



Q3 2016 Supplemental Information

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, Free Cash Flow and Free Cash Flow before DXL Capital Expenditures 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.

DXL Transformation driving Free Cash Flow and EBITDA Growth

Transformation has reached an inflection point

200

200th DXL store, in Oxnard, California

- DXL stores now represent 74% of our store footprint

+57%

Increase in Q3 EBITDA* over last year

- Q3 2016 of \$3.9M vs. Q3 2015 of \$2.5M

+\$20M

Increase in Full Year Free Cash Flow* after DXL store investment

- Free Cash Flow expected to improve to \$4.0M to \$8.0M in FY2016 over FY2015 of \$(15.0)M

* EBITDA and Free Cash Flow are non-GAAP measures. See Appendix A for a reconciliation of these non-GAAP measures to their comparable GAAP measure.

Q3 Highlights

Delivered growth in sales and profitability

+0.9%

Total company comparable store sales

➤ *Total company net sales increased 2.3%*

+2.3%

DXL comparable store sales

➤ *On top of +9.2% in Q3 2015 for a 2-year stack of +11.5%*

13

DXL stores and DXL outlets opened in Q3

➤ *29 expected DXL store openings in FY2016*

➤ *30 expected DXL openings in FY2017; including 2 in Toronto*

Awareness Driving Success of DXL Transformation Strategy

Third Quarter 2016 - Key Metrics

14th

Consecutive quarter of positive comps – Total Company

➤ *Increased sales, improved cash flow and earnings*

+6.4%

Conversion rate of Casual Male customers

➤ *Versus Q3 2015*

44.5%

End-of-rack percentage of bottoms business

➤ *Up from 42.9% in Q3 2015*

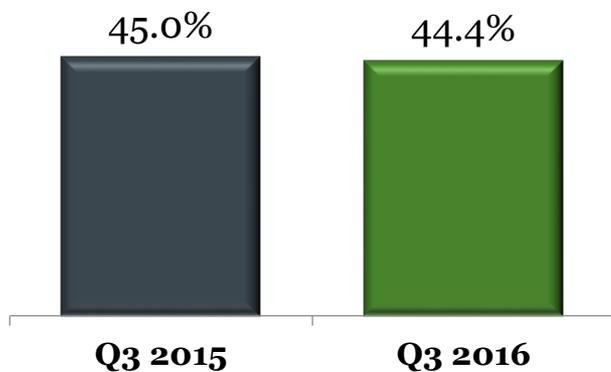
+4.6%

Increase in sales per square foot

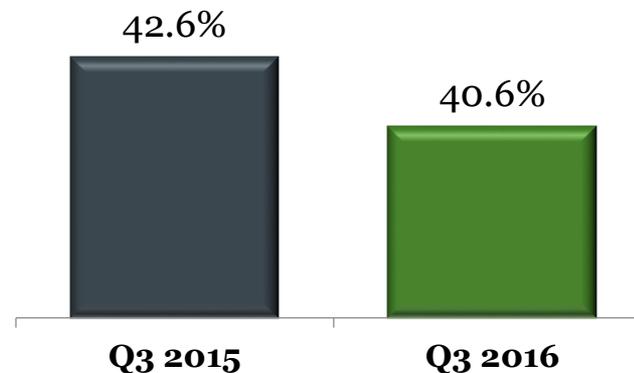
➤ *\$182 per foot vs. \$174 in Q3 2015*

Income Statement Highlights

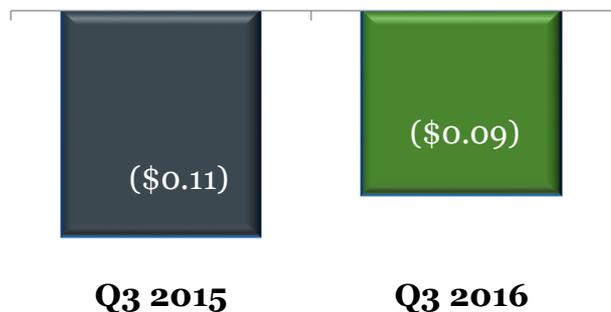
Gross Margin (% of Sales)



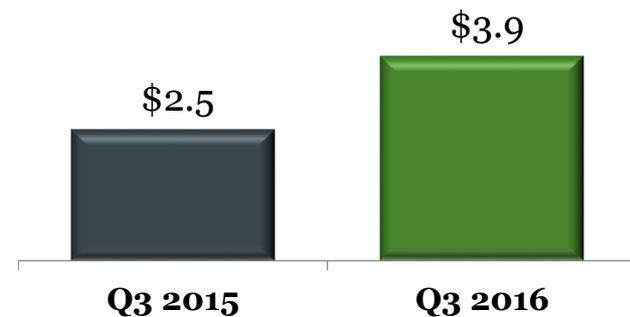
SG&A Expense (% of Sales)



Diluted EPS*



EBITDA (\$ in millions)**



* Non-GAAP EPS, assuming a normalized tax rate, was \$(0.05) per diluted share for the third quarter of fiscal 2016, compared with \$(0.07) per diluted share for the prior year's third quarter. See Appendix A for a reconciliation to its comparable GAAP measure.

** EBITDA 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>	9 Months 2015	9 Months 2016
Capital Expenditures:		
DXL stores	\$17.3	\$16.0
Other maintenance/infrastructure	<u>8.1</u>	<u>5.8</u>
Total	\$25.4	\$21.8
Inventory	\$133.3	\$128.2
Clearance inventory	9.0%	9.0%
Total debt*	\$83.9	\$83.3
Borrowings under credit facility*	\$55.9	\$62.4
Excess availability	\$62.8	\$52.4

- Lower CAPEX due to fewer DXL store openings and a reduction in other infrastructure costs
- Opened 25 DXL stores YTD 2016 versus 33 DXL stores YTD 2015
- On track to open 29 DXL retail and outlet stores in fiscal 2016

* *Net of unamortized debt issuance costs*

DXL Store Funding from Free Cash Flow

(in millions)

	Nine Months 2016	Nine Months 2015
Cash flow from operating activities (GAAP)	\$ 8.1	\$ (5.0)
Capital expenditures, infrastructure projects	(5.8)	(8.1)
Free Cash Flow, before DXL capital expenditures	\$ 2.3	\$ (13.1)
Capital expenditures for DXL stores	(16.0)	(17.3)
Free Cash Flow (non-GAAP basis)	\$ (13.7)	\$ (30.4)

- *Free Cash Flow before DXL capital expenditures improved \$15.4 million through the end of the third quarter*
- *On track to be Free Cash Flow positive by year end*

FY 2016 Guidance

<i>(\$ in millions, except per share data)</i>	<u>Guidance</u>
Sales	\$451.0~\$457.0
Total comparable sales increase	1.0%~2.0%
Gross margin	46.0%
EBITDA*	\$30.0~\$33.0
Net loss per share, diluted	\$(0.09)~breakeven
Adjusted net loss per diluted share *	\$(0.05)~breakeven
Total debt	\$60.0~\$66.0
Total Capital expenditures	Approximately \$30.0
DXL capital expenditures	Approximately \$20.6
Free cash flow*	\$4.0 to \$8.0
Free cash flow before DXL capital expenditures*	\$24.6 to 28.6

* EBITDA, Adjusted net loss per diluted share, Free Cash Flow and Free Cash Flow before DXL expenditures 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,” “Free Cash Flow,” “Free Cash Flow before DXL Capital Expenditures,” “Adjusted net loss” and “Adjusted net loss per diluted share” 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. Free cash flow is defined as cash flow from operating activities less capital expenditures. Adjusted net loss and Adjusted net loss per diluted share are calculated assuming a normalized tax rate of 40%.

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.

GAAP TO NON-GAAP RECONCILIATION OF EBITDA

	For the three months ended		For the nine months ended	
	October 29, 2016	October 31, 2015	October 29, 2016	October 31, 2015
<i>(in millions)</i>				
Net loss, GAAP basis	\$ (4.5)	\$ (5.5)	\$ (4.0)	\$ (7.0)
Add back:				
Provision for income taxes	0.0	0.1	0.1	0.2
Interest expense	0.8	0.8	2.3	2.3
Depreciation and amortization	7.5	7.1	22.4	20.5
EBITDA, non-GAAP basis	\$ 3.9	\$ 2.5	\$ 20.8	\$ 16.0

GAAP TO NON-GAAP RECONCILIATION OF ADJUSTED NET LOSS

	For the three months ended				For the nine months ended			
	October 29, 2016		October 31, 2015		October 29, 2016		October 31, 2015	
	Per diluted	Per diluted	Per diluted	Per diluted	Per diluted	Per diluted	Per diluted	
	\$	share	\$	share	\$	share	\$	share
<i>(in thousands, except per share data)</i>								
Net loss (GAAP basis)	\$ (4,452)	\$ (0.09)	\$ (5,472)	\$ (0.11)	\$ (4,039)	\$ (0.08)	\$ (7,025)	\$ (0.14)
Add back: Actual income tax provision	34		63		126		191	
Income tax (provision) benefit, assuming a normal tax rate of 40%	1,767		2,164		1,565		2,734	
Adjusted net loss (non-GAAP basis)	\$ (2,651)	\$ (0.05)	\$ (3,245)	\$ (0.07)	\$ (2,348)	\$ (0.05)	\$ (4,100)	\$ (0.08)
Weighted average number of common shares outstanding on a diluted basis		49,552		49,116		49,532		49,072

Non-GAAP Reconciliation, continued

GAAP TO NON-GAAP FREE CASH FLOW RECONCILIATION

<i>(in millions)</i>	For the nine months ended		Fiscal
	October 29, 2016	October 31, 2015	2015
Cash flow from operating activities (GAAP basis)	\$ 8.1	\$ (5.0)	\$ 18.4
Capital expenditures, infrastructure projects	(5.8)	(8.1)	(13.3)
Free Cash Flow, before DXL capital expenditures	\$ 2.3	\$ (13.1)	\$ 5.1
Capital expenditures for DXL stores	(16.0)	(17.3)	(20.1)
Free Cash Flow (non-GAAP basis)	\$ (13.7)	\$ (30.4)	\$ (15.0)

2016 FORECAST GAAP TO NON-GAAP RECONCILIATIONS

<i>(in millions, except per share data)</i>	Projected Fiscal 2016	
	<i>per diluted share</i>	
Net income (loss), GAAP basis	\$(4.4)-\$0.0	
Add back:		
Provision for income taxes	0.2	
Interest expense	2.9-3.2	
Depreciation and amortization	29.9-31.0	
EBITDA, non-GAAP basis	\$30.0-\$33.0	
Net income (loss), GAAP basis	\$(4.4)-\$0.0	\$(0.09)-\$0.00
Income tax benefit, assuming 40% rate	\$(1.8)-\$0.0	\$(0.04)-\$0.00
Adjusted net income (loss), non-GAAP basis	\$(2.6)-\$0.0	\$(0.05)-\$0.00
Weighted average common shares outstanding - diluted	49.9	
Cash flow from operating activities, GAAP basis	\$34.0-\$38.0	
Capital expenditures, infrastructure projects	(9.4)	
Free Cash Flow, before DXL capital expenditures	\$24.6-\$28.6	
Capital expenditures for DXL stores	(20.6)	
Free Cash Flow, non-GAAP basis	\$4.0-\$8.0	

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