

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K
CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) January 22, 2014

HOMETRUST BANCSHARES, INC.

(Exact name of registrant as specified in its charter)

Maryland

(State or other jurisdiction
of incorporation)

001-35593

(Commission File No.)

45-5055422

(IRS Employer
Identification Number)

10 Woodfin Street, Asheville, North Carolina

(Address of principal executive offices)

28801

(Zip Code)

Registrant's telephone number, including area code: (828) 259-3939

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:

- 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))

Item 8.01 Other Events

On January 23, 2014, HomeTrust Bancshares, Inc. (“HomeTrust”) and Jefferson Bancshares, Inc. (“Jefferson”) issued a joint press release announcing the execution of an Agreement and Plan of Merger, dated as of January 22, 2014, providing for the merger of Jefferson with and into HomeTrust. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference. Attached hereto as Exhibit 99.2 and incorporated herein by reference is investor presentation material of HomeTrust relating to the proposed transaction.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

- 99.1 Press release dated January 23, 2014
- 99.2 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.

HOMETRUST BANCSHARES, INC.

Date: January 23, 2014

By: /s/ Tony J. VunCannon
Tony J. VunCannon
Senior Vice President, Chief Financial Officer,
and Treasurer

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press release dated January 23, 2014
99.2	Investor Presentation



HomeTrust Bancshares, Inc. to Acquire Jefferson Bancshares, Inc. and

Expand into East Tennessee

ASHEVILLE, NC and MORRISTOWN, TN – January 23, 2014– HomeTrust Bancshares, Inc. (“HomeTrust”) (NASDAQ: HTBI) and Jefferson Bancshares, Inc. (“Jefferson”) (NASDAQ:JFBI) jointly announced today the signing of a definitive agreement under which HomeTrust will acquire Jefferson. Upon the completion of the transaction, the combined company is expected to have approximately \$2.1 billion in assets.

Dana Stonestreet, Chairman, President, and CEO of HomeTrust said, “We are enthusiastic to enter the east Tennessee market by connecting with an institution sharing our core values. Both banking organizations are dedicated to providing superior customer service, placing value on their employees, and focusing continually on creating shareholder value. We are operating in an increasingly complex regulatory environment where scale and efficiency of operations is paramount. We believe that strategically aligning with like-minded regional community banking institutions, such as Jefferson, will allow the HomeTrust franchise to achieve greater economies of scale and better position us to forge additional partnerships by augmenting our already strong capital base.”

Anderson Smith, President and Chief Executive Officer of Jefferson, commented, “We eagerly anticipate the merger of Jefferson into HomeTrust, as our companies share similar business and cultural philosophies. With the resources of Jefferson and HomeTrust, the combined institution will be empowered to better serve its customers and markets by offering an expanded and more competitive product and service menu. Additionally, I look forward to serving as the East Tennessee Market President for HomeTrust and as a member of the HomeTrust Board of Directors.”

Established in 1963, Jefferson Federal Bank is headquartered in Morristown, Tennessee. Its holding company, Jefferson Bancshares, Inc., has over \$498 million in combined assets. Jefferson operates a total of 12 banking facilities in Hamblen County, Knoxville, and the greater Johnson City and Kingsport, Tennessee areas (the “Tri-Cities region”).

The merger agreement has been unanimously approved by the boards of directors of both companies. The transaction is anticipated to close in the second calendar quarter of 2014, subject to customary closing conditions, including regulatory approvals and Jefferson shareholder approval.

Under the terms of the agreement, Jefferson shareholders will receive a total of \$8.00 per share in merger consideration consisting of \$4.00 in cash plus \$4.00 in HomeTrust common stock. This represents approximately \$51.2 million of aggregate transaction consideration. The number of HomeTrust shares to be issued will be determined based on HomeTrust’s average closing stock price during the 10 trading days ending on the fifth trading day prior to the closing date, with the exchange ratio fixed at 0.2667 if the average closing price is equal to or less than \$15.00 per share and at 0.2222 if the average closing price is equal to or greater than \$18.00 per share.

HomeTrust anticipates that this transaction will be accretive to earnings (before merger costs) at approximately \$0.18 per share in the first year of combined operations and accretive to tangible book value in approximately 33 months.

HomeTrust's Stonestreet also added, "The combination of HomeTrust and Jefferson is consistent with our stated business strategy to appropriately utilize capital and increase operating efficiency to create a 'win-win' opportunity for both our shareholders and the communities we serve."

HomeTrust was advised in the transaction by Sandler O'Neill & Partners, L.P. as financial advisor and Silver, Freedman, Taff & Tiernan LLP as legal counsel. Jefferson was advised by Keefe, Bruyette and Woods as financial advisor and Kilpatrick, Townsend & Stockton LLP as legal counsel.

About HomeTrust Bancshares, Inc.

HomeTrust Bancshares, Inc. is the holding company for HomeTrust Bank, including its banking divisions – HomeTrust Bank, Tryon Federal Bank, Shelby Savings Bank, Home Savings Bank, Industrial Federal Bank, Cherryville Federal Bank and Rutherford County Bank. With \$1.7 billion in assets as of September 30, 2013, the community-oriented financial institution offers traditional financial services within its local communities through its 21 full service offices in Western North Carolina, including the Asheville metropolitan area, the "Piedmont" region of North Carolina, and Greenville, South Carolina. The Bank is the 10th largest community bank headquartered in North Carolina.

About Jefferson Bancshares, Inc.

Jefferson Bancshares, Inc. is the holding company for Jefferson Federal Bank, a Tennessee-chartered savings bank headquartered in Morristown, Tennessee including its banking division – State of Franklin Bank. Jefferson Federal Bank is a community oriented financial institution offering traditional financial services with offices in Hamblen, Knox, Washington and Sullivan Counties, Tennessee. At September 30, 2013, Jefferson had consolidated assets of \$498.6 million, deposits of \$396.0 million and shareholders' equity of \$53.3 million.

Cautionary Statement Regarding Forward Looking Statements

This press release may contain certain forward-looking statements. Forward-looking statements include statements regarding anticipated future events and can be identified by the fact that they do not relate strictly to historical or current facts. They often include words such as "believe," "expect," "anticipate," "estimate," and "intend" or future or conditional verbs such as "will," "would," "should," "could," or "may." Forward-looking statements, by their nature, are subject to risks and uncertainties. Certain factors that could cause actual results of HomeTrust, Jefferson and/or the combined company to differ materially from expected results include: expected cost savings, synergies and other financial benefits from the pending acquisition of Jefferson by HomeTrust ("merger") might not be realized within the expected time frames or at all, and costs or difficulties relating to integration matters might be greater than expected; the requisite shareholder and regulatory approvals for the merger might not be obtained; the credit risks of lending activities, including changes in the level and trend of loan delinquencies and write offs and changes in each company's allowance for loan losses and provision for loan losses that may be impacted by deterioration in the housing and commercial real estate markets; changes in general economic conditions, either nationally or in each company's market areas; changes in the levels of general interest rates, and the relative differences between short and long term interest rates, deposit interest rates, each company's net interest margin and funding sources; fluctuations in the demand for loans, the number of unsold homes, land and other properties and fluctuations in real estate values in each company's market areas; decreases in the secondary market for the sale of loans; results of examinations by regulatory authorities, including the possibility that any such regulatory authority may, among other things, require an increase in the reserve for loan losses, write-down of assets, change in regulatory capital position or affect the ability to borrow funds or maintain or increase deposits, which could adversely affect liquidity and earnings; legislative or regulatory changes that adversely affect each company's business including the effect of Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act") and Basel III, changes in regulatory policies and principles, or the interpretation of regulatory capital or other rules; the ability of each company to attract and retain deposits; increases in premiums for deposit insurance; management's assumptions in

determining the adequacy of the allowance for loan losses; the ability to control operating costs and expenses; the use of estimates in determining fair value of certain of assets, which estimates may prove to be incorrect and result in significant declines in valuation; difficulties in reducing risks associated with the loans on each company's balance sheet; staffing fluctuations in response to product demand or the implementation of corporate strategies that affect each company's workforce and potential associated charges; computer systems on which we depend could fail or experience a security breach; the ability to retain key members of each company's senior management team; costs and effects of litigation, including settlements and judgments; the ability of HomeTrust to successfully integrate any assets, liabilities, customers, systems, and management personnel it may in the future acquire into its operations and its ability to realize related revenue synergies and cost savings within expected time frames and any goodwill charges related thereto; increased competitive pressures among financial services companies; changes in consumer spending, borrowing and savings habits; the availability of resources to address changes in laws, rules, or regulations or to respond to regulatory actions; adverse changes in the securities markets; inability of key third-party providers to perform their obligations to each company;; changes in accounting policies and practices, as may be adopted by the financial institution regulatory agencies, the Public Company Accounting Oversight Board or the Financial Accounting Standards Board; and other economic, competitive, governmental, regulatory, and technological factors affecting each company's operations, pricing, products and services; and the other risks described in HomeTrust's and Jefferson's reports filed with the Securities and Exchange Commission (the "SEC"), including their Annual Reports on Form 10-K for the fiscal year ended June 30, 2013.

Any of the forward-looking statements made in this release are based upon management's beliefs and assumptions at the time they are made and may turn out to be wrong because of inaccurate assumptions, because of the factors listed above or because of other factors that cannot be foreseen. HomeTrust and Jefferson do not undertake, and specifically disclaim, any obligation to revise any forward-looking statements to reflect the occurrence of anticipated or unanticipated events or circumstances after the date of such statements.

Additional Information

HomeTrust, Bancshares, Inc. will file a registration statement on Form S-4 with the SEC in connection with the proposed transaction. The registration statement will include a proxy statement of Jefferson Bancshares, Inc. that also constitutes a prospectus of HomeTrust, which will be sent to the shareholders of Jefferson. Jefferson shareholders are advised to read the proxy statement/prospectus when it becomes available because it will contain important information about HomeTrust, Jefferson and the proposed transaction. When filed, this document and other documents relating to the merger filed by HomeTrust and Jefferson can be obtained free of charge from the SEC's website at www.sec.gov. These documents also can be obtained free of charge by accessing HomeTrust's website at www.hometrustedbanking.com under the tab "Investor Relations" and then under "SEC Filings" or by accessing Jefferson's website at www.jeffersonfederal.com under the tab "SEC Filings" and then under "SEC Filings." Alternatively, these documents, when available, can be obtained free of charge from HomeTrust upon written request to HomeTrust Bancshares, Inc., Attn: Investor Relations, 10 Woodfin Street, Asheville, North Carolina 28801 or by calling (828) 350-3049, or from Jefferson, upon written request to Jefferson Bancshares, Inc., Attn: Investor Relations, 120 Evans Avenue, Morristown, Tennessee 37814 or by calling (423) 586-8421.

Participants in this Transaction

HomeTrust, Jefferson and certain of their respective directors and executive officers may be deemed to be participants in the solicitation of proxies from Jefferson shareholders in connection with the proposed transaction under the rules of the SEC. Information about these participants may be found in the definitive proxy statement of HomeTrust filed with the SEC by HomeTrust on October 11, 2013 and the definitive proxy statement of Jefferson filed with the SEC on October 4, 2013. These definitive proxy statements can be obtained free of charge from the sources indicated above. Additional information regarding the interests

of these participants will also be included in the proxy statement/prospectus regarding the proposed transaction when it becomes available.

WEBSITES: WWW.HOMETRUSTBANCSHARES.COM
WWW.JEFFERSONFEDERAL.COM

Contact:

HomeTrust Bancshares, Inc.

Dana L. Stonestreet – Chairman, President and CEO
Tony J. VunCannon - Senior Vice President, CFO, and Treasurer
828-259-3939

Jefferson Bancshares, Inc.

Anderson L. Smith – President and CEO
Jane P. Hutton – Senior Vice President, CFO, Treasurer, and Secretary
423-586-8421

HomeTrust Bancshares, Inc.
Acquisition of
Jefferson Bancshares, Inc.
January 2014



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Forward Looking Statements



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Key Transaction Terms



Transaction Value

- \$8.00 per share
- Approximately \$51.2 million of aggregate transaction value*
- Approximately 102% of tangible book value

Consideration

- 50% HomeTrust stock, 50% Cash

Required Approvals

- Jefferson Bancshares, Inc. shareholder approval
- Regulatory approvals

Board Representation

- Anderson L. Smith, President/CEO of Jefferson to join HomeTrust Bancshares and HomeTrust Bank Boards of Directors and become the HomeTrust Bank East TN Market President under a two year employment agreement

Expected Closing

- Anticipated closing in second calendar quarter 2014

*based on 6,399,268 shares outstanding, including 20,000 in-the-money stock options but net of 216,033 unallocated ESOP shares)

Compelling Strategic Partnership Rationale



Strategic Rationale

- Acquisition in higher-growth markets consistent with HTBI's long term growth strategy
- Creates an institution with \$2.1 billion in assets, well-positioned in key NC, SC and TN markets
- Strong community relationships with an experienced team of bankers which will facilitate future HTBI loan growth
- Shared community bank culture – customer-focused and strong values

Attractive Financial Returns

- The deal meets HTBI's acquisition performance targets
- Approximately \$0.18 per share accretion to EPS in fiscal 2015 (excluding one-time costs)
- TBV dilution earned back within 33 months
- Meaningful overhead and operating efficiencies

Controlled Risk

- Comprehensive due diligence process completed with rigorous internal and third-party loan review
- Conservative credit marks and cost saving assumptions
- Experienced acquirer and integrator with six transactions since 1996
- Strong pro forma combined tangible capital ratio of 17.8%

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Pro Forma Franchise

Follows Interstate 40 and Interstate 26 Corridors



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Company Highlights

Headquarters	Morristown, TN
Bank Established	1963
Branches	12
Total Assets	\$498.6 million *
Total Loans, Net	\$314.0 million *
Total Deposits	\$396.0 million *
Tier 1 Leverage Ratio	10.10% *
Total Common Equity / Total Assets	10.69% *
NPAs / Assets	3.05% *

* As of September 30, 2013



Market Overview

- Branch footprint in large, high-growth Tennessee metropolitan areas
- The Tri-Cities are home to East Tennessee State University, Eastman Chemical, and the “Med-Tech” corridor
- Knoxville’s major employers include the University of Tennessee, U.S. Dept. of Energy, and U.T. Medical Center
- Morristown has received investments from automotive manufacturers Mahle Engine Components and JTEKT, a Toyota affiliate

Market Demographic Highlights

- Population of JFBI markets
 - 1,480,266
- Projected Population Growth¹
 - 3.19%
- Projected 2017 Household Income²
 - \$41,114
- Projected Household Income Growth¹
 - 16.28%

¹ Projected change from 2012 - 2017

² Projected household income is deposit-weighted
Source: SNL Financial



Merger Assumptions

- Gross credit mark of 3.3% or \$10.5 million on Jefferson Bancshares, Inc.
- Pre-tax merger related costs of \$5.5 million
- Expected TBV dilution of approximately 2.8%, with earnback of 2.75 years
- Expected fiscal 2015 earnings accretion of \$0.18 per share (excluding fair value accretion)
- Expected cost savings of 18%
- Deal expected to close in the second calendar quarter of 2014

Pro Forma Analysis

Balance Sheet

(As of 09/30/2013)

Total Assets	\$2.1 billion
Total Loans	\$1.5 billion
Total Deposits	\$1.6 billion
Total Checking	\$407.8 million
TCE	\$392.0 million

Capital Ratios

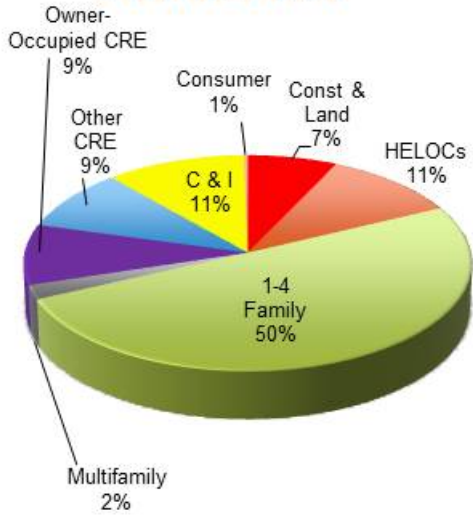
(As of 09/30/2013)

Tangible Capital / TA	17.8%
Tier 1 Leverage	14.7%
Tier 1 RBC	21.6%
Total RBC	22.8%

Loan Portfolio

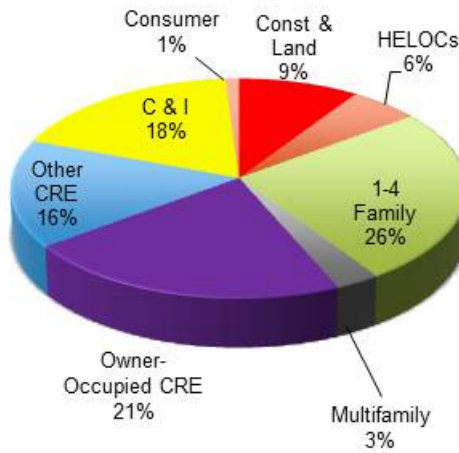


HomeTrust



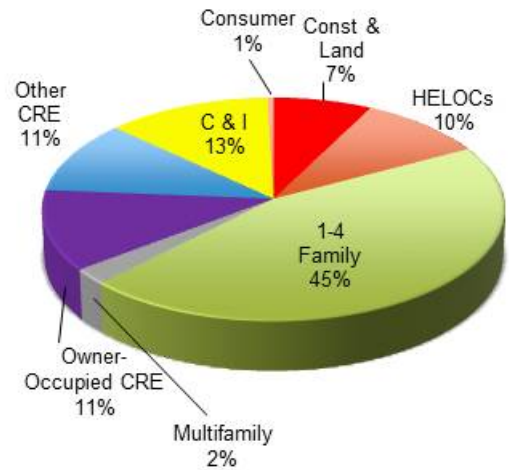
Total Loans: \$1.2 billion *

Jefferson



Total Loans: \$0.3 billion *

Pro Forma



Total Loans: \$1.5 billion *

* Data as of September 30, 2013

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Deposit Portfolio



HomeTrust



Total Deposits: \$1.3 billion
Total Checking: \$299.8 million

Jefferson



Total Deposits: \$0.4 billion
Total Checking: \$108.0 million

Pro Forma



Total Deposits: \$1.6 billion
Total Checking: \$407.8 million

* Data as of September 30, 2013

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Overview

- Founded in 1926
- 10th largest North Carolina community bank
- In July 2012, converted from the mutual to stock form of organization

Banking Model / Culture

- Dedicated to long-term community banking model
- Goal is to compete with larger banks while leveraging a strong community bank culture
- Focused on building personal customer relationships and delivering on our brand promise that *"It's just better here."*

Strategic Partnership Focus

- Planning to enter logical geographic markets
- Looking for strategic entry into markets positioned for further growth
- *See pages 12 & 13 for more detail*



Infrastructure and Experience For Strategic Partnerships

Why is HTBI Pursuing Strategic Partnerships?

- Most significant way to build franchise and market share
- Capture synergies and economies of scale
- See opportunity for earnings growth with new partnerships

Strong Management Team

- Significant experience with bank acquisitions – this is our 7th combination since 1996
- Management team has a combined 251 years of banking experience, 135 of which is with HomeTrust
- Management's personal investments in HTBI align interests with stockholders

Strength of HTBI Franchise

- Highly capitalized – 22% total tangible book capital ratio
- Net interest margin above peer group average⁽¹⁾
- Early strategic partners with HTBI acquire stock at an advantageous price (currently trading below book value)

Acquisition Criteria

- Tangible book value accretion in less than 3 years
- Immediately accretive to earnings (excluding one-time merger costs)
- Willing to consider reasonable transaction pricing utilizing both cash and stock
- Locations in the Carolinas or contiguous states that are logical geographic markets for HTBI to enter

(1) Source: SNL Financial - Southeast Savings Banks, Thrifts, and Mutuals

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Drivers for Community Banks to Consider HTBI as a Strategic Partner



Reason to Partner

- Regulatory climate
- Low growth economic environment
- Find a strong partner and “ride their currency” through the consolidation wave

Regulatory Compliance / Technology Risk

- Increasingly complex regulatory and technological environment to navigate
- Additional capital will be required, further reducing ROE
- Additional costs will be required to comply with regulations and manage technology risk

Economic / Banking Environment

- The “new normal” economic environment with lower growth and lower job creation
- Low interest rates continue to suppress net interest margins
- Lower loan growth limiting industry’s options for growing bottom line
- Economic uncertainty in the U.S. and abroad limiting growth, investment, and borrowing

Transaction Summary



- Transaction positions HTBI for EPS growth of approximately \$0.18 per share and overall increased shareholder value
- Expansion into Kingsport/Johnson City, Knoxville, and Morristown markets with the right personnel and platform to support growth
- Ability to increase loan volume in East Tennessee markets with HTBI capital support
- Pro forma institution is strong and well-capitalized, and becomes an acquirer of choice in the Carolinas/Tennessee markets
- Continues to increase stock liquidity
- Significant overhead and operating efficiencies



Dana Stonestreet

Chairman, President & CEO

Tony VunCannon

Senior VP, CFO & Treasurer

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