

Dear Fellow Shareholders,

From Pinnacle's founding in 2000, we have focused our shareholder communications on our commitment and approach to producing long-term shareholder value: excite associates so they'll engage clients, which enriches shareholders.

Operating environments have been, and no doubt will continue to be, volatile. But we believe our unwavering obsession with building a great place to work is the first and foremost requirement to producing outsized shareholder returns. Our associates are excited and passionate about delivering the distinctive service and effective advice that builds strong loyalty and engagement among our clients. And the unparalleled engagement of a rapidly growing number of clients has served to enrich our shareholders throughout the economic cycle, even with all its volatility. Pinnacle's is the second-highest performing publicly traded bank stock in the United States since December 2000.

2014 was more of the same: more local and national recognition for being *a great place to work*; more regional and national recognition for market-leading *client satisfaction*; and peer-leading *total shareholder returns*.

Back in early 2012, we published our long-term sustainable profit model with an ROAA target range of 1.10% to 1.30%. Since that time, we have steadily climbed to an ROAA in 2014 of 1.24% and finished fourth quarter 2014 with an ROAA of 1.27%, near the top of the targeted range and trending up.

The cornerstone of that plan for improved profitability and operating leverage was a three-year net loan growth target of \$1.27 billion, a compound annual growth rate of 11.5%. We completed that march in 2014 with \$1.30 billion in net loan growth, a compound annual growth of 11.7%, slightly above target and well above the industry and peers.

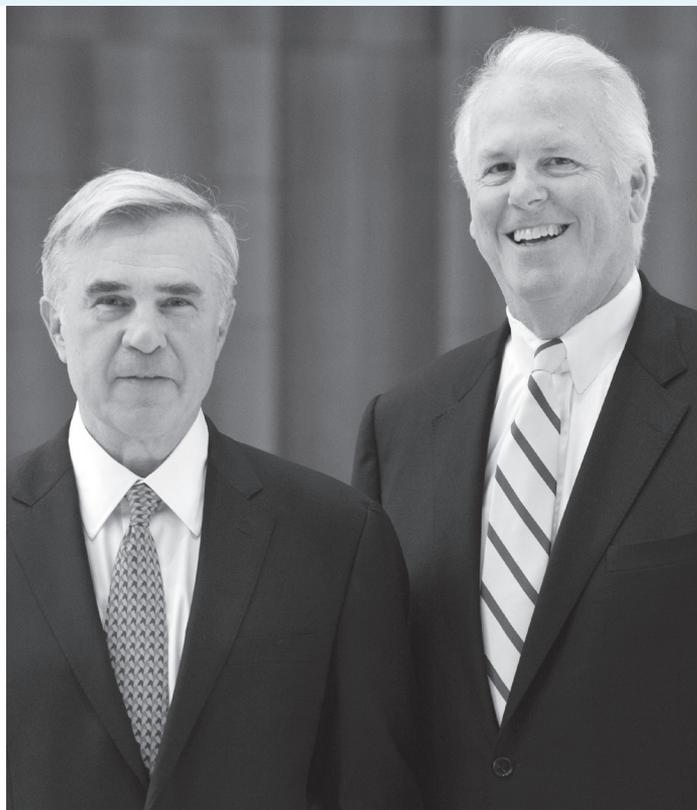
2014 ACCOMPLISHMENTS

Best Bank to Work For in Tennessee.

American Banker named Pinnacle No. 2 on its list of "Best Banks to Work For" in the U.S., making our firm the best bank to work for in Tennessee. In addition, Great Place to Work® ranked us the No. 5 Best Medium-Sized Workplace in the entire country.

Market-leading client satisfaction.

According to Greenwich Associates, our "net promoter" score—clients who are likely to recommend us to their friends and colleagues—is meaningfully higher than all of our key competitors. This kind of client engagement explains our success in 2014 and is the basis for our optimism going forward.



No. 1 lead market share among Nashville businesses.

Not only do we have the strongest loyalty among our clients, but we also have a commanding lead in business market share. More businesses in Nashville call Pinnacle their primary bank than any other firm in the market, according to financial research firm Greenwich Associates. And Pinnacle was again the No. 1 small business lender of banks headquartered in Middle Tennessee, according to the *Nashville Business Journal*.

Fastest-growing bank in Knoxville.

Pinnacle has been the fastest-growing bank in the Knoxville market since our de novo expansion there in 2007. Our deposit growth rate from June 30, 2013 to June 30, 2014 in the Knoxville MSA was 13.7%, higher than any other bank in the top 10. Key hires in 2014 should help us enhance our future growth.

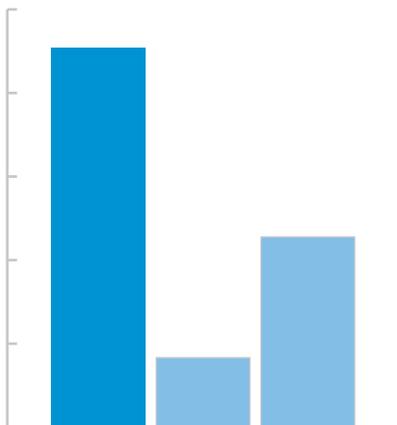
Peer-leading returns for shareholders.

One way we evaluate our performance is by comparing total shareholder returns against our peers. Our goal is to achieve top-quartile returns. In 2014 we were in the top quartile for profitability and asset quality, which we believe resulted in top quartile shareholder returns. In fact, we led our entire peer group.

Total Shareholder Returns

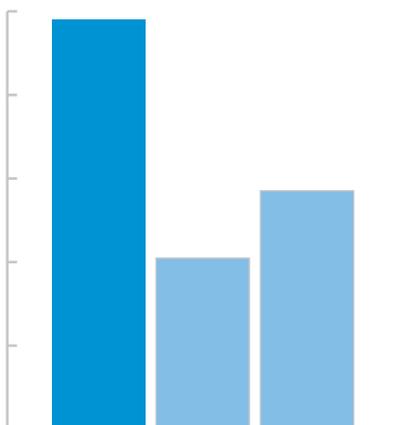
1 Year

PNFP—22.7%
Peer Median—4.2%
75th Percentile of
Peer Group—11.4%



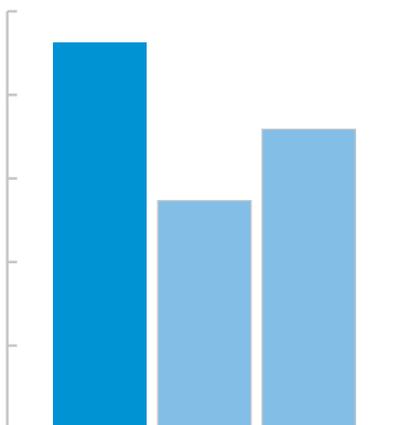
3 Year

PNFP—147.7%
Peer Median—61.9%
75th Percentile of
Peer Group—86.1%



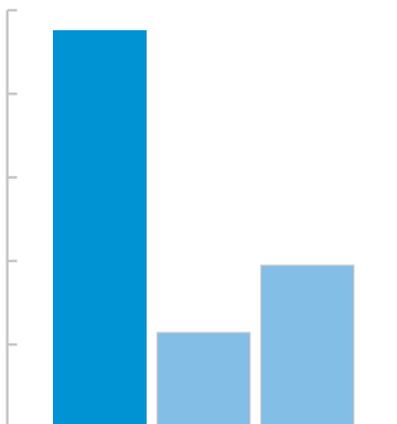
5 Year

PNFP—181.3%
Peer Median—107.5%
75th Percentile of
Peer Group—140.9%



10 Year

PNFP—240.4%
Peer Median—58.3%
75th Percentile of
Peer Group—98.8%



SHAREHOLDER FOCUS

It has long been our contention that *aspiration* and *execution* are perhaps the most important determinants of how much shareholder value will be created over time. As an example, we are proud of the 20.4% EPS growth we had in 2014, which is over 40% higher than the peer group median of 14.2%. But all we did was achieve our budget. How many banks budget 20% EPS growth in a year following an EPS growth of 29.4% the previous year? That's what we mean by *aspiration* and *execution*.

But the most important demonstration of our commitment to shareholders is our consistent top-quartile total shareholder returns.

OUTLOOK FOR 2015 AND BEYOND

We are not resting on our laurels. Our *aspirations* remain high. We've actually updated our already high long-term profitability targets:

	PREVIOUS TARGET	CURRENT TARGET
NET INTEREST MARGIN	3.70–3.90%	3.70–3.90%
NON-INTEREST INCOME TO ASSETS	0.70–0.90%	0.80–1.00%
NET CHARGE-OFFS	0.20–0.35%	0.20–0.35%
NON-INTEREST EXPENSE TO ASSETS	2.10–2.30%	2.10–2.30%
RETURN ON AVERAGE ASSETS	1.10–1.30%	1.20–1.40%

And we intend to ramp up the growth. Not only do we expect to continue similar growth in the next three years to that of the last three years from our existing operating model, but we also plan to:

- Initiate a focused strategy targeting the commercial real estate segment
- Expand to Tennessee's other urban markets, Chattanooga and Memphis
- Increase assets to greater than \$10 billion
- Increase capital allocation to fee businesses that can drive shareholder value and strategically reduce our dependence on the "spread" business

No doubt, operating environments have been and will continue to be volatile. The challenges are many: increased regulatory burden, a slow growth economy, increased competition for scarce loan demand, a difficult rate environment and the like. But as we said last year, regardless of the environment, we believe the firms that win the war for talent and take valuable clients from increasingly vulnerable competitors are likely to be rewarded. And consequently, that remains the primary focus of this firm.

As you review this report, we hope you will find evidence of our ongoing commitment to produce "top-quartile" returns for long-term shareholders and that you share our optimism for the future.

Sincerely,

M. Terry Turner
President and CEO

Robert A. McCabe, Jr.
Chairman