

Sally Beauty Holdings, Inc.  
 Form 4  
 November 28, 2006

**FORM 4** UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
 Washington, D.C. 20549

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
 Lowery Bennie

2. Issuer Name and Ticker or Trading Symbol  
 Sally Beauty Holdings, Inc. [SBH]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
 C/O SALLY BEAUTY HOLDINGS, INC., 3001 COLORADO BOULEVARD

3. Date of Earliest Transaction (Month/Day/Year)  
 11/24/2006

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
 SVP, Manager Beauty Sys. Gp

(Street)  
 DENTON, TX 76210

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

(City) (State) (Zip)

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)		
				(A) or (D)	Code	V	Amount	(D)	Price

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

1. Title of Derivative	2. Conversion	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if	4. Transaction	5. Number of Derivative	6. Date Exercisable and Expiration Date	7. Title and Amount of Underlying Securities
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Security (Instr. 3)	or Exercise Price of Derivative Security	any (Month/Day/Year)	Code (Instr. 8)	Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	(Month/Day/Year)	(Instr. 3 and 4)				
			Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee Stock Option (right to buy)	\$ 2	11/24/2006	A		26,397		<u>(1)</u>	09/30/2012	Common Stock	26,397
Employee Stock Option (right to buy)	\$ 2	11/24/2006	A		24,449		<u>(1)</u>	09/30/2013	Common Stock	24,449
Employee Stock Option (right to buy)	\$ 2	11/24/2006	A		19,194		<u>(1)</u>	09/30/2014	Common Stock	19,194
Employee Stock Option (right to buy)	\$ 2	11/24/2006	A		18,284		<u>(1)</u>	09/30/2015	Common Stock	18,284
Employee Stock Option (right to buy)	\$ 2	11/24/2006	A		32,940		<u>(1)</u>	09/30/2011	Common Stock	32,940

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Lowery Bennie C/O SALLY BEAUTY HOLDINGS, INC. 3001 COLORADO BOULEVARD DENTON, TX 76210			SVP, Manager Beauty Sys. Gp	

## Signatures

Matthew Haltom, Attorney-in-fact for Mr.  
Lowery

11/28/2006

\_\_Signature of Reporting Person

Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) This option is currently exercisable in full.

Pursuant to the Employee Matters Agreement dated June 19, 2006, as amended, by the Issuer, Alberto-Culver Company ("Old Alberto")

(2) and certain of its subsidiaries, and to the stock option plan under which it was granted, the exercise price and number of shares subject to this option were adjusted to reflect the effects of the spin-off of Alberto-Culver Company ("New Alberto").

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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