

J. Alexander's Holdings, Inc.
Form DEFA14A
January 22, 2018

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A
Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

J. Alexander s Holdings, Inc.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

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(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

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Fee paid previously with preliminary materials.

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On January 22, 2018, J. Alexander's Holdings, Inc. distributed online the following press release and posted the press release to www.jalexandersand99.com:

J. ALEXANDER'S COMMENTS ON PROXY ADVISORY FIRMS' RECOMMENDATIONS

Egan Jones Recommends J. Alexander's Shareholders Vote FOR this Transaction

J. Alexander's Strongly Disagrees with Recommendations from ISS and Glass Lewis

Company Recommends Shareholders Vote FOR the Transaction on the White Proxy Card

NASHVILLE, Tenn., January 22, 2018 J. Alexander's Holdings, Inc. (NYSE: JAX) (J. Alexander's) today issued the following statement in response to reports by proxy advisory firms Institutional Shareholder Services (ISS) and Glass Lewis & Co. (Glass Lewis) regarding the previously announced acquisition of Ninety Nine Restaurant & Pub (99 Restaurants). J. Alexander's strongly disagrees with both firms' recommendations, which do not give weight to the highly negotiated favorable terms that were achieved by J. Alexander's when considering the acquisition of 99 Restaurants. J. Alexander's urges all shareholders to vote **FOR** this transaction on the white proxy card before January 30, 2018.

We strongly disagree with the ISS and Glass Lewis recommendations regarding our acquisition of 99 Restaurants. Both recommendations surprisingly ignore the actions by the J. Alexander's Board of Directors to establish an equitable process for the transaction, including specific negotiations for the transaction to be approved by disinterested shareholders. While we believe that ISS did not properly weigh the value creation opportunities of the proposed transaction, we were pleased Glass Lewis recognized the significant benefits J. Alexander's shareholders would see with the acquisition of 99 Restaurants.

The J. Alexander's Board and management team have worked diligently to identify and execute opportunities to drive growth and value for our shareholders and we are confident that the proposed transaction with 99 Restaurants represents a significant opportunity to do so. Thus, while we disagree with the conclusions of the ISS and Glass Lewis reports, we were pleased that Glass Lewis' key analysis reflected the value that this transaction provides for J. Alexander's shareholders:

Strategically, the proposed transaction would create a larger and more diversified restaurant holding company, combining the Ninety Nine Restaurant & Pub chain operated by 99 Restaurants with JAX portfolio of upscale casual-dining restaurants.

We expect the greater size of the combined company would provide opportunities to achieve economies of scale and note that the Company expects to achieve annual pre-tax cost savings of \$1.5 million to \$2.0 million, including through the consolidation of back-office functions.

Broadly speaking, we expect shareholders could benefit from the greater scale and diversification of the combined organization and from opportunities to achieve synergies projected by management.

We were gratified that Egan-Jones Proxy Services (Egan Jones), a proxy advisory firm and competitor to ISS and Glass Lewis, reviewed the same facts as its competitors and came to recommend a vote **FOR** this transaction. We believe that shareholders who conduct their own thoughtful analysis will arrive at the same conclusion.

We continue to believe this acquisition will create attractive value for, and is in the best interest of, all shareholders. The transaction is expected to be accretive to J. Alexander's earnings per share and present meaningful opportunities for cost synergies, which, if achieved, will drive further accretion.

J. Alexander's Board recommends that shareholders vote **FOR** this transaction on the **WHITE** proxy card. To learn more about the transaction, please visit www.jalexandersand99.com.

If shareholders have questions, or need assistance in voting shares, please call: Georgeson LLC, (866) 432-2791.

About J. Alexander's

J. Alexander's Holdings, Inc. is a collection of boutique restaurants that focus on providing high quality food, outstanding professional service and an attractive ambiance. The company presently owns and operates the following concepts: J. Alexander's, Redlands Grill, Stoney River Steakhouse and Grill and Lyndhurst Grill. J. Alexander's Holdings, Inc. has its headquarters in Nashville, Tennessee. To learn more about J. Alexander's, please visit www.jalexandersholdings.com.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

In connection with the safe harbor established under the Private Securities Litigation Reform Act of 1995, J. Alexander's Holdings, Inc. (the Company, J. Alexander's or JAX) cautions that certain information contained or incorporated by reference in this document and its filings with the Securities and Exchange Commission (the SEC), in its press releases and in statements made by or with the approval of authorized personnel is forward-looking information that involves risks, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied by the forward-looking statements contained herein. Forward-looking statements discuss the Company's current expectations and projections relating to our financial condition, results of operations, plans, objectives, future performance and business. Forward-looking statements are typically identified by words or phrases such as may, will, would, can, should, likely, anticipate, potential, estimate, pro forma, continue, intend, seek, plan, believe, target, outlook, forecast, the negatives thereof and other words and terms of similar meaning in connection with any discussion of the timing or nature of future operating or financial performance or other events. Forward-looking statements include all statements that do not relate solely to historical or current facts, including statements regarding the Company's expectations, intentions or strategies and regarding the future. The Company disclaims any intent or obligation to update these forward-looking statements.

Important factors that could cause actual results to differ materially from those expressed or implied by the forward-looking statements include, among other things: the fact that certain directors and executive officers of the Company and 99 Restaurants, LLC (99 Restaurants) may have interests in the transactions that are different from, or in addition to, the interests of the Company's shareholders generally; uncertainties as to whether the requisite approvals of the Company's shareholders will be

obtained; the risk of shareholder litigation in connection with the transactions and any related significant costs of defense, indemnification and liability; the possibility that competing offers will be made; the possibility that various closing conditions for the transactions may not be satisfied or waived; the occurrence of any event, change or other circumstances that could give rise to the termination of the merger agreement, including circumstances that may give rise to the payment of a termination fee by the Company; the effects of disruptions to respective business operations of the Company or 99 Restaurants resulting from the transactions, including the ability of the combined company to retain and hire key personnel and maintain relationships with suppliers and other business partners; the risks associated with the future performance of the business of 99 Restaurants; the risks of integration of the business of 99 Restaurants and the possibility that costs or difficulties related to such integration of the business of 99 Restaurants will be greater than expected; the risk that the Company may not be able to obtain borrowing pursuant to an amendment of its existing credit facility on favorable terms, or at all, in order to repay the debt assumed in connection with the consummation of the transactions; the possibility that the anticipated benefits and synergies from the proposed transactions cannot be fully realized or may take longer to realize than expected; the fact that the Company has incurred and will continue to incur substantial transaction-related costs; and the fact that the transactions will dilute the Company's economic interest in certain operating subsidiaries of the Company, and any increase in total revenue, income and cash flows of such operating subsidiaries as a result of the transactions may not outweigh such dilution. Further, the business of 99 Restaurants and the business of the Company remain subject to a number of general risks and other factors that may cause actual results to differ materially. There can be no assurance that the proposed transactions will in fact be consummated.

Additional information about these and other material factors or assumptions underlying such forward looking statements are set forth in the reports that the Company files from time to time with the SEC, including those items listed under the "Risk Factors" heading in Item 1.A of the Company's Annual Report on Form 10-K for the year ended January 1, 2017, and in its subsequent Quarterly Reports on Form 10-Q, including for the quarters ended October 1, 2017, July 2, 2017, and April 2, 2017. The foregoing list of risk factors is not exhaustive. These risks, as well as other risks associated with the contemplated transactions, are more fully discussed in the definitive proxy statement filed with the SEC on December 21, 2017. These forward-looking statements reflect the Company's expectations as of the date of this communication. The Company disclaims any intent or obligation to update these forward-looking statements for any reason, even if new information becomes available or other events occur in the future, except as may be required by law.

The Company cautions shareholders and other interested parties that certain statements and assumptions included in this document include, make reference to, or otherwise rely on historical results of financial operations and projected financial information of 99 Restaurants as reported to us by 99 Restaurant's management team without our independent verification.

ADDITIONAL INFORMATION AND WHERE TO FIND IT

In connection with the proposed merger, the Company has filed with the SEC a definitive proxy statement on Schedule 14A on December 21, 2017, which has been mailed to the Company's shareholders on or about December 22, 2017. **SHAREHOLDERS OF THE COMPANY ARE URGED TO READ THE DEFINITIVE PROXY STATEMENT AND ACCOMPANYING WHITE PROXY CARD REGARDING THE PROPOSED MERGER AND ANY OTHER RELEVANT DOCUMENTS FILED WITH THE SEC, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THOSE DOCUMENTS, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION.** Investors and security holders may obtain a free copy of the proxy statement and other filings containing information about the Company at the SEC's website at www.sec.gov. The definitive proxy statement and the other filings may also be obtained free of charge at the Company's Investor Relations website at investor.jalexandersholdings.com under the tab "More" and then under the tab "SEC Filings".

PARTICIPANTS IN THE SOLICITATION

The Company and certain of its respective directors and executive officers, under the SEC's rules, may be deemed to be participants in the solicitation of proxies of the Company's shareholders in connection with the proposed merger. Information about the directors and executive officers of the Company and their ownership of Company common stock is set forth in the proxy statement for the Company's 2017 annual meeting of shareholders, as filed with the SEC on Schedule 14A on April 11, 2017, and the definitive proxy statement for the Company's meeting of shareholders to vote on the proposed merger, as filed with the SEC on December 21, 2017. Additional information regarding the interests of those participants and other persons who may be deemed participants in the transactions are included in the above-referenced definitive proxy statement regarding the proposed merger. Free copies of these documents may be obtained as described in the preceding paragraph.

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