

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):
April 24, 2014

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))
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Item 2.02 Results of Operations and Financial Condition.

On April 24, 2014, United Community Banks, Inc. (the “Registrant”) issued a news release announcing its financial results for the quarter ended March 31, 2014 (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 April 24, 2014 at 11:00 a.m. EST, 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 First Quarter 2014 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 core earnings measures, which are measures of performance determined by methods other than in accordance with generally accepted accounting principles, or GAAP. Management included non-GAAP core earnings measures because it believes they are useful for evaluating the Registrant’s operations and performance over periods of time, and uses core earnings measures in managing and evaluating the Registrant’s business and intends to refer to them in discussions about the Registrant’s operations and performance. Core earnings measures exclude credit related costs such as the provision for loan losses and foreclosed property expense, securities gains and losses, income taxes and other items of a non-recurring nature. Core earnings measures are useful in evaluating the underlying earnings performance trends of the Registrant. Management believes these non-GAAP performance measures may provide users of the Registrant’s financial information with a meaningful measure for assessing the Registrant’s financial results and comparing those financial results to prior periods.

Core earnings measures should be viewed in addition to, and not as an alternative to or substitute for, the Registrant’s performance measures determined in accordance with GAAP, and are not necessarily comparable to non-GAAP performance measures that may be presented by other companies.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

| Exhibit No. | Description |
|------------------------|---|
| 99.1 | News Release, dated April 24, 2014 |
| 99.2 | Investor Presentation, First Quarter 2014 |

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: April 24, 2014



For Immediate Release

For more information:

Rex S. Schuette
Chief Financial Officer
(706) 781-2266
Rex_Schuette@ucbi.com

**UNITED COMMUNITY BANKS, INC. REPORTS
EARNINGS OF \$15.4 MILLION FOR FIRST QUARTER 2014**

- Earnings per diluted share of 25 cents, up 14 percent from fourth quarter
- Loans up \$27 million, or 2 percent annualized
- Core transaction deposits up \$135 million, or 16 percent annualized
- All preferred stock redeemed
- All capital ratios remain strong

BLAIRSVILLE, GA – April 24, 2014 – United Community Banks, Inc. (NASDAQ: UCBI) (“United”) today reported net income of \$15.4 million, or 25 cents per diluted share, for the first quarter of 2014. Earnings per share were up 14 percent from the fourth quarter, and 67 percent from the first quarter of 2013, reflecting a reduction in preferred stock dividends, reduced operating costs and a lower provision for loan losses.

“I am pleased with our first quarter progress and our outlook for the balance of 2014,” said Jimmy Tallent, president and chief executive officer. “We achieved steady loan growth and strong deposit growth, while controlling expenses.

“I am especially pleased that we redeemed the remaining \$122 million in preferred stock, completing the final phase of our TARP and other preferred stock redemptions during the first quarter,” Tallent continued. “In total we redeemed \$197 million in preferred stock, including \$75 million in the fourth quarter, without issuing common equity that would have been dilutive to shareholders.

“The elimination of expensive preferred stock dividends had a positive impact on first quarter per share results,” Tallent added. “Longer-term, it will benefit our performance and the ability to execute our strategic plan.”

The first quarter provision for credit losses was \$2.5 million, down \$500,000 from the fourth quarter and down \$8.5 million from the first quarter of 2013. First quarter net charge-offs were \$4.04 million, compared with \$4.44 million in the fourth quarter and \$12.4 million a year ago. Nonperforming assets at quarter-end were \$30.8 million, representing .42 percent of total assets. This was down slightly from the fourth quarter and down significantly from \$112.7 million, or 1.65 percent of total assets, in the first quarter of 2013.

First quarter taxable equivalent net interest revenue totaled \$54.2 million, down \$1.71 million from the fourth quarter and down \$405,000 from the first quarter of 2013. The first quarter taxable equivalent net interest margin was 3.21 percent, down five basis points from the fourth quarter and down 16 basis points from a year ago.

“The decline in net interest revenue was related primarily to two fewer days of interest accruals in the first quarter,” said Tallent. “Competitive loan pricing pressures continue, and we are sharply focused on growing loans and deposits to offset the impact and grow net interest revenue. We also remain committed to prudent interest rate risk management. To that end, 39 percent of our investment portfolio consists of floating-rate securities, compared with 41 percent at year-end 2013 and 34 percent in the first quarter of 2013.”

First quarter fee revenue totaled \$12.2 million, down \$1.34 million from the fourth quarter and \$735,000 from a year earlier, primarily due to lower mortgage fees and lower customer swap fees in other fee revenue. Additionally, fourth quarter fee revenue included the recognition of \$300,000 in gains on mutual fund investments. First quarter mortgage fees were down \$359,000 from the fourth quarter and down \$1.3 million from a year ago, reflecting slower mortgage refinancing activity related to rising long-term interest rates. Closed mortgage loans totaled \$46 million in the first quarter, compared with \$55.5 million in the fourth quarter and \$70 million in the first quarter of 2013.

Operating expenses, excluding foreclosed property costs, were \$38.9 million in the first quarter compared to \$41.4 million in the fourth quarter of 2013 and \$41.4 million a year ago. Expenses decreased in every category from fourth quarter totals, reflecting successful efforts to control operating costs. The most significant quarter-to-quarter decreases were \$675,000 in professional fees and \$451,000 in FDIC assessments and other regulatory charges, reflecting United's improved credit quality. Salaries and employee benefits decreased \$421,000, in part reflecting incentive compensation accrued in the fourth quarter for achievement of the 2013 performance targets.

Foreclosed property costs were \$116,000 in the first quarter compared to \$191,000 in the fourth quarter and \$2.33 million a year ago. These costs have remained lower following the accelerated sales of classified assets in the second quarter of 2013.

On March 31, 2014, capital ratios were as follows: Tier 1 Risk-Based of 11.1 percent; Total Risk-Based of 12.3 percent; Tier 1 Common Risk-Based of 10.0 percent; Tier 1 Leverage of 8.0 percent; and Tangible Equity-to-Assets of 9.5 percent.

"We made good progress in the first quarter," Tallent said. "A year ago our focus was resolving legacy credit-related problems, a major undertaking that has been completed. Other challenges have remained with regard to interest rates and the economic environment. But our team has kept expenses down and strengthened the business pipeline, and we have strategically added people and initiatives to drive revenue growth. Of particular note are the additions of senior talent to lead our Tennessee region, our specialized lending group, and our structured finance area. I believe we are on track to achieve our business targets and financial goals for the year."

Conference Call

United will hold a conference call today, Thursday, April 24, 2014, 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 24926399. The conference call also will be webcast and can be accessed by selecting 'Calendar of Events' within the Investor Relations section of United's website at www.ucbi.com.

About United Community Banks, Inc.

United Community Banks, Inc. (UCBI) is a bank holding company based in Blairsville, Georgia, with \$7.4 billion in assets. The company's banking subsidiary, United Community Bank, is one of the Southeast region's largest full-service banks, operating 102 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 services including mortgage, advisory and treasury management products. United Community Bank is consistently recognized for its outstanding customer service by national survey organizations. 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 2013 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

| | 2014 | | 2013 | | | First Quarter 2014-2013 Change |
|--|------------------|-------------------|------------------|----------------------|------------------|---|
| | First Quarter | Fourth Quarter | Third Quarter | Second Quarter | First Quarter | |
| <i>(in thousands, except per share data; taxable equivalent)</i> | | | | | | |
| INCOME SUMMARY | | | | | | |
| Interest revenue | \$ 60,495 | \$ 61,695 | \$ 61,426 | \$ 62,088 | \$ 62,114 | |
| Interest expense | 6,326 | 5,816 | 7,169 | 7,157 | 7,540 | |
| Net interest revenue | 54,169 | 55,879 | 54,257 | 54,931 | 54,574 | (1)% |
| Provision for credit losses | 2,500 | 3,000 | 3,000 | 48,500 | 11,000 | |
| Fee revenue | 12,176 | 13,519 | 14,225 | 15,943 | 12,911 | (6) |
| Total revenue | 63,845 | 66,398 | 65,482 | 22,374 | 56,485 | |
| Operating expenses | 39,050 | 41,614 | 40,097 | 48,823 | 43,770 | (11) |
| Income (loss) before income taxes | 24,795 | 24,784 | 25,385 | (26,449) | 12,715 | 95 |
| Income tax expense (benefit) | 9,395 | 8,873 | 9,885 | (256,413) | 950 | |
| Net income | 15,400 | 15,911 | 15,500 | 229,964 | 11,765 | 31 |
| Preferred dividends and discount accretion | 439 | 2,912 | 3,059 | 3,055 | 3,052 | |
| Net income available to common shareholders | \$ 14,961 | \$ 12,999 | \$ 12,441 | \$ 226,909 | \$ 8,713 | 72 |
| PERFORMANCE MEASURES | | | | | | |
| Per common share: | | | | | | |
| Diluted income | \$.25 | \$.22 | \$.21 | \$ 3.90 | \$.15 | 67 |
| Book value | 11.66 | 11.30 | 10.99 | 10.90 | 6.85 | 70 |
| Tangible book value ⁽²⁾ | 11.63 | 11.26 | 10.95 | 10.82 | 6.76 | 72 |
| Key performance ratios: | | | | | | |
| Return on common equity ⁽¹⁾⁽³⁾ | 8.64% | 7.52% | 7.38% | 197.22% | 8.51% | |
| Return on assets ⁽³⁾ | .85 | .86 | .86 | 13.34 | .70 | |
| Net interest margin ⁽³⁾ | 3.21 | 3.26 | 3.26 | 3.33 | 3.37 | |
| Efficiency ratio | 59.05 | 60.02 | 58.55 | 68.89 | 64.97 | |
| Equity to assets | 9.52 | 11.62 | 11.80 | 11.57 ⁽⁴⁾ | 8.60 | |
| Tangible equity to assets ⁽²⁾ | 9.50 | 11.59 | 11.76 | 11.53 ⁽⁴⁾ | 8.53 | |
| Tangible common equity to assets ⁽²⁾ | 9.22 | 8.99 | 9.02 | 8.79 ⁽⁴⁾ | 5.66 | |
| Tangible common equity to risk-weighted assets ⁽²⁾ | 13.57 | 13.17 | 13.34 | 13.16 | 8.45 | |
| ASSET QUALITY * | | | | | | |
| Non-performing loans | \$ 25,250 | \$ 26,819 | \$ 26,088 | \$ 27,864 | \$ 96,006 | |
| Foreclosed properties | 5,594 | 4,221 | 4,467 | 3,936 | 16,734 | |
| Total non-performing assets (NPAs) | 30,844 | 31,040 | 30,555 | 31,800 | 112,740 | |
| Allowance for loan losses | 75,223 | 76,762 | 80,372 | 81,845 | 105,753 | |
| Net charge-offs | 4,039 | 4,445 | 4,473 | 72,408 | 12,384 | |
| Allowance for loan losses to loans | 1.73% | 1.77% | 1.88% | 1.95% | 2.52% | |
| Net charge-offs to average loans ⁽³⁾ | .38 | .41 | .42 | 6.87 | 1.21 | |
| NPAs to loans and foreclosed properties | .71 | .72 | .72 | .76 | 2.68 | |
| NPAs to total assets | .42 | .42 | .42 | .44 | 1.65 | |
| AVERAGE BALANCES (\$ in millions) | | | | | | |
| Loans | \$ 4,356 | \$ 4,315 | \$ 4,250 | \$ 4,253 | \$ 4,197 | 4 |
| Investment securities | 2,320 | 2,280 | 2,178 | 2,161 | 2,141 | 8 |
| Earning assets | 6,827 | 6,823 | 6,615 | 6,608 | 6,547 | 4 |
| Total assets | 7,384 | 7,370 | 7,170 | 6,915 | 6,834 | 8 |
| Deposits | 6,197 | 6,190 | 5,987 | 5,983 | 5,946 | 4 |
| Shareholders' equity | 703 | 856 | 846 | 636 | 588 | 20 |
| Common shares - basic (thousands) | 60,059 | 59,923 | 59,100 | 58,141 | 58,081 | |
| Common shares - diluted (thousands) | 60,061 | 59,925 | 59,202 | 58,141 | 58,081 | |
| AT PERIOD END (\$ in millions) | | | | | | |
| Loans * | \$ 4,356 | \$ 4,329 | \$ 4,267 | \$ 4,189 | \$ 4,194 | 4 |
| Investment securities | 2,302 | 2,312 | 2,169 | 2,152 | 2,141 | 8 |
| Total assets | 7,398 | 7,425 | 7,243 | 7,163 | 6,849 | 8 |
| Deposits | 6,248 | 6,202 | 6,113 | 6,012 | 6,026 | 4 |
| Shareholders' equity | 704 | 796 | 852 | 829 | 592 | 19 |
| Common shares outstanding (thousands) | 60,092 | 59,432 | 59,412 | 57,831 | 57,767 | |

⁽¹⁾ 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). ⁽²⁾ Excludes effect of acquisition related intangibles and associated amortization. ⁽³⁾ Annualized. ⁽⁴⁾ Calculated as of period-end.

* Excludes loans and foreclosed properties covered by loss sharing agreements with the FDIC.

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

| <i>(in thousands, except per share data; taxable equivalent)</i> | 2014 | | 2013 | | |
|--|------------------|------------------|------------------|---------------------|------------------|
| | First Quarter | Fourth Quarter | Third Quarter | Second Quarter | First Quarter |
| Interest revenue reconciliation | | | | | |
| Interest revenue - taxable equivalent | \$ 60,495 | \$ 61,695 | \$ 61,426 | \$ 62,088 | \$ 62,114 |
| Taxable equivalent adjustment | (357) | (380) | (370) | (368) | (365) |
| Interest revenue (GAAP) | <u>\$ 60,138</u> | <u>\$ 61,315</u> | <u>\$ 61,056</u> | <u>\$ 61,720</u> | <u>\$ 61,749</u> |
| Net interest revenue reconciliation | | | | | |
| Net interest revenue - taxable equivalent | \$ 54,169 | \$ 55,879 | \$ 54,257 | \$ 54,931 | \$ 54,574 |
| Taxable equivalent adjustment | (357) | (380) | (370) | (368) | (365) |
| Net interest revenue (GAAP) | <u>\$ 53,812</u> | <u>\$ 55,499</u> | <u>\$ 53,887</u> | <u>\$ 54,563</u> | <u>\$ 54,209</u> |
| Total revenue reconciliation | | | | | |
| Total operating revenue | \$ 63,845 | \$ 66,398 | \$ 65,482 | \$ 22,374 | \$ 56,485 |
| Taxable equivalent adjustment | (357) | (380) | (370) | (368) | (365) |
| Total revenue (GAAP) | <u>\$ 63,488</u> | <u>\$ 66,018</u> | <u>\$ 65,112</u> | <u>\$ 22,006</u> | <u>\$ 56,120</u> |
| Income (loss) before taxes reconciliation | | | | | |
| Income (loss) before taxes | \$ 24,795 | \$ 24,784 | \$ 25,385 | \$ (26,449) | \$ 12,715 |
| Taxable equivalent adjustment | (357) | (380) | (370) | (368) | (365) |
| Income (loss) before taxes (GAAP) | <u>\$ 24,438</u> | <u>\$ 24,404</u> | <u>\$ 25,015</u> | <u>\$ (26,817)</u> | <u>\$ 12,350</u> |
| Income tax expense (benefit) reconciliation | | | | | |
| Income tax expense (benefit) | \$ 9,395 | \$ 8,873 | \$ 9,885 | \$ (256,413) | \$ 950 |
| Taxable equivalent adjustment | (357) | (380) | (370) | (368) | (365) |
| Income tax expense (benefit) (GAAP) | <u>\$ 9,038</u> | <u>\$ 8,493</u> | <u>\$ 9,515</u> | <u>\$ (256,781)</u> | <u>\$ 585</u> |
| Book value per common share reconciliation | | | | | |
| Tangible book value per common share | \$ 11.63 | \$ 11.26 | \$ 10.95 | \$ 10.82 | \$ 6.76 |
| Effect of goodwill and other intangibles | .03 | .04 | .04 | .08 | .09 |
| Book value per common share (GAAP) | <u>\$ 11.66</u> | <u>\$ 11.30</u> | <u>\$ 10.99</u> | <u>\$ 10.90</u> | <u>\$ 6.85</u> |
| Average equity to assets reconciliation | | | | | |
| Tangible common equity to assets | 9.22% | 8.99% | 9.02% | 8.79% | 5.66% |
| Effect of preferred equity | .28 | 2.60 | 2.74 | 2.74 | 2.87 |
| Tangible equity to assets | <u>9.50</u> | <u>11.59</u> | <u>11.76</u> | <u>11.53</u> | <u>8.53</u> |
| Effect of goodwill and other intangibles | .02 | .03 | .04 | .04 | .07 |
| Equity to assets (GAAP) | <u>9.52%</u> | <u>11.62%</u> | <u>11.80%</u> | <u>11.57%</u> | <u>8.60%</u> |
| Tangible common equity to risk-weighted assets reconciliation | | | | | |
| Tangible common equity to risk-weighted assets | 13.57% | 13.17% | 13.34% | 13.16% | 8.45% |
| Effect of other comprehensive income | .36 | .39 | .49 | .29 | .49 |
| Effect of deferred tax limitation | (3.91) | (4.25) | (4.72) | (4.99) | - |
| Effect of trust preferred | 1.03 | 1.04 | 1.09 | 1.11 | 1.15 |
| Effect of preferred equity | - | 2.38 | 4.01 | 4.11 | 4.22 |
| Tier I capital ratio (Regulatory) | <u>11.05%</u> | <u>12.73%</u> | <u>14.21%</u> | <u>13.68%</u> | <u>14.31%</u> |

UNITED COMMUNITY BANKS, INC.
Financial Highlights
Loan Portfolio Composition at Period-End ⁽¹⁾

| <i>(in millions)</i> | 2014 | | 2013 | | | Linked Quarter Change | Year over Year Change |
|---------------------------------------|------------------|-------------------|------------------|-------------------|------------------|-----------------------------|-----------------------------|
| | First Quarter | Fourth Quarter | Third Quarter | Second Quarter | First Quarter | | |
| LOANS BY CATEGORY | | | | | | | |
| Owner occupied commercial RE | \$ 1,142 | \$ 1,134 | \$ 1,129 | \$ 1,119 | \$ 1,130 | \$ 8 | \$ 12 |
| Income producing commercial RE | 624 | 623 | 614 | 629 | 674 | 1 | (50) |
| Commercial & industrial | 495 | 472 | 457 | 437 | 454 | 23 | 41 |
| Commercial construction | 148 | 149 | 137 | 133 | 152 | (1) | (4) |
| Total commercial | 2,409 | 2,378 | 2,337 | 2,318 | 2,410 | 31 | (1) |
| Residential mortgage | 866 | 875 | 888 | 876 | 850 | (9) | 16 |
| Home equity lines of credit | 447 | 441 | 421 | 402 | 396 | 6 | 51 |
| Residential construction | 318 | 328 | 318 | 332 | 372 | (10) | (54) |
| Consumer installment | 316 | 307 | 303 | 261 | 166 | 9 | 150 |
| Total loans | <u>\$ 4,356</u> | <u>\$ 4,329</u> | <u>\$ 4,267</u> | <u>\$ 4,189</u> | <u>\$ 4,194</u> | 27 | 162 |
| LOANS BY MARKET | | | | | | | |
| North Georgia | \$ 1,205 | \$ 1,240 | \$ 1,262 | \$ 1,265 | \$ 1,363 | (35) | (158) |
| Atlanta MSA | 1,290 | 1,275 | 1,246 | 1,227 | 1,262 | 15 | 28 |
| North Carolina | 563 | 572 | 575 | 576 | 575 | (9) | (12) |
| Coastal Georgia | 425 | 423 | 421 | 397 | 398 | 2 | 27 |
| Gainesville MSA | 262 | 255 | 253 | 256 | 259 | 7 | 3 |
| East Tennessee | 272 | 280 | 277 | 282 | 282 | (8) | (10) |
| South Carolina / Corporate | 131 | 88 | 47 | 34 | - | 43 | 131 |
| Other ⁽²⁾ | 208 | 196 | 186 | 152 | 55 | 12 | 153 |
| Total loans | <u>\$ 4,356</u> | <u>\$ 4,329</u> | <u>\$ 4,267</u> | <u>\$ 4,189</u> | <u>\$ 4,194</u> | 27 | 162 |
| RESIDENTIAL CONSTRUCTION | | | | | | | |
| Dirt loans | | | | | | | |
| Acquisition & development | \$ 37 | \$ 39 | \$ 40 | \$ 42 | \$ 57 | (2) | (20) |
| Land loans | 37 | 38 | 35 | 36 | 42 | (1) | (5) |
| Lot loans | 159 | 166 | 167 | 173 | 188 | (7) | (29) |
| Total | 233 | 243 | 242 | 251 | 287 | (10) | (54) |
| House loans | | | | | | | |
| Spec | 19 | 23 | 30 | 34 | 40 | (4) | (21) |
| Sold | 66 | 62 | 46 | 47 | 45 | 4 | 21 |
| Total | 85 | 85 | 76 | 81 | 85 | - | - |
| Total residential construction | <u>\$ 318</u> | <u>\$ 328</u> | <u>\$ 318</u> | <u>\$ 332</u> | <u>\$ 372</u> | (10) | (54) |

⁽¹⁾ Excludes total loans of \$19.3 million, \$20.3 million, \$23.3 million, \$25.7 million and \$28.3 million as of March 31, 2014, December 31, 2013, September 30, 2013, June 30, 2013 and March 31, 2013, respectively, that are covered by the loss-sharing agreement with the FDIC, related to the acquisition of Southern Community Bank. ⁽²⁾ Includes purchased indirect auto loans that are not assigned to a geographic region.

UNITED COMMUNITY BANKS, INC.
Financial Highlights
Credit Quality ⁽¹⁾

| <i>(in thousands)</i> | First Quarter 2014 | | | Fourth Quarter 2013 | | | Third Quarter 2013 | | |
|---|-------------------------|--------------------------|------------------|-------------------------|--------------------------|------------------|-------------------------|--------------------------|------------------|
| | Non-performing Loans | Foreclosed Properties | Total NPAs | Non-performing Loans | Foreclosed Properties | Total NPAs | Non-performing Loans | Foreclosed Properties | Total NPAs |
| NONPERFORMING ASSETS BY CATEGORY | | | | | | | | | |
| Owner occupied CRE | \$ 3,868 | \$ 1,167 | \$ 5,035 | \$ 5,822 | \$ 832 | \$ 6,654 | \$ 6,358 | \$ 591 | \$ 6,949 |
| Income producing CRE | 1,278 | 1,645 | 2,923 | 2,518 | - | 2,518 | 1,657 | 139 | 1,796 |
| Commercial & industrial | 822 | - | 822 | 427 | - | 427 | 609 | - | 609 |
| Commercial construction | 479 | - | 479 | 361 | - | 361 | 343 | 376 | 719 |
| Total commercial | 6,447 | 2,812 | 9,259 | 9,128 | 832 | 9,960 | 8,967 | 1,106 | 10,073 |
| Residential mortgage | 13,307 | 2,146 | 15,453 | 11,730 | 2,684 | 14,414 | 11,335 | 1,679 | 13,014 |
| Home equity lines of credit | 1,106 | 362 | 1,468 | 1,448 | 389 | 1,837 | 1,169 | 475 | 1,644 |
| Residential construction | 3,805 | 274 | 4,079 | 4,264 | 316 | 4,580 | 4,097 | 1,207 | 5,304 |
| Consumer installment | 585 | - | 585 | 249 | - | 249 | 520 | - | 520 |
| Total NPAs | \$ 25,250 | \$ 5,594 | \$ 30,844 | \$ 26,819 | \$ 4,221 | \$ 31,040 | \$ 26,088 | \$ 4,467 | \$ 30,555 |
| Balance as a % of Unpaid Principal | 65.8% | 53.9% | 63.2% | 65.3% | 44.5% | 61.4% | 61.6% | 41.5% | 57.6% |
| NONPERFORMING ASSETS BY MARKET | | | | | | | | | |
| North Georgia | \$ 12,166 | \$ 2,058 | \$ 14,224 | \$ 12,352 | \$ 2,494 | \$ 14,846 | \$ 13,652 | \$ 1,726 | \$ 15,378 |
| Atlanta MSA | 2,916 | 904 | 3,820 | 2,830 | 684 | 3,514 | 3,096 | 1,026 | 4,122 |
| North Carolina | 6,501 | 866 | 7,367 | 6,567 | 683 | 7,250 | 5,680 | 762 | 6,442 |
| Coastal Georgia | 800 | 1,607 | 2,407 | 2,342 | 173 | 2,515 | 995 | 928 | 1,923 |
| Gainesville MSA | 1,145 | - | 1,145 | 928 | - | 928 | 1,036 | - | 1,036 |
| East Tennessee | 1,428 | 159 | 1,587 | 1,800 | 187 | 1,987 | 1,629 | 25 | 1,654 |
| South Carolina / Corporate | - | - | - | - | - | - | - | - | - |
| Other ⁽³⁾ | 294 | - | 294 | - | - | - | - | - | - |
| Total NPAs | \$ 25,250 | \$ 5,594 | \$ 30,844 | \$ 26,819 | \$ 4,221 | \$ 31,040 | \$ 26,088 | \$ 4,467 | \$ 30,555 |
| NONPERFORMING ASSETS ACTIVITY | | | | | | | | | |
| Beginning Balance | \$ 26,819 | \$ 4,221 | \$ 31,040 | \$ 26,088 | \$ 4,467 | \$ 30,555 | \$ 27,864 | \$ 3,936 | \$ 31,800 |
| Loans placed on non-accrual | 9,303 | - | 9,303 | 11,043 | - | 11,043 | 9,959 | - | 9,959 |
| Payments received | (1,666) | - | (1,666) | (1,688) | - | (1,688) | (3,601) | - | (3,601) |
| Loan charge-offs | (4,839) | - | (4,839) | (4,621) | - | (4,621) | (5,395) | - | (5,395) |
| Foreclosures | (4,367) | 4,367 | - | (4,003) | 4,003 | - | (2,739) | 2,739 | - |
| Capitalized costs | - | - | - | - | - | - | - | 7 | 7 |
| Property sales | - | (3,238) | (3,238) | - | (4,684) | (4,684) | - | (2,534) | (2,534) |
| Write downs | - | (277) | (277) | - | (326) | (326) | - | (329) | (329) |
| Net gains (losses) on sales | - | 521 | 521 | - | 761 | 761 | - | 648 | 648 |
| Ending Balance | \$ 25,250 | \$ 5,594 | \$ 30,844 | \$ 26,819 | \$ 4,221 | \$ 31,040 | \$ 26,088 | \$ 4,467 | \$ 30,555 |

| <i>(in thousands)</i> | First Quarter 2014 | | Fourth Quarter 2013 | | Third Quarter 2013 | |
|------------------------------------|--------------------|---|---------------------|---|--------------------|---|
| | Net Charge-Offs | Net Charge- Offs to Average Loans ⁽²⁾ | Net Charge-Offs | Net Charge- Offs to Average Loans ⁽²⁾ | Net Charge-Offs | Net Charge- Offs to Average Loans ⁽²⁾ |
| NET CHARGE-OFFS BY CATEGORY | | | | | | |
| Owner occupied CRE | \$ 278 | .10% | \$ 1,638 | .57% | \$ 1,641 | .58% |
| Income producing CRE | 205 | .13 | 320 | .21 | 216 | .14 |
| Commercial & industrial | 421 | .35 | (149) | (.13) | 136 | .12 |
| Commercial construction | - | - | (9) | (.02) | 133 | .39 |
| Total commercial | 904 | .15 | 1,800 | .30 | 2,126 | .36 |
| Residential mortgage | 1,515 | .71 | 1,426 | .64 | 693 | .31 |
| Home equity lines of credit | 993 | .90 | 417 | .38 | 382 | .37 |
| Residential construction | 212 | .27 | 327 | .40 | 1,072 | 1.31 |
| Consumer installment | 415 | .54 | 475 | .62 | 200 | .28 |
| Total | \$ 4,039 | .38 | \$ 4,445 | .41 | \$ 4,473 | .42 |
| NET CHARGE-OFFS BY MARKET | | | | | | |
| North Georgia | \$ 1,272 | .42% | \$ 1,603 | .51% | \$ 2,090 | .66% |
| Atlanta MSA | 1,232 | .39 | 636 | .20 | 1,013 | .33 |
| North Carolina | 577 | .41 | 1,104 | .76 | 704 | .49 |
| Coastal Georgia | 512 | .49 | 345 | .33 | 139 | .14 |
| Gainesville MSA | 141 | .22 | 346 | .54 | 97 | .15 |
| East Tennessee | 239 | .35 | 323 | .46 | 359 | .51 |
| South Carolina / Corporate | - | - | - | - | - | - |
| Other ⁽³⁾ | 66 | .14 | 88 | .20 | 71 | .17 |
| Total | \$ 4,039 | .38 | \$ 4,445 | .41 | \$ 4,473 | .42 |

(1) Excludes non-performing loans and foreclosed properties covered by the loss-sharing agreement with the FDIC, related to the acquisition of Southern Community Bank.

(2) Annualized.

(3) Includes purchased indirect auto loans that are not assigned to a geographic region.

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

| | Three Months Ended | |
|--|---------------------------|-----------------|
| | March 31, | |
| <i>(in thousands, except per share data)</i> | 2014 | 2013 |
| Interest revenue: | | |
| Loans, including fees | \$ 47,688 | \$ 50,935 |
| Investment securities, including tax exempt of \$188 and \$212 | 11,607 | 9,944 |
| Deposits in banks and short-term investments | 843 | 870 |
| Total interest revenue | <u>60,138</u> | <u>61,749</u> |
| Interest expense: | | |
| Deposits: | | |
| NOW | 440 | 454 |
| Money market | 563 | 562 |
| Savings | 20 | 36 |
| Time | 1,771 | 3,291 |
| Total deposit interest expense | <u>2,794</u> | <u>4,343</u> |
| Short-term borrowings | 840 | 516 |
| Federal Home Loan Bank advances | 58 | 19 |
| Long-term debt | 2,634 | 2,662 |
| Total interest expense | <u>6,326</u> | <u>7,540</u> |
| Net interest revenue | <u>53,812</u> | <u>54,209</u> |
| Provision for credit losses | 2,500 | 11,000 |
| Net interest revenue after provision for credit losses | <u>51,312</u> | <u>43,209</u> |
| Fee revenue: | | |
| Service charges and fees | 7,898 | 7,403 |
| Mortgage loan and other related fees | 1,354 | 2,655 |
| Brokerage fees | 1,177 | 767 |
| Securities gains, net | 217 | 116 |
| Other | 1,530 | 1,970 |
| Total fee revenue | <u>12,176</u> | <u>12,911</u> |
| Total revenue | <u>63,488</u> | <u>56,120</u> |
| Operating expenses: | | |
| Salaries and employee benefits | 24,396 | 23,592 |
| Communications and equipment | 3,239 | 3,046 |
| Occupancy | 3,378 | 3,367 |
| Advertising and public relations | 626 | 938 |
| Postage, printing and supplies | 776 | 863 |
| Professional fees | 1,427 | 2,366 |
| Foreclosed property | 116 | 2,333 |
| FDIC assessments and other regulatory charges | 1,353 | 2,505 |
| Amortization of intangibles | 387 | 705 |
| Other | 3,352 | 4,055 |
| Total operating expenses | <u>39,050</u> | <u>43,770</u> |
| Net income before income taxes | <u>24,438</u> | <u>12,350</u> |
| Income tax expense | 9,038 | 585 |
| Net income | <u>15,400</u> | <u>11,765</u> |
| Preferred stock dividends and discount accretion | 439 | 3,052 |
| Net income available to common shareholders | <u>\$ 14,961</u> | <u>\$ 8,713</u> |
| Earnings per common share | | |
| Basic | \$.25 | \$.15 |
| Diluted | .25 | .15 |
| Weighted average common shares outstanding | | |
| Basic | 60,059 | 58,081 |
| Diluted | 60,061 | 58,081 |

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

(in thousands, except share and per share data)

| | March 31, 2014 | December 31, 2013 | March 31, 2013 |
|--|---------------------|----------------------|---------------------|
| ASSETS | | | |
| Cash and due from banks | \$ 52,813 | \$ 71,230 | \$ 57,638 |
| Interest-bearing deposits in banks | 110,529 | 119,669 | 107,390 |
| Short-term investments | 49,999 | 37,999 | 82,000 |
| Cash and cash equivalents | 213,341 | 228,898 | 247,028 |
| Securities available for sale | 1,837,676 | 1,832,217 | 1,909,426 |
| Securities held to maturity (fair value \$473,136, \$485,585 and \$247,087) | 464,697 | 479,742 | 231,087 |
| Mortgage loans held for sale | 10,933 | 10,319 | 18,290 |
| Loans, net of unearned income | 4,355,708 | 4,329,266 | 4,193,560 |
| Less allowance for loan losses | (75,223) | (76,762) | (105,753) |
| Loans, net | 4,280,485 | 4,252,504 | 4,087,807 |
| Assets covered by loss sharing agreements with the FDIC | 21,353 | 22,882 | 42,096 |
| Premises and equipment, net | 161,540 | 163,589 | 168,036 |
| Bank owned life insurance | 80,790 | 80,670 | 82,114 |
| Accrued interest receivable | 18,572 | 19,598 | 18,302 |
| Intangible assets | 3,093 | 3,480 | 4,805 |
| Foreclosed property | 5,594 | 4,221 | 16,734 |
| Net deferred tax asset | 243,683 | 258,518 | - |
| Derivative financial instruments | 21,563 | 23,833 | 601 |
| Other assets | 34,917 | 44,948 | 23,042 |
| Total assets | \$ 7,398,237 | \$ 7,425,419 | \$ 6,849,368 |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | | |
| Liabilities: | | | |
| Deposits: | | | |
| Demand | \$ 1,471,781 | \$ 1,388,512 | \$ 1,298,425 |
| NOW | 1,392,863 | 1,427,939 | 1,281,454 |
| Money market | 1,235,429 | 1,227,575 | 1,165,836 |
| Savings | 270,910 | 251,125 | 243,347 |
| Time: | | | |
| Less than \$100,000 | 833,188 | 892,961 | 1,019,396 |
| Greater than \$100,000 | 572,889 | 588,689 | 685,174 |
| Brokered | 470,481 | 424,704 | 332,220 |
| Total deposits | 6,247,541 | 6,201,505 | 6,025,852 |
| Short-term borrowings | 123,075 | 53,241 | 51,999 |
| Federal Home Loan Bank advances | 50,125 | 120,125 | 125 |
| Long-term debt | 129,865 | 129,865 | 124,825 |
| Derivative financial instruments | 42,309 | 46,232 | 14,556 |
| Unsettled securities purchases | 63,999 | 29,562 | - |
| Accrued expenses and other liabilities | 37,593 | 49,174 | 39,793 |
| Total liabilities | 6,694,507 | 6,629,704 | 6,257,150 |
| Shareholders' equity: | | | |
| Preferred stock, \$1 par value; 10,000,000 shares authorized; | | | |
| Series A; \$10 stated value; 0, 0 and 21,700 shares issued and outstanding | - | - | 217 |
| Series B; \$1,000 stated value; 0, 105,000 and 180,000 shares issued and outstanding | - | 105,000 | 178,937 |
| Series D; \$1,000 stated value; 0, 16,613 and 16,613 shares issued and outstanding | - | 16,613 | 16,613 |
| Common stock, \$1 par value; 100,000,000 shares authorized; | | | |
| 50,011,094, 46,243,345 and 43,063,761 shares issued and outstanding | 50,011 | 46,243 | 43,064 |
| Common stock, non-voting, \$1 par value; 30,000,000 shares authorized; | | | |
| 10,080,787, 13,188,206 and 14,703,636 shares issued and outstanding | 10,081 | 13,188 | 14,704 |
| Common stock issuable; 237,763, 241,832 and 133,469 shares | 3,840 | 3,930 | 2,726 |
| Capital surplus | 1,091,696 | 1,078,676 | 1,059,222 |
| Accumulated deficit | (433,130) | (448,091) | (700,440) |
| Accumulated other comprehensive loss | (18,768) | (19,844) | (22,825) |
| Total shareholders' equity | 703,730 | 795,715 | 592,218 |
| Total liabilities and shareholders' equity | \$ 7,398,237 | \$ 7,425,419 | \$ 6,849,368 |

UNITED COMMUNITY BANKS, INC.
Average Consolidated Balance Sheets and Net Interest Analysis
For the Three Months Ended March 31,

| <i>(dollars in thousands, taxable equivalent)</i> | 2014 | | | 2013 | | |
|--|---------------------|------------------|--------------|---------------------|------------------|--------------|
| | Average Balance | Interest | Avg. Rate | Average Balance | Interest | Avg. Rate |
| Assets: | | | | | | |
| Interest-earning assets: | | | | | | |
| Loans, net of unearned income ⁽¹⁾⁽²⁾ | \$ 4,355,572 | \$ 47,868 | 4.46% | \$ 4,196,757 | \$ 51,000 | 4.93% |
| Taxable securities ⁽³⁾ | 2,300,316 | 11,419 | 1.99 | 2,119,085 | 9,732 | 1.84 |
| Tax-exempt securities ⁽¹⁾⁽³⁾ | 20,173 | 308 | 6.11 | 21,733 | 347 | 6.39 |
| Federal funds sold and other interest-earning assets | 150,841 | 900 | 2.39 | 209,674 | 1,035 | 1.97 |
| Total interest-earning assets | 6,826,902 | 60,495 | 3.58 | 6,547,249 | 62,114 | 3.84 |
| Non-interest-earning assets: | | | | | | |
| Allowance for loan losses | (77,491) | | | (110,941) | | |
| Cash and due from banks | 62,054 | | | 64,294 | | |
| Premises and equipment | 162,788 | | | 169,280 | | |
| Other assets ⁽³⁾ | 410,175 | | | 164,250 | | |
| Total assets | \$ 7,384,428 | | | \$ 6,834,132 | | |
| Liabilities and Shareholders' Equity: | | | | | | |
| Interest-bearing liabilities: | | | | | | |
| Interest-bearing deposits: | | | | | | |
| NOW | \$ 1,416,119 | 440 | .13 | \$ 1,303,308 | 454 | .14 |
| Money market | 1,376,993 | 563 | .17 | 1,257,409 | 562 | .18 |
| Savings | 259,548 | 20 | .03 | 234,110 | 36 | .06 |
| Time less than \$100,000 | 877,695 | 1,013 | .47 | 1,039,707 | 1,749 | .68 |
| Time greater than \$100,000 | 578,190 | 918 | .64 | 694,553 | 1,477 | .86 |
| Brokered time deposits | 287,979 | (160) | (.23) | 175,128 | 65 | .15 |
| Total interest-bearing deposits | 4,796,524 | 2,794 | .24 | 4,704,215 | 4,343 | .37 |
| Federal funds purchased and other borrowings | 112,583 | 840 | 3.03 | 72,157 | 516 | 2.90 |
| Federal Home Loan Bank advances | 125,069 | 58 | .19 | 33,069 | 19 | .23 |
| Long-term debt | 129,865 | 2,634 | 8.23 | 124,816 | 2,662 | 8.65 |
| Total borrowed funds | 367,517 | 3,532 | 3.90 | 230,042 | 3,197 | 5.64 |
| Total interest-bearing liabilities | 5,164,041 | 6,326 | .50 | 4,934,257 | 7,540 | .62 |
| Non-interest-bearing liabilities: | | | | | | |
| Non-interest-bearing deposits | 1,400,619 | | | 1,241,527 | | |
| Other liabilities | 116,667 | | | 70,839 | | |
| Total liabilities | 6,681,327 | | | 6,246,623 | | |
| Shareholders' equity | 703,101 | | | 587,509 | | |
| Total liabilities and shareholders' equity | \$ 7,384,428 | | | \$ 6,834,132 | | |
| Net interest revenue | | \$ 54,169 | | | \$ 54,574 | |
| Net interest-rate spread | | | 3.08% | | | 3.22% |
| Net interest margin ⁽⁴⁾ | | | 3.21% | | | 3.37% |

- (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 losses of \$4.6 million in 2014 and pretax unrealized gains of \$17.1 million in 2013 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.

First Quarter 2014 Investor Presentation

Cautionary Statement

This investor presentation may contain 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 Community Banks, Inc.'s filings with the Securities and Exchange Commission, including its 2013 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 also contains financial measures determined by methods other than in accordance with generally accepted accounting principles ("GAAP"). Such non-GAAP financial measures include the following: core fee revenue, core operating expense, core earnings, tangible common equity to tangible assets, tangible equity to tangible assets and tangible common equity to risk-weighted assets. The most comparable GAAP measures to these measures are: fee revenue, operating expense, net income (loss), and equity to assets.

Management uses these non-GAAP financial measures because we believe they are useful for evaluating our operations and performance over periods of time, as well as in managing and evaluating our business and in discussions about our operations and performance. Management believes these non-GAAP financial measures provide users of our financial information with a meaningful measure for assessing our financial results and credit trends, as well as for comparison to financial results for prior periods. These non-GAAP financial measures should not be considered as a substitute for financial measures determined in accordance with GAAP and may not be comparable to other similarly titled financial measures used 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' at the end of the Appendix to this presentation.

➔ Founded in 1950

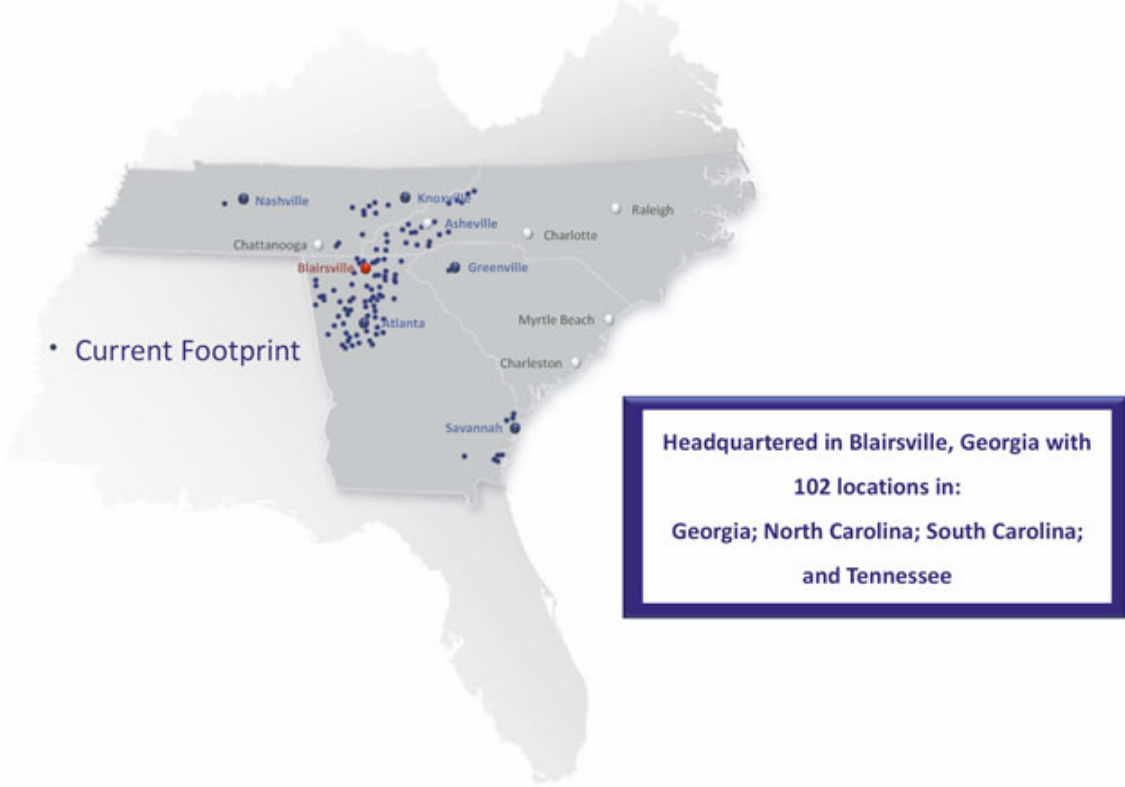
➔ Third-largest bank holding company headquartered in Georgia with 1,488 employees

| Deposit Market Share ⁽¹⁾ | | | |
|-------------------------------------|---------|----------------------|------|
| Market | Offices | Deposit Market Share | Rank |
| No. Georgia | 22 | 34% | 1 |
| Atlanta MSA | 36 | 4 | 6 |
| Gainesville | 5 | 12 | 4 |
| Coastal Georgia | 8 | 4 | 7 |
| W. North Carolina | 19 | 13 | 3 |
| E. Tennessee | 8 | 2 | 8 |

| Key Statistics as of 3/31/14 (in billions) | | |
|---|----------|--------|
| Assets | Deposits | Loans |
| \$7.40 | \$6.25 | \$4.36 |

 ⁽¹⁾ FDIC deposit market share and rank as of June 30, 2013 for markets where United takes deposits. Source: SNL and FDIC. Excludes 3 Loan Production Offices in Georgia and Tennessee and one newly formed bank in Greenville, SC.

Footprint



Business and Operating Model

➔ Service is Point of Differentiation

- #1 in Customer Satisfaction according to Customer Service Profiles
- Nationally recognized customer service by well regarded market research companies
- Golden rule of banking – treating people the way we want to be treated
- “The Bank that SERVICE BuiltSM”
- Customer surveys consistently reveal 95%+ satisfaction rate

“Community bank service, large bank resources”

| Twenty-eight “community banks” | Strategic footprint with substantial banking opportunities | Disciplined growth strategy |
|---|---|--|
| Local CEOs with deep roots in their communities Resources of a \$7.4 billion bank | Operates in a number of the more demographically attractive U.S. markets | Organic growth supported by de novos and selective acquisitions |

| IMPROVING QUARTERLY RESULTS | | |
|-----------------------------|---------|---------|
| | 1Q14 | 1Q13 |
| Net Income | \$15.4M | \$11.8M |
| EPS | \$.25 | \$.15 |
| ROA | .85% | .70% |
| ROCE | 8.64% | 8.51% |

➔ Solid Improvement in Credit Quality from One Year Ago

- Credit costs decline substantially: Provision of \$2.5 million vs. \$11.0 million
- Net charge-offs decline to .38% of total loans vs. 1.21%
- NPAs declined to .42% of total assets vs. 1.65%
- Allowance 1.73% of total loans vs. 2.52%

➔ Operating Efficiencies Strengthen in 2014

- Efficiency ratio of 59.0%; significantly down from 65.0% a year ago
- FDIC costs and professional fees decline from both linked quarter and year ago
- Continued focus on reducing costs and improving fee revenue

Highlights First Quarter 2014 (Compared to a year ago)

➔ Core Fee Revenue Challenges

- Lower mortgage volume and fees
- Offset partially by higher brokerage, interchange and service charge fees

➔ Solid Capital Ratios and Improved Debt Position

- Redeemed all preferred stock of \$197 million in fourth and first quarters without issuing common stock
- Tier I Common to Risk Weighted Assets of 10.0%; Tangible Common to RWAs of 13.6%
- Tier 1 Risk Based Capital of 11.1% and Tier I Leverage of 8.0%

➔ Loan Growth of 4% from a year ago

- Net loan growth this quarter of \$27 million, or 2% annualized
- Driven by commercial and consumer products

➔ Continued Strong Core Transaction Deposit Growth

- Up \$135 million in the fourth quarter or 16% annualized
- Up \$278 million from year ago or 8%
- Represents 62% of total customer deposits compared to 34% at the end of 2008

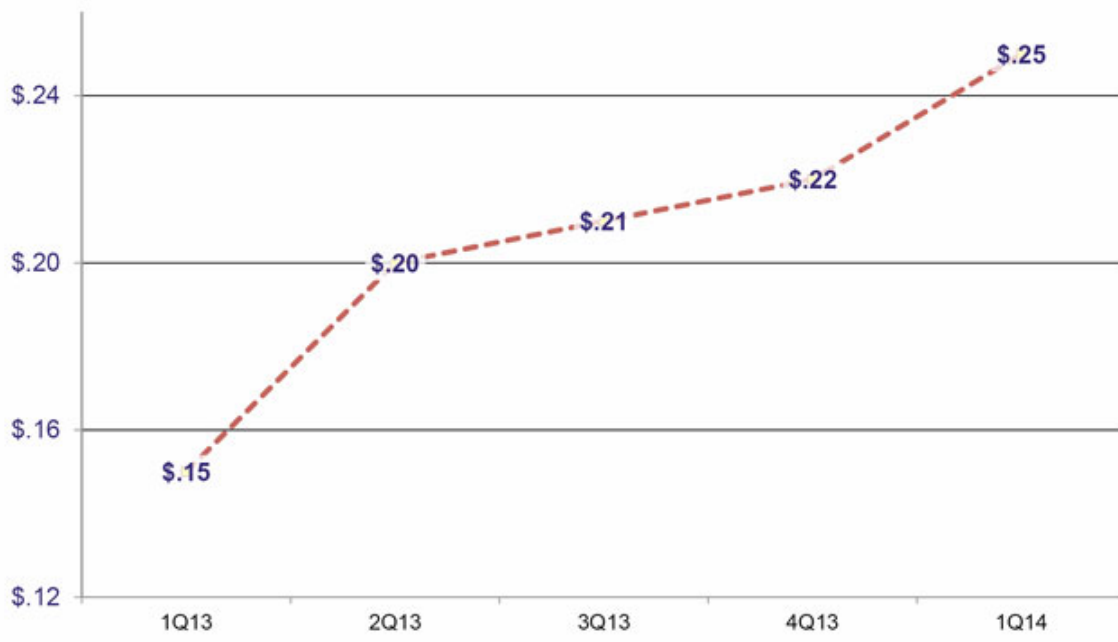
LEVERAGE OUR STRENGTHS

- **Community bank service with large bank resources**
- **Strong local leadership and senior management**
- **Funding advantage in legacy markets**
- **Consistent and attractive culture**
- **Class leading customer satisfaction**

HOW?

- **Continue to invest in and improve commercial and retail capabilities**
 - Diversify portfolio – focus on C&I; owner occupied; specialized lending for healthcare, corporate, asset based and SBA; and, consumer lending
 - Momentum building across footprint
 - Invest in people; strengthen commercial and specialized lending group and markets
 - Grow loans in mid-to-high single digits
- **Improve retail and small business bank**
 - Grow sales – better / diversified product design, merchandising and campaign execution
 - Streamline deliver processes that focus on how we serve our customers
 - Increase core transaction deposits in the mid-single digits
- **Grow net interest revenue modestly (slight margin compression through the year)**
- **Lower credit costs and trends continue at or below current levels**
- **Grow fee revenue modestly (despite weaker mortgage fees)**
- **Lower operating expenses driven by non-personnel costs**

Earnings Per Share





United
Community Banks.

FINANCIAL
REVIEW

Core Earnings Trend – Core Fee Revenue



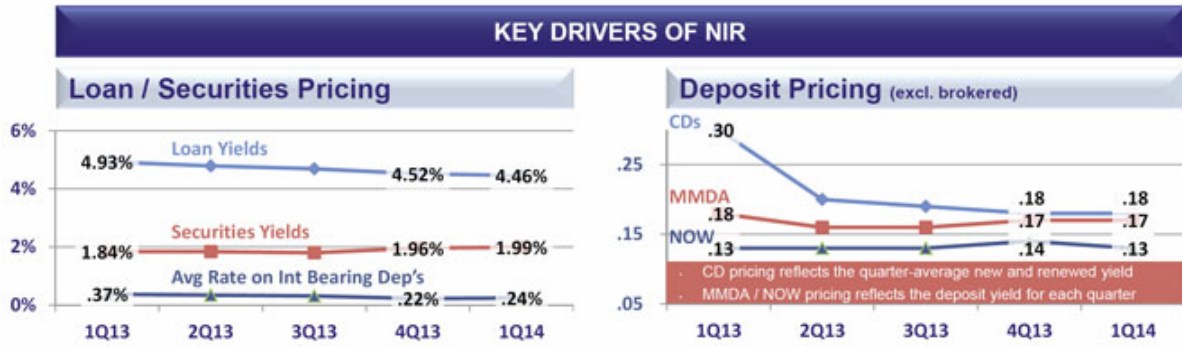
| CORE EARNINGS | | | \$ in thousands | | CORE FEE REVENUE | | |
|-----------------------------------|------------------|----------------------------------|-----------------|---------------------------------|----------------------------------|-----------------|--|
| | 1Q11 | Variance - Increase / (Decrease) | | | Variance - Increase / (Decrease) | | |
| | | 4Q13 | 1Q13 | 1Q14 | 4Q13 | 1Q13 | |
| Net Interest Revenue | \$ 54,169 | \$ (1,710) | \$ (405) | \$ 2,920 | \$ (279) | \$ (71) | |
| Fee Revenue | 11,930 | (1,289) | (688) | 3,531 | (160) | 304 | |
| Gross Revenue | 66,099 | (2,999) | (1,093) | 7,898 | 171 | 262 | |
| Operating Expense (Excl OREO) | 38,749 | (2,444) | (2,151) | 1,447 | (268) | 495 | |
| Pre-Tax, Pre-Credit (Core) | \$ 27,350 | \$ (555) | \$ 1,058 | 1,354 | (184) | 410 | |
| Net Interest Margin | 3.21 % | (.05) % | (.16) % | 1,177 | (478) | (292) | |
| | | | | Total Fee Revenue - Core | (1,289) | (688) | |
| | | | | Non-Core ⁽¹⁾ | (54) | (47) | |
| | | | | Reported - GAAP | \$ (1,343) | \$ (735) | |

Core Operating Expenses

\$ in thousands

| | Variance - Increase / (Decrease) | | |
|--------------------------------|----------------------------------|-------------------|-------------------|
| | 1Q14 | 4Q13 | 1Q13 |
| Salaries & Employee Benefits | \$ 24,211 | \$ (376) | \$ 1,156 |
| Communications & Equipment | 3,239 | (175) | 193 |
| Occupancy | 3,378 | (357) | 11 |
| FDIC Assessment | 1,353 | (451) | (1,152) |
| Advertising & Public Relations | 626 | (155) | (312) |
| Postage, Printing & Supplies | 776 | (106) | (87) |
| Professional Fees | 1,427 | (675) | (939) |
| Other Expense | 3,739 | (149) | (1,021) |
| Core Operating Expenses | 38,749 | (2,444) | (2,151) |
| Non-Core ⁽¹⁾ | 301 | (120) | (2,569) |
| Reported GAAP | \$ 39,050 | \$ (2,564) | \$ (4,720) |
| Efficiency Ratio | 59.1 % | (1.0) % | (5.9) % |

Key Drivers of Net Interest Revenue / Margin



Net Income

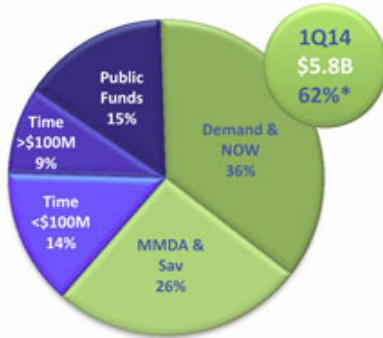
\$ in thousands

| Quarterly Net Income \$ in millions | | NET OPERATING INCOME | | | |
|--|--------|---|----------------------------------|-----------------|-----------------|
| | | 1Q14 | Variance - Increase / (Decrease) | | |
| | | 1Q14 | 4Q13 | 1Q14 | |
| | | Core Earnings (Pre-Tax, Pre-Credit) | \$ 27,350 | \$ (555) | \$ 1,058 |
| | | Provision for Loan Loss | 2,500 | (500) | (8,500) |
| | | NON-CORE FEE REVENUE: | | | |
| | | Securities Gains (Losses) | 217 | 147 | 101 |
| | | Gains (Losses) on Deferred Compensation Plan Assets | 29 | (201) | (148) |
| | | Total Non-Core Fee Revenue | 246 | (54) | (47) |
| | | NON-CORE OPERATING EXPENSES: | | | |
| | | Foreclosed Property Write Downs | 277 | (49) | (764) |
| | | Foreclosed Property (Gains) Losses on Sales | (521) | 240 | (626) |
| | | Foreclosed Property Maintenance Expenses | 360 | (266) | (827) |
| | | Severance Costs | 156 | 156 | (204) |
| | | Gains (Losses) on Deferred Comp Plan Liability | 29 | (201) | (148) |
| | | Total Non-Core Operating Expenses | 301 | (120) | (2,569) |
| | | Income Tax Expense | 9,395 | 522 | 8,445 |
| | | Net Income | \$ 15,400 | \$ (511) | \$ 3,635 |
| 1Q14 | \$15.4 | Preferred Stock Dividends | 439 | (2,473) | (2,613) |
| 4Q13 | 15.9 | Net Income Avail to Common Shareholders | \$ 14,961 | \$ 1,962 | \$ 6,248 |
| 3Q13 | 15.5 | Net Income Per Share | \$.25 | \$.03 | \$.10 |
| 2Q13 | 230.0 | Tangible Book Value | \$ 11.63 | \$.37 | \$ 4.87 |
| 1Q13 | 11.8 | Return on Assets | .85 % | (.01) % | .15 % |
| | | Return on Common Equity | 8.64 | 1.12 | .13 |
| 60.1 M Shares Outstanding | | | | | |

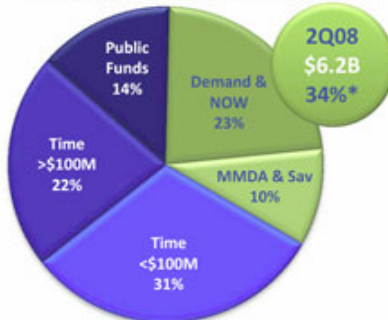
Customer Deposit Mix & Core Growth

\$ in thousands

Deposits by % / Customer Mix



*% of core transaction customer deposits



Total Deposit Mix

| | 1Q14 | 4Q13 | 1Q13 | 4Q08 |
|-------------------------|-----------------|-----------------|-----------------|-----------------|
| Demand / NOW | \$ 2,073 | \$ 1,969 | \$ 1,894 | \$ 1,457 |
| MMDA / Savings | 1,499 | 1,468 | 1,400 | 630 |
| Core Transaction | 3,572 | 3,437 | 3,294 | 2,087 |
| Time < \$100,000 | 828 | 888 | 1,014 | 1,945 |
| Public Deposits | 804 | 863 | 701 | 755 |
| Total Core | 5,204 | 5,188 | 5,009 | 4,787 |
| Time >\$100,000 | 539 | 557 | 653 | 1,336 |
| Public Deposits | 34 | 32 | 32 | 87 |
| Total Customer | 5,777 | 5,777 | 5,694 | 6,210 |
| Brokered Deposits | 471 | 425 | 332 | 793 |
| Total Deposits | \$ 6,248 | \$ 6,202 | \$ 6,026 | \$ 7,003 |

Significant growth in core transaction deposits since 4Q08

Core Deposit Growth – Category & Market

| CATEGORY | Growth | MARKET | Growth |
|-------------------------|---------------|-----------------|---------------|
| | 1Q14 | | 1Q14 |
| Demand | \$ 96 | Atlanta | \$ 60 |
| MM Accounts | 11 | N. Georgia | 46 |
| Savings | 20 | North Carolina | (1) |
| NOW | 8 | Coastal Georgia | 15 |
| Total Categories | \$ 135 | Tennessee | 2 |
| | | Gainesville | 11 |
| Growth (Annualized) | 16 % | South Carolina | 2 |
| | | Total | \$ 135 |

Capital Ratios

| Holding Company | Well-Cap | 1Q14 | 4Q13 | 3Q13 | 2Q13 | 1Q13 |
|---------------------------|----------|--------|--------|--------|--------|--------|
| Tier I RBC | 6 % | 11.1 % | 12.7 % | 14.2 % | 13.7 % | 14.3 % |
| Total RBC | 10 | 12.3 | 14.0 | 15.5 | 15.2 | 15.9 |
| Leverage | 5 | 8.0 | 9.1 | 10.0 | 9.8 | 9.7 |
| Tier 1 Common RBC | | 10.0 | 9.3 | 9.0 | 8.5 | 8.9 |
| Tangible Common to Assets | | 9.2 | 9.0 | 9.0 | 6.3 | 5.7 |
| Tangible Equity to Assets | | 9.5 | 11.6 | 11.8 | 9.1 | 8.5 |

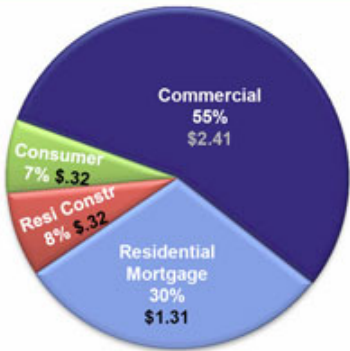
| Bank | Well-Cap | 1Q14 | 4Q13 | 3Q13 | 2Q13 | 1Q13 |
|------------|----------|--------|--------|--------|--------|--------|
| Tier 1 RBC | 6 % | 12.6 % | 13.5 % | 14.5 % | 14.2 % | 14.7 % |
| Total RBC | 10 | 13.9 | 14.8 | 15.7 | 15.5 | 16.0 |
| Leverage | 5 | 9.1 | 9.6 | 10.2 | 10.1 | 10.0 |



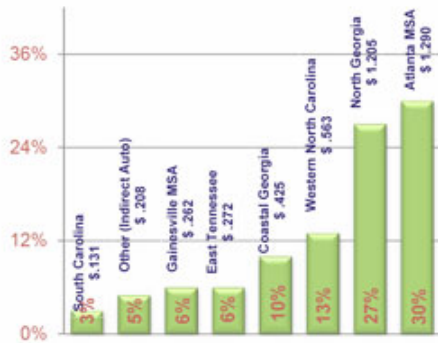
Loan Portfolio (total \$4.36 billion)

\$ in billions

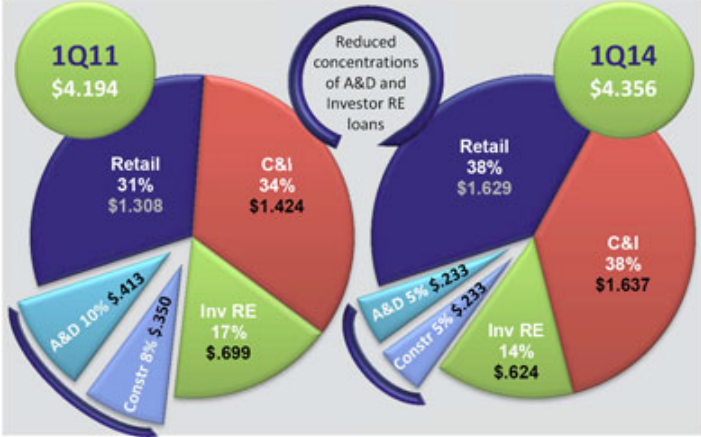
By Loan Type



Geographic Diversity



Diversifying Portfolio



Total Loans

| Period | \$ in Billions |
|--------|----------------|
| 1Q14 | \$4.356 |
| 4Q13 | \$4.329 |
| 3Q13 | \$4.267 |
| 2Q13 | \$4.189 |
| 1Q13 | \$4.194 |

Loan Diversification & Type

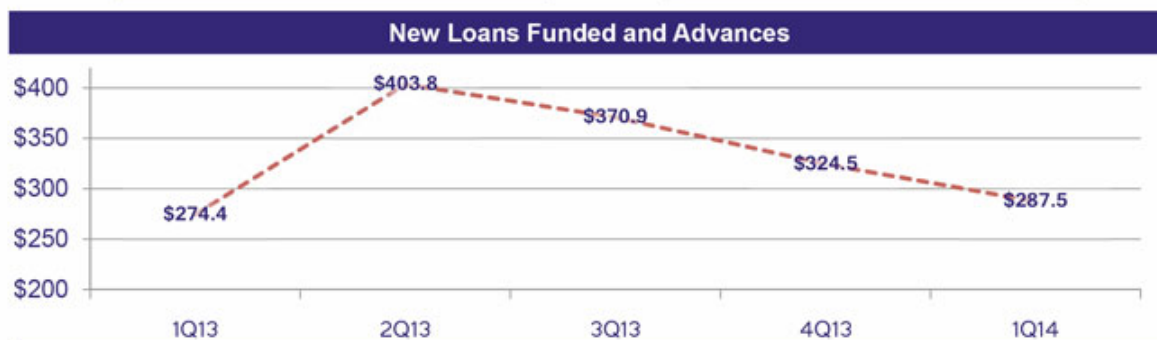
- Reducing land exposure
- Focus on small business, C&I, and specialized lending
- Enhanced retail products

New Loans Funded and Advances⁽¹⁾

\$ in millions

| CATEGORY | | |
|--------------------------|-----------------|-----------------|
| | 1Q14 | 1Q13 |
| Commercial C & I | \$ 74.7 | \$ 40.1 |
| Owner Occupied CRE | 48.9 | 57.9 |
| Income Producing CRE | 41.1 | 14.5 |
| Commercial Constr. | 1.9 | 1.6 |
| Total Commercial | 166.6 | 114.1 |
| Residential Mortgage | 15.2 | 56.1 |
| Residential HELOC | 30.1 | 40.4 |
| Residential Construction | 29.6 | 30.0 |
| Consumer | 46.0 | 33.9 |
| Total Categories | \$ 287.5 | \$ 274.5 |

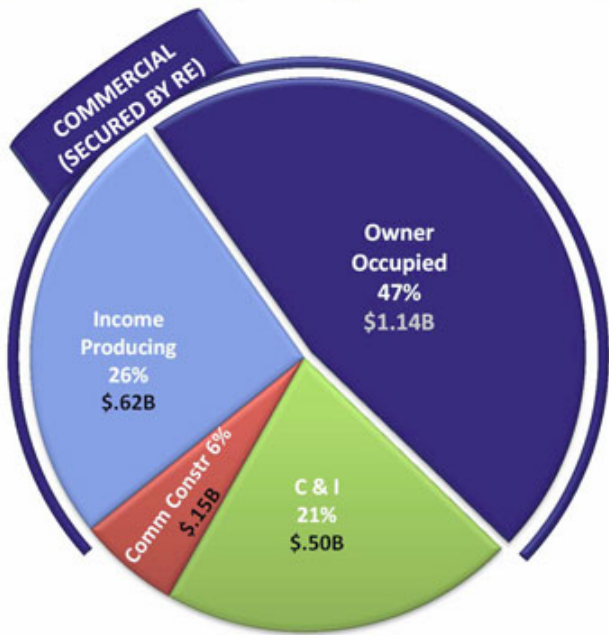
| MARKET | | |
|-----------------------|-----------------|-----------------|
| | 1Q14 | 1Q13 |
| Atlanta | \$ 86.1 | \$ 90.7 |
| Coastal Georgia | 31.1 | 18.1 |
| N. Georgia | 41.3 | 66.1 |
| North Carolina | 16.9 | 32.2 |
| Tennessee | 9.6 | 21.7 |
| Gainesville | 8.9 | 26.1 |
| South Carolina | 60.3 | - |
| Other (Indirect Auto) | 33.3 | 19.6 |
| Total Markets | \$ 287.5 | \$ 274.5 |



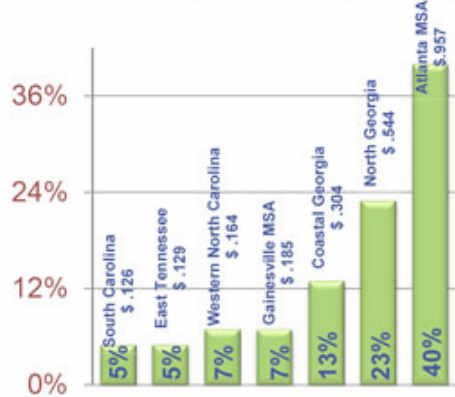
Commercial Loans (total \$2.41 billion)

\$ in billions

By Loan Type



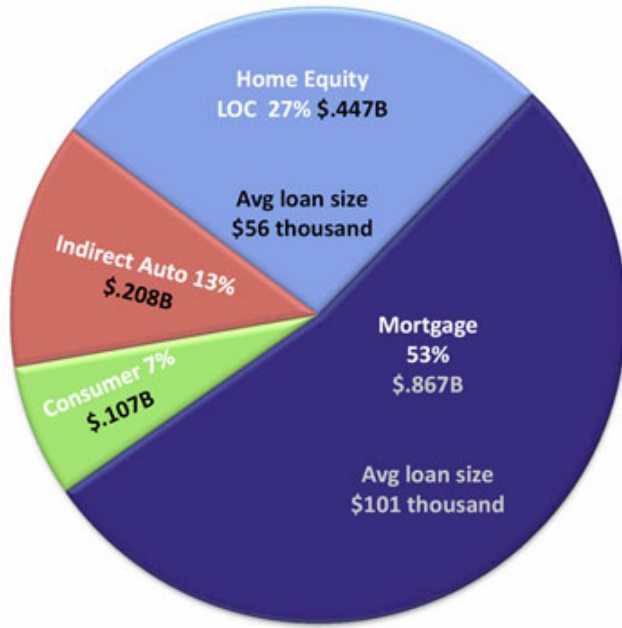
Geographic Diversity



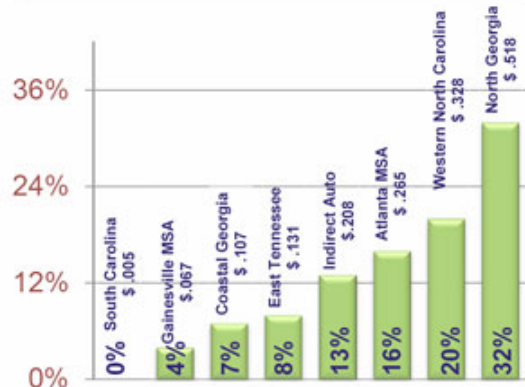
Average Loan Size

| Type | \$ in Thousands |
|---------------|-----------------|
| Owner Occup'd | \$630 |
| Income Prod | 748 |
| C & I | 138 |
| Comm Constr | 524 |

By Loan Type



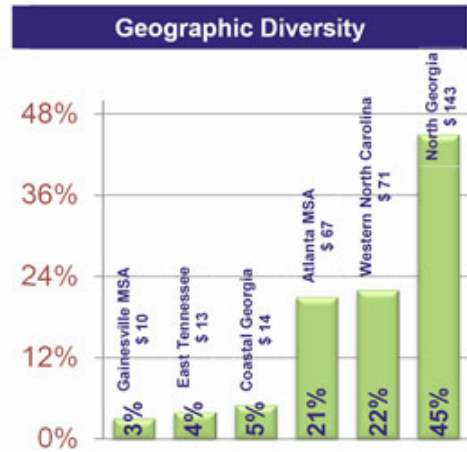
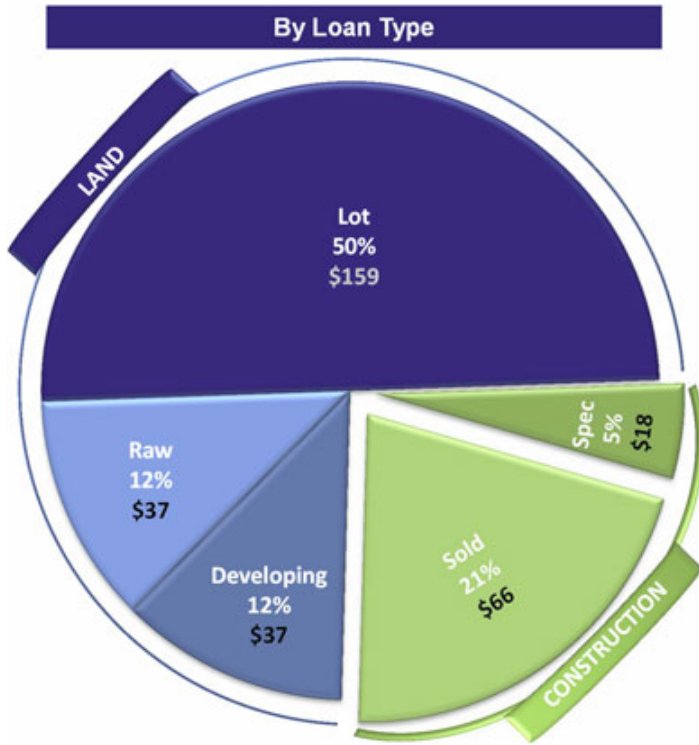
Geographic Diversity



- ➔ Success with new portfolio products and HELOCs
- ➔ Conservative underwriting
- ➔ 62.7% of HE Primary Lien

Residential Construction (total \$318 million)

\$ in millions



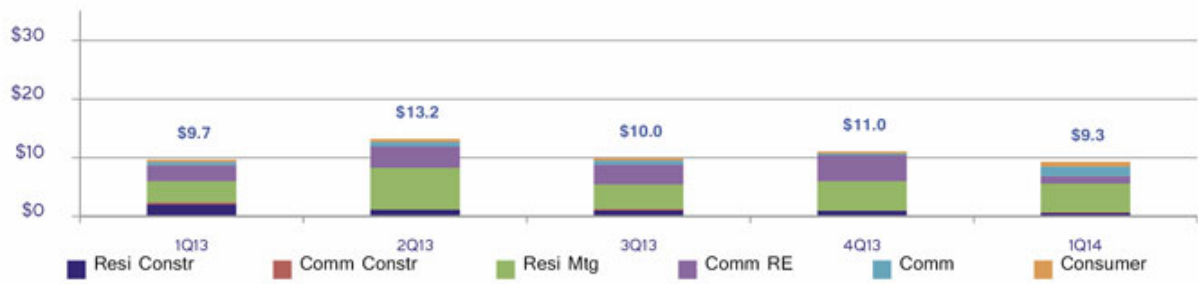
| | 1Q14 | 4Q13 | 3Q13 | 2Q13 | 1Q13 | 1Q14 vs. 1Q13 |
|---------------------------|--------|--------|--------|--------|--------|---------------|
| TOTAL COMPANY | | | | | | |
| Land Loans | | | | | | |
| Developing | \$ 37 | \$ 39 | \$ 40 | \$ 42 | \$ 57 | \$ (20) |
| Raw | 37 | 38 | 35 | 36 | 42 | (5) |
| Lot | 159 | 166 | 167 | 173 | 188 | (29) |
| Total | 233 | 243 | 242 | 251 | 287 | (54) |
| Construction Loans | | | | | | |
| Spec | 19 | 23 | 30 | 34 | 40 | (21) |
| Sold | 66 | 62 | 46 | 47 | 45 | 21 |
| Total | 85 | 85 | 76 | 81 | 85 | - |
| Total | \$ 318 | \$ 328 | \$ 318 | \$ 332 | \$ 372 | \$ (54) |

| | 1Q14 | 4Q13 | 3Q13 | 2Q13 | 1Q13 |
|---|----------|----------|----------|----------|----------|
| Net Charge-offs | \$ 4.0 | \$ 4.4 | \$ 4.5 | \$ 72.4 | \$ 12.4 |
| as % of Average Loans | .38 % | .41 % | .42 % | 6.87 % | 1.21 % |
| Allowance for Loan Losses | \$ 75.2 | \$ 76.8 | \$ 80.4 | \$ 81.8 | \$ 105.8 |
| as % of Total Loans | 1.73 % | 1.77 % | 1.88 % | 1.95 % | 2.52 % |
| as % of NFLs | 301 | 286 | 308 | 294 | 110 |
| Past Due Loans (30 - 89 Days) | .40 % | .58 % | .45 % | .49 % | .66 % |
| Non-Performing Loans | \$ 25.2 | \$ 26.8 | \$ 26.1 | \$ 27.9 | \$ 96.0 |
| OREO | 5.6 | 4.2 | 4.5 | 3.9 | 16.7 |
| Total NPAs | 30.8 | 31.0 | 30.6 | 31.8 | 112.7 |
| Performing Classified Loans | 164.2 | 172.7 | 173.6 | 176.3 | 271.7 |
| Total Classified Assets | \$ 195.0 | \$ 203.7 | \$ 204.2 | \$ 208.1 | \$ 384.4 |
| as % of Tier 1 / Allowance | 27 % | 27 % | 26 % | 27 % | 49 % |
| Accruing TDRs (see page 26) | \$ 77.9 | \$ 78.7 | \$ 79.8 | \$ 77.8 | \$ 126.0 |
| As % of Original Principal Balance | | | | | |
| Non-Performing Loans | 65.8 % | 65.3 % | 61.6 % | 62.6 % | 66.3 % |
| OREO | 53.9 | 44.5 | 41.5 | 31.6 | 45.0 |
| Total NPAs | | | | | |
| as % of Total Assets | .42 | .42 | .42 | .44 | 1.65 |
| as % of Loans & OREO | .71 | .72 | .72 | .76 | 2.68 |

Non-Performing Loans (NPLs) Inflow Trends

\$ in millions

Quarterly NPL Inflows

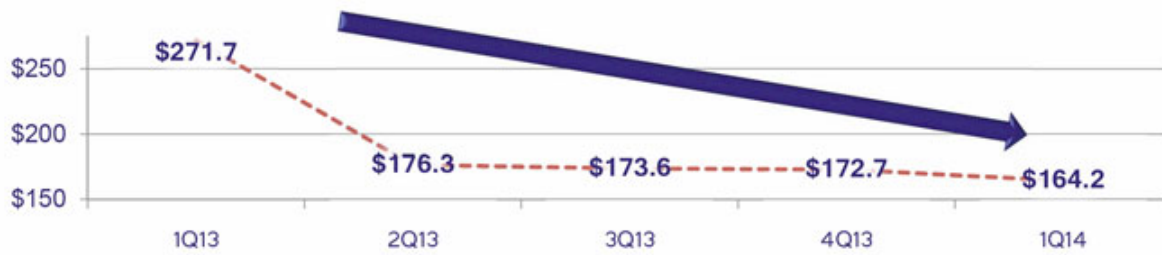


Total NPLs



Performing Classified Loans

\$ in millions



| By Category | | | | | |
|------------------------------------|---------------|---------------|---------------|---------------|---------------|
| | 1Q13 | 2Q13 | 3Q13 | 4Q13 | 1Q14 |
| Commercial: | | | | | |
| Commercial & Industrial | \$ 20 | \$ 11 | \$ 10 | \$ 9 | \$ 8 |
| Owner Occupied | 71 | 43 | 40 | 43 | 48 |
| Total C & I | 91 | 54 | 50 | 52 | 56 |
| Income Producing CRE | 57 | 36 | 36 | 34 | 37 |
| Commercial Construction | 18 | 16 | 17 | 17 | 5 |
| Total Commercial | 166 | 106 | 103 | 104 | 98 |
| Residential Mortgage | 64 | 51 | 53 | 52 | 51 |
| Residential Construction | 38 | 17 | 16 | 14 | 13 |
| Consumer / Installment | 3 | 2 | 2 | 3 | 2 |
| Total Performing Classified | \$ 271 | \$ 176 | \$ 174 | \$ 173 | \$ 164 |
| Classified to Tier 1 + ALL | 49 % | 27 % | 26 % | 27 % | 27 % |

| LOAN TYPE | Accruing ⁽¹⁾ | | Non-Accruing | | Total TDRs | |
|--------------------------|-------------------------|----------|--------------|----------|------------|----------|
| | 1Q14 | vs. 1Q13 | 1Q14 | vs. 1Q13 | 1Q14 | vs. 1Q13 |
| Commercial (Sec by RE) | \$ 38.9 | \$ 65.7 | \$ 2.1 | \$ 9.0 | \$ 41.0 | \$ 74.7 |
| Commercial & Industrial | 3.2 | 8.6 | .1 | .2 | 3.3 | 8.8 |
| Commercial Construction | 11.5 | 15.8 | .1 | 16.8 | 11.6 | 32.6 |
| Total Commercial | 53.6 | 90.1 | 2.3 | 26.0 | 55.9 | 116.1 |
| Residential Mortgage | 16.6 | 16.8 | 3.6 | 2.2 | 20.2 | 19.0 |
| Residential Construction | 7.4 | 18.9 | 2.1 | 4.5 | 9.5 | 23.4 |
| Consumer Installment | .3 | .2 | - | .1 | .3 | .3 |
| Total | \$ 77.9 | \$ 126.0 | \$ 8.0 | \$ 32.8 | \$ 85.9 | \$ 158.8 |



Net Charge-offs by Category & Market

\$ in thousands

NET CHARGE-OFFS BY CATEGORY

| | 1Q14 | | % of Average Loans (Annualized) | | | |
|------------------------------|-----------------|----------------|---------------------------------|------------|-------------|-------------|
| | Total | % of Avg Loans | 4Q13 | 3Q13 | 2Q13 | 1Q13 |
| Commercial (Sec. by RE): | | | | | | |
| Owner Occupied | \$ 278 | .10 % | .57 % | .58 % | 5.85 % | .69 % |
| Income Producing | 205 | .13 | .21 | .14 | 5.45 | 1.99 |
| Total Comm (Sec. by RE) | 483 | .11 | .44 | .49 | 5.70 | 1.18 |
| Commercial & Industrial | 421 | .35 | (.13) | .12 | 13.91 | 1.34 |
| Commercial Construction | - | - | (.02) | .39 | 17.53 | (.01) |
| Total Commercial | 904 | .15 | .30 | .36 | 7.96 | 1.14 |
| Residential Mortgage | 1,515 | .70 | .64 | .31 | 2.52 | .79 |
| Home Equity LOC | 993 | .93 | .38 | .37 | 1.04 | .53 |
| Residential Construction | 212 | .27 | .40 | 1.31 | 20.91 | 3.22 |
| Consumer/ Installment | 415 | .54 | .62 | .28 | .10 | 1.35 |
| Total Net Charge-offs | \$ 4,039 | .38 | .41 | .42 | 6.87 | 1.21 |

NET CHARGE-OFFS BY MARKET

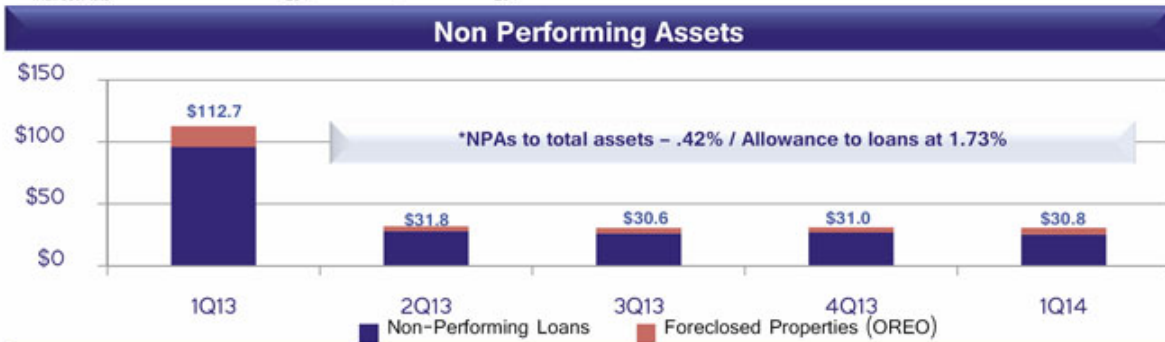
| | | | | | | |
|----------------------------|----------|-------|-------|-------|---------|--------|
| North Georgia | \$ 1,272 | .42 % | .51 % | .66 % | 17.20 % | 1.45 % |
| Atlanta MSA | 1,232 | .39 | .20 | .33 | 3.21 | 1.07 |
| North Carolina | 577 | .41 | .76 | .49 | 1.36 | 1.59 |
| Coastal Georgia | 512 | .49 | .33 | .14 | .49 | .85 |
| Gainesville MSA | 141 | .22 | .54 | .15 | .19 | .67 |
| East Tennessee | 239 | .35 | .46 | .51 | 1.01 | .98 |
| South Carolina / Corporate | - | - | - | - | - | - |
| Other (Indirect Auto) | 66 | .14 | .20 | .17 | .24 | .39 |

NPAs by Loan Category & Market

\$ in thousands

| 1Q14 | | | |
|---------------------------------|------------------|-----------------|------------------|
| LOAN CATEGORY | NPLs | OREO | Total NPAs |
| Commercial (sec. by RE): | | | |
| Owner Occupied | \$ 3,868 | \$ 1,167 | \$ 5,035 |
| Income Producing | 1,278 | 1,645 | 2,923 |
| Commercial & Industrial | 822 | - | 822 |
| Commercial Construction | 479 | - | 479 |
| Total Commercial | 6,447 | 2,812 | 9,259 |
| Residential Mortgage | 13,307 | 2,146 | 15,453 |
| HELOC | 1,106 | 362 | 1,468 |
| Residential Construction | 3,805 | 274 | 4,079 |
| Consumer/ Installment | 585 | - | 585 |
| Total | \$ 25,250 | \$ 5,994 | \$ 30,844 |
| MARKET | | | |
| Gainesville | \$ 1,145 | \$ - | \$ 1,145 |
| Coastal Georgia | 800 | 1,607 | 2,407 |
| East Tennessee | 1,428 | 159 | 1,587 |
| North Carolina | 6,501 | 866 | 7,367 |
| Atlanta MSA | 2,916 | 904 | 3,820 |
| North Georgia | 12,166 | 2,058 | 14,224 |
| Indirect Auto | 294 | - | 294 |

| 1Q13 | | | |
|---------------------------------|------------------|------------------|-------------------|
| LOAN CATEGORY | NPLs | OREO | Total NPAs |
| Commercial (sec. by RE): | | | |
| Owner Occupied | \$ 8,142 | \$ 4,750 | \$ 12,892 |
| Income Producing | 9,162 | 834 | 9,996 |
| Commercial & Industrial | 29,545 | - | 29,545 |
| Commercial Construction | 22,359 | 3,027 | 25,386 |
| Total Commercial | 69,208 | 8,611 | 77,819 |
| Residential Mortgage | 10,901 | 3,463 | 14,364 |
| HELOC | 916 | - | 916 |
| Residential Construction | 14,592 | 4,660 | 19,252 |
| Consumer/ Installment | 389 | - | 389 |
| Total | \$ 96,006 | \$ 16,734 | \$ 112,740 |
| MARKET | | | |
| Gainesville | \$ 911 | \$ 370 | \$ 1,281 |
| Coastal Georgia | 3,523 | 1,449 | 4,972 |
| East Tennessee | 2,463 | 2,242 | 4,705 |
| North Carolina | 8,519 | 2,533 | 11,052 |
| Atlanta MSA | 17,380 | 3,524 | 20,904 |
| North Georgia | 63,210 | 6,616 | 69,826 |





APPENDIX

Experienced Proven Leadership

| | | |
|---|---|--|
| <ul style="list-style-type: none"> • Over 40 years in banking • Led company from \$42 million in assets in 1989 to \$7.4 billion today • Trustee of Young Harris College • Georgia Power Company Board Member • GA Economic Developers Association Spirit of Georgia Award recipient <p>Jimmy C. Tallent President & CEO <i>Joined 1984</i></p>  | <ul style="list-style-type: none"> • Over 31 years in banking • Responsible for overall 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 <p>H. Lynn Harton Chief Operating Officer <i>Joined 2012</i></p>  | <ul style="list-style-type: none"> • Over 36 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 <p>Rex S. Schuette EVP & CFO <i>Joined 2001</i></p>  |
| <ul style="list-style-type: none"> • Over 31 years in banking • Responsible for Risk Management and Credit Risk Administration; Chairman of Risk Management Committee; also responsible for credit underwriting, review, policy and special assets • Former EVP & SCO for SunTrust Banks <p>David P. Shearow EVP & CRO <i>Joined 2007</i></p>  | <ul style="list-style-type: none"> • Over 36 years in banking • Responsible for 28 community banks with 102 branch offices • Formerly of Riegel Textile Credit Union; President of Farmers and Merchants Bank • Former Georgia Board of Natural Resources Board Chairman <p>Bill M. Gilbert Director of Banking <i>Joined 2000</i></p>  | <ul style="list-style-type: none"> • Over 21 years in financial services and banking • Responsible for strategic planning and implementation • Former President of American Savings Bank; and CFO & CRO of The South Financial Group <p>Timothy K. Schools Chief Strategy Officer <i>Joined 2011</i></p>  |

Market Share Opportunities & Demographics

| EXCELLENT GROWTH OPPORTUNITIES | | | | | | |
|--------------------------------|---|--|-----------|------------------------|------------------------------|---------------------|
| Markets | Market Deposits (in billions) ⁽¹⁾ | Deposits (in billions) ^(2,3) | Banks | Offices ⁽³⁾ | Deposit Share ⁽¹⁾ | Rank ⁽²⁾ |
| North Georgia | \$ 8.4 | \$ 2.2 | 11 | 22 | 34 % | 1 |
| Western North Carolina | 10.9 | .9 | 1 | 20 | 8 | 3 |
| Gainesville MSA | 2.7 | .3 | 1 | 5 | 12 | 4 |
| Atlanta MSA | 54.4 | 2.2 | 10 | 38 | 4 | 7 |
| Coastal Georgia | 7.0 | .3 | 2 | 8 | 4 | 7 |
| East Tennessee | 15.6 | .3 | 2 | 8 | 2 | 8 |
| Total Markets | \$ 97.0 | \$ 6.2 | 27 | 99 | | |

¹ FDIC deposit market share and rank as of 6/13 for markets where United takes deposits. Data Source: SNL and FDIC.
² Based on current quarter.
³ Excludes four loan production offices and full service banking office in Greenville, SC.

| FAST GROWING MARKETS | | | |
|-----------------------------------|------------------------------|-----------------------|--------------------------|
| Markets ¹ | Population (in thousands) | Population Growth (%) | |
| | | Actual 2010 - 2013 | Projected 2013 - 2018 |
| Atlanta, GA MSA | 5,421 | 3 % | 6 % |
| East Tennessee | 874 | 2 | 4 |
| Greenville-Mauldin-Easley, SC MSA | 850 | 3 | 5 |
| Western North Carolina | 449 | 3 | 3 |
| Coastal Georgia | 393 | 3 | 6 |
| North Georgia | 389 | 2 | 2 |
| Gainesville, GA MSA | 184 | 2 | 5 |
| Total Markets | | | |
| Georgia | 9,918 | 2 | 5 |
| North Carolina | 9,827 | 3 | 5 |
| Tennessee | 6,494 | 2 | 4 |
| South Carolina | 4,773 | 3 | 5 |
| United States | 314,468 | 2 | 4 |

¹ Population data is for 2013 and includes those markets where United takes deposits.
 Data Source: SNL.

“Character cannot be developed in ease and quiet.
 Only through **experience of trial and suffering** can the soul be
 strengthened, vision cleared, ambition inspired, and **success achieved.”**

-Helen Keller

| | Unused Capacity | 1Q14 | 4Q13 | 1Q13 | Variance | |
|-----------------------------|-------------------------|---------------|---------------|---------------|--------------|---------------|
| | | | | | vs 4Q13 | vs 1Q13 |
| Wholesale Borrowings | | | | | | |
| Brokered Deposits | \$ 1,368 ⁽¹⁾ | \$ 470 | \$ 425 | \$ 332 | \$ 45 | \$ 138 |
| FHLB | 899 | 50 | 120 | -- | (70) | 50 |
| Holding Company LOC | 10 | 40 | -- | -- | 40 | 40 |
| Fed Funds | 651 | 30 | -- | -- | 30 | 30 |
| Other Wholesale | -- | 53 | 53 | 52 | -- | 1 |
| Total | \$ 2,988 | \$ 643 | \$ 598 | \$ 384 | \$ 45 | \$ 259 |
| Long-Term Debt | | | | | | |
| Senior Debt | | \$ 75 | \$ 75 | \$ 35 | \$ - | \$ 40 |
| Sub-Debt | | -- | -- | 35 | -- | (35) |
| Trust Preferred Securities | | 55 | 55 | 55 | -- | -- |
| Total Long-Term Debt | | \$ 130 | \$ 130 | \$ 125 | \$ - | \$ 5 |

WHOLESALE BORROWINGS

LOANS / DEPOSITS

| | 1Q14 | 4Q13 | 1Q13 | Variance | | |
|--|-----------------|-----------------|-----------------|-------------|--------------|--|
| | | | | vs 4Q13 | vs 1Q13 | |
| Loans | \$ 4,356 | \$ 4,329 | \$ 4,194 | \$ 27 | \$ 162 | |
| Core (DDA, MMDA, Savings) | \$ 3,572 | \$ 3,437 | \$ 3,294 | \$ 135 | \$ 278 | |
| Public Funds | 838 | 895 | 732 | (57) | 106 | |
| CD's | 1,367 | 1,445 | 1,668 | (78) | (301) | |
| Total Deposits (excl Brokered) | \$ 5,777 | \$ 5,777 | \$ 5,694 | \$ - | \$ 83 | |
| Loan to Deposit Ratio | 75% | 75% | 74% | | | |
| Investment Securities: | | | | | | |
| Available for Sale -Fixed | \$ 947 | \$ 881 | \$ 1,193 | \$ 66 | \$ (246) | |
| -Floating | 889 | 951 | 716 | (62) | 173 | |
| Held to Maturity -Fixed | 460 | 473 | 211 | (13) | 249 | |
| -Floating | 6 | 7 | 21 | (1) | (15) | |
| Total Investment Securities | 2,302 | 2,312 | 2,141 | (10) | 161 | |
| Floating as % of Total Securities | 39% | 41% | 34% | | | |

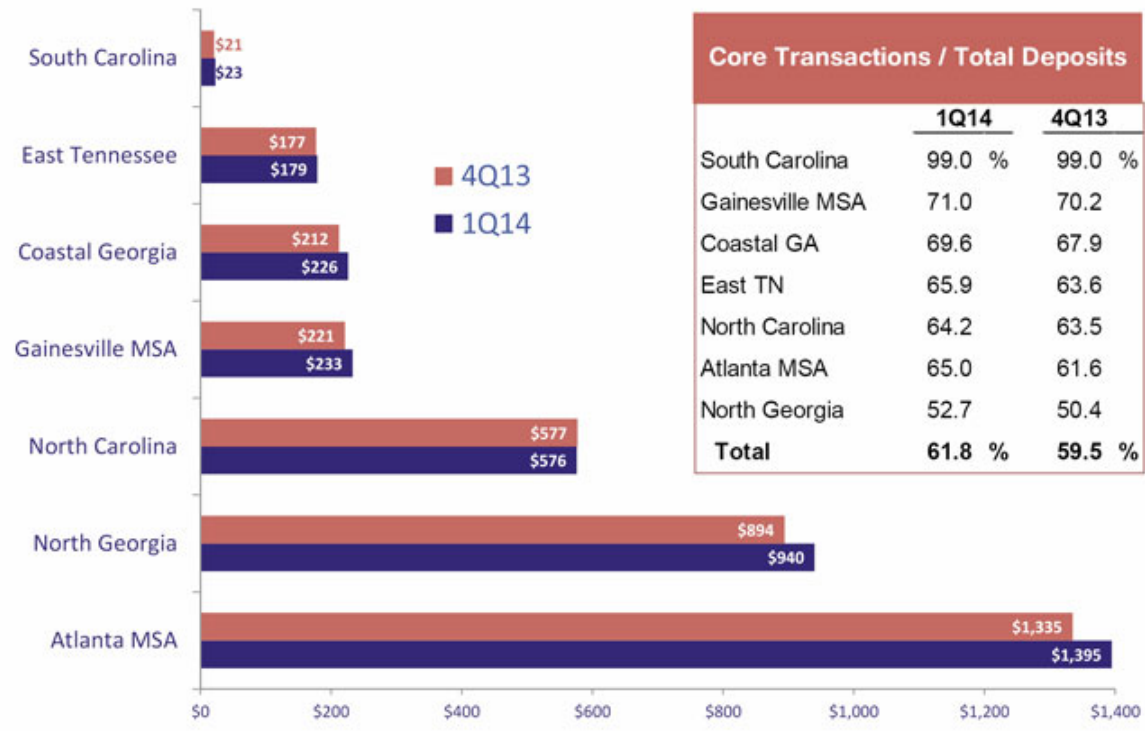
Business Mix – Deposits *(at quarter-end)*

\$ in millions


| DEPOSITS BY CATEGORY | 1Q14 | 4Q13 | 3Q13 | 2Q13 | 1Q13 | 1Q14 vs. 1Q13 |
|----------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|--------------------------|
| Demand & Now | \$ 2,073 | \$ 1,969 | \$ 1,979 | \$ 1,916 | \$ 1,894 | \$ 179 |
| MMDA & Savings | 1,499 | 1,468 | 1,437 | 1,406 | 1,401 | 98 |
| Core Transaction Deposits | 3,572 | 3,437 | 3,416 | 3,322 | 3,295 | 277 |
| Time < \$100,000 | 828 | 888 | 920 | 977 | 1,014 | (186) |
| Time ≥ \$100,000 < \$250,000 | 427 | 443 | 473 | 512 | 528 | (101) |
| Public Deposits | 804 | 863 | 734 | 674 | 700 | 104 |
| Total Core Deposits | 5,631 | 5,631 | 5,543 | 5,485 | 5,537 | 94 |
| Time ≥ \$250,000 | 112 | 114 | 120 | 120 | 125 | (13) |
| Public Deposits | 34 | 32 | 31 | 32 | 32 | 2 |
| Total Customer Deposits | 5,777 | 5,777 | 5,694 | 5,637 | 5,694 | 83 |
| Brokered Deposits | 471 | 425 | 419 | 375 | 332 | 139 |
| Total Deposits | \$ 6,248 | \$ 6,202 | \$ 6,113 | \$ 6,012 | \$ 6,026 | \$ 222 |

Core Transaction Deposits

\$ in millions



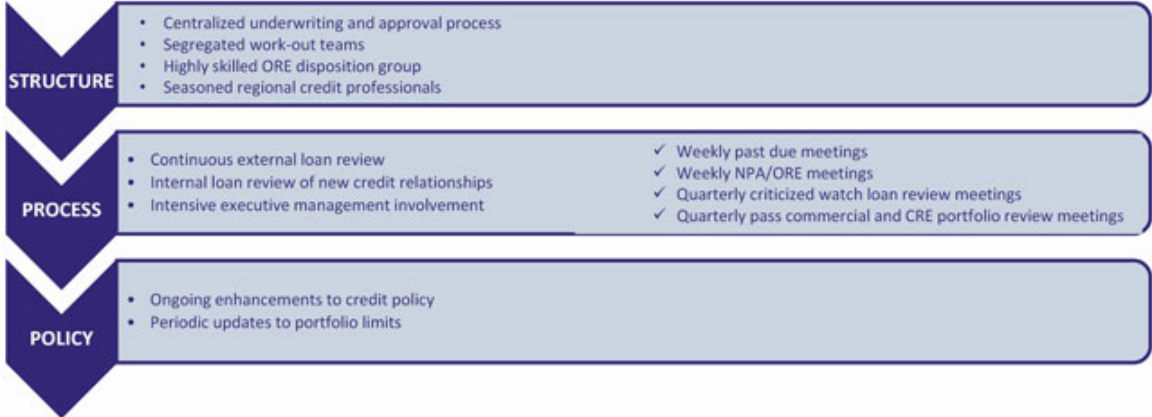
| Core Transactions / Total Deposits | | |
|------------------------------------|---------------|---------------|
| | 1Q14 | 4Q13 |
| South Carolina | 99.0 % | 99.0 % |
| Gainesville MSA | 71.0 | 70.2 |
| Coastal GA | 69.6 | 67.9 |
| East TN | 65.9 | 63.6 |
| North Carolina | 64.2 | 63.5 |
| Atlanta MSA | 65.0 | 61.6 |
| North Georgia | 52.7 | 50.4 |
| Total | 61.8 % | 59.5 % |



Regional Credit Review – Standard Underwriting

- House Lending Limit \$ 25
- Project Lending Limit 15
- Top 25 Relationships 343.8

PROACTIVELY ADDRESSING CREDIT ENVIRONMENT




Commercial Construction & Real Estate

\$ in millions

| COMMERCIAL CONSTRUCTION | | | COMMERCIAL REAL ESTATE | | | |
|--------------------------------------|---------------|---------|------------------------|------------------|-------------------|------------|
| | 31-Mar-14 | | Owner Occupied | Income Producing | 31-Mar-14 | |
| | Amount | Percent | | | Total | Percent |
| Land Develop - Vacant (Improved) | \$ 54 | 38 % | \$ 308.8 | \$ 169.2 | \$ 478.0 | 27.1 % |
| Raw Land - Vacant (Unimproved) | 30 | 21 | 100.7 | 149.0 | 249.7 | 14.1 |
| Commercial Land Development | 16 | 11 | 124.6 | 58.0 | 182.6 | 10.3 |
| Multi-Residential | 13 | 9 | 139.9 | - | 139.9 | 7.9 |
| Churches | 8 | 6 | 94.9 | 37.1 | 132.0 | 7.5 |
| Retail Building | 7 | 5 | 88.4 | 17.6 | 106.0 | 6.0 |
| Mfg Facility | 3 | 2 | - | 75.6 | 75.6 | 4.3 |
| Office Buildings | 2 | 1 | 36.1 | 25.5 | 61.6 | 3.5 |
| Warehouse | 2 | 1 | 50.0 | 5.5 | 55.5 | 3.1 |
| Carwash | 2 | 1 | 52.0 | - | 52.0 | 2.9 |
| Other Properties | 11 | 5 | - | 51.5 | 51.5 | 2.9 |
| Total Commercial Construction | \$ 148 | | 17.0 | 14.1 | 31.1 | 1.8 |
| | | | 25.7 | - | 25.7 | 1.5 |
| | | | 17.8 | 7.0 | 24.8 | 1.4 |
| | | | 18.1 | .1 | 18.2 | 1.0 |
| | | | 9.9 | 8.2 | 18.1 | 1.0 |
| | | | 14.5 | .6 | 15.1 | .9 |
| | | | 14.9 | - | 14.9 | .8 |
| | | | 9.6 | - | 9.6 | .5 |
| | | | 7.3 | - | 7.3 | .4 |
| | | | - | 5.0 | 5.0 | .3 |
| | | | 4.7 | - | 4.7 | .3 |
| | | | 6.8 | - | 6.8 | .4 |
| | | | \$ 1,141.7 | \$ 624.0 | \$ 1,765.7 | |

 **Average Loan Size (\$ in thousands)**

- Commercial Construction \$394
- Commercial RE:
 - Composite CRE 471
 - Owner Occupied 434
 - Income Producing 617

 **Commercial RE Characteristics**

- 64.7% owner occupied
- Small business, doctors, dentists, attorneys, CPAs
- \$15 million project limit

Loans by Business Mix and Region

\$ in millions

| | 1Q14 | 4Q13 | 3Q13 | 2Q13 | 1Q13 | 1Q14 vs. 1Q13 |
|---|----------|----------|----------|----------|----------|------------------|
| QUARTERLY LOANS - BUSINESS MIX BY CATEGORY | | | | | | |
| Commercial: | | | | | | |
| Comm & Indus | \$ 495 | \$ 472 | \$ 457 | \$ 437 | \$ 454 | \$ 41 |
| Owner Occ'd | 1,142 | 1,134 | 1,129 | 1,119 | 1,130 | 12 |
| Total C & I | 1,637 | 1,606 | 1,586 | 1,556 | 1,584 | 53 |
| Income Prod CRE | 624 | 623 | 614 | 629 | 674 | (50) |
| Comm Constr | 148 | 149 | 137 | 133 | 152 | (4) |
| Total Comm | 2,409 | 2,378 | 2,337 | 2,318 | 2,410 | (1) |
| Resi Mortgage | 1,313 | 1,316 | 1,309 | 1,278 | 1,246 | 67 |
| Resi Constr | 318 | 328 | 318 | 332 | 372 | (54) |
| Consum / Install | 316 | 307 | 303 | 261 | 166 | 150 |
| Total Loans | \$ 4,356 | \$ 4,329 | \$ 4,267 | \$ 4,189 | \$ 4,194 | \$ 162 |

| | 2013 | 2012 | 2011 | 2010 | 2009 |
|--|----------|----------|----------|----------|----------|
| ANNUAL LOANS - BUSINESS MIX BY CATEGORY | | | | | |
| Commercial: | | | | | |
| Comm & Indus | \$ 472 | \$ 458 | \$ 428 | \$ 441 | \$ 390 |
| Owner Occ'd | 1,134 | 1,131 | 1,112 | 980 | 963 |
| Total C & I | 1,606 | 1,589 | 1,540 | 1,421 | 1,353 |
| Income Prod CRE | 623 | 682 | 710 | 781 | 816 |
| Comm Constr | 149 | 155 | 164 | 297 | 363 |
| Total Comm | 2,378 | 2,426 | 2,414 | 2,499 | 2,532 |
| Resi Mortgage | 1,316 | 1,214 | 1,135 | 1,279 | 1,427 |
| Resi Constr | 328 | 382 | 448 | 695 | 1,050 |
| Consum / Install | 307 | 153 | 113 | 131 | 142 |
| Total Loans | \$ 4,329 | \$ 4,175 | \$ 4,110 | \$ 4,604 | \$ 5,151 |

| | 1Q14 | 4Q13 | 3Q13 | 2Q13 | 1Q13 | 1Q14 vs. 1Q13 |
|------------------------------------|----------|----------|----------|----------|----------|------------------|
| QUARTERLY LOANS - BY REGION | | | | | | |
| North Georgia | \$ 1,205 | \$ 1,240 | \$ 1,262 | \$ 1,265 | \$ 1,363 | \$ (158) |
| Atlanta MSA | 1,290 | 1,275 | 1,246 | 1,227 | 1,262 | 28 |
| North Carolina | 563 | 572 | 575 | 576 | 575 | (12) |
| Coastal Georgia | 425 | 423 | 421 | 397 | 398 | 27 |
| Gainesville MSA | 262 | 255 | 253 | 256 | 259 | 3 |
| East Tennessee | 272 | 280 | 277 | 282 | 282 | (10) |
| South Carolina | 131 | 88 | 47 | 34 | - | 131 |
| Other (Ind. Auto) | 208 | 196 | 186 | 152 | 55 | 153 |
| Total Loans | \$ 4,356 | \$ 4,329 | \$ 4,267 | \$ 4,189 | \$ 4,194 | \$ 162 |

| | 2013 | 2012 | 2011 | 2010 | 2009 |
|---------------------------------|----------|----------|----------|----------|----------|
| ANNUAL LOANS - BY REGION | | | | | |
| North Georgia | \$ 1,240 | \$ 1,364 | \$ 1,426 | \$ 1,689 | \$ 1,884 |
| Atlanta MSA | 1,275 | 1,250 | 1,220 | 1,310 | 1,435 |
| North Carolina | 572 | 579 | 597 | 702 | 772 |
| Coastal Georgia | 423 | 400 | 346 | 335 | 405 |
| Gainesville MSA | 255 | 261 | 265 | 312 | 390 |
| East Tennessee | 280 | 283 | 256 | 256 | 265 |
| South Carolina | 88 | - | - | - | - |
| Other (Ind. Auto) | 196 | 38 | - | - | - |
| Total Loans | \$ 4,329 | \$ 4,175 | \$ 4,110 | \$ 4,604 | \$ 5,151 |

Non-GAAP Reconciliation Tables

\$ in millions

| | Operating Earnings to GAAP Earnings Reconciliation | | | | |
|--|--|------------------|------------------|------------------|------------------|
| | 1Q14 | 4Q13 | 3Q13 | 2Q13 | 1Q13 |
| CORE FEE REVENUE | | | | | |
| Core fee revenue | \$ 11,930 | \$ 13,219 | \$ 13,966 | \$ 14,063 | \$ 12,618 |
| Securities gains, net | 217 | 70 | - | - | 116 |
| Gains from sales of low income housing tax credits | - | - | - | 468 | - |
| BOLI death benefit gain | - | - | 86 | 1,366 | - |
| Mark to market on deferred compensation plan assets | 29 | 230 | 173 | 46 | 177 |
| Fee revenue (GAAP) | \$ 12,176 | \$ 13,519 | \$ 14,225 | \$ 15,943 | \$ 12,911 |
| CORE OPERATING EXPENSE | | | | | |
| Core operating expense | \$ 38,749 | \$ 41,193 | \$ 39,325 | \$ 42,067 | \$ 40,900 |
| Foreclosed property expense | 116 | 191 | 194 | 5,151 | 2,333 |
| Severance | 156 | - | 405 | 1,559 | 360 |
| Mark to market on deferred compensation plan liability | 29 | 230 | 173 | 46 | 177 |
| Operating expense (GAAP) | \$ 39,050 | \$ 41,614 | \$ 40,097 | \$ 48,823 | \$ 43,770 |
| TANGIBLE COMMON EQUITY AND TANGIBLE EQUITY TO TANGIBLE ASSETS | | | | | |
| Tangible common equity to tangible assets | 9.22 % | 8.99 % | 9.02 % | 6.30 % | 5.66 % |
| Effect of preferred equity | .28 | 2.60 | 2.74 | 2.83 | 2.87 |
| Tangible equity to tangible assets | 9.50 | 11.59 | 11.76 | 9.13 | 8.53 |
| Effect of goodwill and other intangibles | .02 | .03 | .04 | .06 | .07 |
| Equity to assets (GAAP) | 9.52 % | 11.62 % | 11.80 % | 9.19 % | 8.60 % |
| TANGIBLE COMMON EQUITY TO RISK-WEIGHTED ASSETS | | | | | |
| Tangible common equity to risk-weighted assets | 13.57 % | 13.17 % | 13.34 % | 13.16 % | 8.45 % |
| Effect of preferred equity | - | 2.38 | 4.01 | 4.11 | 4.22 |
| Tangible equity to risk weighted assets | 13.57 | 15.55 | 17.35 | 17.27 | 12.67 |
| Effect of deferred tax limitation | (3.91) | (4.25) | (4.72) | (4.99) | - |
| Effect of other comprehensive income | .36 | .39 | .49 | .29 | .49 |
| Effect of trust preferred | 1.03 | 1.04 | 1.09 | 1.11 | 1.15 |
| Tier I capital ratio (Regulatory) | 11.05 % | 12.73 % | 14.21 % | 13.68 % | 14.31 % |