

Seward & Kissel LLP advises Parfums de Coeur
on its Acquisition by Yellow Wood Partners

Seward & Kissel's Business Transactions Group
Focusing on Middle-Market Deals


On September 5, 2012, private equity sponsor **Yellow Wood Partners** announced its acquisition of our client **Parfums de Coeur, Ltd.** Seward & Kissel was pleased to represent Parfums in this middle-market buyout transaction.

Parfums de Coeur is the largest provider of mass market fragrances in the United States, distributing category-leading brands, including *Body Fantasies*®, *Designer Imposters*® and *BOD Man*®, through long-standing relationships with the largest food, drug and mass merchandise retailers in the U.S. In addition, the company's brands are sold in a growing number of important international markets.

Seward & Kissel LLP (www.sewkis.com) is a leading New York law firm, originally established in 1890, offering legal advice emphasizing business, financial and commercial law and related litigation. The firm's Business Transactions Group handles middle-market M&A, private equity, venture capital and joint venture transactions involving a wide variety of industries. The firm was recommended by The Legal 500 in the middle-market M&A category in 2011 and 2012 and was named the winner of the 2008 M&A Law Firm of the Year award by The M&A Advisor, and was a finalist for the same award in 2010 and 2011.

The press release describing this transaction is reproduced below for your information.


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yellow wood
PARTNERS

Boston, MA / Irvington, NY

has acquired



PARFUMS de COEUR®

Darien, CT

Seward & Kissel
acted as counsel to Parfums

SEWARD & KISSEL LLP

September 2012

Yellow Wood Partners Acquires Parfums de Coeur, Ltd.



BOSTON, Sep 05, 2012 (BUSINESS WIRE) -- Yellow Wood Partners, LLP announced today that it has acquired Parfums de Coeur, Ltd. ("PDC" or the "Company"), the largest provider of mass-market fragrances in the United States. PDC markets and distributes its products under three category-leading national brands - Body Fantasies(R), Designer Imposters(R), and BOD Man(R) - through long-standing relationships with the largest food, drug and mass merchandise retailers in the U.S. In addition, the Company's brands are sold in a growing number of important international markets. Yellow Wood is acquiring PDC in partnership with the Company's management team, who are also investing equity into the business.

"We are pleased and excited to invest in PDC to support its continued domestic and international growth," said Peter Mann, a Yellow Wood Founding Partner and the new Chairman of Parfums de Coeur. "The Company's experienced and committed management team will be a huge asset as PDC continues to expand and innovate. We look forward to working with them. Parfums de Coeur is precisely the kind of company that Yellow Wood was created to help. The Company's strong brands, unique positioning, deep retail distribution and dedication to quality are what we look for in successful and growing consumer businesses. Moreover, our experienced Yellow Wood operating team will enhance and complement PDC's exceptional management talent."

"Since its founding over 30 years ago, PDC has pioneered the expansion of the mass fragrance category, consistently offering the highest quality products to its consumers at widely accessible price points," said Dana Schmaltz, a Yellow Wood Founding Partner. "The Company's success has been led by its strong track record of developing unique and innovative products, supported by differentiated marketing and strong retail relationships. We are excited to partner with management to help accelerate their growth vision into new opportunities, both domestically and overseas. Just as important, we are eager to work with management to identify complementary add-on brands or businesses to further expand the Company's footprint."

"The Yellow Wood team recognizes the quality products, systems and people that make Parfums de Coeur the leading player in its categories," said James Stammer, CEO, Parfums de Coeur.

"We are extremely impressed with Peter and Dana and grateful for their support and confidence. The strong operating resources Yellow Wood brings will further enable us to grow our brand

platform, while continuing to provide both our consumers and retail partners with the quality and excellence they have come to expect from Parfums de Coeur."

Houlihan Lokey acted as exclusive financial advisor to Parfums de Coeur in the transaction. Seward & Kissel LLP served as legal counsel for the Company. Fried Frank served as legal counsel for Yellow Wood.

About Yellow Wood Partners

Yellow Wood Partners was founded in 2011 by Dana Schmaltz and Peter Mann, two seasoned executives with deep experience investing in, and then operating, consumer packaged goods (CPG) businesses. With their extensive experience, much of it in partnership with traditional private equity firms, Dana and Peter believed there was a better investment model. The Yellow Wood approach places a greater focus on operational capabilities in the selection, diligence and management of the firm's investments. Also key to their goal was to restore a more appropriate alignment of interests among the operating management teams of their portfolio companies, private equity investors and Yellow Wood principals. And so, Yellow Wood was born with the motto: "Taking the road less traveled in private equity." Yellow Wood has offices in Boston, MA and Irvington, NY. For more information, please visit www.yellowwoodpartners.com.

About Parfums de Coeur, Ltd.

Founded in 1981, Parfums de Coeur is a leading mass-market fragrance marketer with an exceptional portfolio of designer quality perfumes, fragrance body sprays and colognes at affordable prices. Parfums' brands are nationally distributed in the U.S. and are available in over 40 international markets. For decades Parfums successfully invested in "NEW" - creating entire categories and brands like Alternative Designer Fragrances with Designer Imposters(R), Specialty Bath with Body Fantasies(R), and BOD Man(R), today's #1 men's fragrance brand in units in America. For more information, please visit www.parfumsdecoeur.com.

SOURCE: Yellow Wood Partners, LLP

About Seward & Kissel LLP

Seward & Kissel LLP, founded in 1890, is a leading U.S. law firm with an international reputation for excellence. We have offices in New York City and Washington, D.C.

Our practice primarily focuses on corporate, litigation and restructuring/bankruptcy work for clients seeking legal expertise in the financial services, corporate finance and capital markets

areas. The Firm is particularly well known for its representation of major commercial banks, investment banking firms, investment advisers and related investment funds (including mutual funds and hedge funds), master servicers, servicers, investors, distressed trade brokers, liquidity providers, hedge fund administrators, broker-dealers, institutional investors and transportation companies (particularly in the shipping area).

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