

FAMILY DOLLAR STORES INC

Filed by
DOLLAR GENERAL CORP

FORM SC TO-T/A (Amended tender offer statement by Third Party)

Filed 09/17/14

Address	P.O. BOX 1017 10401 MONROE ROAD CHARLOTTE, NC, 28201-1017
Telephone	704-849-7492
CIK	0000034408
SIC Code	5331 - Retail-Variety Stores
Industry	Discount Stores
Sector	Consumer Cyclical
Fiscal Year	08/31

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

SCHEDULE TO/A

**Tender Offer Statement Pursuant to Section 14(d)(1) or 13(e)(1)
of the Securities Exchange Act of 1934
(Amendment No. 1)**

Family Dollar Stores, Inc.
(Name of Subject Company)

D3 Merger Sub, Inc.
a wholly owned subsidiary of

Dollar General Corporation
(Names of Filing Persons and Offerors)

COMMON STOCK, \$0.10 PAR VALUE
(Title of Class of Securities)

307000109
(Cusip Number of Class of Securities)

Rhonda M. Taylor
Senior Vice President and General Counsel
Dollar General Corporation
100 MISSION RIDGE
GOODLETTSVILLE, TN 37072
(615) 855-4000

(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications on Behalf of Filing Persons)

With a copy to:

Marni J. Lerner, Esq.
Christopher R. May, Esq.
Simpson Thacher & Bartlett LLP
425 Lexington Avenue
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CALCULATION OF FILING FEE

Transaction Valuation*	Amount of Filing Fee**
\$9,308,187,200	\$1,198,894.51

* Estimated solely for purposes of calculating the filing fee. The transaction value was determined by multiplying (a) \$80.00, the per share tender offer price, by (b) the sum of (i) 113,951,710, the number of outstanding shares of Family Dollar common stock plus (ii) 1,579,968, the number of shares of Family Dollar common stock subject to issuance pursuant to stock options plus (iii) 820,662, the estimated number of shares of Family Dollar common stock subject to performance share rights under Company PSR Awards. The foregoing share figures were based on the Agreement and Plan of Merger entered into among Family Dollar, Dollar Tree and Dime Merger Sub, Inc., dated as of July 27, 2014 filed with Family Dollar's Form 8-K filed on July 28, 2014 with the Securities and Exchange Commission.

** The filing fee was calculated in accordance with Rule 0-11 under the Securities Exchange Act of 1934, as amended, and Fee Rate Advisory No. 1 for Fiscal Year 2014, issued August 30, 2013, by multiplying the transaction value by 0.0001288.

Check box if any part of the fee is offset as provided by Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

Amount Previously Paid: \$1,198,894.51.

Form or Registration No.: Schedule TO-T (File No. 005-14318)

Filing Party: Dollar General Corporation.

Date Filed: September 10, 2014.

Check the box if the filing relates solely to preliminary communications made before the commencement of a tender offer.

Check the appropriate boxes below to designate any transactions to which the statement relates:

- third-party tender offer subject to Rule 14d-1.
- issuer tender offer subject to Rule 13e-4.
- going-private transaction subject to Rule 13e-3
- amendment to Schedule 13D under Rule 13d-2.

Check the following box if the filing is a final amendment reporting the results of the tender offer:

If applicable, check the appropriate box(es) below to designate the appropriate rule provision(s) relied upon:

- Rule 13e-4(i) (Cross-Border Issuer Tender Offer)
 - Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)
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This Amendment No. 1 to Schedule TO (this “**Amendment**”) is filed by Dollar General Corporation, a Tennessee corporation (“**Dollar General**”), and D3 Merger Sub, Inc., a Delaware corporation and a wholly owned subsidiary of Dollar General (the “**Purchaser**”), and amends and supplements the Tender Offer Statement on Schedule TO filed with the Securities and Exchange Commission on September 10, 2014 (together with any amendments and supplements thereto, the “**Schedule TO**”) by Dollar General and the Purchaser and relates to the offer by the Purchaser to purchase all outstanding shares of common stock, par value \$0.10 per share (together with the associated preferred share purchase rights, the “**Shares**”), of Family Dollar Stores, Inc., a Delaware corporation (“**Family Dollar**”), at \$80.00 per Share, net to the seller in cash, without interest and less any required withholding taxes, upon the terms and subject to the conditions set forth in the Offer to Purchase and the related letter of transmittal that accompanies the Offer to Purchase, dated September 10, 2014. This Amendment is being filed on behalf of Dollar General and the Purchaser. All capitalized terms used in this Amendment and not otherwise defined have the respective meanings ascribed to them in the Schedule TO.

The information set forth in the Offer to Purchase and the related letter of transmittal, including all schedules thereto, is hereby incorporated by reference in answer to Items 1 through 9 and Item 11 of this Amendment, except as otherwise set forth below. This Amendment should be read together with the Schedule TO.

Item 12. Exhibits.

Item 12 of the Schedule TO is hereby amended and supplemented to add the following exhibit:

(a)(5)(ii) Press release issued by Dollar General on September 17, 2014.

SIGNATURE

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: September 17, 2014

D3 MERGER SUB, INC.

By: /s/ Rhonda M. Taylor

Name: Rhonda M. Taylor

Title: Vice President and Secretary

DOLLAR GENERAL CORPORATION

By: /s/ Rhonda M. Taylor

Name: Rhonda M. Taylor

Title: Senior Vice President and General Counsel



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NEWS FOR IMMEDIATE RELEASE

DOLLAR GENERAL REMAINS COMMITTED TO ACQUISITION OF FAMILY DOLLAR

Cash Tender Offer is a Clearly Superior Proposal for Family Dollar Shareholders

Company Remains Confident in its Antitrust Strategy and Analysis

GOODLETTSVILLE, Tennessee – September 17, 2014 – In response to the decision by the Board of Directors of Family Dollar Stores, Inc. (NYSE: FDO) to reject Dollar General’s tender offer to acquire all outstanding shares of Family Dollar for \$80.00 per share in cash, Dollar General Corporation (NYSE: DG) today stated that it remains committed to acquiring Family Dollar in a transaction that would deliver superior value to Family Dollar shareholders and is capable of being completed on the terms proposed.

The Company also stated that it remains confident in both its antitrust strategy and the analysis performed by its antitrust advisors.

“Dollar General has made every good faith effort to engage in constructive discussions with the Family Dollar Board of Directors,” said Rick Dreiling, Chairman and Chief Executive Officer of Dollar General. “At each turn, despite Dollar General’s superior proposals and to the detriment of the Family Dollar shareholders, the Family Dollar Board has refused to engage, leaving Dollar General with no choice but to launch a tender offer.”

“Dollar General has invested significant time and resources in pursuit of this acquisition and remains committed to its successful completion. Family Dollar continues to make statements that are not worthy of debate. Rather than engaging with us in a meaningful and constructive manner, the Family Dollar Board has continued its efforts to distract shareholders from the main issue at hand – that a superior proposal adequately addressing antitrust issues remains on the table. Through our tender offer, Dollar General has provided all Family Dollar shareholders a voice in this process, and we urge them to tender into our offer,” Dreiling continued.

Details of the Tender Offer

Dollar General’s all-cash offer of \$80.00 per share provides Family Dollar shareholders with a substantially superior valuation to the \$74.50 per share cash / stock offer announced by Dollar Tree, Inc. on July 28, 2014. Dollar General’s offer provides Family Dollar’s shareholders with approximately \$640 million of additional aggregate value over Dollar Tree’s offer and represents a premium of 31.9 percent over the closing price of \$60.66 for Family Dollar stock on the day prior to the Dollar Tree announcement.

The offer is being made on the terms and subject to the conditions set forth in the offer to purchase and letter of transmittal (together, the “Offer”) dated September 10, 2014, included in the Tender Offer Statement on Schedule TO filed with the SEC. As part of a definitive merger agreement with Family Dollar, Dollar General would be willing to agree to divest up to 1,500 stores if required by the FTC and to pay Family Dollar a \$500 million reverse break-up fee if the transaction did not close for reasons related to antitrust approvals.

The Offer is not conditioned upon any financing arrangements. Dollar General has received written financing commitments that are in full force and effect from Goldman, Sachs & Co. and Citigroup Global Markets Inc. for all of the financing necessary to consummate the proposed all-cash transaction.

Goldman, Sachs & Co. is acting as financial advisor to Dollar General. KKR Capital Markets and MCS Capital Markets are advising the Company on the financing. Simpson Thacher & Bartlett LLP is acting as its legal counsel.

Forward-Looking Statements

Dollar General includes “forward-looking statements” within the meaning of the federal securities laws throughout this release. A reader can identify forward-looking statements because they are not limited to historical fact or they use words such as “scheduled,” “may,” “will,” “could,” “should,” “would,” “expect,” “believe,” “anticipate,” “project,” “plan,” “estimate,” “forecast,” “goal,” “objective,” “committed,” “intend,” “continue,” or “will likely result,” and similar expressions that concern Dollar General’s strategy, plans, intentions or beliefs about future occurrences or results.

Forward-looking statements are subject to risks, uncertainties and other factors that may change at any time and may cause actual results to differ materially from those that Dollar General expected. Many of these statements are derived from Dollar General’s operating budgets and forecasts, which are based on many detailed assumptions that Dollar General believes are reasonable, or are based on various assumptions about certain plans, activities or events which we expect will or may occur in the future. However, it is very difficult to predict the effect of known factors, and Dollar General cannot anticipate all factors that could affect actual results that may be important to an investor. All forward-looking information should be evaluated in the context of these risks, uncertainties and other factors, including those factors disclosed under “Risk Factors” in Dollar General’s most recent Annual Report on Form 10-K and any subsequent quarterly filings on Form 10-Q filed with the Securities and Exchange Commission.

All forward-looking statements are qualified in their entirety by the cautionary statements that Dollar General makes from time to time in its SEC filings and public communications. Dollar General cannot assure the reader that it will realize the results or developments Dollar General anticipates, or, even if substantially realized, that they will result in the consequences or affect Dollar General or its operations in the way Dollar General expects. Forward-looking statements speak only as of the date made. Dollar General undertakes no obligation to update or revise any forward-looking statements to reflect events or circumstances arising after the date on which they were made, except as otherwise required by law. As a result of these risks and uncertainties, readers are cautioned not to place undue reliance on any forward-looking statements included herein or that may be made elsewhere from time to time by, or on behalf of, Dollar General.

Important Additional Information

This communication is provided for informational purposes only and is neither an offer to purchase nor a solicitation of an offer to sell any shares of the common stock of Family Dollar or any other securities. Dollar General and its wholly owned subsidiary D3 Merger Sub, Inc. have commenced a tender offer for all outstanding shares of common stock of Family Dollar and have filed with the Securities and Exchange Commission a tender offer statement on Schedule TO (including an Offer to Purchase, a Letter of Transmittal and related documents), which will be amended as necessary. These documents contain important information, including the terms and conditions of the tender offer, and shareholders of Family Dollar are advised to carefully read these documents before making any decision with respect to the tender offer. Investors and security holders may obtain free copies of these statements and other documents filed with respect to the tender offer at the SEC’s website at www.sec.gov. In addition, copies

of the tender offer statement and related materials may be obtained for free by directing such requests to the information agent for the tender offer, Innisfree M&A Incorporated, at (877) 750-5837 (toll free for shareholders) or (212) 750-5833 (collect for banks and brokers).

About Dollar General Corporation

Dollar General Corporation has been delivering value to shoppers for 75 years. Dollar General helps shoppers Save time. Save money. Every day!® by offering products that are frequently used and replenished, such as food, snacks, health and beauty aids, cleaning supplies, basic apparel, house wares and seasonal items at low everyday prices in convenient neighborhood locations. With more than 11,500 stores in 40 states, Dollar General has more retail locations than any retailer in America. In addition to high quality private brands, Dollar General sells products from America's most-trusted manufacturers such as Clorox, Energizer, Procter & Gamble, Hanes, Coca-Cola, Mars, Unilever, Nestle, Kimberly-Clark, Kellogg's, General Mills, and PepsiCo. For more information on Dollar General, please visit www.dollargeneral.com.

Contact Information

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