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Naked Brand Group Nearly Triples Annual Revenue for Fiscal 2013

VANCOUVER, British Columbia, May 17, 2013 (GLOBE NEWSWIRE) --**Naked Brand Group Inc. (the "Company" or "Naked")** (OTCQB:NAKD) is pleased to announce that the Company has reported sales of \$566,508 for the year ended January 31, 2013, a 193% increase over the prior year which had sales of \$193,505.

This increase in sales is attributed to the addition of a number of new accounts including Nordstrom as a key customer. Furthermore, the Company added a new cotton line adding to the total number of available styles that stores could choose from. Naked also experienced a significant increase in online sales from its website.

Joel Primus, CEO and President of Naked comments, "This was a huge year for Naked Underwear. We invested in every part of our business and it paid off in a huge increase in year over year sales and concluded with shipping to our first US department store."

Alex McAulay, CFO of Naked Underwear adds, "We focused this year on launching the product at Nordstrom. This created a fundamental change in our business which has prepared us for future growth. Adding on additional department stores to our business will only have incremental costs in man power and implementation time after our first department store logistics implementation."

For fiscal 2014, the Company has added a new line aimed at college aged men available at Holt Renfrew's HR2, called NKD™, it has added a full color range of men's T-Shirts, and it will launch its first women's collection. The Company will also announce this fall exciting new additions to its men's line featuring unique fabrics that Naked has come to be known for. The Company has garnered tremendous media exposure this fiscal year, with features in dozens of media outlets including Nylon Magazine and the hit ABC television show, *The View*.

About Naked Inc.

Naked is a global lifestyle brand focused on enhancing the architecture of the body. Every collection features impeccably tailored light-weight garments that seamlessly forms to your body making you feel like you're wearing nothing at all. Naked is sold in high-end boutiques and department stores throughout North America including Nordstrom, Holt Renfrew, Boys'co, Kitson, Akira and Freshpair.com. A donation from every purchase helps to support Project World Citizen, a charity driven to empower and educate the children of Ghana. Naked® has garnered tremendous media exposure having been featured on The View, ABC, FOX LA, (ET) Canada and on The Dragons' Den.

FORWARD LOOKING STATEMENTS

This news release contains "forward-looking statements". Statements in this news release, which are not purely historical, are forward-looking statements and include any statements regarding beliefs, plans, expectations or intentions regarding the future, such as the following: (1) that the Company will only incur incremental costs if it additional departments stores are added as customers; (2) that the Company will launch its women's collection by the end of fiscal 2014; and (3) and the Company's expectations for the product line's brand perception and acceptance by its target customers and distribution networks.

These forward-looking statements are based on management's current expectations but they involve a number of risks and uncertainties. It is important to note that actual outcomes and the Company's actual results could differ materially from those in such forward-looking statements. Actual results could differ from those projected in any forward-looking statements due to numerous factors. Such factors include, among others: (1) the fact that incremental costs might materially change due to unanticipated new systems requirements from taking on new customers; (2) an economic downturn or economic uncertainty in the Company's key markets; (3) the Company's inability to timely develop and deliver its new product line to the market and to meet customer expectations due to unforeseen problems or delays with the design, development, manufacturing and distribution system; (4) the Company's inability to effectively manage the growth and the increased complexity of its business as a result of the launch of a new product line; (5) the company's highly competitive market including increasing price competition and other business and competitive factors; (6) the Company's failure to maintain the value and reputation of its brand; (7) the Company's ability to retain the employees necessary to design and development its products; (8) the ability of the Company to control costs operating, general administrative and other expenses; (10) insufficient investor interest in the Company's securities which may impact on the Company's ability to raise additional financing as required and (11) and other risk factors detailed in the Company's public filings. You are urged to consider these factors carefully in evaluating the forward-looking statements contained herein and are cautioned not to place undue reliance on such forward-looking statements, which are qualified in their entirety by these cautionary statements. The forward-looking statements made herein speak only as of the date of this press release and, except as required by applicable laws, the Company undertakes no obligation to publicly update such forward-looking statements to reflect subsequent events or circumstances. Readers should also refer to the risk disclosures outlined in the Company's quarterly reports on Form 10-Q, annual reports on Form 10-K and the Company's other disclosure documents filed from time-to-time with the Securities and Exchange Commission at www.sec.gov and the Company's interim and annual filings and other disclosure documents filed from time-to-time on SEDAR at www.sedar.com.

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