

Neiman Marcus Group Enters into a Restructuring Support Agreement with a Significant Majority of its Creditors to Substantially Reduce Debt and Position the Company for Long-Term Growth

**Binding Agreement Demonstrates Broad Commitment Across Creditor Classes
Company Commences Voluntary Prearranged Chapter 11 Proceedings to Implement Restructuring Support Agreement and Support Continued Operations Amid COVID-19 Pandemic and Beyond
Company Secures \$675 Million Debtor-in-Possession Loan and Commitment to Fulfill \$750 Million Exit Financing Package from Creditors
Financial Restructuring is Anticipated to Establish a Strong Capital Structure to Continue Transformation**

DALLAS, May 7, 2020 /PRNewswire/ -- Neiman Marcus Group LTD LLC (the "Company") today announced that it has entered into a Restructuring Support Agreement ("RSA") with a significant majority of its creditors to undergo a financial restructuring, substantially reducing its debt load and interest payments and supporting continued operations during the COVID-19 pandemic and beyond. The binding agreement with holders representing over two-thirds of the Company's outstanding debt demonstrates broad commitment across creditor classes.

To implement the RSA, the Company has commenced voluntary Chapter 11 proceedings in the U.S. Bankruptcy Court for the Southern District of Texas, Houston Division. As part of the process, Neiman Marcus Group has secured debtor-in-possession ("DIP") financing of \$675 million from creditors to enable business continuity throughout proceedings.

Geoffroy van Raemdonck, Chairman and Chief Executive Officer of Neiman Marcus Group stated, "Prior to COVID-19, Neiman Marcus Group was making solid progress on our journey to long-term profitable and sustainable growth. We have grown our unrivaled luxury customer base, expanded our industry-leading customer relationships, achieved higher omni-channel penetration, and made meaningful strides in our transformation to become the preeminent luxury customer platform. However, like most businesses today, we are facing unprecedented disruption caused by the COVID-19 pandemic, which has placed inexorable pressure on our business."

"My team and I appreciate the partnership and the steadfast support of all our stakeholders and Board of Directors through this process. The binding agreement from our creditors gives us additional liquidity to operate the business during the pandemic and the financial flexibility to accelerate our transformation. We will emerge a far stronger company. In a world that is changing, we are uniquely positioned to give our brand partners access to our loyal luxury customers like no other company. We will deliver that through the strength of our associate relationships and digital solutions," continued Mr. van Raemdonck.

Details on the RSA and Chapter 11 Proceedings

- Certain of the Company's largest creditors have committed to fulfill \$675 million in DIP financing during the Chapter 11 proceedings.
- These creditors have also committed to fulfill a \$750 million exit financing package that would fully refinance the DIP financing and provide additional liquidity for the business.
- Upon emergence, the Company's planned capital structure is anticipated to be long dated with no near-term maturities and to eliminate approximately \$4 billion of its existing debt.
- The transaction is supported by the Company's existing shareholders and, pursuant to the agreement, the creditors participating in the RSA will become the majority owners of the Company.
- Prior to the commencement of the Chapter 11 proceedings, new boards of managers were established at two debtor entities, Mariposa Intermediate Holdings LLC and Neiman Marcus Group LTD LLC, to lead the debtors through the restructuring process. Each board of managers is chaired by Mr. van Raemdonck and includes at least one independent manager.
- The Company expects to emerge from the process in early Fall 2020.
- Mytheresa is not a part of the Chapter 11 proceedings and will continue to operate independently.

COVID-19 Business Update

Neiman Marcus Group also provided an update on the following actions to efficiently manage its business through the COVID-19 pandemic:

- Temporary closures of some Neiman Marcus, Bergdorf Goodman, and Last Call stores, have been extended through May 31 to protect the health and safety of customers and associates.
- The Company continues to leverage the strength of its e-commerce platforms, continuing to serve customers remotely and digitally through its associates and style advisors, as well as on the Neiman Marcus and Bergdorf Goodman websites and apps.
- Furloughs or temporary salary reductions have been put into effect for a large portion of associates through at least May 31 with the potential to either extend or shorten based on COVID-19 developments.
- A total of 10 stores nationwide are now open for curbside pickup – all Texas Neiman Marcus stores, as well as Tampa, Las Vegas, and Tysons Corner stores.

- On May 4, the Atlanta and NorthPark Neiman Marcus stores became available to customers by private appointment.
- The Company will continue to assess store closure decisions and will reopen stores as it is safe to do so based on the status of the pandemic. The Chapter 11 process will not impact the timing of store re-openings.

Additional Information

Kirkland & Ellis LLP is serving as legal counsel to the Company, Lazard Ltd. is serving as the Company's investment banker, and Berkeley Research Group is serving as the Company's financial advisor.

The Extended Term Loan Lenders are represented by Wachtell, Lipton, Rosen & Katz as legal counsel and Ducera Partners LLC as investment banker.

The Noteholders are represented by Paul, Weiss, Rifkind, Wharton & Garrison LLP as legal counsel and Houlihan Lokey as investment banker.

Court filings and other documents related to the Chapter 11 proceedings are available on a separate website administered by the Company's claims agent, Stretto. For inquiries regarding the restructuring, please visit <https://cases.stretto.com/NMG>.

About Neiman Marcus Group

Neiman Marcus Group is a luxury, multi-branded, omni-channel fashion retailer conducting integrated store and online operations under the Neiman Marcus, Bergdorf Goodman, Neiman Marcus Last Call, and Horchow brand names. For more information, visit <http://www.neimanmarcusgroup.com>.

Forward-Looking Statements

Neiman Marcus Group has included statements in this press release that constitute "forward-looking statements. As a general matter, forward-looking statements are those focused on future or anticipated events or trends, expectations, and beliefs including, among other things, the Company's expectations with respect to its Chapter 11 proceedings. Such statements are intended to be identified by using words such as "believe," "expect," "intend," "estimate," "anticipate," "will," "project," "plan" and similar expressions in connection with any discussion of future operating or financial performance. Any forward-looking statements are and will be based upon the Company's then-current expectations, estimates and assumptions regarding future events and are applicable only as of the dates of such statements. Readers are cautioned not to put undue reliance on such forward-looking statements. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ materially from those projected in this press release for numerous reasons, including factors outside the Company's control. The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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