



Second Quarter 2014 Investor Presentation

Cautionary Statement

This investor presentation may contain 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 Community Banks, Inc.'s filings with the Securities and Exchange Commission, including its 2013 Annual Report on Form 10-K and its most recent quarterly report on Form 10-Q under the sections 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 also contains financial measures determined by methods other than in accordance with generally accepted accounting principles ("GAAP"). Such non-GAAP financial measures include the following: core fee revenue, core operating expense, core earnings, tangible common equity to tangible assets, tangible equity to tangible assets and tangible common equity to risk-weighted assets. The most comparable GAAP measures to these measures are: fee revenue, operating expense, net income (loss), and equity to assets.

Management uses these non-GAAP financial measures because we believe they are useful for evaluating our operations and performance over periods of time, as well as in managing and evaluating our business and in discussions about our operations and performance. Management believes these non-GAAP financial measures provide users of our financial information with a meaningful measure for assessing our financial results and credit trends, as well as for comparison to financial results for prior periods. These non-GAAP financial measures should not be considered as a substitute for financial measures determined in accordance with GAAP and may not be comparable to other similarly titled financial measures used by other companies. For a reconciliation of the differences between our non-GAAP financial measures and the most comparable GAAP measures, please refer to the 'Non-GAAP Reconciliation Tables' at the end of the Appendix to this presentation.

United at a Glance

➡ Founded in 1950

➡ Third-largest bank holding company headquartered in Georgia with 1,500 employees

Deposit Market Share⁽¹⁾

| Market | Offices | Deposit Market Share | Rank |
|-------------------|---------|----------------------|------|
| No. Georgia | 22 | 34% | 1 |
| Atlanta MSA | 36 | 4 | 6 |
| Gainesville | 5 | 12 | 4 |
| Coastal Georgia | 8 | 4 | 7 |
| W. North Carolina | 19 | 13 | 3 |
| E. Tennessee | 8 | 2 | 8 |

Key Statistics as of 6/30/14 (in billions)

| Assets | Deposits | Loans |
|--------|----------|--------|
| \$7.35 | \$6.16 | \$4.41 |

Footprint



**Headquartered in Blairsville, Georgia with
103 locations in:
Georgia; North Carolina; South Carolina;
and Tennessee**

Business and Operating Model

➔ Service is Point of Differentiation

- #1 in Customer Satisfaction according to Customer Service Profiles
- #1 in Southeast and #2 in US in Customer Satisfaction by national research company
- Golden rule of banking – treating people the way we want to be treated
- “The Bank that SERVICE BuiltSM”
- Customer surveys consistently reveal 95%+ satisfaction rate

“Community bank service, large bank resources”

Twenty-eight “community banks”

Local CEOs with deep roots in their communities
Resources of a \$7.35 billion bank

Strategic footprint with substantial banking opportunities

Operates in a number of the more demographically attractive U.S. markets

Disciplined growth strategy

Organic growth supported by de novos and selective acquisitions

2013 – Transformative Year

Executed Strategies

- ➡ Several years of credit clean-up
- ➡ Final classified asset sales
- ➡ Diversified loan portfolio
- ➡ Recalibrated core expense base
 - \$31 million reduction past three years
 - Efficiency ratio below 60%
- ➡ DTA Allowance recaptured
- ➡ Redemption of all preferred stock (TARP)
- ➡ Re-established dividends to Parent Company and Shareholders
- ➡ Capital ratios strong

Business Investments

- ➡ Key leadership roles
 - Consumer underwriting
 - Loan operations
 - Mortgage
 - Treasury services
 - Lending
 - SBA
 - Healthcare
 - Corporate
 - CRE Income
 - Asset based
- ➡ Strengthened Risk Management

- ➡ Strengthened structure, resources, and financial performance

SCALABLE FOR GROWTH BEYOND \$10 BILLION

LEVERAGE OUR STRENGTHS

- **Community bank service with large bank resources**
- **Strong local leadership and senior management**
- **Funding advantage in legacy markets**
- **Consistent and attractive culture**
- **Class leading customer satisfaction**

HOW?

- **Continue to invest in and improve commercial and retail capabilities**
 - Diversify portfolio – focus on C&I; owner occupied; specialized lending for healthcare, corporate, asset based and SBA; and, consumer lending
 - Momentum building across footprint
 - Invest in people; strengthen commercial and specialized lending group and markets
 - Grow loans in mid-single digits
- **Improve retail and small business bank**
 - Grow sales – better / diversified product design, merchandising and campaign execution
 - Streamline deliver processes that focus on how we serve our customers
 - Increase core transaction deposits in the mid-single digits
- **Grow net interest revenue**
- **Credit trends and costs continue at or below current levels**
- **Grow fee revenue modestly**
- **Maintain operating efficiency below 60% while investing in revenue producers**
- **Focus on acquisition opportunities**

Highlights Second Quarter 2014

IMPROVING QUARTERLY RESULTS

| | 2Q14 | 1Q14 |
|------------|---------|---------|
| Net Income | \$16.4M | \$15.8M |
| EPS | \$.27 | \$.25 |
| ROA | .88% | .85% |
| ROCE | 8.99% | 8.64% |

➔ Solid Improvement in Credit Quality

- Provision of \$2.2 million vs. \$48.5 million 2Q13 (classified assets sales)
- Net charge-offs decline to .38% of total loans vs. 6.87% in 2Q13
- NPAs declined to .32% of total assets vs. .42% in 1Q14 and 44% in 2Q13
- Allowance 1.66% of total loans vs. 1.73% at 1Q14 and 1.95 at 2Q13
- Classified ratio of 23%, down from 27% at 1Q14

➔ Operating Efficiencies Strengthen

- Efficiency ratio of 58.7%; significantly down from 68.9% a year ago
- Continued focus on reducing costs and improving fee revenue

Highlights Second Quarter 2014

➡ Core Fee Revenue

- Up \$2 million across all categories compared to 1Q14
- Gain on sales of SBA loans of \$.7 million (added SBA team)
- Down from 2Q13 – mortgage volume and BOLI gain (non-core)

➡ Balance Sheet

- Loan growth this quarter of \$54.6 million, or 5% annualized
- Restructured/deleverage securities portfolio – increasing yield, with securities gains \$4.4 million
- Offset gains by charge of \$4.4 million to prepay \$44 million costly borrowings
- Overall – improved interest revenue and stabilized margin of 3.21%

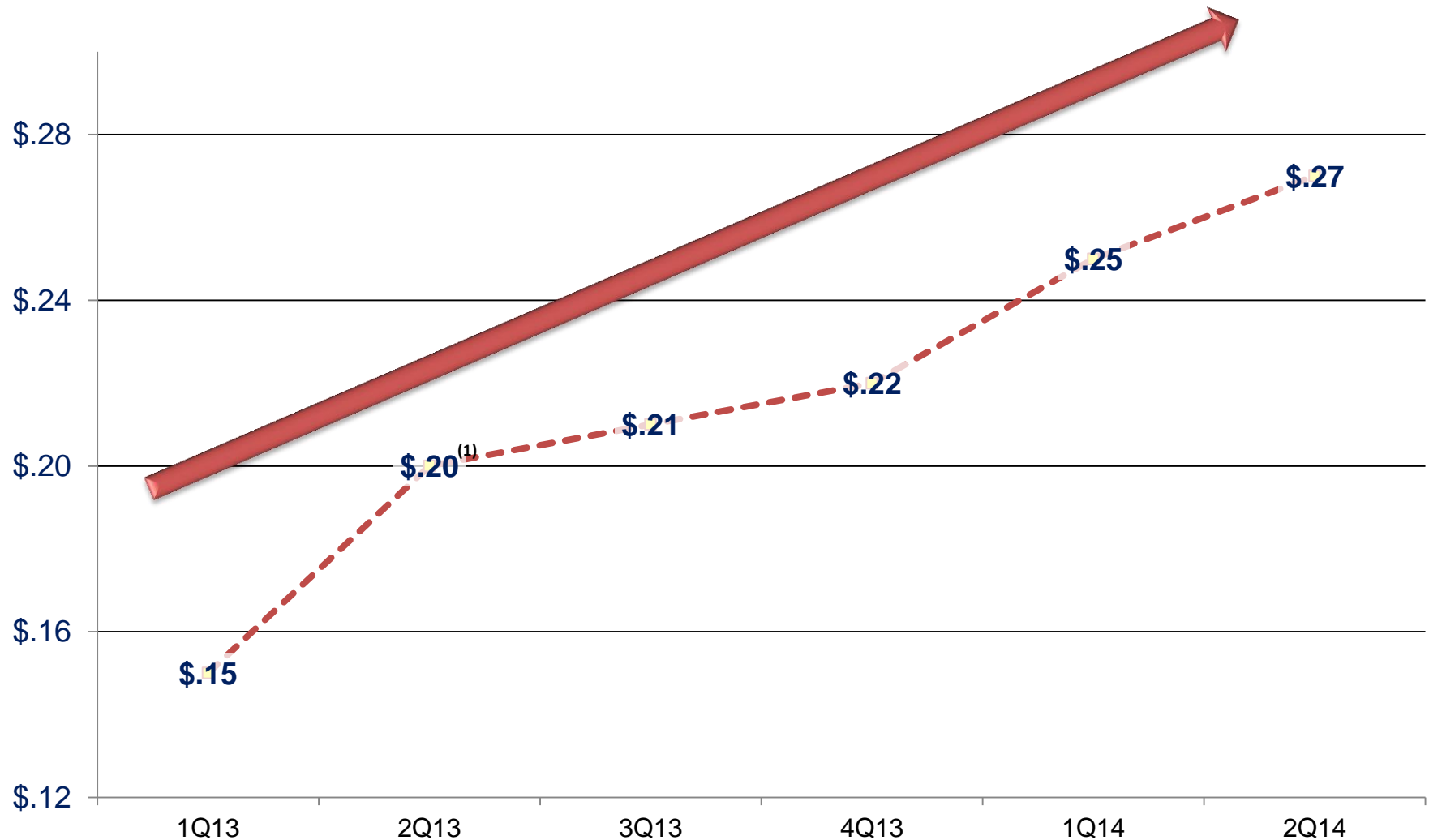
➡ Solid Capital Ratios and Cash Dividend to Shareholders

- Initiated quarterly cash dividend to shareholders in second quarter
- Tier I Common to Risk Weighted Assets of 10.7%; Tangible Common to RWAs of 13.9%
- Tier 1 Risk Based Capital of 11.8% and Tier I Leverage of 8.3%

➡ Continued Strong Core Transaction Deposit Growth

- Up \$52 million in the second quarter or 6% annualized
- Up \$303 million (9%) from year ago
- Represents 63% of total customer deposits compared to 34% at 4Q08

Earnings Per Share



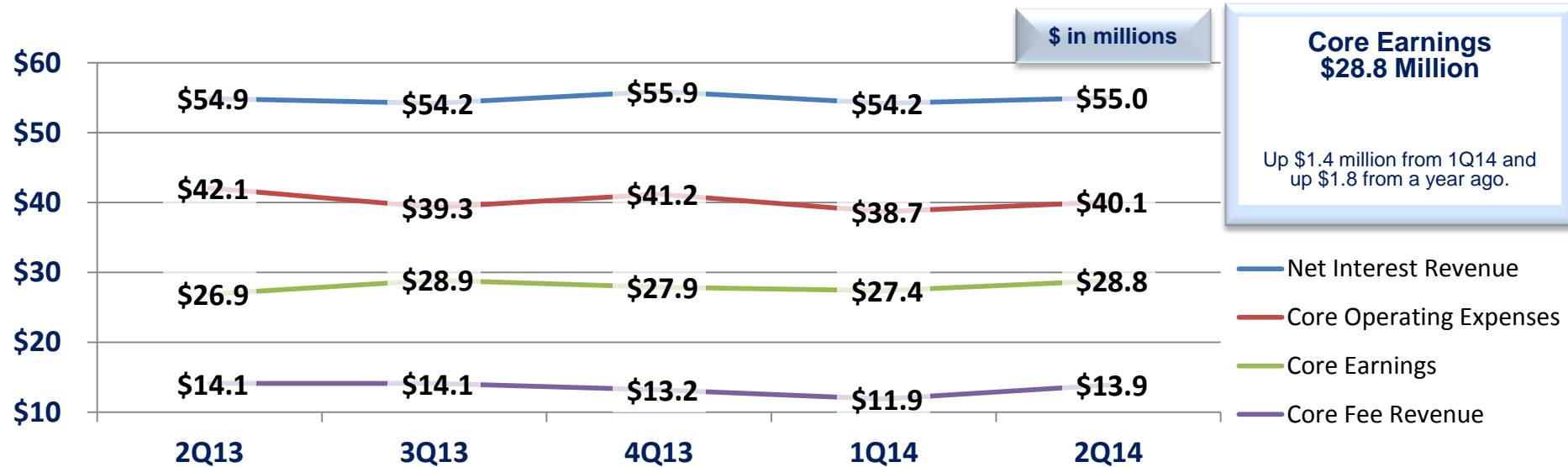
GOAL OF 1% ROA



United
COMMUNITY BANKS, INC.®

FINANCIAL
REVIEW

Core Earnings Trend and Core Fee Revenue



CORE EARNINGS

\$ in thousands

CORE FEE REVENUE

| | 2Q14 | Variance - Increase / (Decrease) | |
|-----------------------------------|------------------|----------------------------------|-----------------|
| | | 1Q14 | 2Q13 |
| Net Interest Revenue | \$ 54,950 | \$ 781 | \$ 19 |
| Fee Revenue | 13,938 | 2,008 | (125) |
| Gross Revenue | 68,888 | 2,789 | (106) |
| Operating Expense (Excl OREO) | 40,131 | 1,382 | (1,936) |
| Pre-Tax, Pre-Credit (Core) | \$ 28,757 | \$ 1,407 | \$ 1,830 |
| Net Interest Margin | 3.21 % | - % | (.12) % |

| | 2Q14 | Variance - Increase / (Decrease) | |
|---------------------------------|------------------|----------------------------------|-------------------|
| | | 1Q14 | 2Q13 |
| Overdraft Fees | \$ 2,944 | \$ 24 | \$ (88) |
| Interchange Fees | 3,976 | 445 | 338 |
| Other Service Charges | 1,607 | 160 | 305 |
| Total Service Charges and Fees | 8,527 | 629 | 555 |
| Mortgage Loan & Related Fees | 1,877 | 523 | (1,126) |
| Brokerage Fees | 1,245 | 68 | 182 |
| Other | 2,289 | 788 | 264 |
| Total Fee Revenue - Core | 13,938 | 2,008 | (125) |
| Non-Core ⁽¹⁾ | 205 | (41) | (1,675) |
| Reported - GAAP | \$ 14,143 | \$ 1,967 | \$ (1,800) |

Core Operating Expenses

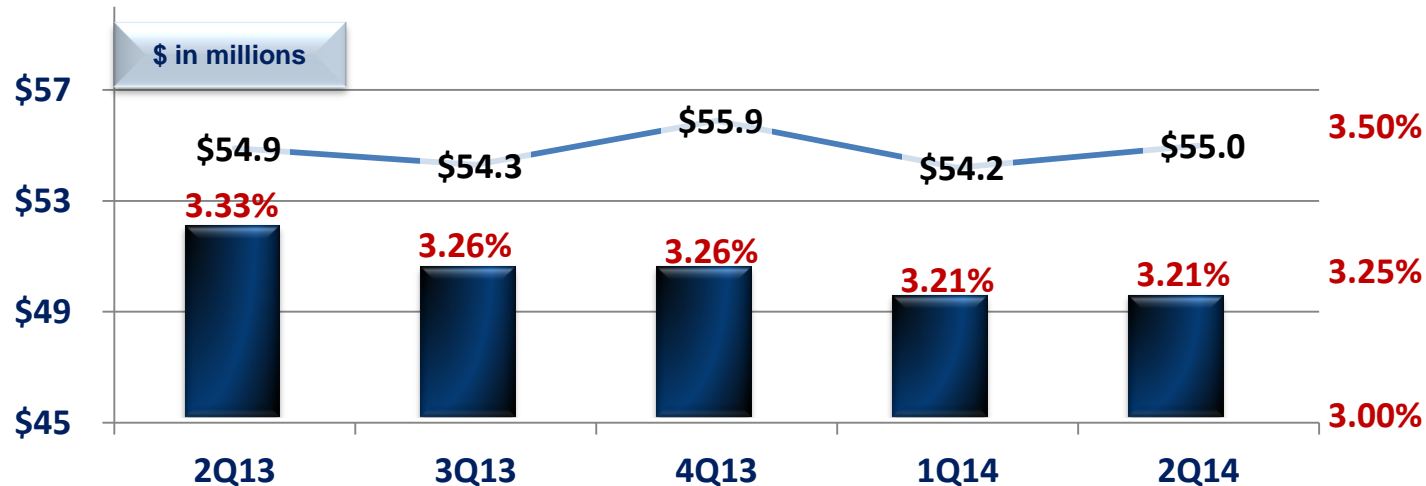
\$ in thousands

| | | <u>Variance - Increase / (Decrease)</u> | |
|--------------------------------|------------------|---|-------------------|
| | <u>2Q14</u> | <u>1Q14</u> | <u>2Q13</u> |
| Salaries & Employee Benefits | \$ 23,988 | \$ (223) | \$ 859 |
| Communications & Equipment | 3,037 | (202) | (431) |
| Occupancy | 3,262 | (116) | (187) |
| FDIC Assessment | 1,425 | 72 | (1,080) |
| Advertising & Public Relations | 1,139 | 513 | 102 |
| Postage, Printing & Supplies | 804 | 28 | (90) |
| Professional Fees | 2,172 | 745 | (327) |
| Other Expense | 4,304 | 565 | (782) |
| Core Operating Expenses | 40,131 | 1,382 | (1,936) |
| Non-Core ⁽¹⁾ | 401 | 100 | (6,355) |
| Reported GAAP | \$ 40,532 | \$ 1,482 | \$ (8,291) |

| | <u>2Q14</u> | <u>1Q14</u> | <u>2Q13</u> |
|-------------------------|---------------|---------------|---------------|
| Efficiency Ratio | 58.7 % | 59.1 % | 68.9 % |

Key Drivers of Net Interest Revenue / Margin

NET INTEREST REVENUE & MARGIN



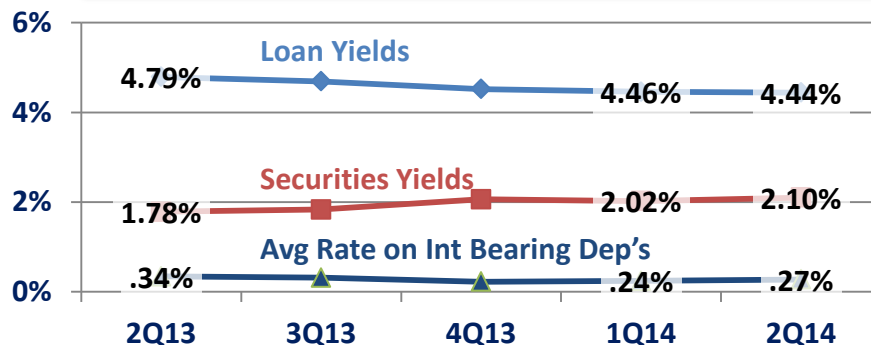
Net Interest Revenue

2Q growth impacted by:

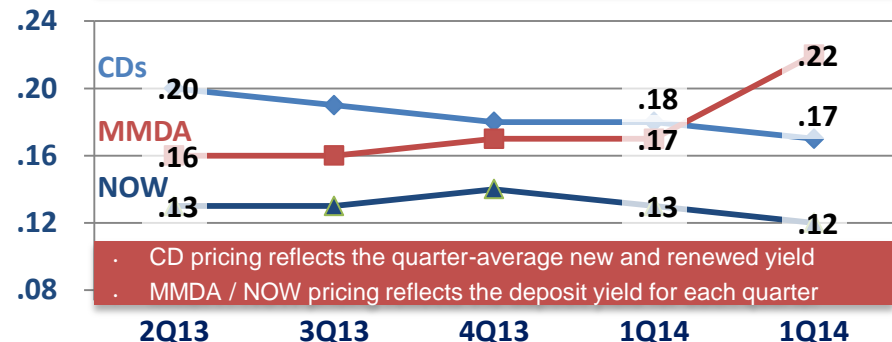
- ➔ Net loan growth
- ➔ Higher securities yield
- ➔ Offset partially by pricing competition

KEY DRIVERS OF NIR

Loan / Securities Pricing



Deposit Pricing (excl. brokered)



Net Income

\$ in thousands

Quarterly Net Income \$ in millions

2Q14 \$16.4

1Q14 \$15.4

4Q13 15.9

3Q13 15.5

2Q13 230.0

60.1M
Shares
Outstanding

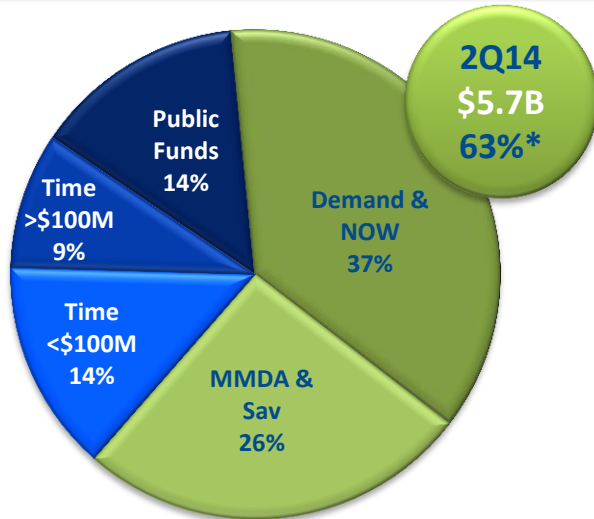
NET OPERATING INCOME

| | | Variance - Increase / (Decrease) | |
|--|------------------|----------------------------------|---------------------|
| | 2Q14 | 1Q14 | 2Q13 |
| Core Earnings (Pre-Tax, Pre-Credit) | \$ 28,757 | \$ 1,407 | \$ 1,830 |
| Provision for Loan Loss | 2,200 | (300) | (46,300) |
| NON-CORE FEE REVENUE: | | | |
| Securities Gains | 4,435 | 4,218 | 4,435 |
| Loss on Prepayment of Borrowings | (4,446) | (4,446) | (4,446) |
| Sale of Low Income Housing Tax Credits Gain | - | - | (468) |
| Bank Owned Life Insurance Policy Gain | - | - | (1,366) |
| Deferred Compensation Plan Assets Gain | 216 | 187 | 170 |
| Total Non-Core Fee Revenue | 205 | (41) | (1,675) |
| NON-CORE OPERATING EXPENSES: | | | |
| Foreclosed Property Write Downs | 305 | 28 | (1,064) |
| Foreclosed Property (Gains) Losses on Sales | (423) | 98 | (3,368) |
| Foreclosed Property Maintenance Expenses | 220 | (140) | (617) |
| Severance Costs | 83 | (73) | (1,476) |
| Gains (Losses) on Deferred Comp Plan Liability | 216 | 187 | 170 |
| Total Non-Core Operating Expenses | 401 | 100 | (6,355) |
| Income Tax Expense | 10,004 | 609 | 266,417 |
| Net Income | \$ 16,357 | \$ 957 | \$ (213,607) |
| Preferred Stock Dividends | - | (439) | (3,054) |
| Net Income Available to Common Shareholders | \$ 16,357 | \$ 1,396 | \$ (210,553) |
| Net Income Per Share | \$.27 | \$.02 | \$ (3.63) |
| Tangible Book Value | \$ 11.91 | \$.28 | \$ 1.09 |
| Return on Assets | .88 % | .03 % | (12.46) % |
| Return on Common Equity | 8.99 | .35 | (188.23) |

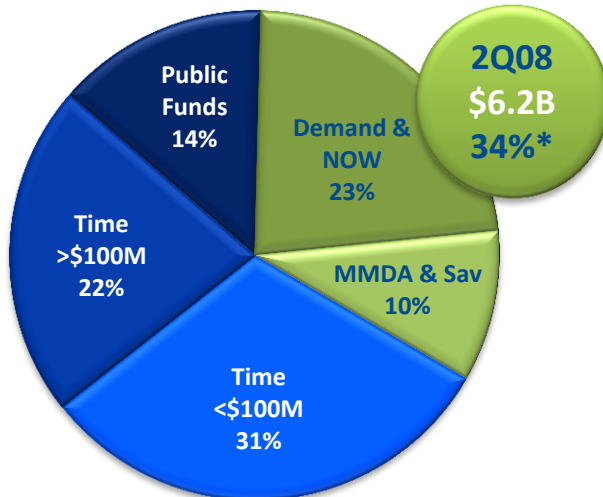
Customer Deposit Mix & Core Growth

\$ in thousands

Deposits by % / Customer Mix



*% of core transaction customer deposits



Total Deposit Mix

**Significant
growth in
core
transaction
deposits
since 4Q08**

| | 2Q14 | 1Q14 | 2Q13 | 4Q08 |
|-------------------------|-----------------|-----------------|-----------------|-----------------|
| Demand / NOW | \$ 2,106 | \$ 2,073 | \$ 1,916 | \$ 1,457 |
| MMDA / Savings | 1,518 | 1,499 | 1,406 | 630 |
| Core Transaction | 3,624 | 3,572 | 3,322 | 2,087 |
| Time < \$100,000 | 801 | 828 | 977 | 1,945 |
| Public Deposits | 760 | 804 | 674 | 755 |
| Total Core | 5,185 | 5,204 | 4,973 | 4,787 |
| Time > \$100,000 | 521 | 539 | 632 | 1,336 |
| Public Deposits | 33 | 34 | 32 | 87 |
| Total Customer | 5,739 | 5,777 | 5,637 | 6,210 |
| Brokered Deposits | 425 | 471 | 375 | 793 |
| Total Deposits | \$ 6,164 | \$ 6,248 | \$ 6,012 | \$ 7,003 |

Core Deposit Growth – Category & Market

| CATEGORY | Growth | | MARKET | Growth | |
|---------------------|----------------|-----------------|-----------------|----------------|-----------------|
| | 2Q14 | YTD | | 2Q14 | YTD |
| Demand | \$ 40.2 | \$ 135.9 | Atlanta | \$ 21.1 | \$ 80.7 |
| MM Accounts | 9.9 | 21.1 | N. Georgia | 4.8 | 50.6 |
| Savings | 8.4 | 28.2 | North Carolina | 20.8 | 19.9 |
| NOW | (6.5) | 1.6 | Coastal Georgia | 1.4 | 15.9 |
| Total Categories | <u>\$ 52.0</u> | <u>\$ 186.8</u> | Tennessee | 2.0 | 4.10 |
| | | | Gainesville | 0.9 | 12.4 |
| Growth (Annualized) | 6 % | | South Carolina | 1.0 | 3.2 |
| | | | | <u>\$ 52.0</u> | <u>\$ 186.8</u> |

Growth (Annualized) 6 %

Capital Ratios

| Holding Company | Well-Cap | 2Q14 | 1Q14 | 4Q13 | 3Q13 | 2Q13 |
|---------------------------|----------|--------|--------|--------|--------|--------|
| Tier I RBC | 6 % | 11.8 % | 11.1 % | 12.7 % | 14.2 % | 13.7 % |
| Total RBC | 10 | 13.0 | 12.4 | 14.0 | 15.5 | 15.2 |
| Leverage | 5 | 8.3 | 8.0 | 9.1 | 10.0 | 9.8 |
| Tier 1 Common RBC | | 10.7 | 10.1 | 9.3 | 9.0 | 8.5 |
| Tangible Common to Assets | | 9.6 | 9.2 | 9.0 | 9.0 | 6.3 |
| Tangible Equity to Assets | | 9.6 | 9.5 | 11.6 | 11.8 | 9.1 |

| Bank | Well-Cap | 2Q14 | 1Q14 | 4Q13 | 3Q13 | 2Q13 |
|------------|----------|--------|--------|--------|--------|--------|
| Tier 1 RBC | 6 % | 13.4 % | 12.6 % | 13.5 % | 14.5 % | 14.2 % |
| Total RBC | 10 | 14.6 | 13.9 | 14.8 | 15.7 | 15.5 |
| Leverage | 5 | 9.4 | 9.1 | 9.6 | 10.2 | 10.1 |



United

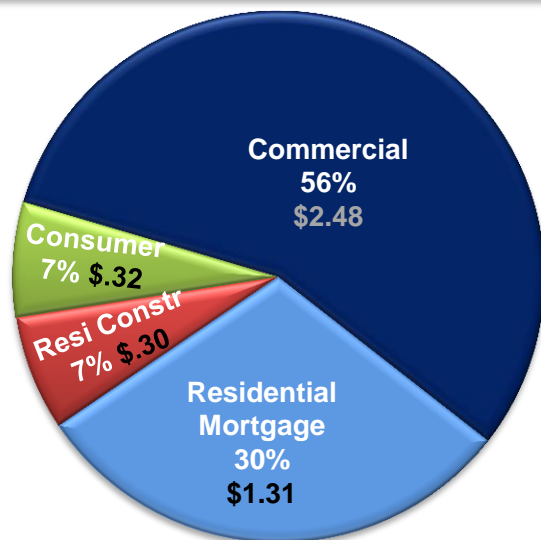
COMMUNITY BANKS, INC.®

LOAN PORTFOLIO
& CREDIT
QUALITY

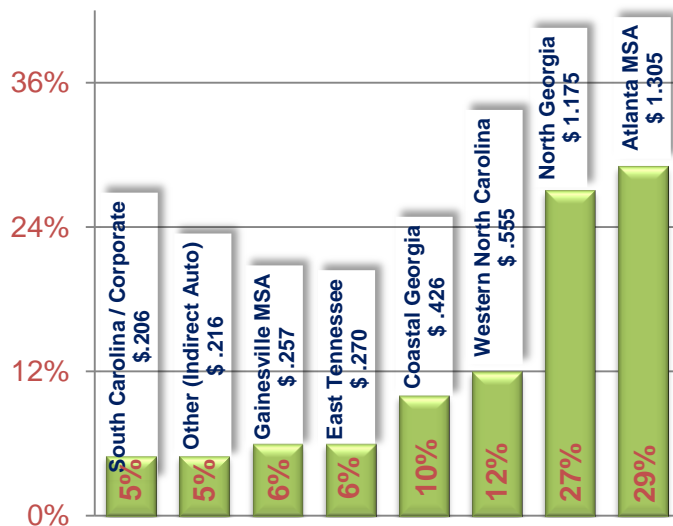
Loan Portfolio **(total \$4.41 billion)**

\$ in billions

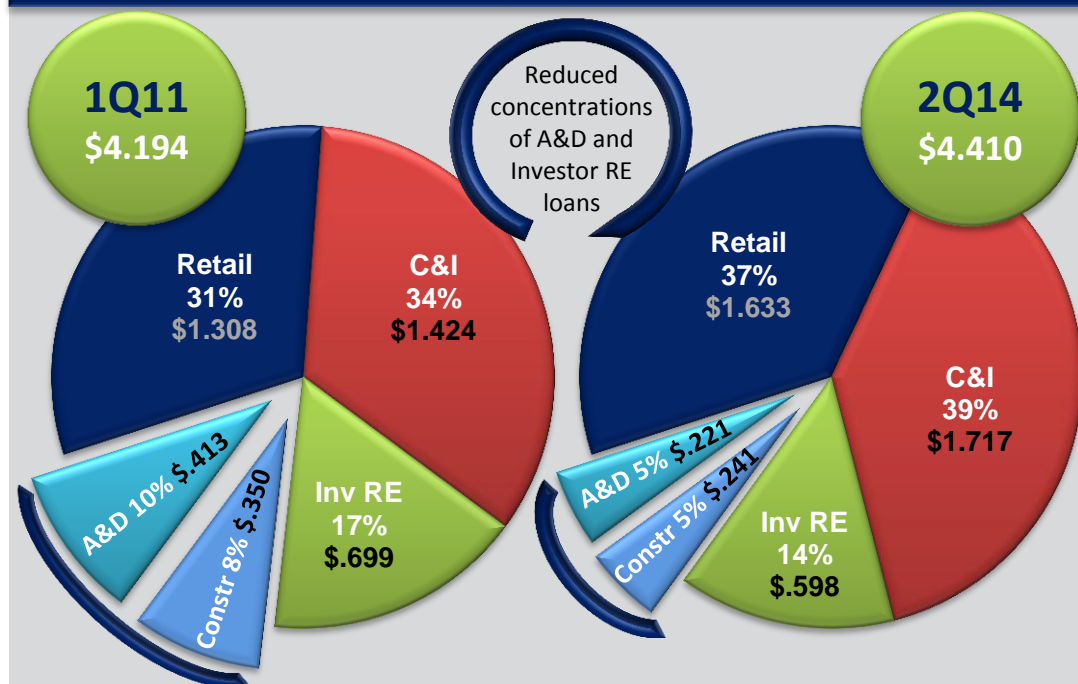
By Loan Type



Geographic Diversity



Diversifying Portfolio



Total Loans

| Period | \$ in Billions |
|--------|----------------|
| 2Q14 | \$4.410 |
| 1Q14 | \$4.356 |
| 4Q13 | \$4.329 |
| 3Q13 | \$4.267 |
| 2Q13 | \$4.189 |

Loan Diversification & Type

- Reducing land exposure
- Focus on small business, C&I, and specialized lending
- Enhanced retail products

New Loans Funded and Advances⁽¹⁾

\$ in millions

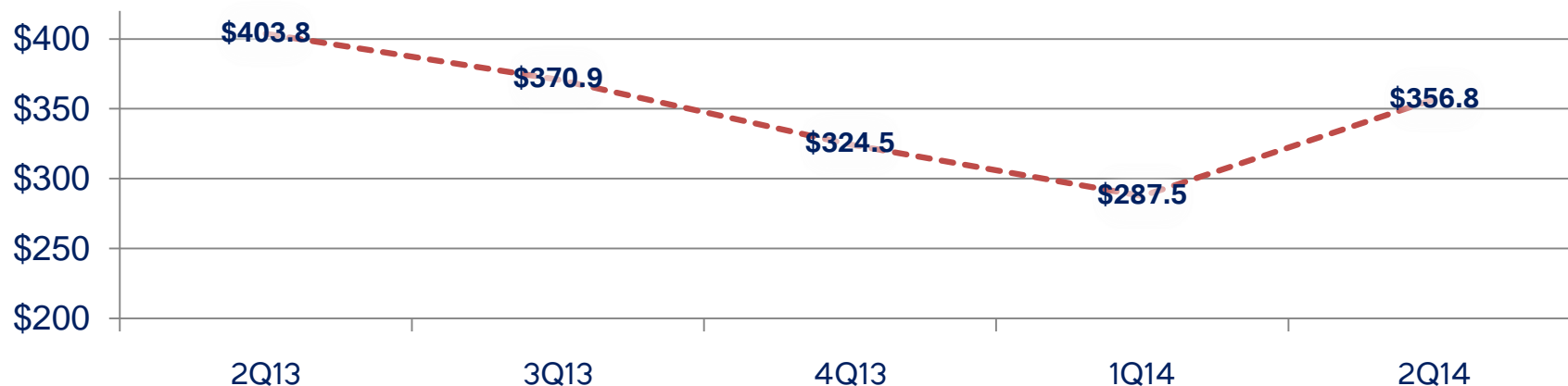
CATEGORY

| | 2Q14 | 1Q14 | 2Q13 |
|--------------------------|-----------------|-----------------|-----------------|
| Commercial C & I | \$ 115.4 | \$ 74.7 | \$ 58.3 |
| Owner Occupied CRE | 65.6 | 48.9 | 50.7 |
| Income Producing CRE | 40.8 | 41.1 | 30.4 |
| Commercial Constr. | 2.7 | 1.9 | 3.6 |
| Total Commercial | 224.5 | 166.6 | 143.0 |
| Residential Mortgage | 19.2 | 15.2 | 70.6 |
| Residential HELOC | 32.9 | 30.1 | 38.4 |
| Residential Construction | 34.0 | 29.6 | 31.6 |
| Consumer | 46.2 | 46.0 | 120.2 |
| Total Categories | \$ 356.8 | \$ 287.5 | \$ 403.8 |

MARKET

| | 2Q14 | 1Q14 | 2Q13 |
|-----------------------|-----------------|-----------------|-----------------|
| Atlanta | \$ 91.0 | \$ 86.1 | \$ 94.2 |
| Coastal Georgia | 28.5 | 31.1 | 26.7 |
| N. Georgia | 69.0 | 41.3 | 64.5 |
| North Carolina | 21.0 | 16.9 | 39.7 |
| Tennessee | 16.7 | 9.6 | 25.7 |
| Gainesville | 10.1 | 8.9 | 14.8 |
| South Carolina | 88.3 | 60.3 | 33.7 |
| Other (Indirect Auto) | 32.2 | 33.3 | 104.5 |
| Total Markets | \$ 356.8 | \$ 287.5 | \$ 403.8 |

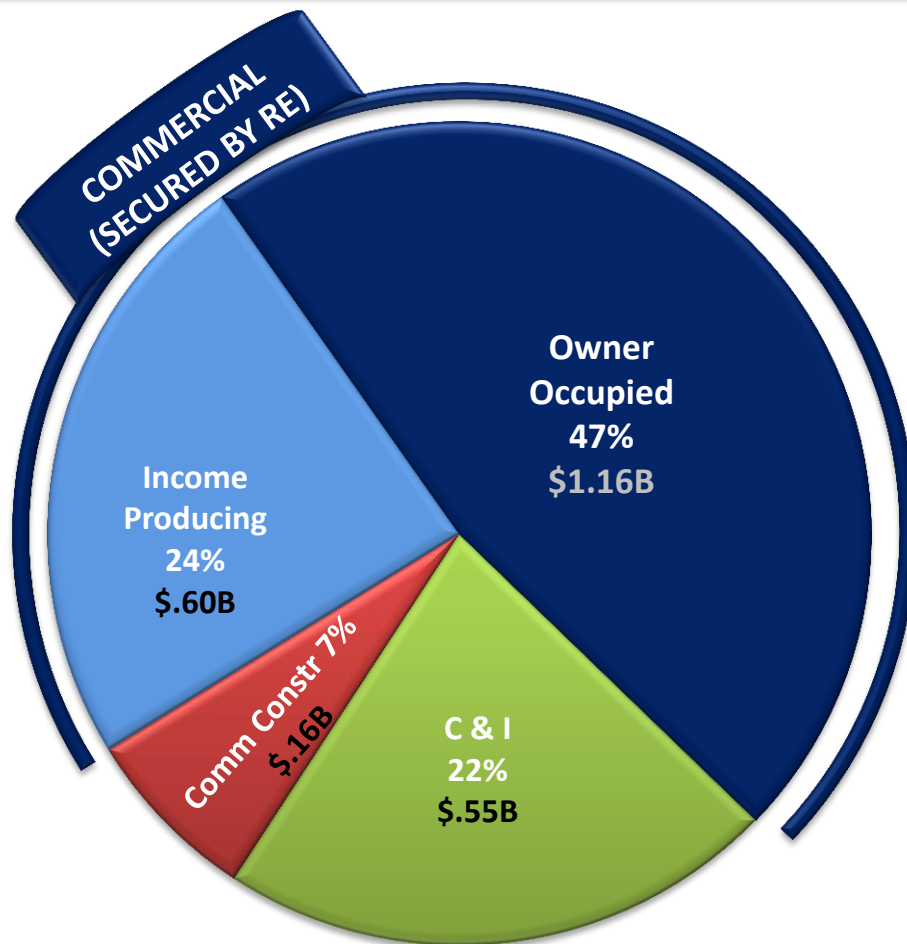
New Loans Funded and Advances



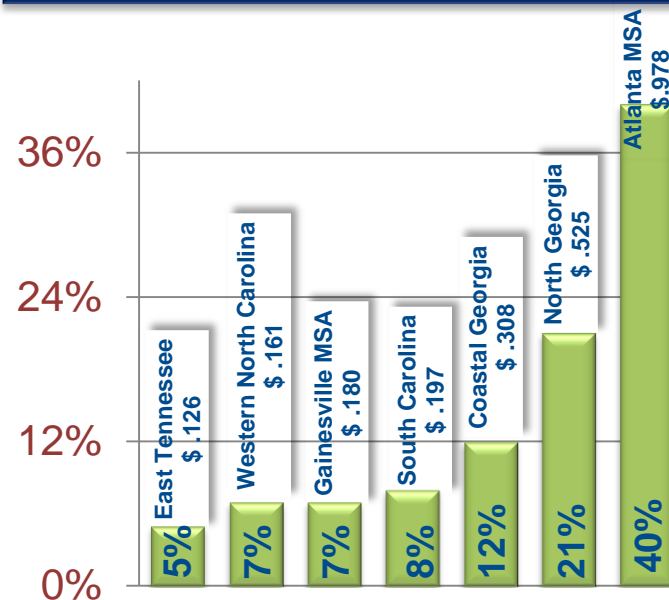
Commercial Loans **(total \$2.47 billion)**

\$ in billions

By Loan Type



Geographic Diversity



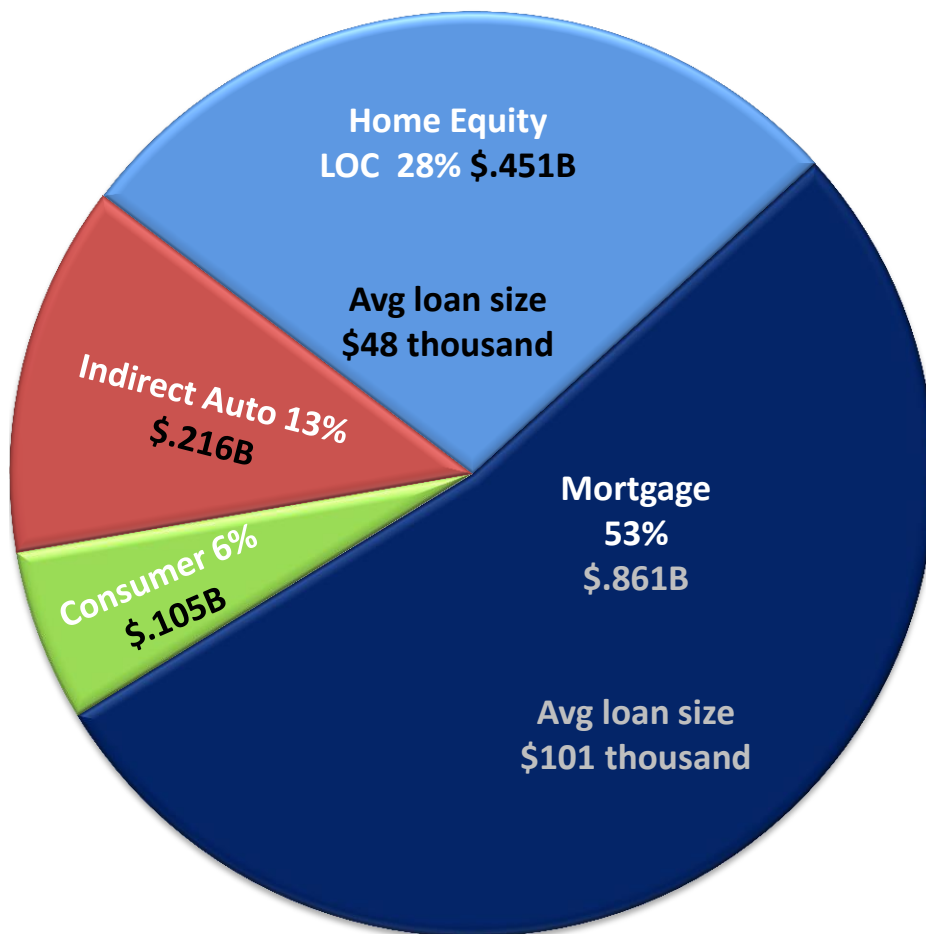
Average Loan Size

| Type | \$ in Thousands |
|---------------|-----------------|
| Owner Occup'd | \$440 |
| Income Prod | 598 |
| C & I | 107 |
| Comm Constr | 446 |

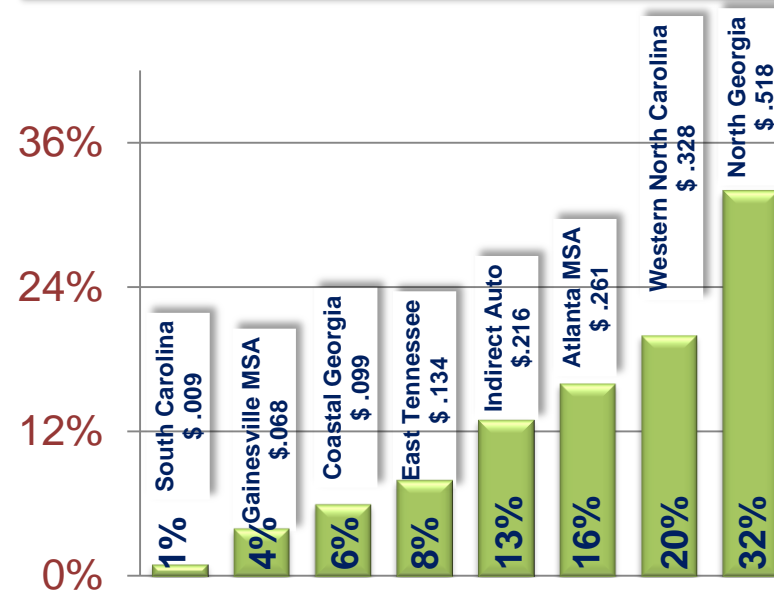
Retail (total \$1.63 billion)

\$ in billions

By Loan Type



Geographic Diversity

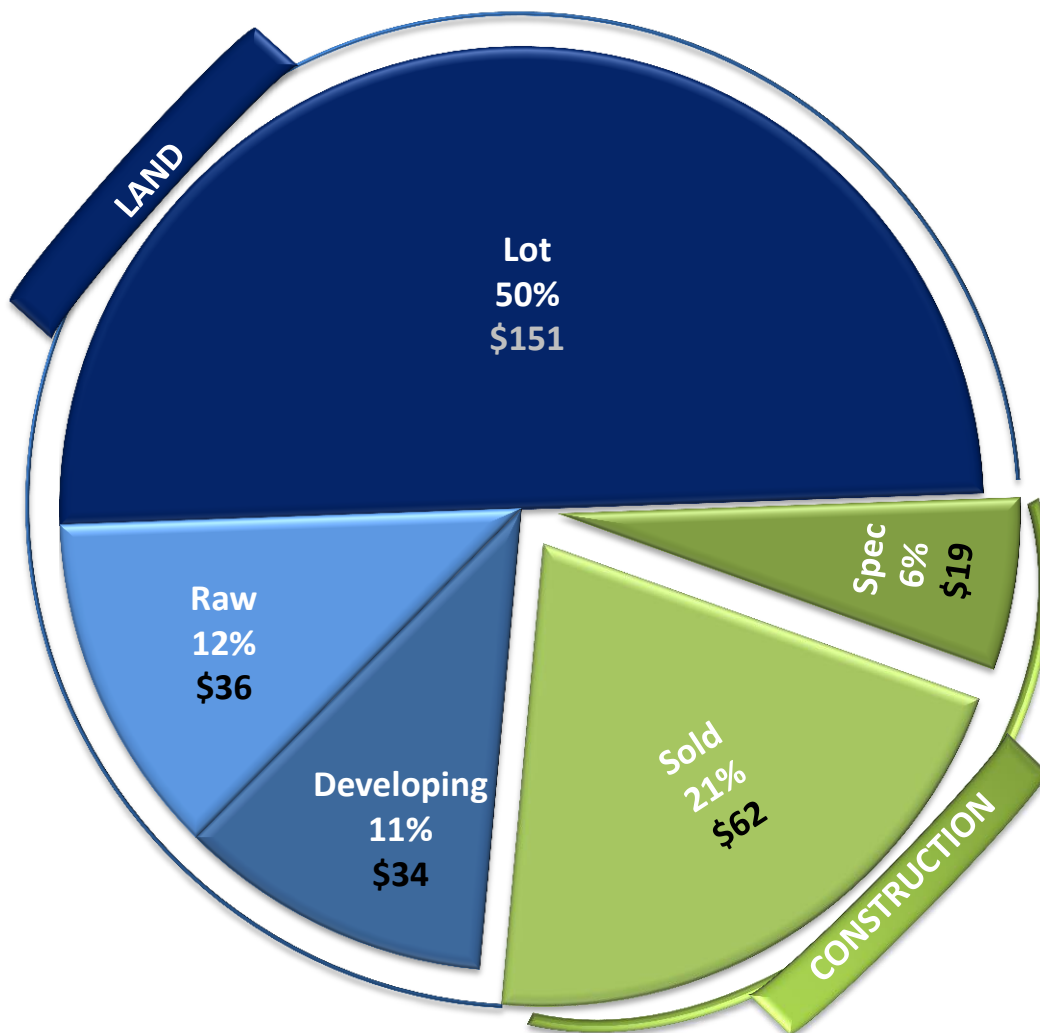


- ➡ Success with new portfolio products and HELOCs
- ➡ Conservative underwriting
- ➡ 62.8% of HE Primary Lien

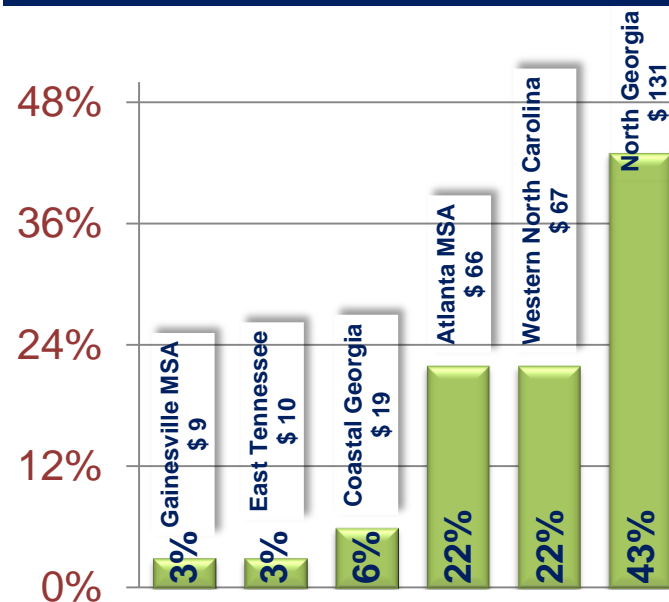
Residential Construction **(total \$302 million)**

\$ in millions

By Loan Type



Geographic Diversity



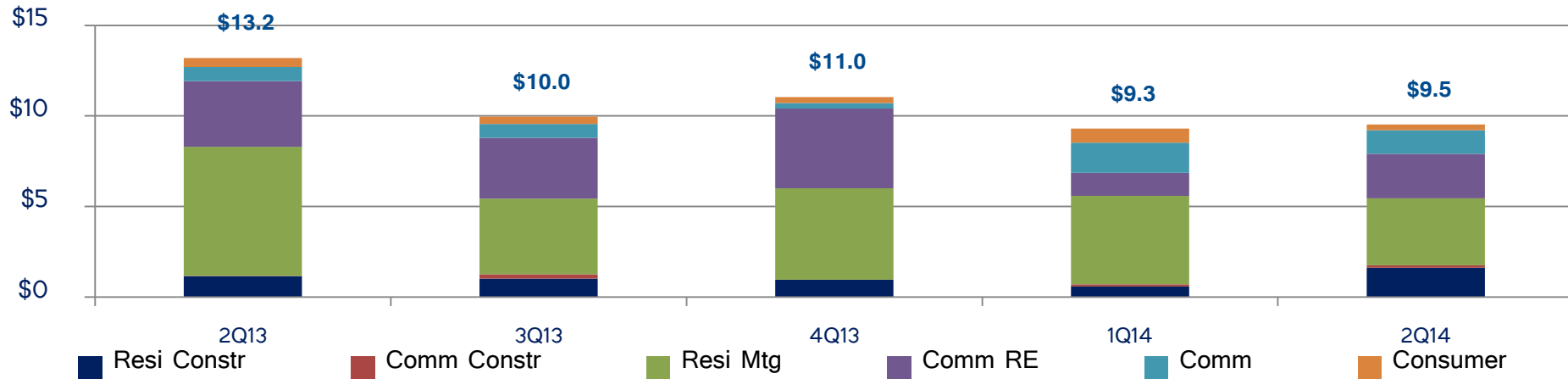
| | 2Q14 | 1Q14 | 4Q13 | 3Q13 | 2Q13 | 2Q14 vs. 2Q13 |
|---------------------------|--------|--------|--------|--------|--------|---------------|
| TOTAL COMPANY | | | | | | |
| Land Loans | | | | | | |
| Developing | \$ 34 | \$ 37 | \$ 39 | \$ 40 | \$ 42 | \$ (8) |
| Raw | 36 | 37 | 38 | 35 | 36 | - |
| Lot | 151 | 159 | 166 | 167 | 173 | (22) |
| Total | 221 | 233 | 243 | 242 | 251 | (30) |
| Construction Loans | | | | | | |
| Spec | 19 | 19 | 23 | 30 | 34 | (15) |
| Sold | 62 | 66 | 62 | 46 | 47 | 15 |
| Total | 81 | 85 | 85 | 76 | 81 | - |
| Total | \$ 302 | \$ 318 | \$ 328 | \$ 318 | \$ 332 | \$ (30) |

| | 2Q14 | 1Q14 | 4Q13 | 3Q13 | 2Q13 |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|
| Net Charge-offs | \$ 4.2 | \$ 4.0 | \$ 4.4 | \$ 4.5 | \$ 72.4 |
| as % of Average Loans | .38 % | .38 % | .41 % | .42 % | 6.87 % |
| Allowance for Loan Losses | \$ 73.2 | \$ 75.2 | \$ 76.8 | \$ 80.4 | \$ 81.8 |
| as % of Total Loans | 1.66 % | 1.73 % | 1.77 % | 1.88 % | 1.95 % |
| as % of NPLs | 353 | 299 | 286 | 308 | 294 |
| Past Due Loans (30 - 89 Days) | .32 % | .40 % | .58 % | .45 % | .49 % |
| Non-Performing Loans | \$ 20.7 | \$ 25.2 | \$ 26.8 | \$ 26.1 | \$ 27.9 |
| OREO | 3.0 | 5.6 | 4.2 | 4.5 | 3.9 |
| Total NPAs | 23.7 | 30.8 | 31.0 | 30.6 | 31.8 |
| Performing Classified Loans | 147.5 | 164.9 | 172.7 | 173.6 | 176.3 |
| Total Classified Assets | \$ 171.2 | \$ 195.7 | \$ 203.7 | \$ 204.2 | \$ 208.1 |
| as % of Tier 1 / Allowance | 23 % | 27 % | 27 % | 26 % | 27 % |
| Accruing TDRs (see page 27) | \$ 84.5 | \$ 77.9 | \$ 78.7 | \$ 79.8 | \$ 77.8 |
| As % of Original Principal Balance | | | | | |
| Non-Performing Loans | 66.5 % | 65.8 % | 65.3 % | 61.6 % | 62.6 % |
| OREO | 50.4 | 53.9 | 44.5 | 41.5 | 31.6 |
| Total NPAs | | | | | |
| as % of Total Assets | .32 | .42 | .42 | .42 | .44 |
| as % of Loans & OREO | .54 | .71 | .72 | .72 | .76 |

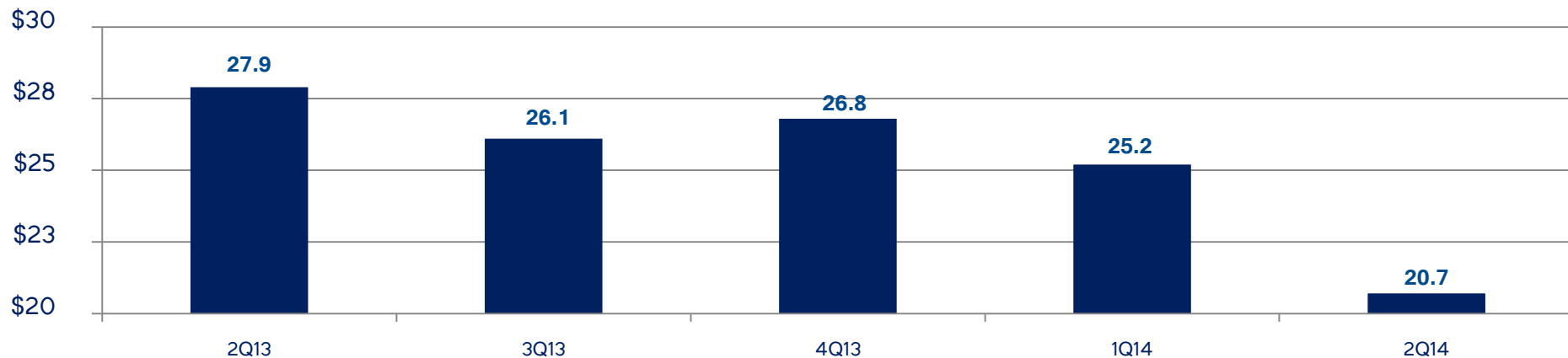
Non-Performing Loans (NPLs) Inflow Trends

\$ in millions

Quarterly NPL Inflows

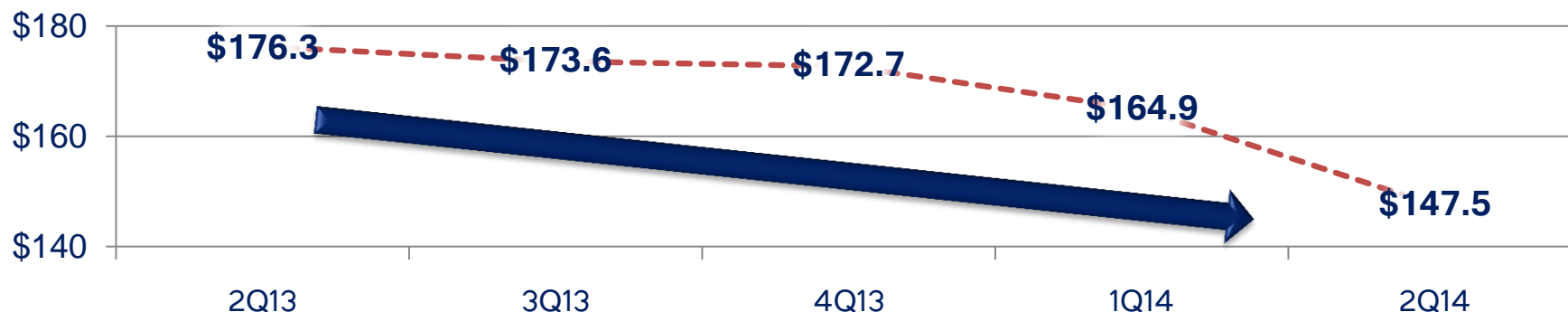


Total NPLs



Performing Classified Loans

\$ in millions

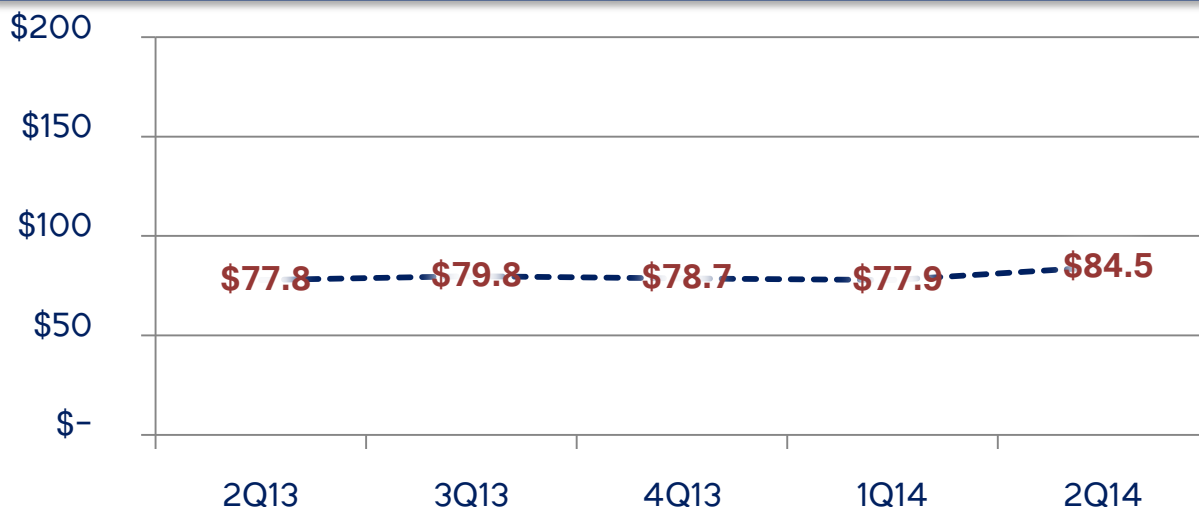


By Category

| | 2Q13 | 3Q13 | 4Q13 | 1Q14 | 2Q14 |
|------------------------------------|---------------|---------------|---------------|---------------|---------------|
| Commercial: | | | | | |
| Commercial & Industrial | \$ 11 | \$ 10 | \$ 9 | \$ 8 | \$ 6 |
| Owner Occupied | 43 | 40 | 43 | 48 | 48 |
| Total C & I | 54 | 50 | 52 | 56 | 54 |
| Income Producing CRE | 36 | 36 | 34 | 37 | 25 |
| Commercial Construction | 16 | 17 | 17 | 5 | 4 |
| Total Commercial | 106 | 103 | 104 | 98 | 83 |
| Residential Mortgage | 51 | 53 | 52 | 51 | 49 |
| Residential Construction | 17 | 16 | 14 | 13 | 13 |
| Consumer / Installment | 2 | 2 | 3 | 2 | 2 |
| Total Performing Classified | \$ 176 | \$ 174 | \$ 173 | \$ 164 | \$ 147 |
| Classified to Tier 1 + ALL | 27 % | 26 % | 27 % | 27 % | 23 % |

| LOAN TYPE | Accruing ⁽¹⁾ | | Non-Accruing | | Total TDRs | |
|--------------------------|-------------------------|----------|--------------|----------|------------|----------|
| | 2Q14 | vs. 2Q13 | 2Q14 | vs. 2Q13 | 2Q14 | vs. 2Q13 |
| Commercial (Sec by RE) | \$ 43.8 | \$ 40.4 | \$ 1.9 | \$ 2.0 | \$ 45.7 | \$ 42.4 |
| Commercial & Industrial | 2.9 | 2.9 | - | .1 | 2.9 | 3.0 |
| Commercial Construction | 11.1 | 12.9 | .1 | .1 | 11.2 | 13.0 |
| Total Commercial | 57.8 | 56.2 | 2.0 | 2.2 | 59.8 | 58.4 |
| Residential Mortgage | 17.9 | 14.3 | 2.2 | 2.1 | 20.1 | 16.4 |
| Residential Construction | 8.4 | 7.2 | 2.0 | 2.7 | 10.4 | 9.9 |
| Consumer Installment | .3 | .1 | - | .1 | .3 | .2 |
| Total | \$ 84.5 | \$ 77.8 | \$ 6.2 | \$ 7.1 | \$ 90.7 | \$ 84.9 |

Accruing TDRs



- ➡ TDR credit quality improving
- ➡ Accruing TDR past due 30 – 89 days = 2.83%
- ➡ 42% of accruing TDRs are pass credits

Net Charge-offs by Category & Market

\$ in thousands

NET CHARGE-OFFS BY CATEGORY

| | 2Q14 | | % of Average Loans (Annualized) | | | |
|------------------------------|-----------------|----------------|---------------------------------|------------|------------|-------------|
| | Total | % of Avg Loans | 1Q14 | 4Q13 | 3Q13 | 2Q13 |
| Commercial (Sec. by RE): | | | | | | |
| Owner Occupied | \$ (1,836) | (.64) % | .10 % | .57 % | .58 % | 5.85 % |
| Income Producing | 435 | .29 | .13 | .21 | .14 | 5.45 |
| Total Comm (Sec. by RE) | (1,401) | (.32) | .11 | .44 | .49 | 5.70 |
| Commercial & Industrial | 662 | .52 | .35 | (.13) | .12 | 13.91 |
| Commercial Construction | 131 | .34 | - | (.02) | .39 | 17.53 |
| Total Commercial | (608) | (.10) | .15 | .30 | .36 | 7.96 |
| Residential Mortgage | 2,509 | 1.17 | .70 | .64 | .31 | 2.52 |
| Home Equity LOC | 466 | .42 | .93 | .38 | .37 | 1.04 |
| Residential Construction | 1,671 | 2.13 | .27 | .40 | 1.31 | 20.91 |
| Consumer/ Installment | 137 | .18 | .54 | .62 | .28 | .10 |
| Total Net Charge-offs | \$ 4,175 | .38 | .38 | .41 | .42 | 6.87 |

NET CHARGE-OFFS BY MARKET

| | | | | | | |
|----------------------------|----------|---------|-------|-------|-------|---------|
| North Georgia | \$ (741) | (.25) % | .42 % | .51 % | .66 % | 17.20 % |
| Atlanta MSA | 1,481 | .46 | .39 | .20 | .33 | 3.21 |
| North Carolina | 2,161 | 1.55 | .41 | .76 | .49 | 1.36 |
| Coastal Georgia | 116 | .11 | .49 | .33 | .14 | .49 |
| Gainesville MSA | 797 | 1.23 | .22 | .54 | .15 | .19 |
| East Tennessee | 288 | .42 | .35 | .46 | .51 | 1.01 |
| South Carolina / Corporate | - | - | - | - | - | - |
| Other (Indirect Auto) | 73 | .14 | .14 | .20 | .17 | .24 |

NPA's by Loan Category & Market

\$ in thousands

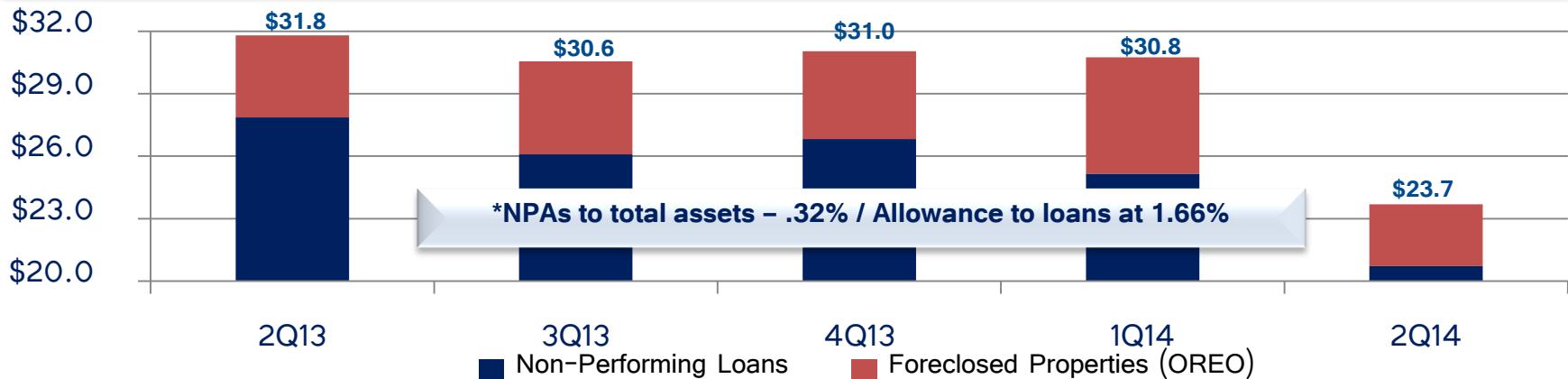
2Q14

| | NPLs | OREO | Total NPAs |
|--------------------------|------------------|-----------------|------------------|
| LOAN CATEGORY | | | |
| Commercial (sec. by RE): | | | |
| Owner Occupied | \$ 2,975 | \$ 653 | \$ 3,628 |
| Income Producing | 1,032 | 242 | 1,274 |
| Commercial & Industrial | 1,102 | - | 1,102 |
| Commercial Construction | 95 | - | 95 |
| Total Commercial | 5,204 | 895 | 6,099 |
| Residential Mortgage | 10,201 | 1,426 | 11,627 |
| HELOC | 510 | 128 | 638 |
| Residential Construction | 4,248 | 520 | 4,768 |
| Consumer/ Installment | 561 | - | 561 |
| Total | \$ 20,724 | \$ 2,969 | \$ 23,693 |
| MARKET | | | |
| Gainesville | \$ 921 | \$ 49 | \$ 970 |
| Coastal Georgia | 782 | 80 | 862 |
| East Tennessee | 1,218 | 323 | 1,541 |
| North Carolina | 5,314 | 615 | 5,929 |
| Atlanta MSA | 3,883 | 510 | 4,393 |
| North Georgia | 8,216 | 1,392 | 9,608 |
| Indirect Auto | 390 | - | 390 |

2Q13

| | NPLs | OREO | Total NPAs |
|--------------------------|------------------|-----------------|------------------|
| LOAN CATEGORY | | | |
| Commercial (sec. by RE): | | | |
| Owner Occupied | \$ 5,283 | \$ 547 | \$ 5,830 |
| Income Producing | 1,954 | - | 1,954 |
| Commercial & Industrial | 548 | - | 548 |
| Commercial Construction | 504 | 376 | 880 |
| Total Commercial | 8,289 | 923 | 9,212 |
| Residential Mortgage | 12,847 | 1,303 | 14,150 |
| HELOC | 1,491 | 140 | 1,631 |
| Residential Construction | 4,838 | 1,570 | 6,408 |
| Consumer/ Installment | 399 | - | 399 |
| Total | \$ 27,864 | \$ 3,936 | \$ 31,800 |
| MARKET | | | |
| Gainesville | \$ 1,008 | \$ - | \$ 1,008 |
| Coastal Georgia | 2,588 | 627 | 3,215 |
| East Tennessee | 1,123 | 200 | 1,323 |
| North Carolina | 6,512 | 295 | 6,807 |
| Atlanta MSA | 3,803 | 1,197 | 5,000 |
| North Georgia | 12,830 | 1,617 | 14,447 |

Non Performing Assets





United
COMMUNITY BANKS, INC.®

APPENDIX

Experienced Proven Leadership

- Over 40 years in banking
- Led company from \$42 million in assets in 1989 to \$7.3 billion today
- Trustee of Young Harris College
- Georgia Power Company Board Member
- GA Economic Developers Association Spirit of Georgia Award recipient

Jimmy C. Tallent
President & CEO
Joined 1984



- Over 31 years in banking
- Responsible for overall 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
Chief Operating Officer
Joined 2012



- Over 36 years in banking
- Responsible for accounting, finance and reporting activities, M&A, and investor relations
- Former CAO and Controller for State Street Corporation
- Former ABA Accounting Committee Chairman

Rex S. Schuette
EVP & CFO
Joined 2001



- Over 31 years in banking
- Responsible for Risk Management and Credit Risk Administration; Chairman of Risk Management Committee; also responsible for credit underwriting, review, policy and special assets
- Former EVP & SCO for SunTrust Banks

David P. Shearrow
EVP & CRO
Joined 2007



- Over 36 years in banking
- Responsible for 28 community banks with 103 branch offices
- Formerly of Riegel Textile Credit Union; President of Farmers and Merchants Bank
- Former Georgia Board of Natural Resources Board Chairman

Bill M. Gilbert
Director of Banking
Joined 2000



- Over 24 years in lending
- Responsible for specialized lending
- Former SBA head: TD Bank and Carolina First's SBA programs
- Former 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



Market Share Opportunities & Demographics

EXCELLENT GROWTH OPPORTUNITIES

| Markets | Market Deposits (in billions) ⁽¹⁾ | Deposits (in billions) ^(2,3) | Banks | Offices ⁽³⁾ | Deposit Share ⁽¹⁾ | Rank ⁽¹⁾ |
|------------------------|---|--|-----------|------------------------|------------------------------|---------------------|
| North Georgia | \$ 6.4 | \$ 2.2 | 11 | 22 | 34 % | 1 |
| Western North Carolina | 10.9 | .9 | 1 | 19 | 8 | 3 |
| Gainesville MSA | 2.7 | .3 | 1 | 5 | 12 | 4 |
| Atlanta MSA | 54.4 | 2.2 | 10 | 36 | 4 | 7 |
| Coastal Georgia | 7.0 | .3 | 2 | 8 | 4 | 7 |
| East Tennessee | 15.6 | .3 | 2 | 8 | 2 | 8 |
| Total Markets | \$ 97.0 | \$ 6.2 | 27 | 98 | | |

¹ FDIC deposit market share and rank as of 6/13 for markets where United takes deposits. Data Source: SNL and FDIC.

² Based on current quarter.

³ Excludes four loan production offices and one full service banking office in Greenville, SC.

FAST GROWING MARKETS

| Markets ¹ | Population (in thousands) | Population Growth (%) | |
|-----------------------------------|------------------------------|-----------------------|--------------------------|
| | | Actual 2010 - 2014 | Projected 2014 - 2019 |
| Atlanta, GA MSA | 5,574 | 5 % | 3 % |
| East Tennessee | 877 | 3 | 3 |
| Greenville-Mauldin-Easley, SC MS, | 856 | 4 | 4 |
| Western North Carolina | 443 | 2 | 5 |
| Coastal Georgia | 401 | 5 | 4 |
| North Georgia | 385 | - | 3 |
| Gainesville, GA MSA | 189 | 5 | 2 |
| Total Markets | | | |
| Georgia | 10,072 | 4 | 3 |
| North Carolina | 10,358 | 4 | 5 |
| Tennessee | 6,532 | 3 | 4 |
| South Carolina | 4,792 | 4 | 5 |
| United States | 317,199 | 3 | 3 |

¹ Population data is for 2014 and includes those markets where United takes deposits.

Data Source: SNL

| | Unused Capacity | 2Q14 | 1Q14 | 2Q13 | Variance | |
|-----------------------------|-------------------------|---------------|---------------|---------------|--------------|---------------|
| | | | | | vs1Q14 | vs 2Q13 |
| Wholesale Borrowings | | | | | | |
| Brokered Deposits | \$ 1,403 ⁽¹⁾ | \$ 424 | \$ 470 | \$ 375 | \$ (46) | \$ 49 |
| FHLB | 921 | 175 | 50 | 70 | 125 | 105 |
| Holding Company LOC | 10 | 40 | 40 | - | - | 40 |
| Fed Funds | 882 | 25 | 30 | - | (5) | 25 |
| Other Wholesale | - | 11 | 53 | 54 | (42) | (43) |
| Total | \$ 3,216 | \$ 675 | \$ 643 | \$ 499 | \$ 32 | \$ 176 |
| Long-Term Debt | | | | | | |
| Senior Debt | | \$ 75 | \$ 75 | \$ 35 | \$ - | \$ 40 |
| Sub-Debt | | - | - | 35 | - | (35) |
| Trust Preferred Securities | | 55 | 55 | 55 | - | - |
| Total Long-Term Debt | | \$ 130 | \$ 130 | \$ 125 | \$ - | \$ 5 |

WHOLESALE BORROWINGS

LOANS / DEPOSITS

| | 2Q14 | 1Q14 | 2Q13 | Variance | |
|--|-----------------|-----------------|-----------------|----------------|---------------|
| | | | | vs 1Q14 | vs 2Q13 |
| Loans | \$ 4,410 | \$ 4,356 | \$ 4,189 | \$ 54 | \$ 221 |
| Core (DDA, MMDA, Savings) | \$ 3,624 | \$ 3,572 | \$ 3,322 | \$ 52 | \$ 302 |
| Public Funds | 793 | 838 | 707 | (45) | 86 |
| CD's | 1,322 | 1,367 | 1,608 | (45) | (286) |
| Total Deposits (excl Brokered) | <u>\$ 5,739</u> | <u>\$ 5,777</u> | <u>\$ 5,637</u> | <u>\$ (38)</u> | <u>\$ 102</u> |
| Loan to Deposit Ratio | 77% | 75% | 74% | | |
| Investment Securities: | | | | | |
| Available for Sale -Fixed | \$ 1,076 | \$ 948 | \$ 1,120 | \$ 128 | \$ (44) |
| -Floating | 665 | 890 | 817 | (225) | (152) |
| Held to Maturity -Fixed | 443 | 459 | 197 | (16) | 246 |
| -Floating | 6 | 6 | 18 | - | (12) |
| Total Investment Securities | <u>2,190</u> | <u>2,303</u> | <u>2,152</u> | <u>(113)</u> | <u>38</u> |
| Floating as % of Total Securities | 31% | 39% | 39% | | |

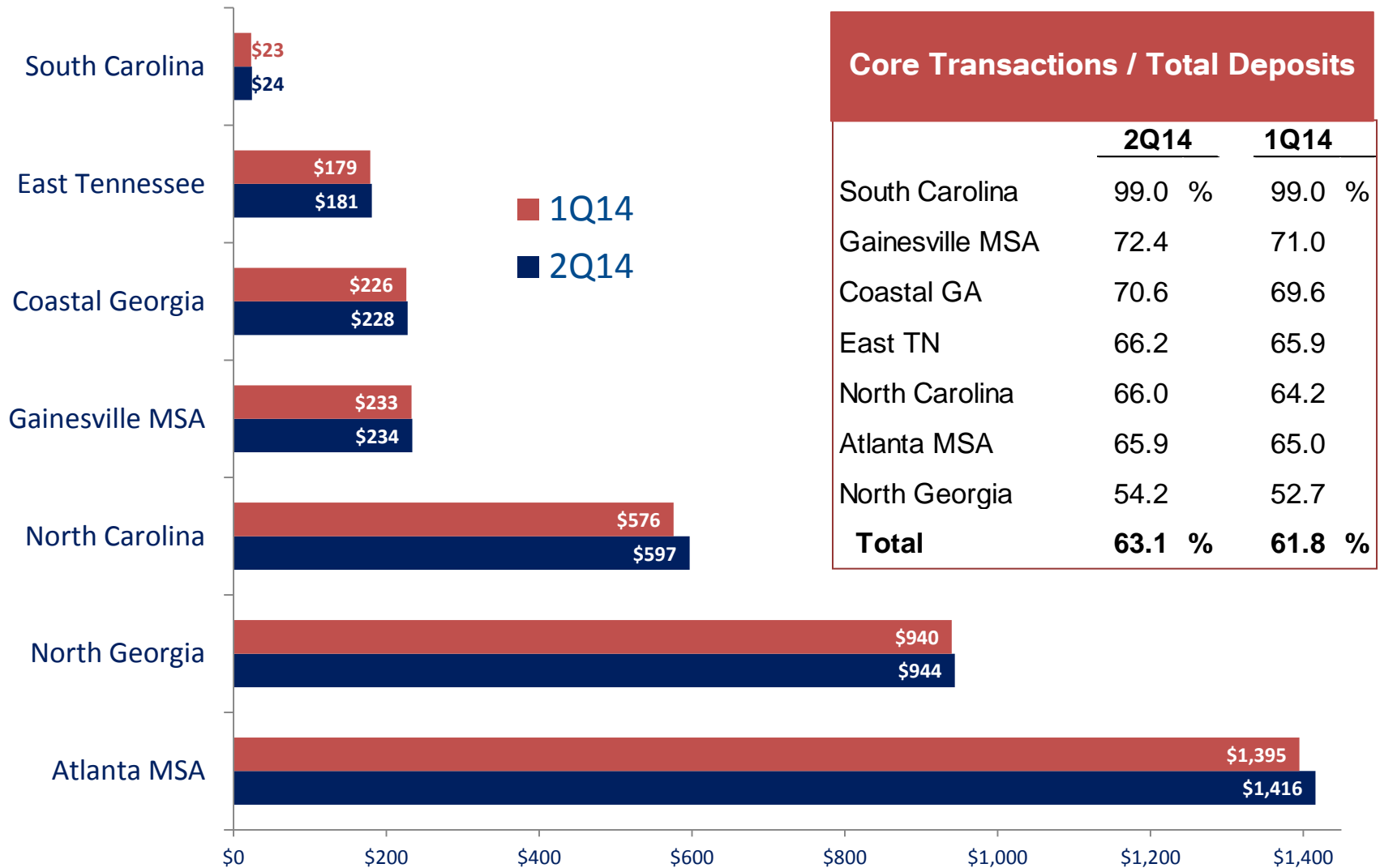
Business Mix – Deposits *(at quarter-end)*

\$ in millions

| <u>DEPOSITS BY CATEGORY</u> | <u>2Q14</u> | <u>1Q14</u> | <u>4Q13</u> | <u>3Q13</u> | <u>2Q13</u> | 2Q14 vs. 2Q13 |
|------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------------|
| Demand & Now | \$ 2,106 | \$ 2,073 | \$ 1,969 | \$ 1,979 | \$ 1,916 | \$ 190 |
| MMDA & Savings | 1,518 | 1,499 | 1,468 | 1,437 | 1,406 | 112 |
| Core Transaction Deposits | 3,624 | 3,572 | 3,437 | 3,416 | 3,322 | 302 |
| Time < \$100,000 | 801 | 828 | 888 | 920 | 977 | (176) |
| Time ≥ \$100,000 < \$250,000 | 441 | 427 | 443 | 473 | 512 | (71) |
| Public Deposits | 760 | 804 | 863 | 734 | 674 | 86 |
| Total Core Deposits | 5,626 | 5,631 | 5,631 | 5,543 | 5,485 | 141 |
| Time ≥ \$250,000 | 110 | 112 | 114 | 120 | 120 | (10) |
| Public Deposits | 33 | 34 | 32 | 31 | 32 | 1 |
| Total Customer Deposits | 5,769 | 5,777 | 5,777 | 5,694 | 5,637 | 132 |
| Brokered Deposits | 425 | 471 | 425 | 419 | 375 | 50 |
| Total Deposits | \$ 6,194 | \$ 6,248 | \$ 6,202 | \$ 6,113 | \$ 6,012 | \$ 182 |

Core Transaction Deposits

\$ in millions





Regional Credit Review – Standard Underwriting

- | | |
|------------------------|-------|
| •House Lending Limit | \$ 25 |
| •Project Lending Limit | 15 |
| •Top 25 Relationships | 366.1 |

PROACTIVELY ADDRESSING CREDIT ENVIRONMENT

STRUCTURE

- Centralized underwriting and approval process
- Segregated work-out teams
- Highly skilled ORE disposition group
- Seasoned regional credit professionals

PROCESS

- Continuous external loan review
- Internal loan review of new credit relationships
- Intensive executive management involvement

- ✓ Weekly past due meetings
- ✓ Weekly NPA/ORE meetings
- ✓ Quarterly criticized watch loan review meetings
- ✓ Quarterly pass commercial and CRE portfolio review meetings

POLICY

- Ongoing enhancements to credit policy
- Periodic updates to portfolio limits

Commercial Construction & Real Estate

\$ in millions

COMMERCIAL CONSTRUCTION

| | 30-Jun-14 | |
|--------------------------------------|---------------|---------|
| | Amount | Percent |
| Land Develop - Vacant (Improved) | \$ 53 | 34 % |
| Raw Land - Vacant (Unimproved) | 26 | 16 |
| Multi-Residential | 25 | 16 |
| Commercial Land Development | 16 | 10 |
| Office Buildings | 11 | 7 |
| Other Properties | 10 | 6 |
| Churches | 7 | 4 |
| Hotels / Motels | 5 | 3 |
| Mfg Facility | 3 | 2 |
| Retail Building | 2 | 1 |
| Warehouse | 2 | 1 |
| Total Commercial Construction | \$ 160 | |



Average Loan Size (\$ in thousands)

| | |
|---------------------------|-------|
| • Commercial Construction | \$446 |
| • Commercial RE: | |
| • Composite CRE | 469 |
| • Owner Occupied | 440 |
| • Income Producing | 598 |



Commercial RE Characteristics

- 66.1% owner occupied
- Small business, doctors, dentists, attorneys, CPAs
- \$15 million project limit

COMMERCIAL REAL ESTATE

| | 30-Jun-14 | | | |
|-------------------------------------|-------------------|------------------|-------------------|---------|
| | Owner Occupied | Income Producing | Total | Percent |
| Office Buildings | \$ 313.9 | \$ 152.1 | \$ 466.0 | 26.4 % |
| Retail Building | 100.1 | 149.9 | 250.0 | 14.2 |
| Warehouse | 120.2 | 57.9 | 178.1 | 10.1 |
| Churches | 139.0 | - | 139.0 | 7.9 |
| Other Properties | 108.1 | 38.6 | 146.7 | 8.3 |
| Convenience Stores | 87.4 | 17.7 | 105.1 | 6.0 |
| Hotels / Motels | - | 63.5 | 63.5 | 3.6 |
| Restaurants/Franchise Fast Food | 35.1 | 26.9 | 62.0 | 3.5 |
| Mfg Facility | 49.1 | 5.3 | 54.4 | 3.1 |
| Farmland | 50.4 | - | 50.4 | 2.9 |
| Multi-Resi Properties | - | 50.3 | 50.3 | 2.9 |
| Leasehold Property | 16.6 | 15.1 | 31.7 | 1.8 |
| Golf Course/Country Club | 25.7 | - | 25.7 | 1.5 |
| Automotive Dealership | 17.2 | 8.0 | 25.2 | 1.4 |
| Automotive Service | 17.9 | .1 | 18.0 | 1.0 |
| Daycare Facility | 9.3 | 8.1 | 17.4 | 1.0 |
| Funeral Home | 14.3 | .6 | 14.9 | .8 |
| Carwash | 16.5 | - | 16.5 | .9 |
| Assisted Living / Nursing Home | 9.6 | - | 9.6 | .5 |
| Marina | 7.2 | - | 7.2 | .4 |
| Mobile Home Parks | - | 4.9 | 4.9 | .3 |
| Movie Theaters/Bowling/Rec | 4.7 | - | 4.7 | .3 |
| Other Small Business | 20.7 | - | 20.7 | 1.2 |
| Total Commercial Real Estate | \$ 1,163.0 | \$ 599.0 | \$ 1,762.0 | |

Loans by Business Mix and Region

\$ in millions

| | 2Q14 | 1Q14 | 4Q13 | 3Q13 | 2Q13 | 2Q14 vs. 2Q13 |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|------------------|
| QUARTERLY LOANS - BUSINESS MIX BY CATEGORY | | | | | | |
| Commercial: | | | | | | |
| Comm & Indus | \$ 554 | \$ 495 | \$ 472 | \$ 457 | \$ 437 | \$ 117 |
| Owner Occ'd | 1,163 | 1,142 | 1,134 | 1,129 | 1,119 | 44 |
| Total C & I | 1,717 | 1,637 | 1,606 | 1,586 | 1,556 | 161 |
| Income Prod CRE | 598 | 624 | 623 | 614 | 629 | (31) |
| Comm Constr | 160 | 148 | 149 | 137 | 133 | 27 |
| Total Comm | 2,475 | 2,409 | 2,378 | 2,337 | 2,318 | 157 |
| Resi Mortgage | 1,312 | 1,313 | 1,316 | 1,309 | 1,278 | 34 |
| Resi Constr | 302 | 318 | 328 | 318 | 332 | (30) |
| Consum / Install | 321 | 316 | 307 | 303 | 261 | 60 |
| Total Loans | <u>\$ 4,410</u> | <u>\$ 4,356</u> | <u>\$ 4,329</u> | <u>\$ 4,267</u> | <u>\$ 4,189</u> | <u>\$ 221</u> |

| | 2013 | 2012 | 2011 | 2010 | 2009 |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|
| ANNUAL LOANS - BUSINESS MIX BY CATEGORY | | | | | |
| Commercial: | | | | | |
| Comm & Indus | \$ 472 | \$ 458 | \$ 428 | \$ 441 | \$ 390 |
| Owner Occ'd | 1,134 | 1,131 | 1,112 | 980 | 963 |
| Total C & I | 1,606 | 1,589 | 1,540 | 1,421 | 1,353 |
| Income Prod CRE | 623 | 682 | 710 | 781 | 816 |
| Comm Constr | 149 | 155 | 164 | 297 | 363 |
| Total Comm | 2,378 | 2,426 | 2,414 | 2,499 | 2,532 |
| Resi Mortgage | 1,316 | 1,214 | 1,135 | 1,279 | 1,427 |
| Resi Constr | 328 | 382 | 448 | 695 | 1,050 |
| Consum / Install | 307 | 153 | 113 | 131 | 142 |
| Total Loans | <u>\$ 4,329</u> | <u>\$ 4,175</u> | <u>\$ 4,110</u> | <u>\$ 4,604</u> | <u>\$ 5,151</u> |

| | 2Q14 | 1Q14 | 4Q13 | 3Q13 | 2Q13 | 2Q14 vs. 2Q13 |
|------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|------------------|
| QUARTERLY LOANS - BY REGION | | | | | | |
| North Georgia | \$ 1,175 | \$ 1,205 | \$ 1,240 | \$ 1,262 | \$ 1,265 | \$ (90) |
| Atlanta MSA | 1,305 | 1,290 | 1,275 | 1,246 | 1,227 | 78 |
| North Carolina | 555 | 563 | 572 | 575 | 576 | (21) |
| Coastal Georgia | 426 | 425 | 423 | 421 | 397 | 29 |
| Gainesville MSA | 257 | 262 | 255 | 253 | 256 | 1 |
| East Tennessee | 270 | 272 | 280 | 277 | 282 | (12) |
| South Carolina | 206 | 131 | 88 | 47 | 34 | 172 |
| Other (Ind. Auto) | 216 | 208 | 196 | 186 | 152 | 64 |
| Total Loans | <u>\$ 4,410</u> | <u>\$ 4,356</u> | <u>\$ 4,329</u> | <u>\$ 4,267</u> | <u>\$ 4,189</u> | <u>\$ 221</u> |

| | 2013 | 2012 | 2011 | 2010 | 2009 |
|---------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| ANNUAL LOANS - BY REGION | | | | | |
| North Georgia | \$ 1,240 | \$ 1,364 | \$ 1,426 | \$ 1,689 | \$ 1,884 |
| Atlanta MSA | 1,275 | 1,250 | 1,220 | 1,310 | 1,435 |
| North Carolina | 572 | 579 | 597 | 702 | 772 |
| Coastal Georgia | 423 | 400 | 346 | 335 | 405 |
| Gainesville MSA | 255 | 261 | 265 | 312 | 390 |
| East Tennessee | 280 | 283 | 256 | 256 | 265 |
| South Carolina | 88 | - | - | - | - |
| Other (Ind. Auto) | 196 | 38 | - | - | - |
| Total Loans | <u>\$ 4,329</u> | <u>\$ 4,175</u> | <u>\$ 4,110</u> | <u>\$ 4,604</u> | <u>\$ 5,151</u> |

Non-GAAP Reconciliation Tables

\$ in millions

| | Operating Earnings to GAAP Earnings Reconciliation | | | | |
|--|--|------------------|------------------|------------------|------------------|
| | 2Q14 | 1Q14 | 4Q13 | 3Q13 | 2Q13 |
| CORE FEE REVENUE | | | | | |
| Core fee revenue | \$ 13,938 | \$ 11,930 | \$ 13,219 | \$ 13,966 | \$ 14,063 |
| Securities gains, net | 4,435 | 217 | 70 | - | - |
| Losses on prepayment of borrowings | (4,446) | | | | |
| Gains from sales of low income housing tax credits | - | - | - | - | 468 |
| BOLI death benefit gain | - | - | - | 86 | 1,366 |
| Mark to market on deferred compensation plan assets | 216 | 29 | 230 | 173 | 46 |
| Fee revenue (GAAP) | \$ 14,143 | \$ 12,176 | \$ 13,519 | \$ 14,225 | \$ 15,943 |
| CORE OPERATING EXPENSE | | | | | |
| Core operating expense | \$ 40,131 | \$ 38,749 | \$ 41,193 | \$ 39,325 | \$ 42,067 |
| Foreclosed property expense | 102 | 116 | 191 | 194 | 5,151 |
| Severance | 83 | 156 | - | 405 | 1,559 |
| Mark to market on deferred compensation plan liability | 216 | 29 | 230 | 173 | 46 |
| Operating expense (GAAP) | \$ 40,532 | \$ 39,050 | \$ 41,614 | \$ 40,097 | \$ 48,823 |
| TANGIBLE COMMON EQUITY AND TANGIBLE EQUITY TO TANGIBLE ASSETS | | | | | |
| Tangible common equity to tangible assets | 9.58 % | 9.22 % | 8.99 % | 9.02 % | 6.30 % |
| Effect of preferred equity | - | .28 | 2.60 | 2.74 | 2.83 |
| Tangible equity to tangible assets | 9.58 | 9.50 | 11.59 | 11.76 | 9.13 |
| Effect of goodwill and other intangibles | .03 | .02 | .03 | .04 | .06 |
| Equity to assets (GAAP) | 9.61 % | 9.52 % | 11.62 % | 11.80 % | 9.19 % |
| TANGIBLE COMMON EQUITY TO RISK-WEIGHTED ASSETS | | | | | |
| Tangible common equity to risk-weighted assets | 13.78 % | 13.63 % | 13.18 % | 13.34 % | 13.16 % |
| Effect of preferred equity | - | - | 2.39 | 4.01 | 4.11 |
| Tangible equity to risk weighted assets | 13.78 | 13.63 | 15.57 | 17.35 | 17.27 |
| Effect of deferred tax limitation | (3.71) | (3.92) | (4.26) | (4.72) | (4.99) |
| Effect of other comprehensive income | .53 | .36 | .39 | .49 | .29 |
| Effect of trust preferred | 1.03 | 1.03 | 1.04 | 1.09 | 1.11 |
| Tier I capital ratio (Regulatory) | 11.63 % | 11.10 % | 12.74 % | 14.21 % | 13.68 % |