

BNC Bancorp (NASDAQ: BNCN; High Point, NC) has agreed to merge with Pinnacle Financial Partners, Inc. (NASDAQ: PNFP; Nashville, TN)

Deal Value: Approximately \$1.9 Billion

Sandler O'Neill served as financial advisor to BNC Bancorp and rendered a fairness opinion in connection with the transaction. This transaction represents Sandler O'Neill's 106th bank or thrift transaction nationwide since January 1, 2015, representing \$32.5 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 the Buyer or Seller on every transaction in North Carolina, South Carolina or Virginia with a deal value greater than \$100 million. There have been 17 such transactions with an aggregate deal value over \$8.5 billion.¹

Since January 1, 2015, Sandler O'Neill has advised on 14 of the 20 largest bank and thrift transactions nationwide, representing over \$23.8 billion in aggregate transaction value.¹

NASHVILLE, TN and HIGH POINT, NC, January 22, 2017 -- Pinnacle Financial Partners, Inc. (NASDAQ: PNFP) ("Pinnacle"), the holding company and parent of Pinnacle Bank, and BNC Bancorp (NASDAQ: BNCN) ("BNC"), the holding company and parent of Bank of North Carolina, today jointly announced the signing of a definitive agreement pursuant to which BNC will merge with and into Pinnacle in an all-stock transaction. Upon completion of the merger, Pinnacle will merge Bank of North Carolina with and into Pinnacle Bank.

The merger will create a four state footprint concentrated in 12 of the largest urban markets in the Southeast, adding significant presence in Charlotte, Raleigh, Greensboro, Winston-Salem, Greenville-Spartanburg, and Charleston to Pinnacle's Tennessee franchise. On a pro forma basis, Pinnacle will be a top 50 U.S. banking franchise by assets, with \$20 billion in assets, \$14 billion in loans and \$15 billion in deposits. Pinnacle will operate the Carolinas and Virginia region out of BNC's existing corporate headquarters in High Point, North Carolina.

"BNC represents the single best platform to expand our presence in urban, high-growth metropolitan markets," Pinnacle President and CEO M. Terry Turner said. "This merger is consistent with Pinnacle's strategy to become the dominant bank in southeastern commercial banking. BNC's success can be attributed to its experienced financial services professionals and the culture they have created. I have admired Rick's leadership and the significant growth he and the entire BNC team have achieved. I am very excited that we will be on the same team."

Under the terms of the merger agreement, BNC shareholders will receive 0.5235 shares of Pinnacle common stock for every BNC share. All fractional shares will be cashed out as of the closing. Additionally, BNC's outstanding stock options will be fully vested upon consummation of the merger, and all outstanding BNC options that are unexercised prior to the closing will be cashed out based on Pinnacle's ten (10) trading-day average closing price ending on the trading day immediately preceding the closing date. Based on Pinnacle's 20-day trailing average closing price as of Friday, January 20, 2017, the transaction is valued at approximately \$35.70 per share, or \$1.9 billion in the aggregate. Based on Pinnacle's most recent dividend, BNC shareholders will receive an approximate 47 percent increase to their current \$0.05 quarterly dividend per share upon completion of the transaction.

"Both we and Pinnacle have been committed to the idea that the Southeast deserves an impactful financial services firm with significant scale that operates with the culture of a community bank with local decision making led by banking professionals that are experienced and established in each market," Callicutt said. "Bringing two of the Southeast's best community banks together is a great thing for the region. By joining firms, Pinnacle and BNC can leverage each other's competitive strengths and offer clients a broader array of superior banking services. Since BNC's founding in 1991, we have focused on offering sophisticated services with a personal touch to business owners in the Carolinas and Virginia. We are excited for future growth opportunities as we continue that tradition with Pinnacle."

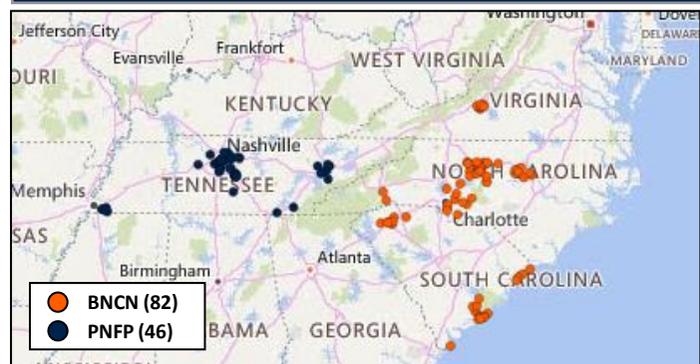
The proposed merger has been approved unanimously by each company's Board of Directors and is expected to close in the third quarter of 2017. The merger is subject to customary closing conditions, including the receipt of required regulatory approvals and the approval of both Pinnacle and BNC shareholders.

Financial Highlights

(Dollars in millions)	PNFP	BNCN
Total Assets	\$11,195	\$7,402
Total Net Loans	\$8,461	\$5,462
Total Deposits	\$8,759	\$6,083
Total Equity	\$1,497	\$902
TCE / TA	8.75%	8.98%

(1) Excludes terminated transactions and self-advisory roles
 Note: Financial data as of December 31, 2016; Source: SNL Financial

Pro Forma Branch Map



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