

BARNEYS NEW YORK

1. What did Barneys New York announce? Why did the Company take this action?

- Barneys New York announced that the Company has secured approximately \$218 million in new financing from Brigade Capital Management, LP (“Brigade”) and B. Riley Financial, Inc. (“B. Riley Financial”) to facilitate a going concern sale process.
- In connection with the sale process, the Company voluntarily filed for reorganization under Chapter 11 of the U.S. Bankruptcy Code.
- Like many in our industry, Barneys New York’s financial position has been dramatically impacted by the challenging retail environment and rent structures that are excessively high relative to market demand. In response to these obstacles, the Barneys New York Board and management team have taken decisive action by entering into a court-supervised process.
- A court-supervised process provides the necessary tools to efficiently conduct a sale process, review store leases to best optimize the Company’s operations and consider all value enhancing transactions.
- The Court granted Barneys New York interim approval to immediately access \$75 million of the \$218 million in new financing from Brigade Capital and B. Riley Financial, which, combined with operating cash flow, will help Barneys New York to address its go-forward financial commitments and continue operations.

2. Who are Brigade Capital and B. Riley Financial, and why is Barneys New York partnering with them?

- Barneys New York has secured \$218 million in new financial from Brigade Capital and B. Riley Financial, which, combined with operating cash flow, will help Barneys New York to address its go-forward financial commitments.
- This new agreement replaces the previously announced \$75 million agreement with affiliates of Hilco Global and the Gordon Brothers Group and will refinance all of Barneys New York’s existing secured indebtedness.
- Brigade Capital, a global investment management firm, and B. Riley Financial, a diversified financial services company, bring deep retail sector expertise in the leveraged finance market. Together, the firms manage tens of billions of dollars in assets for their clients. With extensive experience in capital restructurings, these two financial institutions will provide Barneys New York critical support throughout the Company’s going concern sale process.
- We are pleased to partner with Brigade Capital and B. Riley Financial, whose substantial financial commitment will better support Barneys New York as we continue to offer a unique customer experience, strengthen our relationships with our vendors and conduct a sale process to position Barneys New York for the long-term.

3. Which Barneys New York locations are staying open? Are Barneys.com and BarneysWarehouse.com staying open?

- Barneys New York will continue to serve customers in five flagship locations, including Madison Avenue, Downtown NYC, Beverly Hills, San Francisco and Boston, as well as two Barneys Warehouse locations, including Woodbury Common and Livermore.
- In addition, Barneys.com and BarneysWarehouse.com will continue serving customers without disruption.

4. Why are you closing stores? Which stores are closing?

- We believe that reducing our store footprint will best optimize the Company’s operations as Barneys New York considers all value enhancing transactions.
- Pursuing a sale under the Court’s supervision provides the quickest and most efficient means of maximizing value while ensuring we continue serving both new and loyal customers.
- This decision is the result of a carefully considered and comprehensive process to evaluate all options, and we believe that this provides the best path forward for Barneys New York and our stakeholders.
- As part of the Chapter 11 process, we will close physical store locations in Chicago, Las Vegas and Seattle as well as Philadelphia, Brooklyn, The Grove, Santa Monica and Glendale, and seven outlet locations including Riverhead, Carlsbad, Cabazon, Camarillo, Rosemont, Sawgrass and Waikēle.
- Inventory from the stores that are closing will be shipped to other store locations.

B A R N E Y S N E W Y O R K

5. Will there be additional store closings as a result of this process?

- Decisions about our footprint will continue to be based on market conditions and overall company performance, as they always have.

6. Will there be any change in the products available online or in stores?

- We intend to continue providing our customers with the same excellent services products and experiences, both online and at all of our stores and restaurants.
- Inventory from the stores that are closing will be shipped to other store locations.

7. Why are you using this process to explore a sale? How long will the sale process take?

- Pursuing a sale under the Court's supervision provides the quickest and most efficient means of maximizing value while ensuring we continue serving our loyal customers.
- We are working through this process as expeditiously as possible.
- We will continue to provide updates as we move through the process.

8. How will this process affect day-to-day operations? Does Barneys New York have sufficient liquidity to continue operating throughout this process?

- Barneys New York will continue serving customers in five flagship locations, including Madison Avenue, Downtown NYC, Beverly Hills, San Francisco and Boston, as well as two Barneys Warehouse locations, including Woodbury Common and Livermore.
- We have sufficient liquidity to meet our business obligations and operate our stores, restaurants and luxury content site as we work through the Chapter 11 and store closing processes.
- The Company also received interim approval to immediately access \$75 million of the new financing which, combined with operating cash flow, will help Barneys New York to address its go-forward financial commitments and continue operations.

9. When do you expect to complete the Chapter 11 process?

- We are working through this process as expeditiously as possible.
- We will continue to provide updates as we move through the process.