

**FOR IMMEDIATE RELEASE**



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## **bebe stores, inc. Announces Fiscal Second Quarter 2013 Retail Sales**

BRISBANE, CALIF. – January 3, 2013 – bebe stores, inc. (Nasdaq: BEBE) today reported retail sales of \$124.6 million for the second fiscal quarter ended December 29, 2012, a decrease of 11.7% compared to \$141.1 million for the fiscal quarter ended December 31, 2011. The decrease was primarily driven by a 15% comparable store traffic decrease during the quarter, with December being the most negative.

Comparable store sales for the fiscal quarter ended December 29, 2012 decreased 10.5% compared to an increase of 9.6% in the second fiscal quarter of the prior year. Comparable store sales were negatively impacted by approximately 2% due to the shift of the New Year's Eve into fiscal January as well as Hurricane Sandy.

Retail sales for the year-to-date period ended December 29, 2012 were \$229.7 million, a decrease of 10.7% compared to \$257.1 million for the year-to-date period ended December 31, 2011. Comparable store sales for the year-to-date period ending December 29, 2012 decreased 9.7% compared to an increase of 8.4% for the year-to-date period ending December 31, 2011.

As of December 29, 2012, average finished goods inventory per square foot increased approximately 27.5% compared to the prior year, reflecting the shift of the New Year's Eve into fiscal January, the transitioning strategies including higher average unit cost for elevated product offerings, additional spring receipts and other localization initiatives.

For the quarter, we currently anticipate the net loss will be at or below the lower end of our previously provided guidance of \$0.01 per share prior to certain one-time costs such as store impairment and write-off charges, recruiting expenses as well as other potential settlement costs.

bebe stores, inc. provides additional information on a recorded message. Interested parties are invited to listen to the message by calling 1-877-232-3757.

bebe stores, inc. will host a conference call on Thursday, January 31, 2013 at 1:30 P.M. Pacific Time to discuss second quarter results. Interested parties are invited to listen to the conference by calling 1-866-893-0531. A replay of the call will be available for approximately one week by calling 1-855-859-2056. A link to the audio replay will be available on our web site at [www.bebe.com](http://www.bebe.com) following the conference call.

bebe stores, inc. is a global specialty retailer, which designs, develops and produces a distinctive line of contemporary women's apparel and accessories under its bebe, BEBE SPORT, bbsp and 2b bebe brand names. bebe currently operates 250 stores, of which 197 are bebe stores, including the on-line store bebe.com, and 53 are 2b bebe stores, including the on-line store 2bstores.com. These stores are located in the United States, U.S. Virgin Islands, Puerto Rico, Canada and Japan. bebe also distributes and sells bebe branded product through its licensees in approximately 24 countries.

The statements in this news release and on our recorded message, other than the historical financial information, contain forward-looking statements that involve risks and uncertainties that could cause actual results to differ from anticipated results. Wherever used, the words "expect," "plan," "anticipate," "believe" and similar expressions identify forward-looking statements. Any such forward-looking statements are subject to risks and uncertainties and the company's future results of operations could differ materially from historical results or current expectations. Some of these risks include, without limitation, miscalculation of the demand for our products, effective management of our growth, decline in comparable store sales performance, ongoing competitive pressures in the apparel industry, changes in the level of consumer spending or preferences in apparel, loss of key personnel, difficulties in manufacturing, disruption of supply, adverse economic conditions, and/or other factors that may be described in the company's annual report on Form 10-K and/or other filings with the Securities and Exchange Commission. Future economic and industry trends that could potentially impact revenues and profitability are difficult to predict.