

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):
October 26, 2016

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))

Results of Operations and Financial Condition.

On October 26, 2016, United Community Banks, Inc. (the “Registrant”) issued a news release announcing its financial results for the quarter ended September 30, 2016 (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 October 26, 2016 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 Third Quarter 2016 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 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

<u>Exhibit No.</u>	<u>Description</u>
99.1	News Release, dated October 26, 2016
99.2	Investor Presentation, Third Quarter 2016

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/ Rex S. Schuette
Rex S. Schuette
Executive Vice President and
Chief Financial Officer

Date: October 26, 2016



For Immediate Release

For more information:

Rex S. Schuette
 Chief Financial Officer
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UNITED COMMUNITY BANKS, INC.
ANNOUNCES THIRD QUARTER EARNINGS
Diluted earnings per share up 33 percent to 36 cents from third quarter 2015
Excluding merger-related charges, diluted operating EPS up 18 percent to 39 cents

- Return on assets of 1.00 percent; 1.08 percent, excluding merger-related charges
- Loan growth of \$133 million from second quarter, or 8 percent annualized
- Core transaction deposits up \$254 million from second quarter, or 19 percent annualized
- Fee revenue of \$26.4 million, up \$2.9 million from the second quarter
- Efficiency ratio of 60.8 percent; 57.8 percent, excluding merger-related charges

BLAIRSVILLE, GA – October 26, 2016 – United Community Banks, Inc. (NASDAQ: UCBI) (“United”) today announced continued momentum in the third quarter with strong fee revenue and loan growth, as well as sound credit quality and capital management. Net income grew to \$25.9 million, or 36 cents per diluted share, compared with \$17.9 million, or 27 cents per diluted share, for the third quarter of 2015. Net income for the first nine months of 2016 was \$73.4 million, or \$1.02 per diluted share. This compares with net income of \$53.4 million, or 84 cents per diluted share, for the first nine months of 2015.

On an operating basis, net income rose to \$27.8 million for the third quarter of 2016 compared with \$21.7 million for the third quarter of 2015. Operating net income excludes pre-tax merger-related charges of \$3.15 million in the third quarter of 2016 and \$5.74 million in the third quarter of 2015. On a per diluted share basis, operating net income was 39 cents for the third quarter of 2016 compared with 33 cents for the third quarter of 2015. For the first nine months of 2016, operating net income was \$77.8 million, or \$1.08 per diluted share, compared with \$59.3 million, or 94 cents per diluted share, for the first nine months of 2015.

At September 30, 2016, preliminary regulatory capital ratios were as follows: Tier 1 Risk-Based of 11.1 percent; Total Risk-Based of 11.9 percent; Common Equity Tier 1 Risk-Based of 11.1 percent; and, Tier 1 Leverage of 8.4 percent.

“Our third quarter results underscore the positive momentum from our investments in new businesses and markets,” said Jimmy Tallent, chairman and chief executive officer. “Our mortgage banking business continued to produce record quarterly results which, combined with strong performance from our SBA business and solid customer derivative sales, led to a 44 percent increase in fee revenue from a year ago.”

The third quarter’s return on assets was 1.00 percent including the effect of merger-related charges of \$3.15 million. Exclusive of these charges, the operating return on assets for the third quarter was 1.08 percent.

Tallent noted the positive impact of the Tideland Bancshares acquisition, which was completed on July 1, 2016. “As expected, the acquisition was immediately accretive to earnings per share,” he said. “Systems conversions are scheduled to take place in November, after which we expect to achieve the remaining targeted cost savings. The Tideland acquisition is meeting or exceeding objectives consistent with our coastal South Carolina expansion strategy and I could not be more pleased with the results.

“Third quarter loan production was \$641 million,” Tallent added. “Excluding acquired loans from Tideland, linked-quarter growth of \$133 million, or 8 percent annualized, was within our 2016 loan growth target of mid-to-upper single-digit. Our community banks originated \$436 million in loans while specialized lending produced \$166 million. United’s specialized lending area encompasses commercial real estate, middle market, SBA, builder finance and asset-based lending. Funding these loans was strong linked-quarter core transaction deposit growth of \$254 million, or 19 percent annualized, excluding Tideland. Core deposits comprise 90 percent of total deposits, which is one of the best ratios in the country.”

Third quarter net interest revenue totaled \$79.0 million, up \$4.1 million from the second quarter and up \$13.6 million from the third quarter of 2015. The increase from both periods reflects growth in the loan portfolio as well as net interest revenue from recent acquisitions.

The taxable-equivalent net interest margin of 3.34 percent, while one basis point lower than the second quarter, was up eight basis points from the third quarter of 2015. The decrease from second quarter was expected and resulted mostly from loan pricing competition.

The third quarter provision for credit losses was a recovery of \$300,000, equal to the second quarter of 2016. It was down from a provision charge of \$700,000 in the third quarter of 2015. Strong recoveries of previously charged-off loans continued to contribute to the low level of net charge-offs. Third quarter net charge-offs totaled \$1.4 million, compared with \$1.7 million in the second quarter and \$1.4 million in the third quarter of 2015. Nonperforming assets were .30 percent of total assets at September 30, 2016, compared with .28 percent at June 30, 2016 and .29 percent at September 30, 2015.

“The recoveries of our provisions reflect continued strong credit quality and a low overall level of net charge-offs,” Tallent commented. “Our credit quality indicators are very favorable and our outlook is for positive credit quality in the fourth quarter and into 2017. This will result in low provision levels that we expect will gradually increase with loan growth through 2017, while slightly decreasing our allowance and the related ratio to total loans.”

Third quarter fee revenue totaled \$26.4 million, an increase of \$2.86 million from the second quarter and up \$8.06 million from a year ago. Mortgage fees were up \$1.59 million from the second quarter and \$2.20 million from a year ago. Customer derivative fees also contributed to the increase in fee revenue from both prior periods. Gains from sales of SBA loans were up \$833,000 from a year ago, but down \$322,000 from the second quarter due to slightly lower premiums and loans sold.

“The increase in mortgage fees correlates to our strategic investment in additional mortgage lenders where we see opportunities to gain market share and higher spreads on loan sales,” Tallent said. “Although production of SBA loans remained high, \$32 million of loans were sold in the third quarter compared to \$33 million during the second quarter, but up from \$17.8 million during the third quarter of 2015.”

Operating expenses were \$64.0 million for the third quarter, compared with \$58.1 million for the second quarter and \$54.3 million for the third quarter of 2015. Included in operating expenses were merger-related charges of \$3.15 million for the third quarter, \$1.18 million for the second quarter and \$5.74 million for the third quarter of 2015. Excluding these charges, third quarter operating expenses were \$60.9 million compared with \$56.9 million for the second quarter and \$48.5 million a year ago. The increases from the second quarter and a year ago reflect additional operating expenses following the acquisitions of Tideland Bank on July 1, 2016 and The Palmetto Bank on September 1, 2015. The operating expenses of the acquired companies are included in United's financial results beginning on their respective acquisition dates.

Excluding merger-related charges of \$3.15 million in the third quarter, operating expenses were \$60.9 million and up \$3.99 million from the second quarter. The inclusion of Tideland's \$2.76 million of operating expense accounted for 70 percent of the linked-quarter increase in operating expenses. The balance of the increase was primarily due to higher salary costs for commissions and incentives related to true-up the quarter and year-to-date for performance targets.

"Our bankers continue to perform exceptionally well as we build on the successes of investing to grow our franchise and earnings," Tallent said. "We take tremendous pride that our bankers provide the best in customer service by treating customers the way we would want to be treated. This is at the foundation of our success and the core of everything we do. With strong earnings momentum and a high-quality balance sheet, I am optimistic about our future," Tallent concluded.

Conference Call

United will hold a conference call today, Wednesday, October 26, 2016, 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 86742023. 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 registered bank holding company based in Blairsville, Georgia, with \$10.3 billion in assets. The company's banking subsidiary, United Community Bank, is one of the Southeast region's largest full-service banks, operating 140 offices in Georgia, North Carolina, South Carolina and Tennessee. The bank specializes in providing personalized community banking services to individuals, small businesses and corporations. Services include a full range of consumer and commercial banking products, including mortgage, advisory, and treasury management. United Community Bank is consistently recognized for its outstanding customer service by respected national research firms. In 2014 and 2015, United Community Bank was ranked first in customer satisfaction in the southeast by J.D. Power and again in 2016 was ranked among the top 100 on the Forbes list of America's Best Banks. 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 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," "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." These non-GAAP measures are included because United believes they may provide useful supplemental information for evaluating United's underlying performance trends. These measures should be viewed in addition to, and not as an alternative to or substitute for, measures determined in accordance with GAAP, and are not necessarily comparable to non-GAAP measures that may be presented by other companies. To the extent applicable, reconciliations of these non-GAAP measures to the most directly comparable measures as reported in accordance with GAAP are included with the accompanying financial statement tables.

Safe Harbor

This News Release contains forward-looking statements, as defined by federal securities laws, including statements about United's financial outlook and business environment. These statements are based on current expectations and are provided to assist in the understanding of future financial performance. Such performance involves risks and uncertainties that may cause actual results to differ materially from those expressed or implied in any such statements. For a discussion of some of the risks and other factors that may cause such forward-looking statements to differ materially from actual results, please refer to United's filings with the Securities and Exchange Commission including its 2015 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

	2016			2015		Third Quarter	For the Nine Months Ended		YTD
	Third Quarter	Second Quarter	First Quarter	Fourth Quarter	Third Quarter	2016-2015 Change	September 30,		2016-2015 Change
<i>(in thousands, except per share data)</i>							2016	2015	
INCOME SUMMARY									
Interest revenue	\$ 85,439	\$ 81,082	\$ 80,721	\$ 79,362	\$ 70,828		\$ 247,242	\$ 199,170	
Interest expense	6,450	6,164	5,769	5,598	5,402		18,383	15,511	
Net interest revenue	78,989	74,918	74,952	73,764	65,426	21%	228,859	183,659	25%
Provision for credit losses	(300)	(300)	(200)	300	700		(800)	3,400	
Fee revenue	26,361	23,497	18,606	21,284	18,297	44	68,464	51,245	34
Total revenue	105,650	98,715	93,758	94,748	83,023	27	298,123	231,504	29
Expenses	64,023	58,060	57,885	65,488	54,269	18	179,968	145,750	23
Income before income tax expense	41,627	40,655	35,873	29,260	28,754	45	118,155	85,754	38
Income tax expense	15,753	15,389	13,578	11,052	10,867	45	44,720	32,384	38
Net income	25,874	25,266	22,295	18,208	17,887	45	73,435	53,370	38
Preferred dividends	-	-	21	25	25		21	42	
Net income available to common shareholders	\$ 25,874	\$ 25,266	\$ 22,274	\$ 18,183	\$ 17,862	45	\$ 73,414	\$ 53,328	38
Merger-related and other charges	3,152	1,176	2,653	9,078	5,744		6,981	8,917	
Income tax benefit of merger-related and other charges	(1,193)	(445)	(1,004)	(3,486)	(1,905)		(2,642)	(2,902)	
Net income available to common shareholders - operating ⁽¹⁾	\$ 27,833	\$ 25,997	\$ 23,923	\$ 23,775	\$ 21,701	28	\$ 77,753	\$ 59,343	31
PERFORMANCE MEASURES									
Per common share:									
Diluted net income - GAAP	\$.36	\$.35	\$.31	\$.25	\$.27	33	\$ 1.02	\$.84	21
Diluted net income - operating ⁽¹⁾	.39	.36	.33	.33	.33	18	1.08	.94	15
Cash dividends declared	.08	.07	.07	.06	.06		.22	.16	
Book value	15.12	14.80	14.35	14.02	13.95	8	15.12	13.95	8
Tangible book value ⁽³⁾	13.00	12.84	12.40	12.06	12.08	8	13.00	12.08	8
Key performance ratios:									
Return on common equity - GAAP ⁽²⁾⁽⁴⁾	9.61%	9.54%	8.57%	7.02%	7.85%		9.25%	8.63%	
Return on common equity - operating ⁽¹⁾⁽²⁾⁽⁴⁾	10.34	9.81	9.20	9.18	9.54		9.79	9.60	
Return on tangible common equity - operating ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾	12.45	11.56	10.91	10.87	10.29		11.64	10.00	
Return on assets - GAAP ⁽⁴⁾	1.00	1.04	.93	.76	.82		.99	.88	
Return on assets - operating ⁽¹⁾⁽⁴⁾	1.08	1.07	1.00	.99	1.00		1.05	.98	
Dividend payout ratio - GAAP	22.22	20.00	22.58	24.00	22.22		21.57	19.05	
Dividend payout ratio - operating ⁽¹⁾	20.51	19.44	21.21	18.18	18.18		20.37	17.02	
Net interest margin (fully taxable equivalent) ⁽⁴⁾	3.34	3.35	3.41	3.34	3.26		3.36	3.29	
Efficiency ratio - GAAP	60.78	59.02	61.94	68.97	64.65		60.56	61.94	
Efficiency ratio - operating ⁽¹⁾	57.79	57.82	59.10	59.41	57.81		58.21	58.15	
Average equity to average assets	10.38	10.72	10.72	10.68	10.39		10.60	10.11	
Average tangible equity to average assets ⁽³⁾	8.98	9.43	9.41	9.40	9.88		9.27	9.88	
Average tangible common equity to average assets ⁽³⁾	8.98	9.43	9.32	9.29	9.77		9.24	9.81	
Tangible common equity to risk- weighted assets ⁽³⁾⁽⁵⁾	12.26	12.87	12.77	12.82	13.08		12.26	13.08	
ASSET QUALITY									
Nonperforming loans	\$ 21,572	\$ 21,348	\$ 22,419	\$ 22,653	\$ 20,064	8	\$ 21,572	\$ 20,064	8
Foreclosed properties	9,187	6,176	5,163	4,883	7,669	20	9,187	7,669	20
Total nonperforming assets (NPAs)	30,759	27,524	27,582	27,536	27,733	11	30,759	27,733	11
Allowance for loan losses	62,961	64,253	66,310	68,448	69,062	(9)	62,961	69,062	(9)
Net charge-offs	1,359	1,730	2,138	1,302	1,417	(4)	5,227	4,957	5
Allowance for loan losses to loans	0.94%	1.02%	1.09%	1.14%	1.15%		0.94%	1.15%	
Net charge-offs to average loans ⁽⁴⁾	.08	.11	.14	.09	.10		.11	.13	
NPAs to loans and foreclosed properties	.46	.44	.45	.46	.46		.46	.46	
NPAs to total assets	.30	.28	.28	.29	.29		.30	.29	
AVERAGE BALANCES (\$ in millions)									
Loans	\$ 6,675	\$ 6,151	\$ 6,004	\$ 5,975	\$ 5,457	22	\$ 6,278	\$ 5,069	24
Investment securities	2,610	2,747	2,718	2,607	2,396	9	2,692	2,288	18
Earning assets	9,443	9,037	8,876	8,792	8,009	18	9,120	7,511	21
Total assets	10,281	9,809	9,634	9,558	8,634	19	9,909	8,093	22
Deposits	8,307	7,897	7,947	8,028	7,135	16	8,051	6,727	20
Shareholders' equity	1,067	1,051	1,033	1,021	897	19	1,051	818	28
Common shares - basic <i>(thousands)</i>	71,556	72,202	72,162	72,135	66,294	8	71,992	63,297	14
Common shares - diluted <i>(thousands)</i>	71,561	72,207	72,166	72,140	66,300	8	71,996	63,302	14
AT PERIOD END (\$ in millions)									
Loans	\$ 6,725	\$ 6,287	\$ 6,106	\$ 5,995	\$ 6,024	12	\$ 6,725	\$ 6,024	12
Investment securities	2,560	2,677	2,757	2,656	2,457	4	2,560	2,457	4
Total assets	10,298	9,928	9,781	9,616	9,404	10	10,298	9,404	10
Deposits	8,442	7,857	7,960	7,873	7,897	7	8,442	7,897	7

Shareholders' equity	1,079	1,060	1,034	1,018	1,013	7	1,079	1,013	7
Common shares outstanding (thousands)	70,861	71,122	71,544	71,484	71,472	(1)	70,861	71,472	(1)

⁽¹⁾ Excludes merger-related charges and fourth quarter impairment losses on surplus bank property. ⁽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⁾ Third quarter 2016 ratio is preliminary.

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

<i>(in thousands, except per share data)</i>	2016			2015		For the Nine Months Ended	
	Third Quarter	Second Quarter	First Quarter	Fourth Quarter	Third Quarter	September 30,	
						2016	2015
Expense reconciliation							
Expenses (GAAP)	\$ 64,023	\$ 58,060	\$ 57,885	\$ 65,488	\$ 54,269	\$ 179,968	\$ 145,750
Merger-related and other charges	(3,152)	(1,176)	(2,653)	(9,078)	(5,744)	(6,981)	(8,917)
Expenses - operating	<u>\$ 60,871</u>	<u>\$ 56,884</u>	<u>\$ 55,232</u>	<u>\$ 56,410</u>	<u>\$ 48,525</u>	<u>\$ 172,987</u>	<u>\$ 136,833</u>
Net income reconciliation							
Net income (GAAP)	\$ 25,874	\$ 25,266	\$ 22,295	\$ 18,208	\$ 17,887	\$ 73,435	\$ 53,370
Merger-related and other charges	3,152	1,176	2,653	9,078	5,744	6,981	8,917
Income tax benefit of merger-related and other charges	(1,193)	(445)	(1,004)	(3,486)	(1,905)	(2,642)	(2,902)
Net income - operating	<u>\$ 27,833</u>	<u>\$ 25,997</u>	<u>\$ 23,944</u>	<u>\$ 23,800</u>	<u>\$ 21,726</u>	<u>\$ 77,774</u>	<u>\$ 59,385</u>
Net income available to common shareholders reconciliation							
Net income available to common shareholders (GAAP)	\$ 25,874	\$ 25,266	\$ 22,274	\$ 18,183	\$ 17,862	\$ 73,414	\$ 53,328
Merger-related and other charges	3,152	1,176	2,653	9,078	5,744	6,981	8,917
Income tax benefit of merger-related and other charges	(1,193)	(445)	(1,004)	(3,486)	(1,905)	(2,642)	(2,902)
Net income available to common shareholders - operating	<u>\$ 27,833</u>	<u>\$ 25,997</u>	<u>\$ 23,923</u>	<u>\$ 23,775</u>	<u>\$ 21,701</u>	<u>\$ 77,753</u>	<u>\$ 59,343</u>
Diluted income per common share reconciliation							
Diluted income per common share (GAAP)	\$.36	\$.35	\$.31	\$.25	\$.27	\$ 1.02	\$.84
Merger-related and other charges	.03	.01	.02	.08	.06	-	.10
Diluted income per common share - operating	<u>\$.39</u>	<u>\$.36</u>	<u>\$.33</u>	<u>\$.33</u>	<u>\$.33</u>	<u>\$ 1.02</u>	<u>\$.94</u>
Book value per common share reconciliation							
Book value per common share (GAAP)	\$ 15.12	\$ 14.80	\$ 14.35	\$ 14.02	\$ 13.95	\$ 15.12	\$ 13.95
Effect of goodwill and other intangibles	(2.12)	(1.96)	(1.95)	(1.96)	(1.87)	(2.12)	(1.87)
Tangible book value per common share	<u>\$ 13.00</u>	<u>\$ 12.84</u>	<u>\$ 12.40</u>	<u>\$ 12.06</u>	<u>\$ 12.08</u>	<u>\$ 13.00</u>	<u>\$ 12.08</u>
Return on tangible common equity reconciliation							
Return on common equity (GAAP)	9.61%	9.54%	8.57%	7.02%	7.85%	9.25%	8.63%
Merger-related and other charges	.73	.27	.63	2.16	1.69	.54	.97
Return on common equity - operating	<u>10.34</u>	<u>9.81</u>	<u>9.20</u>	<u>9.18</u>	<u>9.54</u>	<u>9.79</u>	<u>9.60</u>
Effect of goodwill and other intangibles	2.11	1.75	1.71	1.69	.75	1.85	.40
Return on tangible common equity - operating	<u>12.45%</u>	<u>11.56%</u>	<u>10.91%</u>	<u>10.87%</u>	<u>10.29%</u>	<u>11.64%</u>	<u>10.00%</u>
Return on assets reconciliation							
Return on assets (GAAP)	1.00%	1.04%	.93%	.76%	.82%	.99%	.88%
Merger-related and other charges	.08	.03	.07	.23	.18	.06	.10
Return on assets - operating	<u>1.08%</u>	<u>1.07%</u>	<u>1.00%</u>	<u>.99%</u>	<u>1.00%</u>	<u>1.05%</u>	<u>.98%</u>
Dividend payout ratio reconciliation							
Dividend payout ratio (GAAP)	22.22%	20.00%	22.58%	24.00%	22.22%	21.57%	19.05%
Merger-related and other charges	(1.71)	(.56)	(1.37)	(5.82)	(4.04)	(1.20)	(2.03)
Dividend payout ratio - operating	<u>20.51%</u>	<u>19.44%</u>	<u>21.21%</u>	<u>18.18%</u>	<u>18.18%</u>	<u>20.37%</u>	<u>17.02%</u>
Efficiency ratio reconciliation							
Efficiency ratio (GAAP)	60.78%	59.02%	61.94%	68.97%	64.65%	60.56%	61.94%
Merger-related and other charges	(2.99)	(1.20)	(2.84)	(9.56)	(6.84)	(2.35)	(3.79)
Efficiency ratio - operating	<u>57.79%</u>	<u>57.82%</u>	<u>59.10%</u>	<u>59.41%</u>	<u>57.81%</u>	<u>58.21%</u>	<u>58.15%</u>
Average equity to assets reconciliation							
Equity to assets (GAAP)	10.38%	10.72%	10.72%	10.68%	10.39%	10.60%	10.11%
Effect of goodwill and other intangibles	(1.40)	(1.29)	(1.31)	(1.28)	(.51)	(1.33)	(.23)
Tangible equity to assets	<u>8.98</u>	<u>9.43</u>	<u>9.41</u>	<u>9.40</u>	<u>9.88</u>	<u>9.27</u>	<u>9.88</u>
Effect of preferred equity	-	-	(.09)	(.11)	(.11)	(.03)	(.07)
Tangible common equity to assets	<u>8.98%</u>	<u>9.43%</u>	<u>9.32%</u>	<u>9.29%</u>	<u>9.77%</u>	<u>9.24%</u>	<u>9.81%</u>
Tangible common equity to risk-weighted assets reconciliation ⁽¹⁾							
Tier 1 capital ratio (Regulatory)	11.08%	11.44%	11.32%	11.45%	11.40%	11.08%	11.40%
Effect of other comprehensive income	-	(.06)	(.25)	(.38)	(.23)	-	(.23)
Effect of deferred tax limitation	1.50	1.63	1.85	2.05	2.24	1.50	2.24
Effect of trust preferred	(.26)	(.08)	(.08)	(.08)	(.08)	(.26)	(.08)

Effect of preferred equity	-	-	-	(.15)	(.15)	-	(.15)
Basel III intangibles transition adjustment	(.06)	(.06)	(.07)	(.10)	(.13)	(.06)	(.13)
Basel III disallowed investments	-	-	-	.03	.03	-	.03
Tangible common equity to risk-weighted assets	<u>12.26%</u>	<u>12.87%</u>	<u>12.77%</u>	<u>12.82%</u>	<u>13.08%</u>	<u>12.26%</u>	<u>13.08%</u>

(1) Third quarter 2016 ratios are preliminary.

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

<i>(in millions)</i>	2016			2015		Linked Quarter Change	Year over Year Change
	Third Quarter	Second Quarter	First Quarter	Fourth Quarter	Third Quarter		
LOANS BY CATEGORY							
Owner occupied commercial RE	\$ 1,512	\$ 1,450	\$ 1,434	\$ 1,494	\$ 1,479	\$ 62	\$ 33
Income producing commercial RE	1,105	919	880	824	818	186	287
Commercial & industrial	994	926	855	785	890	68	104
Commercial construction	389	384	354	342	319	5	70
Total commercial	4,000	3,679	3,523	3,445	3,506	321	494
Residential mortgage	1,056	1,035	1,032	1,029	1,062	21	(6)
Home equity lines of credit	698	623	604	598	585	75	113
Residential construction	378	351	348	352	334	27	44
Consumer installment	593	599	599	571	537	(6)	56
Total loans	<u>\$ 6,725</u>	<u>\$ 6,287</u>	<u>\$ 6,106</u>	<u>\$ 5,995</u>	<u>\$ 6,024</u>	438	701
LOANS BY MARKET							
North Georgia	\$ 1,110	\$ 1,097	\$ 1,097	\$ 1,125	\$ 1,130	13	(20)
Atlanta MSA	1,332	1,314	1,257	1,259	1,266	18	66
North Carolina	548	543	543	549	546	5	2
Coastal Georgia	565	541	543	537	506	24	59
Gainesville MSA	236	240	248	254	252	(4)	(16)
East Tennessee	506	509	495	504	511	(3)	(5)
South Carolina	1,199	862	821	819	783	337	416
Specialized Lending	763	706	628	492	609	57	154
Indirect auto	466	475	474	456	421	(9)	45
Total loans	<u>\$ 6,725</u>	<u>\$ 6,287</u>	<u>\$ 6,106</u>	<u>\$ 5,995</u>	<u>\$ 6,024</u>	438	701

UNITED COMMUNITY BANKS, INC.

Financial Highlights

Credit Quality

(in thousands)	Third Quarter 2016			Second Quarter 2016			First 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	\$ 6,454	\$ 3,188	\$ 9,642	\$ 6,681	\$ 3,096	\$ 9,777	\$ 6,775	\$ 2,864	\$ 9,639
Income producing CRE	949	765	1,714	1,017	1,554	2,571	2,959	-	2,959
Commercial & industrial	1,079	-	1,079	949	-	949	978	-	978
Commercial construction	98	1,274	1,372	199	-	199	266	152	418
Total commercial	8,580	5,227	13,807	8,846	4,650	13,496	10,978	3,016	13,994
Residential mortgage	8,152	1,211	9,363	8,667	1,160	9,827	8,037	1,587	9,624
Home equity lines of credit	1,194	514	1,708	1,308	83	1,391	1,198	125	1,323
Residential construction	2,248	2,235	4,483	1,578	283	1,861	1,122	435	1,557
Consumer installment	1,398	-	1,398	949	-	949	1,084	-	1,084
Total NPAs	\$ 21,572	\$ 9,187	\$ 30,759	\$ 21,348	\$ 6,176	\$ 27,524	\$ 22,419	\$ 5,163	\$ 27,582
NONPERFORMING ASSETS BY MARKET									
North Georgia	\$ 5,356	\$ 653	\$ 6,009	\$ 6,219	\$ 1,086	\$ 7,305	\$ 5,353	\$ 1,233	\$ 6,586
Atlanta MSA	979	1,530	2,509	1,140	2,041	3,181	2,796	902	3,698
North Carolina	5,216	543	5,759	4,762	224	4,986	4,860	559	5,419
Coastal Georgia	1,606	47	1,653	1,186	168	1,354	1,696	121	1,817
Gainesville MSA	222	-	222	234	-	234	250	-	250
East Tennessee	3,281	160	3,441	3,616	247	3,863	3,470	351	3,821
South Carolina	2,015	6,254	8,269	1,271	2,410	3,681	935	1,997	2,932
Specialized Lending	1,597	-	1,597	2,108	-	2,108	2,186	-	2,186
Indirect auto	1,300	-	1,300	812	-	812	873	-	873
Total NPAs	\$ 21,572	\$ 9,187	\$ 30,759	\$ 21,348	\$ 6,176	\$ 27,524	\$ 22,419	\$ 5,163	\$ 27,582
NONPERFORMING ASSETS ACTIVITY									
Beginning Balance	\$ 21,348	\$ 6,176	\$ 27,524	\$ 22,419	\$ 5,163	\$ 27,582	\$ 22,653	\$ 4,883	\$ 27,536
Acquisitions	-	7,495	7,495	-	(497)	(497)	-	-	-
Loans placed on non-accrual	6,680	-	6,680	6,786	-	6,786	4,771	-	4,771
Payments received	(3,938)	-	(3,938)	(4,201)	-	(4,201)	(1,812)	-	(1,812)
Loan charge-offs	(1,236)	-	(1,236)	(1,803)	-	(1,803)	(1,679)	-	(1,679)
Foreclosures	(1,282)	2,335	1,053	(1,853)	2,722	869	(1,514)	1,590	76
Capitalized costs	-	3	3	-	98	98	-	-	-
Property sales	-	(6,553)	(6,553)	-	(1,424)	(1,424)	-	(1,524)	(1,524)
Write downs	-	(53)	(53)	-	(73)	(73)	-	(7)	(7)
Net gains (losses) on sales	-	(216)	(216)	-	187	187	-	221	221
Ending Balance	\$ 21,572	\$ 9,187	\$ 30,759	\$ 21,348	\$ 6,176	\$ 27,524	\$ 22,419	\$ 5,163	\$ 27,582

(in thousands)	Third Quarter 2016		Second Quarter 2016		First 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	\$ 168	.04%	\$ 564	.16%	\$ 304	.08%
Income producing CRE	157	.06	(23)	(.01)	211	.10
Commercial & industrial	453	.18	(392)	(.18)	283	.14
Commercial construction	(86)	(.09)	22	.02	286	.33
Total commercial	692	.07	171	.02	1,084	.13
Residential mortgage	(256)	(.09)	829	.32	50	.02
Home equity lines of credit	267	.16	253	.17	632	.43
Residential construction	134	.14	(8)	(.01)	(103)	(.12)
Consumer installment	522	.34	485	.33	475	.33
Total	\$ 1,359	.08	\$ 1,730	.11	\$ 2,138	.14
NET CHARGE-OFFS BY MARKET						
North Georgia	\$ 68	.02%	\$ 428	.16%	\$ 913	.33%
Atlanta MSA	398	.12	1	-	(25)	(.01)
North Carolina	329	.24	575	.43	382	.28
Coastal Georgia	432	.31	177	.13	196	.15
Gainesville MSA	15	.03	(87)	(.14)	98	.16
East Tennessee	(69)	(.05)	346	.28	378	.31
South Carolina	(66)	(.02)	49	.02	(16)	(.01)
Specialized Lending	69	.04	(18)	(.01)	4	-
Indirect auto	183	.15	259	.22	208	.19
Total	\$ 1,359	.08	\$ 1,730	.11	\$ 2,138	.14

⁽¹⁾ Annualized.

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2016	2015	2016	2015
<i>(in thousands, except per share data)</i>				
Interest revenue:				
Loans, including fees	\$ 69,440	\$ 57,174	\$ 196,888	\$ 159,814
Investment securities, including tax exempt of \$134, \$177, \$449 and \$516	15,418	12,801	48,039	36,896
Deposits in banks and short-term investments	581	853	2,315	2,460
Total interest revenue	<u>85,439</u>	<u>70,828</u>	<u>247,242</u>	<u>199,170</u>
Interest expense:				
Deposits:				
NOW	452	337	1,381	1,079
Money market	1,347	981	3,661	2,460
Savings	43	25	102	71
Time	667	830	2,052	2,834
Total deposit interest expense	2,509	2,173	7,196	6,444
Short-term borrowings	98	99	278	279
Federal Home Loan Bank advances	1,015	461	2,731	1,307
Long-term debt	2,828	2,669	8,178	7,481
Total interest expense	<u>6,450</u>	<u>5,402</u>	<u>18,383</u>	<u>15,511</u>
Net interest revenue	78,989	65,426	228,859	183,659
Provision for credit losses	(300)	700	(800)	3,400
Net interest revenue after provision for credit losses	<u>79,289</u>	<u>64,726</u>	<u>229,659</u>	<u>180,259</u>
Fee revenue:				
Service charges and fees	10,819	9,335	31,460	25,325
Mortgage loan and other related fees	6,039	3,840	13,776	10,302
Brokerage fees	1,199	1,200	3,369	3,983
Gains from sales of government guaranteed loans	2,479	1,646	6,517	4,281
Securities gains, net	261	325	922	1,877
Loss from prepayment of debt	-	(256)	-	(1,294)
Other	5,564	2,207	12,420	6,771
Total fee revenue	<u>26,361</u>	<u>18,297</u>	<u>68,464</u>	<u>51,245</u>
Total revenue	<u>105,650</u>	<u>83,023</u>	<u>298,123</u>	<u>231,504</u>
Operating expenses:				
Salaries and employee benefits	36,478	29,342	103,112	83,749
Communications and equipment	4,919	3,963	13,602	10,538
Occupancy	5,132	4,013	14,393	10,706
Advertising and public relations	1,088	812	3,275	2,689
Postage, printing and supplies	1,451	1,049	4,029	2,980
Professional fees	3,160	2,668	9,049	6,844
FDIC assessments and other regulatory charges	1,412	1,136	4,453	3,643
Amortization of intangibles	1,119	714	3,116	1,403
Merger-related and other charges	3,152	5,744	6,981	8,917
Other	6,112	4,828	17,958	14,281
Total operating expenses	<u>64,023</u>	<u>54,269</u>	<u>179,968</u>	<u>145,750</u>
Net income before income taxes	41,627	28,754	118,155	85,754
Income tax expense	15,753	10,867	44,720	32,384
Net income	<u>25,874</u>	<u>17,887</u>	<u>73,435</u>	<u>53,370</u>
Preferred stock dividends and discount accretion	-	25	21	42
Net income available to common shareholders	<u>\$ 25,874</u>	<u>\$ 17,862</u>	<u>\$ 73,414</u>	<u>\$ 53,328</u>
Earnings per common share:				
Basic	\$.36	\$.27	\$ 1.02	\$.84
Diluted	.36	.27	1.02	.84
Weighted average common shares outstanding:				
Basic	71,556	66,294	71,992	63,297
Diluted	71,561	66,300	71,996	63,302

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

(in thousands, except share and per share data)

	September 30, 2016	December 31, 2015
ASSETS		
Cash and due from banks	\$ 94,744	\$ 86,912
Interest-bearing deposits in banks	131,415	153,451
Cash and cash equivalents	226,159	240,363
Securities available for sale	2,215,113	2,291,511
Securities held to maturity (fair value \$357,550 and \$371,658)	344,917	364,696
Mortgage loans held for sale (includes \$279 and \$0 at fair value)	30,814	24,231
Loans, net of unearned income	6,725,110	5,995,441
Less allowance for loan losses	(62,961)	(68,448)
Loans, net	6,662,149	5,926,993
Premises and equipment, net	189,302	178,165
Bank owned life insurance	123,129	105,493
Accrued interest receivable	26,494	25,786
Net deferred tax asset	156,408	197,613
Derivative financial instruments	25,463	20,082
Goodwill and other intangible assets	157,288	147,420
Other assets	140,379	94,075
Total assets	\$ 10,297,615	\$ 9,616,428
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities:		
Deposits:		
Demand	\$ 2,568,756	\$ 2,204,755
NOW	1,821,353	1,975,884
Money market	1,798,548	1,599,637
Savings	544,029	471,129
Time	1,349,543	1,282,803
Brokered	359,370	338,985
Total deposits	8,441,599	7,873,193
Short-term borrowings	35,050	16,640
Federal Home Loan Bank advances	449,407	430,125
Long-term debt	174,959	163,836
Derivative financial instruments	32,548	28,825
Accrued expenses and other liabilities	84,759	85,524
Total liabilities	9,218,322	8,598,143
Shareholders' equity:		
Preferred stock, \$1 par value; 10,000,000 shares authorized; Series H; \$1,000 stated value; 0 and 9,992 shares issued and outstanding	-	9,992
Common stock, \$1 par value; 150,000,000 shares authorized; 70,861,025 and 66,198,477 shares issued and outstanding	70,861	66,198
Common stock, non-voting, \$1 par value; 26,000,000 shares authorized; 0 and 5,285,516 shares issued and outstanding	-	5,286
Common stock issuable; 520,014 and 458,953 shares	7,179	6,779
Capital surplus	1,274,909	1,286,361
Accumulated deficit	(273,314)	(330,879)
Accumulated other comprehensive loss	(342)	(25,452)
Total shareholders' equity	1,079,293	1,018,285
Total liabilities and shareholders' equity	\$ 10,297,615	\$ 9,616,428

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

	2016			2015		
	Average Balance	Interest	Avg. Rate	Average Balance	Interest	Avg. Rate
<i>(dollars in thousands, fully taxable equivalent (FTE))</i>						
Assets:						
Interest-earning assets:						
Loans, net of unearned income (FTE) ⁽¹⁾⁽²⁾	\$ 6,675,328	\$ 69,427	4.14%	\$ 5,457,158	\$ 57,258	4.16%
Taxable securities ⁽³⁾	2,588,037	15,284	2.36	2,367,417	12,624	2.13
Tax-exempt securities (FTE) ⁽¹⁾⁽³⁾	22,113	219	3.96	28,889	290	4.02
Federal funds sold and other interest-earning assets	157,972	754	1.91	155,957	948	2.43
Total interest-earning assets (FTE)	9,443,450	85,684	3.61	8,009,421	71,120	3.53
Non-interest-earning assets:						
Allowance for loan losses	(63,874)			(71,090)		
Cash and due from banks	100,775			80,678		
Premises and equipment	198,234			179,463		
Other assets ⁽³⁾	602,690			435,060		
Total assets	\$ 10,281,275			\$ 8,633,532		
Liabilities and Shareholders' Equity:						
Interest-bearing liabilities:						
Interest-bearing deposits:						
NOW	\$ 1,744,473	452	.10	\$ 1,491,801	337	.09
Money market	1,997,165	1,347	.27	1,737,740	981	.22
Savings	537,447	43	.03	386,254	25	.03
Time	1,375,706	833	.24	1,277,829	1,155	.36
Brokered time deposits	162,255	(166)	(.41)	268,716	(325)	(.48)
Total interest-bearing deposits	5,817,046	2,509	.17	5,162,340	2,173	.17
Federal funds purchased and other borrowings	42,234	98	.92	72,909	99	.54
Federal Home Loan Bank advances	583,312	1,015	.69	281,429	461	.65
Long-term debt	177,333	2,828	6.34	152,105	2,669	6.96
Total borrowed funds	802,879	3,941	1.95	506,443	3,229	2.53
Total interest-bearing liabilities	6,619,925	6,450	.39	5,668,783	5,402	.38
Non-interest-bearing liabilities:						
Non-interest-bearing deposits	2,490,019			1,972,291		
Other liabilities	103,859			95,342		
Total liabilities	9,213,803			7,736,416		
Shareholders' equity	1,067,472			897,116		
Total liabilities and shareholders' equity	\$ 10,281,275			\$ 8,633,532		
Net interest revenue (FTE)		\$ 79,234			\$ 65,718	
Net interest-rate spread (FTE)			<u>3.22%</u>			<u>3.15%</u>
Net interest margin (FTE) ⁽⁴⁾			<u>3.34%</u>			<u>3.26%</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 \$30.4 million in 2016 and \$8.56 million in 2015 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 Nine Months Ended September 30,

	2016			2015		
	Average Balance	Interest	Avg. Rate	Average Balance	Interest	Avg. Rate
<i>(dollars in thousands, fully taxable equivalent (FTE))</i>						
Assets:						
Interest-earning assets:						
Loans, net of unearned income (FTE) ⁽¹⁾⁽²⁾	\$ 6,277,972	\$ 196,956	4.19%	\$ 5,069,270	\$ 160,204	4.23%
Taxable securities ⁽³⁾	2,665,272	47,590	2.38	2,263,907	36,380	2.14
Tax-exempt securities (FTE) ⁽¹⁾⁽³⁾	26,415	735	3.71	23,649	845	4.76
Federal funds sold and other interest-earning assets	150,146	2,719	2.41	154,392	2,734	2.36
Total interest-earning assets (FTE)	9,119,805	248,000	3.63	7,511,218	200,163	3.56
Non-interest-earning assets:						
Allowance for loan losses	(66,142)			(71,425)		
Cash and due from banks	93,802			78,948		
Premises and equipment	187,019			169,037		
Other assets ⁽³⁾	574,870			405,101		
Total assets	\$ 9,909,354			\$ 8,092,879		
Liabilities and Shareholders' Equity:						
Interest-bearing liabilities:						
Interest-bearing deposits:						
NOW	\$ 1,795,372	1,381	.10	\$ 1,462,344	1,079	.10
Money market	1,901,903	3,661	.26	1,605,098	2,460	.20
Savings	505,337	102	.03	340,878	71	.03
Time	1,280,503	2,325	.24	1,253,047	3,816	.41
Brokered time deposits	194,199	(273)	(.19)	272,688	(982)	(.48)
Total interest-bearing deposits	5,677,314	7,196	.17	4,934,055	6,444	.17
Federal funds purchased and other borrowings	29,427	278	1.26	52,385	279	.71
Federal Home Loan Bank advances	506,524	2,731	.72	270,260	1,307	.65
Long-term debt	168,955	8,178	6.47	131,338	7,481	7.62
Total borrowed funds	704,906	11,187	2.12	453,983	9,067	2.67
Total interest-bearing liabilities	6,382,220	18,383	.38	5,388,038	15,511	.38
Non-interest-bearing liabilities:						
Non-interest-bearing deposits	2,374,076			1,793,181		
Other liabilities	102,421			93,218		
Total liabilities	8,858,717			7,274,437		
Shareholders' equity	1,050,637			818,442		
Total liabilities and shareholders' equity	\$ 9,909,354			\$ 8,092,879		
Net interest revenue (FTE)		\$ 229,617			\$ 184,652	
Net interest-rate spread (FTE)			<u>3.25%</u>			<u>3.18%</u>
Net interest margin (FTE) ⁽⁴⁾			<u>3.36%</u>			<u>3.29%</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 \$15.1 million in 2016 and \$12.7 million in 2015 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.

2016

INVESTOR PRESENTATION

Third Quarter 2016
October 26, 2016



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 2015 Annual Report on Form 10-K and its most recent quarterly report on Form 10-Q under the sections entitled "Forward-Looking Statements." Forward-looking statements speak only as of the date they are made, and we undertake no obligation to update or revise forward-looking statements.

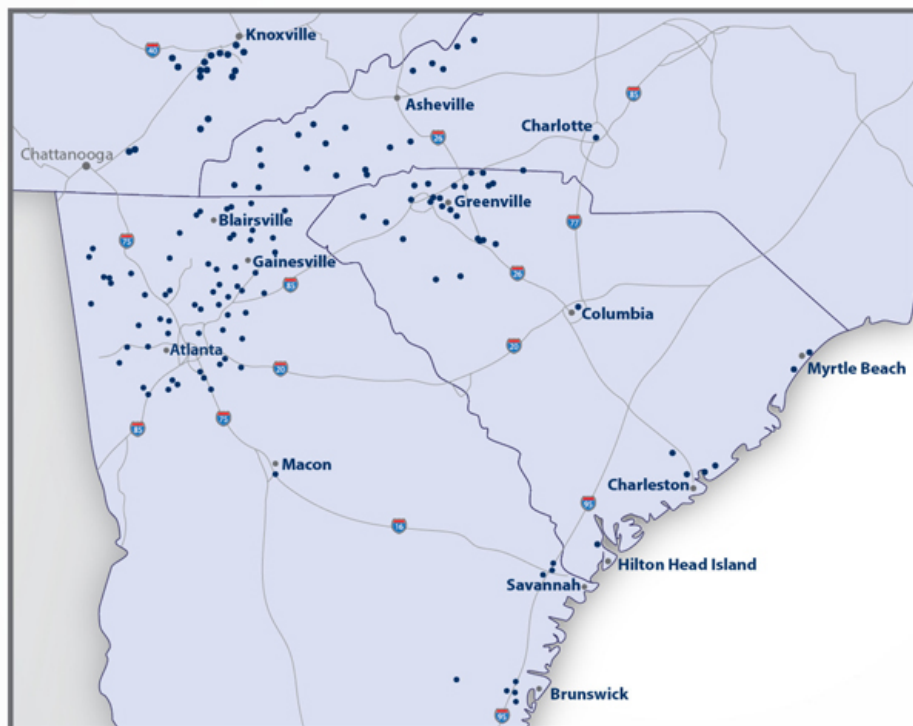
NON-GAAP MEASURES

This presentation 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 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." The most comparable GAAP measures to these measures are: net income, net income available to common shareholders, diluted income per common share, ROE, ROA, efficiency ratio, dividend payout ratio, expenses, net income, and equity to assets.

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. For a reconciliation of the differences between our non-GAAP financial measures and the most comparable GAAP measures, please refer to the 'Non-GAAP Reconciliation Tables' included in the exhibits to this presentation.

Snapshot of United Community Banks, Inc.



- Headquartered in Blairsville, GA
- Regional Headquarters in Greenville, SC
- Four state regional community bank: GA, NC, SC and TN
- One of the largest community banks in the Southeast
- Established in 1950
- 140 locations
- 1,986 employees

**Forbes | 2016
BEST BANKS
IN AMERICA**

Market Data

Ticker	UCBI
Price (as of 10/21/16)	\$20.99
Market Cap	\$1.5B
P/E (2016e)	14.6
P/TBV	163%
Avg. Daily Vol. (LTM)	497,000
Institutional Ownership	87.3%
Quarterly Dividend (3Q16)	\$0.08

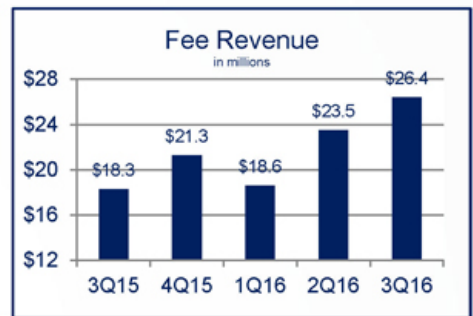
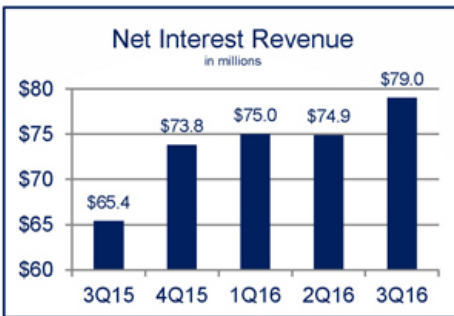
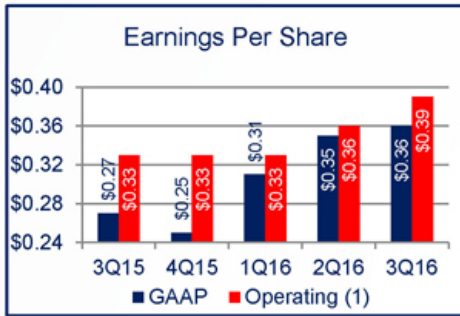
Third Quarter 2016

Assets	\$10.3B
Loans	\$6.7B
Deposits	\$8.4B
EPS – GAAP	\$0.36
EPS – Operating	\$0.39
Total RBC	11.9%
CET1	11.1%
NPAs/Assets	0.30%
ROA – GAAP	1.00%
ROA – Operating	1.08%
ROCE – GAAP	9.61%
ROTCE – Operating	12.45%

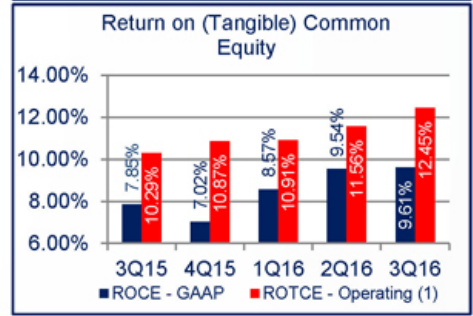
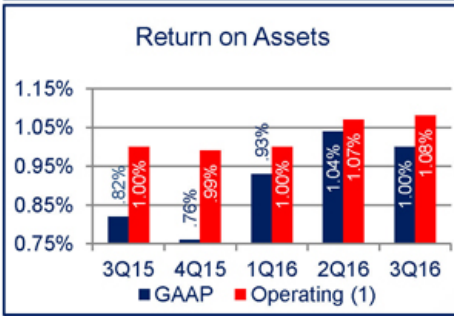
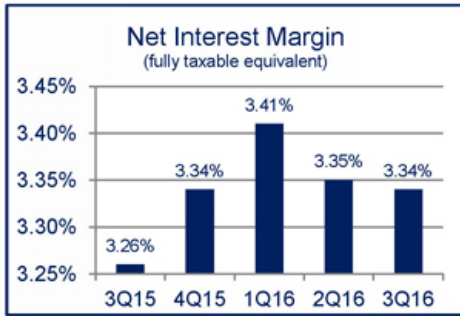


Third Quarter 2016 Highlights

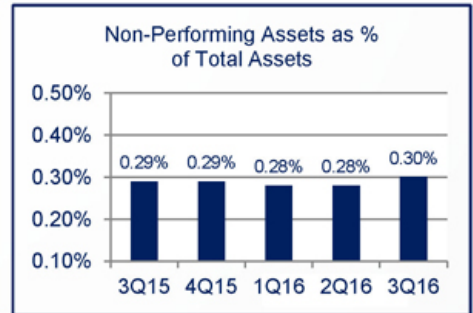
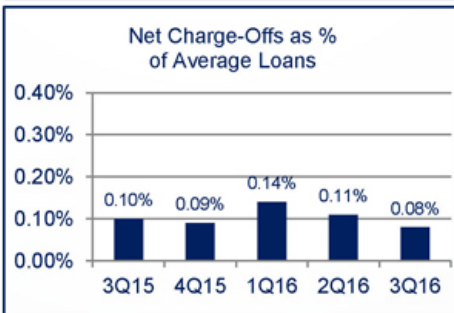
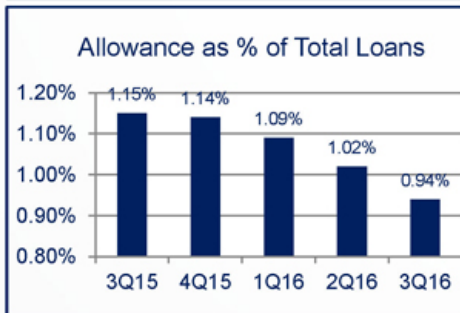
EARNINGS



PROFITABILITY



ASSET QUALITY



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

Third Quarter 2016 Highlights

	2015		2016			Variance - Incr / (Decr)	
	3Q (2)	4Q	1Q	2Q	3Q (3)	2Q16	3Q15
EARNINGS SUMMARY (\$ in thousands)							
Net Income - GAAP	\$17,862	\$18,183	\$22,274	\$25,266	\$25,874	\$ 608	\$ 8,012
Net Income - Operating ⁽¹⁾	21,726	23,800	23,944	25,997	27,833	1,836	6,107
Net Interest Revenue	65,426	73,764	74,952	74,918	78,989	4,071	13,563
Fee Revenue	18,297	21,284	18,606	23,497	26,361	2,864	8,064
Expenses - GAAP	54,269	65,488	57,885	58,060	64,023	5,963	9,754
Expenses - Operating ⁽¹⁾	48,525	56,410	55,232	56,884	60,871	3,987	12,346
PER SHARE DATA							
Diluted EPS - GAAP	\$ 0.27	\$ 0.25	\$ 0.31	\$ 0.35	\$ 0.36	\$ 0.01	\$ 0.09
Diluted EPS - Operating ⁽¹⁾	0.33	0.33	0.33	0.36	0.39	0.03	0.06
Book Value per Share	13.95	14.02	14.35	14.80	15.12	0.32	1.17
Tangible Book Value per Share	12.08	12.06	12.40	12.84	13.00	0.16	0.92
KEY OPERATING PERFORMANCE MEASURES							
Return on Assets - GAAP	0.82 %	0.76 %	0.93 %	1.04 %	1.00 %	(0.04) %	0.18 %
Return on Assets - Operating ⁽¹⁾	1.00	0.99	1.00	1.07	1.08	0.01	0.08
Return on Common Equity - GAAP	7.85	7.02	8.57	9.54	9.61	0.07	1.76
Return on Tangible Common Equity - Operating ⁽¹⁾	10.29	10.87	10.91	11.56	12.45	0.89	2.16
Net Interest Margin (fully taxable equivalent)	3.26	3.34	3.41	3.35	3.34	(0.01)	0.08
Efficiency Ratio - GAAP	64.65	68.97	61.94	59.02	60.78	1.76	(3.87)
Efficiency Ratio - Operating ⁽¹⁾	57.81	59.41	59.10	57.82	57.79	(0.03)	(0.02)
ASSET QUALITY							
Allowance for Loan Losses to Loans	1.15 %	1.14 %	1.09 %	1.02 %	0.94 %	(0.08) %	(0.21) %
NPAs to Loans and Foreclosed Properties	0.46	0.46	0.45	0.44	0.46	0.02	-
NPAs to Total Assets	0.29	0.29	0.28	0.28	0.30	0.02	0.01
AT PERIOD END (\$ in millions)							
Loans	\$ 6,024	\$ 5,995	\$ 6,106	\$ 6,287	\$ 6,725	\$ 438	\$ 701
Investment Securities	2,457	2,656	2,757	2,677	2,560	(117)	103
Total Assets	9,404	9,616	9,781	9,928	10,298	370	894
Deposits	7,905	7,881	7,960	7,857	8,442	585	537

⁽¹⁾ See non-GAAP reconciliation table slides at the end of the exhibits ⁽²⁾ Includes Palmetto as of the acquisition date of September 1, 2015 ⁽³⁾ Includes Tideland as of the acquisition date of July 1, 2016

Third Quarter 2016 Highlights

		3Q16	2Q16	3Q15
Net Income (\$ in millions)	GAAP	\$ 25.9	\$ 25.3	\$ 17.9
	Operating ⁽¹⁾	27.8	26.0	21.7
EPS	GAAP	.36	.35	.27
	Operating ⁽¹⁾	.39	.36	.33
ROA	GAAP	1.00%	1.04%	0.82%
	Operating ⁽¹⁾	1.08	1.07	1.00
ROCE	GAAP	9.61	9.54	7.85
ROTCE	Operating ⁽¹⁾	12.45	11.56	10.29

Protecting High-Quality Balance Sheet ⁽¹⁾

Asset Quality	<ul style="list-style-type: none"> ▶ Top-Quartile Credit Quality Performance <ul style="list-style-type: none"> • Provision recovery of \$300 thousand compared with a recovery of \$300 thousand in 2Q16 and provision of \$700 thousand in 3Q15 • Net charge-offs to loans of 0.08% - decreased 3bp from 2Q16 and 2bp from 3Q15 • NPAs were 0.30% of total assets compared with 0.28% in 2Q16 and 0.29% in 3Q15 • Allowance 0.94% of total loans compared with 1.02% at 2Q16 and 1.15% at 3Q15
Capital Management	<ul style="list-style-type: none"> ▶ Solid and Well-Capitalized Regulatory Capital Ratios <ul style="list-style-type: none"> • Tier I Common to Risk Weighted Assets of 11.4% and Tier I Leverage of 8.4% • Tier I Risk Based Capital of 11.1% and Total Risk Based Capital of 11.9% ▶ Committed to Returning Value to Shareholders While Balancing Reinvestment in United <ul style="list-style-type: none"> • Quarterly dividend of \$0.08 in 3Q16 and \$0.07 per share in each 2Q16 and 1Q16 compared with \$0.06 in each 4Q15 and 3Q15 • Dividend payout ratio of 22.2% in 3Q16 compared with 20.0% in 2Q16 and 22.2% in 3Q15; on an operating basis, the dividend payout ratio was 20.5%, 19.4% and 18.2%, respectively • Stock repurchases to-date of \$13.6 million (764,000 shares / average price of \$17.85 per share)

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

Third Quarter 2016 Highlights

Increasing Profitability

Net Interest Revenue

- ▶ \$79.0 Million – Increased 5% from 2Q16 and 21% from 3Q15
 - Increased \$4.1 million from 2Q16 and \$13.6 million from 3Q15
 - Average loans increased to \$6.68 billion in 3Q16 from \$6.15 billion in 2Q16 and \$5.46 billion in 3Q15
 - Average investment securities decreased to \$2.61 billion in 3Q16 from \$2.75 billion in 2Q16 and increased from \$2.40 billion in 3Q15

Taxable Equivalent Net Interest Margin

- ▶ 3.34% - Decreased 1bp from 2Q16 and increased 8bp from 3Q15
 - Loan yield decreased to 4.14% in 3Q16 from 4.15% in 2Q16 and 4.16% in 3Q15
 - Decline due to pricing pressures and higher mix of floating-rate loans
 - Investment securities yield decreased to 2.38% in 3Q16 from 2.46% in 2Q16 and increased from 2.16% in 3Q15
 - Funding costs were 0.39% in both 3Q16 and 2Q16, a 1 bp increase from 3Q15

Fee Revenue

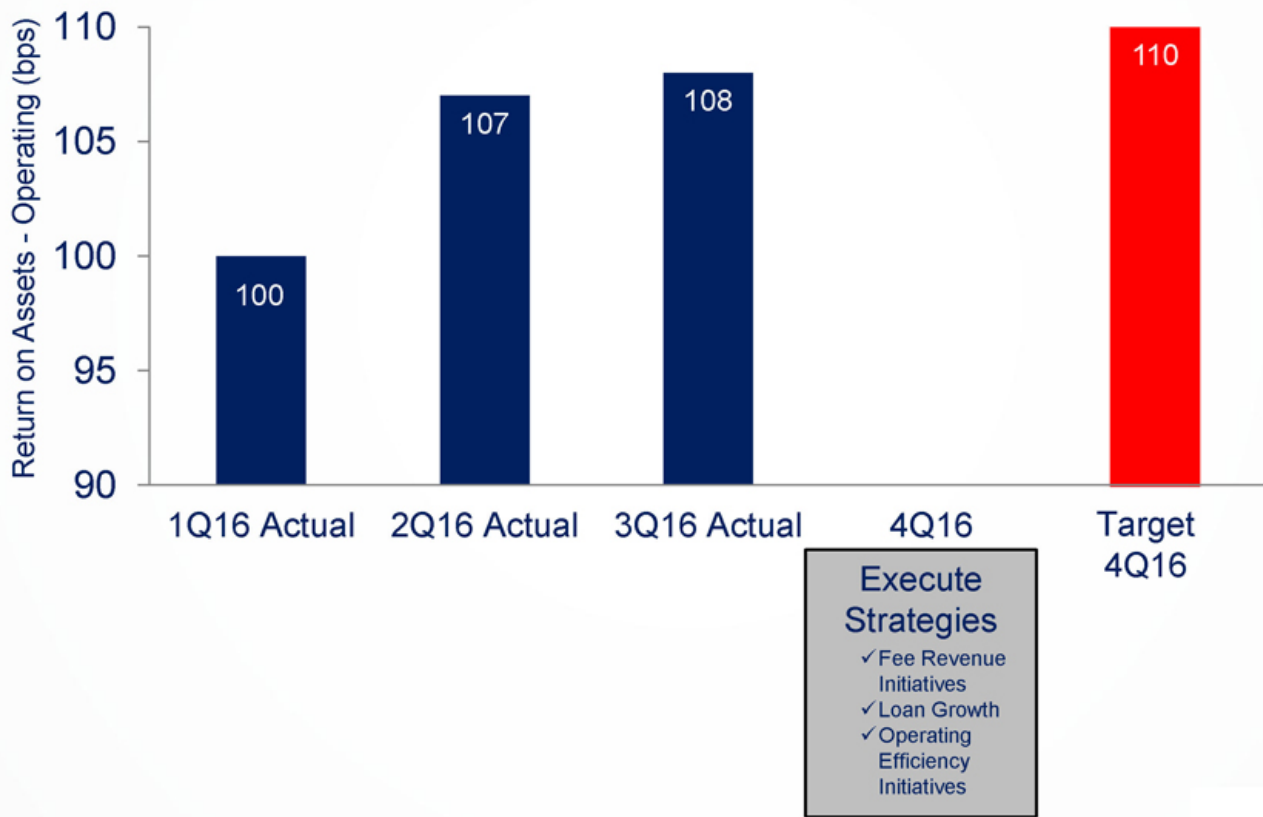
- ▶ \$26.4 Million – Fee Revenue Expansion Focus Through Targeted Growth Initiatives
 - Increased \$2.9 million from 2Q16 and \$8.1 million from 3Q15
 - Linked quarter growth in mortgage loan and related fees of \$1.6 million and other fee revenue of \$1.2 million
 - Gains from sales of SBA government guaranteed loans of \$2.5 million were down slightly from 2Q16 gains of \$2.8 million
 - Year-over-year increases also impacted by acquisitions with growth in service charges and fees of \$1.5 million, mortgage loan and other related fees of \$2.2 million, gains from sales of SBA loans of \$833 thousand and other fee revenue of \$3.4 million

Third Quarter 2016 Highlights

Generating Growth

- | | |
|---------------------------|--|
| Loan Growth | <ul style="list-style-type: none"> ▶ Well-Diversified Loan Portfolio <ul style="list-style-type: none"> ● Increased \$133 million from 2Q16, or 8% annualized (excluding mergers) and \$586 million from 3Q15, or 10% (excluding mergers and healthcare portfolio loan sale) ● Strong loan production of \$641 million vs. \$662 million in 2Q16 and \$452 million in 3Q15 |
| Core Transaction Deposits | <ul style="list-style-type: none"> ▶ \$5.9 Billion – Solid Low-Cost Core Transaction Deposits <ul style="list-style-type: none"> ● Increased \$254 million from 2Q16, or 19% annualized, and \$431 million from 3Q15, or 8%, excluding deposits acquired in mergers |
| Acquisitions | <ul style="list-style-type: none"> ▶ 2016 - Tidelands Bancshares, Inc. <ul style="list-style-type: none"> ● Closed merger with Tidelands Bancshares, Inc., headquartered in Mt. Pleasant, South Carolina, on July 1, 2016 ● Added seven branches to our Coastal, South Carolina footprint ● System conversion scheduled for November 2016 ● Strategic purchase completes a two-step plan, accelerating growth in attractive coastal South Carolina markets, providing additional organic growth from the lift-out of an experienced lending team and will be immediately accretive to operating earnings |

Path to 1.10% ROA (Operating) by Q416



Protecting High-Quality Balance Sheet

Credit Quality



\$ in millions

	3Q15		4Q15		1Q16		2Q16		3Q16	
Net Charge-offs	\$	1.4	\$	1.3	\$	2.1	\$	1.7	\$	1.4
as % of Average Loans		0.10 %		0.09 %		0.14 %		0.11 %		0.08 %
Allowance for Loan Losses	\$	69.1	\$	68.4	\$	66.3	\$	64.3	\$	63.0
as % of Total Loans		1.15 %		1.14 %		1.09 %		1.02 %		0.94 %
as % of NPLs		344		302		296		301		292
Past Due Loans (30 - 89 Days)		0.27 %		0.26 %		0.21 %		0.22 %		0.33 %
Non-Performing Loans	\$	20.0	\$	22.6	\$	22.4	\$	21.3	\$	21.6
OREO		7.7		4.9		5.2		6.2		9.2
Total NPAs		27.7		27.5		27.6		27.5		30.8
Performing Classified Loans		136.0		127.5		121.1		118.5		121.6
Total Classified Assets	\$	163.7	\$	155.0	\$	148.7	\$	146.0	\$	152.4
as % of Tier 1 / Allowance		18 %		17 %		16 %		15 %		15 %
Accruing TDRs	\$	84.6	\$	83.0	\$	72.8	\$	73.3	\$	70.1
Total NPAs										
as % of Total Assets		0.29		0.29		0.28		0.28		0.30
as % of Loans & OREO		0.46		0.46		0.45		0.44		0.46

Protecting High-Quality Balance Sheet

Prudent Capital Management

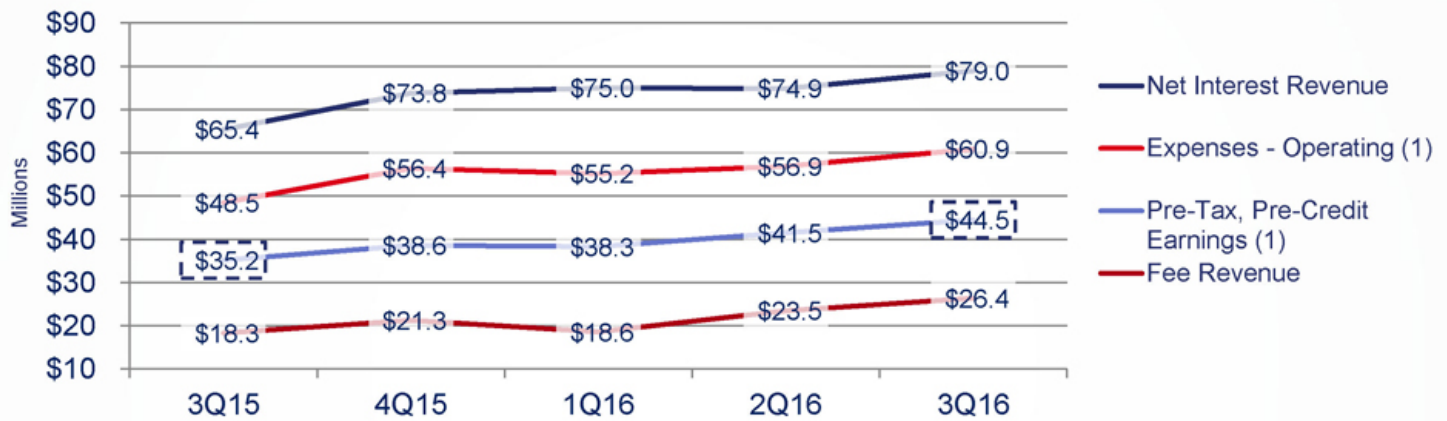


Holding Company	3Q16	2Q16	1Q16	4Q15	3Q15
Tier I Risk-Based Capital	11.1%	11.4%	11.3%	11.5%	11.4%
Total Risk-Based Capital	11.9	12.4	12.3	12.5	12.5
Leverage	8.4	8.5	8.4	8.3	9.1
Tier I Common Risk-Based Capital	11.1	11.4	11.3	11.5	11.4
Tangible Common Equity to Risk-Weighted Assets	12.3	12.9	12.8	12.8	13.1
Average Tangible Equity to Average Assets	9.0	9.4	9.4	9.4	9.9

- ▶ All regulatory capital ratios above "well-capitalized"
- ▶ Stock repurchases of \$13.6 million through September 30, 2016 (764,000 shares / average price of \$17.85 per share)
- ▶ Paid quarterly shareholder dividend of \$0.08 per share on October 5, 2016 to shareholders of record on September 15, 2016
- ▶ Tidelands acquisition completed on July 1, 2016. No shares issued
- ▶ Palmetto acquisition lowered Leverage ratio in 4Q15 (full quarter impact of average assets)
- ▶ Continued strong earnings and \$113 million of future DTA recovery driving regulatory capital growth

Increasing Profitability

Earnings, Fee Revenue, and Expenses

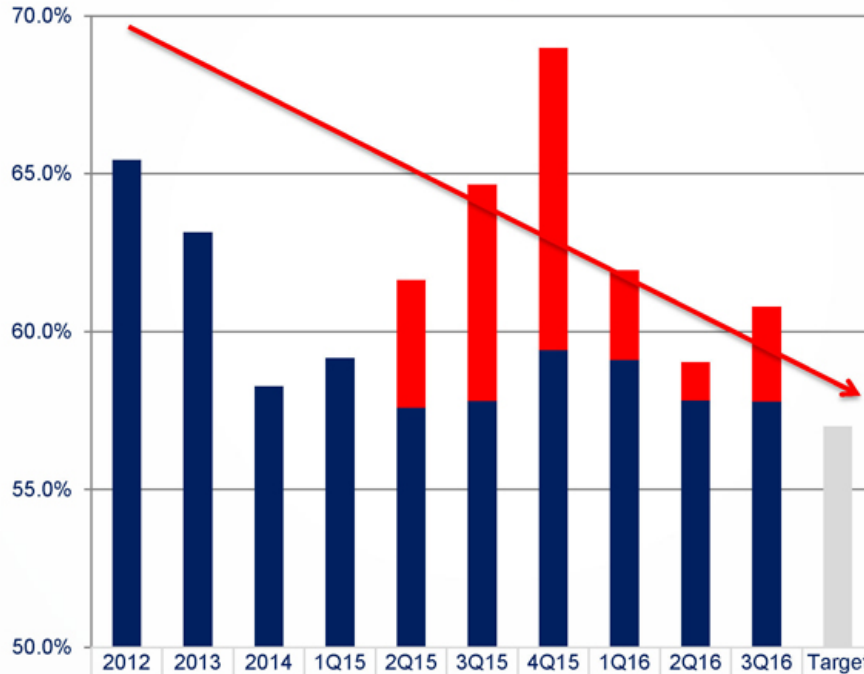


Earnings (pre-tax, pre-credit)				Fee Revenue				Expenses			
\$ in thousands				\$ in thousands				\$ in thousands			
	3Q16	Variance - Incr/(Decr)			Variance - Incr/(Decr)			Variance - Incr/(Decr)			
		2Q16	3Q15		3Q16	2Q16	3Q15		3Q16	2Q16	3Q15
Net Interest Revenue	\$ 78,969	\$ 4,071	\$ 13,563	Overdraft Fees	\$ 3,648	\$ 351	\$ 345	Salaries & Employee Benefits	\$ 36,478	\$ 2,906	\$ 7,136
Fee Revenue	26,361	2,864	8,064	Interchange Fees	5,283	(50)	919	Communications & Equipment	4,919	526	956
Gross Revenue	105,350	6,935	21,627	Other Service Charges	1,888	3	220	Occupancy	5,132	594	1,119
Expenses - Operating ⁽¹⁾	60,871	3,987	12,346	Total Service Charges and Fees	10,819	304	1,484	FDIC Assessment	1,412	(105)	276
Pre-Tax, Pre-Credit Earnings ⁽¹⁾	44,479	2,948	9,281	Mortgage Loan & Related Fees	6,039	1,591	2,199	Advertising & Public Relations	1,088	(235)	276
Merger-Related and Other Charges	(3,152)	1,976	(2,592)	Brokerage Fees	1,199	82	(1)	Postage, Printing & Supplies	1,451	153	402
Provision for Credit Losses	300	-	(1,000)	Gains from SBA Loan Sales	2,479	(322)	833	Professional Fees	3,160	(29)	492
Income Taxes	(15,753)	364	4,886	Securities Gains, Net	261	(21)	192	Other Expense	7,231	177	1,689
Net Income - GAAP	\$ 25,874	\$ 608	\$ 7,987	Other	5,564	1,230	3,357	Expenses - Operating ⁽¹⁾	60,871	3,987	12,346
Net Interest Margin (fully taxable equivalent)	3.34 %	(0.01) %	0.08 %	Fee Revenue	\$ 26,361	\$ 2,864	\$ 8,064	Merger-Related and Other Charges	3,152	1,976	(2,592)
								Expenses - GAAP	\$ 64,023	\$ 5,963	\$ 9,754

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

Expense Discipline

Efficiency Ratio ⁽¹⁾



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

	2012	2013	2014	1Q15	2Q15	3Q15	4Q15	1Q16	2Q16	3Q16	Target
GAAP	65.4%	63.1%	58.3%	59.2%	61.6%	64.7%	69.0%	61.9%	59.0%	60.8%	
Non-GAAP Adjustments	0.0%	0.0%	0.0%	0.0%	4.0%	6.8%	9.6%	2.8%	1.2%	3.0%	
Operating	65.4%	63.1%	58.3%	59.2%	57.6%	57.8%	59.4%	59.1%	57.8%	57.8%	57.0%

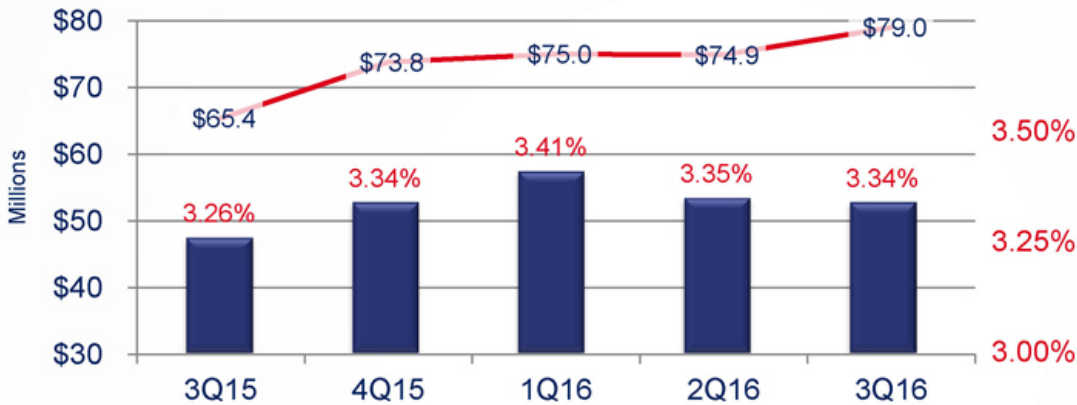
⁽¹⁾ See non-GAAP reconciliation table slides at the end of the exhibits for a reconciliation of operating performance measures to GAAP performance measures

Increasing Profitability

Key Drivers of Net Interest Revenue / Margin



Net Interest Revenue & Margin ⁽¹⁾



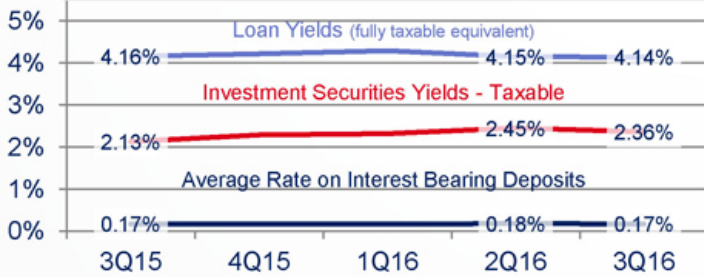
3Q16 Impacted By

NET INTEREST REVENUE

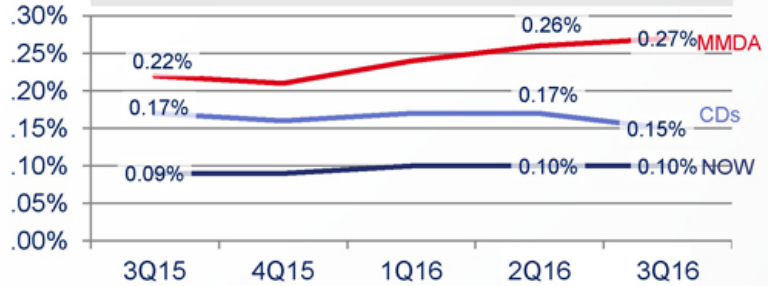
- ▶ Tideland's acquisition on July 1, 2016
- ▶ Slight margin compression due to loan pricing pressures

Net Interest Revenue Key Drivers

Loan / Securities / Deposit Pricing

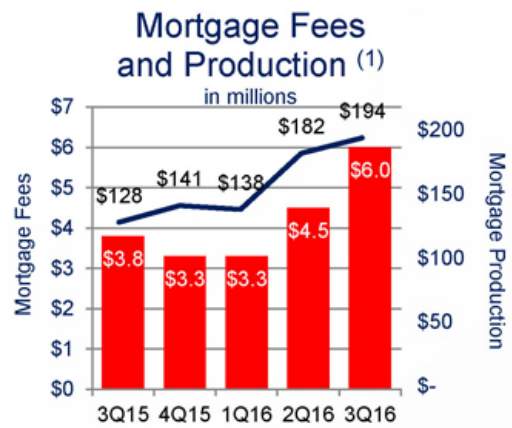
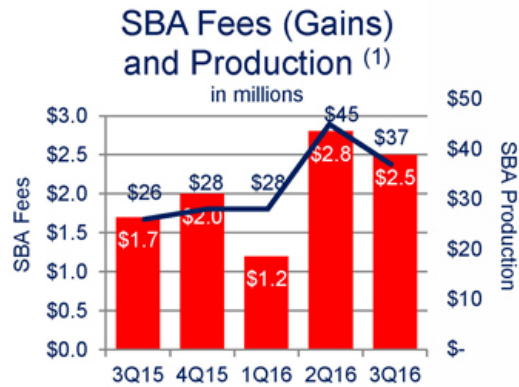
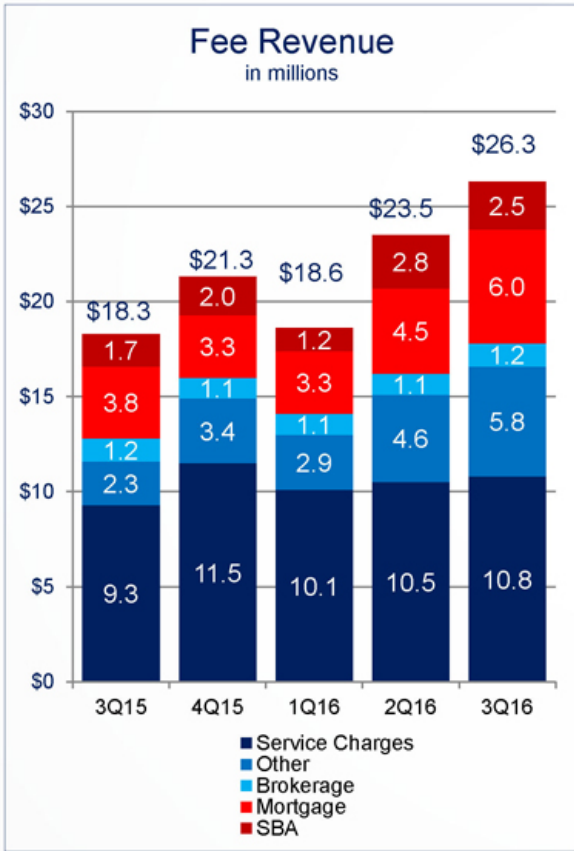


Customer Deposit Pricing ⁽²⁾



⁽¹⁾ Net interest margin is calculated on a fully taxable equivalent basis ⁽²⁾ Excludes brokered deposits

Driving Fee Revenue Through Core Banking Infrastructure



SBA

- ▶ 3Q16 Sales \$32 million
- ▶ 2015 Sales \$71 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

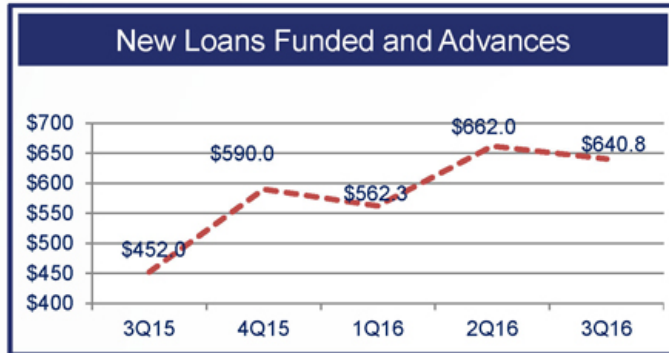
(1) Applicable periods include Palmetto, FNB and Tidlands production since respective acquisition dates

Generating Growth

New Loans Funded and Advances⁽¹⁾



\$ in millions



New Loans Funded and Advances by Category

	3Q16	2Q16	3Q15	Variance-Incr(Decr)	
				2Q16	3Q15
Commercial & Industrial	\$ 140.0	\$ 168.4	\$ 94.8	\$ (28.4)	\$ 45.2
Owner-Occupied CRE	90.2	80.9	51.4	9.3	38.8
Income-Producing CRE	144.8	132.3	95.6	12.5	49.2
Commercial Constr.	14.3	11.0	8.3	3.3	6.0
Total Commercial	389.3	392.6	250.1	(3.3)	139.2
Residential Mortgage	45.3	54.5	41.4	(9.2)	3.9
Residential HELOC	66.8	68.2	44.5	(1.4)	22.3
Residential Construction	78.0	79.3	54.2	(1.3)	23.8
Consumer	61.4	67.4	61.8	(6.0)	(0.4)
Total	\$ 640.8	\$ 662.0	\$ 452.0	\$ (21.2)	\$ 188.8

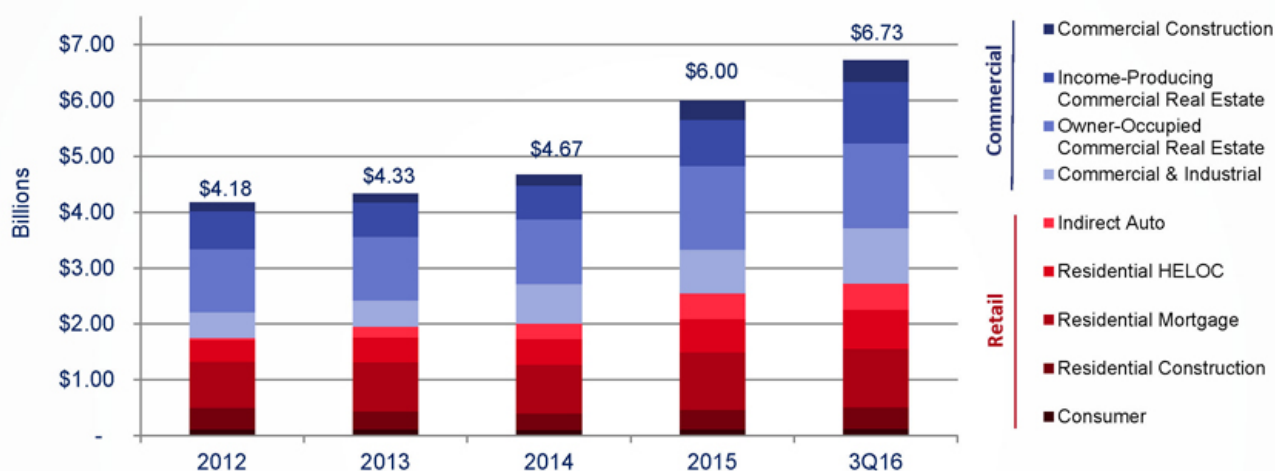
New Loans Funded and Advances by Region

	3Q16	2Q16	3Q15	Variance-Incr(Decr)	
				2Q16	3Q15
Atlanta	\$ 110.6	\$ 141.6	\$ 86.7	\$ (31.0)	23.9
Coastal Georgia	53.6	42.7	28.2	10.9	25.4
North Georgia	71.0	59.8	58.1	11.2	12.9
North Carolina	35.4	27.6	28.2	7.8	7.2
Tennessee	35.1	45.8	27.5	(10.7)	7.6
Gainesville	9.8	12.5	11.7	(2.7)	(1.9)
South Carolina	120.4	103.0	16.1	17.4	104.3
Total Community Banks	435.9	433.0	256.5	2.9	179.4
Asset-based Lending	9.7	10.8	17.1	(1.1)	(7.4)
Commercial RE	37.8	44.8	57.5	(7.0)	(19.7)
Healthcare	-	-	19.8	-	(19.8)
Senior Care	4.8	-	-	4.8	4.8
Middle Market	51.6	56.7	7.5	(5.1)	44.1
SBA	37.0	44.6	26.5	(7.6)	10.5
Builder Finance	25.2	31.2	21.4	(6.0)	3.8
Total Specialized Lending	166.1	188.1	149.8	(22.0)	16.3
Indirect Auto	38.8	40.9	45.7	(2.1)	(6.9)
Total	\$ 640.8	\$ 662.0	\$ 452.0	\$ (21.2)	\$ 188.8

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

Generating Growth

Loan Mix



Loans by Category in millions					
	2012	2013	2014	2015	3Q16
Commercial & Industrial	\$ 458	\$ 472	\$ 710	\$ 785	\$ 994
Owner-Occupied CRE	1,131	1,134	1,163	1,494	1,512
Income-Producing CRE	682	623	599	824	1,105
Commercial Constr.	155	149	196	342	389
Total Commercial	2,426	2,378	2,668	3,445	4,000
Residential Mortgage	829	875	866	1,029	1,056
Residential HELOC	385	441	466	598	698
Residential Construction	382	328	299	352	378
Consumer	115	111	104	115	127
Indirect Auto	38	196	269	456	466
Total Loans	\$ 4,175	\$ 4,329	\$ 4,672	\$ 5,995	\$ 6,725

Loans by Region in millions					
	2012	2013	2014	2015	3Q16
North Georgia	\$ 1,364	\$ 1,240	\$ 1,163	\$ 1,125	\$ 1,110
Atlanta MSA	1,204	1,235	1,243	1,259	1,332
North Carolina	579	572	553	549	548
Coastal Georgia	400	423	456	537	565
Gainesville MSA	261	255	257	254	236
East Tennessee ⁽¹⁾	283	280	280	504	506
South Carolina ⁽²⁾	-	4	30	819	1,199
Total Community Banks	4,091	4,009	3,982	5,047	5,496
Specialized Lending	46	124	421	492	763
Indirect Auto ⁽³⁾	38	196	269	456	466
Total Loans	\$ 4,175	\$ 4,329	\$ 4,672	\$ 5,995	\$ 6,725

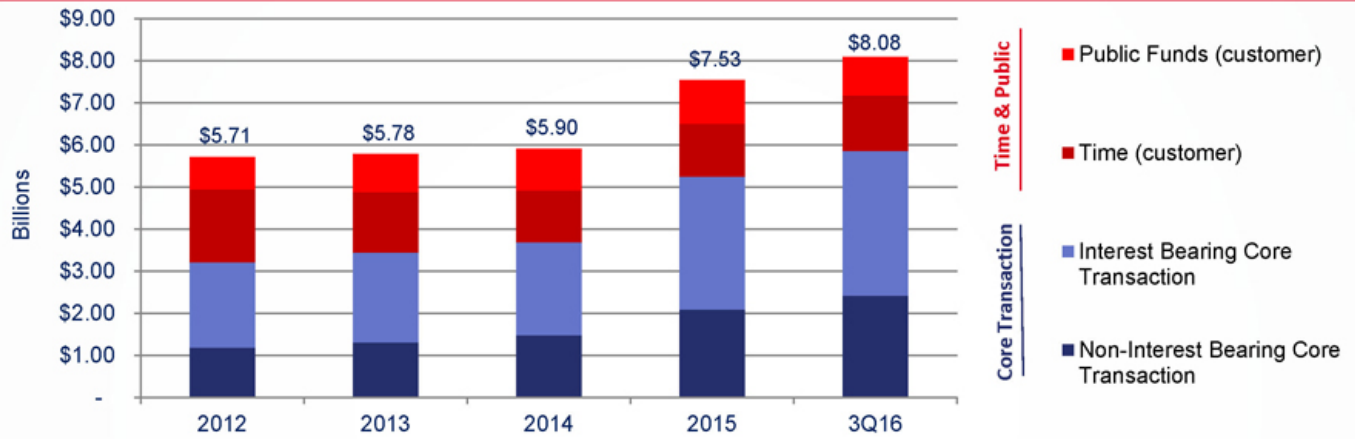
⁽¹⁾Includes \$244 million from the acquisition of FNB on May 1, 2015

⁽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 \$63 million from the acquisition of Palmetto on September 1, 2015

Generating Growth

Customer Deposit Mix



	2012	2013	2014	2015	3Q16
Non-Interest Bearing Core					
Demand Deposit	\$ 1,188	\$ 1,311	\$ 1,471	\$ 2,089	\$ 2,416
Interest Bearing Core					
NOW	654	659	668	1,109	1,112
MMDA	1,145	1,218	1,259	1,584	1,783
Savings	226	250	292	469	542
Total Interest Bearing Core	2,025	2,127	2,219	3,162	3,437
Total Core Trans Deposits	3,213	3,438	3,690	5,251	5,853
Time (Customer)	1,724	1,445	1,223	1,251	1,320
Public Funds (Customer)	770	894	989	1,032	910
Brokered	245	412	425	347	359
Total Deposits	\$ 5,952	\$ 6,189	\$ 6,327	\$ 7,881	\$ 8,442

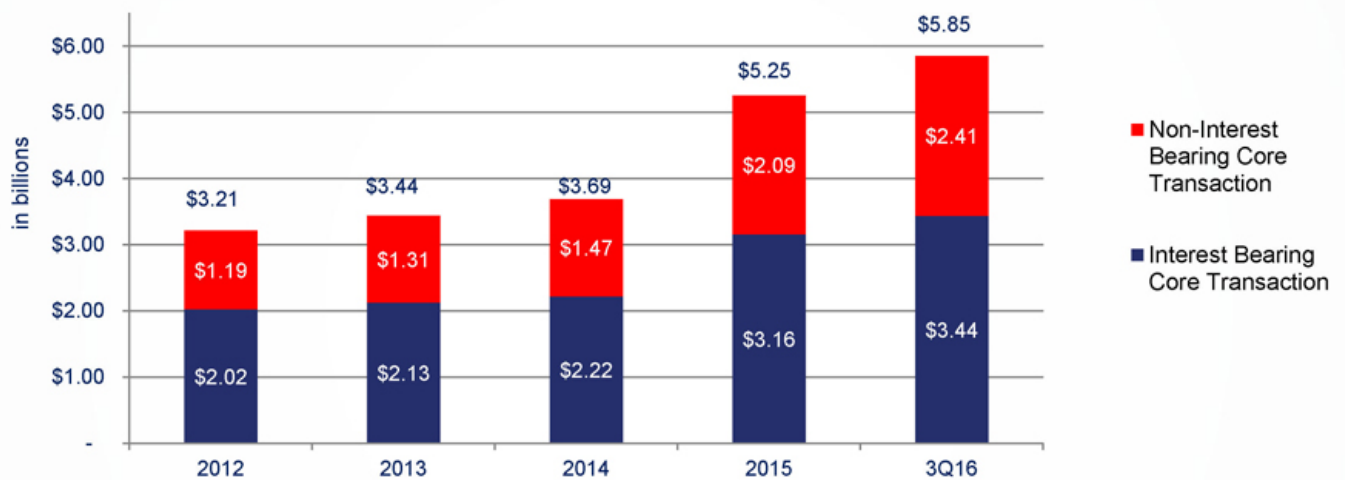
	2012	2013	2014	2015	3Q16
Demand Deposit	\$ 232	\$ 123	\$ 161	\$ 618	\$ 327
NOW	(65)	4	9	441	3
MMDA	115	73	41	325	199
Savings	29	24	41	177	73
Growth by Category	\$ 311	\$ 224	\$ 252	\$ 1,561	\$ 602
Atlanta MSA	\$ 160	\$ 75	\$ 84	\$ 223	\$ 144
North Georgia	41	62	90	158	133
North Carolina	47	42	35	63	61
Coastal Georgia	38	2	22	24	9
East Tennessee ⁽¹⁾	9	4	8	234	(17)
Gainesville MSA	16	19	10	34	28
South Carolina ⁽²⁾	-	20	3	825	244
Growth by Region	\$ 311	\$ 224	\$ 252	\$ 1,561	\$ 602

⁽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

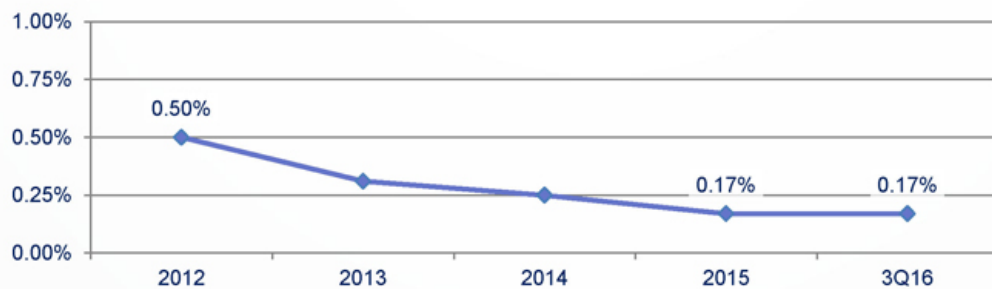
Generating Growth

Customer Deposit Mix

High-Quality, Low-Cost Core Transaction Deposit Base



Cost of Interest Bearing Deposits



Generating Growth

Acquisition of Tidelands Bancshares, Inc.



Transaction Summary

- Closed on July 1, 2016
- Conversion scheduled for 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
- 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
- Pro forma Tier 1 common of 11.5%+
- Anticipated internal rate of return in excess of 20%

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
- Tidelands' 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

Source: SNL Financial - Financial Metrics as of December 31, 2015

⁽¹⁾ NPAs / Assets = (Nonaccrual Loans + OREO) / Total Assets

Company Overview

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%

Combined Branch Map



EXHIBITS

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

- ▶ Announced 1.10% ROA (operating) target by 4Q16, up from current 1.08% level
- ▶ Managing a steady margin with minimal accretion income
- ▶ Fee revenue expansion through focused growth initiatives
- ▶ Continued operating expense discipline while investing in growth opportunities
- ▶ Executing on M&A cost savings
- ▶ High-quality, low-cost core deposit base

Generating Growth

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

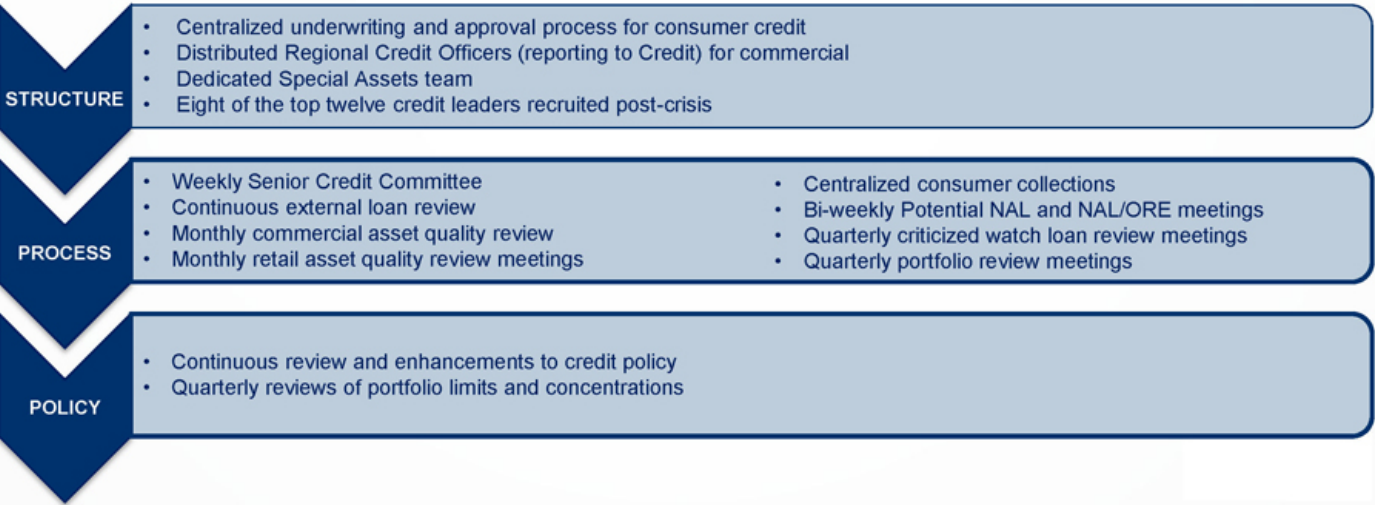
Disciplined Credit Processes



Granular Portfolio – Exposure and Industry Limits

•Legal Lending Limit	\$ 261M	Concentration limits set for all segments of the portfolio
•House Lending Limit	28M	
•Project Lending Limit	17M	
•Top 25 Relationships	396M	

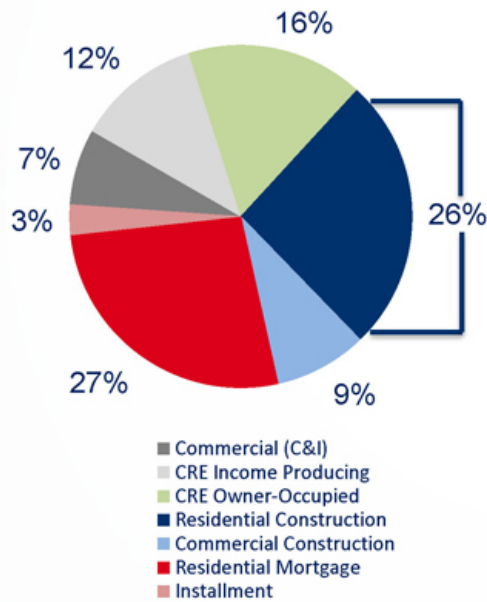
Consistent Underwriting



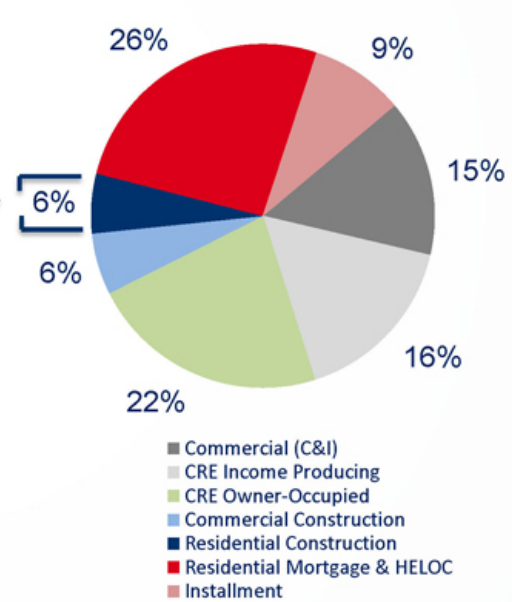
Protecting High-Quality Balance Sheet

Loan Portfolio Transformation and Diversification

**\$5.7 Billion Loan Portfolio
as of 12/31/2008**



**\$6.7 Billion Loan Portfolio
as of 9/30/2016**



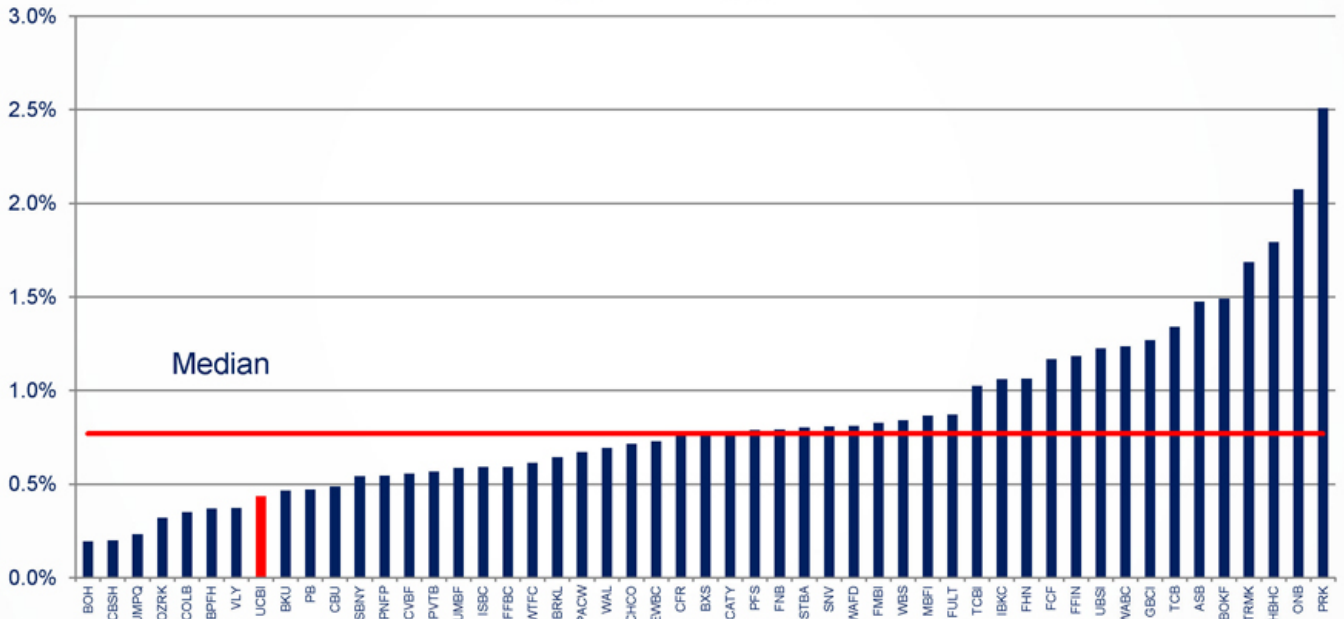
to

- Specialized Lending, which began in 2013, had loans totaling \$763 million at September 30, 2016 (11% of the loan portfolio).

Protecting High-Quality Balance Sheet

Excellent Credit Performance and Management

2Q16 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

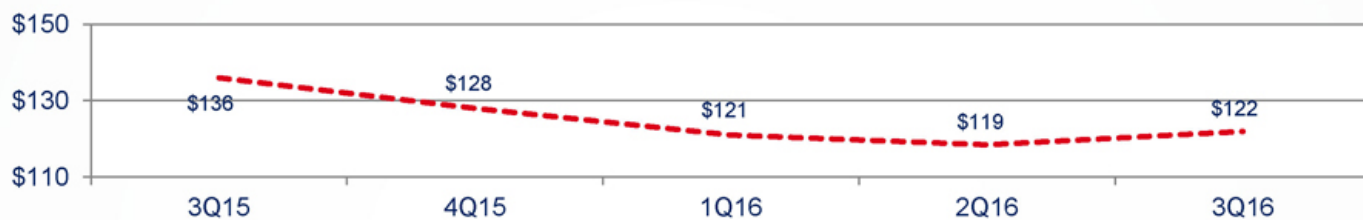
Note: Peer comparison banks comprise the KBW Regional Bank Index (ticker: KRX)

Protecting High-Quality Balance Sheet

Performing Classified Loans



\$ in millions



By Category

	3Q15	4Q15	1Q16	2Q16	3Q16
Commercial & Industrial	\$ 6	\$ 6	\$ 9	\$ 9	\$ 10
Owner-Occupied CRE	42	40	33	33	38
Total Commercial & Industrial	48	46	42	42	48
Income-Producing CRE	30	30	30	28	24
Commercial Construction	3	1	1	2	4
Total Commercial	81	77	73	72	76
Residential Mortgage	36	31	33	32	30
Residential HELOC	7	7	6	6	5
Residential Construction	10	11	7	7	8
Consumer / Installment	2	2	2	2	3
Total Performing Classified	<u>\$ 136</u>	<u>\$ 128</u>	<u>\$ 121</u>	<u>\$ 119</u>	<u>\$ 122</u>
Classified to Tier 1 + ALL	18 %	17 %	16 %	15 %	15 %

Protecting High-Quality Balance Sheet

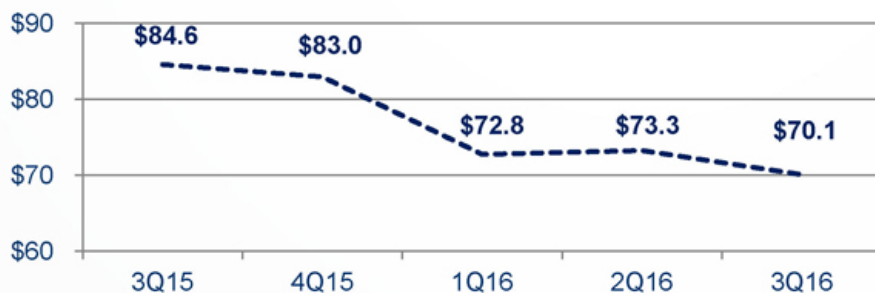
TDRs



\$ in millions

LOAN TYPE	Accruing			Non-Accruing			Total TDRs		
	3Q16 ⁽¹⁾	2Q16	3Q15	3Q16 ⁽¹⁾	2Q16	3Q15	3Q16 ⁽¹⁾	2Q16	3Q15
Commercial & Industrial	\$ 1.9	\$ 2.1	\$ 3.5	\$ -	\$ -	\$ -	\$ 1.9	\$ 2.1	\$ 3.5
Owner-Occupied CRE	23.4	24.7	31.6	2.2	1.4	1.2	25.6	26.1	32.8
Income-Producing CRE	21.0	20.7	14.1	-	-	.3	21.0	20.7	14.4
Commercial Construction	1.3	1.3	11.2	.1	.1	.1	1.4	1.4	11.3
Total Commercial	47.6	48.8	60.4	2.3	1.5	1.6	49.9	50.3	62.0
Residential Mortgage	17.3	18.2	17.3	1.5	1.3	2.1	18.8	19.5	19.4
Residential HELOC	.1	.1	.5	-	-	-	0.1	0.1	0.5
Residential Construction	4.2	5.2	5.7	1.1	.3	.3	5.3	5.5	6.0
Consumer / Installment	.9	1.0	.7	.4	.2	.1	1.3	1.2	0.8
Total TDRs	\$ 70.1	\$ 73.3	\$ 84.6	\$ 5.3	\$ 3.3	\$ 4.1	\$ 75.4	\$ 76.6	\$ 88.7

Accruing TDRs



► 4.2% of accruing TDRs are past due 30 – 89 days

► 58% of accruing TDRs are pass credits

⁽¹⁾ 85% 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	
Multi-Residential	\$ 120	17.0 %	\$ 67	17.2 %
Retail Building	116	16.5	66	17.0
Other Properties	78	11.1	43	11.0
Land Develop - Vacant (Improved)	65	9.2	54	13.9
Office Buildings	89	12.6	39	10.0
Commercial Land Development	30	4.3	26	6.7
Raw Land - Vacant (Unimproved)	45	6.4	36	9.3
Warehouse	32	4.5	19	4.9
Hotels / Motels	36	5.1	17	4.4
Assisted Living/Nursing Home/Rehab	44	6.2	11	2.8
Churches	25	3.6	5	1.3
Leasehold Property	17	2.4	2	0.5
Restaurants / Franchise	8	1.1	4	1.0
Total Commercial Construction	\$ 705	100.0 %	\$ 389	100.0 %

Commercial Real Estate – Income Producing				
in millions				
	Committed		Outstanding	
Retail Building	\$ 289	25.1 %	\$ 276	25.0
Office Buildings	268	23.2	259	23.4
Warehouse	112	9.7	104	9.4
Hotels / Motels	87	7.5	85	7.7
Multi-Residential	105	9.1	103	9.3
Other Properties	163	14.1	150	13.6
Convenience Stores	47	4.1	46	4.2
Restaurants / Franchise Fast Food	29	2.5	29	2.6
Manufacturing Facility	18	1.6	18	1.6
Leasehold Property	16	1.4	16	1.4
Automotive Service	7	0.6	7	0.6
Daycare Facility	5	0.4	5	0.5
Mobile Home Parks	4	0.4	4	0.4
Automotive Dealership	3	0.3	3	0.3
Total Commercial Real Estate - Income Producing	\$ 1,153	100.0 %	\$ 1,105	100.0

Committed Average Loan Size	
(in thousands)	
• Commercial Construction	\$1,206
• Commercial RE:	
• Composite CRE	541
• Owner-Occupied	439
• Income-Producing	793

Outstanding Average Loan Size	
(in thousands)	
• Commercial Construction	\$667
• Commercial RE:	
• Composite CRE	516
• Owner-Occupied	418
• Income-Producing	760

Protecting High-Quality Balance Sheet

Liquidity



\$ in millions

	Capacity	3Q16	2Q16	3Q15	vs 2Q16	vs 3Q15
WHOLESALE BORROWINGS						
Brokered Deposits ⁽¹⁾	\$ 1,030	\$ 359	\$ 412	\$ 517	\$ (53)	\$ (158)
FHLB	1,106	449	735	200	(286)	249
Holding Company LOC	50	-	-	-	-	-
Fed Funds	740	-	-	5	-	(5)
Other Wholesale	1,066	-	-	14	-	(14)
Total	\$ 3,992	\$ 808	\$ 1,147	\$ 736	\$ (339)	\$ 72
LONG-TERM DEBT						
Senior Debt		\$ 160	\$ 160	\$ 160	\$ -	\$ -
Trust Preferred Securities		16	6	6	10	10
Total Long-Term Debt		\$ 176	\$ 166	\$ 166	\$ 10	\$ 10
Cash		\$ 49	\$ 62	\$ 54	\$ (13)	\$ (5)
Loans / Deposits						
Loans		\$ 6,725	\$ 6,287	\$ 6,022	\$ 438	\$ 703
Core (DDA, MMDA, Savings)		\$ 5,853	\$ 5,423	\$ 5,246	\$ 430	\$ 607
Public Funds		910	868	831	42	79
CD's		1,320	1,154	1,311	166	9
Total Customer Deposits (excl Brokered)		\$ 8,083	\$ 7,445	\$ 7,388	\$ 638	\$ 695
Loan to Customer Deposit Ratio		83%	84%	82%		
Investment Securities						
Available for Sale -Fixed		\$ 1,584	\$ 1,714	\$ 1,435	\$ (130)	\$ 149
-Floating		631	622	665	9	(34)
Held to Maturity -Fixed		342	338	354	4	(12)
-Floating		3	4	4	(1)	(1)
Total Investment Securities		\$ 2,560	\$ 2,678	\$ 2,458	\$ (118)	\$ 102
Floating as % of Total Securities		25%	23%	27%		

Wholesale Borrowings

Holding Company Long-Term Debt / Cash

Loans / Customer Deposits

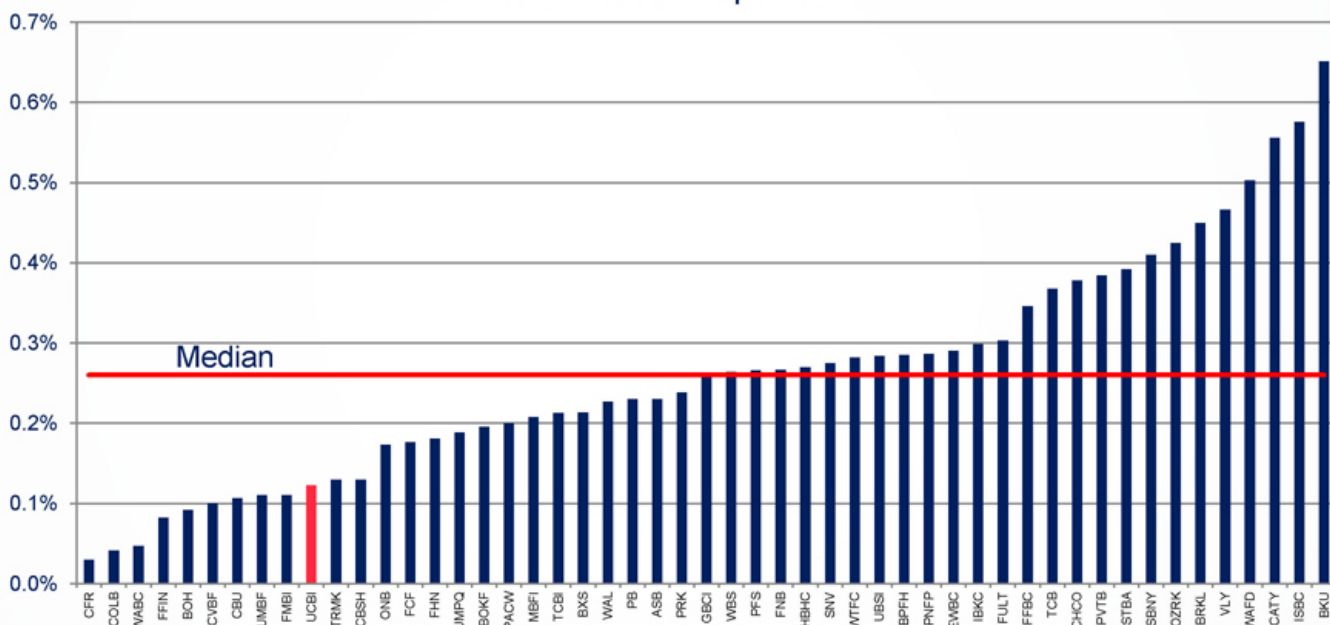
Investment Securities

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

Increasing Profitability

High-Quality, Low-Cost Core Deposit Base

2Q16 Cost of Deposits



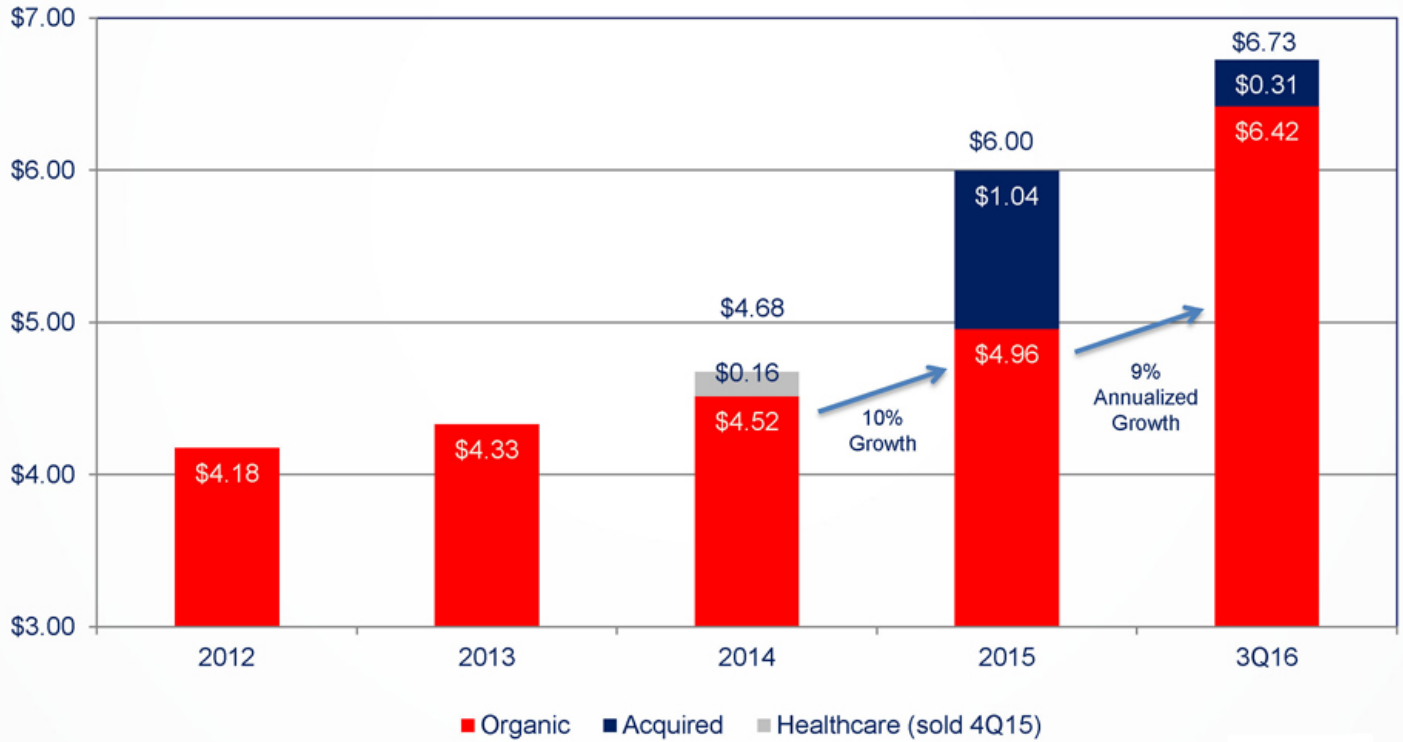
- ▶ Our second quarter 2016 total cost of deposits was 12 basis points, which compared favorably to peers with a median of 26 basis points
- ▶ Core deposits (excludes Jumbo CDs / Brokered) comprised approximately 90% of our total deposits at June 30, 2016

Source: SNL Financial LC

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

Steady Loan Growth

Total Loans
in billions



Generating Growth

Market Share Opportunities



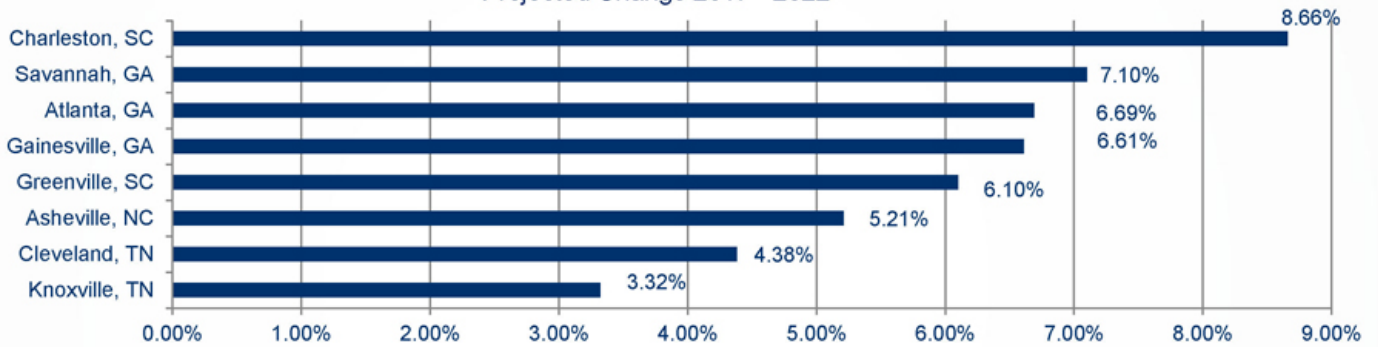
\$ in billions

Excellent Growth Opportunities							
	Market Deposits (1)	United Deposits (2)	Banks	Offices	Deposit Share (1)	Rank (1)	
North Georgia	\$ 6.5	\$ 2.3	9	22	36 %	1	
Atlanta, Georgia	66.2	2.5	10	36	4	7	
Gainesville, Georgia	3.2	0.3	1	5	11	4	
Coastal Georgia	8.7	0.3	2	7	4	8	
Western North Carolina	11.9	1.0	1	19	8	3	
East Tennessee	17.4	0.5	2	12	3	6	
Upstate South Carolina	23.2	1.1	4	25	5	7	
Coastal South Carolina	20.8	0.4	1	7	2	14	
Loan Production Offices	-	-	-	7			
Total Markets, September 30, 2016	\$ 157.9	\$ 8.4	30	140			

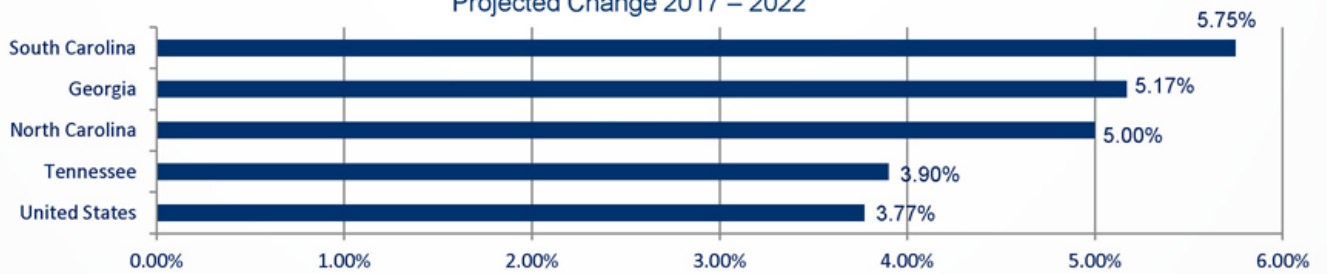
(1) FDIC deposit market share and rank as of June 30, 2016 for markets where United takes deposits. Data Source: FDIC.

(2) Based on current quarter.

Key MSA Growth Markets
Projected Change 2017 - 2022



State Population Growth
Projected Change 2017 - 2022

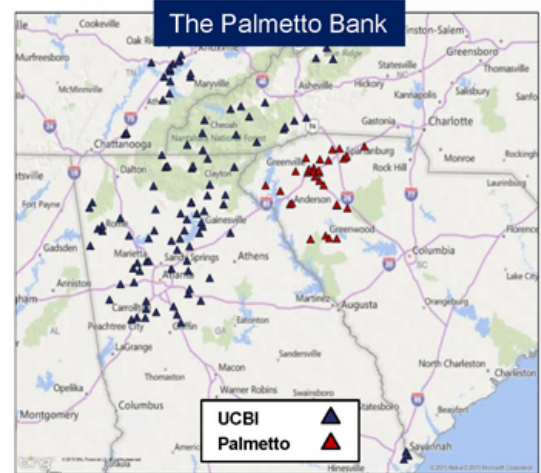
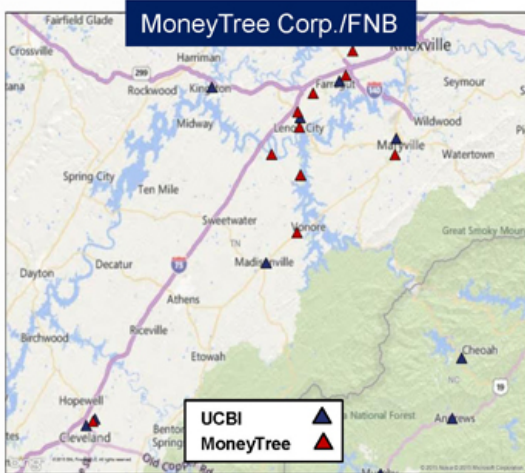


Source: SNL Financial

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%+.

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 2016 and 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 will be 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 \$10.3 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 35 years in banking
- Responsible for accounting, finance and reporting activities, M&A and investor relations
- Former CAO and Controller for State Street Corporation
- Former ABA Accounting Committee Chairman

Rex S. Schuette
EVP & CFO
Joined 2001



- Over 35 years in banking
- Responsible for 30 community banks with 140 banking offices
- Formerly of Riegel Textile Credit Union; President of Farmers and Merchants Bank
- Former Georgia Board of Natural Resources Board Chairman

Bill M. Gilbert
President,
Community Banking
Joined 2000



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

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



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

Robert A. Edwards
EVP & CCO
Joined 2015



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

Richard W. Bradshaw
President,
Specialized Lending
Joined 2014



Non-GAAP Reconciliation Tables

\$ in thousands, except per share data

	3Q15	4Q15	1Q16	2Q16	3Q16
Net Income					
Net income - GAAP	\$ 17,887	\$ 18,208	\$ 22,295	\$ 25,266	\$ 25,874
Merger-related and other charges	5,744	9,078	2,653	1,176	3,152
Tax benefit on merger-related and other charges	(1,905)	(3,486)	(1,004)	(445)	(1,193)
Net income - Operating	<u>\$ 21,726</u>	<u>\$ 23,800</u>	<u>\$ 23,944</u>	<u>\$ 25,997</u>	<u>\$ 27,833</u>
Diluted Earnings per share					
Diluted earnings per share - GAAP	\$ 0.27	\$ 0.25	\$ 0.31	\$ 0.35	\$ 0.36
Merger-related and other charges	0.06	0.08	0.02	0.01	0.03
Diluted earnings per share - Operating	<u>\$ 0.33</u>	<u>\$ 0.33</u>	<u>\$ 0.33</u>	<u>\$ 0.36</u>	<u>\$ 0.39</u>
Return on Assets					
Return on assets - GAAP	0.82 %	0.76 %	0.93 %	1.04 %	1.00 %
Merger-related and other charges	0.18	0.23	0.07	0.03	0.08
Return on assets - Operating	<u>1.00 %</u>	<u>0.99 %</u>	<u>1.00 %</u>	<u>1.07 %</u>	<u>1.08 %</u>
Return on Tangible Common Equity					
Return on common equity - GAAP	7.85 %	7.02 %	8.57 %	9.54 %	9.61 %
Effect of merger-related charges	1.69	2.16	0.63	0.27	0.73
Return on common equity - Operating	9.54	9.18	9.20	9.81	10.34
Effect of goodwill and intangibles	0.75	1.69	1.71	1.75	2.11
Return on tangible common equity - Operating	<u>10.29 %</u>	<u>10.87 %</u>	<u>10.91 %</u>	<u>11.56 %</u>	<u>12.45 %</u>
Expenses					
Expenses - GAAP	\$ 54,269	\$ 65,488	\$ 57,885	\$ 58,060	\$ 64,023
Merger-related charges	(5,744)	(3,109)	(2,653)	(1,176)	(3,152)
Impairment charge on real estate held for future use	-	(5,969)	-	-	-
Expenses - Operating	<u>\$ 48,525</u>	<u>\$ 56,410</u>	<u>\$ 55,232</u>	<u>\$ 56,884</u>	<u>\$ 60,871</u>
Pre-Tax, Pre-Credit Earnings					
Pre-Tax Earnings - GAAP	\$ 28,754	\$ 29,260	\$ 35,873	\$ 40,655	\$ 41,627
Merger-related charges	5,744	3,109	2,653	1,176	3,152
Impairment charge on real estate held for future use	-	5,969	-	-	-
Provision for credit losses	700	300	(200)	(300)	(300)
Pre-Tax, Pre-Credit Earnings - Operating	<u>\$ 35,198</u>	<u>\$ 38,638</u>	<u>\$ 38,326</u>	<u>\$ 41,531</u>	<u>\$ 44,479</u>
Efficiency Ratio					
Efficiency Ratio - GAAP	64.65 %	68.97 %	61.94 %	59.02 %	60.78 %
Merger-related and other charges	(6.84)	(9.56)	(2.84)	(1.20)	(2.99)
Efficiency Ratio - Operating	<u>57.81 %</u>	<u>59.41 %</u>	<u>59.10 %</u>	<u>57.82 %</u>	<u>57.79 %</u>