

Edgar Filing: ALBERTO CULVER CO - Form 425

ALBERTO CULVER CO
Form 425
September 12, 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: Alberto-Culver Company

(Commission File No. 1-5050)

2

2

Howard B. Bernick
Howard B. Bernick
President and CEO,
President and CEO,
Alberto-Culver Company

Alberto-Culver Company

3
3
Forward Looking Statements
Forward Looking Statements
This
presentation
contains

forward-looking
statements
within
the
meaning
of
the
Private
Securities
Litigation
Reform
Act
of
1995.
Such
statements
are
based
upon
the
current
beliefs
and
expectations
of
Alberto-Culver's
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:
risks
inherent
in
acquisitions,
divestitures
and
strategic
alliances;
the
pattern
of
brand
sales;
loss
of
distributorship
rights;
competition
within
the
relevant
product
markets;
loss
of
one
or
more
key
employees;
sales
by
unauthorized
distributors

in
Alberto-Culver
Company's
exclusive
markets;
the
effects
of
a
prolonged
United
States
or
global
economic
downturn
or
recession;
changes
in
costs;
the
cost
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,
interest
rates,
tax
changes,
legal
and
regulatory
changes
or
other
external
factors
over
which
Alberto-Culver
has
no
control.
These
forward-looking
statements
speak
only
as
of
the
date
of
this
presentation,
and
there
is
no
undertaking
to
update
or
revise
them
as
more
information
becomes
available.
Additional
factors
that
could

cause
Alberto-Culver's
results
to
differ
materially
from
those
described
in
the
forward-looking
statements
can
be
found
in
the
Company's
2005
Annual
Report
on
Form
10-
K,
the
Current
Report
on
Form
8-K,
dated
June
20,
2006,
and
the
Current
Report
on
Form
8-K
dated
June
22,
2006,
filed
with
the

SEC
and
available
at
the
SEC's
internet
site
(<http://www.sec.gov>).

4
4
Pending Separation
Pending Separation

5
5
\$1.4 Billion+
\$895 Million+
DISTRIBUTION
Alberto-Culver Company
Alberto-Culver Company

\$1.3 Billion+
CONSUMER PRODUCTS

6
6
Consistent Revenue Growth
Consistent Revenue Growth
(\$ in millions)
\$822
\$3,531

7

7

Consistent EPS Growth
Consistent EPS Growth
(Diluted EPS)

\$0.35

One Time Gains

(\$ per share)

* Before Non-Core Items

\$2.37*

8

8

Alberto-Culver

Alberto-Culver

FY 06 Nine Months / 3Q Results

FY 06 Nine Months / 3Q Results

6.4%

6.0%
15.2%
15.0%
15.6%
16.4%
19.5%
20.2%
0.0%
5.0%
10.0%
15.0%
20.0%
25.0%
30.0%
35.0%
40.0%

Sales

Diluted EPS*

Net Earnings*

Advertising

Nine Months

Third Quarter

Change vs. Prior Year

*Excluding non-core items.

9
9
1991
1993
1995
1997
1999

2001

2003

2005

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

(\$ per share)

\$0.07

\$0.52

Continuous Dividend Increases

Continuous Dividend Increases

10

10

Reasons for the Split

Reasons for the Split

Channel Conflicts

Channel Conflicts

11

11

Metrics of Split

Metrics of Split

ACV Shareholders will own

ACV Shareholders will own

approximately 52.5% of the new

approximately 52.5% of the new
Sally/BSG
Sally/BSG
Clayton, Dubilier & Rice will Invest
Clayton, Dubilier & Rice will Invest
\$575 Million to Obtain a 47.5% Equity
\$575 Million to Obtain a 47.5% Equity
Stake in Sally/BSG
Stake in Sally/BSG
Transaction Implies Sally Enterprise
Transaction Implies Sally Enterprise
Value, Including \$1.85 Billion of New
Value, Including \$1.85 Billion of New
Sally Debt, of Approximately \$3.0
Sally Debt, of Approximately \$3.0
Billion
Billion
Sally/BSG will be a \$2.4 Billion
Sally/BSG will be a \$2.4 Billion
Company Generating Nearly \$300
Company Generating Nearly \$300
Million in EBITDA
Million in EBITDA

12
12
ACV Holders Receive
ACV Holders Receive
New Share of
Consumer Products
(100% Ownership)

New Share of
Sally/BSG
(52.5% Ownership)
\$25 Cash

13
13
Gary Winterhalter
Gary Winterhalter
President,
President,
Sally Beauty Company, Inc.

Sally Beauty Company, Inc.

14
14
FY 2005 Sales (millions)
\$2,254
6/30/06
Employees
+18,000

Stores

3,318

Distributor Sales Consultants

+1,200

Beauty Supply Distribution

Beauty Supply Distribution

15

15

Future Opportunities

Future Opportunities

Accelerated Store Openings

Accelerated Store Openings

Geographic Expansion

Geographic Expansion

Acquisitions

Acquisitions

Stepped-up Advertising Campaign

Stepped-up Advertising Campaign

16
16
V. James Marino
V. James Marino
President,
President,
Alberto-Culver Consumer Products Worldwide

Alberto-Culver Consumer Products Worldwide

17

17

Flexible Balance Sheet:

Flexible Balance Sheet:

New Alberto-Culver

New Alberto-Culver

14.6%

37.1%

44.4%

52.5%

54.0%

72.2%

82.1%

87.3%

0.0%

20.0%

40.0%

60.0%

80.0%

100.0%

ACV

CENT

CHD

CHTT

PBH

SPC

PYX

ENR

Net Cash of

Net Cash of

Approximately \$50 Million

Approximately \$50 Million

Strong Cash Flows

Strong Cash Flows

Cash on Hand and

Cash on Hand and

Borrowing Power to:

Borrowing Power to:

Pursue Strategic

Acquisitions

Invest in the Business

Pay Dividends

Share Repurchases

Total Debt / Total Capitalization (1)

(1) Latest SEC 10-Q Filing. ACV is Pro-forma (post separation of Consumer and Sally/BSG).

18

18

Future Goals

Future Goals

Mid to High Single Digit Sales Growth

Mid to High Single Digit Sales Growth

Complemented by Strategic Acquisitions

Complemented by Strategic Acquisitions

Gradual Margin Expansion

Gradual Margin Expansion

19
19
We believe
We believe
Companies don't succeed,
Companies don't succeed,
People Do.

People Do.

We believe

We believe

Our success for another 50 years

Our success for another 50 years

can only come from innovative,

can only come from innovative,

values-driven team players.

values-driven team players.

20
20