

Regis Announces Sale of 121 SmartStyle Salons to Yellowhammer Salon Group

MINNEAPOLIS - Regis Corporation (NYSE: RGS), a leader in the haircare industry, whose primary business is franchising, owning, and operating hair salons, today announced the sale of 121 salons to the Yellowhammer Salon Group.

Browning Thornton, CEO of the newly formed Yellowhammer Salon Group, is a former Apache Helicopter pilot and Company Commander in the US Army. He became a Regis franchisee in 2016. Yellowhammer now operates 136 salons across the south. The Yellowhammer portfolio is located in Florida, Louisiana, Alabama, Tennessee, North Carolina, South Carolina and Mississippi.

"We are pleased to see the expansion of our relationship with Browning and the Yellowhammer Salon Group. Browning's impressive background of military leadership, paired with his experience as a franchisee, give us confidence that together we can grow and strengthen our SmartStyle brand," commented Eric Bakken, Executive Vice President, President - Franchise of Regis Corporation. Browning Thornton, CEO of Yellowhammer, added "Our company mission is to build life enhancing relationships with employees, guests and communities. We look forward to partnering with Regis to make this come to life."

Hugh Sawyer, President and CEO of Regis Corporation commented: "Expanding relationships with strong franchisees, like Browning and the Yellowhammer Group, are enabling us to execute our multi-year strategic transformation to an asset-light franchise portfolio that will believe will prove to be in the best long-term interests of our shareholders."

The Yellowhammer salons join more than 2,000 SmartStyles across the United States and Canada. SmartStyle, located inside Walmart Supercenters, is designed to conveniently serve the busy, value-conscious shopper. With a full line of professional haircare products, quick, convenient, no appointment services, SmartStyle is a full-service hair salon that satisfies the entire family's haircare needs. For more information, visit SmartStyle.com.

About Regis Corporation

Regis Corporation (NYSE:RGS) is a leader in beauty salons and cosmetology education. As of September 30, 2019, the Company franchised, owned or held ownership interests in 7,092 worldwide locations. Regis' franchised and corporate locations operate under concepts such as Supercuts®, SmartStyle®, Cost Cutters®, Roosters® and First Choice Haircutters®. Regis maintains an ownership interest in Empire Education Group in the U.S. For additional information about the Company, including a reconciliation of certain non-GAAP financial information and certain supplemental financial information, please visit the Investor Information section of the corporate website at www.regiscorp.com.

About Yellowhammer Salon Group

Yellowhammer Salon Group is a multi-unit franchise operating company. Yellowhammer is focused on building quality relationships with stylists that help guests to look and feel great at an affordable price. Yellowhammer is based out of Birmingham, AL and operates in eight Southeastern states. For more information visit <https://www.yellowhammersg.com/>

Safe Harbor Statement

This press release contains or may contain "forward-looking statements" within the meaning of the federal securities laws, including statements concerning anticipated future events and expectations that are not historical facts. These forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. The forward-looking statements in this document reflect management's best judgment at the time they are made, but all such statements are subject to numerous risks and uncertainties, which could cause actual results to differ materially from those expressed in or implied by the statements herein. Such forward-looking statements are often identified herein by use of words including, but not limited to, "may," "believe," "project," "forecast," "expect," "estimate," "anticipate," and "plan." In addition, the following factors could affect the Company's actual results and cause such results to differ materially from those expressed in forward-looking statements. These factors include the continued ability of the Company to implement its strategy, priorities and initiatives; our and our franchisee's ability to attract, train and retain talented stylists; financial performance of our franchisees; acceleration of sale of salons to franchisees; if our capital investments in improving technology do not achieve appropriate returns; our ability to manage cyber threats and protect the security of potentially sensitive information about our guests, employees, vendors or Company information; The Beautiful Group's inability to operate its salons successfully, as well as maintain adequate working capital; the ability of the Company to maintain a satisfactory relationship with Walmart; marketing efforts to drive traffic; changes in regulatory and statutory laws including increases in minimum wages; our ability to maintain and enhance the value of our brands; premature termination of agreements with our franchisees; reliance on information technology systems; reliance on external vendors; consumer shopping trends and changes in manufacturer distribution channels; competition within the personal hair care industry; changes in tax exposure; changes in healthcare; changes in interest rates and foreign currency exchange rates; failure to standardize operating processes across brands; financial performance of Empire Education Group; the continued ability of the Company to implement cost reduction initiatives; compliance with debt covenants; changes in economic conditions; changes in consumer tastes and fashion trends; exposure to uninsured or unidentified risks; reliance on our management team and other key personnel or other factors not listed above. Additional information concerning potential factors that could affect future financial results is set forth under Item 1A on Form 10-K. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. However, your attention is directed to any further disclosures made in our subsequent annual and periodic reports filed or furnished with the SEC on Forms 10-K, 10-Q and 8-K and Proxy Statements on Schedule 14A.

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