

FRANCESCA'S HOLDINGS CORPORATION
CORPORATE GOVERNANCE GUIDELINES

The following Corporate Governance Guidelines (the “*Guidelines*”) have been adopted by the Board of Directors (the “*Board*”) of Francesca’s Holdings Corporation, a Delaware corporation (the “*Corporation*”) to assist the Board in the exercise of its responsibilities. These Guidelines are subject to periodic review by the Nominating and Corporate Governance Committee (the “*Committee*”) of the Board and to modification from time to time by the Board.

1. BOARD COMPOSITION

1.1. Classified Board

The Board is divided into three classes, with one class subject to election at each annual meeting of stockholders. Each director is elected for a three-year term and until his or her successor has been duly elected and qualified, with vacancies filled as provided in the Corporation’s Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws (“*Bylaws*”).

1.2. Size of the Board

The number of directors shall be established by the Board in accordance with the Bylaws as in effect from time to time. The Board and the Committee periodically review the appropriate size of the Board, which may vary from time to time to accommodate the availability of suitable candidates and the needs of the Company.

1.3. Director Independence

The Board shall be composed of a majority of directors who, in the business judgment of the Board, qualify as “independent directors” (each, an “*Independent Director*”) under the listing standards of The NASDAQ Stock Market LLC (“*NASDAQ*”). The Board shall make an affirmative determination at least annually as to the independence of each director. Each director who is a member of the Committee, the Compensation Committee of the Board (“*Compensation Committee*”) or the Audit Committee of the Board (“*Audit Committee*”) shall be an Independent Director.

1.4. Selection of Directors

The Board will be responsible for nominating members for election to the Board by the Company’s stockholders at the annual meeting of stockholders. The Board is also responsible for filling vacancies on the Board that may occur between annual meetings of stockholders. The Committee is responsible for identifying, considering, evaluating and recommending to the Board individuals qualified to become members of the Board, in accordance with the Bylaws and consistent with the criteria, policies and principles set by the Board in Section 1.5 below and any additional criteria (such as experience, qualifications, attributes and skills) desired for directors and director candidates as may be determined from time to time by the Board. Stockholders may also recommend director candidates for election to the Board and the Committee will consider such director candidates in the same manner and using the same criteria as that used for any other director candidate. Stockholders who wish to recommend a director candidate for consideration by the Committee and the Board should submit their recommendation in writing to the Corporate Secretary within the time period provided in the Bylaws for

the advance notice for director nominations. The Committee may also request additional information concerning such director candidate as it deems reasonably necessary to determine the eligibility and qualification of the director candidate to serve as a member of the Board.

1.5. Board Membership Criteria

The Committee of the Board is responsible for reviewing and recommending to the Board from time to time the experience, qualifications, attributes, skills or other criteria desired for directors and director candidates. The Committee seeks to recommend candidates that further the objective of having a Board that encompasses a broad range of talents and expertise and reflects a diversity of background, experience and viewpoints.

1.6. Director Orientation and Continuing Education

The Company will maintain an orientation process for all new directors to familiarize such directors with, among other things, the Company's business, strategic plans, significant financial, accounting and risk management issues, compliance programs, conflicts policies, code of conduct and ethics, these Guidelines and other policies. The orientation and continuing education programs, which are subject to the oversight of the Committee, are the responsibility of the Chief Executive Officer and administered by the Corporate Secretary.

1.7. Retirement Age

The Board does not believe that a fixed retirement age for directors is appropriate.

1.8. Change in Director Circumstances

A director who retires from his or her present employment or materially changes his or her job responsibility or business association or experiences other changed circumstances which may present a conflict of interest or diminish his or her effectiveness as a Board member or ability to dedicate appropriate time and attention to his or her service on the Board should promptly tender his or her resignation from the Board for consideration by the Committee. The Committee will recommend to the Board the action, if any, to be taken with respect to such resignation based on its assessment of whether or not the individual continues to satisfy the Board's membership criteria. The Board will act on the resignation, taking into account the Committee's recommendation, and may accept or reject such resignation in its sole discretion.

1.9. Term Limits

The Board does not mandate term limits for its directors.

1.10. Limits on Board Members and Other Significant Activities

Service on the Board requires significant time and attention. Generally, directors are not expected to serve simultaneously on more than five public company boards, including the Company's Board, except with the prior approval of the Board. In addition, any director who also serves as the Chief Executive Officer, or in equivalent position, generally should not serve on more than two public company boards, including the Company's Board, in addition to their employer's board.

1.11. Board Compensation

A director who is also an employee shall not receive additional compensation for service as a director. As provided in its charter, the Compensation Committee is charged with the responsibility for periodically evaluating and making recommendations to the full Board the form and amounts of compensation and benefits for non-employee directors. Director compensation should be competitive. The Compensation Committee may also retain compensation consultants as needed to assist with its review of director compensation.

1.12. Evaluation of Board

The Board shall be responsible for periodically, and at least annually, conducting a self-evaluation of the Board of its performance. The Committee shall be responsible for establishing the evaluation criteria and overseeing the implementation of the process for such evaluation.

1.13. Evaluation of Committees of the Board

Each committee of the Board shall be responsible for periodically, and at least annually, conducting a self-evaluation of each such committee's performance. The Committee shall be responsible for establishing the evaluation criteria and overseeing the implementation of the process for such evaluation.

1.14. Board Contact with Senior Management

Board members shall have complete access to management. Board members shall use sound business judgment to ensure that such contact is not distracting, and, if in writing, shall be copied to the Chief Executive Officer and the Chairman of the Board or Lead Independent Director.

1.15. Access to Independent Advisors

The Board and its committees shall have the right, at any time and at the Company's expense, to retain independent outside financial, compensation, legal or other advisors and experts as it deems necessary or appropriate to carry out its duties.

1.16. Board Interaction with Institutional Investors, Analysts and Press

The Board believes that management generally should speak for the Company, consistent with all regulations governing such communications and with common sense. Unless otherwise agreed to or requested by the Chairman of the Board, each director shall refer all inquiries from institutional investors, analysts and the press to designated members of senior management or to the Chairman.

2. BOARD MEETINGS

2.1. Frequency of Meetings

The number of Board meetings will vary with circumstances; however, a minimum of four meetings will be held annually. Special meetings of the Board will be called as necessary.

2.2. Attendance

Absent extenuating circumstances, Board members are expected to attend all meetings of the Board and committees on which they serve, and to participate telephonically in regularly scheduled Board and committee meetings when they are unable to attend in person. A director who is unable to attend a meeting (which it is understood will occur on occasion) is expected to notify the Chairman or Lead Independent Director or the chairperson of the appropriate committee in advance of such meeting.

Directors are invited and encouraged to attend the Company's annual meeting of stockholders.

2.3. Selection of Agenda Items for Board Meetings

The Chairman, in consultation with the Lead Independent Director, if any, the Corporate Secretary and the Chief Executive Officer, will establish a schedule of subjects to be discussed during the year (to the extent this can be foreseen) and an agenda for each Board meeting. Each Board member is encouraged to suggest the inclusion of items on the agenda at any time. Each Board member is free to raise at any Board meeting subjects that are not on the agenda for that meeting.

2.4. Executive Sessions of Non-Management and Independent Directors

The Independent Directors shall meet in an executive session at least once a year. These meetings may be in person or held telephonically. Executive session discussions may include such topics as the Independent Directors determine.

2.5. Board Materials Distributed in Advance

Information and data is important to the Board's understanding of the business and essential to prepare Board members for productive meetings. Presentation materials relevant to each meeting will generally be distributed in writing to the Board for their review in advance of the meeting.

3. COMMITTEE MATTERS

3.1. Board Committees

The Corporation shall have the following three standing committees: Audit, Compensation, and Nominating and Corporate Governance. Each of the standing committees shall be comprised of no fewer than the number of members set forth in the relevant committee charter. In addition, the Board may form ad hoc committees from time to time and determine the composition and responsibilities of such committees.

3.2. Board Committee Membership

The Audit Committee, Compensation Committee and the Committee shall consist solely of Independent Directors and all directors shall meet the additional requirements, if any, specified in the applicable committee charter. The Committee shall be responsible, after consultation with the Chairman, for making recommendations to the Board with respect to the assignment of Board members to various committees. After reviewing the Committee's recommendations, the Board shall be responsible for appointing the members to the committees and, if applicable, respective chairs thereof, on an annual basis.

The Chairman and the Committee shall annually review the committee assignments and shall consider the rotation of committee chairs and members with a view toward balancing the benefits derived from continuity against the benefits derived from the diversity of experience and viewpoints of the various directors.

3.3. Committee Charters

All standing committees of the Board will operate pursuant to a written charter, which sets forth the responsibilities of the committee and procedures that the committee will follow. Each Board committee shall annually review its charter and recommend to the Board any changes it deems necessary. In addition to its charter, the Committee will annually review these Guidelines and recommend to the full Board any changes it deems necessary.

4. LEADERSHIP DEVELOPMENT

4.1. Evaluation of Chief Executive Officer

The Board, in consultation with the Compensation Committee, shall conduct an annual review of the performance of the Chief Executive Officer. The evaluation will include an assessment of corporate performance, development of management, the accomplishment of annual objectives and long-term strategic goals and such other criteria as the Compensation Committee may determine to be appropriate. The evaluation will be used by the Compensation Committee in the course of its deliberations when considering the compensation of the Chief Executive Officer.

4.2. Succession Planning

The Corporation understands the importance of succession planning. Therefore, the Compensation Committee, along with the Chief Executive Officer, shall analyze the current management, identify possible successors to senior management, and timely develop a succession plan including the succession in the event of an emergency or retirement of the Chief Executive Officer. The plan shall then be reviewed by the entire Board, and reviewed periodically thereafter.

5. STOCKHOLDER COMMUNICATIONS WITH THE BOARD OF DIRECTORS

Stockholders may send written communications to the Board or to specified individuals on the Board, c/o Corporate Secretary at 8760 Clay Road, Houston, Texas 77080. All mail received will be opened and communications that relate to matters that are within the scope of the responsibilities of the Board, other than solicitations, junk mail and frivolous or inappropriate communications, will be forwarded to the Chairman of the Board or any specified individual director, as applicable. If the correspondence is addressed to the Board, the Chairman will distribute it to the other members of the Board if he/she determines it should be reviewed by the full Board.