

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 20, 2020

**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. 58-1807304  
(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))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common stock, par value \$1 per share	UCBI	Nasdaq Global Select Market
Depository shares, each representing 1/1,000 <sup>th</sup> interest in a share of Series I Non-Cumulative Preferred Stock	UCBIO	Nasdaq Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter)

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

- Item 2.02 Results of Operations and Financial Condition.**  
On October 20, 2020, United Community Banks, Inc. (“United”) issued a press release announcing financial results for the third quarter of 2020. The press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K.
- Item 7.01 Regulation FD Disclosure.**  
On October 21, 2020, United will hold an earnings conference call and webcast at 11:00 a.m. (Eastern Time) to discuss financial results for the third quarter of 2020. The press release referenced above in Item 2.02 contains information about how to access the conference call and webcast. A copy of the slide presentation to be used during the earnings call and webcast is furnished as Exhibit 99.2 to this Current Report on Form 8-K. The slide presentation also will be available on our website, [www.ucbi.com](http://www.ucbi.com), under the “Investor Relations – Events and Presentations” section.
- Item 9.01 Financial Statements and Exhibits.**
- (d) Exhibits** The following exhibit index lists the exhibits that are either filed or furnished with the Current Report on Form 8-K.
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## EXHIBIT INDEX

<b>Exhibit No.</b>	<b>Description</b>
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<a href="#">99.1</a>	<a href="#">United Community Banks, Inc. Press Release, dated October 20, 2020.</a>
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<a href="#">99.2</a>	<a href="#">Slide Presentation.</a>
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104	The cover page from this Current Report on Form 8-K, formatted in Inline XBRL.
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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/ Jefferson L. Harralson  
Jefferson L. Harralson  
Executive Vice President and  
Chief Financial Officer

Date: October 20, 2020

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**For Immediate Release**

**For more information:**

Jefferson Harralson  
Chief Financial Officer  
(864) 240-6208  
[Jefferson\\_Harralson@ucbi.com](mailto:Jefferson_Harralson@ucbi.com)

**United Community Banks, Inc. Reports Third Quarter Results  
*Strong Financial Performance and Continued Business Expansion***

GREENVILLE, SC – October 20, 2020 - United Community Banks, Inc. (NASDAQ: UCBI) (United) today reported third quarter financial results, including solid year-over-year loan and deposit growth and record operating efficiency. United delivered net income of \$47.6 million and pre-tax pre-provision income of \$81.2 million. Diluted earnings per share of \$0.52 for the quarter represented a decrease of \$0.08 or 13%, from a year ago. This decline is largely due to an increase in credit loss provisioning associated with loan growth and the acquisition of Seaside National Bank & Trust (Seaside) along with net interest margin declines largely driven by declines in market interest rates. Compared to the second quarter, diluted earnings per share were up by \$0.20 or 63%. Excluding merger-related and other charges, diluted operating earnings per share were \$0.55, also down 13% from last year, but up \$0.23 per share or 72% compared to second quarter. United's GAAP return on assets (ROA) was 1.07% and its return on common equity was 10.1% for the quarter. On an operating basis, United's ROA was 1.14% and its return on tangible common equity was 13.5%. On a pre-tax, pre-provision basis, and excluding merger-related and other charges, ROA was 1.93%.

Chairman and CEO Lynn Harton stated, "While the future economic and operating environment remains uncertain, I am pleased with the financial strength and resilience of the company and the dedication of our employees who consistently provide outstanding customer service. Our markets continue to recover from the economic effects of the pandemic and I am pleased to report that loan payment deferrals have declined from a peak of \$1.9 billion, or 15.9% of the total loan portfolio at June 30, 2020 to \$365 million, or 3.1% of the total loan portfolio at September 30, 2020."

Harton continued, "Our acquisition of Seaside, which closed on July 1st, positions us well in attractive Florida markets and we are pleased with the talent of the Seaside team and the deep relationships they have built with their clients. We plan to pilot Seaside's high net worth offering of asset management and trust services in select markets of United's footprint in the late fourth quarter. Additionally, we have made solid progress on the business integration and are already moving forward with additional products, including mortgage, middle market, commercial real estate, SBA, asset-based and non-profit lending, to compliment Seaside's product offerings. We are proud to welcome Seaside to the United team."

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Total loans increased by \$1.7 billion during the quarter—primarily driven by the acquisition of Seaside. Excluding the effects of the acquisition, core organic loan growth was 8% annualized. Core transaction deposits grew by \$1.7 billion during the quarter, with \$1.3 billion resulting from the Seaside acquisition, supplemented by approximately \$400 million in organic growth. United's cost of deposits decreased by 13 basis points to 0.25%. The net interest margin decreased 15 basis points from the second quarter due to a combination of factors, including lower overall market rates.

Mr. Harton concluded, "We are focused on our long-term goal of remaining a top performer in our peer group. While this is a difficult environment in which to forecast future economic conditions, we are encouraged by increasing business activity in our markets and stable credit performance in our portfolio to date. Our strong balance sheet position gives us the ability to continue to support our customers and communities, and we believe we will be well positioned to be able to take advantage of expansion opportunities in the future."

### **Third Quarter 2020 Financial Highlights:**

- EPS decreased by 13% compared to last year on both a GAAP and operating basis; compared to second quarter, EPS increased by 63% on a GAAP basis and 72% on an operating basis
  - Return on assets of 1.07%, or 1.14% excluding merger-related and other charges
  - Pre-tax, pre-provision return on assets of 1.86%, or 1.93% excluding merger-related and other charges
  - Return on common equity of 10.1%
  - Return on tangible common equity of 13.5%, excluding merger-related and other charges
  - A provision for credit losses of \$21.8 million of which \$10.7 million is attributable to establishing an allowance for credit losses for Seaside's acquired loans
  - Loan production of \$1.0 billion and loan growth of \$1.7 billion with \$1.4 billion attributable to loans acquired from Seaside and core loan growth at an annualized rate of 8% for the quarter
  - Core transaction deposits were up \$1.7 billion with \$1.3 billion attributable to Seaside and approximately \$400 million in organic growth, which represents a 15% annualized growth rate for the quarter
  - Net interest margin of 3.27% was down 15 basis points from the second quarter, reflecting the low rate environment, the Seaside acquisition, and increasing balance sheet liquidity
  - Record mortgage rate locks of \$910 million, which is \$108 million or 13% higher than the previous record set in the second quarter; this compares to \$508 million a year ago
  - Noninterest income was up \$7.7 million on a linked quarter basis, excluding net securities gains; Seaside contributed nearly \$2.5 million of the increase and mortgage loan and related fees were up \$1.5 million, primarily driven by record mortgage rate locks and production
  - Efficiency ratio of 54.1%, or a record low 52.2% excluding merger-related and other charges
  - Net charge-offs of \$2.5 million, or 9 basis points as a percent of average loans, down 16 basis points from in the second quarter
  - Nonperforming assets of 0.29% of total assets, which is down 3 basis points compared to June 30, 2020
  - Total deferrals of \$365 million or 3% of the total loan portfolio compared to \$1.9 billion or 16% in the second quarter
  - \$500,000 of funding for the United Community Bank Foundation, adding to the initial \$1 million contribution in the second quarter for charities and causes throughout the footprint
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## Conference Call

United will hold a conference call, Wednesday, October 21, 2020, at 11 a.m. ET to discuss the contents of this press release and to share business highlights for the quarter. To access the call, dial (877) 380-5665 and use the conference number 7466997. The conference call also will be webcast and available for replay for 30 days by selecting “Events & Presentations” within the Investor Relations section of United’s website at [www.ucbi.com](http://www.ucbi.com).

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**UNITED COMMUNITY BANKS, INC.**  
**Selected Financial Information**

	2020			2019			For the Nine Months Ended September 30,		YTD 2020 - 2019 Change
	Third Quarter	Second Quarter	First Quarter	Fourth Quarter	Third Quarter	Third Quarter 2020 - 2019 Change	2020	2019	
<i>(in thousands, except per share data)</i>									
<b>INCOME SUMMARY</b>									
Interest revenue	\$ 141,773	\$ 123,605	\$ 136,547	\$ 136,419	\$ 140,615		\$ 401,925	\$ 416,287	
Interest expense	13,319	14,301	17,941	19,781	21,277		45,561	63,531	
Net interest revenue	128,454	109,304	118,606	116,638	119,338	8%	356,364	352,756	1%
Provision for credit losses	21,793	33,543	22,191	3,500	3,100		77,527	9,650	
Noninterest income	48,682	40,238	25,814	30,183	29,031	68	114,734	74,530	54
<b>Total revenue</b>	<b>155,343</b>	<b>115,999</b>	<b>122,229</b>	<b>143,321</b>	<b>145,269</b>	<b>7</b>	<b>393,571</b>	<b>417,636</b>	<b>(6)</b>
Expenses	95,981	83,980	81,538	81,424	82,924	16	261,499	240,821	9
Income before income tax expense	59,362	32,019	40,691	61,897	62,345	(5)	132,072	176,815	(25)
Income tax expense	11,755	6,923	8,807	12,885	13,983	(16)	27,485	40,106	(31)
<b>Net income</b>	<b>47,607</b>	<b>25,096</b>	<b>31,884</b>	<b>49,012</b>	<b>48,362</b>	<b>(2)</b>	<b>104,587</b>	<b>136,709</b>	<b>(23)</b>
Merger-related and other charges	3,361	397	808	(74)	2,605		4,566	7,431	
Income tax benefit of merger-related and other charges	(519)	(87)	(182)	17	(600)		(788)	(1,712)	
<b>Net income - operating <sup>(1)</sup></b>	<b>\$ 50,449</b>	<b>\$ 25,406</b>	<b>\$ 32,510</b>	<b>\$ 48,955</b>	<b>\$ 50,367</b>	<b>—</b>	<b>\$ 108,365</b>	<b>\$ 142,428</b>	<b>(24)</b>
<b>Pre-tax pre-provision income <sup>(5)</sup></b>	<b>\$ 81,155</b>	<b>\$ 65,562</b>	<b>\$ 62,882</b>	<b>\$ 65,397</b>	<b>\$ 65,445</b>	<b>24</b>	<b>\$ 209,599</b>	<b>\$ 186,465</b>	<b>12</b>
<b>PERFORMANCE MEASURES</b>									
Per common share:									
Diluted net income - GAAP	\$ 0.52	\$ 0.32	\$ 0.40	\$ 0.61	\$ 0.60	(13)	\$ 1.25	\$ 1.70	(26)
Diluted net income - operating <sup>(1)</sup>	0.55	0.32	0.41	0.61	0.63	(13)	1.29	1.77	(27)
Cash dividends declared	0.18	0.18	0.18	0.18	0.17	6	0.54	0.50	8
Book value	21.45	21.22	20.80	20.53	20.16	6	21.45	20.16	6
Tangible book value <sup>(3)</sup>	17.09	16.95	16.52	16.28	15.90	7	17.09	15.90	7
Key performance ratios:									
Return on common equity - GAAP <sup>(2)(4)</sup>	10.06%	6.17%	7.85%	12.07%	12.16%		8.11%	11.83%	
Return on common equity - operating <sup>(1)(2)(4)</sup>	10.69	6.25	8.01	12.06	12.67		8.40	12.32	
Return on tangible common equity - operating <sup>(1)(2)(3)(4)</sup>	13.52	8.09	10.57	15.49	16.38		10.76	15.92	
Return on assets - GAAP <sup>(4)</sup>	1.07	0.71	0.99	1.50	1.51		0.93	1.45	
Return on assets - operating <sup>(1)(4)</sup>	1.14	0.72	1.01	1.50	1.58		0.97	1.51	
Return on assets - pre-tax pre-provision <sup>(4)(5)</sup>	1.86	1.86	1.95	2.00	2.05		1.89	1.98	
Return on assets - pre-tax pre-provision, excluding merger-related and other charges <sup>(1)(4)(5)</sup>	1.93	1.87	1.98	2.00	2.13		1.93	2.06	
Net interest margin (fully taxable equivalent) <sup>(4)</sup>	3.27	3.42	4.07	3.93	4.12		3.55	4.11	
Efficiency ratio - GAAP	54.14	55.86	56.15	54.87	55.64		55.30	56.09	
Efficiency ratio - operating <sup>(1)</sup>	52.24	55.59	55.59	54.92	53.90		54.34	54.36	
Equity to total assets	11.47	11.81	12.54	12.66	12.53		11.47	12.53	
Tangible common equity to tangible assets <sup>(3)</sup>	8.89	9.12	10.22	10.32	10.16		8.89	10.16	
<b>ASSET QUALITY</b>									
Nonperforming loans	\$ 49,084	\$ 48,021	\$ 36,208	\$ 35,341	\$ 30,832	59	\$ 49,084	\$ 30,832	59
Foreclosed properties	953	477	475	476	102		953	102	
Total nonperforming assets ("NPAs")	50,037	48,498	36,683	35,817	30,934	62	50,037	30,934	62
Allowance for credit losses - loans	134,256	103,669	81,905	62,089	62,514	115	134,256	62,514	115
Net charge-offs	2,538	6,149	8,114	3,925	2,723	(7)	16,801	8,291	103
Allowance for credit losses - loans to loans	1.14%	1.02%	0.92%	0.70%	0.70%		1.14%	0.70%	
Net charge-offs to average loans <sup>(4)</sup>	0.09	0.25	0.37	0.18	0.12		0.22	0.13	
NPAs to loans and foreclosed properties	0.42	0.48	0.41	0.41	0.35		0.42	0.35	
NPAs to total assets	0.29	0.32	0.28	0.28	0.24		0.29	0.24	
<b>AVERAGE BALANCES (\$ in millions)</b>									
Loans	\$ 11,644	\$ 9,773	\$ 8,829	\$ 8,890	\$ 8,836	32	\$ 10,088	\$ 8,647	17
Investment securities	2,750	2,408	2,520	2,486	2,550	8	2,560	2,701	(5)
Earning assets	15,715	12,958	11,798	11,832	11,568	36	13,498	11,534	17
Total assets	17,013	14,173	12,944	12,946	12,681	34	14,718	12,600	17
Deposits	14,460	12,071	10,915	10,924	10,531	37	12,490	10,462	19
Shareholders' equity	1,948	1,686	1,653	1,623	1,588	23	1,763	1,533	15
Common shares - basic (thousands)	87,129	78,920	79,340	79,659	79,663	9	81,815	79,714	3
Common shares - diluted (thousands)	87,205	78,924	79,446	79,669	79,667	9	81,876	79,718	3
<b>AT PERIOD END (\$ in millions)</b>									
Loans	\$ 11,799	\$ 10,133	\$ 8,935	\$ 8,813	\$ 8,903	33	\$ 11,799	\$ 8,903	33
Investment securities	3,089	2,432	2,540	2,559	2,515	23	3,089	2,515	23
Total assets	17,153	15,005	13,086	12,916	12,809	34	17,153	12,809	34
Deposits	14,603	12,702	11,035	10,897	10,757	36	14,603	10,757	36
Shareholders' equity	1,967	1,772	1,641	1,636	1,605	23	1,967	1,605	23
Common shares outstanding (thousands)	86,611	78,335	78,284	79,014	78,974	10	86,611	78,974	10

- (1) Excludes merger-related and other charges which includes termination of pension plan in the third quarter of 2019, executive retirement charges in the second quarter of 2019 and amortization of certain executive change of control benefits.
- (2) Net income divided by average realized common equity, which excludes accumulated other comprehensive income (loss).
- (3) Excludes effect of acquisition related intangibles and associated amortization.
- (4) Annualized.
- (5) Excludes income tax expense and provision for credit losses.



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

<i>(in thousands, except per share data)</i>	2020			2019		For the Nine Months Ended September 30,	
	Third Quarter	Second Quarter	First Quarter	Fourth Quarter	Third Quarter	2020	2019
<b>Expense reconciliation</b>							
Expenses (GAAP)	\$ 95,981	\$ 83,980	\$ 81,538	\$ 81,424	\$ 82,924	\$ 261,499	\$ 240,821
Merger-related and other charges	(3,361)	(397)	(808)	74	(2,605)	(4,566)	(7,431)
Expenses - operating	\$ 92,620	\$ 83,583	\$ 80,730	\$ 81,498	\$ 80,319	\$ 256,933	\$ 233,390
<b>Net income to operating income reconciliation</b>							
Net income (GAAP)	\$ 47,607	\$ 25,096	\$ 31,884	\$ 49,012	\$ 48,362	\$ 104,587	\$ 136,709
Merger-related and other charges	3,361	397	808	(74)	2,605	4,566	7,431
Income tax benefit of merger-related and other charges	(519)	(87)	(182)	17	(600)	(788)	(1,712)
Net income - operating	\$ 50,449	\$ 25,406	\$ 32,510	\$ 48,955	\$ 50,367	\$ 108,365	\$ 142,428
<b>Net income to pre-tax pre-provision income reconciliation</b>							
Net income (GAAP)	\$ 47,607	\$ 25,096	\$ 31,884	\$ 49,012	\$ 48,362	\$ 104,587	\$ 136,709
Income tax expense	11,755	6,923	8,807	12,885	13,983	27,485	40,106
Provision for credit losses	21,793	33,543	22,191	3,500	3,100	77,527	9,650
Pre-tax pre-provision income	\$ 81,155	\$ 65,562	\$ 62,882	\$ 65,397	\$ 65,445	\$ 209,599	\$ 186,465
<b>Diluted income per common share reconciliation</b>							
Diluted income per common share (GAAP)	\$ 0.52	\$ 0.32	\$ 0.40	\$ 0.61	\$ 0.60	\$ 1.25	\$ 1.70
Merger-related and other charges, net of tax	0.03	—	0.01	—	0.03	0.04	0.07
Diluted income per common share - operating	\$ 0.55	\$ 0.32	\$ 0.41	\$ 0.61	\$ 0.63	\$ 1.29	\$ 1.77
<b>Book value per common share reconciliation</b>							
Book value per common share (GAAP)	\$ 21.45	\$ 21.22	\$ 20.80	\$ 20.53	\$ 20.16	\$ 21.45	\$ 20.16
Effect of goodwill and other intangibles	(4.36)	(4.27)	(4.28)	(4.25)	(4.26)	(4.36)	(4.26)
Tangible book value per common share	\$ 17.09	\$ 16.95	\$ 16.52	\$ 16.28	\$ 15.90	\$ 17.09	\$ 15.90
<b>Return on tangible common equity reconciliation</b>							
Return on common equity (GAAP)	10.06%	6.17%	7.85%	12.07%	12.16%	8.11%	11.83%
Merger-related and other charges, net of tax	0.63	0.08	0.16	(0.01)	0.51	0.29	0.49
Return on common equity - operating	10.69	6.25	8.01	12.06	12.67	8.40	12.32
Effect of goodwill and other intangibles	2.83	1.84	2.56	3.43	3.71	2.36	3.60
Return on tangible common equity - operating	13.52%	8.09%	10.57%	15.49%	16.38%	10.76%	15.92%
<b>Return on assets reconciliation</b>							
Return on assets (GAAP)	1.07%	0.71%	0.99%	1.50%	1.51%	0.93%	1.45%
Merger-related and other charges, net of tax	0.07	0.01	0.02	—	0.07	0.04	0.06
Return on assets - operating	1.14%	0.72%	1.01%	1.50%	1.58%	0.97%	1.51%
<b>Return on assets to return on assets- pre-tax pre-provision reconciliation</b>							
Return on assets (GAAP)	1.07%	0.71%	0.99%	1.50%	1.51%	0.93%	1.45%
Income tax expense	0.28	0.20	0.27	0.39	0.44	0.26	0.43
Provision for credit losses	0.51	0.95	0.69	0.11	0.10	0.70	0.10
Return on assets - pre-tax, pre-provision	1.86	1.86	1.95	2.00	2.05	1.89	1.98
Merger-related and other charges	0.07	0.01	0.03	—	0.08	0.04	0.08
Return on assets - pre-tax pre-provision, excluding merger-related and other charges	1.93%	1.87%	1.98%	2.00%	2.13%	1.93%	2.06%
<b>Efficiency ratio reconciliation</b>							
Efficiency ratio (GAAP)	54.14%	55.86%	56.15%	54.87%	55.64%	55.30%	56.09%
Merger-related and other charges	(1.90)	(0.27)	(0.56)	0.05	(1.74)	(0.96)	(1.73)
Efficiency ratio - operating	52.24%	55.59%	55.59%	54.92%	53.90%	54.34%	54.36%
<b>Tangible common equity to tangible assets reconciliation</b>							
Equity to total assets (GAAP)	11.47%	11.81%	12.54%	12.66%	12.53%	11.47%	12.53%
Effect of goodwill and other intangibles	(2.02)	(2.05)	(2.32)	(2.34)	(2.37)	(2.02)	(2.37)
Effect of preferred equity	(0.56)	(0.64)	—	—	—	(0.56)	—
Tangible common equity to tangible assets	8.89%	9.12%	10.22%	10.32%	10.16%	8.89%	10.16%

UNITED COMMUNITY BANKS, INC.

Financial Highlights

Loan Portfolio Composition at Period-End

<i>(in millions)</i>	2020			2019		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	\$ 2,009	\$ 1,759	\$ 1,703	\$ 1,720	\$ 1,692	\$ 250	\$ 317
Income producing commercial RE	2,493	2,178	2,065	2,008	1,934	315	559
Commercial & industrial	1,788	1,219	1,310	1,221	1,271	569	517
Paycheck protection program	1,317	1,095	—	—	—	222	1,317
Commercial construction	987	946	959	976	1,001	41	(14)
Equipment financing	823	779	761	745	729	44	94
Total commercial	9,417	7,976	6,798	6,670	6,627	1,441	2,790
Residential mortgage	1,270	1,152	1,128	1,118	1,121	118	149
Home equity lines of credit	707	654	668	661	669	53	38
Residential construction	257	230	216	236	229	27	28
Consumer	148	121	125	128	257	27	(109)
<b>Total loans</b>	<b>\$ 11,799</b>	<b>\$ 10,133</b>	<b>\$ 8,935</b>	<b>\$ 8,813</b>	<b>\$ 8,903</b>	<b>\$ 1,666</b>	<b>\$ 2,896</b>

**LOANS BY MARKET**

North Georgia	\$ 945	\$ 951	\$ 958	\$ 967	\$ 1,002	\$ (6)	\$ (57)
Atlanta	1,853	1,852	1,820	1,762	1,740	1	113
North Carolina	1,246	1,171	1,124	1,156	1,117	75	129
Coastal Georgia	614	618	604	631	611	(4)	3
Gainesville	229	233	235	246	246	(4)	(17)
East Tennessee	420	433	425	421	435	(13)	(15)
South Carolina	1,870	1,778	1,774	1,708	1,705	92	165
Florida	1,453	—	—	—	—	1,453	1,453
Commercial Banking Solutions	3,169	3,097	1,995	1,922	1,916	72	1,253
Indirect auto	—	—	—	—	131	—	(131)
<b>Total loans</b>	<b>\$ 11,799</b>	<b>\$ 10,133</b>	<b>\$ 8,935</b>	<b>\$ 8,813</b>	<b>\$ 8,903</b>	<b>\$ 1,666</b>	<b>\$ 2,896</b>

UNITED COMMUNITY BANKS, INC.

Financial Highlights

Credit Quality

<i>(in thousands)</i>	2020		
	Third Quarter	Second Quarter	First Quarter
<b>NONACCRUAL LOANS</b>			
Owner occupied RE	\$ 11,075	\$ 10,710	\$ 10,405
Income producing RE	12,230	11,274	2,235
Commercial & industrial	3,534	3,432	3,169
Commercial construction	1,863	2,290	1,724
Equipment financing	3,137	3,119	2,439
Total commercial	31,839	30,825	19,972
Residential mortgage	13,864	13,185	12,458
Home equity lines of credit	2,642	3,138	3,010
Residential construction	479	500	540
Consumer	260	373	228
<b>Total</b>	<b>\$ 49,084</b>	<b>\$ 48,021</b>	<b>\$ 36,208</b>

<i>(in thousands)</i>	2020					
	Third Quarter		Second Quarter		First Quarter	
	Net Charge-Offs	Net Charge-Offs to Average Loans <sup>(1)</sup>	Net Charge-Offs	Net Charge-Offs to Average Loans <sup>(1)</sup>	Net Charge-Offs	Net Charge-Offs to Average Loans <sup>(1)</sup>
<b>NET CHARGE-OFFS BY CATEGORY</b>						
Owner occupied RE	\$ (725)	(0.14)%	\$ (466)	(0.11)%	\$ (1,028)	(0.24)%
Income producing RE	1,785	0.29	4,548	0.86	270	0.05
Commercial & industrial	(105)	(0.01)	(37)	(0.01)	7,185	2.30
Commercial construction	(171)	(0.07)	122	0.05	(141)	(0.06)
Equipment financing	1,993	0.93	1,665	0.87	1,507	0.81
Total commercial	2,777	0.12	5,832	0.31	7,793	0.47
Residential mortgage	(35)	(0.01)	(6)	—	9	—
Home equity lines of credit	(125)	(0.07)	(98)	(0.06)	(83)	(0.05)
Residential construction	—	—	(5)	(0.01)	(12)	(0.02)
Consumer	(79)	(0.22)	426	1.39	407	1.30
<b>Total</b>	<b>\$ 2,538</b>	<b>0.09</b>	<b>\$ 6,149</b>	<b>0.25</b>	<b>\$ 8,114</b>	<b>0.37</b>

(1) Annualized.

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

<i>(in thousands, except share and per share data)</i>	<b>September 30, 2020</b>	<b>December 31, 2019</b>
<b>ASSETS</b>		
Cash and due from banks	\$ 122,048	\$ 125,844
Interest-bearing deposits in banks	923,591	389,362
Cash and cash equivalents	1,045,639	515,206
Debt securities available-for-sale	2,690,448	2,274,581
Debt securities held-to-maturity (fair value \$413,820 and \$287,904)	398,373	283,533
Loans held for sale at fair value	128,587	58,484
Loans and leases held for investment	11,798,910	8,812,553
Less allowance for credit losses - loans and leases	(134,256)	(62,089)
Loans and leases, net	11,664,654	8,750,464
Premises and equipment, net	211,885	215,976
Bank owned life insurance	201,515	202,664
Accrued interest receivable	48,091	32,660
Net deferred tax asset	39,818	34,059
Derivative financial instruments	103,388	35,007
Goodwill and other intangible assets, net	384,074	342,247
Other assets	236,405	171,135
<b>Total assets</b>	<b>\$ 17,152,877</b>	<b>\$ 12,916,016</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Liabilities:		
Deposits:		
Noninterest-bearing demand	\$ 5,227,170	\$ 3,477,979
NOW and interest-bearing demand	2,989,455	2,461,895
Money market	3,399,793	2,230,628
Savings	891,147	706,467
Time	1,819,586	1,859,574
Brokered	276,225	160,701
Total deposits	14,603,376	10,897,244
Long-term debt	326,703	212,664
Derivative financial instruments	33,519	15,516
Accrued expenses and other liabilities	222,024	154,900
<b>Total liabilities</b>	<b>15,185,622</b>	<b>11,280,324</b>
Shareholders' equity:		
Preferred stock; \$1 par value; 10,000,000 shares authorized;		
Series I, \$25,000 per share liquidation preference; 4,000 shares issued and outstanding	96,422	—
Common stock, \$1 par value; 150,000,000 shares authorized;		
86,611,114 and 79,013,729 shares issued and outstanding	86,611	79,014
Common stock issuable; 590,521 and 664,640 shares	10,632	11,491
Capital surplus	1,637,467	1,496,641
Retained earnings	94,938	40,152
Accumulated other comprehensive income	41,185	8,394
<b>Total shareholders' equity</b>	<b>1,967,255</b>	<b>1,635,692</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 17,152,877</b>	<b>\$ 12,916,016</b>

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

<i>(in thousands, except per share data)</i>	<b>Three Months Ended</b>		<b>Nine Months Ended</b>	
	<b>September 30,</b>		<b>September 30,</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
<b>Interest revenue:</b>				
Loans, including fees	\$ 126,936	\$ 122,645	\$ 352,861	\$ 357,575
Investment securities, including tax exempt of \$1,895, \$1,118, \$4,988 and \$3,409	14,558	17,744	47,567	57,638
Deposits in banks and short-term investments	279	226	1,497	1,074
<b>Total interest revenue</b>	<b>141,773</b>	<b>140,615</b>	<b>401,925</b>	<b>416,287</b>
<b>Interest expense:</b>				
Deposits:				
NOW and interest-bearing demand	1,634	3,214	6,240	10,283
Money market	3,017	5,126	10,969	14,100
Savings	47	41	121	115
Time	4,300	8,732	18,014	25,687
<b>Deposits</b>	<b>8,998</b>	<b>17,113</b>	<b>35,344</b>	<b>50,185</b>
Short-term borrowings	2	429	3	838
Federal Home Loan Bank advances	27	521	28	2,695
Long-term debt	4,292	3,214	10,186	9,813
<b>Total interest expense</b>	<b>13,319</b>	<b>21,277</b>	<b>45,561</b>	<b>63,531</b>
Net interest revenue	128,454	119,338	356,364	352,756
Provision for credit losses	21,793	3,100	77,527	9,650
<b>Net interest revenue after provision for credit losses</b>	<b>106,661</b>	<b>116,238</b>	<b>278,837</b>	<b>343,106</b>
<b>Noninterest income:</b>				
Service charges and fees	8,260	9,916	23,893	27,429
Mortgage loan gains and other related fees	25,144	8,658	57,113	17,750
Brokerage and wealth management fees	3,055	1,699	6,019	4,624
Gains from sales of other loans, net	1,175	1,639	3,889	4,412
Securities gains (losses), net	746	—	746	(118)
Other	10,302	7,119	23,074	20,433
<b>Total noninterest income</b>	<b>48,682</b>	<b>29,031</b>	<b>114,734</b>	<b>74,530</b>
<b>Total revenue</b>	<b>155,343</b>	<b>145,269</b>	<b>393,571</b>	<b>417,636</b>
<b>Noninterest expenses:</b>				
Salaries and employee benefits	59,067	50,501	162,236	146,161
Communications and equipment	6,960	6,223	19,462	18,233
Occupancy	7,050	5,921	18,709	17,424
Advertising and public relations	1,778	1,374	5,312	4,256
Postage, printing and supplies	1,703	1,618	4,986	4,733
Professional fees	5,083	4,715	14,003	11,930
Lending and loan servicing expense	3,043	2,556	8,525	7,509
Outside services - electronic banking	1,888	1,934	5,516	5,101
FDIC assessments and other regulatory charges	1,346	314	4,388	3,571
Amortization of intangibles	1,099	1,210	3,126	3,845
Merger-related and other charges	3,361	2,541	4,566	6,981
Other	3,603	4,017	10,670	11,077
<b>Total noninterest expenses</b>	<b>95,981</b>	<b>82,924</b>	<b>261,499</b>	<b>240,821</b>
Net income before income taxes	59,362	62,345	132,072	176,815
Income tax expense	11,755	13,983	27,485	40,106
<b>Net income</b>	<b>47,607</b>	<b>48,362</b>	<b>104,587</b>	<b>136,709</b>
Preferred stock dividends	1,814	—	1,814	—
Dividends and undistributed earnings allocated to unvested shares	356	351	779	982
<b>Net income available to common shareholders</b>	<b>\$ 45,437</b>	<b>\$ 48,011</b>	<b>\$ 101,994</b>	<b>\$ 135,727</b>
<b>Net income per common share:</b>				
Basic	\$ 0.52	\$ 0.60	\$ 1.25	\$ 1.70
Diluted	0.52	0.60	1.25	1.70
<b>Weighted average common shares outstanding:</b>				
Basic	87,129	79,663	81,815	79,714
Diluted	87,205	79,667	81,876	79,718

## Average Consolidated Balance Sheets and Net Interest Analysis

For the Three Months Ended September 30,

<i>(dollars in thousands, fully taxable equivalent FTE)</i>	2020			2019		
	Average Balance	Interest	Average Rate	Average Balance	Interest	Average Rate
<b>Assets:</b>						
Interest-earning assets:						
Loans, net of unearned income (FTE) <sup>(1)(2)</sup>	\$ 11,644,202	\$ 126,342	4.32%	\$ 8,835,585	\$ 122,526	5.50%
Taxable securities <sup>(3)</sup>	2,499,649	12,663	2.03	2,379,927	16,626	2.79
Tax-exempt securities (FTE) <sup>(1)(3)</sup>	249,959	2,544	4.07	170,027	1,502	3.53
Federal funds sold and other interest-earning assets	1,321,445	1,132	0.34	182,935	616	1.35
<b>Total interest-earning assets (FTE)</b>	<b>15,715,255</b>	<b>142,681</b>	<b>3.61</b>	<b>11,568,474</b>	<b>141,270</b>	<b>4.85</b>
Noninterest-earning assets:						
Allowance for credit losses	(128,581)			(63,474)		
Cash and due from banks	135,949			116,922		
Premises and equipment	216,326			221,930		
Other assets <sup>(3)</sup>	1,074,529			836,951		
<b>Total assets</b>	<b>\$ 17,013,478</b>			<b>\$ 12,680,803</b>		
<b>Liabilities and Shareholders' Equity:</b>						
Interest-bearing liabilities:						
Interest-bearing deposits:						
NOW and interest-bearing demand	\$ 2,890,735	1,634	0.22	\$ 2,123,910	3,214	0.60
Money market	3,501,781	3,017	0.34	2,277,162	5,126	0.89
Savings	864,849	47	0.02	695,297	41	0.02
Time	1,933,764	4,127	0.85	1,879,801	8,053	1.70
Brokered time deposits	96,198	173	0.72	102,078	679	2.64
<b>Total interest-bearing deposits</b>	<b>9,287,327</b>	<b>8,998</b>	<b>0.39</b>	<b>7,078,248</b>	<b>17,113</b>	<b>0.96</b>
Federal funds purchased and other borrowings	4,405	2	0.18	73,733	429	2.31
Federal Home Loan Bank advances	2,818	27	3.81	88,261	521	2.34
Long-term debt	327,017	4,292	5.22	243,935	3,214	5.23
<b>Total borrowed funds</b>	<b>334,240</b>	<b>4,321</b>	<b>5.14</b>	<b>405,929</b>	<b>4,164</b>	<b>4.07</b>
<b>Total interest-bearing liabilities</b>	<b>9,621,567</b>	<b>13,319</b>	<b>0.55</b>	<b>7,484,177</b>	<b>21,277</b>	<b>1.13</b>
Noninterest-bearing liabilities:						
Noninterest-bearing deposits	5,172,999			3,453,174		
Other liabilities	270,451			155,107		
<b>Total liabilities</b>	<b>15,065,017</b>			<b>11,092,458</b>		
Shareholders' equity	1,948,461			1,588,345		
<b>Total liabilities and shareholders' equity</b>	<b>\$ 17,013,478</b>			<b>\$ 12,680,803</b>		
<b>Net interest revenue (FTE)</b>		<b>\$ 129,362</b>			<b>\$ 119,993</b>	
Net interest-rate spread (FTE)			3.06%			3.72%
Net interest margin (FTE) <sup>(4)</sup>			3.27%			4.12%

(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 26%, 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 on which 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 \$77.0 million in 2020 and unrealized gains of \$35.1 million in 2019 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.

## Average Consolidated Balance Sheets and Net Interest Analysis

For the Nine Months Ended September 30,

<i>(dollars in thousands, fully taxable equivalent (FTE))</i>	2020			2019		
	Average Balance	Interest	Average Rate	Average Balance	Interest	Average Rate
<b>Assets:</b>						
Interest-earning assets:						
Loans, net of unearned income (FTE) <sup>(1)(2)</sup>	\$ 10,087,630	\$ 351,536	4.65%	\$ 8,646,622	\$ 357,541	5.53%
Taxable securities <sup>(3)</sup>	2,362,674	42,579	2.40	2,532,070	54,229	2.86
Tax-exempt securities (FTE) <sup>(1)(3)</sup>	197,231	6,699	4.53	168,787	4,579	3.62
Federal funds sold and other interest-earning assets	850,722	3,621	0.57	186,402	1,913	1.37
<b>Total interest-earning assets (FTE)</b>	<b>13,498,257</b>	<b>404,435</b>	<b>4.00</b>	<b>11,533,881</b>	<b>418,262</b>	<b>4.85</b>
Non-interest-earning assets:						
Allowance for loan losses	(96,235)			(62,664)		
Cash and due from banks	134,354			121,889		
Premises and equipment	217,551			220,872		
Other assets <sup>(3)</sup>	964,511			785,862		
<b>Total assets</b>	<b>\$ 14,718,438</b>			<b>\$ 12,599,840</b>		
<b>Liabilities and Shareholders' Equity:</b>						
Interest-bearing liabilities:						
Interest-bearing deposits:						
NOW and interest-bearing demand	\$ 2,583,911	6,240	0.32	\$ 2,199,607	10,283	0.63
Money market	2,797,350	10,969	0.52	2,187,822	14,100	0.86
Savings	788,681	121	0.02	685,167	115	0.02
Time	1,860,597	17,435	1.25	1,761,374	20,338	1.54
Brokered time deposits	102,502	579	0.75	292,835	5,349	2.44
<b>Total interest-bearing deposits</b>	<b>8,133,041</b>	<b>35,344</b>	<b>0.58</b>	<b>7,126,805</b>	<b>50,185</b>	<b>0.94</b>
Federal funds purchased and other borrowings	1,611	3	0.25	44,898	838	2.50
Federal Home Loan Bank advances	1,001	28	3.74	142,876	2,695	2.52
Long-term debt	256,218	10,186	5.31	252,686	9,813	5.19
<b>Total borrowed funds</b>	<b>258,830</b>	<b>10,217</b>	<b>5.27</b>	<b>440,460</b>	<b>13,346</b>	<b>4.05</b>
<b>Total interest-bearing liabilities</b>	<b>8,391,871</b>	<b>45,561</b>	<b>0.73</b>	<b>7,567,265</b>	<b>63,531</b>	<b>1.12</b>
Noninterest-bearing liabilities:						
Noninterest-bearing deposits	4,356,484			3,335,450		
Other liabilities	206,904			164,350		
<b>Total liabilities</b>	<b>12,955,259</b>			<b>11,067,065</b>		
Shareholders' equity	1,763,179			1,532,775		
<b>Total liabilities and shareholders' equity</b>	<b>\$ 14,718,438</b>			<b>\$ 12,599,840</b>		
<b>Net interest revenue (FTE)</b>		<b>\$ 358,874</b>			<b>\$ 354,731</b>	
Net interest-rate spread (FTE)			<b>3.27%</b>			<b>3.73%</b>
Net interest margin (FTE) <sup>(4)</sup>			<b>3.55%</b>			<b>4.11%</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 26%, 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 on which 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 \$65.5 million in 2020 and unrealized gains of \$4.94 million in 2019 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.

## About United Community Banks, Inc.

United Community Banks, Inc. (NASDAQ: UCBI) (United) is a bank holding company headquartered in Blairsville, Georgia, with executive offices in Greenville, South Carolina. United is one of the largest full-service financial institutions in the Southeast, with \$17.2 billion in assets, and 163 offices in Florida, Georgia, North Carolina, South Carolina and Tennessee. United Community Bank, United's wholly-owned bank subsidiary, specializes in personalized community banking services for individuals, small businesses and companies throughout its geographic footprint, including Florida under the brand Seaside Bank and Trust. Services include a full range of consumer and commercial banking products, including mortgage, advisory, treasury management, and wealth management. Respected national research firms consistently recognize United for outstanding customer service. In 2020, J.D. Power ranked United highest in customer satisfaction with retail banking in the Southeast, marking six out of the last seven years United earned the coveted award. Forbes included United in its inaugural list of the World's Best Banks in 2019 and again in 2020. Forbes also recognized United on its 2020 list of the 100 Best Banks in America for the seventh consecutive year. United also received five Greenwich Excellence Awards in 2019 for excellence in Small Business Banking and Middle Market Banking, including a national award for Overall Satisfaction in Small Business Banking. Additional information about United can be found at [www.ucbi.com](http://www.ucbi.com).

## Non-GAAP Financial Measures

This press release, including the accompanying financial statement tables, contains financial information determined by methods other than in accordance with generally accepted accounting principles, or GAAP. This financial information includes certain operating performance measures, which exclude merger-related and other charges that are not considered part of recurring operations, such as "operating net income," "pre-tax pre-provision income," "operating net income per diluted common share," "operating earnings per share," "tangible book value per common share," "operating return on common equity," "operating return on tangible common equity," "operating return on assets," "return on assets - pre-tax pre-provision, excluding merger-related and other charges," "return on assets - pre-tax pre-provision," "operating efficiency ratio," and "tangible common equity to tangible assets." These non-GAAP measures are included because United believes they may provide useful supplemental information for evaluating United's underlying performance trends. These measures should be viewed in addition to, and not as an alternative to or substitute for, measures determined in accordance with GAAP, and are not necessarily comparable to non-GAAP measures that may be presented by other companies. To the extent applicable, reconciliations of these non-GAAP measures to the most directly comparable measures as reported in accordance with GAAP are included with the accompanying financial statement tables.

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# 3Q Investor Presentation

October 20, 2020



# Disclosures

## CAUTIONARY STATEMENT

This Investor Presentation contains forward-looking statements about United Community Banks, Inc. ("United"), as defined in federal securities laws. Statements that are not historical or current facts, including statements about beliefs and expectations, are forward-looking statements and are based on information available to, and assumptions and estimates made by, management as of the date hereof. Because forward-looking statements involve inherent risks and uncertainties, our actual results may differ materially from those expressed or implied in any such statements. The COVID-19 pandemic is adversely impacting United, its employees, customers, vendors, counterparties, and the communities that it serves. The ultimate extent of the impact of COVID—19 on United's financial position, results of operations, liquidity, and prospects is highly uncertain. United's results could be adversely affected by, among other things, volatility in financial markets, continued deterioration of economic and business conditions, further increases in unemployment rates, deterioration in the credit quality of United's loan portfolio, deterioration in the value of United's investment securities, and changes in statutes, regulations, and regulatory policies or practices. For a discussion of these and other risks 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 2019 Annual Report on Form 10-K and Form 10-Q for the quarters ended March 31, 2020 and June 30, 2020 under the sections entitled "Cautionary Note Regarding 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.

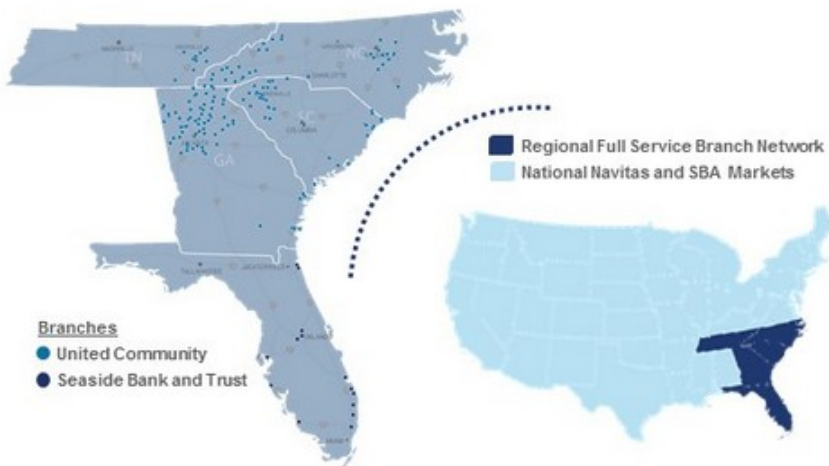
## NON-GAAP MEASURES

This Investor Presentation includes financial information determined by methods other than in accordance with generally accepted accounting principles ("GAAP"). This financial information includes certain operating performance measures, which exclude merger-related and other charges that are not considered part of recurring operations. Such measures include: "Earnings per share – operating," "Diluted earnings per share – operating," "Tangible book value per share," "Return on common equity – operating," "Return on tangible common equity – operating," "Return on assets – operating," "Return on assets – pre-tax pre-provision, excluding merger-related and other charges," "Efficiency ratio – operating," "Expenses – operating," and "Tangible common equity to tangible assets."

Management has included these non-GAAP measures because it believes these measures may provide useful supplemental information for evaluating United's underlying performance trends. Further, management uses these measures in managing and evaluating United's business and intends to refer to them in discussions about our operations and performance. Operating performance measures should be viewed in addition to, and not as an alternative to or substitute for, measures determined in accordance with GAAP, and are not necessarily comparable to non-GAAP measures that may be presented by other companies. To the extent applicable, reconciliations of these non-GAAP measures to the most directly comparable GAAP measures can be found in the 'Non-GAAP Reconciliation Tables' included in the exhibits to this Presentation.

# United Community Banks, Inc.

Committed to Service Since 1950



## Premier Southeast Regional Bank

- ✓ Metro-focused branch network with locations in the fastest growing MSAs in the Southeast
- ✓ 156 branches, 7 loan production sites, and 4 mortgage loan offices across five SE states
- ✓ Recent expansion into key Florida markets with Seaside acquisition
- ✓ Top 10 market share in GA and SC
- ✓ Proven ability to integrate bank transactions – 8 transactions over the past 10 years

## Extended Navitas and SBA Markets

- ✓ Offered in 48 states across the continental U.S.
- ✓ SBA business has both in-footprint and national business (4 specific verticals)
- ✓ Navitas subsidiary is a small ticket essential use commercial equipment finance provider

(1) Assets Under Administration

## Company Overview

**\$17.2**  
BILLION IN ASSETS

**\$2.4**  
BILLION IN AUA<sup>(1)</sup>

**13.1%**  
TIER 1 RBC

**\$0.18**  
QUARTERLY DIVIDEND  
UP 6% YOY

**163**  
BANKING OFFICES  
ACROSS THE  
SOUTHEAST

**#1 IN CUSTOMER  
SATISFACTION**  
with Retail Banking in the  
Southeast—J.D. Power

**\$11.8**  
BILLION IN  
TOTAL LOANS

**\$14.6**  
BILLION IN  
TOTAL DEPOSITS

**100 BEST BANKS IN  
AMERICA**  
for the seventh consecutive  
year - Forbes

**WORLD'S BEST  
BANKS**  
in 2019 & 2020 - Forbes

**2020 TOP  
WORKPLACES**  
In S.C. & Atlanta – Greenville  
Business Magazine & Atlanta  
Journal Constitution

**BEST IN CLASS  
CUSTOMER  
SATISFACTION**  
- Customer Service Profiles

# 3Q20 Highlights

**\$0.52**  
Diluted earnings per share  
– GAAP

**\$0.55**  
Diluted earnings per share  
– operating

**10.1%**  
Return on common equity -  
GAAP

**13.5%**  
Return on tangible common  
equity - operating<sup>(1)</sup>

**1.07%**  
Return on average assets -  
GAAP

**6%**  
YOY growth in  
book value per share

**1.14%**  
Return on average assets -  
operating<sup>(1)</sup>

**7%**  
YOY growth in tangible  
book value per share

**1.93%**  
PTPP ROA - operating<sup>(1)</sup>

Annualized 3Q EOP  
core loan growth of  
**8% or \$227 mm**

**0.25%**  
Cost of Deposits

**36%**  
DDA / Total Deposits



(1) See non-GAAP reconciliation table slides in the Appendix for a reconciliation of operating performance measures to GAAP performance

# High Quality Balance Sheet / Earnings Strength

## Capital

- ✓ 2Q20 TCE + reserves is substantially higher compared to peers; providing greater stability and protection against losses
- ✓ UCBI ranks 15<sup>th</sup> highest among the 50 KRX peers



## Profitability

- ✓ 2Q20 PTPP ROA - operating is 19% higher compared to peers
- ✓ UCBI ranks 12<sup>th</sup> highest PTPP ROA among the 50 KRX peers



## Liquidity

- ✓ Significantly lower 2Q20 loan to deposit ratio compared to peers
- ✓ UCBI has the 12<sup>th</sup> lowest loan to deposit ratio among the 50 KRX peers



## Funding

- ✓ Funding base comprised mostly of core deposits; 2Q20 funding costs remain below the peer median
- ✓ UCBI ranks 23<sup>rd</sup> lowest among the 50 KRX peers



(1) Pre-tax pre-provision - operating ROA calculated as ROA minus the effect of income tax expense, provision expense and merger-related and other charges  
Source: S&P Global Markets

# UCBI Focused on High-Growth MSAs in Southeast

## Located in Most of the Top 20 Markets in the Region High-Growth MSAs in the Southeast

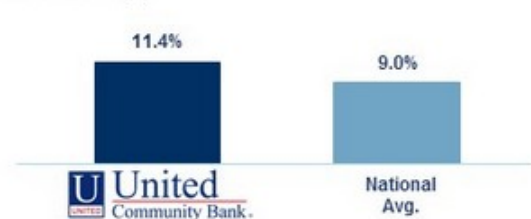
Fastest Growing Southeast MSAs <sup>(1)</sup>	'21 – '26 Proj. Pop. Growth %	'21 Population	'26 Proj. Median Household Income
1. Myrtle Beach, SC	8.49	518,050	\$62,042
2. Cape Coral, FL	7.42	785,277	\$68,827
3. Raleigh, NC	7.30	1,420,576	\$91,380
4. Charleston, SC	7.30	823,428	\$78,951
5. Orlando, FL	7.09	2,685,903	\$72,412
6. Lakeland, FL	6.98	738,482	\$62,730
7. Naples, FL	6.96	393,750	\$84,332
8. Spartanburg, SC	6.81	327,475	\$66,443
9. Sarasota, FL	6.79	855,242	\$73,471
10. Charlotte, NC	6.61	2,696,789	\$77,692
11. Wilmington, NC	6.57	304,661	\$60,070
12. Jacksonville, FL	6.17	1,602,120	\$73,563
13. Port St. Lucie, FL	6.10	495,076	\$68,635
14. Greenville, SC	6.08	937,813	\$68,413
15. Tampa, FL	6.06	3,257,479	\$67,300
16. Durham-Chapel Hill, NC	5.93	655,218	\$74,713
17. Nashville, TN	5.91	1,980,990	\$80,404
18. Fayetteville, AR	5.88	550,113	\$71,570
19. Daytona Beach, FL	5.81	678,826	\$65,579
20. Atlanta, GA	5.73	6,137,994	\$85,730

United / Seaside MSA Presence (Branch and/or LPO)

Projected Population Growth <sup>(2)</sup>  
2021 – 2026 (%)



Projected Household Income Growth <sup>(2)</sup>  
2021 – 2026 (%)



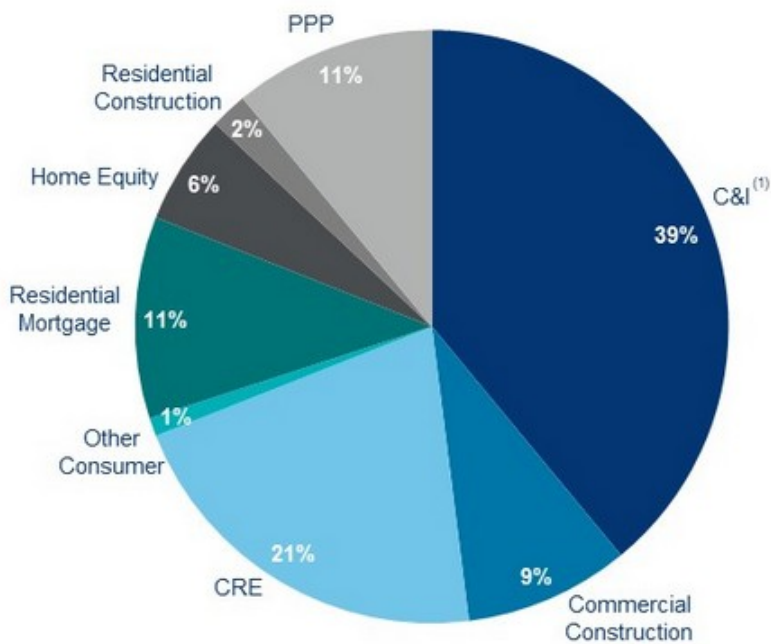
Median Household Income <sup>(2)</sup>  
(\$ in thousands)



(1) Includes MSAs with a population of greater than 300,000  
(2) Data by MSA shown on a weighted average basis by deposits

# Diversified Loan Portfolio Reduces Risk

3Q20 Total Loans \$11.8 billion



- ✓ Loans increased \$1.67 billion in 3Q20, with \$1.44 billion coming from Seaside
- ✓ 3Q20 core loan growth of \$227 million, or 8% annualized
- ✓ 3Q20 Seaside loan growth of \$11.8 million

(1) C&I includes commercial and industrial loans, owner-occupied CRE loans and Navitas (equipment finance) loans

# Allowance for Credit Losses (ACL)

\$ in millions

Seaside Purchase Accounting Marks	% of Total	Credit Mark	Interest Mark	Total Mark
PCD Loans	19%	\$11.1	\$8.8	\$19.9
Non-PCD Loans	81%	\$8.0	\$18.3	\$26.3

Note: Includes PPP loans, which have an interest mark of approximately \$2.6 million

- ✓ Day 2 provision for Non-PCD acquired loans was \$9.8 million plus \$0.9 million for unfunded commitments for a total of \$10.7 million

	4Q19	Day 1 CECL 1/1/2020	1Q20	2Q20	3Q20
ACL - Loans	\$ 62,089	\$ 68,969	\$ 81,905	\$ 103,669	\$ 134,256
ACL - Unfunded Commitments	\$ 3,458	\$ 5,329	\$ 6,470	\$ 12,100	\$ 11,920
ACL - Allowance for Credit Losses*	\$ 65,547 0.74%	\$ 74,298	\$ 88,375 0.99%	\$ 115,769 1.28%	\$ 146,176 1.39%

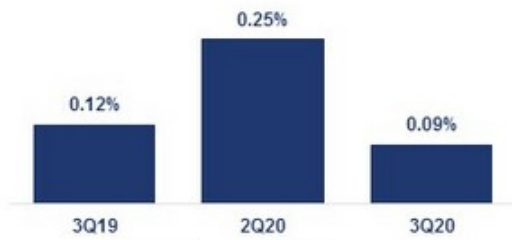
- ✓ The allowance for credit losses increased \$30 million in 3Q20 and \$81 million from year-end
- ✓ We reviewed multiple scenarios and examined and stressed our inputs
- ✓ The current environment is inherently unpredictable due to the impact of COVID-19; we continuously review multiple economic scenarios and the potential mitigants of government action

\*Excluding PPP loans

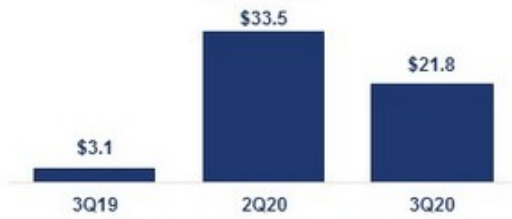


# Strong Credit Quality in 3Q

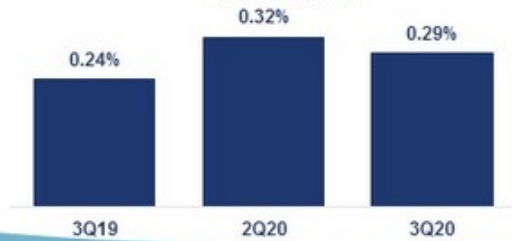
Net Charge-Offs as % of Average Loans



Provision for Credit Losses  
\$ in millions



Non-Performing Assets as %  
of Total Assets



- ✓ 3Q20 NCOs of \$2.5 million, or 0.09% annualized
  - The quarter benefited from \$4.2 million of recoveries
- ✓ The provision for credit losses was \$21.8 million, including \$10.7 million Day 2 CECL provision for Seaside
- ✓ NPAs relatively flat compared to last quarter and last year

# Loan Deferrals Improved Significantly in 3Q

## Payment Deferrals by Loan Type \$ in thousands

	June 30, 2020			September 30, 2020		
	\$ Deferred	% of Total Loan Portfolio	% of Category Total	\$ Deferred	% of Total Loan Portfolio	% of Category Total
Hotels	219,169	1.88%	70.8%	122,601	1.04%	37.9%
Restaurants	128,570	0.93%	39.5%	118,800	1.01%	35.2%
Senior Care	107,880	1.10%	20.9%	44,384	0.38%	8.5%
Equipment Finance	181,914	8.97%	23.4%	19,773	0.17%	2.4%
All Other Commercial	1,044,297	1.56%	14.2%	45,030	0.38%	0.6%
One-to-Four Family	160,893	1.38%	7.4%	13,972	0.12%	0.6%
Other Consumer	6,857	0.06%	3.3%	466	0.00%	0.2%
<b>Total</b>	<b>\$ 1,849,580</b>	<b>15.89%</b>		<b>\$ 365,026</b>	<b>3.08%</b>	

- ✓ Loan payment deferrals have continued to improve from a peak of \$1.9 billion, or 15.9% of the total loan portfolio as of June 30<sup>th</sup> to \$365 million, or 3.1% of the total loan portfolio as September 30<sup>th</sup>

(1) June 30, 2020 loan deferrals include Seaside's results, although the acquisition closed on July 1, 2020.

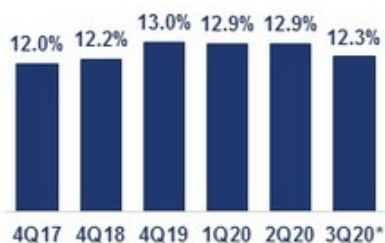
# Capital Ratios Remain Strong

Holding Company	3Q19	1Q20	2Q20	3Q20*
Common Equity Tier 1 Capital	12.4 %	12.9 %	12.9 %	12.3 %
Tier 1 Risk-Based Capital	12.7	13.1	14.0	13.1
Total Risk-Based Capital	14.5	14.9	16.1	15.2
Leverage	10.2	10.4	10.3	9.4
Tangible Common Equity to Tangible Assets	10.2	10.2	9.1	8.9

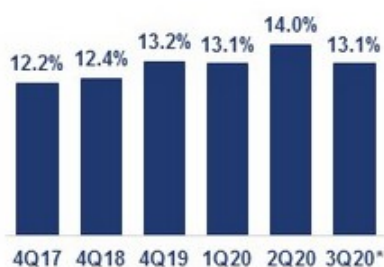
## 3Q20 Highlights

- ✓ Capital ratios significantly above "well capitalized"
- ✓ Closed the Seaside acquisition on 7/1/2020, which reduced our capital ratios as expected
- ✓ Quarterly dividend of \$0.18 per share

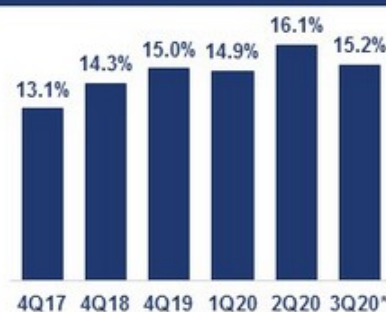
## CET1 Ratio (%)



## Tier 1 Ratio (%)



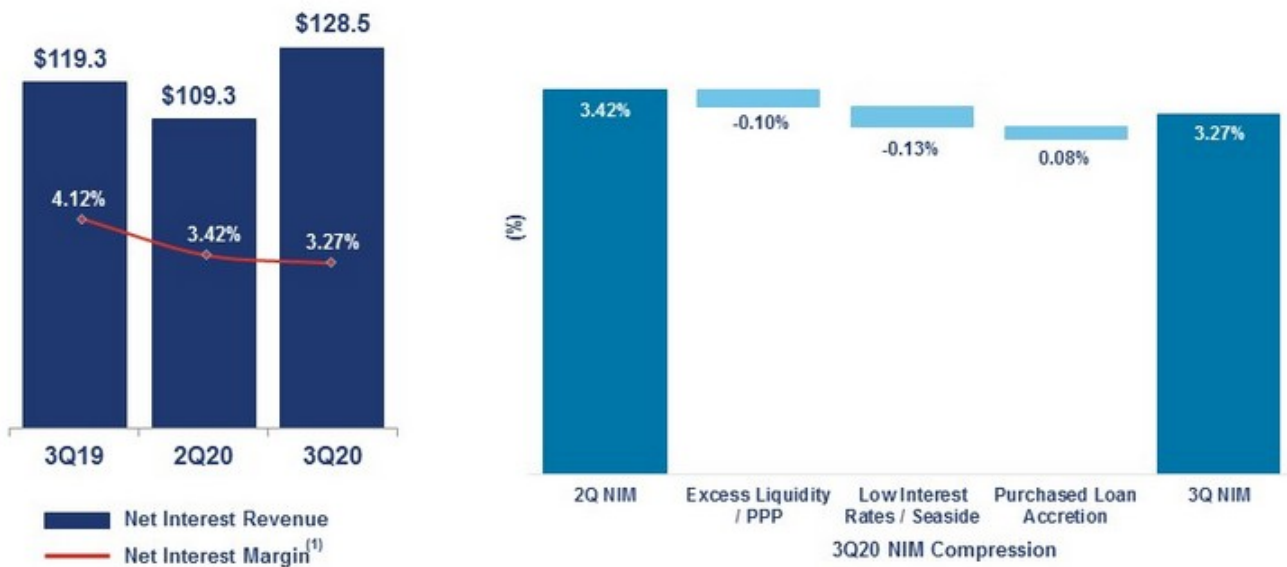
## Total Capital Ratio (%)



\*3Q20 regulatory capital ratios are preliminary

# Net Interest Revenue / Margin<sup>(1)</sup>

\$ in millions

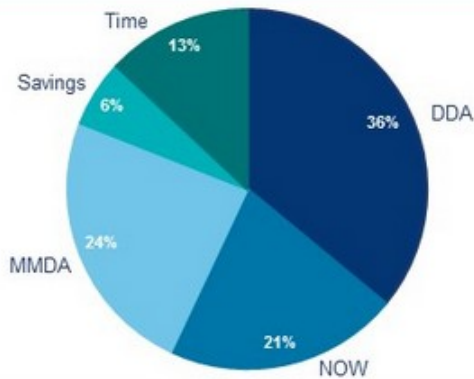


- ✓ Net interest margin decreased by 15 bps from 2Q20, resulting from 23 bps of core margin pressure offset by a 8 bps increase in purchased loan accretion
- ✓ Of the core margin pressure, 10 bps resulted from the full impact of excess liquidity from 2Q's liquidity and PPP increases

(1) Net interest margin is calculated on a fully-taxable equivalent basis

# Valuable Deposit Mix

3Q20 Total Deposits \$14.6 billion



3Q20 Highlights

- ✓ Total deposits up \$1.9 billion from 2Q20
  - Seaside contributed \$1.8 billion to total deposits in 3Q20
- ✓ Core transaction deposits excluding Seaside were up \$0.4 billion, or 15 % annualized from 2Q20 and up \$2.3 billion, or 32% YOY
  - Seaside added \$1.2 billion of core transaction deposits in 3Q20
- ✓ Cost of deposits down 13 bps to 0.25% in 3Q20, driven by continued noninterest bearing deposit growth and rate cuts

Strong Core Deposit Growth Over Time



(1) Transaction accounts include demand deposits, interest-bearing demand, money market and savings accounts, excluding public funds deposits

# Noninterest Income

\$ in millions



## Linked Quarter

### ✓ Fees up \$8.5 million

- Service charges up \$1.3 million due to increased debit card and NSF activity as more businesses continued to reopen; Seaside added approximately \$180k of the \$1.3 million total
- Mortgage fees up \$1.5 million from previous record level 2Q20
  - Rate locks and production volume were at record levels – with \$910 million in 3Q20 rate locks versus \$802 million in 2Q20
  - 3Q20 mortgage production purchase/refi mix was 45%/55%
  - 3Q20 mortgage results included a \$1.2 million MSR write-down vs a \$1.8 million write-down in 2Q20
- Gain on sale of SBA loans was \$1.2 million on \$13.5 million of SBA loan sales
- 3Q20 included a positive \$1.0 million MTM change on the SBA servicing asset compared to a negative mark in 2Q20

## Year-over-Year

### ✓ Fees up \$19.7 million

- Mortgage rate locks up 79% compared to last year (\$910 million in 3Q20 vs. \$508 million in 3Q19)

# PPP Update

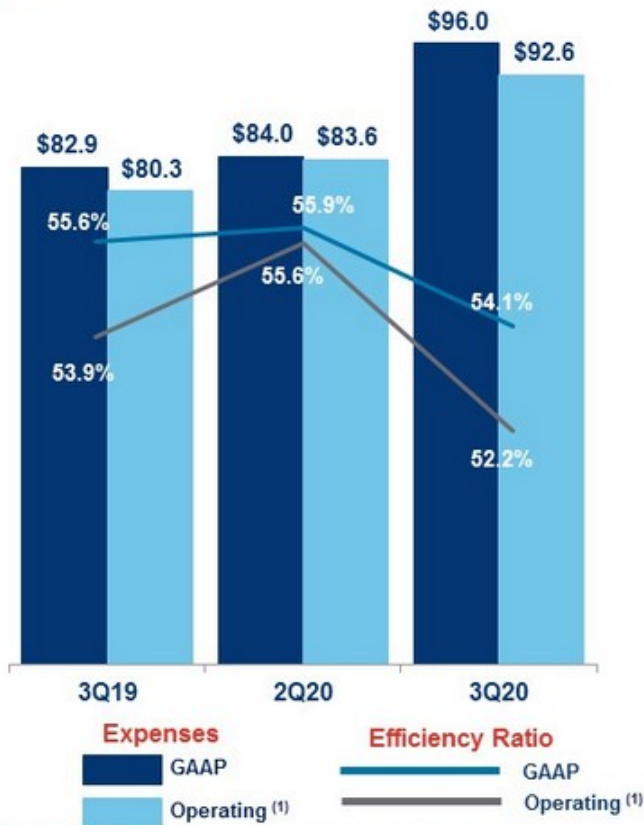
PPP Totals  
\$ billions



- ✓ UCBI funded 10,994 PPP loans totaling \$1.1 billion with an average loan size of \$106 thousand
- ✓ Seaside funded 789 PPP loans totaling \$220 million with an average loan size of \$278 thousand
- ✓ 56% of our PPP customers, representing \$719 million in loans, have input completed forgiveness materials into our portal
- ✓ The SBA has put forth a streamlined forgiveness process for loans \$50,000 and below; UCBI has 6,508 of such loans totaling \$124 million. The 6,508 individual loans represents 60% of our total number of loans

# Disciplined Expense Management

\$ in millions



## Linked Quarter

- ✓ GAAP and operating expenses increased 14% and 11%, respectively
  - 3Q20 included nominal Seaside cost savings and we are confident in achieving our stated cost savings target
  - Mortgage commissions up \$0.5 million primarily due to the increase in mortgage production volume
  - \$0.5 million expense from contribution to the United Community Bank Foundation; following \$1.0 million contribution in 2Q20

## Year-over-Year

- ✓ GAAP and operating expenses increased 16% and 15%, respectively

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



# Digital Adoption Increasing

## ✓ Website:

- ✓ 19.5% increase in ucbi.com users YOY
- ✓ Since March, 65,000 users have at least started an online application to open a loan/deposit account or enroll in online banking

## ✓ Digital Banking:

- ✓ YTD, 15% of all new consumer deposit accounts were opened online
- ✓ 135% increase YoY in online account opening
- ✓ Active online/mobile banking users up 9% YTD

## ✓ Social Media:

- ✓ Social media followers up 22% YTD
- ✓ 24% YOY growth in traffic from social media channels to ucbi.com



# 3Q INVESTOR PRESENTATION

## Exhibits



Member FDIC. © 2020 United Community Bank

# Strong Credit Culture & Disciplined Credit Processes



**Structure**

- ✓ Centralized underwriting and approval process for consumer credit
- ✓ Distributed Regional Credit Officers (reporting to Credit) for commercial
- ✓ Dedicated Special Assets team
- ✓ Eight of the top twelve credit leaders recruited post-crisis

**Process**

- ✓ Weekly Senior Credit Committee; approval required for all relationship exposure > \$12.5 million
- ✓ Continuous external loan review
- ✓ Monthly commercial asset quality review
- ✓ Monthly retail asset quality review meetings

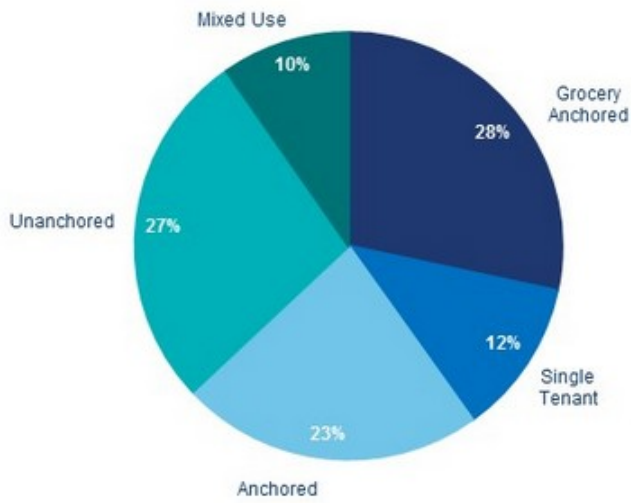
**Policy**

- ✓ Continuous review and enhancements to credit policy
- ✓ Quarterly reviews of portfolio limits and concentrations

**BUILT TO  
OUTPERFORM  
IN THE NEXT  
CYCLE**

# Retail CRE

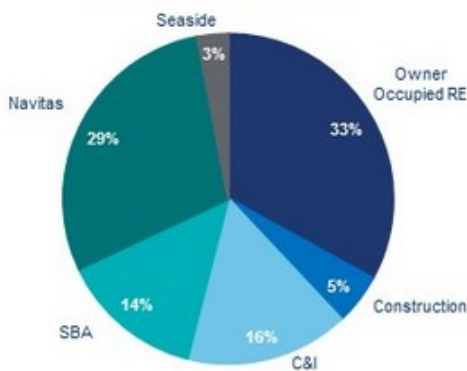
Top 50 UCBI Retail CRE - Property Type



- ✓ Top 50 Retail CRE loans totaled \$322 million outstanding, 3% of total loans as of 3Q20
- ✓ Average loan size of approximately \$4.8 million
- ✓ Seaside has \$44 million of retail CRE as of 3Q20

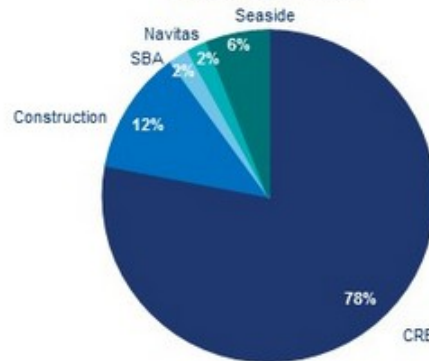
# Selected Segments – Restaurants & Hotels

Restaurants by Product<sup>(1)</sup>



- ✓ Restaurant loans outstanding totaled \$337.1 million as of 3Q20, or 3% of total loans
- ✓ As of 3Q20, \$119 million of UCBI restaurant loans were deferred, which equated to approximately 35% of the total restaurant portfolio commitments

Hotels by Product<sup>(1)</sup>

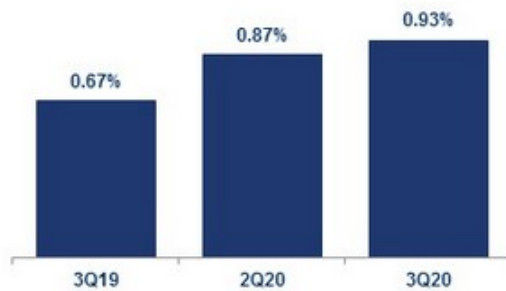


- ✓ Hotel loans outstanding totaled \$329.6 million as of 3Q20, or 3% of total loans
- ✓ Loan to value low at 53% on average for UCBI portfolio
- ✓ Top Tier UCBI brands represent approximately 56% of total outstanding exposure
- ✓ Over 50% of hotel loan exposures are located within Atlanta, Columbia, Myrtle Beach, Greenville, Savannah and Florence
- ✓ As of 3Q20, \$122 million of UCBI hotel loans were deferred, which equated to approximately 37% of the total hotel portfolio outstanding

(1) Excluding PPP loans

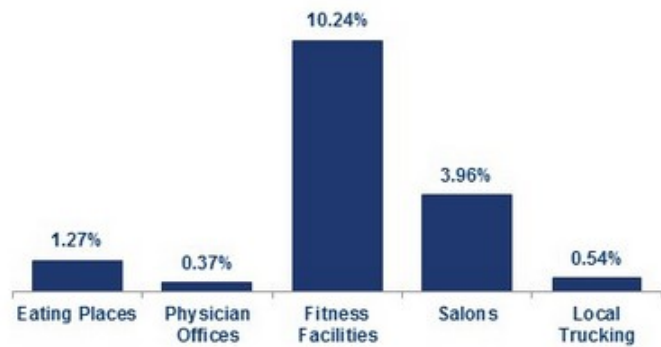
# Credit Quality — Navitas

Net Charge-Offs as %  
of Average Loans



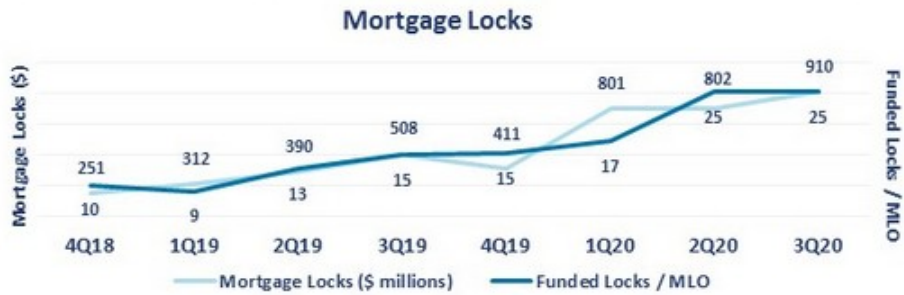
- ✓ Navitas 3Q20 NCOs = 0.93%
- ✓ Navitas had a >4% 3Q20 pretax ROA and could withstand ~4.9% in annualized credit losses before reporting a net loss
- ✓ Navitas' cumulative net loss rates have approximated 2% for the last 10 years
- ✓ Navitas ACL - Loans equated to 1.87% as of 3Q20
- ✓ Rating agencies have historically assigned Navitas originations with expected through-the-cycle loss rates of 3.1% to 3.8%

Deferral % by Category for Top 5 Categories  
3Q20



- ✓ Total Navitas deferrals are only 2% of the total Navitas loan portfolio at 3Q20, improved 90% from 2Q20
- ✓ Of Navitas' top 5 loan categories by industry type, 10% of Navitas' fitness facility loans are deferred, making up 32% of total Navitas deferrals

# Expanding Mortgage Throughout the Footprint



	4Q18	1Q19	2Q19	3Q19	4Q19	1Q20	2Q20	3Q20
Loans Sold (\$ millions)	\$132	\$111	\$153	\$220	\$226	\$259	\$397	\$402
Gain on Sale %	2.6%	2.7%	3.7%	3.4%	3.7%	2.9%	4.5%	5.4%

- ✓ We have been consistently investing in our mortgage business
- ✓ The total number originators were relatively flat in 2019 and 2020, however we have been continually upgrading talent over the past few quarters, including the lift out of a 15 person team in Raleigh in 3Q19
- ✓ Mortgage production per originator, per quarter increased to \$6.9 million in 3Q20, or 75% above 3Q19
- ✓ Purchase / Refi mix has shifted from 70% / 30% in 3Q19 to 55% / 45% in 3Q20
- ✓ Technology investments have also paid off as we have been able to market to our existing customers and also have enabled us to cut processing costs and process times
- ✓ We continue to hire mortgage originators and are optimistic about the opportunity to overlay the business on the Seaside franchise

# Non-GAAP Reconciliation Tables

\$ in thousands, except per share data

	3Q19 (1)	4Q19	1Q20	2Q20	3Q20
<b>Expenses</b>					
Expenses - GAAP	\$ 82,924	\$ 81,424	\$ 81,538	\$ 83,980	\$ 95,981
Merger-related and other charges	(2,605)	74	(808)	(397)	(3,361)
Expenses - Operating	<u>\$ 80,319</u>	<u>\$ 81,498</u>	<u>\$ 80,730</u>	<u>\$ 83,583</u>	<u>\$ 92,620</u>
<b>Diluted Earnings per share</b>					
Diluted earnings per share - GAAP	\$ 0.60	\$ 0.61	\$ 0.40	\$ 0.32	\$ 0.52
Merger-related and other charges	0.03	-	0.01	-	0.03
Diluted earnings per share - Operating	<u>0.63</u>	<u>0.61</u>	<u>0.41</u>	<u>0.32</u>	<u>0.55</u>
<b>Book Value per share</b>					
Book Value per share - GAAP	\$ 20.16	\$ 20.53	\$ 20.80	\$ 21.22	\$ 21.45
Effect of goodwill and other intangibles	(4.26)	(4.25)	(4.28)	(4.27)	(4.36)
Tangible book value per share	<u>\$ 15.90</u>	<u>\$ 16.28</u>	<u>\$ 16.52</u>	<u>\$ 16.95</u>	<u>\$ 17.09</u>
<b>Return on Tangible Common Equity</b>					
Return on common equity - GAAP	12.16 %	12.07 %	7.85 %	6.17 %	10.06 %
Effect of merger-related and other charges	0.51	(0.01)	0.16	0.08	0.63
Return on common equity - Operating	<u>12.67</u>	<u>12.06</u>	<u>8.01</u>	<u>6.25</u>	<u>10.69</u>
Effect of goodwill and intangibles	3.71	3.43	2.56	1.84	2.83
Return on tangible common equity - Operating	<u>16.38 %</u>	<u>15.49 %</u>	<u>10.57 %</u>	<u>8.09 %</u>	<u>13.52 %</u>

(1) Merger-related and other charges for 3Q19 include \$64 thousand of intangible amortization resulting from payments made to executives under their change of control agreements. The resulting intangible assets were being amortized over 12 to 24 months.



# Non-GAAP Reconciliation Tables

\$ in thousands, except per share data

	3Q19 (1)	4Q19	1Q20	2Q20	3Q20
<b>Return on Assets</b>					
Return on assets - GAAP	1.51 %	1.50 %	0.99 %	0.71 %	1.07 %
Merger-related and other charges	0.07	-	0.02	0.01	0.07
Return on assets - Operating	<u>1.58 %</u>	<u>1.50 %</u>	<u>1.01 %</u>	<u>0.72 %</u>	<u>1.14 %</u>
<b>Return on Assets to return on assets- pre-tax pre-provision</b>					
Return on assets - GAAP	1.51 %	1.50 %	0.99 %	0.71 %	1.07 %
Income tax expense	0.44	0.39	0.27	0.20	0.28
Provision for credit losses	0.10	0.11	0.69	0.95	0.51
Return on assets - pre-tax, pre-provision	2.05	2.00	1.95	1.86	1.86
Merger-related and other charges	0.08	-	0.03	0.01	0.07
Return on assets - pre-tax, pre-provision, excluding merger-related and other charges	<u>2.13 %</u>	<u>2.00 %</u>	<u>1.98 %</u>	<u>1.87 %</u>	<u>1.93 %</u>
<b>Efficiency Ratio</b>					
Efficiency Ratio - GAAP	55.64 %	54.87 %	56.15 %	55.86 %	54.14 %
Merger-related and other charges	(1.74)	0.05	(0.56)	(0.27)	(1.90)
Efficiency Ratio - Operating	<u>53.90 %</u>	<u>54.92 %</u>	<u>55.59 %</u>	<u>55.59 %</u>	<u>52.24 %</u>
<b>Tangible common equity to tangible assets</b>					
Equity to assets ratio - GAAP	12.53 %	12.66 %	12.54 %	11.81 %	11.47 %
Effect of goodwill and other intangibles	(2.37)	(2.34)	(2.32)	(2.05)	(2.01)
Effect of preferred equity	-	-	-	(0.64)	(0.57)
Tangible common equity to tangible assets ratio	<u>10.16 %</u>	<u>10.32 %</u>	<u>10.22 %</u>	<u>9.12 %</u>	<u>8.89 %</u>

(1) Merger-related and other charges for 3Q19 include \$64 thousand of intangible amortization resulting from payments made to executives under their change of control agreements. The resulting intangible assets were being amortized over 12 to 24 months.

# Glossary

ACL – Allowance for Credit Losses

ALLL – Allowance for Loan Losses

AUA – Assets Under Administration

BPS – Basis Points

C&I – Commercial and Industrial

C&D – Commercial and Development

CECL – Current Expected Credit Losses

CET1 – Common Equity Tier 1 Capital

CRE – Commercial Real Estate

CSP – Customer Service Profiles

DDA – Demand Deposit Account

EOP – End of Period

GAAP – Accounting Principles Generally Accepted in the United States of America

KRX – KBW Nasdaq Regional Banking Index

LPO – Loan Production Office

MLO – Mortgage Loan Officer

MTM – Marked-to-market

MSA – Metropolitan Statistical Area

MSR – Mortgage Servicing Rights Asset

NCO – Net Charge-Offs

NIM – Net Interest Margin

NPA – Non-Performing Asset

NSF – Non-sufficient Funds

OO RE – Owner Occupied Commercial Real Estate

PCD – Loans Purchased with Credit Deterioration

PPP – Paycheck Protection Program

PTPP – Pre-Tax, Pre-Provision Earnings

RBC – Risk Based Capital

ROA – Return on Assets

SBA – United States Small Business Administration

TCE – Tangible Common Equity

USDA – United States Department of Agriculture

YOY – Year over Year