

REGIS FRANCHISE

FRANCHISEE OVERVIEW OF REGIS CORPORATION

87 YEARS OF SUCCESS

REGIS CORPORATION

FRANCHISOR HEADQUARTERS Regis Corporation
7201 Metro Boulevard
Edina, MN USA 55439

FRANCHISEE VIEWPOINT: OVERVIEW OF REGIS CORPORATION

- Regis Corporation, a Fortune 1000 company, is the beauty industry's global leader in salons, hair restoration centers and education.
- Every year, Regis Corporation (Regis Corp.) salons serve more than 160 million customers worldwide.
- Regis Corp.'s formula for franchisee success is the ability to provide affordable haircuts, styling, coloring and waxing services to satisfied clients each year, as well as a wide selection of the most popular professional hair-care products.
- Regis Corp. is the worldwide leader in the \$170 billion hair salon industry.
- Regis Corp. currently operates salons in the United States, Canada, Puerto Rico, the United Kingdom and Germany.
- Regis Corp. holds four percent domestic and two percent worldwide of the hair-care market with targeted objectives of 8 to 12 percent revenue and earnings growth through a combination of organic (new store construction and same-store growth) and acquisition growth.
- The company has completed 500 acquisitions, adding over 9,000 locations. Acquisitions include Supercuts, Vidal Sassoon, Jean Louis David and The Barbers Hairstyling for Men & Women, Inc., which included Cost Cutters, and Hair Club for Men and Women.
- Regis Corporation generated \$2.4 billion revenue in fiscal 2008.
- Regis Corp. is traded on the New York Stock Exchange under RGS.

FRANCHISEE: ACCESS TO EDUCATION, MARKETING AND TRAINING

- With Regis, franchisees have access to stylist education and training programs, including award-winning educational DVDs and nationwide seminars.
- Every year, Regis Corp. commits more than \$18 million annually to education and training.
- Regis Corp. has 150 experienced artistic directors who train and assist stylists.
- In 2003, Regis Corp. introduced the award-winning DVD program for training and continuing education.
- Franchisee strengths include extensive employee training, education and incentive programs.
- There are solid employment opportunities for salon staff. Salons offer excellent opportunities for employment since Regis Corporation offers competitive benefit packages.

FRANCHISEE: POWER WITH REAL ESTATE

- With over 12,800 locations – nearly 10,000 more than its nearest competitor – Regis Corp. is the beauty industry's global leader in salons, hair restoration centers and education.
- A national-credit tenant, Regis Corp.'s real estate department chooses salon locations in open-air and power centers and Wal-Mart Supercenters.
- The company enjoys a strong cash flow, which allows it to execute its long-term growth objectives while maintaining its reputation as a credit-worthy, dependable tenant.
- Regis Corp. has grown its location base from 1,479 locations in 1994 to over 12,800 locations worldwide.
- With Regis Corp.'s distinct retail salon concepts, landlords and developers are interested in Regis brands because salons are considered top tenants for both open-air and power centers.
- Regis is Wal-Mart's largest tenant with over 2,400 company-owned and franchised locations representing more than 2 million square feet.

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SUPERCUTS AND COST CUTTERS FRANCHISES

Supercuts primarily targets male customers who want to get a current look at an affordable price. Supercuts understands their customers - because they know how it is. Supercuts are located in neighborhood open-air centers in the United States, Canada, Puerto Rico and the United Kingdom.

- Over 1,000 franchised salons in the U.S.
- Anticipating annual growth of 90 franchised units

Cost Cutters is the perfect hair-care choice for busy, value-conscious families and men who prefer a convenient place to go for their hair care without the need for an appointment. Located throughout the United States, primarily in neighborhood open-air centers, Cost Cutters provides a full range of hair-care services and products.

- Over 540 franchised salons in the U.S.
- Anticipating annual growth of 35 franchised units

FRANCHISEE: QUOTES ABOUT REGIS CORPORATION

- “Regis Corp. has a reliable business model as customers return for haircuts during both good and bad times,” comments Jeff Stein, senior research analyst for specialty retailing at McDonald Investments in Cleveland, Ohio. “Regis is unique because they have segmented the marketplace by developing concepts to serve all niches. The higher end is covered with Vidal Sassoon and Jean Louis David, while value concepts like Supercuts, Cost Cutters and SmartStyle continue to expand.”
- “We place a lot of emphasis on growth at Regis Corp.,” says Paul Finkelstein, chief executive officer and president of Regis Corp. “With our five distinct retail salon concepts, we appeal to the largest and most stable population segment. Our acquisitions of the Vidal Sassoon and Jean Louis David brands helped us grow into the higher end market as we continue to expand services and locations in our value and middle market salon concepts, as well.”

FRANCHISEE: SUCCESS STORIES

Don Thorpe, North Dakota Cost Cutters & City Looks Franchisee

By making use of Regis Corporation’s marketing department, operations, training and education, veteran franchisee Don Thorpe feels that most new franchisees will see immediate benefits. Together with his wife, Kathy, Don owns three salons inside the Regis Corp. brands – two Cost Cutters and one City Looks – all three in the Bismarck, North Dakota area. Thorpe has been a franchisee for the past 24 years, first with The Barbers, and now with Regis. Don feels that the franchisee network is a great support as they share information, advice and experiences with each other. In the near future, the Thorpes plan to expand their salon network with up to four more salons.

MORE INFORMATION

For more information on Cost Cutters or Supercuts franchising, visit www.regisfranchise.com.

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