



2Q INVESTOR PRESENTATION

July 21, 2020



Disclosures

CAUTIONARY STATEMENT

This Investor Presentation contains forward-looking statements about United Community Banks, Inc. (“United”), as defined in federal securities laws. Statements that are not historical or current facts, including statements about beliefs and expectations, are forward-looking statements and are based on information available to, and assumptions and estimates made by, management as of the date hereof. Because forward-looking statements involve inherent risks and uncertainties, our actual results may differ materially from those expressed or implied in any such statements. The COVID-19 pandemic is adversely impacting United, its employees, customers, vendors, counterparties, and the communities that it serves. The ultimate extent of the impact of COVID—19 on United’s financial position, results of operations, liquidity, and prospects is highly uncertain. United’s results could be adversely affected by, among other things, volatility in financial markets, continued deterioration of economic and business conditions, further increases in unemployment rates, deterioration in the credit quality of United’s loan portfolio, deterioration in the value of United’s investment securities, and changes in statutes, regulations, and regulatory policies or practices. For a discussion of these and other risks 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 2019 Annual Report on Form 10-K and Form 10-Q for the quarter ended March 31, 2020 under the sections entitled “Cautionary Note Regarding 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.

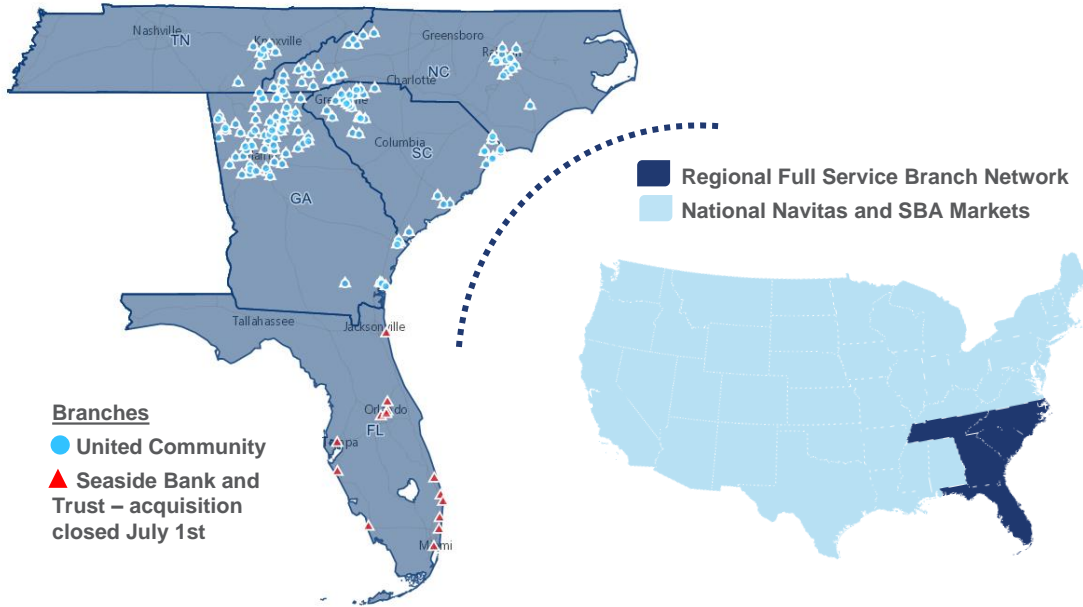
NON-GAAP MEASURES

This Investor Presentation includes financial information determined by methods other than in accordance with generally accepted accounting principles (“GAAP”). This financial information includes certain operating performance measures, which exclude merger-related and other charges that are not considered part of recurring operations. Such measures include: “Earnings per share – operating,” “Diluted earnings per share – operating,” “Tangible book value per share,” “Return on common equity – operating,” “Return on tangible common equity – operating,” “Return on assets – operating,” “Return on assets – pre-tax pre-provision, excluding merger-related and other charges,” “Efficiency ratio – operating,” “Expenses – operating,” and “Tangible common equity to tangible assets.”

Management has included these non-GAAP measures because it believes these measures may provide useful supplemental information for evaluating United’s underlying performance trends. Further, management uses these measures in managing and evaluating United’s business and intends to refer to them in discussions about our operations and performance. Operating performance measures should be viewed in addition to, and not as an alternative to or substitute for, measures determined in accordance with GAAP, and are not necessarily comparable to non-GAAP measures that may be presented by other companies. To the extent applicable, reconciliations of these non-GAAP measures to the most directly comparable GAAP measures can be found in the ‘Non-GAAP Reconciliation Tables’ included in the exhibits to this Presentation.

United Community Banks, Inc.

Committed to Service Since 1950



Branches

- United Community
- ▲ Seaside Bank and Trust – acquisition closed July 1st

Premier Southeast Regional Bank

- ✓ Metro-focused branch network with locations in the fastest growing MSAs in the Southeast
- ✓ 156 branches, 7 loan production sites, and 5 mortgage loan offices across five SE states
- ✓ Recent expansion into key Florida markets with Seaside acquisition
- ✓ Top 10 market share in GA and SC
- ✓ Proven ability to integrate bank transactions – 8 transactions over the past 10 years

Extended Navitas and SBA Markets

- ✓ Offered in 48 states across the continental U.S.
- ✓ SBA business has both in-footprint and national business (4 specific verticals)
- ✓ Navitas subsidiary is a small ticket essential use commercial equipment lease provider

(1) Assets Under Administration

Company Overview

\$15.0
BILLION IN ASSETS
ONE OF THE LARGEST
REGIONAL BANKS IN THE
U.S. BY ASSETS

\$2.3
BILLION IN AUA⁽¹⁾

14.1%
TIER 1 RBC

\$0.18
QUARTERLY DIVIDEND
UP 6% YOY

156
BANKING OFFICES
ACROSS THE
SOUTHEAST, INCLUDING
SEASIDE

**#1 IN CUSTOMER
SATISFACTION**
with Retail Banking in the
Southeast – J.D. Power

\$10.1
BILLION IN
TOTAL LOANS

\$12.7
BILLION IN
TOTAL DEPOSITS

**100 BEST BANKS IN
AMERICA**
for the seventh consecutive
year - Forbes

**WORLD'S BEST
BANKS**
in 2019 & 2020 - Forbes

**2020 TOP
WORKPLACES**
In S.C. & Atlanta – Greenville
Business Magazine & Atlanta
Journal Constitution

**BEST IN CLASS
CUSTOMER
SATISFACTION**
- Customer Service Profiles

2Q20 Highlights

\$0.32

Diluted earnings per share
– GAAP and operating

6.2%

Return on common equity -
GAAP

8.1%

Return on tangible common
equity - operating⁽¹⁾

0.71%

Return on average assets -
GAAP

8%

YOY growth in
Book value per share

0.72%

Return on average assets -
operating⁽¹⁾

10%

YOY growth in Tangible
book value per share

1.87%

PTPP ROA⁽¹⁾

Annualized 2Q EOP
loan growth of 5%
or \$103 mm,
excluding PPP loans
of \$1.1 billion

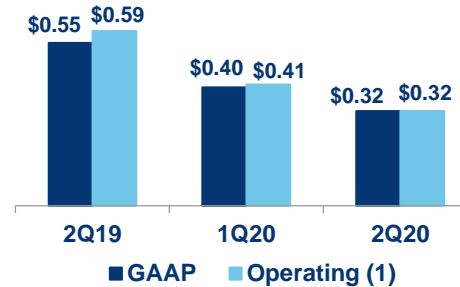
0.38%

Cost of Deposits
One of the lowest cost of
deposit bases vs. peers⁽²⁾

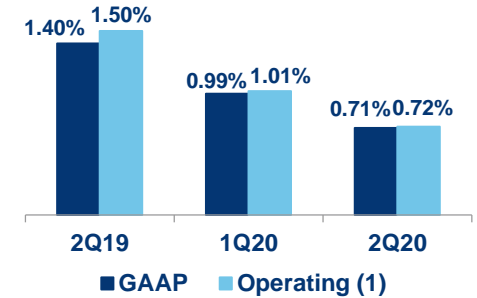
37%

DDA / Total Deposits

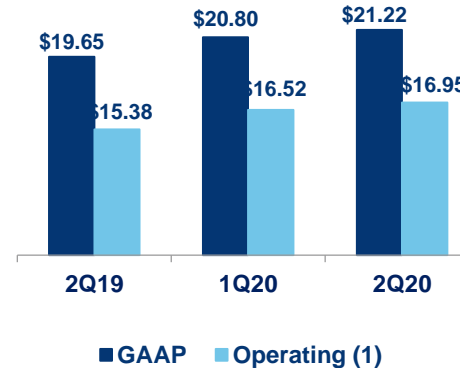
Earnings Per Share



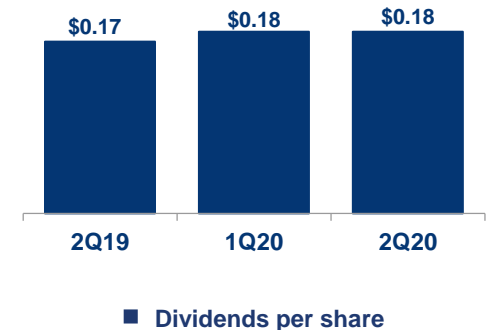
Return on Assets



Book Value Per Share



Dividends Per Share

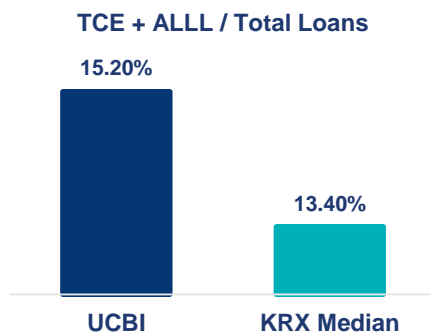


(1) See non-GAAP reconciliation table slides in the Appendix for a reconciliation of operating performance measures to GAAP performance
(2) Peers defined as members in KBW Regional Banking Index (KRX)

High Quality Balance Sheet / Earnings Strength

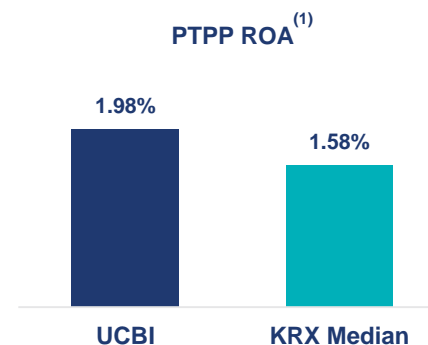
Capital

- ✓ 1Q20 TCE + reserves is substantially higher compared to peers; providing greater stability and protection against losses
- ✓ UCBI ranks 12th highest among the 50 KRX peers



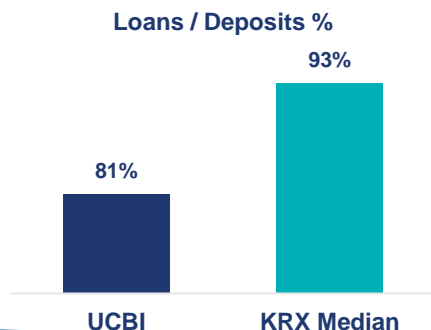
Profitability

- ✓ 1Q20 PTPP ROA is 25% higher compared to peers
- ✓ UCBI is among the top 10 for peers in the KRX



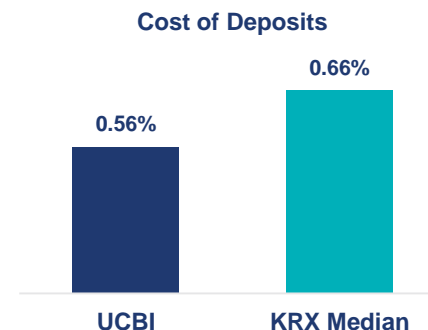
Liquidity

- ✓ Significantly lower 1Q20 loan to deposit ratio compared to peers
- ✓ Only nine banks among the KRX peers have a lower loans/deposits ratio compared to UCBI



Funding

- ✓ Funding base comprised mostly of core deposits; 1Q20 funding costs well below peers
- ✓ UCBI ranks 15th best among the 50 KRX peers



(1) Pre-tax pre-provision Operating ROA calculated as ROA excluding the effect of income tax expense, provision expense and merger charges
Source: S&P Global Markets

UCBI Focused on High-Growth MSAs in Southeast

Located in Most of the Top 20 Markets in the Region

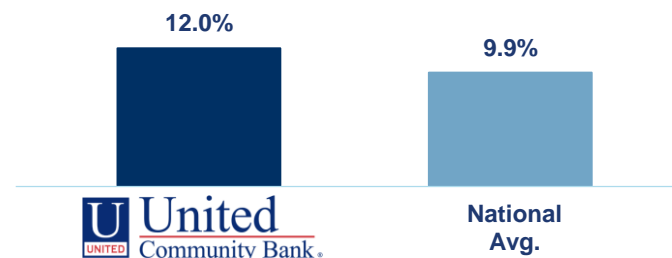
High-Growth MSAs in the Southeast

Fastest Growing Southeast MSAs ⁽¹⁾	'20 – '25 Proj. Pop. Growth %	'20 Population	'25 Proj. Median Household Income
1. Myrtle Beach, SC	9.17	502,515	\$59,235
2. Cape Coral, FL	8.12	770,874	\$67,430
3. Orlando, FL	7.88	2,655,278	\$68,956
4. Raleigh, NC	7.75	1,394,356	\$90,366
5. Charleston, SC	7.65	809,100	\$75,912
6. Naples, FL	7.61	388,069	\$82,927
7. Lakeland, FL	7.56	724,485	\$59,017
8. Sarasota, FL	7.41	842,503	\$70,762
9. Wilmington, NC	7.06	302,140	\$65,901
10. Charlotte, NC	6.99	2,658,337	\$75,204
11. Spartanburg, SC	6.95	321,550	\$62,690
12. Jacksonville, FL	6.81	1,579,191	\$70,264
13. Tampa, FL	6.66	3,219,587	\$64,132
14. Port St. Lucie-Stuart, FL	6.65	489,085	\$66,378
15. Fayetteville, AR	6.54	542,180	\$70,774
16. Daytona Beach, FL	6.39	672,670	\$59,730
17. Nashville, TN	6.37	1,954,627	\$82,681
18. Miami-Ft. Lauderdale, FL	6.34	6,324,937	\$67,104
19. Durham-Chapel Hill, NC	6.21	646,708	\$74,663
20. Atlanta, GA	6.12	6,073,585	\$81,378

Projected Population Growth ⁽²⁾
2020 – 2025 (%)



Projected Household Income Growth ⁽²⁾
2020 – 2025 (%)



Median Household Income ⁽²⁾
(\$ in thousands)



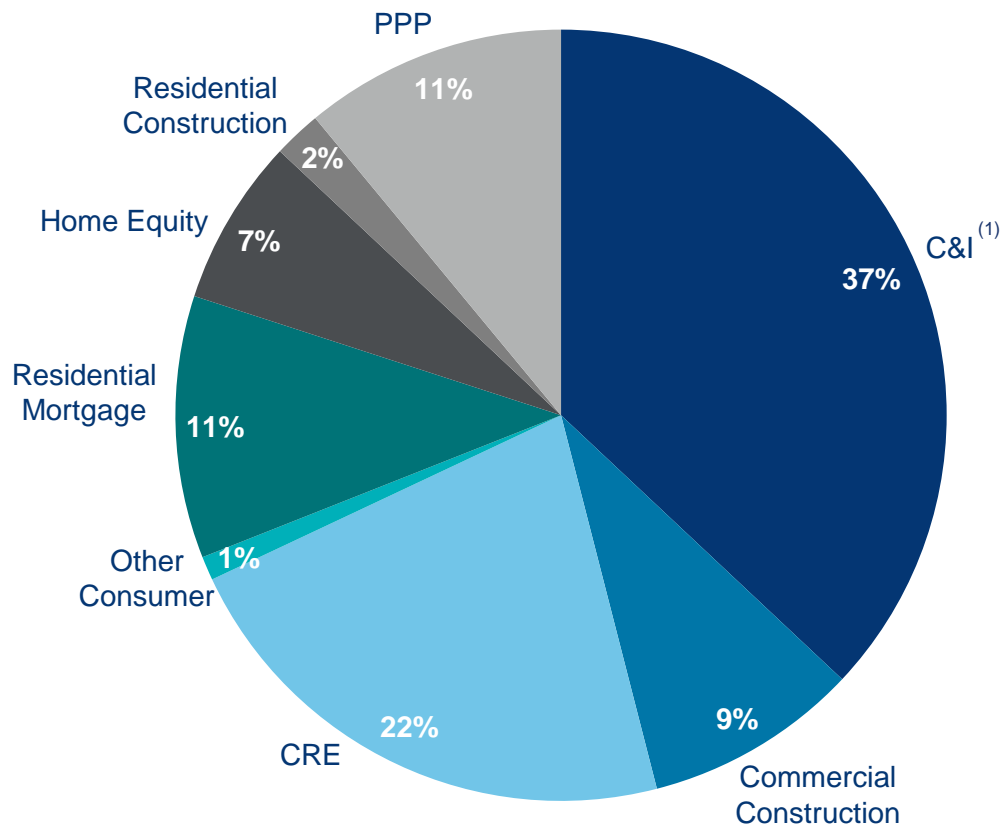
United / Seaside MSA Presence (Branch and or LPO)

(1) Includes MSAs with a population of greater than 300,000

(2) Data by MSA shown on a weighted average basis by deposits

Loans

2Q20 Total Loans \$10.1 billion

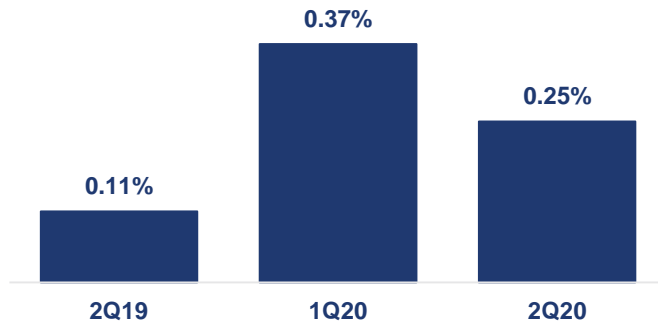


- ✓ Loans increased \$1.2 billion in 2Q20, with \$1.1 billion coming from PPP loans
- ✓ Other loan growth of \$103 million, or 5% annualized
- ✓ Record loan production of \$2.0 billion with \$1.1 billion in PPP loans and \$866 million in traditional loans

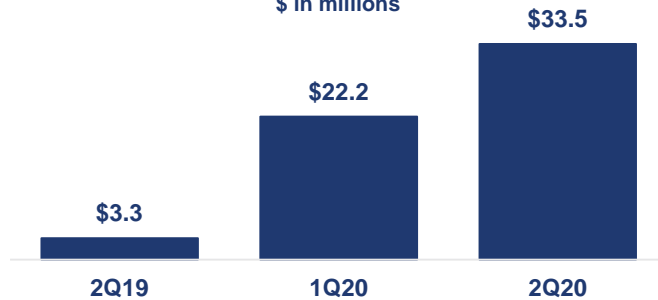
(1) C&I includes commercial and industrial loans, owner-occupied CRE loans and Navitas (equipment finance) loans

Credit Quality — UCBI

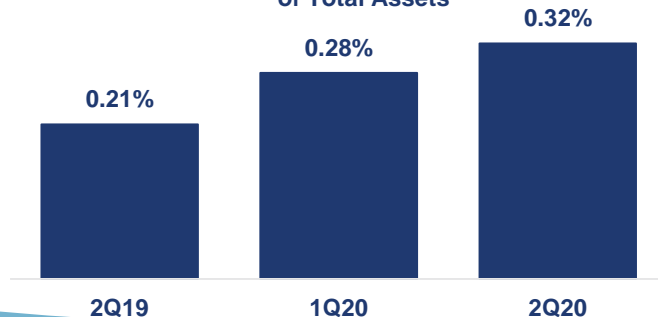
Net Charge-Offs as % of Average Loans



Provision for Credit Losses
\$ in millions



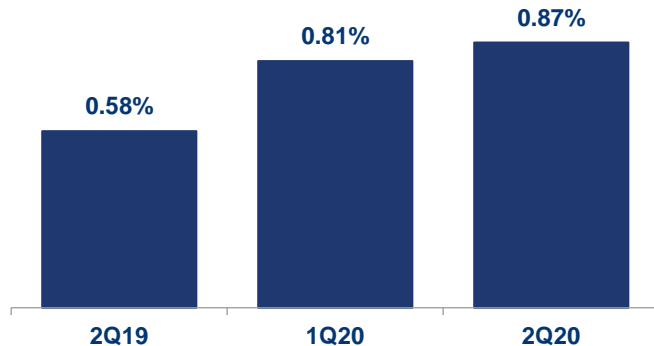
Non-Performing Assets as %
of Total Assets



- ✓ 2Q20 NCOs of \$6.1 million, or 0.25% annualized
 - Primarily driven by two credits that had been substandard for greater than 12 months
- ✓ NPAs increase primarily driven by the same two credits above
- ✓ The provision for credit losses was \$33.5 million and increased the allowance for credit losses by 31% since last quarter

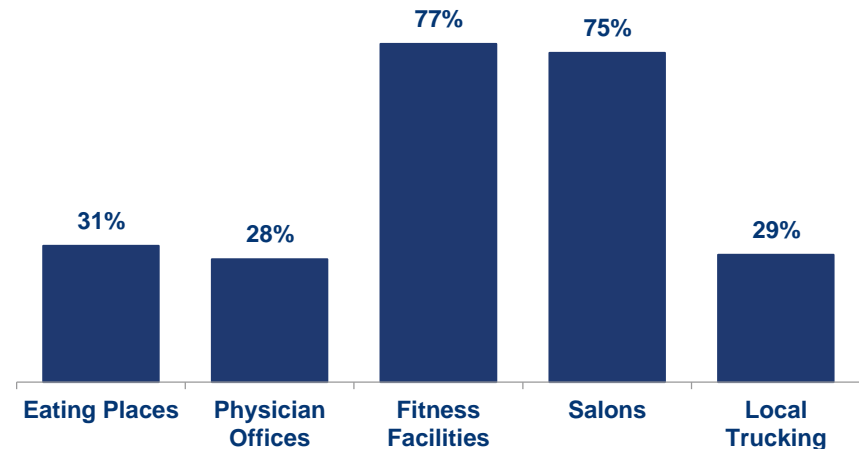
Credit Quality — Navitas

Net Charge-Offs as % of Average Loans



- ✓ Navitas 2Q20 NCOs = 0.87%
- ✓ Navitas had a >4% 2Q20 pretax ROA and could withstand ~4.5% in annualized credit losses before reporting a net loss
- ✓ Navitas' cumulative net loss rates have approximated 2% for the last 10 years
- ✓ Navitas ACL - Loans equated to 2.61% as of 2Q20
- ✓ Rating agencies have historically assigned Navitas originations with expected through-the-cycle loss rates of 3.1% to 3.8%

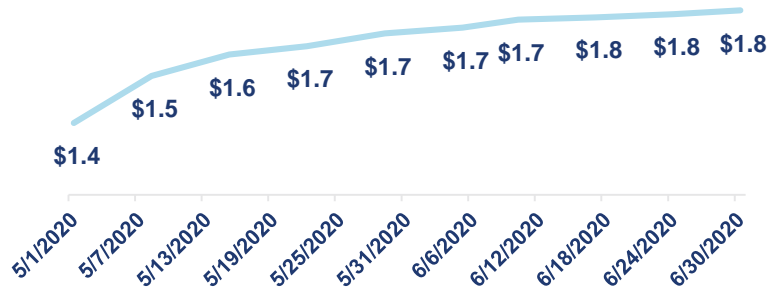
Navitas Deferral % for Top 5 Categories 2Q20



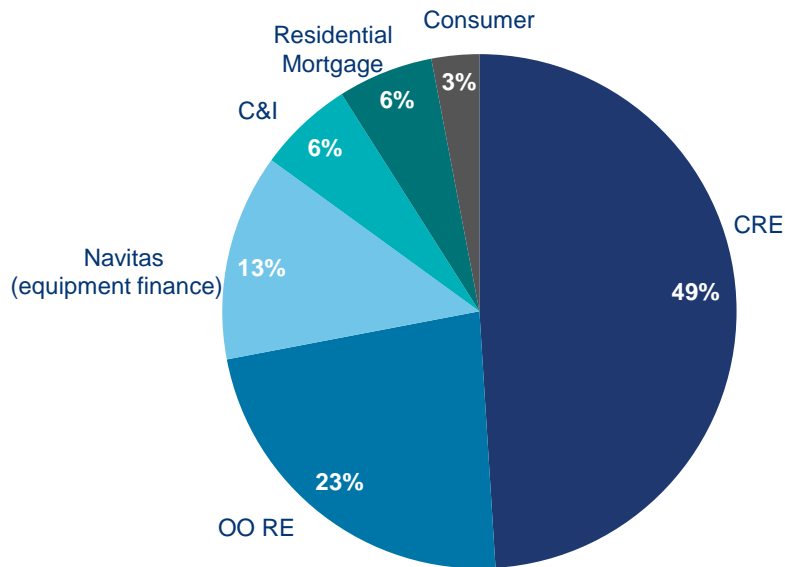
- ✓ As of June 30th, \$231 million of Navitas loans were deferred, which equated to approximately 30% of the total Navitas loan portfolio
- ✓ Top 5 loan categories by industry type account for 35% of total portfolio (eating places 11%, physician offices 7%, fitness facilities 7%, salons 6%, local trucking 4%)
- ✓ Nearly all (98%) deferrals made at least a modest payment in June

Loan Deferrals

Deferrals Over Time
\$ in billions



2Q20 Deferrals Mix



- ✓ Deferrals totaled \$1.8 billion or 17% of the entire portfolio
 - Commercial deferrals totaled \$1.4 billion, (20% of Commercial portfolio)
 - Consumer deferrals totaled \$45 million (4.5% of Consumer portfolio)
 - Mortgage deferrals totaled \$105 million (9.4% of Mortgage portfolio)
- ✓ UCBI deferred borrowers DDA balances increased by \$37.8 million in 2Q20
- ✓ Seaside deferrals of \$204 million through June 30th, or 14% of total loans

Selected Segments – Restaurants & Hotels

Restaurants by Product ⁽¹⁾				
(\$ millions)	# of Loans	Total Commitment	Total Outstanding	
Owner Occupied RE	181	\$ 117.4	\$ 110.1	
Construction	16	\$ 23.6	\$ 16.9	
C&I	258	\$ 83.3	\$ 55.4	
SBA	200	\$ 51.4	\$ 45.3	
Navitas (equipment finance)	4,863	\$ 97.7	\$ 97.7	
Total	5,518	\$ 373.4	\$ 325.4	

- ✓ Restaurant exposure totaled \$325.4 million as of 2Q20, or 3% of total loans
- ✓ Top 10 commitments totaled \$48 million
- ✓ As of June 30th, \$128 million of restaurant loans were deferred, which equated to approximately 39% of the total restaurant portfolio outstanding
- ✓ Navitas (equipment finance) lends on various essential-use restaurant equipment with an average loan size of \$20K

Hotels by Product ⁽¹⁾				
(\$ millions)	# of Loans	Total Commitment	Total Outstanding	
CRE	95	\$ 261.6	\$ 232.2	
Construction	10	\$ 75.4	\$ 59.3	
SBA	7	\$ 7.9	\$ 7.9	
Navitas (equipment finance)	181	\$ 5.9	\$ 5.9	
Total	293	\$ 350.8	\$ 305.3	

- ✓ Hotel exposure totaled \$305.3 million as of 2Q20, or 3% of total loans
- ✓ Loan to value low at 53% on average
- ✓ Top Tier brands represent approximately 61% of total outstanding exposure
- ✓ Over 50% of hotel exposure is located within Atlanta, Columbia, Myrtle Beach, Greenville, Savannah and Florence
- ✓ Top 10 commitments totaled \$135 million
- ✓ As of June 30th, \$221 million of hotel loans were deferred, which equated to approximately 72% of the total hotel portfolio outstanding

(1) Excluding PPP loans

Allowance for Credit Losses (ACL)

\$ in millions

	4Q19	Day 1 CECL 1/1/2020	1Q20	2Q20
ACL - Loans	\$ 62,089	\$ 68,969	\$ 81,905	\$ 103,669
ACL - Unfunded Commitments	\$ 3,458	\$ 5,329	\$ 6,470	\$ 12,100
ACL - Allowance for Credit Losses	\$ 65,547 0.74%	\$ 74,298	\$ 88,375 0.99%	\$ 115,769 1.14%

- ✓ The allowance for credit losses increased \$27 million in 2Q20 and \$50 million from year-end
- ✓ The ACL ratio moved to 1.14%, or 1.28% excluding PPP loans
- ✓ We reviewed multiple scenarios and examined and stressed our inputs
- ✓ The current environment is inherently unpredictable due to the impact of COVID-19. We continuously review multiple economic scenarios and the potential mitigants of government action
- ✓ Separately, all things equal, our ACL will increase another 25 bps – 40 bps in 3Q20 due to the expected PCD loan marks and the expected non-PCD double dip provision associated with the Seaside acquisition

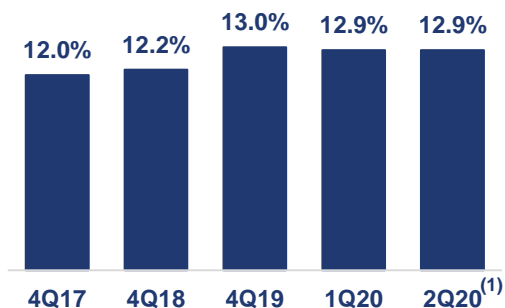
Capital Ratios

Holding Company	2Q19		1Q20		2Q20 ⁽¹⁾	
Common Equity Tier 1 Capital	12.1	%	12.9	%	12.9	%
Tier 1 Risk-Based Capital	12.4		13.1		14.1	
Total Risk-Based Capital	14.2		14.9		16.1	
Leverage	10.0		10.4		10.3	
Tangible Common Equity to Tangible Assets	9.9		10.2		9.1	

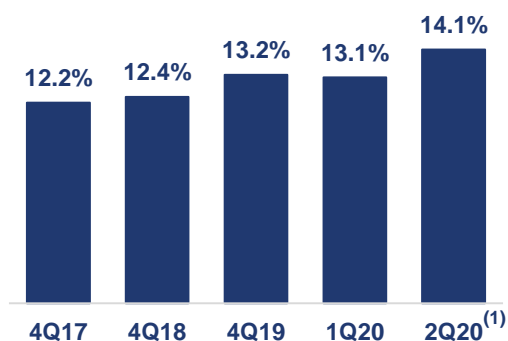
2Q20 Highlights

- ✓ Capital ratios near industry highs and 2Q20 also reflects the \$100 million preferred equity raise on June 3rd
- ✓ Raised \$100 million of senior notes at the holding company providing flexibility; pre-funded \$61.3 million in callable securities with an ultimate maturity of 1Q22
- ✓ Our Seaside acquisition closed July 1st, 2020, and all things equal, is expected to lower 3Q20 capital ratios by 75 bps – 105 bps
- ✓ Excluding the impact of PPP loans, 2Q20 TCE of 9.9%
- ✓ Quarterly dividend of \$0.18 per share
- ✓ Temporarily suspending buyback activity given the environment

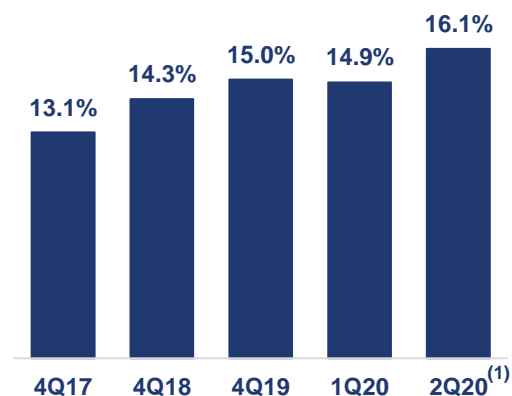
CET1 Ratio (%)



Tier 1 Ratio (%)



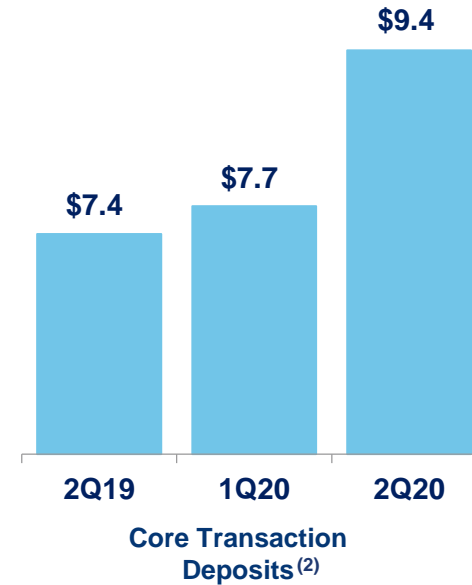
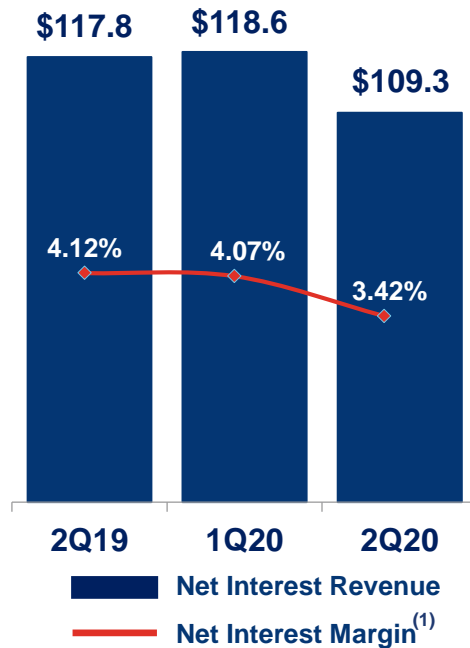
Total Capital Ratio (%)



(1) 2Q20 capital ratios are preliminary

Net Interest Revenue / Margin⁽¹⁾

\$ in millions



- ✓ Net interest revenue decreased \$9 million (-8%) vs. 1Q20
- ✓ Net interest margin decreased 65 bps from 1Q20, with 18 bps of the decline due to lower purchased loan accretion
 - Loan accretion contributed \$2.6 million or 8 bps vs. \$7.6 million or 26 bps in 1Q20
 - PPP balances at a 2.86% yield—including fees—decreased NIM by 6 bps
 - Average overnight investments increased \$300 million in 2Q20 to \$690 million, lowering the NIM by 9 bps

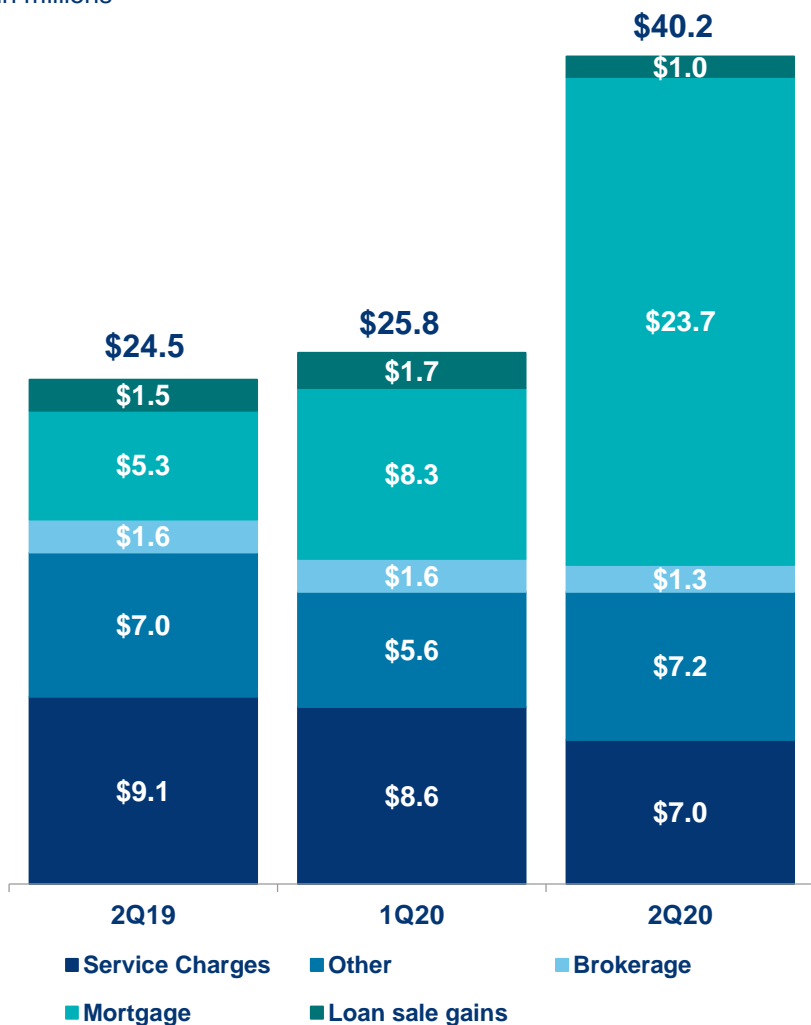
- ✓ Core transaction deposits were up \$1.7 billion, or 22% from 1Q20 and up \$2.0 billion, or 27% YOY
- ✓ Core noninterest bearing deposit growth of \$1.1 billion, or 31% from 1Q20 and growth of \$1.3 billion, or 38% YOY drove the majority of core transaction growth
 - 37% of total deposits are noninterest bearing deposits
 - UCBI cost of deposits improved 18 bps to 0.38%
- ✓ Approximately \$800 million of core transaction deposit growth came from PPP customers

(1) Net interest margin is calculated on a fully-taxable equivalent basis

(2) Transaction accounts include demand deposits, interest-bearing demand, money market and savings accounts, excluding public funds deposits

Noninterest Income

\$ in millions



Linked Quarter

✓ Fees up \$14.4 million

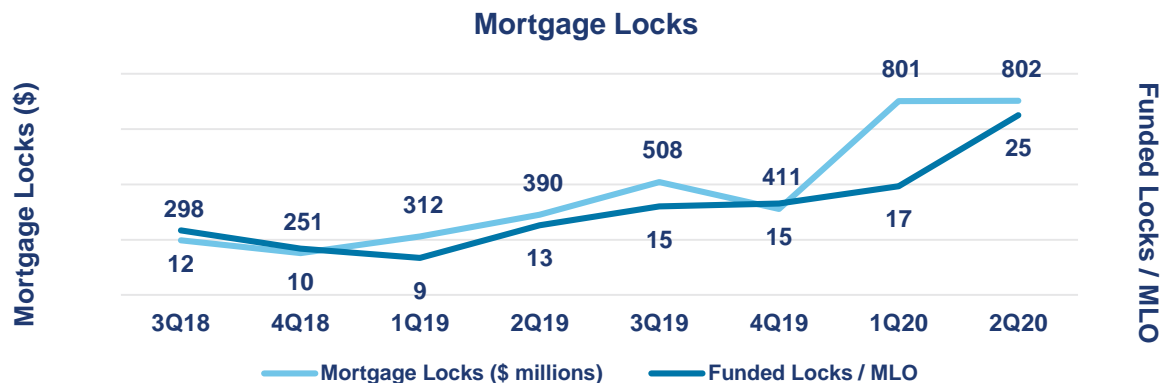
- Service charges down \$1.6 million as debit card and NSF activity slowed, but did show some recovery in June as businesses reopened
- Mortgage fees up \$15.3 million from 1Q20;
 - Rate locks and production volume were at record levels – with \$802 million in 2Q20 rate locks versus \$801 million in 1Q20
 - 2Q20 mortgage production purchase/refi mix was 56%/44%
 - 2Q20 mortgage results included a \$1.8 million MSR write-down vs a \$4.6 million write-down in 1Q20
- Loan sale gains of \$1.0 million on \$13.8 million in sales of SBA loans
- 2Q20 other income includes a \$1.1 million BOLI gain and is offset by a \$1.6 million Credit Valuation Adjustment (CVA) to reflect credit risk in our customer derivatives business

Year-over-Year

✓ Fees up \$15.7 million

- Rate locks up 106% compared to last year (\$802 million in 2Q20 vs. \$390 million in 2Q19)

Mortgage



	3Q18	4Q18	1Q19	2Q19	3Q19	4Q19	1Q20	2Q20
Loans Sold (\$ millions)	\$237	\$203	\$180	\$261	\$329	\$331	\$388	\$564
Gain on Sale %	3.2%	2.6%	2.7%	3.7%	3.4%	3.7%	2.9%	4.5%

- ✓ We have been consistently investing in our mortgage business
- ✓ The total number originators were relatively flat in 2019 and 2020, however we have been continually upgrading talent over the past few quarters, including the lift out of a 15 person team in Raleigh in 3Q19
- ✓ Mortgage production per originator per quarter increased to \$6.8 million in 2Q20, or 119% above 2Q19
- ✓ Purchase / Refi mix has shifted from 81% / 19% in 2Q19 to 56% / 44% in 2Q20
- ✓ Technology investments have also paid off as we have been able to market to our existing customers and also have enabled us to cut processing costs and process times
- ✓ We continue to hire mortgage originators and are optimistic about the opportunity to overlay the business on the Seaside franchise

Seaside Brings Wealth Management Expertise



- ✓ \$1.3 billion Assets Under Management (AUM)
- ✓ Traditional retail investment management using LPL Financial for all securities and advisory services
- ✓ Retail brokers that cover the UCBI footprint using reps supervised by LPL
- ✓ Client investment portfolios are typically less than \$2 million
- ✓ Customized portfolio management provided by our team of fully licensed financial advisors through the Bank's footprint
- ✓ Product set includes personal insurance lines

Combined UCBI Asset Management Business

- ✓ *\$2.3 billion in AUA*
- ✓ *Featuring both a retail and high net worth offering*

- ✓ \$963 million Assets Under Administration (AUA)
- ✓ Customized portfolio management with open architecture and a higher net worth focus (portfolios typically greater than \$2 million)
- ✓ 85% of managed assets are discretionary where Seaside acts as fiduciary
- ✓ Works with clients to update investment policy statements annually
- ✓ Seaside also brings United into the trust, 401k and custody/safekeeping businesses



Gideon Haymaker, CEO

- ✓ 35 years in banking and asset management businesses
- ✓ Founded Seaside in 2005
- ✓ Former SunTrust executive that headed Private Client Services in Florida and also served as Director of Retail Banking
- ✓ Now serving as United's President for the State of Florida and leading the expansion of Seaside's wealth management offering in the United footprint

UCBI Funds Foundation with \$1 Million



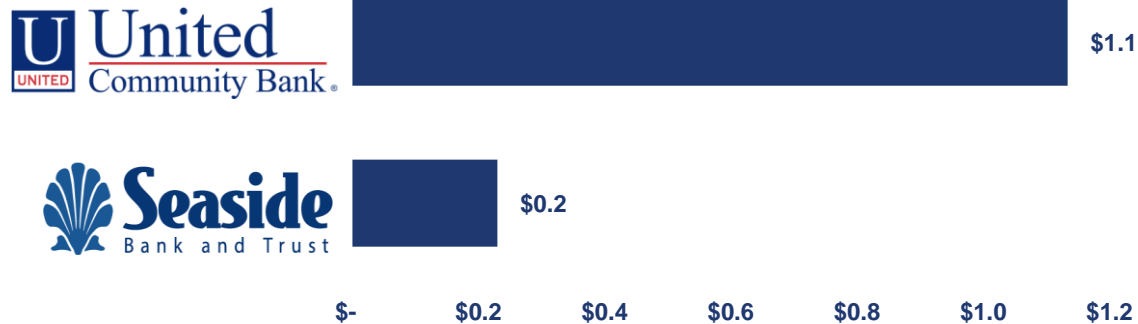
United Community Bank Foundation Mission:

We exist to make good things happen for good people in our communities.

United established the ***United Community Bank Foundation*** in February 2020 and initially funded the foundation with \$1 million. The foundation looks forward to putting it to work with deserving charities and causes throughout the footprint.

PPP Update

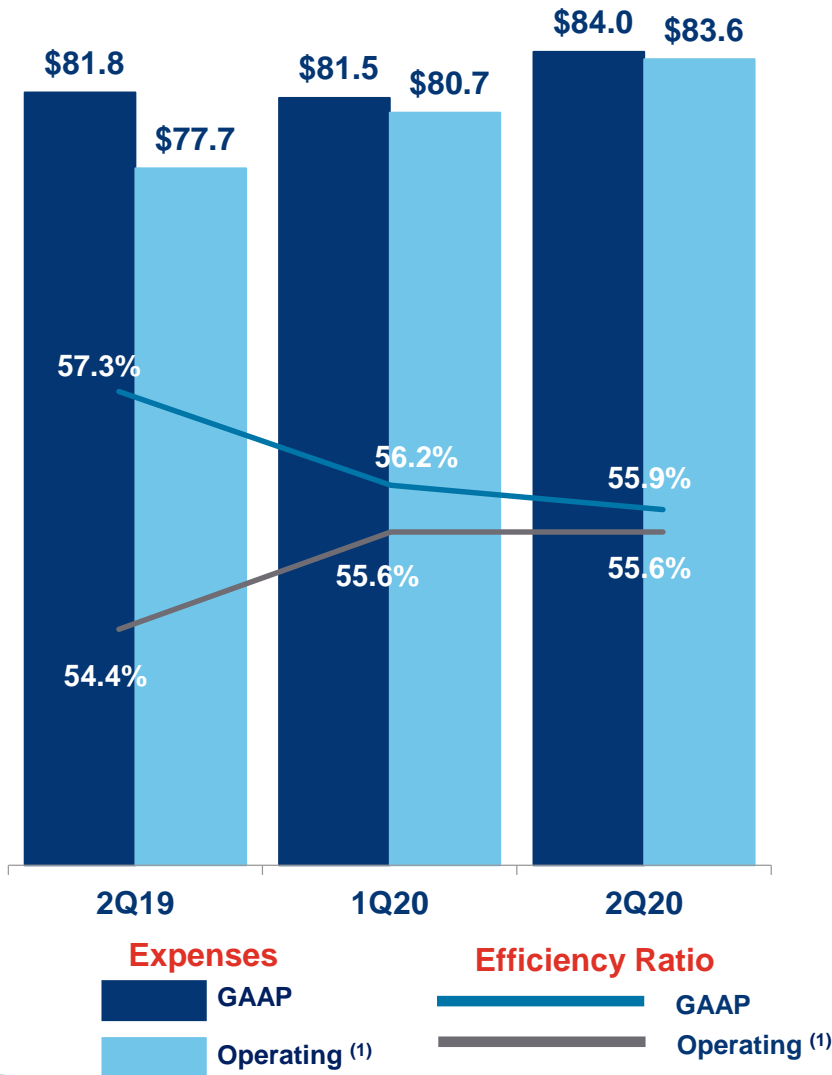
PPP Totals
\$ billions



- ✓ UCBI funded 10,994 PPP loans totaling \$1.1 billion with an average loan size of \$106 thousand
- ✓ Seaside funded 789 PPP loans totaling \$220 million with an average loan size of \$278 thousand
- ✓ PPP loan borrowers already had \$1.2 billion on deposit with UCBI on 3/31 and the deposit levels increased to \$2.0 billion as PPP funded
- ✓ New customers added 2,040 deposit accounts during 2Q20, of which \$31 million were non-PPP related
- ✓ We have a focused marketing campaign directed to PPP customers that are new to the bank

Expense Discipline

\$ in millions



Linked Quarter

- ✓ GAAP and operating expenses increased 3% and 4%, respectively
 - Mortgage commissions up \$1.4 million primarily due to the increase in mortgage production volume
 - \$1.0 million expense from creation of new foundation

Year-over-Year

- ✓ GAAP and operating expenses increased 3% and 8%, respectively

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

Looking Forward

Continue investing in digital solutions to drive revenue and greater efficiencies while improving the customer experience

- ✓ Expand digital sales with **online account opening for business** deposit products (Bottomline Technologies)
- ✓ Deliver one-to-one messaging at scale and persona-based dynamic content through a **marketing automation** platform (Cheetah Digital)
- ✓ Enhance the **mobile banking** app to increase adoption and usability (Q2)
- ✓ **Online appointment scheduling** system allows customers to interact with branches more efficiently and avoid wait times (Kronos)
- ✓ Engage customers with improved **financial resource** tools and content to generate higher conversion rates, increased brand loyalty and share of wallet (Leadfusion)



Seaside Acquisition – Closed on July 1, 2020

Consideration

- 8.1 million UCBI common shares issued
- \$25 million of options and follow-on rights cashed out

Pro Forma Ownership

- 91% United / 9% Three Shores

Cost Savings

- 24% of Three Shores' estimated non-interest expense (\$9 million pre-tax)

Merger Expenses

- Pre-tax one-time expenses of \$15 million

Credit Mark ⁽¹⁾

- | | PCD Loans | Non PCD Loans |
|--|-----------|---------------|
| • Estimated Credit Mark | \$32.4 | \$13.2 |
| • Estimated Rate Mark | \$7.1 | \$10.3 |
| • Additional estimated \$12 million loan loss provision in Q3 to establish the initial Non-PCD allowance | | |

Financial Impacts and Returns ⁽¹⁾

- Expected to be \$0.14 - \$0.18 accretive to EPS on a fully phased in basis
- Manageable book value dilution and earnback within stated threshold
- Expected to improve ROTCE and Efficiency Ratio by 100+ bps each

(1) Estimates updated from our original 3/9/20 investor presentation that we expect will change further depending on market conditions

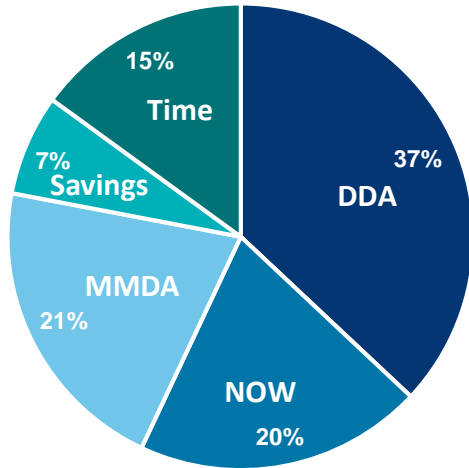
2Q INVESTOR PRESENTATION

Exhibits



UCBI Valuable Deposit Mix

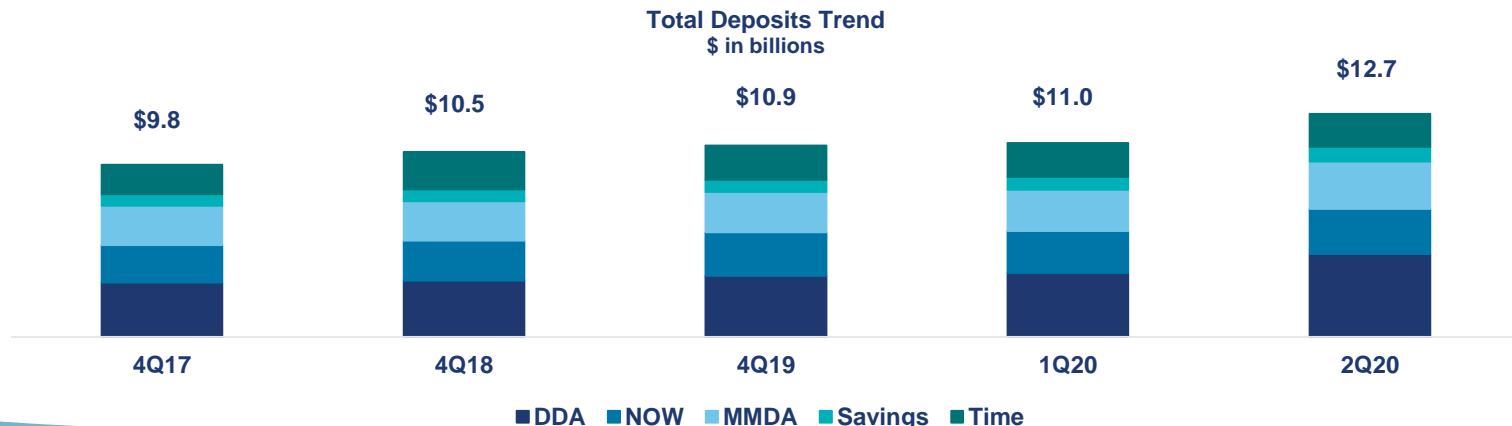
2Q20 Total Deposits \$12.7 billion



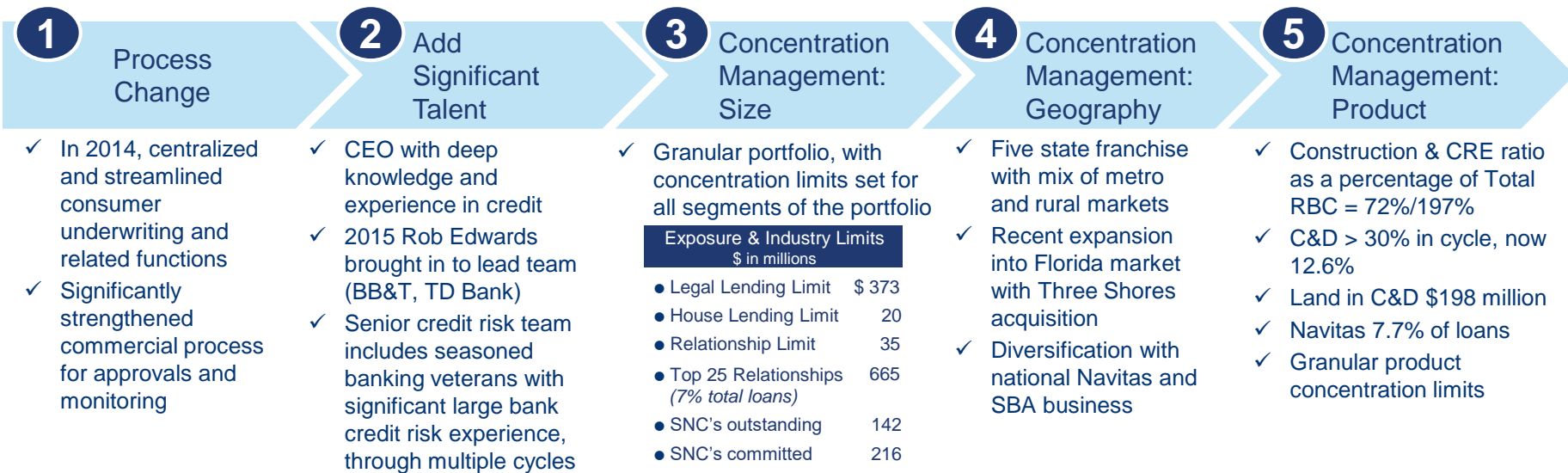
2Q20 Highlights

- ✓ Total deposits up \$1.7 billion, or 15%, from 1Q20; demand deposits drove the increase – up \$1.1 billion in 2Q20
- ✓ 37% of deposits are noninterest bearing deposits; up 4% from 1Q20
- ✓ UCBI cost of deposits down 18 bps to 0.38% in 2Q20

Deposit Growth Over Time, Supported by Significant Low-Cost Core Deposit Base



Strong Credit Culture & Disciplined Credit Processes



Structure

- ✓ Centralized underwriting and approval process for consumer credit
- ✓ Distributed Regional Credit Officers (reporting to Credit) for commercial
- ✓ Dedicated Special Assets team
- ✓ Eight of the top twelve credit leaders recruited post-crisis

Process

- ✓ Weekly Senior Credit Committee; approval required for all relationship exposure > \$8.5 million
- ✓ Continuous external loan review
- ✓ Monthly commercial asset quality review
- ✓ Monthly retail asset quality review meetings

Policy

- ✓ Continuous review and enhancements to credit policy
- ✓ Quarterly reviews of portfolio limits and concentrations

**BUILT TO
OUTPERFORM
IN THE NEXT
CYCLE**

Non-GAAP Reconciliation Tables

\$ in thousands, except per share data

	<u>2Q19</u> (1)	<u>3Q19</u> (1)	<u>4Q19</u>	<u>1Q20</u>	<u>2Q20</u>
Expenses					
Expenses - GAAP	\$ 81,813	\$ 82,924	\$ 81,424	\$ 81,538	\$ 83,980
Merger-related and other charges	<u>(4,087)</u>	<u>(2,605)</u>	<u>74</u>	<u>(808)</u>	<u>(397)</u>
Expenses - Operating	<u>\$ 77,726</u>	<u>\$ 80,319</u>	<u>\$ 81,498</u>	<u>\$ 80,730</u>	<u>\$ 83,583</u>
Diluted Earnings per share					
Diluted earnings per share - GAAP	\$ 0.55	\$ 0.60	\$ 0.61	\$ 0.40	\$ 0.32
Merger-related and other charges	<u>0.04</u>	<u>0.03</u>	<u>-</u>	<u>0.01</u>	<u>-</u>
Diluted earnings per share - Operating	<u>0.59</u>	<u>0.63</u>	<u>0.61</u>	<u>0.41</u>	<u>0.32</u>
Book Value per share					
Book Value per share - GAAP	\$ 19.65	\$ 20.16	\$ 20.53	\$ 20.80	\$ 21.22
Effect of goodwill and other intangibles	<u>(4.27)</u>	<u>(4.26)</u>	<u>(4.25)</u>	<u>(4.28)</u>	<u>(4.27)</u>
Tangible book value per share	<u>\$ 15.38</u>	<u>\$ 15.90</u>	<u>\$ 16.28</u>	<u>\$ 16.52</u>	<u>\$ 16.95</u>
Return on Tangible Common Equity					
Return on common equity - GAAP	11.45 %	12.16 %	12.07 %	7.85 %	6.17 %
Effect of merger-related and other charges	<u>0.82</u>	<u>0.51</u>	<u>(0.01)</u>	<u>0.16</u>	<u>0.08</u>
Return on common equity - Operating	12.27	12.67	12.06	8.01	6.25
Effect of goodwill and intangibles	<u>3.61</u>	<u>3.71</u>	<u>3.43</u>	<u>2.56</u>	<u>1.84</u>
Return on tangible common equity - Operating	<u>15.88 %</u>	<u>16.38 %</u>	<u>15.49 %</u>	<u>10.57 %</u>	<u>8.09 %</u>

(1) Merger-related and other charges for 3Q19 and 2Q19 include \$64 thousand and \$193 thousand, respectively, of intangible amortization resulting from payments made to executives under their change of control agreements. The resulting intangible assets were being amortized over 12 to 24 months.

Non-GAAP Reconciliation Tables

\$ in thousands, except per share data

	<u>2Q19</u> (1)	<u>3Q19</u> (1)	<u>4Q19</u>	<u>1Q20</u>	<u>2Q20</u>
Return on Assets					
Return on assets - GAAP	1.40 %	1.51 %	1.50 %	0.99 %	0.71 %
Merger-related and other charges	<u>0.10</u>	<u>0.07</u>	<u>-</u>	<u>0.02</u>	<u>0.01</u>
Return on assets - Operating	<u><u>1.50</u></u> %	<u><u>1.58</u></u> %	<u><u>1.50</u></u> %	<u><u>1.01</u></u> %	<u><u>0.72</u></u> %
Return on Assets to return on assets- pre-tax pre-provision					
Return on assets - GAAP	1.40 %	1.51 %	1.50 %	0.99 %	0.71 %
Income tax expense	0.42	0.44	0.39	0.27	0.20
Provision for credit losses	<u>0.10</u>	<u>0.10</u>	<u>0.11</u>	<u>0.69</u>	<u>0.95</u>
Return on assets - pre-tax, pre-provision	<u>1.92</u>	<u>2.05</u>	<u>2.00</u>	<u>1.95</u>	<u>1.86</u>
Merger-related and other charges	<u>0.13</u>	<u>0.08</u>	<u>-</u>	<u>0.03</u>	<u>0.01</u>
Return on assets - pre-tax, pre-provision, excluding merger-related and other charges	<u><u>2.05</u></u> %	<u><u>2.13</u></u> %	<u><u>2.00</u></u> %	<u><u>1.98</u></u> %	<u><u>1.87</u></u> %
Efficiency Ratio					
Efficiency Ratio - GAAP	57.28 %	55.64 %	54.87 %	56.15 %	55.86 %
Merger-related and other charges	<u>(2.86)</u>	<u>(1.74)</u>	<u>0.05</u>	<u>(0.56)</u>	<u>(0.27)</u>
Efficiency Ratio - Operating	<u><u>54.42</u></u> %	<u><u>53.90</u></u> %	<u><u>54.92</u></u> %	<u><u>55.59</u></u> %	<u><u>55.59</u></u> %
Tangible common equity to tangible assets					
Common Equity to assets ratio - GAAP	12.25 %	12.53 %	12.66 %	12.54 %	11.81 %
Effect of goodwill and other intangibles	<u>(2.39)</u>	<u>(2.37)</u>	<u>(2.34)</u>	<u>(2.32)</u>	<u>(2.05)</u>
Effect of preferred equity	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(0.64)</u>
Tangible common equity to tangible assets ratio	<u><u>9.86</u></u> %	<u><u>10.16</u></u> %	<u><u>10.32</u></u> %	<u><u>10.22</u></u> %	<u><u>9.12</u></u> %

(1) Merger-related and other charges for 3Q19 and 2Q19 include \$64 thousand and \$193 thousand, respectively, of intangible amortization resulting from payments made to executives under their change of control agreements. The resulting intangible assets were being amortized over 12 to 24 months.