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Xcel Brands Announces New Credit Facility With Bank Hapoalim

NEW YORK, March 02, 2016 (GLOBE NEWSWIRE) -- Xcel Brands, Inc. (NASDAQ:XELB) ("Xcel" or the "Company"), a brand development and media company, today announced that it has completed a refinancing of its senior debt with Bank Hapoalim B.M. The new credit facility refinances and consolidates approximately \$27,875,000 of senior debt that the Company previously held with Bank Hapoalim B.M. through its subsidiaries IM Brands, LLC, JR Licensing, LLC and H Licensing, LLC, and extends the term of such consolidated debt facility through January 1, 2021. Some of the key terms of the new credit facility include the following:

- | \$27,875,000 of senior secured debt under Xcel Brands, Inc., guaranteed by certain of Xcel's subsidiaries;
- | Interest rate is fixed at 5.10%;
- | Scheduled Amortization of \$2,625,000 for the remainder of 2016, \$4,000,000 per year each year from 2017 through 2020, plus an annual cash flow sweep of ten percent (10%) of the Company's cash flow (as defined in the credit facility), and the balance due on January 1, 2021.

Robert W. D'Loren, Chairman and CEO of Xcel, stated "We are pleased to extend our debt facility with Bank Hapoalim and appreciate the support they have provided to us as a financing source for the Company. The amended facility provides us with a long-term financing solution and increased financial flexibility as we continue to have one of the lowest leverage ratios in our industry. We believe the completion of this transaction is an important step that better positions Xcel to execute on our strategic initiatives to drive long-term growth and maximize value for our shareholders."

A full summary of terms of the new credit facility will be included in the Subsequent Events section in the Company's Annual Report on Form 10-K for fiscal 2015, which the Company expects to file on or before March 30, 2016.

About Xcel Brands

Xcel Brands, Inc. (NASDAQ:XELB) is a brand development and media company engaged in the design, production, licensing, marketing and direct-to-consumer sales of branded apparel, footwear, accessories, jewelry, home goods, and other consumer products, and the acquisition of dynamic consumer lifestyle brands. Xcel was founded by Robert W. D'Loren in 2011 with a vision to reimagine shopping, entertainment and social as one. Xcel owns and manages the Isaac Mizrahi, Judith Ripka, H Halston, and C. Wonder brands, pioneering an omnichannel sales strategy which includes the promotion and sale of products under its brands through direct-response television, internet, brick and mortar retail, and e-commerce channels. Headquartered in New York City, Xcel Brands is led by an executive team with significant retailing, licensing, design, and marketing experience, and a proven track record of success in elevating branded consumer products companies. With a team of over 70 designers and social media focused marketing executives, Xcel maintains control of product quality and promotion across all of its product categories and distribution channels. Xcel differentiates by design. www.xcelbrands.com

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