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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549**

**FORM 8-K**

**CURRENT REPORT  
Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): January 27, 2011**

**ULTA SALON, COSMETICS & FRAGRANCE, INC.**

(Exact Name of Registrant as Specified in its Charter)

**Delaware**  
(State or Other  
Jurisdiction  
of Incorporation)

**001-33764**  
(Commission  
File Number)

**36-3685240**  
(IRS Employer  
Identification No.)

**1000 Remington Blvd., Suite 120  
Bolingbrook, Illinois 60440**  
(Address of Principal Executive Offices)  
(Zip Code)

Registrant's telephone number, including area code: **(630) 410-4800**

**Not Applicable**  
(Former Name or Former Address, if Changed Since Last Report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 7.01. Regulation FD Disclosure.**

On January 27, 2011, Ulta Salon, Cosmetics & Fragrance, Inc. plans to conduct presentations to investors and security analysts. The presentation slides are attached to this report as Exhibit 99.1 and the information set forth therein is incorporated herein by reference.

The information contained in Item 7.01 of this Current Report on Form 8-K, including Exhibit 99.1, is being furnished to the Securities and Exchange Commission and shall not be deemed to be “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to liabilities of that Section, nor shall it be deemed to be incorporated by reference into any registration statement or other document filed pursuant to the Securities Act of 1933, as amended.

**Item 9.01. Financial Statements and Exhibits.****(d) Exhibits**

| <b>Exhibit No.</b> | <b>Description</b> |
|--------------------|--------------------|
| 99.1               | Slide Presentation |

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# SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: January 27, 2011

ULTA SALON, COSMETICS & FRAGRANCE, INC.  
By: /s/ Robert S. Guttman  
Robert S. Guttman  
Senior Vice President, General Counsel and Secretary

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EXHIBIT INDEX

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| 99.1               | Slide Presentation |



# Forward Looking Statements



This presentation contains "forward-looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934, or the Exchange Act, and the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, which reflect our current views with respect to, among other things, future events and financial performance. You can identify these forward-looking statements by the use of forward-looking words such as "outlook," "believes," "expects," "plans," "estimates," or other comparable words. Any forward-looking statements contained in this presentation are based upon our historical performance and on current plans, estimates and expectations. The inclusion of this forward-looking information should not be regarded as a representation by us or any other person that the future plans, estimates or expectations contemplated by us will be achieved. Such forward-looking statements are subject to various risks and uncertainties, which include, without limitation: the impact of weakness in the economy; changes in the overall level of consumer spending; changes in the wholesale cost of our products; the possibility that we may be unable to compete effectively in our highly competitive markets; the possibility that our continued opening of new stores could strain our resources and have a material adverse effect on our business and financial performance; the possibility that new store openings may be impacted by developer or co-tenant issues; the possibility that the capacity of our distribution and order fulfillment infrastructure may not be adequate to support our recent growth and expected future growth plans; the possibility of material disruptions to our information systems; weather conditions that could negatively impact sales; and other risk factors detailed in our public filings with the SEC. You are urged to carefully review the disclosures we make concerning the risks, uncertainties and assumptions that may affect our business and operating results, including, but not limited to, the risks, uncertainties and assumptions set forth in our most recent Annual Report on Form 10-K under the captions "Risk Factors," "Business," "Legal Proceedings" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" and any of those made in our Quarterly Reports on Form 10-Q and our other reports filed with the SEC. Please consider our forward-looking statements in light of those risks, uncertainties and assumptions as you evaluate this presentation.

Given these uncertainties, you should not place undue reliance on these forward-looking statements. Also, forward-looking statements represent our management's beliefs and assumptions only as of the date of the relevant document. We may not actually achieve the plans, intentions or expectations disclosed in our forward-looking statements. Actual results or events could differ materially from the plans, intentions and expectations disclosed in the forward-looking statements we make. We undertake no obligation to update any forward-looking statements after the date of this presentation, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws and regulations.

# Agenda for The Day



- Introduce Management Team
- Business Highlights and Strategy Overview
- Marketing Strategies Overview
- Real Estate Strategy Overview
- Store Tour – Current Prototype
- Distribution Center Tour
- Lunch and Wrap-Up
- Departure for Airport (1:30 PM)

# Experienced & Disciplined Management Team



| Name              | Title                    | Previous Experience                                     | Years of Retail /<br>Beauty Experience | Year Joined<br>ULTA |
|-------------------|--------------------------|---------------------------------------------------------|----------------------------------------|---------------------|
| Chuck Rubin       | President & CEO          | Office Depot, Accenture, Federated Stores               | 29                                     | 2010                |
| Gregg Bodnar      | CFO                      | Borders, Coopers & Lybrand                              | 18                                     | 2006                |
| Janet Taake       | SVP, Merchandising       | Babies "R" Us, Sears, Mervyn's/Target                   | 31                                     | 2008                |
| Kimberley Grayson | Chief Marketing Officer  | The Children's Place, Gap, Aerosoles,<br>Bloomingdale's | 28                                     | 2010                |
| Alex Lelli        | SVP, Growth & Dev.       | Borders, Fred Meijer, K-Mart                            | 28                                     | 2005                |
| Cindy Payne       | SVP, Store Operations    | David's Bridal, Casual Corner, Disney                   | 31                                     | 2010                |
| Pat Murphy        | VP, Supply Chain         | West Marine, Borders, Avon                              | 30                                     | 2008                |
| Erwin Winkler     | VP, Brand Identity       | JP Stevens/Ralph Lauren Home<br>Furnishings, Coach      | 21                                     | 2004                |
| Robert Guttman    | SVP, General Counsel     | Reynolds & Reynolds, Sears                              | 17                                     | 2007                |
| Christine Schultz | CIO                      | OfficeMax                                               | 7                                      | 2006                |
| Mary Bolyard      | SVP, Prestige Cosmetics  | Johnson & Johnson                                       | 26                                     | 2002                |
| Barbara Zamudio   | VP, Mass                 | Sears, K-Mart                                           | 13                                     | 2007                |
| Holly Schmidt     | VP, Fragrance & Skincare | Sears, Mercantile Stores                                | 22                                     | 2008                |
| Phil Horvath      | VP, Salon                | Calco Hair, Regis Corp.                                 | 21                                     | 1999                |
| David Southworth  | VP, E-Commerce           | Office Max, Sears                                       | 21                                     | 2007                |

# Why Invest in ULTA?



- Fast Growth Retailer with 39% Penetration into 1,000 Store Plan
- Proven Concept Growing Profitability at a 34% 5-Year Net Income CAGR<sup>(1)</sup>
- Strong Performance Through Economic Cycles with over 10 Consecutive Years of Positive Comp Store Sales
- Customers Continuing to Choose ULTA Shopping Experience, Driving Market Share Gains
- Talented, Experienced Team in Place to Continue to Deliver Strategies
- Strong Operating Cash Flow Enabling Self-Funded Growth
- Well Defined Growth Strategies Targeting 25-30% Annual Net Income Growth

<sup>(1)</sup> Calculated based on estimates using the mid-point of updated Q4 guidance provided on January 6, 2011.

# Large Addressable Beauty Market



**\$96 Billion U.S. Market**

**\$44 Billion  
Salon Services Market**

**\$52 Billion  
Beauty Products Market**



**ULTA is the ONLY Retailer That Offers Products and Services Across ALL Segments of the Beauty Market**

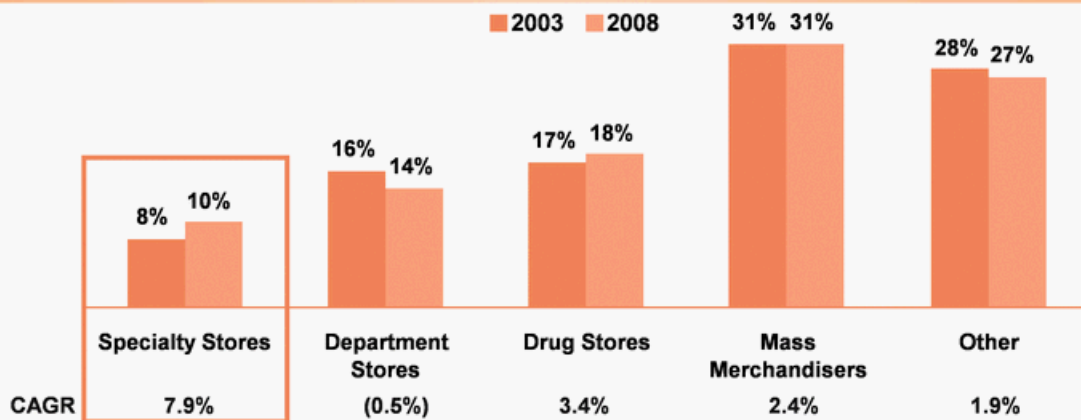
Source: 2009A data from Euromonitor (May 2010) and IBIS World (April 2010).  
<sup>(1)</sup> Other includes: oral care, bath and shower, deodorants and other toiletries.

# Shifting Beauty Consumer Buying Patterns Favor ULTA



- Consumers Continue to Demonstrate a Preference for the Specialty Store Experience vs. Department Stores
- Specialty Stores Displaying Fastest Channel Growth and Smallest Market Share
- Ulta Gaining Market Share

Beauty Sales by Channel



Source: Kline & Co. (Data excludes services), manufacturer sales by beauty channel.

# Demonstrated Track Record of Growth



Note: \$ in millions; ULTA's fiscal year ends January of the following year.

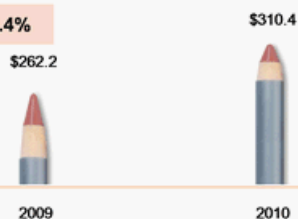
<sup>(1)</sup> Based on estimates using the mid-point of updated Q4 guidance provided on January 6, 2011.

# Strong Holiday Season Performance to Finish 2010



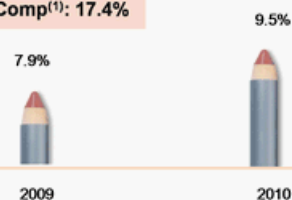
## Holiday Season – Revenue<sup>(3)</sup>

Growth: 18.4%



## Holiday Season – Comp<sup>(3)</sup>

Two Year Comp<sup>(1)</sup>: 17.4%



## Fourth Quarter Guidance (January 6, 2011)

- Net Sales: \$463 - \$467 million
- Comp Store Sales: 8% - 9%
- EPS: \$0.43 - \$0.44 (including \$0.01 non-recurring compensation charge)
- Adjusted EPS<sup>(2)</sup>: \$0.44 - \$0.45
- Q4 2009 EPS: \$0.34

## 2010 Full Year Highlights<sup>(4)</sup>

- Net Sales Growth: 18%
- Comp Store Sales Increase: 10.4%
- Opened 47 New Stores: 13% Growth
- Remodeled 13 Stores
- EPS Growth of 68% (including \$0.06 non-recurring compensation charge)
- Operating Margin Expansion of 240 bps to 8%

Note: \$ in millions, except per share data.

(1) 2-Yr Comp equals the 1-Yr Comp plus the prior year comparative period.

(2) Excludes non-recurring compensation charge of \$0.01 per share.

(3) Sales results for seven week holiday period beginning the week prior to Thanksgiving through the end of the week following Christmas

(4) Represents estimates calculated based on mid-point of updated Q4 guidance provided on January 6, 2011.

## Well Defined Growth Strategies



- Accelerate Pace of New Store Expansion – 1,000 Store Plan
- Continue Growth in New Products, Services and Brands
- Enhance Successful Loyalty Program
- Broaden Marketing Channels
- Increase Focus On ULTA.Com Growth



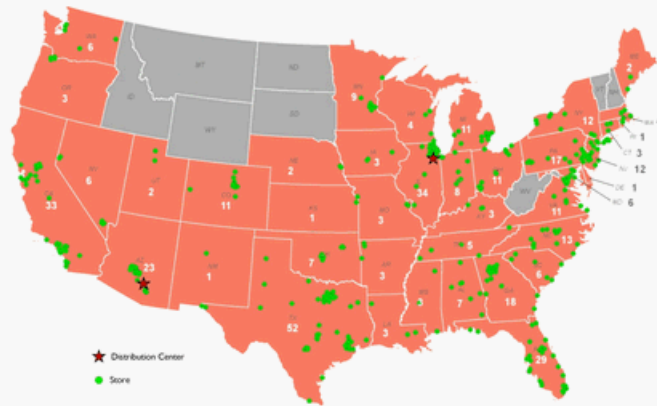
|                                              | <u>3-4 Yr. Target</u> |
|----------------------------------------------|-----------------------|
| <i>Annual Square Footage Growth:</i>         | 15% - 20%             |
| <i>Annual Comparable Store Sales Growth:</i> | 3% - 5%               |

# 1,000 Store Opportunity with Proven National Concept



- Suburban 10,000 sq. ft. Model
- Excludes Urban & Smaller Store Opportunities
- Excludes International
- Established Presence in Large Metro Markets
- Successful Single-Store Markets
- Seasoned Team, Disciplined and Successful Process
- Accelerate Pace of New Store Expansion
  - Increased Square Footage Growth to 13%, or 47 Stores, in 2010
  - Targeting 15% in 2011
  - Expect Long Term Square Footage Growth of 15% to 20%

389 Stores in 40 States

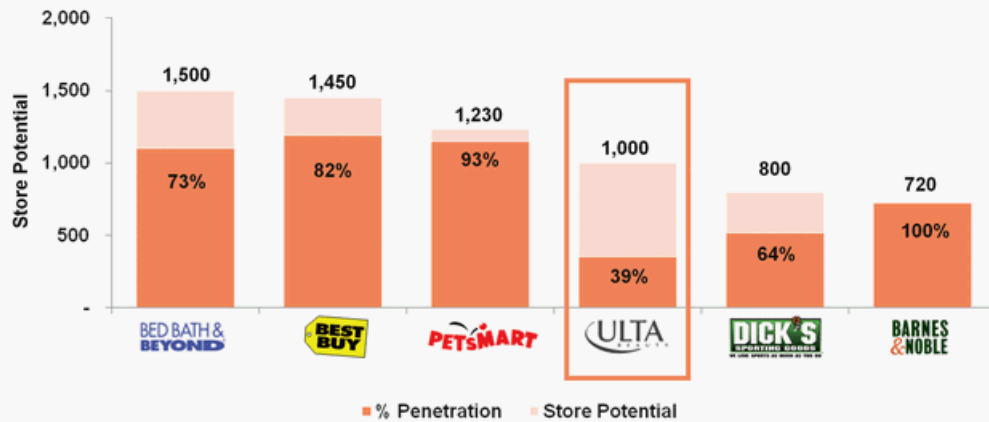


Note: Store data as of January 6, 2011.

# Potential for 1,000 Stores



- Early Phase of Store Expansion
- Analytically Derived Using Loyalty Data
- 1,000 Locations Identified That Meet Our Strict Criteria



Source: Public filings, company transcripts, and Wall Street research.

# Continue Growth in New Products, Services and Brands



- Category Lends to Continuous Product / Brand Innovation and Newness
- Salon Services Opportunity in a \$44 Billion Services Market

## Proven Ability to Add New Brands



## Pioneering Innovative In-Store "Brand Boutique"

Bare Escentuals



Benefit



Dermalogica



Philosophy



# Enhance Successful Loyalty Program



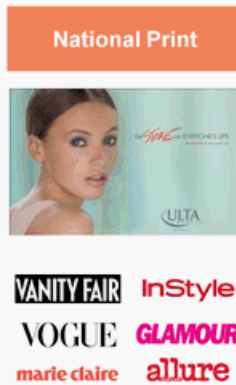
- Approximately Seven Million Plus Customer Loyalty Program Members
  - Represents Over 50% of Sales and Is Growing
  - Higher Shopping Frequency and Spend Than Non-Members
- In Process of Prudent Conversion to New Customer Preferred Program, "ULTAmate Rewards"
- Customer Can Redeem Points In-Store and Online for Cash Discounts on Purchases
- Provides a Robust Database of Customer Information and Shopping Behavior for CRM Applications
  - Provides Significant Opportunity for Segmentation Based on Customer Behaviors
  - Facilitates Tailored, One-On-One Marketing Initiatives to Customers
  - Long Term Opportunity



# Broaden Marketing Channels



- Primarily Have Utilized Direct Mail Advertising, Catalogues and Newspaper Inserts
- Attractive Opportunity to Continue to Evolve Into New Marketing Channels
- Customized One-on-One Marketing, Facilitated by Enhanced CRM Capabilities



# Increase Focus on Ulta.Com Growth



Digital Sales and Marketing has Tremendous Runway:

- Dual Purpose: Drive Online Revenue and Support Multi-Channel Business
- Extension of Marketing and Prospecting Strategies
- Enhanced Customer Engagement
- Expand E-Commerce Sales (Low Single Digit Penetration)

Increasing Focus on Investment in ULTA.Com Development:

- Delivery of Entertainment and Educational Functionality On Site
- Mobile Commerce
- Assortment Expansion

## Three to Four Year Financial Targets



Annual Square Footage Growth: 15% – 20%

Annual Comparable Store Sales Growth: 3% – 5%

Operating Margins: Low Double Digits

Annual Net Income Growth: 25% – 30%

Return on Equity: 20% - 22%

# Incremental Earnings Growth Through Margin Expansion



## Gross Margin

- Supply Chain Efficiencies – Automated Material Handling Technology and Equipment, Labor Management Tools and Network Design
- Merchandising Productivity Improvements – Demand Planning and Forecasting, Promotion/Management and Business Planning Tools
- Store Level Operating Leverage from Same Store Sales Growth

## SG&A

- Leverage Corporate Operations
  - Increased Use of Process Automation Technology
  - Expanding Store Base
- Marketing Program Leverage
  - Existing Print Media
  - More Efficient One-to-One Marketing
- Store Operations – Engineered Processes and Automation Technology

**Operating Margin Expansion:**  
**Annual Net Income Growth:**

**Estimate 2010**  
**8%<sup>(1)</sup>**



**3-4 Yr. Target**  
**Low Double Digit**  
**25% - 30%**

(1) Represents estimate calculated based on mid-point of updated Q4 guidance on January 6, 2011.

# Increasing Returns & Self-Funded Growth



## New Store Model Economics

- Proven Disciplined Investment Strategy for New Store Program
- Lower Up-Front Investment Costs
- Shorter Payback Period

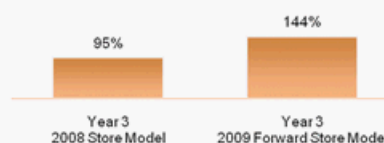
## Net Working Capital Efficiencies

- Reduced Average Inventory per Store by 12.9% in 2009 Without Impacting Customer Experience
- Projected 3% to 5% Average Inventory per Store Reduction in 2010
- Further Inventory Efficiencies Through Increasing Use of Technology

## Self-Funded Growth

- Debt-Free Balance Sheet
- Strong Cash Flow From Operations
- No Need for Additional Equity
- \$200M Credit Facility Through 2013

### Cumulative Cash-on-Cash Return<sup>(1)</sup>



### NWC as % of Net Sales



### Total Debt (\$ in millions)



### Return on Equity:

2009      3-4 Yr. Target  
15%      ➔ 20 - 22%

(1) Cumulative store level EBITDA divided by total new store investment.

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