

J. Alexander's Holdings, Inc.  
Form 10-Q  
August 16, 2016

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

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

For quarterly period ended July 3, 2016

or

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

For the transition period from \_\_\_\_\_ to \_\_\_\_\_.

Commission file number: 1-37473

J. Alexander's Holdings, Inc.

(Exact name of registrant as specified in its charter)

Tennessee	47-1608715
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

3401 West End Avenue, Suite 260	
Nashville, Tennessee	37203
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (615) 269-1900

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Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer", "accelerated filer", "non-accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (check one):

Large accelerated filer

Accelerated filer

Non-accelerated filer  (Do not check if a smaller reporting company) Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

As of August 15, 2016, 14,700,176 shares of the registrant's Common Stock, \$0.001 par value, were outstanding.

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## PART I. FINANCIAL INFORMATION

## Item 1. Financial Statements

## J. Alexander's Holdings, Inc.

## Condensed Consolidated Balance Sheets

(Unaudited in thousands, except share amounts)

	July 3 2016	January 3 2016
Assets		
Current assets:		
Cash and cash equivalents	\$5,444	\$13,424
Accounts and notes receivable	1,078	406
Accounts receivable from related party	9	12
Inventories	2,325	2,198
Prepaid expenses and other current assets	3,466	2,939
Total current assets	12,322	18,979
Other assets	5,979	6,388
Property and equipment, at cost, less accumulated depreciation and amortization of \$29,969 and \$25,686 as of July 3, 2016 and January 3, 2016, respectively	90,606	89,313
Goodwill	15,737	15,737
Tradename and other indefinite-lived assets	25,155	25,155
Deferred charges, less accumulated amortization of \$170 and \$137 as of July 3, 2016 and January 3, 2016, respectively	287	264
Total assets	\$150,086	\$155,836
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$4,765	\$6,347
Accrued expenses and other current liabilities	9,379	11,325
Unearned revenue	2,379	3,214
Current portion of long-term debt	1,667	1,667
Total current liabilities	18,190	22,553
Long-term debt, net of portion classified as current and deferred loan costs	18,436	19,226
Deferred compensation obligations	5,862	5,715
Deferred income taxes	3,865	5,002
Other long-term liabilities	4,661	4,537
Total liabilities	51,014	57,033
Commitments and contingencies	-	-
Stockholders' Equity:		
	15	15

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Common stock, par value \$0.001 per share: Authorized 30,000,000 shares; issued and outstanding of 14,700,176 and 15,000,235 shares as of July 3, 2016 and January 3, 2016, respectively

Preferred stock, par value \$0.001 per share: Authorized 10,000,000 shares; no shares issued and outstanding as of July 3, 2016 or January 3, 2016	-	-
Additional paid-in-capital	94,157	95,283
Retained earnings	2,545	2,321
Total stockholders' equity attributable to J. Alexander's Holdings, Inc.	96,717	97,619
Non-controlling interests	2,355	1,184
Total stockholders' equity	99,072	98,803
Total liabilities and stockholders' equity	\$ 150,086	\$ 155,836

See accompanying Notes to Condensed Consolidated Financial Statements.

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J. Alexander's Holdings, Inc.

## Condensed Consolidated Statements of Income and Comprehensive Income

(Unaudited in thousands, except per share amounts)

	Quarter Ended		Six-Month Period Ended	
	July 3 2016	June 28 2015	July 3 2016	June 28 2015
Net sales	\$53,921	\$53,091	\$110,800	\$109,275
Costs and expenses:				
Cost of sales	17,353	17,149	35,443	34,596
Restaurant labor and related costs	16,608	16,221	33,547	32,636
Depreciation and amortization of restaurant property and equipment	2,232	2,045	4,404	4,039
Other operating expenses	11,064	10,640	22,076	21,550
Total restaurant operating expenses	47,257	46,055	95,470	92,821
Transaction and integration expenses	15	2,051	62	2,113
General and administrative expenses	4,750	3,887	9,859	7,865
Pre-opening expenses	77			