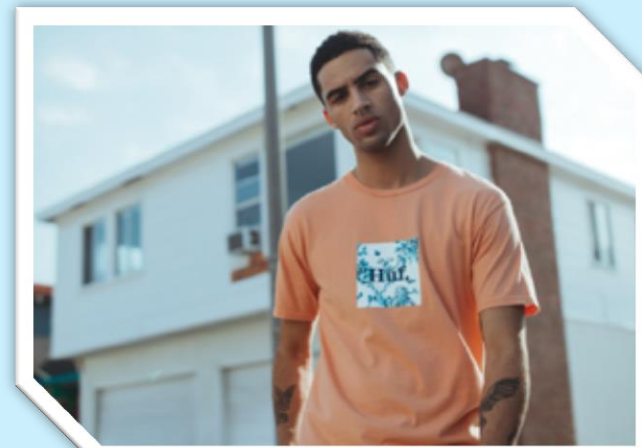
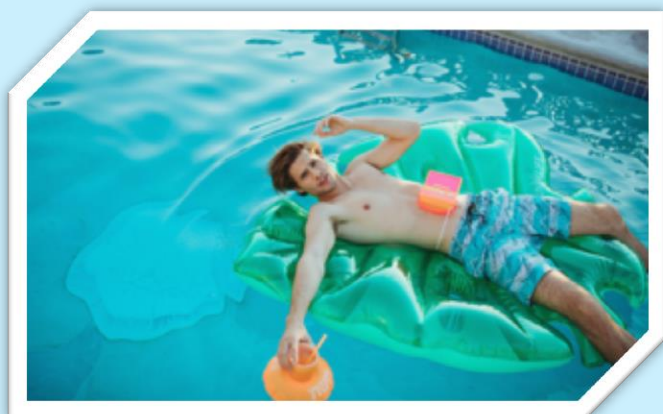
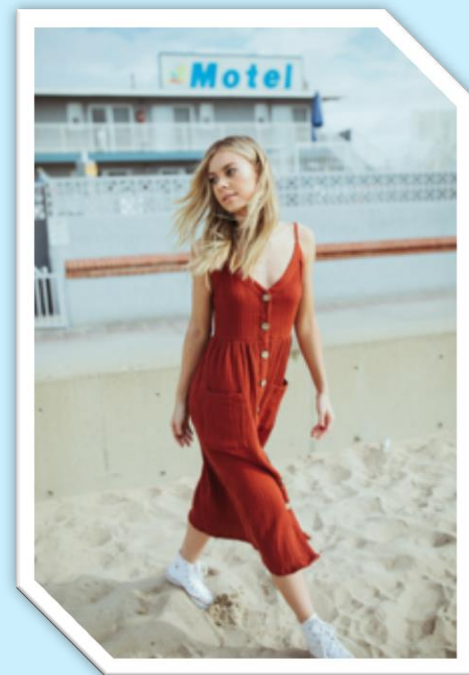


TILLYS

ICR Investor Presentation

January 2019



Safe Harbor Statement

TILLYS

This presentation, and responses to certain questions about this presentation, will contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, particularly with regard to future financial and operating expectations, business plans and key initiatives. All such statements are subject to risks and uncertainties that could cause actual results or events to differ materially from those indicated by such forward-looking statements. Please see “Risk Factors” in our Annual and Quarterly Reports on Forms 10-K and 10-Q filed with the Securities and Exchange Commission for a description of such risks and uncertainties. We urge you not to place undue reliance on these forward-looking statements, which speak only as of the date of this presentation. We do not undertake any obligation to update or alter any forward-looking statements, whether as a result of new information, future events or otherwise. This presentation should be read in conjunction with our financial statements and notes thereto contained in our most recent Form 10-K for the fiscal year ended February 3, 2018 and our Form 10-Qs for the fiscal quarters ended May 5, August 4, and November 3, 2018.



Tillys at a Glance

TILLYS

- **Leading specialty retailer** offering apparel, footwear and accessories for young adults, teens and children
- Unparalleled blend of **over 400 iconic global, emerging, and proprietary brands**
- **229 stores** in 33 states, both in-mall and off-mall, averaging ~7500 SF, including 4 RSQ-branded pop-up shops
- **10-15 new stores planned for fiscal 2019** vs. previously stated goal of 15-20 new stores
- **+3.7%** YTD comparable store sales growth thru Dec 2018, including **+5.8%** during Nov/Dec 2018 Holiday period
- **Profitable e-commerce business** represents 14.4% of YTD net sales thru Dec 2018 (vs. 13.1% in fiscal 2017)
- HQ in **Irvine, CA** and **founded in 1982**



Our Core Customers

TILLYS

Pre-teens, teens and young adults, both male and female

Active, connected, creative and adventurous

Passionate about an active lifestyle, including sports, music, art and fashion

Highly engaged on social media channels

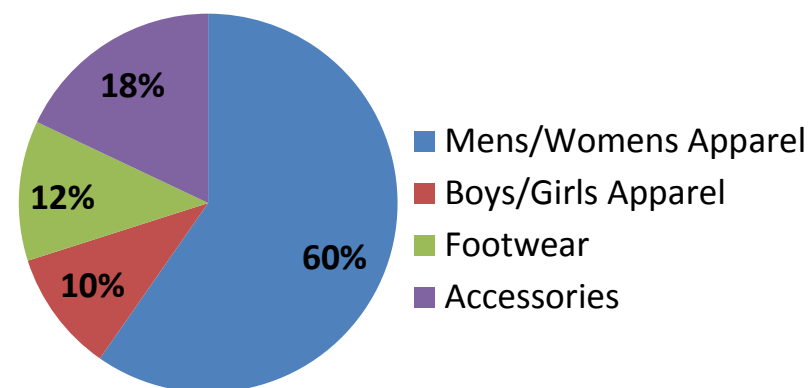


Destination Retailer with a Unique Store Experience and a Broad and Differentiated Assortment

TILLYS

- Over 400 third-party lifestyle brands in a given year with a variety of styles, colors, sizes and price points
- ~24% of our YTD Dec 2018 net sales has come from our own brands (vs ~26% for fiscal 2017), supplemented by exclusive offerings from third-party brands
- Top 2 third-party brands represent ~9% and ~7% of YTD Dec 2018 net sales, respectively, with no other third-party brand above 3.0%.
- Nearly 90% of stores remodeled or refreshed in last 3 years, helping stores to keep a current, fresh look
- Excellent interior store design enhanced by our dedicated team of passionate store associates

Diversified Category Mix



Constantly Evolving Merchandise Mix

TILLYS

- Ship products to stores multiple times per week
- Analyze and adjust to performance of different trends in different markets
- Keep merchandise mix current with emerging brands and new merchandise from established brands
- Special make-ups from popular brands that are limited or not offered at other retailers

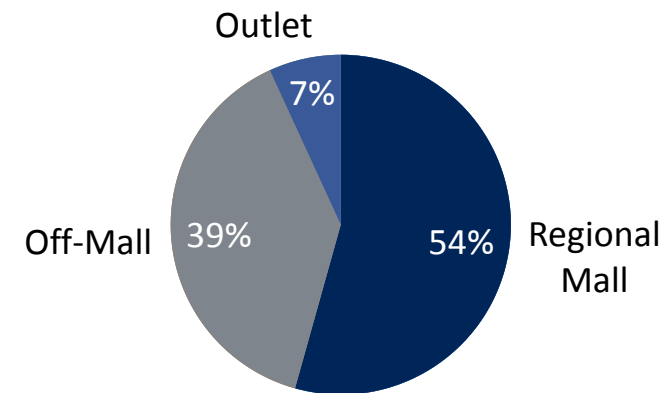


Flexible Real Estate Strategy across Real Estate Venues and Geographies

TILLYS

- Stores located in malls, power centers, neighborhood and lifestyle centers, outlet centers and street-front locations
- Store locations in 86 markets in 33 states
- Began as an off-mall concept in 1982
- Strategy of clustering stores in promising markets to further enhance brand awareness

Store Location by Type



Multi-pronged Marketing Approach to Drive Traffic and Customer Engagement

TILLYS

Leverage proprietary customer database to further engage customers and drive traffic

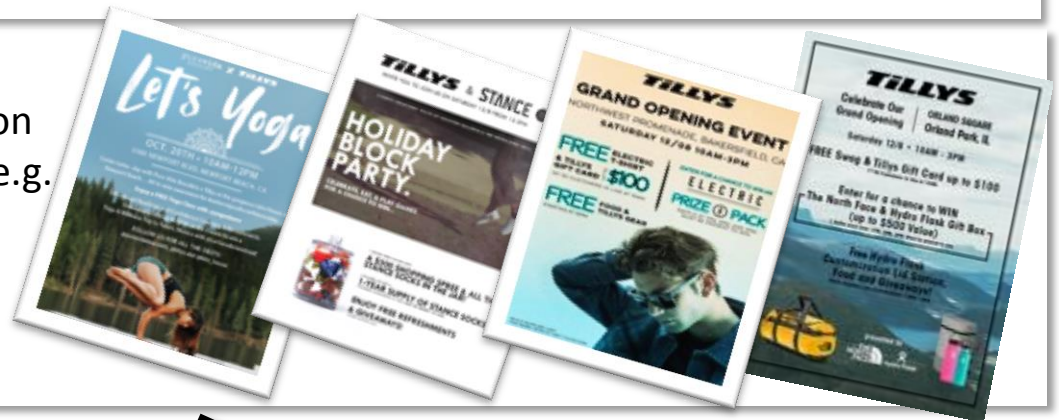
Social Media

- Partner with social media stars and influencers to drive brand awareness
- Promote in-store events (prior to and post-event)
- Increase opportunities to reach our core customer



Events

- Partner and collaborate with vendors on exclusive, compelling in-store events (e.g. pizza parties, bean bag toss contests, augmented reality searches)
- Build credibility with target customers



Print

- Distribute catalogs and postcards to new and existing customers
- Promote new brands and merchandise



Significant Investments Across Stores, E-commerce, Systems and Distribution / Fulfillment

TILLYS

Ability to capitalize on recent investments to drive traffic to our stores and website

Stores

- Remodeled or refreshed ~90% of our 229 stores within the last 3 years
- Limited store capex requirements going forward, other than for new stores



Systems

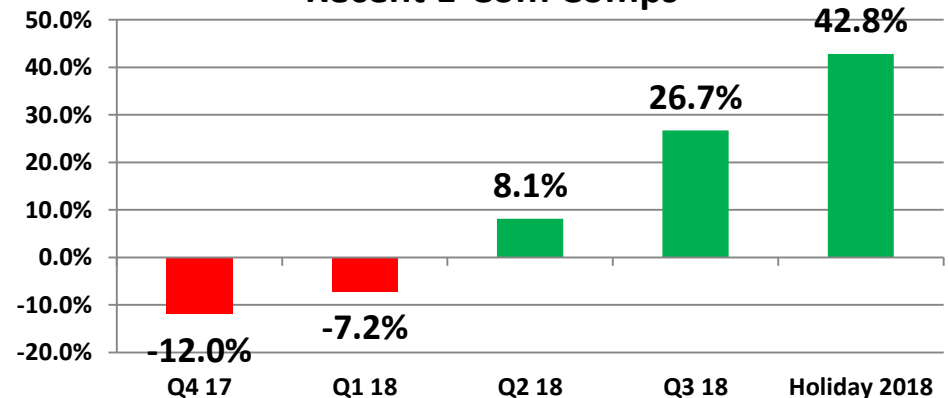
- Implemented new point-of-sale, order management, and website platform in late FY17
- Enhanced customer relationship management, e-commerce and omni-channel capabilities
- Updating mobile application



Distribution and Fulfillment

- Dedicated e-com fulfillment center
- Ability to ship products to stores
- Online orders can also be served from stores
- Along with broader assortment, we carry certain online-only styles

Recent E-Com Comps

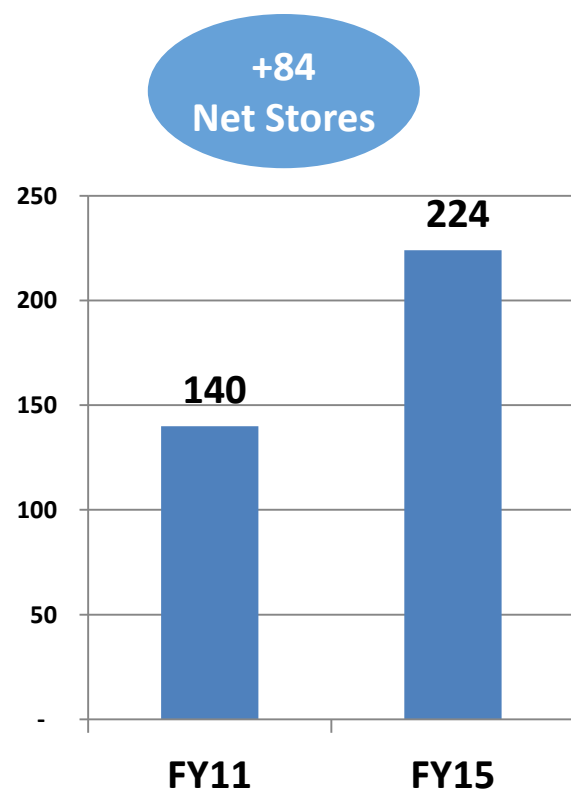


Evolution of Tillys from IPO to Entering a New Phase of Growth

TILLYS

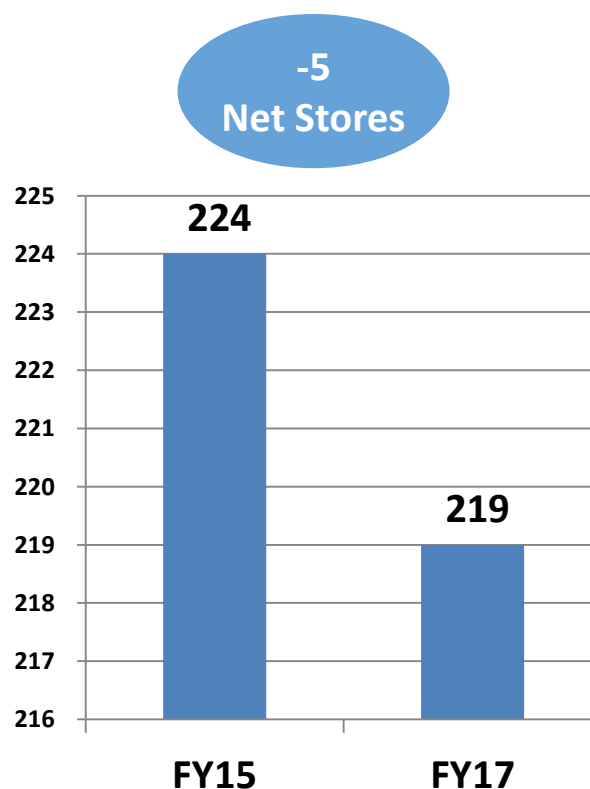
IPO and Expansion (2012 – 2015)

- Significant store expansion, mostly to new markets, following IPO
- Lack of brand awareness and inconsistency of merchandising in new markets led to challenges for store productivity



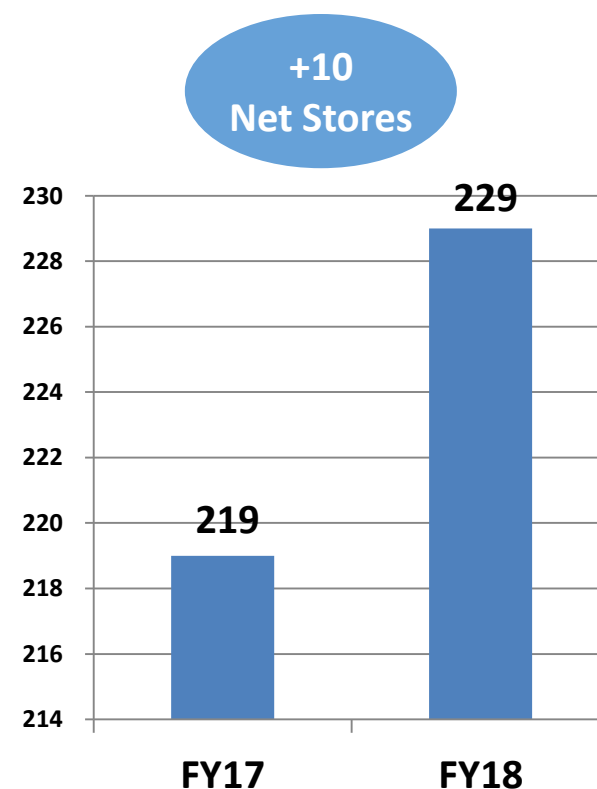
Stabilize and Invest for Growth (2016 – 2017)

- Paused store growth to address under-performance and brand awareness
- Invested in physical and technological infrastructure to support future growth



Future of Tillys (2018+)

- Disciplined approach to store growth, clustering in key markets
- Build brand awareness and enhance customer experience
- Limited incremental investment required



Store Count (as of end of period)

Key Growth Drivers



Drive Comparable Store Sales

Grow E-com and Leverage Omni-Channel Capabilities

Open New Stores

Drive Brand Awareness

Increase Operating Margins

Drive Comparable Store Sales

TILLYS

Execute on Merchandising Strategy

- ✓ Dynamic merchandise model
- ✓ Extensive 3rd party brands
- ✓ Exclusive and proprietary branded merchandise



Leverage E-com and Business Investments

- ✓ Disciplined approach to new store growth, clustering
- ✓ Already-remodeled store base
- ✓ Improved website, CRM and omni-channel capabilities

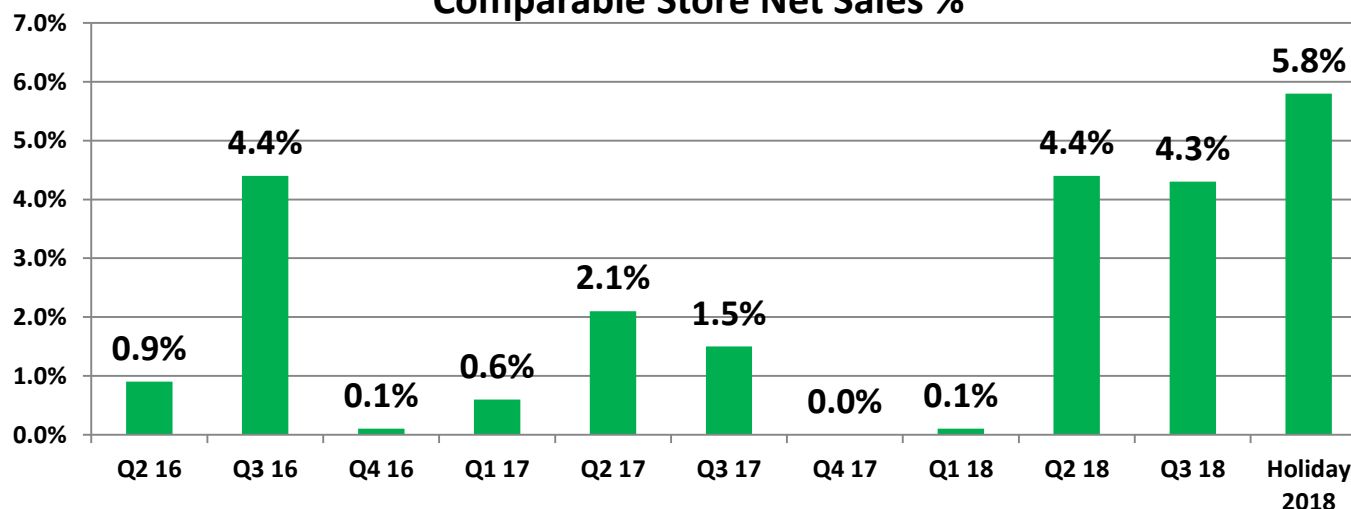
Increase Brand Awareness with Multi-Pronged Marketing

- ✓ Continued distribution of postcards, catalogs and email marketing
- ✓ Increased social media presence
- ✓ New and exciting in-store sponsored events

11 Consecutive Quarters of Flat to Positive Comparable Store Sales Growth (incl. projected Q4 2018)

9 Consecutive Quarters of Positive Traffic (incl. projected Q4 2018)

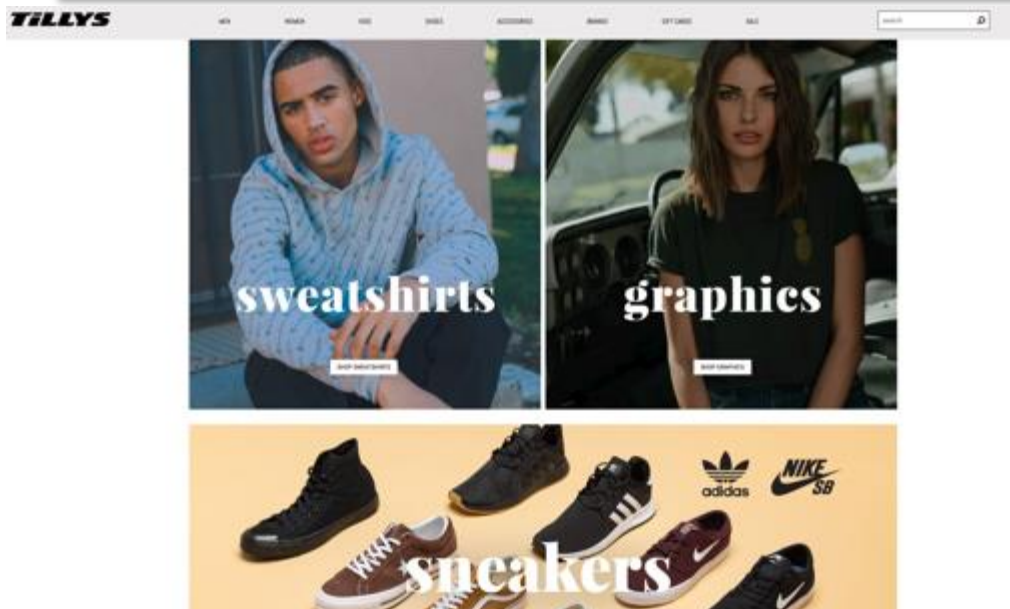
Comparable Store Net Sales %



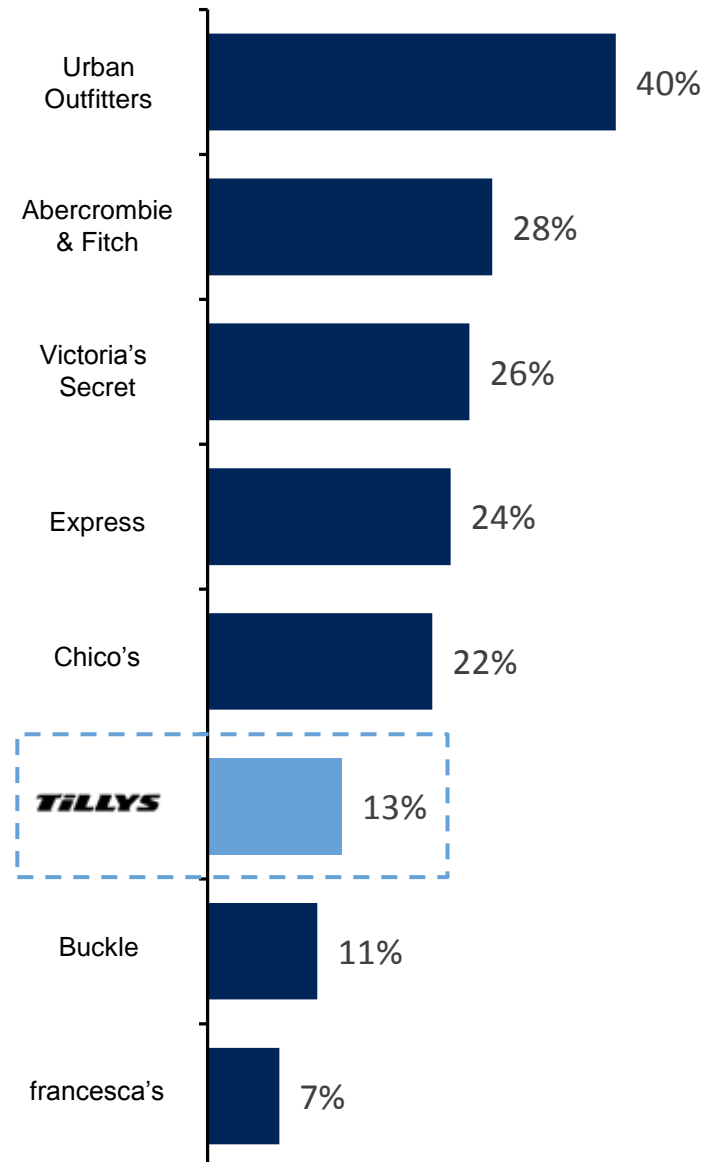
Continue to Grow E-com and Leverage Omni-Channel Capabilities

TILLYS

- Create seamless experience for customer to shop in-store or online
- Leverage new mobile app and social media presence
- Increase investments in omni-channel capabilities:
 - Re-platformed website
 - Addition of mobile app
- Utilize these investments to enhance customer convenience:
 - Pick up in-store
 - Ship-from-store
 - Same-day delivery



E-commerce Revenue as Percentage of Total Revenue ⁽¹⁾

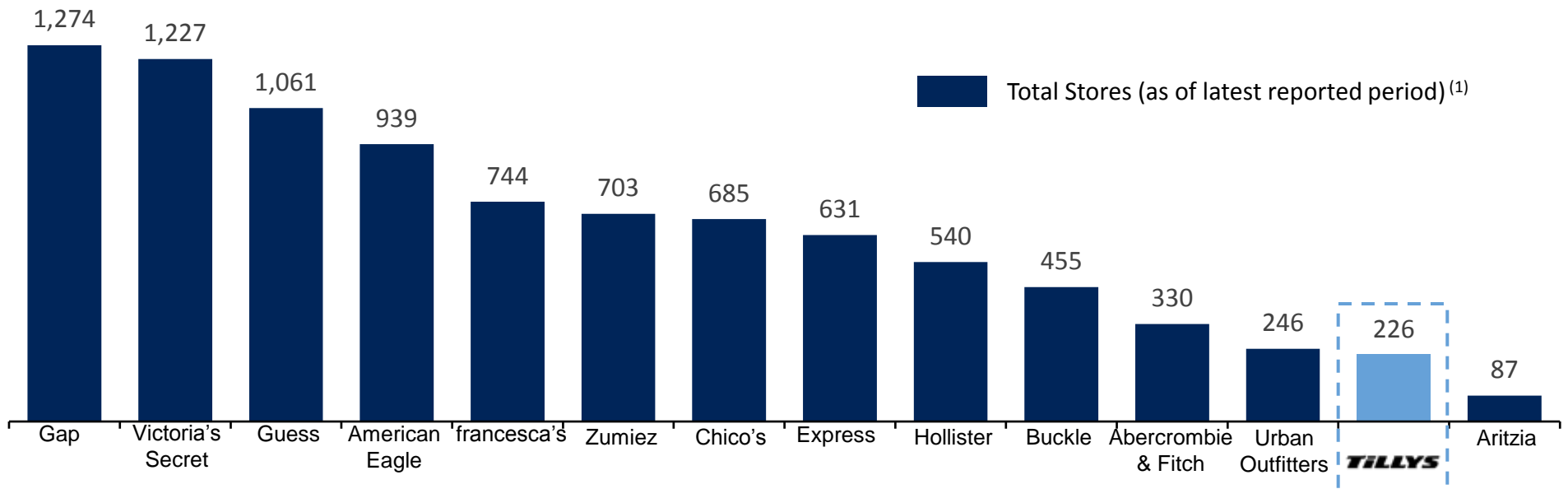
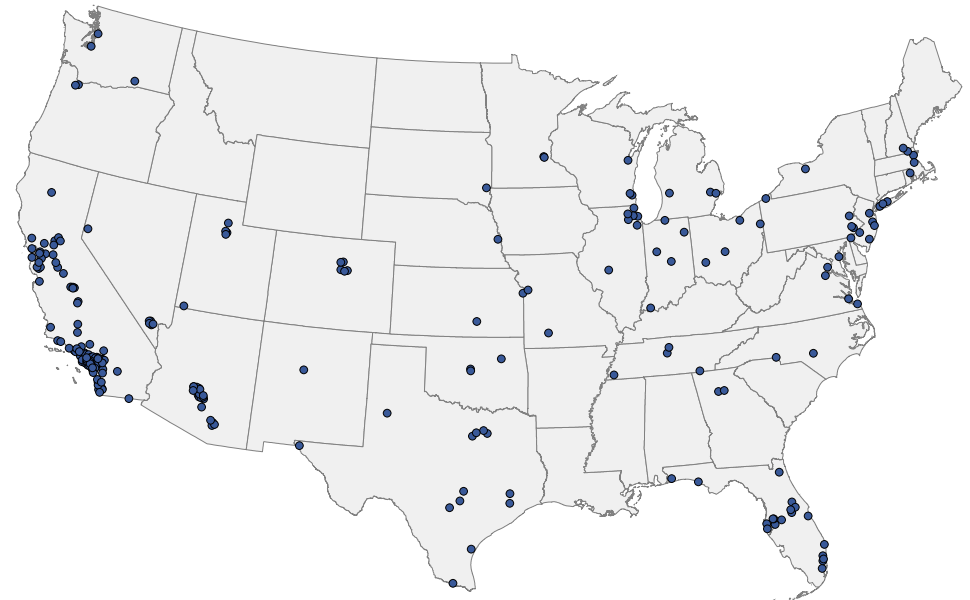


(1) Source: Company filings, earnings releases and transcripts. Represents e-commerce revenue as a percentage of total revenue as of FY 2017 or the latest available company-filed information. The Company expressly disclaims responsibility for any of the information replicated from other companies' public filings.

Open New Stores

TILLYS

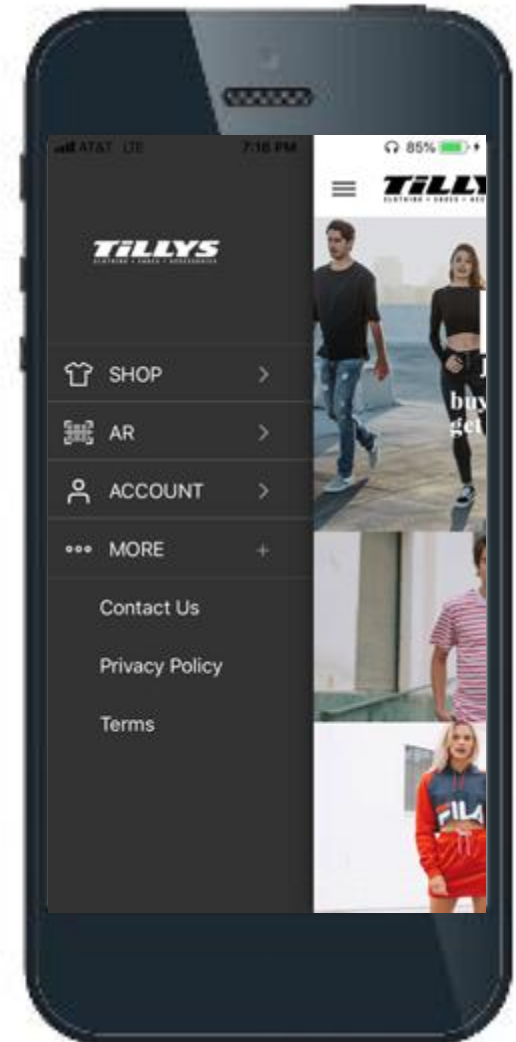
- Opened 12 new stores in FY18, anticipate approximately 10-15 new stores in FY19
- Continue disciplined approach to store growth
- Target existing markets with room for growth and new markets with high population density (i.e. Texas, Northeast and Chicago)
- Focus on clustering stores to build brand awareness
- Continue to learn from and use RSQ pop-up locations to drive brand awareness



Drive Brand Awareness

TILLYS

- Increase breadth and depth of customer engagement
- Maintain fun and compelling in-store events such as augmented reality scavenger hunts
- Pursue co-branded promotions with third-party brands, influencers and social media personalities
- Expand into new markets
- Utilize RSQ pop-ups to drive both RSQ and Tillys brand awareness
- Leverage loyalty program



Increase Operating Margins



Opportunity to increase operating margin through scale efficiencies driven by comparable store sales increases combined with continued process improvements

Leverage Fixed Costs through Top-Line Growth

- ✓ Largely fixed occupancy costs
- ✓ Favorable buying costs due to scale
- ✓ Leverage our store management and corporate overhead costs

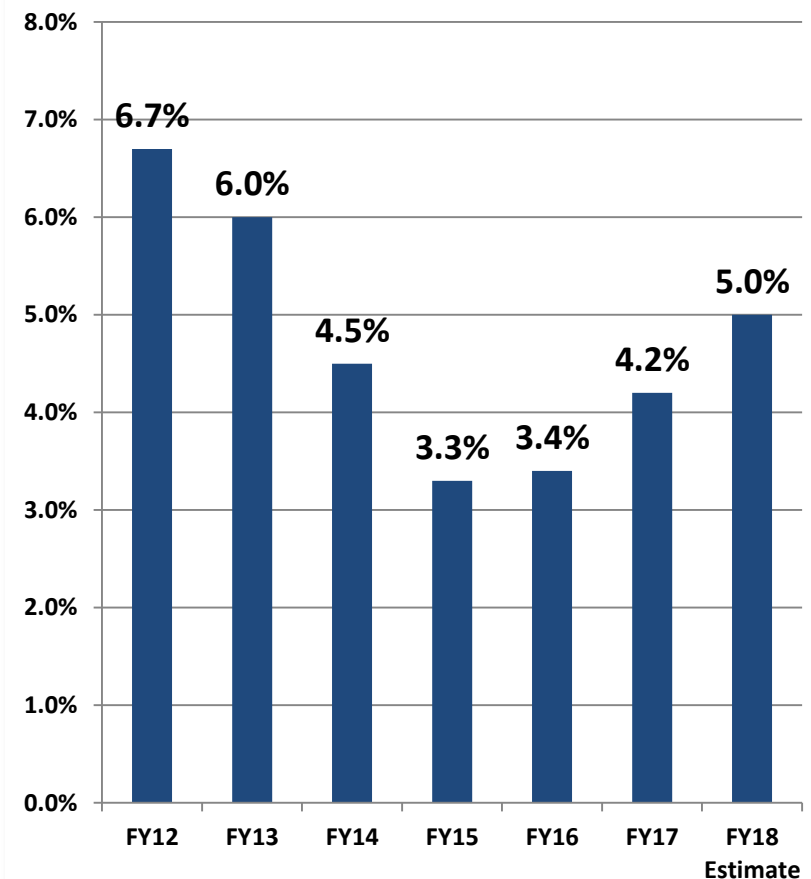
Capitalize on Previous Investments

- ✓ Dedicated e-commerce fulfillment center
- ✓ Upgraded e-commerce platform
- ✓ Upgraded point-of-sale, merchandise allocation and merchandise planning systems

Evaluate Real Estate Opportunities

- ✓ Approximately 85 lease decisions in FY19
- ✓ Generally favorable leasing environment
- ✓ Closing stores that have unacceptable profitability

Operating Margin % ⁽¹⁾



Why Invest in Tillys?



**We Are Executing on
Current Strengths...**

**Destination Retailer with a Broad
and Differentiated Assortment**

Dynamic Merchandise Model

**Flexible Real Estate Strategy Across
Real Estate Venues and Geographies**

Multi-pronged Marketing Approach

**Systems and Distribution /
Fulfillment Infrastructure to
Support Growth**

...To Drive Overall Growth

Drive Comparable Store Sales

**Continue to Grow E-com and
Leverage Omni-Channel Capabilities**

**Open New Stores and Reinvest in
Existing Stores**

Drive Brand Awareness

Increase Operating Margins