DXL GROUP

January 2015

Investor Presentation

FORWARD LOOKING STATEMENTS AND NON-GAAP MEASURES

Forward Looking Statements:

Certain information contained in this presentation, including, but not limited to, future store projections of sales per square foot, gross margin, occupancy and selling, general administrative expenses as well four-wall cash flow, constitute forward-looking statements under the federal securities laws. The discussion of forward-looking information requires management of the Company to make certain estimates and assumptions regarding the Company's strategic direction and the effect of such plans on the Company's financial results. Such forward-looking statements are subject to various risks and uncertainties that could cause actual results to differ materially from those indicated. Such risks and uncertainties may include, but are not limited to: the failure to implement the Company's business plan for increased profitability and growth in the Company's retail stores sales and direct-to-consumer business, the failure to achieve improvement in the Company's competitive position, changes in or miscalculation of fashion trends, extreme or unseasonable weather conditions, economic downturns, a weakness in overall consumer demand, trade and security restrictions and political or financial instability in countries where goods are manufactured, increases in raw material costs from inflation and other factors, the interruption of merchandise flow from the Company's distribution facility, competitive pressures, and the adverse effects of natural disasters, war, acts of terrorism or threats of either, or other armed conflict, on the United States and international economies. These, and other risks and uncertainties, are detailed in the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission for the fiscal year ended February 1, 2014 filed on March 17, 2014 and other Company filings with the Securities and Exchange Commission. The Company assumes no duty to update or revise its forward-looking statements even if experience or future changes make it clear that any projected results expressed or implied therein will not be realized.

Non-GAAP Measures:

Adjusted Net Loss, Adjusted Net Loss Per Diluted Share, EBITDA, Adjusted EBITDA, EBITDA Margin and Adjusted EBITDA Margin are non-GAAP measures. The Company believes that these non-GAAP measures are useful as additional means for investors to evaluate the Company's operating results, when reviewed in conjunction with the Company's GAAP financial statements. Please see Appendix A for additional information concerning these non-GAAP measures and a reconciliation to their respective GAAP measures.

LARGEST MEN'S B&T SPECIALTY RETAILER

356
Total stores

39%
DXL stores as a % of total sales

40 million
Addressable market

1.4 million
Active customers

90%
Enrolled in loyalty program

15
Private label brands

40
Name brands

20
Exclusive brands

UNIQUE CUSTOMER

Not determined by demographic

Males of all ages with a waist size 38” and greater

Values convenience, comfort, selection and fit over price

Desires a good, better, best array of product assortments in all primary lifestyles

TRANSFORMING OUR BRAND

Began transformation to DXL brand in 2010 to provide customers with a one-stop shopping destination and grow the business

CASUAL MALE XL → DXL DESTINATIONXL

Opportunity for Growth

Capture greater wallet share

Attract broader customer audience

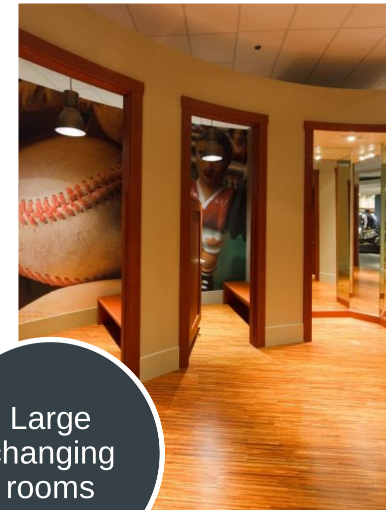
Target end-of-rack[1] customers

Leverage website to drive sales

[1]Waist sizes 40 to 46 inches

ONE-STOP SHOPPING AT ITS BEST


Wide aisles

Highly Trained Staff

Large changing rooms

More brands




Bright Atmosphere

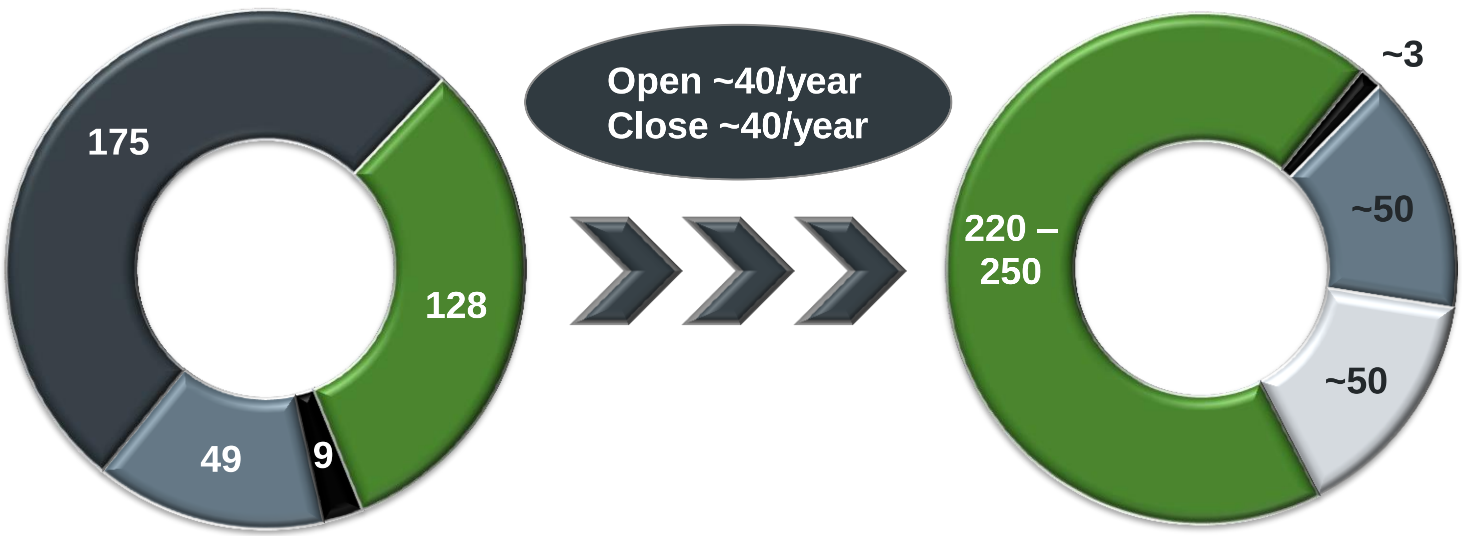
Onsite tailoring


POLO RALPH LAUREN
POLO

LARGE SELECTION OF NAME BRANDS

COMPLETE DXL STORE ROLL-OUT IN 2017

November 1, 2014 **2017 Estimate**

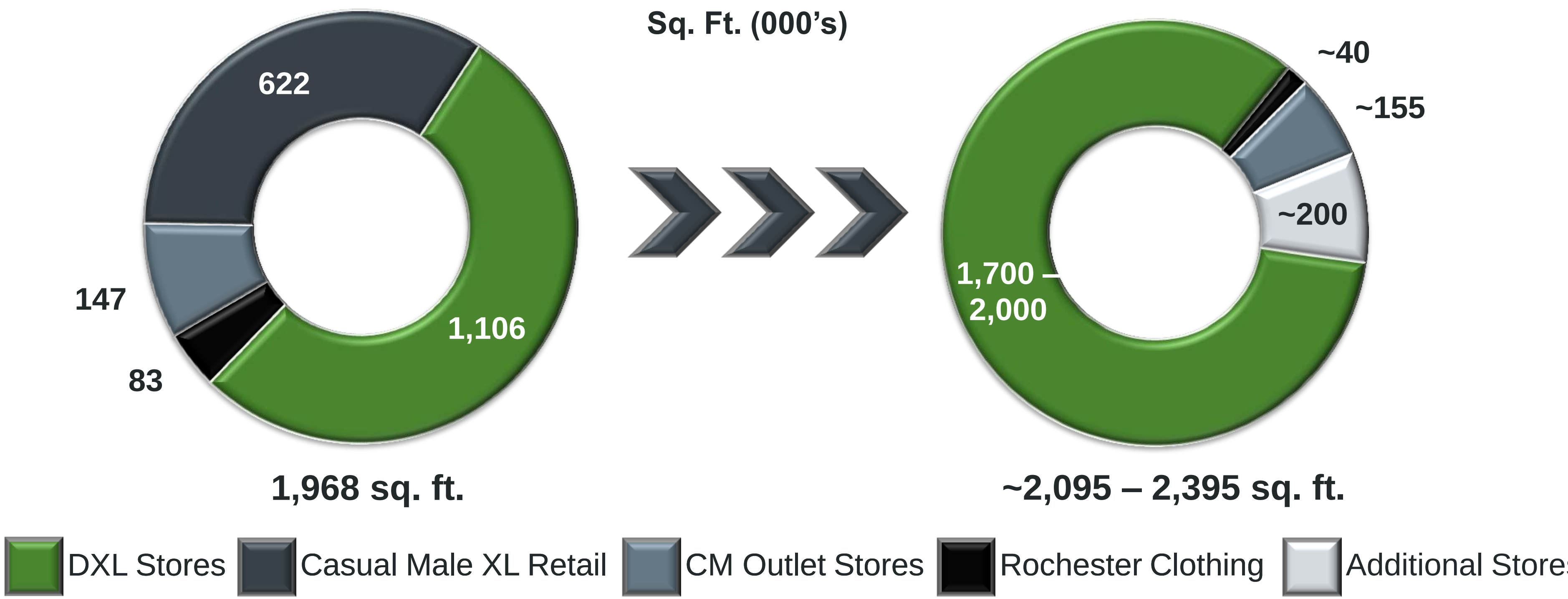


DXL Stores | Casual Male XL Retail | CM Outlet Stores | Rochester Clothing | Additional Stores

Majority of store openings are timed prior to the holiday shopping season to maximize profitability

SQUARE FOOTAGE COMPOSITION

November 1, 2014 | **2017 Estimate**



DXL stores will account for the majority of square footage by end of fiscal 2017
Total square footage to increase 10% to 25% by end of fiscal 2017

IMPROVED PROFITABILITY AT MATURITY





	DXL Year 1[1]	DXL Year 2[1]	DXL Year 3[1]	DXL Year 4[2]	DXL Year 5[2]
Sales per square foot	$150	$170	$190	$205	**$220**
Gross margin, net of occupancy costs	42.0%	44.0%	45.0%	46.0%	**47.0%**
SG&A as a % of sales	26.0%	22.0%	21.0%	21.0%	**20.0%**
Four-wall cash flow	16.0%	22.0%	24.0%	25.0%	**27.0%**
Build out costs	$75				

[1]Average store results
[2]Average store pro forma

DXL 5K STORES DRIVE PROFITABILITY

Introduced 5,000-6,500 square foot store concept in Q2 2014, which increased opportunity for continued store growth by ~50 more stores

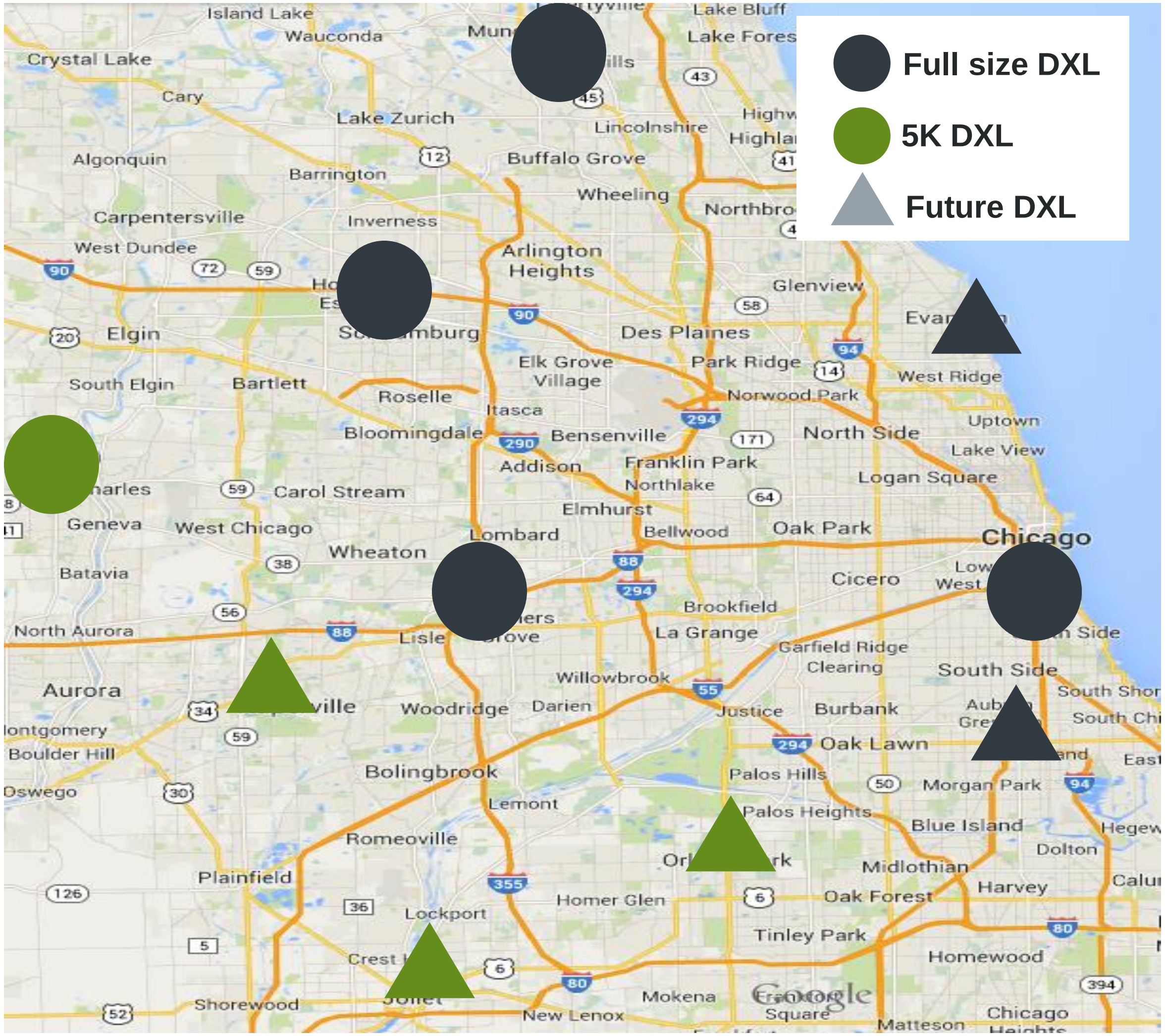
Lowers cap ex and occupancy costs by 25% as compared to a 7,000 sq. ft. store

Penetrate smaller markets, where the economics of a full-size DXL would not work, and certain larger markets that warrant an additional presence due to geographical considerations

Economics of a 5,000 square foot DXL in year one in a sample market with expected annual sales of ~$800K:

Sales per square foot	$160
Gross margin, net of occupancy costs	45.5%
SG&A as a % of sales	30.5%
Four-wall cash flow	15.0%
Build out costs	$80

GREATER PRESENCE IN METRO MARKETS



Customers typically willing to drive up to 20 miles to shop at DXL

Chicago metro market large enough for multiple full-sized and 5K DXL stores

Prior to conversion, there were 19 Casual Male XL stores that serviced this market

INCREASING RETURN ON INVESTMENT

Achieving stronger return on investment in first year with smaller store sizes

		Per Square Foot		
	Average Sq. Ft.[1]	Year One Sales[1]	Year One 4-Wall Cash Flow[1]	ROI[1,2]
2010 – 2012 (48 stores)	9,590	$151	$22	30.0%
2013 (51 stores)	8,441	$145	$25	38.0%
2014 (41 stores)	7,428	$153	$26	42.0%

[1]Average store results

[2]ROI is defined as the internal rate of return calculated on a store four-wall basis over 5 years

SUCCESSFUL DXL MARKETING CAMPAIGNS

Q3 2014 vs. Q3 2013:

+4.4%
Traffic

+13.1%
Transactions

+4.7%
End-of-Rack

+8.1%
Retail Conversion

+3.7%
Web Conversion

+12.4%
Customer Count

DRIVING TRAFFIC TO DXL STORES

Spend $75 Save $25	Free Polo Offer	Experience Book & $50 Gift Card
		

+82% (1) More customers in an average DXL store's active database than at the average Casual Male XL store

+30% (1) Higher retention rate at an average DXL store compared with an average Casual Male XL store

(1) For the year to date period ending November 1, 2014

CONVERTING THE CASUAL MALE CUSTOMER

Begin promoting new DXL store at ambassador Casual Male XL stores 6 months prior to closing

+17% **Greater conversion rate of Casual Male XL customers through November 2014 as compared to November 2013**

Extending leases at certain Casual Male XL locations

FALL 2014 MARKETING CAMPAIGN

Commenced campaign two weeks later than prior year

Campaign ran from mid-October through mid-December

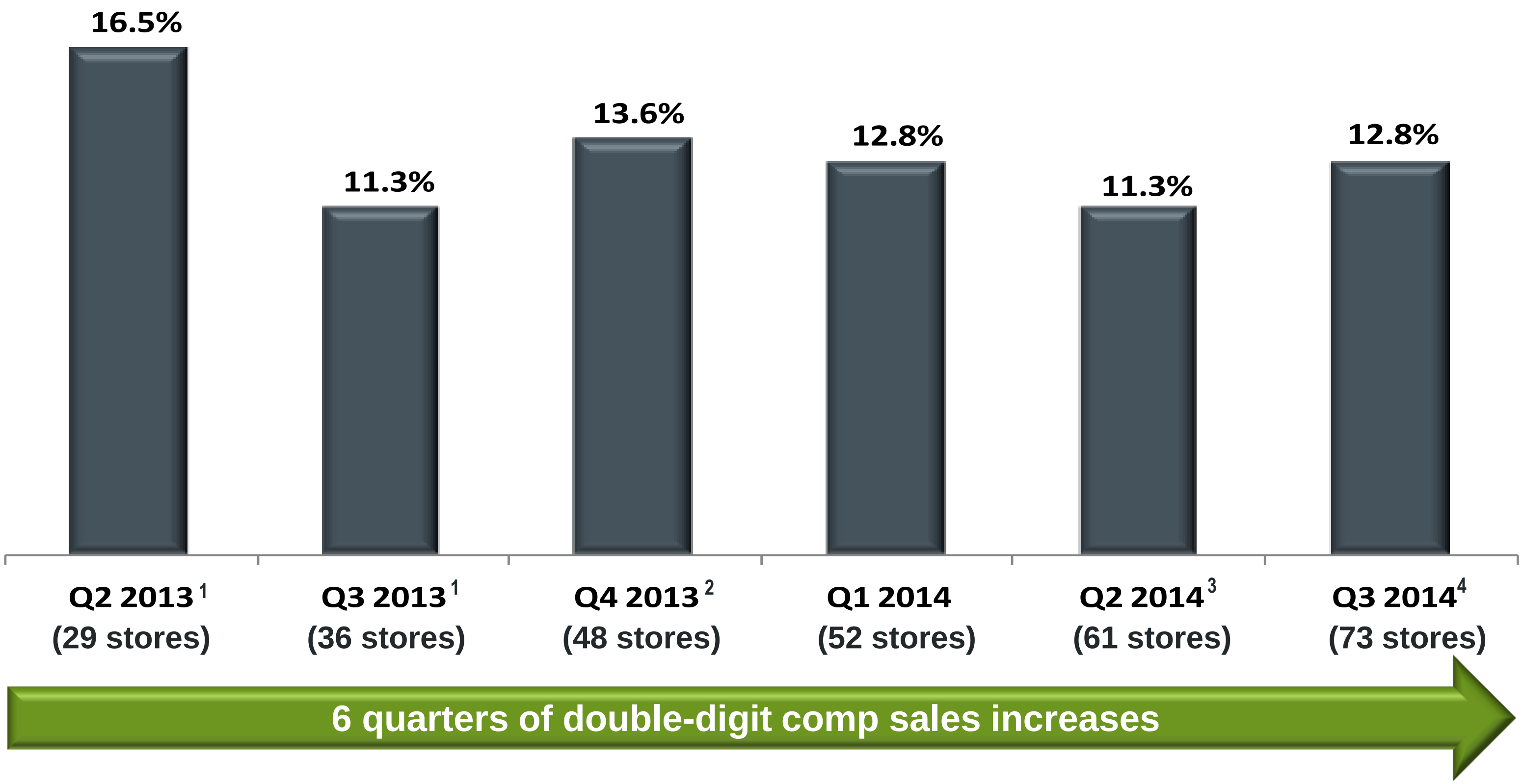
Aligned with peak holiday selling season and targeting gift givers

Greater quality of program for ad placement (NFL, ESPN, Prime Time)

Increased media presence for Thanksgiving week to mid-December

Implemented a “lead into the weekend” strategy

IMPRESSIVE DOUBLE-DIGIT COMP SALES



[1]Spring marketing campaign ran from 5/5/13 to 6/14/13
[2]Fall marketing campaign ran from 9/28/13 to 11/23/13
[3]Spring marketing campaign ran from 4/27/14 to 6/14/14
[4]Fall marketing campaign ran from 10/23/14 to 11/16/14

MULTI-CHANNEL TO OMNI-CHANNEL RETAILER

Preferred delivery

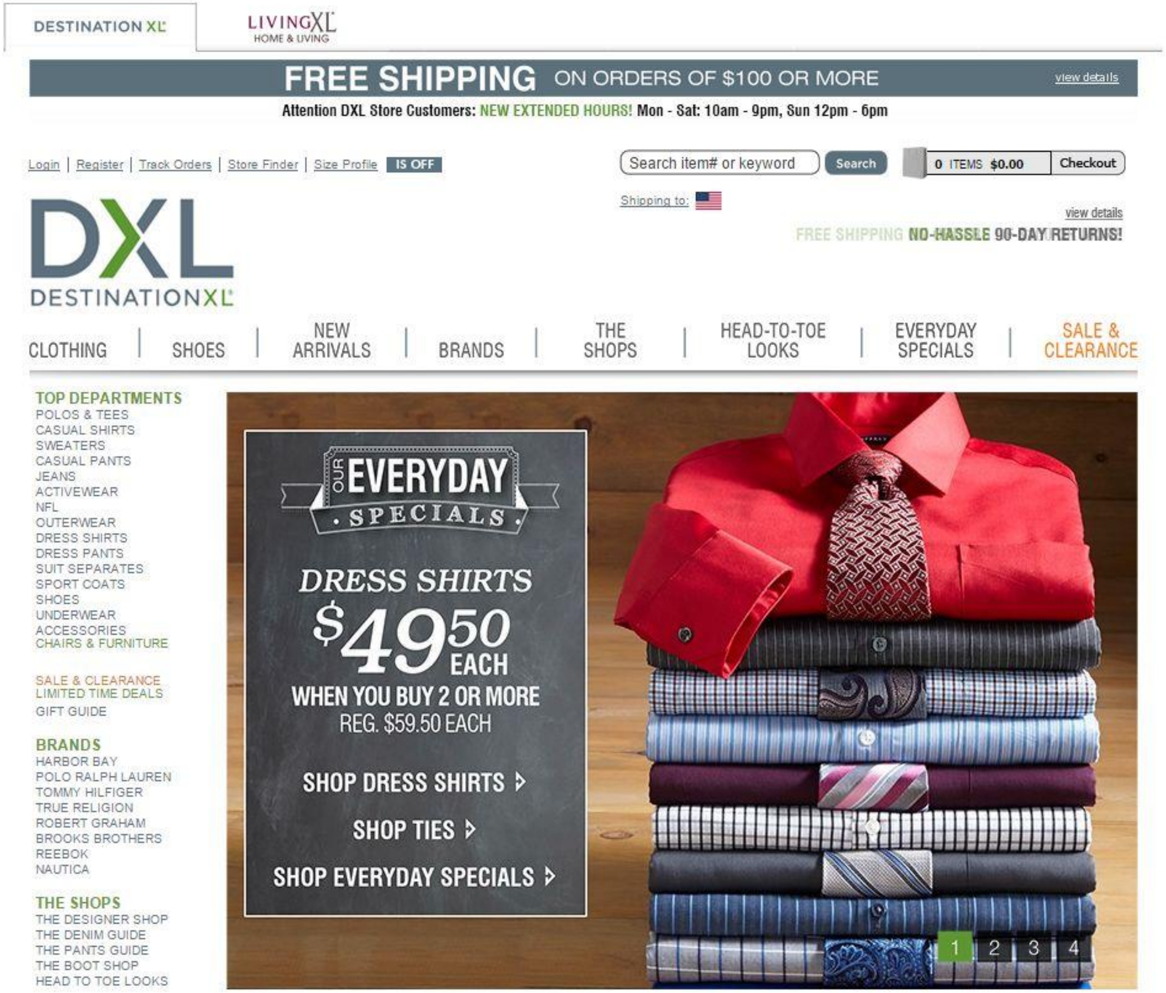
Store inventory available online

Free shipping on orders above $100

Website is mobile optimized

Increased digital display marketing

Stronger promotional cadence



FINANCIAL PERFORMANCE

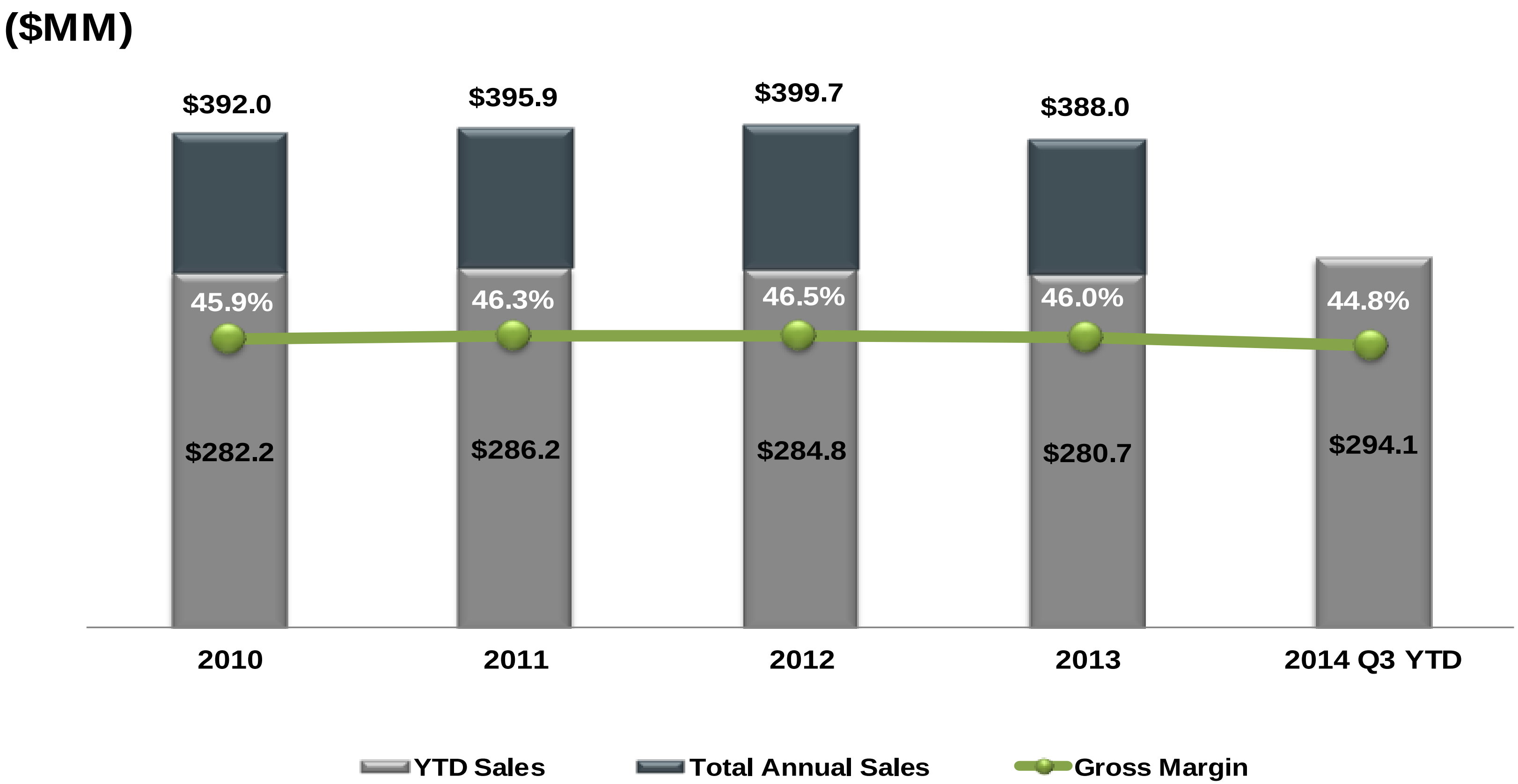
Q3 2014 SALES HIGHLIGHTS

+5.5% Total sales (Retail and Direct)

+12.8% DXL comparable store sales

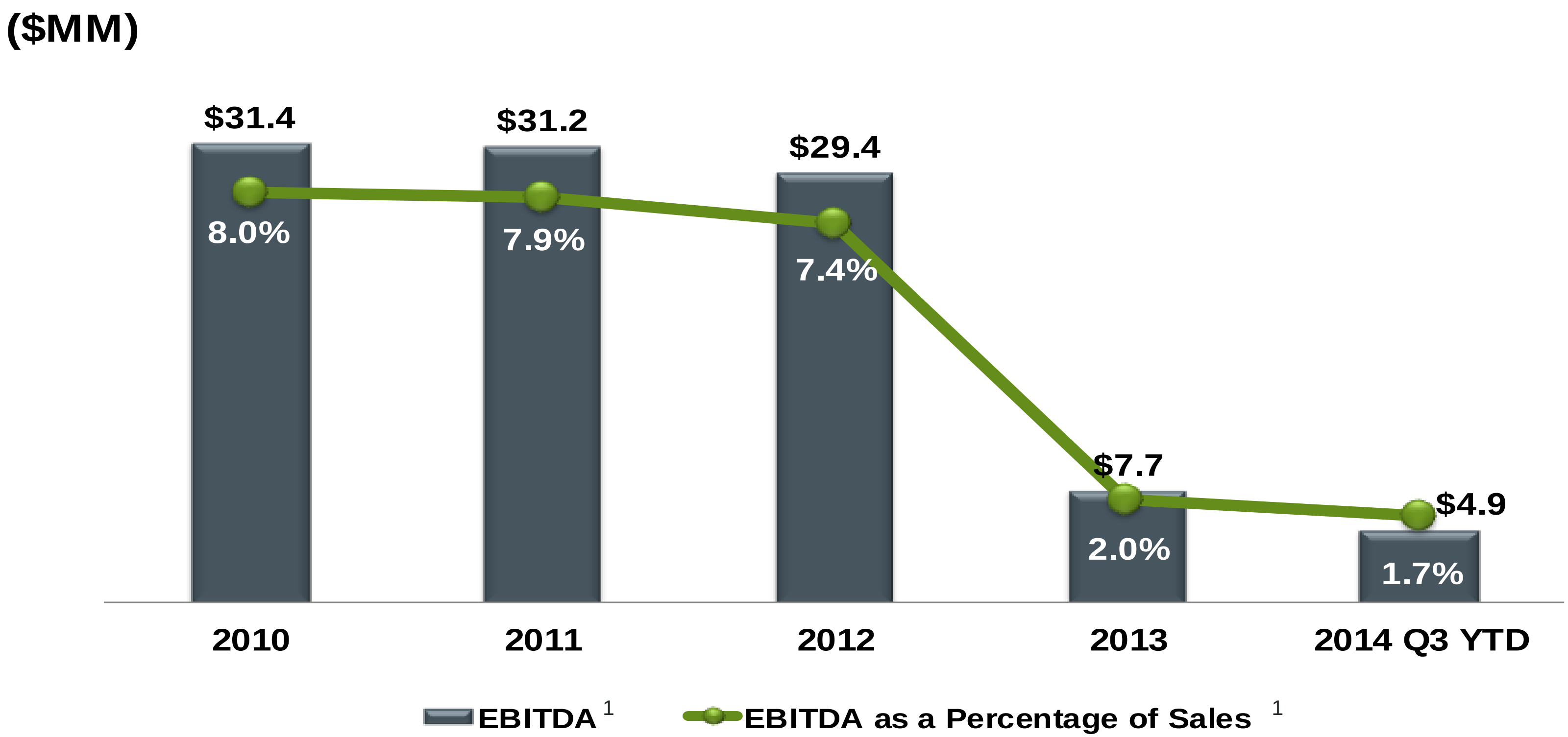
+2.3% Casual Male XL and Rochester Clothing stores and Direct sales

SALES AND GROSS MARGINS



Strong gross margins provide opportunity for significant sales leverage

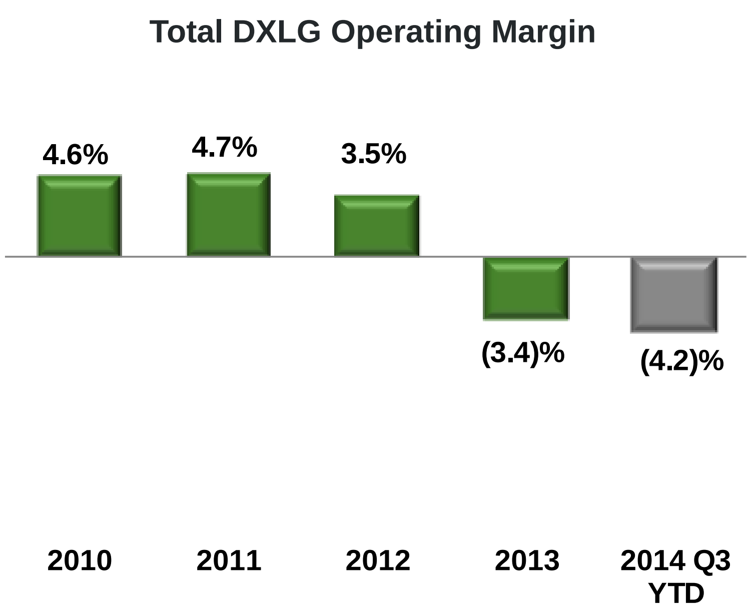
EBITDA & EBITDA MARGIN

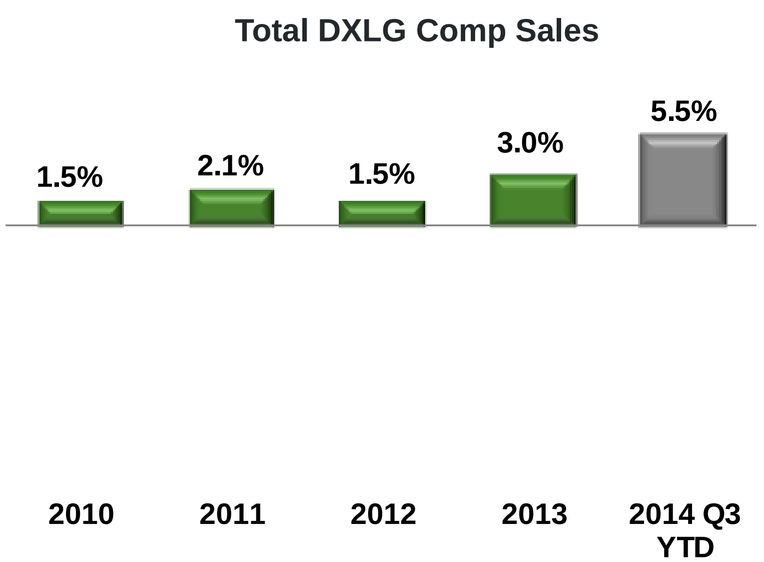


[1]EBITDA, Adjusted EBITDA, EBITDA Margin and Adjusted EBITDA Margin are non-GAAP measures. The above Adjusted EBITDA for fiscal 2011 excludes a trademark impairment charge of $23.1 million. For additional information about these non-GAAP measures, including a reconciliation to their respective GAAP measures, see Appendix A attached to this presentation.

OPERATING MARGIN & COMPARABLE SALES

(continuing operations)

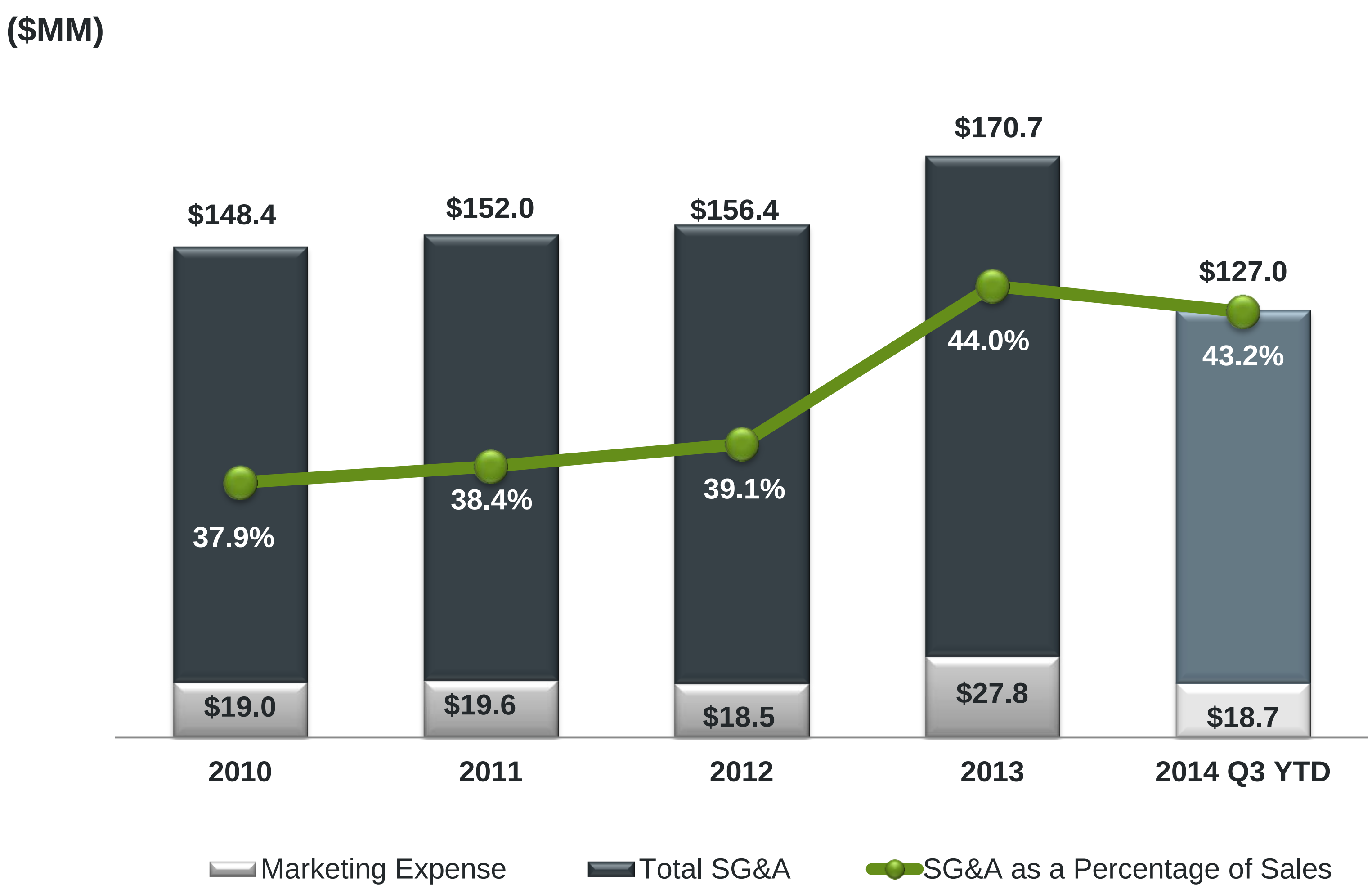




[1]Before impairment charge of $23.1 million

Focus on improving operating margins through greater DXL sales

INCREASING SG&A WITH DXL ROLL-OUT



BALANCE SHEET

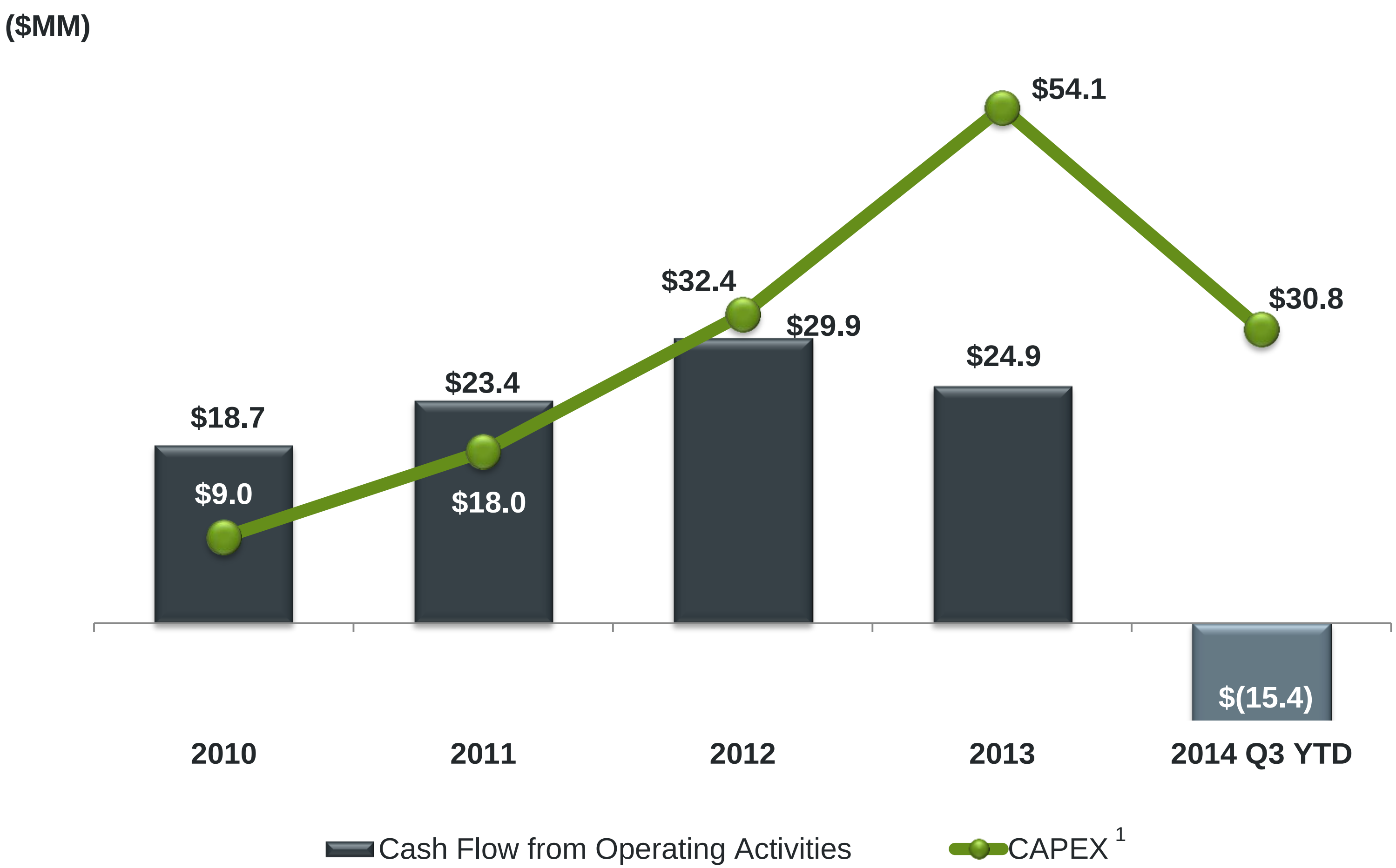
($MM)

	2010	2011	2012	2013	Q3 2014
Cash on hand	$4.1	$10.4	$8.2	$4.5	**$6.1**
Inventory	$92.9	$104.2	$104.2	$105.6	**$126.0**
Credit Facility *	$0	$0	$0	$9.0	**$38.0**
Long-term debt **	$0	$0	$0	$16.7	**$36.0**

*** Unused excess availability under credit facility at November 1, 2014 was $75.1 million**

**** Includes Term Loan of $15.0 million and Equipment Financing Loans for $21.0 million at November 1, 2014**

CASH FLOW & CAPITAL EXPENDITURES



[1]Before tenant allowances

DXLG INVESTMENT HIGHLIGHTS

Transformation to DXL concept creates compelling investment opportunity

Significant market share/sales growth opportunity

Strong gross margins

Ability to significantly improve operating margins

Solid balance sheet with borrowing capacity

NON-GAAP RECONCILIATION

- In addition to Operating Income (Loss) determined in accordance with United States Generally Accepted Accounting Principles (GAAP), the Company uses certain non−GAAP financial measures, such as “EBITDA,” “Adjusted EBITDA,”EBITDA Margin” and “Adjusted EBITDA Margin” in assessing its operating performance. The Company believes that these non−GAAP measures serve as appropriate measures to be used in evaluating the performance of its business.

- The Company defines EBITDA as Operating Income (Loss) before Depreciation and Amortization. In addition, Adjusted EBITDA for fiscal 2011 excludes the impact of a non-recurring trademark impairment charge. The Company defines EBITDA Margin and Adjusted EBITDA Margin as EBITDA or Adjusted EBITDA divided by Sales.

- EBITDA and Adjusted EBITDA as defined by the Company may not be comparable to similarly titled measures reported by other companies. The Company does not intend for non−GAAP financial measures to be considered in isolation or as a substitute for other measures prepared in accordance with GAAP.

- The following table provides a reconciliation of Operating Income (Loss), on a GAAP basis, to EBITDA and Adjusted EBITDA, on a non-GAAP basis (in millions, except percentages)

Fiscal year:	**2010**	**2011**	**2012**	**2013**	**2014 Q3 YTD**
Sales	$ 392.0	$ 395.9	$ 399.6	$ 388.0	294.1
Operating Income (Loss), GAAP Basis	$ 18.2	$ (4.4)	$ 13.9	$ (13.1)	$ (12.3)
Add back:					
Depreciation and Amortization	$ 13.2	$ 12.5	$ 15.5	$ 20.8	$ 17.2
EBITDA	$ 31.4	$ 8.1	$ 29.4	$ 7.7	$ 4.9
Adjustment for Trademark Impairment	-	$ 23.1	-	-	-
ADJUSTED EBITDA	-	$ 31.2	-	-	-
EBITDA MARGIN	8.0%	2.0%	7.4%	2.0%	1.7%
ADJUSTED EBITDA MARGIN		7.9%			

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