



July 23, 2012

Xcel Brands, Inc. Announces Furniture License With Safavieh

NEW YORK, July 23, 2012 (GLOBE NEWSWIRE) -- Xcel Brands, Inc. (OTCQB:XELB) has signed an exclusive licensing agreement with Safavieh. This agreement will give Safavieh the license to manufacture and distribute furniture, rugs, decorative pillows and lighting for the Isaac Mizrahi New York brand. The collection will debut at retail in Spring 2013.

Robert D'Loren, Chairman and Chief Executive Officer, Xcel Brands, Inc. said, "I am very excited to partner with Safavieh to launch our furniture, rug and lighting collection. This license is a cornerstone of our home business."

Isaac Mizrahi, Creative Director, Xcel Brands, Inc. said, "The right home makes for a happy life. I believe that if a person surrounds themselves with light happy wonderful furniture, rugs, lighting, etc. they will have a light, happy, wonderful life!"

Arash Yaraghi, President, Safavieh, said, "Safavieh is thrilled to collaborate with Xcel Brands and Isaac Mizrahi. We will bring Isaac's taste and style to consumer's homes with beautiful designs for furniture, rugs, lighting and decorative pillows. Isaac has cleverly taken the best of his bold, contemporary fashion and color philosophy and translated it into timeless, cosmopolitan looks that people will want to continue into their homes."

Xcel Brands, Inc. ("Xcel") engages in the acquisition, design, licensing, and marketing of consumer brands. Xcel is leading the Omni Channel retail sales strategy across three channels of distribution including interactive media, online and brick and mortar retailers. In 2011, Xcel acquired designer apparel brand Isaac Mizrahi New York. Xcel's management team consists of executives with significant experience in creating and growing businesses in the branded consumer products industry and has a proven track record for successfully completing multiple similar acquisitions. Xcel will seek to acquire brands that it can utilize in an Omni Channel retail sales strategy with a focus on identifying designers or celebrities with personalities that connect directly with consumers through social and other media. www.xcelbrands.com.

Isaac Mizrahi has been a leader in the fashion industry for almost 30 years. Since his first collection in 1987, Mr. Mizrahi's designs have come to stand for timeless, cosmopolitan style. He has been awarded four CFDA awards, including a special award in 1996 for the groundbreaking documentary "Unzipped." In December 2009, Mr. Mizrahi launched his lifestyle collection, ISAACMIZRAHILIVE! on QVC. In addition, television audiences have come to value Isaac's media presence through his roles on "Project Runway All Stars" for Lifetime, "The Fashion Show" for Bravo and his own series for both Oxygen and the Style Network. www.isaacmizrahiny.com

Safavieh is a leading manufacturer and importer of fine decorative rugs, furniture and accessories, offering a comprehensive range of designs crafted by skilled artisans across the globe. Established in 1914, Safavieh is a fourth-generation heritage company, which began by supplying antique rugs and historical reproductions. Upon opening its flagship New York City showroom in 1978, the company quickly became a preferred source for the world's most renowned interior designers, pioneering with them the new category of fashion-forward lifestyle rugs. Almost a century later, Safavieh continues to innovate with diverse and targeted cross-category home fashions programs for the most respected retailers in the U.S. and abroad. Through research and technology, Safavieh's mission is to beautify the homes of consumers in every budget category with award-winning collections of the highest quality, value and impeccable style.

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