

# PERRY ELLIS INTERNATIONAL

## Perry Ellis Terminates Discussions with Randa Accessories Leather Goods LLC

August 14, 2018

### Reiterates Commitment to George Feldenkreis Transaction and Reaffirms Intention to Recommend that All Perry Ellis Shareholders Vote FOR the Feldenkreis Transaction

MIAMI, Aug. 14, 2018 (GLOBE NEWSWIRE) -- The Special Committee of the Perry Ellis International (NASDAQ:PERY) ("Perry Ellis" or the "Company") Board of Directors, which comprises the independent directors, today confirmed that it has terminated discussions with privately-held Randa Accessories Leather Goods LLC ("Randa") with respect to its revised, non-binding, unsolicited proposal to acquire 100% of the outstanding common stock of Perry Ellis for \$28.90 per share in cash (the "Proposal").

The Special Committee of the Perry Ellis Board received on August 13, 2018 the following letter from representatives of Randa:

Ladies and Gentlemen:

We are writing in response to the letter received from you on Friday, August 10, 2018, in which you indicated that [Company's largest inbound licensor] is unwilling to consent to Randa's acquisition of Perry Ellis International, Inc. (the "Company"). In response to this letter, we spoke with your financial advisers to express our willingness to further increase our offer price, if George and Oscar Feldenkreis would support our transaction and assist the Company in obtaining the requisite [Company's largest inbound licensor] consent. Based on discussions your financial advisers have had since with George's representatives, we understand that the Feldenkreises have no interest in pursuing our superior proposal.

We remain highly interested in acquiring the Company. If Oscar, as CEO of the Company and chief steward of delivering shareholder value, is prepared to support our transaction, including in respect of further discussions with [Company's largest inbound licensor], we would be prepared to increase our offer price, currently \$1.40 per share higher than the Feldenkreis offer. Failing this support, we see no viable path to a transaction between Randa and the Company.

Very truly yours,

RANDA ACCESSORIES LEATHER

GOODS LLC

Jeffrey O. Spiegel  
Chief Executive Officer

The Special Committee, following a careful and thorough review in consultation with its independent financial and legal advisors consistent with its fiduciary duties, and after discussions with representatives of each of George Feldenkreis and Oscar Feldenkreis, determined that the Proposal is no longer reasonably likely to lead to a superior proposal as defined in the Feldenkreis merger agreement. Specifically, based on communications received from the Company's key inbound licensor, it became clear that the key inbound licensor precondition to the Proposal is not likely to be satisfied irrespective of any action taken by the Feldenkreises. Nor is Randa prepared to waive this precondition. As such, the Special Committee determined to terminate discussions with Randa regarding its Proposal.

As previously announced on June 16, 2018, Perry Ellis' Board of Directors, acting on the recommendation of the Special Committee of independent directors and with the support of independent financial and legal advisors, approved a \$437 million transaction to become a private company through an acquisition led by George Feldenkreis. Under the terms of the Feldenkreis merger agreement, Perry Ellis unaffiliated shareholders will receive \$27.50 per share in cash upon closing. The purchase price represents a premium of approximately 21.6 percent to Perry Ellis' unaffected closing stock price on February 5, 2018, the last trading day prior to George Feldenkreis announcing his proposal to take the Company private.

The Special Committee continues to believe that the Feldenkreis merger agreement is in the best interest of all Perry Ellis shareholders.

PJ SOLOMON is serving as financial advisor to the Special Committee, Paul, Weiss, Rifkind, Wharton & Garrison LLP and Akerman LLP are serving as the Special Committee's legal counsel, and Innisfree M&A Incorporated is serving as the Company's proxy solicitor.

#### About Perry Ellis International

Perry Ellis International, Inc. is a leading designer, distributor and licensor of a broad line of high quality men's and women's apparel, accessories and fragrances. The Company's collection of dress and casual shirts, golf sportswear, sweaters, dress pants, casual pants and shorts, jeans wear, active wear, dresses and men's and women's swimwear is available through all major levels of retail distribution. The Company, through its wholly owned subsidiaries, owns a portfolio of nationally and internationally recognized brands, including: Perry Ellis®, An Original Penguin® by Munsingwear®, Laundry by Shelli Segal®, Rafaella®, Cubavera®, Ben Hogan®, Savane®, Grand Slam®, John Henry®, Manhattan®, Axist®, Jantzen® and Farah®. The Company enhances its roster of brands by licensing trademarks from third parties, including: Nike® for swimwear, Callaway®, PGA TOUR®, Jack Nicklaus® for golf apparel and Guy Harvey® for performance fishing and resort wear. Additional information on the Company is available at <http://www.pery.com>.

#### Safe Harbor Statement

We caution readers that the forward-looking statements (statements which are not historical facts) in this release are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on current expectations rather than historical facts and they are indicated by words or phrases such as "proposed," "anticipate," "believe," "budget," "contemplate," "continue," "could," "estimate," "expect," "guidance," "indicate," "intend," "may," "might," "plan," "possibly," "potential," "predict," "probably," "proforma," "project," "seek," "should," "target," or "will" or the negative thereof or other variations thereon and similar words or phrases or comparable terminology. Such forward-looking

statements include, but are not limited to, statements regarding Perry Ellis' strategic operating review and consideration of the proposals described herein, growth initiatives and internal operating improvements intended to drive revenues and enhance profitability, the implementation of Perry Ellis' profitability improvement plan and Perry Ellis' plans to exit underperforming, low growth brands and businesses. We have based such forward-looking statements on our current expectations, assumptions, estimates and projections. While we believe these expectations, assumptions, estimates and projections are reasonable, such forward-looking statements are only predictions and involve known and unknown risks and uncertainties, and other factors that may cause actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements, many of which are beyond our control. These factors include: general economic conditions, a significant decrease in business from or loss of any of our major customers or programs, anticipated and unanticipated trends and conditions in our industry, including the impact of recent or future retail and wholesale consolidation, recent and future economic conditions, including turmoil in the financial and credit markets, the effectiveness of our planned advertising, marketing and promotional campaigns, our ability to contain costs, disruptions in the supply chain, including, but not limited to these caused by port disruptions, disruptions due to weather patterns, our future capital needs and our ability to obtain financing, our ability to protect our trademarks, our ability to integrate acquired businesses, trademarks, trade names and licenses, our ability to predict consumer preferences and changes in fashion trends and consumer acceptance of both new designs and newly introduced products, the termination or non-renewal of any material license agreements to which we are a party, changes in the costs of raw materials, labor and advertising, our ability to carry out growth strategies including expansion in international and direct-to-consumer retail markets, the effectiveness of our plans, strategies, objectives, expectations and intentions which are subject to change at any time at our discretion, potential cyber risk and technology failures which could disrupt operations or result in a data breach, the level of consumer spending for apparel and other merchandise, our ability to compete, exposure to foreign currency risk and interest rate risk, the impact to our business resulting from the United Kingdom's referendum vote to exit the European Union and the uncertainty surrounding the terms and conditions of such a withdrawal, as well as the related impact to global stock markets and currency exchange rates; possible disruption in commercial activities due to terrorist activity and armed conflict, actions of activist investors and the cost and disruption of responding to those actions, and other factors set forth in Perry Ellis' filings with the Securities and Exchange Commission. Forward-looking statements also may include information concerning the proposed merger transaction, including unexpected costs or liabilities, delays due to regulatory review, failure to timely satisfy or have waived certain closing conditions, failure to obtain the financing for the merger, the commencement of litigation relating to the merger, whether or when the proposed merger will close and changes in general and business conditions. Investors are cautioned that all forward-looking statements involve risks and uncertainties and factors relating to the proposed transaction, including those risks and uncertainties detailed in Perry Ellis' filings with the SEC, all of which are difficult to predict and many of which are beyond Perry Ellis' control. You are cautioned not to place undue reliance on these forward-looking statements, which are valid only as of the date they were made. We undertake no obligation to update or revise any forward-looking statements to reflect new information or the occurrence of unanticipated events or otherwise, except as required by law.

#### **Important Additional Information And Where To Find It**

The Company, its directors and certain of its executive officers may be deemed to be participants in the solicitation of proxies from Company stockholders in connection with the proposed transaction. The Company intends to file a proxy statement and WHITE proxy card with the U.S. Securities and Exchange Commission (the "SEC") in connection with any such solicitation of proxies from Company stockholders. COMPANY STOCKHOLDERS ARE STRONGLY ENCOURAGED TO READ ANY SUCH PROXY STATEMENT AND ACCOMPANYING WHITE PROXY CARD WHEN THEY BECOME AVAILABLE AS THEY WILL CONTAIN IMPORTANT INFORMATION. Information regarding the ownership of the Company's directors and executive officers in Company stock, restricted stock and options is included in their SEC filings on Forms 3, 4, and 5, which can be found through the Company's website (<http://investor.perry.com>), or through the SEC's website at [www.sec.gov](http://www.sec.gov). Information can also be found in the Company's other SEC filings, including the Company's Annual Report on Form 10-K for the year ended February 3, 2018, the Form 10-K/A filed by the Company with the SEC on June 1, 2018, and the preliminary proxy statement filed by the Company with the SEC on July 11, 2018, as it may be amended or supplemented from time to time by the Company. More detailed and updated information regarding the identity of potential participants, and their direct or indirect interests, by security holdings or otherwise, will be set forth in the proxy statement and other materials to be filed with the SEC in connection with the proposed transaction. Stockholders will be able to obtain any proxy statement, any amendments or supplements to the proxy statement and other documents filed by the Company with the SEC for no charge at the SEC's website at [www.sec.gov](http://www.sec.gov). Copies will also be available at no charge at the Company's website at <http://investor.perry.com>, by writing to Perry Ellis International, Inc., at 3000 N.W. 107 Avenue, Miami, FL 33172.

#### **Certain Participant Information**

In accordance with Rule 14a-12(a)(1)(i) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), the following directors, executive officers and other employees of Perry Ellis are deemed to be participants in the solicitation of proxies from Perry Ellis' shareholders in connection with the proposed transaction and, as of the date hereof, beneficially own the amount of shares of Perry Ellis' common stock, \$0.01 par value per share, indicated adjacent to his or her name: (i) Perry Ellis directors: Joe Arriola (15,590 shares), Jane E. DeFlorio (22,710 shares), George Feldenkreis (1,716,863 shares), Oscar Feldenkreis (1,223,329 shares), Bruce J. Klatsky (21,723 shares), Michael W. Rayden (21,723 shares), and J. David Scheiner (26,205 shares), and (ii) Perry Ellis executive officers and other employees: David Enright (31,706 shares), Jorge Narino (14,890 shares), Stanley Silverstein (73,666 shares) and John Voith (64,624 shares). The business address for each person is c/o Perry Ellis International, Inc., 3000 N.W. 107th Avenue, Miami, FL 33172. More detailed and updated information regarding the identity of potential participants, and their direct or indirect interests, by security holdings or otherwise, will be set forth in the proxy statement, including the schedules and appendices thereto, and other materials to be filed with the SEC in connection with the proposed transaction.

#### **Contacts**

##### **Investor:**

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 Primary Logo

Source: Perry Ellis International Inc.