

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):
June 26, 2013

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

Georgia
(State or other jurisdiction of
incorporation)

No. 001-35095
(Commission File Number)

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

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

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

Not applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240-13e-4(c))

Item 1.01 **Entry into a Material Definitive Agreement.**

In connection with the Transaction described under Item 8.01 of this Current Report on Form 8-K, United Community Bank (the “**Bank**”), a wholly owned subsidiary of United Community Banks, Inc. (the “**Company**”), entered into the Purchase Agreements described below.

Item 8.01 **Other Events.**

On June 26, 2013, the Company announced the completion of an accelerated disposition of classified assets during the second quarter of 2013 with a carrying amount of approximately \$171 million and the reversal of approximately \$266 million of its deferred tax asset valuation allowance (the “**DTA Reversal**”). The classified assets sold during the quarter included \$131 million of performing classified loans, non-performing loans and foreclosed properties sold in a bulk sale for an aggregate purchase price of approximately \$81 million (the “**Transaction**”). The Bank entered into three substantially similar Asset Purchase and Sale Agreements (the “**Purchase Agreements**”) with Great Oak Pool I LLC, a Delaware limited liability company, in connection with the Transaction.

On June 26, 2013, the Company issued a press release related to the disposition of classified assets and the DTA Reversal referred to in this Current Report on Form 8-K. The full text of the press release is filed herewith as Exhibit 99.1 and is incorporated herein by reference.

Item 9.01 **Financial Statements and Exhibits.**

(d) Exhibits

| Exhibit No. | Description |
|------------------------|--------------------|
|------------------------|--------------------|

| | |
|------|-------------------------------------|
| 99.1 | Press Release, dated June 26, 2013. |
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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

UNITED COMMUNITY BANKS, INC.

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

Date: June 27, 2013



For Immediate Release

June 26, 2013

For more information:
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**UNITED COMMUNITY BANKS, INC. ANNOUNCES
SALE OF CLASSIFIED ASSETS AND
REVERSAL OF DEFERRED TAX ASSET VALUATION ALLOWANCE**

BLAIRSVILLE, GA – June 26, 2013 – United Community Banks, Inc. (TICKER: UCBI) announced today the completion of an accelerated disposition of classified assets with a carrying amount of approximately \$171 million and the reversal of approximately \$266 million of its deferred tax asset (“DTA”) valuation allowance. As a result, net income for the second quarter of 2013 will be increased by approximately \$220 million, or \$3.78 per share.

The DTA valuation allowance recovery is the result of United’s sustained profitability and improving credit quality that has led to significantly lower credit costs. United will reverse \$266 million of the total \$271 million DTA valuation allowance, leaving approximately \$5 million related to certain short-term tax credits. The DTA will be used in future periods to reduce income tax payments.

“The classified assets sold this quarter included performing classified loans, non-performing loans and foreclosed properties of which, a significant portion were in a bulk sale,” said United Community Banks’ President and Chief Executive Officer Jimmy Tallent. “The sale accelerates the improvement in our credit quality and financial performance and improves our regulatory standing while lowering our classified assets ratio (classified assets to Tier 1 Capital plus allowance for loan losses) to below 30 percent.

“United’s credit measures have steadily improved since the credit crisis and will advance even further, following the accelerated disposition of classified assets this quarter,” stated Tallent. “Non-performing loan inflows, charge-offs, loan loss provisions and foreclosure costs are expected to be significantly lower with the removal of a large portion of our classified assets from the balance sheet. The accelerated disposition has also substantially improved our classified asset ratio to approximately 26 percent from 49 percent at March 31, 2013, while lowering expected non-performing assets to approximately \$30 million and performing classified loans to \$170 million at quarter-end.

“Net charge-offs for the second quarter, driven by the accelerated disposition of classified assets, are expected to be approximately \$71 million. We expect the provision for loan losses to be approximately \$47 million, which will lower earnings by \$31 million after-tax, or 53 cents per share,” commented Tallent. “Additionally, net income will include a \$251 million tax credit, or \$4.31 per share, relating to the recovery of our DTA valuation allowance. The effect of the two events will increase net income for the second quarter of 2013 by approximately \$220 million, or \$3.78 per share. Additionally, tangible book value is expected to increase by a slightly higher amount, or \$4.00 per share, due to other deferred tax related adjustments.

“The sale of classified assets and recovery of the DTA valuation allowance are important initiatives that will enhance United Community Banks’ sustained profitability and further opportunities for long-term success,” concluded Tallent. “The lower expected credit costs coupled with continuing to execute on other parts of our strategic plan will accelerate our ability to attain a key performance goal of one percent return on assets. Meanwhile, our steadfast team of United employees is driving this company forward with their customary determination and commitment to service.”

About United Community Banks, Inc.

Headquartered in Blairsville, United Community Banks, Inc. is the third-largest bank holding company in Georgia. United has assets of \$6.8 billion and operates 103 banking offices throughout north Georgia, the Atlanta region, coastal Georgia, western North Carolina, east Tennessee and northwest South Carolina. United specializes in providing personalized community banking services to individuals and small to mid-size businesses and also offers the convenience of 24-hour access through a network of ATMs, telephone and on-line banking. United's common stock is listed on the Nasdaq Global Select Market under the symbol UCBI. Additional information may be found at United's website at www.ucbi.com.

Safe Harbor

This news release contains forward-looking statements, as defined by federal securities laws, including statements about United's financial outlook and business environment. These statements are based on current expectations and are provided to assist in the understanding of future financial performance. Such performance involves risks and uncertainties that may cause actual results to differ materially from those expressed or implied in any such statements. For a discussion of some of the risks and other factors that may cause such forward-looking statements to differ materially from actual results, please refer to United's filings with the Securities and Exchange Commission including its 2012 Annual Report on Form 10-K under the sections entitled "Forward-Looking Statements" and "Risk Factors." Forward-looking statements speak only as of the date they are made, and we undertake no obligation to update or revise forward-looking statements.