

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):
July 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 July 26, 2017, United Community Banks, Inc. (the “Registrant”) issued a news release announcing its financial results for the quarter ended June 30, 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 July 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 Second Quarter 2017 Investor Presentation (the “Investor Presentation”), which will be posted to the Registrant’s website at 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 per diluted share,” “tangible book value,” “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.” 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.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit

No. Description

99.1 News Release, dated July 26, 2017

99.2 Investor Presentation, Second Quarter 2017

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: July 26, 2017



For Immediate Release

For more information:

Jefferson Harralson
Chief Financial Officer
(706) 781-2265
Jefferson_Harralson@ucbi.com

**UNITED COMMUNITY BANKS, INC.
ANNOUNCES SECOND QUARTER EARNINGS**
Diluted earnings per share up 11 percent, to 39 cents, from second quarter 2016
Excluding merger-related and other non-operating charges,
diluted operating EPS up 14 percent, to 41 cents

- Net interest revenue of \$85.1 million, up \$10.2 million or 14 percent from year ago
- Net interest margin of 3.47 percent, up two basis points from first quarter and up 12 basis points from year ago
- Return on assets of 1.06 percent, or 1.10 percent excluding merger-related and other charges
- Efficiency ratio of 57.9 percent, or 56.2 percent excluding merger-related and other charges
- Announced two acquisitions during the quarter

BLAIRSVILLE, GA – July 26, 2017 – United Community Banks, Inc. (NASDAQ: UCBI) (“United”) today announced strong second quarter results with disciplined expense management, sound credit quality and meaningful margin expansion. Net income was \$28.3 million, or 39 cents per diluted share, compared with \$25.3 million, or 35 cents per diluted share, for the second quarter of 2016.

On an operating basis, net income rose to \$29.4 million for the second quarter of 2017 compared with \$26.0 million for the second quarter of 2016. Second quarter 2017 operating net income excludes merger-related and executive retirement charges totaling \$1.16 million, net of the associated income tax benefit. Second quarter 2016 operating net income excludes \$731,000 in merger-related charges, net of the associated income tax benefit. On a per diluted share basis, operating net income was 41 cents for the second quarter of 2017 compared with 36 cents for the second quarter of 2016.

At June 30, 2017, preliminary regulatory capital ratios were as follows. Tier 1 Risk-Based of 11.9 percent; Total Risk-Based of 12.7 percent; Common Equity Tier 1 Risk-Based of 11.9 percent, and Tier 1 Leverage of 9.0 percent.

“From both financial and strategic perspectives, I am very pleased with our second quarter performance,” said Jimmy Tallent, chairman and chief executive officer. “It marks our twelfth consecutive quarter of double-digit growth in diluted operating earnings per share, which is a key driver of stock price appreciation. We accomplished this by growing loans and deposits in a disciplined manner that slightly widened our net interest margin and maintained our outstanding credit quality.

“Excluding merger-related and other non-operating charges, our second quarter operating efficiency ratio improved to 56.2 percent, surpassing the fourth quarter record which was the best in more than a decade,” Tallent continued. “Including those charges, the efficiency ratio was 57.9 percent. From a financial perspective, our bankers delivered solid performance by every measure.”

Tallent said the second quarter was also remarkable from a strategic perspective. “We announced two strategic partnerships during the quarter that will expand and enhance our footprint in dynamic, high-growth markets,” he said. “On April 20, we announced the Horry County State Bank acquisition which will close in the third quarter and significantly enhance our presence in the Myrtle Beach area along the South Carolina coast. The acquisition of Horry County State Bank is part of our larger, ongoing expansion strategy in the high-growth South Carolina coastal markets.

“On June 27, we announced our planned acquisition of Four Oaks Bank & Trust Company, which should close in the fourth quarter and will extend our footprint farther east in North Carolina to the fast-growing Raleigh MSA. We have long sought to enter this market and are delighted to find an exceptional partner in Four Oaks. I could not be more pleased with these two partnerships and look forward to them becoming part of United.

“Second quarter loan production was \$667 million,” Tallent added. “Linked-quarter loan growth was \$76 million, or four percent annualized. Our community banks originated \$461 million in loans, while our recently renamed Commercial Banking Solutions group produced \$166 million.”

Commercial Banking Solutions, previously named Specialized Lending, encompasses commercial lending for income property, middle market, SBA, asset-based, senior care, builder finance and recently announced renewable energy.

Second quarter net interest revenue totaled \$85.1 million, up \$10.2 million from the second quarter of 2016 and up \$1.6 million from the first quarter. The increases from both periods reflect growth in loans and deposits and net interest margin expansions of 12 basis points from a year ago and two basis points from the first quarter, mostly driven by rising short-term interest rates. The increase in net interest revenue from a year ago also reflects the acquisition of Tidelands Bank which was completed on July 1, 2016. Tidelands Bank results are included in United’s financial results from the acquisition date.

The second quarter provision for credit losses was \$800,000, equal to the first quarter provision. This compares with a provision recovery of \$300,000 in the second quarter of 2016. Second quarter net charge-offs totaled \$1.6 million, compared with \$1.7 million in both the second quarter of 2016 and the first quarter of 2017. Contributing to the low level of net charge-offs were continued strong recoveries of previously charged-off loans. Nonperforming assets were .24 percent of total assets at June 30, 2017, compared with .28 percent at June 30, 2016 and .23 percent at March 31, 2017.

“Our second 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.”

Second quarter fee revenue totaled \$23.7 million, up \$188,000 from a year ago and up \$1.61 million from the first quarter. The increase from the first quarter was mostly in mortgage fees, gains from sales of SBA loans and other fee revenue. The increase from a year ago was mostly in mortgage fees. Mortgage fees were up \$363,000 from a year ago, and \$387,000 from the first quarter. In the second quarter we closed 888 loans totaling \$204 million compared with 697 loans totaling \$151 million in the first quarter and 853 loans totaling \$182 million in the second quarter of 2016. Gains from sales of SBA loans were down \$175,000 from a year ago but were up \$667,000 from the first quarter following a seasonal first quarter decline. Other fee revenue was up \$718,000 from the first quarter mostly due to higher customer derivative fees and higher earnings from bank-owned life insurance assets.

Operating expenses were \$63.2 million for the second quarter, compared with \$58.1 million for the second quarter of 2016 and \$62.8 million for the first quarter. Included in operating expenses are merger-related and executive retirement charges of \$1.83 million in the second quarter, merger-related charges of \$1.18 million in the second quarter of 2016, and merger-related and branch closure charges of \$2.05 million in the first quarter of 2017. Excluding these charges, second quarter operating expenses were \$61.4 million compared with \$56.9 million a year ago and \$60.8 million for the first quarter. The \$627,000 increase from the first quarter, though partially offset by lower professional fees, was mostly due to an increase in salaries and employee benefit costs following annual staff compensation increases that went into effect on April 1.

The overall increase in other expenses resulted from higher travel-related costs, internet banking service provider charges, and higher lending support costs. The decrease in professional fees was due to elevated costs in the first quarter to assist with model development for United's stress testing project. The increase in operating expenses from a year ago reflects additional expense following the acquisition of Tideland Bank on July 1, 2016.

Income tax expense for the second quarter totaled \$16.5 million compared with \$15.4 million a year ago and \$18.5 million in the first quarter. The first quarter was elevated due to 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 our deferred tax asset.

Tallent concluded, “Our bankers continue to do what they do best and that is take care of their customers by delivering the highest level of courteous service. Their passion and commitment drive our performance and are reflected in our second quarter financial results. I look forward to the opportunities that lie ahead and am excited about completing the acquisitions of Horry County State Bank and Four Oaks Bank & Trust Company. These two exceptional banks are outstanding strategic partners in key growth markets and share our passion for banking and our commitment to customer service. I look forward to welcoming them aboard and for the opportunities that these acquisitions create to recruit other talented bankers from within these markets into the United family.”

Conference Call

United will hold a conference call today, Wednesday, July 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 47369140. 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.

About United Community Banks, Inc.

United Community Banks, Inc. (NASDAQ: UCBI) is a bank holding company based in Blairsville, Georgia with \$10.8 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 personalized community banking services for individuals, small businesses and corporations. 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* magazine included United on its list of the 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.

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 our 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			Second Quarter 2017-2016 Change	For the Six Months Ended June 30,		YTD 2017-2016 Change
	Second Quarter	First Quarter	Fourth Quarter	Third Quarter	Second Quarter		2017	2016	
	<i>(in thousands, except per share data)</i>								
INCOME SUMMARY									
Interest revenue	\$ 93,166	\$ 90,958	\$ 87,778	\$ 85,439	\$ 81,082		\$ 184,124	\$ 161,803	
Interest expense	8,018	7,404	6,853	6,450	6,164		15,422	11,933	
Net interest revenue	85,148	83,554	80,925	78,989	74,918	14%	168,702	149,870	13%
Provision for credit losses	800	800	-	(300)	(300)		1,600	(500)	
Fee revenue	23,685	22,074	25,233	26,361	23,497	1	45,759	42,103	9
Total revenue	108,033	104,828	106,158	105,650	98,715	9	212,861	192,473	11
Expenses	63,229	62,826	61,321	64,023	58,060	9	126,055	115,945	9
Income before income tax expense	44,804	42,002	44,837	41,627	40,655	10	86,806	76,528	13
Income tax expense	16,537	18,478	17,616	15,753	15,389	7	35,015	28,967	21
Net income	28,267	23,524	27,221	25,874	25,266	12	51,791	47,540	9
Preferred dividends	-	-	-	-	-		-	21	
Net income available to common shareholders	\$ 28,267	\$ 23,524	\$ 27,221	\$ 25,874	\$ 25,266	12	\$ 51,791	\$ 47,540	9
Merger-related and other charges	1,830	2,054	1,141	3,152	1,176		3,884	3,829	
Income tax benefit of merger-related and other charges	(675)	(758)	(432)	(1,193)	(445)		(1,433)	(1,449)	
Impairment of deferred tax asset on canceled non-qualified stock options	-	-	976	-	-		-	-	
Release of disproportionate tax effects lodged in OCI	-	3,400	-	-	-		3,400	-	
Net income available to common shareholders - operating (1)	\$ 29,422	\$ 28,220	\$ 28,906	\$ 27,833	\$ 25,997	13	\$ 57,642	\$ 49,920	15
PERFORMANCE MEASURES									
Per common share:									
Diluted net income - GAAP	\$.39	\$.33	\$.38	\$.36	\$.35	11	\$.72	\$.66	9
Diluted net income - operating (1)	.41	.39	.40	.39	.36	14	.80	.69	16
Cash dividends declared	.09	.09	.08	.08	.07		.18	.14	
Book value	15.83	15.40	15.06	15.12	14.80	7	15.83	14.80	7
Tangible book value (3)	13.74	13.30	12.95	13.00	12.84	7	13.74	12.84	7
Key performance ratios:									
Return on common equity - GAAP (2)(4)	9.98%	8.54%	9.89%	9.61%	9.54%		9.27%	9.06%	
Return on common equity - operating (1)(2)(4)	10.39	10.25	10.51	10.34	9.81		10.32	9.51	
Return on tangible common equity - operating (1)(2)(3)(4)	12.19	12.10	12.47	12.45	11.56		12.15	11.24	
Return on assets - GAAP (4)	1.06	.89	1.03	1.00	1.04		.98	.98	
Return on assets - operating (1)(4)	1.10	1.07	1.10	1.08	1.07		1.09	1.03	
Dividend payout ratio - GAAP	23.08	27.27	21.05	22.22	20.00		25.00	21.21	
Dividend payout ratio - operating (1)	21.95	23.08	20.00	20.51	19.44		22.50	20.29	
Net interest margin (fully taxable equivalent) (4)	3.47	3.45	3.34	3.34	3.35		3.46	3.38	
Efficiency ratio - GAAP	57.89	59.29	57.65	60.78	59.02		58.58	60.44	
Efficiency ratio - operating (1)	56.21	57.35	56.58	57.79	57.82		56.77	58.45	
Average equity to average assets	10.49	10.24	10.35	10.38	10.72		10.36	10.72	
Average tangible equity to average assets (3)	9.23	8.96	9.04	8.98	9.43		9.09	9.42	
Average tangible common equity to average assets (3)	9.23	8.96	9.04	8.98	9.43		9.09	9.38	
Tangible common equity to risk-weighted assets (3)(5)	12.44	12.07	11.84	12.22	12.87		12.44	12.87	
ASSET QUALITY									
Nonperforming loans	\$ 23,095	\$ 19,812	\$ 21,539	\$ 21,572	\$ 21,348	8	\$ 23,095	\$ 21,348	8
Foreclosed properties	2,739	5,060	7,949	9,187	6,176	(56)	2,739	6,176	(56)
Total nonperforming assets (NPAs)	25,834	24,872	29,488	30,759	27,524	(6)	25,834	27,524	(6)
Allowance for loan losses	59,500	60,543	61,422	62,961	64,253	(7)	59,500	64,253	(7)
Net charge-offs	1,623	1,679	1,539	1,359	1,730	(6)	3,302	3,868	(15)
Allowance for loan losses to loans	.85%	.87%	.89%	.94%	1.02%		.85%	1.02%	
Net charge-offs to average loans (4)	.09	.10	.09	.08	.11		.10	.13	
NPAs to loans and foreclosed properties	.37	.36	.43	.46	.44		.37	.44	
NPAs to total assets	.24	.23	.28	.30	.28		.24	.28	
AVERAGE BALANCES (\$ in millions)									
Loans	\$ 6,980	\$ 6,904	\$ 6,814	\$ 6,675	\$ 6,151	13	\$ 6,942	\$ 6,077	14
Investment securities	2,775	2,822	2,690	2,610	2,747	1	2,798	2,733	2
Earning assets	9,899	9,872	9,665	9,443	9,037	10	9,885	8,956	10
Total assets	10,704	10,677	10,484	10,281	9,809	9	10,691	9,721	10
Deposits	8,659	8,592	8,552	8,307	7,897	10	8,626	7,922	9
Shareholders' equity	1,123	1,093	1,085	1,067	1,051	7	1,108	1,042	6
Common shares - basic (thousands)	71,810	71,700	71,641	71,556	72,202	(1)	71,798	72,187	(1)
Common shares - diluted (thousands)	71,820	71,708	71,648	71,561	72,207	(1)	71,809	72,191	(1)
AT PERIOD END (\$ in millions)									
Loans	\$ 7,041	\$ 6,965	\$ 6,921	\$ 6,725	\$ 6,287	12	\$ 7,041	\$ 6,287	12
Investment securities	2,787	2,767	2,762	2,560	2,677	4	2,787	2,677	4
Total assets	10,837	10,732	10,709	10,298	9,928	9	10,837	9,928	9
Deposits	8,736	8,752	8,638	8,442	7,857	11	8,736	7,857	11
Shareholders' equity	1,133	1,102	1,076	1,079	1,060	7	1,133	1,060	7
Common shares outstanding (thousands)	70,981	70,973	70,899	70,861	71,122	-	70,981	71,122	-

(1) Excludes merger-related and other 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 cancelled 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) Second quarter 2017 ratio is preliminary.

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

	2017		2016			For the Six Months Ended	
	Second Quarter	First Quarter	Fourth Quarter	Third Quarter	Second Quarter	2017	2016
<i>(in thousands, except per share data)</i>							
Expense reconciliation							
Expenses (GAAP)	\$ 63,229	\$ 62,826	\$ 61,321	\$ 64,023	\$ 58,060	\$ 126,055	\$ 115,945
Merger-related and other charges	(1,830)	(2,054)	(1,141)	(3,152)	(1,176)	(3,884)	(3,829)
Expenses - operating	<u>\$ 61,399</u>	<u>\$ 60,772</u>	<u>\$ 60,180</u>	<u>\$ 60,871</u>	<u>\$ 56,884</u>	<u>\$ 122,171</u>	<u>\$ 112,116</u>
Net income reconciliation							
Net income (GAAP)	\$ 28,267	\$ 23,524	\$ 27,221	\$ 25,874	\$ 25,266	\$ 51,791	\$ 47,561
Merger-related and other charges	1,830	2,054	1,141	3,152	1,176	3,884	3,829
Income tax benefit of merger-related and other charges	(675)	(758)	(432)	(1,193)	(445)	(1,433)	(1,449)
Impairment of deferred tax asset on canceled non-qualified stock options	-	-	976	-	-	-	-
Release of disproportionate tax effects lodged in OCI	-	3,400	-	-	-	3,400	-
Net income - operating	<u>\$ 29,422</u>	<u>\$ 28,220</u>	<u>\$ 28,906</u>	<u>\$ 27,833</u>	<u>\$ 25,997</u>	<u>\$ 57,642</u>	<u>\$ 49,941</u>
Net income available to common shareholders reconciliation							
Net income available to common shareholders (GAAP)	\$ 28,267	\$ 23,524	\$ 27,221	\$ 25,874	\$ 25,266	\$ 51,791	\$ 47,540
Merger-related and other charges	1,830	2,054	1,141	3,152	1,176	3,884	3,829
Income tax benefit of merger-related and other charges	(675)	(758)	(432)	(1,193)	(445)	(1,433)	(1,449)
Impairment of deferred tax asset on canceled non-qualified stock options	-	-	976	-	-	-	-
Release of disproportionate tax effects lodged in OCI	-	3,400	-	-	-	3,400	-
Net income available to common shareholders - operating	<u>\$ 29,422</u>	<u>\$ 28,220</u>	<u>\$ 28,906</u>	<u>\$ 27,833</u>	<u>\$ 25,997</u>	<u>\$ 57,642</u>	<u>\$ 49,920</u>
Diluted income per common share reconciliation							
Diluted income per common share (GAAP)	\$.39	\$.33	\$.38	\$.36	\$.35	\$.72	\$.66
Merger-related and other charges	.02	.01	.01	.03	.01	.03	.03
Impairment of deferred tax asset on canceled non-qualified stock options	-	-	.01	-	-	-	-
Release of disproportionate tax effects lodged in OCI	-	.05	-	-	-	.05	-
Diluted income per common share - operating	<u>\$.41</u>	<u>\$.39</u>	<u>\$.40</u>	<u>\$.39</u>	<u>\$.36</u>	<u>\$.80</u>	<u>\$.69</u>
Book value per common share reconciliation							
Book value per common share (GAAP)	\$ 15.83	\$ 15.40	\$ 15.06	\$ 15.12	\$ 14.80	\$ 15.83	\$ 14.80
Effect of goodwill and other intangibles	(2.09)	(2.10)	(2.11)	(2.12)	(1.96)	(2.09)	(1.96)
Tangible book value per common share	<u>\$ 13.74</u>	<u>\$ 13.30</u>	<u>\$ 12.95</u>	<u>\$ 13.00</u>	<u>\$ 12.84</u>	<u>\$ 13.74</u>	<u>\$ 12.84</u>
Return on tangible common equity reconciliation							
Return on common equity (GAAP)	9.98%	8.54%	9.89%	9.61%	9.54%	9.27%	9.06%
Merger-related and other charges	.41	.47	.26	.73	.27	.44	.45
Impairment of deferred tax asset on canceled non-qualified stock options	-	-	.36	-	-	-	-
Release of disproportionate tax effects lodged in OCI	-	1.24	-	-	-	.61	-
Return on common equity - operating	<u>10.39</u>	<u>10.25</u>	<u>10.51</u>	<u>10.34</u>	<u>9.81</u>	<u>10.32</u>	<u>9.51</u>
Effect of goodwill and other intangibles	<u>1.80</u>	<u>1.85</u>	<u>1.96</u>	<u>2.11</u>	<u>1.75</u>	<u>1.83</u>	<u>1.73</u>
Return on tangible common equity - operating	<u>12.19%</u>	<u>12.10%</u>	<u>12.47%</u>	<u>12.45%</u>	<u>11.56%</u>	<u>12.15%</u>	<u>11.24%</u>
Return on assets reconciliation							
Return on assets (GAAP)	1.06%	.89%	1.03%	1.00%	1.04%	.98%	.98%
Merger-related and other charges	.04	.05	.03	.08	.03	.05	.05
Impairment of deferred tax asset on canceled non-qualified stock options	-	-	.04	-	-	-	-
Release of disproportionate tax effects lodged in OCI	-	.13	-	-	-	.06	-
Return on assets - operating	<u>1.10%</u>	<u>1.07%</u>	<u>1.10%</u>	<u>1.08%</u>	<u>1.07%</u>	<u>1.09%</u>	<u>1.03%</u>
Dividend payout ratio reconciliation							
Dividend payout ratio (GAAP)	23.08%	27.27%	21.05%	22.22%	20.00%	25.00%	21.21%
Merger-related and other charges	(1.13)	(.98)	(.54)	(1.71)	(.56)	(1.00)	(.92)
Impairment of deferred tax asset on canceled non-qualified stock options	-	-	(.51)	-	-	-	-
Release of disproportionate tax effects lodged in OCI	-	(3.21)	-	-	-	(1.50)	-
Dividend payout ratio - operating	<u>21.95%</u>	<u>23.08%</u>	<u>20.00%</u>	<u>20.51%</u>	<u>19.44%</u>	<u>22.50%</u>	<u>20.29%</u>
Efficiency ratio reconciliation							
Efficiency ratio (GAAP)	57.89%	59.29%	57.65%	60.78%	59.02%	58.58%	60.44%
Merger-related and other charges	(1.68)	(1.94)	(1.07)	(2.99)	(1.20)	(1.81)	(1.99)
Efficiency ratio - operating	<u>56.21%</u>	<u>57.35%</u>	<u>56.58%</u>	<u>57.79%</u>	<u>57.82%</u>	<u>56.77%</u>	<u>58.45%</u>
Average equity to assets reconciliation							
Equity to assets (GAAP)	10.49%	10.24%	10.35%	10.38%	10.72%	10.36%	10.72%
Effect of goodwill and other intangibles	(1.26)	(1.28)	(1.31)	(1.40)	(1.29)	(1.27)	(1.30)
Tangible equity to assets	<u>9.23</u>	<u>8.96</u>	<u>9.04</u>	<u>8.98</u>	<u>9.43</u>	<u>9.09</u>	<u>9.42</u>
Effect of preferred equity	-	-	-	-	-	-	(.04)
Tangible common equity to assets	<u>9.23%</u>	<u>8.96%</u>	<u>9.04%</u>	<u>8.98%</u>	<u>9.43%</u>	<u>9.09%</u>	<u>9.38%</u>
Tangible common equity to risk-weighted assets reconciliation ⁽¹⁾							
Tier 1 capital ratio (Regulatory)	11.92%	11.46%	11.23%	11.04%	11.44%	11.92%	11.44%
Effect of other comprehensive income	(.15)	(.24)	(.34)	-	(.06)	(.15)	(.06)
Effect of deferred tax limitation	.94	1.13	1.26	1.50	1.63	.94	1.63
Effect of trust preferred	(.25)	(.25)	(.25)	(.26)	(.08)	(.25)	(.08)
Basel III intangibles transition adjustment	(.02)	(.03)	(.06)	(.06)	(.06)	(.02)	(.06)
Tangible common equity to risk-weighted assets	<u>12.44%</u>	<u>12.07%</u>	<u>11.84%</u>	<u>12.22%</u>	<u>12.87%</u>	<u>12.44%</u>	<u>12.87%</u>

(1) Second 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
	Second Quarter	First Quarter	Fourth Quarter	Third Quarter	Second Quarter		
LOANS BY CATEGORY							
Owner occupied commercial RE	\$ 1,723	\$ 1,633	\$ 1,650	\$ 1,587	\$ 1,527	\$ 90	\$ 196
Income producing commercial RE	1,342	1,297	1,282	1,277	1,101	45	241
Commercial & industrial	1,088	1,080	1,070	994	925	8	163
Commercial construction	587	667	634	567	565	(80)	22
Total commercial	4,740	4,677	4,636	4,425	4,118	63	622
Residential mortgage	881	860	857	814	784	21	97
Home equity lines of credit	665	659	655	693	616	6	49
Residential construction	193	197	190	200	170	(4)	23
Consumer installment	562	572	583	593	599	(10)	(37)
Total loans	<u>\$ 7,041</u>	<u>\$ 6,965</u>	<u>\$ 6,921</u>	<u>\$ 6,725</u>	<u>\$ 6,287</u>	76	754
LOANS BY MARKET							
North Georgia	\$ 1,065	\$ 1,076	\$ 1,097	\$ 1,110	\$ 1,097	(11)	(32)
Atlanta MSA	1,445	1,408	1,399	1,332	1,314	37	131
North Carolina	541	541	545	548	543	-	(2)
Coastal Georgia	623	591	581	565	541	32	82
Gainesville MSA	246	252	248	236	240	(6)	6
East Tennessee	486	483	504	506	509	3	(23)
South Carolina	1,260	1,243	1,233	1,199	862	17	398
Commercial Banking Solutions	926	911	855	763	706	15	220
Indirect auto	449	460	459	466	475	(11)	(26)
Total loans	<u>\$ 7,041</u>	<u>\$ 6,965</u>	<u>\$ 6,921</u>	<u>\$ 6,725</u>	<u>\$ 6,287</u>	76	754

UNITED COMMUNITY BANKS, INC.

Financial Highlights

Credit Quality

<i>(in thousands)</i>	Second Quarter 2017			First Quarter 2017			Fourth Quarter 2016		
	Nonperforming Loans	Foreclosed Properties	Total NPAs	Nonperforming Loans	Foreclosed Properties	Total NPAs	Nonperforming Loans	Foreclosed Properties	Total NPAs
NONPERFORMING ASSETS BY CATEGORY									
Owner occupied CRE	\$ 5,248	\$ 580	\$ 5,828	\$ 6,135	\$ 1,238	\$ 7,373	\$ 7,373	\$ 3,145	\$ 10,518
Income producing CRE	2,587	-	2,587	1,540	21	1,561	1,324	36	1,360
Commercial & industrial	1,010	-	1,010	929	-	929	966	-	966
Commercial construction	2,530	611	3,141	1,069	2,825	3,894	1,538	2,977	4,515
Total commercial	11,375	1,191	12,566	9,673	4,084	13,757	11,201	6,158	17,359
Residential mortgage	7,886	457	8,343	6,455	660	7,115	6,368	1,260	7,628
Home equity lines of credit	2,152	201	2,353	1,848	261	2,109	1,831	531	2,362
Residential construction	287	890	1,177	417	55	472	776	-	776
Consumer installment	1,395	-	1,395	1,419	-	1,419	1,363	-	1,363
Total NPAs	\$ 23,095	\$ 2,739	\$ 25,834	\$ 19,812	\$ 5,060	\$ 24,872	\$ 21,539	\$ 7,949	\$ 29,488
NONPERFORMING ASSETS BY MARKET									
North Georgia	\$ 5,449	\$ 225	\$ 5,674	\$ 5,344	\$ 570	\$ 5,914	\$ 5,278	\$ 856	\$ 6,134
Atlanta MSA	906	423	1,329	715	645	1,360	1,259	716	1,975
North Carolina	4,700	472	5,172	4,897	355	5,252	4,750	632	5,382
Coastal Georgia	2,542	-	2,542	942	-	942	1,778	-	1,778
Gainesville MSA	622	-	622	728	-	728	279	-	279
East Tennessee	2,216	103	2,319	2,112	633	2,745	2,354	675	3,029
South Carolina	3,472	1,516	4,988	1,725	2,857	4,582	2,494	5,070	7,564
Commercial Banking Solutions	1,914	-	1,914	2,032	-	2,032	2,072	-	2,072
Indirect auto	1,274	-	1,274	1,317	-	1,317	1,275	-	1,275
Total NPAs	\$ 23,095	\$ 2,739	\$ 25,834	\$ 19,812	\$ 5,060	\$ 24,872	\$ 21,539	\$ 7,949	\$ 29,488
NONPERFORMING ASSETS ACTIVITY									
Beginning Balance	\$ 19,812	\$ 5,060	\$ 24,872	\$ 21,539	\$ 7,949	\$ 29,488	\$ 21,572	\$ 9,187	\$ 30,759
Acquisitions	-	-	-	-	-	-	-	-	-
Loans placed on non-accrual	8,110	-	8,110	3,172	-	3,172	6,346	-	6,346
Payments received	(2,955)	-	(2,955)	(3,046)	-	(3,046)	(3,832)	-	(3,832)
Loan charge-offs	(1,564)	-	(1,564)	(1,292)	-	(1,292)	(1,293)	-	(1,293)
Foreclosures	(308)	481	173	(561)	561	-	(1,254)	1,530	276
Capitalized costs	-	-	-	-	-	-	-	26	26
Property sales	-	(2,704)	(2,704)	-	(3,077)	(3,077)	-	(2,737)	(2,737)
Write downs	-	(294)	(294)	-	(480)	(480)	-	(254)	(254)
Net gains (losses) on sales	-	196	196	-	107	107	-	197	197
Ending Balance	\$ 23,095	\$ 2,739	\$ 25,834	\$ 19,812	\$ 5,060	\$ 24,872	\$ 21,539	\$ 7,949	\$ 29,488

<i>(in thousands)</i>	Second Quarter 2017		First Quarter 2017		Fourth Quarter 2016	
	Net Charge-Offs	Net Charge-Offs to Average Loans ⁽¹⁾	Net Charge-Offs	Net Charge-Offs to Average Loans ⁽¹⁾	Net Charge-Offs	Net Charge-Offs to Average Loans ⁽¹⁾
NET CHARGE-OFFS BY CATEGORY						
Owner occupied CRE	\$ 37	.01%	\$ (212)	(.05)%	\$ 1	-.%
Income producing CRE	184	.06	870	.28	527	.16
Commercial & industrial	354	.13	(152)	(.06)	(201)	(.08)
Commercial construction	341	.22	(370)	(.23)	241	.16
Total commercial	916	.08	136	.01	568	.05
Residential mortgage	26	.01	530	.25	322	.15
Home equity lines of credit	253	.15	422	.26	151	.09
Residential construction	(53)	(.11)	(9)	(.02)	(16)	(.03)
Consumer installment	481	.34	600	.42	514	.35
Total	\$ 1,623	.09	\$ 1,679	.10	\$ 1,539	.09
NET CHARGE-OFFS BY MARKET						
North Georgia	\$ 681	.26%	\$ 15	.01%	\$ 575	.21%
Atlanta MSA	(10)	-	(46)	(.01)	12	-
North Carolina	131	.10	601	.45	714	.52
Coastal Georgia	120	.08	(223)	(.15)	118	.08
Gainesville MSA	(54)	(.09)	358	.58	(32)	(.05)
East Tennessee	27	.02	55	.05	(139)	(.11)
South Carolina	526	.17	425	.14	(2)	-
Commercial Banking Solutions	(17)	(.01)	195	.09	(21)	(.01)
Indirect auto	219	.19	299	.27	314	.27
Total	\$ 1,623	.09	\$ 1,679	.10	\$ 1,539	.09

(1) Annualized.

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

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
(in thousands, except per share data)	2017	2016	2017	2016
Interest revenue:				
Loans, including fees	\$ 74,825	\$ 63,472	\$ 147,552	\$ 127,448
Investment securities, including tax exempt of \$357, \$149, \$636, and \$315	17,778	16,833	35,490	32,621
Deposits in banks and short-term investments	563	777	1,082	1,734
Total interest revenue	<u>93,166</u>	<u>81,082</u>	<u>184,124</u>	<u>161,803</u>
Interest expense:				
Deposits:				
NOW	635	444	1,232	929
Money market	1,559	1,206	2,985	2,314
Savings	28	30	55	59
Time	1,379	743	2,387	1,385
Total deposit interest expense	<u>3,601</u>	<u>2,423</u>	<u>6,659</u>	<u>4,687</u>
Short-term borrowings	101	93	141	180
Federal Home Loan Bank advances	1,464	983	2,894	1,716
Long-term debt	2,852	2,665	5,728	5,350
Total interest expense	<u>8,018</u>	<u>6,164</u>	<u>15,422</u>	<u>11,933</u>
Net interest revenue	85,148	74,918	168,702	149,870
(Release of) provision for credit losses	800	(300)	1,600	(500)
Net interest revenue after provision for credit losses	<u>84,348</u>	<u>75,218</u>	<u>167,102</u>	<u>150,370</u>
Fee revenue:				
Service charges and fees	10,701	10,515	21,305	20,641
Mortgage loan and other related fees	4,811	4,448	9,235	7,737
Brokerage fees	1,146	1,117	2,556	2,170
Gains from sales of government guaranteed loans	2,626	2,801	4,585	4,038
Securities gains, net	4	282	2	661
Other	4,397	4,334	8,076	6,856
Total fee revenue	<u>23,685</u>	<u>23,497</u>	<u>45,759</u>	<u>42,103</u>
Total revenue	<u>108,033</u>	<u>98,715</u>	<u>212,861</u>	<u>192,473</u>
Operating expenses:				
Salaries and employee benefits	37,338	33,572	74,029	66,634
Communications and equipment	4,978	4,393	9,896	8,683
Occupancy	4,908	4,538	9,857	9,261
Advertising and public relations	1,260	1,323	2,321	2,187
Postage, printing and supplies	1,346	1,298	2,716	2,578
Professional fees	2,371	3,189	5,415	5,889
FDIC assessments and other regulatory charges	1,348	1,517	2,631	3,041
Amortization of intangibles	900	987	1,873	1,997
Merger-related and other charges	1,830	1,176	3,884	3,829
Other	6,950	6,067	13,433	11,846
Total operating expenses	<u>63,229</u>	<u>58,060</u>	<u>126,055</u>	<u>115,945</u>
Net income before income taxes	44,804	40,655	86,806	76,528
Income tax expense	16,537	15,389	35,015	28,967
Net income	<u>28,267</u>	<u>25,266</u>	<u>51,791</u>	<u>47,561</u>
Preferred stock dividends and discount accretion	-	-	-	21
Net income available to common shareholders	<u>\$ 28,267</u>	<u>\$ 25,266</u>	<u>\$ 51,791</u>	<u>\$ 47,540</u>
Earnings per common share:				
Basic	\$.39	\$.35	\$.72	\$.66
Diluted	.39	.35	.72	.66
Weighted average common shares outstanding:				
Basic	71,810	72,202	71,798	72,187
Diluted	71,820	72,207	71,809	72,191

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

(in thousands, except share and per share data)

	June 30, 2017	December 31, 2016
ASSETS		
Cash and due from banks	\$ 103,616	\$ 99,489
Interest-bearing deposits in banks	129,570	117,859
Cash and cash equivalents	233,186	217,348
Securities available for sale	2,474,592	2,432,438
Securities held to maturity (fair value \$316,583 and \$333,170)	312,002	329,843
Mortgage loans held for sale (includes \$24,109 and \$27,891 at fair value)	25,711	29,878
Loans, net of unearned income	7,040,932	6,920,636
Less allowance for loan losses	(59,500)	(61,422)
Loans, net	6,981,432	6,859,214
Premises and equipment, net	189,614	189,938
Bank owned life insurance	155,026	143,543
Accrued interest receivable	26,938	28,018
Net deferred tax asset	119,594	154,336
Derivative financial instruments	21,640	23,688
Goodwill and other intangible assets	154,350	156,222
Other assets	143,325	144,189
Total assets	\$ 10,837,410	\$ 10,708,655
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities:		
Deposits:		
Demand	\$ 2,818,668	\$ 2,637,004
NOW	1,874,850	1,989,763
Money market	1,808,736	1,846,440
Savings	581,706	549,713
Time	1,273,112	1,287,142
Brokered	378,663	327,496
Total deposits	8,735,735	8,637,558
Short-term borrowings	-	5,000
Federal Home Loan Bank advances	669,065	709,209
Long-term debt	175,363	175,078
Derivative financial instruments	24,260	27,648
Accrued expenses and other liabilities	100,346	78,427
Total liabilities	9,704,769	9,632,920
Shareholders' equity:		
Common stock, \$1 par value; 150,000,000 shares authorized; 70,980,916 and 70,899,114 shares issued and outstanding	70,981	70,899
Common stock issuable; 550,449 and 519,874 shares	8,062	7,327
Capital surplus	1,277,822	1,275,849
Accumulated deficit	(212,607)	(251,857)
Accumulated other comprehensive loss	(11,617)	(26,483)
Total shareholders' equity	1,132,641	1,075,735
Total liabilities and shareholders' equity	\$ 10,837,410	\$ 10,708,655

UNITED COMMUNITY BANKS, INC.
Average Consolidated Balance Sheets and Net Interest Analysis
For the Three Months Ended June 30,

<i>(dollars in thousands, fully taxable equivalent (FTE))</i>	2017			2016		
	Average Balance	Interest	Avg. Rate	Average Balance	Interest	Avg. Rate
Assets:						
Interest-earning assets:						
Loans, net of unearned income (FTE) ⁽¹⁾⁽²⁾	\$ 6,979,980	\$ 74,811	4.30%	\$ 6,150,654	\$ 63,485	4.15%
Taxable securities ⁽³⁾	2,719,390	17,421	2.56	2,720,061	16,684	2.45
Tax-exempt securities (FTE) ⁽¹⁾⁽³⁾	55,992	584	4.17	27,434	244	3.56
Federal funds sold and other interest-earning assets	143,143	743	2.08	138,622	912	2.63
Total interest-earning assets (FTE)	9,898,505	93,559	3.79	9,036,771	81,325	3.62
Non-interest-earning assets:						
Allowance for loan losses	(61,163)			(66,104)		
Cash and due from banks	104,812			94,920		
Premises and equipment	192,906			182,609		
Other assets ⁽³⁾	569,435			560,357		
Total assets	\$ 10,704,495			\$ 9,808,553		
Liabilities and Shareholders' Equity:						
Interest-bearing liabilities:						
Interest-bearing deposits:						
NOW	\$ 1,901,890	635	.13	\$ 1,755,726	444	.10
Money market	2,064,143	1,559	.30	1,866,913	1,206	.26
Savings	575,960	28	.02	497,973	30	.02
Time	1,274,009	1,136	.36	1,205,066	675	.23
Brokered time deposits	111,983	243	.87	187,481	68	.15
Total interest-bearing deposits	5,927,985	3,601	.24	5,513,159	2,423	.18
Federal funds purchased and other borrowings	37,317	101	1.09	11,000	93	3.40
Federal Home Loan Bank advances	594,815	1,464	.99	589,246	983	.67
Long-term debt	175,281	2,852	6.53	164,020	2,665	6.53
Total borrowed funds	807,413	4,417	2.19	764,266	3,741	1.97
Total interest-bearing liabilities	6,735,398	8,018	.48	6,277,425	6,164	.39
Non-interest-bearing liabilities:						
Non-interest-bearing deposits	2,731,217			2,383,894		
Other liabilities	114,873			96,067		
Total liabilities	9,581,488			8,757,386		
Shareholders' equity	1,123,007			1,051,167		
Total liabilities and shareholders' equity	\$ 10,704,495			\$ 9,808,553		
Net interest revenue (FTE)		\$ 85,541			\$ 75,161	
Net interest-rate spread (FTE)			3.31%			3.23%
Net interest margin (FTE) ⁽⁴⁾			3.47%			3.35%

(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 gains of \$6.58 million in 2017 and \$12.3 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.

UNITED COMMUNITY BANKS, INC.
Average Consolidated Balance Sheets and Net Interest Analysis
For the Six Months Ended June 30,

<i>(dollars in thousands, fully taxable equivalent (FTE))</i>	2017			2016		
	Average Balance	Interest	Avg. Rate	Average Balance	Interest	Avg. Rate
Assets:						
Interest-earning assets:						
Loans, net of unearned income (FTE) ⁽¹⁾⁽²⁾	\$ 6,942,130	\$ 147,552	4.29%	\$ 6,077,111	\$ 127,529	4.22%
Taxable securities ⁽³⁾	2,749,339	34,854	2.54	2,704,309	32,306	2.39
Tax-exempt securities (FTE) ⁽¹⁾⁽³⁾	49,125	1,041	4.24	28,590	516	3.61
Federal funds sold and other interest-earning assets	144,577	1,407	1.95	146,192	1,965	2.69
Total interest-earning assets (FTE)	9,885,171	184,854	3.76	8,956,202	162,316	3.64
Non-interest-earning assets:						
Allowance for loan losses	(61,414)			(67,289)		
Cash and due from banks	102,048			90,278		
Premises and equipment	191,509			181,350		
Other assets ⁽³⁾	573,281			560,813		
Total assets	\$ 10,690,595			\$ 9,721,354		
Liabilities and Shareholders' Equity:						
Interest-bearing liabilities:						
Interest-bearing deposits:						
NOW	\$ 1,930,624	1,232	.13	\$ 1,821,100	929	.10
Money market	2,064,792	2,985	.29	1,853,749	2,314	.25
Savings	568,339	55	.02	489,106	59	.02
Time	1,269,005	1,951	.31	1,232,378	1,492	.24
Brokered time deposits	105,199	436	.84	210,347	(107)	(.10)
Total interest-bearing deposits	<u>5,937,959</u>	<u>6,659</u>	.23	<u>5,606,680</u>	<u>4,687</u>	.17
Federal funds purchased and other borrowings	28,225	141	1.01	22,953	180	1.58
Federal Home Loan Bank advances	637,728	2,894	.92	467,708	1,716	.74
Long-term debt	175,212	5,728	6.59	164,720	5,350	6.53
Total borrowed funds	<u>841,165</u>	<u>8,763</u>	2.10	<u>655,381</u>	<u>7,246</u>	2.22
Total interest-bearing liabilities	6,779,124	15,422	.46	6,262,061	11,933	.38
Non-interest-bearing liabilities:						
Non-interest-bearing deposits	2,687,665			2,315,468		
Other liabilities	115,808			101,694		
Total liabilities	<u>9,582,597</u>			<u>8,679,223</u>		
Shareholders' equity	1,107,998			1,042,131		
Total liabilities and shareholders' equity	\$ 10,690,595			\$ 9,721,354		
Net interest revenue (FTE)		<u>\$ 169,432</u>			<u>\$ 150,383</u>	
Net interest-rate spread (FTE)			<u>3.30%</u>			<u>3.26%</u>
Net interest margin (FTE) ⁽⁴⁾			<u>3.46%</u>			<u>3.38%</u>

(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 gains of \$638 thousand in 2017 and \$7.28 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

SECOND QUARTER 2017
JULY 26, 2017



Disclosures

CAUTIONARY STATEMENT

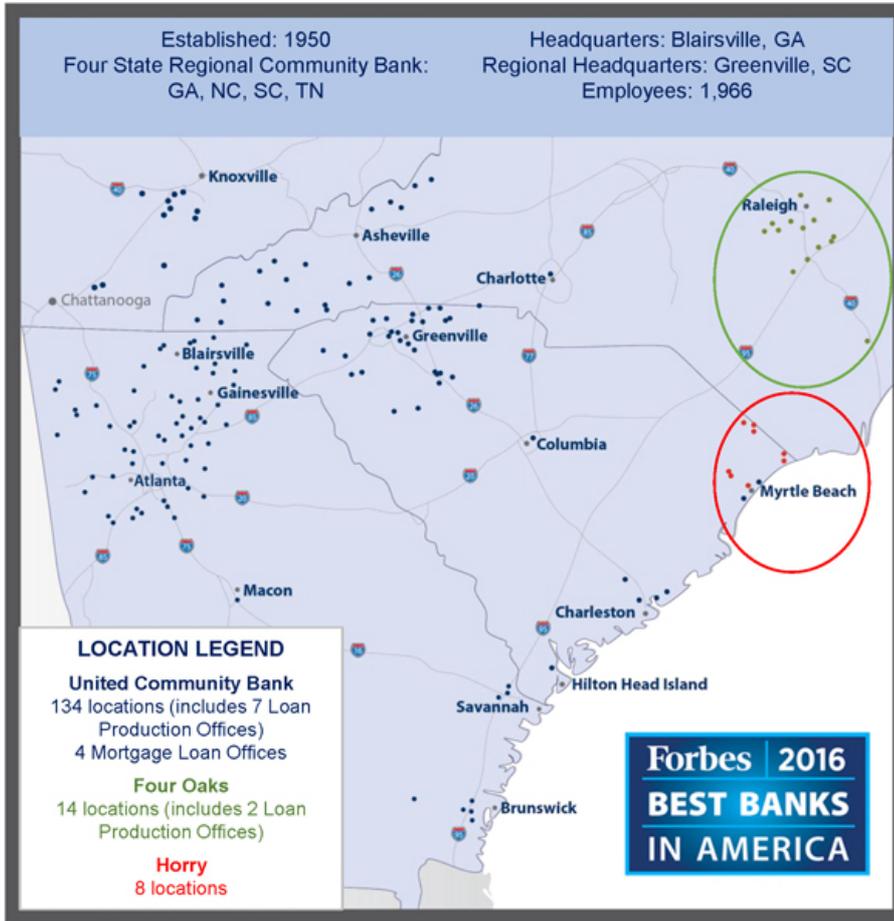
This investor presentation may contain forward-looking statements, as defined by federal securities laws, including statements about United and its financial outlook and business environment. These statements are based on current expectations and are provided to assist in the understanding of our operations 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.



Market Data

Ticker	UCBI
Price (as of 7/21/2017)	\$28.38
Market Cap	\$2.0B
P/E (2017e)	17.5x
P/TBV	213%
Avg. Daily Vol. (LTM)	437,000
Institutional Ownership	94.6%
Quarterly Dividend (2Q17)	\$0.09

Second Quarter 2017

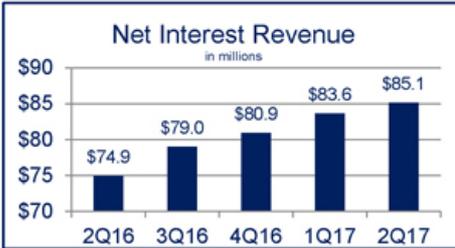
Assets	\$10.8B
Loans	\$7.0B
Deposits	\$8.7B
EPS – GAAP	\$0.39
EPS – Operating	\$0.41
Total RBC	12.7%
CET1	11.9%
NPAs/Assets	0.24%
ROA – GAAP	1.06%
ROA – Operating	1.10%
ROCE – GAAP	9.98%
ROTCE – Operating	12.19%

United Foundation The Bank that SERVICE Built®

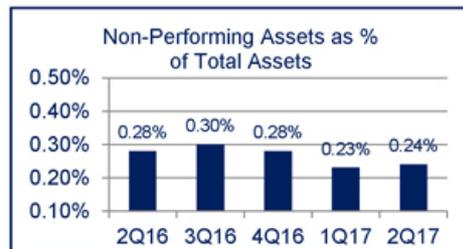
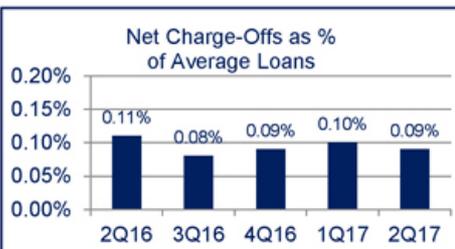
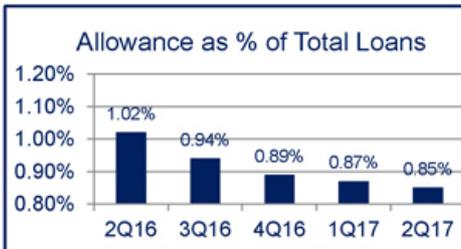
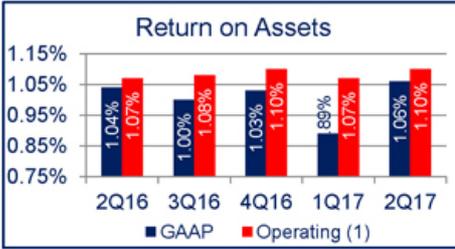


Second Quarter 2017 Highlights

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

Second Quarter 2017 Highlights

	2016			2017		Variance - Incr / (Decr)	
	2Q	3Q (3)	4Q	1Q	2Q	1Q17	2Q16
EARNINGS SUMMARY (\$ in thousands)							
Net Income Available to Common Shareholders - GAAP	\$25,266	\$25,874	\$27,221	\$23,524	\$28,267	\$ 4,743	\$ 3,001
Net Income Available to Common Shareholders - Operating ⁽¹⁾	25,997	27,833	28,906	28,220	29,422	1,202	3,425
Net Interest Revenue	74,918	78,989	80,925	83,554	85,148	1,594	10,230
Fee Revenue	23,497	26,361	25,233	22,074	23,685	1,611	188
Expenses - GAAP	58,060	64,023	61,321	62,826	63,229	403	5,169
Expenses - Operating ⁽¹⁾	56,884	60,871	60,180	60,772	61,399	627	4,515
PER SHARE DATA							
Diluted EPS - GAAP	\$ 0.35	\$ 0.36	\$ 0.38	\$ 0.33	\$ 0.39	\$ 0.06	\$ 0.04
Diluted EPS - Operating ⁽¹⁾	0.36	0.39	0.40	0.39	0.41	0.02	0.05
Book Value per Share	14.80	15.12	15.06	15.40	15.83	0.43	1.03
Tangible Book Value per Share	12.84	13.00	12.95	13.30	13.74	0.44	0.90
KEY OPERATING PERFORMANCE MEASURES							
Return on Assets - GAAP	1.04 %	1.00 %	1.03 %	0.89 %	1.06 %	0.17 %	0.02 %
Return on Assets - Operating ⁽¹⁾	1.07	1.08	1.10	1.07	1.10	0.03	0.03
Return on Common Equity - GAAP	9.54	9.61	9.89	8.54	9.98	1.44	0.44
Return on Tangible Common Equity - Operating ⁽¹⁾	11.56	12.45	12.47	12.10	12.19	0.09	0.63
Net Interest Margin (fully taxable equivalent)	3.35	3.34	3.34	3.45	3.47	0.02	0.12
Efficiency Ratio - GAAP	59.02	60.78	57.65	59.29	57.89	(1.40)	(1.13)
Efficiency Ratio - Operating ⁽¹⁾	57.82	57.79	56.58	57.35	56.21	(1.14)	(1.61)
ASSET QUALITY							
Allowance for Loan Losses to Loans	1.02 %	0.94 %	0.89 %	0.87 %	0.85 %	(0.02) %	(0.17) %
NPAs to Loans and Foreclosed Properties	0.44	0.46	0.43	0.36	0.37	0.01	(0.07)
NPAs to Total Assets	0.28	0.30	0.28	0.23	0.24	0.01	(0.04)
AT PERIOD END (\$ in millions)							
Loans	\$ 6,287	\$ 6,725	\$ 6,921	\$ 6,965	\$ 7,041	\$ 76	\$ 754
Investment Securities	2,677	2,560	2,762	2,767	2,787	20	110
Total Assets	9,928	10,298	10,709	10,732	10,837	105	909
Deposits	7,857	8,442	8,638	8,752	8,736	(16)	879

⁽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⁾ Includes Tideland as of the acquisition date of July 1, 2016

Capital Ratios

Prudent Capital Management

Holding Company	2Q17	1Q17	4Q16	3Q16	2Q16
Tier I Risk-Based Capital	11.9%	11.5%	11.3%	11.0%	11.4%
Total Risk-Based Capital	12.7	12.3	12.1	11.9	12.4
Leverage	9.0	8.6	8.5	8.4	8.5
Tier I Common Risk-Based Capital	11.9	11.4	11.3	11.0	11.4
Tangible Common Equity to Risk-Weighted Assets	12.4	12.1	11.9	12.2	12.9
Average Tangible Equity to Average Assets	9.2	9.0	9.0	9.0	9.4

- ▶ All regulatory capital ratios significantly above "well-capitalized"
- ▶ Continued strong earnings and \$74.2 million of future DTA recovery driving regulatory capital growth
- ▶ Paid second quarter shareholder dividend of \$0.09 per share on July 5, 2017 to shareholders of record on June 15, 2017; Unchanged from the first quarter shareholder dividend of \$0.09 per share and up from \$0.08 per share in 4Q16 and \$0.07 per share in 2Q16
- ▶ Stock repurchases of \$13.6 million through September 30, 2016 (764,000 shares / average price of \$17.85 per share); No purchases since 3Q16
- ▶ Tidelands acquisition completed on July 1, 2016; No shares issued
- ▶ Announced two acquisitions in 2Q17; Expect minimal impact on proforma capital ratios for 3Q17 and 4Q17

Increasing Profitability Earnings, Fee Revenue, and Expenses

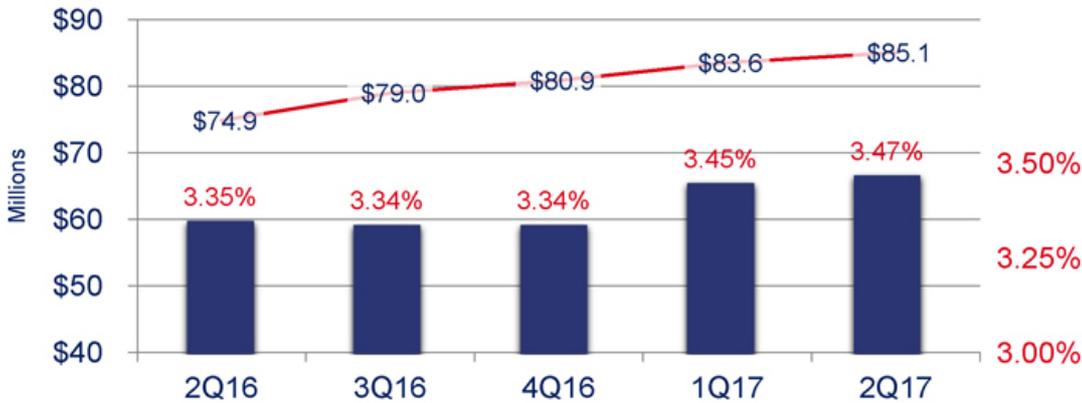


Earnings (pre-tax, pre-credit)				Fee Revenue				Expenses			
\$ in thousands				\$ in thousands				\$ in thousands			
	2Q17	Variance - Incr/(Decr)			2Q17	Variance - Incr/(Decr)			2Q17	Variance - Incr/(Decr)	
		1Q17	2Q16			1Q17	2Q16			1Q17	2Q16
Net Interest Revenue	\$ 85,148	\$ 1,594	\$ 10,230	Overdraft Fees	\$ 3,321	\$ (76)	\$ 24	Salaries & Employee Benefits	\$ 37,338	\$ 647	\$ 3,766
Fee Revenue	23,685	1,611	188	Interchange Fees	5,536	148	203	Communications & Equipment	4,978	60	585
Gross Revenue	108,833	3,205	10,418	Other Service Charges	1,844	25	(41)	Occupancy	4,908	(41)	370
Expenses - Operating ⁽¹⁾	61,399	627	4,515	Total Service Charges and Fees	10,701	97	186	FDIC Assessment	1,348	65	(169)
Pre-Tax, Pre-Credit Earnings ⁽¹⁾	47,434	2,578	5,903	Mortgage Loan & Related Fees	4,811	387	363	Advertising & Public Relations	1,260	199	(63)
Provision for Credit Losses	(800)	-	1,100	Brokerage Fees	1,146	(264)	29	Postage, Printing & Supplies	1,346	(24)	48
Release of disproportionate tax effects lodged in OCI	-	(3,400)	-	Gains from SBA Loan Sales	2,626	667	(175)	Professional Fees	2,371	(673)	(818)
Merger-Related and Other Charges	(1,830)	(224)	654	Securities Gains, Net	4	6	(278)	Other Expense	7,850	394	796
Income Taxes	(16,537)	1,459	1,148	Other	4,397	718	63	Expenses - Operating ⁽¹⁾	61,399	627	4,515
Net Income - GAAP	\$ 26,267	\$ 4,743	\$ 3,001	Fee Revenue	\$23,685	\$ 1,611	\$ 188	Merger-Related and Other Charges	1,830	(224)	654
								Expenses - GAAP	\$ 63,229	\$ 403	\$ 5,169
Net Interest Margin	3.47 %	0.02 %	0.12 %								

⁽¹⁾ 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

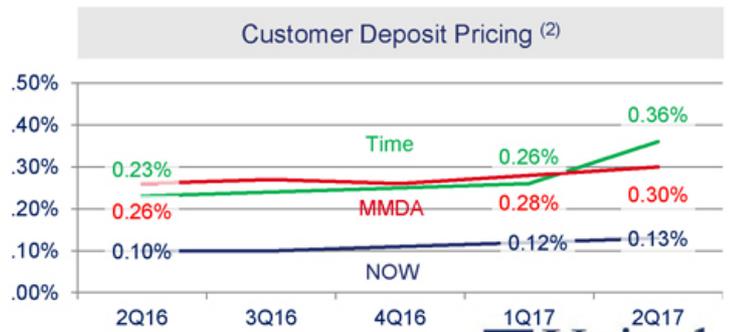
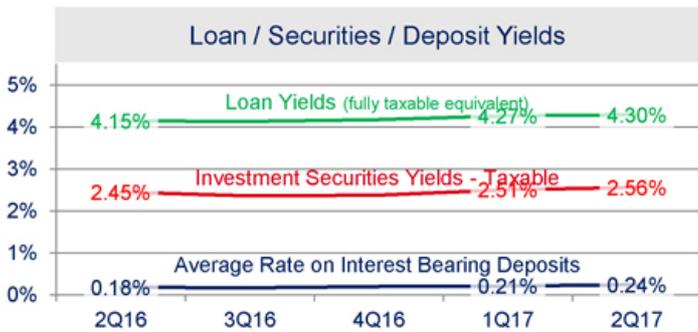
Net Interest Revenue / Margin ⁽¹⁾



2Q17 Impacted By

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

Key Drivers



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

⁽²⁾ Excludes brokered deposits

Generating Growth New Loans Funded and Advances⁽¹⁾

\$ in millions



New Loans Funded and Advances by Category

	2Q17	1Q17	2Q16	Variance-Incr(Decr)	
				1Q17	2Q16
Commercial & Industrial	\$ 161.8	\$ 106.8	\$ 168.4	\$ 55.0	\$ (6.6)
Owner-Occupied CRE	114.0	79.5	88.8	34.5	25.2
Income-Producing CRE	41.6	102.2	138.1	(60.6)	(96.5)
Commercial Constr.	121.8	116.3	49.0	5.5	72.8
Total Commercial	439.2	404.8	444.3	34.4	(5.1)
Residential Mortgage	48.3	45.1	41.9	3.2	6.4
Residential HELOC	64.7	53.9	67.1	10.8	(2.4)
Residential Construction	56.8	56.2	41.3	.6	15.5
Consumer	57.9	55.3	67.4	2.6	(9.5)
Total	\$ 666.9	\$ 615.3	\$ 662.0	\$ 51.6	\$ 4.9

New Loans Funded and Advances by Region

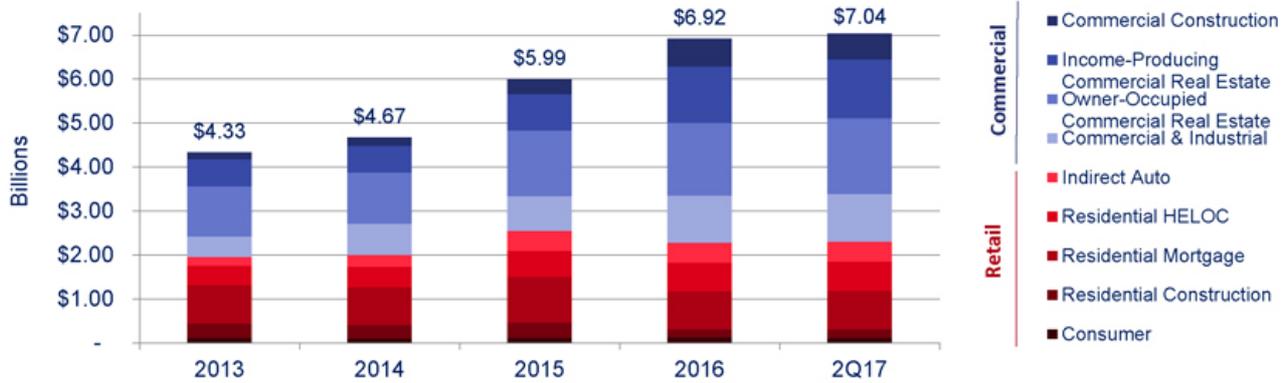
	2Q17	1Q17	2Q16	Variance-Incr(Decr)	
				1Q17	2Q16
Atlanta	\$ 122.5	\$ 112.6	\$ 141.6	\$ 9.9	(19.1)
Coastal Georgia	75.7	44.3	42.7	31.4	33.0
North Georgia	64.2	63.2	59.8	1.0	4.4
North Carolina	29.9	30.2	27.6	(.3)	2.3
Tennessee	40.2	19.7	45.8	20.5	(5.6)
Gainesville	13.2	31.7	12.5	(18.5)	0.7
South Carolina	115.0	121.1	103.0	(6.1)	12.0
Total Community Banks	460.7	422.8	433.0	37.9	27.7
Asset-based Lending	17.6	19.7	10.8	(2.1)	6.8
Commercial RE	41.1	42.0	44.8	(0.9)	(3.7)
Senior Care	8.3	24.1	-	(15.8)	8.3
Middle Market	35.4	14.0	56.7	21.4	(21.3)
SBA	35.3	25.0	44.6	10.3	(9.3)
Builder Finance	28.1	26.5	31.2	1.6	(3.1)
Total Commercial Banking Solutions	165.8	151.3	188.1	14.5	(22.3)
Indirect Auto	40.4	41.2	40.9	(.8)	(.5)
Total	\$ 666.9	\$ 615.3	\$ 662.0	\$ 51.6	\$ 4.9

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

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



Generating Growth Loan Mix



Loans by Region in millions					
	2013	2014	2015	2016	2Q17
North Georgia	\$ 1,240	\$ 1,163	\$ 1,125	\$ 1,097	\$ 1,065
Atlanta MSA	1,235	1,243	1,259	1,399	1,445
North Carolina	572	553	549	545	541
Coastal Georgia	423	456	537	581	623
Gainesville MSA	255	257	254	248	246
East Tennessee ⁽¹⁾	280	280	504	504	486
South Carolina ⁽²⁾	4	30	819	1,233	1,260
Total Community Banks	4,009	3,982	5,047	5,607	5,666
Commercial Banking					
Solutions	124	421	492	855	926
Indirect Auto ⁽³⁾	196	269	456	459	449
Total Loans	\$ 4,329	\$ 4,672	\$ 5,995	\$ 6,921	\$ 7,041

⁽¹⁾Includes \$244 million from the acquisition of FNB on May 1, 2015

⁽²⁾Includes \$733 million and \$306 million, respectively, from the acquisitions of Palmetto on September 1, 2015 and Tideland on July 1, 2016

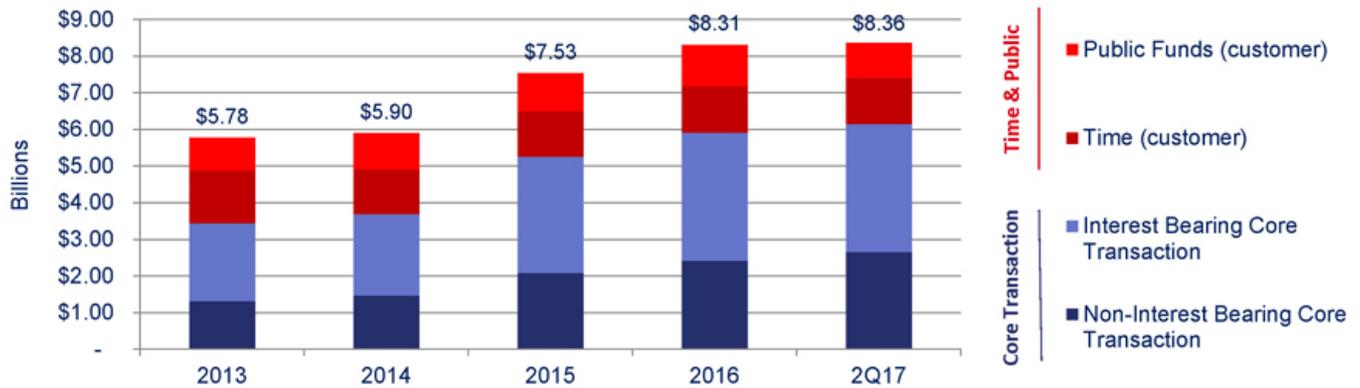
⁽³⁾Includes \$83 million from the acquisition of Palmetto on September 1, 2015

Loans by Category in millions					
	2013	2014	2015	2016	2Q17
Commercial & Industrial	\$ 471	\$ 710	\$ 785	\$ 1,070	\$ 1,088
Owner-Occupied CRE	1,238	1,257	1,571	1,650	1,723
Income-Producing CRE	807	767	1,021	1,282	1,342
Commercial Constr.	336	364	518	634	587
Total Commercial	2,852	3,098	3,895	4,636	4,740
Residential Mortgage	604	614	764	857	881
Residential HELOC	430	456	589	655	665
Residential Construction	136	131	176	190	193
Consumer	111	104	115	124	113
Indirect Auto	196	269	456	459	449
Total Loans	\$ 4,329	\$ 4,672	\$ 5,995	\$ 6,921	\$ 7,041

Note – Certain prior period amounts 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	2Q17
Demand Deposit	\$ 123	\$ 161	\$ 618	\$ 334	\$ 239
NOW	4	9	441	5	17
MMDA	73	41	325	246	(44)
Savings	24	41	177	79	31
Growth by Category	\$ 224	\$ 252	\$ 1,561	\$ 664	\$ 243
Atlanta MSA	\$ 75	\$ 84	\$ 223	\$ 168	\$ 62
North Georgia	62	90	158	133	60
North Carolina	42	35	63	62	43
Coastal Georgia	2	22	24	16	28
East Tennessee ⁽¹⁾	4	8	234	(16)	9
Gainesville MSA	19	10	34	48	18
South Carolina ⁽²⁾	20	3	825	253	23
Growth by Region	\$ 224	\$ 252	\$ 1,561	\$ 664	\$ 243

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

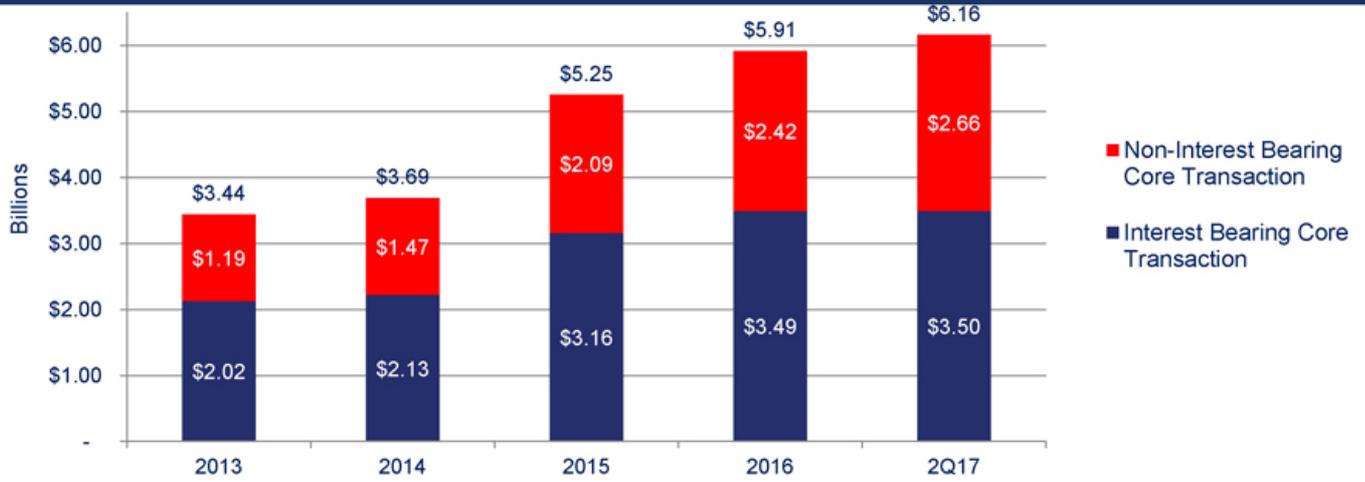
⁽²⁾Includes \$790 million and \$175 million, respectively, from the acquisition of Palmetto on September 1, 2015 and Tideland on July 1, 2016

Deposits by Category in millions

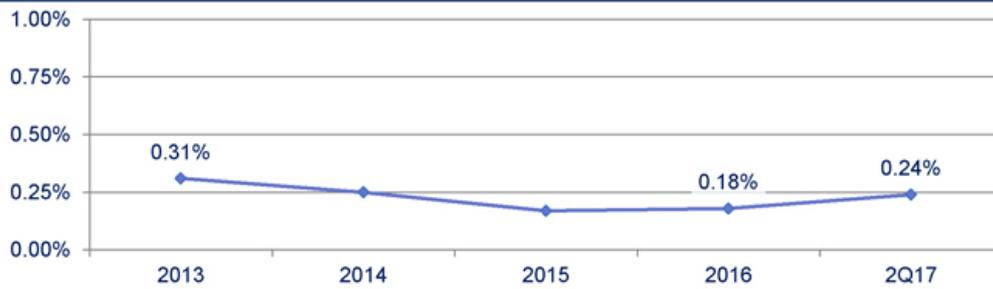
	2013	2014	2015	2016	2Q17
Non-Interest Bearing Core					
Demand Deposit	\$ 1,311	\$ 1,471	\$ 2,089	\$ 2,423	\$ 2,662
Interest Bearing Core					
NOW	659	668	1,109	1,114	1,131
MMDA	1,218	1,259	1,584	1,830	1,786
Savings	250	292	469	548	579
Total Interest Bearing Core	2,127	2,219	3,162	3,492	3,496
Total Core Trans Deposits	3,438	3,690	5,251	5,915	6,158
Time (Customer)	1,445	1,223	1,251	1,267	1,245
Public Funds (Customer)	894	989	1,032	1,128	954
Brokered	412	425	339	328	379
Total Deposits	\$ 6,189	\$ 6,327	\$ 7,873	\$ 8,638	\$ 8,736

Generating Growth Deposit Mix

High-Quality, Low-Cost Core Transaction Deposit Base



Cost of Interest Bearing Deposits



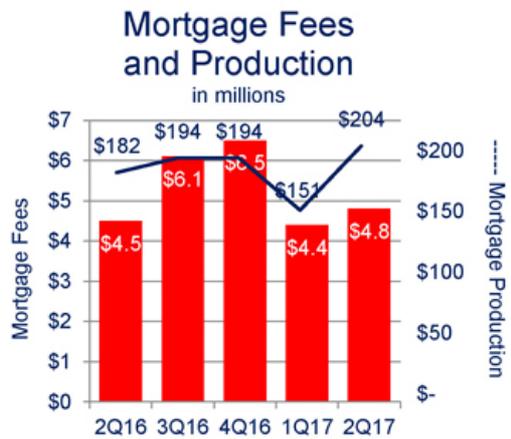
Protecting High-Quality Balance Sheet Credit Quality

\$ in millions

	2Q16		3Q16		4Q16		1Q17		2Q17	
Net Charge-offs	\$	1.7	\$	1.4	\$	1.5	\$	1.7	\$	1.6
as % of Average Loans		0.11 %		0.08 %		0.09 %		0.10 %		0.09 %
Allowance for Loan Losses	\$	64.3	\$	63.0	\$	61.4	\$	60.5	\$	59.5
as % of Total Loans		1.02 %		0.94 %		0.89 %		0.87 %		0.85 %
as % of NPLs		301		292		285		306		258
Past Due Loans (30 - 89 Days)		0.22 %		0.33 %		0.25 %		0.23 %		0.23 %
Non-Performing Loans	\$	21.3	\$	21.6	\$	21.5	\$	19.8	\$	23.1
OREO		6.2		9.2		8.0		5.1		2.7
Total NPAs		27.5		30.8		29.5		24.9		25.8
Performing Classified Loans		118.5		121.6		114.3		108.8		91.7
Total Classified Assets	\$	146.0	\$	152.4	\$	143.8	\$	133.7	\$	117.5
as % of Tier 1 / Allowance		15 %		15 %		14 %		13 %		11 %
Accruing TDRs	\$	73.3	\$	70.1	\$	67.8	\$	64.9	\$	64.7
Total NPAs										
as % of Total Assets		0.28		0.30		0.28		0.23		0.24 %
as % of Loans & OREO		0.44		0.46		0.43		0.36		0.37

Increasing Profitability

Driving Fee Revenue Through Core Banking Infrastructure



SBA

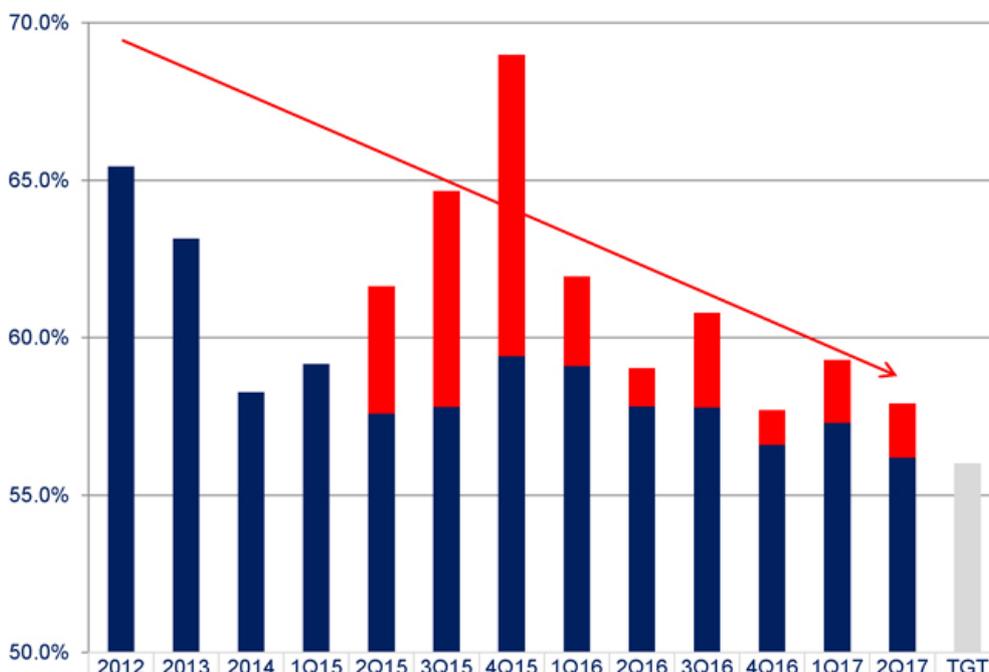
- ▶ 2Q17 Sales \$30 million
- ▶ 1Q17 Sales \$23 million
- ▶ 2Q16 Sales \$33 million
- ▶ Target market: small businesses with revenue between \$1 million and \$25 million
- ▶ Two Channels
 - Footprint
 - National Verticals

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 ⁽¹⁾



- ▶ 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	2Q17	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%	57.9%	
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%	1.7%	
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%	56.2%	56.0%

⁽¹⁾ 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 Four Oaks Fincorp, Inc.

Transaction Overview

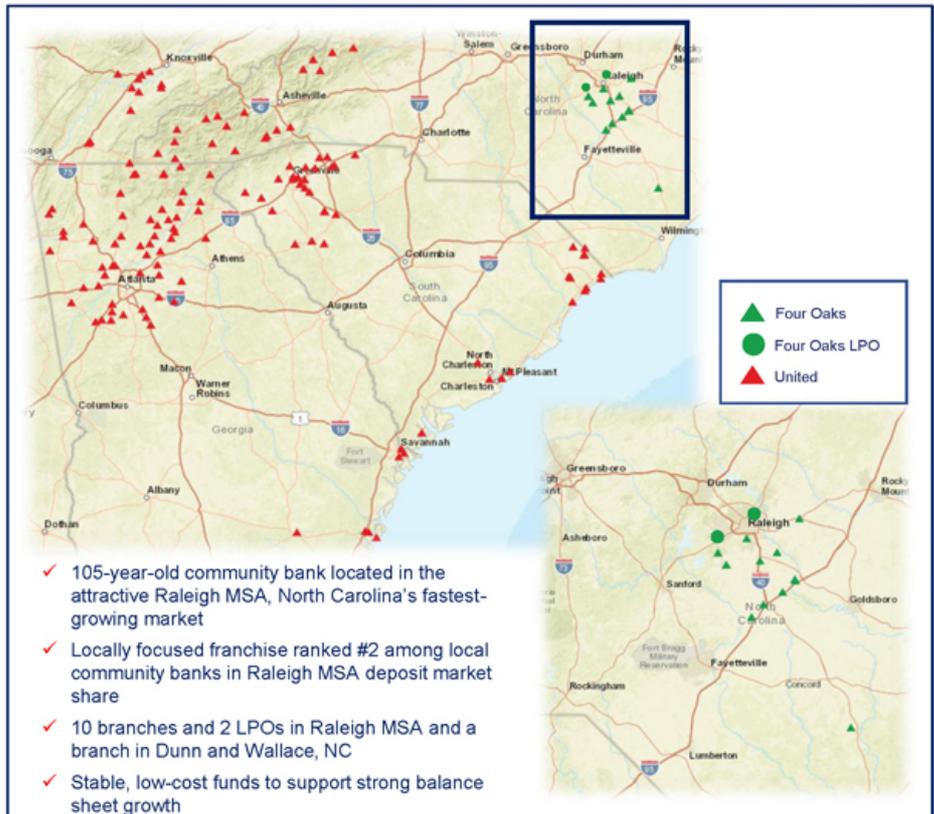
- 90% stock (0.6178 shares of United) and 10% cash (\$1.90)
 - \$124 million transaction value ⁽¹⁾
- 177% P / TBV
- An excellent springboard to grow and attract top-quality bankers in the Raleigh market

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: SNL Financial

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

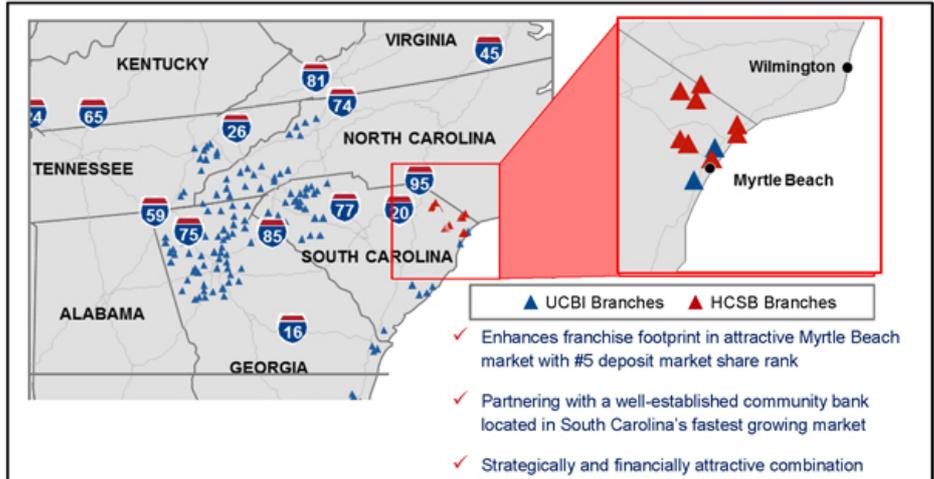
Acquisition of HCSB Financial Corporation

Transaction Overview

- 100% stock, fixed exchange ratio 0.0050x shares
 - \$66 million transaction value ⁽¹⁾
- 142% adjusted P / TBV ⁽²⁾
- 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

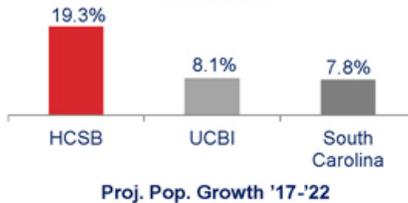


Top 5 Deposit Market Share in Myrtle Beach MSA

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

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

⁽²⁾ Tangible book value adjusted for recovery of deferred tax asset

2017 INVESTOR PRESENTATION

Exhibits

SECOND QUARTER 2017
JULY 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, Raleigh)
- ▶ Continuous emphasis on and enhancement of Mortgage product offerings to drive loan and revenue growth
- ▶ Addition of Commercial Banking Solutions platforms (income-property, asset-based, middle-market, SBA, senior care, 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	\$	269M
•House Lending Limit		28M
•Project Lending Limit		17M
•Top 25 Relationships		404M

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

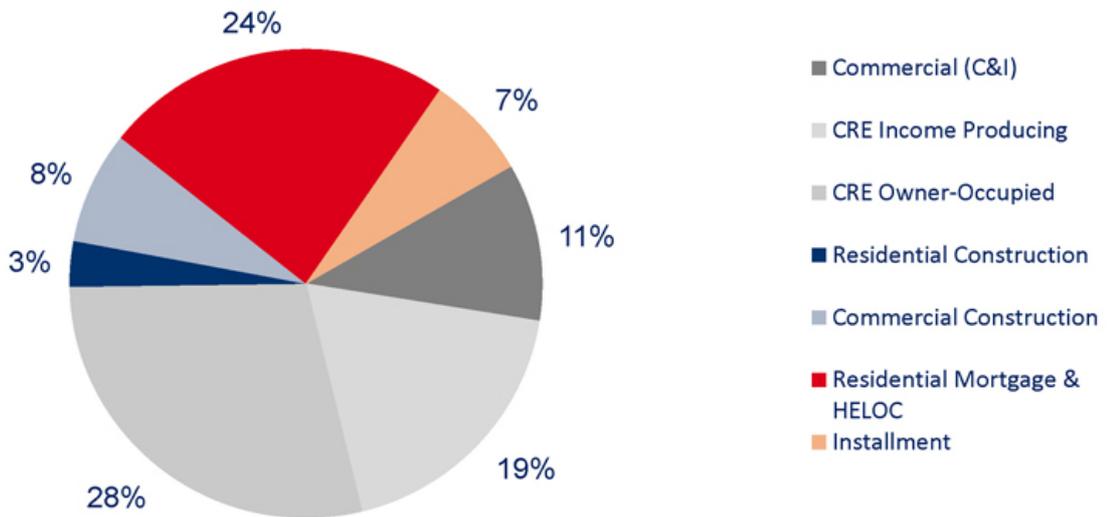
POLICY

- 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 6/30/2017

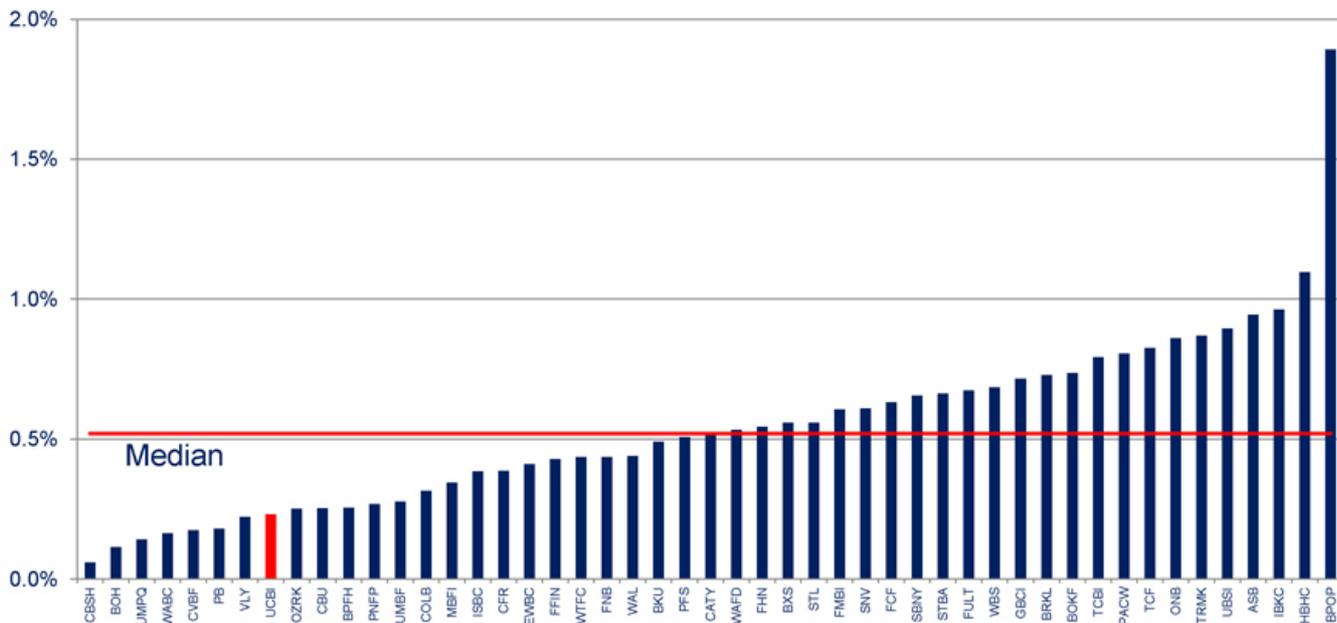


- ▶ Commercial Banking Solutions, which began in 2013, had loans totaling \$926 million at June 30, 2017 (13% of the loan portfolio).

Protecting High-Quality Balance Sheet

Excellent Credit Performance & Management

1Q17 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)

Protecting High-Quality Balance Sheet Performing Classified Loans

\$ in millions



By Category

	2Q16	3Q16	4Q16	1Q17	2Q17
Commercial & Industrial	\$ 9	\$ 10	\$ 9	\$ 10	\$ 7
Owner-Occupied CRE	38	42	42	41	34
Total Commercial & Industrial	47	52	51	51	41
Income-Producing CRE	35	32	29	24	23
Commercial Construction	6	9	9	9	5
Total Commercial	88	93	89	84	69
Residential Mortgage	20	18	15	15	13
Residential HELOC	6	5	5	6	6
Residential Construction	3	4	3	2	2
Consumer / Installment	2	2	2	2	2
Total Performing Classified	<u>\$ 119</u>	<u>\$ 122</u>	<u>\$ 114</u>	<u>\$ 109</u>	<u>\$ 92</u>

Classified to Tier 1 + ALL 15 % 15 % 14 % 13 % 11 %

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		
	2Q17 ⁽¹⁾	1Q17	2Q16	2Q17 ⁽¹⁾	1Q17	2Q16	2Q17 ⁽¹⁾	1Q17	2Q16
Commercial & Industrial	\$ 1.2	\$ 1.3	\$ 2.1	\$ -	\$ -	\$ -	\$ 1.2	\$ 1.3	\$ 2.1
Owner-Occupied CRE	23.2	23.9	26.2	0.4	0.6	1.5	23.6	24.5	27.7
Income-Producing CRE	21.8	21.6	23.9	0.3	0.1	0.1	22.1	21.7	24.0
Commercial Construction	4.0	4.1	5.1	1.0	0.8	0.2	5.0	4.9	5.3
Total Commercial	50.2	50.9	57.3	1.7	1.5	1.8	51.9	52.4	59.1
Residential Mortgage	11.7	11.6	13.5	1.9	1.9	1.1	13.6	13.5	14.6
Residential HELOC	-	0.1	0.1	0.2	-	-	0.2	0.1	0.1
Residential Construction	1.5	1.4	1.4	0.1	0.2	0.2	1.6	1.6	1.6
Consumer / Installment	1.3	0.9	1.0	0.3	0.4	0.2	1.6	1.3	1.2
Total TDRs	\$ 64.7	\$ 64.9	\$ 73.3	\$ 4.2	\$ 4.0	\$ 3.3	\$ 68.9	\$ 68.9	\$ 76.6

Accruing TDRs



► 2.3% of accruing TDRs are past due 30 – 89 days

► 71.5% of accruing TDRs are pass credits

Note – Certain prior period amounts have been reclassified to conform to the current presentation
⁽¹⁾ 86% 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	148	14.4 %	106	18.1 %
Assisted Living/Nursing Home/Rehab	169	16.4	18	3.1
Multi-Residential	95	9.2	65	11.1
Office Buildings	112	10.9	48	8.2
Commercial Residential CIP: Spec	81	7.9	55	9.4
Land Develop - Vacant (Improved)	61	5.9	47	8.0
Commercial Residential Land	62	6.0	59	10.1
Development: Builder Lots				
Hotels / Motels	61	5.9	17	2.9
Other Properties	48	4.7	34	5.8
Commercial Residential CIP: Presold	45	4.4	26	4.4
Raw Land - Vacant (Unimproved)	32	3.1	29	4.9
Commercial Residential Land	31	3.0	24	4.1
Development: Subdivisions in Warehouse	17	1.6	7	1.2
Churches	24	2.3	15	2.5
Commercial Residential Raw Land	17	1.7	16	2.7
Commercial Land Development	13	1.3	13	2.2
Restaurants / Franchise	11	1.1	6	1.0
Leasehold Property	2	0.2	2	0.3
Total Commercial Construction	\$ 1,029	100.0 %	\$ 587	100.0 %

Commercial Real Estate – Income Producing

in millions

	Committed		Outstanding	
	\$	%	\$	%
Office Buildings	369	26.1 %	345	25.7 %
Retail Building	291	20.6	277	20.7
Investor Residential	161	11.4	160	11.9
Warehouse	147	10.4	140	10.4
Hotels / Motels	137	9.7	128	9.5
Multi-Residential	96	6.8	92	6.9
Other Properties	88	6.2	77	5.7
Convenience Stores	43	3.0	41	3.1
Restaurants / Franchise Fast Food	32	2.2	31	2.3
Manufacturing Facility	25	1.8	24	1.8
Leasehold Property	9	0.6	9	0.7
Automotive Service	6	0.4	6	0.4
Daycare Facility	5	0.3	5	0.4
Mobile Home Parks	4	0.3	4	0.3
Automotive Dealership	3	0.2	3	0.2
Total Commercial Real Estate - Income Producing	\$ 1,416	100.0 %	\$ 1,342	100.0 %

Committed Average Loan Size

(in thousands)



• Commercial Construction	\$578
• Commercial RE:	
• Composite CRE	438
• Owner-Occupied	425
• Income-Producing	456

Outstanding Average Loan Size

(in thousands)



• Commercial Construction	\$331
• Commercial RE:	
• Composite CRE	416
• Owner-Occupied	402
• Income-Producing	435

Protecting High-Quality Balance Sheet Liquidity

\$ in millions

	Capacity	2Q17	1Q17	2Q16	vs 1Q17	vs 2Q16
WHOLESALE BORROWINGS						
Brokered Deposits ⁽¹⁾	\$ 1,084	\$ 379	\$ 364	\$ 412	\$ 15	\$ (33)
FHLB	1,391	669	569	735	100	(66)
Holding Company LOC	50	-	-	-	-	-
Fed Funds	630	-	-	-	-	-
Other Wholesale	1,468	-	-	-	-	-
Total	\$ 4,623	\$ 1,048	\$ 933	\$ 1,147	\$ 115	\$ (99)
LONG-TERM DEBT (par) / CASH - HOLDING COMPANY						
Senior Debt ⁽²⁾		\$ 160	\$ 160	\$ 160	\$ -	\$ -
Trust Preferred Securities		20	20	6	-	14
Total Long-Term Debt		\$ 180	\$ 180	\$ 166	\$ -	\$ 14
Cash		\$ 82	\$ 86	\$ 62	\$ (4)	\$ 20
LOANS / CUSTOMER DEPOSITS						
Loans		\$ 7,041	\$ 6,965	\$ 6,287	\$ 76	\$ 754
Core (DDA, MMDA, Savings)		\$ 6,158	\$ 6,104	\$ 5,423	\$ 54	\$ 735
Public Funds		954	1,043	868	(89)	86
Time		1,245	1,241	1,154	4	91
Total Customer Deposits (excl Brokered)		\$ 8,357	\$ 8,388	\$ 7,445	\$ (31)	\$ 912
INVESTMENT SECURITIES						
Available for Sale -Fixed		\$ 2,020	\$ 1,832	\$ 1,714	\$ 188	\$ 306
-Floating		455	605	622	(150)	(167)
Held to Maturity -Fixed		310	328	338	(18)	(28)
-Floating		2	2	4	-	(2)
Total Investment Securities		\$ 2,787	\$ 2,767	\$ 2,678	\$ 20	\$ 109
Floating AFS Securities as % of Total AFS Securities		18%	25%	27%		
Floating as % of Total Securities		16%	22%	23%		

⁽¹⁾ Estimated brokered deposit total capacity at 10% of assets

⁽²⁾ \$40 million 6% Senior Notes scheduled to be called August 14, 2017 and \$35 million 9% Senior Notes scheduled to mature on October 15, 2017

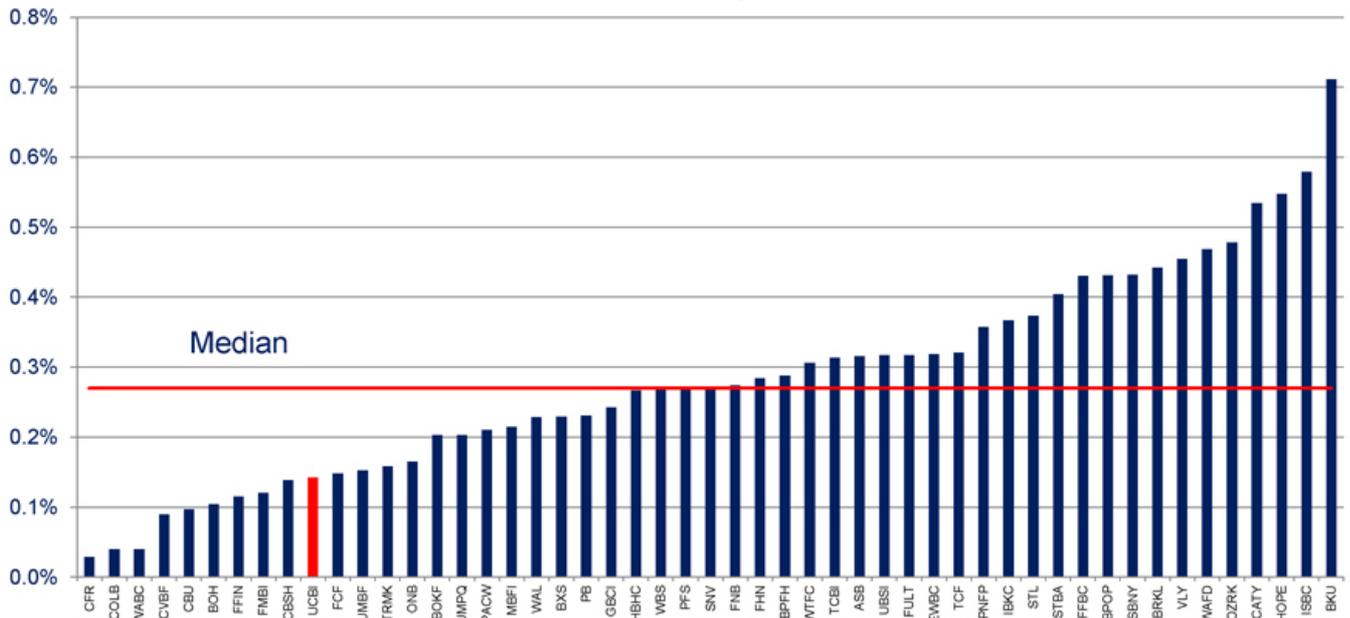


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Increasing Profitability

High-Quality, Low-Cost Core Deposit Base

1Q17 Cost of Deposits



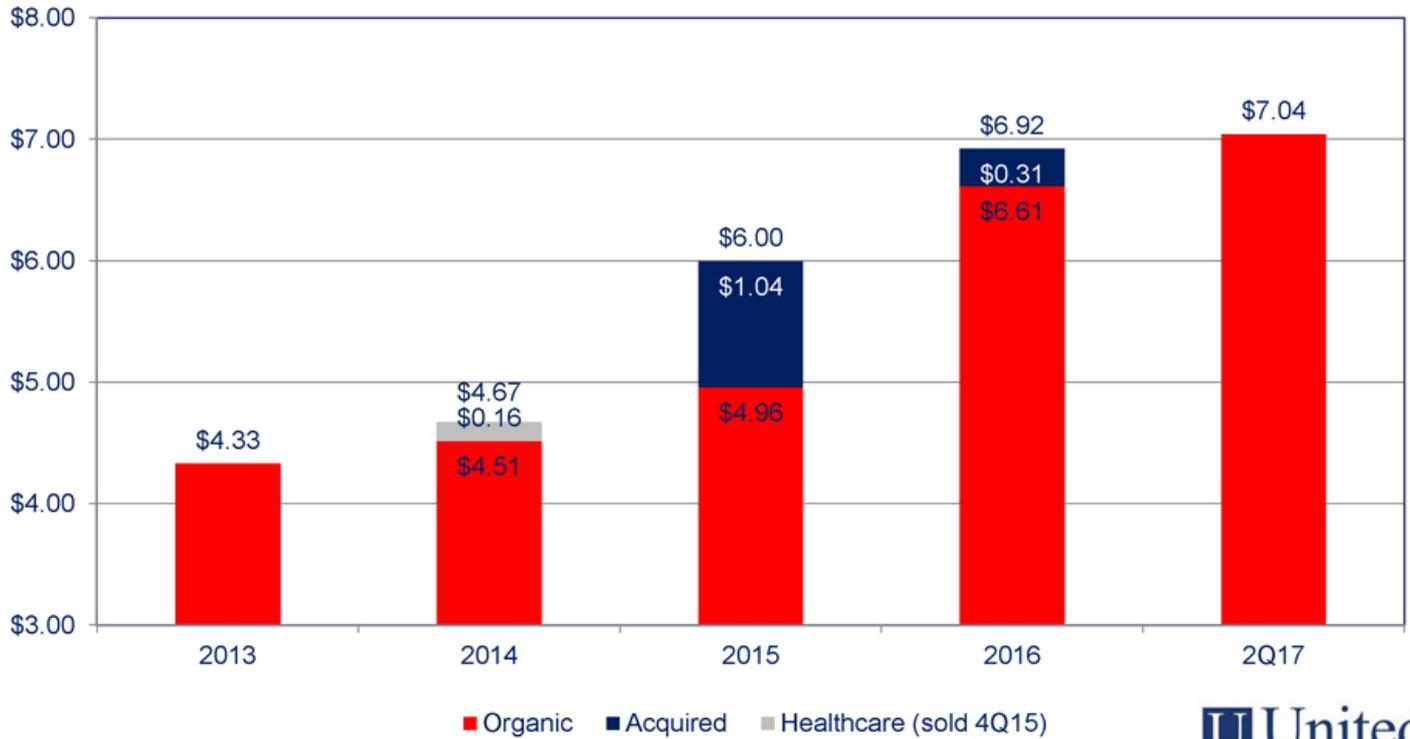
- ▶ Our first quarter 2017 total cost of deposits was 14 basis points, which compared favorably to peers with a median of 27 basis points
- ▶ Core deposits (excludes Jumbo CDs / Brokered) comprised approximately 98% of our total customer deposits at March 31, 2017

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

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	2.5	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		
Total Markets	<u>\$ 157.9</u>	<u>\$ 8.7</u>	<u>30</u>	<u>134</u>		

(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

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 ⁽¹⁾	4.40%

Transaction Summary

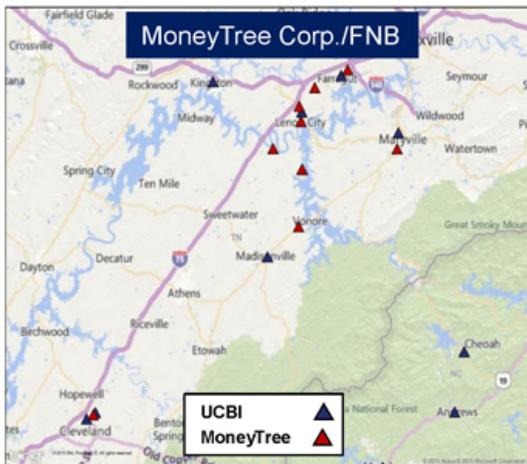
- Closed on July 1, 2016
- Conversion completed on November 11, 2016
- \$11.2 million aggregate transaction value; 100% cash consideration
 - \$2.2 million value to common, or \$0.52 per common share
 - \$9.0 million to redeem TARP, which represents a 56% discount
- Target cost savings: approximately \$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
⁽¹⁾ NPAs / Assets = (Nonaccrual Loans + OREO) / Total Assets

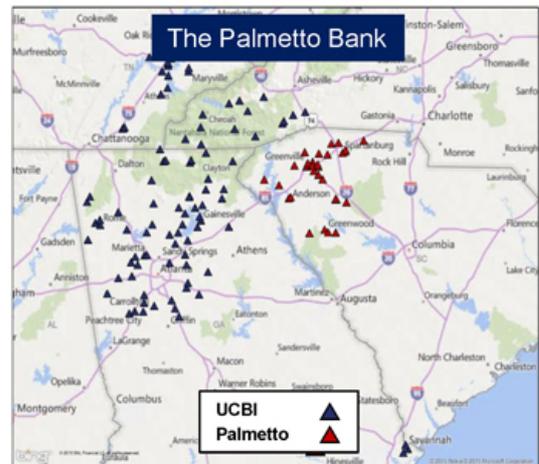
Transaction Rationale

- 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 \$10.8 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 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

	2Q16	3Q16	4Q16	1Q17	2Q17
Net Income					
Net income - GAAP	\$ 25,266	\$ 25,874	\$ 27,221	\$ 23,524	\$ 28,267
Merger-related and other charges	1,176	3,152	1,141	2,054	1,830
Tax benefit on merger-related and other charges	(445)	(1,193)	(432)	(758)	(675)
Impairment of deferred tax asset on canceled nonqualified stock options	-	-	976	-	-
Release of disproportionate tax effects lodged in OCI	-	-	-	3,400	-
Net income - Operating	<u>\$ 25,997</u>	<u>\$ 27,833</u>	<u>\$ 28,906</u>	<u>\$ 28,220</u>	<u>\$ 29,422</u>
Diluted Earnings per share					
Diluted earnings per share - GAAP	\$ 0.35	\$ 0.36	\$ 0.38	\$ 0.33	\$ 0.39
Merger-related and other charges	0.01	0.03	0.01	0.01	0.02
Impairment of deferred tax asset on canceled nonqualified stock options	-	-	0.01	-	-
Release of disproportionate tax effects lodged in OCI	-	-	-	0.05	-
Diluted earnings per share - Operating	<u>\$ 0.36</u>	<u>\$ 0.39</u>	<u>\$ 0.40</u>	<u>\$ 0.39</u>	<u>\$ 0.41</u>
Return on Assets					
Return on assets - GAAP	1.04 %	1.00 %	1.03 %	0.89 %	1.06 %
Merger-related and other charges	0.03	0.08	0.03	0.05	0.04
Impairment of deferred tax asset on canceled nonqualified stock options	-	-	0.04	-	-
Release of disproportionate tax effects lodged in OCI	-	-	-	0.13	-
Return on assets - Operating	<u>1.07 %</u>	<u>1.08 %</u>	<u>1.10 %</u>	<u>1.07 %</u>	<u>1.10 %</u>

Non-GAAP Reconciliation Tables

\$ in thousands, except per share data

	2Q16	3Q16	4Q16	1Q17	2Q17
Return on Tangible Common Equity					
Return on common equity - GAAP	9.54 %	9.61 %	9.89 %	8.54 %	9.98 %
Effect of merger-related and other charges	0.27	0.73	0.26	0.47	0.41
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	9.81	10.34	10.51	10.25	10.39
Effect of goodwill and intangibles	1.75	2.11	1.96	1.85	1.80
Return on tangible common equity - Operating	11.56 %	12.45 %	12.47 %	12.10 %	12.19 %
Expenses					
Expenses - GAAP	\$ 58,060	\$ 64,023	\$ 61,321	\$ 62,826	\$ 63,229
Merger-related and other charges	(1,176)	(3,152)	(1,141)	(2,054)	(1,830)
Expenses - Operating	\$ 56,884	\$ 60,871	\$ 60,180	\$ 60,772	\$ 61,399
Pre-Tax, Pre-Credit Earnings					
Pre-Tax Earnings - GAAP	\$ 40,655	\$ 41,627	\$ 44,837	\$ 42,002	\$ 44,804
Merger-related and other charges	1,176	3,152	1,141	2,054	1,830
Provision for credit losses	(300)	(300)	-	800	800
Pre-Tax, Pre-Credit Earnings - Operating	\$ 41,531	\$ 44,479	\$ 45,978	\$ 44,856	\$ 47,434
Efficiency Ratio					
Efficiency Ratio - GAAP	59.02 %	60.78 %	57.65 %	59.29 %	57.89 %
Merger-related and other charges	(1.20)	(2.99)	(1.07)	(1.94)	(1.68)
Efficiency Ratio - Operating	57.82 %	57.79 %	56.58 %	57.35 %	56.21 %