

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported):  
October 23, 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))

**Item 2.02 Results of Operations and Financial Condition.**

On October 23, 2014, United Community Banks, Inc. (the “Registrant”) issued a news release announcing its financial results for the quarter ended September 30, 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 October 23, 2014 at 11:00 a.m. ET, the Registrant intends to hold a conference call/webcast to discuss the News Release. In addition to the News Release, during the conference call the Registrant intends to discuss certain financial information contained in the Third Quarter 2014 Investor Presentation (the “Investor Presentation”), which will be posted to the Registrant’s website at [www.ucbi.com](http://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.

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**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits

<b>Exhibit No.</b>	<b>Description</b>
99.1	News Release, dated October 23, 2014
99.2	Investor Presentation, Third Quarter 2014

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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.

**UNITED COMMUNITY BANKS, INC.**

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

Date: October 23, 2014

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***For Immediate Release***

***For more information:***

Rex S. Schuette  
Chief Financial Officer  
(706) 781-2266  
[Rex.Schuette@ucbi.com](mailto:Rex.Schuette@ucbi.com)

**UNITED COMMUNITY BANKS, INC. REPORTS  
EARNINGS OF \$17.6 MILLION FOR THIRD QUARTER 2014,  
UP 38 PERCENT FROM A YEAR AGO**

- Earnings are 29 cents per diluted share, up 7 percent from second quarter and 38 percent from a year ago
- Loans up \$159 million, or 14 percent annualized
- Net interest margin increases 11 basis points from second quarter
- Core transaction deposits up \$90 million, or 10 percent annualized

BLAIRSVILLE, GA – October 23, 2014 – United Community Banks, Inc. (NASDAQ: UCBI) (“United”) today reported net income of \$17.6 million, or 29 cents per diluted share, for the third quarter of 2014. Earnings per share were up 7 percent from the second quarter, reflecting strong loan growth, a widening net interest margin, and growth in fee revenue. For the first nine months of 2014, United reported net income of \$49.4 million, or 81 cents per diluted share.

“By all measures, we had an exceptional third quarter,” said Jimmy Tallent, president and chief executive officer. “Strong loan growth and an expanding net interest margin increased net interest revenue by \$2 million over the second quarter. Our return on assets rose to 95 basis points, seven basis points higher than the second quarter, and close to our goal of 1 percent. Also, our return on equity was 9.4 percent, up 200 basis points from a year ago.

“Third quarter net loan growth of \$159 million was driven by strong production across all of our markets,” stated Tallent. “Our strongest area, specialized lending, increased \$132 million. This category includes health care, corporate, SBA, asset-based and commercial real estate lending. We also saw solid growth in our Coastal Georgia and Tennessee markets.”

Third quarter taxable equivalent net interest revenue totaled \$57.0 million, up \$2.0 million from the second quarter and up \$2.7 million from the third quarter of 2013. The taxable equivalent net interest margin was 3.32 percent, up 11 basis points from the second quarter and six basis points from a year ago.

“Preserving our net interest margin and growing net interest revenue, while minimizing exposure to changes in interest rates, have been top priorities for growing earnings per share,” said Tallent. “Our third quarter results confirm that we are on the right path. We remain sharply focused on growing loans and core deposits to increase net interest revenue, while expanding products to grow fee revenue. Second quarter balance sheet management activities, which included restructuring the securities portfolio, interest rate hedges and wholesale borrowings, contributed to the widening net interest margin and growth in net interest revenue. We expect our margin to stabilize at the current level into the fourth quarter and 2015. We are seeing the results of these efforts positively impact our earnings growth.”

The third quarter provision for credit losses was \$2.0 million, down \$200,000 from the second quarter and down \$1.0 million from the third quarter of 2013. Third quarter net charge-offs were \$3.16 million, compared with \$4.18 million in the second quarter and \$4.47 million a year ago. Nonperforming assets at quarter-end were \$21.9 million, down 8 percent from the second quarter and 28 percent from a year ago. Nonperforming assets at quarter-end represented .29 percent of total assets, compared to .32 percent last quarter and .42 percent a year ago.

Third quarter fee revenue totaled \$14.4 million, up \$269,000 from the second quarter and \$187,000 from the third quarter of 2013. Most of the increase from both prior periods resulted from our growing SBA lending business and related gains on the sales of SBA loans. In the third quarter of 2014, we generated gains on these sales of \$945,000 compared with \$744,000 in the second quarter. There were no gains from the sale of SBA loans in the third quarter of 2013.

Service charges and fees dipped slightly from both the second quarter and a year ago, mostly due to lower debit card interchange fees. Overdraft fees were also down from the third quarter of 2013. Mortgage fees were up \$301,000 from the second quarter, but down \$376,000 from a year ago, the decrease reflecting slower mortgage refinancing activity. Closed mortgage loans totaled \$84.2 million in the third quarter compared with \$68.5 million in the second quarter and \$76.6 million in the third quarter of 2013.

Operating expenses were \$41.4 million in the third quarter compared to \$40.5 million in the second quarter and \$40.1 million a year ago. The increase from both prior periods is mostly due to higher staff and incentive costs. Third quarter compensation expense reflects the full cost of additional personnel added through the acquisition of Business Carolina, Inc., which occurred late in the second quarter, as well as staff added for our new vertical SBA business. Occupancy expense was up from the second quarter and a year ago due to higher utilities and maintenance charges, including lease costs for new locations.

Offsetting these increases was a reduction in the deposit insurance assessment rate due to improvement in our credit measures. Additionally, advertising costs were down \$245,000 due to one-time branding costs in the second quarter, and other expenses decreased \$537,000 primarily due to \$486,000 in branch closure and loss share asset costs that were written off last quarter.

“Our operating efficiency ratio improved to 57.96 percent in the third quarter, compared to 58.65 percent in the second quarter,” Tallent said. “We continue to focus on growing revenue while controlling costs.”

On September 30, 2014, capital ratios were as follows: Tier 1 Risk-Based of 12.1 percent; Total Risk-Based of 13.3 percent; Tier 1 Common Risk-Based of 11.0 percent; and Tier 1 Leverage of 8.7 percent.

“We are beginning to see meaningful improvement in our financial results, reflecting the successes of our strategic growth initiatives,” Tallent said. “Our focus on expanding the net interest margin and growing loans, deposits and fee revenue is driving earnings growth. In the third quarter, we saw a return of strong loan growth and meaningful margin expansion despite the ongoing challenging economic environment. Strategic investments in people and new businesses are driving our growth. We will continue investing in our future by hiring top talent to grow our business. As our third quarter results demonstrate, we are on the right track.”

### Conference Call

United will hold a conference call today, Thursday, October 23, 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 16941301. 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](http://www.ucbi.com).

### About United Community Banks, Inc.

United Community Banks, Inc. (UCBI) is a bank holding company based in Blairsville, Georgia, with \$7.5 billion in assets. The company's banking subsidiary, United Community Bank, is one of the Southeast's largest full-service banks, operating 103 offices in Georgia, North Carolina, South Carolina and Tennessee. The bank specializes in personalized community banking services for individuals, small businesses and corporations. A full range of consumer and commercial banking services includes mortgage, advisory, treasury management and other products. National survey organizations consistently recognize United Community Bank for outstanding customer service. Additional information about the company and the bank's full range of products and services can be found 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 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**

<i>(in thousands, except per share data; taxable equivalent)</i>	2014			2013		Third Quarter	For the Nine Months Ended		YTD
	Third Quarter	Second Quarter	First Quarter	Fourth Quarter	Third Quarter	2014-2013 Change	September 30, 2014	2013	2014-2013 Change
<b>INCOME SUMMARY</b>									
Interest revenue	\$ 63,338	\$ 61,783	\$ 60,495	\$ 61,695	\$ 61,426		\$ 185,616	\$ 185,628	
Interest expense	6,371	6,833	6,326	5,816	7,169		19,530	21,866	
Net interest revenue	56,967	54,950	54,169	55,879	54,257	5%	166,086	163,762	1%
Provision for credit losses	2,000	2,200	2,500	3,000	3,000		6,700	62,500	
Fee revenue	14,412	14,143	12,176	13,519	14,225	1	40,731	43,079	(5)
<b>Total revenue</b>	<b>69,379</b>	<b>66,893</b>	<b>63,845</b>	<b>66,398</b>	<b>65,482</b>		<b>200,117</b>	<b>144,341</b>	
Operating expenses	41,364	40,532	39,050	41,614	40,097	3	120,946	132,690	(9)
Income before income taxes	28,015	26,361	24,795	24,784	25,385	10	79,171	11,651	
Income tax expense (benefit)	10,399	10,004	9,395	8,873	9,885		29,798	(245,578)	
<b>Net income</b>	<b>17,616</b>	<b>16,357</b>	<b>15,400</b>	<b>15,911</b>	<b>15,500</b>	<b>14</b>	<b>49,373</b>	<b>257,229</b>	
Preferred dividends and discount accretion	-	-	439	2,912	3,059		439	9,166	
<b>Net income available to common shareholders</b>	<b>\$ 17,616</b>	<b>\$ 16,357</b>	<b>\$ 14,961</b>	<b>\$ 12,999</b>	<b>\$ 12,441</b>	<b>42</b>	<b>\$ 48,934</b>	<b>\$ 248,063</b>	

**PERFORMANCE MEASURES**

Per common share:

Diluted income	\$ .29	\$ .27	\$ .25	\$ .22	\$ .21	38	\$ .81	\$ 4.24	
Book value	12.15	11.94	11.66	11.30	10.99	11	12.15	10.99	11
Tangible book value <sup>(2)</sup>	12.10	11.91	11.63	11.26	10.95	11	12.10	10.95	11

Key performance ratios:

Return on common equity <sup>(1)(3)</sup>	9.41%	8.99%	8.64%	7.52%	7.38 %		9.02%	64.29 %	
Return on assets <sup>(3)</sup>	.95	.88	.85	.86	.86		.89	4.93	
Net interest margin <sup>(3)</sup>	3.32	3.21	3.21	3.26	3.26		3.25	3.32	
Efficiency ratio	57.96	58.65	59.05	60.02	58.55		58.54	64.19	
Equity to assets	9.85	9.61	9.52	11.62	11.80		9.66	9.91	
Tangible equity to assets <sup>(2)</sup>	9.83	9.58	9.50	11.59	11.76		9.64	9.85	
Tangible common equity to assets <sup>(2)</sup>	9.83	9.58	9.22	8.99	9.02		9.55	7.04	
Tangible common equity to risk-weighted assets <sup>(2)</sup>	14.10	13.92	13.63	13.18	13.34		14.10	13.34	

**ASSET QUALITY \***

Non-performing loans	\$ 18,745	\$ 20,724	\$ 25,250	\$ 26,819	\$ 26,088		\$ 18,745	\$ 26,088	
Foreclosed properties	3,146	2,969	5,594	4,221	4,467		3,146	4,467	
Total non-performing assets (NPAs)	21,891	23,693	30,844	31,040	30,555		21,891	30,555	
Allowance for loan losses	71,928	73,248	75,223	76,762	80,372		71,928	80,372	
Net charge-offs	3,155	4,175	4,039	4,445	4,473		11,369	89,265	
Allowance for loan losses to loans	1.57%	1.66%	1.73%	1.77%	1.88%		1.57%	1.88%	
Net charge-offs to average loans <sup>(3)</sup>	.28	.38	.38	.41	.42		.35	2.84	
NPAs to loans and foreclosed properties	.48	.54	.71	.72	.72		.48	.72	
NPAs to total assets	.29	.32	.42	.42	.42		.29	.42	

**AVERAGE BALANCES (\$ in millions)**

Loans	\$ 4,446	\$ 4,376	\$ 4,356	\$ 4,315	\$ 4,250	5	\$ 4,393	\$ 4,234	4
Investment securities	2,231	2,326	2,320	2,280	2,178	2	2,292	2,160	6
Earning assets	6,820	6,861	6,827	6,823	6,615	3	6,836	6,590	4
Total assets	7,374	7,418	7,384	7,370	7,170	3	7,392	6,974	6
Deposits	6,143	6,187	6,197	6,190	5,987	3	6,176	5,972	3
Shareholders' equity	726	713	703	856	846	(14)	714	691	3
Common shares - basic (thousands)	60,776	60,712	60,059	59,923	59,100		60,511	58,443	
Common shares - diluted (thousands)	60,779	60,714	60,061	59,925	59,202		60,513	58,444	

**AT PERIOD END (\$ in millions)**

Loans *	\$ 4,569	\$ 4,410	\$ 4,356	\$ 4,329	\$ 4,267	7	\$ 4,569	\$ 4,267	7
Investment securities	2,222	2,190	2,302	2,312	2,169	2	2,222	2,169	2
Total assets	7,526	7,352	7,398	7,425	7,243	4	7,526	7,243	4
Deposits	6,241	6,164	6,248	6,202	6,113	2	6,241	6,113	2
Shareholders' equity	736	722	704	796	852	(14)	736	852	(14)
Common shares outstanding (thousands)	60,248	60,139	60,092	59,432	59,412		60,248	59,412	

<sup>(1)</sup> 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). <sup>(2)</sup> Excludes effect of acquisition related intangibles and associated amortization. <sup>(3)</sup> Annualized.

\* 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**

	2014			2013		For the Nine Months Ended September 30,	
	Third Quarter	Second Quarter	First Quarter	Fourth Quarter	Third Quarter	2014	2013
<i>(in thousands, except per share data; taxable equivalent)</i>							
<b>Interest revenue reconciliation</b>							
Interest revenue - taxable equivalent	\$ 63,338	\$ 61,783	\$ 60,495	\$ 61,695	\$ 61,426	\$ 185,616	\$ 185,628
Taxable equivalent adjustment	(405)	(377)	(357)	(380)	(370)	(1,139)	(1,103)
Interest revenue (GAAP)	<u>\$ 62,933</u>	<u>\$ 61,406</u>	<u>\$ 60,138</u>	<u>\$ 61,315</u>	<u>\$ 61,056</u>	<u>\$ 184,477</u>	<u>\$ 184,525</u>
<b>Net interest revenue reconciliation</b>							
Net interest revenue - taxable equivalent	\$ 56,967	\$ 54,950	\$ 54,169	\$ 55,879	\$ 54,257	\$ 166,086	\$ 163,762
Taxable equivalent adjustment	(405)	(377)	(357)	(380)	(370)	(1,139)	(1,103)
Net interest revenue (GAAP)	<u>\$ 56,562</u>	<u>\$ 54,573</u>	<u>\$ 53,812</u>	<u>\$ 55,499</u>	<u>\$ 53,887</u>	<u>\$ 164,947</u>	<u>\$ 162,659</u>
<b>Total revenue reconciliation</b>							
Total operating revenue	\$ 69,379	\$ 66,893	\$ 63,845	\$ 66,398	\$ 65,482	\$ 200,117	\$ 144,341
Taxable equivalent adjustment	(405)	(377)	(357)	(380)	(370)	(1,139)	(1,103)
Total revenue (GAAP)	<u>\$ 68,974</u>	<u>\$ 66,516</u>	<u>\$ 63,488</u>	<u>\$ 66,018</u>	<u>\$ 65,112</u>	<u>\$ 198,978</u>	<u>\$ 143,238</u>
<b>Income before taxes reconciliation</b>							
Income before taxes	\$ 28,015	\$ 26,361	\$ 24,795	\$ 24,784	\$ 25,385	\$ 79,171	\$ 11,651
Taxable equivalent adjustment	(405)	(377)	(357)	(380)	(370)	(1,139)	(1,103)
Income before taxes (GAAP)	<u>\$ 27,610</u>	<u>\$ 25,984</u>	<u>\$ 24,438</u>	<u>\$ 24,404</u>	<u>\$ 25,015</u>	<u>\$ 78,032</u>	<u>\$ 10,548</u>
<b>Income tax expense (benefit) reconciliation</b>							
Income tax expense (benefit)	\$ 10,399	\$ 10,004	\$ 9,395	\$ 8,873	\$ 9,885	\$ 29,798	\$ (245,578)
Taxable equivalent adjustment	(405)	(377)	(357)	(380)	(370)	(1,139)	(1,103)
Income tax expense (benefit) (GAAP)	<u>\$ 9,994</u>	<u>\$ 9,627</u>	<u>\$ 9,038</u>	<u>\$ 8,493</u>	<u>\$ 9,515</u>	<u>\$ 28,659</u>	<u>\$ (246,681)</u>
<b>Book value per common share reconciliation</b>							
Tangible book value per common share	\$ 12.10	\$ 11.91	\$ 11.63	\$ 11.26	\$ 10.95	\$ 12.10	\$ 10.95
Effect of goodwill and other intangibles	.05	.03	.03	.04	.04	.05	.04
Book value per common share (GAAP)	<u>\$ 12.15</u>	<u>\$ 11.94</u>	<u>\$ 11.66</u>	<u>\$ 11.30</u>	<u>\$ 10.99</u>	<u>\$ 12.15</u>	<u>\$ 10.99</u>
<b>Average equity to assets reconciliation</b>							
Tangible common equity to assets	9.83%	9.58%	9.22%	8.99%	9.02%	9.55%	7.04%
Effect of preferred equity	-	-	.28	2.60	2.74	.09	2.81
Tangible equity to assets	9.83	9.58	9.50	11.59	11.76	9.64	9.85
Effect of goodwill and other intangibles	.02	.03	.02	.03	.04	.02	.06
Equity to assets (GAAP)	<u>9.85%</u>	<u>9.61%</u>	<u>9.52%</u>	<u>11.62%</u>	<u>11.80%</u>	<u>9.66%</u>	<u>9.91%</u>
<b>Tangible common equity to risk-weighted assets reconciliation</b>							
Tangible common equity to risk-weighted assets	14.10%	13.92%	13.63%	13.18%	13.34%	14.10%	13.34%
Effect of other comprehensive income	.34	.53	.36	.39	.49	.34	.49
Effect of deferred tax limitation	(3.39)	(3.74)	(3.92)	(4.26)	(4.72)	(3.39)	(4.72)
Effect of trust preferred	1.02	1.04	1.03	1.04	1.09	1.02	1.09
Effect of preferred equity	-	-	-	2.39	4.01	-	4.01
Tier I capital ratio (Regulatory)	<u>12.07%</u>	<u>11.75%</u>	<u>11.10%</u>	<u>12.74%</u>	<u>14.21%</u>	<u>12.07%</u>	<u>14.21%</u>

UNITED COMMUNITY BANKS, INC.  
**Financial Highlights**  
**Loan Portfolio Composition at Period-End <sup>(1)</sup>**

<i>(in millions)</i>	2014			2013		Linked Quarter Change	Year over Year Change
	Third Quarter	Second Quarter	First Quarter	Fourth Quarter	Third Quarter		
<b>LOANS BY CATEGORY</b>							
Owner occupied commercial RE	\$ 1,153	\$ 1,163	\$ 1,142	\$ 1,134	\$ 1,129	\$ (10)	\$ 24
Income producing commercial RE	605	598	624	623	614	7	(9)
Commercial & industrial	650	554	495	472	457	96	193
Commercial construction	181	160	148	149	137	21	44
Total commercial	2,589	2,475	2,409	2,378	2,337	114	252
Residential mortgage	866	861	866	875	888	5	(22)
Home equity lines of credit	459	451	447	441	421	8	38
Residential construction	307	302	318	328	318	5	(11)
Consumer installment	348	321	316	307	303	27	45
<b>Total loans</b>	<b>\$ 4,569</b>	<b>\$ 4,410</b>	<b>\$ 4,356</b>	<b>\$ 4,329</b>	<b>\$ 4,267</b>	159	302
<b>LOANS BY MARKET</b>							
North Georgia	\$ 1,168	\$ 1,175	\$ 1,205	\$ 1,240	\$ 1,262	(7)	(94)
Atlanta MSA	1,289	1,305	1,290	1,275	1,246	(16)	43
North Carolina	553	555	563	572	575	(2)	(22)
Coastal Georgia	444	426	425	423	421	18	23
Gainesville MSA	254	257	262	255	253	(3)	1
East Tennessee	281	270	272	280	277	11	4
South Carolina / Corporate	337	206	131	88	47	131	290
Other <sup>(2)</sup>	243	216	208	196	186	27	57
<b>Total loans</b>	<b>\$ 4,569</b>	<b>\$ 4,410</b>	<b>\$ 4,356</b>	<b>\$ 4,329</b>	<b>\$ 4,267</b>	159	302
<b>RESIDENTIAL CONSTRUCTION</b>							
Dirt loans							
Acquisition & development	\$ 36	\$ 34	\$ 37	\$ 39	\$ 40	2	(4)
Land loans	35	36	37	38	35	(1)	-
Lot loans	146	151	159	166	167	(5)	(21)
Total	217	221	233	243	242	(4)	(25)
House loans							
Spec	18	19	19	23	30	(1)	(12)
Sold	72	62	66	62	46	10	26
Total	90	81	85	85	76	9	14
<b>Total residential construction</b>	<b>\$ 307</b>	<b>\$ 302</b>	<b>\$ 318</b>	<b>\$ 328</b>	<b>\$ 318</b>	5	(11)

<sup>(1)</sup> Excludes total loans of \$2.8 million, \$3.1 million, \$19.3 million, \$20.3 million and \$23.3 million as of September 30, 2014, June 30, 2014, March 31, 2014, December 31, 2013 and September 30, 2013, respectively, that are covered by the loss-sharing agreement with the FDIC, related to the acquisition of Southern Community Bank. <sup>(2)</sup> Includes purchased indirect auto loans that are not assigned to a geographic region.

**UNITED COMMUNITY BANKS, INC.**

**Financial Highlights**

**Credit Quality <sup>(1)</sup>**

(in thousands)	Third Quarter 2014			Second Quarter 2014			First Quarter 2014		
	Non-performing Loans	Foreclosed Properties	Total NPAs	Non-performing Loans	Foreclosed Properties	Total NPAs	Non-performing Loans	Foreclosed Properties	Total NPAs
<b>NONPERFORMING ASSETS BY CATEGORY</b>									
Owner occupied CRE	\$ 2,156	\$ 1,024	\$ 3,180	\$ 2,975	\$ 653	\$ 3,628	\$ 3,868	\$ 1,167	\$ 5,035
Income producing CRE	1,742	42	1,784	1,032	242	1,274	1,278	1,645	2,923
Commercial & industrial	1,593	-	1,593	1,102	-	1,102	822	-	822
Commercial construction	148	-	148	95	-	95	479	-	479
Total commercial	5,639	1,066	6,705	5,204	895	6,099	6,447	2,812	9,259
Residential mortgage	8,350	1,769	10,119	10,201	1,426	11,627	13,307	2,146	15,453
Home equity lines of credit	720	90	810	510	128	638	1,106	362	1,468
Residential construction	3,543	221	3,764	4,248	520	4,768	3,805	274	4,079
Consumer installment	493	-	493	561	-	561	585	-	585
<b>Total NPAs</b>	<b>\$ 18,745</b>	<b>\$ 3,146</b>	<b>\$ 21,891</b>	<b>\$ 20,724</b>	<b>\$ 2,969</b>	<b>\$ 23,693</b>	<b>\$ 25,250</b>	<b>\$ 5,594</b>	<b>\$ 30,844</b>
<b>Balance as a % of Unpaid Principal</b>	<b>68.6%</b>	<b>54.5%</b>	<b>66.1%</b>	<b>66.5%</b>	<b>50.4%</b>	<b>63.9%</b>	<b>65.8%</b>	<b>53.9%</b>	<b>63.2%</b>
<b>NONPERFORMING ASSETS BY MARKET</b>									
North Georgia	\$ 7,392	\$ 1,717	\$ 9,109	\$ 8,216	\$ 1,392	\$ 9,608	\$ 12,166	\$ 2,058	\$ 14,224
Atlanta MSA	1,724	364	2,088	3,883	510	4,393	2,916	904	3,820
North Carolina	4,919	398	5,317	5,314	615	5,929	6,501	866	7,367
Coastal Georgia	781	160	941	782	80	862	800	1,607	2,407
Gainesville MSA	1,403	85	1,488	921	49	970	1,145	-	1,145
East Tennessee	1,227	245	1,472	1,218	323	1,541	1,428	159	1,587
South Carolina / Corporate	945	177	1,122	-	-	-	-	-	-
Other <sup>(3)</sup>	354	-	354	390	-	390	294	-	294
<b>Total NPAs</b>	<b>\$ 18,745</b>	<b>\$ 3,146</b>	<b>\$ 21,891</b>	<b>\$ 20,724</b>	<b>\$ 2,969</b>	<b>\$ 23,693</b>	<b>\$ 25,250</b>	<b>\$ 5,594</b>	<b>\$ 30,844</b>
<b>NONPERFORMING ASSETS ACTIVITY</b>									
<b>Beginning Balance</b>	\$ 20,724	\$ 2,969	\$ 23,693	\$ 25,250	\$ 5,594	\$ 30,844	\$ 26,819	\$ 4,221	\$ 31,040
Loans placed on non-accrual	7,665	-	7,665	9,529	-	9,529	9,303	-	9,303
Payments received	(3,129)	-	(3,129)	(4,027)	-	(4,027)	(1,666)	-	(1,666)
Loan charge-offs	(4,353)	-	(4,353)	(8,341)	-	(8,341)	(4,839)	-	(4,839)
Foreclosures	(2,162)	2,162	-	(1,687)	1,687	-	(4,367)	4,367	-
Capitalized costs	-	209	209	-	-	-	-	-	-
Property sales	-	(2,350)	(2,350)	-	(4,430)	(4,430)	-	(3,238)	(3,238)
Write downs	-	(108)	(108)	-	(305)	(305)	-	(277)	(277)
Net gains (losses) on sales	-	264	264	-	423	423	-	521	521
<b>Ending Balance</b>	<b>\$ 18,745</b>	<b>\$ 3,146</b>	<b>\$ 21,891</b>	<b>\$ 20,724</b>	<b>\$ 2,969</b>	<b>\$ 23,693</b>	<b>\$ 25,250</b>	<b>\$ 5,594</b>	<b>\$ 30,844</b>

(in thousands)	Third Quarter 2014		Second Quarter 2014		First Quarter 2014	
	Net Charge-Offs	Net Charge-Offs to Average Loans <sup>(2)</sup>	Net Charge-Offs	Net Charge-Offs to Average Loans <sup>(2)</sup>	Net Charge-Offs	Net Charge-Offs to Average Loans <sup>(2)</sup>
<b>NET CHARGE-OFFS BY CATEGORY</b>						
Owner occupied CRE	\$ 746	.26%	\$ (1,836)	(.64)%	\$ 278	.10%
Income producing CRE	104	.07	435	.29	205	.13
Commercial & industrial	(341)	(.23)	662	.52	421	.35
Commercial construction	103	.24	131	.34	-	-
Total commercial	612	.10	(608)	(.10)	904	.15
Residential mortgage	1,116	.52	2,509	1.17	1,515	.71
Home equity lines of credit	356	.31	466	.42	993	.90
Residential construction	712	.94	1,671	2.13	212	.27
Consumer installment	359	.43	137	.18	415	.54
<b>Total</b>	<b>\$ 3,155</b>	<b>.28</b>	<b>\$ 4,175</b>	<b>.38</b>	<b>\$ 4,039</b>	<b>.38</b>
<b>NET CHARGE-OFFS BY MARKET</b>						
North Georgia	\$ 1,861	.63%	\$ (741)	(.25)%	\$ 1,272	.42%
Atlanta MSA	(250)	(.08)	1,481	.46	1,232	.39
North Carolina	656	.47	2,161	1.55	577	.41
Coastal Georgia	228	.21	116	.11	512	.49
Gainesville MSA	259	.40	797	1.23	141	.22
East Tennessee	230	.33	288	.42	239	.35
South Carolina / Corporate	5	.01	-	-	-	-
Other <sup>(3)</sup>	166	.31	73	.14	66	.14
<b>Total</b>	<b>\$ 3,155</b>	<b>.28</b>	<b>\$ 4,175</b>	<b>.38</b>	<b>\$ 4,039</b>	<b>.38</b>

(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		Nine Months Ended	
	September 30,		September 30,	
	2014	2013	2014	2013
<i>(in thousands, except per share data)</i>				
<b>Interest revenue:</b>				
Loans, including fees	\$ 49,653	\$ 50,162	\$ 145,602	\$ 151,827
Investment securities, including tax exempt of \$177, \$202, \$558 and \$624	12,346	9,887	36,118	29,905
Deposits in banks and short-term investments	934	1,007	2,757	2,793
Total interest revenue	62,933	61,056	184,477	184,525
<b>Interest expense:</b>				
Deposits:				
NOW	365	413	1,216	1,286
Money market	872	545	2,192	1,641
Savings	20	37	61	109
Time	1,721	2,630	5,510	8,871
Total deposit interest expense	2,978	3,625	8,979	11,907
Short-term borrowings	316	525	2,064	1,563
Federal Home Loan Bank advances	435	16	573	65
Long-term debt	2,642	3,003	7,914	8,331
Total interest expense	6,371	7,169	19,530	21,866
Net interest revenue	56,562	53,887	164,947	162,659
Provision for credit losses	2,000	3,000	6,700	62,500
Net interest revenue after provision for credit losses	54,562	50,887	158,247	100,159
<b>Fee revenue:</b>				
Service charges and fees	8,202	8,456	24,627	23,831
Mortgage loan and other related fees	2,178	2,554	5,409	8,212
Brokerage fees	1,209	1,274	3,631	3,104
Securities gains, net	11	-	4,663	116
Loss from prepayment of debt	-	-	(4,446)	-
Other	2,812	1,941	6,847	7,816
Total fee revenue	14,412	14,225	40,731	43,079
<b>Total revenue</b>	<b>68,974</b>	<b>65,112</b>	<b>198,978</b>	<b>143,238</b>
<b>Operating expenses:</b>				
Salaries and employee benefits	25,666	23,090	74,349	71,416
Communications and equipment	3,094	3,305	9,370	9,819
Occupancy	3,425	3,379	10,065	10,195
Advertising and public relations	894	962	2,659	2,937
Postage, printing and supplies	876	644	2,456	2,401
Professional fees	2,274	2,650	5,873	7,515
Foreclosed property	285	194	503	7,678
FDIC assessments and other regulatory charges	1,131	2,405	3,909	7,415
Amortization of intangibles	313	427	1,061	1,623
Other	3,406	3,041	10,701	11,691
Total operating expenses	41,364	40,097	120,946	132,690
Net income before income taxes	27,610	25,015	78,032	10,548
Income tax expense (benefit)	9,994	9,515	28,659	(246,681)
<b>Net income</b>	<b>17,616</b>	<b>15,500</b>	<b>49,373</b>	<b>257,229</b>
Preferred stock dividends and discount accretion	-	3,059	439	9,166
<b>Net income available to common shareholders</b>	<b>\$ 17,616</b>	<b>\$ 12,441</b>	<b>\$ 48,934</b>	<b>\$ 248,063</b>
<b>Earnings per common share:</b>				
Basic	\$ .29	\$ .21	\$ .81	\$ 4.24
Diluted	.29	.21	.81	4.24
<b>Weighted average common shares outstanding:</b>				
Basic	60,776	59,100	60,511	58,443
Diluted	60,779	59,202	60,513	58,444

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

<i>(in thousands, except share and per share data)</i>	<b>September 30, 2014</b>	<b>December 31, 2013</b>	<b>September 30, 2013</b>
<b>ASSETS</b>			
Cash and due from banks	\$ 75,268	\$ 71,230	\$ 70,986
Interest-bearing deposits in banks	117,399	119,669	131,147
Short-term investments	23,397	37,999	62,000
Cash and cash equivalents	216,064	228,898	264,133
Securities available for sale	1,789,667	1,832,217	1,963,424
Securities held to maturity (fair value \$440,311, \$485,585 and \$214,651)	432,418	479,742	205,613
Mortgage loans held for sale	20,004	10,319	11,987
Loans, net of unearned income	4,568,886	4,329,266	4,267,067
Less allowance for loan losses	(71,928)	(76,762)	(80,372)
Loans, net	4,496,958	4,252,504	4,186,695
Assets covered by loss sharing agreements with the FDIC	3,253	22,882	31,207
Premises and equipment, net	160,454	163,589	165,993
Bank owned life insurance	81,101	80,670	80,537
Accrued interest receivable	19,908	19,598	18,199
Goodwill and other intangible assets	3,910	3,480	3,888
Foreclosed property	3,146	4,221	4,467
Net deferred tax asset	224,734	258,518	269,784
Derivative financial instruments	22,221	23,833	8,092
Other assets	52,051	44,948	29,274
<b>Total assets</b>	<b>\$ 7,525,889</b>	<b>\$ 7,425,419</b>	<b>\$ 7,243,293</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
Liabilities:			
Deposits:			
Demand	\$ 1,561,020	\$ 1,388,512	\$ 1,418,782
NOW	1,399,449	1,427,939	1,279,134
Money market	1,281,526	1,227,575	1,197,495
Savings	287,797	251,125	249,044
Time:			
Less than \$100,000	774,201	892,961	925,089
Greater than \$100,000	531,428	588,689	624,019
Brokered	405,308	424,704	419,344
Total deposits	6,240,729	6,201,505	6,112,907
Short-term borrowings	6,001	53,241	53,769
Federal Home Loan Bank advances	330,125	120,125	125
Long-term debt	129,865	129,865	129,865
Derivative financial instruments	36,171	46,232	37,269
Unsettled securities purchases	-	29,562	11,610
Accrued expenses and other liabilities	46,573	49,174	45,531
<b>Total liabilities</b>	<b>6,789,464</b>	<b>6,629,704</b>	<b>6,391,076</b>
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	179,714
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; 50,167,191, 46,243,345 and 45,222,839 shares issued and outstanding	50,167	46,243	45,223
Common stock, non-voting, \$1 par value; 26,000,000 shares authorized; 10,080,787, 13,188,206 and 14,189,006 shares issued and outstanding	10,081	13,188	14,189
Common stock issuable; 354,961, 241,832 and 242,262 shares	5,116	3,930	3,979
Capital surplus	1,091,555	1,078,676	1,077,536
Accumulated deficit	(402,773)	(448,091)	(461,090)
Accumulated other comprehensive loss	(17,721)	(19,844)	(24,164)
<b>Total shareholders' equity</b>	<b>736,425</b>	<b>795,715</b>	<b>852,217</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 7,525,889</b>	<b>\$ 7,425,419</b>	<b>\$ 7,243,293</b>

**UNITED COMMUNITY BANKS, INC.**
**Average Consolidated Balance Sheets and Net Interest Analysis**

For the Three Months Ended September 30,

<i>(dollars in thousands, taxable equivalent)</i>	2014			2013		
	Average Balance	Interest	Avg. Rate	Average Balance	Interest	Avg. Rate
<b>Assets:</b>						
Interest-earning assets:						
Loans, net of unearned income <sup>(1)(2)</sup>	\$ 4,445,947	\$ 49,853	4.45%	\$ 4,249,892	\$ 50,265	4.69%
Taxable securities <sup>(3)</sup>	2,212,116	12,169	2.20	2,157,448	9,685	1.80
Tax-exempt securities <sup>(1)(3)</sup>	18,794	290	6.17	20,913	331	6.32
Federal funds sold and other interest-earning assets	143,169	1,026	2.87	186,544	1,145	2.46
<b>Total interest-earning assets</b>	<b>6,820,026</b>	<b>63,338</b>	<b>3.69</b>	<b>6,614,797</b>	<b>61,426</b>	<b>3.69</b>
Non-interest-earning assets:						
Allowance for loan losses	(74,146)			(83,408)		
Cash and due from banks	71,224			63,890		
Premises and equipment	161,315			166,906		
Other assets <sup>(3)</sup>	395,184			407,912		
<b>Total assets</b>	<b>\$ 7,373,603</b>			<b>\$ 7,170,097</b>		
<b>Liabilities and Shareholders' Equity:</b>						
Interest-bearing liabilities:						
Interest-bearing deposits:						
NOW	\$ 1,331,806	365	.11	\$ 1,222,334	413	.13
Money market	1,387,042	872	.25	1,328,661	545	.16
Savings	282,746	20	.03	248,937	37	.06
Time less than \$100,000	791,289	876	.44	952,320	1,369	.57
Time greater than \$100,000	542,216	827	.61	644,264	1,229	.76
Brokered time deposits	278,330	18	.03	233,842	32	.05
<b>Total interest-bearing deposits</b>	<b>4,613,429</b>	<b>2,978</b>	<b>.26</b>	<b>4,630,358</b>	<b>3,625</b>	<b>.31</b>
Federal funds purchased and other borrowings	53,713	316	2.33	67,292	525	3.10
Federal Home Loan Bank advances	227,190	435	.76	32,082	16	.20
Long-term debt	129,865	2,642	8.07	144,601	3,003	8.24
<b>Total borrowed funds</b>	<b>410,768</b>	<b>3,393</b>	<b>3.28</b>	<b>243,975</b>	<b>3,544</b>	<b>5.76</b>
<b>Total interest-bearing liabilities</b>	<b>5,024,197</b>	<b>6,371</b>	<b>.50</b>	<b>4,874,333</b>	<b>7,169</b>	<b>.58</b>
Non-interest-bearing liabilities:						
Non-interest-bearing deposits	1,530,011			1,356,792		
Other liabilities	92,986			93,247		
<b>Total liabilities</b>	<b>6,647,194</b>			<b>6,324,372</b>		
Shareholders' equity	726,409			845,725		
<b>Total liabilities and shareholders' equity</b>	<b>\$ 7,373,603</b>			<b>\$ 7,170,097</b>		
<b>Net interest revenue</b>		<b>\$ 56,967</b>			<b>\$ 54,257</b>	
Net interest-rate spread			<b>3.19%</b>			<b>3.11%</b>
<b>Net interest margin <sup>(4)</sup></b>			<b>3.32%</b>			<b>3.26%</b>

(1) Interest revenue on tax-exempt securities and loans has been increased to reflect comparable interest on taxable securities and loans. The rate used was 39%, reflecting the statutory federal income tax rate and the federal tax adjusted state income tax rate.

(2) Included in the average balance of loans outstanding are loans where the accrual of interest has been discontinued and loans that are held for sale.

(3) Securities available for sale are shown at amortized cost. Pretax unrealized gains of \$7.42 million in 2014 and pretax unrealized losses of \$10.6 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.**
**Average Consolidated Balance Sheets and Net Interest Analysis**

For the Nine Months Ended September 30,

	2014			2013		
	Average Balance	Interest	Avg. Rate	Average Balance	Interest	Avg. Rate
<i>(dollars in thousands, taxable equivalent)</i>						
<b>Assets:</b>						
Interest-earning assets:						
Loans, net of unearned income <sup>(1)(2)</sup>	\$ 4,392,895	\$ 146,156	4.45%	\$ 4,233,531	\$ 152,073	4.80%
Taxable securities <sup>(3)</sup>	2,272,639	35,560	2.09	2,138,725	29,281	1.83
Tax-exempt securities <sup>(1)(3)</sup>	19,515	914	6.24	21,411	1,022	6.36
Federal funds sold and other interest-earning assets	150,782	2,986	2.64	196,445	3,252	2.21
<b>Total interest-earning assets</b>	<b>6,835,831</b>	<b>185,616</b>	<b>3.63</b>	<b>6,590,112</b>	<b>185,628</b>	<b>3.76</b>
Non-interest-earning assets:						
Allowance for loan losses	(76,148)			(100,154)		
Cash and due from banks	65,744			63,879		
Premises and equipment	161,843			168,144		
Other assets <sup>(3)</sup>	404,654			252,275		
<b>Total assets</b>	<b>\$ 7,391,924</b>			<b>\$ 6,974,256</b>		
<b>Liabilities and Shareholders' Equity:</b>						
Interest-bearing liabilities:						
Interest-bearing deposits:						
NOW	\$ 1,367,713	1,216	.12	\$ 1,256,684	1,286	.14
Money market	1,375,064	2,192	.21	1,297,792	1,641	.17
Savings	272,696	61	.03	242,807	109	.06
Time less than \$100,000	828,694	2,822	.46	997,193	4,686	.63
Time greater than \$100,000	561,167	2,610	.62	670,821	4,086	.81
Brokered time deposits	300,374	78	.03	201,599	99	.07
Total interest-bearing deposits	4,705,708	8,979	.26	4,666,896	11,907	.34
Federal funds purchased and other borrowings	91,320	2,064	3.02	70,512	1,563	2.96
Federal Home Loan Bank advances	169,392	573	.45	41,352	65	.21
Long-term debt	129,865	7,914	8.15	131,491	8,331	8.47
Total borrowed funds	390,577	10,551	3.61	243,355	9,959	5.47
<b>Total interest-bearing liabilities</b>	<b>5,096,285</b>	<b>19,530</b>	<b>.51</b>	<b>4,910,251</b>	<b>21,866</b>	<b>.60</b>
Non-interest-bearing liabilities:						
Non-interest-bearing deposits	1,469,967			1,305,133		
Other liabilities	111,522			68,312		
Total liabilities	6,677,774			6,283,696		
Shareholders' equity	714,150			690,560		
<b>Total liabilities and shareholders' equity</b>	<b>\$ 7,391,924</b>			<b>\$ 6,974,256</b>		
<b>Net interest revenue</b>		<b>\$ 166,086</b>			<b>\$ 163,762</b>	
Net interest-rate spread			<u>3.12%</u>			<u>3.16%</u>
<b>Net interest margin <sup>(4)</sup></b>			<u>3.25%</u>			<u>3.32%</u>

(1) Interest revenue on tax-exempt securities and loans has been increased to reflect comparable interest on taxable securities and loans. The rate used was 39%, reflecting the statutory federal income tax rate and the federal tax adjusted state income tax rate.

(2) Included in the average balance of loans outstanding are loans where the accrual of interest has been discontinued and loans that are held for sale.

(3) Securities available for sale are shown at amortized cost. Pretax unrealized gains of \$1.59 million in 2014 and pretax unrealized gains of \$7.96 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.



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Third Quarter 2014 Investor Presentation

## Cautionary Statement

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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

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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.

# Highlights Third Quarter 2014

IMPROVING QUARTERLY RESULTS			
\$ in millions			
	3Q14	2Q14	3Q13
Net Income	\$17.6	\$16.4	\$15.5
EPS	\$.29	\$.27	\$.21
ROA	.95%	.88%	.86%
ROCE	9.41%	8.99%	7.38%

## ➔ Net Interest Revenue of \$57.0 Million vs. \$55.0 Million in 2Q13 and \$54.3 Million in 3Q13

- Loan growth of \$159 million in 3Q14, up \$302 million from 3Q13
- Focus on specialized lending and commercial
- Margin of 3.32% vs. 3.21% in 2Q14 and 3.26% in 3Q13
  - Balance sheet restructured late 2Q14
  - Loan yield of 4.45%, up 1 bps from 2Q14; and, investment securities yield of 2.23%, up 12 bps from 2Q14
  - Core deposit growth of \$90 million in 3Q14

## ➔ Core Fee Revenue of \$14.4 Million

- Up \$.5 million compared to 2Q14
- Gain on sales of SBA loans of \$.95 million vs. \$.74 million in 2Q14
- Mortgage revenue of \$2.2 million, up \$.4 million from 2Q14

## ➔ Operating Efficiency Strengthens

- Efficiency ratio of 57.96%; vs. 58.65% last quarter
- Continued focus on reducing costs and growing revenue

# Highlights Third Quarter 2014

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## ➔ Solid Improvement in Credit Quality

- Provision of \$2.0 million vs. \$3.0 million 3Q13
- Net charge-offs decline to .28% of total loans vs. .42% in 3Q13
- NPAs declined to .29% of total assets vs. .32% in 2Q14 and .42% in 3Q13
- Allowance 1.57% of total loans vs. 1.66% at 2Q14 and 1.88% at 3Q13
- Classified ratio of 24%, up from 23% at 2Q14

## ➔ Balance Sheet

- Loan growth this quarter of \$159 million, or 14% annualized
- C&I up \$96 million
- CRE up \$27 million
- Indirect Auto up \$27 million

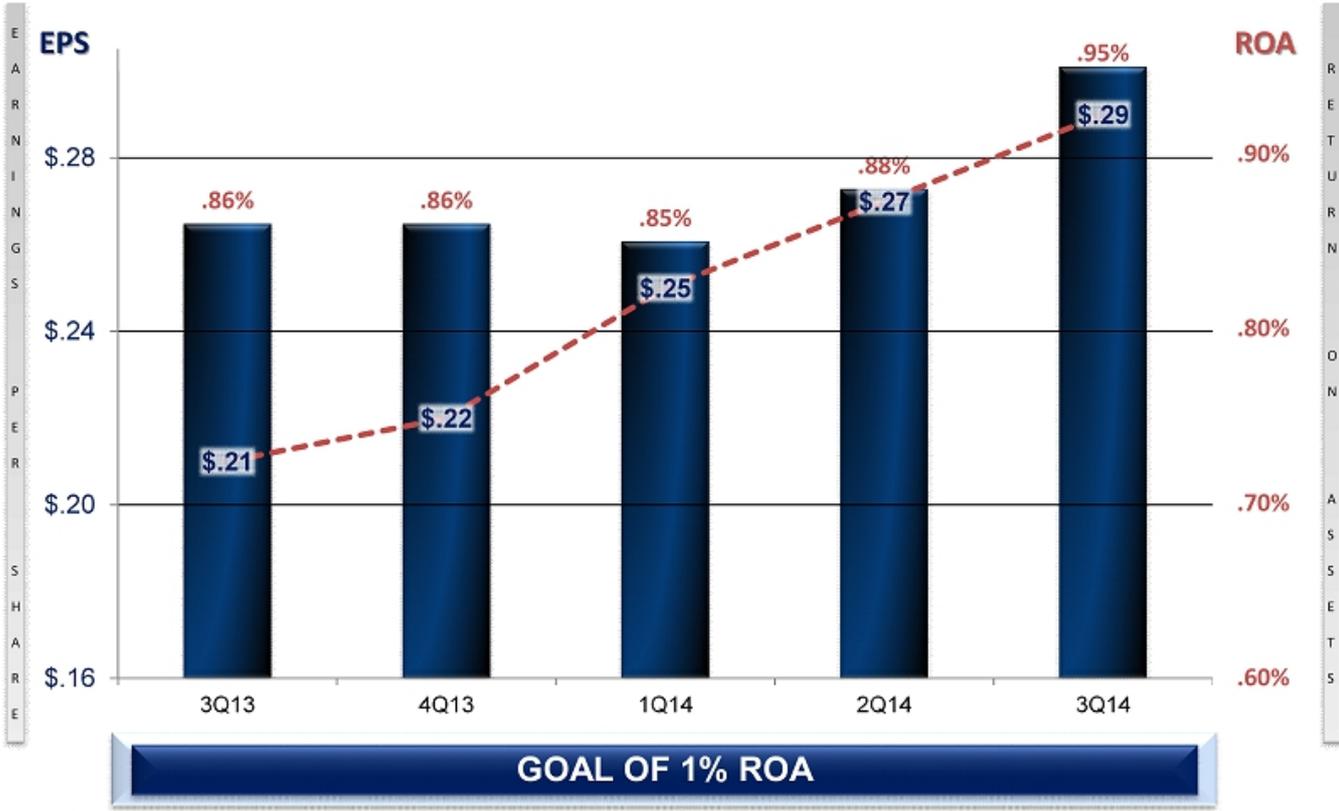
## ➔ Solid Capital Ratios – Increased Dividend to Shareholders

- Approved quarterly dividend of 5 cents (up 2 cents)
- Tier I Common to Risk Weighted Assets of 11.0%; Tangible Common to RWAs of 14.1%
- Tier 1 Risk Based Capital of 12.1% and Tier I Leverage of 8.7%

## ➔ Continued Strong Core Transaction Deposit Growth

- Up \$90 million in the third quarter or 10% annualized
- Up \$299 million from year ago or 9%
- Represents 66% of total customer deposits

# Earnings Per Share / Return on Assets



## LEVERAGE OUR STRENGTHS

- **Community bank service with large bank resources**
- **Strong local leadership and senior management**
- **Funding strength 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
  - Momentum building across footprint
  - Invest in people; strengthen commercial and grow specialized lending area and markets
  - Grow loans in mid-single digits
- **Improve retail and small business bank**
  - Grow sales with better / diversified product design, merchandising and campaign execution
  - Improve our technology with a focus on making it easy for our customers to bank with us
  - Increase core transaction deposits in the mid-single digits
- **Grow net interest revenue by improving pricing discipline on both loans and deposits**
- **Credit trends and costs continue at or below current levels**
- **Grow fee revenue by investing in mortgage, advisory services, and SBA capabilities**
- **Maintain operating efficiency below 60 percent while investing in revenue producers**
- **Seek acquisition opportunities that fit our culture, risk and return targets**

# Core Earnings Trend and Core Fee Revenue



CORE EARNINGS			\$ in thousands		CORE FEE REVENUE		
	3Q14	Variance - Increase / (Decrease)			Variance - Increase / (Decrease)		
		2Q14	3Q13	3Q14	2Q14	3Q13	
Net Interest Revenue	\$ 56,967	\$ 2,017	\$ 2,710	Overdraft Fees	\$ 3,071	\$ (132)	
Fee Revenue	14,419	481	453	Interchange Fees	3,811	(141)	
Gross Revenue	71,386	2,498	3,163	Other Service Charges	1,320	19	
Operating Expense (Excl OREO)	41,097	966	1,772	Total Service Charges and Fees	8,202	(254)	
Pre-Tax, Pre-Credit (Core)	\$ 30,289	\$ 1,532	\$ 1,391	Mortgage Loan & Related Fees	2,178	(376)	
<b>Net Interest Margin</b>	<b>3.32 %</b>	<b>.11 %</b>	<b>.06 %</b>	Brokerage Fees	1,209	(65)	
				Gains from SBA Loan Sales	945	945	
				Other	1,885	203	
				<b>Total Fee Revenue - Core</b>	<b>14,419</b>	<b>481</b>	
				Non-Core <sup>(1)</sup>	(7)	(266)	
				<b>Reported - GAAP</b>	<b>\$ 14,412</b>	<b>\$ 187</b>	



<sup>(1)</sup>Includes securities gains and losses and losses on prepayment of borrowings, gains on bank owned life insurance policies, and gains and losses on deferred compensation plan assets.

# Core Operating Expenses

\$ in thousands

	Variance - Increase / (Decrease)		
	3Q14	2Q14	3Q13
Salaries & Employee Benefits	\$ 25,684	\$ 1,696	\$ 3,172
Communications & Equipment	3,094	57	(211)
Occupancy	3,425	163	46
FDIC Assessment	1,131	(294)	(1,274)
Advertising & Public Relations	894	(245)	(68)
Postage, Printing & Supplies	876	72	232
Professional Fees	2,274	102	(376)
Other Expense	3,719	(585)	251
<b>Core Operating Expenses</b>	<b>41,097</b>	<b>966</b>	<b>1,772</b>
Non-Core <sup>(1)</sup>	267	(134)	(505)
<b>Reported GAAP</b>	<b>\$ 41,364</b>	<b>\$ 832</b>	<b>\$ 1,267</b>
	<b>3Q14</b>	<b>2Q14</b>	<b>3Q13</b>
<b>Efficiency Ratio</b>	<b>57.96 %</b>	<b>(.69) %</b>	<b>(.59) %</b>

# Key Drivers of Net Interest Revenue / Margin

## NET INTEREST REVENUE & MARGIN



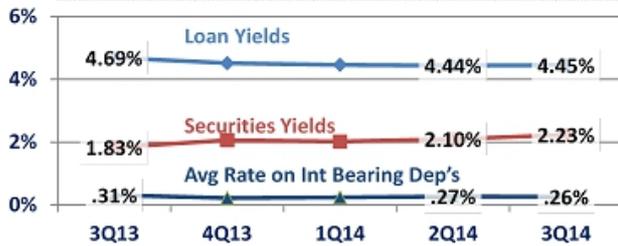
### Net Interest Revenue

3Q growth impacted by:

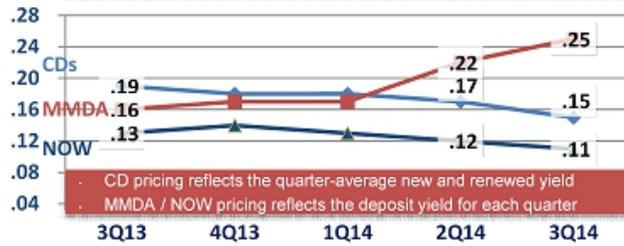
- ➔ Net loan growth
- ➔ Higher securities yield

## KEY DRIVERS OF NIR

### Loan / Securities Pricing



### Deposit Pricing (excl. brokered)



# Net Income

\$ in thousands

Quarterly Net Income \$ in millions	
3Q14	\$17.6
2Q14	\$16.4
1Q14	\$15.4
4Q13	15.9
3Q13	15.5
60.2M Shares Outstanding	

NET OPERATING INCOME			
	3Q14	Variance - Increase / (Decrease)	
		2Q14	3Q13
<b>Core Earnings (Pre-Tax, Pre-Credit)</b>	<b>\$ 30,289</b>	<b>\$ 1,532</b>	<b>\$ 1,391</b>
Provision for Loan Loss	2,000	(200)	(1,000)
<b>NON-CORE FEE REVENUE:</b>			
Securities Gains	11	(4,424)	11
Loss on Prepayment of Borrowings	-	4,446	-
Bank Owned Life Insurance Policy Gain	-	-	(86)
Deferred Compensation Plan Assets Gains (Losses)	(18)	(234)	(191)
<b>Total Non-Core Fee Revenue</b>	<b>(7)</b>	<b>(212)</b>	<b>(266)</b>
<b>NON-CORE OPERATING EXPENSES:</b>			
Foreclosed Property Write Downs	108	(197)	(221)
Foreclosed Property (Gains) Losses on Sales	(264)	159	384
Foreclosed Property Maintenance Expenses	441	221	(72)
Severance Costs	-	(83)	(405)
Gains (Losses) on Deferred Comp Plan Liability	(18)	(234)	(191)
<b>Total Non-Core Operating Expenses</b>	<b>267</b>	<b>(134)</b>	<b>(505)</b>
Income Tax Expense	10,399	395	514
<b>Net Income</b>	<b>\$ 17,616</b>	<b>\$ 1,259</b>	<b>\$ 2,116</b>
Preferred Stock Dividends	-	-	3,059
<b>Net Income Avail to Common Shareholders</b>	<b>\$ 17,616</b>	<b>\$ 1,259</b>	<b>\$ 5,175</b>
<b>Net Income Per Share</b>	<b>\$ .29</b>	<b>\$ .02</b>	<b>\$ .08</b>
<b>Tangible Book Value</b>	<b>\$ 12.10</b>	<b>\$ .19</b>	<b>\$ 1.15</b>
<b>Return on Assets</b>	<b>.95 %</b>	<b>.07 %</b>	<b>.09 %</b>
<b>Return on Common Equity</b>	<b>9.41</b>	<b>.42</b>	<b>2.03</b>

# Customer Deposit Mix & Core Growth

\$ in thousands

## Deposits by % / Customer Mix



\*% of core transaction customer deposits



## Total Deposit Mix

	3Q14	2Q14	3Q13	4Q08
Demand / NOW	\$ 2,159	\$ 2,106	\$ 1,979	\$ 1,457
MMDA / Savings	1,555	1,518	1,437	630
<b>Core Transaction</b>	<b>3,714</b>	<b>3,624</b>	<b>3,416</b>	<b>2,087</b>
Time < \$100,000	770	801	920	1,945
Public Deposits	820	760	734	755
<b>Total Core</b>	<b>5,304</b>	<b>5,185</b>	<b>5,070</b>	<b>4,787</b>
Time >\$100,000	500	521	593	1,336
Public Deposits	32	33	31	87
<b>Total Customer</b>	<b>5,836</b>	<b>5,739</b>	<b>5,694</b>	<b>6,210</b>
Brokered Deposits	405	425	419	793
<b>Total Deposits</b>	<b>\$ 6,241</b>	<b>\$ 6,164</b>	<b>\$ 6,113</b>	<b>\$ 7,003</b>

Significant growth in core transaction deposits since 4Q08

## Core Deposit Growth – Category & Market

CATEGORY	Growth		MARKET	Growth	
	3Q14	YTD		3Q14	YTD
Demand	\$ 40.6	\$ 176.5	Atlanta	\$ 25.4	\$ 106.1
MM Accounts	28.4	49.6	N. Georgia	36.4	87.0
Savings	8.7	36.8	North Carolina	23.6	43.5
NOW	12.5	14.1	Coastal Georgia	5.7	21.5
Total Categories	<u>\$ 90.2</u>	<u>\$ 277.0</u>	Tennessee	(1.4)	2.7
			Gainesville	1.8	14.2
			South Carolina	(1.3)	2.0
			<b>\$ 90.2</b>	<b>\$ 277.0</b>	
Growth (Annualized)	10 %				

# Capital Ratios

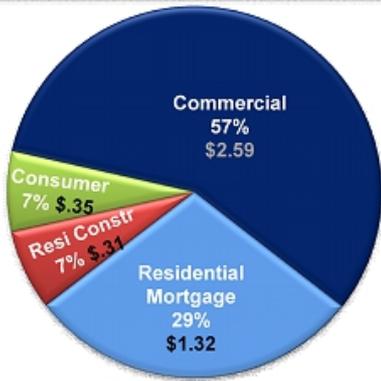
Holding Company	Well-Cap	3Q14	2Q14	1Q14	4Q13	3Q13
Tier I Risk Based Capital ("RBC")	6 %	12.1 %	11.8 %	11.1 %	12.7 %	14.2 %
Total RBC	10	13.3	13.0	12.4	14.0	15.5
Leverage	5	8.7	8.3	8.0	9.1	10.0
Tier 1 Common RBC		11.0	10.7	10.1	9.3	9.0
Tangible Common to Assets		9.8	9.6	9.2	9.0	9.0
Tangible Equity to Assets		9.8	9.6	9.5	11.6	11.8

Bank	Well-Cap	3Q14	2Q14	1Q14	4Q13	3Q13
Tier 1 RBC	6 %	12.6 %	13.4 %	12.6 %	13.5 %	14.5 %
Total RBC	10	13.8	14.6	13.9	14.8	15.7
Leverage	5	9.1	9.4	9.1	9.6	10.2

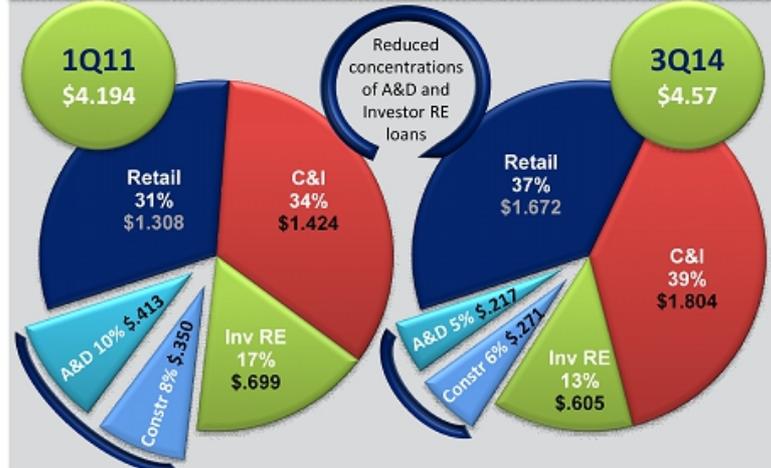
# Loan Portfolio (total \$4.57 billion)

\$ in billions

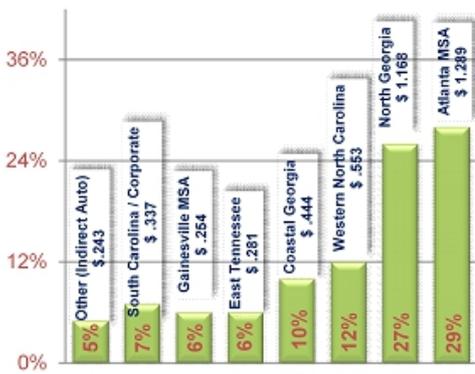
## By Loan Type



## Diversifying Portfolio



## Geographic Diversity



Total Loans	
Period	\$ in Billions
3Q14	\$4.57
2Q14	\$4.410
1Q14	\$4.356
4Q13	\$4.329
3Q13	\$4.267

**Loan Diversification & Type**

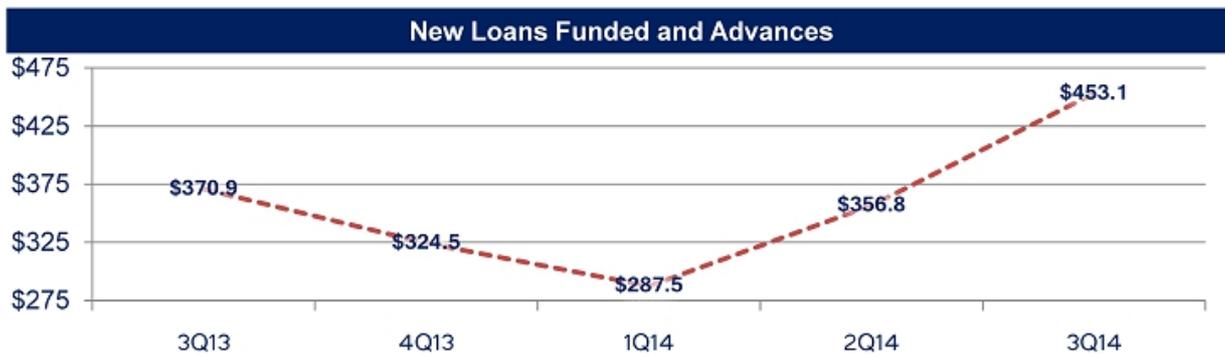
- Reducing land exposure
- Focus on small business, C&I, and specialized lending
- Enhanced retail products

# New Loans Funded and Advances<sup>(1)</sup>

\$ in millions

CATEGORY			
	3Q14	2Q14	3Q13
Commercial C & I	\$ 150.0	\$ 115.4	\$ 64.5
Owner Occupied CRE	48.1	65.6	58.2
Income Producing CRE	62.1	40.8	28.1
Commercial Constr.	3.9	2.7	4.9
<b>Total Commercial</b>	<b>264.1</b>	<b>224.5</b>	<b>155.7</b>
Residential Mortgage	31.6	19.2	49.8
Residential HELOC	43.5	32.9	55.4
Residential Construction	44.8	34.0	32.5
Consumer	69.1	46.2	77.5
<b>Total Categories</b>	<b>\$ 453.1</b>	<b>\$ 356.8</b>	<b>\$ 370.9</b>

MARKET			
	3Q14	2Q14	3Q13
Atlanta	\$ 96.7	\$ 91.0	\$ 116.6
Coastal Georgia	38.4	28.5	40.5
N. Georgia	61.5	69.0	71.5
North Carolina	25.9	21.0	38.4
Tennessee	27.0	16.7	18.9
Gainesville	10.9	10.1	18.6
South Carolina	141.4	88.3	13.5
Other (Indirect Auto)	51.3	32.2	52.9
<b>Total Markets</b>	<b>\$ 453.1</b>	<b>\$ 356.8</b>	<b>\$ 370.9</b>

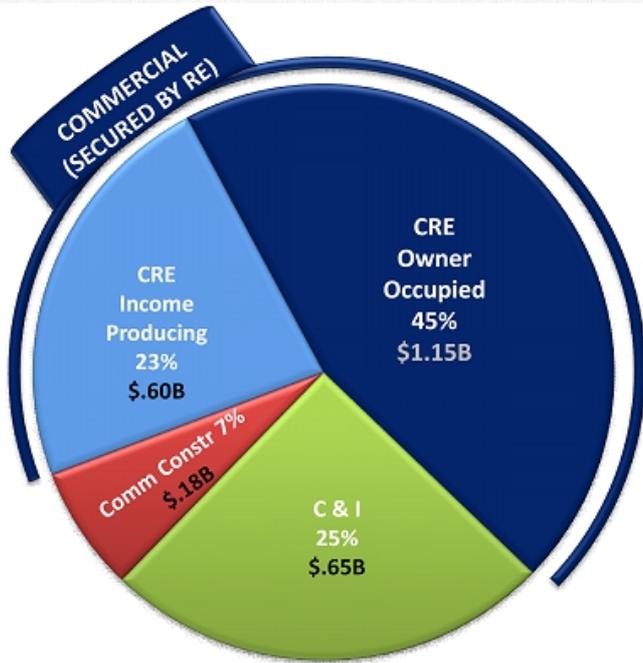


**United** COMMUNITY BANKS, INC. <sup>(1)</sup>Represents new loans funded and net loan advances (net of payments on lines of credit)

# Commercial Loans (total \$2.59 billion)

\$ in billions

## By Loan Type



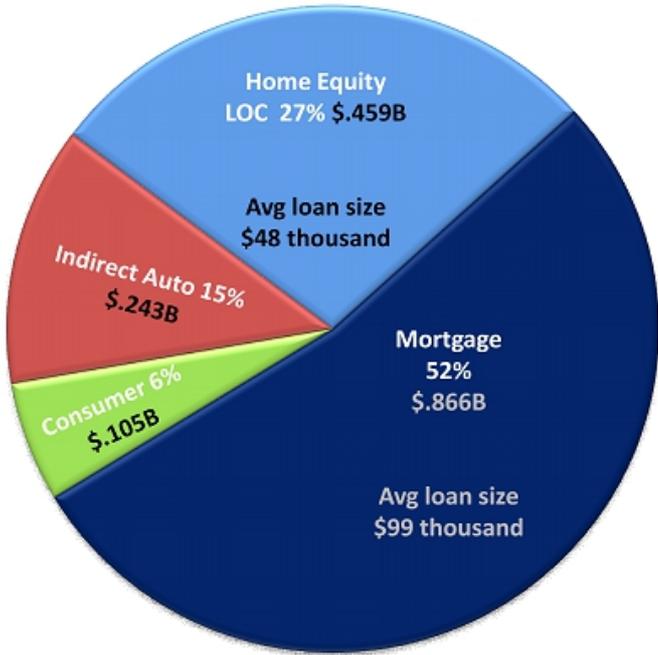
## Geographic Diversity



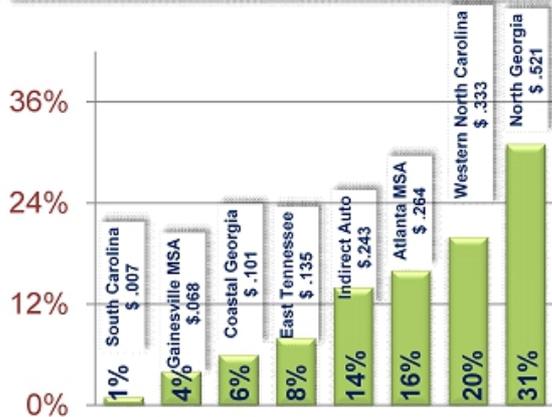
## Average Loan Size

Type	\$ in Thousands
Owner Occup'd	\$423
Income Prod	609
C & I	123
Comm Constr	500

By Loan Type



Geographic Diversity

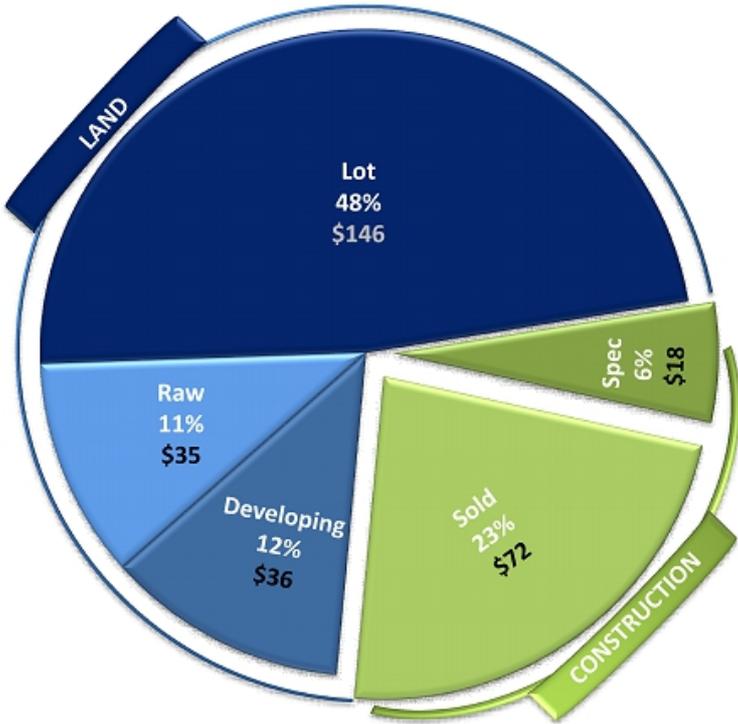


- Success with new portfolio products and HELOCs
- Conservative underwriting
- 62.5% of HE Primary Lien

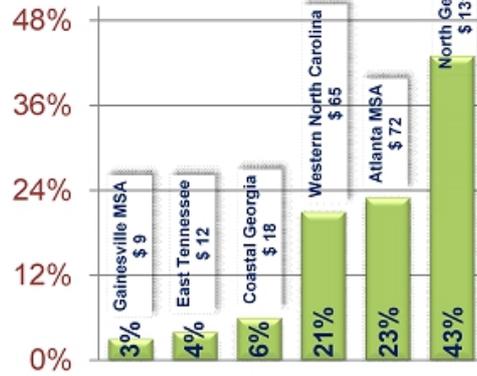
# Residential Construction (total \$307 million)

\$ in millions

## By Loan Type



## Geographic Diversity



	3Q14	2Q14	1Q14	4Q13	3Q13	3Q14 vs. 3Q13
<b>TOTAL COMPANY</b>						
<b>Land Loans</b>						
Developing	\$ 36	\$ 34	\$ 37	\$ 39	\$ 40	\$ (4)
Raw	35	36	37	38	35	-
Lot	146	151	159	166	167	(21)
Total	217	221	233	243	242	(25)
<b>Construction Loans</b>						
Spec	18	19	19	23	30	(12)
Sold	72	62	66	62	46	26
Total	90	81	85	85	76	14
<b>Total</b>	<b>\$ 307</b>	<b>\$ 302</b>	<b>\$ 318</b>	<b>\$ 328</b>	<b>\$ 318</b>	<b>\$ (11)</b>

# Credit Quality

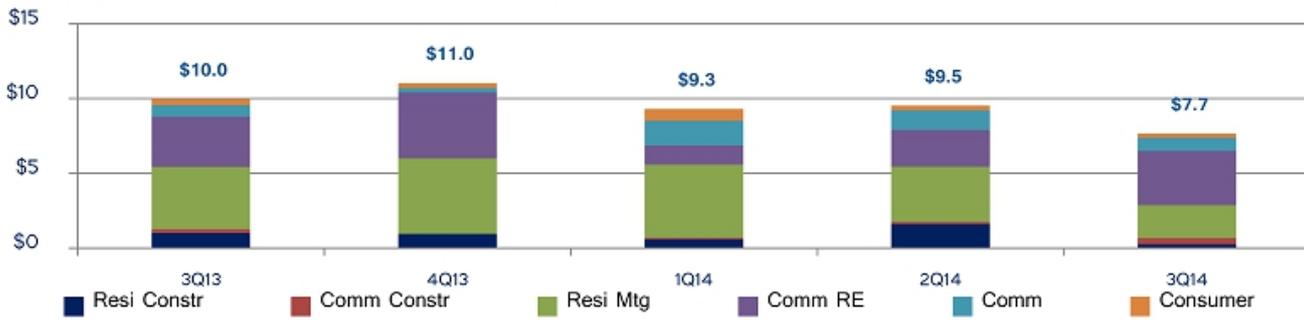
\$ in millions

	3Q14	2Q14	1Q14	4Q13	3Q13
<b>Net Charge-offs</b>	\$ 3.2	\$ 4.2	\$ 4.0	\$ 4.4	\$ 4.5
as % of Average Loans	.28 %	.38 %	.38 %	.41 %	.42 %
<b>Allowance for Loan Losses</b>	\$ 71.9	\$ 73.2	\$ 75.2	\$ 76.8	\$ 80.4
as % of Total Loans	1.57 %	1.66 %	1.73 %	1.77 %	1.88 %
as % of NPLs	384	353	299	286	308
<b>Past Due Loans (30 - 89 Days)</b>	.35 %	.32 %	.40 %	.58 %	.45 %
<b>Non-Performing Loans</b>	\$ 18.7	\$ 20.7	\$ 25.2	\$ 26.8	\$ 26.1
OREO	3.2	3.0	5.6	4.2	4.5
Total NPAs	21.9	23.7	30.8	31.0	30.6
<b>Performing Classified Loans</b>	149.0	147.5	164.9	172.7	173.6
<b>Total Classified Assets</b>	\$ 170.9	\$ 171.2	\$ 195.7	\$ 203.7	\$ 204.2
as % of Tier 1 / Allowance	24 %	23 %	27 %	27 %	26 %
<b>Accruing TDRs (see page 27)</b>	\$ 82.2	\$ 84.5	\$ 77.9	\$ 78.7	\$ 79.8
<b>As % of Original Principal Balance</b>					
Non-Performing Loans	68.6 %	66.5 %	65.8 %	65.3 %	61.6 %
OREO	54.5	50.4	53.9	44.5	41.5
<b>Total NPAs</b>					
as % of Total Assets	.29	.32	.42	.42	.42
as % of Loans & OREO	.48	.54	.71	.72	.72

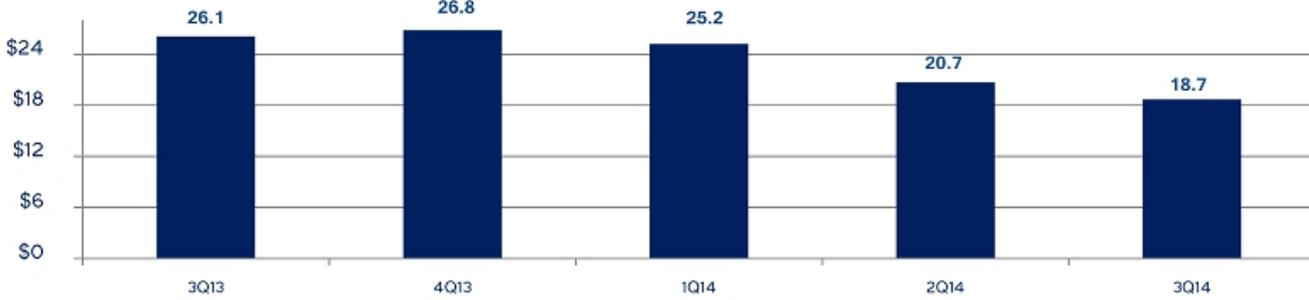
# Non-Performing Loans (NPLs) Inflow Trends

\$ in millions

## Quarterly NPL Inflows



## Total NPLs



# Performing Classified Loans

\$ in millions



By Category					
	3Q13	4Q13	1Q14	2Q14	3Q14
Commercial:					
Commercial & Industrial	\$ 10	\$ 9	\$ 8	\$ 6	\$ 7
Owner Occupied	40	43	48	48	50
Total C & I	50	52	56	54	57
Income Producing CRE	36	34	37	25	22
Commercial Construction	17	17	5	4	4
<b>Total Commercial</b>	<b>103</b>	<b>104</b>	<b>98</b>	<b>83</b>	<b>83</b>
Residential Mortgage	45	44	43	42	43
Home Equity Lines of Credit	8	8	8	7	8
Residential Construction	16	14	13	13	12
Consumer / Installment	2	3	2	2	3
<b>Total Performing Classified</b>	<b>\$ 174</b>	<b>\$ 173</b>	<b>\$ 164</b>	<b>\$ 147</b>	<b>\$ 149</b>
Classified to Tier 1 + ALL	26 %	27 %	27 %	23 %	24 %

LOAN TYPE	Accruing		Non-Accruing		Total TDRs	
	3Q14 <sup>(1)</sup>	3Q13	3Q14	3Q13	3Q14	3Q13
Commercial (Sec by RE)	\$42,820	\$40,733	\$ 2,532	\$ 2,431	\$45,352	\$43,164
Commercial & Industrial	2,927	2,854	13	65	2,941	2,919
Commercial Construction	11,065	12,824	19	-	11,084	12,824
Total Commercial	56,812	56,411	2,564	2,496	59,377	58,907
Residential Mortgage	16,848	15,553	2,040	2,376	18,887	17,929
Residential Construction	8,288	7,738	1,796	2,553	10,084	10,291
Consumer Installment	211	144	34	59	245	203
Total	<u>\$82,159</u>	<u>\$79,846</u>	<u>\$ 6,434</u>	<u>\$ 7,484</u>	<u>\$88,593</u>	<u>\$87,330</u>



# Net Charge-offs by Category & Market

\$ in thousands

## NET CHARGE-OFFS BY CATEGORY

	3Q14		% of Average Loans (Annualized)			
	Total	% of Avg Loans	2Q14	1Q14	4Q13	3Q13
Commercial (Sec. by RE):						
Owner Occupied	\$ 746	.26 %	(.64) %	.10 %	.57 %	.58 %
Income Producing	104	.07	.29	.13	.21	.14
Total Comm (Sec. by RE)	850	.19	(.32)	.11	.44	.49
Commercial & Industrial	(341)	(.23)	.52	.35	(.13)	.12
Commercial Construction	103	.24	.34	-	(.02)	.39
Total Commercial	612	.10	(.10)	.15	.30	.36
Residential Mortgage	1,116	.52	1.17	.70	.64	.31
Home Equity LOC	356	.31	.42	.93	.38	.37
Residential Construction	712	.94	2.13	.27	.40	1.31
Consumer/ Installment	359	.43	.18	.54	.62	.28
<b>Total Net Charge-offs</b>	<b>\$ 3,155</b>	<b>.28</b>	<b>.38</b>	<b>.38</b>	<b>.41</b>	<b>.42</b>

## NET CHARGE-OFFS BY MARKET

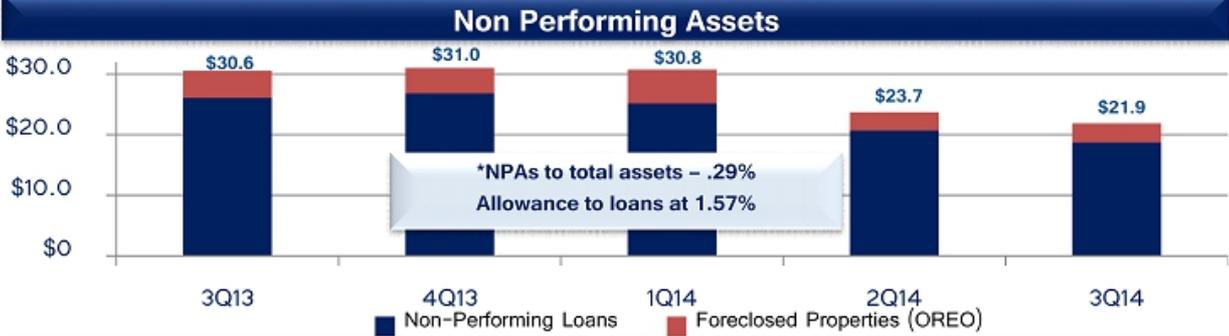
North Georgia	\$ 1,861	.63 %	(.25) %	.42 %	.51 %	.66 %
Atlanta MSA	(250)	(.08)	.46	.39	.20	.33
North Carolina	656	.47	1.55	.41	.76	.49
Coastal Georgia	228	.21	.11	.49	.33	.14
Gainesville MSA	259	.40	1.23	.22	.54	.15
East Tennessee	230	.33	.42	.35	.46	.51
South Carolina / Corporate	5	.01	-	-	-	-
Other (Indirect Auto)	166	.31	.14	.14	.20	.17

# NPA's by Loan Category & Market

\$ in thousands

3Q14			
LOAN CATEGORY	NPLs	OREO	Total NPAs
<b>Commercial (sec. by RE):</b>			
Owner Occupied	\$ 2,156	\$ 1,024	\$ 3,180
Income Producing	1,742	42	1,784
Commercial & Industrial	1,593	-	1,593
Commercial Construction	148	-	148
<b>Total Commercial</b>	<b>5,639</b>	<b>1,066</b>	<b>6,705</b>
Residential Mortgage	8,350	1,769	10,119
HELOC	720	90	810
Residential Construction	3,543	221	3,764
Consumer/ Installment	493	-	493
<b>Total</b>	<b>\$ 18,745</b>	<b>\$ 3,146</b>	<b>\$ 21,891</b>
<b>MARKET</b>			
Gainesville	\$ 1,403	\$ 85	\$ 1,488
Coastal Georgia	781	160	941
East Tennessee	1,227	245	1,472
North Carolina	4,919	398	5,317
Atlanta MSA	1,724	364	2,088
North Georgia	7,392	1,717	9,109
South Carolina	945	177	1,122
Indirect Auto	354	-	354

3Q13			
LOAN CATEGORY	NPLs	OREO	Total NPAs
<b>Commercial (sec. by RE):</b>			
Owner Occupied	\$ 6,358	\$ 591	\$ 6,949
Income Producing	1,657	139	1,796
Commercial & Industrial	609	376	985
Commercial Construction	343	-	343
<b>Total Commercial</b>	<b>8,967</b>	<b>1,106</b>	<b>10,073</b>
Residential Mortgage	11,335	1,679	13,014
HELOC	1,169	475	1,644
Residential Construction	4,097	1,207	5,304
Consumer/ Installment	520	-	520
<b>Total</b>	<b>\$ 26,088</b>	<b>\$ 4,467</b>	<b>\$ 30,555</b>
<b>MARKET</b>			
Gainesville	\$ 1,036	\$ -	\$ 1,036
Coastal Georgia	995	928	1,923
East Tennessee	1,629	25	1,654
North Carolina	5,660	762	6,422
Atlanta MSA	3,096	1,026	4,122
North Georgia	13,652	1,726	15,378





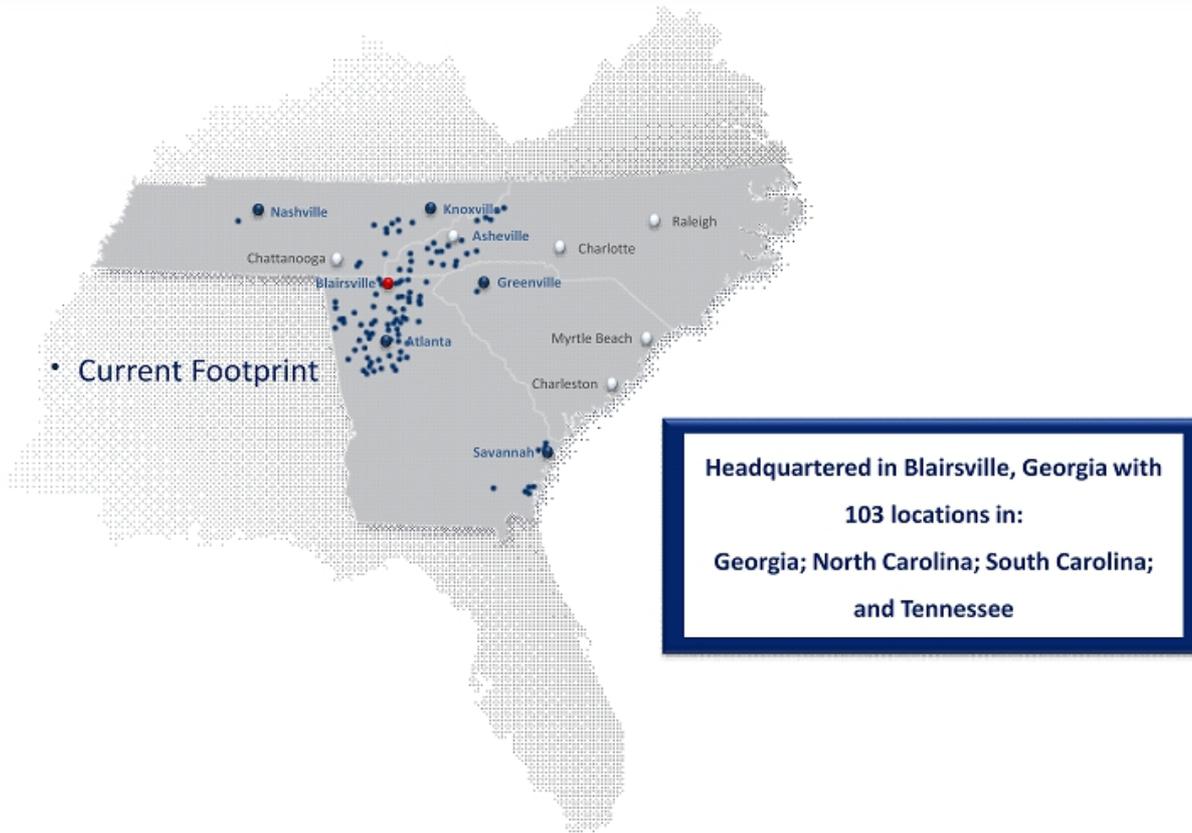
United

COMMUNITY BANKS, INC.®

APPENDIX

# Footprint

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➔ Founded in 1950

➔ Third-largest bank holding company headquartered in Georgia with 1,515 employees

Deposit Market Share <sup>(1)</sup>			
Market	Offices	Deposit Market Share	Rank
North Georgia	22	35%	1
Atlanta	36	4	6
Gainesville	5	12	4
Coastal Georgia	8	5	7
W. North Carolina	19	8	3
E. Tennessee	8	2	8
Greenville, SC	1	1	25

Key Statistics as of 9/30/14 (in billions)		
Assets	Deposits	Loans
\$7.53	\$6.24	\$4.57

# Business and Operating Model

## ➔ Service is Point of Differentiation

- #1 in Customer Satisfaction according to Customer Service Profiles
- #1 in Southeast and #2 in US in Customer Satisfaction by national research company
- Golden rule of banking – treating people the way we want to be treated
- “The Bank that SERVICE Built<sup>SM</sup>”
- 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 \$7.53 billion bank	Operates in a number of the more demographically attractive U.S. markets	Organic growth supported by de novos and selective acquisitions

# Experienced Proven Leadership

- Over 40 years in banking
- Led company from \$42 million in assets in 1989 to \$7.5 billion today
- Trustee of Young Harris College
- Georgia Power Company Board Member
- GA Economic Developers Association Spirit of Georgia Award recipient

**Jimmy C. Tallent**  
President & CEO  
Joined 1984



- 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

**H. Lynn Harton**  
Chief Operating Officer  
Joined 2012



- 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

**Rex S. Schuette**  
EVP & CFO  
Joined 2001



- 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

**David P. Shearrow**  
EVP & CRO  
Joined 2007



- Over 36 years in banking
- Responsible for 28 community banks with 103 branch offices
- Formerly of Riegel Textile Credit Union; President of Farmers and Merchants Bank
- Former Georgia Board of Natural Resources Board Chairman

**Bill M. Gilbert**  
President of Community Banking  
Joined 2000



# Market Share Opportunities & Demographics

EXCELLENT GROWTH OPPORTUNITIES						
Markets	Market Deposits	Deposits	Banks	Offices <sup>(2)</sup>	Deposit Share <sup>(1)</sup>	Rank <sup>(1)</sup>
	(in billions) <sup>(1)</sup>	(in billions) <sup>(2,3)</sup>				
North Georgia	\$ 6.3	\$ 2.2	11	22	35 %	1
Western North Carolina	11.3	.9	1	19	8	3
Gainesville, Georgia	2.8	.3	1	5	12	4
Atlanta, Georgia	56.3	2.2	10	36	4	6
Coastal Georgia	7.1	.3	2	8	5	7
East Tennessee	15.7	.3	2	8	2	8
Greenville, SC	9.4	-	1	1	1	25
<b>Total Markets</b>	<b>\$ 108.9</b>	<b>\$ 6.2</b>	<b>28</b>	<b>99</b>		

<sup>1</sup> FDIC deposit market share and rank as of 6/14 for markets where United takes deposits. Data Source: FDIC.  
<sup>2</sup> Based on current quarter.  
<sup>3</sup> Excludes five loan production offices

FAST GROWING MARKETS			
Markets <sup>1</sup>	Population (in thousands)	Population Growth (%)	
		Actual 2010 - 2014	Projected 2014 - 2019
Atlanta, GA MSA	5,574	5 %	3 %
East Tennessee	877	3	3
Greenville-Mauldin-Easley, SC MS.	856	4	4
Western North Carolina	443	2	5
Coastal Georgia	401	5	4
North Georgia	385	-	3
Gainesville, GA MSA	189	5	2
<b>Total Markets</b>			
Georgia	10,072	4	3
North Carolina	10,358	4	5
Tennessee	6,532	3	4
South Carolina	4,792	4	5
United States	317,199	3	3

<sup>1</sup> Population data is for 2014 and includes those markets where United takes deposits.

# Liquidity

\$ in millions

	Unused Capacity	3Q14	2Q14	3Q13	Variance	
					vs 2Q14	vs 3Q13
<b>Wholesale Borrowings</b>						
Brokered Deposits	\$ 313 <sup>(1)</sup>	\$ 405	\$ 424	\$ 419	\$ (19)	\$ (14)
FHLB	516	330	175	-	155	330
Holding Company LOC	50	-	40	-	(40)	-
Fed Funds	350	-	25	-	(25)	-
Other Wholesale	-	6	11	54	(5)	(48)
<b>Total</b>	<b>\$ 1,229</b>	<b>\$ 741</b>	<b>\$ 675</b>	<b>\$ 473</b>	<b>\$ 66</b>	<b>\$ 268</b>
<b>Long-Term Debt</b>						
Senior Debt		\$ 75	\$ 75	\$ 75	\$ -	\$ -
Sub-Debt		-	-	-	-	-
Trust Preferred Securities		55	55	55	-	-
<b>Total Long-Term Debt</b>		<b>\$ 130</b>	<b>\$ 130</b>	<b>\$ 130</b>	<b>\$ -</b>	<b>\$ -</b>

## WHOLESALE BORROWINGS

## LOANS / DEPOSITS

	3Q14	2Q14	3Q13	Variance	
				vs 2Q14	vs 3Q13
Loans	\$ 4,569	\$ 4,410	\$ 4,267	\$ 159	\$ 302
Core (DDA, MMDA, Savings)	\$ 3,714	\$ 3,624	\$ 3,416	\$ 90	\$ 298
Public Funds	852	793	785	59	87
CD's	1,269	1,322	1,513	(53)	(244)
<b>Total Deposits (excl Brokered)</b>	<b>\$ 5,835</b>	<b>\$ 5,739</b>	<b>\$ 5,694</b>	<b>\$ 96</b>	<b>\$ 141</b>
<b>Loan to Deposit Ratio</b>	<b>78%</b>	<b>77%</b>	<b>75%</b>		
<b>Investment Securities:</b>					
Available for Sale -Fixed	\$ 1,115	\$ 1,076	\$ 1,138	\$ 39	\$ (23)
-Floating	674	665	825	9	(151)
Held to Maturity -Fixed	428	443	197	(15)	231
-Floating	5	6	9	(1)	(4)
<b>Total Investment Securities</b>	<b>2,222</b>	<b>2,190</b>	<b>2,169</b>	<b>32</b>	<b>53</b>
<b>Floating as % of Total Securities</b>	<b>31%</b>	<b>31%</b>	<b>18%</b>		

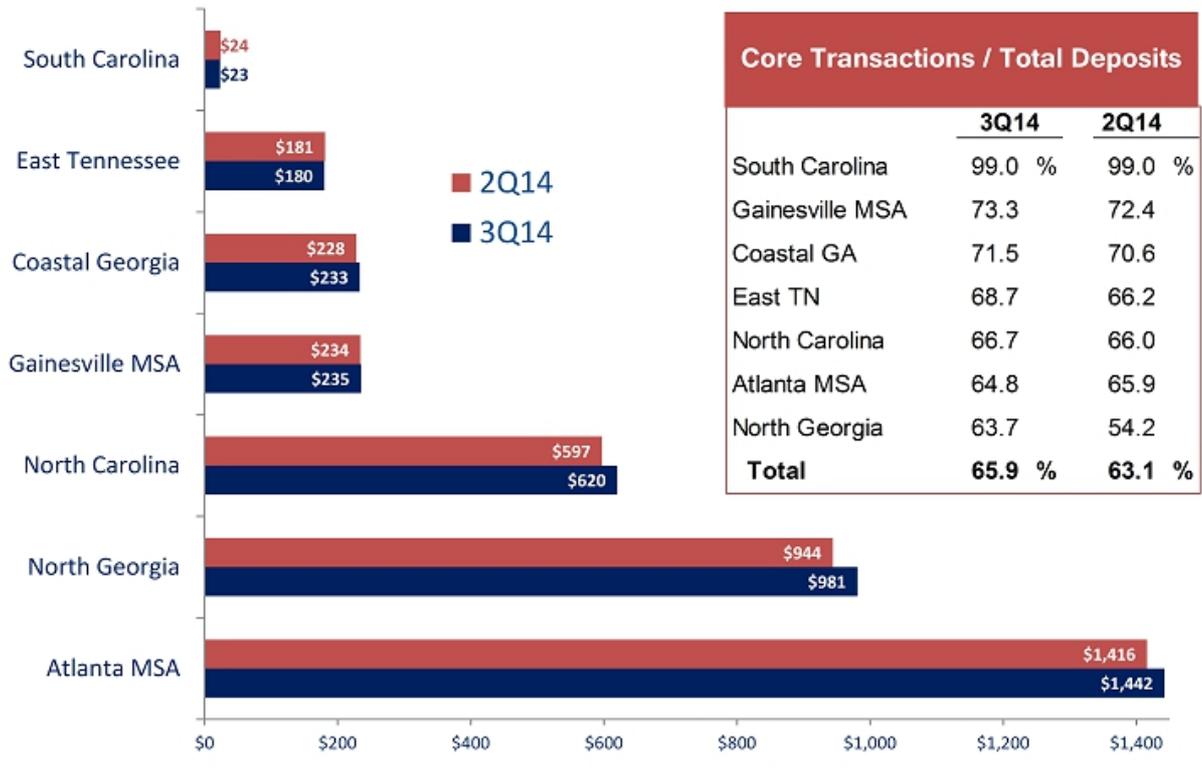
## Business Mix – Deposits *(at quarter-end)*

\$ in millions

<b>DEPOSITS BY CATEGORY</b>	<b>3Q14</b>	<b>2Q14</b>	<b>1Q14</b>	<b>4Q13</b>	<b>3Q13</b>	<b>3Q14 vs. 3Q13</b>
Demand & Now	\$ 2,159	\$ 2,106	\$ 2,073	\$ 1,969	\$ 1,979	\$ 180
MMDA & Savings	1,555	1,518	1,499	1,468	1,437	118
<b>Core Transaction Deposits</b>	<b>3,714</b>	<b>3,624</b>	<b>3,572</b>	<b>3,437</b>	<b>3,416</b>	<b>298</b>
Time < \$100,000	770	801	828	888	920	(150)
Time ≥ \$100,000 < \$250,000	408	411	427	443	473	(65)
Public Deposits	820	760	804	863	734	86
<b>Total Core Deposits</b>	<b>5,712</b>	<b>5,596</b>	<b>5,631</b>	<b>5,631</b>	<b>5,543</b>	<b>169</b>
Time ≥ \$250,000	92	110	112	114	120	(28)
Public Deposits	32	33	34	32	31	1
<b>Total Customer Deposits</b>	<b>5,836</b>	<b>5,739</b>	<b>5,777</b>	<b>5,777</b>	<b>5,694</b>	<b>142</b>
Brokered Deposits	405	425	471	425	419	(14)
<b>Total Deposits</b>	<b>\$ 6,241</b>	<b>\$ 6,164</b>	<b>\$ 6,248</b>	<b>\$ 6,202</b>	<b>\$ 6,113</b>	<b>\$ 128</b>

# Core Transaction Deposits

\$ in millions

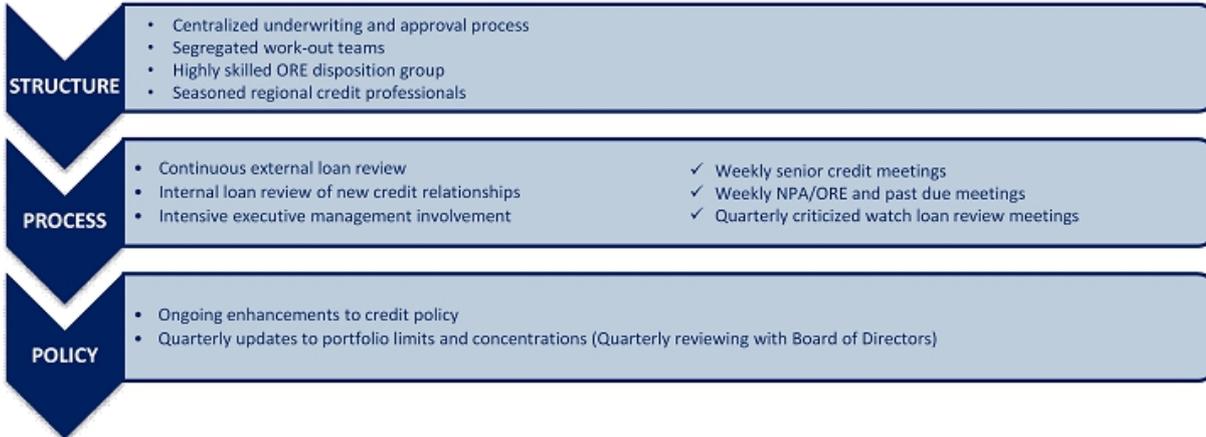




## Regional Credit Review – Standard Underwriting

- Legal Lending Limit           \$   197
- House Lending Limit           25
- Project Lending Limit         15
- Top 25 Relationships           385

### PROACTIVELY ADDRESSING CREDIT ENVIRONMENT



# Commercial Construction & Real Estate

\$ in millions

COMMERCIAL CONSTRUCTION				COMMERCIAL REAL ESTATE				
	30-Sep-14			Owner Occupied	Income Producing	30-Sep-14		
	Amount	Percent				Total	Percent	
Land Develop - Vacant (Improved)	\$ 51	28 %		\$ 315	\$ 148	\$ 463	26.3 %	
Raw Land - Vacant (Unimproved)	24	13		96	152	248	14.1	
Multi-Residential	41	23		116	60	176	10.0	
Commercial Land Development	14	8		136	-	136	7.7	
Office Buildings	12	7		123	38	161	9.2	
Other Properties	15	8		95	17	112	6.3	
Churches	7	4		-	65	65	3.7	
Hotels / Motels	12	7		34	26	60	3.4	
Mfg Facility	-	-		51	12	63	3.6	
Retail Building	3	2		50	-	50	2.9	
Warehouse	2	1		-	52	52	3.0	
<b>Total Commercial Construction</b>	<b>\$ 181</b>			16	14	30	1.7	
				24	-	24	1.4	
				18	4	22	1.2	
				18	5	23	1.3	
				11	7	18	1.0	
				14	1	15	.9	
				16	-	16	.9	
				11	-	11	.6	
				6	-	6	.3	
				-	5	5	.3	
				5	-	5	.3	
				-	-	-	-	
				<b>\$ 1,154</b>	<b>\$ 605</b>	<b>\$ 1,759</b>		

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

- Commercial Construction \$500
- Commercial RE:
  - Composite CRE 460
  - Owner Occupied 423
  - Income Producing 609

 **Commercial RE Characteristics**

- 65.5% owner occupied
- Small business, doctors, dentists, attorneys, CPAs
- \$15 million project limit

# Loans by Business Mix and Region

\$ in millions

	3Q14	2Q14	1Q14	4Q13	3Q13	3Q14 vs. 3Q13
<b>QUARTERLY LOANS - BUSINESS MIX BY CATEGORY</b>						
Commercial:						
Comm & Indus	\$ 650	\$ 554	\$ 495	\$ 472	\$ 457	\$ 193
Owner Occ'd	1,154	1,163	1,142	1,134	1,129	25
Total C & I	1,804	1,717	1,637	1,606	1,586	218
Income Prod CRE	605	598	624	623	614	(9)
Comm Constr	181	160	148	149	137	44
Total Comm	2,590	2,475	2,409	2,378	2,337	253
Resi Mortgage	1,324	1,312	1,313	1,316	1,309	15
Resi Constr	307	302	318	328	318	(11)
Consum / Install	348	321	316	307	303	45
Total Loans	\$ 4,569	\$ 4,410	\$ 4,356	\$ 4,329	\$ 4,267	\$ 302

	2013	2012	2011	2010	2009
<b>ANNUAL LOANS - BUSINESS MIX BY CATEGORY</b>					
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

	3Q14	2Q14	1Q14	4Q13	3Q13	3Q14 vs. 3Q13
<b>QUARTERLY LOANS - BY REGION</b>						
North Georgia	\$ 1,168	\$ 1,175	\$ 1,205	\$ 1,240	\$ 1,262	\$ (94)
Atlanta MSA	1,289	1,305	1,290	1,275	1,246	43
North Carolina	553	555	563	572	575	(22)
Coastal Georgia	444	426	425	423	421	23
Gainesville MSA	254	257	262	255	253	1
East Tennessee	281	270	272	280	277	4
South Carolina	337	206	131	88	47	290
Other (Ind. Auto)	243	216	208	196	186	57
Total Loans	\$ 4,569	\$ 4,410	\$ 4,356	\$ 4,329	\$ 4,267	\$ 302

	2013	2012	2011	2010	2009
<b>ANNUAL LOANS - BY REGION</b>					
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

	3Q14	2Q14	1Q14	4Q13	3Q13
<b>CORE FEE REVENUE</b>					
Core fee revenue	\$ 14,419	\$ 13,938	\$ 11,930	\$ 13,219	\$ 13,966
Securities gains, net	11	4,435	217	70	-
Losses on prepayment of borrowings	-	(4,446)	-	-	-
BOLI death benefit gain	-	-	-	-	86
Mark to market on deferred compensation plan assets	(18)	216	29	230	173
<b>Fee revenue (GAAP)</b>	<b>\$ 14,412</b>	<b>\$ 14,143</b>	<b>\$ 12,176</b>	<b>\$ 13,519</b>	<b>\$ 14,225</b>
<b>CORE OPERATING EXPENSE</b>					
Core operating expense	\$ 41,097	\$ 40,131	\$ 38,749	\$ 41,193	\$ 39,325
Foreclosed property expense	285	102	116	191	194
Severance	-	83	156	-	405
Mark to market on deferred compensation plan liability	(18)	216	29	230	173
<b>Operating expense (GAAP)</b>	<b>\$ 41,364</b>	<b>\$ 40,532</b>	<b>\$ 39,050</b>	<b>\$ 41,614</b>	<b>\$ 40,097</b>
<b>TANGIBLE COMMON EQUITY AND TANGIBLE EQUITY TO TANGIBLE ASSETS</b>					
Tangible common equity to tangible assets	9.83 %	9.58 %	9.22 %	8.99 %	9.02 %
Effect of preferred equity	-	-	.28	2.60	2.74
Tangible equity to tangible assets	9.83	9.58	9.50	11.59	11.76
Effect of goodwill and other intangibles	.02	.03	.02	.03	.04
Equity to assets (GAAP)	9.85 %	9.61 %	9.52 %	11.62 %	11.80 %
<b>TANGIBLE COMMON EQUITY TO RISK-WEIGHTED ASSETS</b>					
Tangible common equity to risk-weighted assets	14.10 %	13.92 %	13.63 %	13.18 %	13.34 %
Effect of preferred equity	-	-	-	2.39	4.01
Tangible equity to risk weighted assets	14.10	13.92	13.63	15.57	17.35
Effect of deferred tax limitation	(3.39)	(3.74)	(3.92)	(4.26)	(4.72)
Effect of other comprehensive income	.34	.53	.36	.39	.49
Effect of trust preferred	1.02	1.04	1.03	1.04	1.09
Tier I capital ratio (Regulatory)	12.07 %	11.75 %	11.10 %	12.74 %	14.21 %