

RETAIL

## Neiman Marcus reaches extension agreement with creditors

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*Neiman Marcus The Art of Fashion campaign. Image credit: Neiman Marcus*

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By STAFF REPORTS

Retailer Neiman Marcus Group has come to an agreement with the holders of its term loans and unsecured notes.

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The company has been in refinancing discussions with its lenders, and the agreement reached would give Neiman Marcus three more years until its credit facilities and unsecured notes reach maturity. The agreement is still subject to final documentation, but if implemented, Neiman Marcus would have more room to invest in its business.

### Moving maturity

In September, Neiman Marcus Group Inc. hit a wall in negotiations with its creditors due to a conflict over control of MyTheresa.com.

A plan to bring German ecommerce platform MyTheresa to sit directly under the Neiman Marcus Group ruffled feathers with bondholders, with one claiming it would violate the group's loan agreement, according to *Women's Wear Daily*.

Experts believed that Neiman Marcus could be moving MyTheresa under the group, instead of it being unrestricted in regards to its debt as a way to protect it from being taken as collateral.

Neiman Marcus' debt was supposed to mature starting in 2020 ([see story](#)).



*Neiman Marcus has been investing in a digital-first shopping strategy. Image credit: Neiman Marcus*

The company also fought a lawsuit from one of its creditors over MyTheresa ([see story](#)).

In a form filed with the Securities and Exchange Commission, Neiman Marcus revealed that it entered into new negotiations with its lenders around Feb. 13.

All of the term lenders and all but one noteholder have agreed to extend the deadline for maturity on the debt.

Neiman Marcus projects that its sales in the second quarter of 2019 will be up between 0.5 and 1 percent from 2018 on a comparable basis. The company just saw its sixth consecutive quarter of comparable growth.

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