

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): April 5, 2016

DESTINATION XL GROUP, INC.

(Exact name of Registrant as Specified in Its Charter)

Delaware

(State or Other Jurisdiction
of Incorporation)

01-34219

(Commission File Number)

04-2623104

(IRS Employer
Identification No.)

555 Turnpike Street,
Canton, Massachusetts

(Address of Principal Executive Offices)

02021

(Zip Code)

Registrant's Telephone Number, Including Area Code: (781) 828-9300

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instructions A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 7.01 –Regulation FD Disclosure

Destination XL Group, Inc. (the “Company”) will be presenting a slide presentation at upcoming investor conferences. A copy of the slides is attached to this report as Exhibit 99.1 and is incorporated by reference herein.

The slides include financial information not prepared in accordance with generally accepted accounting principles (“Non-GAAP Financial Measures”). The Company believes that the non-GAAP measures are useful as an additional means for investors to evaluate the Company’s operating results, when reviewed in conjunction with the Company’s GAAP financial statements. A reconciliation of the Non-GAAP Financial Measures to financial information prepared in accordance with generally accepted accounting principles (“GAAP”), as required by Regulation G, is included as Appendix A to the investor presentation.

The full slide presentation is available on the investor relations page of the Company’s website at www.destinationxl.com.

The slides contained in the exhibit include statements intended as “forward-looking statements,” which are subject to the cautionary statement about forward-looking statements set forth in the exhibit. The additional slides are being furnished, not filed, pursuant to Regulation FD.

Accordingly, the slides will not be incorporated by reference into any registration statement filed by the Company under the Securities Act of 1933, as amended, unless specifically identified therein as being incorporated therein by reference. The furnishing of these slides is not intended to, and does not, constitute a determination or admission by the Company that the information in the slide presentation is material or complete, or that investors should consider this information before making an investment decision with respect to the Company.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	DXL Investor Presentation – April 2016

Exhibit List

<u>Exhibit No.</u>	<u>Description</u>
99.1	DXL Investor Presentation – April 2016



Investor Presentation April 2016

Forward-Looking Statements and Non-GAAP Measures

Forward-Looking Statements:

Certain information contained in this presentation, including, but not limited to, sales, gross margin, free cash flows, EBITDA, capital expenditures and store counts for fiscal 2016 and beyond, constitute forward-looking statements under the federal securities laws. The discussion of forward-looking information requires management of the Company to make certain estimates and assumptions regarding the Company's strategic direction and the effect of such plans on the Company's financial results. Such forward-looking statements are subject to various risks and uncertainties that could cause actual results to differ materially from those indicated. Such risks and uncertainties may include, but are not limited to: the failure to execute the Company's DXL strategy and grow market share, failure to compete successfully with our competitors, failure to predict fashion trends, extreme or unseasonable weather conditions, economic downturns, a weakness in overall consumer demand, trade and security restrictions and political or financial instability in countries where goods are manufactured, fluctuations in price, availability and quality of raw material, the interruption of merchandise flow from the Company's distribution facility, and the adverse effects of general economic conditions, political issues abroad, natural disasters, war and acts of terrorism on the United States and international economies. These, and other risks and uncertainties, are detailed in the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission for the fiscal year ended January 30, 2016 filed on March 18, 2016 and other Company filings with the Securities and Exchange Commission. The Company assumes no duty to update or revise its forward-looking statements even if experience or future changes make it clear that any projected results expressed or implied therein will not be realized.

Non-GAAP Measures:

Adjusted Net Loss, Adjusted Net Loss Per Diluted Share, EBITDA from continuing operations, Free Cash Flow, Internal Rate of Return (IRR) and 4-wall Cash Flow are non-GAAP measures. The Company believes that these non-GAAP measures are useful as additional means for investors to evaluate the Company's operating results, when reviewed in conjunction with the Company's GAAP financial statements. Please see Appendix A for additional information concerning these non-GAAP measures and a reconciliation to their respective GAAP measures, as applicable.

Leading Big & Tall Men's Retailer



Dominant Position in Growing Big & Tall Category



Powerful and Growing Brand Supported by a Differentiated Big & Tall Customer Experience



Exclusive Merchandise Selection Supported by Private Brands and National Designers



Proven Transformation is Driving Higher Growth, Higher Margins and Higher ROIs



New Store Rollout Strategy for Years to Come



Significant Growth Plan With Multiple Initiatives and "Mechanical" Rollout of DXL Stores Fully Mapped Out



Strong Top-Line Growth Supported by Improving Margins, Which Will Drive Cash Flow Generation

Strong Leadership Position in the Sector

- Other retailers have had limited success in Big & Tall
 - Only 4 stores owned by next-largest pure-play
 - Two of DXL's largest competitors attempted to create pure-play Big & Tall specialty concepts without success and closed all stores
- #1 online and brick-and-mortar Big & Tall sales
 - 345 total stores
 - 55% of online traffic share⁽¹⁾
- Significant proprietary merchandise differentiates the Company
 - 44% of sales in fiscal 2015 from private label (collection of internally developed brands)
 - 56% of sales in fiscal 2015 from national brands
- Scale allows DXLG to establish specifications / fit to best address customer needs and ensure fit consistency across brands

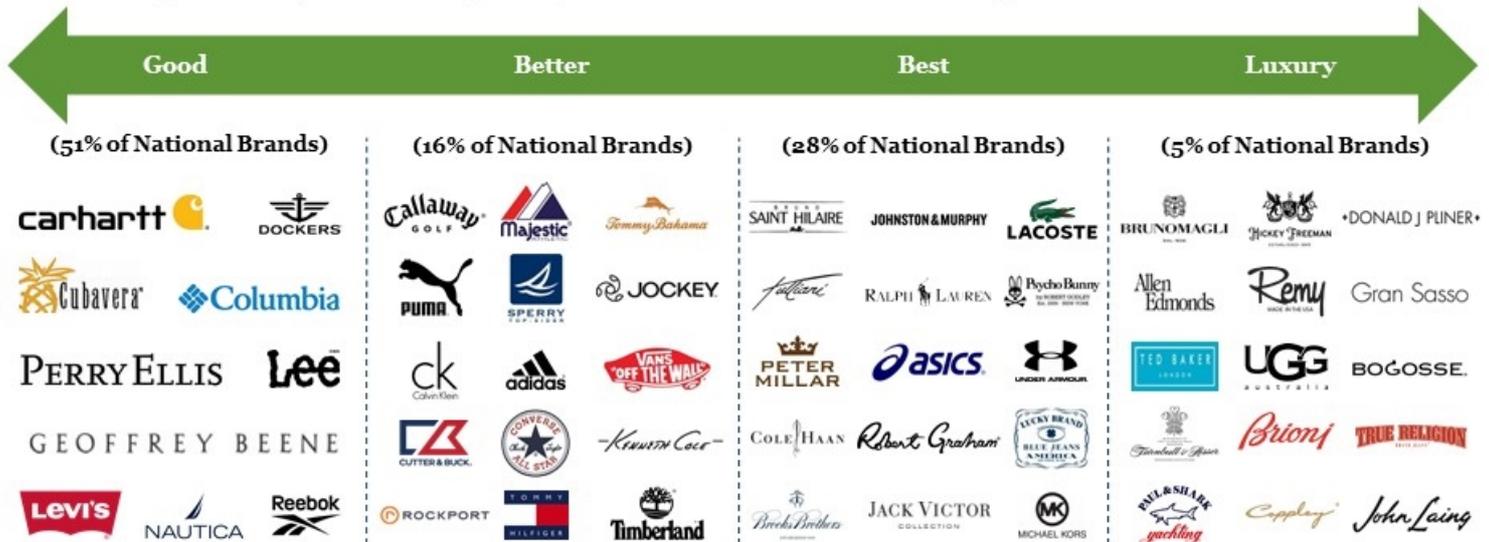


Better at serving the Big & Tall customer than any other retailer

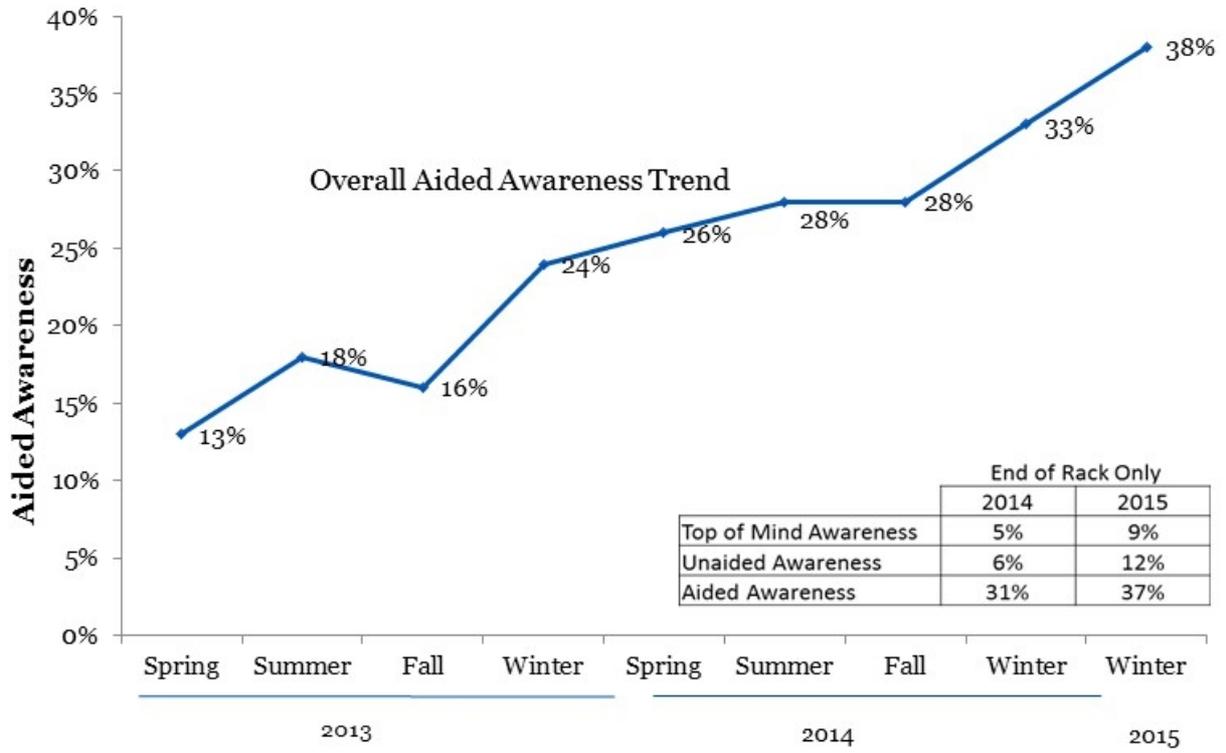
⁽¹⁾ Online traffic share of big and tall specialty websites as of 2015 based on third-party competitive intelligence.

Access to Depth of National Brands Creates Competitive Advantage

- Significant focus on bringing national fashion-oriented brands to Big & Tall customers
- Strong relationships with many leading designers who do not address Big & Tall in other retail channels
- Collaborative relationship in design process creates consistent fit and reduces return rate
- Increasing receptivity from major brands to partner with DXL given the success and aesthetic of the new Destination XL stores
- Complementary relationship with private label merchandise offering



DXL Brand Awareness



“End of Rack” customers are defined as customers with a waist size of 46” or less.

In December, DXL “End of Rack” customers were 47.8% of our bottoms business.



Value of the End of Rack Customer

For 2015, the value of the End of Rack consumer has remained consistent:

- Through January 2016, End of Rack customers visited 46% more often than the 48+ customer.
- Through January 2016, the End of Rack customer's annual spend was 103% more than the 48+ customer.



DXL Store Concept Designed Specifically for the Big & Tall Customer

One-Stop Shop for the Big & Tall customer

Large Changing Rooms

Highly Trained Staff that Understands the Customer

On-Site Tailoring

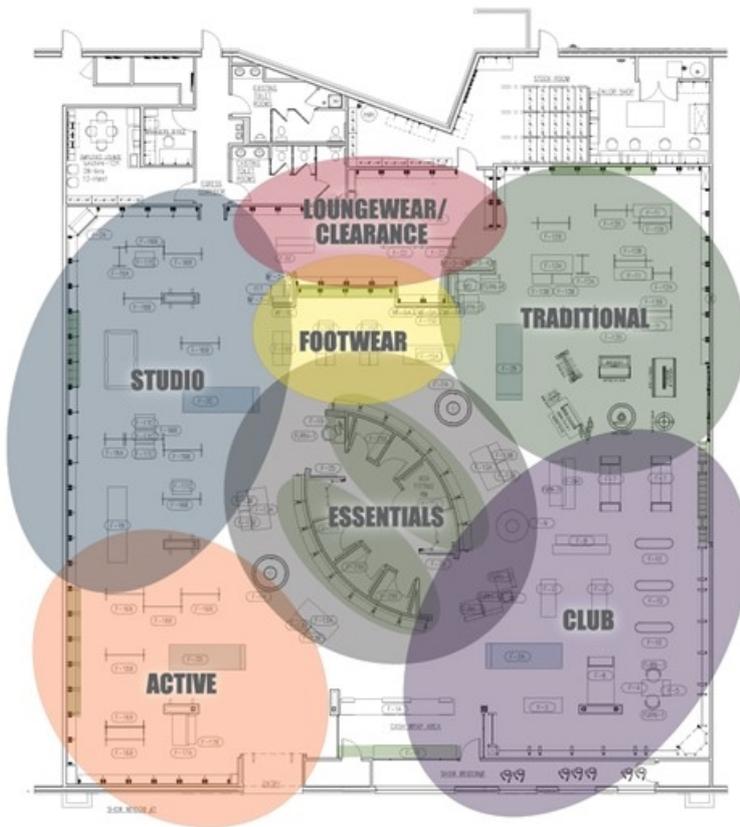
Wide Aisles

Bright Atmosphere

Large Selection of Brands



The Destination XL Store Layout – A Lifestyle Approach



Effectively displaying the full range of brands and all categories

Collections / categories arranged in a compelling manner

Comfortable tailoring and fitting areas

Located in high traffic locations with convenient access

Ambiance appeals to target customers as well as women

Destination XL Store Snapshots: Club



Destination XL Store Snapshots: Traditional



Destination XL Store Snapshots: Studio



Destination XL Store Snapshots: Polo Shop

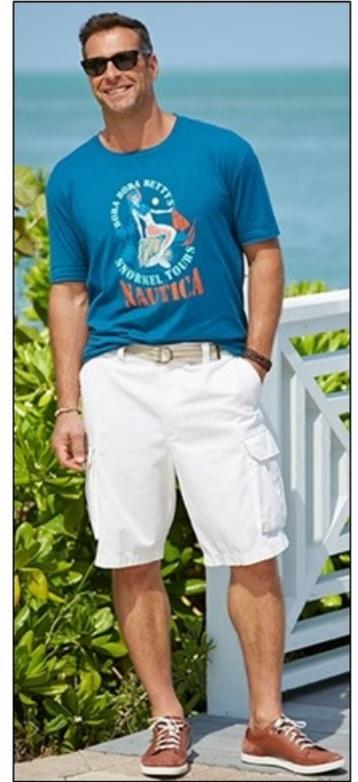


Destination XL Store Snapshots: Active



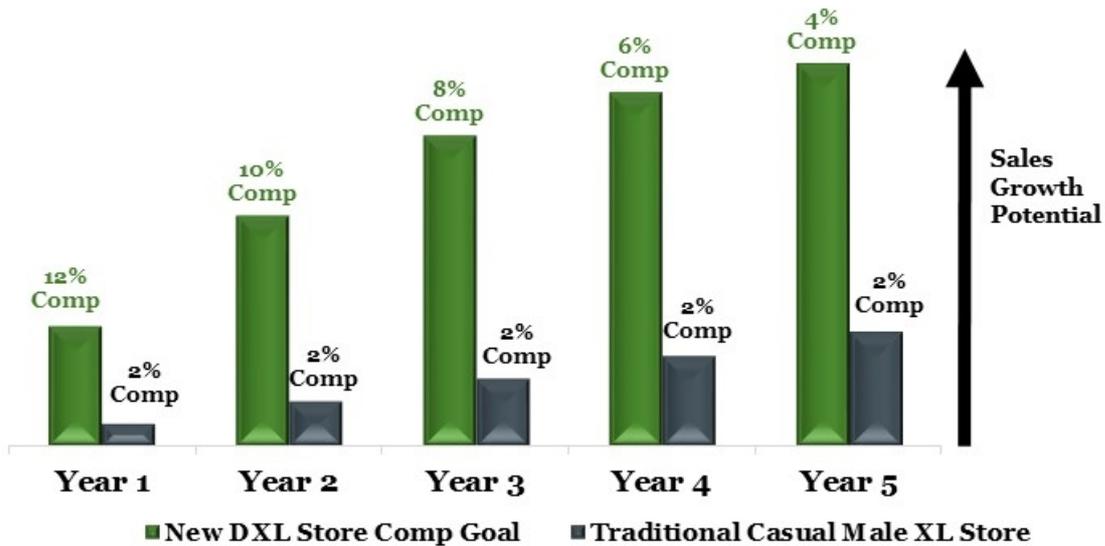
DXL Roadmap to 400 Stores and Beyond

- Continue to execute on conversion of existing Casual Male to DXL – 265 stores
- Additional stores in both existing and new markets in USA – 75 stores
- Expand DXL concept into more outlet centers – 60 stores
- Continue to push Omni-channel with best in class web functionality
- International franchising / licensing model



High-Growth Conversion Strategy from Casual Male to DXL

- **The store growth trajectory in new DXL stores is significantly higher than mature Casual Male XL stores. ⁽¹⁾**
- **Customer acquisition in DXL occurs over several years as destination locations take more time to discover than mall locations.**



¹Based on (i) the average actual performance of DXL retail stores in years 2012-2015, with pro forma estimate for year 2016 and (ii) the average expected performance of Casual Male XL retail stores.

Consistent 4-Wall Cash Flow Model with High IRR

The following tables illustrate the average targeted IRR for a Large Store Model and a Small Store Model and do not represent actual results for a given store.

DXL Large Store Model

(\$ in 000s; except psf data)	Year 1	Year 2	Year 3	Year 4	Year 5
Sales	\$1,250	\$1,440	\$1,600	\$1,730	\$1,850
Sales perSquare Foot	\$150	\$180	\$200	\$210	\$220
Gross Margin (net of occupancy)	\$510	\$630	\$730	\$820	\$900
Gross Margin %	40.7%	43.9%	46.1%	47.6%	48.9%
4-Wall Cash Flow (1)	\$200	\$330	\$410	\$480	\$540
4-Wall Cash Flow Margin % (1)	16.1%	23.0%	25.8%	27.7%	29.3%
Payback Period (1)	2.38 years				
IRR (5-Year) (1)	40%				



Schaumburg, IL 11,958 sq. ft.



Orland Park, IL 5,436 sq. ft.

(1) 4-Wall Cash Flow, 4-Wall Cash Flow Margin and IRR (Internal Rate of Return) are non-GAAP measures, see Appendix A for a definition of these measures.

DXL Small Store Model

(\$ in 000s; except psf data)	Year 1	Year 2	Year 3	Year 4	Year 5
Sales	\$870	\$1,010	\$1,120	\$1,230	\$1,320
Sales perSquare Foot	\$160	\$190	\$210	\$230	\$250
Gross Margin (net of occupancy)	\$370	\$460	\$540	\$610	\$670
Gross Margin %	42.4%	45.8%	48.0%	49.6%	50.9%
4-Wall Cash Flow(1)	\$120	\$220	\$280	\$330	\$380
4-Wall Cash Flow Margin % (1)	14.2%	22.2%	25.2%	27.3%	28.9%
Payback Period	2.67 years				
IRR (5-Year) (1)	33%				

DXL Stores Driving Impressive Return on Investment



Natick, MA 10,155sq.ft.

Our ability to generate an attractive return on invested capital is a powerful modifier to the quality of our Sales and EBITDA results.

DXL Retail Stores ¹	Average Sq. Ft.	Year One Sales PSF	Year One 4-Wall Cash Flow PSF	Capital Expenditures PSF ²	IRR ³
2010 – 2012 (47 stores)	9,554	\$151	\$22	\$80	30.0%
2013 (51 stores)	8,636	\$145	\$25	\$77	38.0%
2014 (39 stores)	7,409	\$151	\$25	\$73	43.0%
2015 (29 stores)	6,891	\$160	\$23	\$71	40.0%
DXL Outlet Stores ⁴					
2014 - 2015 (9 stores) ⁴	5,042	\$165	\$24	\$38	55.0%

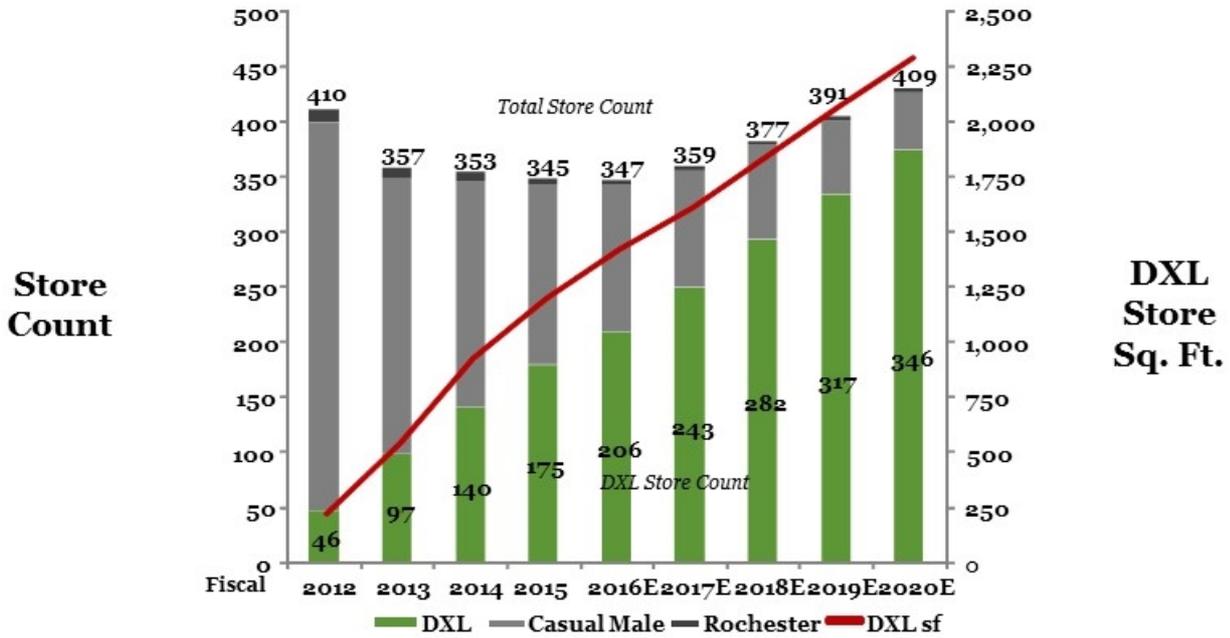
¹Average store results

²Capital expenditures, net of tenant allowances

³4-Wall Cash Flow and IRR are non-GAAP measures, see Appendix A for a definition of these measures.

⁴Opened 2 outlet stores in 2014 and 7 outlet stores in 2015

High-Growth Conversion Strategy from Casual Male to DXL



- DXL store count and square footage steadily increasing while Casual Male XL and Rochester store count and square footage is steadily decreasing over the conversion period.

International Franchising

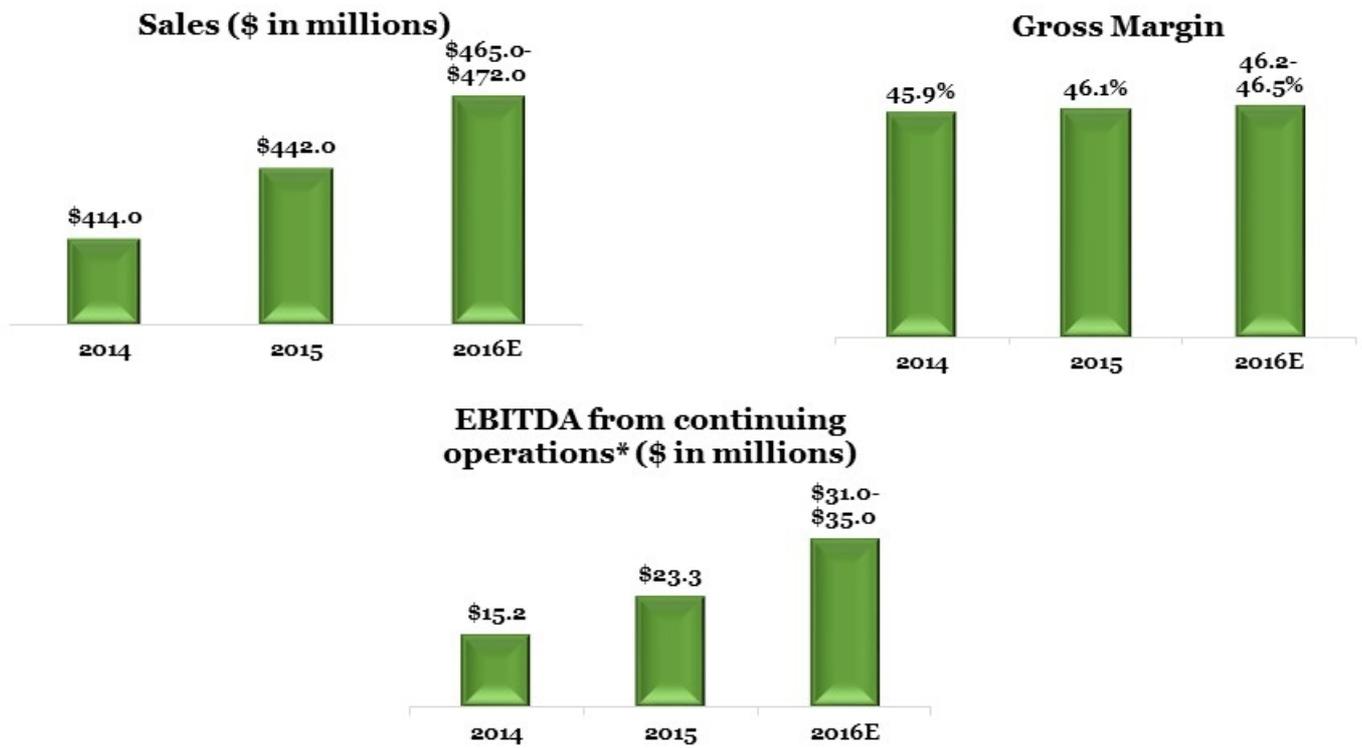
International Big & Tall market is highly fragmented with little brand name assortments

- DXLG-Owned Rochester UK store is second-highest performer in chain
- Kuwait City was first franchisee in 2012. Currently generating Royalty fees of +\$200k per year
- Inbound demand to domestic eCommerce website from over 100 countries today
- Near-term priorities include Middle East, Western Europe, Mexico and Canada
- Expect additional stores to open outside the U.S. in 2017

Selected Primary Expansion Opportunities



Increasing Operating Leverage



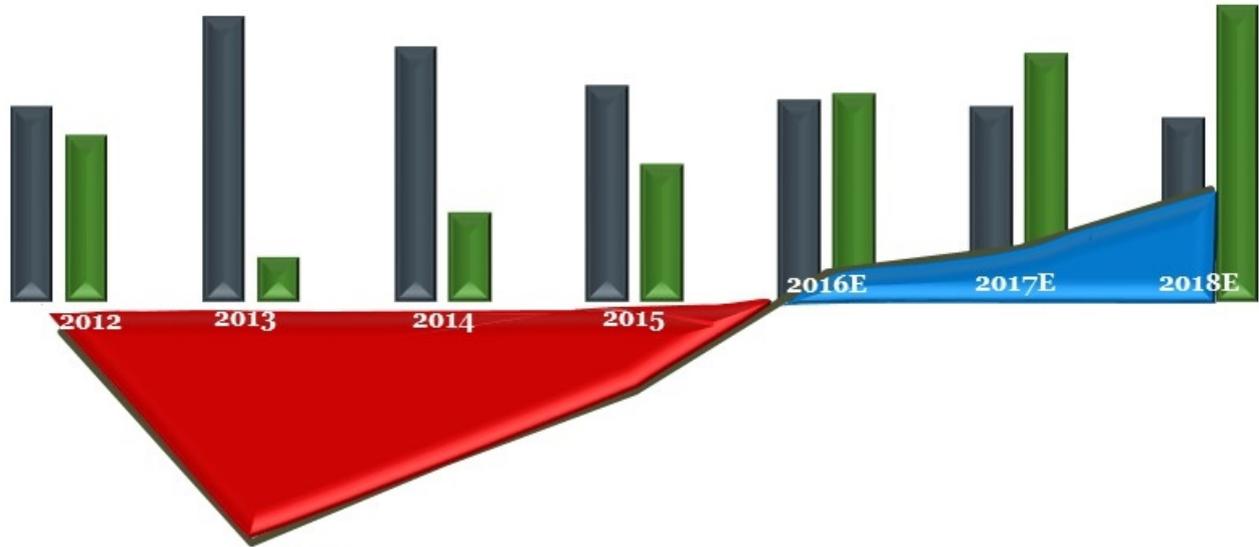
*EBITDA from continuing operations is a non-GAAP measure. See Appendix A for a reconciliation to its comparable GAAP measure.

DXL Store Funding from Free Cash Flow

Free Cash Flow <i>(in millions)</i>	Fiscal 2014	Fiscal 2015	Projected Fiscal 2016
Cash flow from operating activities (GAAP basis)	\$ 13.8	\$ 18.4	\$30.0-\$35.0
Capital expenditures, infrastructure projects	(10.5)	(13.3)	(9.4)
Free Cash Flow before DXL capital expenditures	\$ 3.3	\$ 5.1	\$20.6-\$25.6
Capital expenditures for DXL stores	(30.4)	(20.1)	(20.6)
Free Cash Flow (non-GAAP basis)	\$ (27.1)	\$ (15.0)	\$0.0-\$5.0

- Fiscal 2015 produced positive free cash flow of \$5.1 million before capital expenditures for DXL stores of \$20.1 million
- In fiscal 2016, DXL stores are projected be funded completely from Free Cash Flow vs. Revolving Credit Facility

Strong Free Cash Flow Trend



- Pos. Free Cash Flow*
- Neg. Free Cash Flow*
- CAPEX / Interest
- EBITDA from Continuing Operations*

*Free Cash Flow and EBITDA from continuing operations are non-GAAP measures. See Appendix A for a reconciliation to their comparable GAAP measures.



FINANCIAL PERFORMANCE

DXL
DESTINATIONXL

Fiscal 2015 Highlights

Results reflect strength of DXL model

+9.7%

DXL comparable store sales

➤ *On top of +13.7% in fiscal 2014*+4.8%

Total comparable sales

➤ *On top of +6.4% in fiscal 2014*\$23.3M

EBITDA from continuing operations

➤ *Versus \$15.2M in fiscal 2014*

Successful Marketing Drives Performance

Fourth Quarter 2015 - Key metrics continue to improve

38%

Brand awareness

➤ *Versus 13% in spring 2013*

5.3%

Marketing expense as % of sales

➤ *Projecting 4.5% of sales for fiscal 2016*

+5%

Conversion rate of Casual Male customers

➤ *Versus Q4 2014*

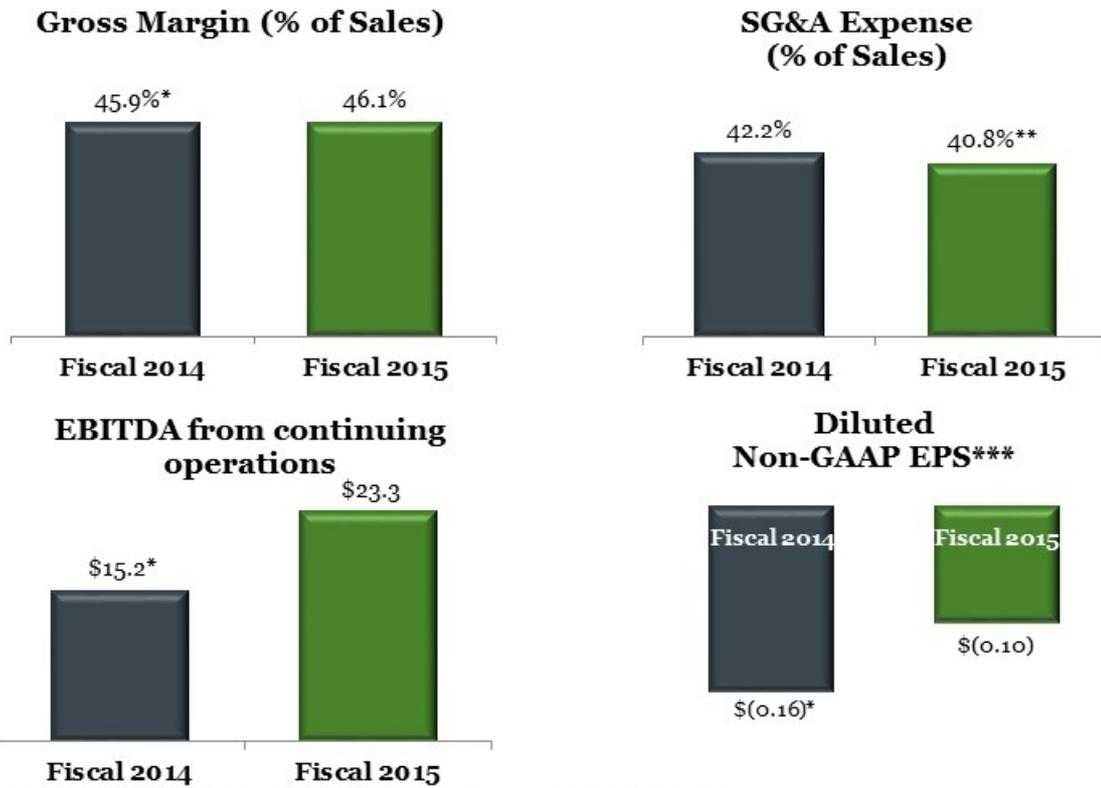
46.4%

End-of-rack percentage of bottoms business

➤ *Up from 43.4% in Q4 2014*

Income Statement Highlights

(\$ in millions,
except per
share data)



* Fiscal 2014 includes a \$2.5 million early lease termination payment that was received in Q4 2014.

** Fiscal 2015 includes a \$1.4 million accrual in Q4 for the probable payout of performance awards under the long-term incentive plan.

** Diluted non-GAAP EPS is a non-GAAP measure. See Appendix A for a reconciliation to its comparable GAAP measure.

Cash Flow And Balance Sheet Highlights

<i>(\$ in millions)</i>	FY 2015	FY 2014
Capital Expenditures:		
DXL stores	\$20.1	\$30.4
Other maintenance/infrastructure	<u>13.3</u>	<u>10.5</u>
Total	\$33.4	\$40.9
Inventory	\$125.0	\$115.2
Clearance inventory	8.1%	8.4%
Total debt*	\$68.1	\$52.3
Borrowings under credit facility	\$42.0	\$18.8
Excess availability*	\$66.0	\$77.9

- Lower CAPEX on smaller average DXL store footprint
- Opened 3 DXL retail stores in Q4; 36 total DXL stores in fiscal 2015
- Plan to open 31 DXL stores in fiscal 2016

FY 2016 Outlook

- Focus on solid top-line performance, accelerate EBITDA growth
- Continue to deliver performance in line with our plan
- Reach more customers who stay longer, spend more money and shop more often
- Stable operating model generates consistent, predictable results
- Continue to utilize free cash flow to grow DXL concept

FY 2016 Guidance

<i>(\$ in millions, except per share data)</i>	<u>Guidance</u>
Sales	\$465.0~\$472.0
Total comparable sales increase	4.8%~5.5%
Gross margin	46.2%~46.5%
EBITDA*	\$31.0~\$35.0
Net loss per share, diluted	\$(0.09)~breakeven
Adjusted net loss per share, diluted*	\$(0.05)~breakeven
Total debt	\$64.0~\$69.0
Total Capital expenditures	Approximately \$30.0
DXL capital expenditures	Approximately \$20.6
Free cash flow*	Breakeven to \$5.0
Free cash flow before DXL capital expenditures	\$20.6-25.6

* EBITDA, Adjusted net loss per share, diluted and Free Cash Flow are non-GAAP measures. See Appendix A for a reconciliation of these non-GAAP measures to their comparable GAAP measures.

Non-GAAP Reconciliation

Appendix A

The Company uses non-GAAP financial measures, such as "EBITDA from continuing operations," "Free Cash Flow," "Adjusted loss," "Adjusted loss per share," "4-Wall Cash Flow" and "IRR" (Internal Rate of Return) in assessing its operating performance. The Company believes that these non-GAAP measures serve as an appropriate measure to be used in evaluating the performance of its business. The Company defines EBITDA as Earnings before interest, taxes and depreciation and amortization. EBITDA from continuing operations is before discontinued operations. Free cash flow is defined as cash flow from operating activities less capital expenditures. Adjusted loss and Adjusted loss per share is calculated assuming a normalized tax rate of 40%. The Company's 4-Wall Cash Flow represents the cash flow at the store level before depreciation expense, corporate overhead, interest and income taxes. IRR is the rate at which the net present value of cash flows from a project or investment equal zero. The Company calculates IRR by taking the initial investment in a store, which includes the build-out costs, net of tenant allowances, plus the cost of inventory at opening against the projected cash flows for the first 5 years.

These measures as defined by the Company may not be comparable to similarly titled measures reported by other companies. The Company does not intend for non-GAAP financial measures to be considered in isolation or as a substitute for other measures prepared in accordance with GAAP. The following tables provide a reconciliation of for each of these Non-GAAP measures.

EBITDA from Continuing Operations

	For the year ended	
	January 30, 2016	January 31, 2015
<i>(in millions)</i>		
Net income (loss), GAAP basis	\$ (8.4)	\$ (12.3)
Add back:		
Provision for income taxes	0.3	0.2
Interest expense	3.1	2.1
Depreciation and amortization	28.4	24.0
EBITDA, non-GAAP basis	23.3	14.1
Loss from discontinued operations	-	(1.1)
EBITDA from continuing operations, non-GAAP basis	\$ 23.3	\$ 15.2

Adjusted loss and Adjusted loss per share

	For the year ended			
	January 30, 2016		January 31, 2015	
	\$	share	\$	share
<i>(in million, except per share data)</i>				
Loss from continuing operations	\$ (8.4)	\$ (0.17)	\$ (11.2)	\$ (0.23)
Add back: Actual income tax provision	0.3	-	0.2	-
Income tax benefit (provision) assuming normal tax rate of 40%	3.3	-	4.4	-
Adjusted loss from continuing operations	\$ (4.9)	\$ (0.10)	\$ (6.6)	\$ (0.13)
Loss from discontinued operations	-	-	\$ (1.1)	(0.02)
Adjusted loss, non-GAAP basis	\$ (4.9)	\$ (0.10)	\$ (7.7)	\$ (0.15)
Weighted average number of common shares outstanding on a diluted basis		49.1		48.7

The Adjusted loss per share for fiscal 2016 of breakeven to a net loss of \$(0.05) per diluted share was calculated, assuming a normal tax benefit of approximately 40%, by taking the 2016 forecasted earnings of breakeven to a net loss of \$(0.09) per diluted share and multiplying each by 40% to calculate an estimate income tax provision (benefit) of \$0.00-\$0.04 per diluted share, resulting in an adjusted non-GAAP earnings of breakeven to \$(0.05) per diluted share.

Non-GAAP Reconciliation, continued

Free Cash Flow <i>(in millions)</i>	Fiscal 2014	Fiscal 2015	Projected Fiscal 2016
Cash flow from operating activities (GAAP basis)	\$ 13.8	\$ 18.4	\$30.0-\$35.0
Capital expenditures, infrastructure projects	(10.5)	(13.3)	(9.4)
Free Cash Flow before DXL capital expenditures	\$ 3.3	\$ 5.1	\$20.6-\$25.6
Capital expenditures for DXL stores	(30.4)	(20.1)	(20.6)
Free Cash Flow (non-GAAP basis)	\$ (27.1)	\$ (15.0)	\$0.0-\$5.0

Investor Contact

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