



Investor Presentation

September 2013

SAFE HARBOR

Certain information contained in this presentation, including, but not limited to, sales, cash flows, operating margins and store counts for fiscal 2013 and estimates through fiscal 2016, 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 implement the Company's business plan for increased profitability and growth in the Company's retail stores sales and direct-to-consumer business, the failure to achieve improvement in the Company's competitive position, changes in or miscalculation of 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, increases in raw material costs from inflation and other factors, the interruption of merchandise flow from the Company's distribution facility, competitive pressures, and the adverse effects of natural disasters, war, acts of terrorism or threats of either, or other armed conflict, 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 February 2, 2013 filed on March 15, 2013 and other Company filings with the Securities and Exchange Commission. Casual Male 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.

WHO IS DESTINATION XL GROUP?



Largest multi-channel specialty retailer in niche men's big and tall (B&T) market



Offers unique blend of wardrobe solutions – Private label & leading apparel name brands

.....
WELCOME
to a **BETTER WORLD**
OF MENSWEAR.
.....

WELCOME *to*
BRANDS ^Y_{OU} **LOVE.**
.....

WELCOME *to* **TODAY'S**
STYLES & LOOKS.
.....

WELCOME TO CLOTHES THAT FIT RIGHT
.....

WELCOME TO
EXPERT ADVICE.
.....

TO *looking* **GREAT**
WELCOME TO DestinationXL.
.....

..... *Big on being better.*

DXLG BY THE NUMBERS

80% RETAIL



20% DIRECT

1.5M ACTIVE CUSTOMERS



90% ENROLLED IN LOYALTY PROGRAM

388 RETAIL STORES



85% HIGHEST RATED RETAILER IN 2011 CSI SURVEY



6 BRANDS

DESTINATION XLSM

Big on being better

CASUAL | MALE XL

ROCHESTER
BIG & TALL

SHOES | XL



LIVINGXL[®]

WHO IS OUR CUSTOMER?

Males with
a waist size
40" and
greater
(40M men)

Determined
by physical
characteristic,
not demographic

Seeking
greater
selection
in size

Not dependent
on age,
income, race
or nationality

Values
convenience,
selection
and fit over
price

CURRENT CASUAL MALE XL STORES



WHAT OUR CUSTOMERS WANT



One-stop shopping



Wide aisles



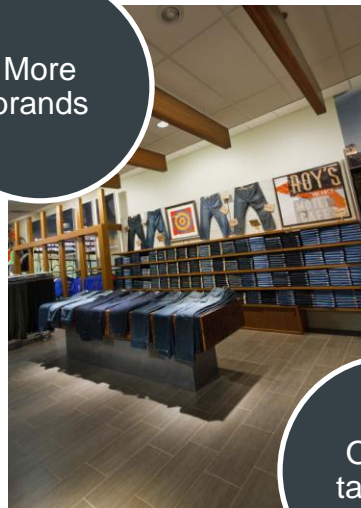
Large changing rooms



Bright Atmosphere



More brands



Onsite tailoring



RESPONDING WITH DESTINATION XL

2010

Opened 4 DXL concept stores



2012

Opened 32 DXL stores



2011

Opened 12 DXL stores



2013

Expect to open 55-58 stores



Opportunity for accelerated growth and profitability



DXL

DESTINATIONXL



POLO RALPH LAUREN



Traditional Section, POLO



WHERE MEN'S APPAREL BEG

COLE HAAN
ROCKPORT
HUSH PUPPIES
CLARK'S
UNLISTED

Studio Section, Runway





LARGE SELECTION OF NAME BRANDS



Calvin Klein



TRUE RELIGION
BRAND JEANS®



Brooks Brothers


PETER
MILLAR

MICHAEL KORS



LACOSTE

Tommy Bahama®



TOMMY  HILFIGER

Lucky Brand

POLO

RALPH LAUREN

CASUAL MALE XL vs. DESTINATION XL

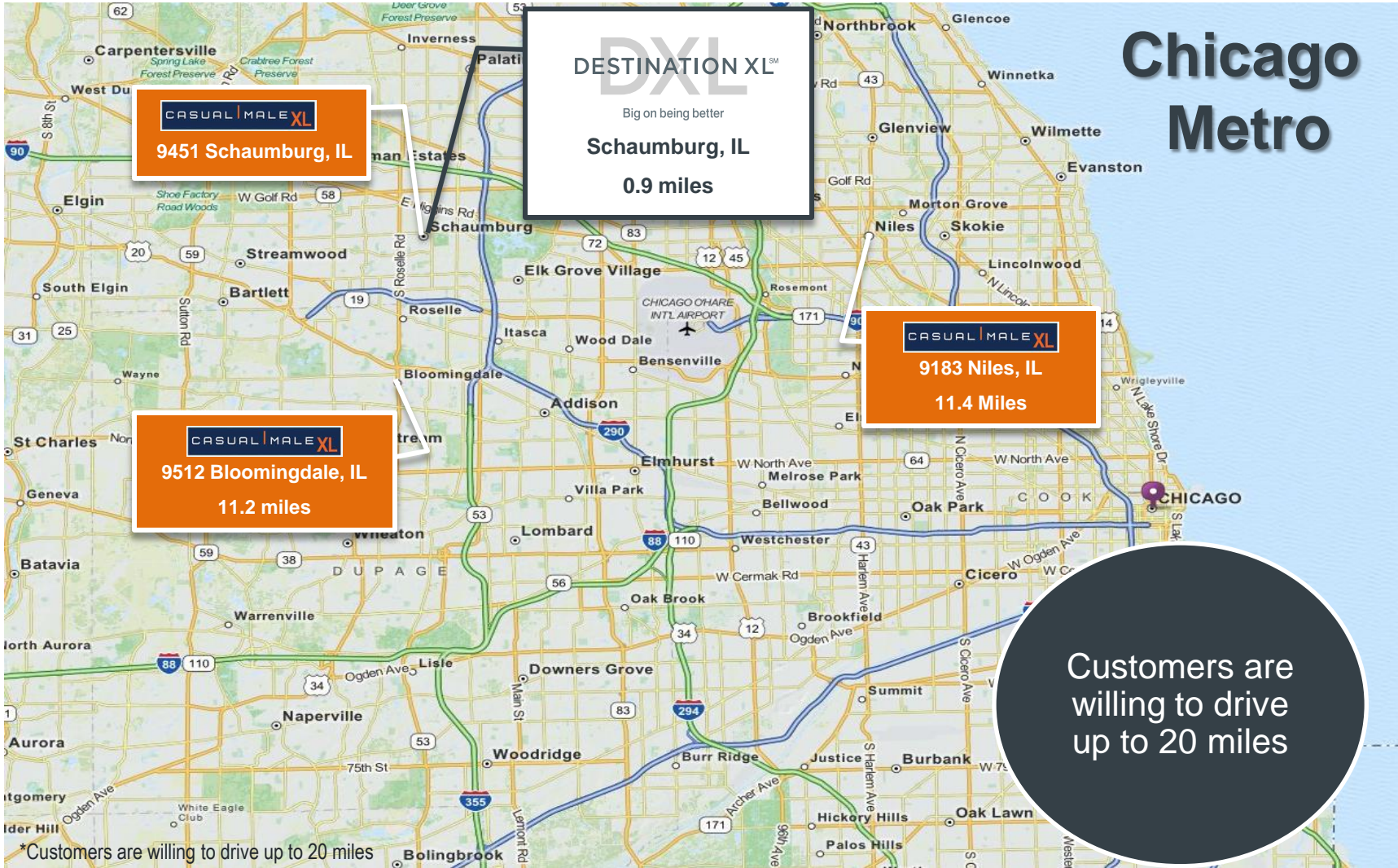
CASUAL MALE XL

DESTINATION XLSM

Store size	3,600 sq. ft.	8,400 sq. ft.
Sales per sq. ft.	\$172	\$147 (\$230 by 2016)
Build out costs	\$50	\$70
Occupancy costs	\$30	\$30
Dollars per transaction	\$102	\$150
Style choices	600	2,000
Private label brands	10	15
Name brands	8	30

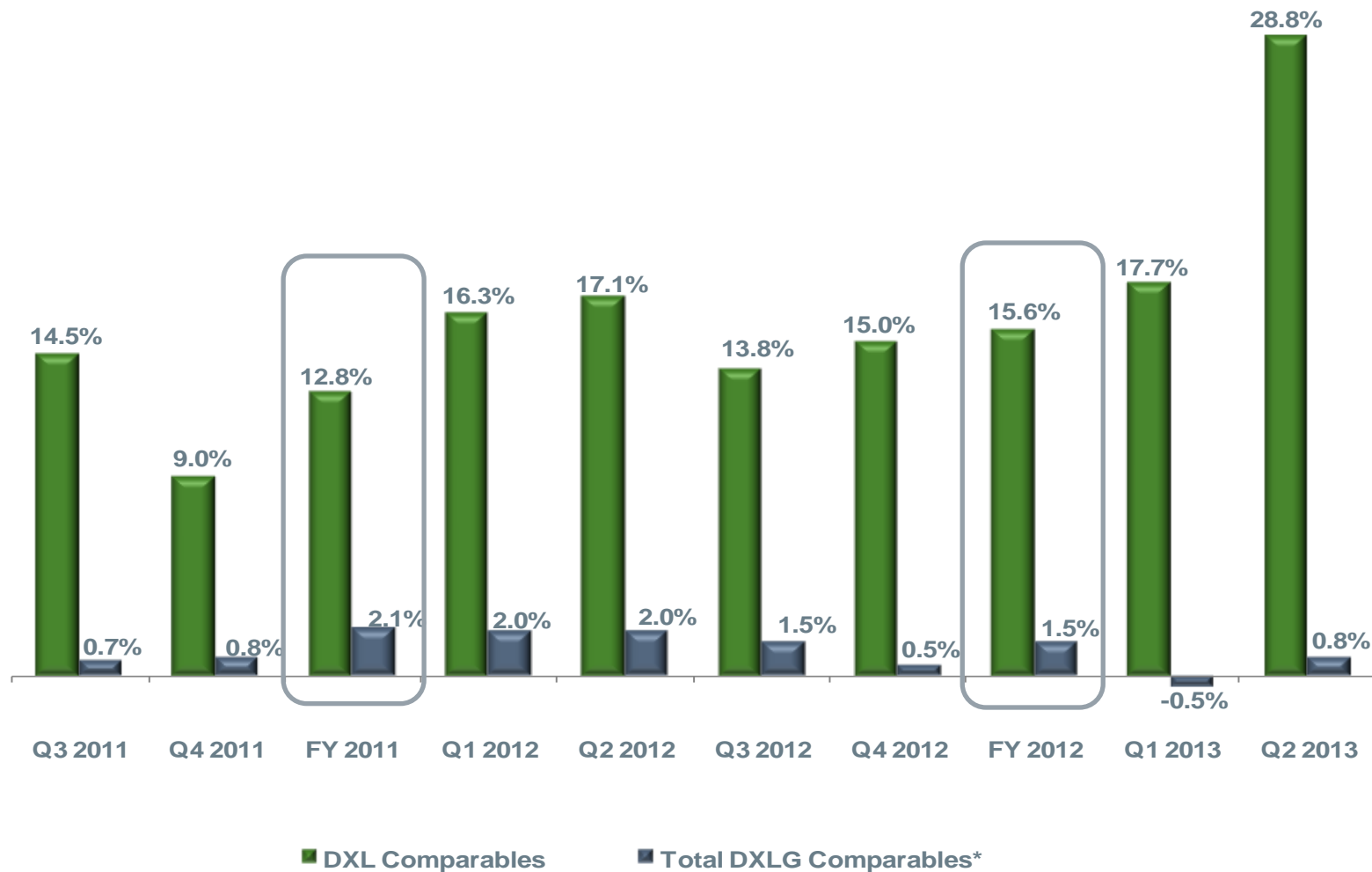
*Average store

MARKET CONSOLIDATION TO DXL



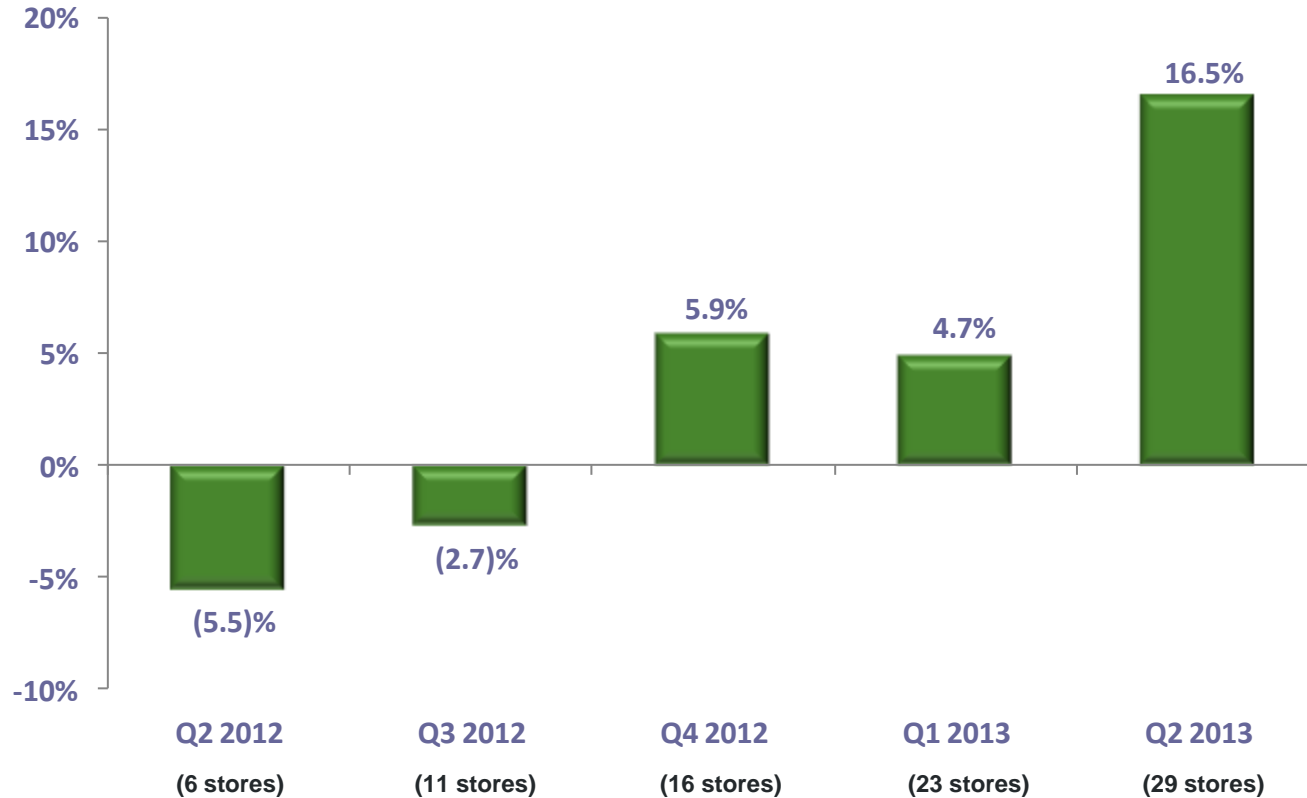
*Customers are willing to drive up to 20 miles

DXL COMPS REFLECT GROWTH OPPORTUNITY



*Total DXLG Comparables consist of all stores, including DXL stores and direct channel

COMPARABLE SALES FOR DXL OPEN > 1 YEAR



COMPELLING DXL RETURNS

Expect greater store productivity and profitability

Better leveraging of expenses -- occupancy, labor productivity and local/district management

Projecting higher 4-wall profits than combined profits of individual stores

Targeting between 25%-30% store operating margin

Potential to capture additional market share

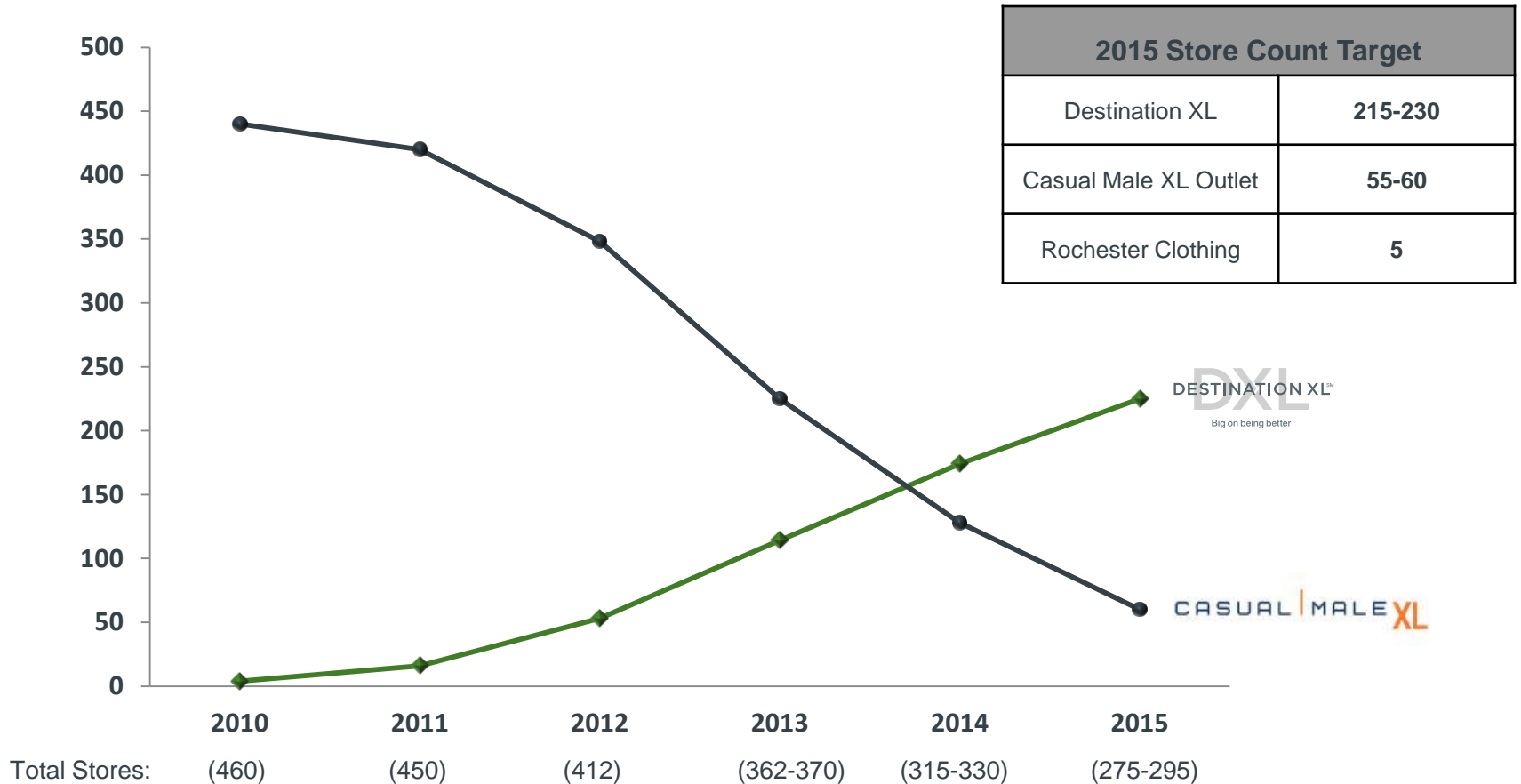
Attract new customers

Better cross-selling environment to capture greater share of apparel wallet from existing customers

Opportunity to improve operating margins

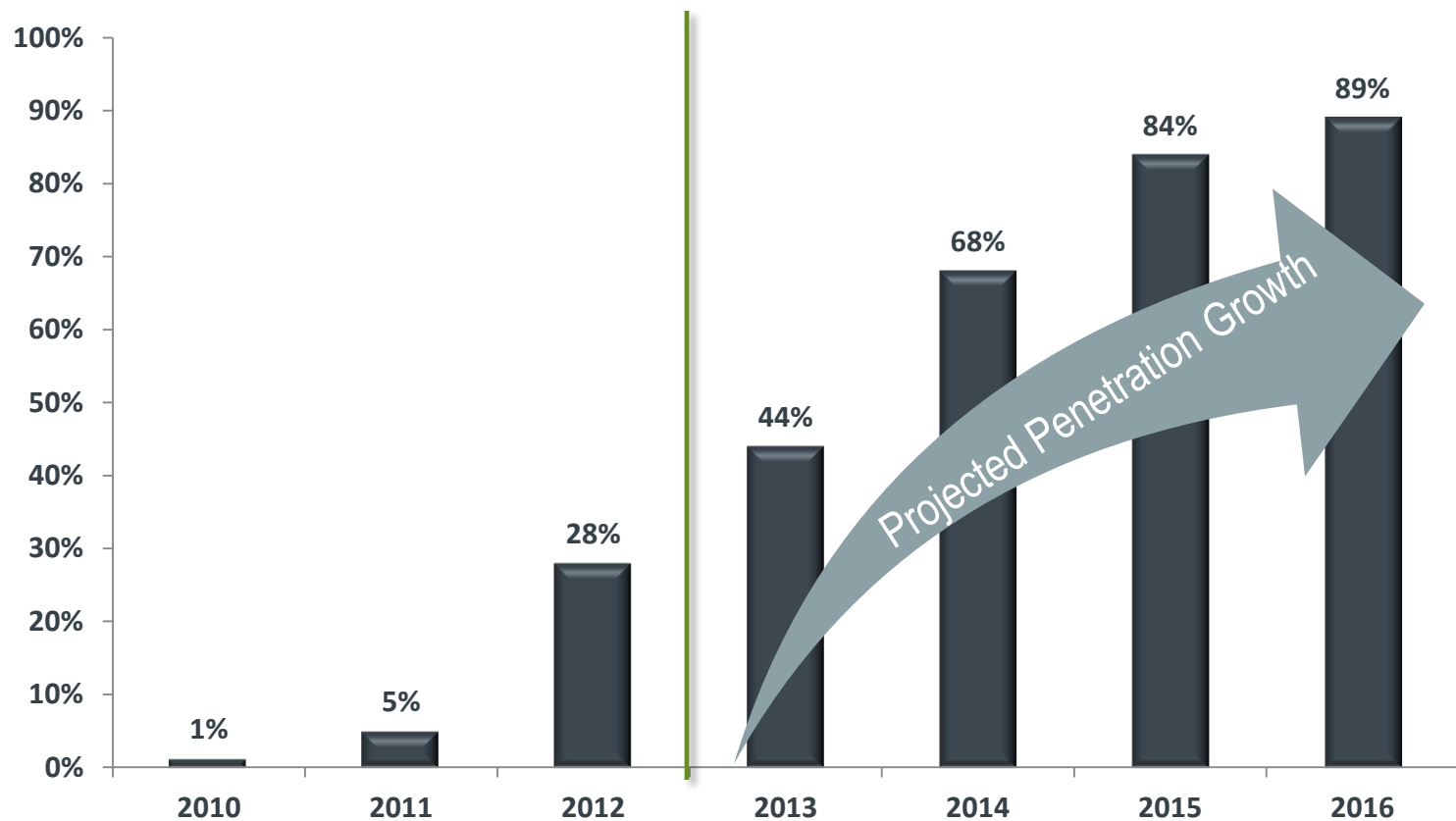
Expect to increase margins significantly after the transition to DXL is complete

ACCELERATED DXL OPENINGS



Accelerated rollout based on success of DXL stores in 2011

DXL SALES INCREASE AS % OF TOTAL REVENUE



* DXL sales include direct sales via the DestinationXL.com website.

ACCELERATED ROLLOUT OF DXL



2012 - 2014

2012

- Opened **32** DXL stores / Closed **70** stores
- Operating margins were approximately **3.5%**
- Cap Ex was **\$32.4M**

Fiscal 2013 YTD

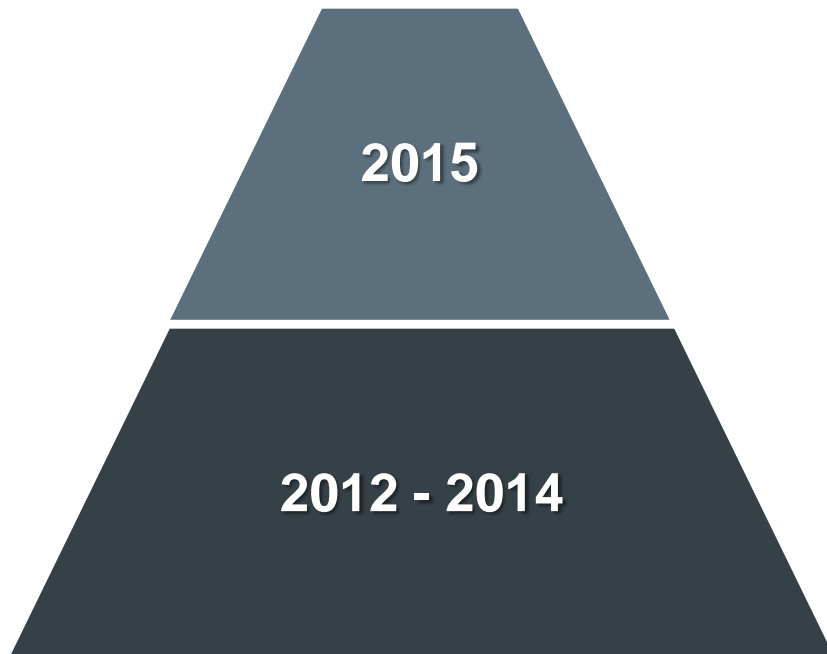
- Opened 17 DXL stores / Closed 40 stores
- Sales of **\$191.2M**
- Operating margins were approximately breakeven
- Cap Ex was **\$21.1M**

2014

- Open **65** DXL stores / Close **100-110** stores
- Annual sales growth of ~ **10% - 15%**
- Expected net borrowing level of **\$15 - \$20M** at year end
- Lease exit and asset impairment charges in the range of **\$3-\$4M¹**
- Operating margins of ~ **3% - 4%**
- Cap Ex expected to be **\$45M²**

1. Net of sublease
2. Net of expected tenant allowances

ACCELERATED ROLLOUT OF DXL

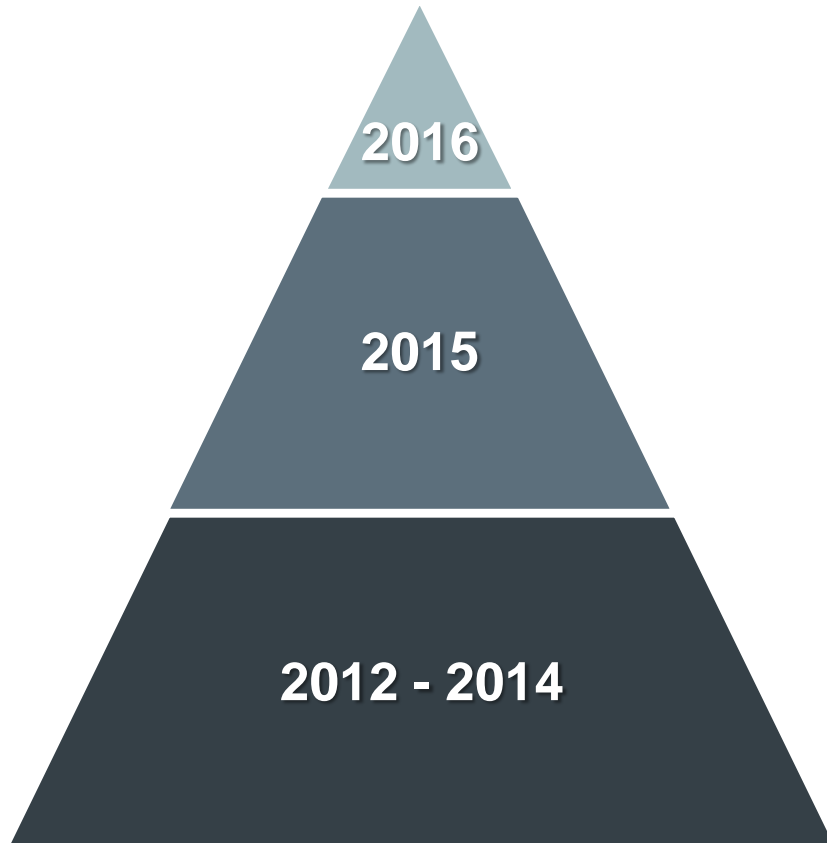


2015

- Complete rollout with **215 - 230** opened DXL stores and Closure of remaining **63** Casual Male XL anchor stores
- Annual sales growth of **~10% - 15%**
- Operating margins gain traction and increase to **~8%** (from **4.2%** in '11)
- Expected ending cash balance of **\$5 - \$10M**
- Cap Ex expected to be approximately **\$38M²**
- Lease exit and asset impairment charges in the range of **\$2-\$3M¹**

1. Net of sublease
2. Net of expected tenant allowances

ACCELERATED ROLLOUT OF DXL



2015

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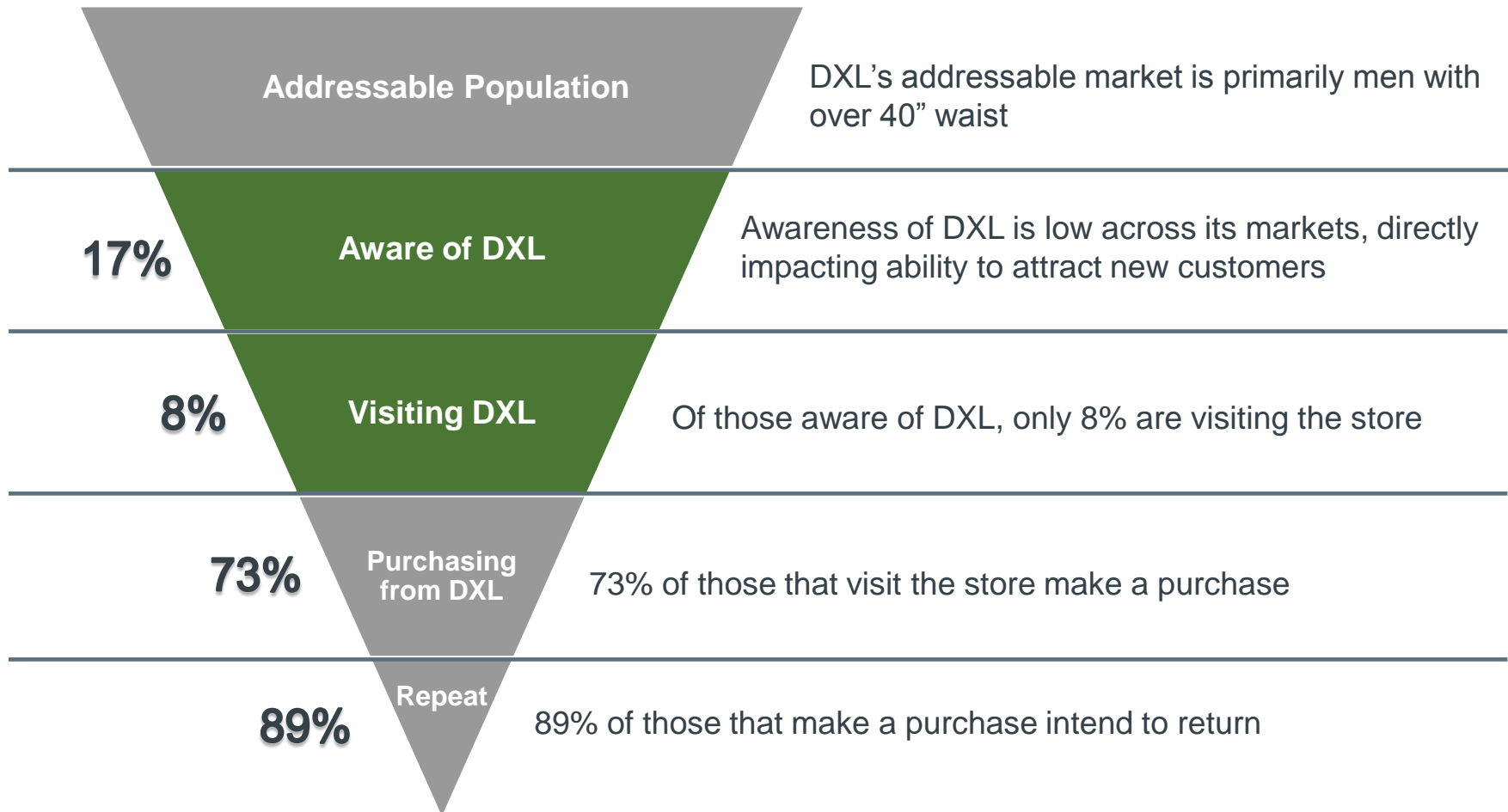
2016

- Full benefit of DXL concept drives revenue **>\$600M**
- Open average of **10** DXL stores per year
- Operating margins **>10%**
- Generating free cash flow in the range of **\$60 - \$70M**

1. Net of sublease
2. Net of expected tenant allowances

INCREASED AWARENESS = OPPORTUNITY

DXL Customer Purchase Funnel*



Source: L.E.K analysis prior to launch of marketing campaign (November 2012)
*Based on consumers' stated responses per L.E.K's survey within DXL markets

OPPORTUNITY TO GROW MARKET SHARE

Addressable Market = 40M Customers

1.5M Currently Active Customers

Goal = Grow Customers by 40% Over 3 Years

Capture greater wallet share with DXL concept

Attract broader customer audience with one-stop-shop

Target “end-of-rack” customers

Paradigm shift in marketing improves awareness

Grow direct business with new website

DXL ADVERTISING CAMPAIGN

- Combination of TV, radio & digital support
- Built stronger brand to attract and serve customers
- Results demonstrate ability to grow market share

Spring Flight (May 5 to June 14)

- Increased market awareness from 13% to 18%
- Transaction size increased 23%
- New customers grew by 26.1%
- Traffic increased 7.5%
- “End-of-rack” customer base grew to 40.5%
- Web traffic increased 80%

Fall Flight (Early Sept - Mid Nov)

- Broadening to include network television ad-buy to supplement national cable presence
- Eliminating catalog distribution; introducing smaller 16-page brand mailers to announce seasonal offerings
- Reallocating \$2 million of marketing dollars to fall advertising campaign
- Added additional week to duration of campaign

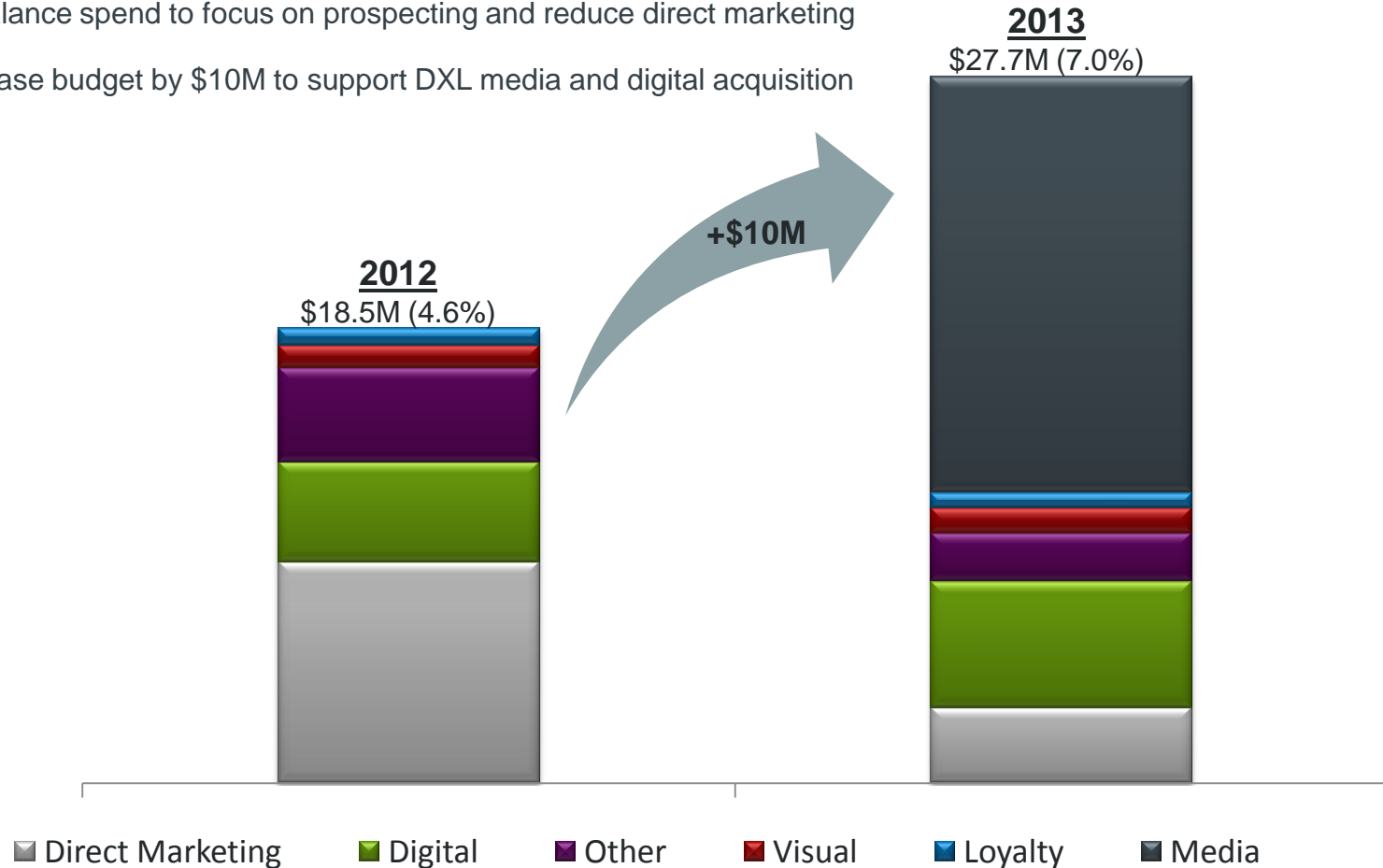
DXL ADVERTISING CAMPAIGN

Marketing to Customers in “No Man’s Land”



2013 MARKETING SPEND

- Strategically increase marketing spend as percent of sales from 4.5% to 7.0%
- Rebalance spend to focus on prospecting and reduce direct marketing
- Increase budget by \$10M to support DXL media and digital acquisition





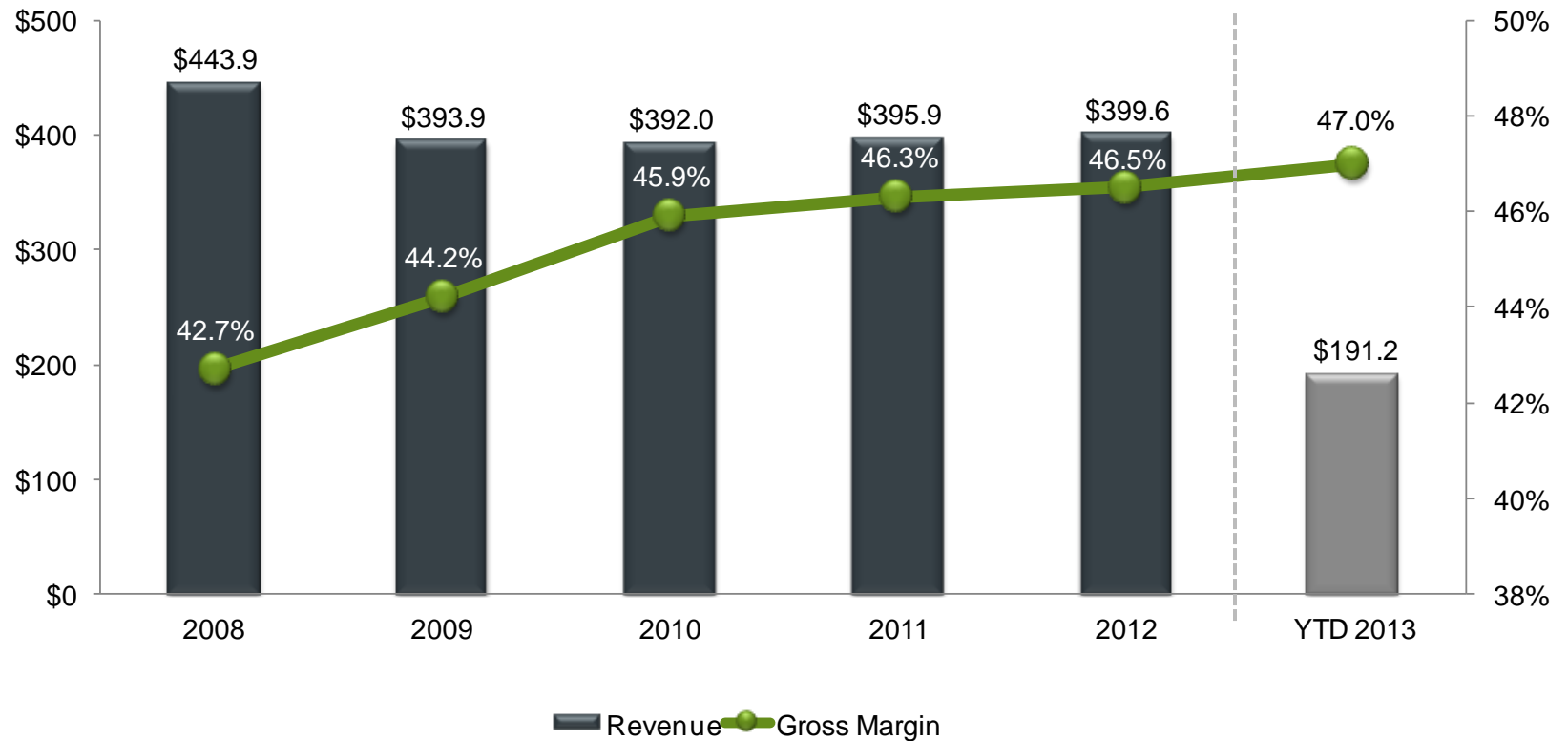
FINANCIAL PERFORMANCE

YTD 2013 RESULTS THROUGH Q2

- DXL stores comparable sales increased 23.7% and represented 24.3% of total comparable retail sales
- Comp sales for Casual Male XL and Rochester Clothing stores increased 1.2%
- Overall comparable retail sales increased 1.7% and total sales were \$191.2M
- U.S. direct e-commerce sales decreased 1.1%
- Loss from continuing operations was (\$0.5) million, or (\$0.01) per diluted share

SALES & GROSS MARGIN

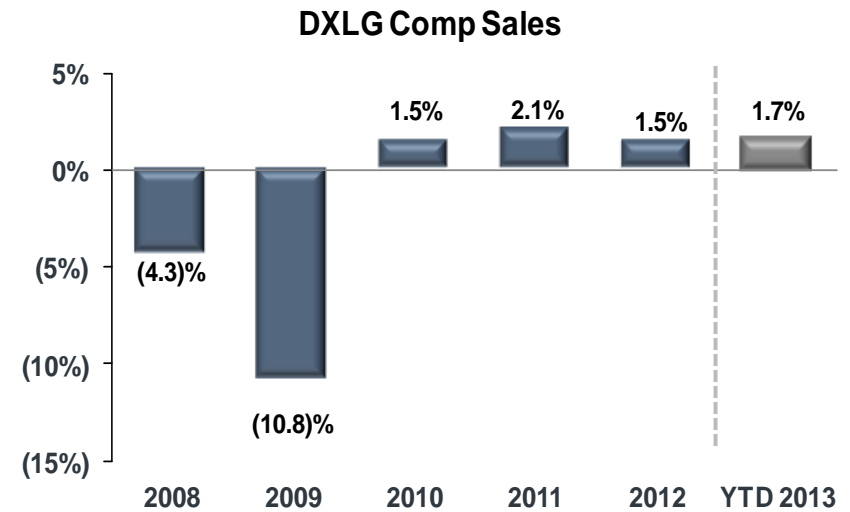
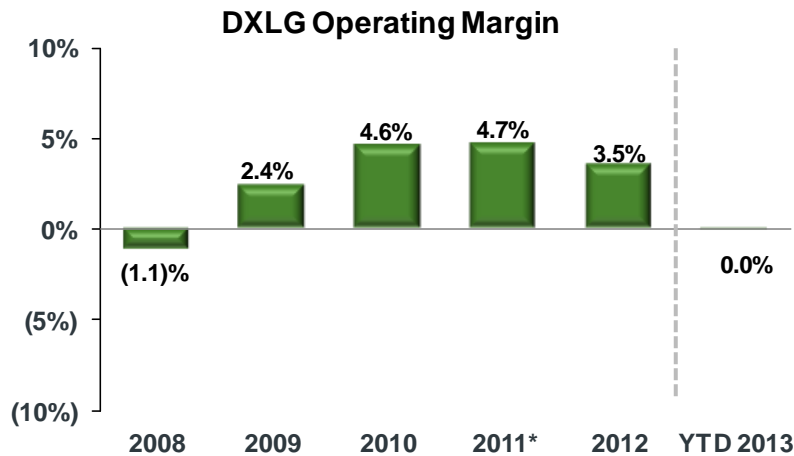
Revenue (\$MM)



Strong gross margins provide opportunity for significant sales leverage

OPERATING MARGIN & COMPARABLE SALES

(continuing operations)



* Before impairment charge of \$23.1M

Focus on improving operating margins through greater DXL sales

STRICT EXPENSE MANAGEMENT

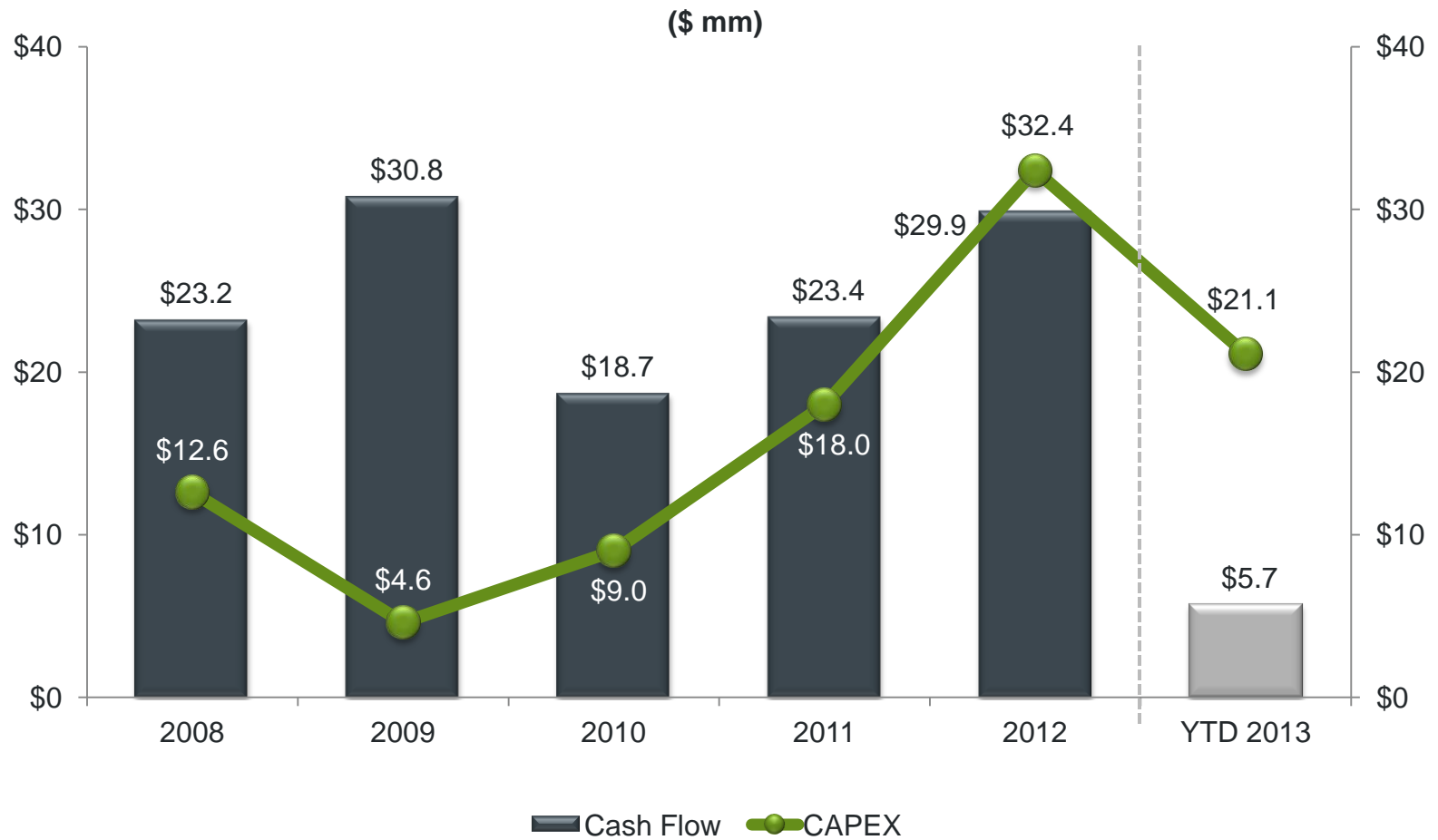
(\$ mm)



STRONG BALANCE SHEET

	2008	2009	2010	2011	2012	<i>FY 2013 Forecast</i>
Inventory	\$98.6M	\$90.0M	\$92.9M	\$104.2M	\$104.2M	\$102M
Net borrowings under revolver	\$38.7M	\$3.5M	\$0	\$0	\$0	\$10 - \$15M
Cash on hand	\$5.0	\$4.3	\$4.1M	\$10.4M	\$8.2M	\$0
Fixed term loan	\$12.5M	\$7.6M	\$0	\$0	\$0	\$0

CASH FLOW & CAPITAL EXPENDITURES



WHY INVEST IN DXLG?

Accelerated conversion to DXL concept creates compelling investment opportunity

Leader in large and growing B&T market

Strong gross margins; Ability to greatly improve operating margins

Three-year \$150M investment in DXL rollout to be funded primarily by free cash flow and deferred tax benefits

Significant market share/sales growth opportunity

Strong balance sheet with borrowing capacity

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