
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549**

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of earliest event reported: June 5, 2018

SMARTFINANCIAL, INC.
(Exact Name of Registrant as Specified in its Charter)

Tennessee
(State or Other Jurisdiction of Incorporation)

333-203449
(Commission File Number)

62-1173944
(IRS Employer Identification No.)

5401 Kingston Pike, Suite 600
Knoxville, Tennessee
(Address of Principal Executive Offices)

37919
(Zip Code)

(865) 437-5700
(Registrant's telephone number, including area code)

N/A
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter). Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 7.01 Regulation FD Disclosure.

William Y. Carroll, Jr. , President and Chief Executive Officer of SmartFinancial, Inc. (the “ *Company* ”), will be speaking with investors at a meeting hosted by Stephens, Inc. on June 5, 2018. Mr. Carroll will be using presentation materials attached as Exhibit 99.1 to this Current Report on Form 8-K. The Company undertakes no obligation to update, supplement or amend the materials attached as Exhibit 99.1.

The information provided pursuant to this Item 7.01 is to be considered “furnished” pursuant to Form 8-K and shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “ *Exchange Act* ”), or otherwise subject to the liabilities under that section, nor shall it be deemed incorporated by reference into any of the Company’s reports or filings under the Securities Act of 1933 or the Exchange Act, except as expressly set forth by specific reference in such report or filing. The filing of this Current Report shall not be deemed an admission as to the materiality of any information in the Current Report that is required to be disclosed solely by reason of Regulation FD.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit

Number	Description of Exhibit
99.1	SmartFinancial, Inc. Investor Presentation

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

SMARTFINANCIAL, INC.

Date: June 5, 2018

/s/ William Y. Carroll, Jr.

William Y. Carroll, Jr.

President and Chief Executive Officer

EXHIBIT INDEX

Exhibit Number	Description of Exhibit
99.1	SmartFinancial, Inc. Investor Presentation



SmartFinancial, Inc.

Stephens Inc.

Investor Presentation

June 5, 2018

Important Information

Forward Looking Statements

This presentation contains forward-looking statements. SmartFinancial cautions you that a number of important factors could cause actual results to differ materially from those currently anticipated in any forward-looking statement. Such factors include, but are not limited to: the expected revenue synergies and cost savings from the proposed merger with Tennessee Bancshares, Inc. (the "Tennessee Bancshares merger") or the recently completed merger with Capstone Bancshares, Inc. (the "Capstone merger") may not be fully realized or may take longer than anticipated to be realized; the disruption from either the Tennessee Bancshares merger or the Capstone merger with customers, suppliers or employees or other business partners' relationships; the risk of successful integration of our business with that of Tennessee Bancshares or Capstone; the amount of costs, fees, expenses, and charges related to Tennessee Bancshares merger; risks of expansion into new geographic or product markets, like the proposed expansion into the Nashville, TN MSA associated with the proposed Tennessee Bancshares merger; changes in management's plans for the future, prevailing economic and political conditions, particularly in our market area; credit risk associated with our lending activities; changes in interest rates, loan demand, real estate values and competition; changes in accounting principles, policies, and guidelines; changes in any applicable law, rule, regulation or practice with respect to tax or legal issues; and other economic, competitive, governmental, regulatory and technological factors affecting our operations, pricing, products and services and other factors that may be described in our annual report on Form 10-K and quarterly reports on Form 10-Q as filed with the Securities and Exchange Commission from time to time.

The forward-looking statements are made as of the date of this presentation, and, except as may be required by applicable law or regulation, SmartFinancial assumes no obligation to update the forward-looking statements or to update the reasons why actual results could differ from those projected in the forward-looking statements.

Non-GAAP Measures

Statements included in this presentation include non-GAAP financial measures and should be read along with the accompanying tables, which provide a reconciliation of non-GAAP financial measures to GAAP financial measures. SmartFinancial management uses several non-GAAP financial measures, including: (i) net operating earnings available to common shareholders; (ii) operating efficiency ratio; (iii) tangible common equity, and (iv) net interest income -ex purchase accounting, adjustments in its analysis of the company's performance. Net operating earnings available to common shareholders excludes the following from net income available to common shareholders: securities gains and losses, merger and conversion costs, OREO gain and losses, the effect of the December, 2017 tax law change, and the income tax effect of adjustments. The operating efficiency ratio excludes securities gains and losses, merger and conversion costs, and adjustment for OREO gains and losses from the efficiency ratio. Adjusted allowance for loan losses adds net acquisition accounting fair value discounts to the allowance for loan losses. Tangible common equity excludes total preferred stock, preferred stock paid in capital, goodwill, and other intangible assets. Net interest income -ex purchase accounting adjustments adds the taxable equivalent adjustment for tax free yielding assets and removes loan purchase accounting adjustments that are above the contractual loan interest amount. Management believes that non-GAAP financial measures provide additional useful information that allows readers to evaluate the ongoing performance of the company and provide meaningful comparisons to its peers. Non-GAAP financial measures should not be considered as an alternative to any measure of performance or financial condition as promulgated under GAAP, and investors should consider SmartFinancial's performance and financial condition as reported under GAAP and all other relevant information when assessing the performance or financial condition of the company. Non-GAAP financial measures have limitations as analytical tools, and investors should not consider them in isolation or as a substitute for analysis of the results or financial condition as reported under GAAP.

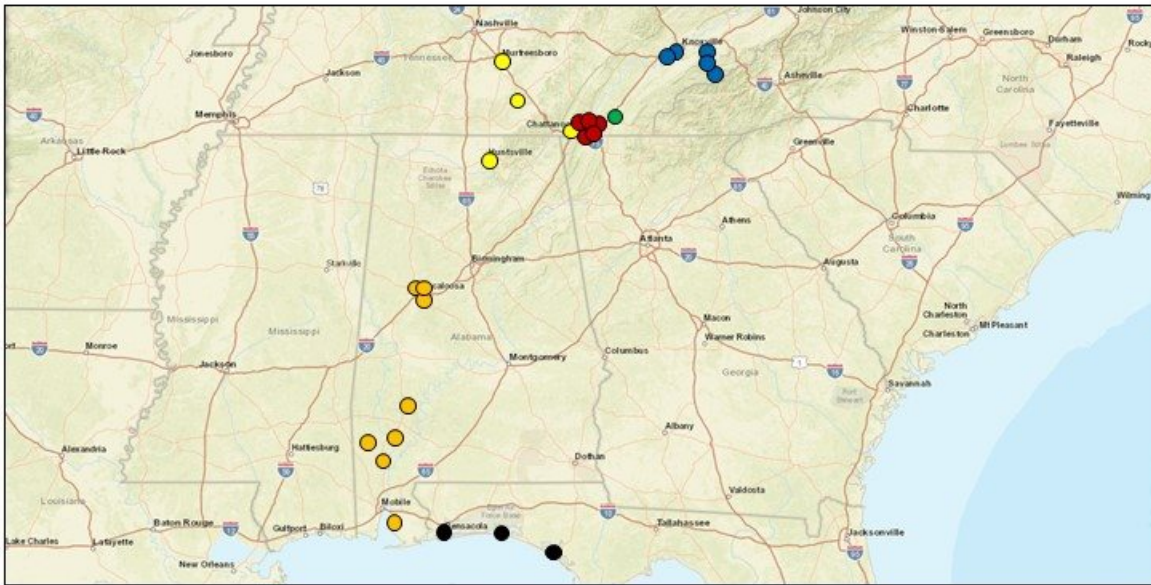


SmartFinancial, Inc.

Investor Presentation
STRATEGIC PROFILE

The SmartFinancial Story

- ▲ SmartBank was founded in 2007 as a de novo bank in East Tennessee and has grown to an approximate \$2.0 billion-asset franchise through prudent organic growth and a thoughtful series of mergers (*pro forma for the May 1, 2018 acquisition of Tennessee Bancshares and its subsidiary, Southern Community Bank*)
- ▲ The core franchise in East TN has been expanded into additional attractive markets in AL, FL, and the Nashville metro
- ▲ The corporate headquarters for holding company **SmartFinancial, Inc.** is based in Knoxville, TN
- ▲ The company's stock is traded on the NASDAQ Capital Market under the symbol "**SMBK**" and is included in several indexes, including the Russell 2000



- SmartBank (legacy)
- GulfSouth Private Bank
- Cornerstone Community Bank
- Cleveland, TN Branch
- Capstone Bank
- Southern Community Bank

An Emerging Southeast Acquirer

- ▲ SmartFinancial is transforming into an experienced and preferred Southeast acquirer, having completed five transactions that added low-cost core deposits in three states
- ▲ Approximately half of the current core deposit franchise represents the SmartBank/Cornerstone reverse MOE + organic growth, with the rest acquired in four mergers
- ▲ SmartFinancial continues to have ongoing discussions with attractive core deposit targets in existing and contiguous markets

Merger Target	Merger Type	Merger Completion		Current SmartBank Branches	Core Deposits Acquired ¹ (\$000)
		Date	Target Markets		
GulfSouth Private Bank	FDIC-Assisted Transaction	10/19/12	Panhandle Florida	3	111,900
Cornerstone Community Bank	Reverse Merger Of Equals	08/31/15	Chattanooga MSA	5	287,609
Cleveland, TN Branch	Branch	05/19/17	Cleveland, TN	1	21,900
Capstone Bank	Whole Bank	11/01/17	Alabama	8	379,911
Southern Community Bank	Whole Bank	05/01/18	Middle TN/Huntsville, AL	4	203,029
Acquired Franchise				21	1,004,349
Pro Forma SMBK Franchise²				26	1,464,378

¹ Core Deposits are defined as Total Deposits less Brokered Deposits and Listing Service Deposits, as reported just prior to completion

² Pro Forma SMBK Franchise reflects reported 1Q18 Core Deposits, adjusted to include Southern Community Bank

Disciplined Acquisition Strategy

- ▲ SmartFinancial has communicated a disciplined set of merger criteria as it has pursued opportunities, including:
 - ▲ No more than 3 years of initial TBV-per-share dilution
 - ▲ Meaningful EPS accretion in the first full year of operations (dependent on relative size of the target)
 - ▲ Conservative loan marks
 - ▲ Additive to franchise value
- ▲ The table below shows the initial projected impacts of the two whole bank transactions completed within the last 12 months
 - ▲ The earnback periods and EPS accretion were projected prior to federal tax reform, and should be more favorable to SMBK shareholders under the lower corporate tax rate
- ▲ SmartFinancial is committed to balancing organic growth with thoughtful acquisitions and will not make acquisitions that do not make sense for its shareholders just for the sake of growth

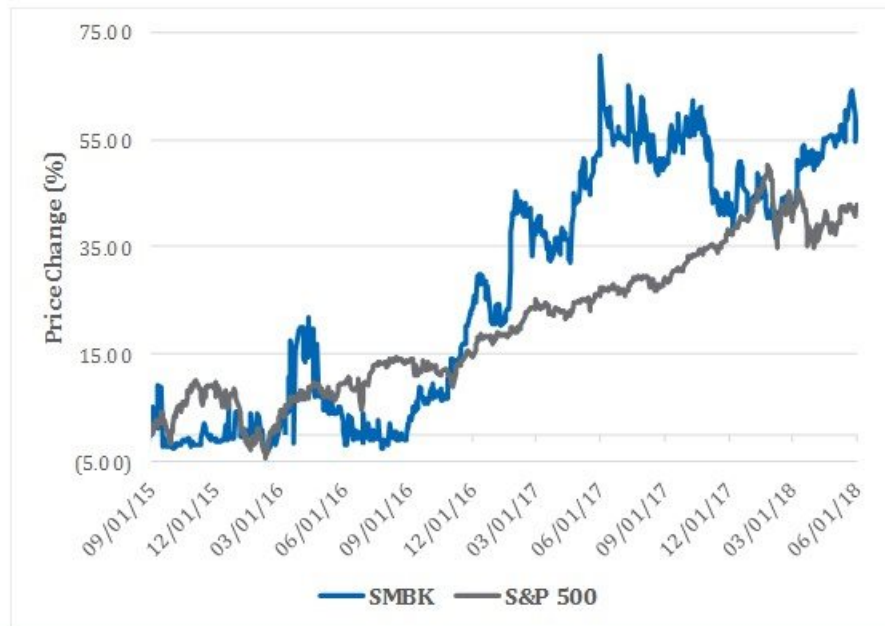
Target	Announcement	TBV Earnback	First Full Year EPS Accretion (Projected)	P/TBV (Announce)	Credit Mark Approach
Capstone Bank	May 2017	~ 3 years	25%	159%	> ALLL
Southern Community Bank	December 2017	< 2.5 years	10%	149%	> ALLL

Our Business Strategy

- ▲ Create a valuable southeastern banking franchise through organic growth in strong markets, coupled with an acquisition model positioning our company as a partner of choice for banks in our region
- ▲ Continually improve earnings and efficiency metrics as we build out our model with scale
- ▲ Execute a disciplined growth strategy that never loses focus on a strong asset quality culture
- ▲ Create the premier franchise in our markets by driving quality core deposit growth
- ▲ Insist on a consistent culture and environment where top performers want to work

Attractive Returns For Investors

- ▲ SmartFinancial began trading on September 1, 2015 following the reverse MOE with Cornerstone and has outperformed the broader market since that time
 - ▲ SMBK price change through June 1, 2018 = 58.4%
 - ▲ S&P 500 Index price change over the same period = 42.9%
- ▲ Three analysts cover our stock with a mean price target of \$26.33 as of June 1, 2018 (implied upside = 8%)



Valuation Metrics

- ▲ The mean EPS Estimate for analysts that cover our stock projects that SmartFinancial will achieve a 1%+ ROAA run rate in 2018
- ▲ The table below shows our trading multiples as of the most recent close, as well as the implied multiples based on our mean Price Target

Price Input	03/31/18 TBVPS \$14.09	'18 Mean EPS Estimate \$1.53	'19 Mean EPS Estimate \$1.85
June 1 Closing Price (\$24.40)	173%	15.9x	13.2x
Mean Price Target (\$26.33)	187%	17.2x	14.2x



SmartFinancial, Inc.

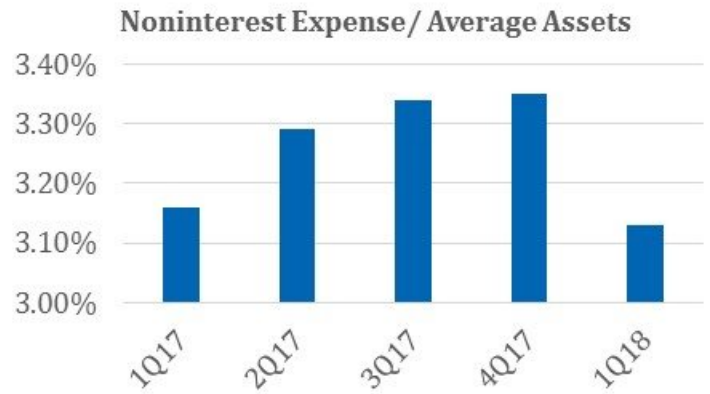
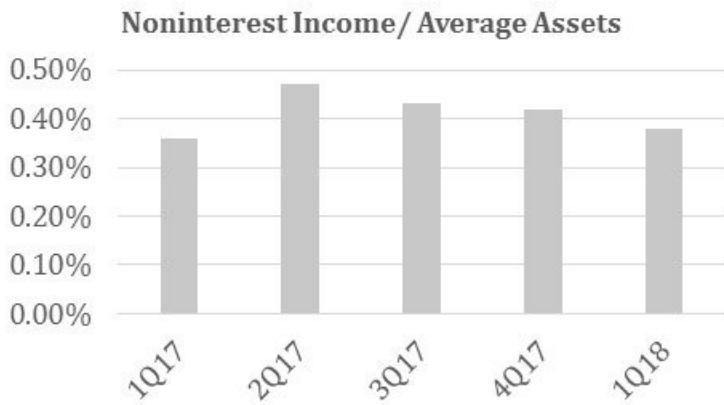
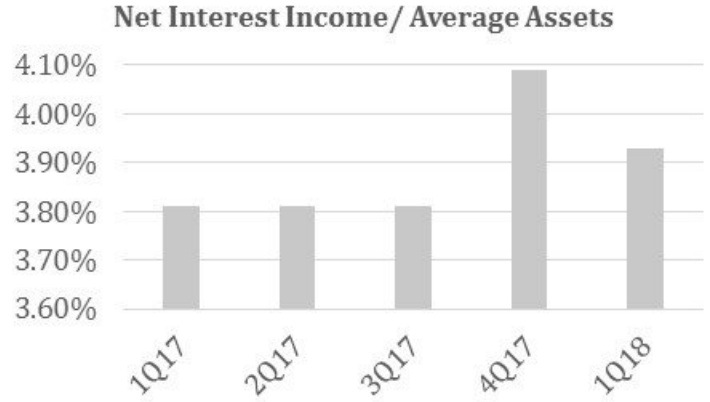
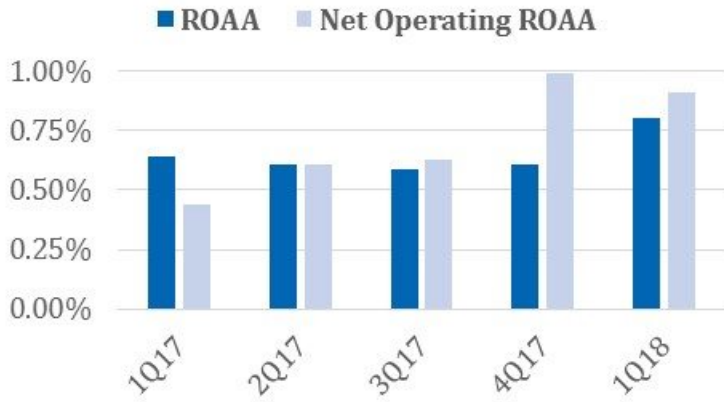
Investor Presentation

1Q18 FINANCIAL HIGHLIGHTS

First Quarter 2018 Highlights

- ▲ Record high Net Income of \$3.4 million for the quarter, up 108% from a year earlier
- ▲ ROAA of 80 basis points for the quarter (a new record) and Net Operating ROAA of 91 basis points
- ▲ Organic loan growth of \$51 million since year-end 2017, representing a more than 15% annualized trend
- ▲ Transaction Accounts now greater than 37% of Total Deposits
- ▲ The Efficiency Ratio decreased to 72.7%, a new record and down by more than 3 percentage points from a year earlier
- ▲ Net Interest Margin (*fully taxable equivalent*) of 4.38%, up 31 basis points from a year earlier
- ▲ Nonperforming Assets were just 26 basis points of Total Assets

Key Income Ratios



Summary Income Statement

- ▲ EPS up more than 55% year over year
- ▲ Earnings Before Income Taxes up more than 68% year over year
- ▲ Net Interest Income up more than 71% primarily due to higher average earning asset balances and higher earning asset yields
- ▲ Increases in Noninterest Expense primarily driven by the Capstone acquisition, including salaries from the increased headcount for three full months as well as merger and conversion expenses

Net Interest Income

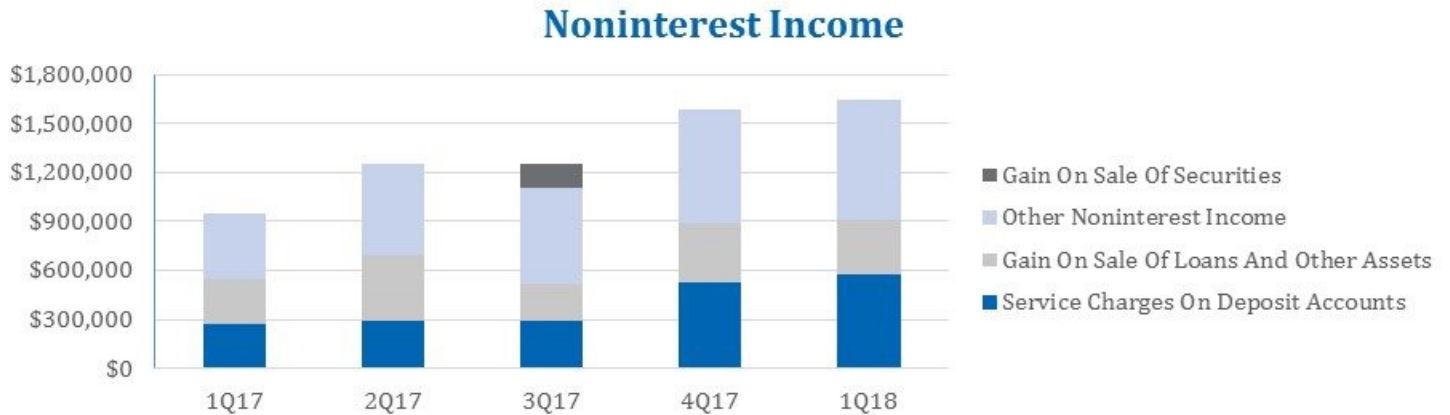
- ▲ Net Interest Margin (*fully taxable equivalent*) decreased quarter to quarter primarily due to lower purchase accounting adjustments on acquired loans
- ▲ Compared to a year ago, Earning Asset Yields are up 51 basis points; the Average Cost of Interest-bearing Liabilities are up 22 basis points
- ▲ Excluding the effect of purchase accounting adjustments, the FTE Net Interest Margin increased 25 basis points quarter to quarter

Net Interest Margin



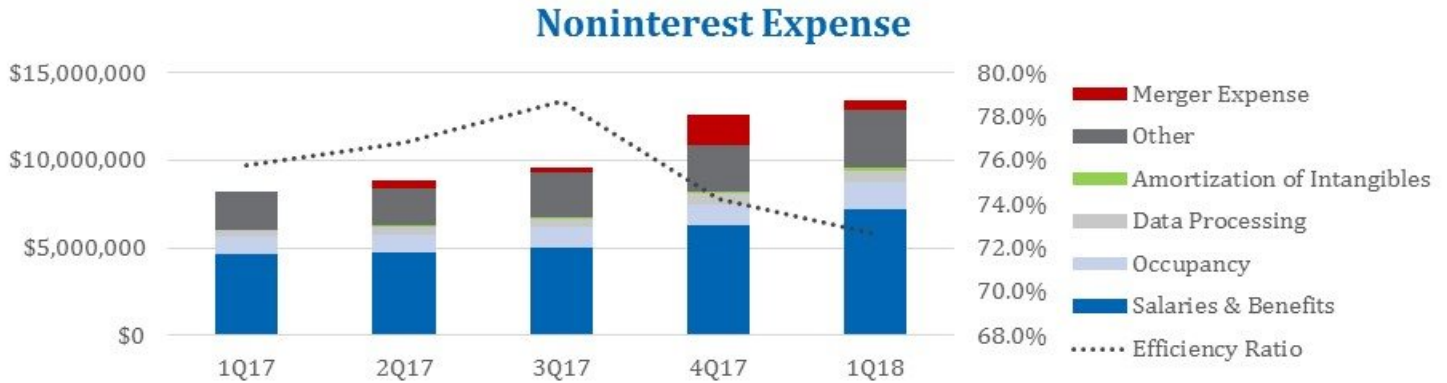
Noninterest Income

- ▲ 1Q18 Noninterest Income increased primarily due to higher service charges on deposit accounts
- ▲ Quarterly recurring Noninterest Income has trended higher over the last four quarters from approximately \$0.95 million in 1Q17 to \$1.64 million in 1Q18



Noninterest Expense

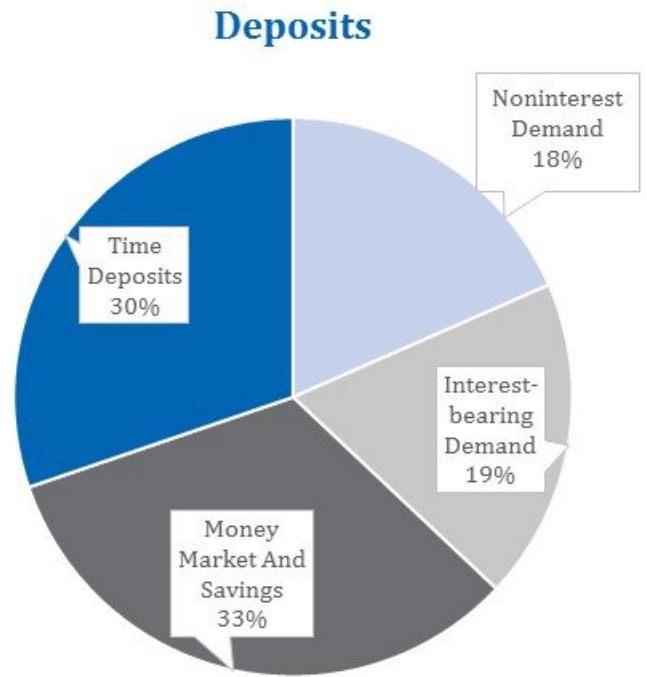
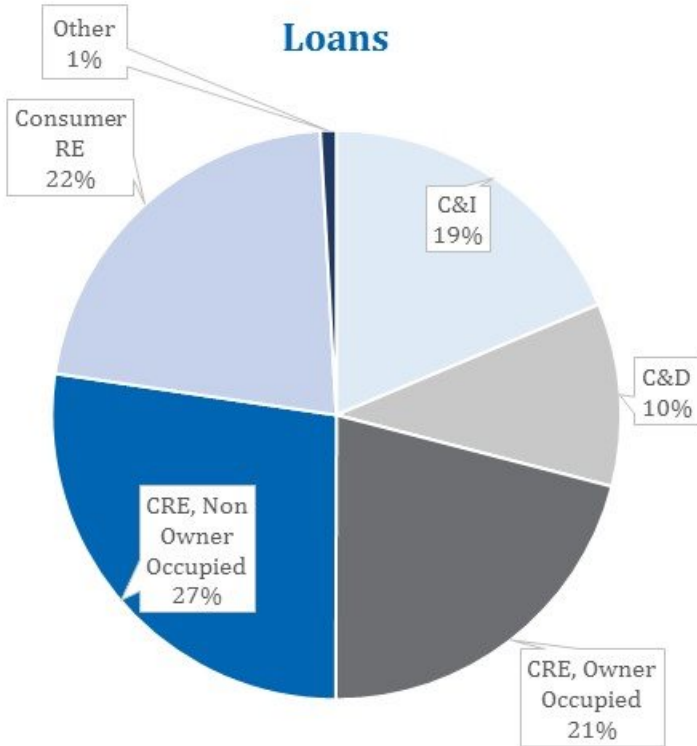
- ▲ Efficiency Ratio dropped to 72.7%, the lowest of any quarter since the Cornerstone merger in 2015
- ▲ Salary increases are primarily due to three months of Alabama associates vs. two in the fourth quarter of 2017
- ▲ Data processing slightly elevated due to operating two core systems for half of the quarter



Balance Sheet

- ▲ Assets increased primarily due to organic loan growth
- ▲ Cash & Cash Equivalents drawn down to fund loans
- ▲ Securities held fairly flat to allocate funds to loans
- ▲ Deposit composition shifted to DDAs as a result of conversion reclassifications and organic growth
- ▲ FHLB & Other Borrowings includes \$10 million in holding company line of credit, with the remaining balance in short term FHLB borrowings

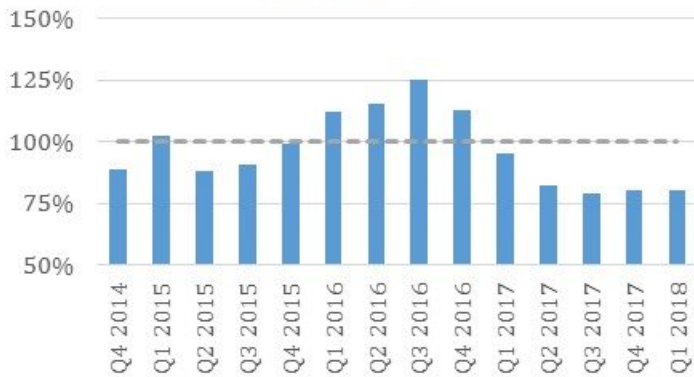
Loan & Deposit Composition 1Q18



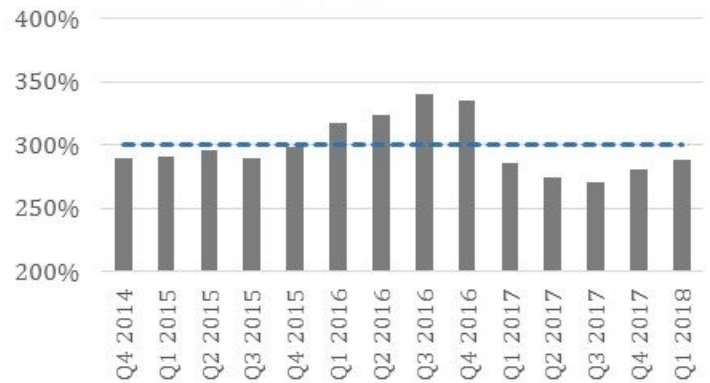
CRE Ratios

- ▲ C&D levels (100 Ratio) are still well below regulatory guidance levels
- ▲ Total CRE levels (300 Ratio) are up slightly as a result of taking advantage of attractive growth opportunities
- ▲ Managing these ratios are part of our overall organic growth, merger opportunity and capital management strategies

100 Ratio



300 Ratio



Asset Quality

- ▲ Excellent asset quality, with Nonperforming Assets at just 0.26% of Total Assets
- ▲ Purchase accounting discounts on acquired loans are more than 2.5x the current Allowance For Loan Losses
- ▲ Acquisitions are marked conservatively for potential losses

Nonperforming Assets



Loan Discounts



Investor Contacts



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