



Genesco Corrects Previously Announced Results and Reaffirms Earnings Guidance

December 18, 2001

NASHVILLE, Tenn., Dec 18, 2001 /PRNewswire via COMTEX/ -- Genesco Inc. (NYSE: GCO) announced that its Quarterly Report on Form 10-Q filed today reflects the correction of certain erroneous entries relating to the timing of certain shipments by its Johnston & Murphy wholesale operation in the Company's current fiscal year. The Company believes that the cumulative adjustments reflected in the report for the nine month period of the current fiscal year are not material, reducing net revenues by approximately \$183,000 and reducing net earnings from continuing operations by approximately \$35,000 as compared to the results reported in the earnings release dated November 27, 2001. The reductions do not affect the previously reported earnings per share. While the Company continues to review the impact of similar erroneous entries on the previously announced results for fiscal 2001, the Company believes the erroneous entries involve less than 1% of reported revenues and approximately \$0.02 of earnings per diluted share for the fiscal year ended February 3, 2001. The Company does not believe any adjustments will be necessary for any fiscal year prior to fiscal 2001. The attached appendix contains information regarding the impact of these erroneous entries on previously reported periods.

The Company became aware of these timing issues after it released its results of operations for the third quarter. The Company began an inquiry into these timing issues upon receiving the response of an employee of its Johnston & Murphy division to the Company's annual requirement that employees certify compliance with written policies regarding ethical business conduct. The employee indicated that a number of wholesale shipments recorded as sales late in a fiscal quarter were actually shipped to customers early in the following quarter. The Company believes that the resulting violations of its corporate and accounting policies were caused by a small number of employees of its Johnston & Murphy division. The Company has implemented further measures designed to detect and prevent future similar violations.

Ben T. Harris, Chairman and Chief Executive Officer of Genesco, said, "We are dealing decisively with this situation and are confident that such conduct will not recur." Harris also reaffirmed the Company's most recent earnings guidance for fiscal 2002, stating, "While we are approaching the most important retailing weekend of the year, we have come through the holiday selling season thus far in line with our previously announced earnings expectations."

Genesco, based in Nashville, sells footwear and accessories in more than 875 retail stores in the U.S., principally under the names Journeys, Journeys Kidz, Johnston & Murphy, Jarman and Underground Station, and on internet websites www.journeys.com and www.johnstonmurphy.com. The Company also sells footwear at wholesale under its Johnston & Murphy brand and under the licensed Dockers brand.

Cautionary Note Regarding Forward-Looking Statements

This release and the attached appendix contain forward-looking statements (all statements other than those made solely with respect to historical fact) and other expressions of management's belief or opinion which reflect its current understanding or belief with respect to such matters. Actual results could differ materially and adversely from such statements due to known and unknown factors, including the results of the Company's ongoing internal inquiry, uncertainties associated with potential regulatory or other actions and the application of certain accounting principles, lower than expected consumer demand for the Company's products, which could be caused by further weakening in the overall economy or adverse consumer reaction to developments in the current anti-terrorist campaign or by changes in fashions or tastes that the Company fails to anticipate or respond appropriately to, as well as other factors detailed in the Company's filings with the Securities and Exchange Commission from time to time. Forward-looking statements reflect the expectations of the Company at the time they are made and investors should not place undue reliance on them. The Company undertakes no obligation to update any such forward-looking or other statement.

	Fiscal 2002		
	As Reported Three Months Ended May 5, 2001	Adjust- ments	Adjusted Three Months Ended May 5, 2001
Net sales	\$ 171,918	\$ 2,558	\$ 174,476
Gross margin	82,097	832	82,929
Pretax earnings	13,350	652	14,002
Earnings before discontinued operations	8,338	415	8,753
Net earnings	8,338	415	8,753
Diluted earnings per common share:			
Before discontinued operations	\$ 0.34	\$ 0.01	\$ 0.35
Net earnings	\$ 0.34	\$ 0.01	\$ 0.35

	Fiscal 2002		
	As Reported		Adjusted
	Three Months		Three Months
	Ended		Ended
	August 4,	Adjust-	August 4,
	2001	ments	2001
Net sales	\$ 166,543	\$ (1,214)	\$ 165,329
Gross margin	78,365	(364)	78,001
Pretax earnings	9,878	(340)	9,538
Earnings before discontinued operations	6,183	(213)	5,970
Net earnings	6,183	(213)	5,970
Diluted earnings per common share:			
Before discontinued operations	\$ 0.26	\$ (0.01)	\$ 0.25
Net earnings	\$ 0.26	\$ (0.01)	\$ 0.25

	Fiscal 2002		
	As Reported*		Adjusted
	Three Months		Three Months
	Ended		Ended
	November 3,	Adjust-	November 3,
	2001	ments	2001
Net sales	\$ 185,955	\$ 1,314	\$ 187,269
Gross margin	86,018	399	86,417
Pretax earnings	12,924	373	13,297
Earnings before discontinued operations	8,026	233	8,259
Net earnings	7,318	233	7,551
Diluted earnings per common share:			
Before discontinued operations	\$ 0.33	\$ 0.01	\$ 0.34
Net earnings	\$ 0.30	\$ 0.01	\$ 0.31

	Fiscal 2002		
	As Reported*		Adjusted
	Nine Months		Nine Months
	Ended		Ended
	November 3,	Adjust-	November 3,
	2001	ments	2001
Net sales	\$ 524,416	\$ 2,658	\$ 527,074
Gross margin	246,480	867	247,347
Pretax earnings	36,152	685	36,837
Earnings before discontinued operations	22,547	435	22,982
Net earnings	21,839	435	22,274
Diluted earnings per common share:			
Before discontinued operations	\$ 0.92	\$ 0.02	\$ 0.94
Net earnings	\$ 0.90	\$ 0.01	\$ 0.91

Genesco Inc.
Quarterly Financial Information (Unaudited)
In Thousands, except per share amounts

	Fiscal 2001	
	As Reported	Adjusted
	Three Months	Three Months

	Ended April 29, 2000	Adjust- ments	Ended April 29, 2000
Net sales	\$ 146,644	\$ (1,293)	\$ 145,351
Gross margin	68,306	(327)	67,979
Pretax earnings	10,190	(284)	9,906
Earnings before discontinued operations	6,193	(173)	6,020
Net earnings	5,961	(173)	5,788
Diluted earnings per common share:			
Before discontinued operations	\$ 0.26		\$ 0.26
Net earnings	\$ 0.25		\$ 0.25

Genesco Inc.
Quarterly Financial Information (Unaudited)
In Thousands, except per share amounts

	Fiscal 2001		
	As Reported Three Months Ended July 29, 2000	Adjust- ments	Adjusted Three Months Ended July 29, 2000
Net sales	\$ 143,243	\$ (1,461)	\$ 141,782
Gross margin	68,966	(664)	68,302
Pretax earnings	9,041	(638)	8,403
Earnings before discontinued operations	5,531	(391)	5,140
Net earnings	2,562	(391)	2,171
Diluted earnings per common share:			
Before discontinued operations	\$ 0.24	\$ (0.02)	\$ 0.22
Net earnings	\$ 0.13	\$ (0.02)	\$ 0.11

Genesco Inc.
Quarterly Financial Information (Unaudited)
In Thousands, except per share amounts

	Fiscal 2001		
	As Reported Three Months Ended October 28, 2000	Adjust- ments	Adjusted Three Months Ended October 28, 2000
Net sales	\$ 176,086	\$ 2,171	\$ 178,257
Gross margin	82,662	751	83,413
Pretax earnings	14,340	694	15,034
Earnings before discontinued operations	8,785	424	9,209
Net earnings	8,785	424	9,209
Diluted earnings per common share:			
Before discontinued operations	\$ 0.36	\$ 0.01	\$ 0.37
Net earnings	\$ 0.36	\$ 0.01	\$ 0.37

	Fiscal 2001	
	As Reported Three Months Ended February 3,	Adjusted Three Months Ended February 3,
	Adjust-	

	2001	ments	2001
Net sales	\$ 214,193	\$ (2,258)	\$ 211,935
Gross margin	102,579	(687)	101,892
Pretax earnings	19,416	(513)	18,903
Earnings before discontinued operations	12,322	(330)	11,992
Net earnings	12,290	(330)	11,960
Diluted earnings per common share:			
Before discontinued operations	\$ 0.49	\$ (0.01)	\$ 0.48
Net earnings	\$ 0.49	\$ (0.02)	\$ 0.47

	Fiscal 2001		
	As Reported Twelve Months Ended February 3, 2001	Adjust- ments	Adjusted Twelve Months Ended February 3, 2001
Net sales	\$ 680,166	\$ (2,841)	\$ 677,325
Gross margin	322,513	(927)	321,586
Pretax earnings	52,987	(741)	52,246
Earnings before discontinued operations	32,831	(470)	32,361
Net earnings	29,598	(470)	29,128
Diluted earnings per common share:			
Before discontinued operations	\$ 1.35	\$ (0.02)	\$ 1.33
Net earnings	\$ 1.23	\$ (0.02)	\$ 1.21

*As reported in the Company's press release dated November 27, 2001

SOURCE Genesco Inc.

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