

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

(Last) (First) (Middle)

C/O SALLY BEAUTY HOLDINGS, INC., 3001 COLORADO BOULEVARD

(Street)

DENTON, TX 76210

(City) (State) (Zip)

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

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

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

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

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 Following 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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