

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):  
April 26, 2017

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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§240.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 2.02 Results of Operations and Financial Condition.**

On April 26, 2017, United Community Banks, Inc. (the “Registrant”) issued a news release announcing its financial results for the quarter ended March 31, 2017 (the “News Release”). The News Release, including financial schedules, is attached as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference. In connection with issuing the News Release, on April 26, 2017 at 11:00 a.m. ET, 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 First Quarter 2017 Investor Presentation (the “Investor Presentation”), which will be posted to the Registrant’s website at [www.ucbi.com](http://www.ucbi.com). The Investor Presentation is attached as Exhibit 99.2 to this Current Report on Form 8-K and is incorporated herein by reference.

The presentation of the Registrant’s financial results includes financial information determined by methods other than in accordance with generally accepted accounting principles, or 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 as “operating net income,” “operating net income available to common shareholders,” “operating earnings per share,” “operating diluted earnings per share,” “tangible book value per share,” “operating return on common equity,” “operating return on tangible common equity,” “operating return on assets,” “operating efficiency ratio,” “operating expenses,” “tangible common equity to risk-weighted assets,” and “average tangible equity to average assets.” In addition, management has included the presentation of “pre-tax, pre-credit earnings”, which excludes the provision for credit losses, income taxes and merger-related and other charges. Management has included these non-GAAP measures because it believes they may provide useful supplemental information for evaluating the Registrant’s underlying performance trends. Further, management uses these measures in managing and evaluating the Registrant’s business and intends to refer to them in discussions about the Registrant’s 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 measures as reported in accordance with GAAP are included in the News Release and the Investor Presentation attached as Exhibit 99.1 and Exhibit 99.2, respectively, to this Current Report on Form 8-K.

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**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits

<b>Exhibit No.</b>	<b>Description</b>
99.1	News Release, dated April 26, 2017
99.2	Investor Presentation, First Quarter 2017

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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/ Jefferson L. Harralson  
Jefferson L. Harralson  
Executive Vice President and  
Chief Financial Officer

Date: April 26, 2017

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**For Immediate Release**

**For more information:**

Jefferson Harralson  
Chief Financial Officer  
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[Jefferson\\_Harralson@ucbi.com](mailto:Jefferson_Harralson@ucbi.com)

**UNITED COMMUNITY BANKS, INC.  
ANNOUNCES FIRST QUARTER EARNINGS**  
*Diluted earnings per share up 6 percent, to 33 cents, from first quarter 2016*  
*Excluding merger-related and other non-operating charges,*  
*diluted operating EPS up 18 percent, to 39 cents*

- Net interest revenue of \$83.6 million, up \$8.6 million or 11 percent from year ago
- Net interest margin of 3.45 percent, up 11 basis points from fourth quarter
- Core transaction deposits up \$189 million from the fourth quarter, or 13 percent annualized
- Return on assets of .89 percent, or 1.07 percent excluding merger-related and other charges
- Efficiency ratio of 59.3 percent, or 57.4 percent excluding merger-related and other charges

BLAIRSVILLE, GA – April 26, 2017 – United Community Banks, Inc. (NASDAQ: UCBI) (“United”) today announced strong first quarter results with solid margin improvement, effective expense management and sound credit quality. Net income was \$23.5 million, or 33 cents per diluted share, compared with \$22.3 million, or 31 cents per diluted share, for the first quarter of 2016.

On an operating basis, net income rose to \$28.2 million for the first quarter of 2017 compared with \$23.9 million for the first quarter of 2016. First quarter 2017 operating net income excludes pre-tax merger-related charges of \$1.17 million and pre-tax charges related to branch closures of \$831,000, net of the income tax benefit associated with the charges of \$758,000. Also excluded is a non-cash tax charge of \$3.4 million related to the cancellation of interest rate swaps that were designated as cash flow hedges. The non-cash tax charge was previously included in other comprehensive income until the swaps matured or were canceled.

First quarter 2016 operating net income excludes \$2.65 million in pre-tax merger-related charges, net of the associated income tax benefit of \$1.00 million. On a per diluted share basis, operating net income was 39 cents for the first quarter of 2017 compared with 33 cents for the first quarter of 2016.

At March 31, 2017, preliminary regulatory capital ratios were as follows. Tier 1 Risk-Based of 11.5 percent; Total Risk-Based of 12.3 percent; Common Equity Tier 1 Risk-Based of 11.4 percent, and Tier 1 Leverage of 8.6 percent.

“We began 2017 with a solid first quarter,” said Jimmy Tallent, chairman and chief executive officer. “Excluding merger-related and other non-operating charges, operating net income per share was up 18 percent from a year ago to 39 cents, driven by strong loan and fee revenue growth and expense management. Also excluding these charges, we held our operating efficiency ratio to 57.4 percent, the second best in a decade and surpassed only by the fourth quarter of 2016. Including those charges, the efficiency ratio was 59.3 percent.

“While linked-quarter operating net income was down slightly, our margin expansion and disciplined expense management offset most of the seasonal declines in mortgage and SBA lending, as well as some seasonal decrease in loan growth,” Tallent said. “Our bankers made steady progress improving financial performance by growing core transaction deposits a healthy 13 percent in the first quarter, all while holding deposit pricing steady.

“First quarter loan production was \$615 million,” Tallent added. “Linked-quarter average loan growth was \$89.8 million, or 5 percent annualized, reflecting a seasonal decrease from recent quarters. End of period loans grew by \$44.4 million. Our community banks originated \$423 million in loans, while our specialized lending area produced \$151 million.” Specialized lending encompasses commercial real estate, middle market, SBA, asset-based lending, senior living and builder finance.

First quarter net interest revenue totaled \$83.6 million, up \$8.6 million from the first quarter of 2016 and up \$2.6 million from the fourth quarter of 2016. The increases from both periods reflect net interest margin expansions of 4 basis points from a year ago and 11 basis points from the fourth quarter, driven by rising short-term interest rates. Loan growth and the acquisition of Tideland Bank in July of 2016 were the primary drivers of the increase from a year ago.

The first quarter provision for credit losses was \$800,000. This compares with a provision recovery of \$200,000 in the first quarter of 2016 and no provision for the fourth quarter of 2016. First quarter net charge-offs totaled \$1.7 million, compared with \$2.1 million in the first quarter of 2016 and \$1.5 million in the fourth quarter. Contributing to the low level of net charge-offs were continued strong recoveries of previously charged-off loans. Nonperforming assets were .23 percent of total assets at March 31, 2017, compared with .28 percent at both March 31, 2016 and December 31, 2016.

“Our first quarter provision for loan losses reflects continued strong, steady credit quality and a low level of net charge-offs,” Tallent commented. “Our credit quality indicators remain favorable and our outlook is for that to continue. We also expect our provision levels to gradually increase during the year due to loan growth, while our allowance and the related ratio to total loans will decline slightly.”

Fourth quarter fee revenue totaled \$22.1 million, up \$3.47 million from a year ago and a decrease of \$3.16 million from the fourth quarter. Mortgage fees were up \$1.14 million from a year ago, and down \$2.09 million from the fourth quarter. Gains from sales of SBA loans were up \$722,000 from a year ago due to continued growth in SBA lending, and were down \$1.07 million from the fourth quarter. Partially offsetting the seasonal linked-quarter decreases in mortgage and SBA revenue was a \$499,000 increase in brokerage fees. Other fee revenue was down \$386,000 from the fourth quarter, mostly reflecting a lower volume of customer derivative business.

Operating expenses were \$62.8 million for the first quarter, compared with \$57.9 million for the first quarter of 2016 and \$61.3 million for the fourth quarter. Included in operating expenses are merger-related and branch closure charges of \$2.05 million in the first quarter, and merger-related charges of \$2.65 million in the first quarter of 2016 and \$1.14 million in the fourth quarter of 2016. Excluding these charges, first quarter operating expenses were \$60.8 million compared with \$55.2 million a year ago and \$60.2 million for the fourth quarter.

The increase in operating expenses from the fourth quarter is primarily due to higher salaries and employee benefit costs, with most of the increase related to payroll taxes that start over at the beginning of each year. The increase from a year ago also reflects additional operating expenses following the acquisition of Tideland Bank on July 1, 2016. United's financial results begin including operating expenses of acquired companies on their respective acquisition dates.

Income tax expense for the first quarter totaled \$18.5 million compared with \$13.6 million a year ago and \$17.6 million in the fourth quarter. Included in first quarter income tax expense was a \$3.4 million non-cash charge to release income taxes on hedge instruments that were held in other comprehensive income during the time in which United had a full valuation allowance on its deferred tax asset. For accounting purposes, these disproportionate tax effects remained in other comprehensive income until the instruments that created them ceased to exist. In the first quarter of 2017, several related interest rate swaps matured while the balance of these hedge instruments were canceled thereby requiring a transfer from other comprehensive income to a non-cash tax expense charge. The charge had no effect on tangible book value, since there was no effect on total shareholders' equity. Income tax expense in the fourth quarter of 2016 was elevated by a charge of \$976,000 due to the impairment of a portion of the deferred tax asset as a result of cancelling nonqualified stock options.

Tallent concluded, "We are off to a good start toward another exceptional year for United Community Banks. Our bankers continue to execute our strategic plans and serve their customers with the enthusiasm, energy and passion that are the foundation of our success. I'm also excited about the Horry County State Bank acquisition that was announced last week and is expected to close in the third quarter. Not only is the bank in a market where we want to expand, it is also a solid cultural fit with the same emphasis on outstanding customer service for which United is known."



#### Conference Call

United will hold a conference call today, Wednesday, April 26, 2017, at 11 a.m. ET to discuss the contents of this earnings release and to share business highlights for the quarter. To access the call, dial (877) 380-5665 and use the conference number 97149143. The conference call also will be webcast and available for replay for 30 days by selecting "Events & Presentations" within the Investor Relations section of United's website at [www.ucbi.com](http://www.ucbi.com).

#### About United Community Banks, Inc.

United Community Banks, Inc. (NASDAQ: UCBI) is a registered bank holding company based in Blairsville, Georgia with \$10.7 billion in assets. The company's banking subsidiary, United Community Bank, is one of the southeast region's largest full-service banks, operating 134 offices in Georgia, North Carolina, South Carolina and Tennessee. The bank specializes in providing personalized community banking services to individuals, small businesses and middle-market companies. Services include a full range of consumer and commercial banking products including mortgage, advisory, and treasury management. Respected national research firms consistently recognize United Community Bank for outstanding customer service. In 2014, 2015 and 2016, J.D. Power ranked United Community Bank first in customer satisfaction in the Southeast. In 2017, for the fourth consecutive year, Forbes included United among their list of the top 100 Best Banks in America. Additional information about the company and the bank's full range of products and services can be found at [www.ucbi.com](http://www.ucbi.com).

#### Non-GAAP Financial Measures

This News Release, including the accompanying financial statement tables, contains financial information determined by methods other than in accordance with generally accepted accounting principles, or 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 as "operating net income," "operating net income per diluted share," "operating net income available to common shareholders," "operating diluted income per common share," "tangible book value per common share," "operating return on common equity," "operating return on tangible common equity," "operating return on assets," "operating dividend payout ratio," "operating efficiency ratio," "average tangible equity to average assets," "average tangible common equity to average assets" and "tangible common equity to risk-weighted assets." These non-GAAP measures are included because United believes they may provide useful supplemental information for evaluating United's underlying performance trends. These 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 measures as reported in accordance with GAAP are included with the accompanying financial statement tables.

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 2016 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.

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UNITED COMMUNITY BANKS, INC.  
**Financial Highlights**  
**Selected Financial Information**

	2017		2016			First Quarter 2017-2016 Change
	First Quarter	Fourth Quarter	Third Quarter	Second Quarter	First Quarter	
<i>(in thousands, except per share data)</i>						
<b>INCOME SUMMARY</b>						
Interest revenue	\$ 90,958	\$ 87,778	\$ 85,439	\$ 81,082	\$ 80,721	
Interest expense	7,404	6,853	6,450	6,164	5,769	
Net interest revenue	83,554	80,925	78,989	74,918	74,952	11%
Provision for credit losses	800	-	(300)	(300)	(200)	
Fee revenue	22,074	25,233	26,361	23,497	18,606	19
<b>Total revenue</b>	<b>104,828</b>	<b>106,158</b>	<b>105,650</b>	<b>98,715</b>	<b>93,758</b>	<b>12</b>
Expenses	62,826	61,321	64,023	58,060	57,885	9
Income before income tax expense	42,002	44,837	41,627	40,655	35,873	17
Income tax expense	18,478	17,616	15,753	15,389	13,578	36
<b>Net income</b>	<b>23,524</b>	<b>27,221</b>	<b>25,874</b>	<b>25,266</b>	<b>22,295</b>	<b>6</b>
Preferred dividends	-	-	-	-	21	
<b>Net income available to common shareholders</b>	<b>\$ 23,524</b>	<b>\$ 27,221</b>	<b>\$ 25,874</b>	<b>\$ 25,266</b>	<b>\$ 22,274</b>	<b>6</b>
Merger-related and other charges	2,054	1,141	3,152	1,176	2,653	
Income tax benefit of merger-related and other charges	(758)	(432)	(1,193)	(445)	(1,004)	
Impairment of deferred tax asset on canceled non-qualified stock options	-	976	-	-	-	
Release of disproportionate tax effects lodged in OCI	3,400	-	-	-	-	
<b>Net income available to common shareholders - operating <sup>(1)</sup></b>	<b>\$ 28,220</b>	<b>\$ 28,906</b>	<b>\$ 27,833</b>	<b>\$ 25,997</b>	<b>\$ 23,923</b>	<b>18</b>
<b>PERFORMANCE MEASURES</b>						
Per common share:						
Diluted net income - GAAP	\$ .33	\$ .38	\$ .36	\$ .35	\$ .31	6
Diluted net income - operating <sup>(1)</sup>	.39	.40	.39	.36	.33	18
Cash dividends declared	.09	.08	.08	.07	.07	
Book value	15.40	15.06	15.12	14.80	14.35	7
Tangible book value <sup>(3)</sup>	13.30	12.95	13.00	12.84	12.40	7
Key performance ratios:						
Return on common equity - GAAP <sup>(2)(4)</sup>	8.54%	9.89%	9.61%	9.54%	8.57%	
Return on common equity - operating <sup>(1)(2)(4)</sup>	10.25	10.51	10.34	9.81	9.20	
Return on tangible common equity - operating <sup>(1)(2)(3)(4)</sup>	12.10	12.47	12.45	11.56	10.91	
Return on assets - GAAP <sup>(4)</sup>	.89	1.03	1.00	1.04	.93	
Return on assets - operating <sup>(1)(4)</sup>	1.07	1.10	1.08	1.07	1.00	
Dividend payout ratio - GAAP	27.27	21.05	22.22	20.00	22.58	
Dividend payout ratio - operating <sup>(1)</sup>	23.08	20.00	20.51	19.44	21.21	
Net interest margin (fully taxable equivalent) <sup>(4)</sup>	3.45	3.34	3.34	3.35	3.41	
Efficiency ratio - GAAP	59.29	57.65	60.78	59.02	61.94	
Efficiency ratio - operating <sup>(1)</sup>	57.35	56.58	57.79	57.82	59.10	
Average equity to average assets	10.24	10.35	10.38	10.72	10.72	
Average tangible equity to average assets <sup>(3)</sup>	8.96	9.04	8.98	9.43	9.41	
Average tangible common equity to average assets <sup>(3)</sup>	8.96	9.04	8.98	9.43	9.32	
Tangible common equity to risk-weighted assets <sup>(3)(5)</sup>	12.07	11.84	12.22	12.87	12.77	
<b>ASSET QUALITY</b>						
Nonperforming loans	\$ 19,812	\$ 21,539	\$ 21,572	\$ 21,348	\$ 22,419	(12)
Foreclosed properties	5,060	7,949	9,187	6,176	5,163	(2)
Total nonperforming assets (NPAs)	24,872	29,488	30,759	27,524	27,582	(10)
Allowance for loan losses	60,543	61,422	62,961	64,253	66,310	(9)
Net charge-offs	1,679	1,539	1,359	1,730	2,138	(21)
Allowance for loan losses to loans	.87%	.89%	.94%	1.02%	1.09%	
Net charge-offs to average loans <sup>(4)</sup>	.10	.09	.08	.11	.14	
NPAs to loans and foreclosed properties	.36	.43	.46	.44	.45	
NPAs to total assets	.23	.28	.30	.28	.28	
<b>AVERAGE BALANCES (\$ in millions)</b>						
Loans	\$ 6,904	\$ 6,814	\$ 6,675	\$ 6,151	\$ 6,004	15
Investment securities	2,822	2,690	2,610	2,747	2,718	4
Earning assets	9,872	9,665	9,443	9,037	8,876	11
Total assets	10,677	10,484	10,281	9,809	9,634	11
Deposits	8,592	8,552	8,307	7,897	7,947	8
Shareholders' equity	1,093	1,085	1,067	1,051	1,033	6
Common shares - basic (thousands)	71,700	71,641	71,556	72,202	72,162	(1)
Common shares - diluted (thousands)	71,708	71,648	71,561	72,207	72,166	(1)
<b>AT PERIOD END (\$ in millions)</b>						
Loans	\$ 6,965	\$ 6,921	\$ 6,725	\$ 6,287	\$ 6,106	14
Investment securities	2,767	2,762	2,560	2,677	2,757	-
Total assets	10,732	10,709	10,298	9,928	9,781	10
Deposits	8,752	8,638	8,442	7,857	7,960	10
Shareholders' equity	1,102	1,076	1,079	1,060	1,034	7
Common shares outstanding (thousands)	70,973	70,899	70,861	71,122	71,544	(1)

(1) Excludes merger-related charges, a first quarter 2017 release of disproportionate tax effects lodged in OCI and a fourth quarter 2016 deferred tax asset impairment charge related to canceled non-qualified stock options. (2) Net 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). (3) Excludes effect of acquisition related intangibles and associated amortization. (4) Annualized. (5) First quarter 2017 ratio is preliminary.

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**UNITED COMMUNITY BANKS, INC.**  
**Non-GAAP Performance Measures Reconciliation**  
**Selected Financial Information**

	2017		2016		
	First Quarter	Fourth Quarter	Third Quarter	Second Quarter	First Quarter
<i>(in thousands, except per share data)</i>					
<b>Expense reconciliation</b>					
Expenses (GAAP)	\$ 62,826	\$ 61,321	\$ 64,023	\$ 58,060	\$ 57,885
Merger-related and other charges	(2,054)	(1,141)	(3,152)	(1,176)	(2,653)
Expenses - operating	<u>\$ 60,772</u>	<u>\$ 60,180</u>	<u>\$ 60,871</u>	<u>\$ 56,884</u>	<u>\$ 55,232</u>
<b>Net income reconciliation</b>					
Net income (GAAP)	\$ 23,524	\$ 27,221	\$ 25,874	\$ 25,266	\$ 22,295
Merger-related and other charges	2,054	1,141	3,152	1,176	2,653
Income tax benefit of merger-related and other charges	(758)	(432)	(1,193)	(445)	(1,004)
Impairment of deferred tax asset on canceled non-qualified stock options	-	976	-	-	-
Release of disproportionate tax effects lodged in OCI	3,400	-	-	-	-
Net income - operating	<u>\$ 28,220</u>	<u>\$ 28,906</u>	<u>\$ 27,833</u>	<u>\$ 25,997</u>	<u>\$ 23,944</u>
<b>Net income available to common shareholders reconciliation</b>					
Net income available to common shareholders (GAAP)	\$ 23,524	\$ 27,221	\$ 25,874	\$ 25,266	\$ 22,274
Merger-related and other charges	2,054	1,141	3,152	1,176	2,653
Income tax benefit of merger-related and other charges	(758)	(432)	(1,193)	(445)	(1,004)
Impairment of deferred tax asset on canceled non-qualified stock options	-	976	-	-	-
Release of disproportionate tax effects lodged in OCI	3,400	-	-	-	-
Net income available to common shareholders - operating	<u>\$ 28,220</u>	<u>\$ 28,906</u>	<u>\$ 27,833</u>	<u>\$ 25,997</u>	<u>\$ 23,923</u>
<b>Diluted income per common share reconciliation</b>					
Diluted income per common share (GAAP)	\$ .33	\$ .38	\$ .36	\$ .35	\$ .31
Merger-related and other charges	.01	.01	.03	.01	.02
Impairment of deferred tax asset on canceled non-qualified stock options	-	.01	-	-	-
Release of disproportionate tax effects lodged in OCI	.05	-	-	-	-
Diluted income per common share - operating	<u>\$ .39</u>	<u>\$ .40</u>	<u>\$ .39</u>	<u>\$ .36</u>	<u>\$ .33</u>
<b>Book value per common share reconciliation</b>					
Book value per common share (GAAP)	\$ 15.40	\$ 15.06	\$ 15.12	\$ 14.80	\$ 14.35
Effect of goodwill and other intangibles	(2.10)	(2.11)	(2.12)	(1.96)	(1.95)
Tangible book value per common share	<u>\$ 13.30</u>	<u>\$ 12.95</u>	<u>\$ 13.00</u>	<u>\$ 12.84</u>	<u>\$ 12.40</u>
<b>Return on tangible common equity reconciliation</b>					
Return on common equity (GAAP)	8.54%	9.89%	9.61%	9.54%	8.57%
Merger-related and other charges	.47	.26	.73	.27	.63
Impairment of deferred tax asset on canceled non-qualified stock options	-	.36	-	-	-
Release of disproportionate tax effects lodged in OCI	1.24	-	-	-	-
Return on common equity - operating	<u>10.25</u>	<u>10.51</u>	<u>10.34</u>	<u>9.81</u>	<u>9.20</u>
Effect of goodwill and other intangibles	1.85	1.96	2.11	1.75	1.71
Return on tangible common equity - operating	<u>12.10%</u>	<u>12.47%</u>	<u>12.45%</u>	<u>11.56%</u>	<u>10.91%</u>
<b>Return on assets reconciliation</b>					
Return on assets (GAAP)	.89%	1.03%	1.00%	1.04%	.93%
Merger-related and other charges	.05	.03	.08	.03	.07
Impairment of deferred tax asset on canceled non-qualified stock options	-	.04	-	-	-
Release of disproportionate tax effects lodged in OCI	.13	-	-	-	-
Return on assets - operating	<u>1.07%</u>	<u>1.10%</u>	<u>1.08%</u>	<u>1.07%</u>	<u>1.00%</u>
<b>Dividend payout ratio reconciliation</b>					
Dividend payout ratio (GAAP)	27.27%	21.05%	22.22%	20.00%	22.58%
Merger-related and other charges	(.98)	(.54)	(1.71)	(.56)	(1.37)
Impairment of deferred tax asset on canceled non-qualified stock options	-	(.51)	-	-	-
Release of disproportionate tax effects lodged in OCI	(3.21)	-	-	-	-
Dividend payout ratio - operating	<u>23.08%</u>	<u>20.00%</u>	<u>20.51%</u>	<u>19.44%</u>	<u>21.21%</u>
<b>Efficiency ratio reconciliation</b>					
Efficiency ratio (GAAP)	59.29%	57.65%	60.78%	59.02%	61.94%
Merger-related and other charges	(1.94)	(1.07)	(2.99)	(1.20)	(2.84)
Efficiency ratio - operating	<u>57.35%</u>	<u>56.58%</u>	<u>57.79%</u>	<u>57.82%</u>	<u>59.10%</u>
<b>Average equity to assets reconciliation</b>					
Equity to assets (GAAP)	10.24%	10.35%	10.38%	10.72%	10.72%
Effect of goodwill and other intangibles	(1.28)	(1.31)	(1.40)	(1.29)	(1.31)
Tangible equity to assets	<u>8.96</u>	<u>9.04</u>	<u>8.98</u>	<u>9.43</u>	<u>9.41</u>
Effect of preferred equity	-	-	-	-	(.09)

Tangible common equity to assets	<u>8.96%</u>	<u>9.04%</u>	<u>8.98%</u>	<u>9.43%</u>	<u>9.32%</u>
<b>Tangible common equity to risk-weighted assets reconciliation <sup>(1)</sup></b>					
Tier 1 capital ratio (Regulatory)	11.46%	11.23%	11.04%	11.44%	11.32%
Effect of other comprehensive income	(.24)	(.34)	-	(.06)	(.25)
Effect of deferred tax limitation	1.13	1.26	1.50	1.63	1.85
Effect of trust preferred	(.25)	(.25)	(.26)	(.08)	(.08)
Basel III intangibles transition adjustment	<u>(.03)</u>	<u>(.06)</u>	<u>(.06)</u>	<u>(.06)</u>	<u>(.07)</u>
Tangible common equity to risk-weighted assets	<u>12.07%</u>	<u>11.84%</u>	<u>12.22%</u>	<u>12.87%</u>	<u>12.77%</u>

<sup>(1)</sup> First quarter 2017 ratios are preliminary.

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

<i>(in millions)</i>	2017	2016				Linked Quarter Change	Year over Year Change
	First Quarter	Fourth Quarter	Third Quarter	Second Quarter	First Quarter		
<b>LOANS BY CATEGORY</b>							
Owner occupied commercial RE	\$ 1,633	\$ 1,650	\$ 1,587	\$ 1,527	\$ 1,509	\$ (17)	\$ 124
Income producing commercial RE	1,297	1,282	1,277	1,101	1,071	15	226
Commercial & industrial	1,080	1,070	994	925	854	10	226
Commercial construction	667	634	567	565	535	33	132
Total commercial	4,677	4,636	4,425	4,118	3,969	41	708
Residential mortgage	860	857	814	784	774	3	86
Home equity lines of credit	659	655	693	616	597	4	62
Residential construction	197	190	200	170	167	7	30
Consumer installment	572	583	593	599	599	(11)	(27)
<b>Total loans</b>	<u>\$ 6,965</u>	<u>\$ 6,921</u>	<u>\$ 6,725</u>	<u>\$ 6,287</u>	<u>\$ 6,106</u>	44	859
<b>LOANS BY MARKET</b>							
North Georgia	\$ 1,076	\$ 1,097	\$ 1,110	\$ 1,097	\$ 1,097	(21)	(21)
Atlanta MSA	1,408	1,399	1,332	1,314	1,257	9	151
North Carolina	541	545	548	543	543	(4)	(2)
Coastal Georgia	591	581	565	541	543	10	48
Gainesville MSA	252	248	236	240	248	4	4
East Tennessee	483	504	506	509	495	(21)	(12)
South Carolina	1,243	1,233	1,199	862	821	10	422
Specialized Lending	911	855	763	706	628	56	283
Indirect auto	460	459	466	475	474	1	(14)
<b>Total loans</b>	<u>\$ 6,965</u>	<u>\$ 6,921</u>	<u>\$ 6,725</u>	<u>\$ 6,287</u>	<u>\$ 6,106</u>	44	859

UNITED COMMUNITY BANKS, INC.

Financial Highlights

Credit Quality

(in thousands)	First Quarter 2017			Fourth Quarter 2016			Third Quarter 2016		
	Nonperforming Loans	Foreclosed Properties	Total NPAs	Nonperforming Loans	Foreclosed Properties	Total NPAs	Nonperforming Loans	Foreclosed Properties	Total NPAs
<b>NONPERFORMING ASSETS BY CATEGORY</b>									
Owner occupied CRE	\$ 6,135	\$ 1,238	\$ 7,373	\$ 7,373	\$ 3,145	\$ 10,518	\$ 7,693	\$ 3,188	\$ 10,881
Income producing CRE	1,540	21	1,561	1,324	36	1,360	2,422	765	3,187
Commercial & industrial	929	-	929	966	-	966	1,079	-	1,079
Commercial construction	1,069	2,825	3,894	1,538	2,977	4,515	1,977	1,274	3,251
Total commercial	9,673	4,084	13,757	11,201	6,158	17,359	13,171	5,227	18,398
Residential mortgage	6,455	660	7,115	6,368	1,260	7,628	5,440	1,211	6,651
Home equity lines of credit	1,848	261	2,109	1,831	531	2,362	1,194	514	1,708
Residential construction	417	55	472	776	-	776	369	2,235	2,604
Consumer installment	1,419	-	1,419	1,363	-	1,363	1,398	-	1,398
<b>Total NPAs</b>	<b>\$ 19,812</b>	<b>\$ 5,060</b>	<b>\$ 24,872</b>	<b>\$ 21,539</b>	<b>\$ 7,949</b>	<b>\$ 29,488</b>	<b>\$ 21,572</b>	<b>\$ 9,187</b>	<b>\$ 30,759</b>
<b>NONPERFORMING ASSETS BY MARKET</b>									
North Georgia	\$ 5,344	\$ 570	\$ 5,914	\$ 5,278	\$ 856	\$ 6,134	\$ 5,356	\$ 653	\$ 6,009
Atlanta MSA	715	645	1,360	1,259	716	1,975	979	1,530	2,509
North Carolina	4,897	355	5,252	4,750	632	5,382	5,216	543	5,759
Coastal Georgia	942	-	942	1,778	-	1,778	1,606	47	1,653
Gainesville MSA	728	-	728	279	-	279	222	-	222
East Tennessee	2,112	633	2,745	2,354	675	3,029	3,281	160	3,441
South Carolina	1,725	2,857	4,582	2,494	5,070	7,564	2,015	6,254	8,269
Specialized Lending	2,032	-	2,032	2,072	-	2,072	1,597	-	1,597
Indirect auto	1,317	-	1,317	1,275	-	1,275	1,300	-	1,300
<b>Total NPAs</b>	<b>\$ 19,812</b>	<b>\$ 5,060</b>	<b>\$ 24,872</b>	<b>\$ 21,539</b>	<b>\$ 7,949</b>	<b>\$ 29,488</b>	<b>\$ 21,572</b>	<b>\$ 9,187</b>	<b>\$ 30,759</b>
<b>NONPERFORMING ASSETS ACTIVITY</b>									
Beginning Balance	\$ 21,539	\$ 7,949	\$ 29,488	\$ 21,572	\$ 9,187	\$ 30,759	\$ 21,348	\$ 6,176	\$ 27,524
Acquisitions	-	-	-	-	-	-	-	7,495	7,495
Loans placed on non-accrual	3,172	-	3,172	6,346	-	6,346	6,680	-	6,680
Payments received	(3,046)	-	(3,046)	(3,832)	-	(3,832)	(3,938)	-	(3,938)
Loan charge-offs	(1,292)	-	(1,292)	(1,293)	-	(1,293)	(1,236)	-	(1,236)
Foreclosures	(561)	561	-	(1,254)	1,530	276	(1,282)	2,335	1,053
Capitalized costs	-	-	-	-	26	26	-	3	3
Property sales	-	(3,077)	(3,077)	-	(2,737)	(2,737)	-	(6,553)	(6,553)
Write downs	-	(480)	(480)	-	(254)	(254)	-	(53)	(53)
Net gains (losses) on sales	-	107	107	-	197	197	-	(216)	(216)
<b>Ending Balance</b>	<b>\$ 19,812</b>	<b>\$ 5,060</b>	<b>\$ 24,872</b>	<b>\$ 21,539</b>	<b>\$ 7,949</b>	<b>\$ 29,488</b>	<b>\$ 21,572</b>	<b>\$ 9,187</b>	<b>\$ 30,759</b>

(in thousands)	First Quarter 2017		Fourth Quarter 2016		Third Quarter 2016	
	Net Charge-Offs	Net Charge-Offs to Average Loans <sup>(1)</sup>	Net Charge-Offs	Net Charge-Offs to Average Loans <sup>(1)</sup>	Net Charge-Offs	Net Charge-Offs to Average Loans <sup>(1)</sup>
<b>NET CHARGE-OFFS BY CATEGORY</b>						
Owner occupied CRE	\$ (212)	(.05)%	\$ 1	-%	\$ 46	.01%
Income producing CRE	870	.28	527	.16	70	.02
Commercial & industrial	(152)	(.06)	(201)	(.08)	453	.18
Commercial construction	(370)	(.23)	241	.16	(194)	(.13)
Total commercial	136	.01	568	.05	375	.03
Residential mortgage	530	.25	322	.15	(47)	(.02)
Home equity lines of credit	422	.26	151	.09	267	.16
Residential construction	(9)	(.02)	(16)	(.03)	242	.51
Consumer installment	600	.42	514	.35	522	.34
<b>Total</b>	<b>\$ 1,679</b>	<b>.10</b>	<b>\$ 1,539</b>	<b>.09</b>	<b>\$ 1,359</b>	<b>.08</b>
<b>NET CHARGE-OFFS BY MARKET</b>						
North Georgia	\$ 15	.01%	\$ 575	.21%	\$ 68	.02%
Atlanta MSA	(46)	(.01)	12	-	398	.12
North Carolina	601	.45	714	.52	329	.24
Coastal Georgia	(223)	(.15)	118	.08	432	.31
Gainesville MSA	358	.58	(32)	(.05)	15	.03
East Tennessee	55	.05	(139)	(.11)	(69)	(.05)
South Carolina	425	.14	(2)	-	(66)	(.02)
Specialized Lending	195	.09	(21)	(.01)	69	.04
Indirect auto	299	.27	314	.27	183	.15
<b>Total</b>	<b>\$ 1,679</b>	<b>.10</b>	<b>\$ 1,539</b>	<b>.09</b>	<b>\$ 1,359</b>	<b>.08</b>

(1) Annualized.



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

	<b>Three Months Ended</b>	
	<b>March 31,</b>	
<i>(in thousands, except per share data)</i>	<b>2017</b>	<b>2016</b>
<b>Interest revenue:</b>		
Loans, including fees	\$ 72,727	\$ 63,976
Investment securities, including tax exempt of \$279 and \$166	17,712	15,788
Deposits in banks and short-term investments	519	957
Total interest revenue	<u>90,958</u>	<u>80,721</u>
<b>Interest expense:</b>		
Deposits:		
NOW	597	485
Money market	1,426	1,108
Savings	27	29
Time	<u>1,008</u>	<u>642</u>
Total deposit interest expense	3,058	2,264
Short-term borrowings	40	87
Federal Home Loan Bank advances	1,430	733
Long-term debt	<u>2,876</u>	<u>2,685</u>
Total interest expense	<u>7,404</u>	<u>5,769</u>
Net interest revenue	83,554	74,952
Release of (provision for) credit losses	<u>800</u>	<u>(200)</u>
Net interest revenue after provision for credit losses	<u>82,754</u>	<u>75,152</u>
<b>Fee revenue:</b>		
Service charges and fees	10,604	10,126
Mortgage loan and other related fees	4,424	3,289
Brokerage fees	1,410	1,053
Gains from sales of government guaranteed loans	1,959	1,237
Securities gains, net	(2)	379
Other	<u>3,679</u>	<u>2,522</u>
Total fee revenue	<u>22,074</u>	<u>18,606</u>
<b>Total revenue</b>	<u>104,828</u>	<u>93,758</u>
<b>Operating expenses:</b>		
Salaries and employee benefits	36,691	33,062
Communications and equipment	4,918	4,290
Occupancy	4,949	4,723
Advertising and public relations	1,061	864
Postage, printing and supplies	1,370	1,280
Professional fees	3,044	2,700
FDIC assessments and other regulatory charges	1,283	1,524
Amortization of intangibles	973	1,010
Merger-related and other charges	2,054	2,653
Other	<u>6,483</u>	<u>5,779</u>
Total operating expenses	<u>62,826</u>	<u>57,885</u>
Net income before income taxes	42,002	35,873
Income tax expense	<u>18,478</u>	<u>13,578</u>
<b>Net income</b>	<u>23,524</u>	<u>22,295</u>
Preferred stock dividends and discount accretion	-	21
<b>Net income available to common shareholders</b>	<u>\$ 23,524</u>	<u>\$ 22,274</u>
<b>Earnings per common share:</b>		
Basic	\$ .33	\$ .31
Diluted	.33	.31
<b>Weighted average common shares outstanding:</b>		
Basic	71,700	72,162
Diluted	71,708	72,166

**UNITED COMMUNITY BANKS, INC.**  
**Consolidated Balance Sheet (Unaudited)**

(in thousands, except share and per share data)

	March 31, 2017	December 31, 2016
<b>ASSETS</b>		
Cash and due from banks	\$ 90,151	\$ 99,489
Interest-bearing deposits in banks	140,822	117,859
Cash and cash equivalents	230,973	217,348
Securities available for sale	2,436,591	2,432,438
Securities held to maturity (fair value \$333,032 and \$333,170)	329,992	329,843
Mortgage loans held for sale (includes \$15,845 and \$27,891 at fair value)	16,491	29,878
Loans, net of unearned income	6,964,990	6,920,636
Less allowance for loan losses	(60,543)	(61,422)
Loans, net	6,904,447	6,859,214
Premises and equipment, net	189,437	189,938
Bank owned life insurance	154,150	143,543
Accrued interest receivable	27,020	28,018
Net deferred tax asset	139,383	154,336
Derivative financial instruments	22,131	23,688
Goodwill and other intangible assets	155,250	156,222
Other assets	125,938	144,189
<b>Total assets</b>	<b>\$ 10,731,803</b>	<b>\$ 10,708,655</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Liabilities:		
Deposits:		
Demand	\$ 2,752,361	\$ 2,637,004
NOW	1,968,493	1,989,763
Money market	1,831,145	1,846,440
Savings	574,805	549,713
Time	1,261,232	1,287,142
Brokered	364,056	327,496
Total deposits	8,752,092	8,637,558
Short-term borrowings	-	5,000
Federal Home Loan Bank advances	569,138	709,209
Long-term debt	175,238	175,078
Derivative financial instruments	26,425	27,648
Accrued expenses and other liabilities	107,367	78,427
<b>Total liabilities</b>	<b>9,630,260</b>	<b>9,632,920</b>
Shareholders' equity:		
Preferred stock, \$1 par value; 10,000,000 shares authorized; 0 shares issued and outstanding	-	-
Common stock, \$1 par value; 150,000,000 shares authorized; 70,972,753 and 70,899,114 shares issued and outstanding	70,973	70,899
Common stock, non-voting, \$1 par value; 26,000,000 shares authorized; 0 shares issued and outstanding	-	-
Common stock issuable; 546,511 and 519,874 shares	7,959	7,327
Capital surplus	1,275,954	1,275,849
Accumulated deficit	(234,384)	(251,857)
Accumulated other comprehensive loss	(18,959)	(26,483)
<b>Total shareholders' equity</b>	<b>1,101,543</b>	<b>1,075,735</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 10,731,803</b>	<b>\$ 10,708,655</b>

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

<i>(dollars in thousands, fully taxable equivalent (FTE))</i>	2017			2016		
	Average Balance	Interest	Avg. Rate	Average Balance	Interest	Avg. Rate
<b>Assets:</b>						
Interest-earning assets:						
Loans, net of unearned income (FTE) <sup>(1)(2)</sup>	\$ 6,903,860	\$ 72,741	4.27%	\$ 6,003,568	\$ 64,044	4.29%
Taxable securities <sup>(3)</sup>	2,779,625	17,433	2.51	2,688,564	15,622	2.32
Tax-exempt securities (FTE) <sup>(1)(3)</sup>	42,180	457	4.33	29,744	272	3.66
Federal funds sold and other interest-earning assets	146,027	664	1.82	153,759	1,053	2.74
<b>Total interest-earning assets (FTE)</b>	<b>9,871,692</b>	<b>91,295</b>	<b>3.74</b>	<b>8,875,635</b>	<b>80,991</b>	<b>3.67</b>
Non-interest-earning assets:						
Allowance for loan losses	(61,668)			(68,473)		
Cash and due from banks	99,253			85,635		
Premises and equipment	190,096			180,090		
Other assets <sup>(3)</sup>	577,168			561,261		
<b>Total assets</b>	<b>\$ 10,676,541</b>			<b>\$ 9,634,148</b>		
<b>Liabilities and Shareholders' Equity:</b>						
Interest-bearing liabilities:						
Interest-bearing deposits:						
NOW	\$ 1,959,678	597	.12	\$ 1,886,472	485	.10
Money market	2,065,449	1,426	.28	1,840,584	1,108	.24
Savings	560,634	27	.02	480,238	29	.02
Time	1,263,946	815	.26	1,259,689	817	.26
Brokered time deposits	98,340	193	.80	233,213	(175)	(.30)
Total interest-bearing deposits	5,948,047	3,058	.21	5,700,196	2,264	.16
Federal funds purchased and other borrowings	19,031	40	.85	34,906	87	1.00
Federal Home Loan Bank advances	681,117	1,430	.85	346,169	733	.85
Long-term debt	175,142	2,876	6.66	165,419	2,685	6.53
Total borrowed funds	875,290	4,346	2.01	546,494	3,505	2.58
<b>Total interest-bearing liabilities</b>	<b>6,823,337</b>	<b>7,404</b>	<b>.44</b>	<b>6,246,690</b>	<b>5,769</b>	<b>.37</b>
Non-interest-bearing liabilities:						
Non-interest-bearing deposits	2,643,630			2,247,041		
Other liabilities	116,752			107,320		
Total liabilities	9,583,719			8,601,051		
Shareholders' equity	1,092,822			1,033,097		
<b>Total liabilities and shareholders' equity</b>	<b>\$ 10,676,541</b>			<b>\$ 9,634,148</b>		
<b>Net interest revenue (FTE)</b>		<b>\$ 83,891</b>			<b>\$ 75,222</b>	
Net interest-rate spread (FTE)			<b>3.30%</b>			<b>3.30%</b>
<b>Net interest margin (FTE) <sup>(4)</sup></b>			<b>3.45%</b>			<b>3.41%</b>

(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 and loans that are held for sale.

(3) Securities available for sale are shown at amortized cost. Pretax unrealized losses of \$5.38 million in 2017 and pretax unrealized gains of \$2.20 million in 2016 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.

# 2017 INVESTOR PRESENTATION

FIRST QUARTER 2017  
APRIL 26, 2017



# Disclosures

## CAUTIONARY STATEMENT

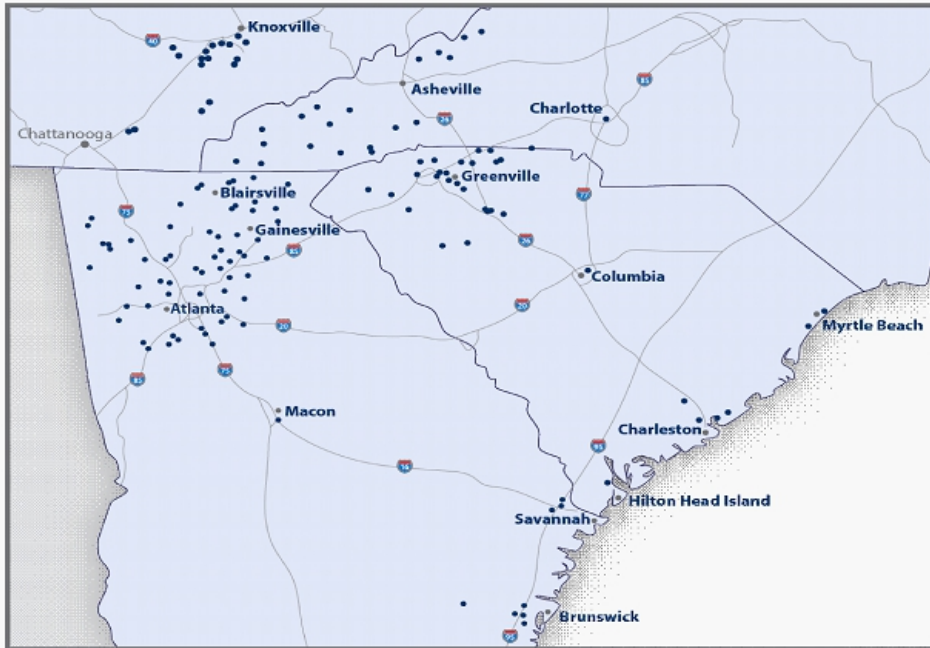
This investor presentation may contain forward-looking statements, as defined by federal securities laws, including statements about United and its financial outlook and business environment. These statements are based on current expectations and are provided to assist in the understanding of our operations and future financial performance. Our operations and 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 Community Banks, Inc.'s filings with the Securities and Exchange Commission, including its 2016 Annual Report on Form 10-K under the section entitled "Forward-Looking Statements." 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 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: "Net income – operating," "Net income available to common shareholders – operating," "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," "Efficiency ratio – operating," "Expenses – operating," "Tangible common equity to risk-weighted assets," and "Average tangible equity to average assets." This presentation also includes "pre-tax, pre-credit earnings," which excludes the provision for credit losses, income taxes and merger-related and other charges.

Management has included these non-GAAP measures because we believe they may provide useful supplemental information for evaluating our underlying performance trends. Further, management uses these measures in managing and evaluating our 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.

# Snapshot of United Community Banks, Inc.



- Headquartered in Blairsville, GA
- Regional Headquarters in Greenville, SC
- Four state regional community bank: GA, NC, SC and TN
- One of the largest community banks in the Southeast
- Established in 1950
- 134 locations
- 1,955 employees



## Market Data

Ticker	UCBI
Price (as of 4/24/2017)	\$27.67
Market Cap	\$2.0B
P/E (2017e)	17.2x
P/TBV	208%
Avg. Daily Vol. (LTM)	540,000
Institutional Ownership	90.8%
Quarterly Dividend (1Q17)	\$0.09

## First Quarter 2017

Assets	\$10.7B
Loans	\$7.0B
Deposits	\$8.8B
EPS – GAAP	\$0.33
EPS – Operating	\$0.39
Total RBC	12.3%
CET1	11.4%
NPAs/Assets	0.23%
ROA – GAAP	0.89%
ROA – Operating	1.07%
ROCE – GAAP	8.54%
ROCE – Operating	12.10%

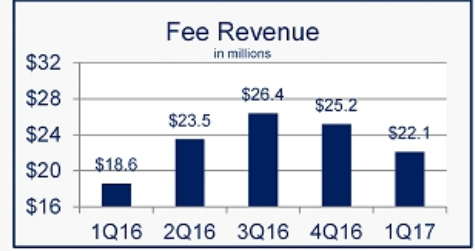
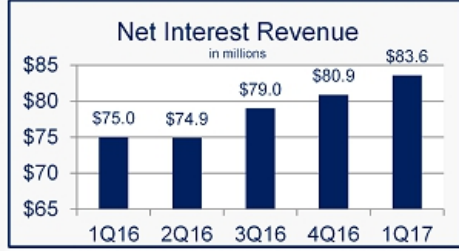


# United Foundation The Bank that SERVICE Built®

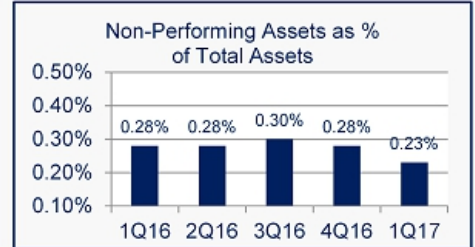
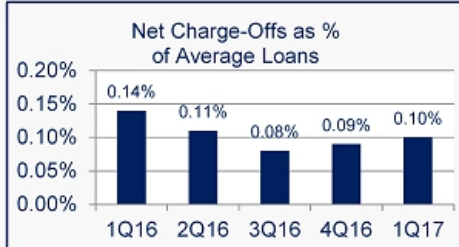
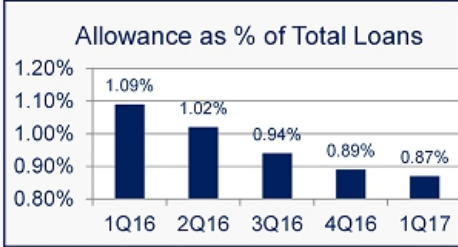
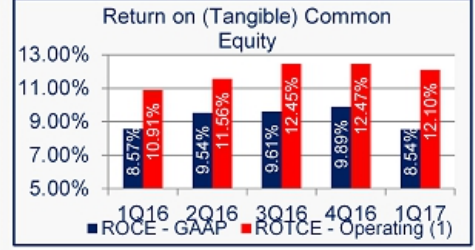
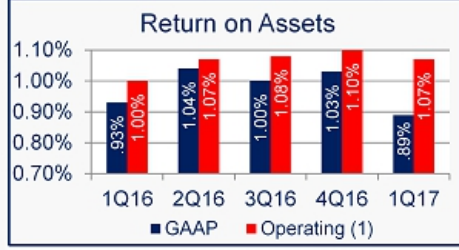
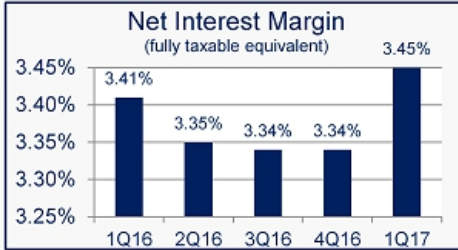


# First Quarter 2017 Highlights

## EARNINGS



## ASSET QUALITY PROFITABILITY



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



# First Quarter 2017 Highlights

	2016				2017	Variance - Incr / (Decr)	
	1Q	2Q	3Q (3)	4Q	1Q	4Q16	1Q16
<b>EARNINGS SUMMARY (\$ in thousands)</b>							
Net Income Available to Common Shareholders - GAAP	\$22,274	\$25,266	\$25,874	\$27,221	\$23,524	\$ (3,697)	\$ 1,250
Net Income Available to Common Shareholders - Operating <sup>(1)</sup>	23,923	25,997	27,833	28,906	28,220	(686)	4,297
Net Interest Revenue	74,952	74,918	78,989	80,925	83,554	2,629	8,602
Fee Revenue	18,606	23,497	26,361	25,233	22,074	(3,159)	3,468
Expenses - GAAP	57,885	58,060	64,023	61,321	62,826	1,505	4,941
Expenses - Operating <sup>(1)</sup>	55,232	56,884	60,871	60,180	60,772	592	5,540
<b>PER SHARE DATA</b>							
Diluted EPS - GAAP	\$ 0.31	\$ 0.35	\$ 0.36	\$ 0.38	\$ 0.33	\$ (0.05)	\$ 0.02
Diluted EPS - Operating <sup>(1)</sup>	0.33	0.36	0.39	0.40	0.39	(0.01)	0.06
Book Value per Share	14.35	14.80	15.12	15.06	15.40	0.34	1.05
Tangible Book Value per Share	12.40	12.84	13.00	12.95	13.30	0.35	0.90
<b>KEY OPERATING PERFORMANCE MEASURES</b>							
Return on Assets - GAAP	0.93 %	1.04 %	1.00 %	1.03 %	0.89 %	(0.14) %	(0.04) %
Return on Assets - Operating <sup>(1)</sup>	1.00	1.07	1.08	1.10	1.07	(0.03)	0.07
Return on Common Equity - GAAP	8.57	9.54	9.61	9.89	8.54	(1.35)	(0.03)
Return on Tangible Common Equity - Operating <sup>(1)</sup>	10.91	11.56	12.45	12.47	12.10	(0.37)	1.19
Net Interest Margin (fully taxable equivalent)	3.41	3.35	3.34	3.34	3.45	0.11	0.04
Efficiency Ratio - GAAP	61.94	59.02	60.78	57.65	59.29	1.64	(2.65)
Efficiency Ratio - Operating <sup>(1)</sup>	59.10	57.82	57.79	56.58	57.35	0.77	(1.75)
<b>ASSET QUALITY</b>							
Allowance for Loan Losses to Loans	1.09 %	1.02 %	0.94 %	0.89 %	0.87 %	(0.02) %	(0.22) %
NPAs to Loans and Foreclosed Properties	0.45	0.44	0.46	0.43	0.36	(0.07)	(0.09)
NPAs to Total Assets	0.28	0.28	0.30	0.28	0.23	(0.05)	(0.05)
<b>AT PERIOD END (\$ in millions)</b>							
Loans	\$ 6,106	\$ 6,287	\$ 6,725	\$ 6,921	\$ 6,965	\$ 44	\$ 859
Investment Securities	2,757	2,677	2,560	2,762	2,767	5	10
Total Assets	9,781	9,928	10,298	10,709	10,732	23	951
Deposits	7,960	7,857	8,442	8,638	8,752	114	792

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

<sup>(2)</sup> Includes Tideland as of the acquisition date of July 1, 2016

# Capital Ratios

## Prudent Capital Management

Holding Company	1Q17	4Q16	3Q16	2Q16	1Q16
Tier I Risk-Based Capital	11.5%	11.3%	11.0%	11.4%	11.3%
Total Risk-Based Capital	12.3	12.1	11.9	12.4	12.3
Leverage	8.6	8.5	8.4	8.5	8.4
Tier I Common Risk-Based Capital	11.4	11.3	11.0	11.4	11.3
Tangible Common Equity to Risk-Weighted Assets	12.1	11.9	12.2	12.9	12.8
Average Tangible Equity to Average Assets	9.0	9.0	9.0	9.4	9.4

- ▶ All regulatory capital ratios significantly above "well-capitalized"
- ▶ Continued strong earnings and \$88.8 million of future DTA recovery driving regulatory capital growth
- ▶ Paid first quarter shareholder dividend of \$0.09 per share on April 5, 2017 to shareholders of record on March 15, 2017; Up from \$0.08 per share in 4Q16 and \$0.07 per share in 1Q16
- ▶ Stock repurchases of \$13.6 million through September 30, 2016 (764,000 shares / average price of \$17.85 per share); No purchases since 3Q16
- ▶ Tideland's acquisition completed on July 1, 2016. No shares issued

# Increasing Profitability Earnings, Fee Revenue, and Expenses



## Earnings (pre-tax, pre-credit)

\$ in thousands

	1Q17	Variance - Incr/(Decr)	
		4Q16	1Q16
Net Interest Revenue	\$ 83,554	\$ 2,629	\$ 8,602
Fee Revenue	22,074	(3,159)	3,468
Gross Revenue	105,628	(530)	12,070
Expenses - Operating <sup>(1)</sup>	60,772	592	5,540
<b>Pre-Tax, Pre-Credit Earnings <sup>(1)</sup></b>	<b>44,856</b>	<b>(1,122)</b>	<b>6,530</b>
Provision for Credit Losses	(800)	800	1,000
Release of disproportionate tax effects lodged in OCI	(3,400)	3,400	3,400
Merger-Related and Other Charges	(2,054)	913	(599)
Income Taxes	(15,078)	(2,538)	1,500
<b>Net Income - GAAP</b>	<b>\$ 26,924</b>	<b>\$ (3,697)</b>	<b>\$ 1,229</b>
Net Interest Margin	3.45 %	0.11 %	0.04

## Fee Revenue

\$ in thousands

	1Q17	Variance - Incr/(Decr)	
		4Q16	1Q16
Overdraft Fees	\$ 3,397	\$ (148)	\$ 4
Interchange Fees	5,388	138	415
Other Service Charges	1,819	(39)	59
Total Service Charges and Fees	10,604	(49)	478
Mortgage Loan & Related Fees	4,424	(2,092)	1,135
Brokerage Fees	1,410	499	357
Gains from SBA Loan Sales	1,959	(1,069)	722
Securities Gains, Net	(2)	(62)	(381)
Other	3,679	(386)	1,157
<b>Fee Revenue</b>	<b>\$ 22,074</b>	<b>\$ (3,159)</b>	<b>\$ 3,468</b>

## Expenses

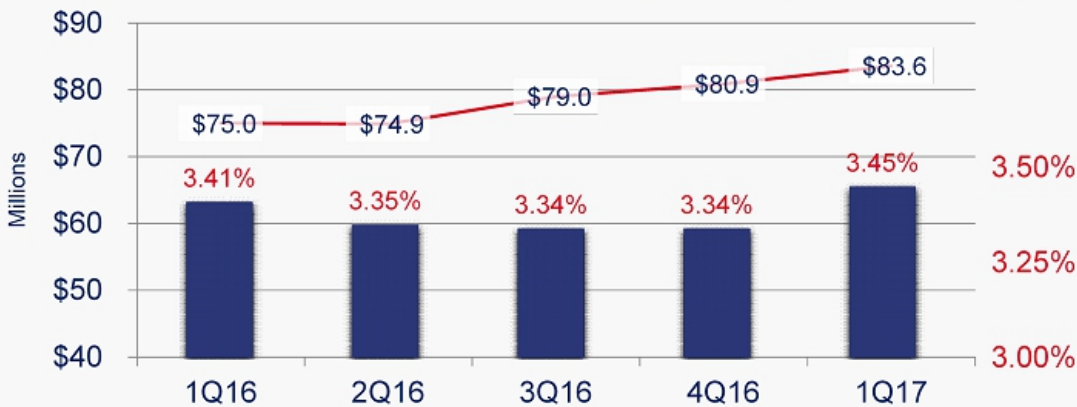
\$ in thousands

	1Q17	Variance - Incr/(Decr)	
		4Q16	1Q16
Salaries & Employee Benefits	\$ 36,691	\$ 1,014	\$ 3,629
Communications & Equipment	4,918	165	628
Occupancy	4,949	(261)	226
FDIC Assessment	1,283	(130)	(241)
Advertising & Public Relations	1,061	(90)	197
Postage, Printing & Supplies	1,370	17	90
Professional Fees	3,044	271	344
Other Expense	7,456	(304)	667
<b>Expenses - Operating <sup>(1)</sup></b>	<b>60,772</b>	<b>592</b>	<b>5,540</b>
Merger-Related and Other Charges	2,054	913	(599)
<b>Expenses - GAAP</b>	<b>\$ 62,826</b>	<b>\$ 1,505</b>	<b>\$ 4,941</b>

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

# Increasing Profitability

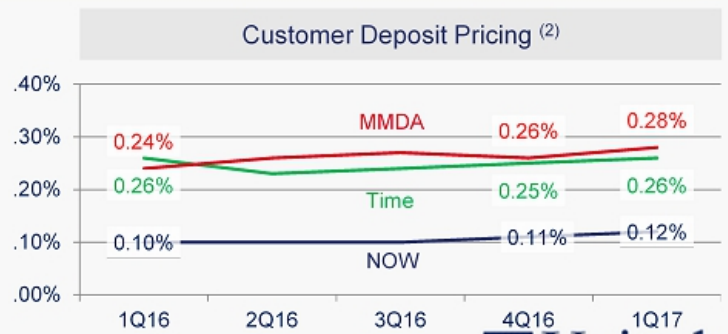
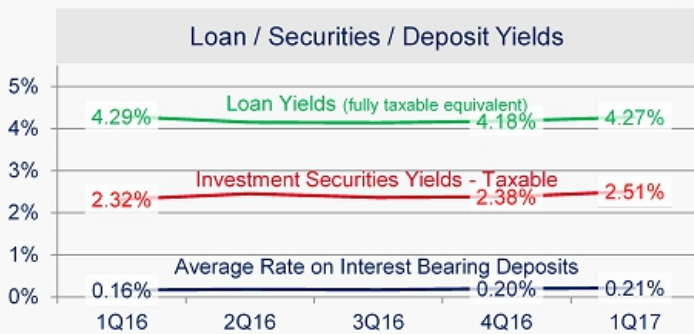
## Net Interest Revenue / Margin <sup>(1)</sup>



**1Q17 Impacted By**

- ▶ Accelerated discount accretion on called asset-backed securities
- ▶ Benefit of rising short-term interest rates

### Key Drivers



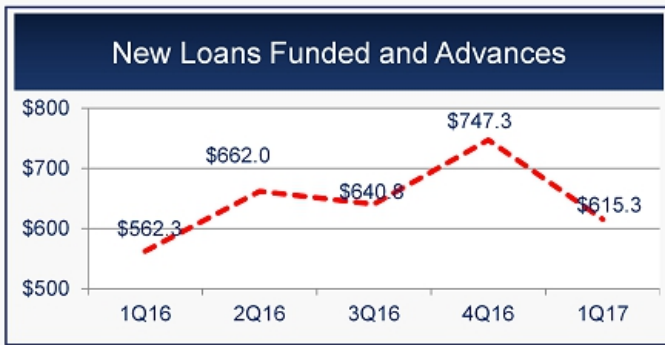
<sup>(1)</sup> Net interest margin is calculated on a fully-taxable equivalent basis

<sup>(2)</sup> Excludes brokered deposits

<sup>(1)</sup> Net interest margin is calculated on a fully-taxable equivalent basis <sup>(2)</sup> Excludes brokered deposits

# Generating Growth New Loans Funded and Advances<sup>(1)</sup>

\$ in millions



### New Loans Funded and Advances by Category

	1Q17	4Q16	1Q16	Variance-Incr(Decr)	
				4Q16	1Q16
Commercial & Industrial	\$ 106.8	\$ 168.0	\$ 133.9	\$ (61.2)	\$ (27.1)
Owner-Occupied CRE	79.5	139.5	79.4	(60.0)	0.1
Income-Producing CRE	102.2	160.4	114.3	(58.2)	(12.1)
Commercial Constr.	116.3	10.7	54.8	105.6	61.5
<b>Total Commercial</b>	<b>404.8</b>	<b>478.6</b>	<b>382.4</b>	<b>(73.8)</b>	<b>22.4</b>
Residential Mortgage	45.1	68.7	9.6	(23.6)	35.5
Residential HELOC	53.9	60.6	49.7	(6.7)	4.2
Residential Construction	56.2	83.7	28.9	(27.5)	27.3
Consumer	55.3	55.7	91.7	(4)	(36.4)
<b>Total</b>	<b>\$ 615.3</b>	<b>\$ 747.3</b>	<b>\$ 562.3</b>	<b>\$ (132.0)</b>	<b>\$ 53.0</b>

### New Loans Funded and Advances by Region

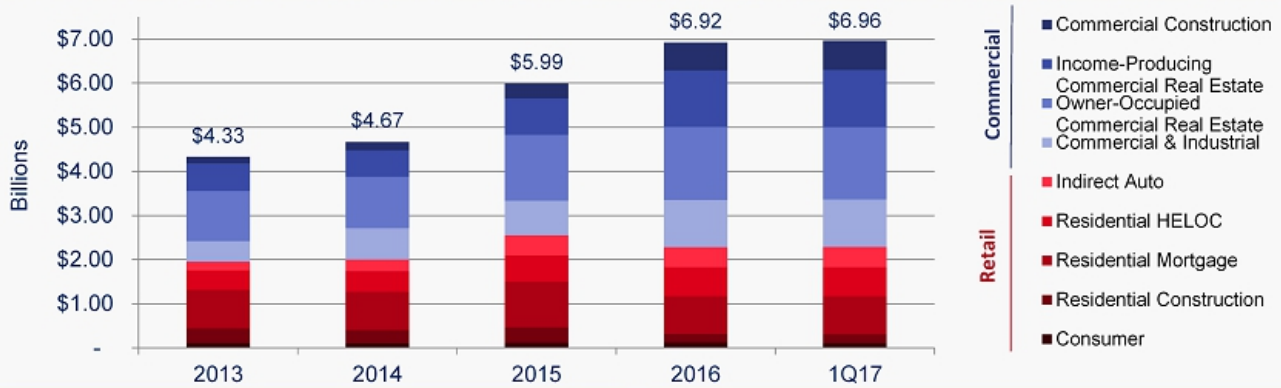
	1Q17	4Q16	1Q16	Variance-Incr(Decr)	
				4Q16	1Q16
Atlanta	\$ 112.6	\$ 143.6	\$ 89.0	\$ (31.0)	23.6
Coastal Georgia	44.3	34.4	39.2	9.9	5.1
North Georgia	63.2	74.4	51.3	(11.2)	11.9
North Carolina	30.2	36.1	30.4	(5.9)	(0.2)
Tennessee	19.7	34.6	27.7	(14.9)	(8.0)
Gainesville	31.7	20.3	12.5	11.4	19.2
South Carolina	121.1	146.3	97.5	(25.2)	23.6
<b>Total Community Banks</b>	<b>422.8</b>	<b>489.7</b>	<b>347.6</b>	<b>(66.9)</b>	<b>75.2</b>
Asset-based Lending	19.7	38.0	30.0	(18.3)	(10.3)
Commercial RE	42.0	48.3	22.8	(6.3)	19.2
Senior Care	24.1	17.4	-	6.7	24.1
Middle Market	14.0	32.8	39.3	(18.8)	(25.3)
SBA	25.0	54.7	21.5	(29.7)	3.5
Builder Finance	26.5	24.9	31.4	1.6	(4.9)
<b>Total Specialized Lending</b>	<b>151.3</b>	<b>216.1</b>	<b>145.0</b>	<b>(64.8)</b>	<b>6.3</b>
Indirect Auto	41.2	41.5	69.7	(.3)	(28.5)
<b>Total</b>	<b>\$ 615.3</b>	<b>\$ 747.3</b>	<b>\$ 562.3</b>	<b>\$ (132.0)</b>	<b>\$ 53.0</b>

Note – Certain prior period amounts have been reclassified to conform to the current presentation  
<sup>(1)</sup> Represents new loans funded and net loan advances (net of payments on lines of credit)



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# Generating Growth Loan Mix



	2013	2014	2015	2016	1Q17
North Georgia	\$ 1,240	\$ 1,163	\$ 1,125	\$ 1,097	\$ 1,076
Atlanta MSA	1,235	1,243	1,259	1,399	1,408
North Carolina	572	553	549	545	541
Coastal Georgia	423	456	537	581	591
Gainesville MSA	255	257	254	248	252
East Tennessee <sup>(1)</sup>	280	280	504	504	483
South Carolina <sup>(2)</sup>	4	30	819	1,233	1,243
Total Community Banks	4,009	3,982	5,047	5,607	5,594
Specialized Lending	124	421	492	855	911
Indirect Auto <sup>(3)</sup>	196	269	456	459	460
<b>Total Loans</b>	<b>\$ 4,329</b>	<b>\$ 4,672</b>	<b>\$ 5,995</b>	<b>\$ 6,921</b>	<b>\$ 6,965</b>

<sup>(1)</sup>Includes \$244 million from the acquisition of FNB on May 1, 2015  
<sup>(2)</sup>Includes \$733 million and \$306 million, respectively, from the acquisitions of Palmetto on September 1, 2015 and Tideland on July 1, 2016  
<sup>(3)</sup>Includes \$63 million from the acquisition of Palmetto on September 1, 2015

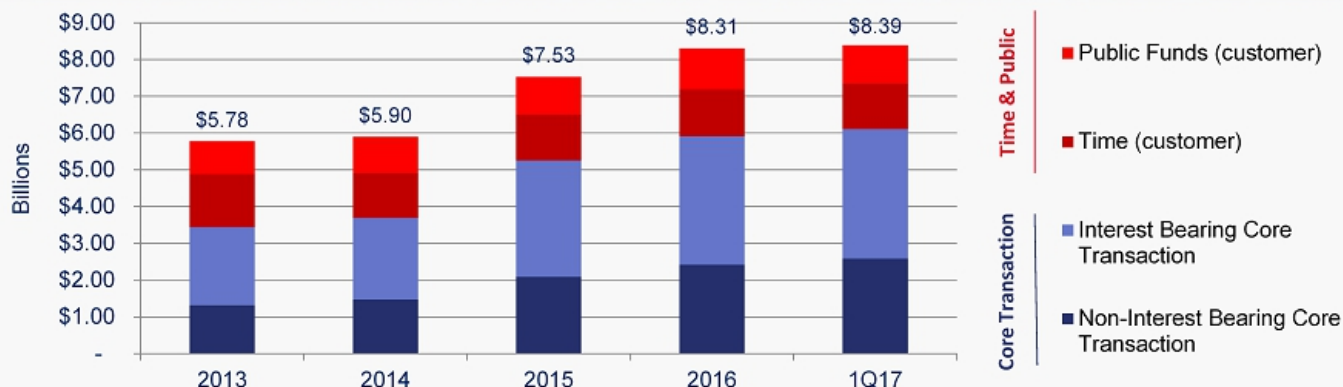
	2013	2014	2015	2016	1Q17
Commercial & Industrial	\$ 471	\$ 710	\$ 785	\$ 1,070	\$ 1,080
Owner-Occupied CRE	1,238	1,257	1,571	1,650	1,633
Income-Producing CRE	807	767	1,021	1,282	1,297
Commercial Constr.	336	364	518	634	667
<b>Total Commercial</b>	<b>2,852</b>	<b>3,098</b>	<b>3,895</b>	<b>4,636</b>	<b>4,677</b>
Residential Mortgage	604	614	764	857	860
Residential HELOC	430	456	589	655	659
Residential Construction	136	131	176	190	197
Consumer	111	104	115	124	112
Indirect Auto	196	269	456	459	460
<b>Total Loans</b>	<b>\$ 4,329</b>	<b>\$ 4,672</b>	<b>\$ 5,995</b>	<b>\$ 6,921</b>	<b>\$ 6,965</b>

Note – Certain prior period amounts have been reclassified to conform to the current presentation



NOTE – Certain prior period amounts in the loans by category table have been reclassified to conform to the current presentation

# Generating Growth Deposit Mix



## Core Transaction Deposit Growth by Category & Region in millions

	2013	2014	2015	2016	1Q17
Demand Deposit	\$ 123	\$ 161	\$ 618	\$ 334	\$ 161
NOW	4	9	441	5	19
MMDA	73	41	325	246	(16)
Savings	24	41	177	79	25
<b>Growth by Category</b>	<b>\$ 224</b>	<b>\$ 252</b>	<b>\$ 1,561</b>	<b>\$ 664</b>	<b>\$ 189</b>
Atlanta MSA	\$ 75	\$ 84	\$ 223	\$ 168	\$ 60
North Georgia	62	90	158	133	42
North Carolina	42	35	63	62	17
Coastal Georgia	2	22	24	16	27
East Tennessee <sup>(1)</sup>	4	8	234	(16)	(2)
Gainesville MSA	19	10	34	48	7
South Carolina <sup>(2)</sup>	20	3	825	253	38
<b>Growth by Region</b>	<b>\$ 224</b>	<b>\$ 252</b>	<b>\$ 1,561</b>	<b>\$ 664</b>	<b>\$ 189</b>

<sup>(1)</sup>Includes \$247 million from the acquisition of FNB on May 1, 2015

<sup>(2)</sup>Includes \$790 million and \$175 million, respectively, from the acquisition of Palmetto on September 1, 2015 and Tideland on July 1, 2016

## Deposits by Category in millions

	2013	2014	2015	2016	1Q17
Non-Interest Bearing Core					
Demand Deposit	\$ 1,311	\$ 1,471	\$ 2,089	\$ 2,423	\$ 2,584
Interest Bearing Core					
NOW	659	668	1,109	1,114	1,133
MMDA	1,218	1,259	1,584	1,830	1,814
Savings	250	292	469	548	573
<b>Total Interest Bearing Core</b>	<b>2,127</b>	<b>2,219</b>	<b>3,162</b>	<b>3,492</b>	<b>3,520</b>
<b>Total Core Trans Deposits</b>	<b>3,438</b>	<b>3,690</b>	<b>5,251</b>	<b>5,915</b>	<b>6,104</b>
Time (Customer)	1,445	1,223	1,251	1,267	1,241
Public Funds (Customer)	894	989	1,032	1,128	1,043
Brokered	412	425	339	328	364
<b>Total Deposits</b>	<b>\$ 6,189</b>	<b>\$ 6,327</b>	<b>\$ 7,873</b>	<b>\$ 8,638</b>	<b>\$ 8,752</b>

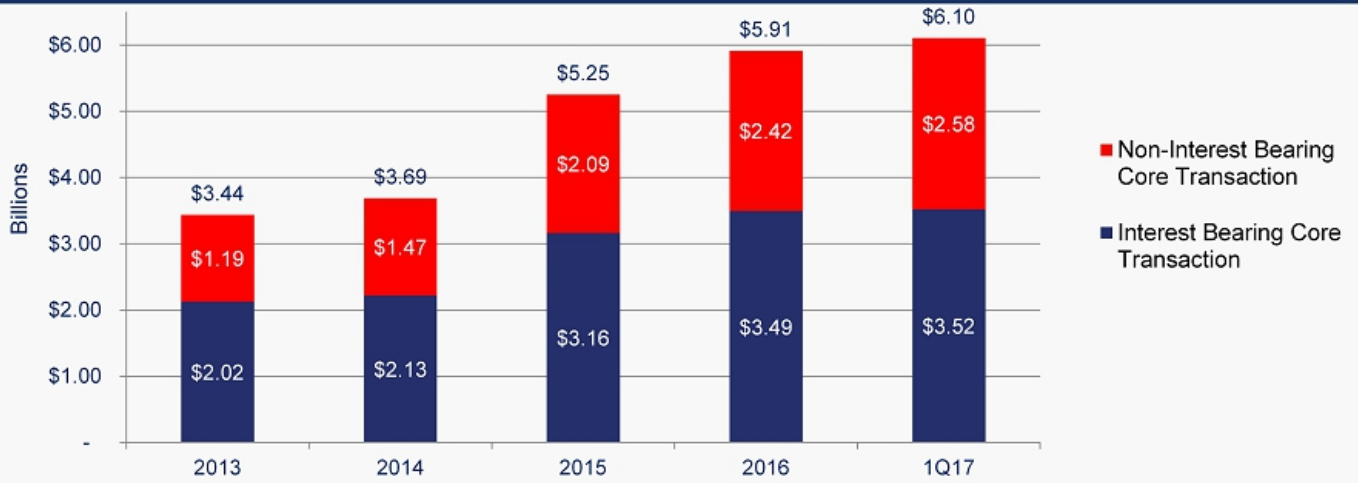


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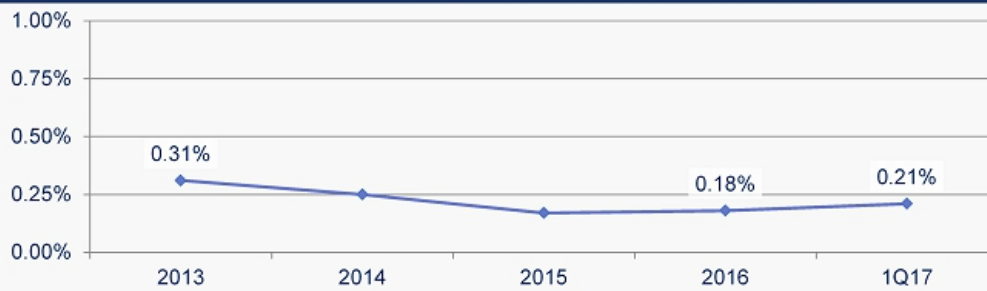
NOTE - Certain prior period amounts in the loans by category table have been reclassified to conform to the current presentation.

# Generating Growth Deposit Mix

## High-Quality, Low-Cost Core Transaction Deposit Base



## Cost of Interest Bearing Deposits





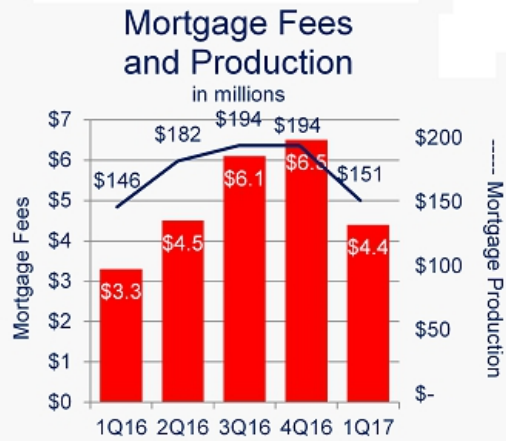
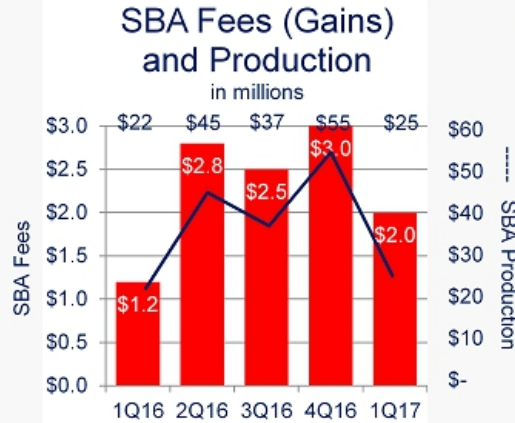
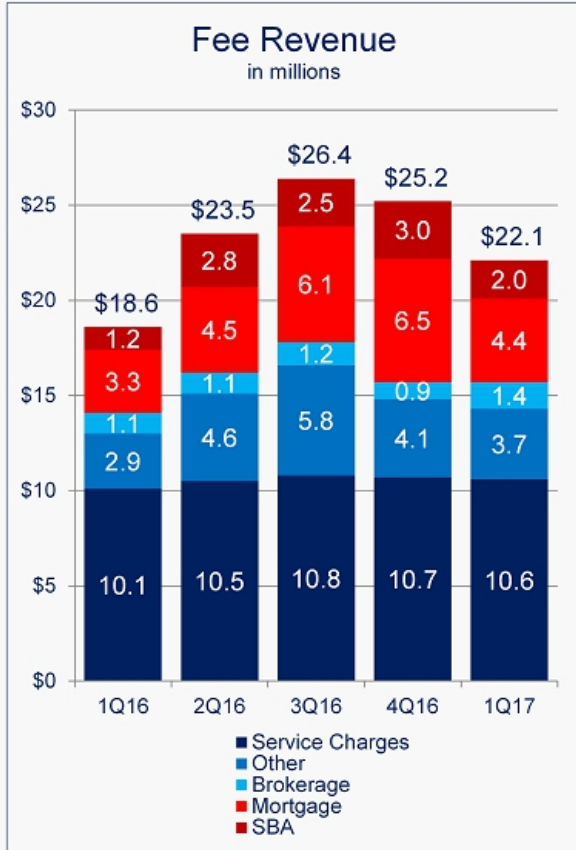
# Protecting High-Quality Balance Sheet Credit Quality

\$ in millions

	1Q16		2Q16		3Q16		4Q16		1Q17	
Net Charge-offs	\$	2.1	\$	1.7	\$	1.4	\$	1.5	\$	1.7
as % of Average Loans		0.14 %		0.11 %		0.08 %		0.09 %		0.10 %
Allowance for Loan Losses	\$	66.3	\$	64.3	\$	63.0	\$	61.4	\$	60.5
as % of Total Loans		1.09 %		1.02 %		0.94 %		0.89 %		0.87 %
as % of NPLs		296		301		292		285		306
Past Due Loans (30 - 89 Days)		0.21 %		0.22 %		0.33 %		0.25 %		0.23 %
Non-Performing Loans	\$	22.4	\$	21.3	\$	21.6	\$	21.5	\$	19.8
OREO		5.2		6.2		9.2		8.0		5.1
Total NPAs		27.6		27.5		30.8		29.5		24.9
Performing Classified Loans		121.1		118.5		121.6		114.3		108.8
Total Classified Assets	\$	148.7	\$	146.0	\$	152.4	\$	143.8	\$	133.7
as % of Tier 1 / Allowance		16 %		15 %		15 %		14 %		13 %
Accruing TDRs	\$	72.8	\$	73.3	\$	70.1	\$	67.8	\$	64.9
Total NPAs										
as % of Total Assets		0.28		0.28		0.30		0.28		0.23
as % of Loans & OREO		0.45		0.44		0.46		0.43		0.36

# Increasing Profitability

## Driving Fee Revenue Through Core Banking Infrastructure



#### SBA

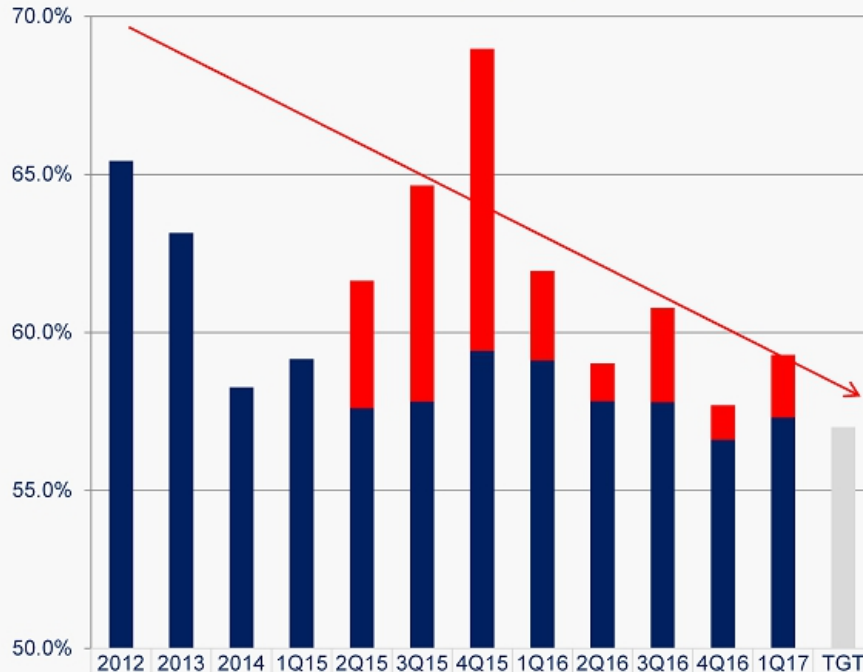
- ▶ 1Q17 Sales \$23 million
- ▶ 4Q16 Sales \$41 million
- ▶ 1Q16 Sales \$13 million
- ▶ Target market: small businesses with revenue between \$1 million and \$25 million
- ▶ Two Channels
  - Footprint
  - National Verticals

#### Mortgage

- ▶ Growth Strategy
  - Building on proven strengths in legacy markets of capturing business from a large percentage of United customers
  - Increase sales capacity in metro area growth markets
  - Compete favorably on product and service with banks and non-banks of all sizes

# Increasing Profitability Expense Discipline

Efficiency Ratio <sup>(1)</sup>



- ▶ Efficiency improvements are attributable to various expense reduction initiatives while maintaining high business growth
- ▶ Declining trend sustained while making substantial investments in growth and infrastructure

	2012	2013	2014	1Q15	2Q15	3Q15	4Q15	1Q16	2Q16	3Q16	4Q16	1Q17	TGT
GAAP	65.4%	63.1%	58.3%	59.2%	61.6%	64.7%	69.0%	61.9%	59.0%	60.8%	57.7%	59.3%	
■ Non-GAAP Adjustments	0.0%	0.0%	0.0%	0.0%	4.0%	6.8%	9.6%	2.8%	1.2%	3.0%	1.1%	2.0%	
■ Operating	65.4%	63.1%	58.3%	59.2%	57.6%	57.8%	59.4%	59.1%	57.8%	57.8%	56.6%	57.3%	57.0%

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



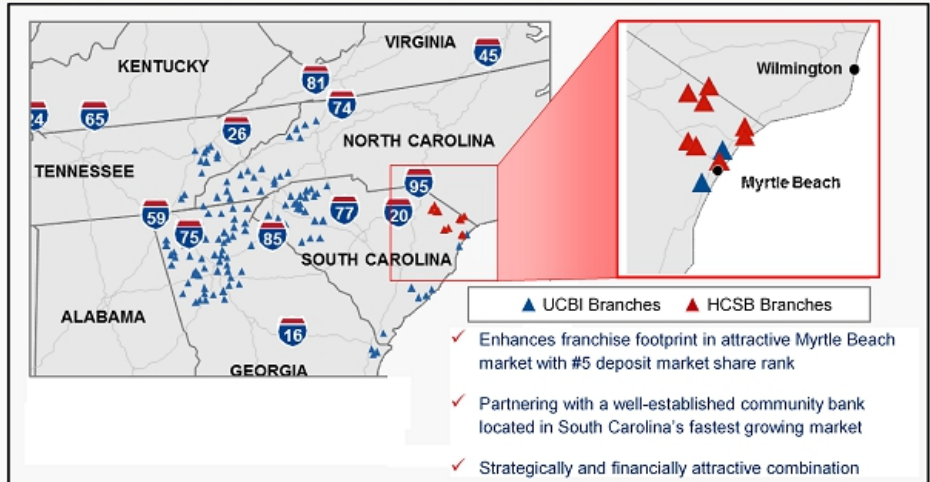
# Acquisition of HCSB Financial Corporation

## Transaction Overview

- 100% stock, fixed exchange ratio 0.0050x shares
  - [\$65] million transaction value <sup>(1)</sup>
- 1.40% adjusted P / TBV <sup>(2)</sup>
- United plans to recover DTA and related tax benefits totaling approximately \$11 million

## Company Snapshot

- Assets: \$376 million
- Loans: \$215 million
- Deposits: \$313 million
- Equity: \$35 million
- Branches: 8

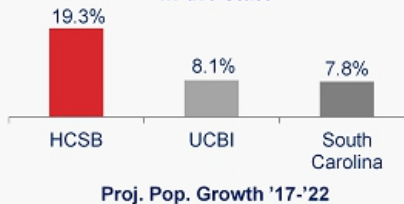


## Top 5 Deposit Market Share in Myrtle Beach MSA

Rank	Bank	Branches	Deposits (\$MM)	Mkt. Share (%)
1.	BB&T	27	1,829	24.1
2.	CNB Corp.	14	813	10.7
3.	Wells Fargo	10	704	9.3
4.	Bank of America	9	601	7.9
5.	UCBI Pro Forma	10	452	5.9

## Strong Demographics

*Myrtle Beach is the fastest growing MSA in the state*



## Compelling Financial Returns

- ✓ 3 cents, or 2%, accretive to fully diluted EPS, excluding one-time merger charges
- ✓ Neutral to tangible book value per share
- ✓ Neutral to Tier 1 Capital
- ✓ IRR: +20%

Source: SNL Financial

Note 1 – Based on United's closing price of \$26.70 per share on April 19, 2017

Note 2 – Tangible book value adjusted for recovery of deferred tax asset

# 2017 INVESTOR PRESENTATION

Exhibits

FIRST QUARTER 2017  
APRIL 26, 2017



# United Community Banks, Inc.

## Who We Are

### Protecting High-Quality Balance Sheet

- ▶ Underwriting conservatism and portfolio diversification
- ▶ Top quartile credit quality performance
- ▶ Prudent capital, liquidity and interest-rate risk management
- ▶ Focused on improving return to shareholders with increasing return on tangible common equity and dividend growth

### Increasing Profitability

- ▶ Managing a steady margin with minimal accretion income
- ▶ Fee revenue expansion through focused growth initiatives
- ▶ Continued operating expense discipline while investing in growth opportunities
- ▶ Executing on M&A cost savings
- ▶ High-quality, low-cost core deposit base

### Generating Growth

- ▶ Entered into and continue to target new markets with team lift-outs (Charleston, Greenville, Atlanta)
- ▶ Continuous emphasis on and enhancement of Mortgage product offerings to drive loan and revenue growth
- ▶ Addition of Specialized Lending platforms (income-property, asset-based, middle-market, SBA, senior living, builder finance) and actively pursuing additional lending platforms
- ▶ Acquisitions that fit our footprint and culture and deliver desired financial returns

# Protecting High-Quality Balance Sheet

## Disciplined Credit Processes



### Granular Portfolio – Exposure and Industry Limits

•Legal Lending Limit	\$	261M
•House Lending Limit		28M
•Project Lending Limit		17M
•Top 25 Relationships		403M

*Concentration limits set for all segments of the portfolio*

#### 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

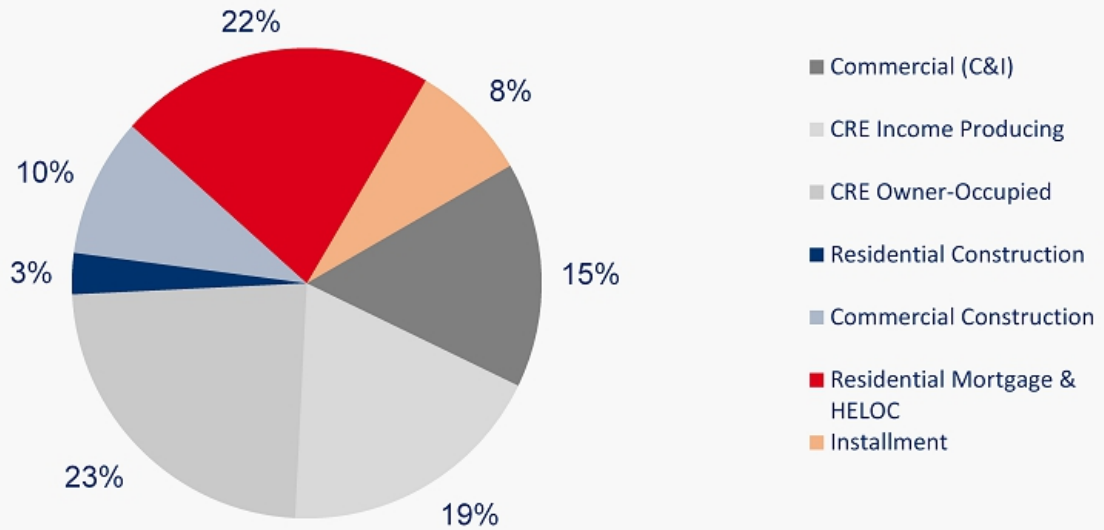
- Weekly Senior Credit Committee
- Continuous external loan review
- Monthly commercial asset quality review
- Monthly retail asset quality review meetings

#### POLICY

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

# Protecting High-Quality Balance Sheet Loan Portfolio Diversification

\$7.0 Billion Loan Portfolio  
as of 3/31/2017



► Specialized Lending, which began in 2013, had loans totaling \$911 million at March 31, 2017 (13% of the loan portfolio).

Note – Certain prior period amounts have been reclassified to conform to the current presentation

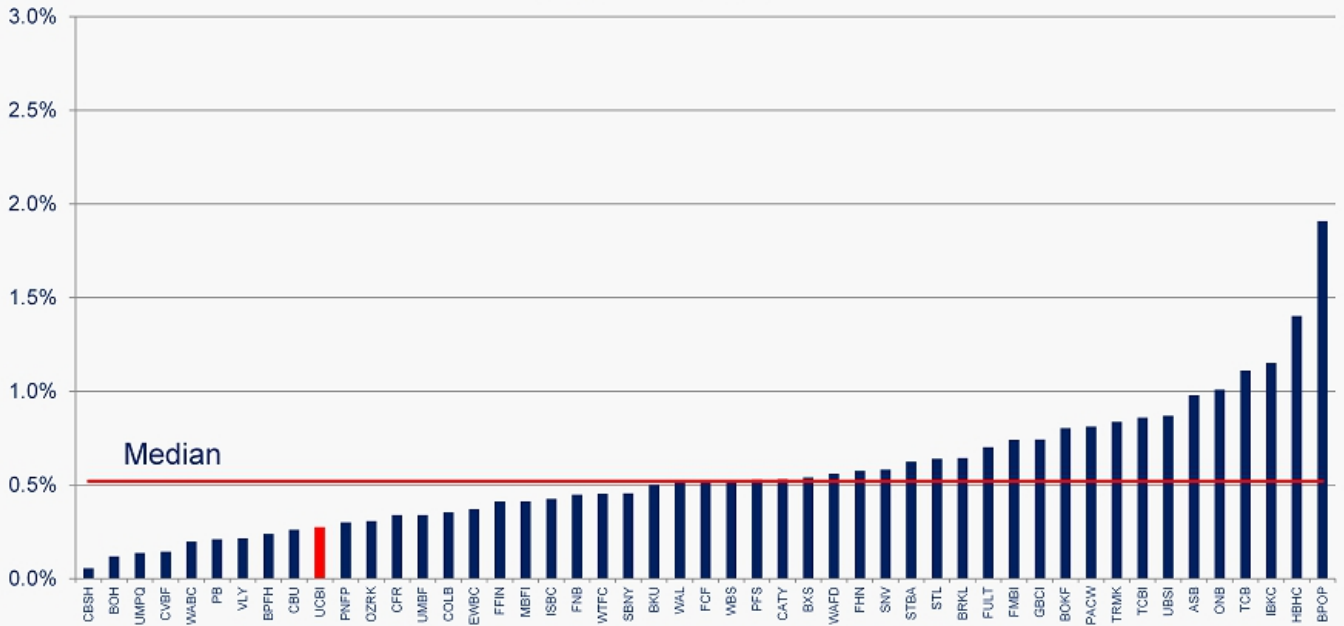
NOTE – Certain prior period amounts have been reclassified to conform to the current presentation.



# Protecting High-Quality Balance Sheet

## Excellent Credit Performance & Management

4Q16 NPA Ratio



- ▶ Eight of the top twelve credit leaders recruited post-crisis
- ▶ Centralization of special assets
- ▶ Centralization of consumer loan underwriting and approval
- ▶ Changed commercial approval process, including a Senior Credit Committee for visibility and culture building
- ▶ Instituted highly-disciplined concentration management process
- ▶ Dedicated credit officers for all specialty businesses and community markets

Source: SNL Financial LC

Note – Peer comparison banks comprise the KBW Regional Bank Index (ticker:KRX)



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# Protecting High-Quality Balance Sheet Performing Classified Loans

\$ in millions



## By Category

	1Q16	2Q16	3Q16	4Q16	1Q17
Commercial & Industrial	\$ 9	\$ 9	\$ 10	\$ 9	\$ 10
Owner-Occupied CRE	38	38	42	42	41
Total Commercial & Industrial	47	47	52	51	51
Income-Producing CRE	38	35	32	29	24
Commercial Construction	5	6	9	9	9
Total Commercial	90	88	93	89	84
Residential Mortgage	20	20	18	15	15
Residential HELOC	6	6	5	5	6
Residential Construction	3	3	4	3	2
Consumer / Installment	2	2	2	2	2
Total Performing Classified	\$ 121	\$ 119	\$ 122	\$ 114	\$ 109
Classified to Tier 1 + ALL	16 %	15 %	15 %	14 %	13 %

Note – Certain prior period amounts have been reclassified to conform to the current presentation

NOTE – Certain prior period amounts have been reclassified to conform to the current presentation

# Protecting High-Quality Balance Sheet TDRs

\$ in millions

LOAN TYPE	Accruing			Non-Accruing			Total TDRs		
	1Q17 <sup>(1)</sup>	4Q16	1Q16	1Q17 <sup>(1)</sup>	4Q16	1Q16	1Q17 <sup>(1)</sup>	4Q16	1Q16
Commercial & Industrial	\$ 1.3	\$ 1.3	\$ 2.2	\$ -	\$ 0.1	\$ -	\$ 1.3	\$ 1.4	\$ 2.2
Owner-Occupied CRE	23.9	24.5	24.7	0.6	1.7	2.6	24.5	26.2	27.3
Income-Producing CRE	21.6	23.6	20.5	0.1	0.1	0.2	21.7	23.7	20.7
Commercial Construction	4.1	4.1	1.4	0.8	0.9	0.1	4.9	5.0	1.5
Total Commercial	50.9	53.5	48.8	1.5	2.8	2.9	52.4	56.3	51.7
Residential Mortgage	11.6	11.8	17.9	1.9	1.9	1.2	13.5	13.7	19.1
Residential HELOC	0.1	0.1	-	-	-	-	0.1	0.1	-
Residential Construction	1.4	1.4	5.2	0.2	0.2	0.1	1.6	1.6	5.3
Consumer / Installment	0.9	1.0	0.9	0.4	0.4	0.2	1.3	1.4	1.1
Total TDRs	\$ 64.9	\$ 67.8	\$ 72.8	\$ 4.0	\$ 5.3	\$ 4.4	\$ 68.9	\$ 73.1	\$ 77.2

## Accruing TDRs



▶ 3.3% of accruing TDRs are past due 30 – 89 days

▶ 69.4% of accruing TDRs are pass credits

Note – Certain prior period amounts have been reclassified to conform to the current presentation

<sup>(1)</sup> 86% of accruing TDR loans have an interest rate of 4% or greater



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NOTE – Certain prior period amounts have been reclassified to conform to the current presentation. <sup>(1)</sup> 87% of accruing TDR loans have an interest rate of 4% or greater.

# Protecting High-Quality Balance Sheet

## Commercial Real Estate Diversification

### Commercial Construction

in millions

	Committed		Outstanding	
	\$	%	\$	%
Retail Building	143	13.1 %	90	13.5 %
Assisted Living/Nursing Home/Rehab	140	12.9	18	2.7
Multi-Residential	121	11.1	92	13.8
Office Buildings	123	11.3	65	9.7
Commercial Residential CIP: Spec	87	8.0	57	8.5
Land Develop - Vacant (Improved)	69	6.3	56	8.4
Commercial Residential Land	66	6.1	63	9.4
Development: Builder Lots				
Hotels / Motels	62	5.7	23	3.5
Other Properties	57	5.2	35	5.2
Commercial Residential CIP: Presold	43	4.0	27	4.1
Raw Land - Vacant (Unimproved)	39	3.6	31	4.7
Commercial Residential Land	32	2.9	26	3.9
Development: Subdivisions in				
Warehouse	32	2.9	30	4.5
Churches	28	2.6	14	2.1
Commercial Residential Raw Land	17	1.6	16	2.4
Commercial Land Development	14	1.3	13	1.9
Restaurants / Franchise	12	1.1	8	1.2
Leasehold Property	3	0.3	3	0.5
<b>Total Commercial Construction</b>	<b>\$ 1,088</b>	<b>100.0 %</b>	<b>\$ 667</b>	<b>100.0 %</b>

### Commercial Real Estate – Income Producing

in millions

	Committed		Outstanding	
	\$	%	\$	%
Office Buildings	341	25.0 %	325	25.0 %
Retail Building	313	22.9	295	22.7
Investor Residential	172	12.6	171	13.2
Warehouse	123	9.0	118	9.1
Hotels / Motels	121	8.9	111	8.6
Multi-Residential	81	5.9	77	5.9
Other Properties	67	4.9	62	4.8
Convenience Stores	45	3.3	43	3.3
Restaurants / Franchise Fast Food	35	2.6	34	2.6
Manufacturing Facility	25	1.8	23	1.8
Leasehold Property	25	1.8	19	1.5
Automotive Service	6	0.4	6	0.5
Daycare Facility	5	0.4	5	0.4
Mobile Home Parks	5	0.4	5	0.4
Automotive Dealership	2	0.1	3	0.2
<b>Total Commercial Real Estate -</b>	<b>\$ 1,366</b>	<b>100.0 %</b>	<b>\$ 1,297</b>	<b>100.0 %</b>
<b>Income Producing</b>				

#### Committed Average Loan Size

(in thousands)



• Commercial Construction	\$623
• Commercial RE:	
• Composite CRE	410
• Owner-Occupied	399
• Income-Producing	426

#### Outstanding Average Loan Size

(in thousands)



• Commercial Construction	\$386
• Commercial RE:	
• Composite CRE	389
• Owner-Occupied	376
• Income-Producing	406

# Protecting High-Quality Balance Sheet Liquidity

\$ in millions

	Capacity	1Q17	4Q16	1Q16	vs 4Q16	vs 1Q16
<b>WHOLESALE BORROWINGS</b>						
Brokered Deposits <sup>(1)</sup>	\$ 1,073	\$ 364	\$ 328	\$ 447	\$ 36	\$ (83)
FHLB	1,372	569	709	510	(140)	59
Holding Company LOC	50	-	-	-	-	-
Fed Funds	720	-	5	-	(5)	-
Other Wholesale	1,187	-	-	-	-	-
<b>Total</b>	<b>\$ 4,402</b>	<b>\$ 933</b>	<b>\$ 1,042</b>	<b>\$ 957</b>	<b>\$ (109)</b>	<b>\$ (24)</b>
<b>LONG-TERM DEBT (par) / CASH - HOLDING COMPANY</b>						
Senior Debt		\$ 160	\$ 160	\$ 160	\$ -	\$ -
Trust Preferred Securities		20	20	6	-	14
<b>Total Long-Term Debt</b>		<b>\$ 180</b>	<b>\$ 180</b>	<b>\$ 166</b>	<b>\$ -</b>	<b>\$ 14</b>
Cash		\$ 86	\$ 43	\$ 71	\$ 43	\$ 15
<b>LOANS / CUSTOMER DEPOSITS</b>						
Loans		\$ 6,965	\$ 6,921	\$ 6,106	\$ 44	\$ 859
Core (DDA, MMDA, Savings)		\$ 6,104	\$ 5,915	\$ 5,364	\$ 189	\$ 740
Public Funds		1,043	1,128	952	(85)	91
CD's		1,241	1,267	1,204	(26)	37
<b>Total Customer Deposits (excl Brokered)</b>		<b>\$ 8,388</b>	<b>\$ 8,310</b>	<b>\$ 7,520</b>	<b>\$ 78</b>	<b>\$ 868</b>
<b>INVESTMENT SECURITIES</b>						
Available for Sale -Fixed		\$ 1,832	\$ 1,831	\$ 1,783	\$ 1	\$ 49
-Floating		605	601	622	4	(17)
Held to Maturity -Fixed		328	327	348	1	(20)
-Floating		2	3	4	(1)	(2)
<b>Total Investment Securities</b>		<b>\$ 2,767</b>	<b>\$ 2,762</b>	<b>\$ 2,757</b>	<b>\$ 5</b>	<b>\$ 10</b>
Floating AFS Securities as % of Total AFS Securities		25%	25%	26%		
Floating as % of Total Securities		22%	22%	23%		

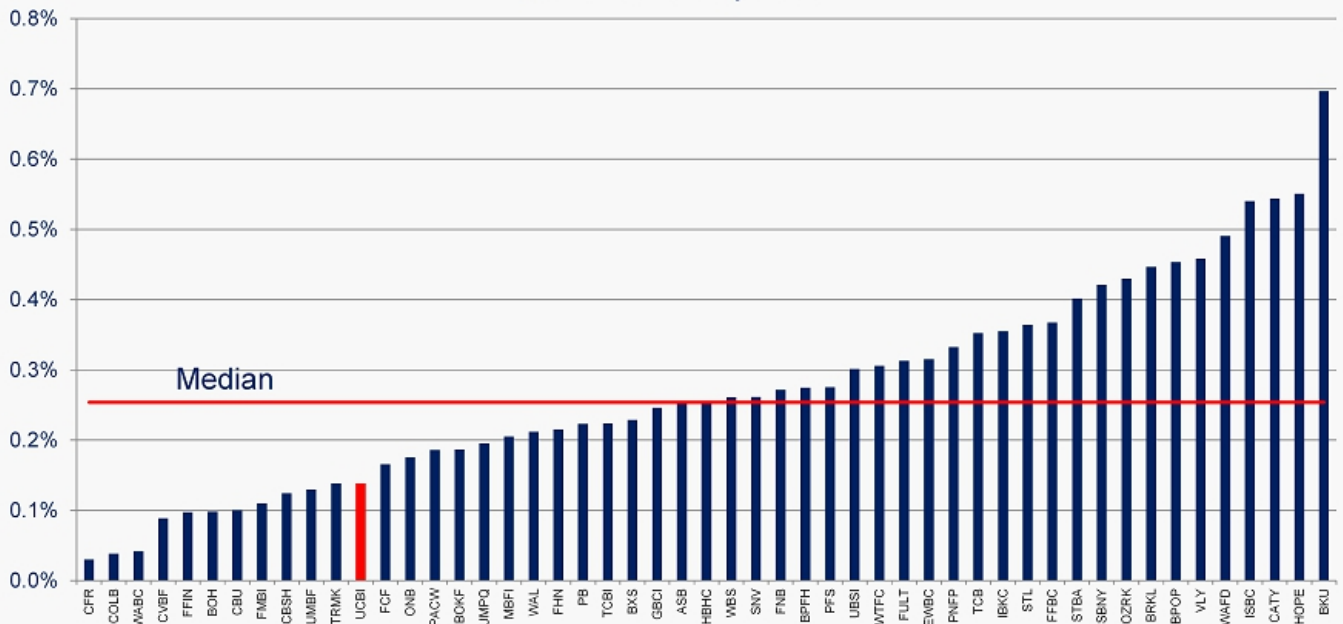
<sup>(1)</sup> Estimated brokered deposit total capacity at 10% of assets

<sup>(2)</sup> Estimated brokered deposit total capacity at 10% of assets

# Increasing Profitability

## High-Quality, Low-Cost Core Deposit Base

4Q16 Cost of Deposits



- ▶ Our fourth quarter 2016 total cost of deposits was 14 basis points, which compared favorably to peers with a median of 25 basis points
- ▶ Core deposits (excludes Jumbo CDs / Brokered) comprised approximately 93% of our total customer deposits at December 31, 2016

Source: SNL Financial LC

Note – Peer comparison banks comprise the KBW Regional Bank Index (ticker:KRX)

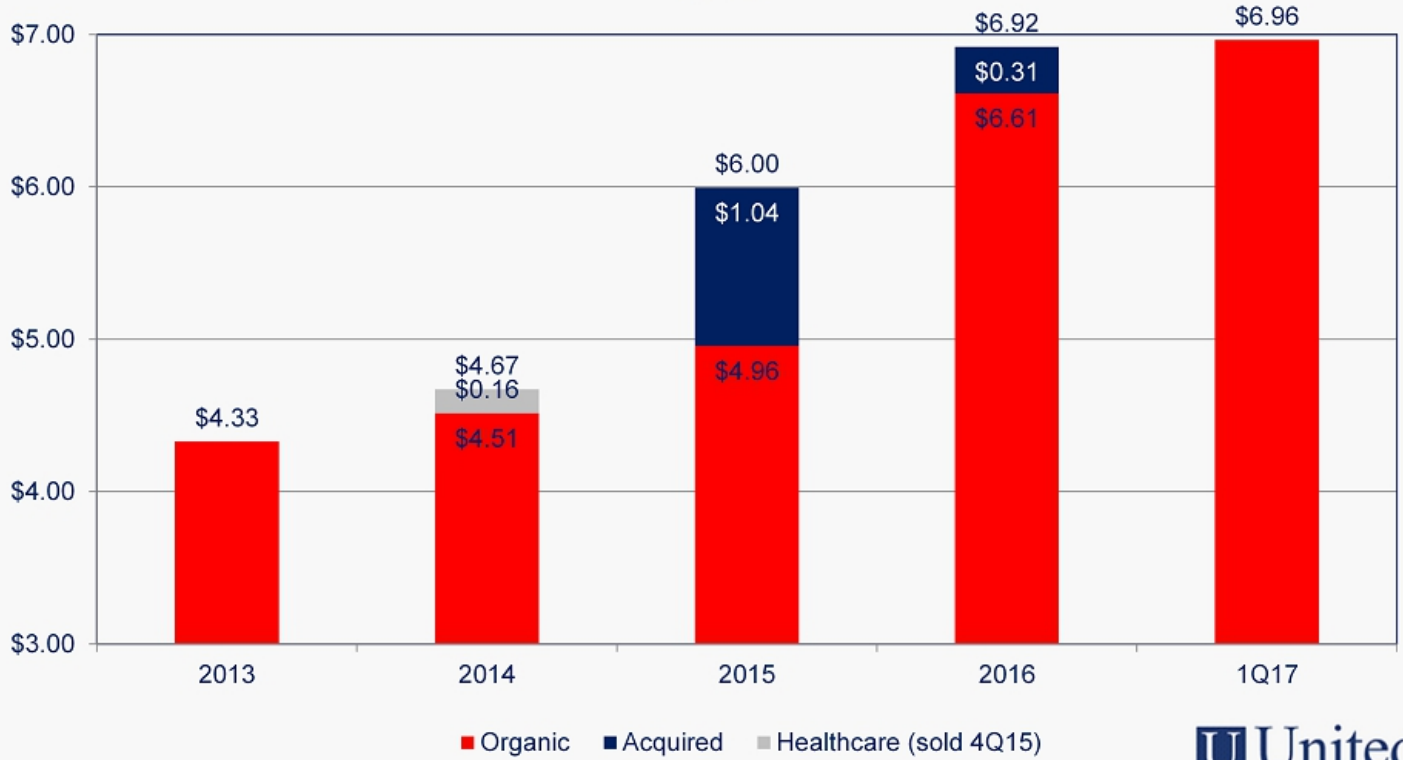
Note: Peer comparison banks comprise the KBW Regional Bank Index (ticker: KRX)



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# Generating Growth Steady Loan Growth

Total Loans  
in billions



# Generating Growth

## Market Share Growth Opportunities

\$ in billions

	Market Deposits (1)	United Deposits (2)	Banks (2)	Offices (2)	Deposit Share (1)	Rank (1)
North Georgia	\$ 6.5	\$ 2.4	9	19	36 %	1
Atlanta, Georgia	66.2	2.6	10	34	4	7
Gainesville, Georgia	3.2	0.4	1	5	11	4
Coastal Georgia	8.7	0.4	2	7	4	8
Western North Carolina	11.9	1.0	1	19	8	3
East Tennessee	17.4	0.6	2	11	3	6
Upstate South Carolina	23.2	1.1	4	25	5	7
Coastal South Carolina	20.8	0.3	1	7	2	14
Loan Production Offices	-	-	-	7		
<b>Total Markets</b>	<b>\$ 157.9</b>	<b>\$ 8.8</b>	<b>30</b>	<b>134</b>		

(1) FDIC deposit market share and rank as of June 30, 2016 for markets where United takes deposits (Source: FDIC)

(2) Based on current quarter



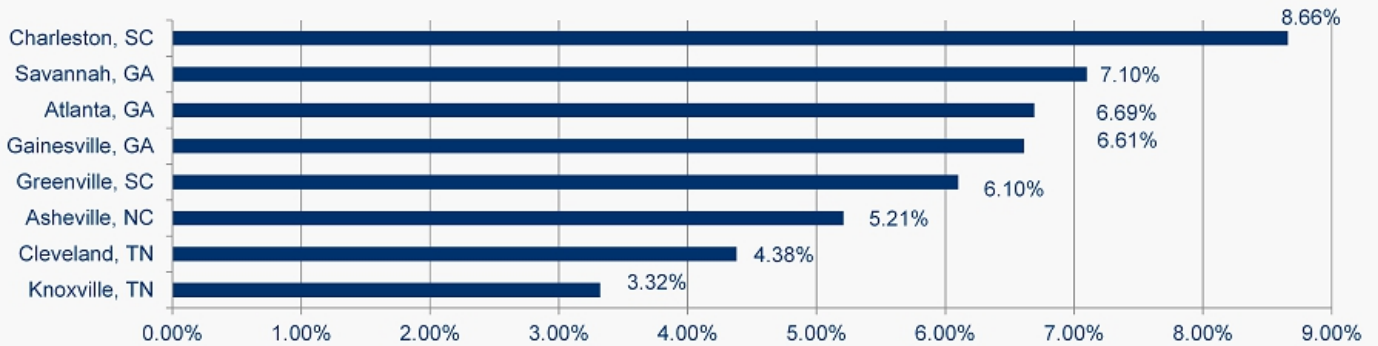
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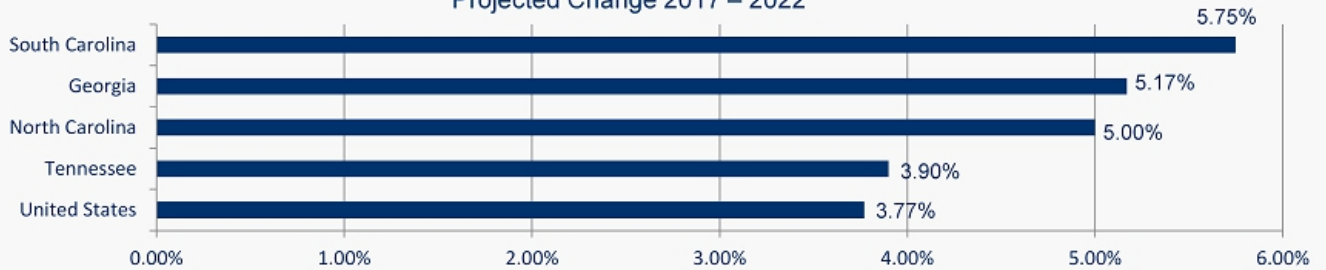
# Generating Growth

## Market Share Demographics

Key MSA Growth Markets  
Projected Change 2017 - 2022



State Population Growth  
Projected Change 2017 - 2022



Source: SNL Financial

# Generating Growth

## Mergers & Acquisitions Strategy

- ▶ M&A accelerates our growth strategy in new and existing markets and can be accomplished more efficiently than with a de novo plan; we seek to pair M&A with organic growth opportunities, including adding teams of local bankers to quickly increase growth.
- ▶ We are interested in pursuing transactions in our target markets including:
  - Coastal South Carolina – Charleston, Myrtle Beach, Hilton Head;
  - East Tennessee – Knoxville to Chattanooga and Cleveland;
  - Atlanta – Northern region; and
  - North Carolina – Western (Asheville area) to Eastern (Raleigh/Cary area).
- ▶ While larger transformational deals are not out of the question, we have decided to focus on roll-up targets, as we believe there are more actionable opportunities with a shorter time to complete and less risk.
- ▶ We carefully evaluate and price potential acquisitions with specific financial return targets in mind, including:
  - Year one EPS accretion, not including transaction expenses;
  - TBV dilution threshold in the low single digits and earnback within three years; and
  - IRR of 20%+.

# Generating Growth

## 2016 Acquisition – Tideland Bancshares, Inc.



Headquarters	Mt. Pleasant, SC
Established	2003
Branches (7)	Charleston (4) Myrtle Beach (2) Hilton Head (1)
Assets (\$MM)	\$451
Total Gross Loans (\$MM)	\$306
Deposits (\$MM)	\$402
NPAs / Assets <sup>(1)</sup>	4.40%

### Transaction Summary

- Closed on July 1, 2016
- Conversion completed on November 11, 2016
- \$11.2 million aggregate transaction value; 100% cash consideration
  - \$2.2 million value to common, or \$0.52 per common share
  - \$9.0 million to redeem TARP, which represents a 56% discount
- Target cost savings: approximately \$5.0 million (completed 4Q16)
- Total credit mark: \$17.8 million
  - Loan mark of \$15.4 million gross or 4.8% of gross loans
  - OREO mark of \$2.4 million or 24% of year-end 2015 balances
  - Covers nonaccrual loans and OREO of \$20.5 million
- Estimated \$0.09 to \$0.10 EPS accretive in 2017
- Tangible book value dilution of approximately 1.5% with expected earn-back in just over two years
- Anticipated internal rate of return in excess of 20%

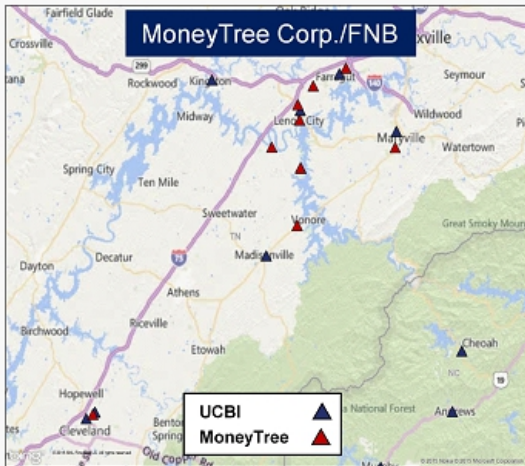
Source: SNL Financial – Financial Metrics as of December 31, 2015  
<sup>(1)</sup> NPAs / Assets = (Nonaccrual Loans + OREO) / Total Assets

### Transaction Rationale

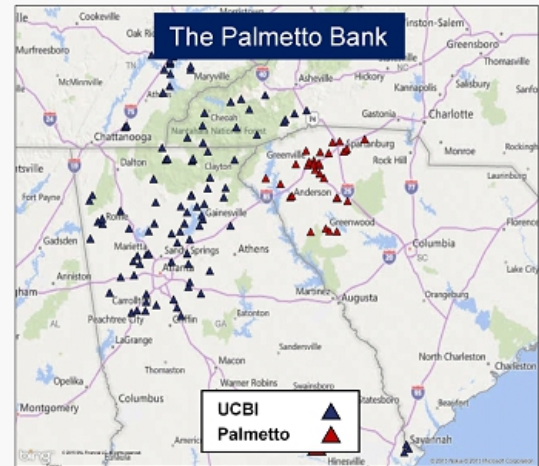
- Significantly accelerates UCBi's Coastal South Carolina expansion and leverages existing lift-out team of experienced bankers and in-market resources, fully executing the two-step Coastal SC growth plan
- Tideland's markets are in the top 10 fastest growing in the U.S
- Significant cost synergies enhance already compelling deal economics
- Consistent with UCBi's Southeastern expansion strategy
- Projected earnings accretion offsets the estimated earnings reduction associated with crossing the \$10 billion threshold
- Integration risk is offset by merger experience / preparedness and local management already in place



# Generating Growth 2015 Acquisitions



- Closed on May 1 with successful operational conversion on July 18-19; business has remained stable
- Added a \$425 million, 107 year old community bank
- Doubled UCBI's East TN presence in key markets – Knoxville, Lenoir City and Cleveland
- Consolidated six branches – three UCBI and three MoneyTree / FNB branches and now have 12 branches
- Executed on cost savings, which exceeded original estimates due mainly to branch overlap and back office redundancies
- Expect EPS accretion of 3% in 2017
- TBV dilution of <1% and breakeven in < 3 years



- Closed on September 1 with successful operational conversion on February 21-22
- Added a \$1.2 billion, 109 year old community bank with 25 branches covering Upstate SC
- United had previously established a regional headquarters in Greenville, including several members of Executive Management; however, only one existing branch
- Retained Senior Management positions in Banking, Mortgage, Finance and Ops/IT for business continuity and to lead growth
- Targeted cost savings fully realized in 2Q16
- Double-digit EPS accretion in 2017 with TBV earnback < 5 years and IRR > 20%



# Experienced Proven Leadership

- Over 40 years in banking
- Led company from \$42 million in assets in 1989 to \$10.7 billion today
- Trustee of Young Harris College
- Georgia Power Company Board Member
- GA Economic Developers Association Spirit of Georgia Award recipient

**Jimmy C. Tallent**  
Chairman & CEO  
Joined 1984



- Over 30 years in banking
- Responsible for overall banking, credit and operations
- Former Consultant and Special Assistant to the CEO and EVP of Commercial Banking for TD Bank Financial Group; and President & CEO of The South Financial Group

**H. Lynn Harton**  
Board, President & COO  
Joined 2012



- Over 25 years in financial services
- Responsible for finance and reporting, accounting, M&A and investor relations
- Former Associate Director of Research for Keefe, Bruyette and Woods
- Georgia State's J. Mack Robinson College of Business Advisory Board

**Jefferson L. Harralson**  
EVP & CFO  
Joined 2017



- Over 35 years in banking
- Responsible for 30 community banks with 134 banking offices
- Formerly of Riegel Textile Credit Union; President of Farmers and Merchants Bank
- Former Georgia Board of Natural Resources Board Chairman

**Bill M. Gilbert**  
President,  
Community Banking  
Joined 2000



- Over 20 years experience in consumer and banking law
- Responsible for legal, enterprise risk management, and compliance
- Chairman of the Georgia Bankers Association Bank Counsel Section
- Member of the American Bankers Association Regional General Counsels

**Bradley J. Miller**  
EVP, CRO &  
General Counsel  
Joined 2007



- Over 25 years in banking
- Responsible for credit risk including credit underwriting, policy and special assets
- Former EVP & Executive Credit Officer for TD Bank, NA and Chief Credit Officer of The South Financial Group.

**Robert A. Edwards**  
EVP & CCO  
Joined 2015



- Over 25 years in lending
- Responsible for specialized lending
- Former SBA head: TD Bank and Carolina First's SBA programs; President of UPS Capital Business Credit
- Highly decorated Commander in the U.S. Naval Reserve Intelligence Program (retired)

**Richard W. Bradshaw**  
President,  
Specialized Lending  
Joined 2014



# Non-GAAP Reconciliation Tables

\$ in thousands, except per share data

	1Q16	2Q16	3Q16	4Q16	1Q17
<b>Net Income</b>					
Net income - GAAP	\$ 22,295	\$ 25,268	\$ 25,674	\$ 27,221	\$ 23,524
Merger-related and other charges	2,653	1,178	3,152	1,141	2,054
Tax benefit on merger-related and other charges	(1,004)	(445)	(1,193)	(432)	(758)
Impairment of deferred tax asset on canceled nonqualified stock options	-	-	-	976	-
Release of dis proportionate tax effects lodged in OCI	-	-	-	-	3,400
Net income - Operating	<u>\$ 23,944</u>	<u>\$ 25,997</u>	<u>\$ 27,833</u>	<u>\$ 28,908</u>	<u>\$ 28,220</u>
<b>Diluted Earnings per share</b>					
Diluted earnings per share - GAAP	\$ 0.31	\$ 0.35	\$ 0.36	\$ 0.38	\$ 0.33
Merger-related and other charges	0.02	0.01	0.03	0.01	0.01
Impairment of deferred tax asset on canceled nonqualified stock options	-	-	-	0.01	-
Release of dis proportionate tax effects lodged in OCI	-	-	-	-	0.05
Diluted earnings per share - Operating	<u>\$ 0.33</u>	<u>\$ 0.38</u>	<u>\$ 0.39</u>	<u>\$ 0.40</u>	<u>\$ 0.39</u>
<b>Return on Assets</b>					
Return on assets - GAAP	0.93 %	1.04 %	1.00 %	1.03 %	0.89 %
Merger-related and other charges	0.07	0.03	0.08	0.03	0.05
Impairment of deferred tax asset on canceled nonqualified stock options	-	-	-	0.04	-
Release of dis proportionate tax effects lodged in OCI	-	-	-	-	0.13
Return on assets - Operating	<u>1.00 %</u>	<u>1.07 %</u>	<u>1.08 %</u>	<u>1.10 %</u>	<u>1.07 %</u>

# Non-GAAP Reconciliation Tables

\$ in thousands, except per share data

	1Q16	2Q16	3Q16	4Q16	1Q17
<b>Return on Tangible Common Equity</b>					
Return on common equity - GAAP	8.57 %	9.54 %	9.61 %	9.89 %	8.54 %
Effect of merger-related and other charges	0.63	0.27	0.73	0.26	0.47
Impairment of deferred tax asset on canceled nonqualified stock options	-	-	-	0.36	-
Release of disproportionate tax effects lodged in OCI	-	-	-	-	1.24
Return on common equity - Operating	9.20	9.81	10.34	10.51	10.25
Effect of goodwill and intangibles	1.71	1.75	2.11	1.96	1.85
Return on tangible common equity - Operating	10.91 %	11.56 %	12.45 %	12.47 %	12.10 %
<b>Expenses</b>					
Expenses - GAAP	\$ 57,885	\$ 58,060	\$ 64,023	\$ 61,321	\$ 62,826
Merger-related and other charges	(2,653)	(1,176)	(3,152)	(1,141)	(2,054)
Expenses - Operating	\$ 55,232	\$ 56,884	\$ 60,871	\$ 60,180	\$ 60,772
<b>Pre-Tax, Pre-Credit Earnings</b>					
Pre-Tax Earnings - GAAP	\$ 35,873	\$ 40,655	\$ 41,627	\$ 44,837	\$ 42,002
Merger-related and other charges	2,653	1,176	3,152	1,141	2,054
Provision for credit losses	(200)	(300)	(300)	-	800
Pre-Tax, Pre-Credit Earnings - Operating	\$ 38,326	\$ 41,531	\$ 44,479	\$ 45,978	\$ 44,856
<b>Efficiency Ratio</b>					
Efficiency Ratio - GAAP	61.94 %	59.02 %	60.78 %	57.65 %	59.29 %
Merger-related and other charges	(2.84)	(1.20)	(2.99)	(1.07)	(1.94)
Efficiency Ratio - Operating	59.10 %	57.82 %	57.79 %	56.58 %	57.35 %