

October 5, 2006
FOR IMMEDIATE RELEASE
CACHE, INC.
NASDAQ COMMON STOCK SYMBOL CACH

CACHE REPORTS 4 PERCENT COMPARABLE STORE SALES INCREASE IN SEPTEMBER 2006
Successfully Launches Cache Luxe

New York, New York - October 5, 2006 - Cache Inc., (NASDAQ: CACH), a specialty chain of women's apparel stores with 294 stores open, reported September 2006 and third quarter sales figures. As previously announced, the Company substantially completed the exit of its Lillie Rubin business during September. Therefore, the Company's comparable store sales results only include its 273 Cache stores.

Comparable Store Sales: (sales for stores open at least one year or more)

- Increased 4% during the five week September 2006 period, as compared to the same period in 2005.
- Increased 1% during the 13 week period ended September 30, 2006, as compared to the same period in 2005; and
- Increased 3% during the 39 week period ended September 30, 2006, as compared to the same period in 2005.

Total Sales:

- Increased \$0.3 million or 1.3% to \$25.1 million for the five week period ended September 30, 2006, as compared to the same period in 2005;
- Increased \$0.3 million or 0.6% to \$57.6 million for the 13 week period ended September 30, 2006, as compared to the same period last year; and
- Increased \$6.1 million or 3.2% to \$193.1 million for the 39 week period ended September 30 2006, as compared to the same period last year.

Mr. Brian Woolf, Cache's Chairman commented: "September marked a solid month for Cache with sales accelerating from earlier in the quarter. This reflected a favorable response to our assortments, especially dresses, skinny leg pants and tunics. During the month, we successfully launched Cache Luxe by opening 16 stores and 3 locations adjacent to Cache while substantially completing the exit of Lillie Rubin. At the end of September, we also introduced our new marketing campaign that includes national television advertising and a more compelling catalog. We are reducing the promotional emphasis of mailers with coupons, in preparation for the rollout of our national loyalty program next year."

Store Openings

During September, the Company converted 16 Lillie Rubin stores into Cache Luxe stores, opened 3 Cache Luxe locations adjacent to Cache and closed 7 Lillie Rubin stores. For the year-to-date period, the Company has opened 12 new Cache stores, 16 Cache Luxe stores and 3 Cache Luxe locations adjacent to Cache and has closed 6 Cache stores and 35 Lillie Rubin stores.

Certain matters discussed within this press release may constitute forward-looking statements within the meaning of the federal securities laws. Although Cache, Inc. believes the statements are based on reasonable assumptions, there can be no assurance that these expectations will be attained. Actual results and timing of certain events could differ materially from those projected in or contemplated by the forward-looking statements due to a number of factors, including, without limitation, ability to successfully open new stores, introduction of the Cache Luxe concept, dependence on management, dependence on vendors and distributors, reliance on foreign manufacturers, material weakness in our internal controls, industry trends, merchandise and fashion trends, competition, seasonality and changes in general economic conditions and consumer spending patterns, as well as other risks outlined from time to time in the filings of Cache, Inc. with the Securities and Exchange Commission.

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