

Four Oaks Fincorp, Inc. (OTCQX: FOFN; Four Oaks, NC) has agreed to merge with United Community Banks, Inc. (NASDAQ: UCBI; Blairsville, GA)

Deal Value: Approximately \$124 Million

Sandler O'Neill served as financial advisor to Four Oaks Fincorp, Inc. and rendered a fairness opinion in connection with the transaction. This transaction represents Sandler O'Neill's 129th bank or thrift transaction nationwide since January 1, 2015, representing \$42 billion in aggregate transaction value. Sandler O'Neill has served as a financial advisor on more bank and thrift transactions than any other investment bank during that time period.¹

Since January 1, 2014, Sandler O'Neill has advised on more than **85%** of transactions in North Carolina, South Carolina and Virginia with a deal value greater than \$100 million. These transactions had an aggregate deal value over \$12.2 billion.¹

BLAIRSVILLE, Ga. and FOUR OAKS, N.C., June 27, 2017 -- United Community Banks, Inc. (NASDAQ:UCBI) ("United") and Four Oaks Fincorp, Inc. (OTCQX:FOFN) ("Four Oaks") announced today a definitive agreement for United to acquire Four Oaks and its wholly owned bank subsidiary, Four Oaks Bank & Trust Company ("Four Oaks Bank"), in a stock and cash transaction. The transaction has been unanimously approved by the Board of Directors of each company and is expected to close in the fourth quarter of 2017.

Four Oaks Bank operates 14 banking offices, 12 of which are located in the Raleigh, North Carolina metropolitan statistical area, including loan production offices in Raleigh and Apex. Two additional banking offices are located in the eastern North Carolina locations of Dunn and Wallace. The merger will expand United's presence in these fast-growing markets and allow it to offer its expanded product line to Four Oaks Bank's customers.

Under the terms of the agreement, Four Oaks shareholders will receive merger consideration consisting of approximately 90 percent stock, with a fixed exchange ratio of .6178 shares of United common stock and 10 percent cash or \$1.90 for each share of Four Oaks. The transaction is currently valued at approximately \$124 million based on United's closing price of \$26.48 per share on June 23, 2017. The transaction is expected to be less than 1 percent dilutive to United's tangible book value per share, including one-time transaction costs; and 2 percent – or \$.04 per share – accretive to United's fully diluted earnings per share for 2018, excluding one-time transaction costs.

"This transaction is yet another example of our growth strategy into new, fast-growing markets," said Jimmy Tallent, Chairman and Chief Executive Officer of United. "Four Oaks provides a strong customer base and an excellent springboard for additional growth in metropolitan Raleigh. It will also greatly assist us in attracting strong, in-market bankers to grow in this new market area for United. With a number of merger transactions taking place across North Carolina, and in the Raleigh MSA in particular, we are confident in the opportunities such market disruption will offer. Our intent is to further expand our presence in Raleigh-area communities while creating value for shareholders and customers of both organizations."

Tallent continued, "We are especially pleased to join forces with a 105-year-old, highly respected community bank with a tremendous core deposit and customer base. Four Oaks' commitment to outstanding customer and community service is well aligned with our own, making this a great cultural fit. The combined franchise will be well positioned for growth and success and we will be focused on investing in additional lending resources to take advantage of this great opportunity."

"We are very excited to join the United Community Bank team," said Chief Executive Officer David Rupp. "Four Oaks shareholders will be rewarded through the superior financial performance of United and Four Oaks customers will find that they share our focus on outstanding personalized service. Together, we will leverage the new resources and products available through United Community Bank to expand relationships and continue to grow in North Carolina."

Four Oaks Bank will merge into United's bank subsidiary and will operate under the United Community Bank brand. At March 31, 2017, Four Oaks Bank had \$737 million in assets, including \$513 million in loans, and \$560 million in deposits, of which nearly two-thirds are considered core deposits.

Financial Highlights

(Dollars in millions)

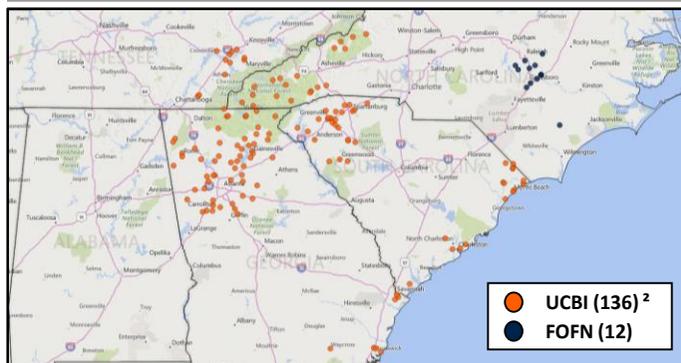
	UCBI	FOFN
Total Assets	\$10,732	\$737
Total Net Loans	\$6,921	\$504
Total Deposits	\$8,752	\$560
Total Shareholder's Equity	\$1,102	\$70
TCE / TA	8.95%	9.44%

(1) Source: SNL Financial; Excludes terminated transactions and self-advisory roles

(2) Pro forma branch count for pending acquisition of HCSB Financial Corporation (9 branches)

Note: Financial data as of March 31, 2017; Source: Company Earnings Release

Pro Forma Branch Map



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