For Immediate Release

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UNITED COMMUNITY BANKS, INC. REPORTS
NET OPERATING INCOME OF $21.7 MILLION FOR THIRD QUARTER 2015,
UP 23 PERCENT FROM A YEAR AGO

- Operating earnings per diluted share of 33 cents, up 14 percent from a year ago
- Operating return on assets of 1.00 percent
- Operating return on tangible common equity of 10.3 percent
- Completed merger with Palmetto Bancshares, Inc. and its wholly owned subsidiary, The Palmetto Bank ("Palmetto"), on September 1
- Loans up $310 million for 2015, or 9 percent annualized, excluding loans acquired in mergers
- Core transaction deposits up $519 million for 2015, or 19 percent annualized, excluding deposits acquired in the mergers

BLAIRSVILLE, GA – October 27, 2015 – United Community Banks, Inc. (NASDAQ: UCBI) ("United") today reported net operating income of $21.7 million for the third quarter of 2015, up 23 percent from a year ago. Operating earnings per diluted share was 33 cents, up 14 percent from a year ago. The increase reflects strong loan, core deposit and fee revenue growth, and a lower provision for credit losses.

Operating earnings and diluted operating earnings per share exclude the effects of merger-related charges, which are not considered part of ongoing operations. Including those charges, net income was $17.9 million for the third quarter, or 27 cents per diluted share.

For the first nine months of 2015, United reported net income of $53.4 million, or 84 cents per diluted share. Excluding merger-related charges, net operating income was $59.4 million, or 94 cents per diluted share.

"I am very pleased with our third quarter financial performance, which reflects the successful execution of our strategic plans," said Jimmy Tallent, chairman and chief executive officer. "I'm especially proud that we completed the merger with Palmetto and welcomed their banking team to the United family.

"Total loan production remained strong in the third quarter, though net loan growth tapered off a bit due to a higher level of pay-downs," Tallent continued. "Year-to-date, excluding loans from mergers, loan growth is $310 million, or 9 percent annualized, which is on track for our 2015 goal of mid-to-upper-single-digit loan growth. These new loans have been funded with solid core transaction deposit growth of $519 million, or 19 percent annualized, excluding mergers.

"Third quarter net loan growth of $53 million, excluding the Palmetto merger, was driven by loan production of $452 million across all United markets," added Tallent. "Our community banks originated $256 million in loan production while our specialized lending area, which includes corporate, SBA, asset-based, middle market and commercial real estate lending, produced $150 million. Healthcare lending was part of specialized lending and we recently announced the sale of this $190 million corporate healthcare lending unit, which is expected to close by mid-fourth quarter 2015."

Third quarter taxable-equivalent net interest revenue totaled $65.7 million, up $4.40 million from the second quarter of 2015 and up $8.75 million from the third quarter of 2014. Core deposit growth contributed to net interest revenue with a linked-quarter increase of $204 million, or 19 percent annualized, excluding deposits acquired in the merger. United's Atlanta and North Georgia markets drove most of the growth.

"The acquisition of Palmetto added approximately $3.30 million to third quarter net interest revenue while loan growth accounted for the balance of the increase, which was offset partially by margin compression," said Tallent. "The taxable-equivalent net interest margin of 3.26 percent was down four basis points from the second quarter, and down six basis points from a year ago, reflecting higher debt costs for the funding of the Palmetto acquisition, continued competitive loan pricing pressures, and a shift toward more floating rate loans."

The third quarter provision for credit losses was $700 thousand, down $200 thousand from the second quarter and down $1.3 million from the third quarter of 2014. Third quarter net charge-offs were $1.42 million compared with $978 thousand in the second quarter and $3.16 million a year ago. Strong recoveries of previously charged-off loans drove net charge-offs down in the second and third quarters of 2015 compared with third quarter 2014. Nonperforming assets were .29 percent of total assets at quarter-end, compared with .26 percent in the second quarter and .29 percent a year ago.

Third quarter fee revenue totaled $18.3 million, up $1.03 million from the second quarter and $3.89 million from the third quarter of 2014. Much of the increase resulted from the acquisition of Palmetto, mostly in the form of deposit service charges and mortgage fees. Total service charges and fees were $9.34 million, up $960 thousand from the second quarter and up $1.13 million from a year ago. Mortgage fees of $3.84 million were up $133 thousand from the second quarter and up $1.66 million from a year ago reflecting strong growth in home purchases and an increase in refinancing activities. Closed mortgage loans totaled $141 million in the third quarter of 2015, compared with $128 million in the second quarter and $84 million in the third quarter of 2014. During the third quarter, sales of $17.8 million in SBA loans resulted in net gains of $1.65 million. This compares with $14.7 million in loans sold and net gains of $1.49 million in the second quarter of 2015, and $7.4 million in loans sold and net gains of $945 thousand in the third quarter of 2014.

"We remain committed to diversifying our revenue stream by focusing on fee-generating products and services," stated Tallent. "Our growing SBA lending business and commitment to expanding our mortgage origination business are key parts of this emphasis."

Operating expenses, excluding merger-related charges of $5.74 million, were $48.5 million in the third quarter. This compares to $45.2 million in the second quarter of 2015 and $41.4 million in the third quarter of 2014. The September 1 acquisition of Palmetto Bancshares and its wholly owned subsidiary, The Palmetto Bank, added approximately $2.70 million to third quarter operating expenses. The May 1 acquisition of First National Bank added approximately $1.70 million to both third and second quarter operating expenses. Operating expenses from both acquired banks are expected to decline as anticipated cost savings are realized.

Third quarter salaries and employee benefits expense totaled $29.3 million, up $1.38 million from the second quarter and $3.68 million from a year ago. The linked-quarter increase reflects $1.1 million in additional compensation expense for the two acquired companies. The increase from a year ago reflects the acquisitions, investment in new producers and support staff for the specialized lending area, as well as higher commissions and incentives associated with growth in mortgage loans, commercial loans and core deposits.

Third quarter other operating expenses totaled $5.54 million, up $650 thousand from the second quarter and up $1.54 million from the third quarter of 2014. Nearly half of the linked-quarter increase in other expenses was due to higher intangible amortization costs from the two acquisitions. Most of the remaining linked-quarter increase reflected higher ATM network and lending support costs, while the increase from a year ago was due to higher lending support costs and an increase in servicing fees for the growing indirect auto loan portfolio.

"Palmetto merged into United on September 1 and its operating results are included in United's from that date forward," noted Tallent. "System conversions are targeted for the first quarter of 2016. First National Bank merged into United on May 1 and, during the third quarter, we successfully converted their operating systems to United and consolidated six of the combined United / FNB banking offices. All FNB banking offices now operate under the name of United Community Bank."

At September 30, 2015, preliminary capital ratios were as follows: Tier 1 Risk-Based of 11.0 percent; Total Risk-Based of 12.1 percent; Tier 1 Common Risk-Based of 11.0 percent; and, Tier 1 Leverage of 8.2 percent.

"All of our regulatory capital ratios remain strong, though they have declined slightly from the prior quarter due to the acquisition of Palmetto," commented Tallent. "During mid-August, we financed the cash portion of the Palmetto acquisition with the issuance of $85 million Senior Notes that had an average interest rate of 5.2 percent. Additionally, on September 15, to partially offset these higher funding costs, we redeemed $32 million of trust preferred securities with an average rate of 8.4 percent.

"Our third quarter results put us well on track to complete another remarkable year," Tallent said. "In the second quarter we achieved our earlier goal of a 1 percent operating return on assets. Our new goal, driven by continued solid mid-to-high single-digit loan growth, is 1.10 percent for the fourth quarter of 2016.

"We are excited about executing our growth strategies to expand the franchise and add value for shareholders," concluded Tallent. "We warmly and enthusiastically welcome First National and Palmetto to the United team. And, as always, we are dedicated every day to taking care of our customers – both existing and new – with the outstanding service for which our bankers are so very well known."

Conference Call

United will hold a conference call today, Tuesday, October 27, 2015, at 11 a.m. ET to discuss the contents of this news release and to share business highlights for the quarter. To access the call, dial (877) 380-5665 and use the conference number 56009033. 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.

Investor Day Conference – October 8, 2015

On October 8, 2015, United held an Investor Day Conference in Atlanta, Georgia for its analysts and institutional investors. United's executive and senior management presented the company's business, growth and market strategies through a series of presentations and panel discussions. The conference was web cast on Events & Presentations from its Investor Relations page of the company's' website, www.ucbi.com, and will remain available for replay for one year**.**

About United Community Banks, Inc.

United Community Banks, Inc. (UCBI) is a bank holding company based in Blairsville, Georgia, with $9.4 billion in assets. The company's banking subsidiary, United Community Bank, is one of the Southeast's largest full-service banks, operating 133 offices in Georgia, North Carolina, South Carolina and Tennessee. The bank specializes in personalized community banking services for individuals, small businesses and corporations. United Community Bank offers a full range of consumer and commercial banking services including mortgage, advisory, treasury management and other products. In 2014 and 2015, United Community Bank was ranked first in customer satisfaction in the southeast by J.D. Power and in 2015 was ranked fourteenth 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.

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 2014 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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