

# 2018 INVESTOR PRESENTATION

FIRST QUARTER 2018  
April 24, 2018



# 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 2017 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.

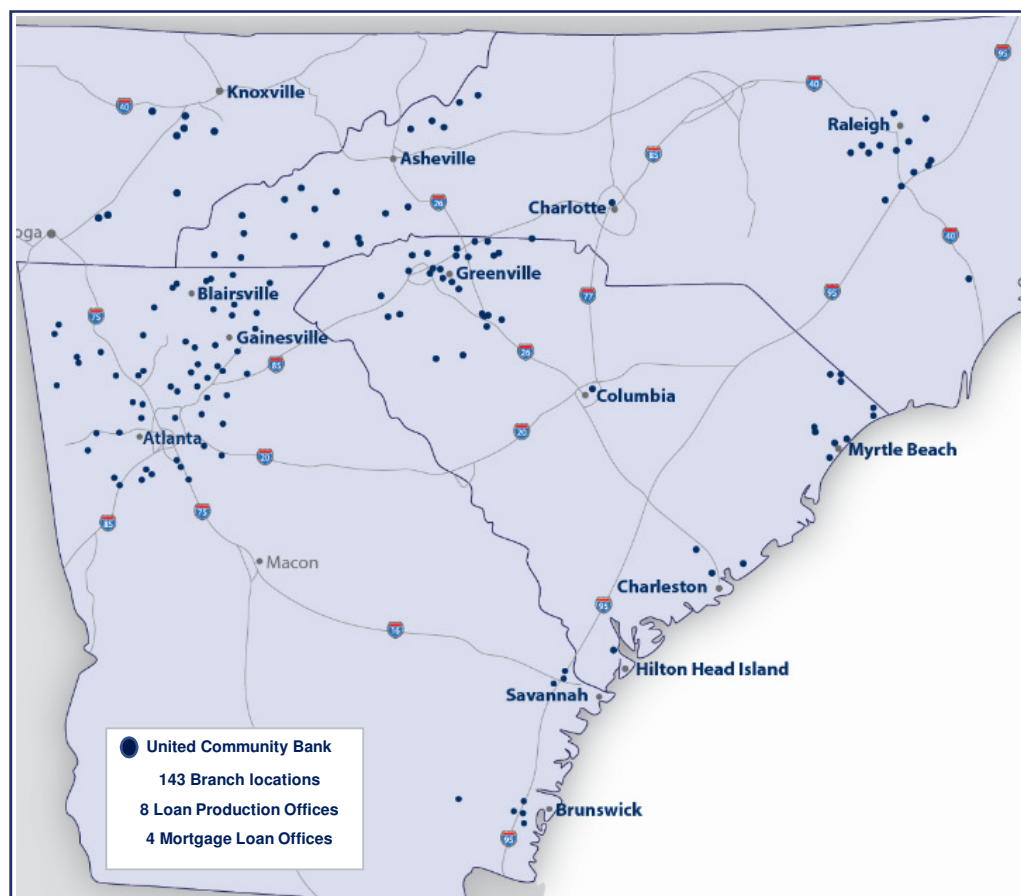
## NON-GAAP MEASURES

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.

# Who We Are

## Snapshot of United Community Banks, Inc.



Market data as of April 19, 2018

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

### 1Q18 Overview

Ticker	UCBI (NASDAQ)
Market Cap	\$2.5Bn
P/E (2018E)	14.3x
P/TBV	244%
Assets	\$12.3Bn
Loans	\$8.2Bn
Deposits	\$10.0Bn
CET1	11.34%
NPA's / Assets	0.24%
ROA – GAAP	1.26%
ROA – Operating <sup>(1)</sup>	1.33%
ROCE – GAAP	11.11%
ROCE – Operating <sup>(1)</sup>	15.26%

### Premier Southeast Regional Bank

- Established in 1950 and headquartered in Blairsville, GA with an executive office in Greenville, SC
  - ✓ 2,330 employees
- One of the largest regional banks in the U.S. by assets with 143 branch locations, 8 loan production offices and 4 mortgage loan offices in four states: GA, NC, SC and TN
  - ✓ Top 10 market share in GA and SC
- Metro-focused branch network with locations in fast growing areas
  - ✓ Over 80% of branches located in metro areas



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# Who We Are

## Focused on High-Growth MSAs in Southeast

	Fastest Growing Southeast MSAs <sup>(1)</sup>	2018-2023 Proj. Population Growth	2018 Population	2023 Proj. Median Household Income
1.	Myrtle Beach, SC	9.96%	470,010	\$55,177
2.	Cape Coral, FL	8.66%	740,553	\$59,220
3.	Charleston, SC	8.46%	785,518	\$69,670
4.	Orlando, FL	8.17%	2,518,915	\$62,806
5.	Raleigh, NC	8.08%	1,335,067	\$76,237
6.	Naples, FL	7.95%	374,242	\$75,389
7.	North Port, FL	7.54%	808,091	\$66,409
8.	Lakeland, FL	7.22%	683,670	\$51,907
9.	Charlotte, NC	7.22%	2,537,416	\$65,758
10.	Jacksonville, FL	6.89%	1,519,940	\$65,428
16.	Savannah, GA	6.60%	392,546	\$61,718
18.	Atlanta, GA	6.48%	5,919,767	\$71,156
21.	Greenville, SC	6.12%	901,549	\$58,643

 UCBI MSA Presence

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

(2) Weighted by state deposits

### Strong Demographic Profile <sup>(2)</sup>

#### '18 – '23 Proj. Population Growth

5.1%



3.5%

United States



#### '18 – '23 Proj. Household Income Growth

9.7%



8.9%

United States



#### Median Household Income

\$54,241



\$61,045

United States



 **United**  
COMMUNITY BANKS, INC.\*

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# Who We Are

## Full-Service Regional Bank with a Strong Culture Rooted in Sound Credit Underwriting & Growth

### Cultural Pillars

#### 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 ROTCE and dividend growth

#### 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

#### Growth

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

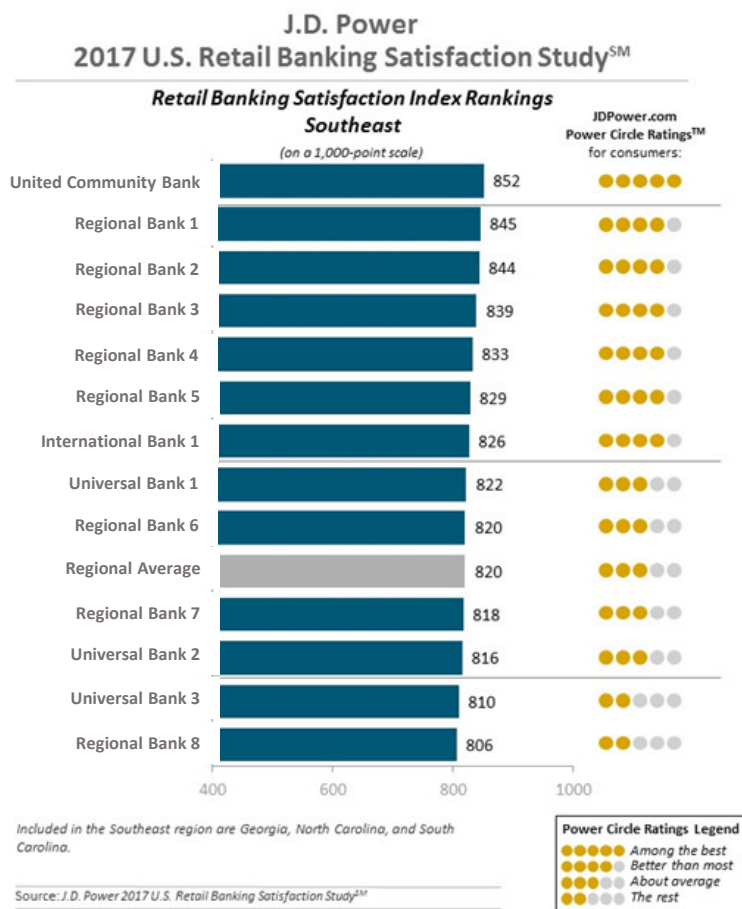
### Customer Service Is at Our Foundation



# Who We Are The Bank That Service Built

Regional Bank with Community Bank–Level Service

**Ranked #1 in Retail Banking Customer Satisfaction in the Southeast by J.D. Power**



Recognized for

...Being a great place to work



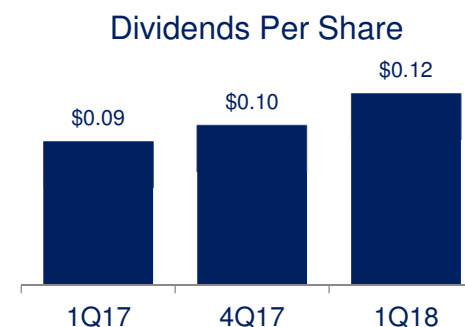
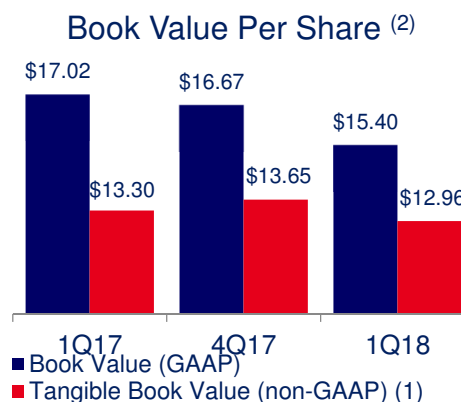
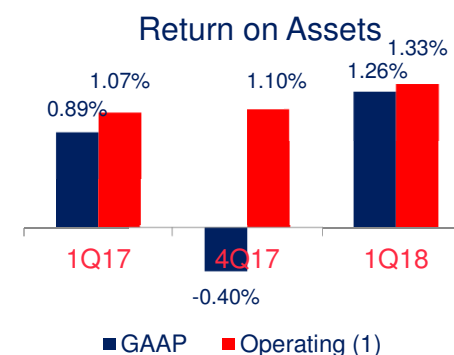
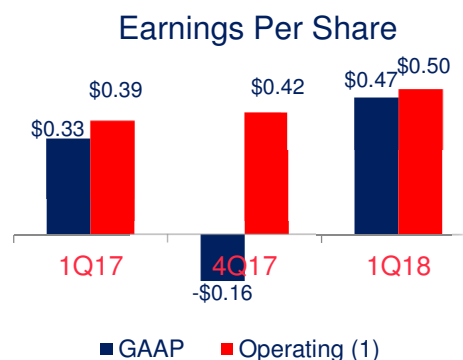
...High levels of financial performance



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# 1Q18 Highlights

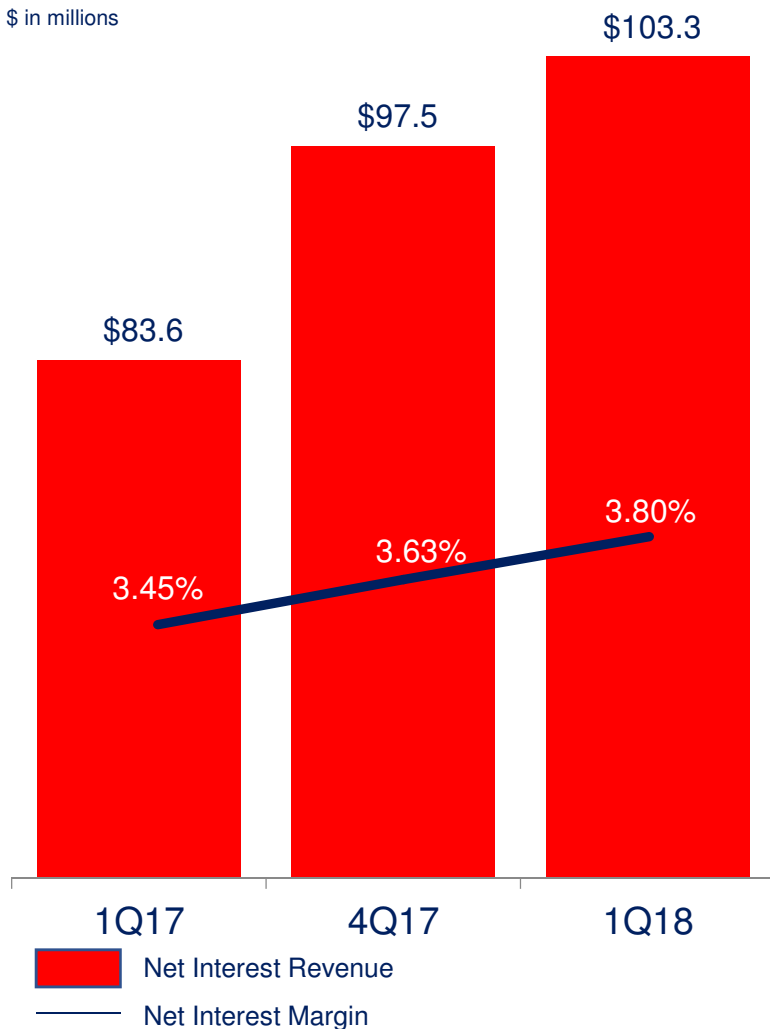
- Operating diluted earnings per share of \$0.50 compared with GAAP diluted earnings per share of \$0.47
- Operating EPS rose 28% vs. last year
- Operating ROA moved to 1.33%, on path towards 1.40% 2018 target.
- TBV per share down 3% vs. last year, 1Q18 impacted by Navitas acquisition as expected
- Dividend \$0.12 up 33% vs. last year



(1) See non-GAAP reconciliation table slides at the end of the exhibits for a reconciliation of operating performance measures to GAAP performance measures  
 (2) Excludes effect of acquisition-related intangibles and associated amortization

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

\$ in millions



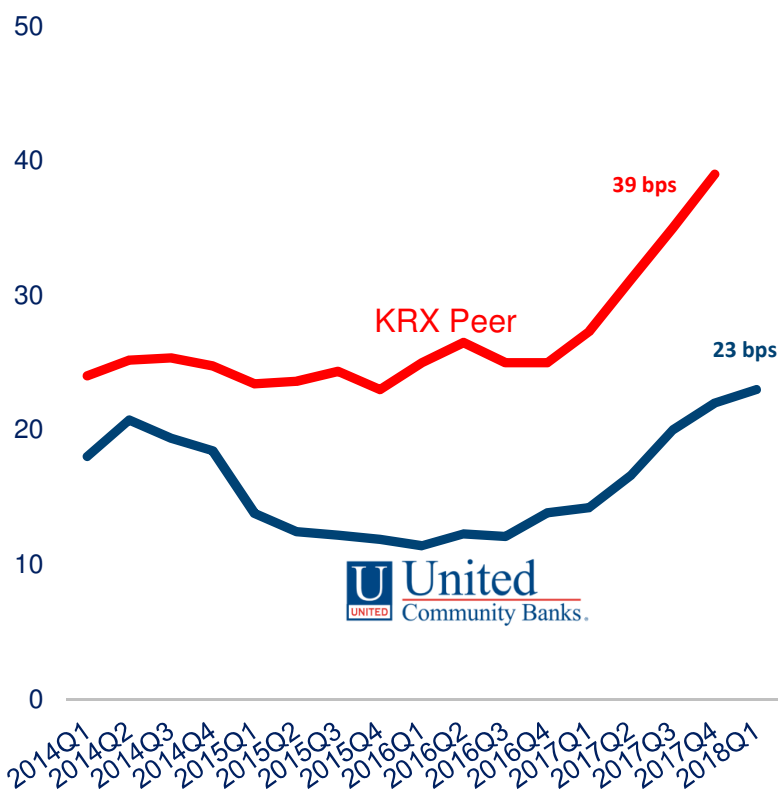
- Net interest revenue of \$103.3 million increased \$5.8 million (5.9%) vs. 4Q17 and \$19.7 million (23.6%) vs. 1Q17
  - Benefit of Navitas and Four Oaks acquisitions, in addition to rising short-term interest rates
- Net interest margin up 35 bps vs. 1Q17 due to higher short-term rates and stable core deposit base and the impact of Navitas and Four Oaks
- Net interest margin up 17 bps vs. 4Q17 impacted by
  - Approximately 10 of the 17 basis points increase due to Navitas acquisition
  - Accretable yield contributed \$1.55 million or 6 bps to 1Q18, down one basis point vs. 4Q17

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

# Deposits

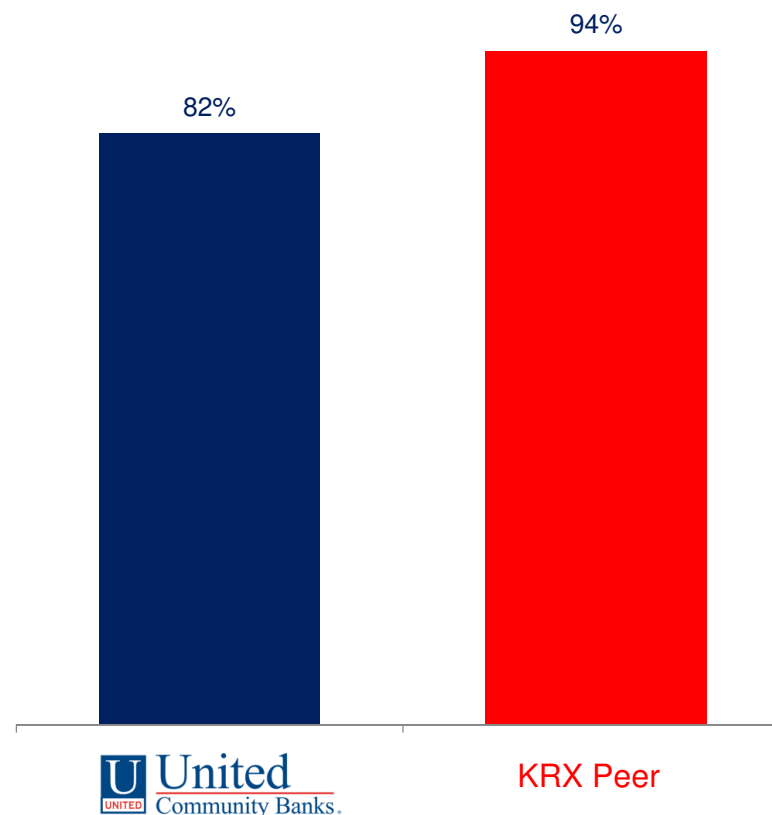
## Low-Cost Deposit Base <sup>(1)</sup>

Cost of Total Deposits (bps)



## Sufficient Liquidity to Support Future Growth

Loans / Deposits <sup>(2)</sup>



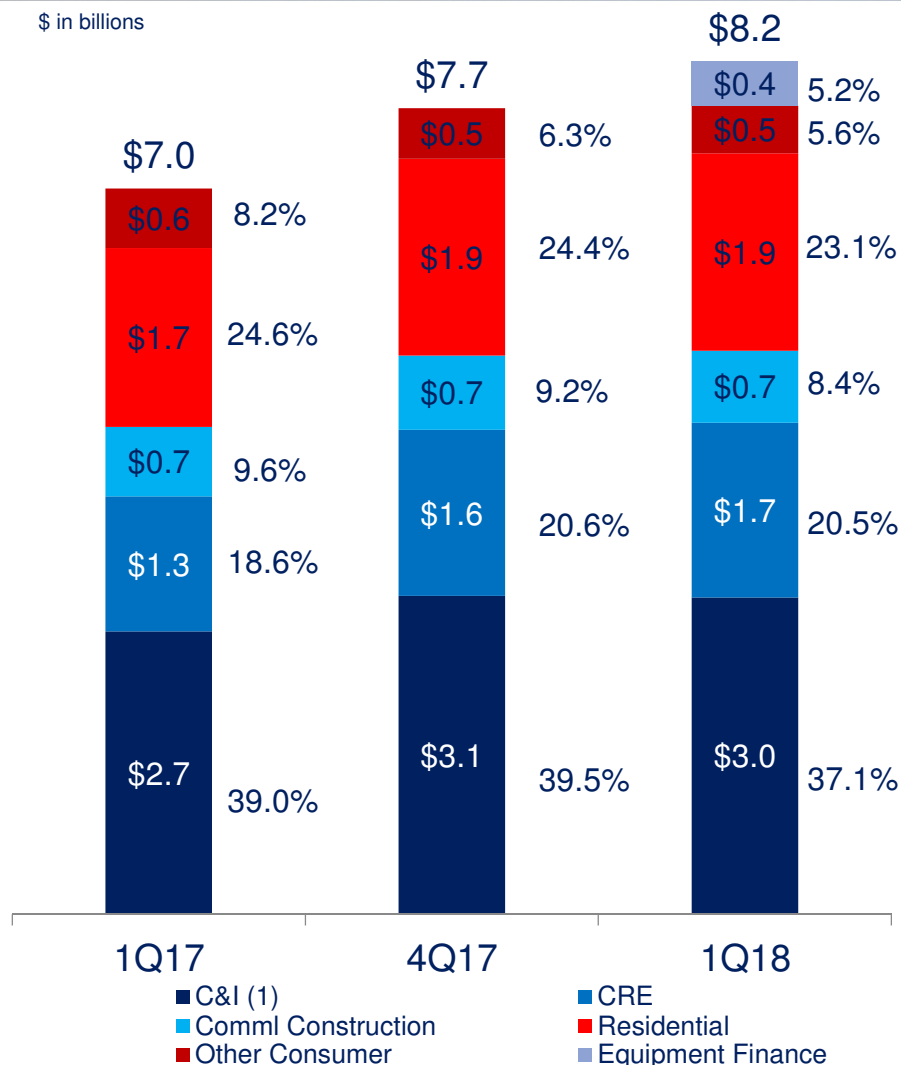
Note – Peer comparison banks comprise the KBW Regional Bank Index (ticker:KRX)

(1) Source: S&P Global Market Intelligence

(2) United results as of 1Q18; KRX results as of 4Q17 (Source: SNL Financial LC)

# Loans

\$ in billions



(1) C&I includes commercial and industrial loans as well as owner-occupied CRE loans

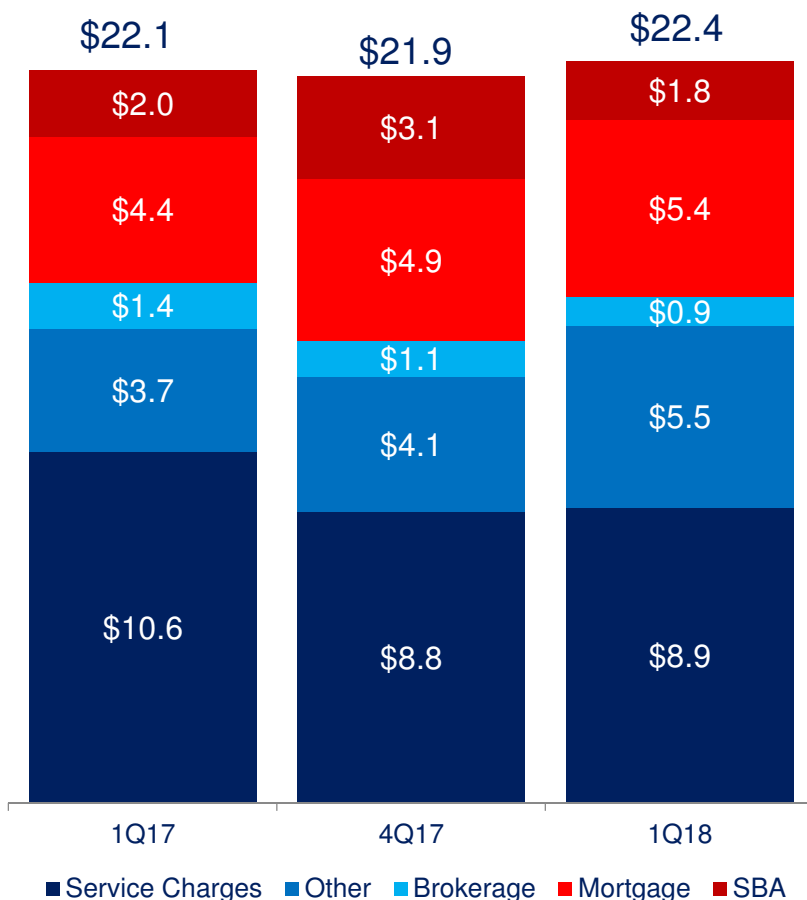
- Annualized end of period loan growth was 3.5%, or 6% excluding Indirect Auto runoff of \$42 million
- Navitas closed on 2/1 with \$379 million of loans and grew to \$423 million at quarter end
- Strategically moved C&I (including owner-occupied CRE) to 37% of loans versus 23% pre crisis
- Investor CRE loans moved to 21% from 47% pre crisis
- Residential mortgages have increased due to the introduction of on balance sheet mortgage products
- Other consumer has declined to a 6% contribution due to the planned runoff of the indirect auto portfolio

# Loan Growth Drivers

- Greater expansion in our metro markets, including our new Myrtle Beach and Raleigh markets
- Expansion of our Commercial Banking Solutions (CBS) unit (i.e. deeper penetration and new verticals)
- We estimate the Navitas acquisition adds about 200 basis points to our growth rate over time
- Continued development of our unique partnership model where the community banks partner with CBS to drive growth
- Growth in the mortgage business via expansion into newly acquired markets and with the addition of on-balance sheet adjustable rate products

# Fee Revenue

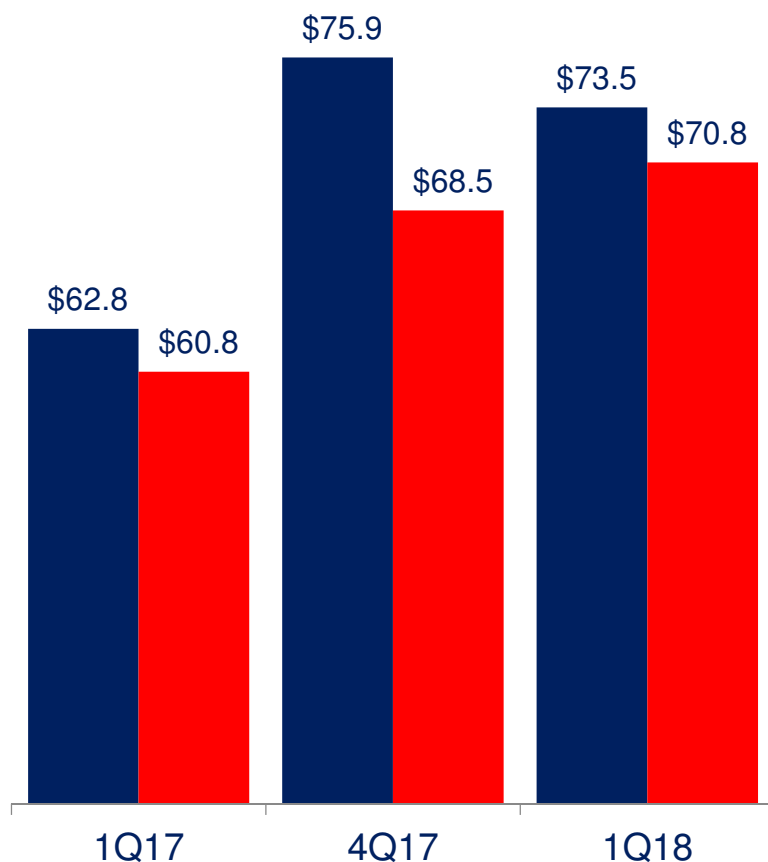
in millions



- Vs Last Year, fees up \$0.3 mm to \$22.4 mm
  - \$2.7 mm lower service charges as Durbin impact more than offsets increase from acquisitions
  - Mortgage originations up 26% year over year to \$191 mm
  - SBA production up 27% vs. 1Q17 to \$26.5 mm, SBA revenue down slightly year over year on lower loan sales (\$22.2 million in 1Q18 vs \$23.4 million in 1Q17)
  - Q1 SBA production placed UCBI as top 20 national originator
  - Other income up \$1.8 mm includes the benefit of \$0.8 mm of Navitas fee income, \$0.3 mm in higher customer derivative fees, \$0.3 mm BOLI from acquisitions and the net benefit of \$1.16 mm in hedging gains offset by \$0.94 mm of securities losses
- Linked quarter, fees up \$0.5 mm due to:
  - Higher mortgage fees in Q1 vs Q4 due slightly lower originations (\$191 mm in Q1 vs \$196 million in Q4) as MSR write-up was \$0.1 mm higher and rate locks in the pipeline increased 19%
  - Seasonal decrease in SBA
  - Other income includes the benefit of \$0.8 mm of Navitas fee income, \$0.2 mm in higher customer derivative fees and the net benefit of \$1.16 mm in hedging gains offset by \$0.94 mm of securities losses

# Expense Discipline

\$ in millions



59.3% 57.4%

63.0% 56.9%

57.8% 55.8%

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



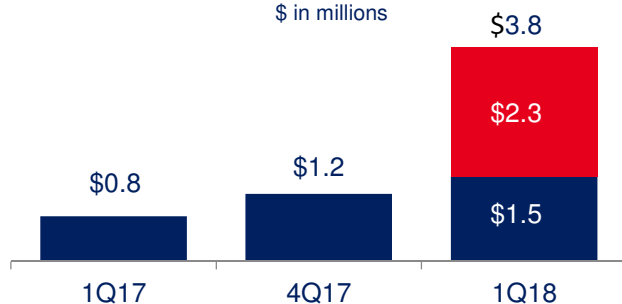
- Year over year, GAAP and operating expenses grew 17% and 16%, respectively, mostly due to acquisitions
  - Operating efficiency ratio improved to 55.8% from 57.4% last year
- Linked quarter, GAAP and operating expenses shrunk 3% and grew 3% respectively
  - Approximately \$3.5 mm incremental expense increase came from Four Oaks and Navitas
  - Core expenses down \$1.2mm vs 4Q17 despite negative seasonality

<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

# Credit Quality

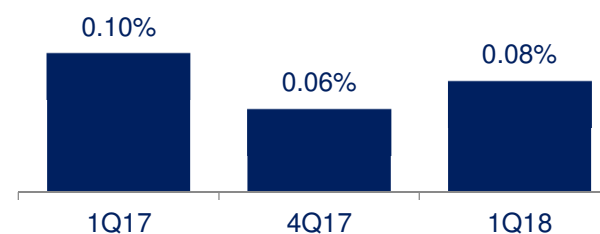
Provision for Credit Losses <sup>(1)</sup>

\$ in millions

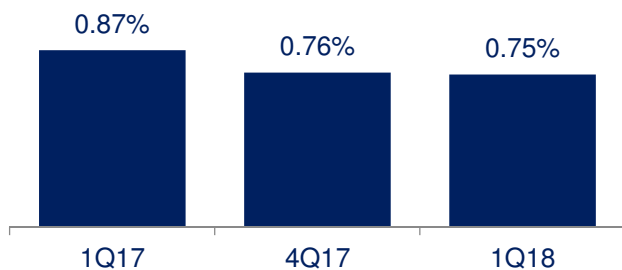


<sup>(1)</sup> 1Q18 \$2.3 million provision due to Navitas Acquisition

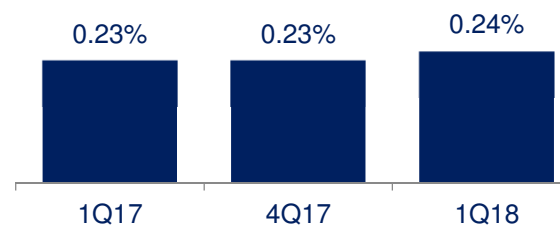
Net Charge-Offs as % of Average Loans



Allowance for Loan Losses



Non-Performing Assets as % of Total Assets



# Key Strengths

- Culture and business model that attracts both bankers and potential acquisition partners
- Positioned well in many of the South's fastest-growing markets
- Superior customer service helps drive great core deposit growth
- Well-developed credit model to drive consistent performance through cycles
- Liquid balance sheet and strong capital offer flexibility in a rising rate environment

# Capital Ratios

Holding Company	1Q17	4Q17	1Q18 <sup>(1)</sup>
Common Equity Tier I Capital	11.4%	12.0%	11.3%
Tier I Risk-Based Capital	11.5	12.3	11.7
Total Risk-Based Capital	12.3	13.0	13.6
Leverage	8.6	9.4	9.1
Tangible Common Equity to Risk-Weighted Assets	12.1	12.1	11.3
Average Tangible Equity to Average Assets	9.0	9.5	8.8

- ▶ All regulatory capital ratios significantly above “well-capitalized”
- ▶ Navitas acquisition closed on February 1st, 2018 and included \$84.5 million in cash consideration which levered strong capital ratios in Q1
- ▶ Quarterly dividend of \$0.12 per share (up 33% YoY)
- ▶ \$36.3 million remaining on our stock repurchase authorization which expires December 31, 2018
- ▶ Capital impact of acquisitions
  - ▶ Four Oaks acquisition completed on November 1, 2017; minimal impact on capital ratios for 4Q17
  - ▶ We raised \$100 million in sub debt 1Q18 that added 109 basis points to the Total Risk-Based Capital Ratio

<sup>(1)</sup> 1Q18 ratios are preliminary

# Acquisition of Navitas

## Transaction Rationale

- ✓ Acquisition of high-performing, scalable equipment finance platform with national reach and exceptional origination capabilities
- ✓ Accretive to EPS by approximately \$0.20 in first full year of operations <sup>(1)</sup>
- ✓ Further diversifies loan portfolio into C&I.
- ✓ Enhances current SBA business by adding new product offerings tailored to small and medium businesses ("SMBs")
- ✓ Opportunity to replace Navitas' current funding with UCBI's low-cost funding base
- ✓ Long tenured management team with proven track record of delivering growth and outsized performance

## Transaction Overview

Aggregate Transaction Value	<ul style="list-style-type: none"> <li>\$130 million</li> </ul>
Consideration	<ul style="list-style-type: none"> <li>35% stock / 65% cash</li> <li>Cash consideration financed with \$100MM subordinated debt issuance</li> <li>Stock exchange ratio based on the average 10-day trading price of UCBI stock at close</li> </ul>
Closed	<ul style="list-style-type: none"> <li>February 1, 2018</li> </ul>
Structure	<ul style="list-style-type: none"> <li>Separate subsidiary of the bank operating as a stand-alone brand</li> </ul>

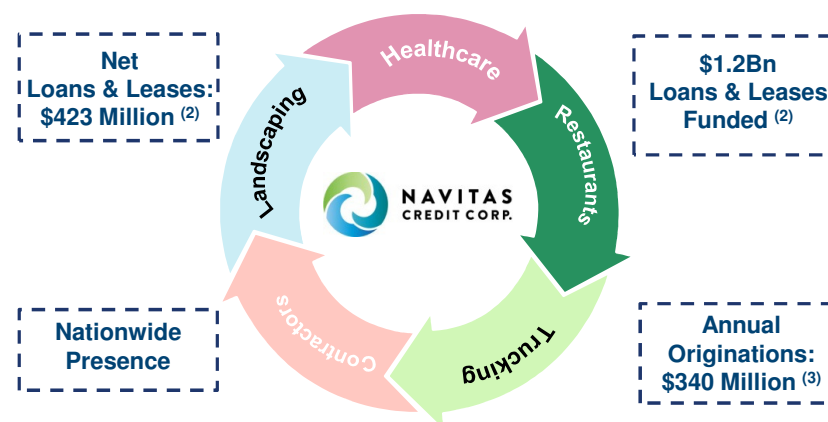
### Notes

1. "Expected Financial Impact" discloses forward-looking statements that are subject to numerous assumptions, risks and uncertainties that change over time and could cause actual results or financial condition to differ materially from those expressed in or implied by such statements
2. As of March 31, 2018
3. Originations for the last twelve months ended March 31, 2018

## Business Overview

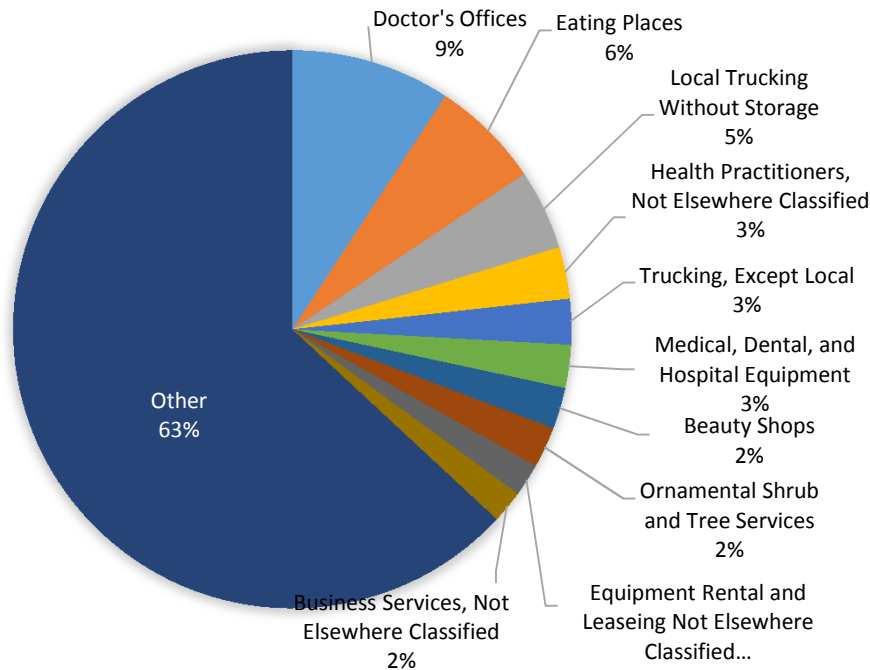
- Founded in September 2008, Navitas is a nationwide equipment finance lender based in Ponte Vedra, FL
  - 125 employees as of March 31, 2018
- Offers customized debt financing products for small and medium businesses ("SMBs")
- Scalable platform designed to efficiently originate, underwrite and manage large volumes of low balance accounts for SMBs
- Strong origination channels (direct and indirect) diversified across geographies, industries and equipment types
- Led by senior management team with average experience of 25+ years in the financial services industry

## Key Industries

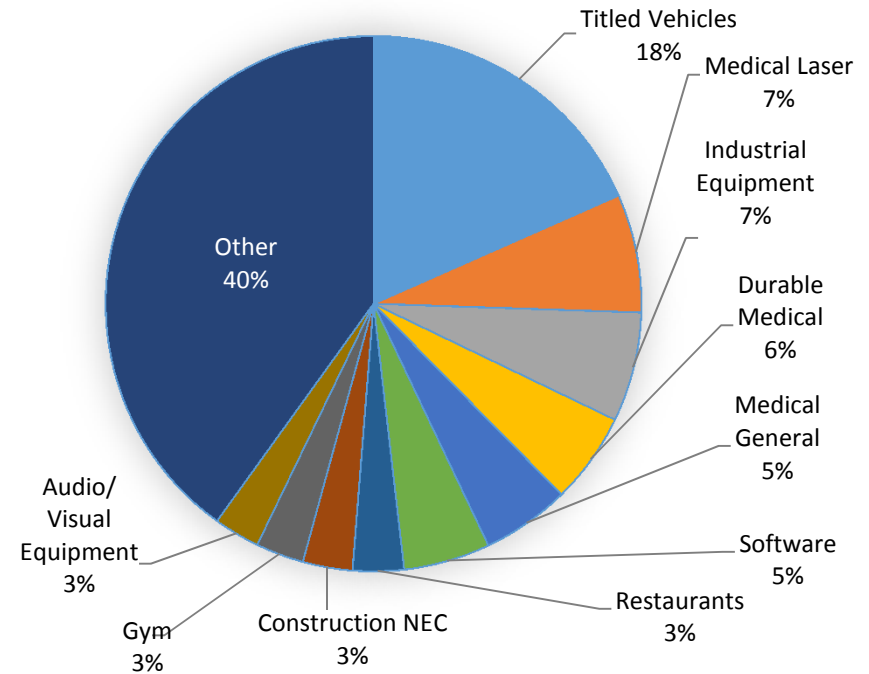


# Navitas Portfolio Strategy and Stratifications <sup>(1)</sup>

Industry



Equipment Type



- Multi channel origination strategy of developing and acquiring teams of highly experienced professionals with a track record of success in their respective market niche
- These teams are supported by centralized corporate functions including:
  - Credit Policy, Credit, Portfolio Management, Marketing, Account Servicing, Information Services, Legal, Accounting and Finance
- Structure allows Navitas the flexibility to effectively compete in multiple markets while still providing consistency across the organization with centralized control
- Portfolio is managed to maintain no significant state, equipment type, industry, vendor / broker or obligor concentrations

**Notes**

1. As of March 31, 2018

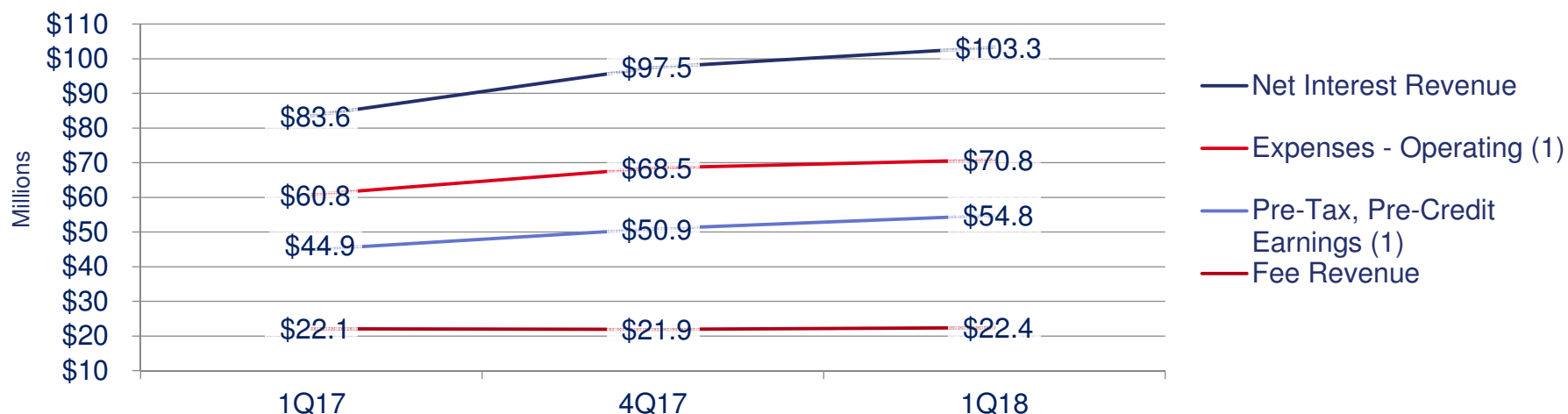
# 2018 INVESTOR PRESENTATION

## Exhibits

FIRST QUARTER 2018  
April 24, 2018



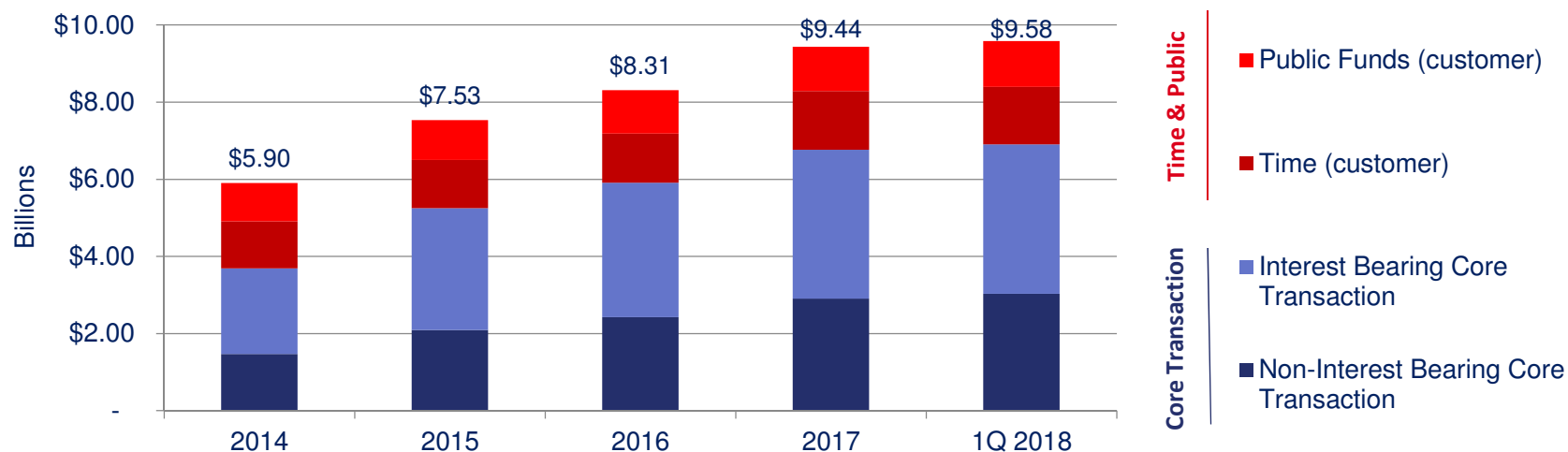
# Earnings, Fee Revenue, and Expenses



Earnings (pre-tax, pre-credit)				Fee Revenue				Expenses			
\$ in thousands				\$ in thousands				\$ in thousands			
	Variance - Incr/(Decr)				Variance - Incr/(Decr)				Variance - Incr/(Decr)		
	1Q18	4Q17	1Q17		1Q18	4Q17	1Q17		1Q18	4Q17	1Q17
Net Interest Revenue	\$ 103,285	\$ 5,777	\$ 19,731	Overdraft Fees	\$ 3,652	\$ (79)	\$ 255	Salaries & Employee Benefits	\$ 42,875	\$ 1,833	\$ 6,184
Fee Revenue	22,396	468	322	Interchange Fees	3,271	83	(2,117)	Communications & Equipment	4,632	(585)	(286)
Gross Revenue	125,681	6,245	20,053	Other Service Charges	2,002	151	183	Occupancy	5,613	71	664
Expenses - Operating <sup>(1)</sup>	70,829	2,305	10,057	Total Service Charges and Fees	8,925	155	(1,679)	FDIC Assessment	2,296	520	1,013
<b>Pre-Tax, Pre-Credit Earnings <sup>(1)</sup></b>	<b>54,852</b>	<b>3,940</b>	<b>9,996</b>	Mortgage Loan & Related Fees	5,359	474	935	Advertising & Public Relations	1,515	620	454
Provision for Credit Losses	(3,800)	2,600	3,000	Brokerage Fees	872	(196)	(538)	Postage, Printing & Supplies	1,637	(188)	267
Merger-Related and Other Charges	(2,646)	(4,712)	592	Gains from SBA Loan Sales	1,778	(1,324)	(181)	Professional Fees	4,044	361	1,000
Income Taxes <sup>(2)</sup>	(10,748)	(43,522)	(4,330)	Securities Gains, Net	(940)	(792)	(938)	Other Expense	8,217	(327)	761
<b>Net Income - GAAP</b>	<b>\$ 37,658</b>	<b>\$ 49,574</b>	<b>\$ 14,134</b>	Other	6,402	2,151	2,723	<b>Expenses - Operating <sup>(1)</sup></b>	<b>70,829</b>	<b>2,305</b>	<b>10,057</b>
				<b>Fee Revenue</b>	<b>\$ 22,396</b>	<b>\$ 468</b>	<b>\$ 322</b>	Merger-Related and Other Charges	2,646	(4,712)	592
								<b>Expenses - GAAP</b>	<b>\$ 73,475</b>	<b>\$ (2,407)</b>	<b>\$ 10,649</b>

- (1) See non-GAAP reconciliation table slides at the end of the exhibits for a reconciliation of operating performance measures to GAAP performance measures
- (2) Fourth quarter 2017 includes a \$38.2 million charge to remeasure United's net deferred tax asset at the 21% federal tax rate that went into effect January 1, 2018 as a result of the passage of tax reform legislation.

# Deposit Mix



## Core Transaction Deposit Growth

by Category & Region

in millions

	2014	2015	2016	2017	1Q 2018
Demand Deposit	\$ 161	\$ 618	\$ 334	\$ 487	\$ 117
NOW	9	441	5	107	4
MMDA	41	325	246	156	(7)
Savings	41	177	79	101	25
<b>Growth by Category</b>	<b>\$ 252</b>	<b>\$ 1,561</b>	<b>\$ 664</b>	<b>\$ 851</b>	<b>\$ 139</b>
Atlanta MSA	\$ 84	\$ 223	\$ 168	\$ 91	\$ 38
North Georgia	90	158	133	80	58
North Carolina <sup>(1)</sup>	35	63	62	412	11
Coastal Georgia	22	24	16	28	40
East Tennessee <sup>(2)</sup>	8	234	(16)	(7)	(2)
Gainesville MSA	10	34	48	20	5
South Carolina <sup>(3)</sup>	3	825	253	227	(11)
<b>Growth by Region</b>	<b>\$ 252</b>	<b>\$ 1,561</b>	<b>\$ 664</b>	<b>\$ 851</b>	<b>\$ 139</b>

<sup>(1)</sup>Includes \$354 million from the acquisition of Four Oaks NB on November 1, 2017

<sup>(2)</sup>Includes \$247 million from the acquisition of FNB on May 1, 2015

<sup>(3)</sup>Includes \$790 million, \$175 million and \$226 million, respectively, from the acquisitions of Palmetto on September 1, 2015, Tideland on July 1, 2016 and Horry County State Bank on July 31, 2017

## Deposits

by Category

in millions

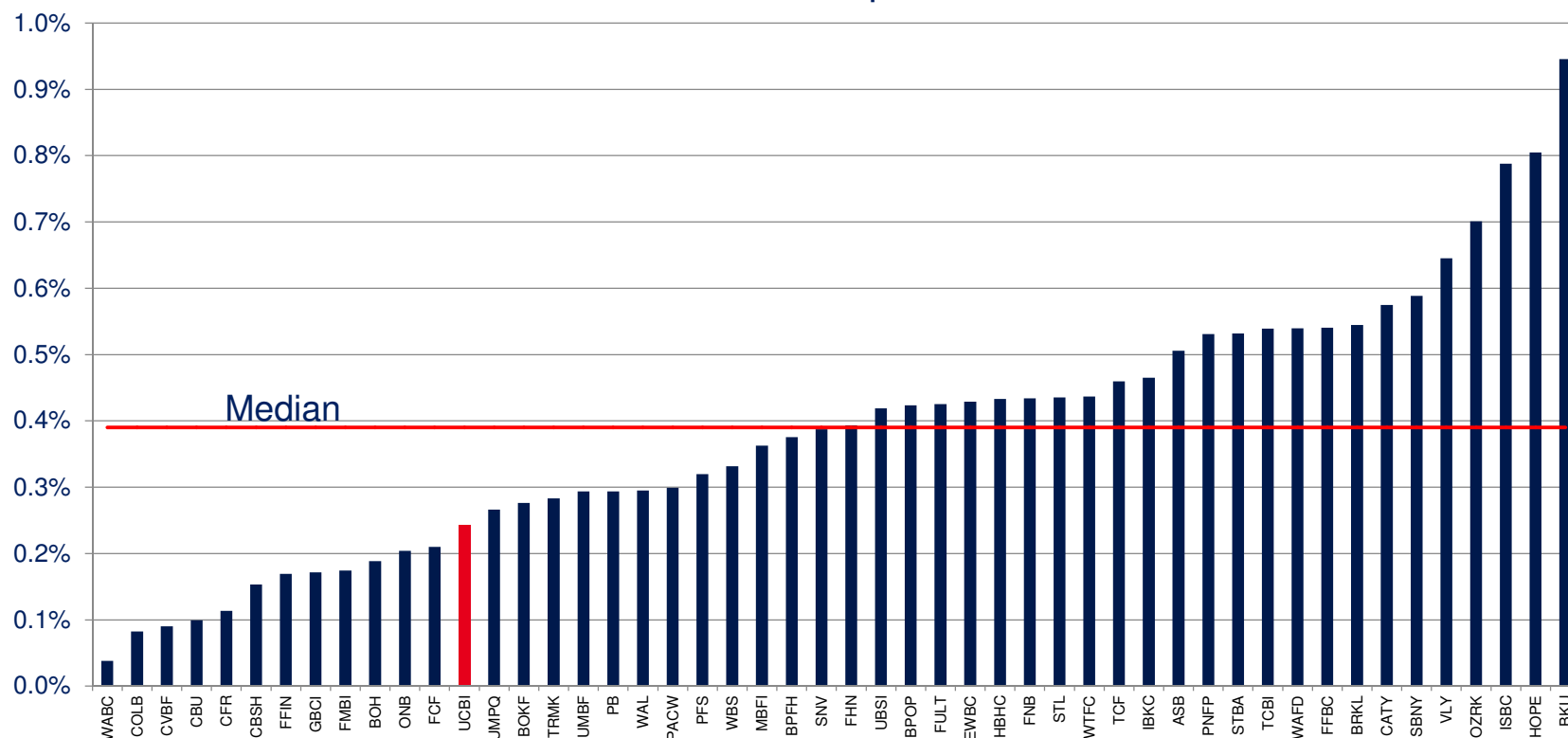
	2014	2015	2016	2017	1Q 2018
Non-Interest Bearing Core					
Demand Deposit	\$ 1,471	\$ 2,089	\$ 2,423	\$ 2,910	\$ 3,027
Interest Bearing Core					
NOW	668	1,109	1,114	1,221	1,225
MMDA	1,259	1,584	1,830	1,986	1,979
Savings	292	469	548	649	675
<b>Total Interest Bearing Core</b>	<b>2,219</b>	<b>3,162</b>	<b>3,492</b>	<b>3,856</b>	<b>3,878</b>
<b>Total Core Trans Deposits</b>	<b>3,690</b>	<b>5,251</b>	<b>5,915</b>	<b>6,766</b>	<b>6,905</b>
Time (Customer)	1,223	1,251	1,267	1,522	1,487
Public Funds (Customer)	989	1,032	1,128	1,148	1,190
Brokered	425	339	328	371	411
<b>Total Deposits</b>	<b>\$ 6,327</b>	<b>\$ 7,873</b>	<b>\$ 8,638</b>	<b>\$ 9,808</b>	<b>\$ 9,993</b>



Note – Column graph summarizes customer deposits, which excludes brokered deposits

# High-Quality, Low-Cost Core Deposit Base

4Q17 Cost of Deposits



- Our fourth quarter 2017 total cost of deposits was 24 basis points, which compared favorably to peers with a median of 39 basis points
- Core deposits (excludes Jumbo CDs / Brokered) comprised approximately 98% of our total customer deposits at March 31, 2018

Source: S&P Global Market Intelligence

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



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

\$ in millions

## New Loans Funded and Advances



## New Loans Funded and Advances by Category

	1Q18	4Q17	1Q17	Variance-Incr(Decr)	
				4Q17	1Q17
Commercial & Industrial	\$ 220.7	\$ 135.4	\$ 106.8	\$ 85.3	\$ 113.9
Owner-Occupied CRE	67.1	121.0	79.5	(53.9)	(12.4)
Income-Producing CRE	70.2	77.8	102.2	(7.6)	(31.9)
Commercial Constr.	145.6	130.8	116.3	14.8	29.3
Total Commercial	503.6	465.0	404.8	38.6	98.8
Residential Mortgage	38.3	49.2	45.1	(10.9)	(6.8)
Residential HELOC	53.6	59.4	53.8	(5.8)	(0.2)
Residential Construction	54.4	55.0	56.2	(0.6)	(1.8)
Consumer	15.8	15.5	55.3	0.3	(39.5)
Total	\$ 665.8	\$ 644.1	\$ 615.3	\$ 21.7	\$ 50.5

## New Loans Funded and Advances by Region

	1Q18	4Q17	1Q17	Variance-Incr(Decr)	
				4Q17	1Q17
Atlanta	\$ 121.1	\$ 144.3	\$ 112.6	\$ (23.2)	8.5
Coastal Georgia	39.3	29.5	44.3	9.8	(5.0)
North Georgia	60.2	55.9	63.2	4.2	(3.0)
North Carolina	35.9	47.7	30.2	(11.8)	5.7
Tennessee	28.8	44.0	19.7	(15.2)	9.0
Gainesville	11.0	20.1	31.6	(9.1)	(20.7)
South Carolina	131.3	98.4	121.1	33.0	10.2
Total Community Banks	427.5	439.9	422.8	(12.4)	4.7
Asset-based Lending	10.8	12.3	19.8	(1.4)	(8.9)
Commercial RE	33.8	45.5	42.0	(11.7)	(8.2)
Senior Care	36.1	33.9	24.1	2.2	12.0
Middle Market	6.9	26.5	14.0	(19.6)	(7.1)
SBA	32.7	55.5	25.0	(22.8)	7.7
Renewable Energy	8.5			8.5	8.5
Navitas	65.3			65.3	65.3
Builder Finance	44.1	30.4	26.5	13.7	17.7
Total Commercial Banking Solutions	238.3	204.2	151.3	34.1	87.0
Indirect Auto	-	-	41.2	-	(41.2)
Total	\$ 665.8	\$ 644.1	\$ 615.3	\$ 21.7	\$ 50.5

<sup>(1)</sup> Represents new loans funded and net loan advances (net of payments on lines of credit)

# Loan Mix

## Loans by Region in millions

	2014	2015	2016	2017	1Q18
North Georgia	\$ 1,163	\$ 1,125	\$ 1,097	\$ 1,019	\$ 1,004
Atlanta MSA	1,243	1,259	1,399	1,510	1,513
North Carolina <sup>(1)</sup>	553	549	545	1,049	1,037
Coastal Georgia	456	537	581	630	635
Gainesville MSA	257	254	248	248	231
East Tennessee <sup>(2)</sup>	280	504	504	475	473
South Carolina <sup>(3)</sup>	30	819	1,233	1,486	1,537
Total Community Banks	3,982	5,047	5,607	6,417	6,430
Commercial Banking					
Solutions <sup>(4)</sup>	421	492	855	961	1,438
Indirect Auto <sup>(5)</sup>	269	456	459	358	316
Total Loans	\$ 4,672	\$ 5,995	\$ 6,921	\$ 7,736	\$ 8,184

<sup>(1)</sup>Includes \$501 million from the Four Oaks acquisition on November 1, 2017

<sup>(2)</sup>Includes \$244 million from the acquisition of FNB on May 1, 2015

<sup>(3)</sup>Includes \$733 million, \$306 million and \$216 million, respectively, from the acquisitions of Palmetto on September 1, 2015, Tidelands on July 1, 2016 and Horry County State Bank on July 31, 2017

<sup>(4)</sup>Includes \$359 million from the Navitas acquisition on February 1, 2018.

<sup>(5)</sup>Includes \$63 million from the acquisition of Palmetto on September 1, 2015

## Loans by Category in millions

	2014	2015	2016	2017	1Q18
Commercial & Industrial	\$ 710	\$ 785	\$ 1,070	\$ 1,131	\$ 1,142
Owner-Occupied CRE	1,257	1,571	1,650	1,924	1,898
Income-Producing CRE	767	1,021	1,282	1,595	1,677
Commercial Constr.	364	518	634	712	691
Equipment Financing	-	-	-	-	423
Total Commercial	3,098	3,895	4,636	5,362	5,831
Residential Mortgage	614	764	857	974	992
Residential HELOC	456	589	655	731	712
Residential Construction	131	176	190	183	190
Consumer	104	115	124	128	143
Indirect Auto	269	456	459	358	316
Total Loans	\$ 4,672	\$ 5,995	\$ 6,921	\$ 7,736	\$ 8,184

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

# Commercial Real Estate Diversification

## Commercial Construction

in millions

	Committed		Outstanding	
	\$	%	\$	%
Residential CIP : SPEC	154	12.5	93	13.5
Assisted Living/Nursing Home/Rehab Cntr	231	18.8	81	11.7
Other Properties	108	8.8	75	10.9
Residential Land Development -Builders	66	5.3	60	8.7
Raw Land - Vacant (Unimproved)	66	5.4	54	7.8
Office Buildings	113	9.2	50	7.2
Resi Construction in Process: PRESOLD	73	5.9	47	6.8
Vacant (Improved)	51	4.1	42	6.1
Retail Building	43	3.5	36	5.2
Multi-Residential Properties	110	8.9	34	4.9
Residential Land Development - Subdivisions in Process	40	3.2	27	3.9
Residential Raw Land in the Hands of Builders/Developers	24	1.9	23	3.3
Warehouse	29	2.4	18	2.6
Hotels Motels	68	5.5	14	2.0
Commercial Land Development	15	1.2	13	2.0
Restaurants /Franchise Fast Food	26	2.1	13	1.9
Churches	11	0.9	8	1.2
Carwash	4	0.3	3	0.4
<b>Total Commercial Construction</b>	<b>\$ 1,232</b>	<b>100 %</b>	<b>\$ 691</b>	<b>100 %</b>

## Commercial Real Estate – Income Producing

in millions

	Committed		Outstanding	
	\$	%	\$	%
Office Buildings	435	24.5	394	23.5
Retail Building	366	20.6	348	20.8
Investor Residential	198	11.1	196	11.7
Hotels Motels	181	10.2	176	10.5
Other Properties	157	8.8	142	8.5
Warehouse	133	7.5	126	7.5
Multi-Residential Properties	119	6.7	116	6.9
Restaurants /Franchise Fast Food	52	3.0	47	2.8
Convenience Stores	36	2.0	35	2.1
Mfg Facility	26	1.5	25	1.5
Assisted Living	21	1.2	21	1.3
Self Storage	20	1.1	19	1.1
Leasehold Property	12	0.7	12	0.7
Automotive Service	9	0.5	8	0.5
Mobile Home Parks	4	0.2	4	0.2
Daycare Facility	4	0.2	4	0.2
Automotive Dealership	2	0.1	2	0.1
Carwash	1	0.1	1	0.1
<b>Total Commercial Real Estate - Income Producing</b>	<b>\$ 1,777</b>	<b>100 %</b>	<b>\$ 1,677</b>	<b>100 %</b>

### Committed Average Loan Size

(in thousands)



• Commercial Construction	\$496
• Commercial RE:	
• Composite CRE	435
• Owner-Occupied	414
• Income-Producing	462

### Outstanding Average Loan Size

(in thousands)



• Commercial Construction	\$279
• Commercial RE:	
• Composite CRE	410
• Owner-Occupied	388
• Income-Producing	438

# Disciplined Credit Processes



## Granular Portfolio – Exposure and Industry Limits

•Legal Lending Limit	\$	314M
•House Lending Limit		30M
•Project Lending Limit		18M
•Top 25 Relationships		579M

*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

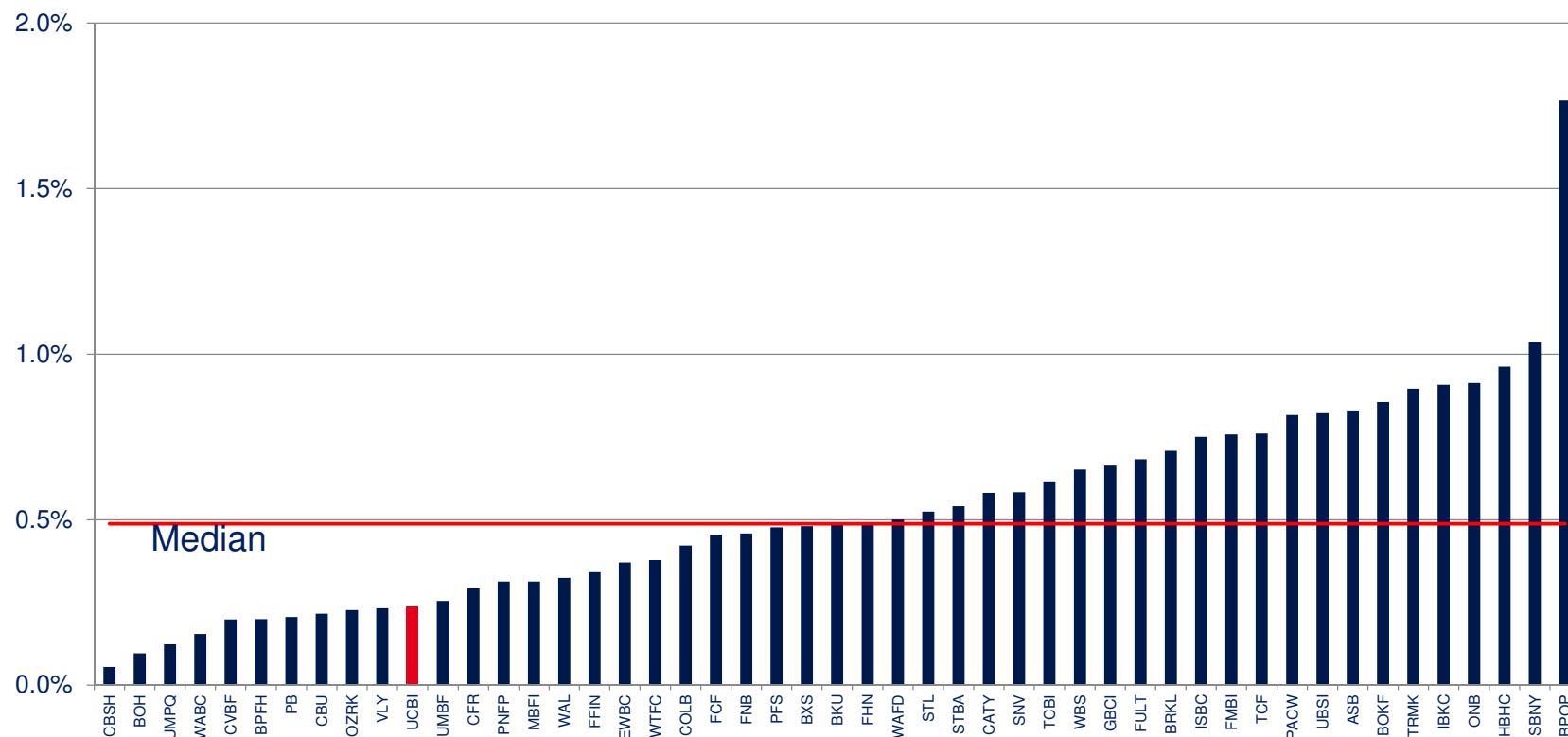
# Credit Quality

\$ in millions

	1Q17		2Q17		3Q17		4Q17		1Q18	
Net Charge-offs	\$	1.7	\$	1.6	\$	1.6	\$	1.1	\$	1.5
as % of Average Loans		0.10 %		0.09 %		0.09 %		0.06 %		0.08 %
Allowance for Loan Losses	\$	60.5	\$	59.5	\$	58.6	\$	58.9	\$	61.1
as % of Total Loans		0.87 %		0.85 %		0.81 %		0.76 %		0.75 %
as % of NPLs		306		258		256		249		233
Past Due Loans (30 - 89 Days)		0.23 %		0.23 %		0.28 %		0.28 %		0.20 %
Non-Performing Loans	\$	19.8	\$	23.1	\$	22.9	\$	23.7	\$	26.2
OREO		5.1		2.7		2.8		3.2		2.7
Total NPAs		24.9		25.8		25.7		26.9		28.9
Performing Classified Loans		108.8		91.7		100.5		117.2		111.4
Total Classified Assets	\$	133.7	\$	117.5	\$	126.2	\$	144.1	\$	140.3
as % of Tier 1 / Allowance		13 %		11 %		12 %		12 %		11 %
Accruing TDRs	\$	64.9	\$	64.7	\$	59.6	\$	52.6	\$	52.9
Total NPAs										
as % of Total Assets		0.23 %		0.24 %		0.23 %		0.23 %		0.24 %
as % of Loans & OREO		0.36		0.37		0.36		0.35		0.35

# Excellent Credit Performance & Management

4Q18 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: S&P Global Market Intelligence

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



# Market Share Growth Opportunities

\$ in billions

	Total Market Deposits (1)	United Community Banks, Inc.				Rank (1)
		Deposits (2)	Community Banks (2)	Offices (2)	Deposit Share (1)	
North Georgia	\$ 7.6	\$ 2.6	9	19	33 %	1
Atlanta, Georgia	70.4	2.7	10	34	4	7
Gainesville, Georgia	3.5	0.4	1	5	11	4
Coastal Georgia	8.9	0.4	2	7	4	8
Eastern North Carolina	29.0	0.6	1	12	2	11
Western North Carolina	7.4	1.1	2	19	14	3
East Tennessee	17.6	0.5	2	9	3	7
Upstate South Carolina	24.9	1.2	4	24	5	7
Coastal South Carolina	22.4	0.5	2	14	3	12
Loan Production Offices	-	-	-	8		
Total Markets	\$ 191.7	\$ 10.0	33	151		

(1) United deposit share and United rank are as of June 30, 2017 for markets where United takes deposits (Source: FDIC). As such, United deposit share and United rank have been adjusted to include the Pro Forma effect of deposits acquired through the acquisitions of HCSB on July 31, 2017 and Four Oaks on November 1, 2017.

(2) Based on current quarter



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# Acquisition of Four Oaks Fincorp, Inc.

## Transaction Overview

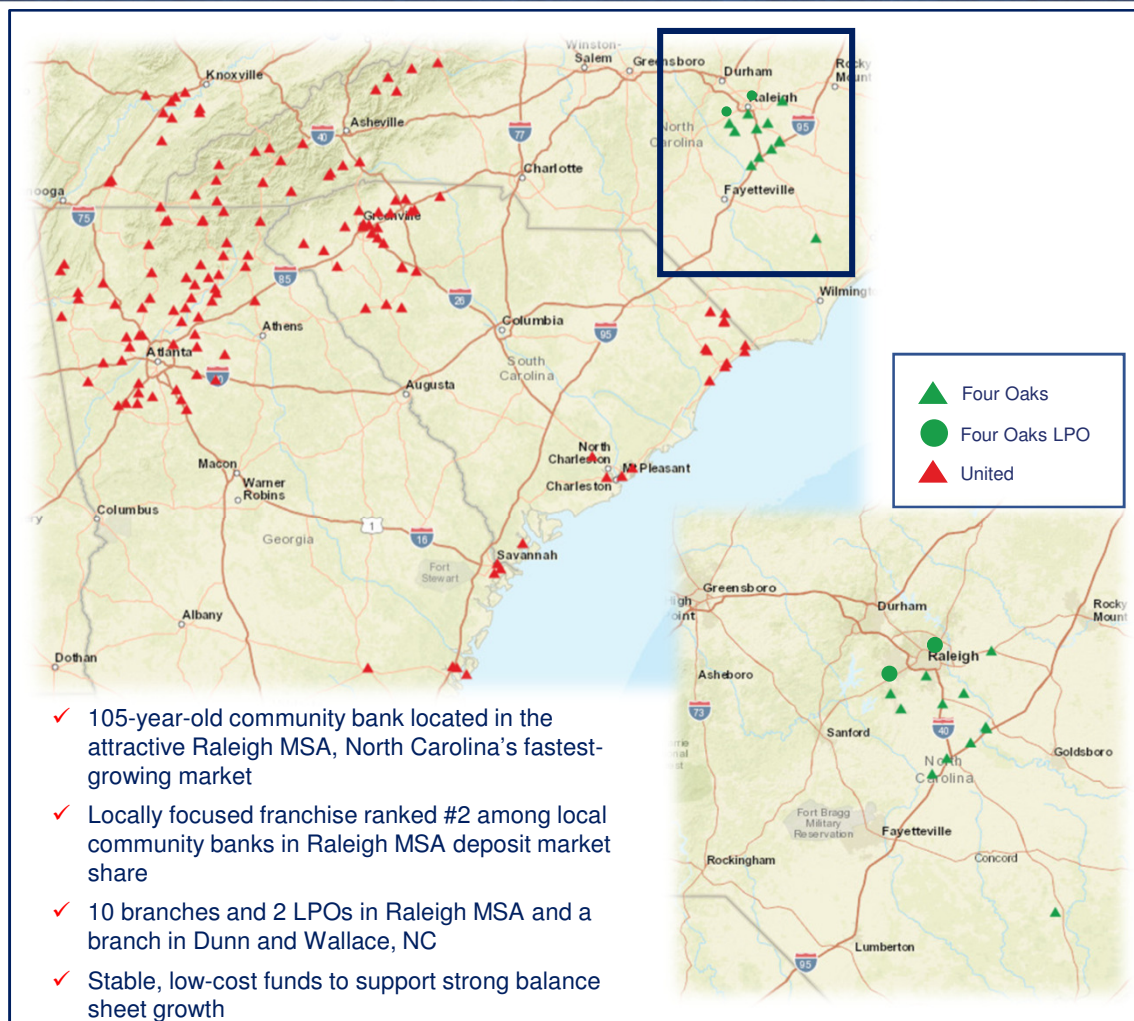
- Closed November 1, 2017
- 90% stock (0.6178 shares of United) and 10% cash (\$1.90)
  - \$124 million transaction value <sup>(1)</sup>
- 177% P / TBV
- An excellent springboard to grow and attract top-quality bankers in the Raleigh market

## Company Snapshot

- Assets: \$737 million
- Loans: \$513 million
- Deposits: \$560 million
- NIM: 3.92%
- Offices: 14

## Compelling Financial Returns

- ✓ 4 cents, or 2%, accretive to fully diluted 2018 EPS, excluding one-time merger charges
- ✓ Less than 1% dilutive to tangible book value per share with an earn back of less than 3 years, excluding expected revenue synergies
- ✓ IRR: +20%



Source: S&P Global Market Intelligence

<sup>(1)</sup> Based on United's closing price of \$26.48 per share on June 23, 2017



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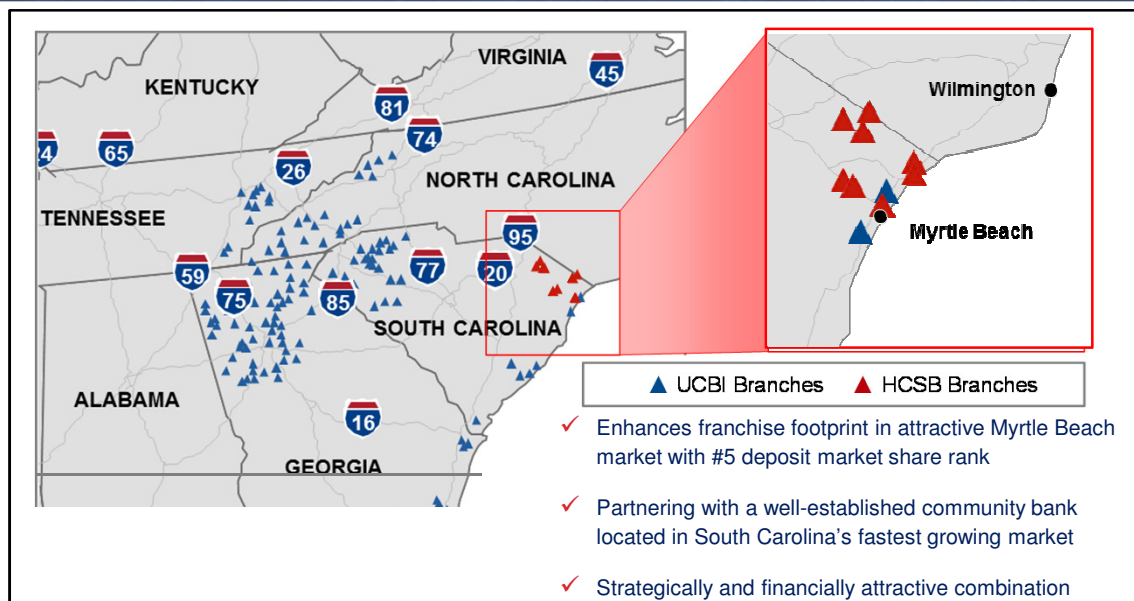
# Acquisition of HCSB Financial Corporation

## Transaction Overview

- Closed July 31, 2017
- 100% stock (fixed exchange ratio 0.0050x shares)
  - \$66 million transaction value <sup>(1)</sup>
- 132% adjusted P / TBV <sup>(2)</sup>
- United recovered DTA and related tax benefits totaling approximately \$15.5 million

## Company Snapshot

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

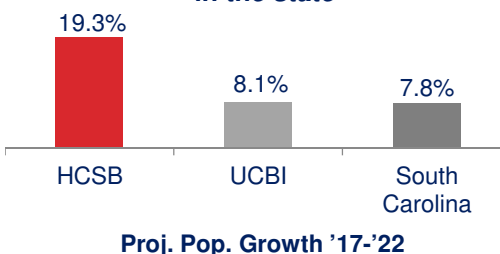


## Top 5 Deposit Market Share in Myrtle Beach MSA

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
- ✓ Accretive to tangible book value per share
- ✓ Neutral to Tier 1 Capital
- ✓ IRR: +20%

Source: S&P Global Market Intelligence

<sup>(1)</sup> Based on United's closing price of \$26.70 per share on April 19, 2017

<sup>(2)</sup> Tangible book value adjusted for recovery of deferred tax asset

# Experienced Proven Leadership

- Over 40 years in banking
- Led company from \$42 million in assets in 1989 to \$12.3 billion today
- Trustee of Young Harris College
- Georgia Power Company Board Member
- GA Economic Developers Association Spirit of Georgia Award recipient

**Jimmy C. Tallent**  
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 33 community banks with 151 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 commercial banking solutions
- 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,  
Comm'l Banking Solutions  
*Joined 2014*



# Non-GAAP Reconciliation Tables

\$ in thousands, except per share data

	1Q17	2Q17	3Q17	4Q17	1Q18
			(1)	(1)	(1)
<b>Net Income</b>					
Net income - GAAP	\$ 23,524	\$ 28,267	\$ 27,946	\$ (11,916)	\$ 37,658
Merger-related and other charges	2,054	1,830	3,420	7,358	2,646
Tax benefit on merger-related and other charges	(758)	(675)	(1,147)	(1,165)	(628)
Impairment of deferred tax asset on canceled nonqualified stock options	-	-	-	38,199	-
Release of disproportionate tax effects lodged in OCI	3,400	-	-	-	-
Net income - Operating	<u>\$ 28,220</u>	<u>\$ 29,422</u>	<u>\$ 30,219</u>	<u>\$ 32,476</u>	<u>\$ 39,676</u>
<b>Diluted Earnings per share</b>					
Diluted earnings per share - GAAP	\$ 0.33	\$ 0.39	\$ 0.38	\$ (0.16)	\$ 0.47
Merger-related and other charges	0.01	0.02	0.03	0.08	0.03
Impairment of deferred tax asset on canceled nonqualified stock options	-	-	-	0.50	-
Release of disproportionate tax effects lodged in OCI	0.05	-	-	-	-
Diluted earnings per share - Operating	<u>\$ 0.39</u>	<u>\$ 0.41</u>	<u>\$ 0.41</u>	<u>\$ 0.42</u>	<u>\$ 0.50</u>
<b>Return on Assets</b>					
Return on assets - GAAP	0.89 %	1.06 %	1.01 %	(0.40) %	1.26 %
Merger-related and other charges	0.05	0.04	0.08	0.20	0.07
Impairment of deferred tax asset on canceled nonqualified stock options	-	-	-	1.30	-
Release of disproportionate tax effects lodged in OCI	0.13	-	-	-	-
Return on assets - Operating	<u>1.07 %</u>	<u>1.10 %</u>	<u>1.09 %</u>	<u>1.10 %</u>	<u>1.33 %</u>
<b>Book Value per share</b>					
Book Value per share - GAAP	\$ 15.40	\$ 15.83	\$ 16.50	\$ 16.67	\$ 17.02
Effect of goodwill and other intangibles	(2.10)	(2.09)	(2.39)	(3.02)	(4.06)
Tangible book value per share	<u>\$ 13.30</u>	<u>\$ 13.74</u>	<u>\$ 14.11</u>	<u>\$ 13.65</u>	<u>\$ 12.96</u>

<sup>(1)</sup> Merger-related and other charges for 1Q18, 4Q17 and 3Q17 include \$592 thousand, \$517 thousand and \$244 thousand, respectively, of intangible amortization resulting from payments made to executives under their change of control agreements. The resulting intangible assets are being amortized over 12 to 24 months.

# Non-GAAP Reconciliation Tables

\$ in thousands, except per share data

	1Q17	2Q17	3Q17	4Q17	1Q18
			(1)	(1)	(1)
<b>Return on Tangible Common Equity</b>					
Return on common equity - GAAP	8.54 %	9.98 %	9.22 %	(3.57) %	11.11 %
Effect of merger-related and other charges	0.47	0.41	0.75	1.86	0.60
Impairment of deferred tax asset on canceled nonqualified stock options	-	-	-	11.44	-
Release of disproportionate tax effects lodged in OCI	1.24	-	-	-	-
Return on common equity - Operating	10.25	10.39	9.97	9.73	11.71
Effect of goodwill and intangibles	1.85	1.80	1.96	2.20	3.55
Return on tangible common equity - Operating	12.10 %	12.19 %	11.93 %	11.93 %	15.26 %
<b>Expenses</b>					
Expenses - GAAP	\$ 62,826	\$ 63,229	\$ 65,674	\$ 75,882	\$ 73,475
Merger-related and other charges	(2,054)	(1,830)	(3,420)	(7,358)	(2,646)
Expenses - Operating	\$ 60,772	\$ 61,399	\$ 62,254	\$ 68,524	\$ 70,829
<b>Pre-Tax, Pre-Credit Earnings</b>					
Pre-Tax Earnings - GAAP	\$ 42,002	\$ 44,804	\$ 43,674	\$ 42,354	\$ 48,406
Merger-related and other charges	2,054	1,830	3,420	7,358	2,646
Provision for credit losses	800	800	1,000	1,200	3,800
Pre-Tax, Pre-Credit Earnings - Operating	\$ 44,856	\$ 47,434	\$ 48,094	\$ 50,912	\$ 54,852
<b>Efficiency Ratio</b>					
Efficiency Ratio - GAAP	59.29 %	57.89 %	59.27 %	63.03 %	57.83 %
Merger-related and other charges	(1.94)	(1.68)	(3.09)	(6.11)	(2.08)
Efficiency Ratio - Operating	57.35 %	56.21 %	56.18 %	56.92 %	55.75 %

<sup>(1)</sup> Merger-related and other charges for 1Q18, 4Q17 and 3Q17 include \$592 thousand, \$517 thousand and \$244 thousand, respectively, of intangible amortization resulting from payments made to executives under their change of control agreements. The resulting intangible assets are being amortized over 12 to 24 months.