

# Sally Beauty Holdings Reports Second Quarter Fiscal 2026 Results

May 11, 2026

- Q2 Consolidated Net Sales Increased 2.3%; Consolidated Comparable Sales Increased 1.3%
- Q2 GAAP Diluted EPS Increased 13%; Adjusted Diluted EPS Increased 5%
- Q2 Cash Flow from Operations of \$73 Million Deployed to Invest for Growth, Strengthen Balance Sheet and Return Value to Shareholders
- Fiscal 2026 Guidance: Company Tightens Net Sales Range and Reiterates All Other Metrics

PLANO, Texas--(BUSINESS WIRE)-- Sally Beauty Holdings, Inc. (NYSE: SBH) (the "Company"), the leader in professional hair color, today announced financial results for its second quarter ended March 31, 2026. The Company will hold a conference call today at 7:30 a.m. Central Time to discuss these results and its business.

"Our second quarter results reflect solid execution and the resilience of our operating model amid a dynamic macroeconomic environment," said Denise Paulonis, president and chief executive officer. "We delivered low-single digit sales growth, gross margin expansion, and strong cash flow from operations, driven by the compounding benefits of our growth initiatives. As we enter the second half of fiscal 2026, we remain confident in our full-year outlook and believe the Company is positioned to deliver consistent, profitable growth and shareholder value over the long-term."

## Fiscal 2026 Second Quarter Summary

- Consolidated net sales of \$903 million, an increase of 2.3% compared to the prior year;
- Consolidated comparable sales growth of 1.3%;
- Global e-commerce sales increased 13% to \$108 million, representing 12% of net sales;
- GAAP gross margin expansion of 70 basis points to 52.7%;
- Adjusted Gross Margin expansion of 80 basis points to 52.8%;
- GAAP selling, general and administrative expenses of \$404 million, an increase of \$14 million compared to the prior year;
- Adjusted Selling, General and Administrative Expenses of \$404 million, an increase of \$20 million compared to the prior year;
- GAAP operating earnings of \$72 million and GAAP operating margin of 8.0%;
- Adjusted Operating Earnings of \$73 million and Adjusted Operating Margin of 8.1%;
- GAAP diluted net earnings per share of \$0.43, an increase of 13% compared to the prior year;
- Adjusted Diluted Net Earnings Per Share of \$0.44, an increase of 5% compared to the prior year;
- Cash flow from operations of \$73 million and Free Cash Flow of \$44 million; and
- Completed \$20 million in term loan repayment and \$25 million in share repurchases.

## Balance Sheet and Cash Flow

As of March 31, 2026, the Company had cash and cash equivalents of \$157 million and no outstanding borrowings under its asset-based revolving line of credit. At fiscal year-end, inventory was \$987 million, down 2% versus a year ago.

Second quarter cash flow from operations was \$73million and Free Cash Flow totaled \$44million. During the quarter, the Company utilized its cash flow to repay \$20 million of term loan B debt and repurchase 1.7 million shares under its share repurchase program at an aggregate cost of \$25 million. The Company ended the second quarter with a net debt leverage ratio of 1.5x.

## Fiscal 2026 Second Quarter Segment Results

(In thousands, except percentages)	Sally Beauty			Beauty Systems Group		
	Q2 FY26	Q2 FY25	Growth/(Decline)	Q2 FY26	Q2 FY25	Growth/(Decline)
Net Sales	\$ 521,236	\$ 500,575	4.1%	\$ 382,146	\$ 382,571	(0.1)%
Comparable Sales Growth/(Decline)	2.5%	(0.3)%	280 bps	(0.3)%	(2.7)%	240 bps
Gross Margin	61.3%	61.2%	10 bps	40.9%	39.8%	110 bps
Operating Earnings	\$ 78,149	\$ 77,305	1.1%	\$ 47,368	\$ 43,934	7.8%
Operating Margin	15.0%	15.4%	(40) bps	12.4%	11.5%	90 bps

## Fiscal Year 2026 Guidance\*

### Third Quarter

Consolidated Net Sales	\$932 million to \$942 million <sup>(1)</sup>
Comparable Sales	Approximately Flat
Adjusted Operating Earnings	\$83 million to \$89 million
Adjusted Diluted EPS	\$0.52 to \$0.56

<sup>(1)</sup> Assumes approximately 40 basis points of favorable impact from expected foreign currency rates

	Prior FY26 Guidance	Updated FY26 Guidance
Full Year	\$3.71 billion to \$3.77 billion	\$3.725 billion to \$3.750 billion <sup>(1)</sup>

Consolidated Net Sales	Flat to up 1%	No change
Comparable Sales		
Adjusted Operating Earnings	\$328 million to \$342 million	No change
Adjusted Diluted EPS	\$2.02 to \$2.10 <sup>(2)</sup>	No change
Capital Expenditures	Approximately \$100 million	No change
Free Cash Flow	Approximately \$200 million	No change

#### Free Cash Flow

(1) Assumes approximately 50 basis points of favorable impact from expected foreign currency rates

(2) Assumes 50% of Free Cash Flow goes towards share repurchases (Free Cash Flow defined as GAAP cash flows from operating activities less payments for capital expenditures)

\* The Company does not provide a reconciliation for forward-looking non-GAAP financial measures where it is unable to provide a meaningful or accurate calculation or estimation of its reconciling items and the information is not available without unreasonable effort. This is due to the inherent difficulty of forecasting the occurrence and the financial impact of various items that have not yet occurred, are out of the Company's control or cannot be reasonably predicted. For the same reasons, the Company is unable to address the probable significance of the unavailable information. Forward-looking non-GAAP financial measures provided without the most directly comparable GAAP financial measures may vary materially from the corresponding GAAP financial measures.

#### Conference Call and Where You Can Find Additional Information

The Company will hold a conference call and live webcast at approximately 7:30 a.m. Central Time today, May 11, 2026, to discuss its financial results and its business. During the conference call, the Company may discuss and answer one or more questions concerning business and financial matters and trends affecting the Company. The Company's responses to these questions, as well as other matters discussed during the conference call, may contain or constitute material information that has not been previously disclosed.

Participants can listen to the live webcast of the conference call by accessing the investor relations section of the Company's website at [sallybeautyholdings.com/investor-relations/events-and-presentations/events-calendar](https://sallybeautyholdings.com/investor-relations/events-and-presentations/events-calendar), or through our third-party host at [SBH Q2 Earnings Webcast](#). To join the conference call, participants can pre-register to receive a dial-in number and unique PIN using the following link: [Pre-register SBH Q2 Earnings Call](#). Pre-registration can be completed at any time up to and following the call start time.

A replay will be available on the Company's investor relations website after 10:00 a.m. Central Time on May 11, 2026, through May 11, 2027.

#### About Sally Beauty Holdings, Inc.

Sally Beauty Holdings, Inc. (NYSE: SBH), as the leader in professional hair color, sells and distributes professional beauty supplies globally through its Sally Beauty and Beauty Systems Group segments. Sally Beauty stores offer up to 7,000 products for hair color, hair care, nails, and skin care through proprietary brands such as Ion®, Bondbar®, Strawberry Leopard®, Generic Value Products®, Inspired by Nature® and Silk Elements® as well as professional lines such as Wella®, Clairol®, OPI®, L'Oréal®, Wahl® and Babyliss Pro®. Beauty Systems Group stores, branded as Cosmo Prof® or Armstrong McCall® stores, along with its outside sales consultants, sell up to 8,000 professionally branded products including Paul Mitchell®, Wella®, Matrix®, Schwarzkopf®, Kenra®, Goldwell®, Joico®, Amika® and MoroccanOil®, intended for use in salons and for resale by salons to retail consumers. For more information about Sally Beauty Holdings, Inc., please visit [sallybeautyholdings.com/investor-relations](https://sallybeautyholdings.com/investor-relations).

#### Cautionary Notice Regarding Forward-Looking Statements

Statements in this news release and the schedules hereto that are not purely historical facts or that depend upon future events may be forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements, as that term is defined in the Private Securities Litigation Reform Act of 1995, can be identified by the use of words such as "believes," "projects," "expects," "can," "may," "estimates," "should," "plans," "targets," "intends," "could," "will," "would," "anticipates," "potential," "confident," "optimistic," or the negative thereof, or other variations thereon, or comparable terminology, or by discussions of strategy, objectives, estimates, guidance, expectations and future plans. Forward-looking statements can also be identified by the fact that these statements do not relate strictly to historical or current matters.

Readers are cautioned not to place undue reliance on forward-looking statements as such statements speak only as of the date they were made. Any forward-looking statements involve risks and uncertainties that could cause actual events or results to differ materially from the events or results described in the forward-looking statements, including the "Risk Factors" described under Item 1A of our Annual Report on Form 10-K for the fiscal year ended September 30, 2025, and other filings with the U.S. Securities and Exchange Commission. Consequently, all forward-looking statements in this release are qualified by the factors, risks and uncertainties contained therein. We assume no obligation to publicly update or revise any forward-looking statements.

#### Use of Non-GAAP Financial Measures

This news release and the schedules hereto include the following financial measures that have not been calculated in accordance with accounting principles generally accepted in the United States, ("GAAP"), and are therefore referred to as non-GAAP financial measures: (1) Adjusted Gross Margin; (2) Adjusted Selling, General and Administrative Expenses; (3) Adjusted EBITDA and EBITDA Margin; (4) Adjusted Operating Earnings and Operating Margin; (5) Adjusted Net Earnings; (6) Adjusted Diluted Net Earnings Per Share; and (7) Free Cash Flow. We have provided definitions below for these non-GAAP financial measures and have provided tables in the schedules hereto to reconcile these non-GAAP financial measures to the comparable GAAP financial measures.

**Adjusted Gross Margin** – We define the measure Adjusted Gross Margin as GAAP gross margin excluding the costs related to the Company's fuel for growth initiative for the relevant time periods as indicated in the accompanying non-GAAP reconciliations to the comparable GAAP financial measures.

**Adjusted Selling, General and Administrative Expenses** – We define the measure Adjusted Selling, General and Administrative Expenses as GAAP selling, general and administrative expenses excluding the costs related to the Company's fuel for growth initiative, expenses related to the Company's corporate headquarters relocation, and asset impairment charges for the relevant time periods as indicated in the accompanying non-GAAP reconciliations to the comparable GAAP financial measures.

**Adjusted EBITDA and EBITDA Margin** – We define the measure Adjusted EBITDA as GAAP net earnings before depreciation and amortization, interest expense, income taxes, share-based compensation, costs related to the Company's fuel for growth initiative, expenses related to the Company's corporate headquarters relocation, and asset impairment charges for the relevant time periods as indicated in the accompanying non-GAAP reconciliations to the comparable GAAP financial measures. Adjusted EBITDA Margin is Adjusted EBITDA as a percentage of net sales.

**Adjusted Operating Earnings and Operating Margin** – Adjusted operating earnings are GAAP operating earnings that exclude the costs related to the Company's fuel for

growth initiative, expenses related to the Company's corporate headquarters relocation, and asset impairment charges for the relevant time periods as indicated in the accompanying non-GAAP reconciliations to the comparable GAAP financial measures. Adjusted Operating Margin is Adjusted Operating Earnings as a percentage of net sales.

*Adjusted Net Earnings* – Adjusted net earnings is GAAP net earnings that exclude the tax-effected costs related to the Company's fuel for growth initiative, tax-effected expenses related to the Company's corporate headquarters relocation, and tax-effected asset impairment charges for the relevant time periods as indicated in the accompanying non-GAAP reconciliations to the comparable GAAP financial measures.

*Adjusted Diluted Net Earnings Per Share* – Adjusted diluted net earnings per share is GAAP diluted earnings per share that exclude the tax-effected costs related to the Company's fuel for growth initiative, tax-effected expenses related to the Company's corporate headquarters relocation, and tax-effected asset impairment charges for the relevant time periods as indicated in the accompanying non-GAAP reconciliations to the comparable GAAP financial measures.

*Free Cash Flow* – We define the measure Free Cash Flow as GAAP net cash provided by operating activities less payments for capital expenditures (net). We believe Free Cash Flow is an important liquidity measure that provides useful information to investors about the amount of cash generated from operations after taking into account payments for capital expenditures (net).

We believe that these non-GAAP financial measures provide valuable information regarding our earnings and business trends by excluding specific items that we believe are not indicative of the ongoing operating results of our businesses, providing a useful way for investors to make a comparison of our performance over time and against other companies in our industry.

We have provided these non-GAAP financial measures as supplemental information to our GAAP financial measures and believe these non-GAAP measures provide investors with additional meaningful financial information regarding our operating performance and cash flows. Our management and Board of Directors also use these non-GAAP measures as supplemental measures to evaluate our businesses and the performance of management, including the determination of performance-based compensation, to make operating and strategic decisions, and to allocate financial resources. We believe that these non-GAAP measures also provide meaningful information for investors and securities analysts to evaluate our historical and prospective financial performance. These non-GAAP measures should not be considered a substitute for or superior to GAAP results. Furthermore, the non-GAAP measures presented by us may not be comparable to similarly titled measures of other companies.

### Supplemental Schedules

Segment Information	1
Non-GAAP Financial Measures Reconciliations	2-3
Non-GAAP Financial Measures Reconciliations; Adjusted EBITDA and	
Free Cash Flow	4
Store Count and Comparable Sales	5

## SALLY BEAUTY HOLDINGS, INC. AND SUBSIDIARIES

### Condensed Consolidated Statements of Earnings

(In thousands, except per share data)

(Unaudited)

	Three Months Ended March 31,			Six Months Ended March 31,		
	2026	2025	Percentage Change	2026	2025	Percentage Change
Net sales	\$ 903,382	\$ 883,146	2.3%	\$ 1,846,550	\$ 1,821,041	1.4%
Cost of products sold	427,610	424,329	0.8%	887,519	885,384	0.2%
Gross profit	475,772	458,817	3.7%	959,031	935,657	2.5%
Selling, general and administrative expenses	403,841	389,444	3.7%	811,165	765,964	5.9%
Operating earnings	71,931	69,373	3.7%	147,866	169,693	(12.9)%
Interest expense	14,165	16,289	(13.0)%	28,785	33,731	(14.7)%
Earnings before provision for income taxes	57,766	53,084	8.8%	119,081	135,962	(12.4)%
Provision for income taxes	15,071	13,874	8.6%	30,829	35,739	(13.7)%
Net earnings	\$ 42,695	\$ 39,210	8.9%	\$ 88,252	\$ 100,223	(11.9)%
Earnings per share:						
Basic	\$ 0.44	\$ 0.39	12.8%	\$ 0.91	\$ 0.98	(7.1)%
	\$ 0.43	\$ 0.38	13.2%	\$ 0.88	\$ 0.96	(8.3)%

Diluted						
Weighted average shares:						
	96,727	101,614		97,271	101,820	
Basic						
	99,721	104,435		100,265	104,682	
Diluted						
	<b>Basis Point Change</b>			<b>Basis Point Change</b>		
<u>Comparison as a percentage of net sales</u>						
	52.7%	52.0%	70	51.9%	51.4%	50
Consolidated gross margin						
Selling, general and administrative expenses	44.7%	44.1%	60	43.9%	42.1%	180
	8.0%	7.9%	10	8.0%	9.3%	(130)
Consolidated operating margin						
	26.1%	26.1%	–	25.9%	26.3%	(40)
<u>Effective tax rate</u>						

**SALLY BEAUTY HOLDINGS, INC. AND SUBSIDIARIES**  
Condensed Consolidated Balance Sheets  
(In thousands)  
(Unaudited)

	<b>March 31</b>	<b>September 30</b>
	<b>2026</b>	<b>2025</b>
Cash and cash equivalents	\$ 157,401	\$ 149,162
Trade and other accounts receivable	101,632	116,562
Inventory	986,787	987,575
Other current assets	46,940	48,154
Total current assets	1,292,760	1,301,453
Property and equipment, net	285,335	284,284
Operating lease assets	635,406	646,698
Goodwill and other intangible assets	590,436	593,692
Other assets	49,353	44,969
Total assets	\$ 2,853,290	\$ 2,871,096
Current maturities of long-term debt	\$ 4,000	\$ 4,000
Accounts payable	222,635	224,507
Accrued liabilities	169,800	184,641
Current operating lease liabilities	157,050	158,566
Income taxes payable	–	4,260
Total current liabilities	553,485	575,974
Long-term debt, including capital leases	823,051	861,974
Long-term operating lease liabilities	531,987	538,426
Other liabilities	21,080	21,026
Deferred income tax liabilities, net	85,815	79,489
Total liabilities	2,015,418	2,076,889
Total stockholders' equity	837,872	794,207



Cost of products sold	52.7%				52.8%
Consolidated gross margin	403,841	(281)	(19)		403,541
Selling, general and administrative expenses	44.7%				44.7%
SG&A expenses, as a percentage of sales	71,931	1,092	19		73,042
Operating earnings	8.0%				8.1%
Operating margin	57,766	1,092	19		58,877
Earnings before provision for income taxes	15,071	277	5		15,353
Provision for income taxes <sup>(4)</sup>					
	\$ 42,695	\$ 815	\$ 14		\$ 43,524
Net earnings					
Earnings per share: <sup>(5)</sup>					
Basic	\$ 0.44	\$ 0.01	\$ 0.00		\$ 0.45
Diluted	\$ 0.43	\$ 0.01	\$ 0.00		\$ 0.44

**Three Months Ended March 31, 2025**

	As Reported (GAAP)	Fuel for Growth and Other <sup>(1)</sup>	Corporate HQ Relocation <sup>(2)</sup>	Asset Impairment <sup>(3)</sup>	As Adjusted (Non- GAAP)
Cost of products sold	\$ 424,329	\$ —	\$ —	\$ —	\$ 424,329
Consolidated gross margin	52.0%				52.0%
Selling, general and administrative expenses	389,444	(3,807)	(207)	(1,779)	383,651
SG&A expenses, as a percentage of sales	44.1%				43.4%
Operating earnings	69,373	3,807	207	1,779	75,166
Operating margin	7.9%				8.5%
Earnings before provision for income taxes	53,084	3,807	207	1,779	58,877
Provision for income taxes <sup>(4)</sup>	13,874	976	53	445	15,348
	\$ 39,210	\$ 2,831	\$ 154	\$ 1,334	\$ 43,529
Net earnings					
Earnings per share: <sup>(5)</sup>					
Basic	\$ 0.39	\$ 0.03	\$ 0.00	\$ 0.01	\$ 0.43
Diluted	\$ 0.38	\$ 0.03	\$ 0.00	\$ 0.01	\$ 0.42

(1) Fuel for Growth and other represents expenses primarily related with our Fuel for Growth program and other non-recurring items.

(2) For the three months ended March 31, 2026 and 2025, corporate HQ relocation primarily represents expenses in connection with the relocation of our headquarters.

(3) Impairment related to the write-off of certain tradenames used in Europe.

(4) The provision for income taxes was calculated using the applicable tax rates for each country, while excluding the tax benefits for countries where the tax benefit is not currently deemed probable of being realized.

(5) The sum of the earnings per share may not equal the full amount due to rounding of the calculated amounts.

Supplemental Schedule 3

**SALLY BEAUTY HOLDINGS, INC. AND SUBSIDIARIES**  
Non-GAAP Financial Measures Reconciliations, Continued  
(In thousands, except per share data)  
(Unaudited)

**Six Months Ended March 31, 2026**

	As Reported (GAAP)	Fuel for Growth <sup>(1)</sup>	Corporate HQ Relocation <sup>(2)</sup>	As Adjusted (Non- GAAP)
Cost of products sold	\$ 887,519	\$ (1,718)	\$ —	\$ 885,801

Consolidated gross margin	51.9%				52.0%
Selling, general and administrative expenses	811,165	(1,461)	(1,852)		807,852
SG&A expenses, as a percentage of sales	43.9%				43.7%
Operating earnings	147,866	3,179	1,852		152,897
Operating margin	8.0%				8.3%
Earnings before provision for income taxes	119,081	3,179	1,852		124,112
Provision for income taxes <sup>(4)</sup>	30,829	806	476		32,111
Net earnings	\$ 88,252	\$ 2,373	\$ 1,376		\$ 92,001
Earnings per share: <sup>(5)</sup>					
Basic	\$ 0.91	\$ 0.02	\$ 0.01		\$ 0.95
Diluted	\$ 0.88	\$ 0.02	\$ 0.01		\$ 0.92

**Six Months Ended March 31, 2025**

	As Reported (GAAP)	Fuel for Growth and Other <sup>(1)</sup>	Corporate HQ Relocation <sup>(2)</sup>	Asset Impairment <sup>(3)</sup>	As Adjusted (Non- GAAP)
Cost of products sold	\$ 885,384	\$ —	\$ —	\$ —	\$ 885,384
Consolidated gross margin	51.4%				51.4%
Selling, general and administrative expenses	765,964	(8,676)	26,433	(1,779)	781,942
SG&A expenses, as a percentage of sales	42.1%				42.9%
Operating earnings	169,693	8,676	(26,433)	1,779	153,715
Operating margin	9.3%				8.4%
Earnings before provision for income taxes	135,962	8,676	(26,433)	1,779	119,984
Provision for income taxes <sup>(4)</sup>	35,739	2,222	(6,797)	444	31,608
Net earnings	\$ 100,223	\$ 6,454	\$ (19,636)	\$ 1,335	\$ 88,376
Earnings per share: <sup>(5)</sup>					
Basic	\$ 0.98	\$ 0.06	\$ (0.19)	\$ 0.01	\$ 0.87
Diluted	\$ 0.96	\$ 0.06	\$ (0.19)	\$ 0.01	\$ 0.84

(1) Fuel for Growth and other represents expenses primarily related with our Fuel for Growth program and other non-recurring items.

(2) For the six months ended March 31, 2026, corporate HQ relocation primarily represents duplicate rent expense on the new office prior to our relocation from our Denton corporate headquarters. For the six months ended March 31, 2025, corporate HQ relocation primarily represents a \$26.6 million gain from the sale of our Denton headquarters and expenses in connection with the relocation of our headquarters.

(3) Impairment related to the write-off of a certain tradename used in Europe.

(4) The provision for income taxes was calculated using the applicable tax rates for each country, while excluding the tax benefits for countries where the tax benefit is not currently deemed probable of being realized.

(5) The sum of the earnings per share may not equal the full amount due to rounding of the calculated amounts.

Supplemental Schedule 4

**SALLY BEAUTY HOLDINGS, INC. AND SUBSIDIARIES**  
Non-GAAP Financial Measures Reconciliations, Continued  
(In thousands)  
(Unaudited)

**Three Months Ended March 31,**

**Six Months Ended March 31,**

	2026	2025	Percentage Change	2026	2025	Percentage Change
--	------	------	----------------------	------	------	----------------------

<b>Adjusted EBITDA:</b>						
	\$	42,695	\$	39,210	8.9%	\$ 88,252 \$ 100,223 (11.9)%
Net earnings						
Add:						
Depreciation and amortization		25,280		25,359	(0.3)%	48,912 50,924 (4.0)%
Interest expense		14,165		16,289	(13.0)%	28,785 33,731 (14.7)%
Provision for income taxes		15,071		13,874	8.6%	30,829 35,739 (13.7)%
		97,211		94,732	2.6%	196,778 220,617 (10.8)%
EBITDA (non-GAAP)		5,969		4,238	40.8%	13,524 10,291 31.4%
Share-based compensation		1,092		3,807	(71.3)%	3,179 8,676 (63.4)%
Fuel for Growth and Other		19		207	(90.8)%	1,852 (26,433) 107.0%
Corporate HQ Relocation		–		1,779	(100.0)%	– 1,779 (100.0)%
Asset Impairment						
	\$	104,291	\$	104,763	(0.5)%	\$ 215,333 \$ 214,930 0.2%
Adjusted EBITDA (non-GAAP)						
					<b>Basis Point Change</b>	<b>Basis Point Change</b>
<u>Adjusted EBITDA as a percentage of net sales</u>		11.5%		11.9%	(40)	11.7% 11.8% (10)
Adjusted EBITDA margin						

	2026	2025	Percentage Change	2026	2025	Percentage Change
<b>Free Cash Flow:</b>						
Cash flows from operating activities	\$ 73,280	\$ 51,062	43.5%	\$ 166,519	\$ 84,521	97.0%
Less: Payments for capital expenditures	29,162	18,893	54.4%	64,946	38,971	66.7%
Plus: Proceeds from sales of property and equipment <sup>(1)</sup>	–	–	–	–	43,574	(100.0)%
Free cash flow (non-GAAP)	\$ 44,118	\$ 32,169	37.1%	\$ 101,573	\$ 89,124	14.0%

(1) Represents the proceeds from the sale of our corporate headquarters.

Supplemental  
Schedule 5

**SALLY BEAUTY HOLDINGS, INC. AND SUBSIDIARIES**  
Store Count and Comparable Sales  
(Unaudited)

	As of March 31,		
	2026	2025	Change
Number of stores:			
Sally	3,079	3,117	(38)
BSG:			
Company-operated stores	1,189	1,198	(9)
Franchise stores	131	131	–
Total BSG	1,320	1,329	(9)
Total consolidated	4,399	4,446	(47)
Number of BSG salon business consultants <sup>(1)</sup>	560	632	(72)

(1) BSG salon business consultants (SBC) include 191 sales consultants employed by our franchisees at March 31, 2026 and 2025.

Three Months Ended March 31,

Six Months Ended March 31,

	Three Months Ended March 31,			Six Months Ended March 31,		
	2026	2025	Basis Point Change	2026	2025	Basis Point Change
Comparable sales growth (decline):						
Sally	2.5%	(0.3)%	280	1.3%	0.8%	50
BSG	(0.3)%	(2.7)%	240	(0.2)%	(0.6)%	40
Consolidated	1.3%	(1.3)%	260	0.6%	0.2%	40

Our comparable sales include sales from stores that have been operating for 14 months or longer as of the last day of a month and e-commerce revenue. Additionally, our comparable sales include sales to franchisees and full-service sales. Our comparable sales amounts exclude the effect of changes in foreign exchange rates and sales from stores relocated until 14 months after the relocation. Revenue from acquired stores is excluded from our comparable sales calculation until 14 months after the acquisition.

View source version on businesswire.com: <https://www.businesswire.com/news/home/20260511500718/en/>

Jeff Harkins

Investor Relations

940-297-4131

[jharkins@sallybeauty.com](mailto:jharkins@sallybeauty.com)

Source: Sally Beauty Holdings, Inc.