

Edgar Filing: ALBERTO CULVER CO - Form 425

ALBERTO CULVER CO  
Form 425  
January 17, 2006

Filed by Alberto-Culver Company

Pursuant to Rule 425 under the Securities Act of  
1933 and deemed filed pursuant to Rule 14a-12  
under the Securities Exchange Act of 1934

Subject Company:

Sally Holdings, Inc.

(Commission File No. 1-5050)

January 17-19, 2006

2  
This  
presentation  
contains  
forward-looking  
statements  
within

the  
meaning  
of  
the  
Private  
Securities  
Litigation  
Reform  
Act  
of  
1995.  
Such  
statements  
include,  
but  
are  
not  
limited  
to,  
statements  
about  
the  
benefits  
of  
the  
business  
combination  
transaction  
involving  
Alberto-  
Culver  
and  
Regis,  
including  
future  
financial  
and  
operating  
results,  
the  
companies  
plans,  
objectives,  
expectations  
and  
intentions  
and  
other  
statements  
that

are  
not  
historical  
facts.  
Such  
statements  
are  
based  
upon  
the  
current  
beliefs  
and  
expectations  
of  
Alberto-Culver's  
and  
Regis  
management  
and  
are  
subject  
to  
significant  
risks  
and  
uncertainties.  
Actual  
results  
may  
differ  
from  
those  
set  
forth  
in  
the  
forward-looking  
statements.  
The  
following  
factors,  
among  
others,  
could  
cause  
actual  
results  
to  
differ

from  
those  
set  
forth  
in  
the  
forward-looking  
statements:  
the  
failure  
of  
Alberto-Culver  
and  
Regis  
shareholders  
to  
approve  
the  
transaction;  
the  
risk  
that  
the  
businesses  
will  
not  
be  
integrated  
successfully;  
failure  
to  
realize  
cost-savings  
from  
the  
transaction  
as  
a  
result  
of  
technical,  
logistical,  
competitive  
and  
other  
factors;  
disruption  
from  
the  
transaction

making  
it  
more  
difficult  
to  
maintain  
relationships  
with  
clients,  
employees  
or  
suppliers;  
competition  
within  
the  
relevant  
product  
markets;  
risks  
inherent  
in  
acquisitions  
and  
strategic  
alliances;  
loss  
of  
one  
or  
more  
key  
employees;  
loss  
of  
distribution  
rights;  
sales  
by  
unauthorized  
distributors  
in  
exclusive  
markets;  
the  
effects  
of  
a  
prolonged  
United  
States

or  
global  
economic  
downturn  
or  
recession;  
changes  
in  
costs;  
the  
costs  
and  
effects  
of  
unanticipated  
legal  
or  
administrative  
proceedings;  
health  
epidemics;  
adverse  
weather  
conditions;  
and  
variations  
in  
political,  
economic  
or  
other  
factors  
such  
as  
currency  
exchange  
rates,  
inflation  
rates  
and  
interest  
rates,  
and  
events  
outside  
the  
control  
of  
Alberto-  
Culver



or  
Regis  
that  
negatively  
affect  
the  
intended  
tax  
free  
nature  
of  
the  
transaction.  
These  
forward-looking  
statements  
speak  
only  
as  
of  
the  
time  
first  
made,  
and  
no  
undertaking  
has been  
made  
to  
update  
or  
revise  
them  
as  
more  
information  
becomes  
available.  
Additional  
factors that  
could  
cause  
Alberto-Culver's  
and  
Regis  
results  
to  
differ  
materially

from those described in the forward-looking statements can be found in the 2005 Annual Reports on Forms 10-K of Alberto-Culver and Regis filed with the SEC and available at the SEC's Internet site (<http://www.sec.gov>).  
Forward Looking Statements

3  
Forward Looking Statements  
This  
communication  
is  
not  
a

solicitation  
of  
a  
proxy  
from  
any  
security  
holder

of  
Alberto-Culver  
or Regis and Alberto-Culver and Regis will be filing with the Securities and Exchange  
Commission a joint proxy statement/prospectus to be mailed to security holders and other  
relevant documents concerning the planned transaction involving Alberto-Culver and Regis.  
**WE URGE INVESTORS AND SECURITY HOLDERS TO READ THE JOINT PROXY  
STATEMENT/PROSPECTUS AND ANY OTHER RELEVANT DOCUMENTS TO BE FILED WITH THE  
SEC, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION.** Investors and security  
holders

will  
be  
able  
to  
obtain  
the  
documents  
free  
of  
charge  
at  
the  
SEC's  
website,  
[www.sec.gov](http://www.sec.gov).

In  
addition,  
documents  
filed  
with  
the  
SEC  
by  
Alberto-Culver  
will  
be  
available  
free  
of  
charge  
by  
contacting  
Alberto-Culver,

Wesley

C.

Davidson,

Vice

President,

Corporate

Development and Investor Relations at 708-450-3145. Documents filed with the SEC by

Regis Corporation will be available free of charge by contacting

Regis, Jack Nielsen, Director

of Finance, Investor Relations and Investment Benefits, at 952-947-7000.

The

respective

directors

and

executive

officers

of

Alberto-Culver

and

Regis

and

other

persons

may be deemed to be participants in the solicitation of proxies in respect of the transaction

proposal.

Information

regarding

Alberto-Culver's

directors

and

executive

officers

is

available

in its proxy statement filed with the SEC by Alberto-Culver on December 13, 2005, and

information regarding Regis

directors and executive officers is available in its proxy

statement filed with the SEC by Regis on September 26, 2005. Other information regarding

the participants in the proxy solicitation and a description of their direct and indirect

interests, by security holdings or otherwise, will be contained in the joint proxy

statement/prospectus and other relevant materials to be filed with the SEC when they

become available.

4  
\$1.3 Billion  
\$900 Million  
11  
DISTRIBUTION  
Alberto-Culver Company  
\$1.3 Billion

CONSUMER PRODUCTS





5  
11  
FY 2005 Sales (millions)  
\$2,254  
9/30/05  
Employees  
+18,000  
Stores  
3,241  
Distributor Sales Consultants  
1,244  
Beauty Supply Distribution

6  
Differentiation  
\$\$\$  
\$\$  
\$  
11

Professional, Salon-Only Beauty  
Brands

Products Generally Resold to  
Salon Customers

Higher Income Consumer

Open-Line  
Professional  
Beauty  
Brands

Products Generally Used in the  
Salon or Home

Moderate Income Consumer

7  
Beauty Supply Distribution  
Sales 1980-2005  
(\$ in millions)  
BSG  
7  
Sally

Beauty  
Supply

10  
17  
39  
52  
63  
77  
131  
166  
227  
290  
329  
395  
464  
527  
601  
665  
724  
804  
860  
910  
984  
1,056  
1,132  
1,208  
1,296  
9  
10  
12  
15  
17  
20  
22  
27  
31  
46  
72  
110  
184  
294  
405  
535  
616  
802  
895  
0  
200  
400  
600

800  
1,000  
1,200  
1,400  
80  
81  
82  
83  
84  
85  
86  
87  
88  
89  
90  
91  
92  
93  
94  
95  
96  
97  
98  
99  
'00  
'01  
'02  
'03  
'04  
1,359  
05

8  
Sally Beauty Supply -  
Early Years

9  
Sally Stores  
Something for Every Style



10  
Sally Beauty Stores

Most of the SKUs at Sally are not  
available in other channels

Represent as much as 60% of

some vendor s business

Only national retail chain offering  
a full line of professional beauty  
supplies.

Low capital cost to open

Low rents

State of the art logistics/systems

Little seasonality

11  
SALLY BEAUTY SUPPLY STORES  
As of September 30, 2005  
Total Stores: 2,177  
in North America  
WA  
OR

ID  
MT  
WY  
CA  
NV  
UT  
AZ  
NM  
TX  
MN  
AR  
LA  
WI  
IL  
IN  
OH  
PA  
NY  
KY  
TN  
NC  
SC  
MS  
AL  
GA  
FL  
VA  
WV  
ME  
NH 9  
VT 7  
38 MA  
7RI  
23 CT  
35 MD  
32  
20  
210  
20  
9  
17  
60  
17  
226  
18  
27  
84  
43  
20  
54

32  
41  
27  
54  
45  
82  
173  
44  
80  
66  
94  
63  
83  
4  
11  
ND  
1  
SD  
1  
MO  
MEX  
23  
5  
2  
4 DE  
35 NJ  
IA  
NE  
CO  
OK  
KS  
MI  
20  
1  
18  
12  
58  
31  
35  
Ontario  
6  
29 PR

12  
Sally Stores

13  
A Fresh New Look on the Inside

14  
Targeted Advertising



15

Sally Stores EBIT Margins (%)

11.0%

11.0%

11.2%

11.6%

11.4%

11.7%  
12.4%  
9.0%  
9.5%  
10.0%  
10.5%  
11.0%  
11.5%  
12.0%  
12.5%  
13.0%  
1999  
2000  
2001  
2002  
2003  
2004  
2005

16  
Salon Exclusive Distribution  
Salon Exclusive Distribution  
Redken  
Redken  
TIGI  
TIGI

17  
Beauty Systems Group (BSG)  
Beauty Systems Group (BSG)  
BSG  
Sales  
Consultants  
BSG STORES

MATRIX  
MATRIX  
PAUL MITCHELL  
PAUL MITCHELL  
TIGI  
TIGI  
REDKEN  
REDKEN  
FAROUK  
FAROUK  
KIWI  
KIWI

18  
Beauty Systems Group (BSG)  
BSG operates under  
exclusive  
territory  
licenses  
selling professional-only

brands

Possible further acquisitions;  
consolidating a fragmented  
industry

Synergies and scale impact  
margins

State of the art logistics/  
systems

19  
Beauty Systems Group (BSG) -  
Beauty Systems Group (BSG) -  
1986  
1986  
Victory Beauty Systems



20  
Beauty Systems Group (BSG)  
Beauty Systems Group (BSG)  
9/30/05  
9/30/05  
822 Stores  
1,244 Professional

Sales Consultants

21  
Beauty Systems Group Stores

22  
BSG Store  
On the Inside

23

BSG EBIT Margins (%)

6.2%

5.9%

6.8%

7.7%

9.1%

8.8%  
6.2%  
0.0%  
1.0%  
2.0%  
3.0%  
4.0%  
5.0%  
6.0%  
7.0%  
8.0%  
9.0%  
10.0%  
1999  
2000  
2001  
2002  
2003  
2004  
2005

24  
Alberto-Culver Global  
Consumer Products  
Global Brands

25  
Global Consumer Products Sales  
\$886  
\$955  
\$1,016  
\$1,098  
\$1,186



\$1,306  
\$0  
\$500  
\$1,000  
\$1,500  
2000  
2001  
2002  
2003  
2004  
2005

26  
Global Consumer Products  
EBIT Margins (%)  
6.0%  
7.2%  
8.6%  
9.3%

9.8%  
10.1%  
4%  
5%  
6%  
7%  
8%  
9%  
10%  
11%  
2000  
2001  
2002  
2003  
2004  
2005

27  
Alberto-Culver:  
Consistent Revenue Growth  
1991  
1992  
1993  
1994

1995

1996

1997

1998

1999

2000

2001

2002

2003

2004

2005

(\$ in millions)

\$3,531

\$822

28  
Alberto-Culver:  
Consistent EPS Growth  
1991  
1992  
1993  
1994

1995

1996

1997

1998

1999

2000

2001

2002

2003

2004\*2005\*

(Diluted EPS)

\$0.35

\$2.37 \*

One Time Gains

(\$ per share)

\* Before Non-Core Items

29  
1991  
1992  
1993  
1994  
1995  
1996



1997

1998

1999

2000

2001

2002

2003

2004

2005

Excludes \$.01/share special dividend paid in 1993

(\$ per share)

\$0.07

\$0.46

Alberto-Culver:

Continuous Dividend Increases

30

Alberto-Culver Company

Pre-Tax Operating Margins (%)

6.2%

7.1%

7.2%

7.0%

8.0%

8.7%

9.2%

9.6%

0.0%

5.0%

10.0%

1994

1999

2000

2001

2002

2003

2004\*

2005\*

\* Excluding non-core items

