



FY22 Q2 GENESCO Summary Results

September 2, 2021



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Safe Harbor Statement

This presentation contains forward-looking statements, including those regarding the performance outlook for the Company, expectations with respect to returning capital to shareholders and all other statements not addressing solely historical facts or present conditions. Forward-looking statements are usually identified by or are associated with such words as “intend,” “expect,” “believe,” “anticipate,” “should,” “optimistic” and similar terminology. Actual results could vary materially from the expectations reflected in these statements. A number of factors could cause differences. These include adjustments to projections reflected in forward-looking statements, including those resulting from the effects of COVID-19 on the Company’s business, including COVID-19 case spikes in locations in which the Company operates, additional store closures due to COVID-19 and expected timing for store reopenings, weakness in store and shopping mall traffic, timing of in person back-to-work and back-to-school and sales with respect thereto, expectations regarding the COVID-19 vaccine rollout and acceptance, restrictions on operations imposed by government entities and/or landlords, changes in public safety and health requirements, and limitations on the Company’s ability to adequately staff and operate stores. Differences from expectations could also result from store closures and effects on the business as a result of civil disturbances; the level and timing of promotional activity necessary to maintain inventories at appropriate levels; the imposition of tariffs on product imported by the Company or its vendors as well as the ability and costs to move production of products in response to tariffs; the Company’s ability to obtain from suppliers products that are in-demand on a timely basis and effectively manage disruptions in product supply or distribution, including disruptions as a result of COVID-19; 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 and other sources of market weakness in the U.K. and Republic of Ireland; the effectiveness of the Company’s omnichannel initiatives; costs associated with changes in minimum wage and overtime requirements; wage pressure in the U.S. and the U.K.; weakness in the consumer economy and retail industry; competition and fashion trends in the Company’s markets; risks related to the potential for terrorist events; risks related to public health and safety events; changes in buying patterns by significant wholesale customers; retained liabilities associated with divestitures of businesses including potential liabilities under leases as the prior tenant or as a guarantor; and changes in the timing of holidays or in the onset of seasonal weather affecting period-to-period sales comparisons. Additional factors that could cause differences from expectations include the ability to renew leases in existing stores and control or lower occupancy costs, and to conduct required remodeling or refurbishment on schedule and at expected expense levels; the Company’s ability to realize anticipated cost savings, including rent savings; the Company’s ability to achieve expected digital gains and gain market share; 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, operating lease right of use assets or intangible assets or other adverse financial consequences and the timing and amount of such impairments or other consequences; unexpected changes to the market for the Company’s shares or for the retail sector in general; costs and reputational harm as a result of disruptions in the Company’s business or information technology systems either by security breaches and incidents or by potential problems associated with the implementation of new or upgraded systems; the Company’s ability to realize any anticipated tax benefits; 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, the Company’s SEC filings, copies of which may be obtained from the SEC website, www.sec.gov, or by contacting the investor relations department of Genesco via the Company’s website, 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.



Non-GAAP

Financial Measures



We report consolidated financial results in accordance with generally accepted accounting principles (“GAAP”). However, to supplement these consolidated financial results our presentation includes certain Non-GAAP financial measures such as earnings and earnings per share and operating income. This supplemental information should not be considered in isolation as a substitute for related GAAP measures. We believe that disclosure of earnings and earnings per share from continuing operations and operating income 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. Reconciliations of the Non-GAAP supplemental information to the comparable GAAP measures can be found in the Appendix.



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What We Aspire To Do

Create and curate leading footwear brands that represent style, innovation and self-expression; be the destination for our consumers' favorite fashion footwear

How We Will Achieve Our Aspiration

Build enduring relationships with our target customers, grounded in unparalleled consumer and market insights

Excite and constantly exceed expectations by delivering distinctive experiences and products, using our deep direct-to-consumer expertise across digital and physical

Our Footwear Focused Vision & Strategy

Strategic Initiatives/Pillars

Footwear focused strategy spans six strategic growth pillars aimed at accelerating Genesco's transformation and leveraging synergies to drive growth and sustainable profitability



Retail Platform



The destination for young adult and teen fashion footwear and partner of choice for leading global brands

Branded Platform



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Licensed Brands

Portfolio of leading owned and licensed brands

Strong Strategic Positioning

#1 omnichannel retailer of teen fashion footwear

#1 omnichannel retailer of youth fashion footwear

Deep brand heritage and reputation for quality product

Deep brand heritage since 1853 for Levi's 5



Q2 FY22

Highlights

- Both revenue and adjusted operating income exceeded pre-pandemic levels, increasing +14% and +346%, respectively, over FY20 two years ago.
- Higher operating profit delivered a record Q2 EPS of \$1.05 compared with a loss of \$1.23 last year and positive \$0.15 two years ago, all on an adjusted basis.
- Delivering another strong quarter of digital results with double-digit operating profit to achieve a 19% digital penetration. This was driven by a 97% increase in digital revenue compared to FY20, as we retained almost 80% of last year's volume which was elevated due to store closures.
- Driving much higher conversion and transaction size to deliver store sales that were almost at pre-pandemic levels.
- Increasing gross margin by 640 bps vs. last year and 50 bps compared to FY20, driven primarily by higher full price selling.
- Leveraging adjusted SG&A by 230 basis points compared to pre-pandemic levels.
- Further strengthening of our already strong balance sheet and cash position, enabling a balanced approach of investing in our business while also returning capital to shareholders going forward.



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Q2 FY22

Key Earnings Highlights

\$555

MILLION IN TOTAL SALES
+14% vs. FY20

+97%

GROWTH IN E-COMMERCE
SALES VS FY20

\$0.74 GAAP EPS
vs. \$0.05 FY20

\$1.05 Non-GAAP EPS
vs. \$0.15 FY20

+346%

GROWTH IN NON-
GAAP OPERATING
INCOME VS FY20

Q2 FY22

Key Earnings Highlights

	Quarter 2 July 31, 2021	Quarter 2 August 1, 2020	Quarter 2 August 3, 2019
Total Sales Change	42%	-20%	0%
% Days Operating	97%	69%	NA
Comparable Direct Sales ⁽¹⁾	-23%	144%	20%
Gross Margin %	49.1%	42.7%	48.6%
Selling and Admin. Expenses % ⁽²⁾			
GAAP	45.5%	47.9%	47.6%
Non-GAAP	45.3%	48.0%	47.6%
Operating Income (Loss) % ⁽²⁾			
GAAP	2.3%	-5.6%	0.6%
Non-GAAP	3.8%	-5.3%	1.0%
Earnings (Loss) per Diluted Share ⁽²⁾			
GAAP	\$ 0.74	\$ (1.33)	\$ 0.05
Non-GAAP	\$ 1.05	\$ (1.23)	\$ 0.15

⁽¹⁾ As a result of store closures in response to the COVID-19 pandemic and the Company's policy of removing any store closed for seven consecutive days from comparable sales, the Company has not included comparable sales for the second quarter this year and last year, except for comparable direct sales, as it felt that overall sales was a more meaningful metric during these periods.

⁽²⁾ See GAAP to Non-GAAP adjustments in appendix.



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FY22

Key Earnings Highlights



	Six Months July 31, 2021	Six Months August 1, 2020	Six Months August 3, 2019
Total Sales Change	63%	-32%	1%
% Days Operating	93%	59%	NA
Comparable Direct Sales ⁽¹⁾	3%	105%	17%
Gross Margin %	48.5%	42.8%	49.0%
Selling and Admin. Expenses % ⁽²⁾			
GAAP	45.0%	56.1%	47.7%
Non-GAAP	44.8%	56.3%	47.7%
Operating Income (Loss) % ⁽²⁾			
GAAP	2.6%	-26.6%	1.2%
Non-GAAP	3.6%	-13.5%	1.3%
Earnings (Loss) per Diluted Share ⁽²⁾			
GAAP	\$ 1.35	\$ (10.86)	\$ 0.43
Non-GAAP	\$ 1.84	\$ (4.87)	\$ 0.49

⁽¹⁾ As a result of store closures in response to the COVID-19 pandemic and the Company's policy of removing any store closed for seven consecutive days from comparable sales, the Company has not included comparable sales for the six months this year and last year, except for comparable direct sales, as it felt that overall sales was a more meaningful metric during these periods.

⁽²⁾ See GAAP to Non-GAAP adjustments in appendix.



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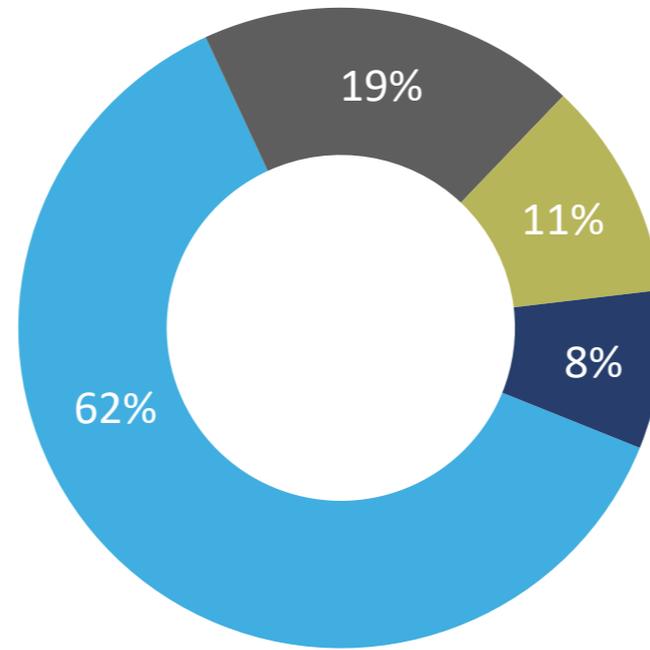


	Quarter 2	
	Total Sales Change Compared to	
	FY21	FY20
Journeys Group	25%	10%
Schuh Group	48%	15%
Johnston & Murphy Group	154%	-9%
Licensed Brands	122%	260%
Total Sales	42%	14%



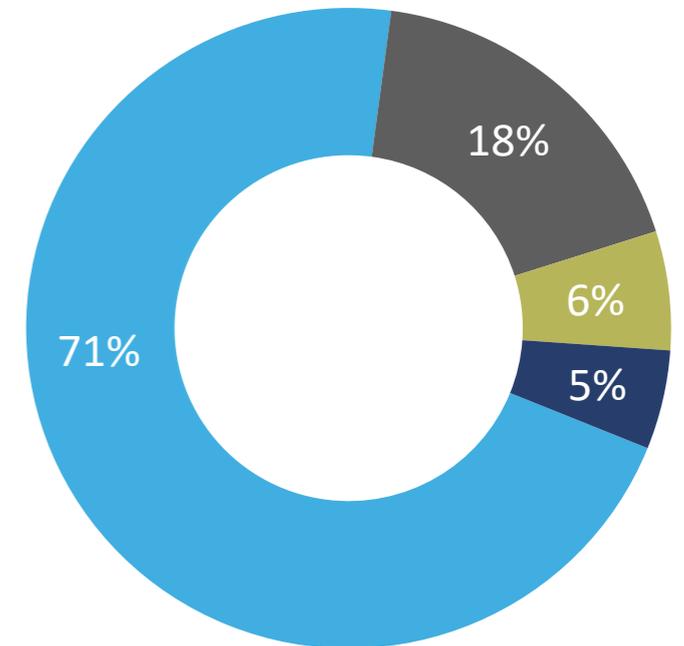
Q2 FY22

Sales by Segment

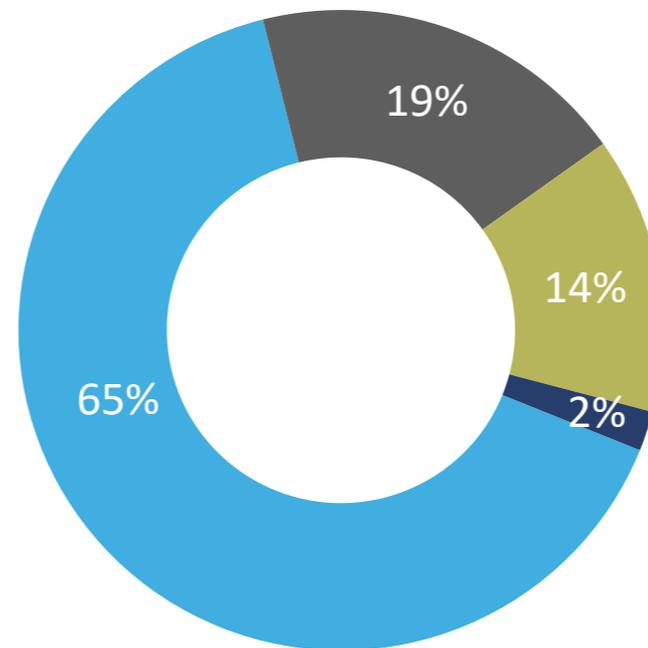


FY22
Net Sales
\$555.2 Million

- Journeys Group
- Schuh
- Johnston & Murphy Group
- Licensed Brands



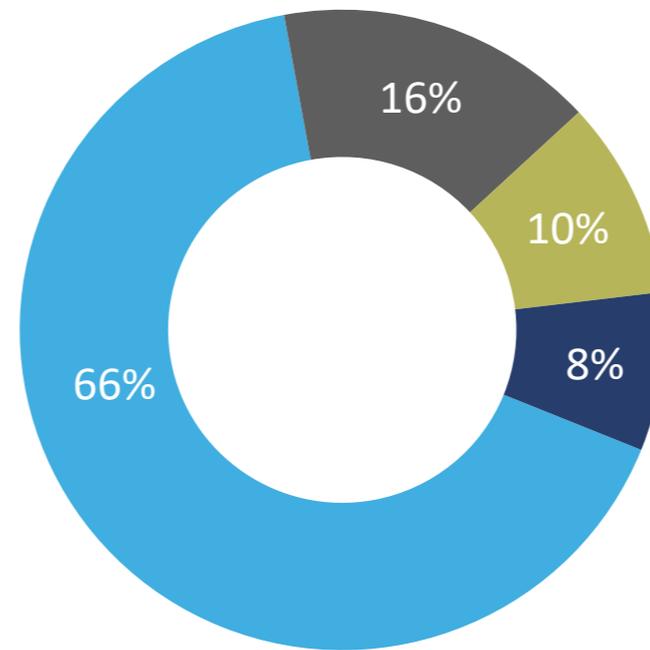
FY21
Net Sales
\$391.2 Million



FY20
Net Sales
\$486.6 Million

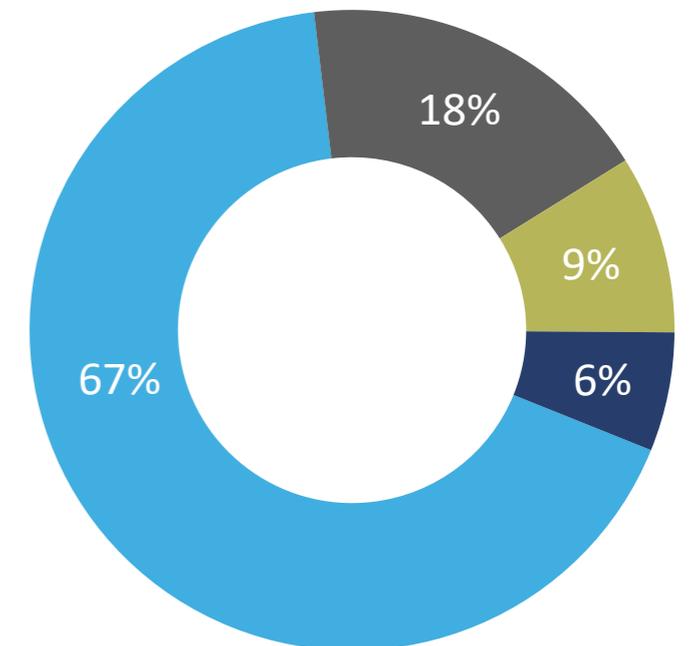
YTD FY22

Sales by Segment

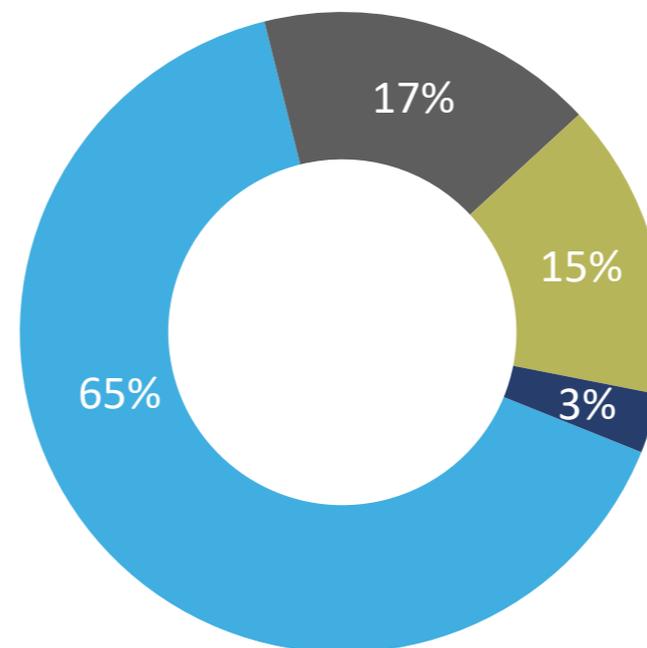


FY22
Net Sales
\$1.1 Billion

- Journeys Group
- Schuh
- Johnston & Murphy Group
- Licensed Brands



FY21
Net Sales
\$670.4 Million



FY20
Net Sales
\$982.2 Million

Q2 FY22

Adjusted Operating Income (Loss) by Segment⁽¹⁾

	Quarter 2 - July 31, 2021			Quarter 2 - August 1, 2020			Quarter 2 - August 3, 2019		
	Oper Inc (Loss)	Adjust	Adj Oper Inc (Loss)	Oper Inc (Loss)	Adjust	Adj Oper Inc (Loss)	Oper Inc (Loss)	Adjust	Adj Oper Inc (Loss)
(\$ in millions)									
Journeys Group	\$ 30.4	\$ -	\$ 30.4	\$ 10.2	\$ (0.3)	\$ 9.9	\$ 11.3	\$ -	\$ 11.3
Schuh Group	3.6	-	3.6	(6.8)	-	(6.8)	0.0	-	0.0
Johnston & Murphy Group	4.0	-	4.0	(18.2)	(0.1)	(18.3)	1.5	-	1.5
Licensed Brands	1.0	-	1.0	(1.2)	-	(1.3)	(0.3)	-	(0.3)
Corporate and Other	(26.0)	8.2	(17.8)	(5.9)	1.5	(4.3)	(9.7)	1.8	(7.9)
Total Operating Income (Loss)	\$ 12.9	\$ 8.2	\$ 21.1	\$ (22.0)	\$ 1.1	\$ (20.9)	\$ 3.0	\$ 1.8	\$ 4.7
% of sales	2.3%		3.8%	-5.6%		-5.3%	0.6%		1.0%

⁽¹⁾ See GAAP to Non-GAAP adjustments in appendix.

YTD FY22

Adjusted Operating Income (Loss) by Segment⁽¹⁾

(\$ in millions)	Six Months July 31, 2021			Six Months August 1, 2020			Six Months August 3, 2019		
	Oper Inc (Loss)	Adjust	Adj Oper Inc (Loss)	Oper Inc (Loss)	Adjust	Adj Oper Inc (Loss)	Oper Inc (Loss)	Adjust	Adj Oper Inc (Loss)
Journeys Group	\$ 63.5	\$ -	\$ 63.5	\$ (26.9)	\$ (0.5)	\$ (27.4)	\$ 30.3	\$ -	\$ 30.3
Schuh Group	(0.2)	-	(0.2)	(21.9)	-	(21.9)	(5.4)	-	(5.4)
Johnston & Murphy Group	0.8	-	0.8	(27.8)	(0.2)	(28.0)	6.6	-	6.6
Licensed Brands	3.6	-	3.6	(3.7)	(0.1)	(3.8)	0.2	-	0.2
Goodwill Impairment	-	-	-	(79.3)	79.3	-	-	-	-
Corporate and Other	(39.2)	11.5	(27.7)	(18.4)	9.2	(9.2)	(19.7)	1.0	(18.6)
Total Operating Income (Loss)	\$ 28.4	\$ 11.5	\$ 39.9	\$ (178.0)	\$ 87.6	\$ (90.4)	\$ 12.0	\$ 1.0	\$ 13.1
% of sales	2.6%		3.6%	-26.6%		-13.5%	1.2%		1.3%

⁽¹⁾ See GAAP to Non-GAAP adjustments in appendix.

Q2 FY22

Inventory/Sales Change by Segment



(\$ in millions)

Journeys Group
Schuh Group ⁽²⁾
Johnston & Murphy Group
Licensed Brands

Total for Q2 FY22
% Change Total GCO

	Inventory		Sales ⁽¹⁾	
	Change from			
	August 1, 2020	August 3, 2019	Q2 FY21	Q2 FY20
Journeys Group	-5%	-26%	25%	10%
Schuh Group ⁽²⁾	27%	2%	33%	4%
Johnston & Murphy Group	-46%	-52%	154%	-9%
Licensed Brands	-70%	-62%	122%	260%
Total for Q2 FY22	\$ 326		\$ 555	
% Change Total GCO	-11%	-27%	42%	14%

⁽¹⁾ Rolling 3-month sales change.

⁽²⁾ On a constant currency basis.

Q2 FY22

Retail Stores Summary

	May 1, 2021	Open	Close	July 31, 2021
Journeys Group	1,143	3	4	1,142
Journeys stores (U.S.)	829	3	4	828
Journeys stores (Canada)	47	-	-	47
Journeys Kidz stores	230	-	-	230
Little Burgundy	37	-	-	37
Schuh Group	123	-	-	123
Johnston & Murphy Group	178	-	4	174
Total Stores	1,444	3	8	1,439



Q2 FY22

Retail Square Footage



(in thousands)

Journeys Group
 Schuh Group
 Johnston & Murphy Group
 Total Square Footage

	May 1, 2021	Net Change	July 31, 2021	% Change
Journeys Group	2,273	-	2,273	0.0%
Schuh Group	594	-	594	0.0%
Johnston & Murphy Group	340	(8)	332	-2.4%
Total Square Footage	3,207	(8)	3,199	-0.2%

Year over year change in retail
 inventory per square foot

-17%

-2%

FY22

Projected Retail Store Count



	Actual 2021	Proj Open	Proj Close	Proj 2022
Journeys Group	1,159	15	34	1,140
Journeys stores (U.S.)	841	15	28	828
Journeys stores (Canada)	47	-	-	47
Journeys Kidz stores	233	-	5	228
Little Burgundy	38	-	1	37
Schuh Group	123	-	1	122
Johnston & Murphy Group	178	1	10	169
Total Stores	1,460	16	45	1,431
Estimated change in square feet				-2%

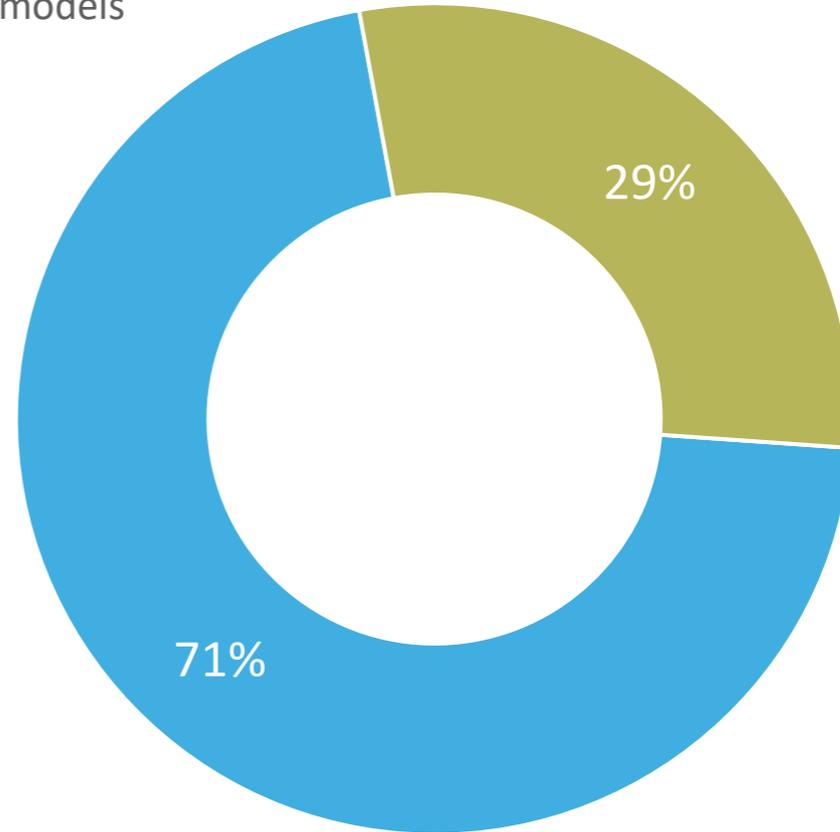
FY22 Outlook



The Company is not providing guidance at this time but has provided commentary on its outlook for the coming quarter in its prepared remarks on the September 2, 2021 earnings call.

Projected FY22 CapEx \$35-\$40 Million⁽¹⁾

- Omni-channel, IT, DC & Other
- New Stores & Remodels



FY22

Projected Depreciation & Amortization = \$44 Million

⁽¹⁾ Excludes projected spend for the new Corporate Headquarters building. The projected capex for the new HQ in FY22 is approximately \$11 million net of tenant allowance.



Appendix

Q2 FY22

Non-GAAP Reconciliation

In Thousands (except per share amounts)	Quarter 2								
	July 31, 2021			August 1, 2020			August 3, 2019		
	Pretax	Net of Tax	Per Share Amounts	Pretax	Net of Tax	Per Share Amounts	Pretax	Net of Tax	Per Share Amounts
Earnings (loss) from continuing operations, as reported		\$ 10,874	\$ 0.74		\$ (18,924)	(\$1.33)		\$ 793	\$0.05
Asset impairments and other adjustments:									
Retail store asset impairment charges	\$ 1,410	1,200	0.08	\$ 1,733	1,313	0.09	\$ 731	451	0.03
Professional fees related to the actions of a shareholder activist	6,238	4,393	0.30	-	-	0.00	-	-	0.00
Expenses related to new HQ building	1,157	813	0.06	-	-	0.00	-	-	0.00
Insurance gain	(578)	(408)	(0.03)	-	-	0.00	-	-	0.00
Change in vacation policy	-	-	0.00	(616)	(463)	(0.03)	-	-	0.00
Loss on lease terminations	-	-	0.00	-	-	0.00	1,044	717	0.04
Gain on Hurricane Maria	-	-	0.00	-	-	0.00	-	2	0.00
Total asset impairments and other adjustments	\$ 8,227	5,998	0.41	\$ 1,117	850	0.06	\$ 1,775	1,170	0.07
Income tax expense adjustments:									
Tax impact share based awards		(1,747)	(0.12)		1,129	0.08		(54)	0.00
Other tax items		196	0.02		(471)	(0.04)		547	0.03
Total income tax expense adjustments		(1,551)	(0.10)		658	0.04		493	0.03
Adjusted earnings (loss) from continuing operations ^{(1) and (2)}		\$ 15,321	\$ 1.05		\$ (17,416)	(\$1.23)		\$ 2,456	\$0.15

⁽¹⁾ The adjusted tax rate for the second quarter of Fiscal 2022, 2021 and 2020 is 25.1%, 23.0% and 45.2%, respectively.

⁽²⁾ EPS reflects 14.6 million, 14.2 million and 16.0 million share count for the second quarter of Fiscal 2022, 2021 and 2020, respectively, which includes common stock equivalents in the second quarter of Fiscal 2022 and Fiscal 2020 and excludes common stock equivalents in the second quarter of Fiscal 2021 due to the loss from continuing operations.

YTD FY22

Non-GAAP Reconciliation

In Thousands (except per share amounts)	Six Months								
	July 31, 2021			August 1, 2020			August 3, 2019		
	Pretax	Net of Tax	Per Share Amounts	Pretax	Net of Tax	Per Share Amounts	Pretax	Net of Tax	Per Share Amounts
Earnings (loss) from continuing operations, as reported		\$ 19,768	\$ 1.35		\$ (153,548)	(\$10.86)		\$ 7,263	\$ 0.43
Asset impairments and other adjustments:									
Retail store asset impairment charges	\$ 1,824	1,526	0.10	\$ 4,775	3,541	0.25	\$ 1,038	663	0.04
Professional fees related to the actions of a shareholder activist	8,494	5,993	0.41	-	-	0.00	-	-	0.00
Expenses related to new HQ building	1,754	1,237	0.09	-	-	0.00	-	-	0.00
Insurance gain	(578)	(408)	(0.03)	-	-	0.00	-	-	0.00
Trademark impairment	-	-	0.00	5,260	5,153	0.36	-	-	0.00
Goodwill impairment	-	-	0.00	79,259	79,259	5.60	-	-	0.00
Release Togast earnout	-	-	0.00	(441)	(323)	(0.02)	-	-	0.00
Change in vacation policy	-	-	0.00	(1,232)	(914)	(0.06)	-	-	0.00
Loss on lease terminations	-	-	0.00	-	-	0.00	44	28	0.00
Gain on Hurricane Maria	-	-	0.00	-	-	0.00	(38)	(24)	0.00
Total asset impairments and other adjustments	\$ 11,494	8,348	0.57	\$ 87,621	86,716	6.13	\$ 1,044	667	0.04
Income tax expense adjustments:									
Tax impact share based awards		(1,747)	(0.12)		1,129	0.08		(54)	0.00
Other tax items		596	0.04		(3,161)	(0.22)		489	0.02
Total income tax expense adjustments		(1,151)	(0.08)		(2,032)	(0.14)		435	0.02
Adjusted earnings (loss) from continuing operations ^{(1) and (2)}		\$ 26,965	\$ 1.84		\$ (68,864)	(\$4.87)		\$ 8,365	\$ 0.49

⁽¹⁾ The adjusted tax rate for the first six months of Fiscal 2022, 2021 and 2020 is 30.1%, 25.8% and 36.1%, respectively.

⁽²⁾ EPS reflects 14.7 million, 14.1 million and 16.9 million share count for the first six months of Fiscal 2022, 2021 and 2020, respectively, which includes common stock equivalents in the first six months of Fiscal 2022 and Fiscal 2020 and excludes common stock equivalents in the first six months of Fiscal 2021 due to the loss from continuing operations.

Q2 FY22

Adjusted Selling and Administrative Expenses

In Thousands	Quarter 2		
	July 31, 2021	August 1, 2020	August 3, 2019
Selling and administrative expenses, as reported	\$ 252,551	\$ 187,261	\$ 231,796
Expenses related to new HQ building	(1,157)	-	-
Change in vacation policy	-	616	-
Total adjustments	(1,157)	616	-
Adjusted selling and administrative expenses	\$ 251,394	\$ 187,877	\$ 231,796
% of sales	45.3%	48.0%	47.6%



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YTD FY22

Adjusted Selling and Administrative Expenses

In Thousands	Six Months		
	July 31, 2021	August 1, 2020	August 3, 2019
Selling and administrative expenses, as reported	\$ 492,016	\$ 376,303	\$ 468,351
Expenses related to new HQ building	(1,754)	-	-
Change in vacation policy	-	1,232	-
Total adjustments	(1,754)	1,232	-
Adjusted selling and administrative expenses	\$ 490,262	\$ 377,535	\$ 468,351
% of sales	44.8%	56.3%	47.7%



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