

GNC ACQUISITION HOLDINGS INC.

Form S-1/A

February 10, 2011

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As filed with the Securities and Exchange Commission on February 10, 2011.

Registration Statement No. 333-169618

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

AMENDMENT NO. 2
TO
Form S-1
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

GNC Acquisition Holdings Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

5400
(Primary Standard Industrial
Classification Code Number)

20-8536244
(I.R.S. Employer
Identification Number)

300 Sixth Avenue
Pittsburgh, Pennsylvania 15222
(412) 288-4600

(Address, including zip code, and telephone number,
including area code, of registrant's principal executive offices)

Gerald J. Stubenhofer, Jr.
Senior Vice President, Chief Legal Officer and Secretary
GNC Acquisition Holdings Inc.
300 Sixth Avenue
Pittsburgh, Pennsylvania 15222

(412) 288-4600

(Name, address, including zip code, and telephone number, including area code, of agent for service)

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Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date of this registration statement.

If the securities being registered on this Form are being offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definitions of "large accelerated filer", "accelerated filer", and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company
(Do not check if a smaller reporting company)

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until this registration statement shall become effective on such date as the Commission, acting pursuant to Section 8(a), may determine.

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The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

Subject to Completion, Dated February 10, 2011

PROSPECTUS

Shares

GNC Holdings, Inc.

Class A Common Stock

This is an initial public offering of Class A common stock of GNC Holdings, Inc. (formerly GNC Acquisition Holdings Inc.).

We are selling _____ shares and _____ shares are being sold by certain of our stockholders, some of whom are our affiliates. We will not receive any proceeds from the sale of our Class A common stock by the selling stockholders.

No public market currently exists for our Class A common stock. We will apply to list our Class A common stock on the New York Stock Exchange under the symbol "GNC". We anticipate that the initial public offering price of our Class A common stock will be between \$ _____ and \$ _____ per share.

Investing in our Class A common stock involves risk. See "Risk Factors" beginning on page 14 of this prospectus.

	Per Share	Total
Public offering price	\$ _____	\$ _____
Underwriting discount and commissions	\$ _____	\$ _____
Proceeds, before expenses, to GNC Holdings, Inc.	\$ _____	\$ _____
Proceeds, before expenses, to the selling stockholders	\$ _____	\$ _____

The selling stockholders have granted the underwriters a 30-day option to purchase up to _____ additional shares of Class A common stock at the public offering price, less the underwriting discount. We will not receive any proceeds from the exercise of the option to purchase additional shares.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

Delivery of the shares of Class A common stock will be made on or about _____, 2011.

**Goldman, Sachs & Co.
Deutsche Bank Securities**

**J.P. Morgan
Morgan Stanley**

The date of this prospectus is _____, 2011.

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PROSPECTUS SUMMARY

This summary highlights the information contained in this prospectus. Because this is only a summary, it does not contain all of the information that may be important to you. For a more complete understanding of the information that you may consider important in making your investment decision, we encourage you to read this entire prospectus. Before making an investment decision, you should carefully consider the information under the heading "Risk Factors" and our consolidated financial statements and their notes in this prospectus. Prior to the consummation of this offering, GNC Acquisition Holdings Inc. will be renamed GNC Holdings, Inc. Unless the context requires otherwise, "we", "us", "our", and "GNC" refer to GNC Holdings, Inc. and its subsidiaries and, for periods prior to March 16, 2007, our predecessor. See "Business Corporate History". References to "our stores" refer to our company-owned stores and our franchise stores. References to "our locations" refer to our stores and our "store-within-a-store" locations at Rite Aid.

Our Company

Based on our worldwide network of more than 7,100 locations and our GNC.com website, we believe we are the leading global specialty retailer of health and wellness products, including vitamins, minerals and herbal supplements ("VMHS") products, sports nutrition products and diet products. Our diversified, multi-channel business model derives revenue from product sales through domestic company-owned retail stores, domestic and international franchise activities, third-party contract manufacturing, e-commerce and corporate partnerships. We believe that the strength of our GNC brand, which is distinctively associated with health and wellness, combined with our stores and website, give us broad access to consumers and uniquely position us to benefit from the favorable trends driving growth in the nutritional supplements industry and the broader health and wellness sector. Our broad and deep product mix, which is focused on high-margin, premium, value-added nutritional products, is sold under our GNC proprietary brands, including Mega Men®, Ultra Mega®, GNC WELLbeING®, Pro Performance® and Pro Performance® AMP, and under nationally recognized third-party brands.

Based on the information we compiled from the public securities filings of our primary competitors, our network of domestic retail locations is approximately twelve times larger than the next largest U.S. specialty retailer of nutritional supplements and provides a leading platform for our vendors to distribute their products to their target consumer. Our close relationship with our vendor partners has enabled us to negotiate first-to-market opportunities. In addition, our in-house product development capabilities enable us to offer our customers proprietary merchandise that can only be purchased through our locations or on our website. Since the nutritional supplement consumer often requires knowledgeable customer service, we also differentiate ourselves from mass and drug retailers with our well-trained sales associates who are aided by in-store technology. We believe that our expansive retail network, differentiated merchandise offering and quality customer service result in a unique shopping experience that is distinct from our competitors.

Recent Transformation of GNC

Beginning in 2006, we executed a series of strategic initiatives to enhance our existing business and growth profile. Specifically, we:

Assembled a world-class management team. We made key senior management upgrades with talented and seasoned executives who have significant retail, international and consumer packaged-goods expertise to complement the existing leadership of GNC and to establish a foundation for growth and innovation.

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Adopted a comprehensive approach to brand building and the retail experience. We have modernized GNC's brand image, product packaging and media campaigns, and enhanced the in-store shopping experience for our customers.

Increased focus on proprietary product development and innovation to drive growth in retail sales. We have increased revenue contribution from new product lines through a series of successful GNC-branded product launches (Vitapak®, Pro Performance® AMP and GNC WELLbeING®), as well as recent launches of preferred third-party product offerings.

Restaged e-commerce business. We executed an overall site redesign in September 2009 in an effort to increase traffic and conversion rates, while enhancing overall functionality of the site. We believe this redesign has positioned GNC.com to continue capturing market share within one of the fastest growing channels of distribution in the U.S. nutritional supplements industry.

Invested capital to support future growth. During 2008 and 2009, we upgraded our point-of-sale systems to improve retail business processes, customer data collection and associate training, and to enhance the customer experience. In 2008, we also invested in our Greenville, South Carolina manufacturing facility to add capacity with respect to our soft gelatin capsule production and vitamin production and enhanced our packaging capabilities.

Launched partnership programs designed to leverage GNC's brand strength. In 2010, we partnered with PepsiCo to support its launch of Gatorade G Series Pro and to develop a new brand of fortified coconut water called Phenom, which we expect to be available to consumers in 2011, and with PetSmart to launch an exclusive line of GNC-branded pet supplements.

Industry Overview

We operate within the large and growing U.S. nutritional supplements industry. According to Nutrition Business Journal's Supplement Business Report 2010, our industry generated \$26.9 billion in sales in 2009 and an estimated \$28.7 billion in 2010, and is projected to grow at an average annual rate of approximately 5.3% through 2015. Our industry is highly fragmented, and we believe this fragmentation provides large operators, like us, the ability to compete more effectively due to scale advantages.

We expect several key demographic, healthcare and lifestyle trends to drive the continued growth of our industry. These trends include:

increasing awareness of nutritional supplements across major age and lifestyle segments of the U.S. population; and

an increased focus on fitness and healthy living.

Competitive Strengths

We believe we are well-positioned to capitalize on favorable industry trends as a result of the following competitive strengths:

Highly-valued and iconic brand. According to a Beanstalk Marketing and LJS & Associates research study commissioned by us, we hold an 87% brand awareness rate with consumers, which we believe is significantly higher than our direct competitors. We believe our recently modernized brand image, communicated through enhanced advertising campaigns, in-store signage and product packaging, reinforces GNC's credibility as a leader in the industry. Our large customer base includes approximately 4.9 million active Gold Card

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members in the United States and Canada who account for over 50% of company-owned retail sales.

Commanding market position in an attractive and growing industry. With a global footprint of more than 7,100 locations in the United States and 45 international countries (including distribution centers where retail sales are made), and on GNC.com, we believe we are the leading global specialty retailer of health and wellness products.

Unique product offerings and robust innovation capabilities. Product innovation is critical to our growth, brand image superiority and competitive advantage. We have internal product development teams located in our corporate headquarters in Pittsburgh, Pennsylvania and our manufacturing facility in Greenville, South Carolina, which collaborate on the development and formulation of proprietary nutritional supplements with a focus on high growth categories. In 2009, we believe GNC-branded products generated more than \$800 million of retail sales across company-owned and domestic franchise stores, GNC.com and Rite Aid store-within-a-store locations. In addition, our strong vendor relationships and large retail footprint ensure our stores frequently benefit from preferred distribution rights on certain new third-party products.

Diversified business model. Our multi-channel approach is unlike many other specialty retailers as we derive revenues across a number of distribution channels, including retail sales from company-owned retail stores, retail sales from GNC.com, royalties, wholesale sales and fees from both domestic and international franchisees, revenue from third-party contract manufacturing and wholesale revenue and fees from our Rite Aid store-within-a-store locations. Our business is further diversified by our broad merchandise assortment.

Vertically integrated operations that underpin our business strategy. To support our company-owned and franchise global store base, we have developed sophisticated manufacturing, warehousing and distribution facilities. Our vertically integrated business model allows us to control the production and timing of new product introductions, control costs, maintain high standards of product quality, monitor delivery times, manage inventory levels and enhance profitability. In addition, combined with our broad retail footprint, this model enables us to respond quickly to changes in consumer preferences and maintain a high pace of product innovation.

Differentiated service model that fosters a "selling" culture and an exceptional customer experience. We believe we distinguish ourselves from mass and drug retailers with our well-trained sales associates, who offer educated service and trusted advice. We believe that our expansive retail network, differentiated merchandise offering and quality customer service result in a unique shopping experience.

World-class management team with a proven track record. Our highly experienced and talented management team has a unique combination of leadership and experience across the retail and consumer packaged-goods industries.

As a result of our competitive strengths, we have maintained consistent earnings growth through the recent economic cycle. The third quarter of 2010 marked the 21st consecutive quarter of positive domestic company-owned same store sales growth. This consistent growth in company-owned retail sales, the positive operating leverage generated by our retail operations, cost containment initiatives, as well as growth in our other channels of distribution, have allowed us to expand our EBITDA margin by 470 basis points since 2005.

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Our Growth Strategy

We plan to execute several strategies in the future to promote growth in revenue and operating income, and capture market share, including:

Growing company-owned domestic retail earnings. We believe growth in our domestic retail business will be supported by continued same store sales growth and positive operating leverage. The third quarter of 2010 marked our 21st consecutive quarter of positive domestic company-owned same store sales growth. We believe our continued positive same store sales growth will be supported by the forecasted industry growth, our brand building initiatives, future proprietary product introductions and potential improvements in mall traffic trends. Our existing store base and the supporting infrastructure provide us the ability to convert a high percentage of our incremental sales volume into operating income, providing the opportunity to further expand our company-owned retail operating income margin.

Growing domestic company-owned retail square footage. For 2011, we expect to grow domestic company-owned retail square footage by approximately 3% to 4%. Based upon our operating experience and research commissioned by us and conducted by The Buxton Company, a customer analytics research firm, we believe that (i) the expansion of our store base and roll out of new store formats will allow us to increase our market share as we enter new markets and grow within existing markets to increase our appeal to a wider range of consumers, and (ii) the U.S. market can support a significant number of additional GNC stores, with at least 4,500 total potential domestic company-owned and franchise stores (excluding Rite Aid store-within-a-store locations).

Growing our international footprint. Our international business has been a key driver of growth in recent years. We expect to continue capitalizing on international revenue growth opportunities through additions of franchise stores, direct investment in high growth markets and expansion of product distribution in both existing and new markets. For example, we believe China's nutritional supplement market represents significant growth opportunities and, in 2010, one of our subsidiaries commenced the process for product registrations and wholesale sales in China.

Expanding our e-commerce business. We believe GNC.com is positioned to continue capturing market share online, which represents one of the fastest growing channels of distribution in the U.S. nutritional supplements industry.

Further leveraging of the GNC brand. As with our Rite Aid partnership, we believe we have the opportunity to create incremental streams of revenue and grow our customer base by leveraging the GNC brand outside of our existing distribution channels through corporate partnerships. We expect these partnerships to include relationships with well-known national specialty retailers and club stores in addition to partnerships with leading consumer brand companies to sell our proprietary products.

The Sponsors

Currently, Ares Corporate Opportunities Fund II, L.P. ("Ares"), Ontario Teachers' Pension Plan Board ("OTPP") and members of management hold substantially all of our outstanding common stock. Ares and OTPP are collectively referred to in this prospectus as the "Sponsors". After giving effect to this offering, the Sponsors will hold _____ shares of our Class A common stock, representing approximately _____ % of our outstanding Class A common stock, and OTPP will hold _____ shares of our Class B common stock, representing 100% of our outstanding Class B common stock, and the Sponsors will have the power to control our affairs and policies, including

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with respect to the election of directors (and through the election of directors the appointment of management), the entering into of mergers, sales of substantially all of our assets and other significant transactions. The Class A common stock and Class B common stock vote together as a single class on all matters and are substantially identical in all respects, including with respect to voting, dividends and conversion, except that the Class B common stock does not entitle its holder to vote for the election or removal of directors. In addition, a holder of Class B common stock may, at any time, elect to convert shares of Class B common stock into an equal number of shares of Class A common stock or, under certain circumstances, convert shares of Class A common stock into an equal number of shares of Class B common stock.

All of our current directors were designated by the Sponsors and elected pursuant to the existing amended and restated stockholders agreement, which requires each of Ares and OTPP to vote all the shares of Class A common stock held by them in favor of the directors designated by each of them. Under a new stockholders agreement to be entered into among the Sponsors and us (the "New Stockholders Agreement"), effective upon completion of this offering, the Sponsors will have the right to nominate to our board of directors, subject to their election by our stockholders, for so long as the Sponsors collectively own more than 50% of the then outstanding shares of our common stock, the greater of up to nine directors and the number of directors comprising a majority of our board and, subject to certain exceptions, for so long as the Sponsors collectively own 50% or less of the then outstanding shares of our common stock, that number of directors (rounded up to the nearest whole number or, if such rounding would cause the Sponsors to have the right to elect a majority of our board of directors, rounded to the nearest whole number) that is the same percentage of the total number of directors comprising our board as the collective percentage of common stock owned by the Sponsors. Under the New Stockholders Agreement, each Sponsor will also agree to vote in favor of the other Sponsor's nominees. Because our board of directors will be divided into three staggered classes, the Sponsors may be able to influence or control our affairs and policies even after they cease to collectively own a majority of our then outstanding common stock during the period in which the Sponsors' designated directors finish their terms as members of our board. The New Stockholders Agreement will also provide that, so long as the Sponsors collectively own more than one-third of our outstanding common stock, certain significant corporate actions will require the approval of at least one of the Sponsors. See "Certain Relationships and Related Transactions – Stockholders Agreements".

Pursuant to the ACOF Management Services Agreement described under the heading "Certain Relationships and Related Transactions – ACOF Management Services Agreement", upon consummation of this offering, we intend to terminate the agreement by paying ACOF Operating Manager II, L.P. (an affiliate of Ares) a fee equal to the net present value of the aggregate annual management fee that would have been payable to ACOF Operating Manager II during the remainder of the term of the fee agreement. Pursuant to the obligations under our Class B common stock, as described under the heading "Certain Relationships and Related Transactions – Special Dividend", OTPP will receive, in lieu of quarterly special dividend payments that would have been payable during the remainder of the Special Dividend Period (as defined below), an automatic payment in the amount equal to the net present value of the aggregate annual special dividend amount that would have been payable to OTPP. We estimate that our aggregate payment to ACOF Operating Manager II and OTPP would have been \$ million and \$ million, respectively, had the offering occurred on .

In connection with the consummation of this offering, OTPP will convert shares of Class B common stock into an equal number of shares of Class A common stock. As a result of such conversion and after giving effect to this offering, OTPP will hold shares of our Class A common stock representing approximately % of our outstanding Class A common

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stock and will hold _____ shares of our Class B common stock representing 100% of our outstanding Class B common stock.

Together with our wholly owned subsidiary, GNC Acquisition Inc., we entered into an Agreement and Plan of Merger (the "Merger Agreement") with GNC Parent Corporation on February 8, 2007. Pursuant to the Merger Agreement and on March 16, 2007, GNC Acquisition Inc. was merged with and into GNC Parent Corporation, with GNC Parent Corporation as the surviving corporation and our wholly owned subsidiary (the "Merger"). In connection with the Merger, the Sponsors made equity contributions in GNC Parent Corporation in exchange for all of their shares of our common stock that they currently own.

Payments in Connection with This Offering

The table below sets forth information concerning the payments that will be made to the Sponsors and our directors and executive officers in connection with this offering.

	Payments in connection with redemption of Series A preferred stock	Payments in connection with the ACOF Management Services Agreement and the Special Dividend (in thousands)	Proceeds from the sale of Class A common stock
Directors and Executive Officers:			
Norman Axelrod			
Andrew Claerhout			
Thomas Dowd			
Carmen Fortino			
Joseph Fortunato			
Michael Hines			
Beth J. Kaplan			
David B. Kaplan			
Romeo Leemrijse			
Michael M. Nuzzo			
Brian Klos			
Gerald J. Stubenhofer			
Richard J. Wallace			
Sponsors:			
Ares			
OTPP			

Risks Related to Our Business and Strategy

Despite the competitive strengths described above, our ability to successfully operate our business is subject to numerous risks, including those that are generally associated with operating in the nutritional supplements industry. Any of the factors set forth under "Risk Factors" may limit our ability to successfully execute our business strategy. You should carefully consider all of the information set forth in this prospectus and, in particular, you should evaluate the specific factors set forth under "Risk Factors" in deciding whether to invest in our Class A common stock. Risks relating to our business and our ability to execute our business strategy include:

we may not effectively manage our growth;

we operate in a highly competitive industry and our failure to compete effectively could adversely affect our market share, revenues and growth prospects;

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unfavorable publicity or consumer perception of our products could adversely affect our reputation and the demand for our products;

if we do not introduce new products or make enhancements to meet the changing needs of our customers in a timely manner, some of our products could become obsolete;

our substantial debt could place us at a competitive disadvantage compared to our competitors that have less debt or that have greater capacity to service or refinance their debt;

we may not anticipate all of the challenges imposed by the expansion of our operations and, as a result, may not meet our targets for opening new stores, remodeling or relocating stores or expanding profitably; and

changes in our management team could adversely affect our business strategy and adversely impact our performance.

Corporate Information

We are a Delaware corporation. Our principal executive office is located at 300 Sixth Avenue, Pittsburgh, Pennsylvania 15222, and our telephone number is (412) 288-4600. We also maintain a website at GNC.com. The information contained on, or that can be accessed through, our website is not part of, and is not incorporated into, this prospectus. We own or have rights to trademarks or trade names that we use in conjunction with the operation of our business. Our service marks and trademarks include the GNC® name. Each trademark, trade name, or service mark of any other company appearing in this prospectus belongs to its holder. Use or display by us of other parties' trademarks, trade names, or service marks is not intended to and does not imply a relationship with, or endorsement or sponsorship by us of, the trademark, trade name, or service mark owner.

We have not authorized anyone to provide any information or make any representations other than the information and representations in this prospectus or any free writing prospectus that we have authorized to be delivered to you. We take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. This prospectus is not an offer to sell or a solicitation of an offer to buy shares in any jurisdiction where an offer or sale of shares would be unlawful. The information in this prospectus is complete and accurate only as of the date on the front cover regardless of the time of delivery of this prospectus or of any sale of shares of our Class A common stock.

Market & Industry Information

Throughout this prospectus, we use market data and industry forecasts and projections that were obtained from surveys and studies conducted by third parties, including the Nutrition Business Journal, Beanstalk Marketing and LJS & Associates, and The Buxton Company, and from publicly available industry and general publications. Although we believe that the sources are reliable, we have not independently verified the information contained therein. We note that estimates, in particular as they relate to general expectations concerning our industry, involve risks and uncertainties and are subject to change based on various factors, including those discussed under the heading "Risk Factors" in this prospectus.

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	The Offering
Class A common stock offered by us	shares
Class A common stock offered by the selling stockholders, some of whom are our affiliates	shares
Underwriters' option to purchase additional shares of Class A common stock from the selling stockholders in this offering	shares
Class A common stock outstanding after this offering	shares
Class B common stock outstanding after this offering	shares
Voting rights	Each share of our Class A common stock entitles its holder to one vote per share on all matters to be voted upon by our stockholders. Each share of our Class B common stock entitles its holder to one vote per share on all matters to be voted upon by our stockholders, except with respect to the election or removal of directors on which the holders of shares of our Class B common stock are not entitled to vote. As discussed above under " The Sponsors", Ares and OTPPP will be parties to the New Stockholders Agreement pursuant to which they will have the ability to initially appoint all of the directors to our board.
Conversion rights	The shares of Class A common stock are convertible into shares of Class B common stock, in whole or in part, at any time and from time to time at the option of the holder so long as such holder holds Class B common stock, on the basis of one share of Class B common stock for each share of Class A common stock that it wishes to convert. The shares of Class B common stock are convertible into shares of Class A common stock, in whole or in part, at any time and from time to time at the option of the holder, on the basis of one share of Class A common stock for each share of Class B common stock that it wishes to convert.

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Summary Consolidated Financial Data

The summary consolidated financial data presented below for the years ended December 31, 2009 and 2008 and for the period March 16 to December 31, 2007 (collectively, the "Successor Periods"), and for the period January 1, 2007 to March 15, 2007 (the "Predecessor Period") are derived from our audited consolidated financial statements and footnotes included in this prospectus. The summary consolidated financial data for the period from January 1, 2007 to March 15, 2007 represents the period during which GNC Parent Corporation was owned by an investment fund managed by Apollo Management V, L.P. ("Apollo").

The summary consolidated financial data presented below for the nine months ended September 30, 2009 and 2010 are derived from our unaudited consolidated financial statements and accompanying notes included in this prospectus and include, in the opinion of management, all adjustments, consisting only of normal recurring adjustments, for a fair statement of our financial position and operating results as of and for the nine months ended September 30, 2009 and 2010.

The summary consolidated financial data is presented on an actual basis for and as of the periods indicated and on an as adjusted basis giving effect to 1) the completion of this offering, 2) the application of the estimated net proceeds from this offering, as described under "Use of Proceeds", including the redemption of all outstanding shares of our Series A preferred stock immediately following completion of this offering, 3) prior to the consummation of this offering, the conversion of _____ shares of Class B common stock into _____ shares of Class A common stock, and 4) our use of cash on hand to satisfy our obligations under the ACOF Management Services Agreement and our Class B common stock (see "Certain Relationships and Related Transactions ACOF Management Services Agreement" and " Special Dividend").

Our results for interim periods are not necessarily indicative of our results for a full year of operations. The following summary consolidated financial data should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and footnotes included elsewhere in this prospectus.

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	Nine Months Ended September 30, 2010 (Unaudited)		Successor Year Ended December 31, 2009		Predecessor Year Ended March 31, 2008		Predecessor Year Ended March 15, 2007	
(dollars in millions, except share data and as noted)								
Statement of Income Data:								
Total revenues	\$ 1,386.4	\$ 1,303.1	\$ 1,707.0	\$ 1,656.7	\$ 1,223.0	\$ 329.8		
Gross profit	492.6	453.9	590.6	574.1	408.8	117.6		
Operating income (loss)	172.3	143.3	181.0	169.6	106.9	(19.2)		
Interest expense, net	49.2	53.0	69.9	83.0	75.5	72.8		
Net income (loss)	77.7	56.9	69.5	54.6	18.8	(70.4)		
Earnings (loss) per share(1):								
Basic	\$ 0.72	\$ 0.49	\$ 0.58	\$ 0.43	\$ 0.08	\$ (1.39)		
Diluted	\$ 0.70	\$ 0.49	\$ 0.58	\$ 0.43	\$ 0.08	\$ (1.39)		
Other Data:								
Net cash provided by (used in) operating activities	97.6	77.8	114.0	77.4	92.0	(67.5)		
Net cash used in investing activities	(21.2)	(22.0)	(42.2)	(60.4)	(1,672.2)	(6.2)		
Net cash provided by (used in) financing activities	(1.1)	(21.1)	(26.4)	(1.4)	1,598.7	58.7		
EBITDA(2)	206.1	177.9	227.7	212.1	136.9	(11.8)		
Capital expenditures(3)	21.0	20.4	28.7	48.7	28.9	5.7		
Number of Stores (at end of period):								
Company-owned stores(4)	2,871	2,806	2,832	2,774	2,745	2,699		
Franchise stores(4)	2,298	2,176	2,216	2,144	2,056	2,018		
Store-within-a-store franchise	1,983	1,814	1,869	1,712	1,358	1,266		

locations(4)						
Same Store Sales Growth:(5)						
Domestic company-owned, including web	5.5%	3.3%	2.8%	2.7%	1.7%	0.1%
Domestic franchise	3.2%	1.0%	0.9%	0.7%	(1.2)%	(4.1)%
Average revenue per domestic company-owned store (dollars in thousands)	\$ 341.2	\$ 327.7	\$ 422.4	\$ 418.1	\$ 316.9	\$ 93.3

	As Adjusted	
	Nine Months Ended September 30, 2010	Nine Months Ended September 30, 2009
	Year Ended December 31, 2009	
	(Unaudited)	

Income (loss) Per Share Basic & Diluted (in thousands):			
Net income (loss)			
Preferred stock dividends			

Net income available to common stockholders

Earnings (loss) per share:	
Basic	
Diluted	
Weighted average common shares outstanding (in thousands):	
Basic	
Diluted	

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As of
September 30, 2010
Actual As Adjusted
(Unaudited)
(Dollars in millions)

Balance Sheet Data:

Cash and cash equivalents	\$ 165.2
Working capital(6)	489.0
Total assets	2,407.2
Total current and non-current long-term debt	1,058.8
Preferred stock	213.0
Total stockholders' equity	815.2

(1) Includes impact of dividends on our Series A preferred stock.

(2) We define EBITDA as net income before interest expense (net), income tax expense, depreciation and amortization. Management uses EBITDA as a tool to measure operating performance of the business. EBITDA is not a measurement of our financial performance under U.S. GAAP and should not be considered as an alternative to net income, operating income, or any other performance measures derived in accordance with U.S. GAAP, or as an alternative to U.S. GAAP cash flow from operating activities, as a measure of our profitability or liquidity.

The following table reconciles EBITDA to net income (loss) as determined in accordance with GAAP for the periods indicated:

	Successor				Predecessor	
	Nine Months Ended September 30, 2010	Nine Months Ended September 30, 2009	Year Ended December 31, 2009	Year Ended December 31, 2008	March 16-December 31, 2007	January 1-March 15, 2007
	(Unaudited)					
	(dollars in millions)					
Net income (loss)	\$ 77.7	\$ 56.9	\$ 69.5	\$ 54.6	\$ 18.8	\$ (70.4)
Interest expense, net	49.2	53.0	69.9	83.0	75.5	72.8
Income tax expense (benefit)	45.4	33.4	41.6	32.0	12.6	(21.6)
Depreciation and amortization	33.8	34.6	46.7	42.5	30.0	7.4
EBITDA	\$ 206.1(a)	\$ 177.9(b)	\$ 227.7(b)	\$ 212.1(b)	\$ 136.9(b)	\$ (11.8)(c)

- (a) For the nine month period ended September 30, 2010, EBITDA includes the following expenses: \$4.1 million of start-up costs related to our partnerships with PetSmart and PepsiCo and our operations in China and \$1.1 million related to payments to the Sponsors under the management agreement and Class B common stock, which payments will cease following this offering.
- (b) For the nine month period ended September 30, 2009, the years ended December 31, 2009 and December 31, 2008, and the 2007 Successor Period, EBITDA includes \$1.1 million, \$1.5 million, \$1.5 million and \$1.2 million, respectively, related to payments to the Sponsors under the management agreement and Class B common stock, which payments will cease following this offering.
- (c) For the period January 1, 2007 to March 15, 2007, EBITDA includes \$34.6 million of Merger related costs and \$0.4 million related to payments to our prior sponsors for management fees.
- (3) Capital expenditures for the year ended December 31, 2008 includes approximately \$10.1 million incurred in conjunction with our store register upgrade program.

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(4)

The following table summarizes our locations for the periods indicated:

	Nine Months Ended		Successor		Predecessor	
	September 30, 2010	September 30, 2009	Year Ended December 31, 2009	Year Ended December 31, 2008	March 16-December 31, 2007	January 1-March 15, 2007
	(Unaudited)					
Company-Owned Stores						
Beginning of period	2,832	2,774	2,774	2,745	2,699	2,688
Store openings	57	27	45	71	64	18
Franchise conversions(a)	16	37	53	33	44	17
Store closings(b)	(34)	(32)	(40)	(75)	(62)	(24)
End of period balance	2,871	2,806	2,832	2,774	2,745	2,699
Franchise Stores						
Domestic						
Beginning of period	909	954	954	978	1,022	1,046
Store openings(b)	25	19	31	41	16	4
Store closings(c)	(37)	(54)	(76)	(65)	(60)	(28)
End of period balance	897	919	909	954	978	1,022
International						
Beginning of period	1,307	1,190	1,190	1,078	996	961
Store openings	165	104	187	198	115	44
Store closings	(71)	(37)	(70)	(86)	(33)	(9)
End of period balance	1,401	1,257	1,307	1,190	1,078	996
Store-within-a-Store (Rite Aid)						
Beginning of period	1,869	1,712	1,712	1,358	1,266	1,227
Store openings	127	122	177	401	101	39
Store closings	(13)	(20)	(20)	(47)	(9)	
End of period balance	1,983	1,814	1,869	1,712	1,358	1,266
Total stores	7,152	6,796	6,917	6,630	6,159	5,983

- (a) Stores that were acquired from franchisees and subsequently converted into company-owned stores.
- (b) Includes corporate store locations acquired by franchisees.
- (c) Includes franchise stores closed and acquired by us.
- (5) Same store sales growth reflects the percentage change in same store sales in the period presented compared to the prior year period. Same store sales are calculated on a daily basis for each store and exclude the net sales of a store for any period if the store was not open during the same period of the prior year. Beginning in the first quarter of 2006, we also included our internet sales, as generated through www.GNC.com and www.drugstore.com, in our domestic company-owned same store sales calculation. When a store's square footage has been changed as a result of reconfiguration or relocation in the same mall or shopping center, the store continues to be treated as a same store. If, during the period presented, a store was closed, relocated to a different mall or shopping center, or converted to a franchise store or a company-owned store, sales from that store up to and including the closing day or the day immediately preceding the relocation or conversion are included as same store sales as long as the store was open during the same period of the prior year. We exclude from the calculation sales during the period presented that occurred on or after the date of relocation to a different mall or shopping center or the date of a conversion.
- (6) Working capital represents current assets less current liabilities.

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RISK FACTORS

You should carefully consider the risks described below and all other information contained in this prospectus before making an investment decision. If any of the following risks actually occur, our business, financial condition and results of operations could be materially and adversely affected. In that event, the trading price of our Class A common stock could decline, and you may lose part or all of your investment.

Risks Relating to Our Business and Industry

We may not effectively manage our growth, which could materially harm our business.

We expect that our business will continue to grow, which may place a significant strain on our management, personnel, systems and resources. We must continue to improve our operational and financial systems and managerial controls and procedures, and we will need to continue to expand, train and manage our technology and workforce. We must also maintain close coordination among our technology, compliance, accounting, finance, marketing and sales organizations. We cannot assure you that we will manage our growth effectively. If we fail to do so, our business could be materially harmed.

Our continued growth will require an increased investment by us in technology, facilities, personnel, and financial and management systems and controls. It also will require expansion of our procedures for monitoring and assuring our compliance with applicable regulations, and we will need to integrate, train and manage a growing employee base. The expansion of our existing businesses, any expansion into new businesses and the resulting growth of our employee base will increase our need for internal audit and monitoring processes that are more extensive and broader in scope than those we have historically required. We may not be successful in identifying or implementing all of the processes that are necessary. Further, unless our growth results in an increase in our revenues that is proportionate to the increase in our costs associated with this growth, our operating margins and profitability will be adversely affected.

We operate in a highly competitive industry. Our failure to compete effectively could adversely affect our market share, revenues, and growth prospects.

The U.S. nutritional supplements retail industry is large and highly fragmented. Participants include specialty retailers, supermarkets, drugstores, mass merchants, multi-level marketing organizations, on-line merchants, mail-order companies and a variety of other smaller participants. We believe that the market is also highly sensitive to the introduction of new products, which may rapidly capture a significant share of the market. In the United States, we also compete for sales with heavily advertised national brands manufactured by large pharmaceutical and food companies, as well as other retailers. In addition, as some products become more mainstream, we experience increased price competition for those products as more participants enter the market. Our international competitors include large international pharmacy chains, major international supermarket chains, and other large U.S.-based companies with international operations. Our wholesale and manufacturing operations compete with other wholesalers and manufacturers of third-party nutritional supplements. We may not be able to compete effectively and our attempt to do so may require us to reduce our prices, which may result in lower margins. Failure to effectively compete could adversely affect our market share, revenues, and growth prospects.

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Unfavorable publicity or consumer perception of our products and any similar products distributed by other companies could cause fluctuations in our operating results and could have a material adverse effect on our reputation, the demand for our products, and our ability to generate revenues.

We are highly dependent upon consumer perception of the safety and quality of our products, as well as similar products distributed by other companies. Consumer perception of products can be significantly influenced by scientific research or findings, national media attention, and other publicity about product use. A product may be received favorably, resulting in high sales associated with that product that may not be sustainable as consumer preferences change. Future scientific research or publicity could be unfavorable to our industry or any of our particular products and may not be consistent with earlier favorable research or publicity. A future research report or publicity that is perceived by our consumers as less favorable or that questions earlier research or publicity could have a material adverse effect on our ability to generate revenues. For example, sales of some of our products, such as those containing ephedra, were initially strong, but decreased as a result of negative publicity and an ultimate ban of such products by the Food and Drug Administration (the "FDA"). As such, period-to-period comparisons of our results should not be relied upon as a measure of our future performance. Adverse publicity in the form of published scientific research or otherwise, whether or not accurate, that associates consumption of our products or any other similar products with illness or other adverse effects, that questions the benefits of our or similar products, or that claims that such products are ineffective could have a material adverse effect on our reputation, the demand for our products, and our ability to generate revenues.

Our failure to appropriately respond to changing consumer preferences and demand for new products could significantly harm our customer relationships and product sales.

Our business is particularly subject to changing consumer trends and preferences. Our continued success depends in part on our ability to anticipate and respond to these changes, and we may not be able to respond in a timely or commercially appropriate manner to these changes. If we are unable to do so, our customer relationships and product sales could be harmed significantly.

Furthermore, the nutritional supplements industry is characterized by rapid and frequent changes in demand for products and new product introductions. Our failure to accurately predict these trends could negatively impact consumer opinion of our stores as a source for the latest products. This could harm our customer relationships and cause losses to our market share. The success of our new product offerings depends upon a number of factors, including our ability to accurately anticipate customer needs; innovate and develop new products; successfully commercialize new products in a timely manner; price our products competitively; manufacture and deliver our products in sufficient volumes and in a timely manner; and differentiate our product offerings from those of our competitors.

If we do not introduce new products or make enhancements to meet the changing needs of our customers in a timely manner, some of our products could become obsolete, which could have a material adverse effect on our revenues and operating results.

Our substantial debt could adversely affect our results of operations and financial condition and otherwise adversely impact our operating income and growth prospects.

As of September 30, 2010, our total consolidated long-term debt (including current portion) was approximately \$1,058.8 million, and we had an additional \$44.7 million available under the \$60.0 million senior revolving credit facility (the "Revolving Credit Facility") of General Nutrition

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Centers, Inc. ("Centers") after giving effect to \$9.0 million utilized to secure letters of credit and a \$6.3 million commitment from subsidiaries of Lehman Brothers Holdings Inc. (collectively, "Lehman"). In September 2008, Lehman filed for bankruptcy and we do not expect that Lehman will fund its pro rata share of the borrowing as required under the facility. If other financial institutions that have extended credit commitments to us are adversely affected by the condition of the U.S. and international capital markets, they may become unable to fund borrowings under the Revolving Credit Facility, which could have a material and adverse impact on our financial condition and our ability to borrow additional funds, if needed, for working capital, capital expenditures, acquisitions, and other corporate purposes.

All of the debt under our senior credit facility, consisting of a \$675.0 million term loan facility (the "Term Loan Facility") and the Revolving Credit Facility (together with the Term Loan Facility, the "Senior Credit Facility"), bears interest at variable rates. Our unhedged debt is subject to additional interest expense if these rates increase significantly, which could also reduce our ability to borrow additional funds.

Our substantial debt could have material consequences on our financial condition. For example, it could:

make it more difficult for us to satisfy our obligations with respect to the Senior Floating Rate Toggle Notes due 2014 (the "Senior Notes") and the 10.75% Senior Subordinated Notes due 2015 (the "Senior Subordinated Notes");

increase our vulnerability to general adverse economic and industry conditions;

require us to use all or a large portion of our cash flow from operations to pay principal and interest on our debt, thereby reducing the availability of our cash flow to fund working capital, capital expenditures, and other business activities;

limit our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate;

restrict us from making strategic acquisitions or exploiting business opportunities;

place us at a competitive disadvantage compared to our competitors that have less debt; and

limit our ability to borrow additional funds or pay cash dividends.

For additional information regarding the interest rates and maturity dates of our existing debt, see "Management's Discussion and Analysis of Financial Condition and Results of Operations - Liquidity and Capital Resources".

We and our subsidiaries may be able to incur additional debt in the future, including collateralized debt. Although the Senior Credit Facility and the indentures governing the Senior Notes and the Senior Subordinated Notes contain restrictions on the incurrence of additional debt, these restrictions are subject to a number of qualifications and exceptions. If additional debt is added to our current level of debt, the risks described above would increase.

Centers has announced that it intends to enter into, subject to market and other conditions, a financing transaction with certain lenders. Centers currently expects to use the proceeds from the transaction, if consummated, to, among other things, refinance its existing indebtedness. There can be no assurance that Centers will complete any such refinancing on terms acceptable to it or at all. Centers' inability to complete this refinancing or to complete it on terms that we find favorable could increase the risks described above.

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Our ability to continue to access credit on the terms previously obtained for the funding of our operations and capital projects may be limited due to changes in credit markets.

In recent periods, the credit markets and the financial services industry have experienced disruption characterized by the bankruptcy, failure, collapse or sale of various financial institutions, increased volatility in securities prices, diminished liquidity and credit availability and intervention from the United States and other governments. Continued concerns about the systemic impact of potential long-term or widespread downturn, energy costs, geopolitical issues, the availability and cost of credit, the global commercial and residential real estate markets and related mortgage markets and reduced consumer confidence have contributed to increased market volatility. The cost and availability of credit has been and may continue to be adversely affected by these conditions. We cannot be certain that funding for our capital needs will be available from our existing financial institutions and the credit markets if needed, and if available, to the extent required, and on acceptable terms. The Revolving Credit Facility matures in March 2012. If we cannot renew or refinance this facility upon its maturity or, more generally, obtain funding when needed, in each case on acceptable terms, we may be unable to continue our current rate of growth and store expansion, which may have an adverse effect on our revenues and results of operations.

Centers has announced that it intends to enter into, subject to market and other conditions, a financing transaction with certain lenders. Centers currently expects to use the proceeds from the transaction, if consummated, to, among other things, refinance its existing indebtedness. There can be no assurance that Centers will complete any such refinancing on terms acceptable to it or at all.

We require a significant amount of cash to service our debt. Our ability to generate cash depends on many factors beyond our control and, as a result, we may not be able to make payments on our debt obligations.

We may be unable to generate sufficient cash flow from operations or to obtain future borrowings under our credit facilities or otherwise in an amount sufficient to enable us to pay our debt or to fund our other liquidity needs. In addition, because we conduct our operations through our operating subsidiaries, we depend on those entities for dividends and other payments to generate the funds necessary to meet our financial obligations, including payments on our debt. Under certain circumstances, legal and contractual restrictions, as well as the financial condition and operating requirements of our subsidiaries, may limit our ability to obtain cash from our subsidiaries. If we do not have sufficient liquidity, we may need to refinance or restructure all or a portion of our debt on or before maturity, sell assets, or borrow more money, which we may not be able to do on terms satisfactory to us or at all. In addition, any refinancing could be at higher interest rates and may require us to comply with more onerous covenants which could further restrict our business operations.

If we are unable to meet our obligations with respect to our debt, we could be forced to restructure or refinance our debt, seek equity financing, or sell assets. A default on any of our debt obligations could trigger certain acceleration clauses and cause those and our other obligations to become immediately due and payable. Upon an acceleration of any of our debt, we may not be able to make payments under our other outstanding debt.

Restrictions in the agreements governing our existing and future indebtedness may prevent us from taking actions that we believe would be in the best interest of our business.

The agreements governing our existing indebtedness contain and the agreements governing our future indebtedness will likely contain customary restrictions on us or our subsidiaries, including covenants that restrict us or our subsidiaries, as the case may be, from:

incurring additional indebtedness and issuing preferred stock;

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granting liens on our assets;

making investments;

consolidating or merging with, or acquiring, another business;

selling or otherwise disposing of our assets;

paying dividends and making other distributions to our stockholders;

entering into transactions with our affiliates; and

incurring capital expenditures in excess of limitations set within the agreement.

Our ability to comply with these covenants and other provisions of the Senior Credit Facility and the indentures governing the Senior Notes and the Senior Subordinated Notes may be affected by changes in our operating and financial performance, changes in general business and economic conditions, adverse regulatory developments, or other events beyond our control. The breach of any of these covenants could result in a default under our debt, which could cause those and other obligations to become immediately due and payable. In addition, these restrictions may prevent us from taking actions that we believe would be in the best interest of our business and may make it difficult for us to successfully execute our business strategy or effectively compete with companies that are not similarly restricted.

We depend on the services of key executives and changes in our management team could affect our business strategy and adversely impact our performance and results of operations.

Our senior executives are important to our success because they have been instrumental in setting our strategic direction, operating our business, identifying, recruiting and training key personnel, identifying opportunities and arranging necessary financing. Losing the services of any of these individuals could adversely affect our business until a suitable replacement is hired. We believe that our senior executives could not be replaced quickly with executives of equal experience and capabilities. We do not maintain key person life insurance policies on any of our executives.

If our risk management methods are not effective, our business, reputation and financial results may be adversely affected.

We have methods to identify, monitor and manage our risks; however, these methods may not be fully effective. Some of our risk management methods may depend upon evaluation of information regarding markets, customers or other matters that are publicly available or otherwise accessible by us. That information may not in all cases be accurate, complete, up-to-date or properly evaluated. If our methods are not fully effective or we are not successful in monitoring or evaluating the risks to which we are or may be exposed, our business, reputation, financial condition and operating results could be materially and adversely affected. In addition, our insurance policies may not provide adequate coverage.

Compliance with new and existing governmental regulations could increase our costs significantly and adversely affect our results of operations.

The processing, formulation, manufacturing, packaging, labeling, advertising, and distribution of our products are subject to federal laws and regulation by one or more federal agencies, including the FDA, the Federal Trade Commission (the "FTC"), the Consumer Product Safety Commission, the United States Department of Agriculture, and the Environmental Protection Agency. These activities are also regulated by various state, local, and international laws and agencies of the states and localities in which our products are sold. Government regulations may prevent or delay the introduction, or require the reformulation, of our products, which could result in

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lost revenues and increased costs to us. For instance, the FDA regulates, among other things, the composition, safety, labeling, and marketing of dietary supplements (including vitamins, minerals, herbs, and other dietary ingredients for human use). The FDA may not accept the evidence of safety for any new dietary ingredient that we may wish to market, may determine that a particular dietary supplement or ingredient presents an unacceptable health risk, and may determine that a particular claim or statement of nutritional value that we use to support the marketing of a dietary supplement is an impermissible drug claim, is not substantiated, or is an unauthorized version of a "health claim". See "Business Government Regulation Product Regulation" for additional information. Any of these actions could prevent us from marketing particular dietary supplement products or making certain claims or statements with respect to those products. The FDA could also require us to remove a particular product from the market. Any future recall or removal would result in additional costs to us, including lost revenues from any products that we are required to remove from the market, any of which could be material. Any product recalls or removals could also lead to liability, substantial costs, and reduced growth prospects.

Additional or more stringent regulations of dietary supplements and other products have been considered from time to time. These developments could require reformulation of some products to meet new standards, recalls or discontinuance of some products not able to be reformulated, additional record-keeping requirements, increased documentation of the properties of some products, additional or different labeling, additional scientific substantiation, adverse event reporting, or other new requirements. Any of these developments could increase our costs significantly. The FDA has announced that it plans to publish a guidance governing the notification of new dietary ingredients. Although FDA guidance is not mandatory, it is a strong indication of the FDA's current views on the topic discussed in the guidance, including its position on enforcement. Depending on its recommendations, particularly those relating to animal or human testing, such guidance could also raise our costs and negatively impact our business in several ways, including the potential that the FDA might seek to enjoin the manufacturing of our products because of violation of the Good Manufacturing Practice ("GMP") regulations until the FDA determines that we are in compliance and can resume manufacturing. We may not be able to comply with the new rules without incurring additional expenses, which could be significant. For example, the Dietary Supplement Safety Act (S3002) was introduced in February 2010 and contains many restrictive provisions on the sale of dietary supplements, including, but not limited to, provisions that limit the dietary ingredients acceptable for use in dietary supplements, increased fines for violations of the Dietary Supplement Health and Education Act of 1994 ("DSHEA"), and increased registration and reporting requirements with the FDA. If reintroduced and enacted, this bill could severely restrict the number of dietary supplements available for sale and increase our costs and potential penalties associated with selling dietary supplements.

Our failure to comply with FTC regulations and existing consent decrees imposed on us by the FTC could result in substantial monetary penalties and could adversely affect our operating results.

The FTC exercises jurisdiction over the advertising of dietary supplements and has instituted numerous enforcement actions against dietary supplement companies, including us, for failure to have adequate substantiation for claims made in advertising or for the use of false or misleading advertising claims. As a result of these enforcement actions, we are currently subject to three consent decrees that limit our ability to make certain claims with respect to our products and required us in the past to pay civil penalties and other amounts in the aggregate amount of \$3.0 million. See "Business Government Regulation Product Regulation" for more information. Failure by us or our franchisees to comply with the consent decrees and applicable regulations could occur from time to time. Violations of these orders could result in substantial monetary

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penalties, which could have a material adverse effect on our financial condition or results of operations.

We may incur material product liability claims, which could increase our costs and adversely affect our reputation, revenues, and operating income.

As a retailer, distributor, and manufacturer of products designed for human consumption, we are subject to product liability claims if the use of our products is alleged to have resulted in injury. Our products consist of vitamins, minerals, herbs and other ingredients that are classified as foods or dietary supplements and are not subject to pre-market regulatory approval in the United States. Our products could contain contaminated substances, and some of our products contain ingredients that do not have long histories of human consumption. Previously unknown adverse reactions resulting from human consumption of these ingredients could occur.

In addition, third-party manufacturers produce many of the products we sell. As a distributor of products manufactured by third parties, we may also be liable for various product liability claims for products we do not manufacture. Although our purchase agreements with our third-party vendors typically require the vendor to indemnify us to the extent of any such claims, any such indemnification is limited by its terms. Moreover, as a practical matter, any such indemnification is dependent on the creditworthiness of the indemnifying party and its insurer, and the absence of significant defenses by the insurers. We may be unable to obtain full recovery from the insurer or any indemnifying third party in respect of any claims against us in connection with products manufactured by such third party.

We have been and may be subject to various product liability claims, including, among others, that our products include inadequate instructions for use or inadequate warnings concerning possible side effects and interactions with other substances. For example, as of December 31, 2010, there are 50 pending lawsuits related to Hydroxycut in which GNC has been named, including 44 individual, largely personal injury claims and six putative class action cases. See "Business Legal Proceedings". Any product liability claim against us could result in increased costs and could adversely affect our reputation with our customers, which in turn could adversely affect our revenues and operating income.

We may experience product recalls, which could reduce our sales and margin and adversely affect our results of operations.

We may be subject to product recalls, withdrawals or seizures if any of the products we formulate, manufacture or sell are believed to cause injury or illness or if we are alleged to have violated governmental regulations in the manufacturing, labeling, promotion, sale or distribution of such products. For example, in May 2009, the FDA warned consumers to stop using Hydroxycut diet products, which are produced by Iovate Health Sciences, Inc. ("Iovate") and were sold in our stores. Iovate issued a voluntary recall, with which we fully complied. Sales of the recalled Hydroxycut products amounted to approximately \$57.8 million, or 4.7% of our retail sales in 2008, and \$18.8 million, or 4.2% of our retail sales in the first four months of 2009. We provided refunds or gift cards to consumers who returned these products to our stores. In the second quarter of 2009, we experienced a reduction in sales and margin due to this recall as a result of accepting returns of products from customers and a loss of sales as a replacement product was not available. Through September 30, 2010, we estimate that we have refunded approximately \$3.5 million to our retail customers and approximately \$1.6 million to our wholesale customers for Hydroxycut product returns. Our results of operations may continue to be affected by the Hydroxycut recall. Any additional recall, withdrawal or seizure of any of the products we formulate, manufacture or sell would require significant management attention, would likely result in substantial and unexpected expenditures and could materially and adversely affect our business, financial condition or results of

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operations. Furthermore, a recall, withdrawal or seizure of any of our products could materially and adversely affect consumer confidence in our brands and decrease demand for our products.

Our operations are subject to environmental and health and safety laws and regulations that may increase our cost of operations or expose us to environmental liabilities.

Our operations are subject to environmental and health and safety laws and regulations, and some of our operations require environmental permits and controls to prevent and limit pollution of the environment. We could incur significant costs as a result of violations of, or liabilities under, environmental laws and regulations, or to maintain compliance with such environmental laws, regulations, or permit requirements. For example, in March 2008, the South Carolina Department of Health and Environmental Control ("DHEC") requested that we investigate contamination associated with historical activities at our South Carolina facility. These investigations have identified chlorinated solvent impacts in soils and groundwater that extend offsite from our facility. We are continuing these investigations in order to understand the extent of these impacts and develop appropriate remedial measures for DHEC approval. At this stage of the investigation, however, it is not possible to accurately estimate the timing and extent of any remedial action that may be required, the ultimate cost of remediation, or the amount of our potential liability.

In addition to the foregoing, we are subject to numerous federal, state, local, and foreign environmental and health and safety laws and regulations governing our operations, including the handling, transportation, and disposal of our non-hazardous and hazardous substances and wastes, as well as emissions and discharges from its operations into the environment, including discharges to air, surface water, and groundwater. Failure to comply with such laws and regulations could result in costs for remedial actions, penalties, or the imposition of other liabilities. New laws, changes in existing laws or the interpretation thereof, or the development of new facts or changes in their processes could also cause us to incur additional capital and operating expenditures to maintain compliance with environmental laws and regulations and environmental permits. We also are subject to laws and regulations that impose liability and cleanup responsibility for releases of hazardous substances into the environment without regard to fault or knowledge about the condition or action causing the liability. Under certain of these laws and regulations, such liabilities can be imposed for cleanup of previously owned or operated properties, or for properties to which substances or wastes that were sent in connection with current or former operations at its facilities. The presence of contamination from such substances or wastes could also adversely affect our ability to sell or lease our properties, or to use them as collateral for financing.

We are not insured for a significant portion of our claims exposure, which could materially and adversely affect our operating income and profitability.

We have procured insurance independently for the following areas: (1) general liability; (2) product liability; (3) directors and officers liability; (4) property insurance; (5) workers' compensation insurance; and (6) various other areas. In addition, although we believe that we will continue to be able to obtain insurance in these areas in the future, because of increased selectivity by insurance providers, we may only be able to obtain such insurance at increased rates and/or with reduced coverage levels. Furthermore, we are self-insured for other areas, including: (1) medical benefits; (2) physical damage to our tractors, trailers, and fleet vehicles for field personnel use; and (3) physical damages that may occur at company-owned stores. We are not insured for some property and casualty risks due to the frequency and severity of a loss, the cost of insurance, and the overall risk analysis. In addition, we carry product liability insurance coverage that requires us to pay deductibles/retentions with primary and excess liability coverage above the deductible/retention amount. Because of our deductibles and self-insured retention amounts, we have significant exposure to fluctuations in the number and severity of claims. We currently maintain product liability insurance with a retention of \$3.0 million per claim with an aggregate cap on

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retained loss of \$10.0 million. We could raise our deductibles/retentions, which would increase our already significant exposure to expense from claims. If any claim exceeds our coverage, we would bear the excess expense, in addition to our other self-insured amounts. If the frequency or severity of claims or our expenses increase, our operating income and profitability could be materially adversely affected. See "Business Legal Proceedings".

Because we rely on our manufacturing operations to produce nearly all of the proprietary products we sell, disruptions in our manufacturing system or losses of manufacturing certifications could adversely affect our sales and customer relationships.

Our manufacturing operations produced approximately 35% and 34% of the products we sold for the years ended December 31, 2009 and 2008, respectively. Other than powders and liquids, nearly all of our proprietary products are produced in our manufacturing facility located in Greenville, South Carolina. During 2009, no one vendor supplied more than 10% of our raw materials. In the event any of our third-party suppliers or vendors becomes unable or unwilling to continue to provide raw materials in the required volumes and quality levels or in a timely manner, we would be required to identify and obtain acceptable replacement supply sources. If we are unable to identify and obtain alternative supply sources, our business could be adversely affected. Any significant disruption in our operations at our Greenville, South Carolina facility for any reason, including regulatory requirements, an FDA determination that the facility is not in compliance with GMPs, the loss of certifications, power interruptions, fires, hurricanes, war or other force of nature, could disrupt our supply of products, adversely affecting our sales and customer relationships.

Increase in the price and shortage of supply of key raw materials could adversely affect our business.

Our products are composed of certain key raw materials. If the prices of these raw materials were to increase significantly, it could result in a significant increase to us in the prices our contract manufacturers and third-party manufacturers charge us for our GNC-branded products and third-party products. Raw material prices may increase in the future and we may not be able to pass on such increases to our customers. A significant increase in the price of raw materials that cannot be passed on to customers could have a material adverse effect on our results of operations and financial condition. In addition, if we no longer are able to obtain products from one or more of our suppliers on terms reasonable to us or at all, our revenues could suffer. Events such as the threat of political or social unrest, or the perceived threat thereof, may also have a significant impact on raw material prices and transportation costs for our products. In addition, the interruption in supply of certain key raw materials essential to the manufacturing of our products may have an adverse impact on our suppliers' ability to provide us with the necessary products needed to maintain our customer relationships and an adequate level of sales.

A significant disruption to our distribution network or to the timely receipt of inventory could adversely impact sales or increase our transportation costs, which would decrease our profits.

We rely on our ability to replenish depleted inventory in our stores through deliveries to our distribution centers from vendors and then from the distribution centers or direct ship vendors to our stores by various means of transportation, including shipments by sea and truck. Unexpected delays in those deliveries or increases in transportation costs (including through increased fuel costs) could significantly decrease our ability to make sales and earn profits. In addition, labor shortages in the transportation industry or long-term disruptions to the national and international transportation infrastructure that lead to delays or interruptions of deliveries could negatively affect our business.

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If we fail to protect our brand name, competitors may adopt trade names that dilute the value of our brand name, and prosecuting or defending infringement claims could cause us to incur significant expenses or prevent us from manufacturing, selling, or using some aspect of our products, which could adversely affect our revenues and market share.

We have invested significant resources to promote our GNC brand name in order to obtain the public recognition that we have today. Because of the differences in foreign trademark laws concerning proprietary rights, our trademark may not receive the same degree of protection in foreign countries as it does in the United States. Also, we may not always be able to successfully enforce our trademark against competitors or against challenges by others. For example, third parties are challenging our "GNC Live Well" trademark in foreign jurisdictions. Our failure to successfully protect our trademark could diminish the value and effectiveness of our past and future marketing efforts and could cause customer confusion. This could in turn adversely affect our revenues and profitability.

We are currently and may in the future be subject to intellectual property litigation and infringement claims, which could cause us to incur significant expenses or prevent us from manufacturing, selling or using some aspect of our products. Claims of intellectual property infringement also may require us to enter into costly royalty or license agreements. However, we may be unable to obtain royalty or license agreements on terms acceptable to us or at all. Claims that our technology or products infringe on intellectual property rights could be costly and would divert the attention of management and key personnel, which in turn could adversely affect our revenues and profitability.

A substantial amount of our revenue is generated from our franchisees, and our revenues could decrease significantly if our franchisees do not conduct their operations profitably or if we fail to attract new franchisees.

As of both December 31, 2009 and December 31, 2008, approximately 32% of our retail locations were operated by franchisees. Our franchise operations generated approximately 15.5% and 15.6% of our revenues for the years ended December 31, 2009 and 2008, respectively. Our revenues from franchise stores depend on the franchisees' ability to operate their stores profitably and adhere to our franchise standards. In the twelve months ended December 31, 2009, a net 45 domestic franchise stores were closed. The closing of franchise stores or the failure of franchisees to comply with our policies could adversely affect our reputation and could reduce the amount of our franchise revenues. These factors could have a material adverse effect on our revenues and operating income.

If we are unable to attract new franchisees or to convince existing franchisees to open additional stores, any growth in royalties from franchise stores will depend solely upon increases in revenues at existing franchise stores. In addition, our ability to open additional franchise locations is limited by the territorial restrictions in our existing franchise agreements as well as our ability to identify additional markets in the United States and other countries. If we are unable to open additional franchise locations, we will have to sustain additional growth internally by attracting new and repeat customers to our existing locations.

Franchisee support of our marketing and advertising programs is critical for our success.

The support of our franchisees is critical for the success of our marketing programs and other strategic initiatives we seek to undertake, and the successful execution of these initiatives will depend on our ability to maintain alignment with our franchisees. While we can mandate certain strategic initiatives through enforcement of our franchise agreements, we need the active support of our franchisees if the implementation of these initiatives is to be successful. In addition, our efforts to build alignment with franchisees may result in a delay in the implementation of our marketing

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and advertising programs and other key initiatives. Although we believe that our current relationships with our franchisees are generally good, there can be no assurance that our franchisees will continue to support our marketing programs and strategic initiatives. The failure of our franchisees to support our marketing programs and strategic initiatives could adversely affect our ability to implement our business strategy and could materially harm our business, results of operations and financial condition.

Our franchisees are independent operators and we have limited influence over their operations.

Our revenues substantially depend upon our franchisees' sales volumes, profitability, and financial viability. However, our franchisees are independent operators and we cannot control many factors that impact the profitability of their stores. Pursuant to the franchise agreements, we can, among other things, mandate signage, equipment and hours of operation, establish operating procedures and approve suppliers, distributors and products. However, the quality of franchise store operations may be diminished by any number of factors beyond our control. Consequently, franchisees may not successfully operate stores in a manner consistent with our standards and requirements or standards set by federal, state and local governmental laws and regulations. In addition, franchisees may not hire and train qualified managers and other personnel. While we ultimately can take action to terminate franchisees that do not comply with the standards contained in our franchise agreements, any delay in identifying and addressing problems could harm our image and reputation, and our franchise revenues and results of operations could decline.

Franchise regulations could limit our ability to terminate or replace under-performing franchises, which could adversely impact franchise revenues.

Our franchise activities are subject to federal, state, and international laws regulating the offer and sale of franchises and the governance of our franchise relationships. These laws impose registration, extensive disclosure requirements, and bonding requirements on the offer and sale of franchises. In some jurisdictions, the laws relating to the governance of our franchise relationship impose fair dealing standards during the term of the franchise relationship and limitations on our ability to terminate or refuse to renew a franchise. We may, therefore, be required to retain an under-performing franchise and may be unable to replace the franchisee, which could adversely impact franchise revenues. In addition, we cannot predict the nature and effect of any future legislation or regulation on our franchise operations.

We have limited influence over the decision of franchisees to invest in other businesses or incur excessive indebtedness.

Our franchisees are independent operators and, therefore, we have limited influence over their ability to invest in other businesses or incur excessive indebtedness. In some cases, these franchisees have used the cash generated by their stores to expand their other businesses or to subsidize losses incurred by such businesses. Additionally, as independent operators, franchisees do not require our consent to incur indebtedness. Consequently, our franchisees have in the past, and may in the future, experience financial distress as a result of over leveraging. To the extent that our franchisees use the cash from their stores to subsidize their other businesses or experience financial distress, due to over-leverage or otherwise, it could negatively affect (1) our operating results as a result of delayed or reduced payments of royalties, advertising fund contributions and rents for properties we lease to them, (2) our future revenue, earnings and cash flow growth and (3) our financial condition. In addition, lenders that are adversely affected by franchisees who default on their indebtedness may be less likely to provide current or prospective franchisees necessary financing on favorable terms or at all.

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If we cannot open new company-owned stores on schedule and profitably, or if our new store formats are not successful, our planned future growth will be impeded, which would adversely affect sales.

Our growth is dependent on both increases in sales in existing stores and the ability to open profitable new stores. Increases in sales in existing stores are dependent on factors such as competition, store operations and other factors discussed in these Risk Factors. Our ability to timely open new stores and to expand into additional market areas depends in part on the following factors: the availability of attractive store locations; the absence of occupancy delays; the ability to negotiate acceptable lease terms; the ability to identify customer demand in different geographic areas; the hiring, training and retention of competent sales personnel; the effective management of inventory to meet the needs of new and existing stores on a timely basis; general economic conditions; and the availability of sufficient funds for expansion. Many of these factors are beyond our control. In addition, the costs associated with opening and operating our new store formats are higher than the costs associated with opening and operating our standard modern-design stores. Delays or failures in opening new stores, including our new store formats, or achieving lower than expected sales in new stores and new store formats, or drawing a greater than expected proportion of sales in new stores or new store formats from our existing stores, could materially adversely affect our growth and profitability. In addition, we may not anticipate all of the challenges imposed by the expansion of our operations and, as a result, may not meet our targets for opening new stores, remodeling or relocating stores or expanding profitably.

Some of our new stores may be located in areas where we have little or no meaningful experience or brand recognition. Those markets may have different competitive conditions, market conditions, consumer tastes and discretionary spending patterns than our existing markets, which may cause our new stores to be less successful than stores in our existing markets. Alternatively, many of our new stores will be located in areas where we have existing stores. Although we have experience in these markets, increasing the number of locations in these markets may result in inadvertent over-saturation of markets and temporarily or permanently divert customers and sales from our existing stores, thereby adversely affecting our overall financial performance.

Our operating results and financial condition could be adversely affected by the financial and operational performance of Rite Aid.

As of December 31, 2009, Rite Aid operated 1,869 GNC franchise "store-within-a-store" locations and has committed to open additional franchise "store-within-a-store" locations. Revenue from sales to Rite Aid (including license fee revenue for new store openings) represented approximately 3.3% of total revenue for the year ended December 31, 2009. Any liquidity and operational issues that Rite Aid may experience could impair its ability to fulfill its obligations and commitments to us, which would adversely affect our operating results and financial condition.

Economic, political, and other risks associated with our international operations could adversely affect our revenues and international growth prospects.

As of December 31, 2009, we had 167 company-owned Canadian stores and 1,307 international franchise stores in 47 countries. We derived 10.2% of our revenues for the year ended December 31, 2009 and 10.1% of our revenues for the year ended December 31, 2008 from our international operations. As part of our business strategy, we intend to expand our international franchise presence. Our international operations are subject to a number of risks inherent to operating in foreign countries, and any expansion of our international operations will increase the effects of these risks. These risks include, among others:

political and economic instability of foreign markets;

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foreign governments' restrictive trade policies;

inconsistent product regulation or sudden policy changes by foreign agencies or governments;

the imposition of, or increase in, duties, taxes, government royalties, or non-tariff trade barriers;

difficulty in collecting international accounts receivable and potentially longer payment cycles;

difficulty of enforcing contractual obligations of foreign franchisees;

increased costs in maintaining international franchise and marketing efforts;

problems entering international markets with different cultural bases and consumer preferences;

fluctuations in foreign currency exchange rates; and

operating in new, developing or other markets in which there are significant uncertainties regarding the interpretation, application and enforceability of laws and regulations relating to contract and intellectual property rights.

Any of these risks could have a material adverse effect on our international operations and our growth strategy.

We may be unable to successfully expand our operations into China and other new markets.

If the opportunity arises, we may expand our operations into new and high-growth markets including, but not limited to, China. For example, we have commenced the process of product registrations and wholesale sales in China. However, there is no assurance that we will expand our operations in China and other markets in our desired time frame. To expand our operations into new markets, we may enter into business combination transactions, make acquisitions or enter into strategic partnerships, joint ventures or alliances, any of which may be material. We may enter into these transactions to acquire other businesses or products to expand our products or take advantage of new developments and potential changes in the industry. Although we have entered into a non-binding term sheet with an affiliate of Bright Food (Group) Co., Ltd. ("BFG") to market and sell nutritional supplements in China through a joint venture, the definitive documentation for the joint venture was not executed on the timeframe that we had expected and there can be no assurances that we will enter into a joint venture with BFG or any other party. Our lack of experience operating in new markets and our lack of familiarity with local economic, political and regulatory systems could prevent us from achieving the results that we expect on our anticipated timeframe or at all. If we are unsuccessful in expanding into new or high growth markets, it could adversely affect our operating results and financial condition.

Our network and communications systems are dependent on third-party providers and are vulnerable to system interruption and damage, which could limit our ability to operate our business and could have a material adverse effect on our business, financial condition or results of operations.

Our systems and operations and those of our third-party Internet service providers are vulnerable to damage or interruption from fire, flood, earthquakes, power loss, server failure, telecommunications and Internet service failure, acts of war or terrorism, computer viruses and denial-of-service attacks, physical or electronic breaches, sabotage, human error and similar events. Any of these events could lead to system interruptions, processing and order fulfillment delays, and loss of critical data for us, our suppliers, or our Internet service providers, and could prevent us

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from processing customer purchases. Any significant interruption in the availability or functionality of our website or our customer processing, distribution, or communications systems, for any reason, could seriously harm our business, financial condition, and operating results. The occurrence of any of these factors could have a material adverse effect on our business, financial condition or results of operations.

Because we are dependent on third-party service providers for the implementation and maintenance of certain aspects of our systems and operations and because some of the causes of system interruptions may be outside of our control, we may not be able to remedy such interruptions in a timely manner, if at all. As we rely on our third-party service providers, computer and communications systems and the Internet to conduct our business, any system disruptions could have a material adverse effect on our business, financial condition or results of operations.

Privacy protection is increasingly demanding, and the introduction of electronic payment exposes us to increased risk of privacy and/or security breaches as well as other risks.

The protection of customer, employee, vendor, franchisee and other business data is critical to us. Federal, state, provincial and international laws and regulations govern the collection, retention, sharing and security of data that we receive from and about our employees, customers, vendors and franchisees. The regulatory environment surrounding information security and privacy has been increasingly demanding in recent years, and may see the imposition of new and additional requirements. Compliance with these requirements may result in cost increases due to necessary systems changes and the development of new processes to meet these requirements by us and our franchisees. In addition, customers and franchisees have a high expectation that we will adequately protect their personal information. If we or our service provider fail to comply with these laws and regulations or experience a significant breach of customer, employee, vendor, franchisee or other company data, our reputation could be damaged and result in an increase in service charges, suspension of service, lost sales, fines, or lawsuits.

The use of credit payment systems makes us more susceptible to a risk of loss in connection with these issues, particularly with respect to an external security breach of customer information that we or third parties (including those with whom we have strategic alliances) under arrangements with us control. In the event of a security breach, theft, leakage, accidental release or other illegal activity with respect to employee, customer, vendor, franchisee third-party, with whom we have strategic alliances or other company data, we could become subject to various claims, including those arising out of thefts and fraudulent transactions, and may also result in the suspension of credit card services. This could harm our reputation as well as divert management attention and expose us to potentially unreserved claims and litigation. Any loss in connection with these types of claims could be substantial. In addition, if our electronic payment systems are damaged or cease to function properly, we may have to make significant investments to fix or replace them, and we may suffer interruptions in our operations in the interim. In addition, we are reliant on these systems, not only to protect the security of the information stored, but also to appropriately track and record data. Any failures or inadequacies in these systems could expose us to significant unreserved losses, which could result in an earnings and stock price decline. Our brand reputation would likely be damaged as well.

Complying with recently enacted healthcare reform legislation could increase our costs and have a material adverse effect on our business, financial condition or results of operations.

Recently enacted healthcare reform legislation could significantly increase our costs and have a material adverse effect on our business, financial condition and results of operations by requiring us either to provide health insurance coverage to our employees or to pay certain penalties for electing not to provide such coverage. Because these new requirements are broad, complex, subject to certain phase-in rules and may be challenged by legal actions in the coming months and

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years, it is difficult to predict the ultimate impact that this legislation will have on our business and operating costs. We cannot assure you that this legislation or any alternative version that may ultimately be implemented will not materially increase our operating costs. This legislation could also adversely affect our employee relations and ability to compete for new employees if our response to this legislation is considered less favorable than the responses or health benefits offered by employers with whom we compete for talent.

Our holding company structure makes us dependent on our subsidiaries for our cash flow and subordinates the rights of our stockholders to the rights of creditors of our subsidiaries in the event of an insolvency or liquidation of any of our subsidiaries.

We are a holding company and, accordingly, substantially all of our operations are conducted through our subsidiaries. Our subsidiaries are separate and distinct legal entities. As a result, our cash flow depends upon the earnings of our subsidiaries. In addition, we depend on the distribution of earnings, loans, or other payments by our subsidiaries to us. Our subsidiaries have no obligation to provide us with funds for our payment obligations. If there is an insolvency, liquidation, or other reorganization of any of our subsidiaries, our stockholders will have no right to proceed against their assets. Creditors of those subsidiaries will be entitled to payment in full from the sale or other disposal of the assets of those subsidiaries before we, as a stockholder, would be entitled to receive any distribution from that sale or disposal.

General economic conditions, including a prolonged weakness in the economy, may affect consumer purchases, which could adversely affect our sales and the sales of our business partners.

Our results, and those of our business partners to whom we sell, are dependent on a number of factors impacting consumer spending, including general economic and business conditions; consumer confidence; wages and employment levels; the housing market; consumer debt levels; availability of consumer credit; credit and interest rates; fuel and energy costs; energy shortages; taxes; general political conditions, both domestic and abroad; and the level of customer traffic within department stores, malls and other shopping and selling environments. Consumer product purchases, including purchases of our products, may decline during recessionary periods. A prolonged downturn or an uncertain outlook in the economy may materially adversely affect our business and our revenues and profits.

Natural disasters (whether or not caused by climate change), unusually adverse weather conditions, pandemic outbreaks, terrorist acts, and global political events could cause permanent or temporary distribution center or store closures, impair our ability to purchase, receive or replenish inventory, or cause customer traffic to decline, all of which could result in lost sales and otherwise adversely affect our financial performance.

The occurrence of one or more natural disasters, such as hurricanes, fires, floods, and earthquakes (whether or not caused by climate change), unusually adverse weather conditions, pandemic outbreaks, terrorist acts or disruptive global political events, such as civil unrest in countries in which our suppliers are located, or similar disruptions could adversely affect our operations and financial performance. To the extent these events result in the closure of one or more of our distribution centers, a significant number of stores, a manufacturing facility or our corporate headquarters, or impact one or more of our key suppliers, our operations and financial performance could be materially adversely affected through an inability to make deliveries to our stores and through lost sales. In addition, these events could result in increases in fuel (or other energy) prices or a fuel shortage, delays in opening new stores, the temporary lack of an adequate work force in a market, the temporary or long-term disruption in the supply of products from some local and overseas suppliers, the temporary disruption in the transport of goods from overseas,

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delay in the delivery of goods to our distribution centers or stores, the temporary reduction in the availability of products in our stores and disruption to our information systems. These events also could have indirect consequences, such as increases in the cost of insurance, if they were to result in significant loss of property or other insurable damage.

Risks Relating to an Investment in Our Class A Common Stock

There has been no public market, and it is possible that no trading market will develop or be maintained, for our Class A common stock, and you may not be able to resell shares of our Class A common stock for an amount equal to or more than your purchase price.

Prior to this offering, there has not been a public market for our Class A common stock. Therefore, stockholders should be aware that they cannot benefit from information about prior market history as to their decision to invest. Although it is anticipated that the Class A common stock will be approved for quotation on the NYSE, there can be no assurance that a trading market will develop or, if such a market does develop, how liquid that market might become or whether it will be maintained. The initial public offering price will be determined by our negotiations with the representatives of the underwriters and may not be indicative of prices that will prevail in the trading market. If an active trading market fails to develop or be maintained, you may be unable to sell the shares of Class A common stock purchased in this offering at an acceptable price or at all.

Our principal stockholders may take actions that conflict with your interests. This control may have the effect of delaying or preventing changes of control or changes in management or limiting the ability of other stockholders to approve transactions they deem to be in their best interest.

Even after giving effect to this offering, the Sponsors will beneficially own approximately % of our Class A common stock, OTPP will beneficially own 100% of our Class B common stock, and the Sponsors will collectively own % of our common stock. As a result, our Sponsors will have the power to control our affairs and policies including with respect to the election of directors (and through the election of directors the appointment of management), the entering into of mergers, sales of substantially all of our assets and other extraordinary transactions. Under the New Stockholders Agreement, the Sponsors will have the right to nominate to our board of directors, subject to their election by our stockholders, so long as the Sponsors collectively own more than 50% of the then outstanding shares of our common stock, the greater of up to nine directors and the number of directors comprising a majority of our board and, subject to certain exceptions, so long as the Sponsors collectively own 50% or less of the then outstanding shares of our common stock, that number of directors (rounded up to the nearest whole number or, if such rounding would cause the Sponsors to have the right to elect a majority of our board of directors, rounded to the nearest whole number) that is the same percentage of the total number of directors comprising our board as the collective percentage of common stock owned by the Sponsors. Under the New Stockholders Agreement, each Sponsor will also agree to vote in favor of the other Sponsor's nominees. Because our board of directors will be divided into three staggered classes, the Sponsors may be able to influence or control our affairs and policies even after they cease to own a majority of our outstanding Class A common stock during the period in which the Sponsors' nominees finish their terms as members of our board, but in any event no longer than would be permitted under applicable law and the NYSE listing requirements. The directors nominated by the Sponsors will have the authority, subject to the terms of our debt, to issue additional stock, implement stock repurchase programs, declare dividends, pay advisory fees and make other decisions, and they may have an interest in our doing so. The New Stockholders Agreement will also provide that, so long as the Sponsors collectively own more than one-third of our then outstanding common stock, certain significant corporate actions will require the approval of at least one of the Sponsors.

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The interests of the Sponsors could conflict with our public stockholders' interests in material respects. For example, the Sponsors could cause us to make acquisitions that increase the amount of our indebtedness or sell revenue-generating assets. Moreover, the Sponsors are in the business of making investments in companies and may from time to time acquire and hold interests in businesses that compete directly or indirectly with us. The Sponsors may also pursue acquisition opportunities that may be complementary to our business, and as a result, those acquisition opportunities may not be available to us. Furthermore, due to the concentration of voting power among the Sponsors, they could influence or prevent a change of control or other business combination or any other transaction that requires the approval of stockholders, regardless of whether or not other stockholders believe that such transaction is in their best interests. In addition, our governance documents do not contain any provisions applicable to deadlocks among the members of our board, and as a result we may be precluded from taking advantage of opportunities due to disagreements among the Sponsors and their respective board designees. So long as the Sponsors continue to own a significant amount of the outstanding shares of our common stock, they will continue to be able to strongly influence or effectively control our decisions. See "Certain Relationships and Related Transactions – Stockholders Agreements".

We will be a "controlled company" within the meaning of the NYSE rules and, as a result, will qualify for, and intend to rely on, exemptions from certain corporate governance requirements that provide protection to stockholders of other companies.

After the completion of this offering, the Sponsors will continue to own more than 50% of our outstanding Class A common stock (the only class of common stock entitled to vote for the election and removal of our directors), and the Sponsors will hold more than 50% of the total voting power of our Class A common stock, and, therefore, we will be a "controlled company" under the NYSE corporate governance standards. As a controlled company, we intend to utilize certain exemptions under the NYSE standards that free us from the obligation to comply with certain NYSE corporate governance requirements, including the requirements:

that a majority of our board of directors consists of independent directors;

that we have a nominating and corporate governance committee that is composed entirely of independent directors with a written charter addressing the committee's purpose and responsibilities;

that we have a compensation committee that is composed entirely of independent directors with a written charter addressing the committee's purpose and responsibilities; and

that we conduct an annual performance evaluation of the nominating and corporate governance committee and the compensation committee.

Following this offering, we intend to utilize these exemptions. Although we will have adopted charters for our nominating and corporate governance and compensation committees and intend to conduct annual performance evaluations for these committees, none of these committees will be composed entirely of independent directors immediately following the completion of this offering. In addition, we will rely on the phase-in rules of the Securities and Exchange Commission (the "SEC") and the NYSE with respect to the independence of our audit committee. These rules permit us to have an audit committee that has one member that is independent upon the effectiveness of the registration statement of which this prospectus forms a part, a majority of members that are independent within 90 days thereafter and all members that are independent within one year thereafter. Accordingly, you will not have the same protection afforded to stockholders of companies that are subject to all of the NYSE corporate governance requirements. See "Management – Board of Directors" for more information.

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Our amended and restated certificate of incorporation and our amended and restated bylaws, as amended, will contain anti-takeover protections, which may discourage or prevent a takeover of our company, even if an acquisition would be beneficial to our stockholders.

Upon completion of this offering, provisions contained in our amended and restated certificate of incorporation and amended and restated bylaws, as amended, as well as provisions of the Delaware General Corporation Law (the "DGCL"), could delay or make it more difficult to remove incumbent directors or for a third party to acquire us, even if a takeover would benefit our stockholders. These provisions will include:

a classified board of directors;

the sole power of a majority of the board of directors to fix the number of directors;

limitations on the removal of directors upon the Sponsors holding less than a majority of our outstanding common stock;

the sole power of the board of directors or the Sponsors, in the case of a vacancy of a Sponsor board designee, to fill any vacancy on the board of directors, whether such vacancy occurs as a result of an increase in the number of directors or otherwise;

the ability of our board of directors to designate one or more series of preferred stock and issue shares of preferred stock without stockholder approval;

the inability of stockholders to act by written consent if the Sponsors own less than 50% of our outstanding common stock; and

the inability of stockholders to call special meetings.

Our issuance of shares of preferred stock could delay or prevent a change of control of our company. Our board of directors has the authority to cause us to issue, without any further vote or action by our stockholders, up to _____ shares of preferred stock, par value \$0.001 per share, in one or more series, to designate the number of shares constituting any series, and to fix the rights, preferences, privileges and restrictions thereof, including dividend rights, voting rights, rights and terms of redemption, redemption price or prices and liquidation preferences of such series. The issuance of shares of preferred stock may have the effect of delaying, deferring or preventing a change in control of our company without further action by our stockholders, even where stockholders are offered a premium for their shares.

In addition, the issuance of shares of preferred stock with voting rights may adversely affect the voting power of the holders of our other classes of voting stock either by diluting the voting power of our other classes of voting stock if they vote together as a single class, or by giving the holders of any such preferred stock the right to block an action on which they have a separate class vote even if the action were approved by the holders of our other classes of voting stock.

Our incorporation under Delaware law, the ability of our board of directors to create and issue a new series of preferred stock or a stockholder rights plan and certain other provisions that will be contained in our amended and restated certificate of incorporation and amended and restated bylaws could impede a merger, takeover or other business combination involving us or the replacement of our management or discourage a potential investor from making a tender offer for our common stock, which, under certain circumstances, could reduce the market value of our common stock. See "Description of Capital Stock".

Our issuance of preferred stock could adversely affect the market value of our Class A common stock.

The issuance of shares of preferred stock with dividend or conversion rights, liquidation preferences or other economic terms favorable to the holders of preferred stock could adversely

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affect the market price for our Class A common stock by making an investment in the Class A common stock less attractive. For example, a conversion feature could cause the trading price of our Class A common stock to decline to the conversion price of the preferred stock.

The price of our Class A common stock may fluctuate substantially.

The initial public offering price for the shares of our Class A common stock sold in this offering will be determined by negotiation between the representatives of the underwriters and us. This price may not reflect the market price of our Class A common stock following this offering. In addition, the market price of our Class A common stock is likely to be highly volatile and may fluctuate substantially due to many factors, including:

actual or anticipated fluctuations in our results of operations;

variance in our financial performance from the expectations of market analysts;

conditions and trends in the markets we serve;

announcements of significant new products by us or our competitors;

changes in our pricing policies or the pricing policies of our competitors;

legislation or regulatory policies, practices, or actions;

the commencement or outcome of litigation;

our sale of common stock or other securities in the future, or sales of our common stock by the Sponsors;

changes in market valuation or earnings of our competitors;

the trading volume of our Class A common stock;

changes in the estimation of the future size and growth rate of our markets; and

general economic conditions.

In addition, the stock market in general, the NYSE and the market for health and nutritional supplements companies in particular have experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of the particular companies affected. If any of these factors causes us to fail to meet the expectations of securities analysts or investors, or if adverse conditions prevail or are perceived to prevail with respect to our business, the price of our Class A common stock would likely drop significantly.

We currently do not intend to pay dividends on our common stock after this offering. Consequently, your only opportunity to achieve a return on your investment is if the price of our Class A common stock appreciates.

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We currently do not plan to declare dividends on shares of our common stock after this offering and for the foreseeable future. Further, Centers is currently restricted from declaring or paying cash dividends to us pursuant to the terms of the Senior Credit Facility, its Senior Subordinated Notes, and its Senior Notes, which effectively restricts us from declaring or paying any cash dividends. Centers has already used exceptions to these restrictions to make permitted restricted payments to us in August 2009 and March 2010 totaling approximately \$42.0 million. See "Dividend Policy" for more information. Consequently, your only opportunity to achieve a return on your investment in our company will be if the market price of our Class A common stock appreciates and you sell your shares at a profit. There is no guarantee that the price of our Class A common stock that will prevail in the market after this offering will ever exceed the price that you pay.

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Future sales of our Class A common stock could cause the market price for our Class A common stock to decline.

Upon consummation of this offering, there will be _____ shares of our Class A common stock outstanding. All shares of Class A common stock sold in this offering will be freely transferable without restriction or further registration under the Securities Act of 1933, as amended (the "Securities Act"). Of the remaining shares of Class A common stock outstanding, _____ will be restricted securities within the meaning of Rule 144 under the Securities Act, but will be eligible for resale subject to applicable volume, manner of sale, holding period and other limitations of Rule 144. We cannot predict the effect, if any, that market sales of shares of our Class A common stock or the availability of shares of our Class A common stock for sale will have on the market price of our Class A common stock prevailing from time to time. Sales of substantial amounts of shares of our Class A common stock in the public market, or the perception that those sales will occur, could cause the market price of our Class A common stock to decline. After giving effect to this offering, the Sponsors will hold _____ shares of our Class A common stock and _____ shares of our Class B common stock, each of which is convertible into one share of Class A common stock, all of which constitute "restricted securities" under the Securities Act. Provided the holders comply with the applicable volume limits and other conditions prescribed in Rule 144 under the Securities Act, all of these restricted securities are currently freely tradable.

Additionally, as of the consummation of this offering, approximately _____ shares of our Class A common stock will be issuable upon exercise of stock options that vest and are exercisable at various dates through _____, with an average weighted exercise price of \$ _____. Of such options, _____ will be immediately exercisable. As soon as practicable after the completion of this offering, we intend to file a registration statement on Form S-8 under the Securities Act covering shares of our Class A common stock reserved for issuance under our equity incentive plan. Accordingly, shares of our Class A common stock registered under such registration statement will be available for sale in the open market upon exercise by the holders, subject to vesting restrictions, Rule 144 limitations applicable to our affiliates and the contractual lock-up provisions described below.

We and certain of our stockholders, directors and officers have agreed to a "lock-up", pursuant to which neither we nor they will sell any shares without the prior consent of the representatives of the underwriters for 180 days after the date of this prospectus, subject to certain exceptions and extensions under certain circumstances. Following the expiration of the applicable lock-up period, all these shares of our Class A common stock will be eligible for future sale, subject to the applicable volume, manner of sale, holding period and other limitations of Rule 144. In addition, the Sponsors have certain demand and "piggy-back" registration rights with respect to the Class A common stock that they will retain following this offering. See "Shares Eligible for Future Sale" for a discussion of the shares of Class A common stock that may be sold into the public market in the future, including Class A common stock held by the Sponsors.

As a new investor, you will experience substantial dilution in the net tangible book value of your shares.

The initial public offering price of our Class A common stock will be considerably more than the net tangible book value per share of our outstanding Class A common stock. Accordingly, investors purchasing shares of Class A common stock from us in this offering will:

pay a price per share that substantially exceeds the value of our assets after subtracting liabilities; and

contribute _____ % of the total amount invested to fund our company, but will own only _____ % of the shares of Class A common stock outstanding after this offering and the use of proceeds from the offering.

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Our dual-class capitalization structure and the conversion features of our Class B common stock may dilute the voting power of the holders of our Class A common stock.

We have a dual-class capitalization structure, which may pose a significant risk of dilution to our Class A common stockholders. Each share of our Class B common stock, which is not entitled to vote for the election and removal of our directors, is convertible at any time at the option of the Class B holder into one share of Class A common stock, which is entitled to vote for the election and removal of our directors. Conversion of our Class B common stock into Class A common stock would dilute holders of Class A common stock, including holders of shares purchased in this offering, in terms of voting power in connection with the election and removal of our directors.

If securities or industry analysts do not publish research or reports about us, or if they adversely change their recommendations regarding our Class A common stock, then our stock price and trading volume could decline.

The trading market for our Class A common stock will be influenced by the research and reports that industry or securities analysts publish about us, our industry and our market. If no analyst elects to cover us and publish research or reports about us, the market for our Class A common stock could be severely limited and our stock price could be adversely affected. In addition, if one or more analysts ceases coverage of us or fails to regularly publish reports on us, we could lose visibility in the financial markets, which in turn could cause our stock price or trading volume to decline. If one or more analysts who elect to cover us adversely change their recommendation regarding our unrestricted Class A common stock, our stock price could decline.

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SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus includes forward-looking statements within the meaning of federal securities laws. Forward-looking statements include statements that may relate to our plans, objectives, goals, strategies, future events, future revenues or performance, capital expenditures, financing needs, and other information that is not historical information. Many of these statements appear, in particular, under the headings "Prospectus Summary", "Risk Factors", "Management's Discussion and Analysis of Financial Condition and Results of Operations", and "Business". Forward-looking statements can often be identified by the use of terminology such as "subject to", "believe", "anticipate", "plan", "expect", "intend", "estimate", "project", "may", "will", "should", "would", "could", "can", the negatives thereof, variations thereon, and similar expressions, or by discussions of strategy.

All forward-looking statements, including, without limitation, our examination of historical operating trends, are based upon our current expectations and various assumptions. We believe there is a reasonable basis for our expectations and beliefs, but they are inherently uncertain. We may not realize our expectations, and our beliefs may not prove correct. Actual results could differ materially from those described or implied by such forward-looking statements. The following uncertainties and factors, among others (including those set forth under "Risk Factors"), could affect future performance and cause actual results to differ materially from those matters expressed in or implied by forward-looking statements:

significant competition in our industry;

unfavorable publicity or consumer perception of our products;

increases in the cost of borrowings and limitations on availability of additional debt or equity capital;

our debt levels and restrictions in our debt agreements;

the incurrence of material product liability and product recall costs;

loss or retirement of key members of management;

costs of compliance and our failure to comply with new and existing governmental regulations including, but not limited to, tax regulations;

costs of litigation and the failure to successfully defend lawsuits and other claims against us;

the failure of our franchisees to conduct their operations profitably and limitations on our ability to terminate or replace under-performing franchisees;

economic, political, and other risks associated with our international operations;

our failure to keep pace with the demands of our customers for new products and services;

disruptions in our manufacturing system or losses of manufacturing certifications;

disruptions in our distribution network;

the lack of long-term experience with human consumption of ingredients in some of our products;

increases in the frequency and severity of insurance claims, particularly claims for which we are self-insured;

the failure to adequately protect or enforce our intellectual property rights against competitors;

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changes in raw material costs and pricing of our products;

failure to successfully execute our growth strategy, including any delays in our planned future growth, testing and development of our new store formats, any inability to expand our franchise operations or attract new franchisees, or any inability to expand our company-owned retail operations;

changes in applicable laws relating to our franchise operations;

damage or interruption to our information systems;

the impact of current economic conditions on our business;

natural disasters, unusually adverse weather conditions, pandemic outbreaks, boycotts and geo-political events; and

our failure to maintain effective internal controls.

Consequently, forward-looking statements should be regarded solely as our current plans, estimates, and beliefs. You should not place undue reliance on forward-looking statements. We cannot guarantee future results, events, levels of activity, performance, or achievements. We do not undertake and specifically decline any obligation to update, republish, or revise forward-looking statements to reflect future events or circumstances or to reflect the occurrences of unanticipated events.

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USE OF PROCEEDS

We estimate that our net proceeds from this offering will be approximately \$ _____ million, based on an assumed initial public offering price of \$ _____ per share, the midpoint of the price range set forth on the front cover of this prospectus, and after deducting estimated underwriting discounts and commissions and estimated offering expenses.

We intend to use the net proceeds we receive from this offering, together with cash on hand, to redeem all of our outstanding shares of Series A preferred stock immediately following completion of this offering at a redemption price per share of \$ 5.00, plus accrued and unpaid dividends through the redemption date and related expenses. The per share accrued and unpaid dividends on a share of Series A preferred stock was \$2.27 as of December 31, 2010.

Ares, OTPP and members of management hold substantially all of our outstanding Series A preferred stock and, therefore, will receive substantially all of the cash paid to redeem such stock. For a description of the shares of our Series A preferred stock held by our affiliates that will be redeemed immediately following the completion of this offering, see "Principal and Selling Stockholders".

Any net proceeds remaining after payment for the redemption of the Series A preferred stock will be used for working capital and general corporate purposes. We will not receive any proceeds from the sale of the shares being offered by the selling stockholders.

DIVIDEND POLICY

We currently do not anticipate paying any cash dividends after this offering and for the foreseeable future. Instead, we anticipate that all of our earnings on our common stock, in the foreseeable future will be used to repay debt, for working capital, to support our operations, and to finance the growth and development of our business. Any future determination relating to dividend policy will be made at the discretion of our board of directors and will depend on a number of factors, including restrictions in our debt instruments, our future earnings, capital requirements, financial condition, future prospects, and applicable Delaware law, which provides that dividends are only payable out of surplus or current net profits.

Currently, Centers is restricted from declaring or paying cash dividends to us pursuant to the terms of the Senior Credit Facility, the Senior Notes, and the Senior Subordinated Notes, which restricts our ability to declare or pay any cash dividends. Centers has already used exceptions to these restrictions to make permitted restricted payments to us in August 2009 and March 2010 totaling approximately \$42.0 million. These payments were determined to be in compliance with Centers' debt covenants.

OTPP, as the holder of our Class B common stock, is entitled to receive ratably an annual special dividend payment equal to an aggregate amount of \$750,000 when, as and if declared by the board of directors, for a period of ten years commencing on March 16, 2007 (the "Special Dividend Period"). The special dividend payment is payable in equal quarterly installments on the first day of each quarter commencing on April 1, 2007.

Upon the consummation of a change in control transaction or a bona fide initial public offering, OTPP will receive, in lieu of the quarterly special dividend payments, an automatic payment equal to the net present value of the aggregate amount of the special dividend payments that would have been payable to OTPP during the remainder of the Special Dividend Period, calculated in good faith by our board of directors. We estimate this amount would have been \$ _____ million had the offering occurred on _____. Immediately prior to the consummation of this offering, we intend to use cash on hand to satisfy this obligation.

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The following table sets forth our capitalization as of September 30, 2010 on:

an actual basis; and

an as adjusted basis, giving effect to:

the completion of this offering, including the application of the estimated net proceeds from this offering as described under "Use of Proceeds",

prior to the consummation of this offering the conversion of _____ shares of Class B common stock into _____ shares of Class A common stock, and

our use of cash on hand to satisfy our obligations under the ACOF Management Services Agreement and our Class B common stock (see "Certain Relationships and Related Transactions ACOF Management Services Agreement" and " Special Dividend").

The table below should be read in conjunction with "Use of Proceeds", "Selected Consolidated Financial Data", "Management's Discussion and Analysis of Financial Condition and Results of Operations", "Description of Capital Stock", "Description of Certain Debt", and our consolidated financial statements and their notes included in this prospectus.

**As of September 30,
2010**
Actual As Adjusted
(Unaudited)
(In millions,
except share data)

Cash and cash equivalents(1)	\$	165.2	\$
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Long-term debt (including current maturities):

Senior credit facility(2)	\$	644.4	\$
Mortgage and capital leases		6.1	
Senior notes		298.3	
Senior subordinated notes		110.0	

Total long-term debt		1,058.8	
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Stockholders' equity:

Preferred stock, \$0.001 par value,
60,000,000 shares authorized:

Series A, 30,500,005 shares designated, 30,133,615 shares issued, 29,867,046 shares outstanding and 266,569 shares held in treasury, actual; no shares	213.0
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issued and outstanding, as adjusted(3)		
Common stock, \$0.001 par value(4):		
Class A, 59,967,949 shares issued, 59,198,688 shares outstanding and 769,261 shares held in treasury, actual; shares authorized, shares issued, shares outstanding and shares held in treasury, as adjusted	0.1	
Class B, 28,168,561 shares issued and outstanding, actual; shares authorized shares issued and shares outstanding, as adjusted	0.0	
Paid-in-capital	450.9	
Retained earnings	157.7	
Treasury stock	(2.2)	
Accumulated other comprehensive loss	(4.3)	
 Total stockholders' equity	 815.2	
 Total capitalization	 \$ 1,874.0	 \$

-
- (1) Satisfaction of our obligations under the ACOF Management Services Agreement and the Class B common stock will have the effect of decreasing cash and cash equivalents by approximately \$ million, based on the assumption that this offering occurred on .
- (2) The Senior Credit Facility consists of our \$60 million Revolving Credit Facility and a \$675.0 million Term Loan Facility. As of September 30, 2010, no amounts had been drawn on the Revolving Credit Facility. Total availability under the Revolving Credit Facility was \$44.7 million, after giving effect to \$9.0 million of outstanding letters of credit and a \$6.3 million commitment from Lehman that we do not expect Lehman will fund.
- (3) We intend to use our net proceeds from this offering to redeem all of our outstanding Series A preferred stock.
- (4) With respect to our Class A and Class B common stock, we are authorized to issue 150,000,000 shares collectively, at September 30, 2010.

Table of Contents**DILUTION**

Purchasers of our Class A common stock in this offering will experience an immediate dilution of net tangible book value per share from the initial public offering price. Dilution in net tangible book value per share represents the difference between the amount per share paid by purchasers of shares of Class A common stock and the net tangible book value per share immediately after this offering.

At September 30, 2010, the net tangible book deficit of our common stock was approximately \$(404.3) million, or approximately \$(4.63) per share of our common stock. After giving effect to (1) the sale of shares of our Class A common stock in this offering at an assumed initial public offering price of \$ per share, the midpoint of the price range set forth on the front cover of this prospectus, and after deducting estimated underwriting discounts and commissions and the estimated offering expenses of this offering, and (2) the use of cash on hand immediately prior to this offering to satisfy our obligations under the ACOF Management Services Agreement and our Class B common stock totaling \$ million, the as adjusted net tangible book value at September 30, 2010 attributable to common stockholders would have been approximately \$ million, or approximately \$ per share of our common stock. This represents a net increase in net tangible book value of \$ per existing share and an immediate dilution in net tangible book value of \$ per share to new stockholders. The following table illustrates this per share dilution to new stockholders:

Assumed initial public offering price per share	\$
Net tangible book value per share as of September 30, 2010	\$
Increase in net tangible book value per share attributable to this offering	\$
As adjusted net tangible book value per share after this offering	\$
Dilution in net tangible book value per share to new stockholders	\$

The table below summarizes, as of September 30, 2010, the differences for (1) our existing stockholders, and (2) investors in this offering, with respect to the number of shares of Class A common stock purchased from us, the total consideration paid, and the average price per share paid before deducting fees and expenses.

	Shares Issued		Total Consideration		Average Price per Share
	Number	Percentage	Amount	Percentage	
Existing stockholders		%		%	
New stockholders in this offering		%		%	
Total					

The foregoing discussion and tables assumes no exercise of stock options to purchase shares of our Class A common stock subject to outstanding stock options with a weighted average exercise price of \$ per share as of September 30, 2010 and excludes shares of our Class A common stock available for future grant or issuance under our stock plans. To the extent that any options having an exercise price that is less than the offering price of this offering are exercised, new investors will experience further dilution.

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SELECTED CONSOLIDATED FINANCIAL DATA

The selected consolidated financial data presented below as of and for the Successor Periods and the period from January 1, 2007 to March 15, 2007 are derived from our audited consolidated financial statements and their notes included in this prospectus. The selected consolidated financial data presented below as of and for the years ended December 31, 2006 and 2005, are derived from our audited consolidated financial statements and their notes, which are not included in this prospectus. The selected consolidated financial data as of December 31, 2006, and 2005 and for the period from January 1, 2007 to March 15, 2007 and for the years ended December 31, 2006 and 2005 represent the period during which GNC Parent Corporation was owned by an investment fund managed by Apollo.

The consolidated financial data presented below for the nine months ended September 30, 2009 and 2010 are derived from our unaudited consolidated financial statements and accompanying notes included in this prospectus and include, in the opinion of management, all adjustments, consisting only of normal recurring adjustments, for a fair statement of our financial position and operating results as of and for the nine months ended September 30, 2009 and 2010. Our results for interim periods are not necessarily indicative of our results for a full year of operations.

Together with our wholly owned subsidiary GNC Acquisition Inc., we entered into the Merger Agreement with GNC Parent Corporation on February 8, 2007. On March 16, 2007, the Merger was consummated. As a result of the Merger, the consolidated statement of operations for the Successor Periods includes the following: interest and amortization expense resulting from the issuance of the Senior Notes and the Senior Subordinated Notes; and amortization of intangible assets related to the Merger. Further, as a result of purchase accounting, the fair values of our assets on the date of the Merger became their new cost basis.

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You should read the following financial information together with the information under "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and their related notes.

	Successor				Predecessor			
	Nine Months Ended	Nine Months Ended	Year Ended	Year Ended	March 16- December 31,	January 1- December 31,	Year Ended	Year Ended
	September 30, 2010	September 30, 2009	December 31, 2009	December 31, 2008	December 31, 2007	March 15, 2007	December 31, 2006	December 31, 2005
	(unaudited)							
	(Dollars in millions, except share data)							
Statement of Operations								
Data:								
Revenue:								
Retail	\$ 1,031.9	\$ 962.6	\$ 1,256.3	\$ 1,219.3	\$ 909.3	\$ 259.3	\$ 1,122.7	\$ 989.4
Franchising	222.4	201.1	264.2	258.0	193.9	47.2	232.3	212.8
Manufacturing/Wholesale	132.1	139.4	186.5	179.4	119.8	23.3	132.1	115.5
Total revenue	\$ 1,386.4	\$ 1,303.1	\$ 1,707.0	\$ 1,656.7	\$ 1,223.0	\$ 329.8	\$ 1,487.1	\$ 1,317.7
Cost of sales, including costs of warehousing and distribution, and occupancy	893.8	849.2	1,116.4	1,082.6	814.2	212.2	983.5	898.7
Gross profit	492.6	453.9	590.6	574.1	408.8	117.6	503.6	419.0
Compensation and related benefits	204.7	196.3	263.0	249.8	195.8	64.3	260.8	228.6
Advertising and promotion	40.4	40.2	50.0	55.1	35.0	20.5	50.7	44.7
Other selling, general, and administrative	75.3	74.1	96.7	98.9	71.5	17.6	94.9	76.6
Other (income) expense(1)	(0.1)		(0.1)	0.7	(0.4)	(0.2)	0.5	(3.1)
Merger related costs						34.6		
Operating income (loss)	172.3	143.3	181.0	169.6	106.9	(19.2)	96.7	72.2
Interest expense, net	49.2	53.0	69.9	83.0	75.5	72.8	45.6	43.1
Income (loss) before income taxes	123.1	90.3	111.1	86.6	31.4	(92.0)	51.1	29.1
Income tax expense (benefit)	45.4	33.4	41.6	32.0	12.6	(21.6)	19.3	10.7
Net income (loss)	\$ 77.7	\$ 56.9	\$ 69.5	\$ 54.6	\$ 18.8	\$ (70.4)	\$ 31.8	\$ 18.4
Weighted average shares outstanding:								
Basic	87,350	87,448	87,421	87,761	87,784	50,607	50,532	50,606
Diluted	88,644	87,730	87,859	87,787	87,784	50,607	52,176	51,595
Net income (loss) per share(2):								

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Basic	\$ 0.72	\$ 0.49	\$ 0.58	\$ 0.43	\$ 0.08	\$ (1.39)	\$ 0.34	\$ 0.07
Diluted	\$ 0.70	\$ 0.49	\$ 0.58	\$ 0.43	\$ 0.08	\$ (1.39)	\$ 0.32	\$ 0.07

Balance Sheet Data (at end of period):

Cash and cash equivalents	\$ 165.2	\$ 79.4	\$ 89.9	\$ 44.3	\$ 28.9	\$ 25.6	\$ 86.0
Working capital(3)	489.0	376.6	397.0	306.8	258.1	250.0	296.9
Total assets	2,407.2	2,313.0	2,319.6	2,293.8	2,239.6	981.7	1,023.8
Total current and non-current long-term debt	1,058.8	1,065.1	1,059.8	1,084.7	1,087.0	857.9	473.4
Preferred stock	213.0	192.9	197.7	179.3	162.2		127.1
Total stockholders' equity	815.2	716.4	732.0	653.8	608.4	(99.0)	212.1

Statement of Cash Flows:

Net cash provided by (used in) operating activities	\$ 97.6	\$ 77.8	\$ 114.0	\$ 77.4	\$ 92.0	\$ (51.0)	\$ 73.9	\$ 64.2
Net cash used in investing activities	(21.2)	(22.0)	(42.2)	(60.4)	(1,672.2)	(6.2)	(23.4)	(21.5)
Net cash (used in) provided by financing activities	(1.1)	(21.1)	(26.4)	(1.4)	1,598.7	42.2	(111.0)	(41.7)

Other Data:

EBITDA(4)	\$ 206.1	\$ 177.9	\$ 227.7	\$ 212.1	\$ 136.9	\$ (11.8)	\$ 135.9	\$ 113.2
Capital expenditures(5)	21.0	20.4	28.7	48.7	28.9	5.7	23.8	20.8

- (1) Other (income) expense includes foreign currency (gain) loss for all periods presented. Other (income) expense for the year ended December 31, 2006 includes a \$1.2 million loss on the sale of our Australian manufacturing facility. Other (income) expense for the year ended December 31, 2005 includes \$2.5 million of transaction fee income related to the transfer of our GNC Australian franchise rights to an existing franchisee.
- (2) Includes impact of dividends on our Series A preferred stock.
- (3) Working capital represents current assets less current liabilities.
- (4) We define EBITDA as net income before interest expense (net), income tax expense, depreciation and amortization. Management uses EBITDA as a tool to measure operating performance of the business. EBITDA is not a measurement of our financial performance under GAAP and should not be considered as an alternative to net income, operating income, or any other performance measures derived in accordance with GAAP, or as an alternative to GAAP cash flow from operating activities, as a measure of our profitability or liquidity.

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The following table reconciles EBITDA to net income (loss) as determined in accordance with GAAP for the periods indicated:

	Successor				Predecessor			
	Nine Months Ended	Nine Months Ended	Year Ended	Year Ended	March 16- December 31, 2007	January 1- March 15 December 31, 2007	Year Ended	Year Ended
	September 30, 2010 (Unaudited)	September 30, 2009	December 31, 2009	December 31, 2008			December 31, 2006	December 31, 2005
	(dollars in millions)							
Net income (loss)	\$ 77.7	\$ 56.9	\$ 69.5	\$ 54.6	\$ 18.8	\$ (70.4)	\$ 31.8	\$ 18.4
Interest expense, net	49.2	53.0	69.9	83.0	75.5	72.8	45.6	43.1
Income tax expense (benefit)	45.4	33.4	41.6	32.0	12.6	(21.6)	19.3	10.7
Depreciation and amortization	33.8	34.6	46.7	42.5	30.0	7.4	39.2	41.0
EBITDA	\$ 206.1(a)	\$ 177.9(b)	\$ 227.7(b)	\$ 212.1(b)	\$ 136.9(b)	\$ (11.8)(c)	\$ 135.9(d)	\$ 113.2(d)

(a)

For the nine months ended September 30, 2010, EBITDA includes the following expenses: \$4.1 million of startup costs related to strategic partnerships with PetSmart and PepsiCo and our operations in China and \$1.1 million related to payments to the Sponsors under the management agreement and Class B common stock, which payments will cease following this offering.

(b)

For the nine month period ended September 30, 2009, the years ended December 31, 2009 and December 31, 2008, and the 2007 Successor Period, EBITDA includes \$1.1 million, \$1.5 million, \$1.5 million and \$1.2 million, respectively, related to payments to the Sponsors under the management agreement and Class B common stock, which payments will cease following this offering.

(c)

For the period January 1, 2007 to March 15, 2007, EBITDA includes \$34.6 million of Merger related costs and \$0.4 million related to payments to our prior sponsors for management fees.

(d)

For each of the years ended December 31, 2006 and December 31, 2005, EBITDA includes \$1.5 million related to payments to our prior sponsors for management fees.

(5)

Capital expenditures for the year ended December 31, 2008 include approximately \$10.1 million incurred in conjunction with our store register upgrade program.

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**MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

You should read the following discussion in conjunction with "Selected Consolidated Financial Data" and our consolidated financial statements and the related notes thereto. The discussion in this section contains forward-looking statements that involve risks and uncertainties. See "Risk Factors" included in this prospectus for a discussion of important factors that could cause actual results to differ materially from those described or implied by the forward-looking statements contained herein. We urge you to review the information set forth in "Special Note Regarding Forward-Looking Statements" and "Risk Factors" included in this prospectus.

Business Overview

We are a global specialty retailer of nutritional supplements, which include VMHS, sports nutrition products, diet products, and other wellness products. We derive our revenues principally from product sales through our company-owned stores and online through GNC.com, franchise activities, and sales of products manufactured in our facilities to third parties. We sell products through a worldwide network of more than 7,100 locations operating under the GNC brand name.

Revenues and Operating Performance from our Business Segments

We measure our operating performance primarily through revenues and operating income from our three business segments, Retail, Franchise, and Manufacturing/Wholesale, and through the management of unallocated costs from our warehousing, distribution and corporate segments, as follows:

Retail: Retail revenues are generated by sales to consumers at our company-owned stores and online through GNC.com. Although we believe that our retail and franchise businesses are not seasonal in nature, historically we have experienced, and expect to continue to experience, a variation in our net sales and operating results from quarter to quarter, with the first half of the year being stronger than the second half of the year. According to Nutrition Business Journal's Supplement Business Report 2010, our industry is expected to grow at an annual average rate of approximately 5.3% through 2015. As a leader in our industry, we expect our organic retail revenue growth to be consistent with projected industry growth as a result of our disproportionate market share, scale economies in purchasing and advertising, strong brand awareness and vertical integration.

Franchise: Franchise revenues are generated primarily from:

- (1) product sales to our franchisees;
- (2) royalties on franchise retail sales; and
- (3) franchise fees, which are charged for initial franchise awards, renewals, and transfers of franchises.

As described above, our industry is expected to grow at an annual average rate of approximately 5.3% through 2015. Although we do not anticipate the number of our domestic franchise stores to grow substantially, we expect to achieve domestic franchise store revenue growth consistent with projected industry growth, which will be generated by royalties on franchise retail sales and product sales to our existing franchisees. As a result of our efforts to expand our international presence and provisions in our international franchising agreements requiring franchisees to open additional stores, we have increased our international store base in recent periods and expect to continue to increase the number of our international franchise stores over the next five years. We believe this will result in additional franchise fees associated with new store openings and increased revenues from product sales to, and royalties from, new franchisees. As our existing international franchisees continue to open additional stores, we also anticipate that franchise revenue from international operations will be driven by increased product sales to, and

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royalties from, our franchisees. Since our international franchisees pay royalties to us in U.S. dollars, any strengthening of the U.S. dollar relative to our franchisees' local currency may offset some of the growth in royalty revenue.

Manufacturing/Wholesale: Manufacturing/Wholesale revenues are generated through sales of manufactured products to third parties, generally for third-party private label brands, and the sale of our proprietary and third-party products to and through Rite Aid and www.drugstore.com, and the sale of our proprietary products to and through PetSmart. License fee revenue from the opening of GNC franchise store-within-a-store locations within Rite Aid stores is also recorded in this segment. Our revenues generated by our manufacturing and wholesale operations are subject to our available manufacturing capacity.

A significant portion of our business infrastructure is comprised of fixed operating costs. Our vertically-integrated distribution network and manufacturing capacity can support higher sales volume without significant incremental costs. We therefore expect our operating expenses to grow at a lesser rate than our revenues, resulting in positive operating leverage.

The following trends and uncertainties in our industry could affect our operating performance as follows:

broader consumer awareness of health and wellness issues and rising healthcare costs may increase the use of the products we offer and positively affect our operating performance;

interest in, and demand for, condition-specific products based on scientific research may positively affect our operating performance if we can timely develop and offer such condition-specific products;

the effects of favorable and unfavorable publicity on consumer demand with respect to the products we offer may have similarly favorable or unfavorable effects on our operating performance;

a lack of long-term experience with human consumption of ingredients in some of our products could create uncertainties with respect to the health risks, if any, related to the consumption of such ingredients and negatively affect our operating performance;

increased costs associated with complying with new and existing governmental regulation may negatively affect our operating performance; and

a decline in disposable income available to consumers may lead to a reduction in consumer spending and negatively affect our operating performance.

Executive Overview

Our recent results of operations reflect steady growth, including through a difficult economic environment and despite a short-term reduction in revenue that we experienced in 2009 due to the Hydroxycut recall. In the first nine months of 2010, we achieved revenue growth of 6.4%, operating income growth of 20.3% and net income growth of 36.7% compared to the same period in 2009. Operating income growth resulted from higher sales and margins in our retail and franchise segments and effective cost controls on unallocated expenses. Net income growth resulted primarily from higher operating income and lower interest expense.

Recent revenue growth in our domestic retail segment has been driven primarily by increases in the sports nutrition category resulting from new product introductions. In addition, we have experienced significant growth in our GNC.com business primarily as a result of our redesigned website. In recent periods, our domestic franchise business has achieved increased product sales despite a lower store base. Sales in the international franchise business have grown steadily as a result of an increased store base and strong organic sales growth.

Our manufacturing strategy is designed to provide our stores with proprietary products at the lowest possible cost, and utilize additional capacity to promote production efficiencies and enhance

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our position in the third-party contract business. Under this strategy, our third-party manufacturing sales increased by 38.7% and 3.8% in 2008 and 2009, respectively, over the prior year periods. In the first nine months of 2010, our manufacturing segment experienced reduced sales in contract manufacturing compared with the first nine months of 2009, partially offset by higher product sales to Rite Aid, drugstore.com and PetSmart. The reduction in the contract manufacturing business reflects a transition period during which we are moving from low margin commodity contracts to higher margin, specialty product contracts.

We also continue to invest in opportunities to expand our brand beyond our existing domestic company-owned footprint and partner with companies like PepsiCo and PetSmart to develop new and innovative products. We believe that these ventures, together with our direct investments in international markets like China, represent attractive growth opportunities. For the nine months ended September 30, 2010, we incurred \$4.1 million of start-up expenses related to our operations in China and joint ventures with PepsiCo, in connection with the development of a new brand of fortified coconut water called Phenom, and with PetSmart, in connection with the development, manufacture and distribution of nutritional supplements for pets. Additionally, for the nine months ended September 30, 2010, we made payments in an aggregate amount of \$1.1 million to the Sponsors related to the management fee and the special dividend payments on our Class B common stock, which payments will cease following the completion of this offering. Subsequent to completion of the nine months ended September 30, 2010, we also incurred non-recurring expenses related to the exploration of strategic alternatives.

Basis of Presentation

The accompanying consolidated financial statements and footnotes have been prepared by us in accordance with accounting principles generally accepted in the United States ("U.S. GAAP") and with the instructions to Regulation S-K and Regulation S-X. Our normal reporting period is based on a calendar year.

The financial statements as of and for the years ended December 31, 2009, 2008 and 2007 reflect periods subsequent to the Merger and include the accounts of us and our wholly owned subsidiaries. Included for the years ended 2009 and 2008 and for the period from March 16, 2007 through December 31, 2007 are fair value adjustments to assets and liabilities, including inventory, goodwill, other intangible assets and property, plant and equipment. Accordingly, the accompanying financial statements for the periods prior to the Merger are labeled as "Predecessor" and the periods subsequent to the Merger are labeled as "Successor".

Results of Operations

The following information presented as of December 31, 2009, 2008, and 2007 and for the years ended December 31, 2009 and 2008, for the period March 16, 2007 to December 31, 2007, and for the period January 1 to March 15, 2007 was derived from our audited consolidated financial statements and accompanying notes which are included in this prospectus.

The following information may contain financial measures other than in accordance with generally accepted accounting principles, and should not be considered in isolation from or as a substitute for our historical consolidated financial statements. In addition, the adjusted combined operating results may not reflect the actual results we would have achieved absent the adjustments and may not be predictive of future results of operations. We present this information because we use it to monitor and evaluate our ongoing operating results and trends, and believe it provides investors with an understanding of our operating performance over comparative periods.

As discussed in the "Segment" note to our consolidated financial statements, we evaluate segment operating results based on several indicators. The primary key performance indicators are revenues and operating income or loss for each segment. Revenues and operating income or loss, as evaluated by management, exclude certain items that are managed at the consolidated level,

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such as warehousing and transportation costs, impairments, and other corporate costs. The following discussion compares the revenues and the operating income or loss by segment, as well as those items excluded from the segment totals.

Same store sales growth reflects the percentage change in same store sales in the period presented compared to the prior year period. Same store sales are calculated on a daily basis for each store and exclude the net sales of a store for any period if the store was not open during the same period of the prior year. We also include our internet sales, as generated through GNC.com and www.drugstore.com, in our domestic company-owned same store sales calculation. When a store's square footage has been changed as a result of reconfiguration or relocation in the same mall or shopping center, the store continues to be treated as a same store. If, during the period presented, a store was closed, relocated to a different mall or shopping center, or converted to a franchise store or a company-owned store, sales from that store up to and including the closing day or the day immediately preceding the relocation or conversion are included as same store sales as long as the store was open during the same period of the prior year. We exclude from the calculation sales during the period presented that occurred on or after the date of relocation to a different mall or shopping center or the date of a conversion.

	Nine Months Ended		Successor Year Ended		Year Ended		March 16-		Predecessor			
	September 30, 2010		September 30, 2009		December 31, 2009		December 31, 2008		January 1- March 15, 2007			
	(unaudited)											
	(Dollars in millions)											
Statement of Operations data:												
Revenue:												
Retail	\$1,031.9	74.4%	\$ 962.6	73.9%	\$1,256.3	73.6%	\$1,219.3	73.6%	\$ 909.3	74.3%	\$259.3	78.6%
Franchising	201.1	16.0%	201.1	15.4%	264.2	15.5%	258.0	15.6%	193.9	15.9%	47.2	14.3%
Manufacturing/Wholesale	139.4	11.6%	139.4	10.7%	186.5	10.9%	179.4	10.8%	119.8	9.8%	23.3	7.1%
Total net revenue	\$1,372.4	100.0%	\$1,303.1	100.0%	\$1,707.0	100.0%	\$1,656.7	100.0%	\$1,223.0	100.0%	\$329.8	100.0%
Operating expenses:												
Cost of sales, including costs of warehousing and distribution, and occupancy	\$893.8	64.5%	849.2	65.2%	1,116.4	65.4%	1,082.6	65.3%	814.2	66.6%	212.2	64.3%
Compensation and related benefits	204.7	14.8%	196.3	15.1%	263.0	15.4%	249.8	15.1%	195.8	16.0%	64.3	19.5%
	40.4	2.9%	40.2	3.1%	50.0	2.9%	55.1	3.3%	35.0	2.9%	20.5	6.2%

Advertising and promotion												
Other selling, general, and administrative	69.4	5.0%	66.8	5.1%	86.9	5.1%	88.0	5.3%	62.3	5.1%	16.7	5.1%
Amortization expense	5.9	0.4%	7.3	0.5%	9.8	0.6%	10.9	0.7%	9.2	0.8%	0.9	0.3%
Foreign currency (gain) loss	(0.1)	0.0%		0.0%	(0.1)	0.0%	0.7	0.0%	(0.4)	0.0%	(0.2)	-0.1%
Merger related costs		0.0%		0.0%		0.0%		0.0%		0.0%	34.6	10.5%
Total operating expenses	111	87.6%	1,159.8	89.0%	&nbsp;	&nbsp;	&nbsp;	&nbsp;	&nbsp;	&nbsp;	&nbsp;	&nbsp;