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## **MERCANTI GROUP PROVIDES FAIRNESS OPINION TO EMPIRE BEAUTY SCHOOL, INC. REGARDING MERGER WITH BEAUTY SCHOOL OPERATIONS OF REGIS CORPORATION**

MINNEAPOLIS, MN, May 2, 2007 – The Mercanti Group announced today that it provided a fairness opinion to Empire Beauty School, Inc., of Pottsville, PA, one of the largest providers of beauty and cosmetology education in North America, in connection with its agreement to merge with 51 accredited cosmetology schools operated by Regis Corporation (NYSE: RGS), of Minneapolis, MN. As previously disclosed, the transaction is expected to be completed on July 1, 2007 and is subject to various regulatory and accreditation approvals.

The Mercanti Group, headquartered in Minneapolis, is an investment banking firm with additional offices in Los Angeles and New York City.

“We were very pleased to have had a role in this transaction,” said Jim D’Aquila, Managing Director of Mercanti. “These are two leading companies in the sector, and we have enjoyed working with the talented management team at Empire Beauty.”

Empire Beauty School, Inc., which was founded 70 years ago, currently operates 37 cosmetology schools with annual revenues of \$63 million. A global leader in the hair care industry, Regis upon completion of the transaction will own a 49 percent interest in Empire.

### **About The Mercanti Group**

The Mercanti Group is a results-oriented boutique financial advisory firm that embraces a fierce commitment to client service and provides creative Merger & Acquisition, Capital Raising and Strategic Advisory solutions to small and middle market companies, private equity firms and individual business owners in the consumer, health care, technology, business services and manufacturing industries. Mercanti offers companies the expertise and capabilities of a large investment bank with the focus, attention and energy of a small entrepreneurial firm. Mercanti has offices in Minneapolis, Los Angeles and New York. Mercanti also is strategically affiliated with Marquette Financial Companies, a diversified financial services company which is a part of the Pohlads family holdings. If you would like more information on The Mercanti Group, please visit the Web at [www.mercantigroup.com](http://www.mercantigroup.com), or contact a Mercanti professional at 612.333.0130 (Minneapolis); 310.444.0130 (Los Angeles); or 212.883.0130 (New York).

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