DEAR FELLOW SHAREHOLDERS,

October 2000, the month we opened for business in Nashville, doesn't seem very long ago.

At that time we formed a company specifically for the purpose of capitalizing on the flawed service delivery and uninspired workforces at the large national and regional banks. Since that time, our longstanding formula has been to locate in large urban markets that are dominated by these big regional and national franchises and aggressively compete against them based on two differentiators: distinctive service and effective advisors who are well established and have loyal client followings in the local market.

After quickly becoming a dominant bank for businesses in Nashville, in 2007 we expanded into Knoxville, 180 miles east of Nashville, on a de novo basis and replicated our competitive distinction there. Following our success in Nashville and Knoxville, we made acquisitions in Chattanooga, 135 miles southeast of Nashville, and Memphis, 210 miles west of Nashville, overlaying our targeted recruitment and hiring philosophy along with our associate engagement methodologies to substantially accelerate growth in those markets.

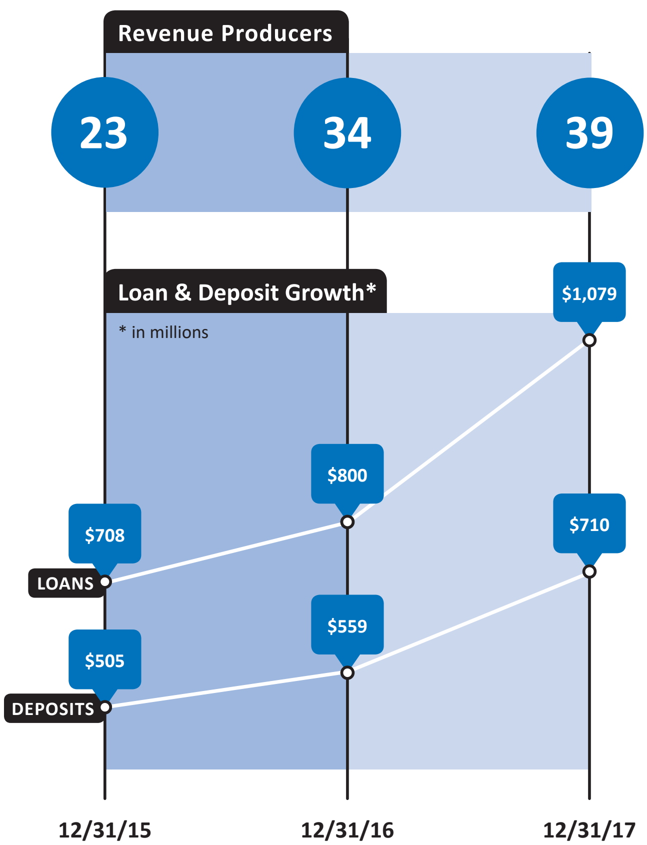
It's a strategy that now has proven extremely effective in all of Tennessee's urban markets. Memphis and Chattanooga, our most recent Tennessee market extensions, are particularly illustrative of the power of the model. The hiring momentum in both cities continues to be strong. As we added a meaningful number of revenue producers to the team, we grew core deposits and loans rapidly.

Having completed our march to all four urban markets in Tennessee, we continued that model in 2017 with our acquisition of BNC Bancorp, a commercial bank with offices in a number of large, high-growth urban markets in North Carolina, South Carolina and Virginia. The combination of our firms created a $22 billion bank operating across four extremely attractive Southeastern states and, more importantly, most of the largest and fastest growing urban markets in those states.

RECENT GROWTH SHOWS PATH FORWARD

Establish baseline for market entry > Overlay PNFP's culture and associate engagement > Recruit and hire the best bankers in the market > Create competitive differentiation based on service and advice > Accelerate growth

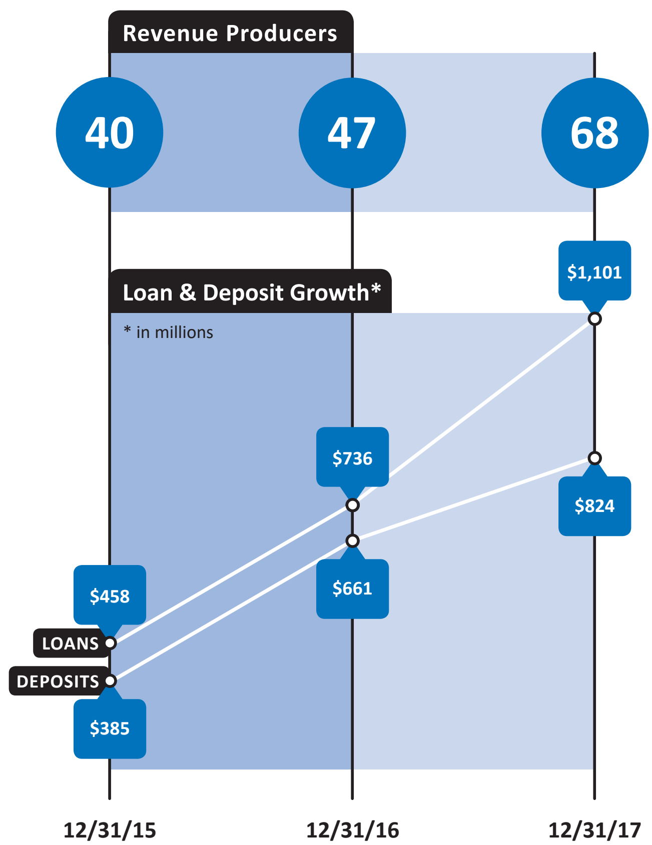
CHATTANOOGA, TN



Compound Annual Growth Rate

LOANS	DEPOSITS	REVENUE PRODUCERS
23%	19%	30%

MEMPHIS, TN



Compound Annual Growth Rate

LOANS	DEPOSITS	REVENUE PRODUCERS
55%	46%	30%

PNFP & BNC
MERGER TIMELINE

Nov. 30, 2017
PNFP completes systems conversion

Sept. 25, 2017
BNC converts brand to Pinnacle

June 16, 2017
PNFP completes merger with BNC

April 6, 2017
Regulators approve the proposed merger with BNC

Jan. 22, 2017
PNFP announces merger with BNC Bancorp

2017 ACCOMPLISHMENTS

In addition to announcing, closing and integrating our largest acquisition to date, our teams accomplished many significant milestones in 2017. Everything we achieved is tied to our core belief that excited associates lead to engaged clients and enriched shareholders.

Excited Associates

For the first year, due to our growth, Pinnacle was eligible for *FORTUNE* magazine and Great Place to Work® Institute's list of the 100 Best Companies to Work For in the country. We debuted at No. 34 and also earned several associated awards for being a Best Workplace for Women (No. 6), a Best Workplace in Financial Services and Insurance (No. 7) and one of *People* magazine's 50 Companies that Care (No. 20). We again earned a No. 6 spot on *American Banker's* Best Banks to Work For list and won local awards in Memphis and Knoxville for being a "best place to work."

Engaged Clients

We more than tripled our previous record for Greenwich Excellence Awards, bringing home 30 national and regional honors, making us the second-most honored bank in the country among the roughly 600 banks that were eligible. The awards in small business and middle market banking are based entirely on what clients report to independent researchers from Greenwich Associates. The foremost provider of market research to commercial banks also honored Pinnacle as one of only 19 banks in the country to have established a distinctive brand among its clients. Pinnacle won "Best Brand" awards for trustworthiness and ease of doing business.

Enriched Shareholders

The M&A Advisor named our merger with BNC the "Corporate/Strategic Deal of the Year" over $1 billion. The merger also led to *FORTUNE* naming us one of the Top 100 Fastest Growing Companies for the second time in our history. Earlier in the year, based on a basket of performance metrics, *Forbes* ranked us in the top quartile of America's 100 largest banks (No. 24). These honors all relate to our growth, which has been a key to outsized returns for shareholders.

SHAREHOLDER FOCUS

Even during this period of merger integration, organic growth was extremely strong in both the legacy Pinnacle and BNC footprints. And the merger actually put us in a position to increase our long-term profitability targets, which is key to creating sustainable shareholder value. As a result of the transaction, we took our previously published return on average tangible assets target from a range of 1.20 to 1.40 percent to a range of 1.30 to 1.50 percent.

We've experienced a great deal of change at Pinnacle since our inception in 2000 with more on the horizon. Throughout it all, our associates have maintained a key focus on disciplined execution of our very simple strategy, which consistently has produced outstanding results for our shareholders.

LONG-TERM PROFITABILITY TARGETS

Return on Average Tangible Assets* **1.30% to 1.50%**	
Net Interest Margin	3.60% to 3.80%
Noninterest Income to Avg. Assets	0.90% to 1.10%
Noninterest Expense to Avg. Assets	3.60% to 3.80%
Net Charge-off Ratio	0.90% to 1.10%

** At Dec. 31, 2017*

OUTLOOK FOR 2018 AND BEYOND

As we have been since 2000, we're focused on long-term shareholder value. We achieve that by taking advantage of the large, high-growth markets that we operate in and capitalizing on the vulnerabilities of the large regional and national franchises that dominate these markets. It's really that simple—just continuing what we have done so effectively over the last 17 years.

BNC had a high-growth CRE lending practice that we expect to continue at its previous pace. However, the key to realizing our potential in the Carolinas and Virginia is to build out a large C&I platform—the thing we do best. We intend to keep hiring the best C&I and private banking relationship managers in the Carolinas and Virginia. The hiring during and since the merger is on a rapid pace, and our recruiting pipelines remain robust. Now that the integration is substantially complete, we can turn our full focus to hiring revenue producers and growing the balance sheet.

We are pleased with our earnings momentum in the Carolinas and Virginia and are excited about the incredible organic growth opportunity that the merger affords us. We will likely have other high-value opportunities for market extensions in those Southeastern markets we have targeted or fill-in M&A in our existing footprint, but we're in the enviable position of not having to make any additional acquisitions in order to achieve our growth and profitability targets. With no pressure to make deals, the only acquisitions we will consider are those that accelerate our long-term strategic and financial targets.

We are now located in 11 of the most attractive markets in the Southeast with a proven ability to take share from large regionals who have dominated these markets for some time. You can expect us to build out those markets in a format similar to what we've accomplished recently in Chattanooga and Memphis. In every market we have entered, we found ways to hire great bankers who brought their clients with them. Our strategy is simple. Our associate-engaging culture is unparalleled by our peers and competitors. And nothing could be more important in terms of our ongoing success.

Onward!

Sincerely,

M. Terry Turner
President and CEO

Robert A. McCabe, Jr.
Chairman