
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 10-Q

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

For the Quarterly Period Ended May 1, 2010

Commission File Number 01-34219

CASUAL MALE RETAIL GROUP, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

555 Turnpike Street, Canton, MA
(Address of principal executive offices)

04-2623104
(IRS Employer
Identification No.)

02021
(Zip Code)

(781) 828-9300
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer
Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The number of shares of common stock outstanding as of May 1, 2010 was 47,691,110.

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements.

CASUAL MALE RETAIL GROUP, INC.
CONSOLIDATED BALANCE SHEETS
(In thousands, except share data)

	<u>May 1, 2010</u> (unaudited)	<u>January 30, 2010</u>
ASSETS		
<i>Current assets:</i>		
Cash and cash equivalents	\$ 5,554	\$ 4,302
Accounts receivable	2,411	2,494
Inventories	98,693	89,977
Prepaid expenses and other current assets	9,905	8,380
Total current assets	<u>116,563</u>	<u>105,153</u>
Property and equipment, net of accumulated depreciation and amortization	39,375	41,888
<i>Other assets:</i>		
Intangible assets	32,681	32,809
Other assets	1,211	1,189
Total assets	<u>\$ 189,830</u>	<u>\$ 181,039</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
<i>Current liabilities:</i>		
Current portion of long-term debt	\$ 4,874	\$ 4,874
Current portion of deferred gain on sale-leaseback	1,465	1,465
Accounts payable	27,819	19,753
Income taxes payable	1,392	1,485
Accrued expenses and other current liabilities	23,449	28,531
Notes payable	5,637	3,475
Total current liabilities	<u>64,636</u>	<u>59,583</u>
<i>Long-term liabilities:</i>		
Deferred gain on sale-leaseback, net of current portion	21,615	21,981
Long-term debt, net of current portion	1,484	2,702
Deferred income taxes	961	769
Other long-term liabilities	2,781	2,781
Total liabilities	<u>91,477</u>	<u>87,816</u>
<i>Stockholders' equity:</i>		
Preferred stock, \$0.01 par value, 1,000,000 shares authorized, none outstanding at May 1, 2010 and January 30, 2010	—	—
Common stock, \$0.01 par value, 100,000,000 shares authorized, 58,568,549 and 58,046,235 issued at May 1, 2010 and January 30, 2010, respectively	585	580
Additional paid-in capital	289,176	288,367
Accumulated deficit	(99,828)	(103,982)
Treasury stock at cost, 10,877,439 shares at May 1, 2010 and January 30, 2010	(87,977)	(87,977)
Accumulated other comprehensive loss	(3,603)	(3,765)
Total stockholders' equity	<u>98,353</u>	<u>93,223</u>
Total liabilities and stockholders' equity	<u>\$ 189,830</u>	<u>\$ 181,039</u>

The accompanying notes are an integral part of the consolidated financial statements.

CASUAL MALE RETAIL GROUP, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share data)
(Unaudited)

	<u>For the three months ended</u>	
	<u>May 1, 2010</u>	<u>May 2, 2009</u>
Sales	\$ 94,984	\$ 97,561
Cost of goods sold, including occupancy	<u>51,416</u>	<u>56,003</u>
Gross profit	43,568	41,558
Expenses:		
Selling, general and administrative	35,631	37,151
Depreciation and amortization	<u>3,324</u>	<u>3,797</u>
Total expenses	<u>38,955</u>	<u>40,948</u>
Operating income	4,613	610
Other income, net	103	93
Interest expense, net	<u>(155)</u>	<u>(330)</u>
Income before income taxes	4,561	373
Provision for income taxes	<u>407</u>	<u>37</u>
Net income	<u>\$ 4,154</u>	<u>\$ 336</u>
Net income per share – basic and diluted	\$ 0.09	\$ 0.01
Weighted average number of common shares outstanding		
- basic	46,659	41,450
- diluted	47,267	41,450

The accompanying notes are an integral part of the consolidated financial statements.

CASUAL MALE RETAIL GROUP, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

	Three Months Ended	
	May 1, 2010	May 2, 2009
Cash flows from operating activities:		
Net income	\$ 4,154	\$ 336
Adjustments to reconcile net income to net cash provided by (used for) operating activities:		
Depreciation and amortization	3,324	3,797
Amortization of deferred gain from sale-leaseback	(366)	(366)
Deferred income taxes, net of valuation allowance	192	—
Stock based compensation expense	523	51
Issuance of common stock to Board of Directors	12	—
Changes in operating assets and liabilities:		
Accounts receivable	(20)	209
Inventories	(8,716)	(6,997)
Prepaid expenses	(1,525)	(516)
Other assets	(27)	31
Accounts payable	8,066	3,506
Income taxes payable	(93)	20
Accrued expenses and other current liabilities	(4,920)	(2,225)
Net cash provided by (used for) operating activities	604	(2,154)
Cash flows from investing activities:		
Additions to property and equipment	(678)	(670)
Net proceeds from sale of subsidiary, LP Innovations, Inc.	103	—
Net cash used for investing activities	(575)	(670)
Cash flows from financing activities:		
Net borrowings under credit facility	2,162	5,092
Principal payments on long-term debt	(1,218)	(1,219)
Proceeds from the issuance of common stock under option program	279	—
Net cash provided by financing activities	1,223	3,873
Net change in cash and cash equivalents	1,252	1,049
Cash and cash equivalents:		
Beginning of the period	4,302	4,953
End of the period	<u>\$ 5,554</u>	<u>\$ 6,002</u>

The accompanying notes are an integral part of the consolidated financial statements.

CASUAL MALE RETAIL GROUP, INC.
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
For the three months ended May 1, 2010
(In thousands)
(Unaudited)

	<u>Common Stock</u>		<u>Additional Paid-in Capital</u>	<u>Treasury Stock</u>		<u>Accumulated Deficit</u>	<u>Accumulated Other Comprehensive Income (Loss)</u>	<u>Total</u>
	<u>Shares</u>	<u>Amounts</u>		<u>Shares</u>	<u>Amounts</u>			
Balance at January 30, 2010	<u>58,046</u>	<u>\$ 580</u>	<u>\$288,367</u>	<u>(10,877)</u>	<u>\$(87,977)</u>	<u>\$(103,982)</u>	<u>\$ (3,765)</u>	<u>\$93,223</u>
Stock based compensation expense			523					523
Issuance of restricted stock	284	3	(3)					—
Board of Directors compensation	4	—	12					12
Exercises under option programs	235	2	277					279
Accumulated other comprehensive income (loss):								
Unrecognized loss associated with pension plan							62	62
Foreign currency							100	100
Net income						4,154		4,154
Total comprehensive income								4,316
Balance at May 1, 2010	<u>58,569</u>	<u>\$ 585</u>	<u>\$289,176</u>	<u>(10,877)</u>	<u>\$(87,977)</u>	<u>\$(99,828)</u>	<u>\$ (3,603)</u>	<u>\$98,353</u>

The accompanying notes are an integral part of the consolidated financial statements.

CASUAL MALE RETAIL GROUP, INC.
Notes to Consolidated Financial Statements

1. Basis of Presentation

In the opinion of management of Casual Male Retail Group, Inc., a Delaware corporation (the “Company”), the accompanying unaudited consolidated financial statements contain all adjustments necessary for a fair presentation of the interim financial statements. These financial statements do not include all disclosures associated with annual financial statements and, accordingly, should be read in conjunction with the notes to the Company’s audited consolidated financial statements for the fiscal year ended January 30, 2010 included in the Company’s Annual Report on Form 10-K, which was filed with the Securities and Exchange Commission on March 19, 2010.

The information set forth in these statements may be subject to normal year-end adjustments. The information reflects all adjustments that, in the opinion of management, are necessary to present fairly the Company’s results of operations, financial position and cash flows for the periods indicated. The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The Company’s business historically has been seasonal in nature, and the results of the interim periods presented are not necessarily indicative of the results to be expected for the full year.

The Company’s fiscal year is a 52- or 53- week period ending on the Saturday closest to January 31. Fiscal 2010 is a 52-week period ending on January 29, 2011. Fiscal 2009 was a 52-week period ending on January 30, 2010.

Accounting Standards Codification

On July 1, 2009, the Financial Accounting Standards Board (“FASB”) released the Accounting Standards Codification (“ASC”). The ASC became the single source of authoritative nongovernmental U.S. GAAP and is effective for all interim and annual periods ending after September 15, 2009. All existing accounting standards documents were superseded and any other literature not included in the ASC is considered non-authoritative. The adoption of the ASC did not have any impact on the Company’s financial condition, results of operations and cash flows, as the ASC did not change existing U.S. GAAP. The adoption of the ASC changes the approach of referencing authoritative literature by topic (each a “Topic”) rather than by type of standard. Accordingly, references to former FASB positions, statements, interpretations, opinions, bulletins or other pronouncements in the Company’s Notes to Consolidated Financial Statements are now presented as references to the corresponding Topic in the ASC.

Segment Information

The Company reports its operations as one reportable segment, Big & Tall Men’s Apparel, which consists of three operating segments—B&T Factory Direct, Casual Male XL and Rochester Clothing. The Company considers its operating segments to be similar in terms of economic characteristics, production processes and operations, and have therefore aggregated them into a single reporting segment.

Other Intangibles

The Company’s trademarks are considered indefinite-lived intangible assets and must be tested annually for potential impairment. At January 30, 2010, both the Casual Male and Rochester trademarks were tested for potential impairment. Utilizing an income approach with appropriate royalty rates applied, the Company concluded that the Casual Male trademark, with a carrying value of \$29.2 million, and the Rochester trademark, with a carrying value of \$1.5 million, were not impaired.

Stock-based Compensation

All share-based payments, including grants of employee stock options, are recognized as an expense in the statement of operations based on their fair values and vesting periods. The fair value of stock options is determined using the Black-Scholes valuation model and requires the input of subjective assumptions. These assumptions include estimating the length of time employees will retain their vested stock options before exercising them (the “expected term”), the estimated

CASUAL MALE RETAIL GROUP, INC.

Notes to Consolidated Financial Statements—(Continued)

volatility of the Company's common stock price over the expected term and the number of options that will ultimately not complete their vesting requirements ("forfeitures"). The Company reviews its valuation assumptions at each grant date and, as a result, is likely to change its valuation assumptions used to value employee stock-based awards granted in future periods. The values derived from using the Black-Scholes model are recognized as an expense over the vesting period, net of estimated forfeitures. The estimation of stock-based awards that will ultimately vest requires significant judgment. Actual results, and future changes in estimates, may differ from the Company's current estimates.

For the first three months of fiscal 2010 and fiscal 2009, the Company recognized total stock-based compensation expense of \$0.5 million and \$0.1 million, respectively. Approximately \$0.1 million of the \$0.5 million of stock-based compensation expense for the first quarter of fiscal 2010 related to the expense associated with the grant of equity awards pursuant to the Company's Long-Term Incentive Plan.

The total compensation cost related to non-vested awards not yet recognized as of May 1, 2010 is approximately \$1.8 million which will be expensed over a weighted average remaining life of 24 months.

Valuation Assumptions for Stock Options and Restricted Stock

During the first quarter of fiscal 2010, the Company granted 283,550 shares of restricted stock to members of management as a result of the Company achieving certain performance targets in fiscal 2009 pursuant to its Long-Term Incentive Plan. Each restricted share of common stock was assigned a fair value equal to the closing price of the Company's common stock on the date of grant. During the first quarter of fiscal 2010, stock options to purchase 368,172 shares of common stock were granted. Of this amount, stock options to purchase 20,606 shares of common stock were issued pursuant to the Long-Term Incentive Plan for fiscal 2009. The fair value of each option granted is estimated on the date of grant using the Black-Scholes option-pricing model. The weighted-average grant date fair-value of stock options granted during the first quarter of fiscal 2010 was \$1.04 per share.

No stock options or shares of restricted stock were granted in the first quarter of fiscal 2009.

The following assumptions were used for grants for the first quarter of fiscal 2010. There were no assumptions for the first quarter of fiscal 2009 because there were no stock option grants.

	<u>May 1, 2010</u>
Expected volatility	55.0%
Risk-free interest rate	1.14-1.55%
Expected life	2.1 -2.5 yrs
Dividend rate	—

Expected volatilities are based on historical volatilities of the Company's common stock; the expected life represents the weighted average period of time that options granted are expected to be outstanding giving consideration to vesting schedules and historical exercise patterns; and the risk-free rate is based on the U.S. Treasury yield curve in effect at the time of grant for periods corresponding with the expected life of the option.

During the first quarter of fiscal 2010, options for 235,000 shares of common stock were exercised with an intrinsic value of approximately \$0.5 million.

2. Debt

Credit Agreement with Bank of America Retail Group, Inc.

At May 1, 2010, the Company had outstanding borrowings of \$5.6 million under its credit facility, as most recently amended December 20, 2007, with Bank of America, N.A. (the "Credit Facility"). The maturity date of the Credit Facility is October 29, 2011. Outstanding standby letters of credit were \$2.2 million and outstanding documentary letters of credit were \$3.2 million. Average monthly borrowings outstanding under the Credit Facility during the first three months of fiscal 2010 were approximately \$6.8 million, resulting in an average unused excess availability of approximately \$58.6 million. Unused excess availability at May 1, 2010 was \$60.0 million. The Company's obligations under the Credit Facility are secured by a lien on all of its assets. The Company is not subject to any financial covenants pursuant to this Credit Facility.

CASUAL MALE RETAIL GROUP, INC.

Notes to Consolidated Financial Statements—(Continued)

The fair value of amounts outstanding under the Credit Facility approximates the carrying value at May 1, 2010. At the Company's option, any portion of the outstanding borrowings can be converted to LIBOR-based contracts; the remainder bears interest based at prime. At May 1, 2010, the prime-based interest rate was 3.25%. The Company had approximately \$5.0 million of its outstanding borrowings in LIBOR-based contracts with an interest rate of approximately 1.25%. The LIBOR-based contracts expired between May 6, 2010 and May 13, 2010.

Long-Term Debt with Banc of America Leasing & Capital, LLC

Pursuant to two Equipment Security Notes with Banc of America Leasing & Capital, LLC for equipment financing, the Company has \$6.4 million outstanding at May 1, 2010. The secured notes are due July 20, 2011 and January 16, 2012. Both secured notes accrue interest at a per annum rate of 1.75% plus the rate of interest equal to the 30-day published LIBOR rate. Principal and interest, in arrears, are payable monthly, commencing one month after issuance of such note.

Both notes are secured by a security interest in all of the Company's rights, title and interest in and to certain equipment. The Company is not subject to any financial covenants pursuant to these notes.

3. Equity

Earnings per Share

The following table provides a reconciliation of the number of shares outstanding for basic and diluted earnings per share:

(in thousands)	For the three months ended	
	May 1, 2010	May 2, 2009
Common Stock Outstanding		
Basic weighted average common shares outstanding	46,659	41,450
Common Stock Equivalents - Stock options, restricted stock and warrants	608	—
Diluted weighted average common shares Outstanding	47,267	41,450

The following potential common stock equivalents were excluded from the computation of diluted earnings per share in each period because the exercise price of such options and warrants was greater than the average market price per share of common stock for the respective periods.

(in thousands, except exercise prices)	For the three months ended	
	May 1, 2010	May 2, 2009
Options	3,292	3,838
Warrants	1,058	1,058
Range of exercise prices of such options and warrants	\$3.88 - \$10.26	\$ 1.16 - \$10.26

The above options, which were outstanding at May 1, 2010, expire from May 25, 2011 to August 12, 2018.

CASUAL MALE RETAIL GROUP, INC.

Notes to Consolidated Financial Statements—(Continued)

4. Income Taxes

At May 1, 2010, the Company had total deferred tax assets of approximately \$54.8 million, with a corresponding valuation allowance of \$54.8 million and a total deferred tax liability of approximately \$1.0 million. The deferred tax assets primarily relate to net operating loss carryforwards that expire through 2029 and to a lesser extent book/tax timing differences.

The Company's effective tax rate for the first quarter of fiscal 2010 has been reduced from the statutory rate due to the utilization of the Company's fully reserved net operating loss carryforwards.

A tax position is recognized as a benefit only if it is "more likely than not" that the tax position would be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized is the largest amount of tax benefit that is greater than 50% likely of being realized on examination. For tax positions not meeting the "more likely than not" test, no tax benefit is recorded. The charge for taxation is based on the results for the year as adjusted for items that are non-assessable or disallowed. The charge is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date. Pursuant to Topic 740, *Income Taxes*, the Company will recognize the benefit from a tax position only if it is more likely than not that the position would be sustained upon audit based solely on the technical merits of the tax position. At May 1, 2010, the Company had no material unrecognized tax benefits.

The Company is subject to U.S. federal income tax as well as income tax of multiple state and foreign jurisdictions. The Company has concluded all U.S. federal income tax matters for years through fiscal 1997, with remaining fiscal years subject to income tax examination by federal tax authorities.

The Company's policy is to recognize accrued interest and penalties related to unrecognized tax benefits in its income tax provision. The Company has not accrued or paid interest or penalties which were material to its results of operations for the first quarter of fiscal 2010.

5. Recently Issued Accounting Pronouncements

The Company has reviewed accounting pronouncements and interpretations thereof that have effective dates during the periods reported and in future periods. The Company believes that the following impending standards may have an impact on its future filings. The applicability of any standard will be evaluated by the Company and is still subject to review by the Company.

In January 2010, the FASB issued Accounting Standards Update ("ASU") No. 2010-04—Accounting for Various Topics—Technical Corrections to Various SEC Paragraphs. This update represents technical corrections to SEC paragraphs. The adoption of ASU No. 2010-04 will not have a material impact on the Company's financial statements.

In January 2010, the FASB issued ASU No. 2010-06—Fair Value Measurements and Disclosures (Topic 820)—Improving Disclosures about Fair Value Measurements. This update affects all entities that are required to make disclosures about recurring or nonrecurring fair value measurements. This update provides amendments to Subtopic 820-10 that requires new disclosures and clarifies existing disclosures. The adoption of ASU No. 2010-06 will not have a material impact on the Company's financial statements.

In February 2010, the FASB issued ASU No. 2010-08—Technical Corrections to Various Topics. This update's purpose is to eliminate GAAP inconsistencies, update outdated provisions and provide needed clarifications. The adoption of ASU No. 2010-08 will not have a material impact on the Company's financial statements.

In February 2010, the FASB issued ASU No. 2010-09—Subsequent Events (Topic 855)—Amendments to Certain Recognition and Disclosure Requirements. This update addresses both the interaction of the requirements of this Topic with the SEC's reporting requirements and the intended breadth of the reissuance disclosure provision related to subsequent events (paragraph 855-10-50-4). The adoption of ASU No. 2010-09 will not have a material impact on the Company's financial statements.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this Quarterly Report on Form 10-Q constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995. In some cases, forward-looking statements can be identified by the use of forward-looking terminology such as "may," "will," "estimate," "intend," "plan," "continue," "believe," "expect" or "anticipate" or the negatives thereof, variations thereon or similar terminology. The forward-looking statements contained in this Quarterly Report are generally located in the material set forth under the heading "Management's Discussion and Analysis of Financial Condition and Results of Operations," but may be found in other locations as well. These forward-looking statements generally relate to plans and objectives for future operations and are based upon management's reasonable estimates of future results or trends. The forward-looking statements in this Quarterly Report should not be regarded as a representation by us or any other person that our objectives or plans will be achieved. Numerous factors could cause our actual results to differ materially from such forward-looking statements. We encourage readers to refer to Part I, Item 1A of our Annual Report on Form 10-K for the year ended January 30, 2010, filed with the Securities and Exchange Commission on March 19, 2010, and Part II, Item 1A of this Quarterly Report which identify certain risks and uncertainties that may have an impact on our future earnings and the direction of our Company.

All subsequent written and oral forward-looking statements attributable to us or to persons acting on our behalf are expressly qualified in their entirety by the foregoing. These forward-looking statements speak only as of the date of the document in which they are made. We disclaim any obligation or undertaking to provide any updates or revisions to any forward-looking statement to reflect any change in our expectations or any change in events, conditions or circumstances in which the forward-looking statement is based.

BUSINESS SUMMARY

Casual Male Retail Group, Inc. together with our subsidiaries is the largest specialty retailer of big & tall men's apparel with retail operations throughout the United States, Canada and London, England. We operate 457 Casual Male XL retail and outlet stores, 19 Rochester Clothing stores and a direct to consumer business, which includes several catalogs and e-commerce sites.

Unless the context indicates otherwise, all references to "we," "ours," "our," "us" and "the Company" refer to Casual Male Retail Group, Inc. and its consolidated subsidiaries. We refer to our fiscal years which end on January 29, 2011 and January 30, 2010 as "fiscal 2010" and "fiscal 2009," respectively.

When discussing sales growth, we refer to the term "comparable sales." Comparable sales for all periods discussed include our retail stores that have been open for at least one full year together with our e-commerce and catalog sales. Stores that may have been remodeled, expanded or re-located during the period are also included in our determination of comparable sales. We include our direct businesses as part of our calculation of comparable sales because we are a multi-channel retailer, offering our customers convenient alternatives for their shopping. The method of calculating comparative sales varies across the retail industry and, as a result, our calculation of comparable sales is not necessarily comparable to similarly titled measures reported by other companies.

RESULTS OF OPERATIONS

Financial Summary

The first quarter of fiscal 2010 comparable sales performance of -0.7% is an improvement in sales trends from 2009 first quarter, fourth quarter and fiscal year comparable sales of -10.7%, -8.2%, and -10.8%, respectively, and represents an expected flattening of the Company's sales level comparisons. The first quarter sales performance was largely achieved with improved sales productivity as traffic trends have continued to decline in the high single digit level. At the same time, we improved our gross margin by 330 basis points to 45.9%, reduced our operating expenses by over 4%, and consequently raised net income to \$0.09 per diluted share from last year's first quarter of \$0.01 per diluted share. Consistent with 2009, our primary focus is on improving operating income and optimizing our free cash flow, as our sales base gradually recovers over the longer term.

During the first quarter of fiscal 2010, we also continued to reduce our inventory levels. This aggressive approach to managing our inventory has been a key component to optimizing our merchandise margins, enabling us to avoid excessive promotional and clearance activity. In addition, our total indebtedness at May 1, 2010 is 78.2% lower than it was at May 2, 2009. Accordingly, the amount of borrowing available under our credit facility was \$60.0 million at the end of the first quarter of fiscal 2010.

We believe that with this restructured operating model, our existing business can remain stable and will generate cash flow. However, we do not believe that new store growth in our current formats will produce the level of market share growth we hope to achieve. Given that, during fiscal 2009, we started to pursue new strategies to grow our business and increase our market share within the big & tall market. We believe that in order to be successful and to become a growth business, we need to develop more compelling and convenient ways for our customers to shop, while attracting a largely untapped segment of the big & tall market—the smaller waist customer (with sizes 42' to 46'). We believe that we have a significant opportunity to substantially grow out market share in this area of the big & tall market.

New Developments

Our target customer group is a very diverse group, and we currently try to cater to them in individual groups through our various channels and brands, such as B&T Factory Direct for our value-oriented customers, Casual Male XL for our moderate-priced customer and Rochester Clothing for our high-end customers. Our new concept will merge all of our brands under one roof, making it easier for our customers to find the merchandise they are looking for without having to shop several stores.

In fiscal 2010, we will be testing our new store concept, Destination XL. Destination XL will be a supercenter, averaging 11,000 square feet, offering a full assortment from all of our core brands, including Casual Male XL, Rochester Clothing and B&T Factory Direct, as well as expanded assortments of Shoes XL and Living XL. All of our brands, across all channels, will be represented in our new store utilizing a good, better, best pricing structure. Our new store will be the first of its kind in the big & tall market. Our family-friendly destination store will offer our customers one-stop shopping for all of their apparel needs while providing them with a comfortable and entertaining atmosphere, complete with interactive elements. We are currently planning to open four stores during the second and third quarters of fiscal 2010. Our first store, which is scheduled to open July 2010, will be in Schaumburg, Illinois with stores in Memphis, Tennessee; Las Vegas, Nevada; and Houston, Texas to open by the end of August 2010.

The economic proposition for the Destination XL concept consists of greater efficiencies in serving the market area resulting in higher operating margins, and potentially greater sales volumes with increased market share in each market by either (a) gaining a larger share of our existing customers' annual expenditures on apparel, or (b) increasing our market penetration with our customers whose waist size is between 42' and 46', or both. Accordingly, the expectation is enhanced returns on capital and operating income from each market compared to our existing locations.

In conjunction with our new store concept, we will also be launching a cross-channel e-commerce site, combining all of our existing e-commerce sites into one enhanced website, with state-of-the-art features and best practices. This will enable our customers to shop across all of our brands and product extensions with ease and will bring all of our customers under one concept. Their classification as a "Rochester" customer or a "Casual Male" customer will no longer limit their ability to access our full-product assortment.

Fiscal 2010 Outlook

Although we are seeing gradual improvements throughout the retail industry, we expect in our specific market that our sales volumes for fiscal 2010 will be relatively flat to fiscal 2009 consistent with the expectation that the rebound in consumer spending in the big & tall market will be over an extended period of time. Based on these sales projections for fiscal 2010, we expect to make continued improvements in gross margins of between 75 and 125 basis points and selling, general and administrative ("SG&A") costs to decline approximately 2% from 2009 levels.

During the first quarter of fiscal 2010, we exceeded our plans with respect to sales and gross margin and as a result we are raising our earnings expectations for fiscal 2010 by \$0.03 per diluted share. Previously, we stated that we expected

earnings to be between \$0.23 and \$0.26 per diluted share. We have raised that range to \$0.26 to \$0.29 per diluted share. On a quarterly basis, we expect to see improvements in earnings in the third and fourth quarters of fiscal 2010, consistent with the expected 2010 annual improvement to 2009, but we are not expecting any improvement in the second quarter. Despite the sales shortfall last year, net income in the second quarter of fiscal 2009 was \$0.09 per diluted share, which is the same level as the first quarter of 2010, as a result of strong gross margins and reduced SG&A spending.

From a liquidity perspective, we expect to generate free cash flow of approximately \$20 million, which represents cash flow from operations of \$30.0 million less budgeted capital expenditures of approximately \$10.0 million. See "Presentation of Non-GAAP Measure" below for calculation and reconciliation of non-GAAP free cash flow. Our capital expenditure projects for fiscal 2010 are primarily related to our Destination XL store concept and the corresponding enhancement and launching of our cross-channel e-commerce site.

The free cash flow we generate in fiscal 2010 is expected to be used to fully reduce our existing bank debt. At the end of fiscal 2010, we expect that we will be debt-free and cash positive. We expect that the availability under our revolver, which will not expire until October 2011, will be over \$60 million by the end of the fiscal year.

Presentation of Non-GAAP Measure

The presentation of non-GAAP free cash flow is not a measure determined by generally accepted accounting principles ("GAAP") and should not be considered superior to or as a substitute for net income or cash flows from operating activities or any other measure of performance derived in accordance with GAAP. In addition, all companies do not calculate non-GAAP financial measures in the same manner and, accordingly, "free cash flows" presented in this report may not be comparable to similar measures used by other companies. We calculate free cash flows as cash flow from operating activities, less capital expenditures and discretionary store asset acquisitions. We believe that inclusion of this non-GAAP measure helps investors gain a better understanding of our cash flow performance, especially when comparing such results to previous periods. The following table reconciles our non-GAAP free cash flow measure:

(in millions)	For the three months ended:		Projected Cash Flow
	May 1, 2010	May 2, 2009	Fiscal 2010
Cash flow from operating activities	\$ 0.6	\$ (2.2)	\$ 30.0
Less: Capital expenditures	(0.7)	(0.7)	(10.0)
Less: Discretionary store asset acquisitions	—	—	—
Free Cash Flow	<u>\$ (0.1)</u>	<u>\$ (2.9)</u>	<u>\$ 20.0</u>

Sales

For the first quarter of fiscal 2010, total sales decreased by 2.6% to \$95.0 million when compared to total sales of \$97.6 million for the first quarter of fiscal 2009. Comparable sales for the first quarter decreased 0.7% when compared to the same period of the prior year. This decrease consisted of a 2.4% decrease in sales from our Casual Male business offset by a 4.6% increase in our Rochester business. During the fourth quarter of fiscal 2009, we started to see improvements in our Rochester business as our higher-end customers started returning.

Our comparable sales decrease for the first quarter of fiscal 2010 is primarily attributable to a 7.3% decrease in store traffic. However, we continue to experience improvement in our sales conversion rate (the percentage of store guests who make a purchase) and this quarter we experienced an increase in dollars spent per transaction. Both of these metrics have contributed to mitigating the reduced traffic flow.

We expect that sales will likely rebound very slowly, especially considering that although the overall economy has shown signs of improvement, unemployment rates, which have a direct impact on consumer spending, remain high. Accordingly, although we are seeing signs of improvement, we are planning sales volumes for fiscal 2010 to remain flat to fiscal 2009 at approximately \$385.0 to \$395.0 million, with comparable sales to approximate between -1% to +1%.

Gross Profit Margin

For the first quarter of fiscal 2010, our gross margin rate, inclusive of occupancy costs, was 45.9% as compared to a gross margin rate of 42.6% for the first quarter of fiscal 2009. The increase of 330 basis points was the result of increased merchandise margins for the first quarter of fiscal 2010 of 280 basis points plus an increase of 50 basis points in occupancy costs as a result of lower occupancy costs. Our merchandise margin continues to benefit from our improved inventory management and reduced markdown activity. In addition, our merchandise margin for the first quarter of fiscal 2009 was negatively impacted by some residual fourth quarter 2008 clearance merchandise. Occupancy costs for the first quarter of fiscal 2010 also improved despite the lower sales base. On a dollar basis, occupancy costs for the first quarter of fiscal 2010 decreased by \$0.8 million as compared to the first quarter of fiscal 2009 as a result of our on-going rent reduction efforts with various landlords.

During fiscal 2009, we were successful in re-negotiating existing lease terms with many of our landlords, enabling us to reduce future occupancy by approximately \$9.0 million, which will be recognized over the remaining lease terms of those respective leases. As a result, we expect to leverage occupancy costs by approximately 30 to 45 basis points in fiscal 2010. In addition, we expect to continue with our aggressive management of inventory levels during fiscal 2010 to ensure a healthy inventory position and, accordingly, strong merchandise margins, with improvements of 45 to 80 basis points. Therefore, for fiscal 2010, we are expecting that gross margin will improve by approximately 75 to 125 basis points, which represents an increase of 25 to 35 basis points from our previous guidance.

Selling, General and Administrative Expenses

SG&A expenses for the first quarter of fiscal 2010 were 37.5% of sales as compared to 38.1% for the first quarter of fiscal 2009. On a dollar basis, SG&A expenses decreased \$1.5 million, or 4.1%, for the first quarter of fiscal 2010 as compared to the first quarter of fiscal 2009.

During the first quarter of fiscal 2010, we continued to benefit from the cost reductions that we took during the first half of fiscal 2009. Approximately two-thirds of the savings were the result of improved field productivity with the remaining cost savings resulting from reduced marketing costs.

Similar to fiscal 2009, we plan to limit our SG&A growth rates, except for certain programs to support our growth activities, unanticipated cost increases by our suppliers and unanticipated costs that are necessary to support our overall activities. For fiscal 2010, we expect our SG&A costs to decrease by approximately 2% over fiscal 2009 primarily related to the annualization of our 2009 cost reduction initiatives. These savings will be partially offset by an increase in marketing and other expenditures during the latter half of fiscal 2010 to support our Destination XL concept.

Interest Expense, Net

Net interest expense was \$0.2 million for the first quarter of fiscal 2010 as compared to \$0.3 million for the first quarter of fiscal 2009. The reduction in interest costs for the first quarter of fiscal 2010 as compared to the prior year was due to an overall reduction of 78.2% in total debt as of the end of the first quarter of fiscal 2010 as compared to the end of the first quarter of fiscal 2009. The average interest rate on our average borrowings for the first three months of fiscal 2010 was approximately 4.5% compared to approximately 2.4% during the first three months of fiscal 2009.

Income Taxes

At May 1, 2010, our total deferred tax assets were approximately \$54.8 million, with a corresponding valuation allowance of \$54.8 million and a deferred tax liability of approximately \$1.0 million. The deferred tax assets principally relate to federal net operating loss ("NOL") carryforwards that expire through 2029.

The effect of the weakened economy on our retail business, especially in fiscal 2008, had a significant impact upon our revenue and profitability. Further, the conditions of the economy also negatively impacted our market value as a result of the deterioration of the capital markets and resulted in substantial impairments in fiscal 2008. Accordingly, due to our cumulative operating losses as well as our uncertainty regarding the economy and our ability to generate future taxable income to realize all of our deferred tax assets, in the fourth quarter of fiscal 2008, we established a valuation allowance against our deferred tax assets.

Our effective tax rate for the first quarter of fiscal 2010 has been reduced from the statutory rate due to the utilization of fully reserved NOL carryforwards. Assuming an effective tax rate of approximately 41.0%, this benefit resulted in a reduction in the income tax provision of approximately \$1.5 million, or \$0.03 per diluted share, for the first quarter of fiscal 2010.

Net Income

For the first quarter of fiscal 2010, we had net income of \$4.2 million, or \$0.09 per diluted share, as compared to net income of \$0.3 million, or \$0.01 per diluted share, for the first quarter of fiscal 2009.

Inventory

At May 1, 2010, total inventory was \$98.7 million compared to \$90.0 million at January 30, 2010 and \$105.6 million at May 2, 2009.

Inventory at the end of the first quarter of fiscal 2010 decreased \$6.9 million, or 6.6%, as compared to May 2, 2009. We continue to make a concerted effort to manage our inventory levels and as a result our merchandise margins continue to improve. We have successfully reduced our inventory levels from year ago levels without sacrificing our broad selection of core basic merchandise and current fashion items. Because of the upcoming Father's Day, we typically increase our inventory levels slightly when compared to year-end balances.

SEASONALITY

Historically, and consistent with the retail industry, we have experienced seasonal fluctuations as it relates to our operating income and net income. Traditionally, a significant portion of our operating income and net income is generated in the fourth quarter, as a result of the "Holiday" season.

LIQUIDITY AND CAPITAL RESOURCES

Our primary cash needs are for working capital (essentially inventory requirements) and capital expenditures. As discussed below, our capital expenditure program for fiscal 2010 is \$10.0 million, which is greater than fiscal 2009 primarily due to the launch of our Destination XL stores as well as the upgrading of our e-commerce sites to a multi-brand format.

We currently believe that our existing cash generated by operations together with our availability under our credit facility will be sufficient within current forecasts for us to meet our foreseeable liquidity requirements. For the first quarter of fiscal 2010, free cash flow, which we define as cash flow from operating activities, less capital expenditures and discretionary store asset acquisitions, if any, improved by \$2.8 million to \$(0.1) million from \$(2.9) million for the first quarter of fiscal 2009. See "Presentation of Non-GAAP Measures" above regarding non-GAAP free cash flow. The primary reason for the improvement in free cash flow of \$2.8 million in the first quarter of fiscal 2010, was the improvement in cash flow from operations of \$2.8 million to \$0.6 million as compared to \$(2.2) million for the first quarter of the prior year. The improvement in cash flows from operations was primarily due to improved operating results.

In addition to cash flow from operations, our other primary source of working capital is our Credit Facility which has a total commitment of \$110.0 million, although the amount that can be borrowed is limited to the borrowing base as defined by the Credit Facility, which is comprised primarily of the liquidation value of our inventory. The maturity date of the Credit Facility is October 29, 2011. At May 1, 2010, our borrowing base under our Credit Facility was \$70.9 million. Borrowings under the Credit Facility bear interest at variable rates based on Bank of America's prime rate or the London Interbank Offering Rate ("LIBOR") and vary depending on our levels of excess availability. Our Credit Facility is described in more detail in Note 2 to the Notes to the Consolidated Financial Statements.

We had outstanding borrowings under the Credit Facility at May 1, 2010 of \$5.6 million. Outstanding standby letters of credit were \$2.2 million and outstanding documentary letters of credit were \$3.2 million. Average monthly borrowings

outstanding under this facility during the first quarter of fiscal 2010 were approximately \$6.8 million, resulting in an average unused excess availability of approximately \$58.6 million. Unused excess availability at May 1, 2010 was \$60.0 million. Our obligations under the Credit Facility are secured by a lien on all of our assets.

At May 1, 2010, we have reduced our total debt, including our long-term debt, by \$43.0 million, or 78.2%, to \$12.0 million from \$55.0 million at May 2, 2009.

Capital Expenditures

The following table sets forth the stores opened and related square footage at May 1, 2010 and May 2, 2009, respectively:

Store Concept (square footage in thousands)	At May 1, 2010		At May 2, 2009	
	Number of Stores	Square Footage	Number of Stores	Square Footage
Casual Male XL	457	1,642	466	1,638
Rochester Clothing	19	155	27	220
Total Stores	476	1,797	493	1,858

Total cash outlays for capital expenditures for both the first quarter of fiscal 2010 and fiscal 2009 were \$0.7 million.

For fiscal 2010, our capital expenditures are expected to be approximately \$10.0 million. The budget includes approximately \$3.4 million related to the opening of our 4 new Destination XL concept stores and approximately \$5.0 million for continued information technology projects, including the launch of our enhanced cross-channel e-commerce site, with the remainder for general overhead projects.

Below is a summary of store openings and closings since January 30, 2010:

	Casual Male	Rochester Clothing	Total stores
At January 30, 2010	460	19	479
New outlet stores	—	—	—
New retail stores	—	—	—
Closed stores	3	—	3
At May 1, 2010	457	19	476

CRITICAL ACCOUNTING POLICIES

There have been no material changes to the critical accounting policies and estimates disclosed in our Annual Report on Form 10-K for the year ended January 30, 2010 filed with the SEC on March 19, 2010.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

In the normal course of business, our financial position and results of operations are routinely subject to a variety of risks, including market risk associated with interest rate movements on borrowings and foreign currency fluctuations. We regularly assess these risks and have established policies and business practices to protect against the adverse effects of these and other potential exposures.

Interest Rates

We utilize cash from operations and from our Credit Facility to fund our working capital needs. Our Credit Facility is not used for trading or speculative purposes. In addition, we have available letters of credit as sources of financing for our working capital requirements. Borrowings under the Credit Facility, which expires October 29, 2011, bear interest at variable rates based on Bank of America's prime rate or LIBOR. At May 1, 2010, the interest rate on our prime based borrowings was 3.25%. Approximately \$5.0 million of our outstanding borrowings were in LIBOR contracts with an interest rate of approximately 1.25%. Based upon a sensitivity analysis as of May 1, 2010, assuming average outstanding borrowing during the first quarter of fiscal 2010 of \$6.8 million, a 50 basis point increase in interest rates would have resulted in a potential increase in interest expense of approximately \$34,000 on an annualized basis.

Foreign Currency

Our Sears Canada catalog operations conduct business in Canadian dollars and our Rochester Clothing store located in London, England conducts business in British pounds. Our international e-commerce sites conduct business in Euros and British pounds. If the value of the Canadian dollar, British pound or Euro against the U.S. dollar weakens, the revenues and earnings of these operations will be reduced when they are translated or remeasured to U.S. dollars. Also, the value of these assets to U.S. dollars may decline. As of May 1, 2010, sales from our Sears Canada operations, our London Rochester Clothing store and our international e-commerce sites were immaterial to consolidated sales. As such, we believe that movement in foreign currency exchange rates will not have a material adverse affect on our financial position or results of operations.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

As required by Rule 13a-15 under the Exchange Act, our management, under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of May 1, 2010. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the company's management, including its principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure. Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Based on this evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of May 1, 2010, our disclosure controls and procedures were effective.

Changes in Internal Control over Financial Reporting

No change in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) occurred during the quarter ended May 1, 2010 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings.

We are subject to various legal proceedings and claims that arise in the ordinary course of business. We believe that the resolution of these matters will not have an adverse impact on our operations or financial position.

Item 1A. Risk Factors.

There have been no material changes to the risk factors as previously disclosed in Part I, Item 1A ("Risk Factors") of our Annual Report on Form 10-K for the year ended January 30, 2010 filed with the SEC on March 19, 2010.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

None.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Reserved.

Item 5. Other Information.

None.

Item 6. Exhibits.

10.1 Employment Agreement between the Company and Brian Reaves

31.1 Certification of the Chief Executive Officer of the Company pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934.

31.2 Certification of the Chief Financial Officer of the Company pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934.

32.1 Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

32.2 Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

EMPLOYMENT AGREEMENT

This Employment Agreement ("Agreement") is made as of May 24, 2010 between CASUAL MALE RETAIL GROUP, INC., a Delaware corporation with an office at 555 Turnpike Street, Canton, Massachusetts, 02021 (the "Company" which term includes any affiliates and subsidiaries), and Brian Reaves (the "Executive") having an address at 875 Saints Drive, Marietta, Georgia 3000.

WITNESSETH:

WHEREAS, the Company desires that Executive serve as Senior Vice President Store Sales and Operations and Executive desires to be so employed by the Company.

WHEREAS, Executive and the Company desire to set forth in writing the terms and conditions of the Executive's employment with the Company from the date hereof.

NOW, THEREFORE, in consideration of the promises and the mutual promises, representations and covenants herein contained, the parties hereto agree as follows:

1. EMPLOYMENT

The Company hereby employs Executive and Executive hereby accepts such employment, subject to the terms and conditions herein set forth. Executive shall hold the office of Senior Vice President Store Sales and Operations.

2. TERM

The term of employment under this Agreement (the "Term of Employment") shall begin on the date set forth above (the "Effective Date") and shall continue until terminated by either party as hereinafter set forth.

3. COMPENSATION

(a) During the Term of Employment, as compensation for the employment services to be rendered by Executive hereunder, the Company agrees to pay to Executive, and Executive agrees to accept, payable in equal bi-weekly installments in accordance with Company practice, an annual base salary of Two Hundred Seventy-Five Thousand Dollars and 00/100 Cents (\$275,000.00) (the "Base Salary"). The Base Salary shall be reviewed at least annually to ascertain whether, in the judgment of the Company, such Base Salary should be adjusted. If so, the adjusted Base Salary shall be adjusted for all purposes of this Agreement.

(b) In addition to the Base Salary, during the Term of Employment, Executive is eligible to participate in the Company's Annual Incentive Plan. Such incentive shall be determined and payable in accordance with the Company's incentive program in effect at the time, subject to change from year to year in the Company's sole discretion. Executive will participate in the Company's incentive program and Executive's target bonus under such plan (if

all individual and Company performance conditions are met) shall be 35% of Executive's actual annual base earnings (which shall be the total Base Salary as may be paid during the fiscal year ("Base Earnings")). The actual award under the incentive program, if any, may be more or less than the target and will be based on Executive's performance and the performance of the Company and payment will be made in accordance with and subject to the terms and conditions of the incentive program then in effect.

(c) In addition, during the Term of Employment, Executive is eligible to participate in the Company's Long Term Incentive Plan ("LTIP"). Such incentive shall be determined and distributable in accordance with and subject to the terms and conditions as described in the LTIP documents in effect at the time of the award, subject to change from year to year in the Compensation Committee's sole discretion. Executive will participate in the Company's LTIP at a target incentive rate of 70%, of Executive's combined actual annual Base Earnings, for the incentive period, based upon the Company's targeted performance as defined in the LTIP documents in effect at the time of the award.

4. EXPENSES

The Company shall pay or reimburse Executive, in accordance with the Company's policies and procedures and upon presentment of suitable vouchers, for all reasonable business and travel expenses, which may be incurred or paid by Executive during the Term of Employment in connection with his employment hereunder. Executive shall comply with such restrictions and shall keep such records as the Company may reasonably deem necessary to meet the requirements of the Internal Revenue Code of 1986, as amended from time to time, and regulations promulgated thereunder.

5. OTHER BENEFITS

(a) During the Term of Employment, Executive shall be entitled to such vacations and to participate in and receive any other benefits customarily provided by the Company to its management (including any profit sharing, pension, 401(k), short and long-term disability insurance, medical and dental insurance and group life insurance plans in accordance with and subject to the terms of such plans, including, without limitation, any eligibility requirements contained therein), all as determined from time to time by the Compensation Committee of the Board of Directors in its discretion.

(b) The Company will, during the Term of Employment, provide Executive with an automobile allowance in the total amount of Eight Thousand Four Hundred Dollars and 00/100 (\$8,400.00) annually, in equal bi-weekly payments in accordance with the Company's normal payroll practices. Executive shall pay and be responsible for all insurance, repairs and maintenance costs associated with operating the automobile. Executive is responsible for his gasoline, unless the gasoline expense is reimbursable under the Company's policies and procedures.

(b) Executive will be eligible to participate in the Company's annual performance appraisal process.

6. DUTIES

(a) Executive shall perform such duties and functions consistent with the position of Senior Vice President Store Sales and Operations and/or as the Company shall from time to time determine and Executive shall comply in the performance of his duties with the policies of, and be subject to the direction of the Company.

(b) During the Term of Employment, Executive shall devote substantially all of his time and attention, vacation time and absences for sickness excepted, to the business of the Company, as necessary to fulfill his duties. Executive shall perform the duties assigned to him with fidelity and to the best of his ability. Notwithstanding anything herein to the contrary, and subject to the foregoing, Executive shall not be prevented from accepting positions in outside organizations so long as such activities do not interfere with Executive's performance of his duties hereunder and do not violate paragraph 10 hereof.

(c) The principal location at which the Executive shall perform his duties hereunder shall be at the Company's offices in Canton, Massachusetts or at such other location as may be temporarily designated from time to time by the Company. Notwithstanding the foregoing, Executive shall perform such services at such other locations as may be required for the proper performance of his duties hereunder, and Executive recognizes that such duties may involve travel.

7. TERMINATION OF EMPLOYMENT; EFFECT OF TERMINATION

(a) The Term of Employment may be terminated by the Company at any time:

(i) upon the determination by the Company that Executive's performance of his duties has not been fully satisfactory for any reason which would not constitute justifiable cause (as hereinafter defined) or for other business reasons necessitating termination which do not constitute justifiable cause, in either case upon thirty (30) days' prior written notice to Executive; or

(ii) upon the determination of the Company that there is justifiable cause (as hereinafter defined) for such termination.

(b) The Term of Employment shall terminate upon:

(i) the death of Executive;

(ii) the date on which the Company elects to terminate the Term of Employment by reason of the "disability" of Executive (as hereinafter defined in subsection (c) herein) pursuant to subsection (g) hereof; or

(iii) Executive's resignation of employment.

(c) For the purposes of this Agreement, the term “disability” shall mean Executive is physically or mentally incapacitated so as to render Executive incapable of performing the essentials of Executive’s job, even with reasonable accommodation, as reasonably determined by the Company, which determination shall be final and binding.

(d) For the purposes hereof, the term “justifiable cause” shall mean: any failure or refusal to perform any of the duties pursuant to this Agreement or any breach of this Agreement by the Executive; Executive’s breach of any material written policies, rules or regulations which have been adopted by the Company; Executive’s repeated failure to perform his duties in a satisfactory manner; Executive’s performance of any act or his failure to act, as to which if Executive were prosecuted and convicted, a crime or offense involving money or property of the Company or its subsidiaries or affiliates, or a crime or offense constituting a felony in the jurisdiction involved, would have occurred; any unauthorized disclosure by Executive to any person, firm or corporation of any confidential information or trade secret of the Company or any of its subsidiaries or affiliates; any attempt by Executive to secure any personal profit in connection with the business of the Company or any of its subsidiaries and affiliates; or the engaging by Executive in any business other than the business of the Company and its subsidiaries and affiliates which interferes with the performance of his duties hereunder. Upon termination of Executive’s employment for justifiable cause, Executive shall not be entitled to any amounts or benefits hereunder other than such portion of Executive’s Base Salary and reimbursement of expenses pursuant to paragraph 5 hereof as have been accrued through the date of his termination of employment.

(e) If the Company terminates this Agreement without “justifiable cause” as provided in subsection 7(a)(i), the Company shall pay Executive his then current base salary for five months after the effectiveness of such termination, payable in equal payments in accordance with the Company’s customary payroll practices commencing with the first payroll period that begins at least 30 days after the termination of the Executive’s Term of Employment conditioned upon the Executive having provided the Company with an executed general release in the form attached hereto as Exhibit A (the “General Release”) and the time for Executive’s revocation of the General Release having expired. Such payments shall be made in accordance with the Company’s customary payroll practices until paid in full. Any payment pursuant to this paragraph 7(e) is contingent upon Executive’s execution of the General Release within 21 days after termination of the Term of Employment (and the Executive’s not revoking that General Release) and will be in lieu of payments to which Executive might have been entitled under any other severance plan of the Company.

(f) If Executive shall die during the term of his employment hereunder, this Agreement shall terminate immediately. In such event, the estate of Executive shall thereupon be entitled to receive such portion of Executive’s base annual salary and reimbursement of expenses pursuant to paragraph 4 as have been accrued through the date of his death.

(g) Upon Executive’s “disability”, the Company shall have the right to terminate Executive’s employment. Any termination pursuant to this subsection (g) shall be effective on the earlier of (i) the date 30 days after which Executive shall have received written notice of the Company’s election to terminate or (ii) the date he begins to receive long-term disability insurance benefits under the policy provided by the Company pursuant to paragraph 5 hereof.

(h) Upon the resignation of Executive in any capacity, that resignation will be deemed to be a resignation from all offices and positions that Executive holds with respect to the Company and any of its subsidiaries and affiliates. In the event of Executive's resignation, he shall be entitled only to receive such portion of his annual Base Salary and reimbursement of expenses pursuant to paragraph 4 as have been accrued through the date of his resignation.

(i) Change of Control. In the event the Term of Employment is terminated by the Company without justifiable cause (as defined herein) or Executive resigns with Good Reason (as defined herein) within one (1) year following a Change of Control of the Company has occurred, then, in such event, the Company shall pay Executive an amount equal to twelve (12) months of Base Salary in effect at the time of the termination. For the purposes of the foregoing, Change of Control shall have the meaning set forth in the Company's 2006 Incentive Compensation Plan (without regard to any subsequent amendments thereto). For purposes of the foregoing, "Good Reason" means the occurrence of any of the following: (i) a material diminution in the Executive's base compensation; (ii) a material diminution in the Executive's authority, duties, or responsibilities; (iii) a material change in the geographic location at which the Employee must perform the services under this Agreement; or (iv) any other action or inaction that constitutes a material breach by the Company of this Agreement. For purposes of this provision, Good Reason shall not be deemed to exist unless the Employee's termination of employment for Good Reason occurs within 2 years following the initial existence of one of the conditions specified in clauses (i) through (iv) above, the Employee provides the Company with written notice of the existence of such condition within 90 days after the initial existence of the condition, and the Company fails to remedy the condition within 30 days after its receipt of such notice. The Company shall pay the amount required under this paragraph 7(i) in a single payment thirty (30) days after termination of the Term of Employment, subject to and conditioned upon the Executive's execution of the General Release required pursuant to paragraph 7(k) hereof and such release becoming irrevocable. Any payments made pursuant to this paragraph 7(j) will be in lieu of payments to which Executive might have been entitled under paragraph 7(e) of this Agreement or under any other severance plan of the Company. The payments under this Agreement shall be reduced if and to the extent necessary to avoid any payments or benefits to Executive being treated as "excess parachute payments" within the meaning of Internal Revenue Code Section 280G(b)(i).

(j) Clawback of Certain Compensation and Benefits. If, after the termination of the Term of Employment for any reason other than by the Company for "justifiable cause":

(i) it is determined in good faith by the Company within twelve (12) months after the termination of the Term of Employment (the "Termination Date") that the Executive's employment could have been terminated by the Company for justifiable cause under paragraph 7(d) hereof (unless the Company knew or should have known that as of the Termination Date, the Executive's employment could have been terminated for justifiable cause in accordance with paragraph 7(d) hereof); or

(ii) the Executive breaches any of the provisions of paragraph 10, then, in addition to any other remedy that may be available to the Company in law or equity and/or pursuant to any other provisions of this Agreement, the Executive's employment shall be deemed to have been terminated for justifiable cause retroactively to the Termination Date and the Executive also shall be subject to the following provisions:

(A) the Executive shall be required to pay to the Company, immediately upon written demand by the Company, all amounts paid to Executive by the Company, whether or not pursuant to this Agreement (other than such portion of Executive's Base Salary and reimbursement of expenses pursuant to paragraph 4 hereof as have been accrued through the date of the termination of the Term of Employment), on or after the Termination Date (including the pre-tax cost to the Company of any benefits that are in excess of the total amount that the Company would have been required to pay to the Executive if the Executive's employment with the Company had been terminated by the Company for justifiable cause in accordance with paragraph 7(d) above);

(B) all vested and unvested Awards (as that term is defined in the 2006 Incentive Compensation Plan) then held by the Executive shall immediately expire; and

(C) the Executive shall be required to pay to the Company, immediately upon written demand by the Company, an amount equal to any Gains resulting from the exercise or payment of any Awards (as that term is defined in the 2006 Incentive Compensation Plan) at any time on or after, or during the one year period prior to, the Termination Date. For these purposes, the term "Gain" shall mean (i) in the case of each stock option or stock appreciation right ("SAR"), the difference between the fair market value per share of the Company's common stock underlying such option or SAR as of the date on which the Executive exercised the option or SAR, less the exercise price or grant price of the option or SAR; and (ii) in the case of any Award other than a stock option or SAR that is satisfied by the issuance of Common Stock of the Company, the value of such stock on the Termination Date, and (iii) in the case of any Award other than a stock option or SAR, that is satisfied in cash or any property other than Common Stock of the Company, the amount of cash and the value of the property on the payment date paid to satisfy the Award.

(k) Any payment pursuant to paragraph 7(e) or 7(j) shall be contingent upon Executive's execution of the General Release within 21 days after termination of the Term of Employment, and the Executive's not revoking that release.

8. COMPLIANCE WITH SECTION 409A

(a) General. It is the intention of both the Company and the Executive that the benefits and rights to which the Executive could be entitled pursuant to this Agreement comply with Section 409A of the Code and the Treasury Regulations and other guidance promulgated or

issued thereunder (“Section 409A”), to the extent that the requirements of Section 409A are applicable thereto, and the provisions of this Agreement shall be construed in a manner consistent with that intention. If the Executive or the Company believes, at any time, that any such benefit or right that is subject to Section 409A does not so comply, it shall promptly advise the other and shall negotiate reasonably and in good faith to amend the timing of such benefits and rights such that they comply with Section 409A (with the most limited possible economic effect on the Executive).

(b) Distributions on Account of Separation from Service. If and to the extent required to comply with Section 409A, no payment or benefit required to be paid under this Agreement on account of termination of the Executive’s employment shall be made unless and until the Executive incurs a “separation from service” within the meaning of Section 409A.

(c) 6 Month Delay for “Specified Employees”.

(i) If the Executive is a “specified employee”, then no payment or benefit that is payable on account of the Executive’s “separation from service”, as that term is defined for purposes of Section 409A, shall be made before the date that is six months after the Executive’s “separation from service” (or, if earlier, the date of the Executive’s death) if and to the extent that such payment or benefit constitutes deferred compensation (or may be nonqualified deferred compensation) under Section 409A and such deferral is required to comply with the requirements of Section 409A. Any payment or benefit delayed by reason of the prior sentence shall be paid out or provided in a single lump sum at the end of such required delay period in order to catch up to the original payment schedule. There shall be added to any payments that are delayed pursuant to this provision interest at the prime rate as reported in the Wall Street Journal for the date of the Executive’s separation from service. Such interest shall be calculated from the date on which the payment otherwise would have been made until the date on which the payment is made.

(ii) For purposes of this provision, the Executive shall be considered to be a “specified employee” if, at the time of his or her separation from service, the Executive is a “key employee”, within the meaning of Section 416(i) of the Code, of the Company (or any person or entity with whom the Company would be considered a single employer under Section 414(b) or Section 414(c) of the Code) any stock in which is publicly traded on an established securities market or otherwise.

(d) No Acceleration of Payments. Neither the Company nor the Executive, individually or in combination, may accelerate any payment or benefit that is subject to Section 409A, except in compliance with Section 409A and the provisions of this Agreement, and no amount that is subject to Section 409A shall be paid prior to the earliest date on which it may be paid without violating Section 409A.

(e) Treatment of Each Installment as a Separate Payment. For purposes of applying the provisions of Section 409A to this Agreement, each separately identified amount to which the Executive is entitled under this Agreement shall be treated as a separate payment. In addition, to the extent permissible under Section 409A, any series of installment payments under this Agreement shall be treated as a right to a series of separate payments.

(f) Taxable Reimbursements.

(i) Any reimbursements by the Company to the Executive of any eligible expenses under this Agreement that are not excludable from the Executive's income for Federal income tax purposes (the "Taxable Reimbursements") shall be made by no later than the earlier of the date on which they would be paid under the Company's normal policies and the last day of the taxable year of the Executive following the year in which the expense was incurred.

(ii) The amount of any Taxable Reimbursements to be provided to the Executive during any taxable year of the Executive shall not affect the expenses eligible for reimbursement to be provided in any other taxable year of the Executive.

(iii) The right to Taxable Reimbursements shall not be subject to liquidation or exchange for another benefit.

9. REPRESENTATION AND AGREEMENTS OF EXECUTIVE

(a) Executive represents and warrants that he is free to enter into this Agreement and to perform the duties required hereunder, and that there are no employment contracts or understandings, restrictive covenants or other restrictions, whether written or oral, preventing the performance of his duties hereunder.

(b) Executive agrees to submit to a medical examination and to cooperate and supply such other information and documents as may be required by any insurance company in connection with the Company's obtaining life insurance on the life of Executive, and any other type of insurance or fringe benefit as the Company shall determine from time to time to obtain.

(c) Executive represents and warrants that he has never been convicted of a felony and he has not been convicted or incarcerated for a misdemeanor within the past five years, other than a first conviction for drunkenness, simple assault, speeding, minor traffic violations, affray, or disturbance of the peace.

(d) Executive represents and warrants that he has never been a party to any judicial or administrative proceeding that resulted in a judgement, decree, or final order (i) enjoining him from future violations of, or prohibiting any violations of any federal or state securities law, or (ii) finding any violations of any federal or state securities law.

(e) Executive represents and warrants that he has never been accused of any impropriety in connection with any employment;

Any breach of any of the above representations and warranties is "justifiable cause" for termination under paragraph 7(d) of this Agreement.

10. NON-COMPETITION

(a) Executive agrees that during the Term of Employment and during the one (1) year period immediately following the Termination Date (the “Non-Competitive Period”), Executive shall not, directly or indirectly, as owner, partner, joint venturer, stockholder, employee, broker, agent, principal, trustee, corporate officer, director, licensor, or in any capacity whatsoever, engage in, become financially interested in, be employed by, render any consultation or business advice with respect to, accept any competitive business on behalf of, or have any connection with any business which is competitive with products or services of the Company or any subsidiaries and affiliates, in any geographic area in which the Company or any of its subsidiaries or affiliates are then conducting or proposing to conduct business, including, without limitation, the United States of America and its possessions, Canada and Europe; provided, however, that Executive may own any securities of any corporation which is engaged in such business and is publicly owned and traded but in an amount not to exceed at any one time one percent (1%) of any class of stock or securities of such corporation. In addition, Executive shall not, during the Non-Competitive Period, directly or indirectly, request or cause any suppliers or customers with whom the Company or any of its subsidiaries or affiliates has a business relationship to cancel or terminate any such business relationship with the Company or any of its subsidiaries or affiliates or otherwise compromise the Company’s good will or solicit, hire, interfere with or entice from the Company or any of its subsidiaries or affiliates any employee (or former employee who has been separated from service for less than 12 months) of the Company or any of its subsidiaries or affiliates.

(b) If any portion of the restrictions set forth in this paragraph 10 should, for any reason whatsoever, be declared invalid by a court of competent jurisdiction, the validity or enforceability of the remainder of such restrictions shall not thereby be adversely affected. For the purposes of this paragraph 10, a business competitive with the products and services of the Company (or such subsidiaries and affiliates) is limited to a specialty retailer which primarily distributes, sells or markets so-called “big and tall” apparel of any kind for men or which utilizes the “big and tall” retail or wholesale marketing concept as part of its business.

(c) Executive acknowledges that the Company conducts business throughout the world, that Executive’s duties and responsibilities on behalf of the Company are of a worldwide nature, that its sales and marketing prospects are for continued expansion throughout the world and therefore, the territorial and time limitations set forth in this paragraph 10 are reasonable and properly required for the adequate protection of the business of the Company and its subsidiaries and affiliates. In the event any such territorial or time limitation is deemed to be unreasonable by a court of competent jurisdiction, Executive agrees to the reduction of the territorial or time limitation to the area or period which such court shall deem reasonable.

(d) The existence of any claim or cause of action (a claim or cause of action is defined as a claim or cause of action which results from a breach of the terms and provisions of this Agreement by the Company, regardless of whether the breach is material) by Executive against the Company or any subsidiary or affiliate shall not constitute a defense to the enforcement by the Company or any subsidiary or affiliate of the foregoing restrictive covenants, but such claim or cause of action shall be litigated separately.

11. INVENTIONS AND DISCOVERIES

(a) Upon execution of this Agreement and thereafter, Executive shall promptly and fully disclose to the Company, and with all necessary detail for a complete understanding of the same, all existing and future developments, know-how, discoveries, inventions, improvements, concepts, ideas, writings, formulae, processes and methods (whether copyrightable, patentable or otherwise) made, received, conceived, acquired or written during working hours, or otherwise, by Executive (whether or not at the request or upon the suggestion of the Company) during the period of his employment with, or rendering of advisory or consulting services to, the Company or any of its subsidiaries and affiliates, solely or jointly with others, in or relating to any activities of the Company or its subsidiaries and affiliates known to him as a consequence of his employment or the rendering of advisory and consulting services hereunder (collectively the "Subject Matter").

(b) Executive hereby assigns and transfers, and agrees to assign and transfer, to the Company, all his rights, title and interest in and to the Subject Matter, and Executive further agrees to deliver to the Company any and all drawings, notes, specifications and data relating to the Subject Matter, and to execute, acknowledge and deliver all such further papers, including applications for copyrights or patents, as may be necessary to obtain copyrights and patents for any thereof in any and all countries and to vest title thereto to the Company. Executive shall assist the Company in obtaining such copyrights or patents during the term of this Agreement, and at any time thereafter on reasonable notice and at mutually convenient times, and Executive agrees to testify in any prosecution or litigation involving any of the Subject Matter; provided, however, after the Term of Employment that Executive shall be compensated in a timely manner at the rate of \$250 per day (or portion thereof), plus out-of-pocket expenses incurred in rendering such assistance or giving or preparing to give such testimony if it is required after the termination of this Agreement.

12. NON-DISCLOSURE OF CONFIDENTIAL INFORMATION

(a) Executive acknowledges that the Company possesses certain confidential and proprietary information that has been or may be revealed to him or learned by Executive during the course of Executive's employment with the Company and that it would be unfair to use that information or knowledge to compete with or to otherwise disadvantage the Company. Executive shall not, during the Term of Employment or at any time following the Term of Employment, directly or indirectly, disclose or permit to be known (other than as is required in the regular course of his duties (including without limitation disclosures to the Company's advisors and consultants), as required by law (in which case Executive shall give the Company prior written notice of such required disclosure) or with the prior written consent of the Board of Directors, to any person, firm, corporation, or other entity, any confidential information acquired by him during the course of, or as an incident to, his employment or the rendering of his advisory or consulting services hereunder, relating to the Company or any of its subsidiaries or affiliates, the directors of the Company or its subsidiaries or affiliates, any supplier or customer of the Company or any of their subsidiaries or affiliates, or any corporation, partnership or other entity owned or controlled, directly or indirectly, by any of the foregoing, or in which any of the foregoing has a beneficial interest, including, but not limited to, the business affairs of each of

the foregoing. Such confidential information shall include, but shall not be limited to, proprietary technology, trade secrets, patented processes, research and development data, know-how, market studies and forecasts, financial data, competitive analyses, pricing policies, employee lists, personnel policies, the substance of agreements with customers, suppliers and others, marketing or dealership arrangements, servicing and training programs and arrangements, supplier lists, customer lists and any other documents embodying such confidential information. This confidentiality obligation shall not apply to any confidential information, which is or becomes publicly available other than pursuant to a breach of this paragraph 12(a) by Executive.

(b) All information and documents relating to the Company and its subsidiaries or affiliates as herein above described (or other business affairs) shall be the exclusive property of the Company, and Executive shall use commercially reasonable best efforts to prevent any publication or disclosure thereof. Upon termination of Executive's employment with the Company, all documents, records, reports, writings and other similar documents containing confidential information, including copies thereof then in Executive's possession or control shall be returned and left with the Company.

13. SPECIFIC PERFORMANCE

Executive agrees that if he breaches, or threatens to commit a breach of, any enforceable provision of paragraphs 10, 11 or 12 (the "Restrictive Covenants"), the Company shall have, in addition to, and not in lieu of, any other rights and remedies available to the Company under law and in equity, the right to have the Restrictive Covenants specifically enforced by a court of competent jurisdiction, it being agreed that any such breach or threatened breach of the Restrictive Covenants would cause irreparable injury to the Company and that money damages would not provide an adequate remedy to the Company. Notwithstanding the foregoing, nothing herein shall constitute a waiver by Executive of his right to contest whether such a breach or threatened breach of any Restrictive Covenant has occurred. In the event of litigation between the parties to this Agreement regarding their respective rights and obligations under paragraphs 10, 11, or 12 hereof, the prevailing party shall be entitled to recover from the other all attorneys' fees and expenses reasonably incurred in obtaining a ruling in the prevailing party's favor. Any such damages, attorneys' fees and costs shall be in addition to and not in lieu of any injunctive relief that may be available to the Company.

14. AMENDMENT OR ALTERATION

No amendment or alteration of the terms of this Agreement shall be valid unless made in writing and signed by both of the parties hereto.

15. GOVERNING LAW

This Agreement shall be governed by, and construed and enforced in accordance with the substantive laws of the Commonwealth of Massachusetts, without regard to its principles of conflicts of laws.

16. SEVERABILITY

The holding of any provision of this Agreement to be invalid or unenforceable by a court of competent jurisdiction shall not affect any other provision of this Agreement, which shall remain in full force and effect.

17. NOTICES

Any notices required or permitted to be given hereunder shall be sufficient if in writing, and if delivered by hand or courier, or sent by certified mail, return receipt requested, to the addresses set forth above or such other address as either party may from time to time designate in writing to the other, and shall be deemed given as of the date of the delivery or of the placement of the notice in the mail.

18. WAIVER OR BREACH

It is agreed that a waiver by either party of a breach of any provision of this Agreement shall not operate, or be construed as a waiver of any subsequent breach by that same party.

19. ENTIRE AGREEMENT AND BINDING EFFECT

This Agreement contains the entire agreement of the parties with respect to the subject matter hereof and shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, heirs, distributors, successors and assigns and supersedes any and all prior agreements between the parties whether oral or written. This Agreement may not be modified except upon further written agreement executed by both parties. Executive agrees that the Company may in its sole discretion, during the term of Executive's employment with the Company and thereafter, provide copies of this Agreement (or excerpts of the Agreement) to others, including businesses or entities that may employ, do business with, or consider employing Executive in the future. Executive further agrees that any subsequent change or changes in his duties, compensation or areas of responsibility shall in no way affect the validity of this Agreement or otherwise render inapplicable any of the provisions of paragraphs 10 through 13 of this Agreement, which shall remain in full force and effect except as may be modified by a subsequent written agreement.

20. SURVIVAL

Except as otherwise expressly provided herein, the termination of Executive's employment hereunder or the expiration of this Agreement shall not affect the enforceability of paragraphs 7 through 26 hereof, which shall survive the termination or expiration.

21. RESOLUTION OF DISPUTES

Any and all disputes arising under or in connection with this Agreement shall be resolved in accordance with this paragraph 21 and paragraph 15.

The parties shall attempt to resolve any dispute, controversy or difference that may arise between them through good faith negotiations. In the event the parties fail to reach resolution of any such dispute within thirty (30) days after entering into negotiations, either party may proceed to institute action in any state or federal court located within the Commonwealth of Massachusetts, which courts shall have exclusive jurisdiction, and each party consents to the personal jurisdiction of any such state or federal court. Both parties waive their right to a trial by jury.

22. NON-DISPARAGEMENT

Executive agrees not to make disparaging, critical or otherwise detrimental comments to any person or entity concerning the Company, its officers, directors, trustees, and employees or the services or programs provided or to be provided by the Company and the Company agrees not to make any disparaging, critical or otherwise detrimental comments to any person or entity concerning Executive.

23. FURTHER ASSURANCES

The parties agree to execute and deliver all such further documents, agreements and instruments and take such other and further action as may be necessary or appropriate to carry out the purposes and intent of this Agreement.

24. SUBSIDIARIES AND AFFILIATES

For purposes of this Agreement:

(a) “affiliate” means any entity that controls, is controlled by, or is under common control with, the Company, and “control” means the power to exercise a controlling influence over the management or policies of an entity, unless such power is solely the result of an official position with such entity; and

(b) “subsidiary” means any corporation or other entity in which the Company has a direct or indirect ownership interest of 50% or more of the total combined voting power of the then outstanding securities or interests of such corporation or other entity entitled to vote generally in the election of directors (or similar governing body of a non-corporate entity) or in which the Company has the right to receive 50% or more of the distribution of profits or 50% or more of the assets on liquidation or dissolution.

25. HEADINGS

The paragraph headings appearing in this Agreement are for the purposes of easy reference and shall not be considered a part of this Agreement or in any way modify, amend or affect its provisions.

26. COUNTERPARTS

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, under seal, as of the date and year first above written.

CASUAL MALE RETAIL GROUP, INC.

By: /s/ David A. Levin
Name: David A. Levin
Its: President, Chief Executive Officer

Date: 5/20/2010

By: /s/ Dennis R. Hernreich
Name: Dennis R. Hernreich
Its: Executive VP, COO, CFO

Date: 5/20/2010

/s/ Brian Reaves
Brian Reaves

Date: 5/17/2010

EXHIBIT A
FORM OF RELEASE

GENERAL RELEASE OF CLAIMS

1. Brian Reaves (“Executive”), for himself and his family, heirs, executors, administrators, legal representatives and their respective successors and assigns, in exchange for good and valuable consideration to be paid after the date of his termination as set forth in the Employment Agreement to which this release is attached as Exhibit A (the “Employment Agreement”), does hereby release and forever discharge Casual Male Retail Group, Inc. (the “Company”), its subsidiaries, affiliated companies, successors and assigns, and their respective current or former directors, officers, employees, shareholders or agents in such capacities (collectively with the Company, the “Released Parties”) from any and all actions, causes of action, suits, controversies, claims and demands whatsoever, for or by reason of any matter, cause or thing whatsoever, whether known or unknown including, but not limited to, all claims under any applicable laws arising under or in connection with Executive’s employment or termination thereof, whether for tort, breach of express or implied employment contract, wrongful discharge, intentional infliction of emotional distress, or defamation or injuries incurred on the job or incurred as a result of loss of employment. Executive acknowledges that the Company encouraged him to consult with an attorney of his choosing, and through this General Release of Claims encourages him to consult with his attorney with respect to possible claims under the Age Discrimination in Employment Act (“ADEA”) and that he understands that the ADEA is a Federal statute that, among other things, prohibits discrimination on the basis of age in employment and employee benefits and benefit plans. Without limiting the generality of the release provided above, Executive expressly waives any and all claims under ADEA that he may have as of the date hereof. Executive further understands that by signing this General Release of Claims he is in fact waiving, releasing and forever giving up any claim under the ADEA as well as all other laws within the scope of this paragraph 1 that may have existed on or prior to the date hereof. Notwithstanding anything in this paragraph 1 to the contrary, this General Release of Claims shall not apply to (i) any rights to receive any payments pursuant to paragraph 7 of the Employment Agreement, or any accrued but unpaid benefits under any employee benefit plan maintained by the Company (ii) any rights or claims that may arise as a result of events occurring after the date this General Release of Claims is executed, (iii) any indemnification rights Executive may have as a former officer or director of the Company or its subsidiaries or affiliated companies, (iv) any claims for benefits under any directors’ and officers’ liability policy maintained by the Company or its subsidiaries or affiliated companies in accordance with the terms of such policy, (v) any rights as a holder of equity securities of the Company, and (vi) any rights or claims that, by law, may not be waived, including claims for unemployment compensation and workers’ compensation. Nothing contained in this Agreement prevents you from filing a charge, cooperating with or participating in any investigation or proceeding before any federal or state Fair Employment Practices Agency, including, without limitation, the Equal Employment Opportunity Commission, except that you acknowledge that you will not be able to recover any monetary benefits in connection with any such claim, charge or proceeding.

2. Executive represents that he has not filed against the Released Parties any complaints, charges, or lawsuits arising out of his employment, or any other matter arising on or prior to the date of this General Release of Claims, and covenants and agrees that he will never individually or with any person file, or commence the filing of, any charges, lawsuits, complaints or proceedings with any governmental agency, or against the Released Parties with respect to any of the matters released by Executive pursuant to paragraph 1 hereof (a "Proceeding"); provided, however, Executive shall not have relinquished his right to commence a Proceeding to challenge whether Executive knowingly and voluntarily waived his rights under ADEA.

3. Executive hereby acknowledges that the Company has informed him that he has up to twenty-one (21) days to sign this General Release of Claims and he may knowingly and voluntarily waive that twenty-one (21) day period by signing this General Release of Claims earlier. Executive also understands that he shall have seven (7) days following the date on which he signs this General Release of Claims within which to revoke it by providing a written notice of his revocation to the Company.

4. Executive acknowledges that this General Release of Claims will be governed by and construed and enforced in accordance with the internal laws of the Commonwealth of Massachusetts applicable to contracts made and to be performed entirely within such State.

5. Executive acknowledges that he has read this General Release of Claims, that he has been advised that he should consult with an attorney before he executes this general release of claims, and that he understands all of its terms and executes it voluntarily and with full knowledge of its significance and the consequences thereof.

6. This General Release of Claims shall take effect on the eighth day following Executive's execution of this General Release of Claims unless Executive's written revocation is delivered to the Company within seven (7) days after such execution.

Brian Reaves

CERTIFICATION

I, David A. Levin, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Casual Male Retail Group, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 21, 2010

/s/ DAVID A. LEVIN

David A. Levin
Chief Executive Officer

CERTIFICATION

I, Dennis R. Hernreich, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Casual Male Retail Group, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 21, 2010

/s/ DENNIS R. HERNREICH

Dennis R. Hernreich
Chief Financial Officer

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Casual Male Retail Group, Inc. (the "Company") for the period ended May 1, 2010, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Dennis R. Hernreich, Chief Financial Officer of the Company, certify pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"); and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

This certification is being furnished as an exhibit to the Report pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, and shall not be deemed "filed" for purposes of Section 18 of the Exchange Act, or otherwise subject to the liability of that section. This certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, regardless of any general incorporation language in such filing, except to the extent that the Company specifically incorporates this certification by reference.

Dated: May 21, 2010

/s/ DENNIS R. HERNREICH

Dennis R. Hernreich
Chief Financial Officer

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Casual Male Retail Group, Inc. (the "Company") for the period ended May 1, 2010, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, David A. Levin, Chief Executive Officer of the Company, certify pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"); and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

This certification is being furnished as an exhibit to the Report pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, and shall not be deemed "filed" for purposes of Section 18 of the Exchange Act, or otherwise subject to the liability of that section. This certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, regardless of any general incorporation language in such filing, except to the extent that the Company specifically incorporates this certification by reference.

Dated: May 21, 2010

/s/ DAVID A. LEVIN

David A. Levin

Chief Executive Officer

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.