# KBRA Affirms Ratings for Pinnacle Financial Partners, Inc. Following Merger Close with Synovus Financial Corp.

New York (January 9, 2026)

KBRA affirms the senior unsecured debt rating of A-, the subordinated debt rating of BBB+, the preferred stock rating of BBB, and the short-term debt rating of K2 for Georgia-based Pinnacle Financial Partners, Inc. (NASDAQ: PNFP) following the recent merger with Synovus Financial Corp. (NYSE: SNV or "Synovus"). In addition, KBRA affirms the deposit and senior unsecured debt ratings of A, the subordinated debt rating of A-, and the short-term deposit and debt ratings of K1 for the subsidiary, Pinnacle Bank. The Outlook for all long-term ratings is Stable.

On January 1, 2026, PNFP and Pinnacle Bank merged with Synovus and Synovus Bank, respectively, with PNFP and Pinnacle Bank the surviving entities. Post-merger, the combined entity will be over $117 billion in assets including an ~$80 billion loan portfolio, and funded by ~$96 billion of deposits at 3Q25. With legacy PNFP having brought the #2 deposit market share position in Tennessee and a solid presence in North Carolina, the combination with Synovus brings the #4 deposit market share in Georgia, with an additive position in Alabama and a tangible Florida presence.

## Key Credit Considerations

PNFP's ratings are supported by our expectation that its favorable long-term performance track record – core ROA typically firmly >1% – having benefited, in our view, from an attractive business model that inherently offers very good potential to lead to high quality growth, will continue even as investments are made to enhance risk infrastructure at the combined company. Legacy PNFP's recent-year, organically focused operating profile has been successful adding experienced and productive, primarily in-footprint (or adjacent) bankers with long-standing client relationships typically from larger peers.

We believe that this operating strategy has likely facilitated new client growth with an element of positive "self-selection"; a thesis based to no small degree on the PNFP compensation model, which focuses on company-wide performance, and importantly, includes a distinct asset quality input. Implementing this model at the larger, combined entity, while complex, should result in a prospectively high-performing, efficient bank. Notably, we expect legacy Synovus's low-20% range fee / revenue contribution to be modestly additive to PNFP on a core basis (excluding Banker's Health Group equity-method income). Additionally, with comparable earning asset yields, SNV's moderately lower cost of deposits is projected to benefit PNFP's NIM, noting that both institutions have recently reflected loan-to-core deposit measures just over 100% (with legacy PNFP's solid YTD25 NIB growth an important deposit composition improvement).

Given the credit culture of both firms, driven by lessons learned during various credit cycles, we expect the combined company to report strong asset quality over the longer-term. Further, with low multiyear loss rates – average annual NCO ratios of 17 bps (PNFP) and 23 bps (Synovus), respectively, since 2021 – and favorable YTD25 criticized and classified trends reflected by both institutions, we believe post-merger reserves are reasonable.

Prospectively, PNFP currently expects CET1 at ~10% at close (unsurprisingly below that reflected by the company's coming into the merger), with some modest core capital accretion towards the mid-10% range by YE26. We note that capital levels could be somewhat volatile from quarter-to-quarter while integration proceeds but view the end-state number as reasonable for the combined bank's franchise strength, business model and risk profile. Further, we expect the company to be a strong internal capital generator, producing approximately 35 bps of CET1 per quarter after dividends. Management has clearly prioritized the combined entity's uses of capital, with the primary objective being deployment to support loan growth and client acquisition, consistent with the firm's positioning as a growth bank.

## Rating Sensitivities

Ratings are considered well positioned at their current level, and incorporate our expectations for manageable integration risk, a favorable core earnings outlook, and anticipated core capital accretion.

Material, unexpected deterioration in earnings / asset quality, or change in anticipated financial management, particularly driven by integration challenges, could pressure ratings. Negative shifts in funding composition or liquidity measures could also adversely impact ratings.

To access ratings and relevant documents, click here.

## Methodologies

- Financial Institutions: Bank & Bank Holding Company Global Rating Methodology
- ESG Global Rating Methodology

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## Disclosures

A description of all substantially material sources that were used to prepare the credit rating and information on the methodology(ies) (inclusive of any material models and sensitivity analyses of the relevant key rating assumptions, as applicable) used in determining the credit rating is available in the Information Disclosure Form(s) located here.

Information on the meaning of each rating category can be located here.

Further disclosures relating to this rating action are available in the Information Disclosure Form(s) referenced above. Additional information regarding KBRA policies, methodologies, rating scales and disclosures are available at www.kbra.com.

## About KBRA

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