



## United Community Banks, Inc. Announces Acquisition of Southern Community Bank

BLAIRSVILLE, GA, Jun 19, 2009 (MARKETWIRE via COMTEX News Network) -- United Community Banks, Inc. (NASDAQ: UCBI) announced today that its wholly-owned subsidiary, United Community Bank, has entered into an agreement with the Federal Deposit Insurance Corporation (FDIC) to purchase the assets and assume the deposit liabilities and secured wholesale borrowings of Southern Community Bank. The Georgia Department of Banking and Finance declared Southern Community Bank closed today and appointed the FDIC as receiver. The FDIC then assigned the assets, deposit liabilities and secured wholesale borrowings of Southern Community Bank to United Community Bank under a loss sharing agreement.

"We are delighted to welcome the customers of Southern Community Bank to the family of valued customers of United Community Bank," says Jimmy Tallent, President and Chief Executive Officer of United Community Banks, Inc. "It is our number one objective to make this transition as transparent and easy as possible for both Southern Community customers and employees. Because United Community Bank elected to assume both insured AND non-insured deposits, no customers of Southern Community Bank will lose any of their deposits.

"Under the loss sharing agreement," Tallent continued, "the FDIC will reimburse United Community Bank for losses on Southern Community Bank's loans and foreclosed properties. Also, as part of the loss sharing agreement, the acquired assets receive a 20 percent risk weighting for regulatory capital purposes, therefore the impact on our regulatory capital ratios will not be significant."

As of March 31, 2009, Southern Community Bank reported total assets of \$372 million, loans of \$224 million, customer deposits of \$197 million and other deposits and borrowings of \$155 million. Under the terms of the agreement, United Community Bank has the option to purchase, or to assume the leases on, all five Southern Community bank locations, most of which are contiguous to existing United Community Bank locations.

"This acquisition is very positive for the customers of Southern Community Bank and United Community Bank," said Tallent. "Southern Community customers will now have the convenience of more than 100 additional bank locations, enhanced services and a vastly larger network of ATMs. For United, Southern Community Bank fits perfectly into our south metro Atlanta markets by complementing our existing locations and adding new locations where we do not currently have a presence."

The agreement covers only the assets and liabilities of Southern Community Bank. Assets, liabilities and common stock of Southern Community Bank's former parent company, Southern Community Bancshares, Inc., have not been purchased or assumed by United Community Bank or United Community Banks, Inc.

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 \$8.1 billion and operates 27 community banks with 105 banking offices located 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](http://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 4 of United Community Banks, Inc.'s annual report filed on Form 10-K with the Securities and Exchange Commission.

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