



# **Barneys New York Secures Approximately \$218 Million in New Financing from Brigade Capital Management and B. Riley Financial Following a Competition to Provide Fresh Capital**

August 7, 2019

**Obtains Interim Approval to Immediately Access \$75 Million of the New Financing  
Receives Court Approval of All "First Day" Motions to Support Business Operations  
Continues to Provide Excellent Services, Products and Experiences for Customers in Madison Avenue,  
Downtown NYC, Beverly Hills, San Francisco and Boston flagships, Barneys.com,  
BarneysWarehouse.com and Select Outlets**

NEW YORK, Aug. 6, 2019 /PRNewswire/ -- Barneys New York (the "Company"), the luxury specialty retailer, today announced that the Company has secured approximately \$218 million in new financing from Brigade Capital Management, LP ("Brigade Capital") and B. Riley Financial, Inc. (NASDAQ:RILY) ("B. Riley Financial") to facilitate a going concern sale process. This new agreement, which materialized earlier in the day, 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. The Company also received approvals from the United States Bankruptcy Court for the Southern District of New York for all "First Day" motions filed on August 6, 2019. 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 meet its go-forward financial commitments and continue operations.

"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," said Daniella Vitale, Chief Executive Officer & President. "This significantly enhanced financing commitment demonstrates the belief of Brigade Capital and B. Riley Financial in the value of the Barneys New York brand and business. We appreciate the prompt action by the Court in approving our First Day motions and would like to thank our employees, vendors and customers for their continued support."

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.

Ms. Vitale continued, "I would also like to thank Hilco Global and the Gordon Brothers Group for their interest and professionalism. The competition to provide Barneys New York with fresh capital – a substantial

amount of which is being provided on a junior basis – reinforces our confidence in achieving a value enhancing transaction."

Barneys New York will continue to provide excellent services, products and experiences for customers in five flagship locations: Madison Avenue, Downtown NYC, Beverly Hills, San Francisco and Copley Place in Boston, as well as two Barneys Warehouse locations, including Woodbury Common and Livermore. In addition, Barneys.com and BarneysWarehouse.com will continue serving our customers without disruption.

In addition to the interim approval to access its new financing, the Court granted Barneys New York the authority to continue payment of employee wages and benefits and honor customer payments and orders. The Company will pay trade vendors, manufacturing partners and suppliers for goods and services provided on or after the filing date, August 6, 2019.

### **Additional Information**

Court filings and information about the claims process are available at [case.stretto.com/barneys](http://case.stretto.com/barneys), by calling the Company's Information Hotline toll-free at 855-202-8711 (or +1-949-346-3310 for international calls) or sending an email to [Barneys@stretto.com](mailto:Barneys@stretto.com).

Kirkland & Ellis LLP is serving as the Company's legal advisor, Houlihan Lokey is serving as financial advisor and M-III Partners, L.P. is serving as its restructuring advisor.

### **About Barneys New York**

Barneys New York (Barneys) is a creative destination for modern luxury retail, entertainment, and dining. Barneys is renowned for being a place of discovery for some of the world's leading designers, and for creating the most discerning edit across women's and men's ready-to-wear, accessories, shoes, jewelry, cosmetics, fragrances, and home. Barneys' signature creativity and style comes to life through its innovative concepts and experiences, imaginative holiday campaigns, famed window displays, and exclusive activations. Barneys also operates its iconic restaurants, Freds at Barneys New York, serving an Italian-inspired and contemporary American menu within four of its flagship stores. For more information about Barneys New York, please visit Barneys.com, explore its editorial site The Window for an inside look, and subscribe to The Barneys Podcast.

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SOURCE Barneys New York

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