

TILLY'S, INC.
Form S-3
July 17, 2018
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As filed with the Securities and Exchange Commission on July 17, 2018

Registration No. 333-

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

Form S-3
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

TILLY S, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

45-2164791
(I.R.S. Employer
Identification Number)

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10 Whatney

Irvine, CA 92618

(949) 609-5599

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Edmond Thomas

President and Chief Executive Officer

Tilly's, Inc.

10 Whatney

Irvine, California 92618

(949) 609-5599

(Address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

Cary K. Hyden, Esq.

Michael A. Treska, Esq.

Latham & Watkins LLP

650 Town Center Drive, 20th Floor

Costa Mesa, California 92626

(714) 540-1235

APPROXIMATE DATE OF COMMENCEMENT OF PROPOSED SALE TO THE PUBLIC: From time to time after the effective date of this registration statement.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective on filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box.

If this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of large accelerated filer, accelerated filer, smaller reporting company, and emerging growth 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

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for comply with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of Securities Act.

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Amount to be registered(1)	Proposed maximum offering price	Proposed maximum aggregate	Amount of registration fee(2)
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		per unit(2)	offering price(2)	
Class A common stock, par value \$0.001 per share	9,500,000 shares	\$14.975	\$142,262,500.00	\$17,711.68

- (1) Represents the maximum number of shares of Class A common stock, par value \$0.001 per share (Class A common stock), issuable upon conversion of 8,859,389 shares of Class B common stock, par value \$0.001 per share (Class B common stock), held by certain of the Selling Stockholders (as defined in this Registration Statement) at a conversion rate of one share of Class A common stock for each share of Class B common stock, as well as 540,611 shares of Class A common stock held by Reid Investments LLC, and 100,000 shares of Class A common stock underlying stock options granted to Hezy Shaked that have vested and are exercisable.
- (2) The registration fee has been calculated in accordance with Rule 457(c) under the Securities Act of 1933, as amended, based on the average high and low prices reported for the registrant's Class A common stock on July 16, 2018.

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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The information in this prospectus is not complete and may be changed. These securities may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell nor does it seek an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to Completion, dated July 17, 2018.

PROSPECTUS

TILLY S, INC.

9,500,000 Shares

Class A Common Stock

Offered by the Selling Stockholders

This prospectus relates solely to the resale from time to time of up to an aggregate of 9,500,000 shares of Class A common stock, par value \$0.001 per share (Class A common stock), by the selling stockholders named herein, including their respective pledgees, donees, transferees or other successors-in-interest (the Selling Stockholders), which represents the maximum number of shares of Class A common stock issuable upon conversion of 8,859,389 shares of Class B common stock, par value \$0.001 per share (Class B common stock), held by certain of the Selling Stockholders at a conversion rate of one share of Class A common stock for each share of Class B common stock, in addition to 540,611 shares of Class A common stock held by Reid Investments LLC, and 100,000 shares of Class A common stock underlying stock options granted to Hezy Shaked that have vested and are exercisable.

We are not selling any Class A common stock under this prospectus, and we will not receive any proceeds from the sale of shares of Class A common stock by the Selling Stockholders.

Each time any of the Selling Stockholders offer and sell Class A common stock, such Selling Stockholders will provide a supplement to this prospectus that contains specific information about the offering and such Selling Stockholders, as well as the amounts, prices and terms of the Class A common stock to be offered thereby. The supplement may also add, update or change information contained in this prospectus with respect to that offering. You should carefully read this prospectus and the applicable prospectus supplement before you invest in our Class A common stock.

The Selling Stockholders may offer and sell shares of our Class A common stock from time to time, together or separately. If any underwriters, dealers or agents are involved in the sale of any of our Class A common stock, their names and any applicable purchase price, fee, commission or discount arrangement between or among them will be

set forth, or will be calculable from the information set forth, in the applicable prospectus supplement. See the sections of this prospectus entitled *About this Prospectus* and *Plan of Distribution* for more information. No Class A common stock to be sold under this prospectus may be sold without delivery of this prospectus and the applicable prospectus supplement describing the method and terms of the offering of such Class A common stock.

INVESTING IN OUR CLASS A COMMON STOCK INVOLVES RISKS. SEE THE RISK FACTORS ON PAGE 5 OF THIS PROSPECTUS AND ANY SIMILAR SECTION CONTAINED IN THE APPLICABLE PROSPECTUS SUPPLEMENT CONCERNING FACTORS YOU SHOULD CONSIDER BEFORE INVESTING IN OUR CLASS A COMMON STOCK.

Our Class A common stock is listed on the New York Stock Exchange under the symbol *TLYS*. On July 16, 2018, the last reported sale price of our Class A common stock on the New York Stock Exchange was \$15.12 per share.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this prospectus is _____, 2018.

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ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that we filed with the U.S. Securities and Exchange Commission, or the SEC, using a shelf registration process. By using a shelf registration statement, the Selling Stockholders named herein may, from time to time, sell up to 9,500,000 shares of Class A common stock in one or more offerings as described in this prospectus. Each time that the Selling Stockholders offer and sell Class A common stock, the Selling Stockholders will provide a prospectus supplement to this prospectus that contains specific information about the Class A common stock being offered and sold and the specific terms of that offering. We may also authorize one or more free writing prospectuses to be provided to you that may contain material information relating to these offerings. The prospectus supplement or free writing prospectus may also add, update or change information contained in this prospectus with respect to that offering. If there is any inconsistency between the information in this prospectus and the applicable prospectus supplement or free writing prospectus, you should rely on the prospectus supplement or free writing prospectus, as applicable. Before purchasing any Class A common stock, you should carefully read both this prospectus and the applicable prospectus supplement (and any applicable free writing prospectuses), together with the additional information described under the heading **Where You Can Find More Information; Incorporation by Reference**.

Neither we, nor the Selling Stockholders, have authorized anyone to provide you with any information or to make any representations other than those contained in this prospectus, any applicable prospectus supplement or any free writing prospectuses prepared by or on behalf of us or to which we have referred you. We and the Selling Stockholders take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. We and the Selling Stockholders will not make an offer to sell this Class A common stock in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus and the applicable prospectus supplement to this prospectus is accurate only as of the date on its respective cover, that the information appearing in any applicable free writing prospectus is accurate only as of the date of that free writing prospectus, and that any information incorporated by reference is accurate only as of the date of the document incorporated by reference, unless we indicate otherwise. Our business, financial condition, results of operations and prospects may have changed since those dates. This prospectus incorporates by reference, and any prospectus supplement or free writing prospectus may contain and incorporate by reference, market data and industry statistics and forecasts that are based on independent industry publications and other publicly available information. Although we believe these sources are reliable, we do not guarantee the accuracy or completeness of this information and we have not independently verified this information. In addition, the market and industry data and forecasts that may be included or incorporated by reference in this prospectus, any prospectus supplement or any applicable free writing prospectus may involve estimates, assumptions and other risks and uncertainties and are subject to change based on various factors, including those discussed under the heading **Risk Factors** contained in this prospectus, the applicable prospectus supplement and any applicable free writing prospectus, and under similar headings in other documents that are incorporated by reference into this prospectus. Accordingly, investors should not place undue reliance on this information.

As used in this prospectus, except where the context otherwise requires or where otherwise indicated, the terms **the Company**, **World of Jeans & Tops**, **WOJT**, **we**, **our**, **us**, **Tillys** and **Tilly's** refer to Tilly's, Inc. and its wholly owned subsidiary, World of Jeans & Tops, a California corporation. When we refer to **you**, we mean the potential holders of the Class A common stock that may be offered pursuant to this prospectus.

This prospectus, including the information incorporated herein by reference, includes and may include our trademarks, trade names, and service marks, which are protected under applicable intellectual property laws and are our property. This prospectus, including the information incorporated herein by reference, also contains trademarks, trade names, and service marks of other companies, which are the property of their respective owners. Solely for convenience,

trademarks, trade names, and service marks referred to in this prospectus may appear without the ®, TM or SM symbols, but such references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights or the right of the applicable licensor to these trademarks, trade names, and service marks. We do not intend our use or display of other parties' trademarks, trade names, or service marks to imply, and such use or display should not be construed to imply, a relationship with, or endorsement or sponsorship of us by, these other parties. Ambitious , Blue Crown , Division 7 , Eldon , Full Tilt , Full Tilt Sport , If it 's not here...it 's happening , Infamous , RSQ , Tilly 's , Vindicated , Destined , Tilly 's Clothing & Shoes , Full Tilt Swim , C
The Tilly 's Hookup , Vaporize , Ivy + Main , and Sky and Sparrow and logos related to some of these names, are among our trademarks registered with the United States Patent and Trademark Office.

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WHERE YOU CAN FIND MORE INFORMATION; INCORPORATION BY REFERENCE

Available Information

We file reports, proxy statements and other information with the SEC. Information filed with the SEC by us can be inspected and copied at the Public Reference Room maintained by the SEC at 100 F Street, N.E., Washington, D.C. 20549. You may also obtain copies of this information by mail from the Public Reference Room of the SEC at prescribed rates. Further information on the operation of the SEC's Public Reference Room in Washington, D.C. can be obtained by calling the SEC at 1-800-SEC-0330. The SEC also maintains a website that contains reports, proxy and information statements and other information about issuers, such as us, who file electronically with the SEC. The address of that website is <http://www.sec.gov>.

Our website address is www.tillys.com. The information on our website, however, is not, and should not be deemed to be, a part of this prospectus.

This prospectus and any prospectus supplement are part of a registration statement that we filed with the SEC and do not contain all of the information in the registration statement. The full registration statement may be obtained from the SEC or us, as provided below. Forms of the documents establishing the terms of the offered Class A common stock are or may be filed as exhibits to the registration statement or documents incorporated by reference in the registration statement. Statements in this prospectus or any prospectus supplement about these documents are summaries and each statement is qualified in all respects by reference to the document to which it refers. You should refer to the actual documents for a more complete description of the relevant matters. You may inspect a copy of the registration statement at the SEC's Public Reference Room in Washington, D.C. or through the SEC's website, as provided above.

Incorporation by Reference

The SEC's rules allow us to incorporate by reference information into this prospectus, which means that we can disclose important information to you by referring you to another document filed separately with the SEC. The information incorporated by reference is deemed to be part of this prospectus, and subsequent information that we file with the SEC will automatically update and supersede that information. Any statement contained in this prospectus or a previously filed document incorporated by reference will be deemed to be modified or superseded for purposes of this prospectus to the extent that a statement contained in this prospectus or a subsequently filed document incorporated by reference modifies or replaces that statement.

This prospectus and any accompanying prospectus supplement incorporate by reference the documents set forth below that have previously been filed with the SEC:

Our Annual Report on Form 10-K for the year ended February 3, 2018, filed with the SEC on March 30, 2018.

The information specifically incorporated by reference into our Annual Report on Form 10-K from our Definitive Proxy Statement on Schedule 14A, filed with the SEC on April 20, 2018.

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Our Current Reports on Form 8-K filed with the SEC on January 25, 2018 and May 30, 2018.

Our Quarterly Report on Form 10-Q for the quarter ended May 5, 2018, filed with the SEC on June 13, 2018.

The description of our Class A common stock contained in our registration statement on Form 8-A, dated May 2, 2012, filed with the SEC on May 2, 2012 and any amendment or report filed with the SEC for the purpose of updating the description.

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All reports and other documents we subsequently file pursuant to Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, which we refer to as the Exchange Act in this prospectus, prior to the termination of this offering, including all such documents we may file with the SEC after the date of the initial registration statement and prior to the effectiveness of the registration statement, but excluding any information furnished to, rather than filed with, the SEC, will also be incorporated by reference into this prospectus and deemed to be part of this prospectus from the date of the filing of such reports and documents.

You may request a free copy of any of the documents incorporated by reference in this prospectus by writing or telephoning us at the following address:

Tilly's, Inc.
10 Whatney
Irvine, California 92618
(949) 609-5599

Exhibits to the filings will not be sent, however, unless those exhibits have specifically been incorporated by reference in this prospectus or any accompanying prospectus supplement.

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THE COMPANY

Tillys is a leading destination specialty retailer of casual apparel, footwear and accessories for young men, young women, boys and girls. We believe we bring together an unparalleled selection of iconic global, emerging and proprietary brands rooted in an active and outdoor lifestyle. Our stores and website are designed to be a seamless extension of our teen and young adult consumers' lifestyles in a stimulating environment. Tillys is headquartered in Irvine, California and we operated 222 stores in 31 states as of May 5, 2018. Our stores are located in malls, lifestyle centers, power centers, community centers, outlet centers and street-front locations. Customers may also shop online, where we feature the same assortment of products as is carried in our brick-and-mortar stores, supplemented by additional online-only styles. We believe our success across a variety of real estate venues and geographies in the United States demonstrates Tillys' portability. Our goal is to serve as a destination for the most relevant merchandise and brands important to our customers.

The Tillys concept began in 1982 when our co-founders, Hezy Shaked and Tilly Levine, opened their first store in Orange County, California. Tilly's, Inc., a Delaware corporation, conducted an initial public offering on May 2, 2012, becoming the publicly-traded entity that operates the Tillys business through its wholly-owned subsidiary, World of Jeans & Tops, a California corporation. We filed our certificate of incorporation with the Secretary of State of Delaware on May 4, 2011.

Our principal executive offices are located at 10 Whatney, Irvine, CA 92618, and our telephone number is (949) 609-5599.

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RISK FACTORS

Investment in any Class A common stock offered pursuant to this prospectus and the applicable prospectus supplement involves risks. You should carefully consider the risk factors incorporated by reference to our most recent Annual Report on Form 10-K and any subsequent Quarterly Reports on Form 10-Q or Current Reports on Form 8-K we file after the date of this prospectus, and all other information contained or incorporated by reference into this prospectus, as updated by our subsequent filings under the Exchange Act, and the risk factors and other information contained in the applicable prospectus supplement and any applicable free writing prospectus before acquiring any of such Class A common stock. The occurrence of any of these risks might cause you to lose all or part of your investment in the offered Class A common stock.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus and the documents incorporated herein by reference contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are subject to risks and uncertainties. All statements other than statements of historical or current fact included in this prospectus are forward-looking statements. Forward-looking statements refer to our current expectations and projections relating to our financial condition, results of operations, plans, objectives, strategies, future performance and business. You can identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. These statements may include words such as anticipate, estimate, expect, project, plan, intend, believe, may, should, can have, likely and other words and terms of similar meaning in connection with any discussion of the timing or nature of future operating or financial performance or other events. For example, all statements we make relating to our estimated and projected earnings, revenues, comparable store sales, operating income, earnings per share, costs, expenditures, cash flows, growth rates and financial results, our plans and objectives for future operations, growth or initiatives, strategies or the expected outcome or impact of pending or threatened litigation are forward-looking statements. All forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially from those that we expected, including:

our ability to successfully open new stores and profitably operate our existing stores;

our ability to attract customers to our e-commerce website;

our ability to efficiently utilize our e-commerce fulfillment center;

effectively adapting to new challenges associated with our expansion into new geographic markets;

our ability to establish, maintain and enhance a strong brand image;

generating adequate cash from our existing stores to support our growth;

identifying and responding to new and changing customer fashion preferences and fashion-related trends;

competing effectively in an environment of intense competition both in stores and online;

containing the increase in the cost of mailing catalogs, paper and printing;

the success of the malls, power centers, neighborhood and lifestyle centers, outlet centers and street-front locations in which our stores are located;

our ability to attract customers in the various retail venues and geographies in which our stores are located;

our ability to adapt to downward trends in traffic for our stores and changes in our customers purchasing patterns;

adapting to declines in consumer confidence and decreases in consumer spending;

our ability to adapt to significant changes in sales due to the seasonality of our business;

our ability to compete in social media marketing platforms;

price reductions or inventory shortages resulting from failure to purchase the appropriate amount of inventory in advance of the season in which it will be sold;

natural disasters, unusually adverse weather conditions, boycotts and unanticipated events;

changes in the competitive environment in our industry and the markets we serve, including increased competition from other retailers;

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our dependence on third-party vendors to provide us with sufficient quantities of merchandise at acceptable prices;

increases in costs of energy, transportation or utility costs and in the costs of labor and employment;

our ability to balance proprietary branded merchandise with the third-party branded merchandise we sell;

most of our merchandise is made in foreign countries, making price and availability of our merchandise susceptible to international trade conditions;

failure of our vendors and their manufacturing sources to use acceptable labor or other practices;

our dependence upon key executive management or our inability to hire or retain the talent required for our business;

our ability to effectively adapt to our rapid expansion in recent years and our planned expansion;

failure of our information technology systems to support our current and growing business, before and after our planned upgrades;

disruptions in our supply chain and distribution center;

our indebtedness and lease obligations, including restrictions on our operations contained therein;

our reliance upon independent third-party transportation providers for certain of our product shipments;

our ability to increase comparable store sales or sales per square foot, which may cause our operations and stock price to be volatile;

disruptions to our information systems in the ordinary course or as a result of systems upgrades;

our inability to protect our trademarks or other intellectual property rights;

acts of war, terrorism or civil unrest;

the impact of governmental laws and regulations and the outcomes of legal proceedings;

our ability to secure the personal financial information of our customers and comply with the security standards for the credit card industry;

our failure to maintain adequate internal controls over our financial and management systems; and

continuing costs incurred as a result of being a public company.

We derive many of our forward-looking statements from our operating budgets and forecasts, which are based upon detailed assumptions. While we believe that our assumptions are reasonable, we caution that it is very difficult to predict the impact of known factors, and it is impossible for us to anticipate all factors that could affect our actual results.

See Risk Factors, as well as those factors or conditions described under Management's Discussion and Analysis of Financial Condition and Results of Operations, in each case in our annual report on Form 10-K for the year ended February 3, 2018 and in subsequent filings with the SEC incorporated by reference in this prospectus for a more complete discussion of the risks and uncertainties mentioned above and for discussion of other risks and uncertainties. All forward-looking statements attributable to us are expressly qualified in their entirety by these cautionary statements as well as others made in this prospectus and the documents incorporated herein, and hereafter in our other SEC filings and public communications. You should evaluate all forward-looking statements made by us in the context of these risks and uncertainties.

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We caution you that the risks and uncertainties identified by us may not be all of the factors that are important to you. Furthermore, the forward-looking statements included in this prospectus are made only as of the date hereof. We undertake no obligation to publicly update or revise any forward-looking statement as a result of new information, future events or otherwise, except as otherwise required by law.

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USE OF PROCEEDS

We will not receive any proceeds from the sale of shares of Class A common stock by any of the Selling Stockholders.

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DESCRIPTION OF CAPITAL STOCK

The following description of our capital stock is not complete and may not contain all the information you should consider before investing in our capital stock. This description is summarized from, and qualified in its entirety by reference to, our certificate of incorporation and bylaws, which have been publicly filed with the SEC. See *Where You Can Find More Information; Incorporation by Reference*.

Our authorized capital stock consists of:

100,000,000 shares of Class A common stock, \$0.001 par value;

35,000,000 shares of Class B common stock, \$0.001 par value; and

10,000,000 shares of preferred stock, \$0.001 par value.

Common Stock

Our certificate of incorporation divides our common stock into two classes of common stock, Class A common stock and Class B common stock. Holders of Class A common stock and Class B common stock have identical rights, except with respect to certain voting and conversion as further described below. The holders of Class A common stock are entitled to one vote per share held of record and holders of Class B common stock are entitled to 10 votes per share held of record on all matters submitted to a vote of stockholders, including the election of directors. Except as may be provided with respect to shares of preferred stock, the holders of our common stock will possess the exclusive voting power.

Holders of our common stock will have no preference, exchange, sinking fund, redemption or appraisal rights and have no preemptive rights to subscribe for any of our securities.

Voting Rights.

On all matters on which the holders of our common stock are entitled to vote, the holders of the Class A common stock and the Class B common stock vote together as a single class. Holders of Class A common stock are entitled to one vote for each share held of record and holders of Class B common stock are entitled to 10 votes for each share held of record on all matters submitted to a vote of stockholders. Holders of our common stock will not have cumulative voting rights, which means that in the election of directors, the holders of shares of common stock representing a plurality of the votes cast can elect all of the directors then standing for election, and the holders of the remaining shares will not be able to elect any directors. Our stockholders cannot amend, alter or repeal any provision of our bylaws without the affirmative vote of two thirds of all stockholders voting together as a single class.

Conversion of Class B Common Stock.

All outstanding shares of Class B common stock will convert automatically into a like number of shares of Class A common stock in the event:

The number of shares of Class A common stock and Class B common stock beneficially owned by Hezy Shaked and any Hezy Shaked Entity (as defined below), in the aggregate, represents less than 15.0% of the total aggregate number of shares of Class A common stock and Class B common stock outstanding;

The death of Hezy Shaked; or

Mr. Shaked's ceasing to be affiliated with us in any capacity as a result of a permanent disability.

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In addition, shares of Class B common stock that are transferred will automatically convert into a like number of shares of Class A common stock, other than transfers to Hezy Shaked or a Hezy Shaked Entity.

For purposes of our certificate of incorporation, a Hezy Shaked Entity is:

any not-for-profit corporation controlled by Hezy Shaked, Tilly Levine or the children of Hezy Shaked and Tilly Levine, or any combination thereof;

any other corporation if at least 66% of the value and voting power of its outstanding equity is owned by Hezy Shaked, Tilly Levine or the children of Hezy Shaked and Tilly Levine, or any combination thereof;

any partnership if at least 66% of the value and voting power of its partnership interests are owned by Hezy Shaked, Tilly Levine or the children of Hezy Shaked and Tilly Levine, or any combination thereof;

any limited liability or similar company if at least 66% of the value and voting power of the company and its membership interests are owned by Hezy Shaked, Tilly Levine or the children of Hezy Shaked and Tilly Levine; or

any trust the primary beneficiaries of which are Hezy Shaked, Tilly Levine or the children of Hezy Shaked and Tilly Levine and/or charitable organizations, which if the trust is a wholly charitable trust, at least 66% of the trustees of such trust are appointed by Hezy Shaked, Tilly Levine or the children of Hezy Shaked and Tilly Levine.

Dividend Rights.

The holders of our common stock are entitled to receive pro rata such lawful dividends when, if and as may be declared from time to time by our board of directors out of funds legally available for payment. However, such dividends would be subject to preferences that may be applicable to the holders of any outstanding shares of our preferred stock. See Dividend Policy.

Liquidation.

In the event of a liquidation, dissolution or winding up of the affairs of our company, whether voluntary or involuntary, the holders of our common stock will be entitled to receive pro rata all of our remaining assets available for distribution to our stockholders. Any such pro rata distribution would be subject to the rights of the holders of any outstanding shares of our preferred stock.

Rights and Preferences.

The shares of our common stock have no preemptive rights, no redemption or sinking fund provisions and are not liable for further call or assessment. The rights, powers, preferences and privileges of holders of our common stock are subject to, and may be adversely affected by, the rights of the holders of shares of any series of our preferred stock that we may designate and issue in the future. The outstanding shares of our common stock are, and all shares of

common stock to be issued in this offering will be, non-assessable.

Transfer Agent

The transfer agent and registrar for our common stock is Continental Stock Transfer & Trust Company.

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Dividend Policy

Our Class A common stock began trading on the New York Stock Exchange on May 4, 2012, in connection with our initial public offering. On January 31, 2017, we declared our first-ever special cash dividend of \$0.70 per share to all holders of record of issued and outstanding shares of both Class A common stock and Class B common stock as of the close of business on February 15, 2017, with payment made on February 24, 2017. On January 24, 2018, we declared a special cash dividend of \$1.00 per share to all holders of record of issued and outstanding shares of both Class A common stock and Class B common stock as of the close of business on February 9, 2018, with payment made on February 20, 2018. There can be no assurance that future dividends will be paid by us. We do not currently anticipate declaring any additional dividends in the foreseeable future. The declaration and payment of future dividends, if any, will be at the sole discretion of our board of directors based on its consideration of various factors, including our operating results, financial condition, and anticipated capital requirements.

Preferred Stock

As of July 16, 2018, we had no shares of preferred stock outstanding. Our board of directors has the authority, without further action by the stockholders, to issue up to 10,000,000 shares of preferred stock in one or more series and to fix the designations, powers, preferences, privileges, and relative participating, optional, or special rights as well as the qualifications, limitations, or restrictions of the preferred stock, including dividend rights, conversion rights, voting rights, terms of redemption and liquidation preferences, any or all of which may be greater than the rights of the common stock. Accordingly, our board of directors, without stockholder approval, may issue preferred stock with voting, conversion, or other rights that could adversely affect the voting power and other rights of the holders of common stock. Preferred stock could be issued quickly with terms calculated to delay or prevent a change of control or make removal of management more difficult. Additionally, the issuance of preferred stock may have the effect of decreasing the market price of our Class A common stock, may adversely affect the voting and other rights of the holders of our common stock, and could have the effect of delaying, deferring or preventing a change of control of our company or other corporate action. At present, we have no plans to issue any shares of preferred stock.

Anti-Takeover Effects of Delaware Law

We are subject to the provisions of Section 203 of the Delaware General Corporation Law. Under Section 203, we would generally be prohibited from engaging in any business combination with any interested stockholder for a period of three years following the time that this stockholder became an interested stockholder unless:

prior to this time, the board of directors of the corporation approved either the business combination or the transaction that resulted in the stockholder becoming an interested stockholder;

upon consummation of the transaction that resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, excluding shares owned by persons who are directors and also officers, and by employee stock plans in which employee participants do not have the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer; or

at or subsequent to such time, the business combination is approved by the board of directors and authorized at an annual or special meeting of stockholders, and not by written consent, by the affirmative vote of at least 66 2/3% of the outstanding voting stock that is not owned by the interested stockholder.

Under Section 203, a business combination includes:

any merger or consolidation involving the corporation and the interested stockholder;

any sale, transfer, pledge or other disposition of 10% or more of the assets of the corporation involving the interested stockholder;

any transaction that results in the issuance or transfer by the corporation of any stock of the corporation to the interested stockholder, subject to limited exceptions;

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any transaction involving the corporation that has the effect of increasing the proportionate share of the stock of any class or series of the corporation beneficially owned by the interested stockholder; or

the receipt by the interested stockholder of the benefit of any loans, advances, guarantees, pledges or other financial benefits provided by or through the corporation.

In general, Section 203 defines an interested stockholder as an entity or person beneficially owning 15% or more of the outstanding voting stock of the corporation and any entity or person affiliated with or controlling or controlled by such entity or person.

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SELLING STOCKHOLDERS

This prospectus relates to the possible resale by the Selling Stockholders, of up to 9,500,000 shares of our Class A common stock, which represents the maximum number of shares of Class A common stock issuable upon conversion of 8,859,389 shares of Class B common stock held by certain of the Selling Stockholders at a conversion rate of one share of Class A common stock for each share of Class B common stock, in addition to 540,611 shares of Class A common stock held by Reid Investments LLC, and 100,000 shares of Class A common stock underlying stock options granted to Hezy Shaked that have vested and are exercisable.

On May 2, 2012, in connection with the initial public offering of the Company, Hezy Shaked, Tilly Levine and certain trusts for which immediate family members of Mr. Shaked and Ms. Levine were trustees and the beneficiaries, exchanged all of their equity interests in World of Jeans & Tops for shares of Tilly's, Inc. Class B common stock on a one-for-one basis. On September 2, 2014, the trusts that held such shares of Class B common stock terminated by their respective terms, and, in accordance with their terms, distributed for no consideration their respective Class B common stock to the remaining Selling Stockholders described below.

The following table sets forth information with respect to the beneficial ownership of our common stock held as of July 16, 2018 by each of the Selling Stockholders, including the number of shares of Class A common stock being offered hereby and information with respect to common stock to be beneficially owned by the Selling Stockholders assuming all the shares of Class A common stock registered hereunder are sold. Beneficial ownership is determined in accordance with the rules of the SEC. Except as indicated by footnote, we believe that each stockholder identified in the table possesses sole voting and investment power with respect to the shares shown as beneficially owned by such stockholder.

The information set forth in the table below is based on information provided by or on behalf of the Selling Stockholders. Information concerning the Selling Stockholders may change from time to time and any changed information will be set forth in supplements to this prospectus, if and when necessary. The Selling Stockholders may offer all, some or none of their shares of Class A common stock to the extent permitted by the rules of the SEC. We cannot advise you as to whether the Selling Stockholders will in fact sell any or all of such shares of Class A common stock. In addition, the Selling Stockholders listed in the table below may have sold, transferred or otherwise disposed of all or a portion of their Class A common stock since the date on which they provided the information set forth in the table below. The address of each of the Selling Stockholders named in the table below is: c/o Tilly's, Inc., 10 Whatney, Irvine, California, 92618.

Certain information regarding relationships between the Selling Stockholders and us is set forth following the table below and elsewhere in this prospectus.

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Name of Selling Stockholder	Shares of common stock beneficially owned prior to the offering					Maximum number of shares of Class A common stock offered(6)	Shares of common stock beneficially owned after sale of maximum number of shares that may be offered in the offering		
	Class A(1)	Percent of Class(2)	Class B(3)	Class(4)	Percent of Voting Power(5)		Percent of Total Voting Power(5)		
							Class A (1)	Class B (3)	Percent of Class Power(5)
Hezy Shaked (7)	640,611	4.1%	12,450,952	90.5%	81.7%	5,298,697	4,899,108	100.0%	66.7%
Tilly Levine (8)			4,001,919	29.1%	4.2%	2,353,147	1,000,000	20.4%	
Tilly Levine, Trustee HS Annuity Trust Dated August 6, 2010 Trust for Netta Shaked-Schroer (9)			324,386	2.4%	2.1%	324,386			
Tilly Levine, Trustee HS Annuity Trust Dated August 6, 2010 Trust for Amy Shaked-Diaz (10)			324,386	2.4%	2.1%	324,386			
Amy Shaked Diaz & Netta Shaked-Schroer, Co-Trustees of the HS Annuity Trust Dated August 6, 2010 Trust for Netta Shaked-Schroer (11)			329,387	2.4%	2.1%	329,387			
Amy Shaked Diaz & Netta Shaked-Schroer, Co-Trustees of the HS Annuity Trust Dated August 6, 2010 Trust for Amy Shaked-Diaz (12)			329,386	2.4%	2.1%	329,386			
Mid Investments, LLC (13)	540,611	3.5%			*	540,611			

* Denotes less than 1.0%.

- (1) The information set forth in the table with respect to current ownership of Class A common stock does not reflect the shares of Class A common stock that are issuable upon conversion of the shares of Class B common stock listed in the table.
- (2) The percentage of shares of Class A common stock beneficially owned is computed on the basis of 15,649,185 shares of our Class A common stock outstanding as of July 16, 2018. Shares of Class A common stock which the applicable Selling Stockholder has the right to acquire within 60 days of July 16, 2018 are deemed to be outstanding and beneficially owned by the person holding such rights for the purpose of computing the percentage of ownership of such person but are not treated as outstanding for the purposes of computing the percentage of any other person.
- (3) Each share of Class B common stock shall convert automatically into one share of Class A common stock upon transfer, other than to Hezy Shaked or any other Hezy Shaked Entities, as well as upon certain other events, in each case as described in Description of Capital Stock Common Stock Conversion of Class B Common Stock .
- (4)

The percentage of shares beneficially owned is computed on the basis of 13,758,497 shares of our Class B common stock outstanding as of July 16, 2018.