



# **B. Riley Financial and bebe stores Issue Joint Update to Shareholders**

April 26, 2018

LOS ANGELES & BRISBANE, Calif.--(BUSINESS WIRE)--Apr. 26, 2018-- B. Riley Financial, Inc. (NASDAQ: RILY) (“B. Riley”) and bebe stores, inc. (OTCQB: BEBE) (“bebe”) today issued a joint statement to update shareholders regarding bebe.

“We felt it was important to share our progress and achievements with our shareholders since embarking on bebe’s business transformation,” said Manny Mashouf, Chief Executive Officer of bebe. “With guidance from B. Riley, we have put in place plans to substantially streamline operations to achieve significant cost savings that will enable us to deliver additional value to our shareholders.”

As noted in bebe’s Quarterly Report on Form 10-Q for the second quarter of fiscal year 2018, bebe reported \$2.1 million of licensing income from BB Brand Holdings LLC, bebe’s operating subsidiary which is 50 percent jointly owned by Bluestar Alliance LLC. bebe intends to distribute proceeds from its share of licensing income net of company operating expenses to shareholders on a quarterly basis beginning in the first quarter of bebe’s fiscal 2019.

bebe’s former headquarters located at 10345 West Olympic Boulevard in Los Angeles, CA is under contract to be sold for a price of \$28.5 million. bebe’s Board of Directors has approved a one-time special cash dividend of \$0.50 per share on the outstanding shares of bebe stock to shareholders of record as of May 14, 2018, and paid five business days after the close of the escrow. The sale of the property is expected to close on May 21, 2018.

“bebe is a rare example of a retailer’s ability to withstand current headwinds by restructuring its business and yet still continuing to generate dividends for shareholders,” said Bryant Riley, Chairman and CEO of B. Riley Financial. “We’re pleased to have been able to contribute to bebe’s transformation and intend to work together to identify acquisitions that will take advantage of bebe’s significant net operating losses.”

bebe’s Board of Directors has also accepted the resignation of Joe Scirocco, Managing Director, Treasurer, and Principal Financial and Accounting Officer, of bebe and its affiliates, effective as of April 20, 2018, which further streamlines company expenses. “We sincerely thank Joe for his contributions and dedication to bebe,” added Mashouf.

## **About bebe stores, inc.**

bebe is global specialty retailer of women’s apparel and accessories that distributes and sells bebe branded product through its licensees and [www.bebe.com](http://www.bebe.com) in more than 21 countries.

## **About B. Riley Financial, Inc.**

Through its subsidiaries, B. Riley Financial, Inc. provides collaborative financial services and solutions to the capital raising and financial advisory needs of public and private companies and high net worth individuals. The

company operates through several wholly-owned subsidiaries, including [B. Riley FBR, Inc.](#), [Wunderlich Securities, Inc.](#), [Great American Group, LLC](#), [B. Riley Capital Management, LLC](#) (which includes [B. Riley Asset Management](#), [B. Riley Wealth Management](#), and [Great American Capital Partners, LLC](#)) and [B. Riley Principal Investments](#), a group that makes proprietary investments in other businesses, such as the acquisition of [United Online, Inc.](#)

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