

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):  
June 12, 2007

United Community Banks, Inc.

(Exact name of registrant as specified in its charter)

Georgia  
(State or other jurisdiction of  
incorporation)

No. 0-21656  
(Commission File Number)

No. 58-180-7304  
(IRS Employer  
Identification No.)

63 Highway 515, P.O. Box 398  
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))
-

**ITEM 7.01 Regulation FD Disclosure**

On June 12, 2007, United Community Banks, Inc. ("United") held a pre-scheduled Investors Day Conference at its headquarter in Blairsville, Georgia. A copy of the slideshow presentation presented at the conference is attached as an exhibit hereto. The presentations will also be available at United's website [www.ucbi.com](http://www.ucbi.com).

In addition, a press release was released on the same date. The press release is attached as an exhibit hereto.

**ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS**

<u>Exhibit No.</u>	<u>Description</u>
99.1	Investor Presentation Materials dated June 12, 2007
99.2	Press Release dated June 12, 2007

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

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

June 12, 2007



# 2007 Investor Conference

Presented by:  
Jimmy Tallent  
CEO United Community Banks, Inc.



The presentations today contain forward-looking statements, as defined by Federal Securities Laws, including statements about financial outlook and business environment. These statements 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 in such statements. Any such statements are based on current expectations and involve a number of risks and uncertainties. For a discussion of factors that may cause such forward-looking statements to differ materially from actual results, please refer to United Community Banks, Inc. Annual Report filed on Form 10-K with the Securities and Exchange Commission. These presentations also contain non-GAAP financial measures, as defined by the Federal Securities Laws. For a presentation of the most directly comparable financial measures calculated and presented in accordance with GAAP and a reconciliation of the differences between those measures and the non-GAAP financial measures, please refer to "Selected Financial Data" in the United Community Banks, Inc. Annual Report filed on Form 10-K with the Securities Exchange Commission, which may be found on the company's Web site, [www.ucbi.com](http://www.ucbi.com).

- Community Banking
- Retail Banking
- De Novo Strategy
- Bank CEO Updates
  - Gwinnett / Metro Atlanta
  - Gainesville / Hall County
  - North Carolina
- Marketing
- Treasury / ALCO
- Credit & Risk Management / Loan Portfolio
  - Loan Portfolio
  - Credit Structure / Underwriting
  - Construction Lending
  - Global Risk Management
- Technology / Operations

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## United at a Glance

- 27 community banks, 108 banking offices
- \$8.0 billion in assets
- \$1.5 billion market cap
- Unique footprint – fast growing markets
- Decentralized model

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10 Years Ago

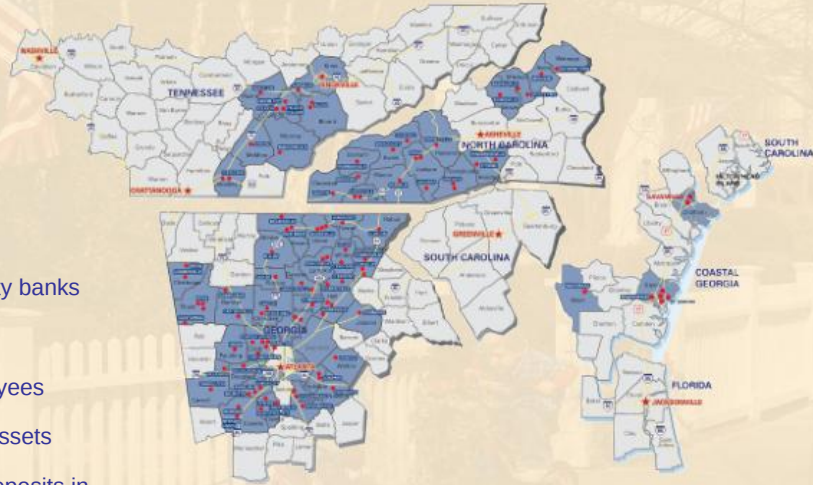


- 4 community banks
- 11 offices
- 275 employees
- \$500 million assets

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- 27 community banks
- 108 offices
- 2,031 employees
- \$8.0 billion assets
- \$89 billion deposits in market – we have 7%

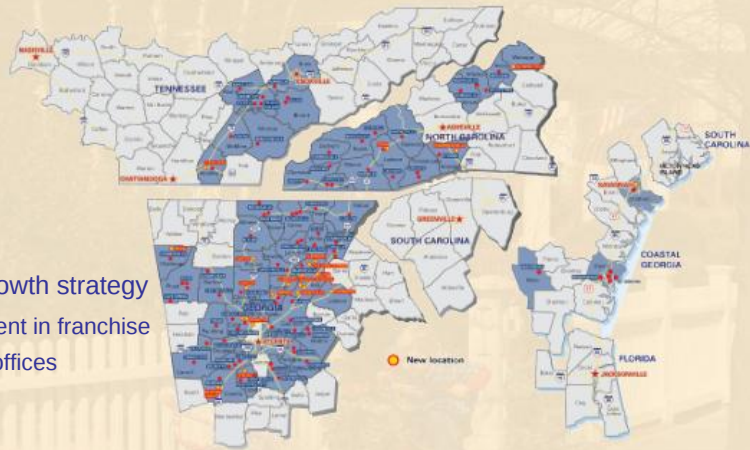


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## Expansion Over the Past Two Years

### Executed balanced growth strategy

- Significant reinvestment in franchise
- Opened 15 de novo offices
  - 2005 – 5
  - 2006 – 7
  - 2007 – 3
- Opened de novo bank in Cleveland, TN (Q3 06)
- Acquired Southern National Bank in metro Atlanta (Q4 06)
- Acquired First Bank of the South in northwest metro Atlanta (Q2 07)



## Progress Over the Past Two Years

- Executed balanced growth strategy
- Continued record earnings
  - 13 percent EPS growth – 2005
  - 16 percent EPS growth – 2006
  - 13 percent EPS growth – Q 1 2007



# Community Banking



Presented by:  
Guy Freeman  
EVP, Chief Operating Officer



## Unique Footprint What We Saw on Today's Tour

- Markets where people live, work, play, and retire
- Fast growing Atlanta Markets; strategically important
  - Fulton County
  - Embry Hills, DeKalb County
  - Lawrenceville and Buford, Gwinnett County
  - Gainesville, Hall County
- Attractive mountain communities that continue to prosper
  - Cleveland and Helen, White County
  - Blairsville, Union County
  - Hiawasee, Towns County

- **Operating model** tailored to each of our community's needs and focused on providing the highest-quality customer service
- **Balanced growth strategy** emphasizing organic growth and complemented by selective acquisitions
- **Unique footprint** with some of the fastest growing markets in the country

## Operating Model Community-Focused

- 27 community banks each with local CEOs, local boards and local decision-making
- Bankers are highly engaged members of the community and committed to service excellence
- Best of both worlds: service delivery of a \$300 million community bank with resources of a \$8.0 billion bank
- “Provides a competitive advantage”

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## Operating Model Service-Focused

- Providing high-quality, personal customer service is our top priority
- 90 percent customer satisfaction rate leveraged through referrals
- 95 percent of customers “had already, or would likely” recommend United
- “The Bank That **SERVICE** Built”

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- Bank CEOs execute United's strategy to achieve its common goals together
- Intensive budget process is used to establish accountability and track progress
- Monthly de novo meetings to track progress
- Quarterly and other regional meetings with CEOs to keep things moving in the right direction

# Unique Footprint Excellent Growth Opportunities

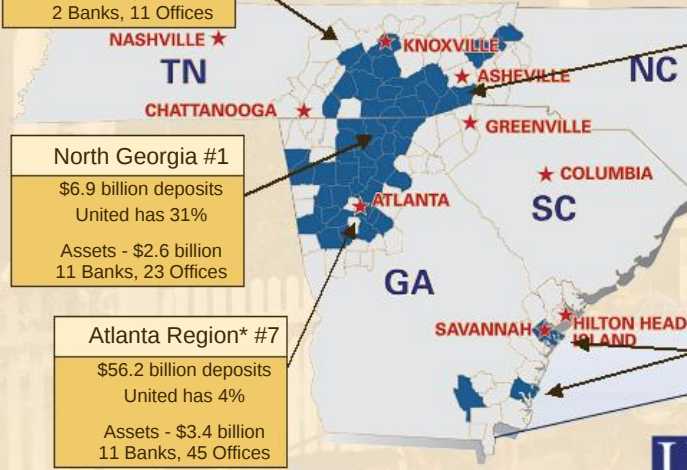
**East Tennessee #8**  
 \$12.2 billion deposits  
 United has 3%  
 Assets - \$.4 billion  
 2 Banks, 11 Offices

**North Georgia #1**  
 \$6.9 billion deposits  
 United has 31%  
 Assets - \$2.6 billion  
 11 Banks, 23 Offices

**Atlanta Region\* #7**  
 \$56.2 billion deposits  
 United has 4%  
 Assets - \$3.4 billion  
 11 Banks, 45 Offices

**Western NC #2**  
 \$6.6 billion deposits  
 United has 2%  
 Assets - \$1.1 billion  
 1 Bank, 21 Offices

**Coastal GA #7**  
 \$6.8 billion deposits  
 United has 6%  
 Assets - \$.5 billion  
 2 Banks, 8 Offices



\* Combines the Atlanta and Gainesville MSAs



## Unique Footprint - Fast Growing Markets

Markets	Market Deposits (\$ in billions) <sup>1</sup>	Population (000s)	Population Growth	
			(Actual) '00 to '06	(Projected) '06 to '11
North Georgia	6.9	380	19%	15%
Atlanta Region*	56.2	3,676	28	21
Coastal Georgia	6.8	359	7	4
Western North Carolina	6.6	417	10	7
East Tennessee	12.2	818	8	7
<b>Total Markets</b>	<b>88.7</b>	<b>5,650</b>	<b>21</b>	<b>18</b>
Georgia		9,554	17	14
North Carolina		8,906	11	8
Tennessee		6,141	8	6
United States		303,582	8	7



\* Combines the Atlanta and Gainesville MSAs

<sup>1</sup> as of June 30, 2006 pro forma



## Atlanta Region UCBI Banks & Offices

Dawson  
Hall County  
Forsyth  
Gwinnett  
Conyers (Rockdale)  
Henry County

Fairburn  
Carrollton  
Marietta  
Cherokee  
Bartow  
Real Estate Lending (Constr. and A&D)

**45 Banking Offices in 20 counties in Metro Atlanta and Gainesville MSAs**



## Unique Footprint Atlanta Region\*



- 11 banks, 45 offices
- Assets - \$3.4 billion
  - 43% of our company
- Significant growth potential



\* Combines the Atlanta and Gainesville MSAs

## Deposit Comparison

	First Bank of the South			UCBI Total Atlanta Region		
	As of Feb 2007			As of Feb 2007		
	<u>Balance</u>	<u>Yield</u>	<u>Mix</u>	<u>Balance</u>	<u>Yield</u>	<u>Mix</u>
Total DDA	104,796		18%	163,530		10%
Total MMDA, NOW, Savings	296,037		51%	484,151		30%
CDs	<u>184,625</u>		31%	<u>953,346</u>		60%
Total Deposits	585,458	3.64%		1,601,028	3.90%	
Funds User				<u>339,127</u>	5.25%	
Total Funding	585,458	3.64%		1,940,155	4.14%	
Annual Earning Effect				9.565		
BP Effect on Loan Pricing				0.59%		

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## Retail Banking

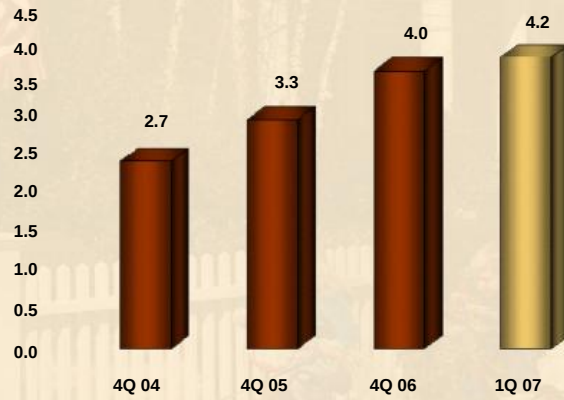
Presented by:  
Bill Gilbert  
EVP Retail Banking



- Common “United” brand and product unification
- Core deposits
- Retail products and fee revenue opportunities
  - Deposits and service fees
  - Online banking, payroll, ACH, cash management, remote deposit services
  - Mortgage banking
  - Brokerage
- Deposit capture



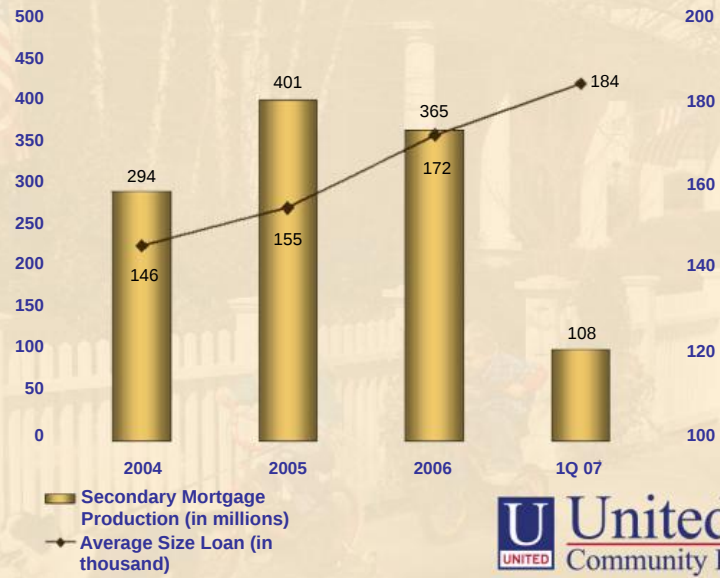
## Products and Services Core Deposits (\$ in billions)



Products and Services  
Fee Revenue (\$ in thousands)

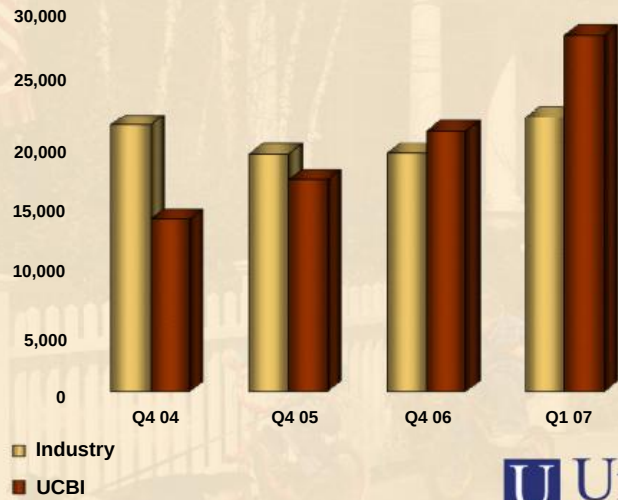
	<u>Q1 07</u>	<u>Q1 06</u>	<u>Q1 05</u>	Q1 07 – Q1 06	
				Variance \$	%
Service Charges and Fees	\$ 7,253	\$ 6,353	\$ 5,614	900	14
Mortgage	2,223	1,513	1,483	710	47
Brokerage	998	882	442	116	13
Other	3,908	3,010	2,661	898	30
<b>Total Fee Revenue</b>	<b>\$ 14,382</b>	<b>\$ 11,758</b>	<b>\$ 10,200</b>	<b>2,624</b>	<b>22</b>

# Mortgage Production

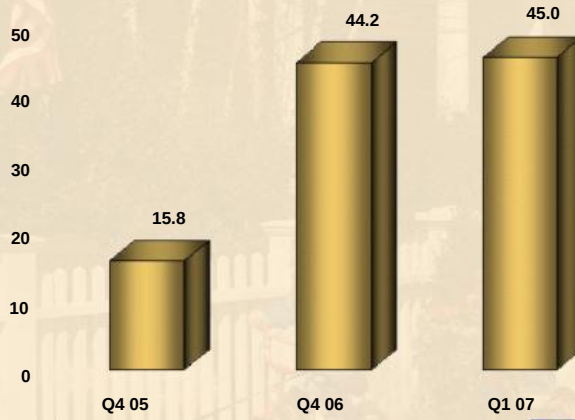


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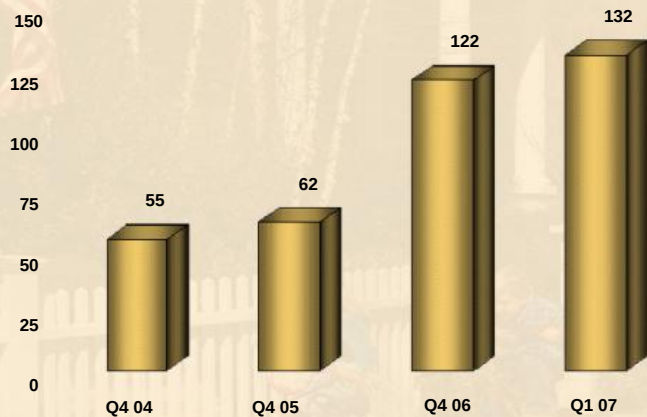
## Brokerage Production Average Revenue Per Representative



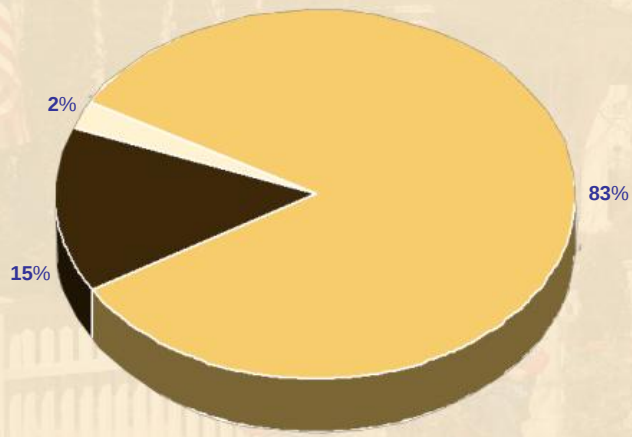
## Brokerage Production Fee-Based Assets (in millions)






## Corporate Services Sweep Balances



## Remote Deposit Capture



-  28 Georgia Customers
-  13 North Carolina Customers
-  4 Tennessee Customers

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## De Novo Activity

Presented by:  
Rob Cochran  
SVP of Banking



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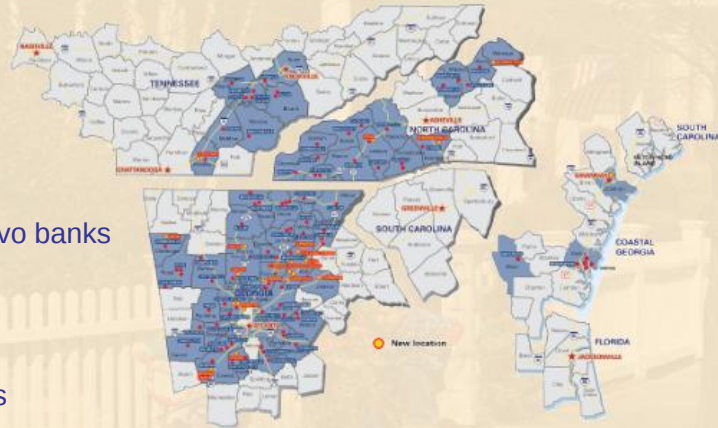
- Activity for 2005 – 2007
- Expectations
- Financial Results

## 2005 - 2006

- Opened 2 de novo banks and 15 offices

## 2007

- Opened 3 offices
  - Additional 4 offices in 2007



- Goal
  - Break Even Within 18-24 Months of Opening Date
- Break Even Point
  - \$20-25MM in Loans
  - \$5-10MM in Core Deposits
- Monthly
  - Meet with the Manager of Each De Novo Office

DeNovo Example 04/30/07	ACTUAL			New Activity		12/31/07		
	Before					After		
	Balance	Inc / Exp	Rate	Balance	Rate	Balance	Inc / Exp	Rate
Loans	10,000	70	8.52%	11,000	8.35%	21,000	150	8.43%
Demand	700			350		1,050		
NOW	200	1	3.04%	140	3.04%	340	1	3.04%
MMDA	1,000	4	4.26%	1,050	4.26%	2,050	7	4.26%
Savings	50	0	0.40%	70	0.40%	120	0	0.40%
CDs	6,000	27	5.48%	3,500		9,500	42	5.15%
<b>Total Deposits</b>	<b>7,950</b>	<b>31</b>	<b>4.75%</b>	<b>5,110</b>		<b>13,060</b>	<b>50</b>	<b>4.50%</b>
(User) / Provider	(2,050)	(11)	6.53%	(5,890)	5.25%	(7,940)	(36)	5.25%
Loan Fees		4		-			4	
<b>Net Interest Revenue</b>		<b>31</b>					<b>68</b>	
Provision		10		-			10	
Fee Revenue		2		1			3	
<b>Total Expenses</b>		<b>58</b>		<b>3</b>			<b>61</b>	
<b>Pre Tax Earnings</b>		<b>(35)</b>					<b>0</b>	

DeNovo Example						
	Apr-07	Dec-07	Monthly	Actual Growth		
	<u>Actual</u>	<u>Target</u>	<u>Goal</u>	<u>Feb-07</u>	<u>Mar-07</u>	<u>Apr-07</u>
Loans	10,000	21,000	1,571	2,000	1,500	2,100
Demand	700	1,050	50	100	50	75
NOW	200	340	20	10	40	30
MMDA	1,000	2,050	150	100	70	120
Savings	50	120	10	20	5	15
CDs	<u>6,000</u>	<u>9,500</u>	<u>500</u>	<u>1,000</u>	<u>750</u>	<u>600</u>
Total Deposits	10,178	11,330	730	1,230	915	840

## De Novos Opened 2005 - 2007

			EPS
<u>Loans</u>	<u>Deposits</u>	<u>2006 YE</u>	<u>1Q 07</u>
\$ 513 MM	\$ 422 MM	(\$ .07)	(\$ .02)



## First Bank of the South

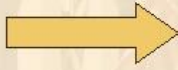
Presented by:  
Glenn White  
CEO Gwinnett County



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## First Bank of the South



The newest community bank to join the United Community Banks organization.

### Why join United Community Banks?

#### Management decision

- Overall management culture of United
- More product & services offerings
- More locations
- Higher lending limits
- Liquidity of stock

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## Defining Characteristics

- Relationship Banking to Small and Medium Businesses

Lower interest expense → Higher net interest margin

- Emphasis on Profitability
- Experienced Management Team

## Balance Sheet

Assets (\$ in millions)

	2006	2005	2004	2003	2002
Cash and Due From Banks	\$ 22.9	\$ 18.5	\$ 20.0	\$ 20.5	\$ 16.8
Fed Funds Sold	47.9	12.8	5.5	23.3	20.9
Securities	49.8	30.8	27.6	35.5	22.5
<b>Loans, Net of Unearned Income</b>	<b>536.1</b>	<b>404.9</b>	<b>339.0</b>	<b>251.6</b>	<b>204.5</b>
Less Allowance for Loan Losses	(7.2)	(5.7)	(4.9)	(3.6)	(3.0)
Premises and Equipment, net	7.8	5.2	5.8	6.0	7.3
Other Assets	17.5	4.0	3.0	2.1	1.4
<b>Total Assets</b>	<b>\$ 675</b>	<b>\$ 470</b>	<b>\$ 396</b>	<b>\$ 335</b>	<b>\$ 270</b>
Asset Growth Percentage	43%	19%	18%	24%	118%

## Balance Sheet

### Liabilities and Stockholders' Equity (\$ in millions)

	2006	2005	2004	2003	2002
Non - Interest Bearing DDA	\$ 110.5	\$ 95.6	\$ 77.0	\$ 67.8	\$ 49.0
Interest Bearing DDA	292.6	173.3	190.7	180.4	133.2
Certificates of Deposit	179.6	154.2	76.8	48.7	61.3
<b>Total Deposits</b>	<b>582.6</b>	<b>423.1</b>	<b>344.5</b>	<b>296.9</b>	<b>243.5</b>
Other Borrowings and Repurchase Agreements	10.0	-	10.0	-	0.1
Other Liabilities	2.8	5.1	0.8	0.5	1.8
<b>Total Liabilities</b>	<b>595</b>	<b>428</b>	<b>355</b>	<b>297</b>	<b>245</b>
Stockholders' Equity	79.2	42.2	40.6	38.0	24.9
<b>Total Liabilities and Stockholders' Equity</b>	<b>\$ 675</b>	<b>\$ 470</b>	<b>\$ 396</b>	<b>\$ 335</b>	<b>\$ 270</b>
<b>Net Income</b>	<b>11.9</b>	<b>8.0</b>	<b>5.4</b>	<b>4.7</b>	<b>3.5</b>
Net Interest Margin	5.02%	4.88%	4.57%	4.27%	4.51%
ROA	1.92%	1.87%	1.48%	1.57%	2.39%
Earnings Growth Percentage	49%	48%	15%	35%	71%

- 1 Lanier Acquisition  
2 Embry Acquisition  
3 Sub "S" Corporation

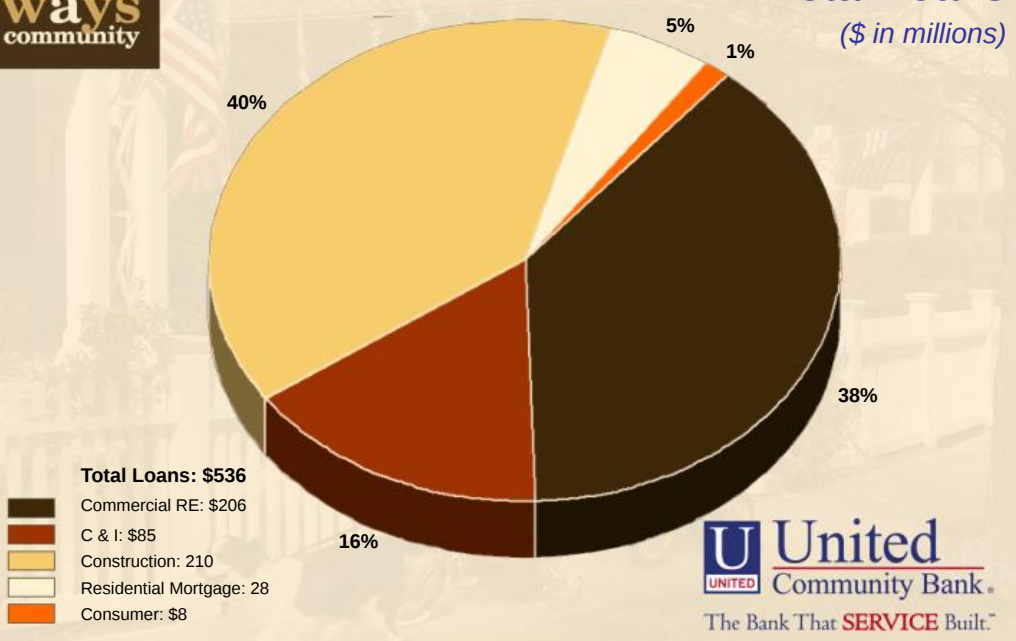
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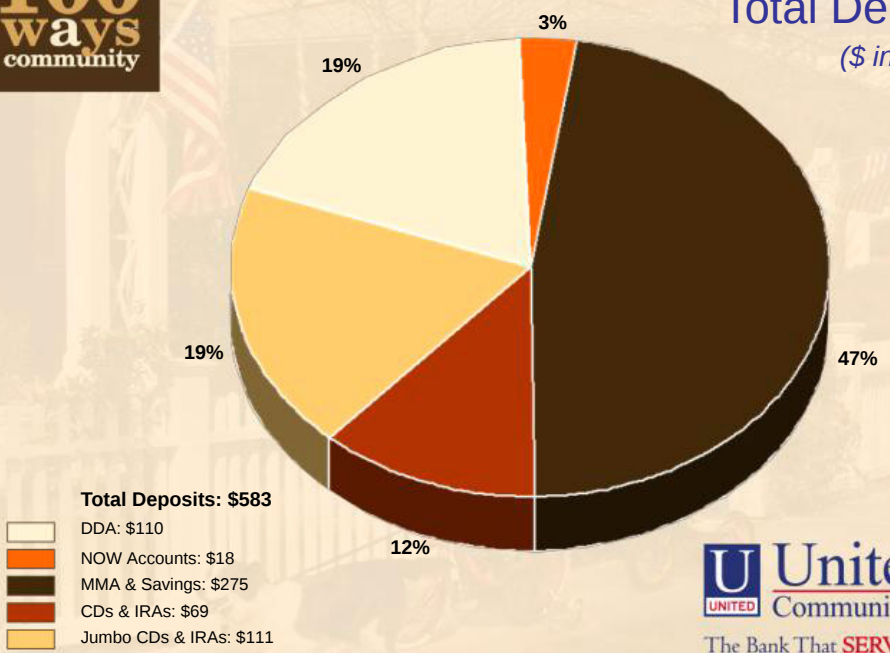


## Total Loans (\$ in millions)



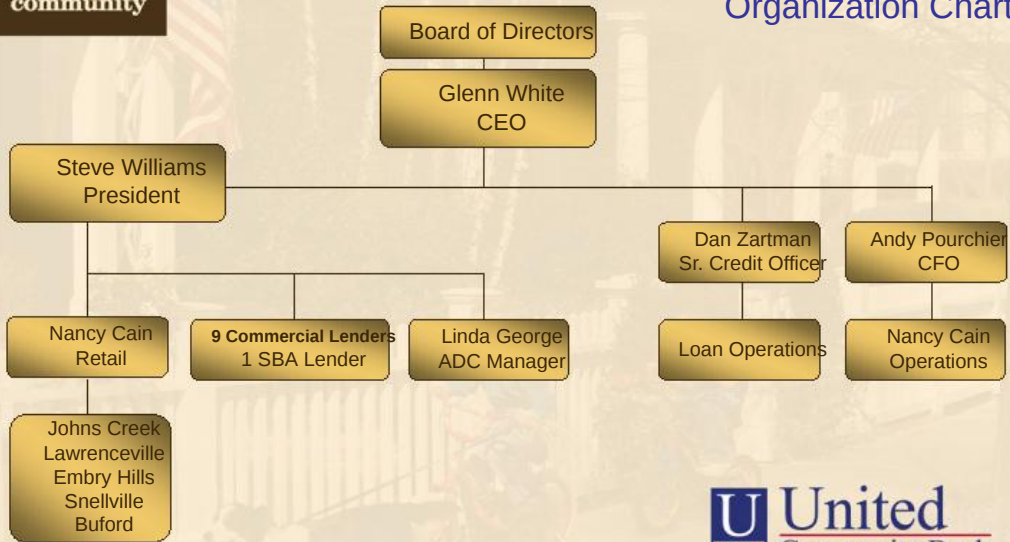
# Total Deposits

(\$ in millions)

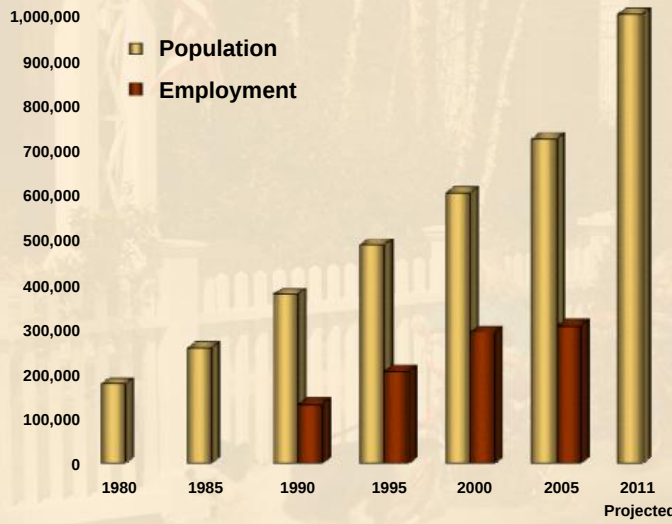


**Total Deposits: \$583**

- DDA: \$110
- NOW Accounts: \$18
- MMA & Savings: \$275
- CDs & IRAs: \$69
- Jumbo CDs & IRAs: \$111



# Gwinnett County Population and Employment



Total Businesses	(%)	28,131
Retail	22%	6,186
Manufacturing	5%	1,520
Construction	9.2%	2,601
Wholesale	6.5%	1,842
RE, Insurance, Financial	9.7%	2,747
Service	36.9%	10,388
Misc.	10.1%	2,847





## Gwinnett County Deposits

2006 Rank	2005 Rank	Institution	2006 Number of Branches	2006 Total Deposits in Market (\$000)	2006 Total Market Share (%)	2005 Total Deposits in Market (\$000)	2005 Total Market Share (%)
1	1	Wachovia Corp. (NC)	34	2,480,643	23.27	2,310,472	24.50
2	2	Bank of America Corp. (NC)	26	1,360,259	12.76	1,293,781	3.72
3	3	SunTrust Banks Inc. (GA)	42	1,180,548	11.08	1,069,326	1.34
4	4	Brand Banking Company (GA)	5	675,844	6.34	618,086	6.55
5	5	Royal Bank of Canada	10	500,795	4.70	573,641	6.08
6	6	BB&T Corp. (NC)	12	472,546	4.43	398,879	4.23
<b>7</b>	<b>7</b>	<b>United Community Banks Inc. (GA)</b>	<b>3</b>	<b>425,196</b>	<b>3.99</b>	<b>384,999</b>	<b>4.08</b>
8	8	Peoples Bank & Trust (GA)	3	382,876	3.59	341,745	3.62
9	9	First Charter Corp. (NC)	1	324,672	3.05	271,319	2.88
10	10	Community Financial Holding (GA)	2	298,628	2.80	248,226	2.63
<b>Total For Institutions In Market</b>			<b>211</b>	<b>10,658,688</b>		<b>9,431,756</b>	



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## Commercial Banking (C&I) Overview

Presented by:  
Steve Williams  
President Gwinnett County

 **United**  
Community Bank  
The Bank That **SERVICE** Built.™

- Traditional Commercial Banking
  - Providing Banking Products to Closely Held Business
- These are Operating Companies with Good Track Records
- Annual Sales Usually Between \$5MM - \$50MM
- Our Focus is “Relationship Banking” – NOT Just a Transaction
- Secured Lending
  - Working Capital Lines of Credit
  - Construction Loans for Owner-Occupied Office / Warehouse Buildings
  - Equipment Purchases

More of:



- Manufacturing
- Wholesale Distribution (Plumbing, Electrical, HVAC, Building Materials, etc.)
- Seasoned Contractors (General, Pipeline, Highway, etc.)
- Professional Firms (Law, Medical, Dental, Veterinarians, Engineering, etc.)
- Heavy Equipment Sales
- Commercial Printing
- Independent Insurance Agencies

Less of:



- Retail
- Restaurants
- Non Owner Occupied Real Estate
- Skating Rinks / Bowling Alleys
- Convenience Stores
- Hotels

## What Services / Products Do We Provide These Businesses?

- DDA & Insured Money Market Accounts
- Operating Lines of Credit
- Real Estate Construction & Permanent Loans
- Term Loans Financing Stock Buyouts
- Term Loans Financing Equipment Purchases
- SBA Products for Business Acquisition, Working capital Lines of Credit and Traditional 504 Loans

## How Do We Get the Business?

- Existing Customer Referrals
- CPAs
- Commercial Real Estate Companies
- Attorneys
- Building Contractors
- Our Local Board Members
- Chamber of Commerce Contacts
- Civic Organizations
- Cold Calling

## Why Are C&I Relationships Important to Us?

- Great Source of Low Cost Deposits
- We Grow as our Customers Grow
- Owner Occupied R/E Loans Usually Kept in the Portfolio Longer
- Diversifies our Asset Mix
- Great Feeder / Referral Source to our SBA Professional
- Opportunity to Bank Owners of the Business Personally – Individuals That Usually Have High Income, Net Worth & Liquidity



### We Plan to Expand C&I Beyond Gwinnett County By:

- Seeking High Quality Bankers Having 5 or More Years of "In Market" Experience
- Leveraging the Larger UCB Office Network & Capital Position
- Utilizing Higher-End Cash Management Products to Attract Business
- Enlisting Other Local Board Members of our metro banks for C&I Referrals
- Managing Credit Risk Using the 30 Years Experience of Dan Zartman, Chief Credit Officer in Gwinnett, to Oversee the C&I Credit Function for all Metro Atlanta banks



## Gainesville / Hall County

Presented by:  
Dick Valentine  
CEO, Hall County

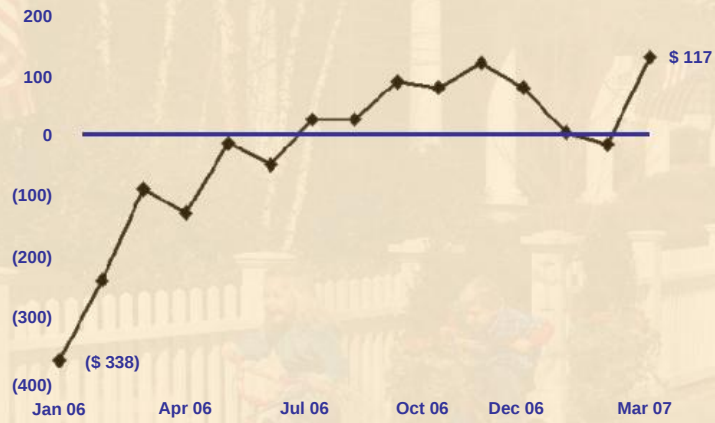


 **United**  
Community Bank  
The Bank That **SERVICE** Built.™

- Hall County operation established in May 2005 with 51 local bankers
- July '06 became profitable with \$316M in loans and \$237M in deposits
- End of Q1-07, 6 offices with 90 bankers
- Total loans of \$362M and total deposits of \$247M

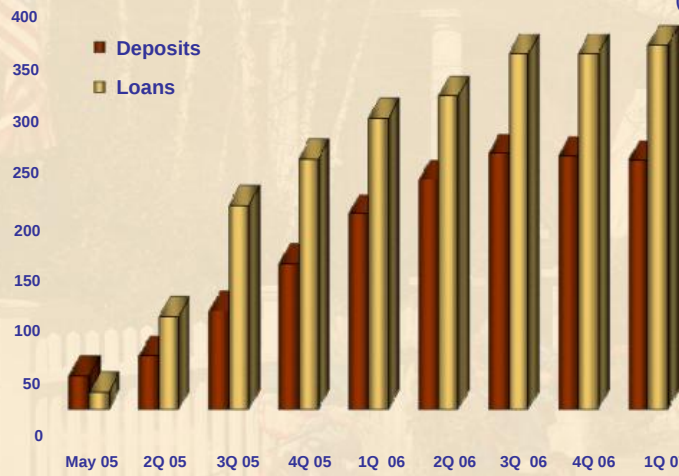
# Pre-tax Income

(\$ in thousands)



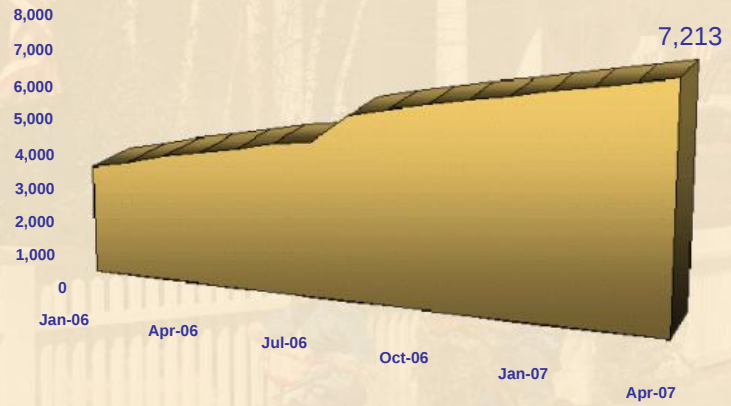
# Loans and Deposits

(\$ in millions)



# Growth in Core Accounts

January 2006 – April 2007



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2006 Rank	2005 Rank	Institution	Branches in Market	2006 Deposits in Market	Market Share (%)	2005 Deposits in Market	Market Share (%)
1	1	Regions Financial Corp. (AL)	9	575,303	22.13	654,605	27.90
2	2	Wachovia Corp. (NC)	5	555,718	21.38	512,404	21.84
3	3	GB&T Bancshares Inc. (GA)	8	457,609	17.60	440,884	18.79
<b>4</b>	<b>7</b>	<b>United Community Banks Inc. (GA)</b>	<b>6</b>	<b>228,500</b>	<b>8.79</b>	<b>70,771</b>	<b>3.02</b>
5	4	BB&T Corp. (NC)	6	179,937	6.92	172,709	7.36
6	5	SunTrust Banks Inc. (GA)	5	157,615	6.06	154,116	6.57
7	6	Bank of America Corp. (NC)	3	138,744	5.34	139,534	5.95
8	8	Community Bankshares Inc. (GA)	6	66,430	2.56	58,151	2.48
9	14	Peach State Bank & Trust (GA)	1	59,001	2.27	9,712	0.41
10	12	Hamilton State Bancshares (GA)	1	44,617	1.72	20,856	0.89
11	13	PAB Bankshares Inc. (GA)	1	34,679	1.33	16,276	0.69
12	9	NBOG Bancorp Inc (GA)	1	31,940	1.23	38,310	1.63
<b>Total For Institutions In Market</b>			<b>58</b>	<b>2,599,430</b>		<b>2,346,086</b>	



**100**  
ways  
community

## Hall County, GA



### Recent Openings

Main Office – 5 / 05  
Thompson Bridge – 9 / 05  
Quillian's Corner – 10 / 05  
South Hall – 12 / 05  
Lula – 4 / 07

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**UNITED** Community Bank.

The Bank That **SERVICE** Built.™



- Six banking offices strategically located throughout Hall County
- Adequately staffed for long term growth
- Focus on gaining market share from existing competitors and capturing our share of market growth
  - Core relationship growth
- Efficiency and profitability improves with market share increase



## Western North Carolina

Presented by:  
Greg Hining  
CEO Western North Carolina

A photograph of a child riding a bicycle on a sidewalk next to a white picket fence. A dog is on a leash in the foreground. The background shows a house and trees.

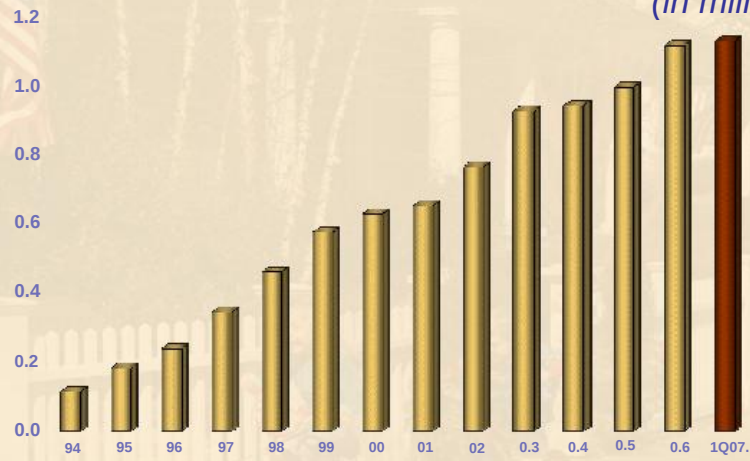
**U** **United**  
Community Bank  
The Bank That **SERVICE** Built.™

- Joined United in 1990 – acquisition of Citizens Bank
- \$55 million in assets
- 3 offices in Cherokee and Clay counties
  - Markets contiguous and similar to United's North Georgia markets
- Now have \$1.1 billion in assets and 21 offices

**100**  
ways  
community

## High-Quality Asset Growth

(in millions)

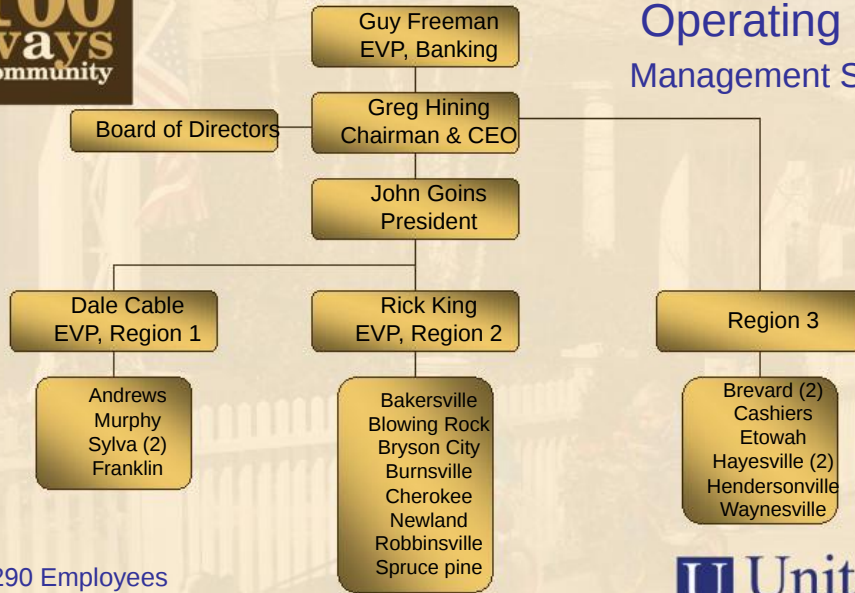


10-year CAGR: 17%

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## Operating Model Management Structure



290 Employees  
49 Lenders  
36 Customer Service Representatives  
117 Tellers

**U** United  
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- 21 Offices
- 13 Counties
- 13.3% Market Share
- \$6.6 Billion Deposits



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UNITED Community Bank.  
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## Unique Footprint Market Characteristics

- Located among The Great Smoky Mountains
- Place where people want to retire or have second homes
- Manufacturing continues to be replaced by service-based business
- Still significant demand for real estate and small business loans that support growth from retirees and second home owners

## Unique Footprint Competitive Factors – Western North Carolina

Rank	Institution	Branch Count	Total Deposits in Market \$0	Total Market Share (%)
1	FIRST-CITIZENS BANK&TRUST CO	27	1,155,891	17.42%
2	WACHOVIA BANK NATIONAL ASSN	18	1,019,812	15.37%
<b>3</b>	<b>UNITED COMMUNITY BANK</b>	<b>18</b>	<b>883,065</b>	<b>13.31%</b>
4	MACON BANK INC	9	657,839	9.92%
5	CAROLINA FIRST BANK	9	509,711	7.68%
6	BRANCH BANKING&TRUST CO	9	435,918	6.57%
7	RBC CENTURA BANK	12	420,938	6.34%
8	MOUNTAIN 1ST BANK&TRUST CO	6	250,386	3.77%
9	BANK OF AMERICA NA	5	223,482	3.37%
10	SUNTRUST BANK	6	220,686	3.33%
11	HOMETRUST BANK	3	176,200	2.66%
12	BLUE RIDGE SAVINGS BANK INC	5	152,267	2.30%
13	YADKIN VALLEY BANK&TRUST CO	5	131,472	1.98%
14	NANTAHALA BANK&TRUST CO	2	91,897	1.39%
15	FIRST CHARTER BANK	4	75,996	1.15%
16	ASHEVILLE SAVINGS BANK SSB	2	48,635	0.73%
17	HOME BANK	2	29,732	0.45%
18	AF BANK	1	28,729	0.43%
19	HIGHLANDS UNION BANK	2	25,111	0.38%
20	BANK OF GRANITE	1	22,590	0.34%
21	JACKSON SAVINGS BANK SSB	2	21,829	0.33%
22	PIEDMONT FS&LA	1	14,912	0.22%
23	FIRST GASTON BANK OF NC	1	14,231	0.21%
24	REGIONS BANK	1	13,825	0.21%
25	CARTER CNTY BK ELIZABETHTON	1	9,330	0.14%
	<b>Totals</b>	<b>152</b>	<b>6,634,484</b>	<b>100</b>

- Wide range of competitors in number and size in each market
- Competitive advantage is our people and product delivery
- Excellent opportunities to grow and to gain market share





- Take advantage of market and people opportunities
- Partnerships and de novos
- A “people decision”



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# Future Opportunities



Presented by:  
John Goins  
President Western North Carolina





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# Henderson County Market Share

Rank	Institution	Branch Count	Total Deposits in Market \$0	Total Market Share (%)
1	FIRST-CITIZENS BANK&TRUST CO	6	375,975	22.68%
2	CAROLINA FIRST BANK	3	300,194	18.11%
3	MOUNTAIN 1ST BANK&TRUST CO	4	199,897	12.06%
4	WACHOVIA BANK NATIONAL ASSN	2	180,158	10.87%
5	SUNTRUST BANK	3	115,517	6.97%
6	MACON BANK INC	2	111,972	6.76%
7	HOMETRUST BANK	1	92,038	5.55%
8	BANK OF AMERICA NA	1	72,074	4.35%
9	BLUE RIDGE SAVINGS BANK INC	2	61,732	3.72%
10	BRANCH BANKING&TRUST CO	2	50,391	3.04%
11	ASHEVILLE SAVINGS BANK SSB	1	36,378	2.19%
<b>12</b>	<b>UNITED COMMUNITY BANK</b>	<b>1</b>	<b>32,247</b>	<b>1.95%</b>
13	RBC CENTURA BANK	1	29,037	1.75%
<b>Total in Market</b>		<b>29</b>	<b>1,657,610</b>	



## Buncombe County Potential for Market Share

Rank	Institution	Branch Count	Total Deposits in Market \$0	Total Market Share (%)
1	WACHOVIA BANK NATIONAL ASSN	10	1,043,017	29.62%
2	FIRST-CITIZENS BANK&TRUST CO	13	430,922	12.24%
3	BANK OF AMERICA NA	8	421,968	11.98%
4	SUNTRUST BANK	10	337,128	9.57%
5	ASHEVILLE SAVINGS BANK SSB	8	333,541	9.47%
6	BRANCH BANKING&TRUST CO	4	162,867	4.63%
7	HOMETRUST BANK	3	155,151	4.41%
8	RBC CENTURA BANK	7	147,076	4.18%
9	BANK OF ASHEVILLE	4	125,767	3.57%
10	CAROLINA FIRST BANK	3	110,052	3.13%
11	CAPITAL BANK	3	73,591	2.09%
12	MOUNTAIN 1ST BANK&TRUST CO	2	58,633	1.67%
13	BLUE RIDGE SAVINGS BANK INC	2	52,139	1.48%
14	BLACK MOUNTAIN SB SSB	1	26,501	0.75%
15	FIRST CHARTER BANK	1	24,349	0.69%
16	MACON BANK INC	1	18,271	0.52%
	<b>Total in Market</b>	<b>80</b>	<b>3,520,973</b>	

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- Expansion
- Fee Income Priorities
- 30% Revenue Growth
  - Cash Management
  - Advisory Services
  - Mortgage
  - Corporate Services



Rank	Institution	Branch Count	Total Deposits in Market \$0	Total Market Share (%)
1	WACHOVIA BANK NATIONAL ASSN	330	80,925,514	41.46%
2	BANK OF AMERICA NA	199	27,979,361	14.33%
3	BRANCH BANKING&TRUST CO	339	25,073,409	12.85%
4	FIRST-CITIZENS BANK&TRUST CO	284	9,991,589	5.12%
5	SUNTRUST BANK	199	7,879,489	4.04%
6	RBC CENTURA BANK	185	7,581,371	3.88%
7	FIRST CHARTER BANK	63	3,004,960	1.54%
8	FIRST BANK	56	1,459,839	0.75%
9	FIDELITY BANK	65	1,113,545	0.57%
10	CAPITAL BANK	26	1,030,534	0.53%
11	CAROLINA FIRST BANK	25	1,008,173	0.52%
12	SOUTHERN COMMUNITY B&T	20	985,173	0.50%
13	BANK OF GRANITE	21	981,868	0.50%
14	SOUTHERN BANK&TRUST CO	54	933,196	0.48%
<b>15</b>	<b>UNITED COMMUNITY BANK</b>	<b>18</b>	<b>883,065</b>	<b>0.45%</b>
16	YADKIN VALLEY BANK&TRUST CO	23	867,090	0.44%
136	GREYSTONE BANK	1	966	0.00%
	<b>Total in Market</b>	<b>2606</b>	<b>195,193,246</b>	







# Corporate Marketing Briefing

Presented by:  
Craig Metz

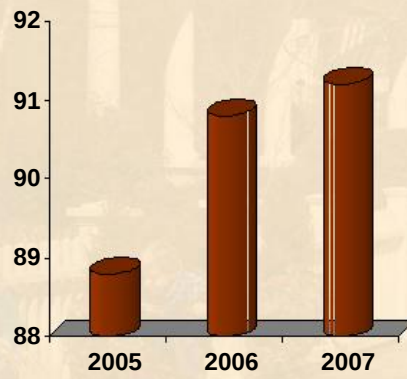


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# Employee Satisfaction

Employee satisfaction is critical to customer satisfaction.

**“Overall, United Community Bank is an excellent place to work”**

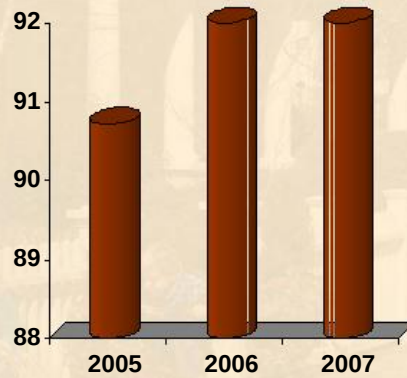


# Customer Satisfaction

Customer satisfaction is critical to shareholder value creation.

**“Overall, customer satisfaction with our service.”**

- Treatment
- Transactions
- Needs Assessment

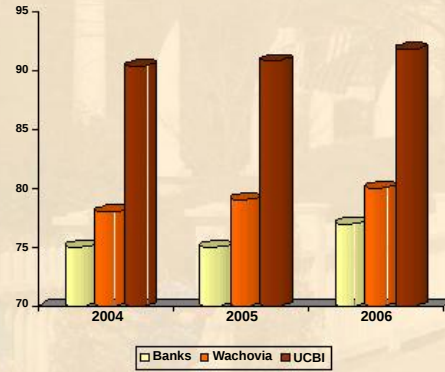


# How does UCBI Compare?

One of the top-tier performance banks in the country

**Well served customers**

- Stay longer
- Buy more products
- Recommend their friends



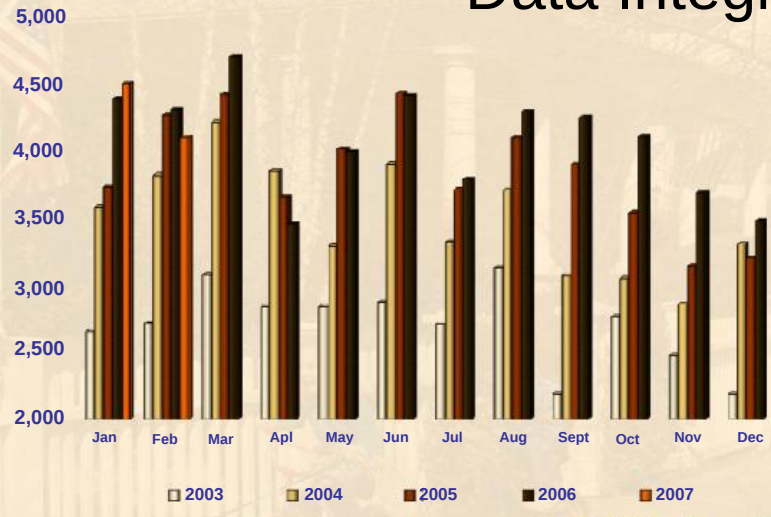
## Meeting Objective

- Focus on the Core Deposit Initiative
  - Specifically review the performance of the direct marketing channel
  - Consider the Return on Investment by market
  - Make recommendations for change based on these findings
  - Reduce costs where prudent

# Core Deposit Marketing Strategy

- Targeting Tactics
  - 2004 Neighbors of existing checking customers were targeted with radius limits
  - 2005 Prioritized mail penetration into more responsive areas
  - 2006 New customers profiled (response model – who)
    - Discern key common attributes
    - Build response model
    - Append demographic data to determine best prospects
- 2006, Mapping of branch geographic footprint (penetration model - where)
  - Overlay prospects
  - Score high response areas
- 2007, Fence lining & segmentation

# Data Integrity

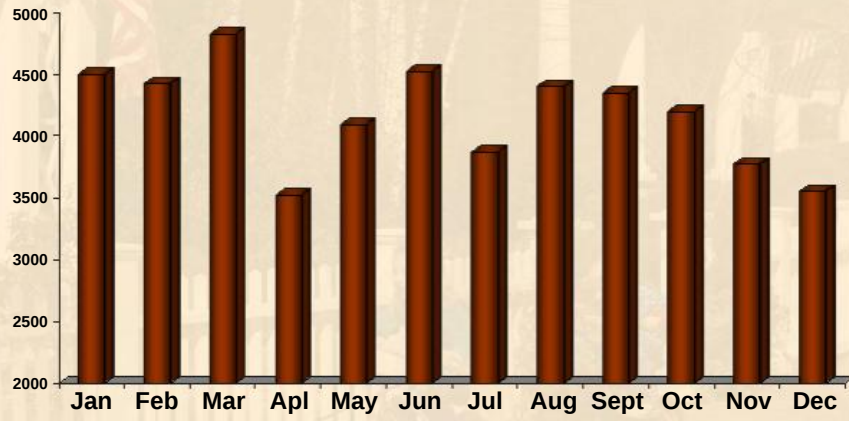


In 2006, we opened 50,035 DDA and Savings accounts, up 6% from 2005 at 47,151



100  
ways  
community

50,035 in 2006



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Description	Count	Percent
Total Mail	1,827,713	7x cycles per year
Unique Mail	448,635	4x letters per HH
Total Accounts	138,293	100.00
DDA's	38,353	27.73
CD's	43,554	31.49
Savings	38,856	28.10
Loan	17,530	12.68

- 18.7 percent of all new account openings are referred by employees
- 4.3 percent of new accounts come from customer referrals
- In 2006, we referred 11,500 accounts worth (based on a very conservative 4-year life on book) \$15 million dollars in revenue



# Treasury/ALCO

Presented by:  
Dave Viar  
SVP, Treasurer



### Manage

- Interest Rate Risk
- Derivatives
- Investment Portfolio
- Wholesale Borrowing

### Analysis

- Liquidity
- Capital
- Pricing

### Support

- Community Banking

	<u>1Q 07</u>	<u>1Q 06</u>
Balance	\$1,184 M	\$ 984 M
Book Yield	5.14%	4.80%
Average Life	2.9 Years	3.3 Years
Duration	2.3 Years	2.6 Years
Percent of Assets	16%	16%

## Investment Portfolio

Treasury	–	\$	–
Agency	45%		536,784
Pass Thru	17%		203,560
CMOs	31%		364,738
Corporates	0%		2,016
Munis – Tax Exempt	4%		42,417
Munis – Taxable	0%		2,400
Equity Investments	3%		<u>37,525</u>
			\$1,189,440

## Simulation

- Net Interest Income
- Economic Value of Equity

## Daily Balance Sheet Management

## Loans – Maturing / Repricing

	<u>&lt;3 Mo</u>	<u>&lt;12 Mo</u>	<u>&lt;3 Yr</u>	<u>&lt;5 Yr</u>
1Q 07	67%	83%	94%	98%
1Q 06	68%	85%	95%	99%



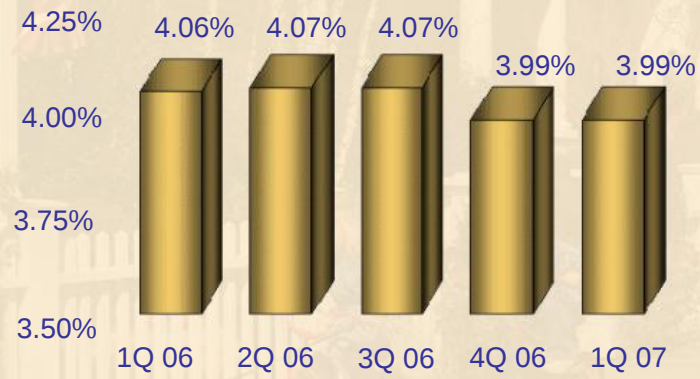
## Interest Rate Risk Simulation – Net interest Income

<u>Rate Change</u>	<u>Policy</u>	<u>1Q 07</u>	<u>4Q 06</u>	<u>1Q 06</u>
+ 200	<± 10%	1.5%	1.9%	3.4%
- 200	<± 10%	(0.3%)	(0.7%)	(6.2%)

## Interest Rate Risk Economic Value of Equity

<u>Rate Change</u>	<u>Policy</u>	<u>1Q 07</u>	<u>4Q 06</u>	<u>1Q 06</u>
+ 100	<± 10%	2.3%	(1.8%)	1.3%
- 100	<± 10%	(4.0%)	0.8%	(2.8%)

## Net Interest Margin Quarterly Trend





# Treasury/ALCO

Presented by:  
Mitch Bleske  
VP, Deputy Treasurer



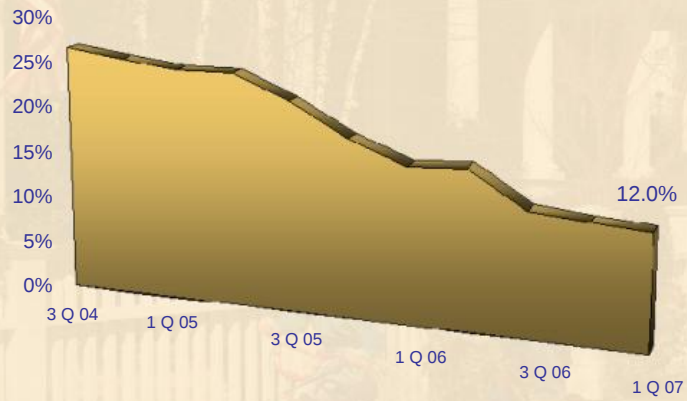
- Wholesale Borrowings
- CD Trends
- Derivatives
- Capital

# Wholesale Borrowings



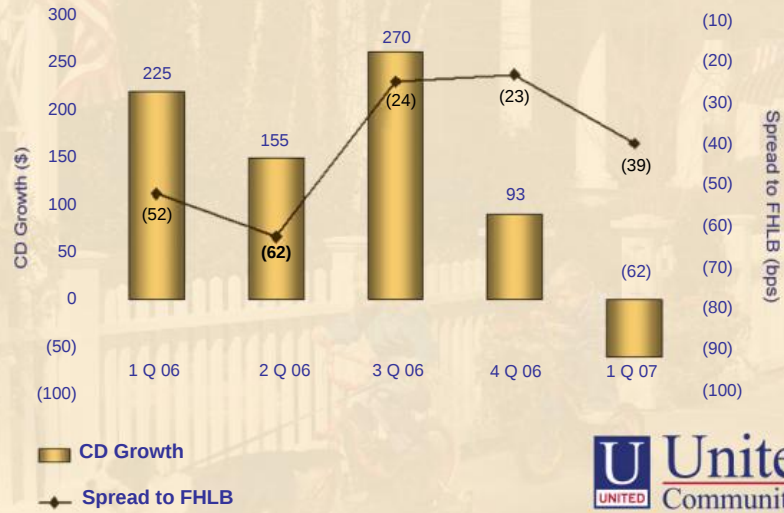
- FHLB
- Brokered CDs
- Fed Funds
- Notes & Debentures
- Repos
- Other

# Wholesale Borrowings % of Assets



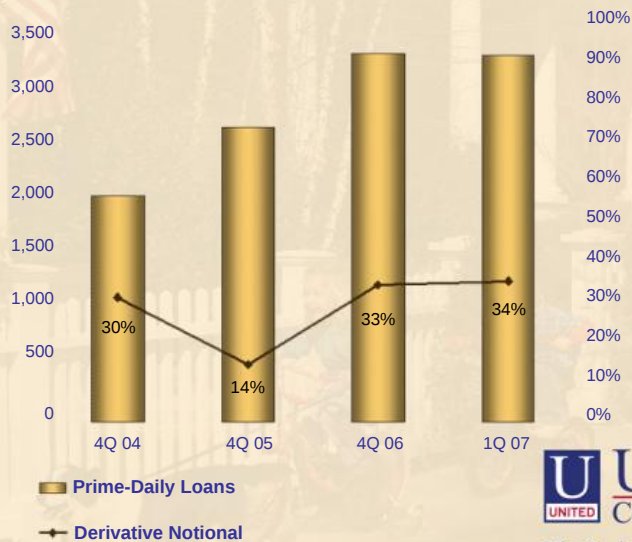
Note: this ratio excludes notes & debentures

## CD Growth (\$ in thousands)





# Interest Rate Derivatives (\$ in millions)



## Interest Rate Derivatives

(\$ in millions)

	<u>Balance</u>	<u>Remaining Avg. Life (years)</u>
Receive Fixed Swaps		
Prime-based	505	1.20
LIBOR-based	45	1.70
Prime Floors	<u>500</u>	<u>2.83</u>
	1,050	2.00

	<u>Target</u>	<u>1Q.07</u>	<u>4Q.06</u>	<u>1Q.06</u>
Tier 1 Ratio	> 7.0%	9.3	9.0	8.9
Total Capital Ratio	> 11.0%	11.7	11.3	11.6
Leverage Ratio	> 6.0%	7.6	7.7	7.3
Tangible Capital Ratio	> 5.5%	6.7	6.5	6.2



# Credit & Risk Management / Loan Portfolio

Presented by:  
David Shearrow  
EVP, Risk Management



**U** United  
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Strong Asset Quality by:

- Secured lending
- Granular Portfolio
- Geographic focus
- Relationship orientation
- Knowledge of our markets
- People

- Average of over 20 years experience at the CEO level
- Highly involved local Boards
- Local empowerment and accountability
- Training
  - Defined programs to bring more consistency in process

## Metro vs. Mountain / Coastal

- Metro Characterized by:
  - Economic Growth: Job / Population
  - Diversified Economy
  - Larger, better capitalized builders & developers
- Mountain Characterized by:
  - Retiree & Pre-retirement in-migration
  - Recession Resistant
  - Wealthy Clients
  - Smaller, diversified credits
- Coastal
  - Blend of the strengths of Metro and Mountains

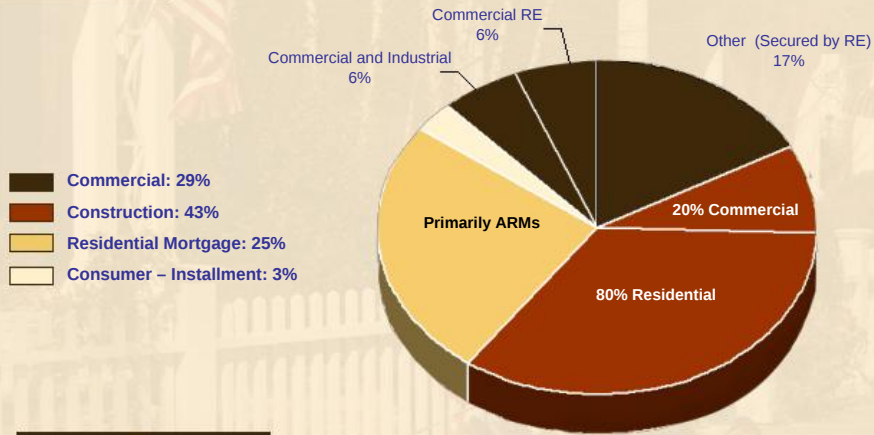
- Community Model: Experienced bankers dealing with people and markets they know.
- Secured Lending
  - Average LTV less than 75%
  - Real Estate Appreciation
    - No Bubble
    - Atlanta 5%\*





- Involved Local Boards
- Independent Appraisal Review Function
- Seasoned Credit Officers: Average > 25 years experience
- Intense focus on primary source of repayment, collateral support and guarantor experience & financial wherewithal.

- Business Mix
- Commercial Real Estate
- Construction
- Geographic Breakdown
- Credit Quality Indicators



\$5.4 billion as of 3/31/07  
18% growth  
12% core growth

## Business Mix – Loans

(\$ in millions)

	<u>1Q_07</u>	<u>Mix</u>	<u>4Q_06</u>	<u>Mix</u>	<u>4Q_05</u>	<u>Mix</u>	Average Loan Size (000)
Commercial - Secured by RE	\$ 1,227	23%	\$ 1,230	23%	\$ 1,055	24%	
Commercial & industrial	315	6	296	6	237	5	
Total Commercial	1,542	29	1,526	29	1,292	29	\$ 174
Construction (primarily res.)	2,336	43	2,334	43	1,739	40	292
Residential Mortgage	1,354	25	1,338	25	1,206	27	68
Consumer	170	3	179	3	161	4	8
<b>Total</b>	<b>\$ 5,402</b>		<b>\$ 5,377</b>		<b>\$ 4,398</b>		

## Loans – Commercial

(\$ in millions)

	<u>1Q 07</u>	<u>4Q 06</u>	<u>4Q 05</u>
<b>Commercial &amp; Industrial</b>	<b>\$ 315</b>	<b>\$ 296</b>	<b>\$ 237</b>
<b>Commercial RE (Office Buildings, Hotels/Motels)</b>	<b>338</b>	<b>350</b>	<b>277</b>
<b>Other (Secured by Real Estate)</b>			
Single Unit Retail Stores	113	113	102
Small Strip Centers	91	91	67
Small Warehouses/Storage Units	81	92	72
Farmland	61	55	54
Other Small Business	543	529	483
<b>Total Commercial</b>	<b>\$1,542</b>	<b>\$1,526</b>	<b>\$1,292</b>

## Loans – Construction

(\$ in millions)

	<u>1Q 07</u>	<u>mix</u>	<u>4Q 06</u>	<u>mix</u>	<u>4Q 05</u>	<u>mix</u>
<b>Commercial</b>	\$ 462	20%	\$ 470	20%	\$ 358	20%
<b>Residential</b>	<u>1,874</u>	80%	<u>1,863</u>	80%	<u>1,381</u>	80%
<b>Total Construction</b>	<b>\$ 2,336</b>	100%	<b>\$ 2,333</b>	100%	<b>\$1,739</b>	100%
<b>Residential Breakdown</b>						
Land – Builders & Developers	\$ 122		\$ 127		\$ 88	
Improved – Subdivisions / Lots	941		942		697	
Construction – Spec 66%, Sold 34%	<u>811</u>		<u>794</u>		<u>596</u>	
<b>Total Residential</b>	<b>\$1,874</b>		<b>\$1,863</b>		<b>\$1,381</b>	
<b>Residential</b>						
Atlanta Region*	\$ 899	48%	\$ 901	48%	\$ 627	45%



\* Includes Metro Atlanta and Gainesville MSAs

\*\* Percent of total company residential loans

## Loans – Markets Served

(\$ in millions)

	<u>1Q 07</u>	<u>4Q 06</u>	<u>4Q 05</u>
North Georgia	\$ 2,019	\$ 2,039	\$ 1,792
Atlanta Region (incl. acq. of \$267)*	2,006	2,000	1,453
Coastal Georgia	372	358	306
Western North Carolina (incl. acq. of \$8)	782	773	669
East Tennessee	233	207	178
<b>Total</b>	<b>\$ 5,402</b>	<b>\$ 5,377</b>	<b>\$ 4,398</b>



\* Includes Metro Atlanta and Gainesville MSAs

## Credit Quality

(\$ in millions)

	<u>1Q 07</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Net Charge-Offs	\$ 1.5	\$ 5.5	\$ 5.7	\$ 3.6	\$ 4.1
<i>Percent of Average Loans</i>	.11%	.12%	.14%	.11%	.15%
Past Due Loans > 30 Days	\$ 36.1	\$ 51.9	\$ 31.4	\$ 25.2	\$ 19.4
<i>Percent of Average Loans</i>	.66%	.97%	.71%	.67%	.64%
Non-Performing Assets	\$ 14.3	\$ 13.7	\$ 13.0	\$ 8.7	\$ 7.6
<i>Percent of Total Assets</i>	.20%	.19%	.22%	.17%	.19%
Allowance as a Percent of Total Loans	1.27%	1.24%	1.22%	1.26%	1.28%
Allowance as a Percent of NPLs	559%	534%	447%	588%	583%



## Managing Non-Performing Assets

	<u>3/31/07</u>	<u>12/31/06</u>	<u>9/30/06</u>	<u>6/30/06</u>
Non-performing Assets	\$ 14,292	\$ 13,654	\$ 9,347	\$ 8,805
Percent of Assets	.20%	.19%	.14%	.14%

- Intense Management Focus
  - SAD Unit and OREO Manager
  - Frequent Executive Meetings
- Velocity
  - Aggressive Identification
  - Resolution of Problem Assets
- Granular Portfolio



## Credit Underwriting / Loan Approval Process

Presented by:  
Chris Jones  
SVP, Chief Credit Officer



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- Credit officers average over 25 years experience
- Analysts report to credit officer for objectivity and efficiency
- Decentralized for responsiveness
- Emphasis on capacity, character, and collateral
- Appraisal review function: Gloria McColgan, MAI (formerly Chief Appraiser for Bank of America)

- Lenders
- CEO
- Regional credit officers
- Executive management and Board approvals for large relationships

## Credit Administration Lending Authorities

Two Holding Company Directors  
Above \$12.5 MM

UCBI President & CEO or Two EVPs  
\$12.5 MM

EVP (involved in credit approval process)  
\$7.5 MM secured

Chief Credit Officer  
\$5 MM secured

Regional Credit Managers  
Joint authority with bank CEO  
\$3 MM secured

Bank CEO  
\$250 M to \$2 MM

## Lending – Credit Summary

(\$ in millions)

Legal lending limit	\$170
House lending limit	15
Top 25 relationships	438
– 8% of total loans	

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ways  
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## Construction Lending –Atlanta Region

Presented by:

Gary Guthrie

SVP, Real Estate Lending – Atlanta Region



## Atlanta Region Real Estate Lending Structure Construction and A&D

- Centralized management of lending process including loan administration and credit
- Enhanced reporting
- Dedicated Real Estate Lenders continue to be located in bank but report to the Metro Atlanta Real Estate Lending Group
- Individual bank's budgets are not affected – loans are booked into each bank and they receive income from the loans
- Bank CEOs remain involved in business development





## Atlanta Region\* Construction and A&D

(\$ in millions)

	<u>1Q 07</u>	<u>mix</u>	<u>4Q 06</u>	<u>mix</u>	<u>4Q 05</u>	<u>mix</u>
<b>Commercial</b>	<b>\$ 251</b>	22%	<b>\$ 273</b>	23%	<b>\$ 187</b>	23%
<b>Residential</b>	<b>899</b>	78%	<b>901</b>	77%	<b>627</b>	77%
<b>Total Construction</b>	<b>\$1,150</b>	100%	<b>\$1,174</b>	100%	<b>\$ 814</b>	100%
<b>Residential Breakdown</b>						
Land – Builders & Developers	\$ 52		\$ 57		\$ 33	
Improved – Subdivisions / Lots	429		430		292	
Construction – Spec 72%, Sold 28%	418		414		302	
<b>Total Residential</b>	<b>\$ 899</b>		<b>\$ 901</b>		<b>\$ 627</b>	



\* Includes Metro Atlanta and Gainesville MSAs



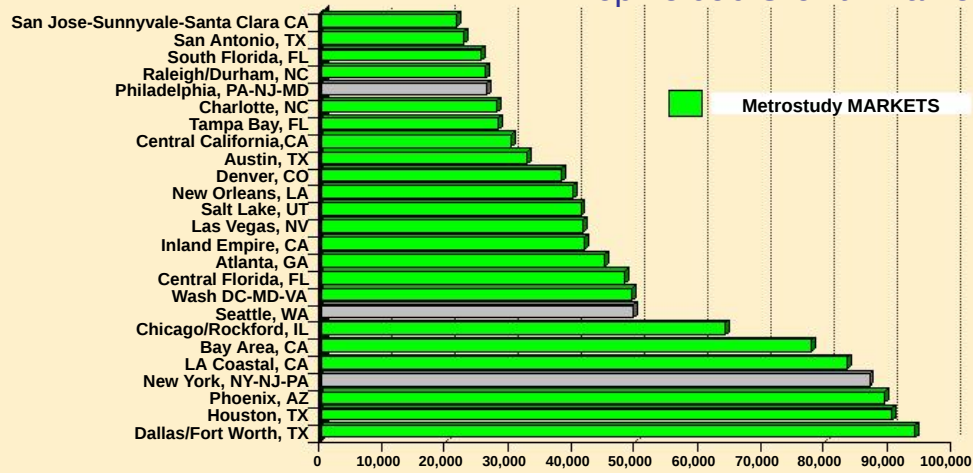
Eugene James - Director

**Atlanta Housing Market  
First Quarter 2007  
UCB**

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# National Economic Overview

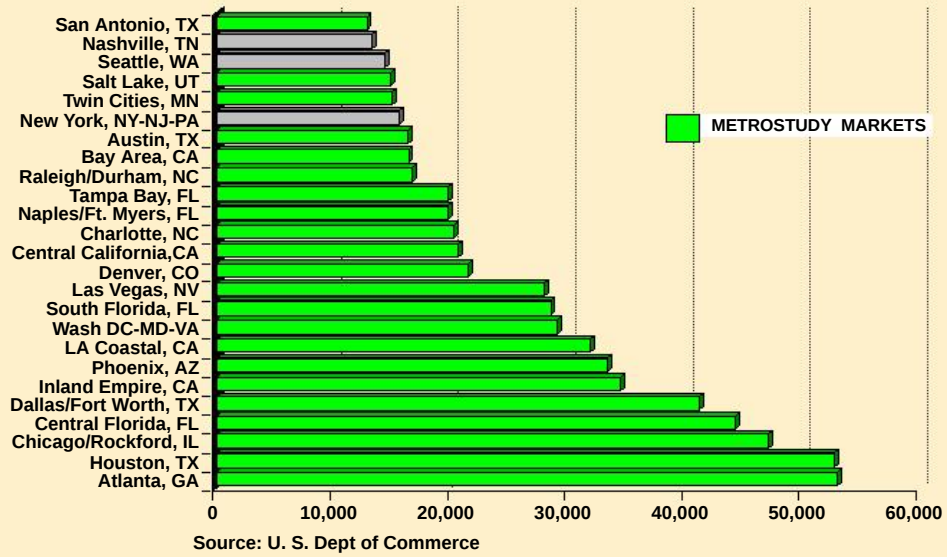
## Top 25 Job Growth Markets



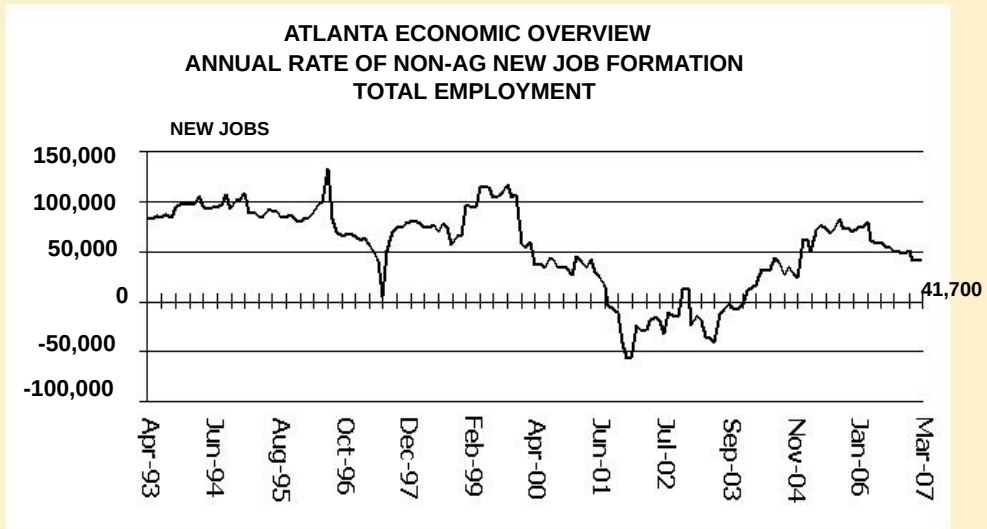
Source: U. S. Bureau of Labor Statistics

# National Economic Overview

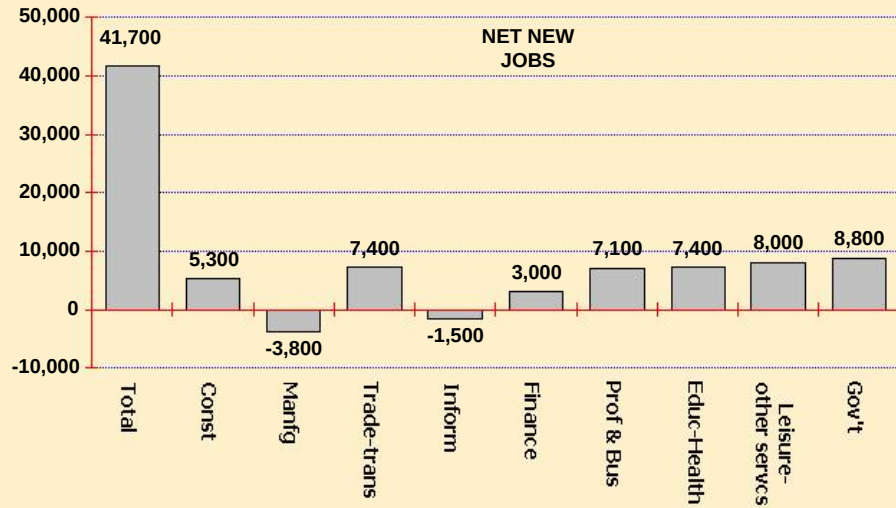
## Top 25 US Housing Markets



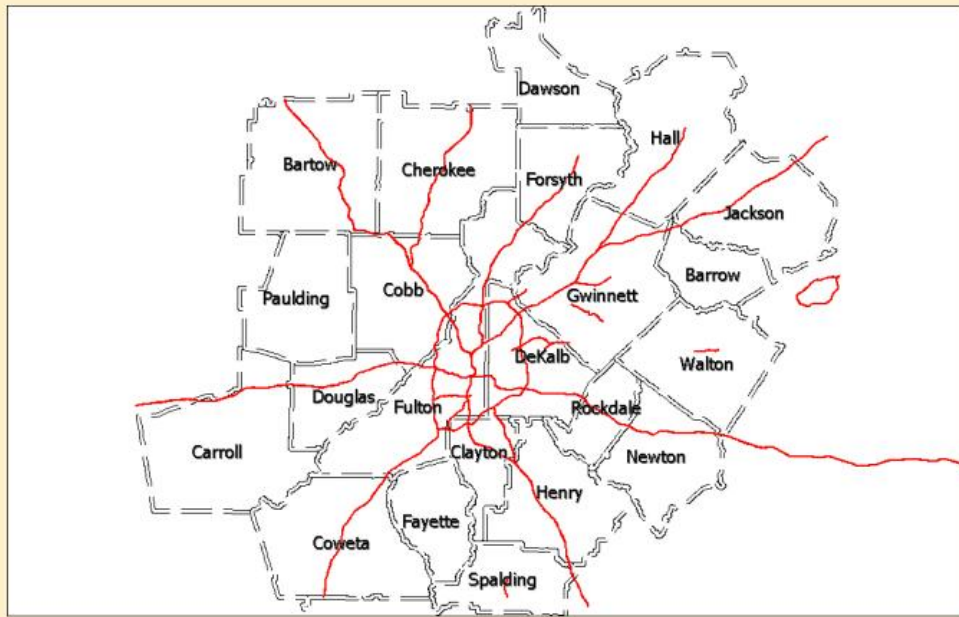
# Atlanta Employment



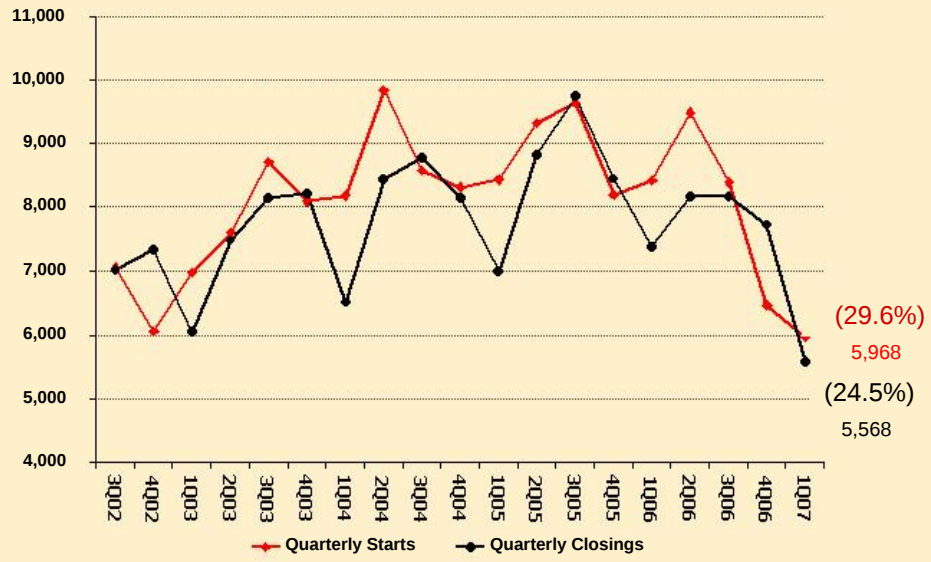
# Atlanta Employment



# Atlanta Housing Market

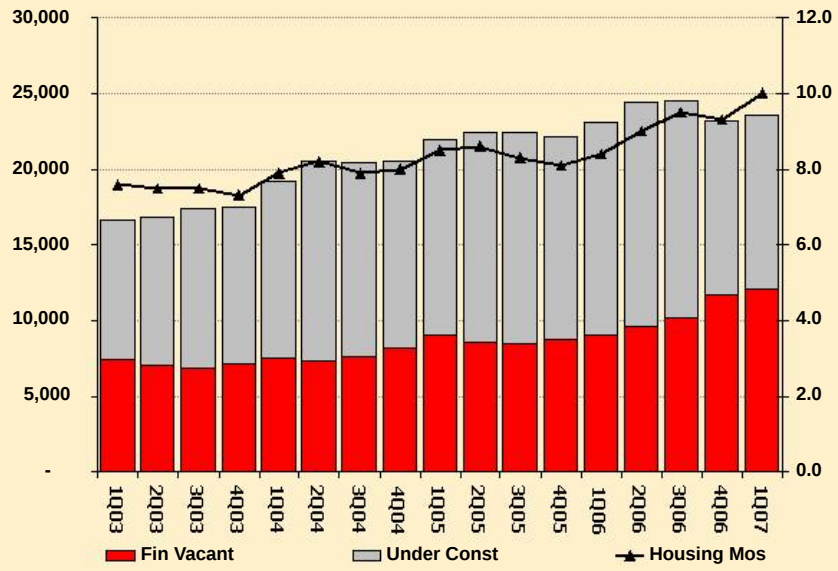


# Atlanta Housing Market

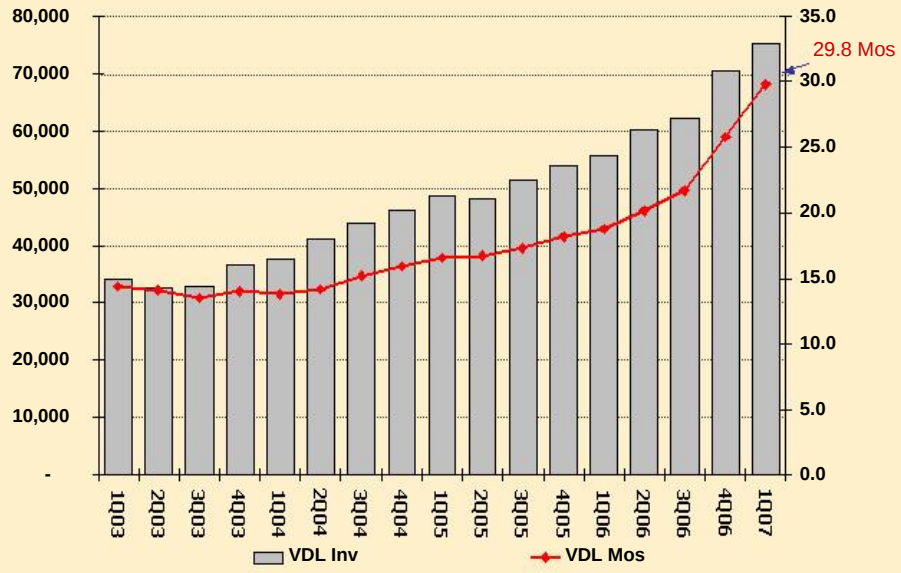




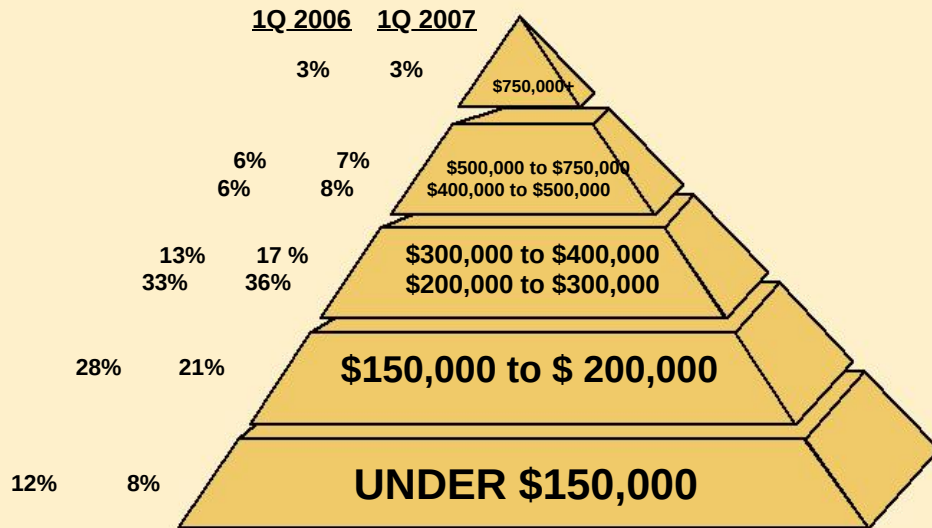
# North Atlanta Housing Market



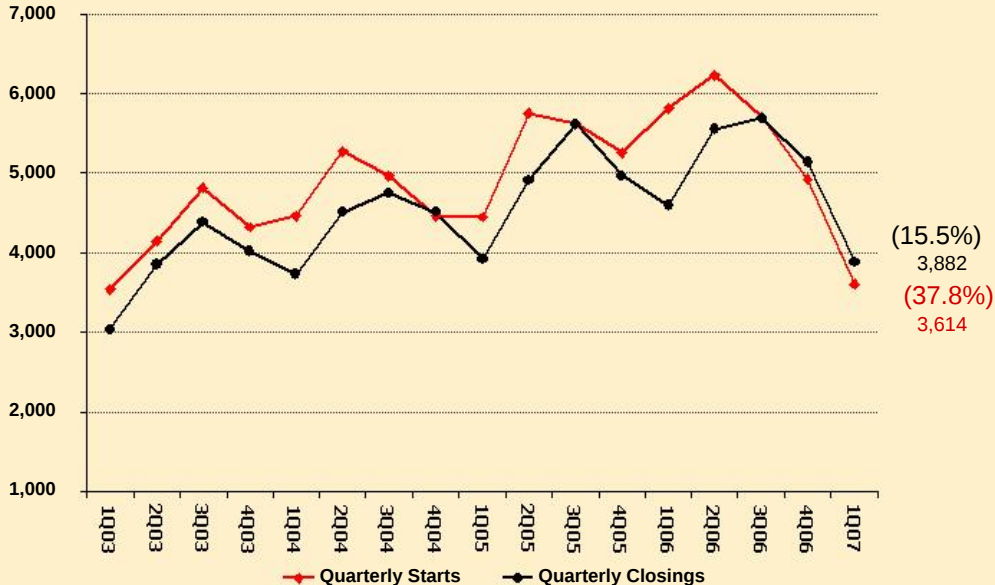
# North Atlanta Housing Market



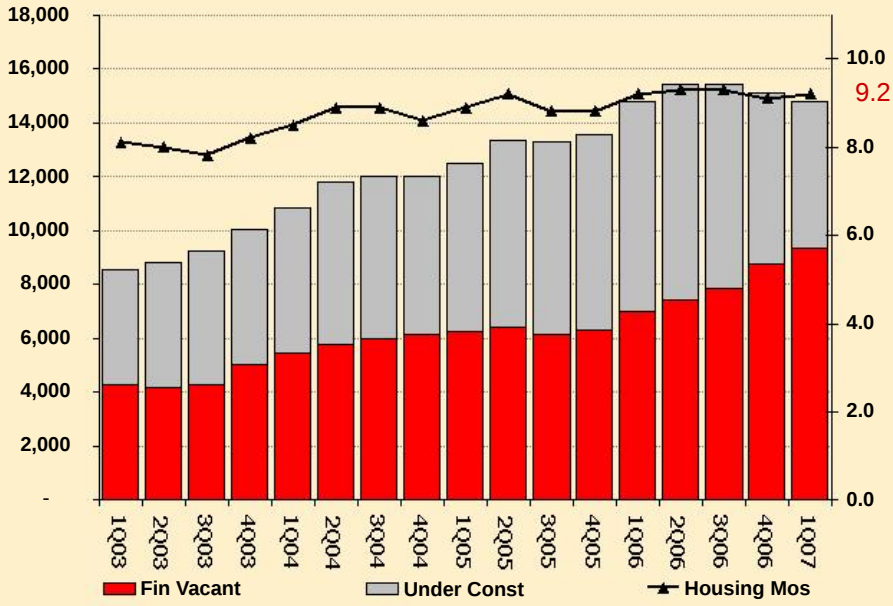
# North Atlanta Closings By Price Range



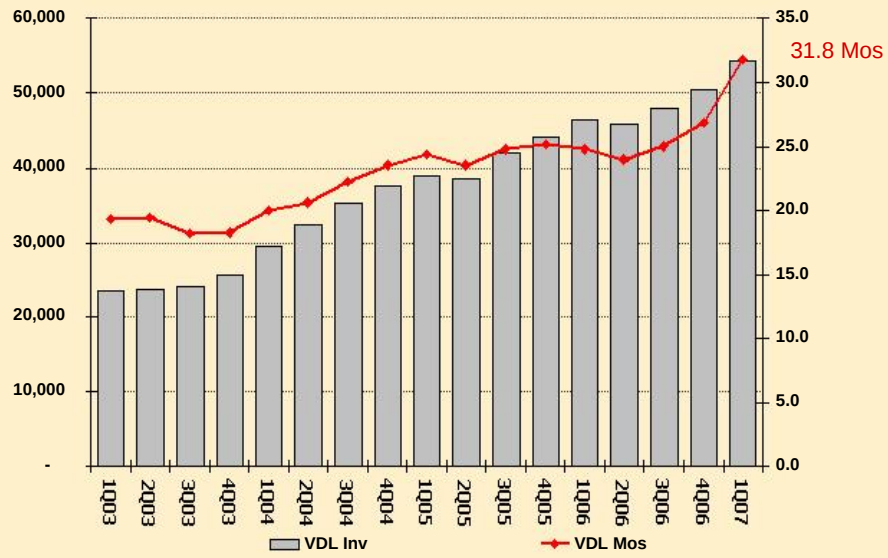
# South Atlanta Housing Market



# South Atlanta Housing Market

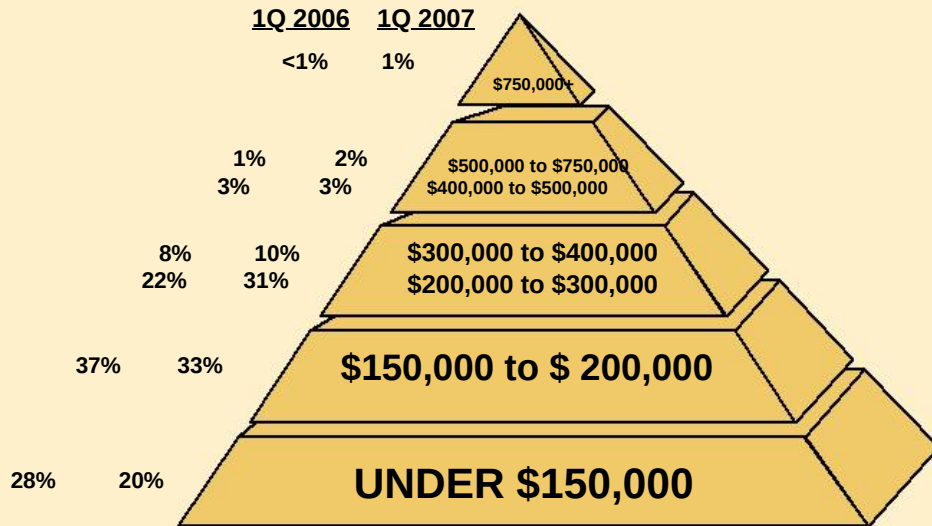


# South Atlanta Housing Market



# South Atlanta Closings

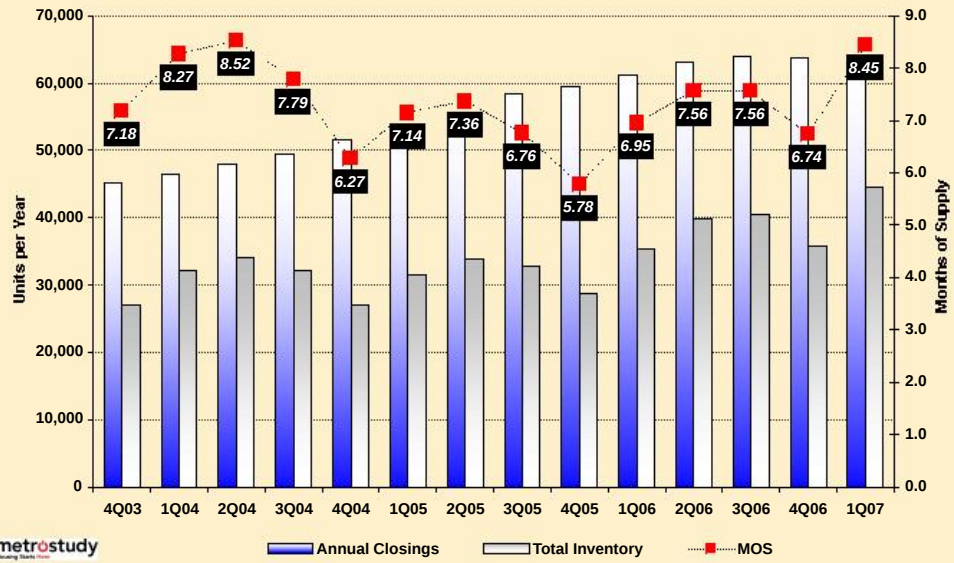
By Price Range



Source: FMLS

# Atlanta Region Resale Market Trend

Closings up 3%      Inventory up 25%



metrostudy

Annual Closings      Total Inventory      MOS

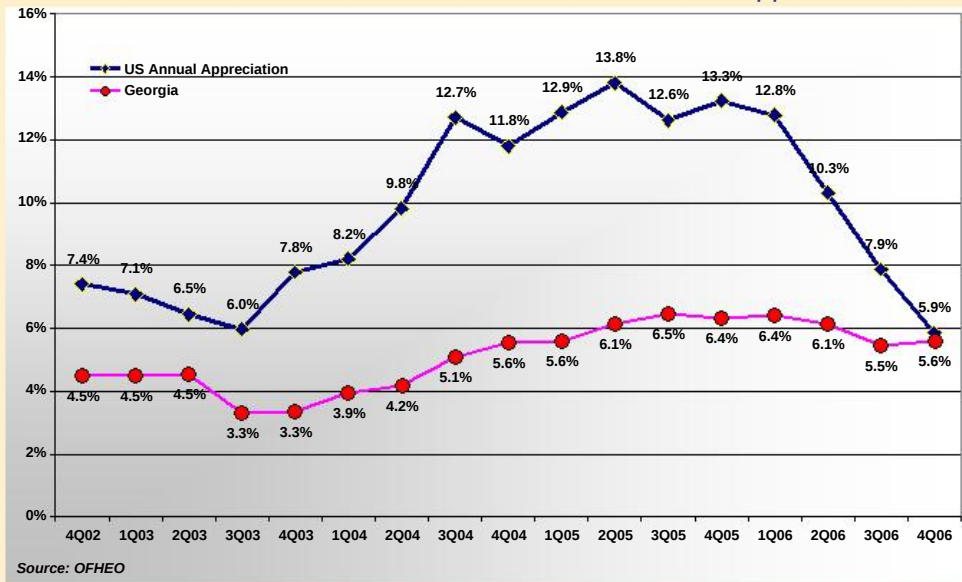


# Top Transferee Feeder Markets for Georgia

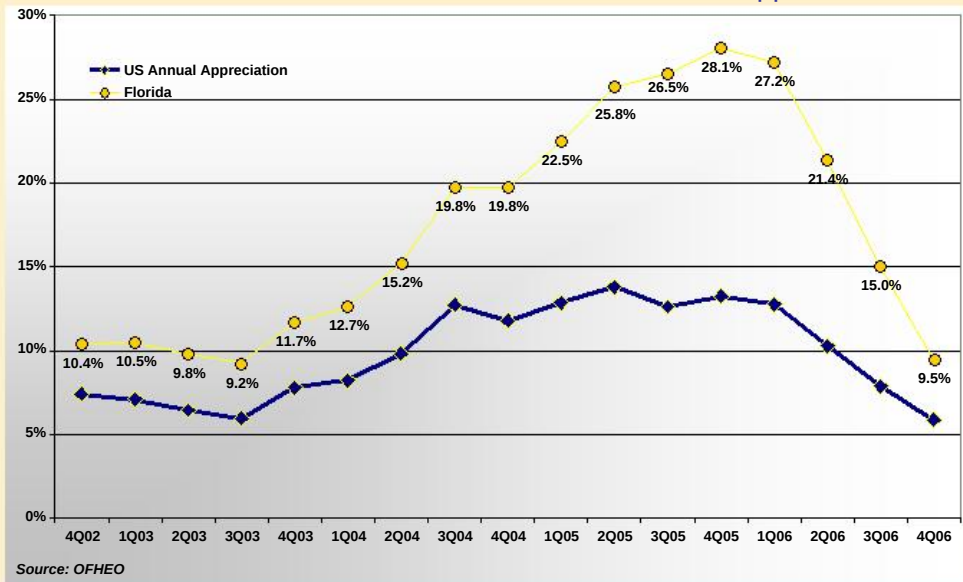


Major Feeder Markets  
Minor Feeder Markets

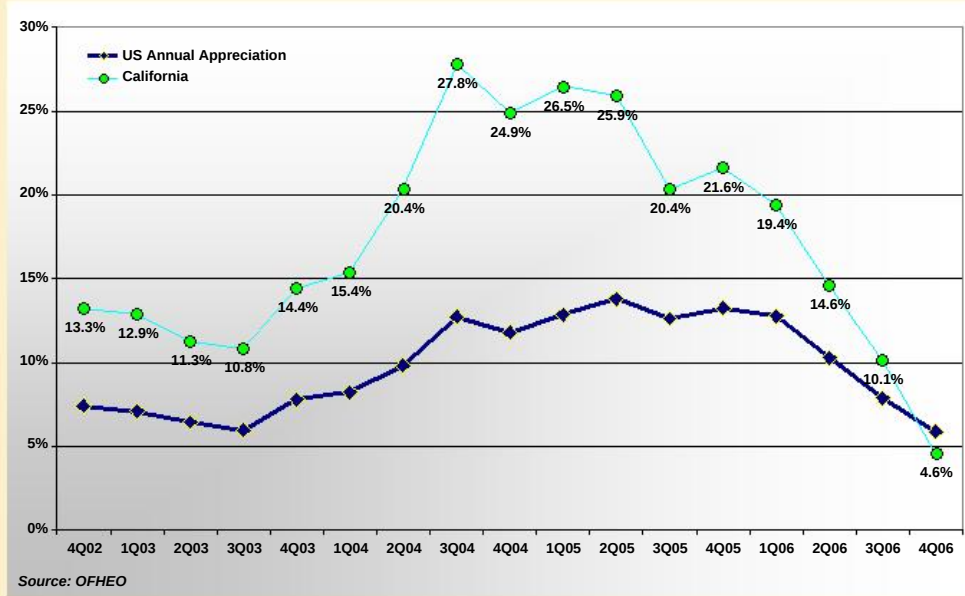
## Georgia's Top Transferee Feeder Markets: Annual Home Price Appreciation Trends



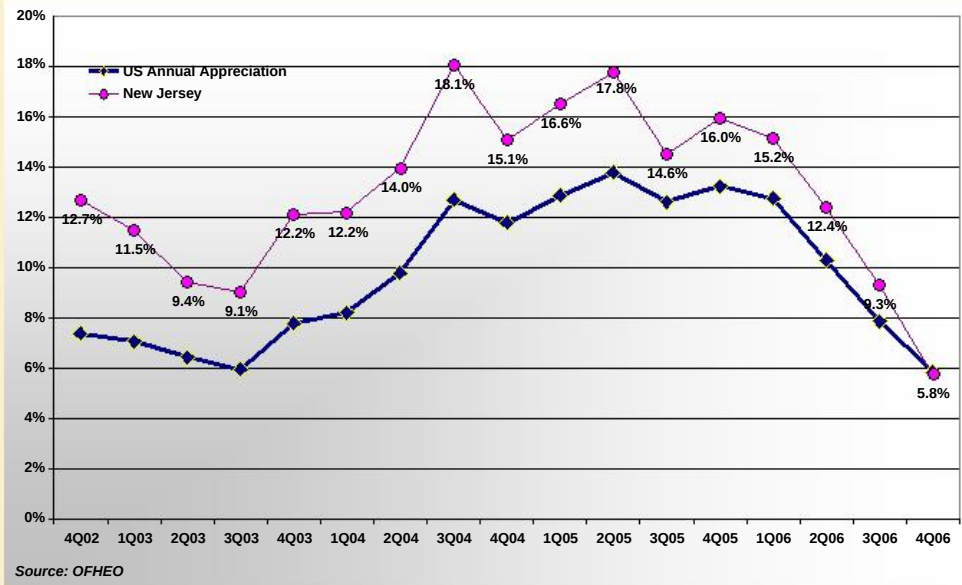
## Georgia's Top Transferee Feeder Markets: Annual Home Price Appreciation Trends



# Georgia's Top Transferee Feeder Markets: Annual Home Price Appreciation Trends

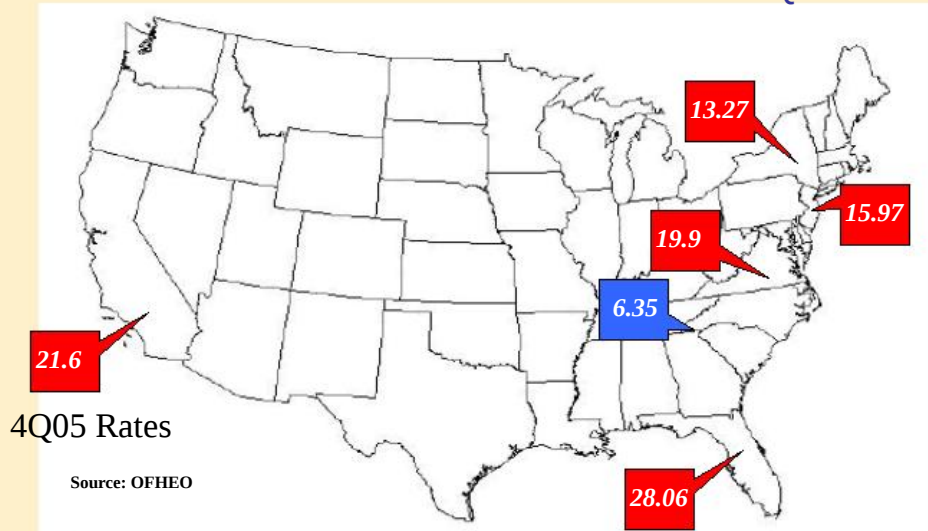


## Georgia's Top Transferee Feeder Markets: Annual Home Price Appreciation Trends



# US Annual Home Appreciation Trends

National 4Q 05: 13.25%



4Q05 Rates

Source: OFHEO

**Top Transferee Feeder Markets for Georgia: State Ann. Appreciation %**

# US Annual Home Appreciation Trends

National 4Q 06: 5.87%

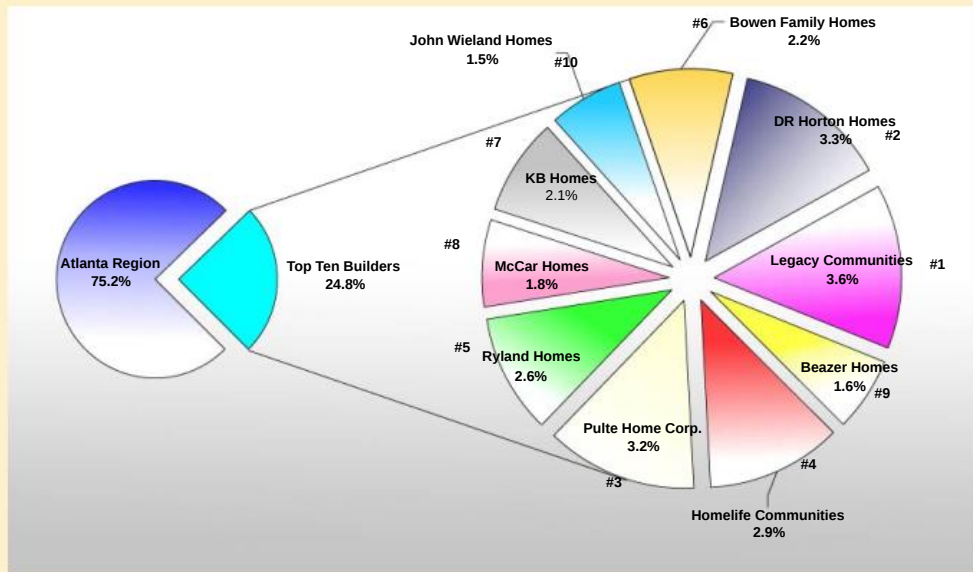


4Q06 Rates

Source: OFHEO

**Top Transferee Feeder Markets for Georgia: State Ann. Appreciation %**

# Top Ten Builders: National 4Q 06: 5.87%





# Top Ten Builders: Percentage Share of Atlanta Region

## Annual Start vs. Annual Closings





## Global Risk Management

Presented by:  
David Shearrow  
EVP, Risk Management



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- Enterprise concept, not just credit risk
- Risk management process

**Credit Risk:** The risk to earnings and capital arising from an obligor's failure to meet the terms of any contract with the institution, or otherwise fail to perform as agreed.

**Interest Rate / Market Risk:** The risk to a financial institution's condition resulting from adverse movements in interest rates, or changes in the value of portfolios of financial instruments.

**Liquidity Risk:** The risk to earnings or capital that arises from a financial institution's inability to meet its obligations when they come due without incurring unacceptable losses.

**Compliance / Legal Risk:** Risk arising from violations of or non-conformance with the laws, regulations, or prescribed practices which govern the institution's activities. Legal risk arises from potential unenforceable contract, lawsuit, or judgment.

**Transaction Risk:** Risk arising from the potential that inadequate information systems, operational problems, breaches in internal controls, fraud or unforeseen catastrophes will result in unexpected losses.

**Reputational Risk:** Risk arising from negative public, regulatory, industry, and capital markets opinion.

**Strategic Risk:** Risk resulting from adverse business decisions or the improper implementation of those decisions.

# Risk Management Chart

Board of Directors



Audit Committee



Disclosure Committee



Risk Policy Committee

President & CEO  
EVP Chief Financial Officer  
EVP Banking  
EVP Secretary & General Counsel  
EVP Risk Management & Chief Risk Officer  
EVP Marketing  
SVP Retail Banking



Risk Management Committee

Co-Chairs:  
EVP Risk Management & Chief Risk Officer  
EVP Secretary & General Counsel

SVP Controller  
SVP Human Resources  
SVP Operations & Technology  
SVP Chief Credit Officer  
SVP Treasurer  
SVP General Auditor  
SVP Retail Banking  
SVP Credit Administration  
SVP Chief Compliance Officer





# Technology / Operations

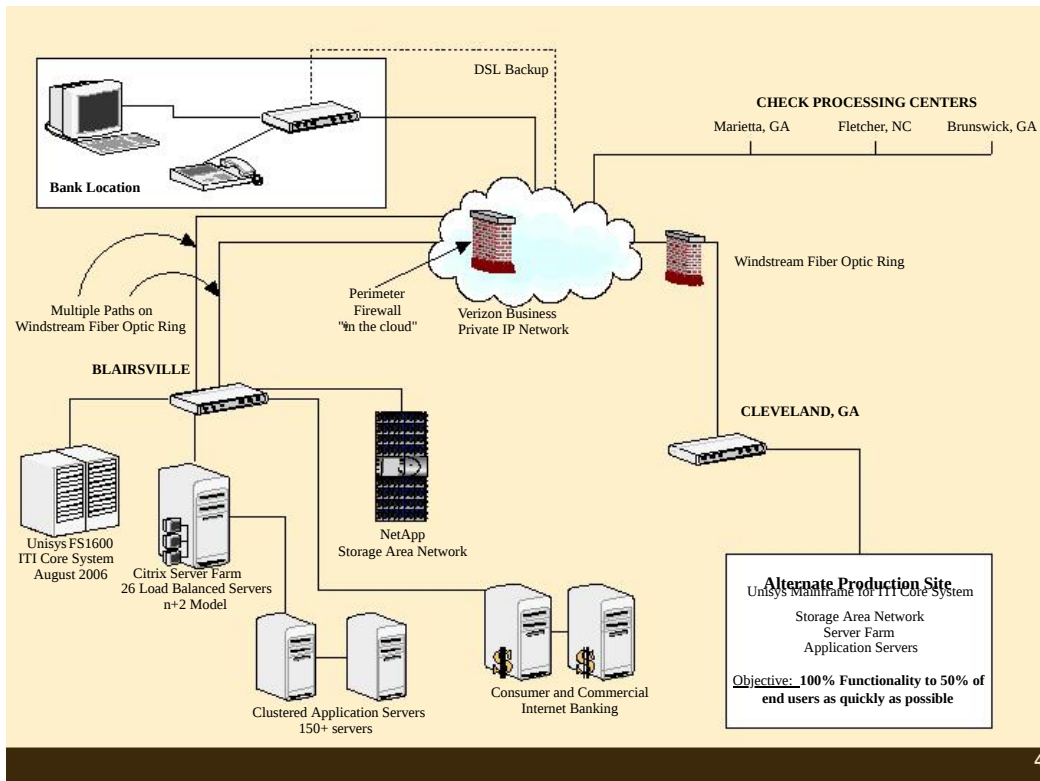
Presented by:  
Jim Stewart  
SVP, Technology & Operations



- Provide a sound infrastructure of technologies to support the customer-centric, service-based corporate goals and objectives
- Produce a suite of products and banking applications that our banks would choose if they had a choice
- Allow the customer to see us as 27 \$300 million banks while operating with efficiency as a \$8.0 billion bank
- Bottom line...
  - Our job is to allow our bankers to be better bankers

- Downtime is not an option – impact on service
- Redundancy – eliminate single points of failure
- Alternate Production Site – Cleveland, GA
- Constant communication with business units – banks, credit administration, mortgage, finance, accounting, treasury, marketing, retail banking

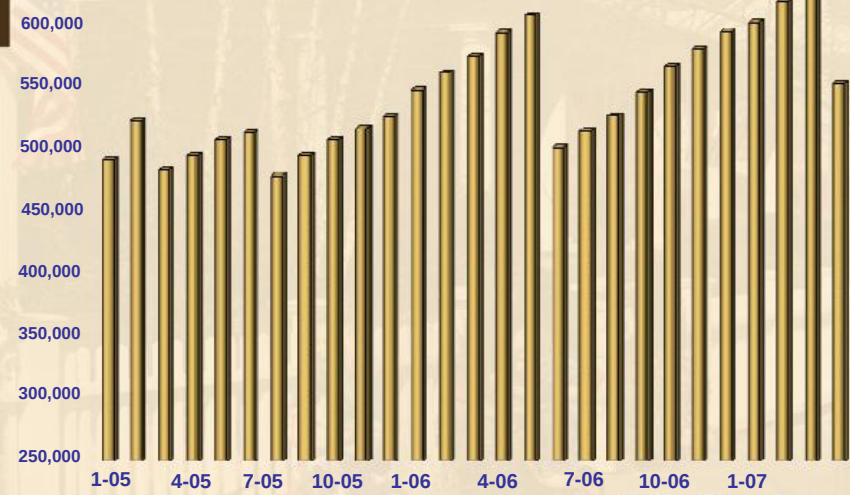




- Integration of newly acquired institutions – tried and true methodology on numerous core systems
- Team approach – all areas are represented in weekly status meetings including the acquiree
- Scalability – foundation has been built to support our continued growth, both organic and acquisition
- Financial investments in technology – goal is to smooth the curve and eliminate “writing the big check”

100  
ways  
community

## Account Volume Growth



**U** United  
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The Bank That **SERVICE** Built.™

- Security, security, security
- Driving down variable costs – telephony as an example
- Leveraging technology to create efficiencies without compromising our community bank model – Check 21, remote merchant capture, check processing model
- Adhering to standards in order to preserve our scalability and harden our security

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ways  
community



## Closing Remarks

Presented by:  
Jimmy Tallent  
CEO United Community Banks, Inc.



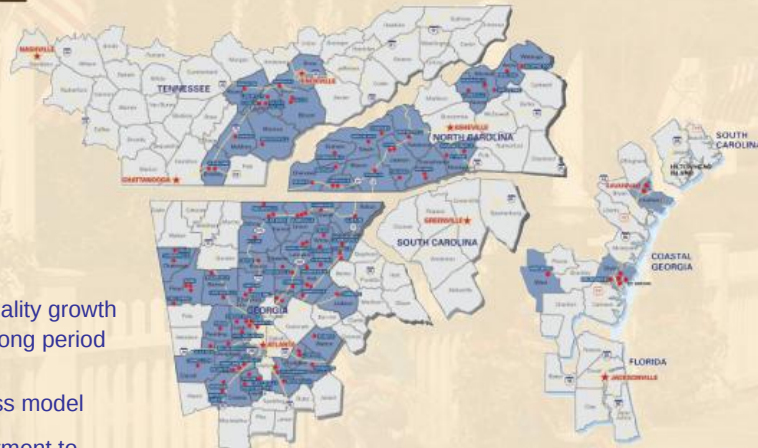
## High Quality Growth

(\$ in millions)

	First Quarter		
	<u>2007</u>	<u>2006</u>	<u>%</u>
Total Revenue	75.8	64.2	18
Operating Expense	44.8	38.5	17
<b>Net Income</b>	<b>19.3</b>	<b>16.0</b>	<b>21</b>
<b>EPS</b>	<b>.44</b>	<b>.39</b>	<b>13</b>
Loans	5,402	4,584	18
Deposits	5,842	4,748	23

First Quarter

	<u>2007</u>	<u>2006</u>
Return on Tangible Equity	17.18%	17.66%
Return on Equity	12.48	13.25
Return on Assets	1.11	1.09
Net Interest Margin	3.99	4.06
Efficiency Ratio	56.56	56.79



- High quality growth over a long period of time
- Business model
- Commitment to shareholder value
- Ownership

**U** United  
UNITED Community Bank.  
The Bank That **SERVICE** Built.™





Thank You For Attending





For Immediate

Release

12, 2007

June

For more information:  
Rex S. Schuette  
Chief Financial Officer  
(706) 781-2266  
Rex\_Schuette@UCBI.com

**UNITED COMMUNITY BANKS MONITORING IMPACT OF  
HALTED REAL ESTATE DEVELOPMENT IN NORTH CAROLINA**

BLAIRSVILLE, GA, June 12, 2007 - United Community Banks, Inc. (Nasdaq: UCBI), Georgia's third largest bank holding company, announced that a Wake County, North Carolina Superior Court Judge granted a request by the North Carolina Attorney General to appoint a receiver to take control of companies involved in the development of The Village of Penland, a mountain property near Spruce Pine, North Carolina. In his complaint, Attorney General Roy Cooper alleged that the developers had engaged in deceptive practices while marketing and financing lots in this project. United Community Banks, Inc. ("United") is one of several financial institutions that loaned money to individuals who acquired lots in this project and a related project, Winery Heights, by the same developers also near Spruce Pine, North Carolina. It appears that these projects will not be completed as originally planned.

United executives discussed the matter today at a previously scheduled Investors Day Conference held at its headquarters in Blairsville, Georgia.

United has 83 individual loans financing lots in these projects, in varying amounts ranging from approximately \$71,000 to \$1,860,000 with a median loan balance of \$185,000 and totaling \$23.8 million. The loans are secured by residential building lots in The Village of Penland and Winery Heights. United was not involved in the acquisition or development financing for these projects and does not know whether a substitute developer has been sought, or, if so, what modifications or concessions might be necessary to complete any alternative development plan.

---

United's loans are to individual lot purchasers. These loans were underwritten in accordance with United's credit policy requiring at least a 20 percent down payment of the value of the lot(s) securing the loans. Contrary to these policies, it appears that the developers advanced the down payments to the lot purchasers. In addition, many of these lot purchasers, without United's knowledge, simultaneously acquired additional lots in these same developments financed by other financial institutions.

Information currently available indicates that 51 of United's borrowers with total debt outstanding of approximately \$12.2 million could likely exhibit varying levels of financial distress in the future due to their total debt and the default of the developers. Prior to the developers' defaults, many of these borrowers may not have experienced such distress because of side arrangements between them and the developers requiring the developers to make or reimburse them for their monthly payments. These borrowers' financial situation could cause United's non-performing loans to increase over time unless the borrowers make monthly payments.

United cannot at this time quantify its likely loss related to these loans or the extent to which all or any portion of such loss may be covered by insurance. While these loans are secured by real estate, United does not believe that the collateral values determined at the time of underwriting which were based on fully developed lots are now realistic in light of the developers' default and the incomplete status of the projects. In addition, the North Carolina Attorney General's complaint alleges that the appraisers may have intentionally overstated the properties' values.

Based on information available concerning the apparent financial condition of the borrowers, United believes at this time that its allowance for loan losses is adequate to absorb any known losses without an additional charge to the provision for loan losses. United is continuing to monitor the borrowers' financial condition and payment status and will adjust its provision for loan losses if new information and the adequacy of the allowance for loan losses indicates that such an adjustment is required.

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**About United Community Banks, Inc.**

Headquartered in Blairsville, United Community Banks is the third-largest bank holding company in Georgia. United Community Banks has combined assets of approximately \$8.0 billion and operates 27 community banks with 108 banking offices located throughout north Georgia, metro Atlanta, coastal Georgia, western North Carolina and east Tennessee. The company specializes in providing personalized community banking services to individuals and small to mid-size businesses. United Community Banks also offers the convenience of 24-hour access through a network of ATMs, telephone and on-line banking. United Community Banks common stock is listed on the Nasdaq Global Select Market under the symbol UCBI. Additional information may be found at the company's web site at [www.ucbi.com](http://www.ucbi.com).

**Safe Harbor**

This news release contains forward-looking statements, as defined by Federal Securities Laws, including statements about financial outlook and business environment. These statements are provided to assist in the understanding of future financial performance and such performance involves risks and uncertainties that may cause actual results to differ materially from those in such statements. Any such statements are based on current expectations and involve a number of risks and uncertainties. For a discussion of factors that may cause such forward-looking statements to differ materially from actual results, please refer to the section entitled "Forward-Looking Statements" on page 4 of United Community Banks, Inc.'s annual report filed on Form 10-K with the Securities and Exchange Commission.

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