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CACHE BOARD APPROVES 1 MILLION SHARE BUYBACK

New York, NY – January 8, 2009 – Cache Inc., (NASDAQ: CACH), a specialty chain of women’s apparel stores with 294 stores currently open, announced that its Board of Directors has approved a new 1 million share repurchase program. The Company plans to execute this program through the open market or in privately negotiated transactions, in accordance with SEC requirements. As of September 27, 2008, the Company had 13,243,000 shares of common stock outstanding.

Thomas Reinckens, Cache’s Chairman and Chief Executive Officer commented: “We believe the board’s decision to continue our share repurchase program reflects our Company’s strong financial position and commitment to increase shareholder value. In the past year, Cache has utilized \$15 million to fund the repurchase of more than 1.6 million shares. Despite a difficult economy, our Company is expected to end the year with approximately \$30 million in cash. We remain focused on providing Cache customers with desirable fashions while emphasizing inventory and cost discipline. We believe this strategy will enable us to maximize cash flow in the near term and leave us well positioned to capitalize on the significant growth opportunities that exist for our Company longer term.”

About Cache, Inc.

Cache is a nationwide, mall-based specialty retailer of sophisticated, social occasion sportswear and dresses targeting style-conscious women. Cache targets women between the ages of 25 and 45 who have a youthful attitude, are self-confident and fashion-conscious, and require a missy fit. We operate 294 Cache and Cache Luxe stores primarily situated in central locations in high traffic, upscale malls in 43 states, the Virgin Islands and Puerto Rico.

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.