

**United Community Banks, Inc. (NASDAQ: UCBI; Blairsville, GA) has agreed to acquire Tidelands Bancshares, Inc. (OTC Pink: TDBK; Mount Pleasant, SC)**

**Deal Value: Approximately \$11.2 Million**

Sandler O'Neill served as financial advisor to United Community Banks, Inc. in connection with the transaction. This transaction represents Sandler O'Neill's 71<sup>st</sup> bank or thrift transaction nationwide since January 1, 2015 representing \$22.7 billion in aggregate transaction value, more than any other investment bank during that time period.<sup>1</sup>

Since January 1, 2015, Sandler O'Neill has advised on 23 Southeast bank or thrift transactions with an aggregate deal value of approximately \$4.4 billion, more than any other investment bank during that time period.<sup>1</sup>

BLAIRSVILLE, GA – April 4, 2016 – United Community Banks, Inc. (NASDAQ: UCBI) (“United”) and Tidelands Bancshares, Inc. (OTC Pink: TDBK) (“Tidelands”) announced today a definitive agreement for United to acquire Tidelands and its wholly-owned bank subsidiary, Tidelands Bank. Tidelands is headquartered in Mt. Pleasant, South Carolina and in addition to its Charleston area presence, operates branch offices in Myrtle Beach and Hilton Head. The acquisition of Tidelands represents the second step of a two-step plan associated with United’s coastal South Carolina growth strategy. The first step, which occurred during the third quarter of 2015, included the hiring of a group of experienced, Charleston area bankers. The Tidelands acquisition will enhance United’s position in key growth markets in coastal South Carolina, provide an important bank platform to support a recent lift-out of a team of experienced, in-market lenders, and facilitate United’s ability to offer expanded banking products and services to Tidelands’ customer base.

Under the terms of the merger agreement, Tidelands’ common shareholders will receive cash equal to \$0.52 per share or an aggregate of approximately \$2.2 million. Additionally, United has entered into an agreement with the United States Department of Treasury whereby it will redeem all of Tidelands’ fixed rate cumulative preferred stock that was issued to the Treasury under the Treasury’s Capital Purchase Program, plus unpaid dividends, for \$9.0 million in aggregate, which represents a 56 percent discount. The transaction has been unanimously approved by the Boards of Directors of each company and is expected to close in the third quarter of 2016.

The transaction is expected to be \$0.09 - \$0.10 accretive to United’s fully diluted earnings per share in 2017 with all operating expense savings realized. It is also expected to be approximately 1.5 percent dilutive to United’s tangible book value per share at closing with an earn-back period of approximately two years, including one-time transaction costs.

Completion of the transaction is subject to customary closing conditions, including the receipt of required regulatory approvals and the approval of Tidelands’ shareholders.

## Financial Highlights

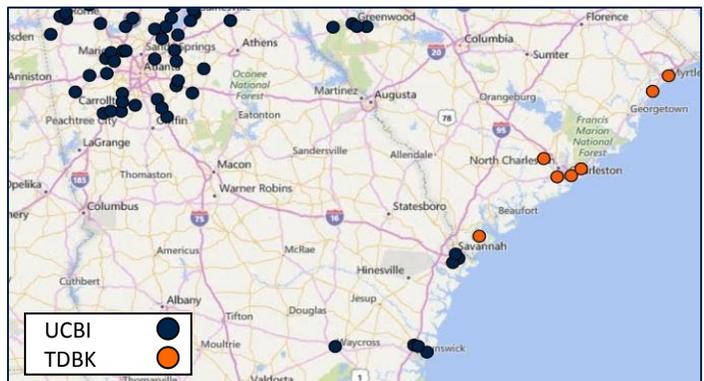
|              | <u>UCBI</u> | <u>TDBK</u> |
|--------------|-------------|-------------|
| Total Assets | \$9,626     | \$466       |
| Net Loans    | \$5,951     | \$320       |
| Deposits     | \$7,881     | \$421       |
| Equity       | \$1,018     | \$1.9       |

**Notes:**

Dollars in millions; Financial data as of of December 31, 2015

<sup>1</sup>Source: SNL Financial; excludes terminated transactions and self-advisory roles

## Pro Forma Branch Network



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