

The Depository Trust Company

IMPORTANT

B#: 0154

DATE: June 14, 2000

TO: All Participants

CATEGORY: Reorganization

FROM: DTC Proxy Department

ATTENTION: Proxy/Reorganization Manager

SUBJECT: Loehmann's Inc.
11.875% Due 05/15/03
CUSIP # 540417 AA 0

Loehmann's Inc. is soliciting acceptances of its Amended Plan of Reorganization, dated April 24, 2000 (the "Plan"). Holders of Loehmann's Inc. 11.875% Due 05/15/03 Notes of record on April 24, 2000, are eligible to vote by ballot to accept or reject the Plan.

Accompany the Amended Disclosure Statement dated April 24, 2000 and other materials for voting on the Plan is the attached Notice, which refers to a hearing on confirmation of the Plan, which is scheduled to be held on June 27, 2000. DTC also received the attached Ballot. Participants may obtain copies of the materials for voting on the Plan by contacting:

Logan & Company
At 973-509-3190

DTC will provide Loehmann's, Inc., with a listing of the Participants which had The above referenced Notes on deposit with DTC at the close of business on April 24, 2000, so that Participants may vote on the Plan.

Participants are referred to the Amended Disclosure Statement dated April 24, 2000, for a statement of the terms of the Plan.

Participants are advised that acceptances or rejections of the Plan must be received by the Ballot Agent no later than June 20, 2000. Executed ballots should be returned to:

Logan & Company
546 Valley Road
Upper Montclair, NJ 07043

Loehmann's, Inc., Notes will remain eligible at DTC during the solicitation.

Participants are referred to RIPS Envelope 93 and LENP for details of the Plan.

Karl Baker

Manager

Attachments

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

In re:)	
)	Chapter 11
LOEHMANN'S, INC.,)	Case No. 99-1138 (MFW)
)	
Debtor.)	

**NOTICE OF HEARING TO CONSIDER CONFIRMATION
OF DEBTOR'S AMENDED PLAN OF REORGANIZATION**

NOTICE IS HEREBY GIVEN as follows:

On May 18, 1999 (the "Petition Date"), Loehmann's, Inc., with a mailing address of 2500 Halsey Street, Bronx, New York 10461, the above-captioned debtor and debtor in possession (the "Debtor"), filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code with the United States Bankruptcy Court for the District of Delaware. On March 24, 2000 the Debtor filed a motion (the "Motion") requesting entry of an order (i) approving the Debtor's disclosure statement dated March 24, 2000, as amended April 24, 2000 (the "Disclosure Statement") in connection with the Debtor's plan of reorganization dated March 24, 2000, as amended April 24, 2000 (the "Plan"), (ii) establishing solicitation, voting and tabulation procedures and deadlines, (iii) scheduling a hearing to consider confirmation of the Plan, (iv) establishing deadlines and procedures for filing objections to confirmation of the Plan, and (v) approving the form and manner of notice of the confirmation hearing.

**Hearing On
Confirmation of the Plan**

1. A hearing to consider confirmation of the Plan and any objections thereto (the "Confirmation Hearing"), has been set by the United States Bankruptcy Court for the District of Delaware for 2:00 p.m., Wilmington, Delaware time, on June 27, 2000 at the United States Bankruptcy Court for the District of Delaware, Marine Midland Plaza, 824 Market Street, Wilmington, Delaware 19801 (the "Court") before the Honorable Mary F. Walrath, at which time any party in interest who has not waived its right to object may appear and state its objections, if any, to confirmation of the Plan. No further notice shall be provided to creditors or interest holders of any adjournment of the Confirmation Hearing announced in open court at the Confirmation Hearing or at any subsequent Confirmation Hearing.

2. Any objection to confirmation of the Plan must (a) be in writing, (b) comply with the Federal Rules of Bankruptcy Procedure and General Orders of the Court, (c) set forth the name of the objector, and the nature and amount of any claim or interest asserted by the objector against the estate or properties of the Debtor, (d) state with particularity the legal and factual basis for such objection, and (e) be filed with the Clerk of the United States Bankruptcy Court for the District of Delaware (including a copy for Chambers of the Honorable Mary F. Walrath), together with proof of service thereof, and served upon (1) Young Conaway Stargatt and Taylor, LLP, 11th Floor, Rodney Square North, P.O. Box 391, Wilmington, Delaware 19899-0391, Attn: Pauline K. Morgan, Esq., and Paul, Weiss, Rifkind, Wharton & Garrison, 1285 Avenue of the Americas, New York, New York 10019-6064, Attn: Alan W. Kornberg, Esq., counsel for the Debtor; (2) Kronish Lieb Weiner & Hellman LLP, 1114 Avenue of the Americas, New York, New York 10036-7798, Attn: Lawrence C. Gottlieb, Esq., and Morris, Nichols, Arsht & Tunnell, 1201 N. Market Street, P.O. Box 1347, Wilmington, Delaware 19899-1347, Attn: Robert Dehney, Esq., counsel for the official committee of unsecured creditors; and (3) the Office of the United States Trustee, 601 Walnut Street, Room 950W, Philadelphia, Pennsylvania 19106, Attn: John D. McLaughlin, Jr., Esq., in each case so as to be actually filed and received no later than June 20, 2000 at 4:00 p.m., Wilmington, Delaware time.

**UNLESS AN OBJECTION IS TIMELY SERVED AND FILED
IN ACCORDANCE WITH THIS NOTICE IT WILL
NOT BE CONSIDERED BY THE COURT**

Dated: Wilmington, Delaware
May 26, 2000

YOUNG CONAWAY STARGATT & TAYLOR, LLP
James L. Patton, Jr. (No. 2202)
Pauline Morgan (No. 3650)
Eleventh Floor, Rodney Square North
P.O. Box 391
Wilmington, Delaware 19899-0391
(302) 571-6600

- and -

PAUL, WEISS, RIFKIND, WHARTON & GARRISON
Alan W. Kornberg
Jeffrey D. Saferstein
1285 Avenue of the Americas
New York, New York 10019
(212) 373-3000

Attorneys for Loehmann's, Inc.,
debtor and debtor in possession

NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR ADVICE, OR TO MAKE ANY REPRESENTATION, OTHER THAN WHAT IS CONTAINED IN THE MATERIALS MAILED WITH THIS BALLOT OR OTHER MATERIALS AUTHORIZED BY THE BANKRUPTCY COURT

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

In re:) Chapter 11
)
LOEHMANN'S, INC.,) Case No. 99-1138 (MFW)
)
Debtor.)

**BALLOT FOR ACCEPTING OR REJECTING
AMENDED PLAN OF REORGANIZATION OF LOEHMANN'S, INC.**

(Class 4 Convenience Claim;
Election for Treatment as Class 5 General Unsecured Claim)

You are receiving this Ballot either because Loehmann's, Inc. (the "Debtor") has listed you as a creditor in its chapter 11 schedules or because you filed a proof of claim with the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court").

If your claim has not been paid and has been scheduled as liquidated, undisputed, and not contingent, or you have filed a proof of claim not subject to any objection by the Debtor, your claim has been provisionally allowed for the purpose of voting as a Class 4 creditor to accept or reject the amended plan of reorganization of the Debtor, dated April 24, 2000 (as amended, the "Plan"), in the amount for which such claim has been scheduled or filed. *This Ballot is neither a proof of claim form, nor an admission by the Debtor of the nature, validity, or amount of your claim.* Under the Plan, Class 4 Convenience Claims are impaired, and the holders of such claims therefore are entitled to vote to accept or reject the Plan.

The Plan can be confirmed by the Bankruptcy Court and thereby made binding on you if it is accepted by the holders of at least two-thirds in dollar amount and more than one-half in number of claims that actually vote in each class of claims or interests voting on the Plan. In the event the requisite acceptances are not obtained, the Bankruptcy Court may nevertheless confirm the Plan if the Bankruptcy Court finds that the Plan accords fair and equitable treatment to the class or classes rejecting it and otherwise satisfies the requirements of section 1129(b) of title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.* (the "Bankruptcy Code"). To have your vote count, you must complete and return this Ballot.

**PLEASE READ AND FOLLOW THE ATTACHED INSTRUCTIONS CAREFULLY.
PLEASE COMPLETE, SIGN AND DATE THIS BALLOT AND RETURN IT SO THAT IT IS RECEIVED
BY LOGAN & COMPANY, INC. (THE "BALLOTING AGENT") BY 5:00 P.M., NEW YORK TIME, ON
OR BEFORE JUNE 20, 2000, AT THE FOLLOWING ADDRESS:**

Item 3. By signing this Ballot, the undersigned hereby certifies that (i) it is the owner of the Claim to which this Ballot pertains, or the authorized signatory of such owner and has full power and authority to vote to accept or reject the Plan and (ii) it has been provided with a copy of the Debtor's amended disclosure statement dated April 24, 2000, filed in connection with the Plan (as amended, the "Disclosure Statement"), the Plan, the notice of the confirmation hearing and objection dates, and the solicitation letter approved by the Bankruptcy Court to be transmitted to holders of claims entitled to vote on the Plan.

The undersigned also acknowledges that the solicitation of this vote to accept or reject the Plan is subject to all the terms and conditions set forth in the order approving the Disclosure Statement, including that the undersigned has neither been offered nor received any consideration to submit a changed ballot.

Name of Voter: _____
(Print or Type)

By: _____
(Sign Here)

Title: _____
(If Appropriate)

Social Security or Federal Tax I.D. No.: _____

Address: _____
(Street)

(City, State, Zip Code)

Telephone Number: _____

Date Completed: _____

**TO BE COUNTED THIS BALLOT MUST BE RECEIVED BY
THE BALLOTING AGENT, LOGAN & COMPANY, INC. AT THE ADDRESS SET FORTH ON
PAGE 2 HEREOF**

**PLEASE MAKE SURE YOU HAVE SIGNED AND
PROVIDED ALL INFORMATION REQUESTED BY THIS BALLOT.**

~~XXXXXXXXXX~~
~~XXXXXXXXXX~~
~~XXXXXXXXXX~~
~~XXXXXXXXXX~~