.07%	$ 50,129	12.61%	$ 37,473	8.89%
Gainesville MSA	2,273	2.49	1,473	1.60	4,125	4.38
North Georgia	18,057	3.57	24,017	4.74	12,571	2.52
Western North Carolina	10,091	5.11	3,949	1.98	1,015	.51
Coastal Georgia	8,109	7.72	10,051	8.78	969	.85
East Tennessee	2,460	3.67	872	1.30	2,159	3.21
Total	$ 84,585	6.37	$ 90,491	6.57	$ 58,312	4.18

(1) Excludes non-performing loans and foreclosed properties covered by the loss-sharing agreement with the FDIC, related to the acquisition of Southern Community Bank. (2) Annualized.

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

(in thousands, except per share data)	Three Months Ended December 31, 2009	Three Months Ended December 31, 2008	Twelve Months Ended December 31, 2009	Twelve Months Ended December 31, 2008
Interest revenue:				
Loans, including fees	$ 78,064	$ 86,409	$ 322,509	$ 385,959
Investment securities, including tax exempt of $366, $324, $1,322 and $1,464	17,313	18,964	77,370	75,869
Federal funds sold, commercial paper, deposits in banks and other	1,503	2,508	2,950	2,880
Total interest revenue	96,880	107,881	402,829	464,708
Interest expense:				
Deposits:				
NOW	2,315	6,045	11,023	28,626
Money market	2,328	3,124	9,545	10,643
Savings	105	204	483	764
Time	24,026	41,512	120,326	158,268
Total deposit interest expense	28,774	50,885	141,377	198,301
Federal funds purchased, repurchase agreements and other short-term borrowings	1,081	445	2,842	7,699
Federal Home Loan Bank advances	1,045	2,358	4,622	13,026
Long-term debt	2,652	2,873	10,893	9,239
Total interest expense	33,552	56,561	159,734	228,265
Net interest revenue	63,328	51,320	243,095	236,443
Provision for loan losses	90,000	85,000	310,000	184,000
Net interest revenue after provision for loan losses	(26,672)	(33,680)	(66,905)	52,443
Fee revenue:				
Service charges and fees	8,257	7,742	30,986	31,683
Mortgage loan and other related fees	1,651	1,528	8,959	7,103
Consulting fees	2,774	1,260	7,822	7,046
Brokerage fees	443	645	2,085	3,457
Securities gains, net	2,015	838	2,756	1,315
Gain from acquisition	—	—	11,390	—
Losses on prepayment of borrowings	—	(2,714)	—	(2,714)
Other	2,081	1,419	6,180	5,251
Total fee revenue	17,221	10,718	70,178	53,141
Total revenue	(9,451)	(22,962)	3,273	105,584
Operating expenses:				
Salaries and employee benefits	26,189	24,441	108,967	110,574
Communications and equipment	3,932	3,897	15,038	15,490
Occupancy	4,038	3,663	15,796	14,988
Advertising and public relations	1,033	1,358	4,220	6,117
Postage, printing and supplies	1,315	1,763	5,068	6,296
Professional fees	2,571	2,313	9,925	7,509
Foreclosed property	14,391	5,238	32,365	19,110
FDIC assessments and other regulatory charges	3,711	1,980	16,004	6,020
Amortization of intangibles	813	745	3,104	3,009
Other	4,539	7,041	13,568	17,586
Goodwill impairment	—	—	95,000	—
Severance costs	—	—	2,898	—
Total operating expenses	62,532	52,439	321,953	206,699
Loss before income taxes	(71,983)	(75,401)	(318,680)	(101,115)
Income tax benefit	(32,148)	(28,654)	(90,353)	(37,665)
Net loss	(39,835)	(46,747)	(228,327)	(63,450)
Preferred stock dividends, including discount accretion	2,567	712	10,242	724
Net loss available to common shareholders	$ (42,402)	$ (47,459)	$ (238,569)	$ (64,174)
Basic loss per common share	$ (.45)	$ (.99)	$ (3.95)	$ (1.35)
Diluted loss per common share	(.45)	(.99)	(3.95)	(1.35)
Weighted average common shares outstanding — Basic	94,219	47,844	60,374	47,369
Weighted average common shares outstanding — Diluted	94,219	47,844	60,374	47,369

UNITED COMMUNITY BANKS, INC.
Consolidated Balance Sheet

(in thousands, except share and per share data)	December 31, 2009	December 31, 2008
	(unaudited)	*(audited)*
ASSETS		
Cash and due from banks	$ 126,265	$ 116,395
Interest-bearing deposits in banks	120,382	8,417
Federal funds sold, commercial paper and short-term investments	129,720	368,609
Cash and cash equivalents	376,367	493,421
Securities available for sale	1,530,047	1,617,187
Mortgage loans held for sale	30,226	20,334
Loans, net of unearned income	5,151,476	5,704,861
Less allowance for loan losses	155,602	122,271
Loans, net	4,995,874	5,582,590
Acquired assets covered by loss sharing agreements with the FDIC	185,938	—
Premises and equipment, net	182,038	179,160
Accrued interest receivable	33,867	46,088
Goodwill and other intangible assets	225,196	321,798
Other assets	440,361	331,355
Total assets	$ 7,999,914	$ 8,591,933
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities:		
Deposits:		
Demand	$ 707,826	$ 654,036
NOW	1,335,790	1,543,385
Money market	713,901	466,750
Savings	177,427	170,275
Time:		
Less than $100,000	1,746,511	1,953,235
Greater than $100,000	1,187,499	1,422,974
Brokered	758,880	792,969
Total deposits	6,627,834	7,003,624
Federal funds purchased, repurchase agreements, and other short-term borrowings	101,389	108,411
Federal Home Loan Bank advances	114,501	235,321
Long-term debt	150,066	150,986
Accrued expenses and other liabilities	43,803	104,209
Total liabilities	7,037,593	7,602,551
Shareholders' equity:		
Preferred stock, $1 par value; 10,000,000 shares authorized;		
Series A; $10 stated value; 21,700 and 25,800 shares issued and outstanding	217	258
Series B; $1,000 stated value; 180,000 shares issued and outstanding	174,408	173,180
Common stock, $1 par value; 100,000,000 shares authorized; 94,045,603 and 48,809,301 shares issued	94,046	48,809
Common stock issuable; 221,906 and 129,304 shares	3,597	2,908
Capital surplus	622,034	460,708
Retained earnings	20,384	265,405
Treasury stock; 799,892 shares, at cost	—	(16,465)
Accumulated other comprehensive income	47,635	54,579
Total shareholders' equity	962,321	989,382
Total liabilities and shareholders' equity	$ 7,999,914	$ 8,591,933

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

(dollars in thousands, taxable equivalent)	2009 Average Balance	2009 Interest	2009 Avg. Rate	2008 Average Balance	2008 Interest	2008 Avg. Rate
Assets:						
Interest-earning assets:						
Loans, net of unearned income (1)(2)	$5,357,150	$ 78,088	5.78%	$5,784,139	$ 86,530	5.95%
Taxable securities (3)	1,496,251	16,947	4.53	1,478,427	18,640	5.04
Tax-exempt securities (1)(3)	32,554	599	7.36	30,381	530	6.98
Federal funds sold and other interest-earning assets	600,835	1,847	1.23	369,589	2,734	2.96
Total interest-earning assets	7,486,790	97,481	5.17	7,662,536	108,434	5.64
Non-interest-earning assets:						
Allowance for loan losses	(162,203)			(109,956)		
Cash and due from banks	107,153			116,463		
Premises and equipment	182,790			179,807		
Other assets (3)	672,014			638,167		
Total assets	$8,286,544			$8,487,017		
Liabilities and Shareholders' Equity:						
Interest-bearing liabilities:						
Interest-bearing deposits:						
NOW	$1,334,578	$ 2,315	.69	$1,534,370	$ 6,045	1.57
Money market	726,680	2,328	1.27	424,940	3,124	2.92
Savings	178,191	105	.23	174,186	204	.47
Time less than $100,000	1,812,823	10,952	2.40	1,916,811	18,524	3.84
Time greater than $100,000	1,215,579	8,074	2.64	1,448,818	14,558	4.00
Brokered	844,462	5,000	2.35	818,100	8,430	4.10
Total interest-bearing deposits	6,112,313	28,774	1.87	6,317,225	50,885	3.20
Federal funds purchased and other borrowings	105,130	1,081	4.08	109,712	445	1.61
Federal Home Loan Bank advances	156,979	1,045	2.64	284,860	2,358	3.29
Long-term debt	150,060	2,652	7.01	146,746	2,873	7.79
Total borrowed funds	412,169	4,778	4.60	541,318	5,676	4.17
Total interest-bearing liabilities	6,524,482	33,552	2.04	6,858,543	56,561	3.28
Non-interest-bearing liabilities:						
Non-interest-bearing deposits	722,739			665,004		
Other liabilities	50,044			111,514		
Total liabilities	7,297,265			7,635,061		
Shareholders' equity	989,279			851,956		
Total liabilities and shareholders' equity	$8,286,544			$8,487,017		
Net interest revenue		$ 63,929			$ 51,873	
Net interest-rate spread			3.13%			2.36%
Net interest margin (4)			3.40%			2.70%

(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.

(3) Securities available for sale are shown at amortized cost. Pretax unrealized gains of $22.1 million in 2009 and pretax unrealized losses of $3.6 million in 2008 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,

	2009			2008		
(dollars in thousands, taxable equivalent)	**Average Balance**	**Interest**	**Avg. Rate**	**Average Balance**	**Interest**	**Avg. Rate**
Assets:						
Interest-earning assets:						
Loans, net of unearned income (1)(2)	$5,547,915	$ 322,284	5.81%	$5,890,889	$ 386,132	6.55%
Taxable securities (3)	1,626,032	76,048	4.68	1,455,206	74,405	5.11
Tax-exempt securities (1)(3)	30,460	2,164	7.10	33,830	2,406	7.11
Federal funds sold and other interest-earning assets	260,232	4,465	1.72	124,261	4,026	3.24
Total interest-earning assets	7,464,639	404,961	5.43	7,504,186	466,969	6.22
Non-interest-earning assets:						
Allowance for loan losses	(146,535)			(97,385)		
Cash and due from banks	105,127			131,778		
Premises and equipment	180,381			180,857		
Other assets (3)	665,775			599,765		
Total assets	$8,269,387			$8,319,201		
Liabilities and Shareholders' Equity:						
Interest-bearing liabilities:						
Interest-bearing deposits:						
NOW	$1,297,139	$ 11,023	.85	$1,491,419	$ 28,626	1.92
Money market	589,389	9,545	1.62	426,988	10,643	2.49
Savings	177,410	483	.27	182,067	764	.42
Time less than $100,000	1,891,774	56,811	3.00	1,724,036	71,844	4.17
Time greater than $100,000	1,306,302	42,518	3.25	1,457,397	62,888	4.32
Brokered	756,122	20,997	2.78	565,111	23,536	4.16
Total interest-bearing deposits	6,018,136	141,377	2.35	5,847,018	198,301	3.39
Federal funds purchased and other borrowings	177,589	2,842	1.60	324,634	7,699	2.37
Federal Home Loan Bank advances	220,468	4,622	2.10	410,605	13,026	3.17
Long-term debt	150,604	10,893	7.23	120,442	9,239	7.67
Total borrowed funds	548,661	18,357	3.35	855,681	29,964	3.50
Total interest-bearing liabilities	6,566,797	159,734	2.43	6,702,699	228,265	3.41
Non-interest-bearing liabilities:						
Non-interest-bearing deposits	694,469			677,439		
Other liabilities	88,490			88,637		
Total liabilities	7,349,756			7,468,775		
Shareholders' equity	919,631			850,426		
Total liabilities and shareholders' equity	$8,269,387			$8,319,201		
Net interest revenue		$ 245,227			$ 238,704	
Net interest-rate spread			3.00%			2.81%
Net interest margin (4)			3.29%			3.18%

(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.

(3) Securities available for sale are shown at amortized cost. Pretax unrealized gains of $15.3 million in 2009 and $3.3 million in 2008 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.

Exhibit 99.2

Investor Presentation
Fourth Quarter 2009

United Community Banks, Inc.

Jimmy C. Tallent
President & CEO

Rex S. Schuette
Executive Vice President & CFO
rex_schuette@ucbi.com
(706) 781-2266

David P. Shearrow
Executive Vice President & CRO

Cautionary statement

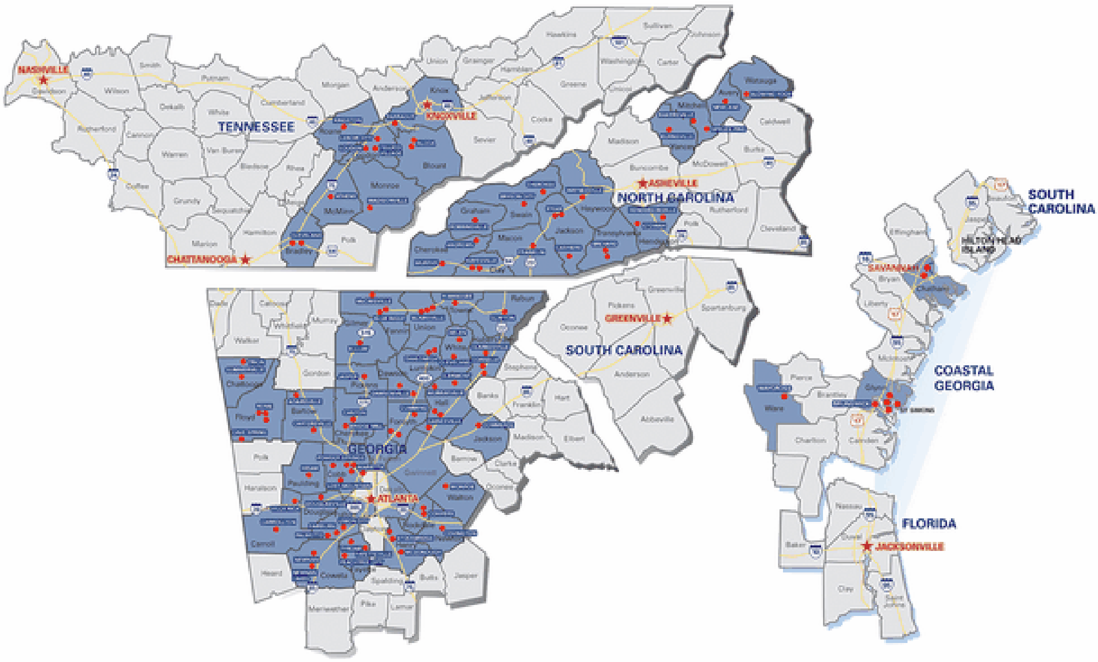
This presentation contains forward-looking statements, as defined by Federal Securities Laws, including statements about financial outlook and business environment. These statements are provided to assist in the understanding of future financial performance. Such performance involves risks and uncertainties that may cause actual results to differ materially from those in such statements. Any such statements are based on current expectations and involve a number of risks and uncertainties. For a discussion of factors that may cause such forward-looking statements to differ materially from actual results, please refer to United Community Banks, Inc. Annual Report filed on Form 10-K with the Securities and Exchange Commission. This presentation also contains non-GAAP financial measures, as defined by the Federal Securities Laws. For a presentation of the most directly comparable financial measures calculated and presented in accordance with GAAP and a reconciliation of the differences between those measures and the non-GAAP financial measures, please refer to "Selected Financial Data" in the United Community Banks, Inc. Annual Report filed on Form 10-K and Quarterly Reports filed on Form 10-Q with the Securities Exchange Commission, which may be found on the company's Web site, www.ucbi.com.

Non-GAAP measures

This presentation also contains non-GAAP financial measures determined by methods other than in accordance with generally accepted accounting principles ("GAAP"). Such non-GAAP financial measures include the following: net interest margin – pre credit, core fee revenue, core operating expense, core earnings, net operating (loss) income and net operating (loss) earnings per share, tangible common equity to tangible assets, tangible equity to tangible assets and tangible common equity to risk-weighted assets. The most comparable GAAP measures to these measures are: net interest margin, fee revenue, operating expense, net (loss) income, diluted (loss) earnings per share and equity to assets.

Management uses these non-GAAP financial measures because we believe it is useful for evaluating our operations and performance over periods of time, as well as in managing and evaluating our business and in discussions about our operations and performance. Management believes these non-GAAP financial measures provide users of our financial information with a meaningful measure for assessing our financial results and credit trends, as well as comparison to financial results for prior periods. These non-GAAP financial measures should not be considered as a substitute for financial measures determined in accordance with GAAP and may not be comparable to other similarly titled financial measures used 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 Reconcilement Tables' at the end of the Appendix of this presentation. We have not reconciled tangible common equity to tangible assets and core earnings to the extent such numbers are presented on a forward-looking basis based on management's internal stress test or SCAP methodology. Estimates that would be required for such reconciliations cannot reliably be produced without unreasonable effort.

United at a glance



- Assets $8.0 Billion
- Deposits $6.6 Billion
- Banks 27
- Offices 107

Strengthened capital position

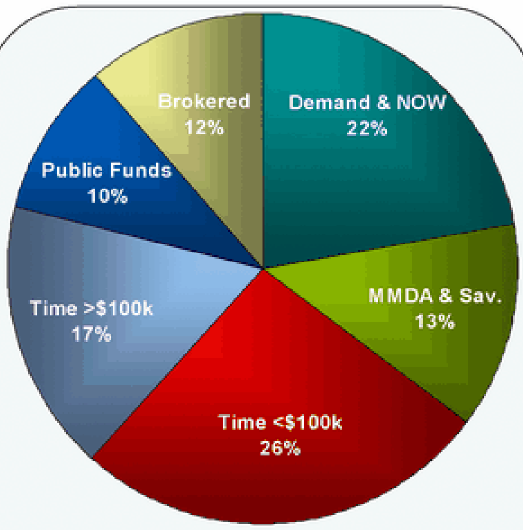
		As of December 31, 2009	
		Reported	Peers[1]
Tangible Common Equity to Assets		7.37 %	6.56 %
Tangible Equity to Assets		9.54	7.95
	Well-Capitalized		
Tier 1 Leverage	**5.00 %**	8.50	9.51
Tier 1 Risk Based Capital	**6.00**	12.40	12.90
Total Risk Based Capital	**10.00**	15.10	14.76

(1) UCBI peer group includes BOH, WTFC, FMER, UMBF, TRMK, UMPQ, MBFI, ONB, UBSI, FMBI, PCBC, BPFH as of September 30, 2009
Data Source: SNL Financial

Deposit mix *(total $6.6 billion)*

($ in millions)

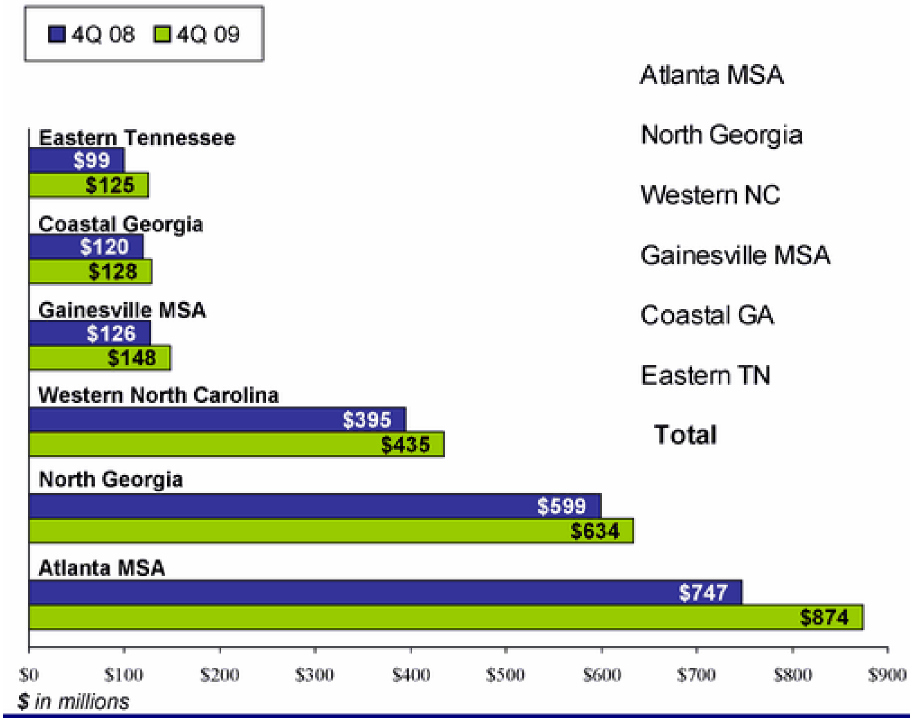
	4Q09	4Q08
Demand NOW	$ 1,465	$ 1,457
MMDA & Savings	879	630
Core Transaction Deposits	**2,344**	**2,087**
	10% Annualized Growth excl SCB acquisition	
Time < $100,000	1,740	1,945
Public Deposits	597	756
Total Core Deposits	**4,681**	**4,788**
Time >$100,000	1,138	1,336
Public Deposits	49	87
Total Customer Deposits	**5,868**	**6,211**
Brokered Deposits	759	793
Total Deposits	**$ 6,627**	**$ 7,004**



As of December 31, 2009

Core transaction deposits

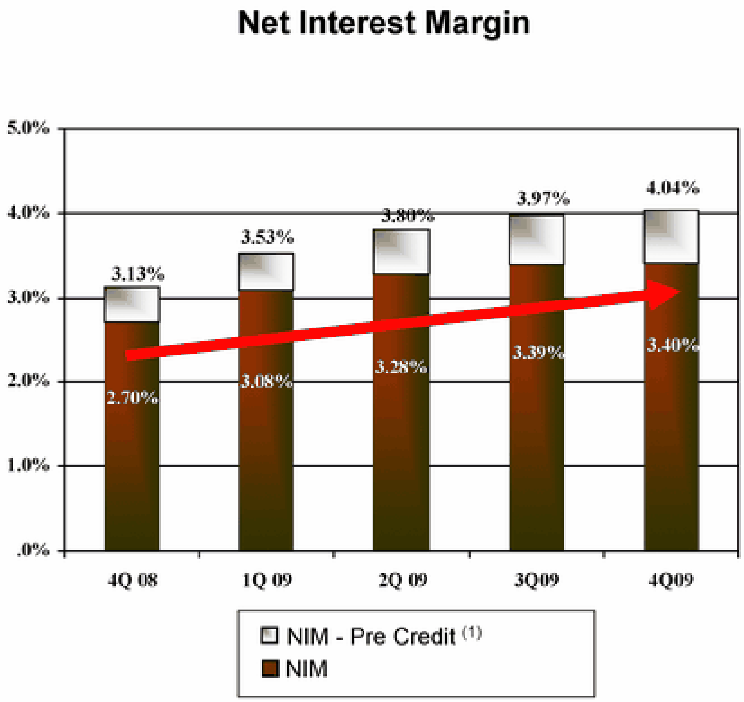
Geographic Diversity



Core Transactions / Total Deposits (%)

	4Q09	4Q08
Atlanta MSA	42.5 %	34.6 %
North Georgia	25.3	22.4
Western NC	41.5	38.5
Gainesville MSA	45.1	39.0
Coastal GA	36.5	28.6
Eastern TN	36.9	24.6
Total	**35.4 %**	**29.8 %**

Net interest margin



(1) Excluding impact of nonaccrual loans, OREO and interest reversals

NIM Characteristics

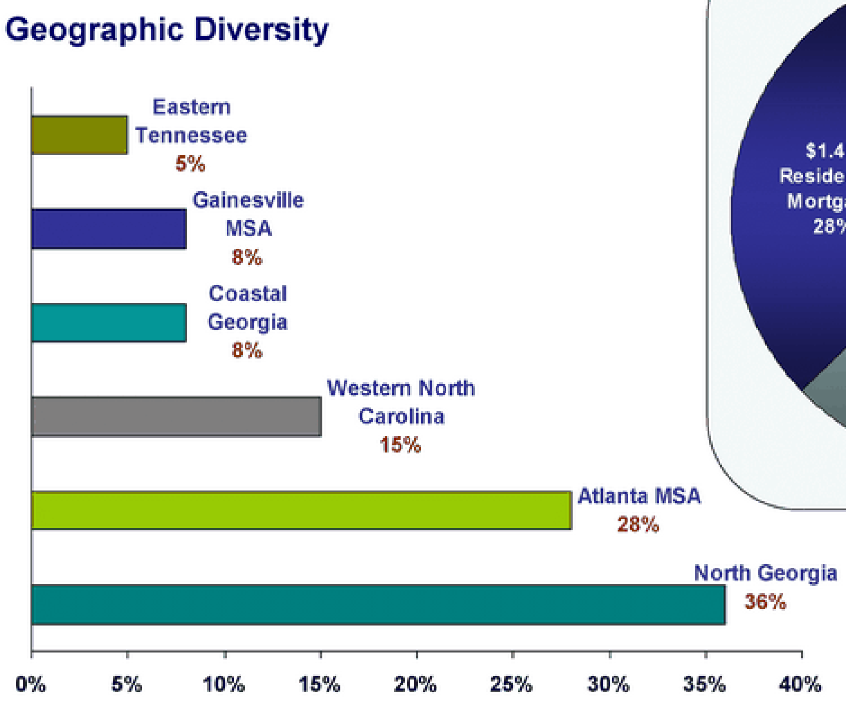
- Margin improvement
  1 bps QTD
  70 bps YTD
- Improved loan and deposit pricing
- Replaced higher priced CDs and money market
- Q4 Excess liquidity costs
  18 bps vs. Q3 2009

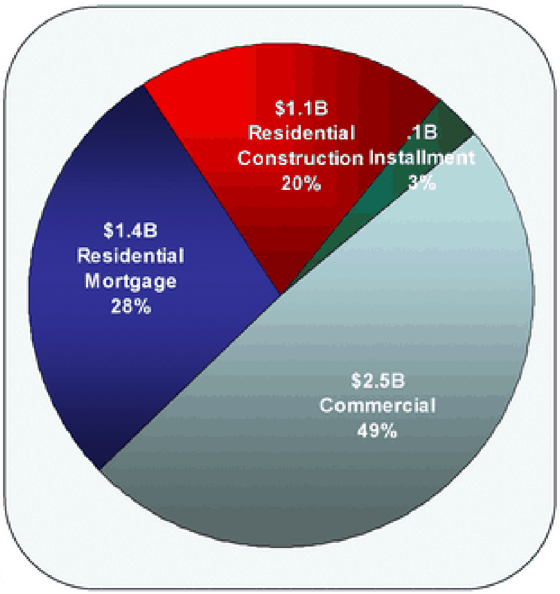
LOAN PORTFOLIO AND CREDIT QUALITY

Proactively addressing credit environment

- **Structure**
  - *Centralized underwriting and approval process*
  - *Segregated work-out teams*
  - *Highly skilled ORE disposition group*
  - *Seasoned regional credit professionals*
- **Process**
  - *Continuous external loan review*
  - *Intensive executive management involvement:*
    - Weekly past due meetings
    - Weekly NPA/ORE meetings
    - Quarterly criticized watch loan review meetings
    - Quarterly pass commercial and CRE portfolio review meetings
  - *Internal loan review of new credit relationships*
  - *Ongoing stress testing… commenced in 2007*
- **Policy**
  - *Ongoing enhancements to credit policy*
  - *Periodic updates to portfolio limits*

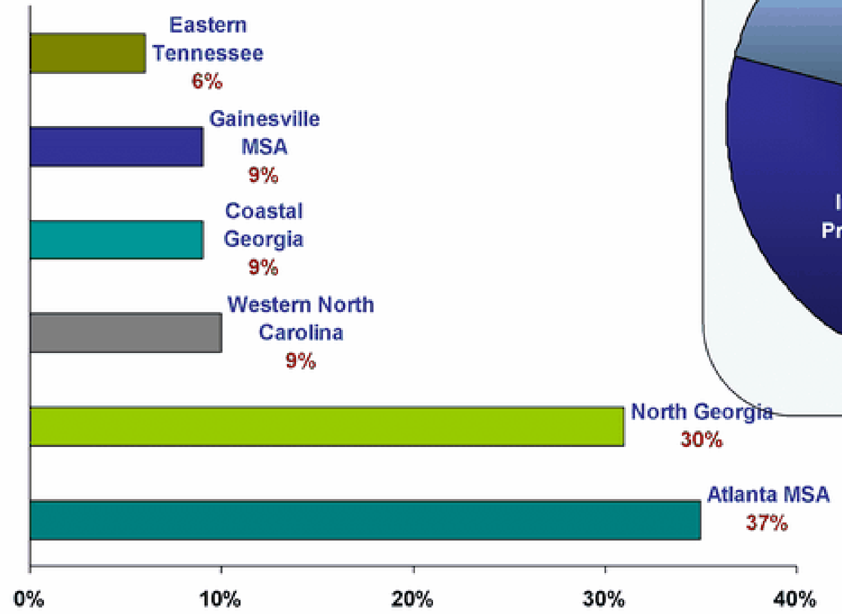
Loan portfolio *(total $5.2 billion)*

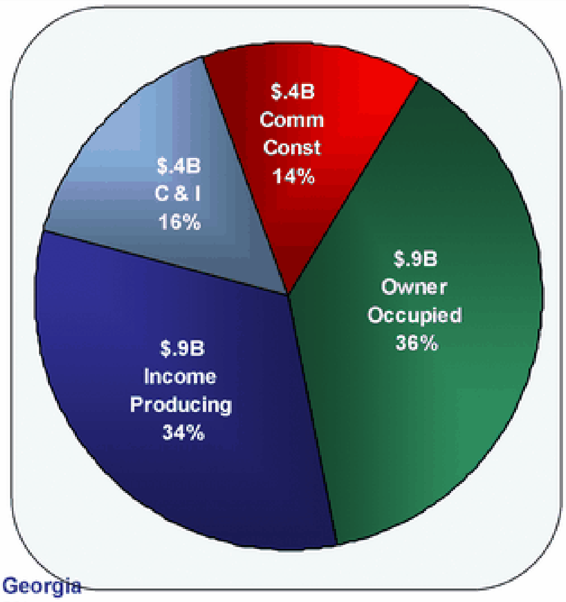




Commercial loans *(total $2.5 billion)*

Geographic Diversity





Average Loan Size

- CRE: $443k
- C&I: $72k
- Comm. Constr. $672k

Commercial real estate *(by loan type)*

(in millions)

Loan Type	Dec 31, 2009 Amount	% of Total
Office Buildings	$ 401	23%
Small Businesses	395	21
Single-Unit Retail/Strip Centers	223	13
Small Warehouses/Storage	169	9
Churches	116	7
Hotels/Motels	120	7
Convenience Stores	86	5
Franchise / Restaurants	78	4
Multi-Residential Properties	66	4
Farmland	47	3
Multi-Unit Retail	42	2
Miscellaneous	36	2
Total Commercial Real Estate	**$ 1,779**	

Portfolio Characteristics

- **54% owner-occupied**
- **46% income producing[(1)]**
- **Typical owner-occupied: small business, doctors, dentists, attorneys, CPAs**
- **$12 million project limit**
- **63% LTV [(1)]**
- **$443k average loan size**

(1) Loan balance as of Dec 31, 2009 / most recent appraisal

Commercial construction *(by loan type)*

(in millions)	Dec 31, 2009	
Loan Type	**Amount**	**% of Total**
Land Development – Vacant (Improved)	112	31%
Raw Land – Vacant (Unimproved)	$ 107	29
Office Buildings	32	9
Retail Buildings	12	3
Churches	3	1
Miscellaneous	97	27
Total Commercial Construction	**$ 363**	

Portfolio Characteristics

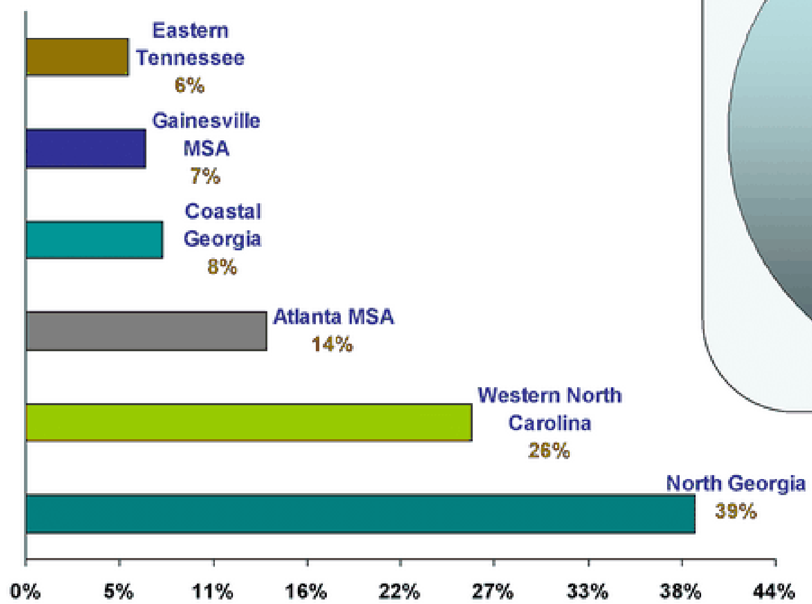
- **$672k Average loan size**
- **Average LTVs [1]**
  - Raw Land: 47%
  - Land Dev.: 47%
  - Total: 50%

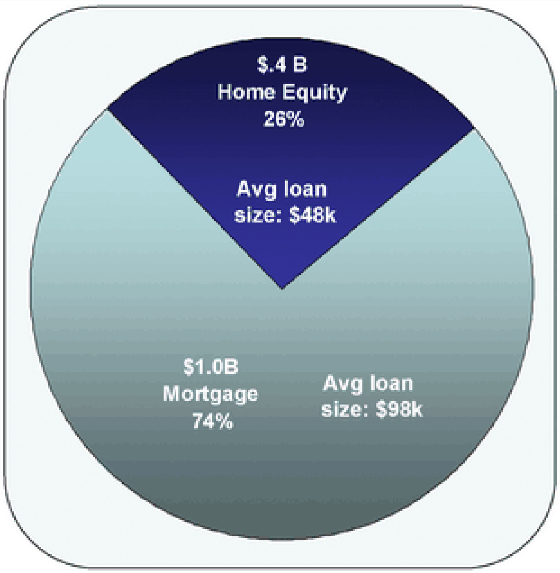
(1) Loan balance as of December 31, 2009 / most recent appraisal

Note: Dollars in millions

Residential mortgage *(total $1.4 billion)*

Geographic Diversity



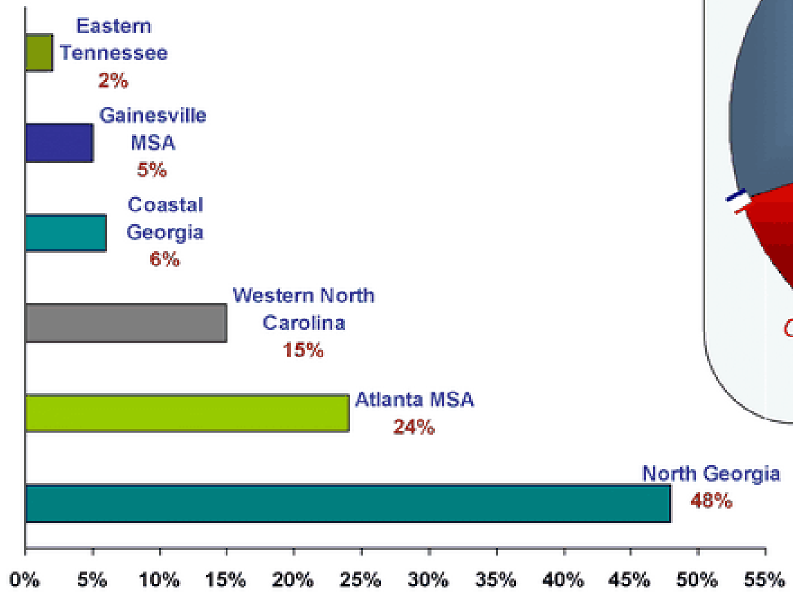


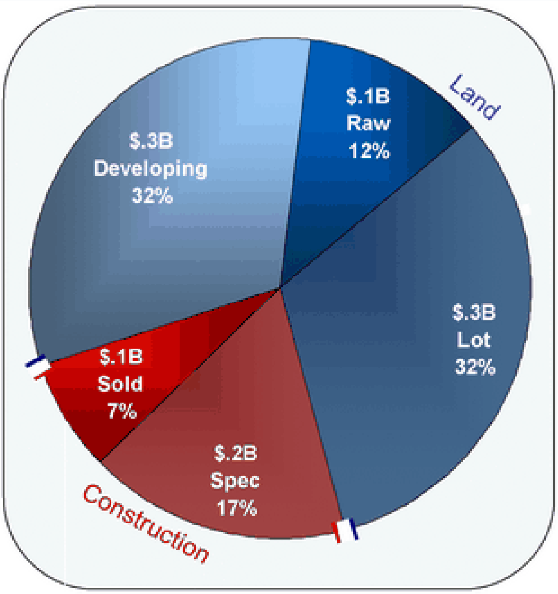
Origination Characteristics

- No broker loans
- No sub-prime / Alt-A
- 78% of HE > 680 FICO
- Policy Max LTV: 80-85%

Residential construction *(total $1.0 billion)*

Geographic Diversity





Average Loan Size

- Spec: $241k
- Sold: $152k
- Develop.: $825k
- Raw: $325k
- Lot: $142k

Atlanta MSA *(residential construction)*

(in millions)

	4Q 09	3Q 09	4Q 08	Variance 3Q 09	Variance 4Q 08
Acquisition & Development					
Developing Land	$ 76	$ 100	$ 167	$ (24)	$ (91)
Raw Land	43	61	56	(18)	(13)
Lot Loans	52	54	86	(2)	(34)
Total	**171**	**215**	**309**	**(44)**	**(138)**
Construction Loans					
Spec	68	91	189	(23)	(121)
Sold	16	22	40	(6)	(24)
Total	**84**	**113**	**229**	**(29)**	**(145)**
Total Res Construction	**$ 255**	**$ 328**	**$ 538**	**$ (73)**	**$ (283)**

Credit quality

(in millions)

	4Q 09	3Q 09	2Q 09	1Q 09	4Q 08
Net Charge-offs	**$ 84.6**	**$ 90.5**	**$ 58.3**	**$ 43.3**	**$ 74.0**
as % of Average Loans	6.37%	6.57%	4.18%	3.09%	5.09%
Allowance for LL	**$ 155.6**	**$ 150.2**	**$ 145.7**	**$ 144.0**	**$ 122.3**
as % of Total Loans	3.02%	2.80%	2.64%	2.56%	2.14%
as % of NPLs	59	49	51	56	64
as % of NPLs - Adjusted (1)	**190**	**149**	**82**	**117**	**125**
Past Due Loans (30 – 89 Days)	**1.44%**	**2.02%**	**1.61%**	**1.67%**	**2.33%**
Non-Performing Loans	**$ 264.1**	**$ 304.4**	**$ 287.8**	**$ 259.1**	**$ 190.7**
OREO	**120.8**	**110.6**	**104.8**	**75.4**	**59.8**
Total NPAs	**$ 384.9**	**$ 415.0**	**$ 392.6**	**$ 334.5**	**$ 250.5**
as % of Total Assets	4.81%	4.91%	4.63%	4.09%	2.92%
as % of Loans & OREO	7.30	7.58	6.99	5.86	4.35

(1) Excluding loans with no allocated reserve

Net charge-offs by loan category

(in thousands)

	4Q09		% of Average Loans			
	NCOs	% of Avg Loans	3Q09	2Q09	1Q09	LTM(1)
Commercial (sec. by RE)	$ 3,896	0.86 %	2.33 %	1.34 %	.20 %	1.18 %
Commercial Construction	4,717	5.03	4.55	.80	.05	2.61
Commercial & Industrial	153	0.15	1.76	3.16	.89	1.49
Total Commercial	**$ 8,766**	1.36	2.57	1.54	.28	1.44
Residential Construction	67,393	23.87	21.31	12.90	10.52	17.15
Residential Mortgage	7,026	1.93	1.36	.95	.80	1.26
Consumer/ Installment	1,400	3.83	3.13	1.80	1.99	2.69
Total Net Charge-offs	**$ 84,585**	**6.37**	**6.57**	**4.18**	**3.09**	**5.05**

(1) Based on simple average of the four quarters

Net charge-offs by market

(in thousands)

	4Q 09		% of Average Loans			
	NCOs	% of Avg Loans	3Q09	2Q09	1Q09	LTM[1]
MARKETS						
Atlanta MSA	$ 43,595	12.07 %	12.61 %	8.89 %	6.16 %	9.93 %
Gainesville MSA	2,273	2.49	1.60	4.38	1.18	2.41
North Georgia	18,057	3.57	4.74	2.52	1.64	3.12
Western North Carolina	10,091	5.11	1.98	.51	1.83	2.36
Coastal Georgia	8,109	7.72	8.78	.85	2.84	5.05
East Tennessee	2,460	3.67	1.30	3.21	1.28	2.37
Total	**$ 84,585**	**6.37**	**6.57**	**4.18**	**3.09**	**5.05**

Note: Dollars in thousands
(1) Based on simple average of the four quarters

NPAs by loan category and market

(in thousands)

LOAN CATEGORY	4Q 09 NPLs	4Q 09 OREO	4Q 09 Total NPAs
Commercial (sec. by RE)	$ 37,040	$ 15,842	$ 52,882
Commercial Construction	19,976	9,761	29,737
Commercial & Industrial	3,946	-	3,946
Total Commercial	**60,962**	**25,603**	**86,565**
Residential Construction	142,332	76,519	218,851
Residential Mortgage	58,767	18,648	77,415
Consumer/ Installment	2,031	-	2,031
Total	**$ 264,092**	**$ 120,770**	**$ 384,862**

MARKETS	4Q 09 NPLs	4Q 09 OREO	4Q 09 Total NPAs
Atlanta MSA	$ 106,536	$ 41,125	$ 147,661
Gainesville MSA	5,074	2,614	7,688
North Georgia	87,598	53,072	140,670
Western N. Carolina	29,610	5,096	34,706
Coastal Georgia	26,871	17,150	44,021
East Tennessee	8,403	1,713	10,116
Total	**$ 264,092**	**$ 120,770**	**$ 384,862**

Key trends - loan portfolio and credit quality

- Majority of credit challenges in 2009 centered in residential construction, primarily in Atlanta; this portfolio continues to decline rapidly which should lead to a reduction in credit losses going forward

- While some deterioration has occurred, the commercial portfolio continues to perform much better than residential construction; the commercial portfolio is highly diversified with low average balances and large percentage of owner-occupied

- Residential mortgage and HELOCs have been affected by unemployment. However, overall performance remains satisfactory given the economic environment

- The pace of ORE sales continued to accelerate in the 4th quarter and demand improved. ORE land sales in rural markets have been more challenging.

Credit quality – SCAP analysis

- **Imputed Stress Test – Estimated Credit Losses Through December 2010**

Loan Type	Balance as of 12/31/08 $MM	%	Management – Base %	$MM	Management – "SCAP" (1) %	$MM	SCAP – Selected Banks (2) %	$MM	SCAP – More Adverse (3) %	$MM
Commercial & Industrial	$353.7	6.2	4.6	$16.3	5.3	$18.6	6.9	$24.5	6.5	$23.0
CRE										
Nonfarm, Non-residential	1,508.1	26.4	4.0	60.3	6.0	90.5			8.0	120.6
Construction	1,978.3	34.7	13.0	257.2	15.0	296.8			16.5	326.4
Multifamily	66.3	1.2	4.0	2.7	6.0	4.0			10.5	7.0
Total CRE	3,552.7	62.3	9.0	320.2	11.0	391.2	12.7	451.2	12.8	454.0
First Lien Mortgages	1,077.7	18.9	3.0	32.3	4.6	49.6	6.8	73.1	7.8	83.5
Second/Junior Lien Mortgages										
Closed-end Junior Liens	55.9	1.0	6.0	3.4	8.8	4.9			23.5	13.1
HELOCs	392.8	6.9	6.0	23.6	8.8	34.6			9.5	37.3
Total Second/Junior Lien Mortgages	448.7	7.9	6.0	26.9	8.8	39.5	10.8	48.4	11.2	50.5
Credit Cards	0.0	0.0	0.0	0.0	0.0	0.0	19.3	0.0	19.0	0.0
Other Consumer	162.6	2.9	7.0	11.4	10.0	16.3	0.0	0.0	10.0	16.3
Other Loans	109.4	1.9	3.0	3.3	4.0	4.4	0.0	0.0	7.0	7.7
Total	$5,704.9	100.0		$410.4		$519.5		$597.1		$634.9
Losses as a % of 12/31/08 Gross Loans				*7.2%*		*9.1%*		*10.5%*		*11.1%*

	Management – Base	Management – "SCAP"	SCAP – Selected Banks	SCAP – More Adverse
Estimated Credit Losses as of December 31, 2008	$410.4	$519.5	$597.1	$634.9
Less: 1/1/09 – 9/30/09 Net Charge-Offs	(192.1)	(192.1)	(192.1)	(192.1)
Less: 10/1/09 – 12/31/09 Net Charge-Offs	(84.6)	(84.6)	(84.6)	(84.6)
Estimated Potential Remaining Credit Losses (1/1/10 – 12/31/10)	$133.7	$242.8	$320.5	$358.2

(1) Represents the SCAP – Selected Banks Scenario modified to reflect the characteristics of United Community Banks existing loan portfolio.

(2) Based on average projected losses per loan category (More Adverse Scenario) for BB&T Corporation, Fifth Third Bancorp, Regions Financial Corporation and SunTrust Banks, Inc. as per the Board of Governors of the Federal Reserve System (2009) "The Supervisory Capital Assessment Program: Overview of Results"

(3) Represents the mid-point of the indicative loss rates by loan category as per the Board of Governors of the Federal Reserve System (2009) "The Supervisory Capital Assessment Program: Overview of Results"

Credit quality – SCAP analysis

Imputed Stress Test – Projected Capital Ratios

Assumptions:	
Targeted LLR / Loans (12/31/10) [1]	2.00%
Core Earnings in 2010 [2]	$94,446
Effective Tax Rate	40%
Aggregate TARP Preferred Dividend [3]	$10,303

	Well- Capitalized	Stress Test Analysis: Projected as of December 31, 2010 [4]			
		Management - Base	Management - SCAP	SCAP - Selected Banks	SCAP - More Adverse
Estimated 2010 Credit Losses		$ 133,666	$ 242,799	$ 320,458	$ 358,237
Consolidated					
Tangible Equity / Tangible Assets		10.0 %	9.2 %	8.6 %	8.3 %
Tangible Common Equity / Tangible Assets		7.7	6.9	6.3	6.0
Tangible Common Equity / Risk-Weighted Assets		11.1	9.8	8.9	8.0
Tier 1 Leverage Ratio	5.0 %	9.4	8.1	7.0	6.6
Tier 1 Risk-Based Capital Ratio	6.0	13.9	11.9	10.2	9.0
Total Risk-Based Capital Ratio [5]	10.0	16.3	14.2	12.6	11.3

Note: Dollars in thousands

(1) Targeted LLR / Loans as of December 31, 2010 based on gross loans (HFI) as of December 31, 2009 reduced by the estimated credit losses under the SCAP Analysis

(2) Assumes quarterly projections for Q1'10 - Q4'10

(3) Q1'10 - Q4'10

(4) Analysis includes an estimated $90.0 million in balance sheet reduction each quarter through 2010 as a result of certain balance sheet strategies including selected loan sales, decreasing exposure to certain loan categories and decreasing wholesale borrowings

(5) Includes estimated phase-out of subordinated debt for regulatory capital (Tier 2) purposes

FINANCIAL RESULTS

Core earnings summary – Fourth Quarter 2009

(in millions)

	4Q09	3Q09	2Q 09	1Q 09	4Q 08	Variance 3Q 09	Variance 4Q 08
Net Interest Revenue	**$ 64.0**	**$ 63.0**	**$ 60.9**	**$ 57.4**	**$ 51.9**	**$ 1.0**	**$ 12.1**
Fee Revenue[1]	14.5	14.5	13.7	12.6	12.6	-	**1.9**
Gross Revenue	**78.5**	**77.5**	**74.6**	**70.0**	**64.5**	**1.0**	**14.0**
Operating Expense[2]	48.1	45.7	47.8	48.3	47.2	2.4	0.9
Core Earnings *(Pre Tax, Pre-Credit)*	**$ 30.4**	**$ 31.8**	**$ 26.8**	**$ 21.7**	**$ 17.3**	**$ (1.4)**	**$ 13.1**
Net Interest Margin	**3.40%**	**3.39%**	**3.28%**	**3.08%**	**2.70%**	**.01%**	**.70%**
Net Interest Margin - Pre Credit [3]	**4.04%**	**3.97%**	**3.80%**	**3.53%**	**3.13%**	**.07%**	**.91%**

(1) Excludes gain on sale of low income housing tax credits, FHLB prepayment charge, securities (losses) / gains, and gain on SCB acquisition
(2) Excludes BOLI expense recovery, special FDIC assessment, foreclosed property costs, severance costs and goodwill impairment charges
(3) Excluding impact of interest reversals, lost interest and carry costs of nonaccrual loans, OREO and interest reversals

Net operating loss – Fourth Quarter 2009

(in millions)

	4Q 09	3Q 09	2Q 09	1Q 09	4Q 08	Variance 3Q 09	Variance 4Q 08
Core Earnings	**$ 30.4**	**$ 31.8**	**$ 26.8**	**$ 21.7**	**$ 17.3**	**$ (1.4)**	**$ 13.1**
Provision for Loan Loss	(90.0)	(95.0)	(60.0)	(65.0)	(85.0)	5.0	(5.0)
Foreclosed Property Costs:							
Write-downs	(9.6)	(4.1)	(2.6)	(1.8)	(2.0)	(5.5)	(7.6)
Other	(4.8)	(3.8)	(3.1)	(2.5)	(3.2)	(1.0)	(1.6)
FDIC Special Assessment	-	-	(3.8)	-	-	-	-
BOLI Expense Recovery	-	-	2.0	-	-	-	-
Gain on Sale of Low Inc Housing Tax Credits	.7	-	-	-	-	.7	.7
Secur's Gains (Losses) & FHLB Prepmt Charge	2.0	1.2	(.7)	.3	(1.9)	.8	3.9
Income Tax Benefit	**31.5**	**26.2**	**18.3**	**15.3**	**28.1**	**5.3**	**3.4**
Net Operating Loss	**$ (39.8)**	**$ (43.7)**	**$ (23.1)**	**$ (32.0)**	**$ (46.7)**	**3.9**	**$ 6.9**
Operating Loss Per Diluted Share	**(.45)**	**(.93)**	**(.53)**	**(.71)**	**(.99)**	**.48**	**.54**

Net loss – Fourth Quarter 2009

(in millions)

	4Q09	3Q09	2Q09	1Q09	4Q08	Variance 3Q 09	Variance 4Q 08
Net Operating Loss	**$ (39.8)**	**$ (43.7)**	**$ (23.1)**	**$ (32.0)**	**$ (46.7)**	**$ 3.9**	**$ 6.9**
Gain on Acquisition ($11.4 pre-tax)	-	-	7.1	-	-	-	-
Goodwill Impairment Charge	-	(25.0)	-	(70.0)	-	25.0	-
Severance Costs ($2.9 pre-tax)	-	-	-	(1.8)	-	-	-
Net Loss	**$ (39.8)**	**$ (68.7)**	**$ (16.0)**	**$ (103.8)**	**$ (46.7)**	**$ 28.9**	**$ 6.9**
Preferred Stock Dividend (TARP)	$ (2.6)	$ (2.6)	$ (2.6)	$ (2.5)	$ (0.7)	$ -	$ (1.9)
Net Loss Avail to Common Shareholders	**$ (42.4)**	**$ (71.3)**	**$ (18.6)**	**$ (106.3)**	**$ (47.4)**	**$ 28.9**	**$ 5.0**
Net Loss Per Diluted Share	**$ (.45)**	**$ (1.43)**	**$ (.38)**	**$ (2.20)**	**$ (.99)**	**$ .98**	**$ .54**

Capital ratios *(as percentages)*

	Well-Capitalized	4Q 09	3Q 09	4Q 08
Regulatory Capital				
Tier 1 Risk-Based	6%	12.4%	13.2%	11.2 %
Total Risk-Based	10	15.1	15.8	13.9
Leverage	5	8.5	9.5	8.3
Tangible Equity to Risk-Weighted Assets		13.6	13.7	11.2
Tangible Common Equity to Risk-Weighted Assets		10.4	10.7	8.3
Tangible Equity to Assets		9.5	9.6*	6.6
Tangible Common Equity to Assets		7.4	7.4*	6.2

*Ratio as of quarter-end

APPENDIX

UNITED

Experienced proven leadership

		Joined UCBI	Years in Banking
Jimmy Tallent	President and CEO	1984	36
Guy Freeman	Chief Operating Officer	1994	49
Rex Schuette	Chief Financial Officer	2001	32
David Shearrow	Chief Risk Officer	2007	28
Glenn White	President, Atlanta Region	2007	35
Craig Metz	Marketing	2002	17
Bill Gilbert	Retail Banking	2000	33

Business and operating model

Community bank service, large bank resources

- **Twenty-seven "community banks"**
  - *Local CEOs with deep roots in their communities*
  - *Resources of $8.0 billion bank*
- **Service is point of differentiation**
  - *Golden rule of banking*
    - "The Bank That SERVICE Built"
  - *Ongoing customer surveys*
    - +90% satisfaction rate
- **Strategic footprint with substantial banking opportunities**
  - *Operates in a number of the more demographically attractive markets in the U.S.*
- **Disciplined growth strategy**
  - *Organic supported by de novos and selective acquisitions*

Robust demographics *(fast growing markets)*

Markets[1]	Population *(in thousands)*	Population Growth (%) Actual 2000 – 2009	Population Growth (%) Projected 2009 – 2014
North Georgia	396	24	10
Atlanta MSA	5,544	31	13
Gainesville MSA	187	34	15
Coastal Georgia	370	10	5
Western North Carolina	425	11	5
East Tennessee	850	13	6
Total Markets			
Georgia	9,933	21	9
North Carolina	9,370	16	8
Tennessee	6,297	11	5
United States	309,732	10	5

[1] ***Population data is for 2009 and includes those markets where United takes deposits.***
Source: SNL

Market share opportunities *(excellent growth prospects)*

Markets	Market Deposits *(in billions)*[1]	United Deposits	Banks	Offices	Deposit Share[1]	Rank[1]
North Georgia	$ 8.5	$ 2.5	11	23	31 %	1
Atlanta MSA	55.2	2.1	10	39	4	7
Gainesville MSA	2.6	.3	1	6	13	4
Coastal Georgia	7.5	.4	2	9	5	8
Western North Carolina	7.3	1.0	1	20	14	3
East Tennessee	14.4	.3	2	10	3	7
Total Markets	**$ 95.5**	**$ 6.6**	**27**	**107**		

[1] *FDIC deposit market share and rank as of 6/09 for markets where United takes deposits.*
Source: SNL and FDIC

Leading demographics

Rank	Ticker	Company[1]	State	Total Assets ($ B)	2009 - 2014 Population Growth [2]
1	WAL	Western Alliance Bancorporation	NV	$ 5.8	11.25 %
2	WTNY	Whitney Holding Corporation	LA	$ 11.7	9.75
3	**UCBI**	**United Community Banks, Inc.**	**GA**	**8.0**	**9.65**
4	CFR	Cullen/Frost Bankers, Inc.	TX	16.2	9.20
5	PNFP	Pinnacle Financial Partners, Inc.	TN	5.1	8.80
6	IBOC	International Bancshares Corporation	TX	11.7	8.05
7	FCNCA	First Citizens BancShares, Inc.	NC	18.5	7.75
8	PRSP	Prosperity Bancshares, Inc.	TX	9.0	7.35
9	TSFG	South Financial Group, Inc.	SC	12.3	7.10
10	GBCI	Glacier Bancorp, Inc.	MT	5.7	6.60
11	CVBF	CVB Financial Corp.	CA	6.5	6.50
12	TCBI	Texas Capital Bancshares, Inc.	TX	5.3	6.35
13	CBC	Capitol Bancorp Ltd.	MI	5.3	6.15
14	SNV	Synovus Financial Corp.	GA	34.6	5.85
15	BOKF	BOK Financial Corporation	OK	23.9	5.80

Note: Financial information as of September 30, 2009
(1) Includes publicly traded companies with assets between $5.0 – 50.0 billion as of September 30, 2009
(2) Population growth weighted by county as of September 30, 2009 (cumulative)
Data Source: SNL Financial

Small business market growth

(# of business with 1 – 49 employees)

Markets[1]	*2000*	*2006*	*Small Business Growth*	*Population Growth 2000-2009*
North Georgia	6,453	7,693	19%	24%
Atlanta MSA	**70,893**	**126,200**	**78%**	**31%**
Gainesville MSA	3,158	3,824	21%	34%
Coastal Georgia	9,441	10,210	8%	10%
Western North Carolina	10,274	11,544	12%	11%
East Tennessee	16,273	17,839	10%	13%

The Atlanta MSA is seeing small business growth at nearly double its already significantly increasing population growth.

[1] *Population data is for 2009, SNL;*
Business demographics, U.S. Census Statistics of U.S. Businesses, 2000 & 2006; County Business Patterns 2000-2006

Business mix - loans *(at quarter-end)*

(in millions)	4Q 09	3Q 09	2Q 09	1Q 09	4Q 08	Year over Year % Change
LOANS BY CATEGORY						
Commercial (sec. by RE)	$1,779	$1,787	$1,797	$1,779	$1,627	9
Commercial construction	363	380	379	377	500	(27)
Commercial & Industrial	390	403	399	387	410	(5)
Total commercial	**2,532**	**2,570**	**2,575**	**2,543**	**2,537**	**0**
Residential construction	1,050	1,185	1,315	1,430	1,479	(29)
Residential mortgage	1,427	1,461	1,470	1,504	1,526	(6)
Consumer/installment	142	147	153	156	163	(13)
TOTAL LOANS	**$5,151**	**$5,363**	**$5,513**	**$5,633**	**$5,705**	**(10)**

Business mix - loans *(at year-end)*

(in millions)	2009	2008	2007	2006	2005
LOANS BY CATEGORY					
Commercial (sec. by RE)	$1,779	$1,627	$1,476	$1,230	$1,055
Commercial construction	363	500	527	469	359
Commercial & Industrial	390	410	418	296	237
Total commercial	**2,532**	**2,537**	**2,421**	**1,995**	**1,651**
Residential construction	1,050	1,479	1,829	1,864	1,380
Residential mortgage	1,427	1,526	1,502	1,338	1,206
Consumer/installment	142	163	177	180	161
TOTAL LOANS	**$5,151**	**$5,705**	**$5,929**	**$5,377**	**$4,398**

Residential construction – total company

(in millions)	4Q 09	3Q 09	2Q 09	1Q 09	4Q 08
Land Loans					
Developing Land	$ 332	$ 380	$ 413	$ 445	$ 484
Raw Land	127	159	159	155	153
Lot Loans	336	336	369	390	358
Total	**795**	**875**	**941**	**990**	**995**
Construction Loans					
Spec	178	218	268	317	347
Sold	77	92	106	123	137
Total	**255**	**310**	**374**	**440**	**484**
Total Res Construction	**$1,050**	**$1,185**	**$1,315**	**$1,430**	**$1,479**

Residential construction – Atlanta MSA

(in millions)	4Q 09	3Q 09	2Q 09	1Q 09	4Q 08
Land Loans					
Developing Land	$ 76	$ 100	$ 124	$ 148	$ 167
Raw Land	43	61	63	52	56
Lot Loans	52	54	81	98	86
Total	**171**	**215**	**268**	**298**	**309**
Construction Loans					
Spec	68	91	127	164	189
Sold	16	22	29	33	40
Total	**84**	**113**	**156**	**197**	**229**
Total Res Construction	**$ 255**	**$ 328**	**$ 424**	**$ 495**	**$ 538**

Loans – markets served *(at quarter-end)*

(in millions)	4Q 09	3Q 09	2Q 09	1Q 09	4Q 08
LOANS BY MARKET					
Atlanta MSA	$1,435	$1,526	$1,605	$1,660	$1,706
Gainesville MSA	390	402	413	422	420
North Georgia	1,884	1,942	1,978	2,014	2,040
Western North Carolina	772	786	794	808	810
Coastal Georgia	405	440	455	460	464
East Tennessee	265	267	268	269	265
Total loans	**$5,151**	**$5,363**	**$5,513**	**$5,633**	**$5,705**

Loans – markets served *(at year-end)*

(in millions)	2009	2008	2007	2006	2005
LOANS BY MARKET					
Atlanta MSA	$ 1,435	$ 1,706	$ 2,002	$ 1,651	$ 1,207
Gainesville MSA	390	420	400	354	249
North Georgia	1,884	2,040	2,060	2,034	1,790
Western North Carolina	772	810	806	773	668
Coastal Georgia	405	464	415	358	306
East Tennessee	265	265	246	207	178
Total loans	**$ 5,151**	**$ 5,705**	**$ 5,929**	**$ 5,377**	**$ 4,398**

Lending – credit summary *(as of December 31, 2009)*

(in millions)

Legal lending limit	**$208**
House lending limit	**20**
Top 25 relationships	**408**

- 7.9% of total loans

Regional credit review

- Standard underwriting

NPAs by loan category, market, and activity

UNITED COMMUNITY BANKS, INC.
Financial Highlights
Credit Quality [1]

(in thousands)	Fourth Quarter 2009			Third Quarter 2009			Second Quarter 2009		
	Non-performing Loans	Foreclosed Properties	Total NPAs	Non-performing Loans	Foreclosed Properties	Total NPAs	Non-performing Loans	Foreclosed Properties	Total NPAs
NPAs BY CATEGORY									
Commercial (sec. by RE)	$ 37,040	$ 15,842	$ 52,882	$ 38,379	$ 12,566	$ 50,945	$ 37,755	$ 5,395	$ 43,150
Commercial construction	19,976	9,761	29,737	38,505	5,543	44,048	15,717	5,847	21,564
Commercial & industrial	3,946	-	3,946	3,794	-	3,794	11,378	-	11,378
Total commercial	60,962	25,603	86,565	80,678	18,109	98,787	64,850	11,242	76,092
Residential construction	142,332	76,519	218,851	171,027	79,045	250,072	176,400	81,648	258,048
Residential mortgage	58,767	18,648	77,415	50,626	13,456	64,082	44,256	11,864	56,120
Consumer / installment	2,031	-	2,031	2,050	-	2,050	2,342	-	2,342
Total NPAs	$ 264,092	$ 120,770	$ 384,862	$ 304,381	$ 110,610	$ 414,991	$ 287,848	$ 104,754	$ 392,602
NPAs BY MARKET									
Atlanta MSA	$ 106,536	$ 41,125	$ 147,661	$ 120,599	$ 54,670	$ 175,269	$ 148,155	$ 50,450	$ 198,605
Gainesville MSA	5,074	2,614	7,688	12,916	8,429	21,345	9,745	3,511	13,256
North Georgia	87,598	53,072	140,670	96,373	36,718	133,091	72,174	37,454	109,628
Western North Carolina	29,610	5,096	34,706	25,775	5,918	31,693	21,814	7,245	29,059
Coastal Georgia	26,871	17,150	44,021	38,414	3,045	41,459	30,311	3,904	34,215
East Tennessee	8,403	1,713	10,116	10,304	1,830	12,134	5,649	2,190	7,839
Total NPAs	$ 264,092	$ 120,770	$ 384,862	$ 304,381	$ 110,610	$ 414,991	$ 287,848	$ 104,754	$ 392,602
NPA ACTIVITY									
Beginning Balance	$ 304,381	$ 110,610	$ 414,991	$ 287,848	$ 104,754	$ 392,602	$ 259,155	$ 75,383	$ 334,538
Loans placed on non-accrual	174,898	-	174,898	190,164	-	190,164	169,351	-	169,351
Payments received	(26,935)	-	(26,935)	(16,597)	-	(16,597)	(15,597)	-	(15,597)
Loan charge-offs	(88,427)	-	(88,427)	(92,359)	-	(92,359)	(60,644)	-	(60,644)
Foreclosures	(79,983)	79,983	-	(56,624)	56,624	-	(64,417)	64,417	-
Capitalized costs	-	981	981	-	579	579	-	1,324	1,324
Note / property sales	(19,842)	(61,228)	(81,070)	(8,051)	(47,240)	(55,291)	-	(33,752)	(33,752)
Write downs	-	(2,209)	(2,209)	-	(1,906)	(1,906)	-	(2,738)	(2,738)
Net (gains) losses on sales	-	(7,367)	(7,367)	-	(2,201)	(2,201)	-	120	120
Ending Balance	$ 264,092	$ 120,770	$ 384,862	$ 304,381	$ 110,610	$ 414,991	$ 287,848	$ 104,754	$ 392,602

(1) [illegible] with the FDIC, related to the acquisition of [illegible] Community Bank. (2) Annualized.

Net charge-offs by category and market

UNITED COMMUNITY BANKS, INC.
Financial Highlights
Credit Quality (1)

(in thousands)	Fourth Quarter 2009 Net Charge-Offs	Fourth Quarter 2009 Net Charge-Offs to Average Loans (2)	Third Quarter 2009 Net Charge-Offs	Third Quarter 2009 Net Charge-Offs to Average Loans (2)	Second Quarter 2009 Net Charge-Offs	Second Quarter 2009 Net Charge-Offs to Average Loans (2)
NET CHARGE-OFFS BY CATEGORY						
Commercial (sec. by RE)	$ 3,896	.86 %	$ 10,568	2.33 %	$ 5,986	1.34 %
Commercial construction	4,717	5.03	4,369	4.55	756	.80
Commercial & industrial	153	.15	1,792	1.76	3,107	3.16
Total commercial	8,766	1.36	16,729	2.57	9,849	1.54
Residential construction	67,393	23.87	67,520	21.31	44,240	12.90
Residential mortgage	7,026	1.93	5,051	1.36	3,526	.95
Consumer / installment	1,400	3.83	1,191	3.13	697	1.80
Total	$ 84,585	6.37	$ 90,491	6.57	$ 58,312	4.18
NET CHARGE-OFFS BY MARKET						
Atlanta MSA	$ 43,595	12.07 %	$ 50,129	12.61 %	$ 37,473	8.89 %
Gainesville MSA	2,273	2.49	1,473	1.60	4,125	4.38
North Georgia	18,057	3.57	24,017	4.74	12,571	2.52
Western North Carolina	10,091	5.11	3,949	1.98	1,015	.51
Coastal Georgia	8,109	7.72	10,051	8.78	969	.85
East Tennessee	2,460	3.67	872	1.30	2,159	3.21
Total	$ 84,585	6.37	$ 90,491	6.57	$ 58,312	4.18

(1) Excludes non-performing loans and foreclosed properties covered by the loss-sharing agreement with the FDIC, related to the acquisition of Southern Community Bank.
(2) Annualized.

Liquidity – loans / deposits

(in millions)

	4Q 09	3Q 09	4Q 08	Variance vs 3Q 09	Variance vs 4Q 08
Loans	**$ 5,151**	**$ 5,363**	**$ 5,705**	**$ (212)**	**$ (554)**
Core (DDA, MMDA, Savings)	$ 2,344	$ 2,340	$ 2,087	$ 4	$ 257
Public Funds	646	607	843	39	(197)
CD's	2,879	3,035	3,281	(156)	(402)
Total Deposits ***(excl Brokered)***	**$ 5,869**	**$ 5,982**	**$ 6,211**	**$ (113)**	**$ (342)**
Loan to Deposit Ratio	**88%**	**90%**	**92%**		
Investment Securities	$ 1,530	$ 1,533	$ 1,617	$ (3)	$ (87)
Percent of Assets	**19%**	**18%**	**19%**		
Commercial & Short-Term Paper	$ 184	$ 397	$ 369	$ (213)	$ (185)

Liquidity – wholesale borrowings

(in millions)

	Unused Capacity	4Q 09	3Q 09	4Q 08	Variance vs 3Q 09	Variance vs 4Q 08
Brokered Deposits	$ 1,241	$ 759	$ 839	$ 793	$ (80)	$ (34)
FHLB	798	115	315	235	(200)	(120)
Fed Funds	100	-	-	8	-	(8)
Other Wholesale	330	101	102	100	(1)	1
Total Wholesale	$ 2,469	**$ 975**	**$ 1,256**	**$ 1,136**	**$ (281)**	**$ (161)**

	4Q 09	3Q 09	4Q 08	Variance vs 3Q 09	Variance vs 4Q 08
Sub-Debt	$ 96	$ 96	$ 97	$ -	$ (1)
Trust Preferred Securities	54	54	54	-	-
Total Long-Term Debt	**$ 150**	**$ 150**	**$ 151**	**$ -**	**$ (1)**

Business mix – deposits *(at quarter-end)*

(in millions)

DEPOSITS BY CATEGORY	4Q 09	3Q 09	2Q 09	1Q 09	4Q 08
Demand & NOW	$ 1,465	$ 1,481	$ 1,523	$ 1,485	$ 1,457
MMDA & Savings	879	858	744	665	630
Core Transaction Deposits	**2,344**	**2,339**	**2,267**	**2,150**	**2,087**
Time < $100,000	1,740	1,848	1,985	1,904	1,945
Public Deposits	597	557	482	485	756
Total Core Deposits	**4,681**	**4,744**	**4,734**	**4,539**	**4,788**
Time > $100,000	1,138	1,187	1,293	1,275	1,336
Public Deposits	49	50	59	75	87
Total Customer Deposits	**5,868**	**5,981**	**6,086**	**5,889**	**6,211**
Brokered Deposits	759	840	763	727	793
Total Deposits	**6,627**	**6,821**	**6,849**	**6,616**	**7,004**

Analyst coverage

- **FBR Capital**
  (Market Perform – Nov 20, 2009)
- **FIG Partners**
  (Outperform – Nov 9, 2009)
- **Keefe, Bruyette & Woods**
  (Market Perform – Oct 26, 2009)
- **Macquarie Capital (USA)***
  (In Line – Sept 25, 2009)
- **Raymond James & Associates**
  (Outperform – Oct 26, 2009)

**Macquarie Capital (USA), Inc. acquired Fox-Pitt Kelton Cochran Caronia Waller LLC on 11/30/09.*

- **Sandler O'Neill & Partners**
  (Hold – Jan 5, 2010)
- **Soleil (Tenner Investment Research)**
  (Hold – Oct 23, 2009)
- **Stephens, Inc.**
  (Equal-Weight – Oct 26, 2009)
- **Sterne Agee & Leach, Inc.**
  (Neutral – Oct 23, 2009)
- **SunTrust Robinson Humphrey**
  (Buy – Oct 11, 2009)

Southern Community Bank

- Purchased – June 19, 2009 *($ in millions)*
- Nine years old – Enhances presence in southside metro Atlanta markets
- Four banking offices in southside metro Atlanta MSA – Fayetteville, Coweta and Henry counties
- 54 employees
- $208 in customer deposits, including $53 core deposits
- FDIC assisted transaction: 80% guarantee on $109 loss threshold, 95% above
  - Fully discounted bid with no credit exposure
  - Accounted for credit related items (at FMV) as "covered assets" on balance sheet

	Q409	Q209
Loans	$ 85	$ 110
OREO	34	25
FDIC receivable	67	95
Total Covered Assets	$186	$ 230

  - Pre-tax gain on acquisition of $11.4
- Accretive to earnings per share in 2009

Non-GAAP reconciliation tables

(in millions, except EPS)

	Operating Earnings to GAAP Earnings Reconciliation				
	4Q 09	3Q 09	2Q09	1Q09	4Q08
Core fee revenue reconciliation					
Core fee revenue	$ 14.5	$ 14.5	$ 13.7	$ 12.6	$ 12.6
Securities gains (losses), net	2.0	1.2	(.7)	.3	.8
Gain from sale of low incoming housing tax credits	.7	-	-	-	-
FHLB prepayment charge	-	-	-	-	(2.7)
Gain on acquisition	-	-	11.4	-	-
Fee Revenue (GAAP)	**$ 17.2**	**$ 15.7**	**$ 24.4**	**$ 12.9**	**$ 10.7**
Core operating expense reconciliation					
Core operating expense	$ 48.1	$ 45.7	$ 47.8	$ 48.3	$ 47.2
Foreclosed property expense	14.4	7.9	5.7	4.3	5.2
FDIC special assessment	-	-	3.8	-	-
BOLI expense recovery	-	-	(2.0)	-	-
Goodwill impairment charge	-	25.0	-	70.0	-
Severance costs	-	-	-	2.9	-
Operating expense (GAAP)	**$ 62.5**	**$ 78.6**	**$ 55.3**	**$ 125.5**	**$ 52.4**
Diluted loss per common share reconciliation					
Diluted operating loss per common share	$ (.45)	$ (.93)	$ (.53)	$ (.71)	$ (.99)
Gain from acquisition	-	-	.15	-	-
Noncash goodwill impairment charge	-	(.50)	-	(1.45)	-
Severance costs	-	-	-	(.04)	-
Diluted loss per common share (GAAP)	**$ (.45)**	**$ (1.43)**	**$ (.38)**	**$ (2.20)**	**$ (.99)**

Non-GAAP reconciliation tables

	Operating Earnings to GAAP Earnings Reconciliation				
	4Q09	3Q09	2Q09	1Q09	4Q08
Net interest margin - pre credit reconciliation					
Net interest margin - pre credit	4.04 %	3.97 %	3.80 %	3.53 %	3.13 %
Effect of interest reversals, lost interest, and carry costs of NPAs	(.64)	(.58)	(.52)	(.45)	(.43)
Net interest margin	**3.40** %	**3.39** %	**3.28** %	**3.08** %	**2.70** %
Tangible common equity and tangible equity to tangible assets reconciliation					
Tangible common equity to tangible assets	7.37 %	5.36 %	5.77 %	6.09 %	6.21 %
Effect of preferred equity	2.16	2.19	2.19	2.15	.35
Tangible equity to tangible assets	**9.53**	**7.55**	**7.96**	**8.24**	**6.56**
Effect of goodwill and other intangibles	2.41	2.72	2.75	3.32	3.48
Equity to assets (GAAP)	**11.94** %	**10.27** %	**10.71** %	**11.56** %	**10.04** %
Tangible common equity to risk-weighted assets reconciliation					
Tangible common equity to risk-weighted assets	10.39 %	10.67 %	7.49 %	8.03 %	8.34 %
Effect of preferred equity	3.19	3.04	2.99	2.96	2.90
Tangible equity to risk weighted assets	13.58	13.71	10.48	10.99	11.24
Effect of other comprehensive income	(.87)	(.90)	(.72)	(1.00)	(.91)
Effect of trust preferred	.97	.92	.90	.89	.88
Effect of deferred tax asset limitation	(1.27)	(.58)	(.22)	-	-
Tier I capital ratio (Regulatory)	**12.41** %	**13.15** %	**10.44** %	**10.88** %	**11.21** %