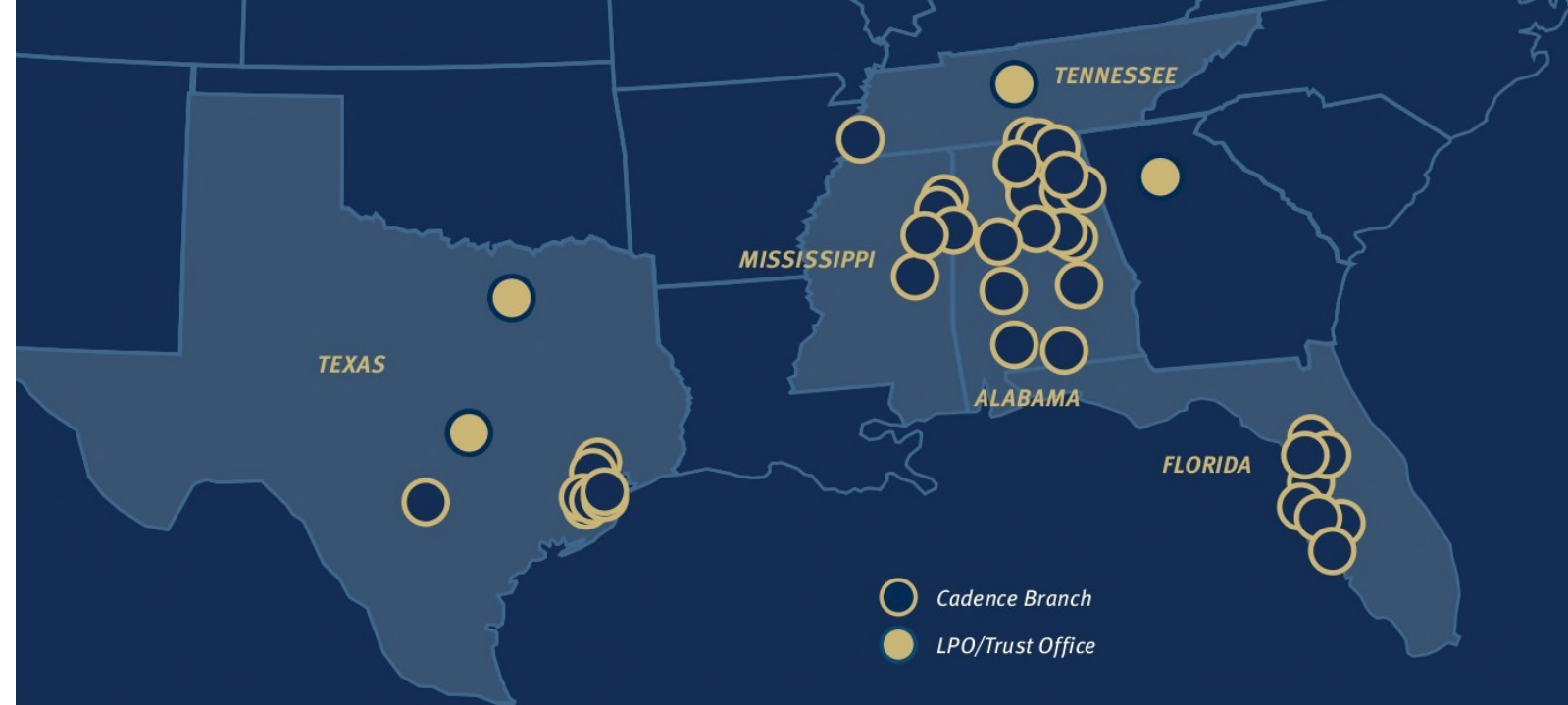




Smarter Solutions.
Better Opportunities.

 **CADENCE**
BANCORPORATION

2017 Annual Review



○ Cadence Branch
● LPO/Trust Office

2010

\$1.0B

DEFINING OUR MISSION

- Formed by respected banking industry veterans who raised \$1 billion in committed capital to invest in the U.S. banking industry from long-term investors consisting largely of university endowments and pension funds.
- Led by experienced and motivated team intent on providing relationship banking to middle-market commercial clients, small businesses and business owners, high net worth individuals and retail customers.
- Focused on organic growth and strategic merger and acquisition opportunities to expand in attractive markets.

2011



BECOMING CADENCE BANK

- Purchased Cadence Bank, a Starkville, Mississippi-based bank with \$1.5 billion in assets and 38 branches.
- Acquired franchise of Birmingham, Alabama-based Superior Bank, with \$2.6 billion in assets and 73 branches.
- Added Commercial & Industrial teams in Houston, Texas and Birmingham, Alabama.
- Added Specialized Industries lending teams, including Healthcare and Restaurant, in Nashville, Tennessee and Atlanta, Georgia, respectively.

2012



STRATEGIC ACQUISITIONS

- Encore Bank, a Houston, Texas-based bank with \$1.6 billion in assets, 12 branches, and subsidiaries Linscomb & Williams, Encore Trust, and Town and Country Insurance (n/k/a Cadence Insurance).
- Added Commercial Banking, Business Banking and Treasury Management in Tampa, Florida.
- Added San Antonio Commercial & Industrial team and branch in 2012.

“Successfully completed three acquisitions totaling \$6 billion in assets and recruited key talent to drive organic growth.”

It's What Keeps Us Moving Forward.

TOGETHER.

2013

2014

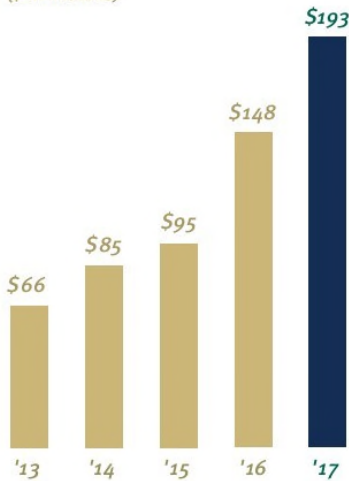
2015

2016

2017

ORGANIC GROWTH

PRE-TAX PRE-PROVISION INCOME⁽¹⁾
(\$ in millions)



(1) Considered a non-GAAP financial measure. See page 12 of this Annual Review and our Annual Report on Form 10-K for more information.

- Strong organic growth driven by new experienced banking teams across the footprint.
- Added Commercial Real Estate, expanding Commercial & Industrial portfolio.
- Banking services expand in Huntsville with Commercial & Industrial, Business Banking, and Wealth.
- Tampa/Sarasota Commercial and Business Banking teams expand with new local leadership.
- Specialized Industries expands to include Technology Banking in Austin, Texas.
- Kroll Bond Rating Agency initiates coverage of Cadence Bancorp with investment grade rating.
- Completed a \$245 million and \$50 million debt issuance to foster the continued growth and solid capital position of the bank.



*Announced the launch of our initial public offering on the New York Stock Exchange under the symbol **CADCE** in April 2017. The \$173 million offering consisted of 8.6 million shares of Class A common stock.*

2017 record earnings and crossed \$10 billion in assets milestone.

Cadence was designed for those who demand banking that's better than what they've experienced in the past.

We believe in delivering what we say we will, when we say we will. We believe that listening is at the heart of good service. We believe that we will reach our vision by living up to our promises, and by living up to our responsibility of delivering products and services of real value to the market. We are a motivated ally, informed and responsive, and willing to lead and be accountable. Through a network of 65 branches across Alabama, Florida, Mississippi, Tennessee and Texas, our team of 1,200 associates every day seeks to build long-lasting banking relationships that will enable customers and the communities we serve to prosper.

CHAIRMAN & CHIEF EXECUTIVE OFFICER LETTER

Dear Shareholders,

It is with great pleasure that we report on our activities of 2017, perhaps the most exciting year in our history. Essentially every line of business and bank department made significant progress in 2017, whether through revenue growth, profitability measures, process and system improvements, or attention to the development of core business drivers.

The hard work and dedication of our entire team was recognized on April 13, 2017 by the successful completion of our initial public offering on the New York Stock

**CADE
LISTED
NYSE**

Exchange. Under the symbol CADE, 8.6 million shares of Class A common stock were offered to the public at a price of \$20 per share with a total offering size of \$173 million. In June, the company was added to the Small-Cap Russell 2000® Index and Russell 3000® index as a part of the Russell Indexes annual reconstitution.

We completed a follow-on offering in November of 10.9 million secondary shares of Class A common stock at \$22 per share for a total offering size of \$240 million. This offering provided an initial

liquidity event to our original unitholders in Cadence Bancorp, LLC. In addition, we arrived at another milestone last year by reaching \$10 billion in assets, a stepping stone for continued growth and opportunity to serve our customers.

From vision to reality

Our journey began in 2009, a time of economic stress in our nation, when a group of accomplished banking industry veterans formed Community Bancorp (CBC) which later was rebranded as Cadence Bancorp, LLC. With a powerful vision to revitalize banks through fresh capital and experienced management, CBC secured \$1.0 billion in capital commitments in 2010 to invest in the banking industry and built the franchise via three successful acquisitions: Cadence Bank, based in Starkville, Mississippi, the franchise of Birmingham, Alabama-based Superior Bank in 2011, and Houston's Encore Bank in 2012.

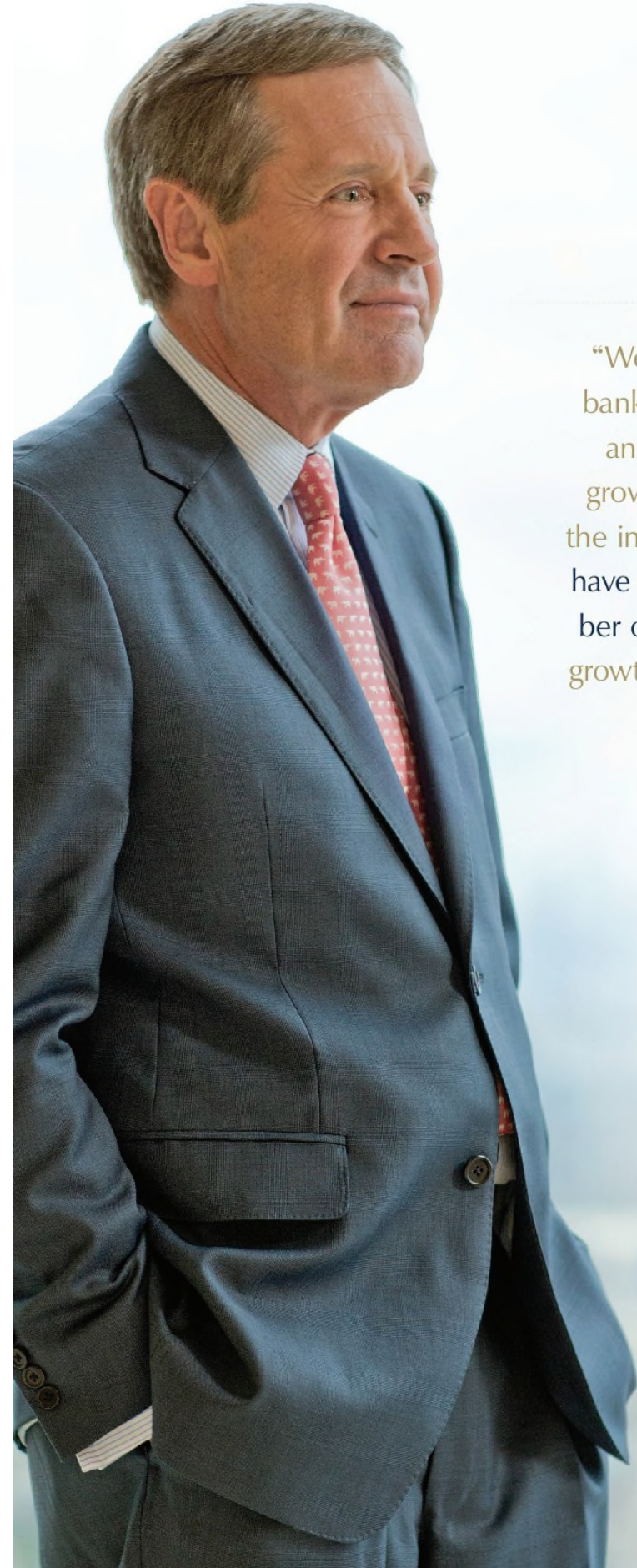
From the start, our bankers and associates centered on creating a workplace in which teamwork and customer focus are key priorities. We challenged ourselves to always do what is right for our customers and not simply complete transactions. This

emphasis on building relationships allows us to deliver a high level of personal service despite our growing size. It's not only the best way to serve our customers, but also the most effective way to create shareholder value.

+35.6%

*Stock Price Increase
Since IPO to Year-End 2017*

The strength of this customer-first approach is evidenced by our impressive organic growth. Core deposits last year grew 18 percent or \$1.2 billion compared to 2016 and total deposits were up \$1.0 billion or 12 percent from a year ago. Loans increased \$821 million or 11 percent from the prior year and organic loan production and pipelines show strong commercial customer activity. Assets under management grew by 5 percent from \$5.4 billion to \$5.6 billion.



“We believe that relationship-based middle market banking can generate an attractive return on capital, and in the right regions, can be a major driver of growth. We hired a very experienced team to build the infrastructure for a much larger bank. Our earnings have matured, and we have gained traction in a number of key financial metrics. Our platform, our strong growth and our effective expense controls combine to create meaningful operating leverage.”

PAUL B. MURPHY, JR.

Chairman & Chief Executive Officer

**EARNINGS PER SHARE—
DILUTED⁽¹⁾**



**TANGIBLE BOOK VALUE
PER SHARE⁽²⁾**



(1) Fourth quarter 2017 excludes a one-time charge of \$19.0 million, or \$0.22 per share, related to the enactment of the Tax Cuts and Jobs Act in December 2017.

(2) Considered a non-GAAP financial measure. See page 12 of this Annual Review and our Annual Report on Form 10-K for more information.

A man with short brown hair and a light beard, wearing a blue blazer over a light blue and white striped shirt, is smiling and holding a black Raptor coffee cup. The cup has the word "RAPTOR" in orange on it. He is standing in an office environment with computer monitors and blurred figures in the background.

MEETING

Raptor Technologies, LLC

Raptor Technologies, LLC, was founded in 2002 with the vision to build the first web-based visitor management system designed for K-12 schools. Today, Raptor is the nation's leading provider of integrated school safety technologies. More than 12 million children in 20,000 schools nationwide enjoy a safer school environment through use of Raptor's web-based visitor management, volunteer management and emergency management software products that screened approximately 60 million visitors and volunteers last year.

"When we were looking to refinance, Cadence was the only bank among the 10 we spoke to that really listened and proposed a plan that met our specific needs."

JAMES J. VESTERMAN
CEO

Solid operating performance

Last year’s financial and operating results demonstrate a trajectory of growing profitability. Net income totaled \$102.4 million or \$1.25 per share. This was 56 percent higher than 2016, even including a one-time tax charge of \$19 million or \$0.22 per share in 2017.

Pre-tax, pre-provision net earnings⁽²⁾ totaled \$192.7 million, up 31 percent from the prior year. Return on average assets was 1.02 percent compared to 0.71 percent in 2016, and the return on average tangible common equity⁽²⁾ in 2017 was 11.08 percent versus 8.68 percent in the prior year.

Equally significant, our efficiency ratio⁽²⁾ in 2017 was 54.8 percent, an improvement from the 59.9 percent reported the previous

year. This reflects an ongoing focus by all departments on managing expenses and expanding revenue.⁽²⁾

Our credit quality remains strong with nonperforming assets as a percentage of total loans declining in 2017 to 0.85 percent from 2.22 percent in 2016.

Across-the-board strength

As we stated in our opening, our lines of business performed well in 2017. Our Commercial teams continue to outperform those in our industry peer group. Successes in 2017 include closing a number of new single-bank and lead-bank transactions, acquiring numerous clients with significant ancillary business and continuing to expand existing relationships.

NEEDS

Commercial and Industrial (C&I), which encompasses General C&I, Energy sector and Specialized Industries lending, as well as Commercial Real Estate, exceeded goals with strong balance sheet growth, managed expenses and an improved credit position.

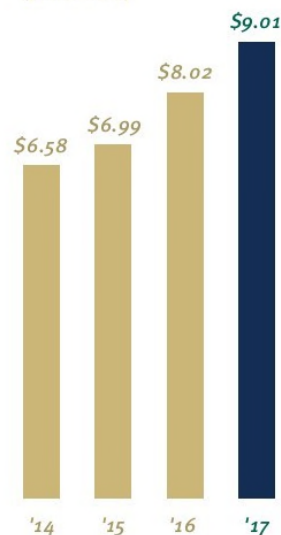
⁽²⁾ Pre-tax, pre-provision net earnings, return on average tangible common equity, efficiency ratio and revenue are non-GAAP financial measures. See page 12 of this Annual Review and our Annual Report on Form 10-K for more information.

TOTAL LOANS
(\$ in billions)



\$8.25B

TOTAL DEPOSITS
(\$ in billions)



\$9.01B

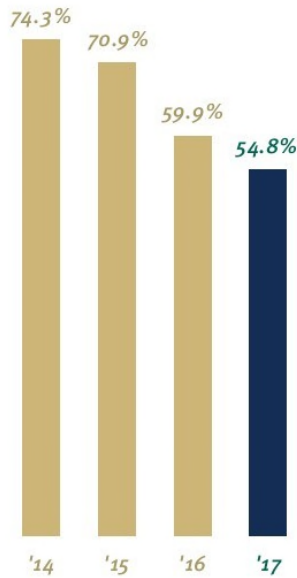


RELATIONSHIPS

Gulf Winds International, Inc.

Gulf Winds International, Inc., was founded in 1996 using personal funds from a 401k. It had one warehouse facility, one customer and a dream of becoming a full-service, third-party logistics company. Today, the company is a major provider of drayage, transloading and domestic transportation of international containerized cargo, operates more than 2 million square feet of warehouse space, and employs 180 people along with another 500-plus owner-operators and contract workers. As a growing family-owned business, Gulf Winds will open its first facility outside of Texas this year.

EFFICIENCY RATIO⁽¹⁾



(1) Considered a non-GAAP financial measure. See page 12 of this Annual Review and our Annual Report on Form 10-K for more information.

As a result, our Commercial and Industrial outstanding loan total for 2017 was \$5.13 billion, compared with \$4.67 billion in the prior year. This includes loans from our Specialized Industries line of business, which serves the technology, restaurant and healthcare sectors. In 2017, Specialized Industries reported revenue and deposit growth, stable credit quality, positive fee trends, and development of a quality loan pipeline for the coming year. In addition, our Commercial Real Estate loan total for 2017 was \$1.16 billion, up 8 percent from the prior year.

Treasury Management had an outstanding year, posting record revenues. The team had significant new client acquisitions across our geographic footprint and implemented several product enhancements. Organic customer acquisition with a key

It was also a banner year for Retail and Small Business Banking. Through a focus on small businesses and the concentrated efforts of our branch teams, retail deposits hit record levels and contributed to the growth in total deposits, which reached \$9.01 billion, a 12 percent increase from 2016. Retail and Small Business Banking also introduced the Branch Customer Satisfaction Survey Program as part of our continuing effort to ensure we are delivering the highest level of service.

Wealth Management Services, which includes our subsidiary Linscomb & Williams, continued expanding its portfolio of deposits, loans and assets under management in 2017. Last year, this line of business expanded its product offerings and made several process improvements that will better support the hard work of

COMMON

focus on the expansion of commercial deposit relationships and treasury management services were key drivers of non-brokered deposit growth.

our teams. In addition, Wealth Management contributed significantly to the growth in total noninterest income, which rose 13 percent to \$100 million in 2017.



“Cadence associates take pride in their work, and our financial performance proves the power of their efforts.”

Our Mortgage Division achieved continued improvement in efficiency, tight control of operating expenses and excellent credit quality of new loan originations. The portfolio of mortgages held for investment grew by 16 percent to \$1.7 billion.

Among the Mortgage Division’s accomplishments were enhancing its builder construction lending capabilities and laying the groundwork for a new loan origination system to be introduced in 2018.

Operational excellence

As our lines of business posted impressive results for 2017, so too the bank’s support departments contributed significantly to our success, particularly through their focus on efficiency and scalability. From identifying and implementing improvements to internal processes to preparing for the regulatory requirements imposed by our IPO and \$10 billion-in-assets standing, every associate—whether customer facing or support staff—did his or her part to ensure we achieved our operational goals while providing the highest level of customer service.

And this leads us to the real secret of our success: our associates. Every day, the men and women of Cadence commit to doing their best for their coworkers and our customers. Cadence associates take pride in their work, and our financial performance proves the power of their efforts.

It is for this reason that just as we have invested in creating a more efficient operation, so too have we invested in further enhancing talent retention and benefit programs that will help our associates flourish.

Continuous improvement

As we look to 2018, we will continue to focus on being a client-centric, best-in-class business bank. Cultivating and growing our client relationships is of utmost importance and will allow us to continue accelerating deposit growth and market share. At the same time, our eye will remain steady on ensuring ongoing efficiency.

We firmly believe that we can continue our current success with our organic approach and plan to do so. However, we also

remain open to the possibility of future mergers and acquisitions where we believe it will enhance our ability to serve our customers and add shareholder value.

In closing, 2017 has been a year in which many of our aspirations have come to fruition. We are grateful to our founders, shareholders, directors, clients and associates without whose support none of this would be possible. It has been our privilege to serve you, and we look forward to doing so in the years to come.

Sincerely,



Paul B. Murphy, Jr.

Chairman & Chief Executive Officer

A man with grey hair, wearing a dark grey suit, white shirt, and blue striped tie, is smiling and looking towards the camera. He is standing in a room with large rolls of paper or cardboard in the background. To his right is a whiteboard with handwritten notes in white marker. The notes include "15 Koll", "2-14-18", "3058343", "191766", and "6-15".

MATTER

“Cadence does a great job of understanding both our industry and our needs, so we can focus on growing our business and expanding our mission to the community and the world.”

TODD STEWART
President



SENSE BANKING

ABC Professional Tree Services

As the industry's largest minority-owned vegetation management company, ABC Professional Tree Services provides right-of-way vegetation management and emergency restoration services for utilities and municipalities nationwide. The firm was founded in 2002 with seven crews. Today, it employs approximately 1,500 workers and operates in 15 states. The company's expertise providing timely storm response and recovery services was tested during 2017's extraordinary hurricane season, and ABC Tree crews proved their professionalism and dedication.

Daniel Hernandez, CFO, and Oralia Rodriguez, Office Manager

"Cadence bankers use common sense and sound judgment in making decisions. They're flexible and do everything they can to work with us."

DANIEL HERNANDEZ
CFO



Cadence People Are CAN-DO PEOPLE

From left to right: Paul B. Murphy, Jr., Chairman and Chief Executive Officer, Samuel M. Tortorici, President and Chief Operating Officer, Valerie C. Toalson, Chief Financial Officer, R.H. "Hank" Holmes, IV, Executive Vice President

Difficult times reveal someone's fortitude, and last year's catastrophic weather events brought out the very best in Cadence associates. In late August, Hurricane Harvey struck the Houston area, causing widespread flooding and damage, and a few short weeks later Hurricane Irma struck Florida's Gulf Coast with similar effect.

Cadence was fortunate to have sustained little damage to its operations and branches, thanks in large part to the hard work of incident response teams who dutifully executed our business continuity plans. But many of the businesses and families we serve—and even some of our coworkers—were not so fortunate.

In the days and weeks following the storms, many associates rolled up their sleeves to volunteer by helping those who were flooded, cleaning out and repairing homes, and serving at local food banks and neighborhood disaster relief agencies. Even those associates located in unaffected areas pitched in by organizing fundraisers and supply collections for relief efforts.

To help hurricane victims with their financial needs, Cadence waived certain fees and late charges and offered special loans. Our associates did everything possible to help affected customers apply for special financing on auto loans, home improvement loans and small business loans so customers could rebuild their lives more quickly. They did the same for affected coworkers who took advantage of Cadence's offer of zero-interest disaster relief loans.

The grit and generosity of Cadence associates was not surprising given how they shine every day on the job. Yet, it's worth noting. We salute you and thank you.

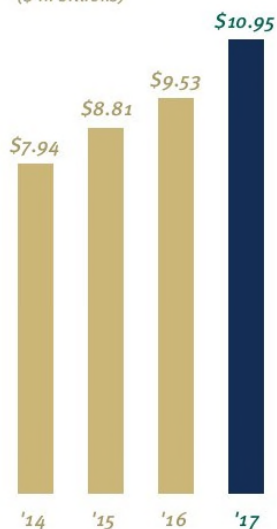
Financial Highlights

As of and for the year ended December 31,

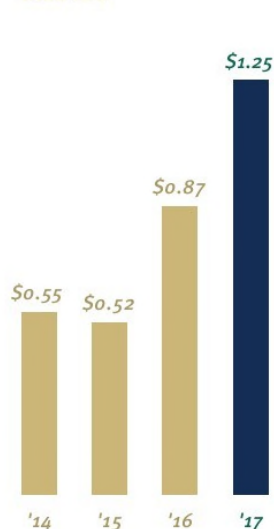
(In thousands, except per share data)	2017	2016	2015	2014
Statement of Income Data:				
Net income	\$ 102,353	\$ 65,774	\$ 39,256	\$ 44,833
Net interest income	326,216	279,439	247,778	255,088
Noninterest income—services fees and revenue	90,052	81,976	79,437	71,743
Noninterest expense	233,356	220,180	232,332	245,147
Provision for credit losses	9,735	49,348	35,984	14,118
Per Share Data⁽¹⁾:				
Earnings				
Basic	\$ 1.26	\$ 0.88	\$ 0.52	\$ 0.55
Diluted	1.25	0.87	0.52	0.55
Book value per common share	16.25	14.41	14.06	13.52
Tangible book value per common share	12.33	9.97	9.53	8.89
Performance Ratios⁽¹⁾:				
Return on average common equity	8.16%	6.01%	3.78%	4.15%
Return on average tangible common equity	11.08	8.68	5.65	6.45
Return on average assets	1.02	0.71	0.47	0.64
Period-End Balance Sheet Data:				
Investment securities, available-for-sale	\$ 1,262,948	\$1,139,347	\$ 720,810	\$ 522,397
Total loans, net of unearned income	8,253,427	7,432,711	6,916,520	6,192,793
Total assets	10,948,926	9,530,888	8,811,511	7,944,804
Total deposits	9,011,515	8,016,749	6,987,351	6,579,889
Total shareholders' equity	1,359,056	1,080,498	1,054,208	1,014,337
Capital Ratios⁽¹⁾:				
Total shareholders' equity to assets	12.41%	11.34%	11.96%	12.77%
Tangible common equity to tangible assets	9.71	8.13	8.44	8.78
Common equity tier 1 (CET1)	10.79	8.84	8.70	NA
Tier 1 leverage capital	11.12	8.89	9.20	9.50
Tier 1 risk-based capital	11.17	9.19	9.00	9.20
Total risk-based capital	13.18	11.22	11.10	10.70

(1) Tangible book value per common share, return on average tangible common shareholders' equity, common equity tier 1 capital, tangible common equity to tangible assets and efficiency ratio are non-GAAP financial measures. Management believes that investors may find them useful in their analysis of the corporation. These non-GAAP financial measures are not necessarily comparable to similar non-GAAP financial measures that may be presented by other companies. Please refer to our Annual Report on Form 10-K for the year ended December 31, 2017 for additional information and a reconciliation of these metrics to the comparable non-GAAP financial measures.

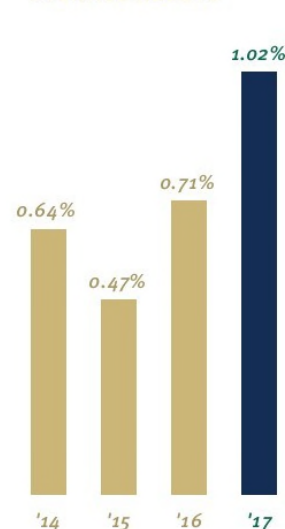
TOTAL ASSETS
(\$ in billions)



EARNINGS PER SHARE—DILUTED



RETURN ON AVERAGE ASSETS



Corporate Information

BOARD OF DIRECTORS

Paul B. Murphy, Jr. (Chairman)
Chairman and Chief Executive Officer
Cadence Bancorporation

William B. Harrison, Jr. (Director)
Former Chairman and
Chief Executive Officer
JPMorgan Chase & Co.

Robert K. Steel (Director)
Chief Executive Officer
Perella Weinberg Partners

J. Richard Fredericks (Director)
Founding Partner and Managing Director
Main Management, LLC

Scott M. Stuart (Director)
Co-Founder and Managing Partner
Sageview Capital LP

Marc J. Shapiro (Advisory Director)
Former Non-Executive Chairman—
Texas Operations
JPMorgan Chase & Co.

Stan Levy (Advisory Director)
Chief Operating Officer
The Morgan Group, Inc.

EXECUTIVE MANAGEMENT

Paul B. Murphy, Jr.
Chairman and Chief Executive Officer
Cadence Bancorporation

Samuel M. Tortorici
President and Chief Operating Officer
Cadence Bancorporation
Chief Executive Officer
Cadence Bank, N.A.

Valerie C. Toalson
Chief Financial Officer
Cadence Bancorporation,
Cadence Bank, N.A.

R.H. “Hank” Holmes, IV
Executive Vice President
Cadence Bancorporation
President
Cadence Bank, N.A.

Jerry W. Powell
General Counsel and Secretary
Cadence Bancorporation,
Cadence Bank, N.A.

J. Randall Schultz
Executive Vice President
Cadence Bancorporation
Managing Director, Specialized Industries
Cadence Bank, N.A.

CORPORATE INFORMATION

For additional corporate information and copies of Cadence Bancorporation’s 2017 Annual Review and Form 10-K, please contact Valerie Toalson in Investor Relations at (713) 871-4103 or (800) 698-7878, email: vtoalson@cadencebancorporation.com, 2800 Post Oak Blvd., Suite 3800, Houston, Texas 77056 USA, or visit www.cadencebancorporation.com.

TRANSFER AGENT AND REGISTRAR

Inquiries about dividends, shareholder records, share transfers, changes in ownership and address changes should be directed to:

Continental Stock Transfer & Trust Company
One State Street Plaza, 30th Floor
New York, NY 10004
(212) 509-4000
www.continentalstock.com

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Ernst & Young LLP

STOCK INFORMATION

The Company’s stock is traded on the New York Stock Exchange (“NYSE”) under the symbol CADE.

FORM 10-K

For more information, please refer to our Annual Report on Form 10-K for the year ended December 31, 2017, filed with the Securities and Exchange Commission (our “10-K”). Please note that our 2017 Annual Review does not include, and is not intended as a substitute for, the information contained in our 10-K. For complete financial statements, including notes thereto and management’s discussion and analysis of financial condition and results of operations, please refer to our 10-K, which can be found at www.cadencebancorporation.com.





Cadence Bancorporation
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Houston, TX 77056
713-871-4000