

## CAPITAL MARKETS ANNOUNCEMENT

**Pinnacle Bank, a wholly-owned subsidiary of Pinnacle Financial Partners, Inc. (NASDAQ: PNFP; Nashville, TN), closes \$70.0 Million Offering of Subordinated Notes due 2025**

**Sandler O'Neill + Partners, L.P. served as joint initial purchaser for this offering.**

**This transaction is the 54<sup>th</sup> subordinated note or senior note transaction for a bank since January 1, 2014 in which Sandler O'Neill acted as a placement agent, sole underwriter or book-runner.<sup>1</sup> Sandler O'Neill's market share during this period, based on transactions reported in SNL Financial, is 50%.<sup>2</sup>**

**About the Offering:**

NASHVILLE, TENNESSEE – Pinnacle Bank ("Pinnacle"), a wholly-owned bank subsidiary of Pinnacle Financial Partners, Inc., agreed to issue an additional \$70 million of its 4.875% subordinated notes due 2025 to certain institutional investors at a discounted price of 99.023% of the principal, resulting in an effective interest rate to the purchasers of the notes of 5.125% per annum through July 30, 2020, payable semi-annually. After July 30, 2020, the subordinated notes will bear a floating rate of interest at 90-Day LIBOR + 3.128% until the notes mature on July 30, 2025. The notes are expected to qualify as Tier 2 capital for regulatory purposes.

Pinnacle intends to use the net proceeds to repay the short-term borrowings used to fund the recently announced investment in Bankers Healthcare Group, LLC.

*This announcement is for informational purposes only and does not constitute an offer to sell or the solicitation of an offer to buy securities.*

**About the Company:**

Pinnacle Financial Partners, Inc. provides a full range of banking, investment, trust, mortgage and insurance products and services designed for businesses and their owners and individuals interested in a comprehensive relationship with their financial institution. Pinnacle's focus begins in recruiting top financial professionals. The American Banker recognized Pinnacle as the third best bank to work for in the country in 2015.

The firm began operations in a single downtown Nashville location in October 2000 and has since grown to more than \$8.7 billion in assets at Dec. 31, 2015. As the second-largest bank holding company headquartered in Tennessee, Pinnacle operates in the state's four largest markets, Nashville, Memphis, Knoxville and Chattanooga, as well as several surrounding counties.

*(1) Source: Sandler O'Neill + Partners. Deal count includes nationwide subordinated debt and senior note offerings since 1/1/2014 for banks or bank holding companies with less than \$25 billion in assets.*

*(2) Source: SNL Financial. Aggregate deal count used in market share calculation includes nationwide subordinated debt and senior note offerings since 1/1/2014 for banks or bank holding companies with less than \$25 billion in assets that have reported book-running managers or placement agents. Sandler O'Neill transactions used to calculate market share are those in which Sandler O'Neill acted as either a book-runner or placement agent.*

*(3) Financial data is not pro forma for the offering*

March 10, 2016

Subordinated Notes  
due 2025

**\$70.0 Million**

**Pinnacle**

Joint Initial Purchaser

**SANDLER O'NEILL + PARTNERS**

### Financial Highlights (as of 12/31/2015)<sup>3</sup>

#### \$ in Millions

Total Assets	\$8,709
Gross Loans	\$6,495
Total Deposits	\$6,971
Total Equity	\$1,156

Tangible Common Equity / Tangible Assets	8.64%
Tier 1 Leverage Ratio	9.40%
Tier 1 Risk-Based Capital Ratio	9.60%
Total Risk-Based Capital Ratio	11.30%

### Sandler O'Neill Contacts:

**Bob Kleinert**  
Managing Principal  
(212) 466-7806

**Jacques de Saint Phalle**  
Principal  
(212) 466-7721

**Peter Finnerty**  
Principal  
(404) 442-2865

**Jennifer Docherty**  
Managing Director  
(212) 466-7796

**James Fury**  
Managing Director  
(212) 466-7934

**Andy Mutch**  
Vice President  
(404) 442-2879

**Krystina Cruise**  
Associate  
(404) 442-2868

**SANDLER O'NEILL + PARTNERS, L.P.**

New York – Atlanta – Boston – Chicago – San Francisco