



Genesco Reports First Quarter Results; EPS of \$0.33 on 11% Net Sales Increase and 2% Same Store Sales Increase

May 29, 2002

NASHVILLE, Tenn., May 29, 2002 /PRNewswire-FirstCall via COMTEX/ -- Genesco Inc. (NYSE: GCO) today reported net earnings of \$8.2 million, or \$0.33 per diluted share for the first quarter ended May 4, 2002, compared with \$8.3 million, or \$0.34 per diluted share, for the first quarter last year. Net sales for the quarter increased 11% to \$190.6 million from \$171.7 million in the first quarter a year ago.

Genesco President and Chief Executive Officer Hal N. Pennington said, "Our ability to exceed First Call consensus earning estimates for the quarter was directly related to the diversification of our business and underscores the compelling nature of our position in the market. By offering a portfolio of unique destination retail concepts and lifestyle brands supported by strong product offerings and dedicated management, we believe we limit the impact of a shortfall in any particular segment, while at the same time continuing to deliver strong financial results. In this case, very strong results in the Jarman Group more than offset slower than planned comparable sales growth at Journeys, while Johnston & Murphy and Dockers Footwear performed up to our expectations, giving us a solid quarter overall. We view our diversification as a powerful strategic advantage, separating Genesco from its peers and providing us with a superior platform for growth.

"The Journeys division's net sales increased by 13.8% during the quarter and same store sales in dollars declined 3%, while same store unit sales increased by 2%. An extremely strong first quarter last year, when Journeys enjoyed 11% same store sales growth driven by the popularity of certain products at higher price points, and the impact of an early Easter this year made for a difficult comparison. As we move through the second quarter and into the second half of the fiscal year, we are confident that the positive effects of a number of exciting new products and brands should drive the business back to expected levels of growth, especially as comparable sales and product comparisons moderate."

Pennington continued, "The Jarman Group significantly outperformed expectations for the quarter, with robust results from both the Jarman and Underground Station stores. Net sales increased 32.4% to \$33.2 million and same store sales rose 19% for the total division, with Jarman up 21% and Underground Station up 16%. Since new management took control of the Jarman Group last year, we have seen substantial improvements in same store sales and operating margin. This strong momentum continues into the second quarter. Based on the performance of Underground Station, we are now looking to increase the pace of Underground Station store openings and conversions of Jarman stores.

"Johnston & Murphy showed improvement in the quarter. Net sales were \$42.4 million for the quarter and we were encouraged with a 1% same store sales gain. We continued to manage our inventory position aggressively during the quarter and we were pleased to report a 14% decline in inventories on a 2% increase in total sales for the brand. The transition from our domestic Johnston & Murphy factory to a new resource is proceeding smoothly.

"Dockers Footwear's sales increased 15% to \$23.6 million compared to \$20.5 million last year. These results were particularly encouraging, since they came on top of a 34% sales gain in the same period last year. Dockers' continued success is a function of providing the marketplace with updated, traditional footwear at a great value with a powerful brand name. We remain enthusiastic about our prospects for growth."

The forward-looking statements in this release involve a number of risks and uncertainties. Actual results could be materially different. The factors that could cause materially different results include lower than expected consumer demand for the Company's products, whether caused by weakness in the overall economy or changes in fashions or tastes that the Company fails to anticipate or respond appropriately to, changes in buying patterns by significant wholesale customers, disruptions in product supply or distribution, including the impact of opening a new distribution center, the inability to adjust inventory levels to sales and changes in business strategies by the Company's competitors, among other factors. Other factors that could cause results to differ from expectations include the Company's ability to open, staff and support additional retail stores on schedule and at acceptable expense levels, and the outcome of litigation and environmental matters involving the Company. Forward-looking statements reflect the expectations of the Company at the time they are made. The Company disclaims any obligation to update such Company statements.

The Company's live conference call on May 29, 2002, at 8:30 a.m. (Central time), may be accessed through the Company's internet website, www.genesco.com. The Company expects to discuss results from the first quarter and its current expectations for the second quarter and fiscal year ending February 1, 2003, during the call. To listen live, please go to the website at least 15 minutes early to register, download and install any necessary software. A replay will be available shortly after the call for 14 days.

Genesco, based in Nashville, sells footwear and accessories in 940 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. Additional information on Genesco and its operating divisions may be accessed at its website www.genesco.com.

GENESCO INC.

Consolidated Earnings Summary

In Thousands	Three Months Ended	
	May 4, 2002	May 5, 2001*
Net sales	\$ 190,593	\$ 171,662
Cost of sales	100,445	89,821

Selling and administrative expenses	75,226	66,956
Earnings from operations before interest	14,922	14,885
Interest expense, net	1,672	1,535
Pretax earnings	13,250	13,350
Income tax expense	5,048	5,012
Net Earnings	\$ 8,202	\$ 8,338

Earnings Per Share Information

In Thousands (except per share amounts)	Three Months Ended	
	May 4, 2002	May 5, 2001
Preferred dividend requirements	\$ 74	\$ 74
Average common shares - Basic EPS	21,876	21,846
Basic net earnings per share	\$ 0.37	\$ 0.38
Average common and common equivalent shares - Diluted EPS	27,314	27,324
Diluted net earnings per share	\$ 0.33	\$ 0.34

* Certain amounts have been reclassified to conform to current presentation.

GENESCO INC.

Consolidated Earnings Summary

In Thousands	Three Months Ended	
	May 4, 2002	May 5, 2001
Sales:		
Journeys	\$ 91,474	\$ 80,348
Jarman	33,199	25,071
Johnston & Murphy	42,365	41,567
Licensed Brands(1)	23,555	24,676
Net Sales	\$ 190,593	\$ 171,662
Pretax Earnings (Loss):		
Journeys	\$ 8,203	\$ 10,075
Jarman	2,650	931
Johnston & Murphy	4,107	4,126
Licensed Brands(2)	2,787	2,935
Corporate and Other	(2,825)	(3,182)
Operating income	14,922	14,885
Interest, net	1,672	1,535
Total Pretax Earnings	13,250	13,350
Income tax expense	5,048	5,012
Net Earnings	\$ 8,202	\$ 8,338

(1) Includes Nautica sales of \$4.2 million for the first quarter of Fiscal 2002.

(2) Includes a Nautica operating loss of \$0.3 million for the first quarter of Fiscal 2002.

GENESCO INC.

Consolidated Balance Sheet

In Thousands	May 4, 2002	May 5, 2001
Assets		
Cash and short-term investments	\$ 44,266	\$ 34,133
Accounts receivable	22,513	26,787
Inventories	143,448	146,960
Other current assets	20,272	26,612
Current assets of discontinued operations*	--	187
Total current assets	230,499	234,679
Plant, equipment and capital leases	125,419	90,028
Other non-current assets	20,559	19,987
Non-current assets of discontinued operations*	499	554
Total Assets	\$ 376,976	\$ 345,248
Liabilities and Shareholders' Equity		
Total current liabilities	78,245	78,794
Long-term debt	103,271	103,527
Other long-term liabilities	24,481	11,605
Shareholders' equity	170,979	151,322
Total Liabilities and Shareholders' Equity	\$ 376,976	\$ 345,248

* Current and non-current assets of discontinued operations include Volunteer Leather.

GENESCO INC.

Retail Units Operated

	Balance				Balance				Balance 05/04/02
	02/03/01	Open	Conv	Close	02/02/02	Open	Conv	Close	
Journeys									
Group	425	111	(1)	2	533	32	0	1	564
Journeys	425	97	(1)	2	519	25	0	1	543
Journeys Kidz									
	0	14	0	0	14	7	0	0	21
Jarman									
Group	207	32	1	13	227	5	0	4	228
Jarman Retail									
	150	0	(8)	12	130	0	(1)	3	126
Underground Station									
	57	32	9	1	97	5	1	1	102
Johnston & Murphy									
	147	10	0	9	148	0	0	0	148
Shops	115	9	0	8	116	0	0	0	116
Factory Outlets									
	32	1	0	1	32	0	0	0	32
Total Retail Units	779	153	0	24	908	37	0	5	940

Constant Store Sales

	Three Months Ended	
	May 4, 2002	May 5, 2001
Journeys	-3%	11%
Jarman Group	19%	-3%
Jarman Retail	21%	-4%

Underground Station	16%	5%
Johnston & Murphy	1%	-9%
Shops	-1%	-8%
Factory Outlets	8%	-14%
Total Constant Store Sales	2%	4%

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