



May 17, 2011

To All Shareholders:

Please consider this an update on the wind-down and dissolution process of NexCen Brands, Inc. (“NexCen” or “the Corporation”). We urge you to read our previous shareholder update letters posted to www.nexcenbrands.com on October 25, 2010 and January 21, 2011 and NexCen’s previous filings with the Securities and Exchange Commission (the “SEC”) as this letter does not repeat the information that was included in the prior letter and the previous filings. This letter provides you solely with an update on recent developments.

Based on events that have occurred since our last communication on January 21, 2011 we have updated NexCen’s distribution estimate. We now estimate that total distributions to NexCen’s shareholders in the wind-down process will not exceed \$0.09 per share, which is consistent with our January 21, 2011 forecast.

While we believe that this updated estimate fairly takes into account the impact of events to date and reflects a reasonable estimate of anticipated distributions to shareholders, as we have consistently noted and as we continue to note the timing and amount of any liquidating distribution is uncertain and subject to significant risks. Uncertainties as to the precise net value of our remaining assets, the ultimate amount of our liabilities, the amount of costs we will incur during the liquidation and winding-up process and the time that will be required to complete the process make it impossible to predict with certainty the actual net cash amount that will ultimately be available for distribution to our shareholders or the timing of any such distribution. Shareholders may receive substantially less than the amount currently estimated or (though this is not expected) may not receive any liquidating distributions.

As previously mentioned, if additional claims are made or discovered, they could reduce and or delay distributions to shareholders beyond current estimates.

As to timing, we currently anticipate that there will be two separate liquidating distributions to NexCen’s shareholders. At present, we expect that the first

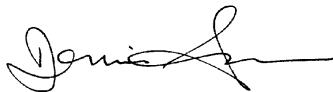
distribution will occur in the fall of 2011. There is much to be accomplished before the first distribution can be made, including and not limited to, resolution of numerous third party negotiations, as well as completion of the 401(k) audit and all 2010 federal/state tax returns.

In light of the winding-up process under Delaware law, including the requirement that the Corporation pay, or make provision for, certain categories of claims, we expect that the second (and final) distribution, if any, will not be made until after the three-year winding-up period. Accordingly, we currently estimate that any second (and final) distribution to shareholders will be made in the October-December 2013 time frame. At the time of the first distribution, NexCen will retain an amount (which, as of the date hereof, has not been determined) to provide for the categories of claims required to be provided for under Delaware law.

Any funds that are available to shareholders will be distributed to shareholders of record as of September 13, 2010. If you owned NexCen stock as of that date, at this time you do not need to take any action to be entitled to receive distributions whenever they are made. NexCen's stock register will reflect your ownership of NexCen shares as of September 13, 2010. When NexCen determines the timing of any distribution to shareholders, it will contact persons who were shareholders of record as of September 13, 2010 (or their brokers) and provide instructions to them regarding the distribution. At that time, shareholders may be required to surrender any NexCen stock certificates that they have (or submit an affidavit of lost certificate) in exchange for the distribution. NexCen will post an additional shareholder letter on the Corporation's website at the time a distribution is made.

If you wish to communicate with NexCen on any matter, please call the hotline established to receive your input at (928) 272-0796.

With Regards From,



Dennis I. Simon
President
NexCen Brands, Inc.