



## Genesco Reports Fourth Quarter Fiscal 2017 Results

March 10, 2017

NASHVILLE, Tenn., March 10, 2017 /PRNewswire/ -- Genesco Inc. (NYSE: GCO) today reported earnings from continuing operations for the fourth quarter ended January 28, 2017, of \$46.8 million, or \$2.40 per diluted share, compared to earnings from continuing operations of \$45.0 million, or \$2.07 per diluted share, for the fourth quarter ended January 30, 2016. Fiscal 2017 fourth quarter results reflect a pretax gain of \$9.2 million, or \$0.25 per diluted share after tax, including a gain on the sale of SureGrip Footwear of \$12.3 million and a gain of \$0.8 million on other legal matters, partially offset by \$3.9 million of asset impairment charges, pension settlement expenses and other items. Fiscal 2016 fourth quarter results reflect a pretax gain of \$0.8 million, or a \$0.04 loss per diluted share after tax, including a gain on the sale of Lids Team Sports of \$4.7 million, partially offset by \$3.9 million of asset impairment charges, asset write-downs and network intrusion expenses.

Adjusted for the items described above in both periods, earnings from continuing operations were \$41.8 million, or \$2.15 per diluted share, for the fourth quarter of Fiscal 2017, compared to earnings from continuing operations of \$45.8 million, or \$2.11 per diluted share, for the fourth quarter of Fiscal 2016. For consistency with Fiscal 2017's previously announced earnings expectations and with previously reported adjusted results for the prior year period, the Company believes that the disclosure of the results from continuing operations adjusted for these items will be useful to investors. A reconciliation of earnings and earnings per share from continuing operations in accordance with U.S. Generally Accepted Accounting Principles with the adjusted earnings and earnings per share numbers presented in this paragraph is set forth on Schedule B to this press release.

Net sales for the fourth quarter of Fiscal 2017 decreased 5% to \$883 million from \$932 million in the fourth quarter of Fiscal 2016, reflecting the sale of the Lids Team Sports business in the fourth quarter of last year and a decrease of approximately 2% in sales from the remaining businesses.

Consolidated fourth quarter 2017 comparable sales, including same store sales and comparable e-commerce and catalog sales were flat with an 8% increase in the Lids Sports Group, a 6% decrease in the Journeys Group, a 2% increase in the Schuh Group, and a 1% decrease in the Johnston & Murphy Group. Comparable sales for the Company reflected a 2% decrease in same store sales and a 12% increase in e-commerce sales.

The Company also reported net sales for the year ended January 28, 2017, of \$2.9 billion, a decrease of 5% from net sales of \$3.0 billion for the year ended January 30, 2016 reflecting the sale of the Lids Team Sports business in the fourth quarter of last year and a decrease of less than 1% in sales from the remaining businesses. Earnings from continuing operations for Fiscal 2017 were \$97.9 million, or \$4.85 per diluted share, compared to earnings from continuing operations of \$95.4 million, or \$4.15 per diluted share, for Fiscal 2016. Fiscal 2017 earnings reflect an after-tax gain of \$0.52 per diluted share, including a \$14.7 million gain on the sale of SureGrip Footwear and Lids Team Sports, an \$8.9 million gain on network intrusion expenses as a result of a litigation settlement, and a \$0.8 million gain on other legal matters, partially offset by \$8.9 million in asset impairments and pension settlement expenses. Fiscal 2016 earnings reflect after-tax charges of \$0.14 per diluted share, including \$9.4 million in asset impairments, asset write-downs, network intrusion expenses, compensation expense associated with the Schuh deferred purchase price, and other legal matters, partially offset by a \$4.7 million gain on the sale of Lids Team Sports.

Adjusted for the listed items in both years, earnings from continuing operations were \$87.2 million, or \$4.33 per diluted share, for Fiscal 2017, compared to earnings from continuing operations of \$98.6 million, or \$4.29 per diluted share, for Fiscal 2016. For consistency with previously announced earnings expectations, which did not reflect the listed items, the Company believes that disclosure of earnings from continuing operations adjusted for those items will be useful to investors. A reconciliation of the adjusted financial measures to their corresponding measures as reported pursuant to U.S. Generally Accepted Accounting Principles is included in Schedule B to this press release.

The Company repurchased a total of 2.2 million shares of common stock in Fiscal 2017 at a total cost of \$133 million and an average price of \$61.81 per share. The Company did not repurchase any shares in the fourth quarter of Fiscal 2017. Through the end of fiscal February 2018, the Company had repurchased 138,900 shares at a total cost of \$8 million and an average price of \$59.49.

Robert J. Dennis, chairman, president and chief executive officer of Genesco, said, "Fourth quarter EPS came in above last year's levels and above expectations fueled in large part by better holiday selling than anticipated for most of our businesses. The strong gross margin and operating income recovery experienced at Lids and Schuh offset some impact of the significant fashion rotation at Journeys. January markdown and other assumptions proved to be conservative and we benefitted from a number of year-end items that contributed to the EPS beat as well. Year-over-year operating income was down, but EPS improved due to share buybacks and a lower tax rate.

"While Journeys has made good progress adjusting its assortment to better reflect current consumer demand, until it anniversaries the negative comps from last summer, we will continue to face headwinds. In addition, Fiscal 2018 is off to a sluggish start, as expected, with the delayed income tax refunds clouding visibility into our sales trends early in the year. This plus some uncertainty with the direction of the overall retail economy causes us to be cautious about the current year. We expect adjusted diluted earnings per share for the year in the range of \$4.40 to \$4.55." These expectations do not include expected non-cash asset impairments and other charges, estimated in the range of \$5.8 million to \$6.8 million pretax, or \$0.22 to \$0.26 per share after tax, for the full fiscal year. This guidance assumes comparable sales increases in the 2% to 3% range for the full year. A reconciliation of the adjusted financial measures cited in the guidance to their corresponding measures as reported pursuant to U.S. Generally Accepted Accounting Principles is included in Schedule B to this press release.

Dennis concluded, "While the current retail operating environment remains challenging, we continue to be optimistic about our long-term prospects for growth and margin recovery due to the solid strategic positioning of our businesses and the strength of our disciplined operating teams."

### Conference Call and Management Commentary

The Company has posted detailed financial commentary in writing on its website, [www.genesco.com](http://www.genesco.com), in the investor relations section. The Company's live conference call on March 10, 2017 at 7:30 a.m. (Central time), may be accessed through the Company's internet website, [www.genesco.com](http://www.genesco.com). To

listen live, please go to the website at least 15 minutes early to register, download and install any necessary software.

### Cautionary Note Concerning Forward-Looking Statements

This release contains forward-looking statements, including those regarding the performance outlook for the Company and its individual businesses (including, without limitation, sales, expenses, margins and earnings) and all other statements not addressing solely historical facts or present conditions. Actual results could vary materially from the expectations reflected in these statements. A number of factors could cause differences. These include adjustments to estimates and projections reflected in forward-looking statements, including the level and timing of promotional activity necessary to maintain inventories at appropriate levels; the timing and amount of non-cash asset impairments related to retail store fixed assets and intangible assets of acquired businesses; the effectiveness of the Company's omnichannel initiatives; costs associated with changes in minimum wage and overtime requirements; the level of chargebacks from credit card users for fraudulent purchases or other reasons; weakness in the consumer economy and retail industry; competition in the Company's markets; fashion trends that affect the sales or product margins of the Company's retail product offerings; weakness in shopping mall traffic and challenges to the viability of malls where the Company operates stores, related to planned closings of department stores or other factors; the imposition of tariffs on imported products or the disallowance of tax deductions on imported products; changes in buying patterns by significant wholesale customers; bankruptcies or deterioration in financial condition of significant wholesale customers or the inability of wholesale customers or consumers to obtain credit; disruptions in product supply or distribution; unfavorable trends in fuel costs, foreign exchange rates, foreign labor and material costs, and other factors affecting the cost of products; the effects of the British decision to exit the European Union, including potential effects on consumer demand, currency exchange rates, and the supply chain; the Company's ability to continue to complete and integrate acquisitions, expand its business and diversify its product base; changes in the timing of holidays or in the onset of seasonal weather affecting period-to-period sales comparisons; and the performance of athletic teams, the participants in major sporting events such as the Super Bowl and World Series, developments with respect to certain individual athletes, and other sports-related events or changes that may affect period-to-period comparisons in the Company's Lids Sports Group retail businesses. Additional factors that could affect the Company's prospects and cause differences from expectations include the ability to build, open, staff and support additional retail stores and to renew leases in existing stores and control occupancy costs, and to conduct required remodeling or refurbishment on schedule and at expected expense levels; deterioration in the performance of individual businesses or of the Company's market value relative to its book value, resulting in impairments of fixed assets or intangible assets or other adverse financial consequences; unexpected changes to the market for the Company's shares; variations from expected pension-related charges caused by conditions in the financial markets; disruptions in the Company's information technology systems either by security breaches and incidents or by potential problems associated with the implementation of new or upgraded systems; and the cost and outcome of litigation, investigations and environmental matters involving the Company. Additional factors are cited in the "Risk Factors," "Legal Proceedings" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections of, and elsewhere in, our SEC filings, copies of which may be obtained from the SEC website, [www.sec.gov](http://www.sec.gov), or by contacting the investor relations department of Genesco via our website, [www.genesco.com](http://www.genesco.com). Many of the factors that will determine the outcome of the subject matter of this release are beyond Genesco's ability to control or predict. Genesco undertakes no obligation to release publicly the results of any revisions to these forward-looking statements that may be made to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events. Forward-looking statements reflect the expectations of the Company at the time they are made. The Company disclaims any obligation to update such statements.

### About Genesco Inc.

Genesco Inc., a Nashville-based specialty retailer, sells footwear, headwear, sports apparel and accessories in more than 2,775 retail stores and leased departments throughout the U.S., Canada, the United Kingdom, the Republic of Ireland and Germany, principally under the names Journeys, Journeys Kidz, Shi by Journeys, Schuh, Schuh Kids, Little Burgundy, Lids, Locker Room by Lids, Lids Clubhouse, Johnston & Murphy, and on internet websites [www.journeys.com](http://www.journeys.com), [www.journeyskidz.com](http://www.journeyskidz.com), [www.journeys.ca](http://www.journeys.ca), [www.shibyjourneys.com](http://www.shibyjourneys.com), [www.schuh.co.uk](http://www.schuh.co.uk), [www.littleburgundyshoes.com](http://www.littleburgundyshoes.com), [www.johnstonmurphy.com](http://www.johnstonmurphy.com), [www.lids.com](http://www.lids.com), [www.lids.ca](http://www.lids.ca), [www.lidslockerroom.com](http://www.lidslockerroom.com), [www.lidsclubhouse.com](http://www.lidsclubhouse.com), [www.neweracap.com](http://www.neweracap.com), [www.trask.com](http://www.trask.com), and [www.dockershoes.com](http://www.dockershoes.com). The Company's Lids Sports Group division operates the Lids headwear stores, the Locker Room by Lids and other team sports fan shops and single team clubhouse stores. In addition, Genesco sells wholesale footwear under its Johnston & Murphy brand, the Trask brand, the licensed Dockers brand, G.H. Bass & Co., and other brands. For more information on Genesco and its operating divisions, please visit [www.genesco.com](http://www.genesco.com).

### GENESCO INC.

#### Consolidated Earnings Summary

| In Thousands   | Fourth Quarter   |                  | Fiscal Year Ended |                  |
|--|------------------|------------------|-------------------|------------------|
|  | Jan. 28,<br>2017 | Jan. 30<br>2016  | Jan. 28,<br>2017  | Jan. 30<br>2016  |
| Net sales  | \$ 883,169       | \$ 932,214       | \$ 2,868,341      | \$ 3,022,234     |
| Cost of sales  | 465,712          | 509,058          | 1,450,815         | 1,578,768        |
| Selling and administrative expenses*                           | 350,765          | 348,782          | 1,276,368         | 1,284,322        |
| Asset impairments and other, net                               | 2,997            | 3,923            | (802)             | 7,893            |
| Earnings from operations                                       | 63,695           | 70,451           | 141,960           | 151,251          |
| Gain on sale of SureGrip Footwear                              | (12,297)         | -                | (12,297)          | -                |
| Gain on sale of Lids Team Sports                               | 81               | (4,685)          | (2,404)           | (4,685)          |
| Interest expense, net  | 1,316            | 1,500            | 5,247             | 4,403            |
| <b>Earnings from continuing operations before income taxes</b> | <b>74,595</b>    | <b>73,636</b>    | <b>151,414</b>    | <b>151,533</b>   |
| Income tax expense   | 27,752           | 28,648           | 53,555            | 56,152           |
| Earnings from continuing operations                            | 46,843           | 44,988           | 97,859            | 95,381           |
| Provision for discontinued operations                          | (295)            | (324)            | (428)             | (812)            |
| <b>Net Earnings</b>  | <b>\$ 46,548</b> | <b>\$ 44,664</b> | <b>\$ 97,431</b>  | <b>\$ 94,569</b> |

\*Includes \$1.5 million in deferred payments related to the Schuh acquisition for the fiscal year ended January 30, 2016.

### Earnings Per Share Information

| In Thousands (except per share amounts)                      | Fourth Quarter   |                 | Fiscal Year Ended |                 |
|--|------------------|-----------------|-------------------|-----------------|
|  | Jan. 28,<br>2017 | Jan. 30<br>2016 | Jan. 28,<br>2017  | Jan. 30<br>2016 |
| Average common shares - Basic EPS                            | 19,383           | 21,595          | 20,076            | 22,880          |
| Basic earnings per share:                                    |                  |                 |                   |                 |
| Before discontinued operations                               | \$2.42           | \$2.08          | \$4.87            | \$4.17          |
| Net earnings   | \$2.40           | \$2.07          | \$4.85            | \$4.13          |
| Average common and common<br>equivalent shares - Diluted EPS | 19,493           | 21,693          | 20,172            | 23,000          |
| Diluted earnings per share:                                  |                  |                 |                   |                 |
| Before discontinued operations                               | \$2.40           | \$2.07          | \$4.85            | \$4.15          |
| Net earnings   | \$2.39           | \$2.06          | \$4.83            | \$4.11          |

### GENESCO INC.

### Consolidated Earnings Summary

| In Thousands   | Fourth Quarter    |                   | Fiscal Year Ended   |                     |
|--|-------------------|-------------------|---------------------|---------------------|
|  | Jan. 28,<br>2017  | Jan. 30<br>2016   | Jan. 28,<br>2017    | Jan. 30<br>2016     |
| Sales:   |                   |                   |                     |                     |
| Journeys Group   | \$ 391,132        | \$ 403,832        | \$ 1,251,646        | \$ 1,251,637        |
| Schuh Group  | 110,155           | 122,264           | 372,872             | 405,674             |
| Lids Sports Group  | 278,943           | 299,990           | 847,510             | 975,504             |
| Johnston & Murphy Group  | 82,083            | 81,081            | 289,324             | 278,681             |
| Licensed Brands  | 20,748            | 24,708            | 106,372             | 109,826             |
| Corporate and Other  | 108               | 339               | 617                 | 912                 |
| <b>Net Sales</b>   | <b>\$ 883,169</b> | <b>\$ 932,214</b> | <b>\$ 2,868,341</b> | <b>\$ 3,022,234</b> |
| Operating Income (Loss):   |                   |                   |                     |                     |
| Journeys Group   | \$ 36,118         | \$ 53,654         | \$ 85,875           | \$ 126,248          |
| Schuh Group (1)  | 10,883            | 8,244             | 20,530              | 19,124              |
| Lids Sports Group  | 20,221            | 10,140            | 41,563              | 17,040              |
| Johnston & Murphy Group  | 7,663             | 8,301             | 19,682              | 17,761              |
| Licensed Brands  | (210)             | 1,710             | 4,566               | 9,236               |
| Corporate and Other (2)  | (10,980)          | (11,598)          | (30,256)            | (38,158)            |
| Earnings from operations   | 63,695            | 70,451            | 141,960             | 151,251             |
| Gain on sale of SureGrip Footwear                                  | (12,297)          | -                 | (12,297)            | -                   |
| Gain on sale of Lids Team Sports                                   | 81                | (4,685)           | (2,404)             | (4,685)             |
| Interest, net  | 1,316             | 1,500             | 5,247               | 4,403               |
| <b>Earnings from continuing operations<br/>before income taxes</b> | <b>74,595</b>     | <b>73,636</b>     | <b>151,414</b>      | <b>151,533</b>      |
| Income tax expense   | 27,752            | 28,648            | 53,555              | 56,152              |
| Earnings from continuing operations                                | 46,843            | 44,988            | 97,859              | 95,381              |
| Provision for discontinued operations                              | (295)             | (324)             | (428)               | (812)               |
| <b>Net Earnings</b>  | <b>\$ 46,548</b>  | <b>\$ 44,664</b>  | <b>\$ 97,431</b>    | <b>\$ 94,569</b>    |

(1) Includes \$1.5 million in deferred payments related to the Schuh acquisition for the fiscal year ended January 30, 2016.

(2) Includes a \$3.0 million charge in the fourth quarter of Fiscal 2017 which includes \$2.5 million pension settlement expense and \$1.4 million for asset impairments, partially offset by a \$0.9 million gain for other legal matters. Includes a \$0.8 million gain for Fiscal 2017 which includes an \$8.9 million gain for network intrusion expenses as a result of a litigation settlement and a \$0.8 million gain for other legal matters, partially offset by \$6.4 million for asset impairments and a \$2.5 million pension settlement expense.

Includes a \$3.9 million charge in the fourth quarter of Fiscal 2016 which includes \$2.5 million for asset write-downs, \$1.3 million for asset impairments and \$0.1 million for network intrusion expenses. Includes a \$7.9 million charge for Fiscal 2016 which includes \$3.1 million for asset impairments, \$2.5 million for asset write-downs, \$2.2 million for network intrusion expenses and \$0.1 million for other legal matters.

### GENESCO INC.

**Consolidated Balance Sheet**

| In Thousands                                  | Jan. 28,<br>2017    | Jan 30,<br>2016     |
|---|---------------------|---------------------|
| <b>Assets</b>                                 |                     |                     |
| Cash and cash equivalents                     | \$ 48,301           | \$ 133,288          |
| Accounts receivable                           | 43,525              | 47,265              |
| Inventories                                   | 563,677             | 529,758             |
| Other current assets                          | 82,664              | 89,775              |
| <b>Total current assets</b>                   | <b>738,167</b>      | <b>800,086</b>      |
| Property and equipment                        | 330,611             | 323,328             |
| Goodwill and other intangibles                | 357,941             | 371,694             |
| Other non-current assets                      | 22,187              | 46,082              |
| <b>Total Assets</b>                           | <b>\$ 1,448,906</b> | <b>\$ 1,541,190</b> |
| <b>Liabilities and Equity</b>                 |                     |                     |
| Accounts payable                              | \$ 170,751          | \$ 154,241          |
| Current portion long-term debt                | 9,175               | 14,182              |
| Other current liabilities                     | 129,460             | 155,194             |
| <b>Total current liabilities</b>              | <b>309,386</b>      | <b>323,617</b>      |
| Long-term debt                                | 73,730              | 97,583              |
| Pension liability                             | 6,265               | 9,957               |
| Deferred rent and other long-term liabilities | 137,004             | 153,250             |
| Equity  | 922,521             | 956,783             |
| <b>Total Liabilities and Equity</b>           | <b>\$ 1,448,906</b> | <b>\$ 1,541,190</b> |

**GENESCO INC.**
**Retail Units Operated - Twelve Months Ended January 28, 2017**

|                           | Balance<br>01/31/15 | Acquisi-<br>tions | Open      | Close     | Balance<br>01/30/16 | Open      | Close      | Balance<br>01/28/17 |
|---------------------------|---------------------|-------------------|-----------|-----------|---------------------|-----------|------------|---------------------|
| Journeys Group            | 1,182               | 37                | 29        | 26        | 1,222               | 51        | 24         | 1,249               |
| Journeys                  | 834                 | 0                 | 13        | 5         | 842                 | 18        | 11         | 849                 |
| Underground by Journeys   | 110                 | 0                 | 0         | 12        | 98                  | 0         | 3          | 95                  |
| Journeys Kidz             | 189                 | 0                 | 16        | 5         | 200                 | 33        | 3          | 230                 |
| Shi by Journeys           | 49                  | 0                 | 0         | 3         | 46                  | 0         | 7          | 39                  |
| Little Burgundy           | 0                   | 37                | 0         | 1         | 36                  | 0         | 0          | 36                  |
| Schuh Group               | 108                 | 0                 | 17        | 0         | 125                 | 7         | 4          | 128                 |
| Lids Sports Group*        | 1,364               | 0                 | 27        | 59        | 1,332               | 15        | 107        | 1,240               |
| Johnston & Murphy Group   | 170                 | 0                 | 8         | 5         | 173                 | 8         | 4          | 177                 |
| Shops                     | 105                 | 0                 | 3         | 5         | 103                 | 5         | 2          | 106                 |
| Factory Outlets           | 65                  | 0                 | 5         | 0         | 70                  | 3         | 2          | 71                  |
| <b>Total Retail Units</b> | <b>2,824</b>        | <b>37</b>         | <b>81</b> | <b>90</b> | <b>2,852</b>        | <b>81</b> | <b>139</b> | <b>2,794</b>        |

**Retail Units Operated - Three Months Ended January 28, 2017**

|                           | Balance<br>10/29/16 | Acquisi-<br>tions | Open      | Close     | Balance<br>01/28/17 |
|---------------------------|---------------------|-------------------|-----------|-----------|---------------------|
| Journeys Group            | 1,237               | 0                 | 19        | 7         | 1,249               |
| Journeys                  | 847                 | 0                 | 5         | 3         | 849                 |
| Underground by Journeys   | 96                  | 0                 | 0         | 1         | 95                  |
| Journeys Kidz             | 218                 | 0                 | 14        | 2         | 230                 |
| Shi by Journeys           | 40                  | 0                 | 0         | 1         | 39                  |
| Little Burgundy           | 36                  | 0                 | 0         | 0         | 36                  |
| Schuh Group               | 126                 | 0                 | 2         | 0         | 128                 |
| Lids Sports Group*        | 1,267               | 0                 | 2         | 29        | 1,240               |
| Johnston & Murphy Group   | 176                 | 0                 | 2         | 1         | 177                 |
| Shops                     | 105                 | 0                 | 1         | 0         | 106                 |
| Factory Outlets           | 71                  | 0                 | 1         | 1         | 71                  |
| <b>Total Retail Units</b> | <b>2,806</b>        | <b>0</b>          | <b>25</b> | <b>37</b> | <b>2,794</b>        |

\* Includes 151 Locker Room by Lids in Macy's stores as of January 28, 2017.

**Comparable Sales (including same store and comparable direct sales)**

|                      |                   |
|----------------------|-------------------|
| Fourth Quarter Ended | Fiscal Year Ended |
|----------------------|-------------------|

|                         | Jan. 28,<br>2017 | Jan. 30,<br>2016 | Jan. 28,<br>2017 | Jan. 30,<br>2016 |
|-------------------------|------------------|------------------|------------------|------------------|
| Journeys Group          | -6%              | 5%               | -4%              | 5%               |
| Schuh Group             | 2%               | -2%              | -1%              | 3%               |
| Lids Sports Group       | 8%               | 3%               | 3%               | 6%               |
| Johnston & Murphy Group | -1%              | 6%               | 2%               | 6%               |
| Total Comparable Sales  | 0%               | 4%               | -1%              | 5%               |

Schedule B

Genesco Inc.  
Adjustments to Reported Earnings from Continuing Operations  
Three Months Ended January 28, 2017 and January 30, 2016

| In Thousands (except per share amounts)                  | Three Months Ended |               |                      |                  |               |                      |
|--|--------------------|---------------|----------------------|------------------|---------------|----------------------|
|  | January 28, 2017   |               |                      | January 30, 2016 |               |                      |
|  | Pretax             | Net of<br>Tax | Per Share<br>Amounts | Pretax           | Net of<br>Tax | Per Share<br>Amounts |
| Earnings from continuing operations, as reported         |                    | \$ 46,843     | \$ 2.40              |                  | \$ 44,988     | \$ 2.07              |
| Pretax adjustments:                                      |                    |               |                      |                  |               |                      |
| Impairment charges                                       | \$ 1,377           | 871           | 0.05                 | \$ 1,346         | 846           | 0.04                 |
| Gain on sale of SureGrip Footwear                        | (12,297)           | (7,912)       | (0.40)               | -                | -             | -                    |
| Gain on sale of Lids Team Sports                         | 81                 | 55            | -                    | (4,685)          | (2,961)       | (0.13)               |
| Pension settlement expense                               | 2,456              | 1,580         | 0.08                 | -                | -             | -                    |
| Asset write-down   | -                  | -             | -                    | 2,475            | 1,564         | 0.07                 |
| Other legal matters                                      | (836)              | (537)         | (0.03)               | -                | -             | -                    |
| Network intrusion expenses                               | -                  | -             | -                    | 102              | 59            | -                    |
| Total adjustments  | \$ (9,219)         | (5,943)       | (0.30)               | \$ (762)         | (492)         | (0.02)               |
| Resolution of income tax matters and other items         |                    | 926           | 0.05                 |                  | 1,290         | 0.06                 |
| Adjusted earnings from continuing operations (1) and (2) |                    | \$ 41,826     | \$ 2.15              |                  | \$ 45,786     | \$ 2.11              |

(1) The adjusted tax rate for the fourth quarter of Fiscal 2017 is 36.0% excluding a FIN 48 discrete item of less than \$0.1 million. The adjusted tax rate for the fourth quarter of Fiscal 2016 is 37.1% excluding a FIN 48 discrete item of less than \$0.1 million.

(2) EPS reflects 19.5 and 21.7 million share count for Fiscal 2017 and 2016, which includes common stock equivalents in both years.

The Company believes that disclosure of earnings and earnings per share from continuing operations adjusted for the items not reflected in the previously announced expectations will be meaningful to investors, especially in light of the impact of such items on the results.

Genesco Inc.  
Adjustments to Reported Operating Income  
Three Months Ended January 28, 2017 and January 30, 2016

| In Thousands            | Three Months Ended January 28, 2017 |           |                         |
|-------------------------|-------------------------------------|-----------|-------------------------|
|                         | Operating<br>Income                 | Other Adj | Adj Operating<br>Income |
| Journeys Group          | \$ 36,118                           | \$ -      | \$ 36,118               |
| Schuh Group             | 10,883                              | -         | 10,883                  |
| Lids Sports Group       | 20,221                              | -         | 20,221                  |
| Johnston & Murphy Group | 7,663                               | -         | 7,663                   |
| Licensed Brands         | (210)                               | -         | (210)                   |
| Corporate and Other     | (10,980)                            | 2,997     | (7,983)                 |
| Total Operating Income  | \$ 63,695                           | \$ 2,997  | \$ 66,692               |

| In Thousands   | Three Months Ended January 30, 2016 |           |                         |
|----------------|-------------------------------------|-----------|-------------------------|
|                | Operating<br>Income                 | Other Adj | Adj Operating<br>Income |
| Journeys Group | \$ 53,654                           | \$ -      | \$ 53,654               |
| Schuh Group    | 8,244                               | -         | 8,244                   |

|                         |           |          |           |
|-------------------------|-----------|----------|-----------|
| Lids Sports Group       | 10,140    | -        | 10,140    |
| Johnston & Murphy Group | 8,301     | -        | 8,301     |
| Licensed Brands         | 1,710     | -        | 1,710     |
| Corporate and Other     | (11,598)  | 3,923    | (7,675)   |
| Total Operating Income  | \$ 70,451 | \$ 3,923 | \$ 74,374 |

Schedule B

Genesco Inc.

Adjustments to Reported Earnings from Continuing Operations  
Twelve Months Ended January 28, 2017 and January 30, 2016

| In Thousands (except per share amounts)<br>Earnings from continuing operations, as reported | Twelve Months Ended |            |                   |                  |            |                   |
|---|---------------------|------------|-------------------|------------------|------------|-------------------|
|   | January 28, 2017    |            |                   | January 30, 2016 |            |                   |
|   | Pretax              | Net of Tax | Per Share Amounts | Pretax           | Net of Tax | Per Share Amounts |
|   |                     | \$ 97,859  | \$ 4.85           | \$ 95,381        | \$ 4.15    |                   |
| Pretax adjustments:   |                     |            |                   |                  |            |                   |
| Impairment charges  | \$ 6,409            | 4,124      | 0.20              | \$ 3,125         | 1,975      | 0.09              |
| Gain on sale of SureGrip Footwear   | (12,297)            | (7,912)    | (0.39)            | -                | -          | -                 |
| Gain on sale of Lids Team Sports  | (2,404)             | (1,547)    | (0.08)            | (4,685)          | (2,961)    | (0.13)            |
| Pension settlement expense  | 2,456               | 1,580      | 0.08              | -                | -          | -                 |
| Deferred payment - Schuh acquisition  | -                   | -          | -                 | 1,490            | 1,490      | 0.06              |
| Asset write-down  | -                   | -          | -                 | 2,475            | 1,564      | 0.07              |
| Other legal matters   | (746)               | (480)      | (0.02)            | 118              | 75         | -                 |
| Network intrusion expenses  | (8,921)             | (5,740)    | (0.28)            | 2,175            | 1,375      | 0.06              |
| Total adjustments   | \$ (15,503)         | (9,975)    | (0.49)            | \$ 4,698         | 3,518      | 0.15              |
| Resolution of income tax matters and other items  |                     | (639)      | (0.03)            |                  | (271)      | (0.01)            |
| Adjusted earnings from continuing operations (1) and (2)                                    |                     | \$ 87,245  | \$ 4.33           | \$ 98,628        | \$ 4.29    |                   |

(1) The adjusted tax rate for Fiscal 2017 is 35.7% excluding a FIN 48 discrete item of \$0.2 million. The adjusted tax rate for Fiscal 2016 is 36.8% excluding a FIN 48 discrete item of \$0.1 million.

(2) EPS reflects 20.2 and 23.0 million share count for Fiscal 2017 and 2016, which includes common stock equivalents in both years.

The Company believes that disclosure of earnings and earnings per share from continuing operations adjusted for the items not reflected in the previously announced expectations will be meaningful to investors, especially in light of the impact of such items on the results.

Genesco Inc.

Adjustments to Reported Operating Income  
Twelve Months Ended January 28, 2017 and January 30, 2016

| In Thousands            | Twelve Months Ended January 28, 2017 |           |                      |
|-------------------------|--------------------------------------|-----------|----------------------|
|                         | Operating Income                     | Other Adj | Adj Operating Income |
| Journeys Group          | \$ 85,875                            | \$ -      | \$ 85,875            |
| Schuh Group             | 20,530                               | -         | 20,530               |
| Lids Sports Group       | 41,563                               | -         | 41,563               |
| Johnston & Murphy Group | 19,682                               | -         | 19,682               |
| Licensed Brands         | 4,566                                | -         | 4,566                |
| Corporate and Other     | (30,256)                             | (802)     | (31,058)             |
| Total Operating Income  | \$ 141,960                           | \$ (802)  | \$ 141,158           |

| In Thousands   | Twelve Months Ended January 30, 2016 |           |                      |
|----------------|--------------------------------------|-----------|----------------------|
|                | Operating Income                     | Other Adj | Adj Operating Income |
| Journeys Group | \$ 126,248                           | \$ -      | \$ 126,248           |

|                         |            |          |            |
|-------------------------|------------|----------|------------|
| Schuh Group*            | 19,124     | 1,490    | 20,614     |
| Lids Sports Group       | 17,040     | -        | 17,040     |
| Johnston & Murphy Group | 17,761     | -        | 17,761     |
| Licensed Brands         | 9,236      | -        | 9,236      |
| Corporate and Other     | (38,158)   | 7,893    | (30,265)   |
| Total Operating Income  | \$ 151,251 | \$ 9,383 | \$ 160,634 |

\*Schuh Group adjustments include \$1.5 million in deferred purchase price payments.

#### Schedule B

#### Genesco Inc. Adjustments to Forecasted Earnings from Continuing Operations Fiscal Year Ending February 3, 2018

| In Thousands (except per share amounts)                     | High Guidance<br>Fiscal 2018 |         | Low Guidance<br>Fiscal 2018 |         |
|---|------------------------------|---------|-----------------------------|---------|
| Forecasted earnings from continuing operations              | \$ 84,146                    | \$ 4.33 | \$ 80,511                   | \$ 4.14 |
| Adjustments: (1)  |                              |         |                             |         |
| Asset impairment and other charges                          | 3,736                        | 0.19    | 4,380                       | 0.23    |
| Tax impact for share-based awards                           | 587                          | 0.03    | 587                         | 0.03    |
| Adjusted forecasted earnings from continuing operations (2) | \$ 88,469                    | \$ 4.55 | \$ 85,478                   | \$ 4.40 |

(1) All adjustments are net of tax where applicable. The forecasted tax rate for Fiscal 2018 is approximately 35.6%.

(2) EPS reflects 19.4 million share count for Fiscal 2018 which includes common stock equivalents.

This reconciliation reflects estimates and current expectations of future results. Actual results may vary materially from these expectations and estimates, for reasons including those included in the discussion of forward-looking statements elsewhere in this release. The Company disclaims any obligation to update such expectations and estimates.

To view the original version on PR Newswire, visit: <http://www.prnewswire.com/news-releases/genesco-reports-fourth-quarter-fiscal-2017-results-300421862.html>

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