Patrick James completed a $5 million senior secured credit facility

JUNE 15, 2011

Tully & Holland, Inc. ("T&H") is pleased to announce its role as financial advisor to Patrick James, Inc. ("Patrick James" or the "Company") in conjunction with its $5.0 million financing transaction. The proceeds will be used by the Company to retire existing debt and provide capital for growth.

Christopher Kampe, Managing Director of Tully &Holland's Retail Practice commented "This represents the second retail transaction closed by T&H thus far in 2011." In March 2011, T&H advised one of the nation's largest publicly held retailers on the successful divestiture of a non-core specialty retail concept. "After two years of extremely difficult market conditions in the retail sector, we are seeing a markedly improved environment for both M&A and financings" reports Kampe.

"The M&A market is now running on all cylinders. Both strategic players and private equity groups are active buyers in a market that is being fuelled by both healthy transactions and bankruptcy sales. Petco, Genesco, Dish Network and GameFly are among the strategic buyers that have been recently active. On the private equity side, behemoths like Leonard Green, KKR and Arcapita are leading private equity back into the retail sector after years of absence" explains Kampe. In the last twelve months, Leonard Green has announced its acquisitions of BJ's Wholesale, 99 cents Only Stores, Jo-Ann Stores, and J. Crew.

As further evidence of the turning tide, a string of retailers recently filed IPOs to take advantage of favorable market conditions, including Tilly's, Teavana, Party City, and Francesa's.

About Patrick James, Inc.

Patrick James, Inc., founded in 1962, is a multi-channel retailer of men's lifestyle apparel. Merchandise includes sportswear, suits, jackets, denim, dress shirts, neckwear, shoes, and accessories. The Company operates 15 retail stores primarily in California, a highly successful national catalog/online business, and a unique division that plans and conducts inventory liquidation sales for other men's apparel retailers. For more information please visit www.patrickjames.com.

The text of the release as issued by Tully & Holland, Inc., reproduced from the firm's records. Tully & Holland, Inc. is a member of FINRA and SIPC.