

# United Community Banks, Inc.

## Investor Presentation

First Quarter 2012

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April 26, 2012

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# Cautionary Statement

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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 Community Banks, Inc.'s filings with the Securities and Exchange Commission including its 2011 Annual Report on Form 10-K under the sections entitled "Forward-Looking Statements". Forward-looking statements speak only as of the date they are made, and we undertake no obligation to update or revise forward-looking statements.

# Non-GAAP Measures

This presentation also contains financial measures determined by methods other than in accordance with generally accepted accounting principles (“GAAP”). Such non-GAAP financial measures include the following: net interest margin – pre credit, core net interest margin, core net interest revenue, core fee revenue, core operating expense, core earnings, net operating (loss) income and net operating (loss) earnings per share, 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: net interest margin, net interest revenue, fee revenue, operating expense, net (loss) income, diluted (loss) earnings per share and equity to assets.

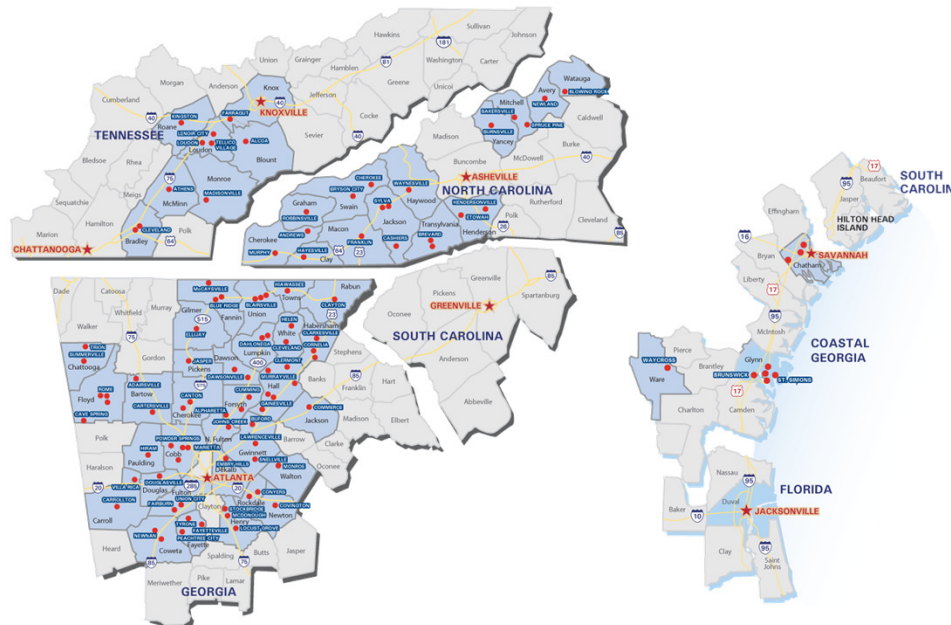
Management uses these non-GAAP financial measures because we believe it is useful for evaluating our operations and performance over periods of time, as well as in managing and evaluating our business and in discussions about our operations and performance. Management believes these non-GAAP financial 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.

# United at a Glance

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- Founded in 1950
- Third-largest bank holding company in Georgia
- Headquartered in Blairsville, Georgia with 106 locations throughout north Georgia, metro Atlanta, coastal Georgia, western North Carolina and east Tennessee
- 1,707 employees

## 27 Banks and 106 Offices



## Deposit Market Share<sup>(1)</sup>

Market	Banks	Offices	Deposit Share	Rank
North Georgia	11	23	33%	1
Atlanta MSA	10	38	4	7
Gainesville MSA	1	5	14	3
Coastal Georgia	2	8	6	7
Western North Carolina	1	21	13	3
East Tennessee	2	11	2	10

## Key Statistics as of 3/31/12

(billions)	
Total assets	\$7.17
Total deposits	\$6.00
Loans	\$4.13

<sup>1</sup> FDIC deposit market share and rank as of 6/11 for markets where United takes deposits. Source: SNL and FDIC.

# Highlights First Quarter

## ■ Improving Quarterly Results

- Net Income of \$11.5 million, or 15 cents per share
- Third quarterly profit in past four quarters
- Core earnings (pre-tax, pre-credit) of \$29.3 million; highest level since 4Q 2009

## ■ Loan Growth Traction

- Second linked-quarter with loan growth, first time since March 2008

## ■ Strong Core Transaction Deposit Growth

- Up 21% annualized
- Building customer deposit base
- Represents 52% of total customer deposits compared to 34%

## ■ Non Performing Assets Hold Steady

- Charge-offs declining

# LOAN PORTFOLIO & CREDIT QUALITY

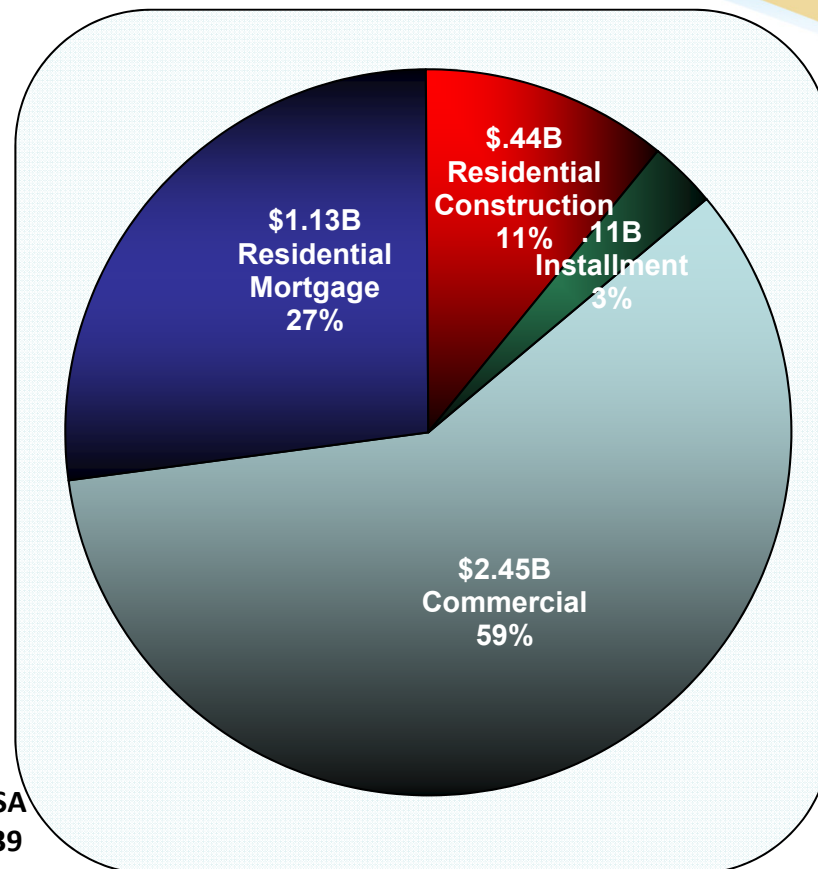
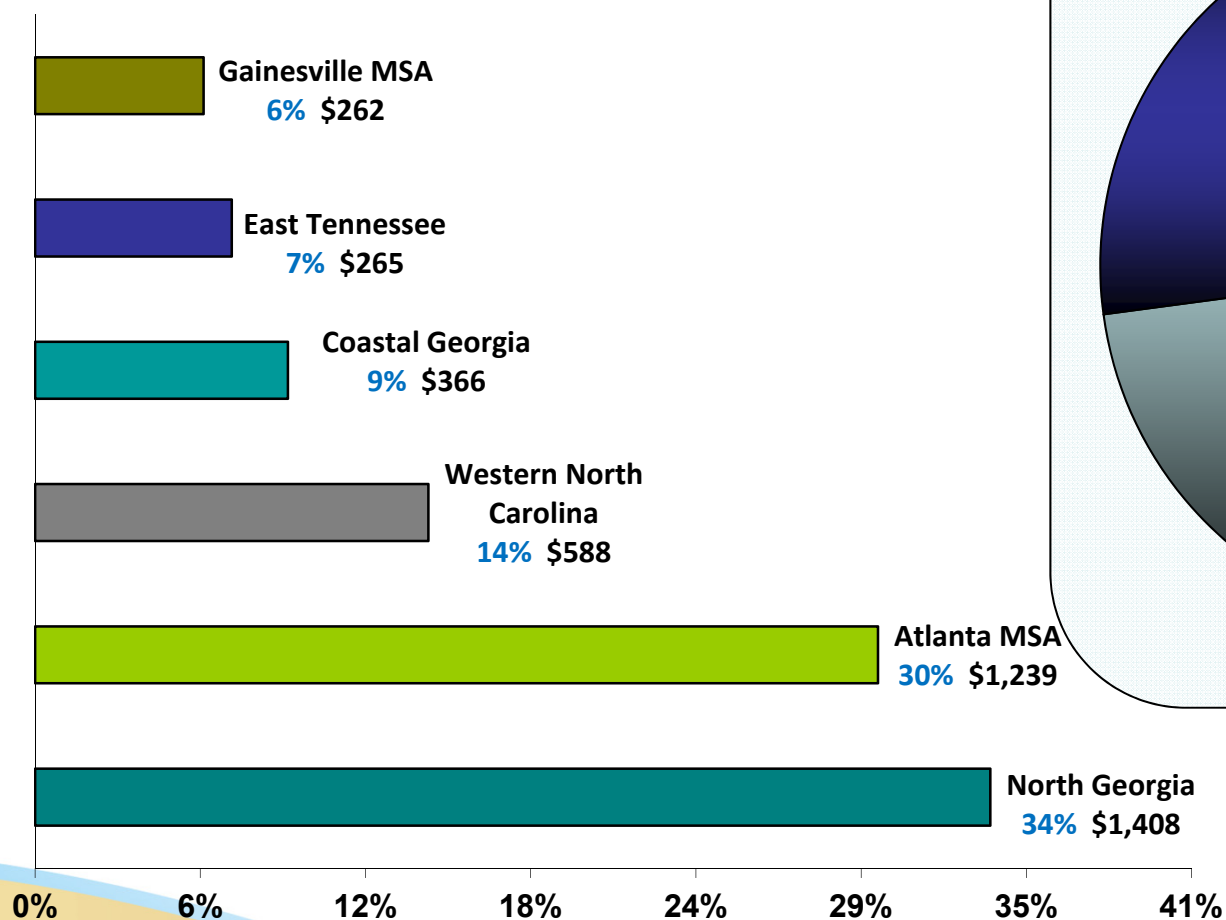


# Loan Portfolio (total \$4.13 billion)

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## Geographic Diversity

\$ in millions



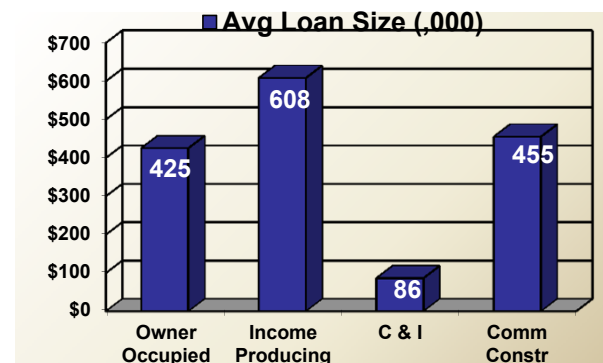
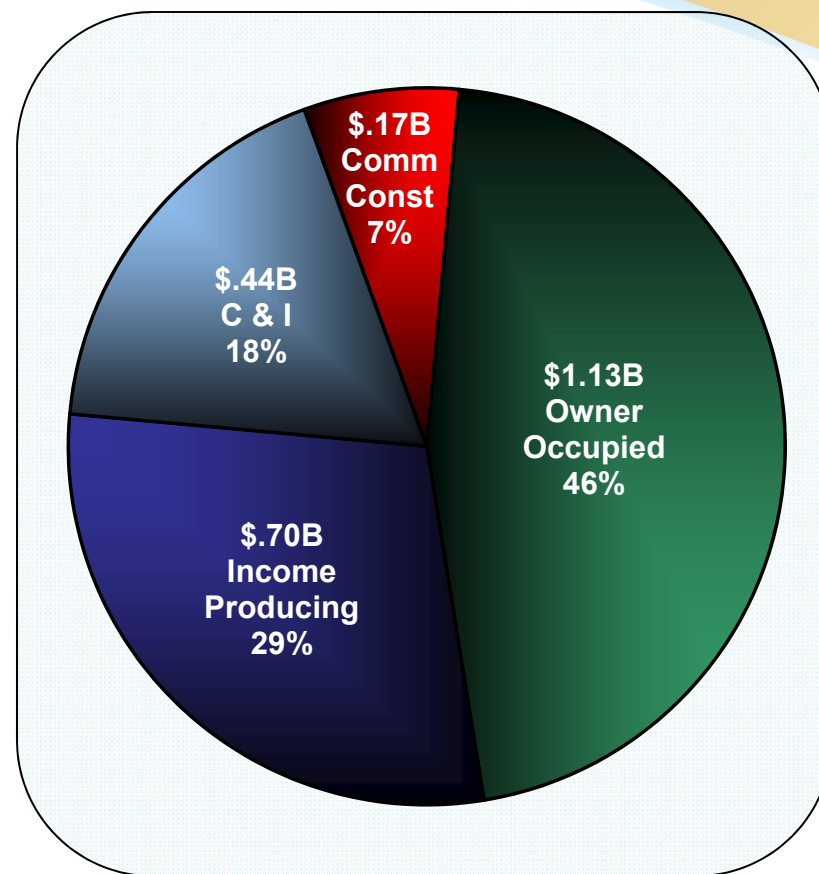
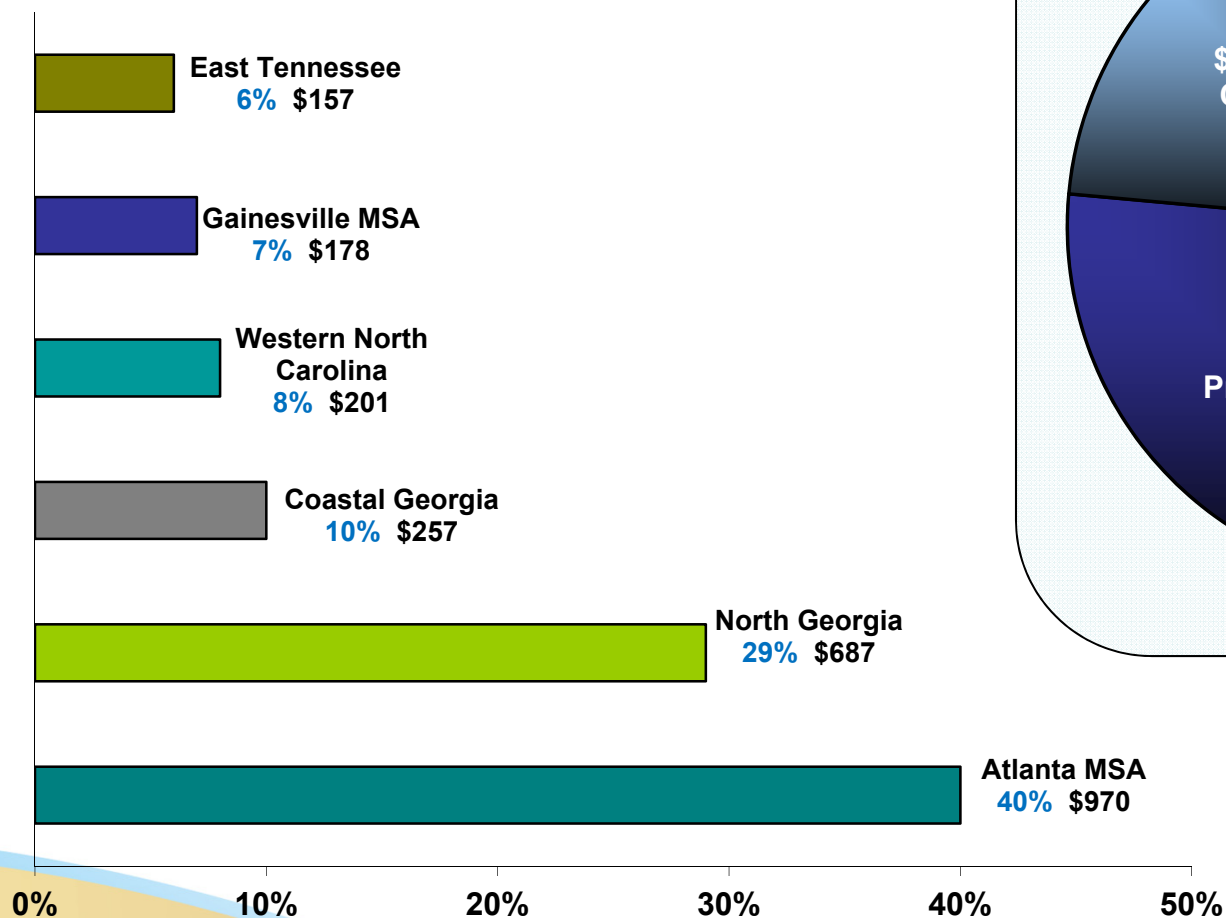


# Commercial Loans (total \$2.45 billion)

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## Geographic Diversity

\$ in millions





# Commercial Real Estate *(by loan type)*

*(in millions)*

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Loan Type	March 31, 2012			Percent
	Owner Occupied	Income Producing	Total	
Office Buildings	\$ 297	\$ 207	\$ 504	27 %
Retail	122	142	264	14
Small Warehouses/Storage	117	74	191	10
Multi-Residential/Other Properties	64	92	156	9
Churches	138	-	138	8
Convenience Stores	74	23	97	5
Hotels/Motels	-	89	89	5
Franchise / Restaurants	38	34	72	4
Farmland	62	-	62	4
Golf Course/Recreation	59	-	59	3
Manufacturing Facility	47	9	56	3
Auto Dealership/Service	45	8	53	3
Leasehold Property	17	10	27	1
Daycare Facility	16	9	25	1
Other Small Business	11	8	19	1
Carwash	18	-	18	1
Funeral Home	12	1	13	1
Total	\$ 1,137	\$ 706	\$ 1,843	

## Portfolio Characteristics

- 62% owner-occupied
- Small business, doctors, dentists, attorneys, CPAs
- \$12 million project limit
- Average Loan Size
  - \$469 Composite CRE
  - \$380 Owner Occupied
  - \$583 Income Producing

# Commercial Construction *(by loan type)*

*(in millions)*

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Loan Type	March 31, 2012	
	Amount	Percent
Land Develop - Vacant (Improved)	\$ 66	39 %
Raw Land - Vacant (Unimproved)	55	33
Commercial Land Development	23	14
Golf Course/Country Club	6	4
Office Buildings	4	2
Churches	4	2
Warehouse	2	1
Miscellaneous Construction	7	5
Total Commercial Construction	\$ 167	100 %

## Portfolio Characteristics

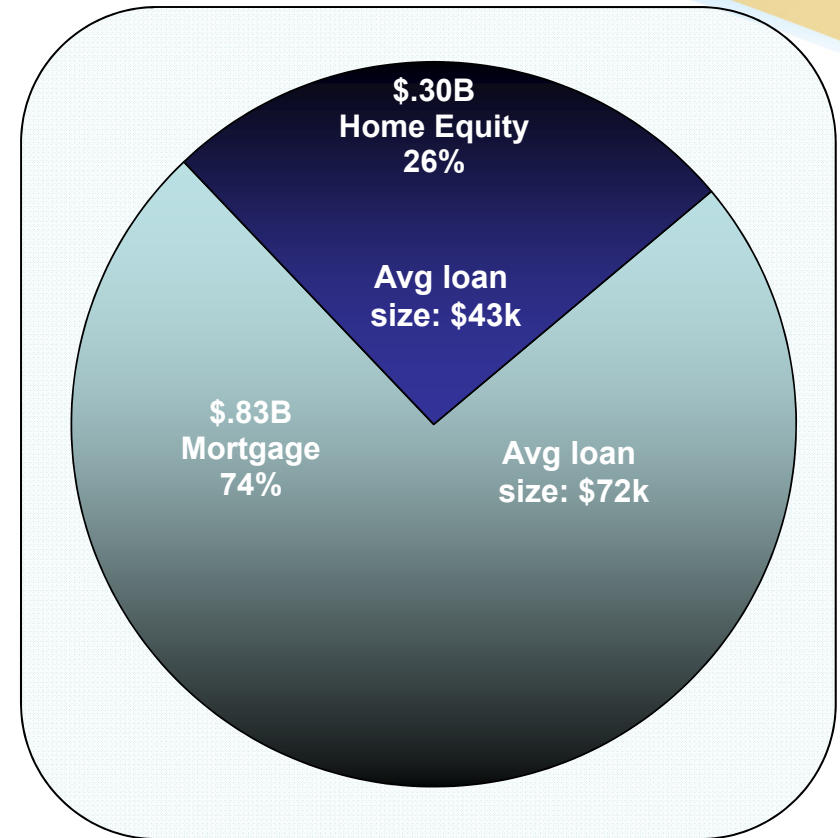
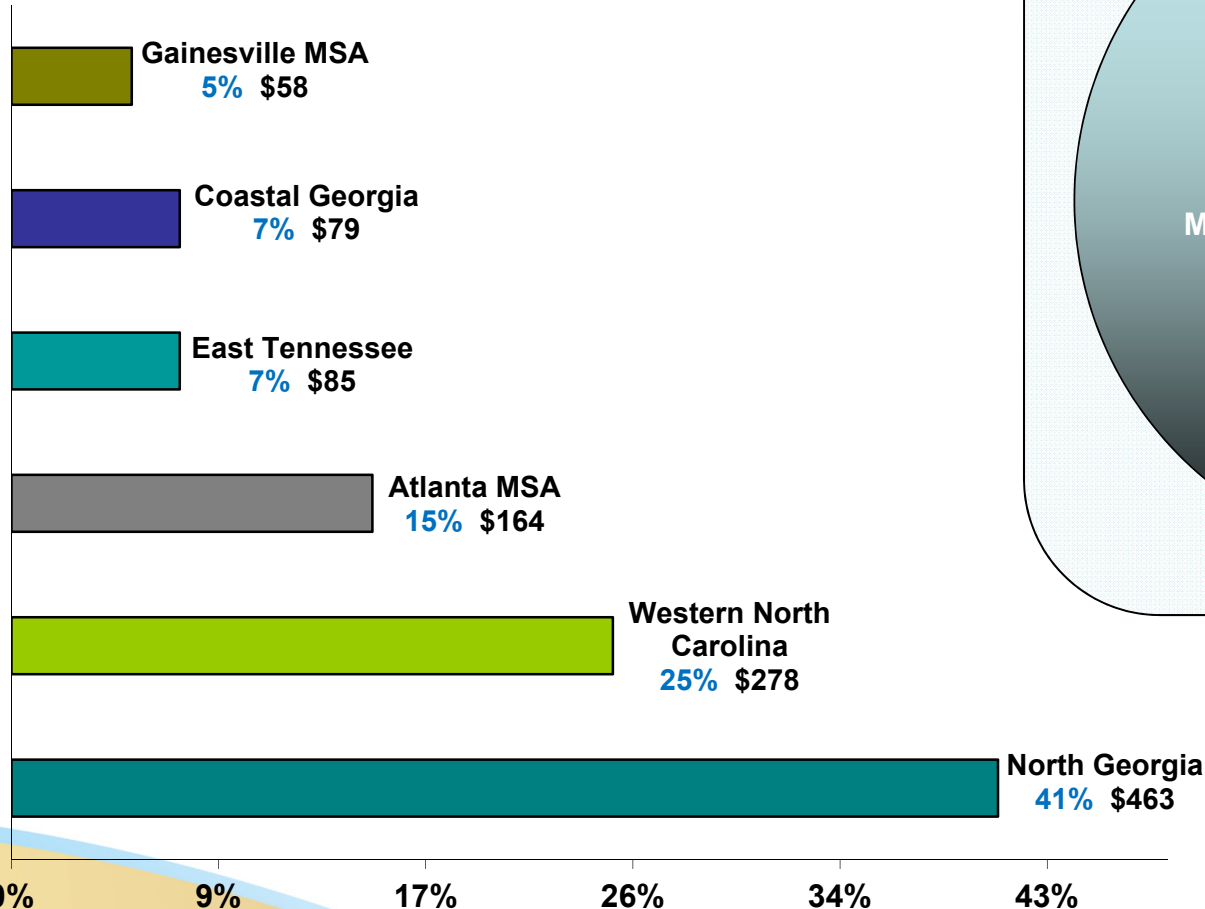
■ Average loan size: \$455k

# Residential Mortgage (total \$1.13 billion)

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## Geographic Diversity

\$ in millions



## Origination Characteristics

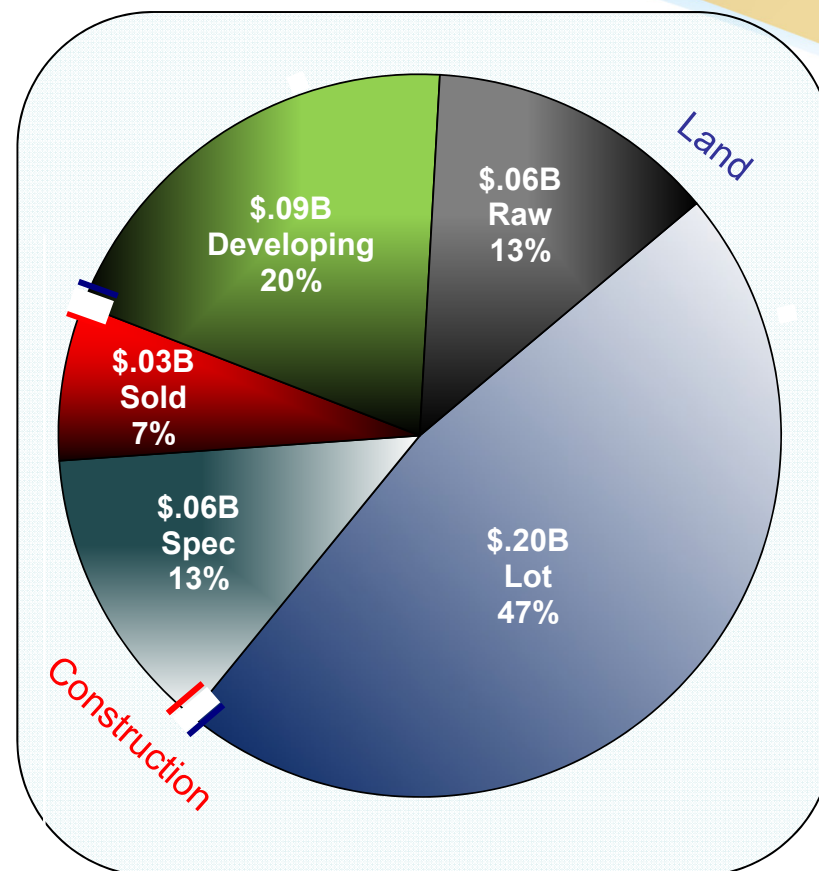
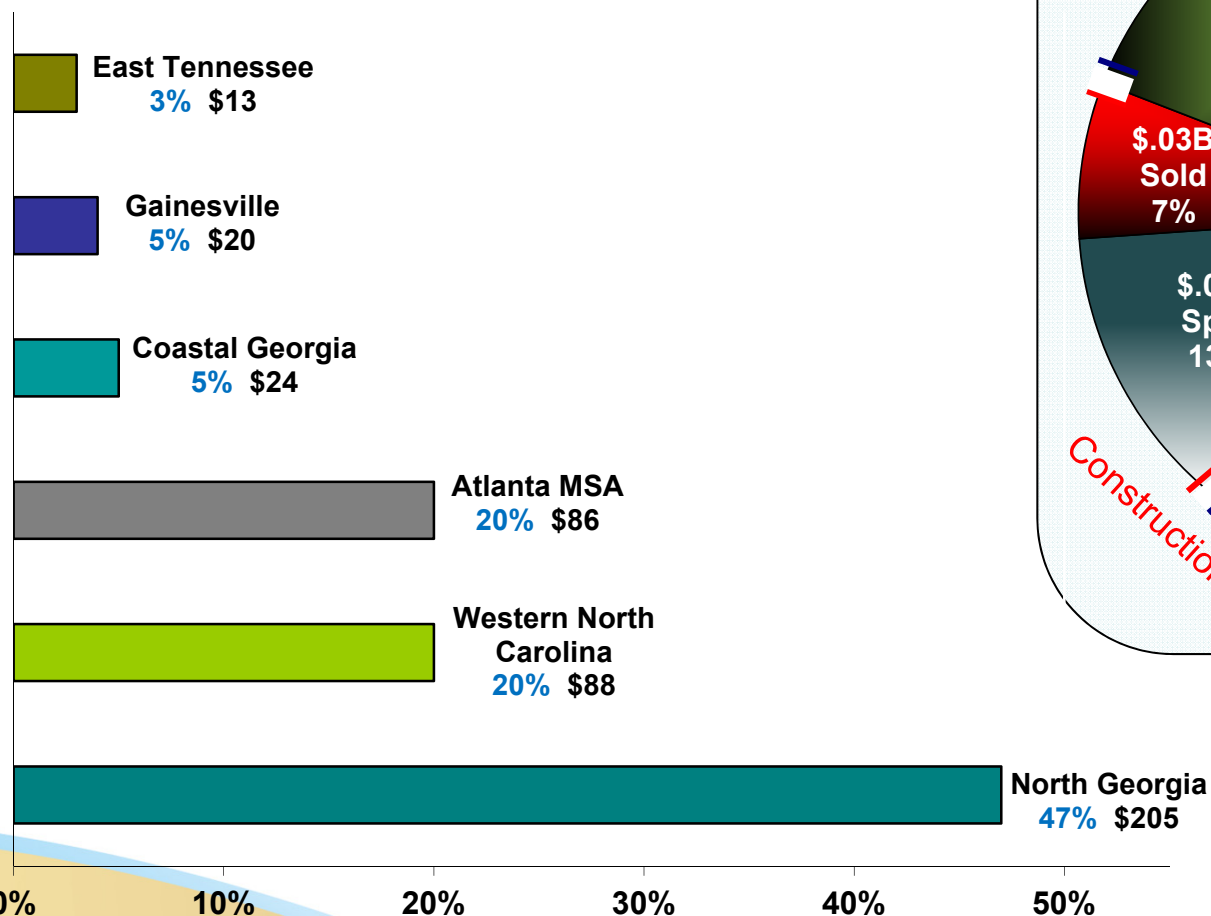
- No broker loans
- Policy Max LTV: 80-85%
- 54% of HE Primary Lien

# Residential Construction (total \$.44 billion)

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## Geographic Diversity

\$ in millions



### Average Loan Size

Spec	\$221k	Develop	\$627k
Sold	\$126k	Raw Land	\$142k

# Residential Construction – Total Company

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(in millions)	1Q12	4Q11	3Q11	2Q11	1Q11	1Q12 vs. 1Q11
<b>Land Loans</b>						
Developing Land	\$ 86	\$ 88	\$ 97	\$ 105	\$ 116	\$ (30)
Raw Land	57	61	60	62	69	(12)
Lot Loans	203	207	216	218	228	(25)
<b>Total</b>	<b>346</b>	<b>356</b>	<b>373</b>	<b>385</b>	<b>413</b>	<b>(67)</b>
<b>Construction Loans</b>						
Spec	57	59	64	74	88	(31)
Sold	32	33	37	43	49	(17)
<b>Total</b>	<b>89</b>	<b>92</b>	<b>101</b>	<b>117</b>	<b>137</b>	<b>(48)</b>
<b>Total Res Construction</b>	<b>\$ 435</b>	<b>\$ 448</b>	<b>\$ 474</b>	<b>\$ 502</b>	<b>\$ 550</b>	<b>\$ (115)</b>

## By Region

Atlanta	\$ 86	\$ 86	\$ 92	\$ 97	\$ 110	\$ (24)
Gainesville MSA	20	20	25	25	26	(6)
North Georgia	205	214	229	249	266	(61)
North Carolina	88	91	92	95	106	(18)
Coastal Georgia	23	24	24	24	27	(4)
Tennessee	13	13	12	12	15	(2)
<b>Total Res Construction</b>	<b>\$ 435</b>	<b>\$ 448</b>	<b>\$ 474</b>	<b>\$ 502</b>	<b>\$ 550</b>	<b>\$ (115)</b>

# New Loans Funded – Category and Market

(in millions)

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<b><u>CATEGORY</u></b>	<b><u>1Q12</u></b>	<b><u>MARKET</u></b>	<b><u>1Q12</u></b>
Commercial RE:		Atlanta	\$ 54.2
Owner Occupied	\$ 55.0	Coastal Georgia	25.4
Income Producing	15.3	N. Georgia	25.1
Total Commercial RE	70.3	Tennessee	14.1
Commercial C & I	26.0	North Carolina	7.9
Commercial Constr.	2.9	Gainesville	4.7
Residential	24.7	Total Markets	\$ 131.4
Residential Constr.	6.4		
Consumer	1.1		
Total Categories	\$ 131.4		

# New Loan Commitments – Category and Market

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(in millions)

<b><u>CATEGORY</u></b>	<b><u>1Q12</u></b>	<b><u>MARKET</u></b>	<b><u>1Q12</u></b>
Commercial RE:		Atlanta	\$ 70.9
Owner Occupied	\$ 55.7	N. Georgia	36.3
Income Producing	16.7	Coastal Georgia	28.0
Total Commercial RE	72.4	Tennessee	18.7
Commercial C & I	39.0	North Carolina	9.8
Commercial Constr.	6.1	Gainesville	4.9
Residential	29.0	Total Markets	\$ 168.6
Residential Constr.	20.9		
Consumer	1.2		
Total Categories	\$ 168.6		



# Credit Quality

(in millions)

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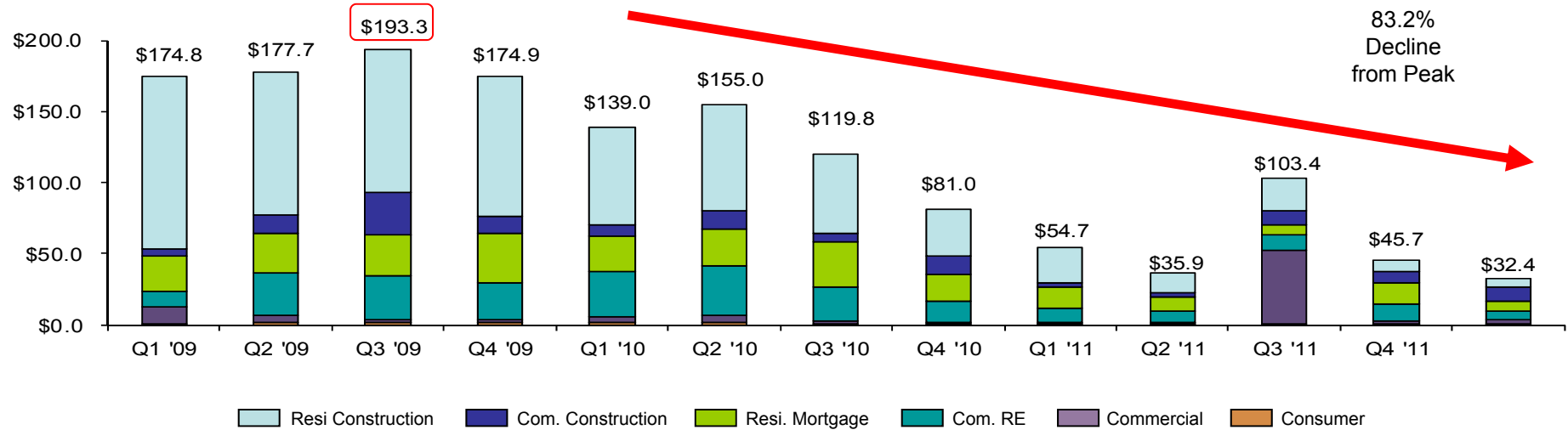
	1Q12	4Q11	3Q11	2Q11	1Q11
<b>Operating Net Charge-offs<sup>(1)</sup></b>	<b>\$ 15.9</b>	<b>\$ 20.6</b>	<b>\$ 17.5</b>	<b>\$ 16.5</b>	<b>\$ 231.6</b>
as % of Average Loans <sup>(1)</sup>	1.55 %	1.99 %	1.68 %	1.58 %	20.71 %
<b>Allowance for Loan Losses</b>	<b>\$ 113.6</b>	<b>\$ 114.5</b>	<b>\$ 146.1</b>	<b>\$ 127.6</b>	<b>\$ 133.1</b>
as % of Total Loans	2.75 %	2.79 %	3.55 %	3.07 %	3.17 %
as % of NPLs	88	90	101	180	159
<b>Past Due Loans (30 - 89 Days)</b>	<b>.85 %</b>	<b>.75 %</b>	<b>.70 %</b>	<b>0.65 %</b>	<b>1.26 %</b>
<b>Non-Performing Loans</b>	<b>\$ 129.7</b>	<b>\$ 127.5</b>	<b>\$ 144.5</b>	<b>\$ 71.0</b>	<b>\$ 83.7</b>
<b>OREO</b>	<b>31.9</b>	<b>32.8</b>	<b>44.2</b>	<b>47.6</b>	<b>54.4</b>
<b>Total NPAs</b>	<b>\$ 161.6</b>	<b>\$ 160.3</b>	<b>\$ 188.7</b>	<b>\$ 118.6</b>	<b>\$ 138.1</b>
<b>Accruing TDRs</b>	<b>\$ 125.8</b>	<b>\$ 105.8</b>	<b>\$ 69.8</b>	<b>\$ 41.5</b>	<b>\$ 44.4</b>
<b>As % of Original Principal Balance</b>					
<b>Non-Performing Loans</b>	<b>70.6 %</b>	<b>71.3 %</b>	<b>77.8 %</b>	<b>64.5 %</b>	<b>57.3 %</b>
<b>OREO</b>	<b>36.1</b>	<b>35.9</b>	<b>33.4</b>	<b>32.6</b>	<b>30.3</b>
<b>Total NPAs</b>					
as % of Total Assets	2.26	2.30	2.74	1.66	1.79
as % of Loans & OREO	3.88	3.87	4.54	2.82	3.25

(1) Excludes \$25 million of charge-offs for largest loan relationship in 4Q11.

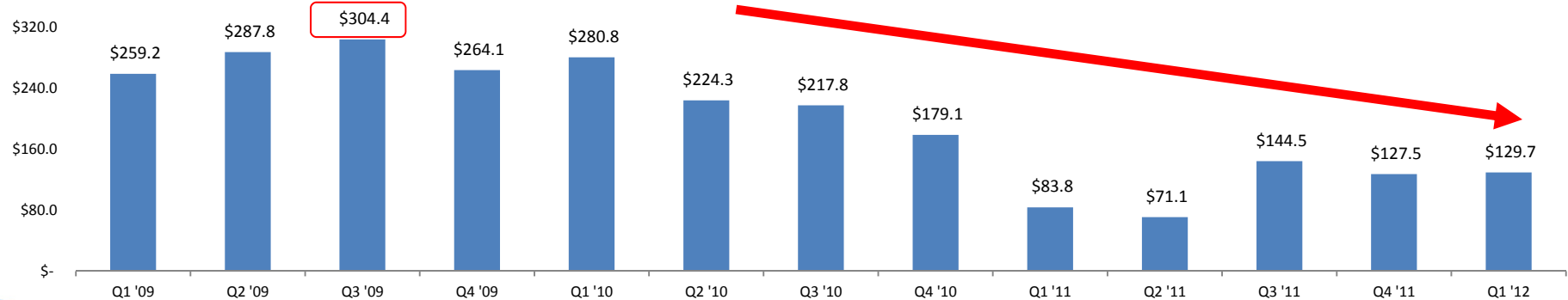
# NPL Inflow Trends

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Quarterly NPL Inflows Since 2009 (\$mm)



Total NPLs (\$mm)



# Net Charge-offs by Loan Category

(in thousands)

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	1Q12		% of Average Loans (Annualized)		
	Total	% of Avg Loans	4Q12 <sup>(1)</sup>	3Q11	2Q11 <sup>(2)</sup>
Commercial (Sec. by RE):					
Owner Occupied	\$ 2,462	.87 %	1.16 %	.34 %	.89 %
Income Producing	1,235	.70	.57	.71	1.54
Total Comm (Sec. by RE)	3,697	.81	.90	.50	1.16
Commercial & Industrial	669	.62	1.08	3.54	4.31
Commercial Construction	334	.81	1.75	.39	.59
Total Commercial	4,700	.78	1.06	.71	1.33
Residential Mortgage	5,375	1.91	2.04	2.09	1.97
Residential Construction	5,314	4.84	6.77	5.19	7.19
Consumer/ Installment	478	1.72	1.47	2.75	2.07
<b>Total Net Charge-offs</b>	<b>\$ 15,867</b>	<b>1.55</b>	<b>1.99</b>	<b>1.68</b>	<b>2.27</b>

(1) Excludes charge-offs for largest loan relationship of Commercial Construction \$2,863; Commercial & Industrial \$17,046; CRE Income Producing \$901; and, Residential Construction \$4,190

(2) Calculated excluding losses related to asset disposition plans.

# Net Charge-offs by Market

(in millions)

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	1Q12		% of Average Loans (Annualized)			
	Total	% of Avg Loans	4Q11 <sup>(1)</sup>	3Q11	2Q11 <sup>(2)</sup>	
North Georgia	\$ 9,022	2.56 %	2.70 %	2.16 %	2.71 %	
Atlanta MSA	2,729	.89	1.37	.94	1.66	
North Carolina	1,679	1.14	2.10	2.31	2.67	
Coastal Georgia	1,329	1.53	.41	.88	1.52	
Gainesville MSA	883	1.35	3.84	2.64	3.73	
East Tennessee	225	.34	.59	.78	.76	
<b>Total</b>	<b>\$ 15,867</b>	<b>1.55</b>	<b>1.99</b>	<b>1.68</b>	<b>2.27</b>	

(1) Excludes charge-offs for largest loan relationship of in North Georgia of \$25,000

(2) Calculated excluding losses related to asset disposition plans.

# NPAs by Loan Category and Market

(in thousands)

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	1Q12		
	NPLs	OREO	Total NPAs
<b>LOAN CATEGORY</b>			
Commercial (sec. by RE):			
Owner Occupied	\$ 12,830	\$ 7,892	\$ 20,722
Income Producing	13,251	2,916	16,167
Commercial & Industrial	36,314	-	36,314
Commercial Construction	23,319	3,266	26,585
<b>Total Commercial</b>	<b>85,714</b>	<b>14,074</b>	<b>99,788</b>
Residential Mortgage	18,741	5,882	24,623
Residential Construction	24,341	11,931	36,272
Consumer/ Installment	908	-	908
<b>Total</b>	<b>\$ 129,704</b>	<b>\$ 31,887</b>	<b>\$ 161,591</b>

	1Q12		
	NPLs	OREO	Total NPAs
<b>MARKETS</b>			
North Georgia	\$ 81,117	\$ 14,559	\$ 95,676
Atlanta MSA	22,321	7,647	29,968
North Carolina	15,765	4,650	20,415
Coastal Georgia	5,622	1,268	6,890
Gainesville MSA	2,210	3,387	5,597
East Tennessee	2,669	376	3,045
<b>Total</b>	<b>\$ 129,704</b>	<b>\$ 31,887</b>	<b>\$ 161,591</b>

# Financial Review

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# Core Earnings Summary

(in thousands)

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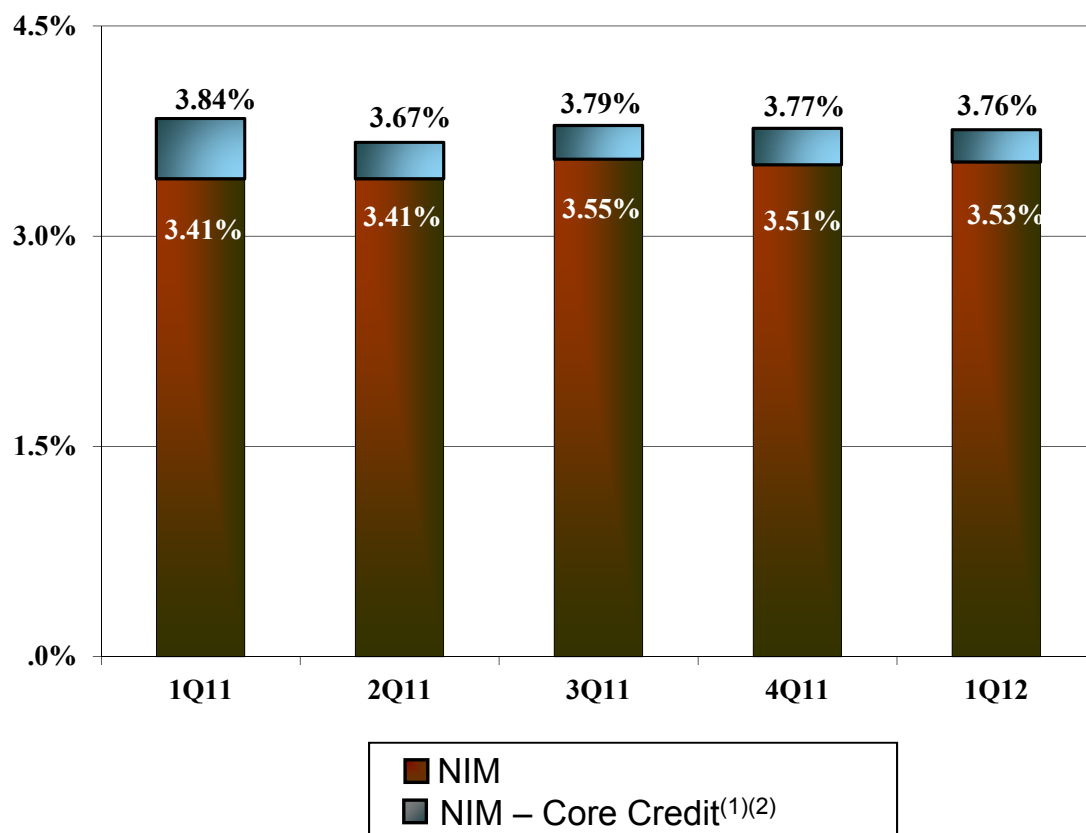
	1Q12	Variance - Incr / (Decr)	
		4Q11	1Q11
<b>Net Interest Revenue</b>	<b>\$ 58,864</b>	<b>\$ (186)</b>	<b>\$ 458</b>
Fee Revenue	13,091	1,649	2,739
<b>Gross Revenue</b>	<b>71,955</b>	<b>1,463</b>	<b>3,197</b>
Operating Expense (Excl OREO)	42,670	(1,173)	(3,974)
<b>Pre-Tax, Pre-Credit (Core)</b>	<b>\$ 29,285</b>	<b>\$ 2,636</b>	<b>\$ 7,171</b>

<b>Net Interest Margin</b>	<b>3.53 %</b>	<b>.02 %</b>	<b>.23 %</b>
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# Net Interest Margin

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## NIM Characteristics

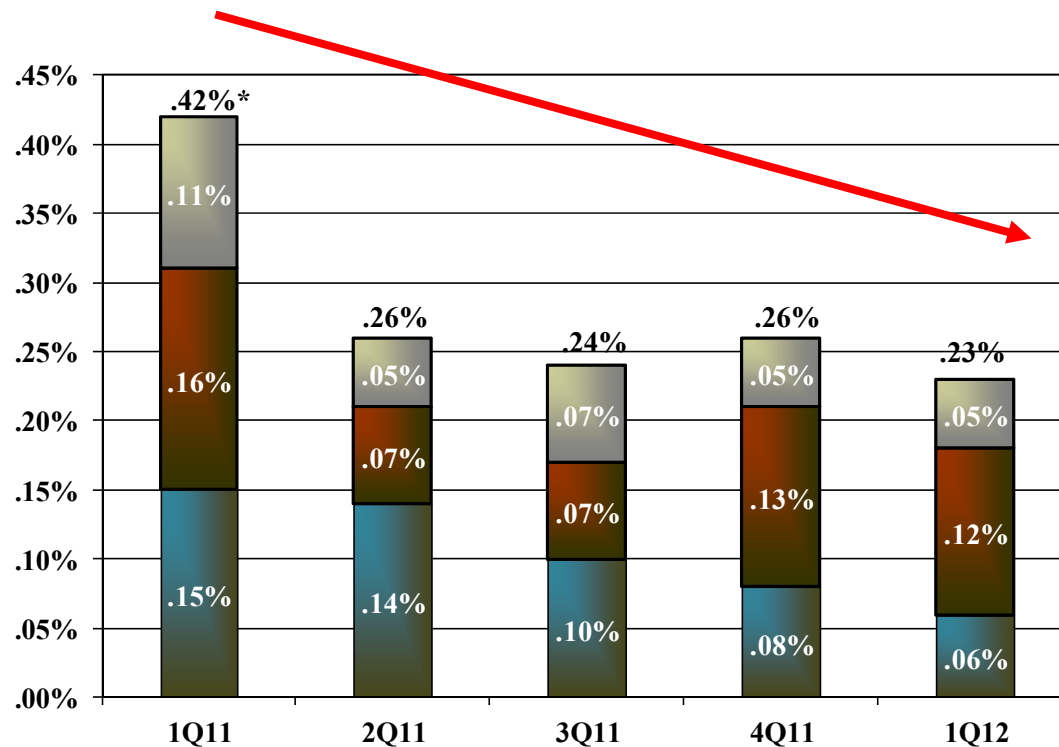
- Margin  
+2 bps vs. 4Q11  
+23 bps vs. 1Q11
- Lowered Core and CD Deposit Pricing
- Loan Pricing Pressure
- 1Q Excess Liquidity – Lowered Margin by 53 bps and 63 bps in Q4

(1) Excludes impact of reversal of interest on performing loans classified as held for sale – Q1 2011

(2) Excluding impact of nonaccrual loans, OREO and interest reversals

# Margin – Credit Costs

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■ Interest Reversals  
■ Carry Cost of NPAs  
■ Lost Interest on C/Os

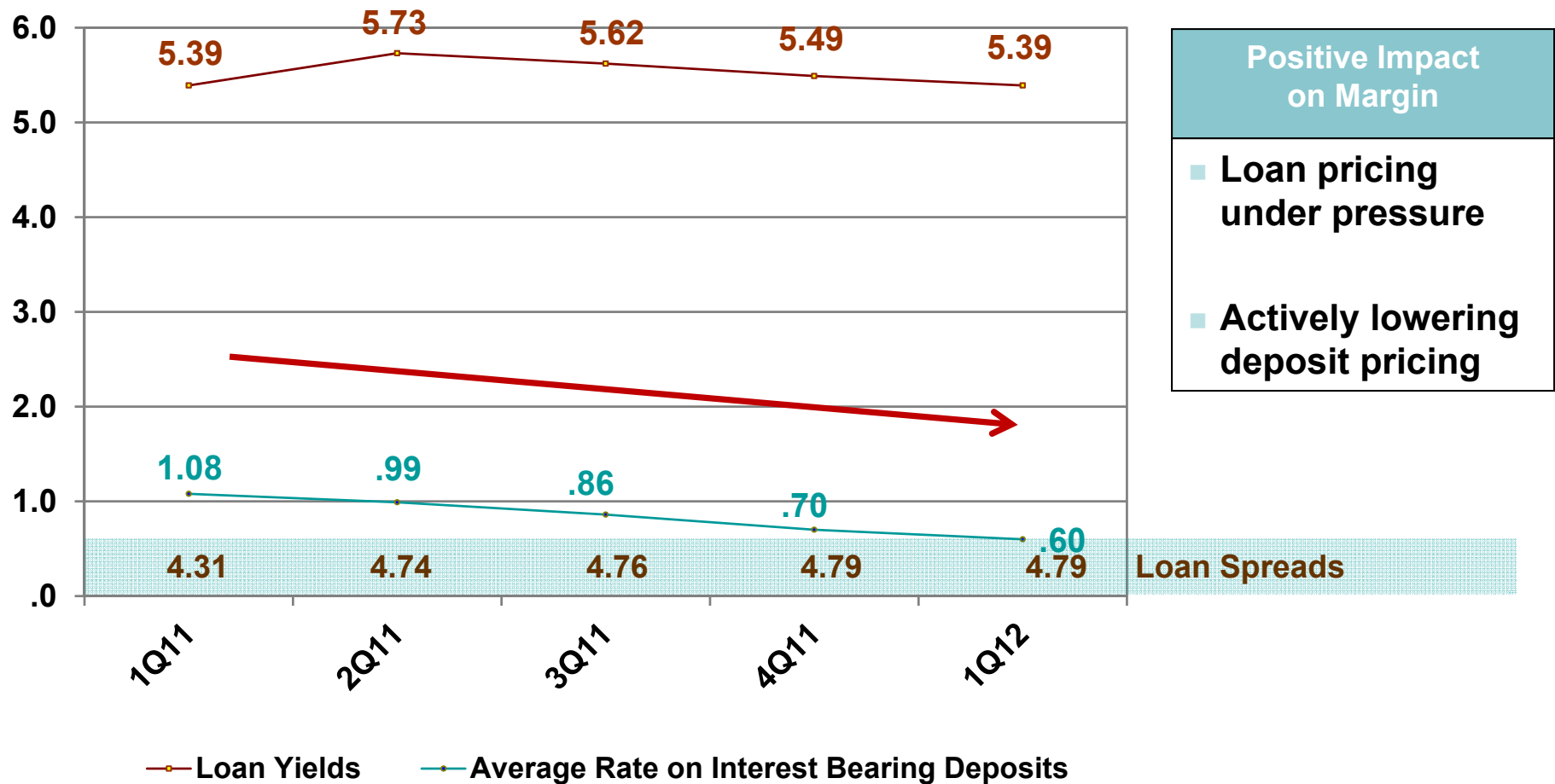
## Credit Costs Impacting Margin

- Historically 8 to 12 bps
- Significant improvement after de-risking balance sheet 1Q11
- Cost 1Q12 vs. Historical – 11 bps (annual earnings impact of \$7.4 million)
- 1 bps = \$670 thousand in NIR

\*Excludes bulk loan sale impact of 10 bps

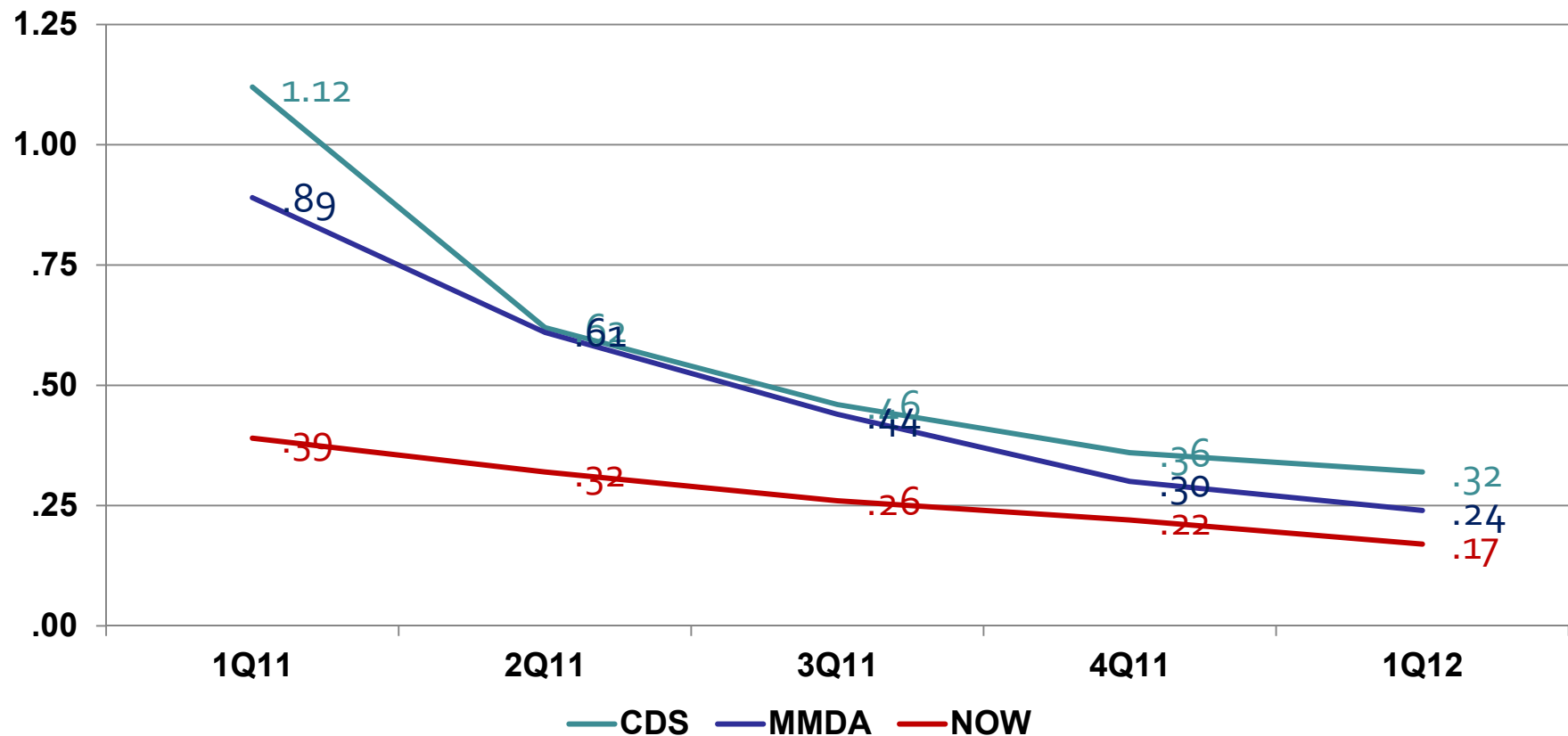
# Key Drivers of Net Interest Revenue / Margin

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# Deposit Pricing, *Excluding Brokered Deposits*

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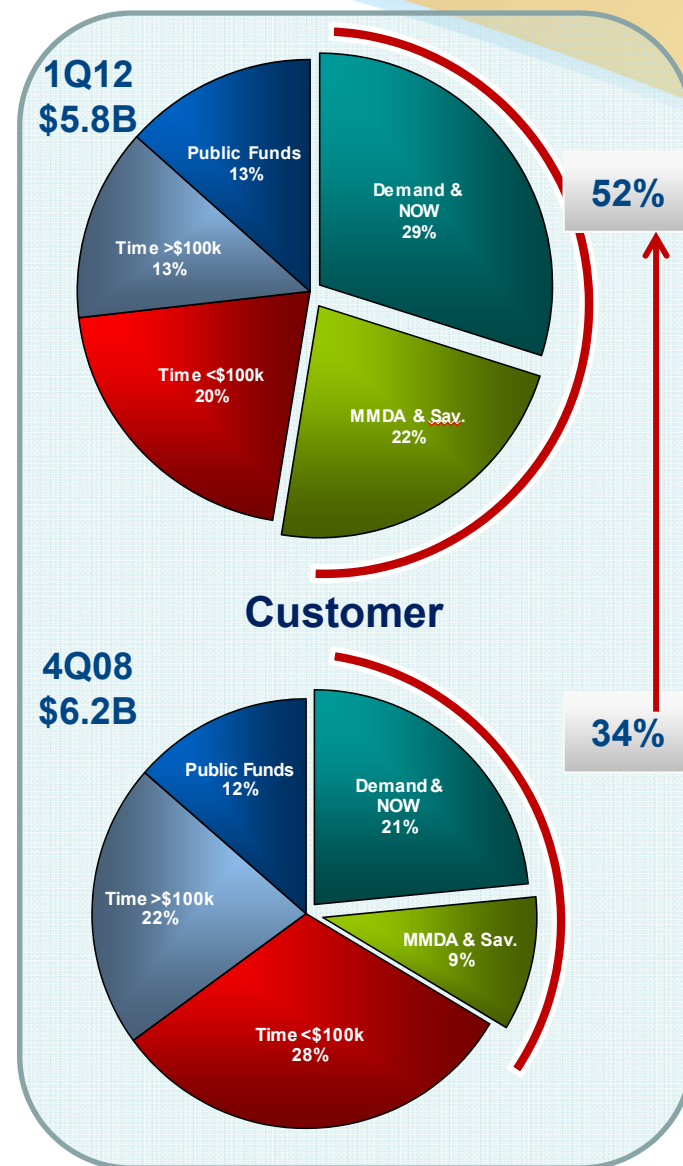


Note – CD pricing reflects the quarter-ending new and renewed yield. MMDA / NOW pricing reflects the deposit yield for each quarter

# Deposit Mix (total \$6.0 billion)

(in millions)

	1Q12	4Q11	1Q11	4Q08
Demand / NOW	\$ 1,722	\$ 1,674	\$ 1,576	\$ 1,457
MMDA / Savings	1,331	1,228	1,149	630
<b>Core Transaction</b>	<b>3,053</b>	<b>2,902</b>	<b>2,725</b>	<b>2,087</b>
	<div style="text-align: center;"> <span style="margin-right: 100px;">+151</span> <span>+328</span> </div> <div style="text-align: center;"> <span>21% Annualized Growth</span> </div>			
	<div style="text-align: center;"> <span>+966</span> </div> <div style="text-align: center;"> <span>46% Growth</span> </div>			
Time < \$100,000	1,201	1,326	1,570	1,945 ↓
Public Deposits	782	844	628	755 ↓
<b>Total Core</b>	<b>5,036</b>	<b>5,072</b>	<b>4,923</b>	<b>4,787</b>
Time > \$100,000	759	807	946	1,336 ↓
Public Deposits	38	40	44	87 ↓
<b>Total Customer</b>	<b>5,833</b>	<b>5,919</b>	<b>5,913</b>	<b>6,210</b>
Brokered Deposits	168	179	685	793 ↓
<b>Total Deposits</b>	<b>\$ 6,001</b>	<b>\$ 6,098</b>	<b>\$ 6,598</b>	<b>\$ 7,003</b>



# Core Deposit Growth – Category and Market

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*(in millions, excluding public)*

<b>CATEGORY</b>	<b>Growth</b>	
	<b>1Q12</b>	<b>Last 12 Mo</b>
Demand	\$ 107.8	\$ 227.6
MM Accounts	88.2	161.6
Savings	15.2	20.5
NOW	(60.2)	(81.3)
<b>Total Categories</b>	<b>\$ 151.0</b>	<b>\$ 328.4</b>

Percent Growth	21 %	12 %
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<b>MARKET</b>	<b>Growth</b>	
	<b>1Q12</b>	<b>Last 12 Mo</b>
Atlanta	\$ 62.3	\$ 123.1
North Carolina	30.5	56.8
Coastal Georgia	25.4	31.8
N. Georgia	21.3	75.7
Tennessee	9.3	25.3
Gainesville	2.2	15.7
<b>Total Markets</b>	<b>\$ 151.0</b>	<b>\$ 328.4</b>

## Fee Revenue - Core

(in millions)

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		<u>Variance - Incr / (Decr)</u>	
	<u>1Q12</u>	<u>4Q11</u>	<u>1Q11</u>
NSF & Overdraft Fees	\$ 3,245	\$ (292)	\$ (265)
Debit Card Fees	3,102	133	572
Other Service Charges	<u>1,436</u>	<u>694</u>	<u>756</u>
Total Service Charges and Fees	7,783	535	1,063
Mortgage Loan & Related Fees	2,099	274	605
Brokerage Fees	813	31	136
Other	<u>2,396</u>	<u>809</u>	<u>935</u>
Total	<u><b>\$ 13,091</b></u>	<u><b>\$ 1,649</b></u>	<u><b>\$ 2,739</b></u>

*Excludes net securities gains and charges on prepayment of FHLB advances, hedge ineffectiveness gains, gains from the sale of low income housing tax credits, interest on Federal income tax refund and mark to market adjustments on United's deferred compensation plan assets.*



# Operating Expenses - Core

(in thousands)

30

		<u>Variance - Incr / (Decr)</u>	
	<u>1Q12</u>	<u>4Q11</u>	<u>1Q11</u>
Salaries & Employee Benefits	\$ 24,765	\$ (773)	(31)
Communications & Equipment	3,155	26	(189)
Occupancy	3,771	(201)	(303)
FDIC Assessment	2,510	(89)	(2,903)
Advertising & Public Relations	846	(98)	(132)
Postage, Printing & Supplies	979	(38)	(139)
Professional Fees	1,975	(21)	(355)
Other Expense	4,669	21	78
	<u><u>\$ 42,670</u></u>	<u><u>\$ (1,173)</u></u>	<u><u>\$ (3,974)</u></u>

*Excludes foreclosed property costs, adjustment to reclassify pension plan actuarial gains and losses and unamortized prior service costs to other comprehensive income, severance costs and mark to market adjustments on United's deferred compensation plan liability.*

# Net Operating Loss

(in thousands)

31

	1Q12	4Q11	1Q11
<b>Pre-Tax, Pre-Credit (Core)</b>	<b>\$ 29,285</b>	<b>\$ 26,649</b>	<b>\$ 22,114</b>
Provision for Loan Loss	(15,000)	(14,000)	(10,000)
Problem Asset Disposition Plan	-	-	(246,219)
<i>Foreclosed Property Costs:</i>			
Write-downs	(2,111)	(3,892)	-
Losses on Sales	(93)	(3,041)	-
Maintenance, Taxes, Etc.	(1,621)	(2,369)	(4,294)
<b>Total Foreclosed Property Costs</b>	<b>(3,825)</b>	<b>(9,302)</b>	<b>(4,294)</b>
Hedge Ineffectiveness Gains	115	313	1,303
Securities Gains, Net	557	4	55
Losses from Prepayment of Borrowings	(482)	-	-
Gains from Sale of Low Income Housing Tax Credits	728	728	-
Interest on Federal Income Tax Refund	1,100	-	-
Reclassification of Pension Actuarial Gains and Losses			
and Prior Service Cost to OCI	-	2,245	-
Severance	(190)	-	-
Income Tax (Expense) Benefit	(760)	3,264	(295)
<b>Net Income (Loss)</b>	<b>\$ 11,528</b>	<b>\$ 9,901</b>	<b>\$ (237,336)</b>

<b>Net Income (Loss) Per Share</b>	<b>\$ .15</b>	<b>\$ .12</b>	<b>\$ (13.00)</b>
------------------------------------	---------------	---------------	-------------------

# Net Income (Loss)

(in thousands)

32

	1Q12	4Q11	1Q11
Net Income (Loss)	\$ 11,528	\$ 9,901	\$ (237,336)
Preferred Stock Dividends	(3,030)	(3,025)	(2,778)
Net Income (Loss) Avail to Common Shareholders	<u>\$ 8,498</u>	<u>\$ 6,876</u>	<u>\$ (240,114)</u>

Net Income (Loss) Per Share	\$ .15	\$ .12	\$ (13.00)
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Tangible Book Value	\$ 6.54	\$ 6.47	\$ 1.69
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Shares Outstanding (millions)	57.6	57.6	20.9
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# Capital Ratios

33

	<u>Well- Capitalized</u>	<u>Minimum Guideline</u>	<u>MAR '12</u>	<u>DEC '11</u>	<u>MAR '11</u>
<b>Bank</b>					
Tier 1 RBC	6 %	10 %	13.7 %	13.6 %	12.7 %
Total RBC	10	11	15.0	14.9	14.5
Leverage	5	8	9.0	8.8	8.1
<b>Holding Company</b>					
Tier 1 RBC	6	10	13.7	13.7	7.4
Total RBC	10	11	15.4	15.4	14.9
Leverage	5	8	8.9	8.8	4.8
Tier I Common RBC	4.5	7	8.3	8.2	.4
 Tangible Equity to Assets			8.1	8.2	6.0



# Experienced Proven Leadership

35

		<b>Joined <u>UCBI</u></b>	<b>Years in <u>Banking</u></b>
<b>Jimmy Tallent</b>	<b>President &amp; CEO</b>	<b>1984</b>	<b>38</b>
<b>Rex Schuette</b>	<b>Chief Financial Officer</b>	<b>2001</b>	<b>35</b>
<b>David Shearrow</b>	<b>Chief Risk Officer</b>	<b>2007</b>	<b>31</b>
<b>Craig Metz</b>	<b>Marketing &amp; Retail Banking</b>	<b>2002</b>	<b>20</b>
<b><i>Regional Presidents:</i></b>			
<b>Bill Gilbert</b>	<b>North &amp; Coastal Georgia</b>	<b>2000</b>	<b>36</b>
<b>Tim Schools</b>	<b>North Carolina &amp; Tennessee</b>	<b>2011</b>	<b>12</b>
<b>Glenn White</b>	<b>Atlanta</b>	<b>2007</b>	<b>38</b>

# Business and Operating Model

36

## *“Community bank service, large bank resources”*

- **Twenty-seven “community banks”**
  - *Local CEOs with deep roots in their communities*
  - *Resources of \$7.2 billion bank*
- **Service is point of differentiation**
  - *#1 in Customer Satisfaction according to Customer Service Profiles*
  - *J.D. Power Customer Service Champion*
    - ✓ Recognized 40 companies in the U.S.
    - ✓ Only bank to be recognized
  - *Golden rule of banking*
    - ✓ “The Bank That **SERVICE** Built”
  - *Ongoing customer surveys*
    - ✓ 95% satisfaction rate
- **Strategic footprint with substantial banking opportunities**
  - *Operates in a number of the more demographically attractive markets in the U.S.*
- **Disciplined growth strategy**
  - *Organic supported by de novos and selective acquisitions*



# Robust Demographics *(fast growing markets)*

37

Markets <sup>1</sup>	Population <i>(in thousands)</i>	Population Growth (%)	
		Actual 2000 - 2010	Projected 2010 - 2015
North Georgia	394	23 %	7 %
Atlanta MSA	5,611	32	10
Gainesville MSA	191	37	13
Coastal Georgia	373	11	5
Western North Carolina	429	12	4
East Tennessee	860	14	6
<b>Total Markets</b>			
Georgia	10,014	22	7
North Carolina	9,552	19	8
Tennessee	6,366	12	5
United States	311,213	11	4

<sup>1</sup> Population data is for 2010 and includes those markets where United takes deposits.

Source: SNL

# Market Share Opportunities

*(excellent growth prospects)*

38

Markets	Market Deposits (in billions) <sup>(1)</sup>	United Deposits <sup>(2)</sup>	Banks	Offices	Deposit Share <sup>(1)</sup>	Rank <sup>(1)</sup>
North Georgia	\$ 6.8	\$ 2.0	11	23	33 %	1
Atlanta MSA	45.7	2.1	10	38	4	7
Gainesville MSA	2.5	.3	1	5	14	3
Coastal Georgia	7.0	.4	2	8	6	7
Western North Carolina	7.3	.9	1	21	13	3
East Tennessee	15.9	.3	2	11	2	10
<b>Total Markets</b>	<b>\$ 85.2</b>	<b>\$ 6.0</b>	<b>27</b>	<b>106</b>		

<sup>1</sup> FDIC deposit market share and rank as of 6/11 for markets where United takes deposits. Source: SNL and FDIC.

<sup>2</sup> Based on current quarter.

# Leading Demographics

39

Rank	Ticker	Company <sup>(1)</sup>	State	Total Assets (\$B)	2010 - 2015 Population Growth <sup>(2)</sup>
1	CFR	Cullen/Frost Bankers, Inc.	TX	20.3	8.38
2	IBOC	International Bancshares Corporation	TX	11.7	6.99
3	HBHC	Hancock Holding Company	MS	19.8	6.38
4	PB	Prosperity Bancshares, Inc.	TX	9.8	6.21
5	FCNCA	First Citizens BancShares, Inc.	NC	20.9	6.02
6	GBCI	Glacier Bancorp, Inc.	MT	7.2	5.63
7	FIBK	First Interstate BancSystem, Inc.	MT	7.3	5.43
8	TCBI	Texas Capital Bancshares, Inc.	TX	8.1	5.37
9	FCBN	First Citizens Bancorporation, Inc.	SC	8.2	4.87
<b>10</b>	<b>UCBI</b>	<b>United Community Banks, Inc.</b>	<b>GA</b>	<b>7.2</b>	<b>4.85</b>
11	BOKF	BOK Financial Corporation	OK	25.5	4.77
12	WAL	Western Alliance Bancorporation	AZ	6.8	4.56
13	IBKC	IBERIABANK Corporation	LA	11.8	4.42
14	STSA	Sterling Financial Corporation	WA	9.2	4.18
15	UMPQ	Umpqua Holdings Corporation	OR	11.6	3.98

**NOTE:** Financial information as of December 31, 2011

(1) Includes publicly traded companies with assets between \$5.0 - \$50.0 billion as of December 31, 2011

(2) Population growth weighted by county (cumulative)

**Data Source:** SNL Financial

# Proactively Addressing Credit Environment

40

## ■ Structure

- *Centralized underwriting and approval process*
- *Segregated work-out teams*
- *Highly skilled ORE disposition group*
- *Seasoned regional credit professionals*

## ■ Process





- *Continuous external loan review*
- *Intensive executive management involvement:*
  - Weekly past due meetings
  - Weekly NPA/ORE meetings
  - Quarterly criticized watch loan review meetings
  - Quarterly pass commercial and CRE portfolio review meetings
- *Internal loan review of new credit relationships*

## ■ Policy

- *Ongoing enhancements to credit policy*
- *Periodic updates to portfolio limits*

# Lending – Credit Summary

*(in millions)*

 Legal lending limit	\$158
 House lending limit	20
 Project lending limit	12
 Top 25 relationships	414

Regional credit review – Standard underwriting

# Performing Classified Loans

(in millions)

42

<b>LOANS BY CATEGORY</b>	<b>1Q12</b>	<b>4Q11</b>	<b>3Q11</b>	<b>2Q11</b>	<b>1Q11</b>
Commercial (Sec. by RE):					
Owner Occupied	\$ 78	\$ 79	\$ 69	\$ 72	\$ 75
Income Producing	56	64	65	46	45
Total Comm (Sec. by RE)	134	143	134	118	120
Commercial & Industrial	17	16	25	17	16
Commercial Construction	23	18	26	31	35
<b>Total Commercial</b>	<b>174</b>	<b>177</b>	<b>185</b>	<b>166</b>	<b>171</b>
Residential Mortgage	76	76	77	70	69
Residential Construction	64	72	76	74	81
Consumer / Installment	3	3	3	3	2
<b>Total Classified Loans</b>	<b>\$ 317</b>	<b>\$ 328</b>	<b>\$ 341</b>	<b>\$ 313</b>	<b>\$ 323</b>

# Business Mix Loans *(at quarter-end)*

*(in millions)*

43

<b>LOANS BY CATEGORY</b>	<b>1Q12</b>	<b>4Q11</b>	<b>3Q11</b>	<b>2Q11</b>	<b>1Q11</b>	<b>1Q12 vs. 1Q11</b>
Commercial (Sec. by RE):						
Owner Occupied	\$ 1,137	\$ 1,111	\$ 1,037	\$ 1,014	\$ 994	\$ 143
Income Producing	706	711	734	728	698	8
Total Comm (Sec. by RE)	1,843	1,822	1,771	1,742	1,692	151
Commercial & Industrial	440	428	429	428	431	9
Commercial Construction	167	164	169	195	213	(46)
<b>Total Commercial</b>	<b>2,450</b>	<b>2,414</b>	<b>2,369</b>	<b>2,365</b>	<b>2,336</b>	<b>114</b>
Residential Mortgage	1,131	1,135	1,150	1,177	1,187	(56)
Residential Construction	436	448	474	502	550	(114)
Consumer / Installment	111	113	117	119	121	(10)
<b>Total Loans</b>	<b>\$ 4,128</b>	<b>\$ 4,110</b>	<b>\$ 4,110</b>	<b>\$ 4,163</b>	<b>\$ 4,194</b>	<b>\$ (66)</b>

# Loans – Markets Served *(at quarter-end)*

*(in millions)*

44

<b>LOANS BY MARKET</b>	<b>1Q12</b>	<b>4Q11</b>	<b>3Q11</b>	<b>2Q11</b>	<b>1Q11</b>	<b>1Q12 vs. 1Q11</b>
North Georgia	\$ 1,408	\$ 1,426	\$ 1,478	\$ 1,500	\$ 1,531	\$ (123)
Atlanta MSA	1,239	1,220	1,192	1,188	1,179	60
North Carolina	588	597	607	626	640	(52)
Coastal Georgia	366	346	316	325	312	54
East Tennessee	265	256	245	249	250	15
Gainesville MSA	262	265	272	275	282	(20)
<b>Total Loans</b>	<b>\$ 4,128</b>	<b>\$ 4,110</b>	<b>\$ 4,110</b>	<b>\$ 4,163</b>	<b>\$ 4,194</b>	<b>\$ (66)</b>



# Residential Construction – North Georgia

(in millions)

45

	<u>1Q12</u>	<u>4Q11</u>	<u>3Q11</u>	<u>2Q11</u>	<u>1Q11</u>	<u>1Q12 vs. 1Q11</u>
<i>Land Loans</i>						
Developing Land	\$ 44	\$ 44	\$ 51	\$ 58	\$ 62	\$ (18)
Raw Land	26	26	25	25	27	(1)
Lot Loans	112	118	124	129	131	(19)
<b>Total</b>	<b>182</b>	<b>188</b>	<b>200</b>	<b>212</b>	<b>220</b>	<b>(38)</b>
<i>Construction Loans</i>						
Spec	12	12	15	18	25	(13)
Sold	11	14	14	19	21	(10)
<b>Total</b>	<b>23</b>	<b>26</b>	<b>29</b>	<b>37</b>	<b>46</b>	<b>(23)</b>
<b>Total Res Construction</b>	<b>\$ 205</b>	<b>\$ 214</b>	<b>\$ 229</b>	<b>\$ 249</b>	<b>\$ 266</b>	<b>\$ (61)</b>

# Residential Construction – Atlanta MSA

(in millions)

46

	1Q12	4Q11	3Q11	2Q11	1Q11	1Q12 vs. 1Q11
<i>Land Loans</i>						
Developing Land	\$ 17	\$ 17	\$ 19	\$ 20	\$ 22	\$ (5)
Raw Land	13	14	15	16	19	(6)
Lot Loans	22	22	22	22	24	(2)
<b>Total</b>	<b>52</b>	<b>53</b>	<b>56</b>	<b>58</b>	<b>65</b>	<b>(13)</b>
<i>Construction Loans</i>						
Spec	27	27	28	30	34	(7)
Sold	7	6	8	9	11	(4)
<b>Total</b>	<b>34</b>	<b>33</b>	<b>36</b>	<b>39</b>	<b>45</b>	<b>(11)</b>
<b>Total Res Construction</b>	<b>\$ 86</b>	<b>\$ 86</b>	<b>\$ 92</b>	<b>\$ 97</b>	<b>\$ 110</b>	<b>\$ (24)</b>

# Business Mix Loans *(at year-end)*

*(in millions)*

47

	2011	2010	2009	2008	2007
<b>LOANS BY CATEGORY</b>					
Commercial (Sec. by RE)	\$ 1,822	\$ 1,761	\$ 1,779	\$ 1,627	\$ 1,476
Commercial & Industrial	428	441	390	410	418
Commercial Construction	164	297	363	500	527
<b>Total Commercial</b>	<b>2,414</b>	<b>2,499</b>	<b>2,532</b>	<b>2,537</b>	<b>2,421</b>
Residential Mortgage	1,135	1,279	1,427	1,526	1,502
Residential Construction	448	695	1,050	1,479	1,829
Consumer / Installment	113	131	142	163	177
<b>Total Loans</b>	<b>\$ 4,110</b>	<b>\$ 4,604</b>	<b>\$ 5,151</b>	<b>\$ 5,705</b>	<b>\$ 5,929</b>

# Loans – Markets Served *(at year-end)*

*(in millions)*

48

<b>LOANS BY MARKET</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
North Georgia	\$ 1,426	\$ 1,689	\$ 1,884	\$ 2,040	\$ 2,060
Atlanta MSA	1,220	1,310	1,435	1,706	2,002
North Carolina	597	702	772	810	806
Coastal Georgia	346	335	405	464	416
Gainesville MSA	265	312	390	420	399
East Tennessee	256	256	265	265	246
<b>Total Loans</b>	<b>\$ 4,110</b>	<b>\$ 4,604</b>	<b>\$ 5,151</b>	<b>\$ 5,705</b>	<b>\$ 5,929</b>

# NPA's by Loan Category, Market, and Activity

49

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

	First Quarter 2012			Fourth Quarter 2011			Third Quarter 2011		
(in thousands)	Non-performing Loans	Foreclosed Properties	Total NPAs	Non-performing Loans	Foreclosed Properties	Total NPAs	Non-performing Loans	Foreclosed Properties	Total NPAs
<b>NPA's BY CATEGORY</b>									
Commercial (sec.by RE)	\$ 26,081	\$ 10,808	\$ 36,889	\$ 27,322	\$ 9,745	\$ 37,067	\$ 21,998	\$ 8,880	\$ 30,878
Commercial & industrial	36,314	-	36,314	34,613	-	34,613	53,009	-	53,009
Commercial construction	23,319	3,266	26,585	16,655	3,336	19,991	11,370	5,862	17,232
Total commercial	85,714	14,074	99,788	78,590	13,081	91,671	86,377	14,742	101,119
Residential mortgage	18,741	5,882	24,623	22,358	6,927	29,285	22,671	7,960	30,631
Residential construction	24,341	11,931	36,272	25,523	12,851	38,374	34,472	21,561	56,033
Consumer installment	908	-	908	1,008	-	1,008	964	-	964
<b>Total NPAs</b>	<b>\$ 129,704</b>	<b>\$ 31,887</b>	<b>\$ 161,591</b>	<b>\$ 127,479</b>	<b>\$ 32,859</b>	<b>\$ 160,338</b>	<b>\$ 144,484</b>	<b>\$ 44,263</b>	<b>\$ 188,747</b>
<b>Balance as a % of Unpaid Principal</b>	70.6%	36.1%	59.4%	71.3%	35.9%	59.3%	77.8%	33.4%	59.3%
<b>NPA's BY MARKET</b>									
North Georgia	\$ 81,117	\$ 14,559	\$ 95,676	\$ 88,600	\$ 15,136	\$ 103,736	\$ 105,078	\$ 17,467	\$ 122,545
Atlanta MSA	22,321	7,647	29,968	14,480	6,169	20,649	13,350	12,971	26,321
North Carolina	15,765	4,650	20,415	15,100	5,365	20,465	13,243	7,941	21,184
Coastal Georgia	5,622	1,268	6,890	5,248	1,620	6,868	5,600	2,354	7,954
Gainesville MSA	2,210	3,387	5,597	2,069	3,760	5,829	5,311	2,495	7,806
East Tennessee	2,669	376	3,045	1,982	809	2,791	1,902	1,035	2,937
<b>Total NPAs</b>	<b>\$ 129,704</b>	<b>\$ 31,887</b>	<b>\$ 161,591</b>	<b>\$ 127,479</b>	<b>\$ 32,859</b>	<b>\$ 160,338</b>	<b>\$ 144,484</b>	<b>\$ 44,263</b>	<b>\$ 188,747</b>
<b>NPA ACTIVITY</b>									
<b>Beginning Balance</b>	\$ 127,479	\$ 32,859	\$ 160,338	\$ 144,484	\$ 44,263	\$ 188,747	\$ 71,065	\$ 47,584	\$ 118,649
Loans placed on non-accrual	32,437	-	32,437	45,675	-	45,675	103,365	-	103,365
Payments received	(5,945)	-	(5,945)	(1,884)	-	(1,884)	(3,995)	-	(3,995)
Loan charge-offs	(14,733)	-	(14,733)	(44,757)	-	(44,757)	(15,335)	-	(15,335)
Foreclosures	(9,534)	9,534	-	(16,039)	16,039	-	(10,616)	10,616	-
Capitalized costs	-	329	329	-	141	141	-	818	818
Note / property sales	-	(8,631)	(8,631)	-	(20,651)	(20,651)	-	(13,787)	(13,787)
Write downs	-	(2,111)	(2,111)	-	(3,893)	(3,893)	-	(1,772)	(1,772)
Net gains (losses) on sales	-	(93)	(93)	-	(3,040)	(3,040)	-	804	804
<b>Ending Balance</b>	<b>\$ 129,704</b>	<b>\$ 31,887</b>	<b>\$ 161,591</b>	<b>\$ 127,479</b>	<b>\$ 32,859</b>	<b>\$ 160,338</b>	<b>\$ 144,484</b>	<b>\$ 44,263</b>	<b>\$ 188,747</b>

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

# Net Charge-offs by Category and Market

50

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

	First Quarter 2012		Fourth Quarter 2011		Third Quarter 2011	
	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>
<i>(in thousands)</i>						
<b>NET CHARGE-OFFS BY CATEGORY</b>						
Commercial (sec.by RE)	\$ 3,697	.81 %	\$ 4,962	1.09 %	\$ 2,192	.50 %
Commercial & industrial	669	.62	18,940	17.47	420	.39
Commercial construction	334	.81	3,318	7.88	1,625	3.54
Total commercial	4,700	.78	27,220	4.51	4,237	.71
Residential mortgage	5,375	1.91	5,887	2.04	6,110	2.09
Residential construction	5,314	4.84	12,090	10.36	6,381	5.19
Consumer installment	478	1.72	427	1.47	818	2.75
<b>Total</b>	<b>\$ 15,867</b>	<b>1.55</b>	<b>\$ 45,624</b>	<b>4.39</b>	<b>\$ 17,546</b>	<b>1.68</b>
<b>NET CHARGE-OFFS BY MARKET</b>						
North Georgia	\$ 9,022	2.56 %	\$ 34,970	9.46 %	\$ 8,124	2.16 %
Atlanta MSA	2,729	.89	4,195	1.37	2,813	.94
North Carolina	1,679	1.14	3,180	2.10	3,608	2.31
Coastal Georgia	1,329	1.53	335	.41	709	.88
Gainesville MSA	883	1.35	2,572	3.84	1,804	2.64
East Tennessee	225	.34	372	.59	488	.78
<b>Total</b>	<b>\$ 15,867</b>	<b>1.55</b>	<b>\$ 45,624</b>	<b>4.39</b>	<b>\$ 17,546</b>	<b>1.68</b>

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

<sup>(2)</sup> Annualized.

# Net Charge-offs by Category and Market

## Asset Disposition Plan *as of March 31, 2011*

51

Credit Quality - Net Charge-Offs First Quarter 2011 <sup>(1)</sup>

(in thousands)	Asset Disposition Plan					First Quarter 2011 Net Charge- Offs
	Bulk Loan Sale <sup>(2)</sup>		Other Bulk Loan Sales <sup>(3)</sup>	Foreclosure Charge-Offs <sup>(4)</sup>	Other Net Charge-Offs	
	Performing Loans	Nonperforming Loans				
NET CHARGE-OFFS BY CATEGORY						
Commercial (sec. by RE)	\$ 29,451	\$ 11,091	\$ 3,318	\$ 1,905	\$ 2,842	\$ 48,607
Commercial construction	32,530	15,328	292	419	1,146	49,715
Commercial & industrial	365	2,303	859	-	513	4,040
Total commercial	62,346	28,722	4,469	2,324	4,501	102,362
Residential construction	43,018	23,459	3,325	11,693	10,643	92,138
Residential mortgage	13,917	14,263	1,676	1,538	4,989	36,383
Consumer / installment	86	168	30	24	383	691
Total	\$ 119,367	\$ 66,612	\$ 9,500	\$ 15,579	\$ 20,516	\$ 231,574
NET CHARGE-OFFS BY MARKET						
Atlanta MSA	\$ 37,186	\$ 8,545	\$ 1,428	\$ 6,034	\$ 3,296	\$ 56,489
Gainesville MSA	3,563	2,442	957	700	954	8,616
North Georgia	57,969	47,699	2,508	6,585	8,544	123,305
Western North Carolina	11,138	4,743	2,415	1,402	6,749	26,447
Coastal Georgia	6,835	2,180	2,013	634	341	12,003
East Tennessee	2,676	1,003	179	224	632	4,714
Total	\$ 119,367	\$ 66,612	\$ 9,500	\$ 15,579	\$ 20,516	\$ 231,574

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

<sup>(2)</sup> Charge-offs totaling \$186 million were recognized on the bulk loan sale in the first quarter of 2011. The loans were transferred to the loans held for sale category in anticipation of the second quarter bulk loan sale that was completed on April 18, 2011.

<sup>(3)</sup> Losses on smaller bulk sale transactions completed during the first quarter of 2011.

<sup>(4)</sup> Loan charge-offs recognized in the first quarter of 2011 related to loans transferred to foreclosed properties. Such charge-offs were elevated in the first quarter as a result of the asset disposition plan, which called for aggressive write downs to expedite sales in the second and third quarters of 2011.

# Credit Quality – Bulk Loan Sale Summary

as of March 31, 2011

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## Credit Quality - Bulk Loan Sale Summary <sup>(1)</sup>

(in thousands)	Performing Loans			Nonperforming Loans			Total Loans		
	Carrying Amount <sup>(2)</sup>	Charge-Offs <sup>(3)</sup>	Loans Held for Sale <sup>(4)</sup>	Carrying Amount <sup>(2)</sup>	Charge-Offs <sup>(3)</sup>	Loans Held for Sale <sup>(4)</sup>	Carrying Amount <sup>(2)</sup>	Charge-Offs <sup>(3)</sup>	Loans Held for Sale <sup>(4)</sup>
<b>BY CATEGORY</b>									
Commercial (sec. by RE)	\$ 40,902	\$ 29,451	\$ 11,451	\$ 17,202	\$ 11,090	\$ 6,112	\$ 58,104	\$ 40,541	\$ 17,563
Commercial construction	45,490	32,530	12,960	22,440	15,328	7,112	67,930	47,858	20,072
Commercial & industrial	504	365	139	3,397	2,302	1,095	3,901	2,667	1,234
Total commercial	86,896	62,346	24,550	43,039	28,720	14,319	129,935	91,066	38,869
Residential construction	59,747	43,018	16,729	35,508	23,459	12,049	95,255	66,477	28,778
Residential mortgage	19,342	13,917	5,425	21,716	14,262	7,454	41,058	28,179	12,879
Consumer / installment	120	86	34	238	169	69	358	255	103
<b>Total</b>	<b>\$ 166,105</b>	<b>\$ 119,367</b>	<b>\$ 46,738</b>	<b>\$ 100,501</b>	<b>\$ 66,610</b>	<b>\$ 33,891</b>	<b>\$ 266,606</b>	<b>\$ 185,977</b>	<b>\$ 80,629</b>
<b>BY MARKET</b>									
Atlanta MSA	\$ 51,647	\$ 37,186	\$ 14,461	\$ 13,755	\$ 8,545	\$ 5,210	\$ 65,402	\$ 45,731	\$ 19,671
Gainesville MSA	4,949	3,563	1,386	3,695	2,442	1,253	8,644	6,005	2,639
North Georgia	80,831	57,969	22,862	70,900	47,698	23,202	151,731	105,667	46,064
Western North Carolina	15,468	11,138	4,330	7,228	4,743	2,485	22,696	15,881	6,815
Coastal Georgia	9,493	6,835	2,658	3,527	2,179	1,348	13,020	9,014	4,006
East Tennessee	3,717	2,676	1,041	1,396	1,003	393	5,113	3,679	1,434
<b>Total</b>	<b>\$ 166,105</b>	<b>\$ 119,367</b>	<b>\$ 46,738</b>	<b>\$ 100,501</b>	<b>\$ 66,610</b>	<b>\$ 33,891</b>	<b>\$ 266,606</b>	<b>\$ 185,977</b>	<b>\$ 80,629</b>

<sup>(1)</sup> This schedule presents a summary of classified loans included in the bulk loan sale transaction that closed on April 18, 2011.

<sup>(2)</sup> This column represents the book value, or carrying amount, of the loans prior to charge offs to mark loans to expected proceeds from sale.

<sup>(3)</sup> This column represents the charge-offs required to adjust the loan balances to the expected proceeds from the sale based on indicative bids received from prospective buyers, including principal payments received or committed advances made after the cutoff date through March 31, 2011 that are part of the settlement.

<sup>(4)</sup> This column represents the expected proceeds from the bulk sale based on indicative bids received from prospective buyers and equals the balance shown on the consolidated balance sheet as loans held for sale.



# Loans / Deposits – Liquidity

(in millions)

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	1Q12	4Q11	1Q11	Variance	
				vs 4Q11	vs 1Q11
Loans	\$ 4,128	\$ 4,110	\$ 4,194	\$ 18	\$ (66)
Core (DDA, MMDA, Savings)	\$ 3,053	\$ 2,902	\$ 2,725	\$ 151	\$ 328
Public Funds	820	884	672	(64)	148
CD's	1,960	2,133	2,516	(173)	(556)
Total Deposits (excl Brokered)	<u>\$ 5,833</u>	<u>\$ 5,919</u>	<u>\$ 5,913</u>	<u>\$ (86)</u>	<u>\$ (80)</u>
<b>Loan to Deposit Ratio</b>	<b>71%</b>	<b>69%</b>	<b>71%</b>		
Investment Securities:					
Available for Sale	\$ 1,359	\$ 1,217	\$ 1,187	\$ 142	\$ 172
Held to Maturity	304	330	245	(26)	59
Total Investment Securities	1,663	1,547	1,432	116	231
Floating Rate CMD, Bonds	540	573	451	(33)	89
Total Securities Portfolio	<u>2,203</u>	<u>2,120</u>	<u>1,883</u>	<u>83</u>	<u>320</u>
<b>Percent of Assets (Excludes Floating)</b>	<b>23%</b>	<b>22%</b>	<b>19%</b>		
Commercial Paper & Reverse Repo	\$ 235	\$ 185	\$ 470	\$ 50	\$ (235)
Floating Rate Securities	540	573	451	(33)	89
Excess Reserves	103	103	530	-	(427)
<b>Total Excess Liquidity</b>	<u>\$ 878</u>	<u>\$ 861</u>	<u>\$ 1,451</u>	<u>\$ 17</u>	<u>\$ (573)</u>

# Wholesale Borrowings - Liquidity

(in millions)

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	<u>Unused Capacity</u>	<u>1Q12</u>	<u>4Q11</u>	<u>1Q11</u>	<u>Variance vs 4Q11</u>	<u>vs 1Q11</u>
<b>Wholesale Borrowings</b>						
Brokered Deposits	\$ 1,625 <sup>(1)</sup>	\$ 168	\$ 179	\$ 685	\$ (11)	\$ (517)
FHLB	715	215	41	55	174	160
Fed Funds	50	-	-	-	-	-
Other Wholesale	468	102	103	102	(1)	-
<b>Total</b>	<b>\$ 2,858</b>	<b>\$ 485</b>	<b>\$ 323</b>	<b>\$ 842</b>	<b>\$ 162</b>	<b>\$ (357)</b>
<b>Long-Term Debt</b>						
Sub-Debt		\$ 65	\$ 65	\$ 95	\$ -	\$ (30)
Trust Preferred Securities		55	55	55	-	-
<b>Total Long-Term Debt</b>		<b>\$ 120</b>	<b>\$ 120</b>	<b>\$ 150</b>	<b>\$ -</b>	<b>\$ (30)</b>

(1) Estimated Brokered Deposit Capacity at 25% of Assets

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

55

*(in millions)*

<b>DEPOSITS BY CATEGORY</b>	<b>1Q12</b>	<b>4Q11</b>	<b>3Q11</b>	<b>2Q11</b>	<b>1Q11</b>	<b>1Q12 vs. 1Q11</b>
Demand & Now	\$ 1,722	\$ 1,674	\$ 1,686	\$ 1,620	\$ 1,576	\$ 146
MMDA & Savings	1,331	1,228	1,220	1,174	1,149	182
<b>Core Transaction Deposits</b>	<b>3,053</b>	<b>2,902</b>	<b>2,906</b>	<b>2,794</b>	<b>2,725</b>	<b>328</b>
Time < \$100,000	1,201	1,326	1,387	1,503	1,570	(369)
Public Deposits	782	844	597	605	628	154
<b>Total Core Deposits</b>	<b>5,036</b>	<b>5,072</b>	<b>4,890</b>	<b>4,902</b>	<b>4,923</b>	<b>113</b>
Time > \$100,000	759	807	867	936	946	(187)
Public Deposits	38	40	38	44	44	(6)
<b>Total Customer Deposits</b>	<b>5,833</b>	<b>5,919</b>	<b>5,795</b>	<b>5,882</b>	<b>5,913</b>	<b>(80)</b>
Brokered Deposits	168	179	210	301	685	(517)
<b>Total Deposits</b>	<b>\$ 6,001</b>	<b>\$ 6,098</b>	<b>\$ 6,005</b>	<b>\$ 6,183</b>	<b>\$ 6,598</b>	<b>\$ (597)</b>

# Core Transaction Deposits

## Geographic Diversity

□ 1Q 11 ■ 1Q 12

\$ in millions

### Eastern Tennessee

\$149

\$174

### Gainesville MSA

\$173

\$188

### Coastal Georgia

\$165

\$197

### North Carolina

\$462

\$519

### North Georgia

\$754

\$830

### Atlanta MSA

\$1,022

\$1,145

## Core Transactions / Total Deposits (%)

1Q12

1Q11

Atlanta MSA

55.0 %

49.8 %

North Georgia

46.2

40.7

North Carolina

55.5

48.3

Gainesville MSA

58.4

50.7

Coastal GA

51.4

42.6

East TN

55.6

46.5

Total

52.3 %

46.1 %

\$0 300 600 900 \$1,200

# Non-GAAP Reconciliation Tables

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(in thousands except EPS)

## Core net interest revenue reconciliation

Core net interest revenue	
Interest reversed on performing loans included in Bulk Loan Sale	
Taxable equivalent adjustment	
<b>Net interest revenue (GAAP)</b>	

Operating Earnings to GAAP Earnings Reconciliation		
1Q12	4Q11	1Q11
\$ 58,864	\$ 59,050	\$ 58,406
\$ -	\$ -	\$ (2,014)
(446)	(423)	(435)
<b>\$ 58,418</b>	<b>\$ 58,627</b>	<b>\$ 55,957</b>

## Provision for loan losses reconciliation

Core provision for loan losses	
Provision for loan losses associated with Bulk Loan Sale	
<b>Provision for loan losses (GAAP)</b>	

15,000	14,000	10,000
-	-	180,000
<b>\$ 15,000</b>	<b>\$ 14,000</b>	<b>\$ 190,000</b>

## Core fee revenue reconciliation

Core fee revenue	
Securities gains, net	
Loss on prepayment of borrowings	
Gains from sales of low income housing tax credits	
Hedge ineffectiveness gains	
Interest on Federal tax refund	
Mark to market on deferred compensation plan assets	
<b>Fee revenue (GAAP)</b>	

\$ 13,091	\$ 11,442	\$ 10,352
557	4	55
(482)	-	-
728	728	-
115	313	1,303
1,100	-	-
270	180	128
<b>\$ 15,379</b>	<b>\$ 12,667</b>	<b>\$ 11,838</b>

## Core operating expense reconciliation

Core operating expense	
Foreclosed property expense	
Severance	
Mark to market on deferred compensation plan liability	
Professional fees incurred in connection with Bulk Loan Sale	
Property taxes paid on collateral for loans in Bulk Loan Sale	
Reclassification of pension plan actuarial gains and losses and unamortized prior service costs to other comprehensive income	
<b>Operating expense (GAAP)</b>	

\$ 42,670	\$ 43,843	\$ 46,644
3,825	9,302	64,899
190	-	-
270	180	128
-	-	1,000
-	-	2,600
-	(2,245)	-
<b>\$ 46,955</b>	<b>\$ 51,080</b>	<b>\$ 115,271</b>

# Non-GAAP Reconciliation Tables

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## *Net interest margin - pre credit reconciliation*

Net interest margin - pre credit

Effect of interest reversals, lost interest, and carry costs of NPAs

**Net interest margin**

## *Tangible common equity and tangible equity to tangible assets reconciliation*

Tangible common equity to tangible assets

Effect of preferred equity

**Tangible equity to tangible assets**

Effect of goodwill and other intangibles

**Equity to assets (GAAP)**

## *Tangible common equity to risk-weighted assets reconciliation*

Tangible common equity to risk-weighted assets

Effect of preferred equity

**Tangible equity to risk weighted assets**

Effect of other comprehensive income

Effect of trust preferred

**Tier I capital ratio (Regulatory)**

## Operating Earnings to GAAP Earnings Reconciliation

1Q12		4Q11		1Q11	
3.76	%	3.77	%	3.84	%
(.23)		(.26)		(.43)	
<b>3.53</b>		<b>3.51</b>		<b>3.41</b>	
5.33	%	5.38	%	2.70	%
2.75		2.78		3.31	
<b>8.08</b>		<b>8.16</b>		<b>6.01</b>	
.11		.12		.14	
<b>8.19</b>	%	<b>8.28</b>	%	<b>6.15</b>	%
8.21	%	8.25	%	.75	%
4.23		4.29		5.87	
<b>12.44</b>		<b>12.54</b>		<b>6.62</b>	
.10		(.03)		(.32)	
1.15		1.18		1.13	
<b>13.69</b>	%	<b>13.69</b>	%	<b>7.43</b>	%

# Analyst Coverage

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## ■ FIG Partners

*(Market Perform - Mar 22, 2012)*

## ■ Guggenheim Securities, LLC

*(Neutral - Jan 27, 2012)*

## ■ Keefe, Bruyette & Woods

*(Market Perform - Jan 26, 2012)*

## ■ Macquarie Capital (USA)

*(Neutral - Jan 25, 2012)*

## ■ Raymond James & Assoc.

*(Market Perform - Jan 27, 2012)*

## ■ Sandler O'Neill & Partners

*(Hold, Apr 4, 2012)*

## ■ Stephens, Inc.

*(Equal Weight - Jan 27, 2012)*

## ■ SunTrust Robinson Humphrey

*(Neutral - Jan 26, 2012)*

# United Community Banks, Inc.

## Investor Presentation

First Quarter 2012

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