

FOR IMMEDIATE RELEASE

CONTACT: Ginger Reeder
Vice President - Corporate
Communications
(972) 969-3213

**The Neiman Marcus Group Announces Computer Equipment
Containing Employee Data Stolen**

Data is not Thought to be the Target of the Theft; Local Law Enforcement is Investigating

DALLAS, Texas, April 24, 2007 – The Neiman Marcus Group, Inc. today announced that computer equipment owned by a third-party pension benefits plan consultant containing files with sensitive employee information was reported stolen. The Company has no reason to believe that the data contained in the files on the computer equipment was the target of the theft nor that the information has been accessed or misused. The file contained two-year-old data that was current as of August 30, 2005 and which included the private information of nearly 160,000 current and former Neiman Marcus Group employees (including current and former employees of Neiman Marcus Stores, Neiman Marcus Direct, Bergdorf Goodman, Horchow, Horchow Finale, Last Call, Chefs Catalog, and Contempo Casuals) and individuals receiving a Neiman Marcus Group pension.

The local law enforcement authorities are involved in an active investigation of this matter, working closely with The Neiman Marcus Group internal security team. To date, the investigation has not found any evidence that the information has been accessed or misused or even that the computer equipment is in the hands of someone seeking to misuse such private information.

The Neiman Marcus Group is in the process of notifying all affected individuals whose information may have been on the stolen computer equipment, and to provide these individuals with assistance in monitoring their credit reports for any unusual activity.

“The Neiman Marcus Group takes the security of personal information very seriously and we deeply regret that this incident occurred,” said Burt Tansky, Chairman and CEO of The Neiman Marcus Group. “While we have no evidence to suggest the information on the

computer equipment has been accessed or misused, we are providing individuals affected by this incident with the resources to monitor their credit reports while our investigation continues. We are working diligently with law enforcement agencies in our efforts to locate this computer equipment.”

Employees and pension recipients with questions or concerns related to the incident or to the credit-monitoring assistance being offered are encouraged to contact The Neiman Marcus Group Information Security Helpline at 1-800-456-7019. A representative will be available seven days-per-week, 24 hours-per-day. Any important new information will also be posted online at www.neimanmarcusgroup.com.

The Neiman Marcus Group, Inc. operations include the Specialty Retail Stores segment and the Direct Marketing segment. The Specialty Retail Stores segment consists primarily of Neiman Marcus and Bergdorf Goodman stores. The Direct Marketing segment conducts both online and print catalog operations under the Neiman Marcus, Horchow and Bergdorf Goodman brand names. Information about the Company can be accessed at www.neimanmarcusgroup.com.

From time to time, the Company may make statements that predict or forecast future events or results, depend on future events for their accuracy or otherwise contain "forward-looking information." These statements are made based on management's expectations and beliefs concerning future events and are not guarantees of future performance.

The Company cautions readers that actual results may differ materially as a result of various factors, some of which are beyond its control, including but not limited to: political or economic conditions; terrorist activities in the United States and elsewhere; disruptions in business at the Company's stores, distribution centers or offices; changes in consumer confidence resulting in a reduction of discretionary spending on goods; changes in demographic or retail environments; changes in consumer preferences or fashion trends; competitive responses to the Company's marketing, merchandising and promotional efforts; changes in the Company's relationships with key customers; delays in the receipt of merchandise; seasonality of the retail business; adverse weather conditions, particularly during peak selling seasons; delays in anticipated store openings or renovations; natural disasters; significant increases in paper, printing and postage costs; litigation that may have an adverse effect on the Company's financial results or reputation; changes in the Company's relationships with designers, vendors and other sources of merchandise; the Company's success in enforcing its intellectual property rights; the effects of incurring a substantial amount of indebtedness under the Company's senior secured credit facilities, senior notes and senior subordinated notes and of complying with the related covenants and conditions; the financial viability of the Company's designers, vendors and other sources of merchandise; the design and implementation of new information systems or enhancement of existing systems; changes in foreign currency exchange rates or inflation rates; impact of funding requirements related to the Company's noncontributory defined benefit pension plan; changes in the Company's relationships with certain of key sales associates; changes in key management personnel; changes in the Company's proprietary credit card arrangement that adversely impact its ability to provide consumer credit; or changes in government or regulatory requirements increasing the Company's cost of operations.

These and other factors that may adversely effect the Company's future performance or financial condition are contained in its Annual Report in Form 10-K and other reports filed with and available from the Securities and Exchange Commission. The Company undertakes no obligation to update or revise any forward-looking statements to reflect subsequent events, new information or future circumstances.