FY23 Q4 GENESCO

Summary Results

March 9, 2023

Genesco

Journeys Journeys Kidz LITTLE BURGUNDY schuh JOHNSTON & MURPHY Levi's DOCKERS Bass

Safe Harbor Statement

This release contains forward-looking statements, including those regarding future sales, earnings, operating income, gross margins, expenses, capital expenditures, depreciation and amortization, tax rates, stores openings and closures, ESG progress 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," "feel," "believe," "anticipate," "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 weakness in store and shopping mall traffic, 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 stores 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; our ability to pass on price increases to our customers; 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 pandemics or geopolitical events; 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, impacts of the Russia-Ukraine war, 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 amount and timing of share repurchases; 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; our ability to meet our sustainability, stewardship, emission and diversity, equity and inclusion related ESG projections, goals and commitments; 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 in both the amount and timeframe anticipated; 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.

Our Footwear Focused Vision & Strategy

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

1. *Accelerate digital to grow direct-to-consumer*
2. *Maximize the relationship between physical and digital*
3. *Build deeper consumer insights to strengthen customer relationships and brand equity*
4. *Intensify product innovation and trend insight efforts*
5. *Reshape the cost base to reinvest for future growth*
6. *Pursue synergistic acquisitions to add to growth*

Values, organization, culture and ESG stewardship

Retail Platform

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

Branded Platform

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

Q4 FY23 Highlights

- Revenue in Q4 was $725 million, essentially flat with last year, while on a constant currency basis, total sales were up 2%.
- Total comps improved sequentially through the year, culminating in a 5% comp gain in the fourth quarter with both positive store comps +1% and positive ecommerce comps +21%.
- Digital sales were up almost 60% versus pre-pandemic levels, with digital sales accounting for 25% of total retail sales, up from 22% last year and up from 17% from FY20.

Q4 FY23

Key Earnings Highlights

$725

MILLION IN SALES
essentially flat vs. Q4 FY22
(+2% constant currency basis)
+7% vs. Q4 FY20

+57%

GROWTH IN
E-COMMERCE SALES
vs. Q4 FY20

Comparable Sales Growth:

+5% Combined
+1% Stores
+21% Direct

$3.23

GAAP EPS
vs. $4.41 Q4 FY22
vs. $2.49 Q4 FY20

$3.06

NON-GAAP EPS
vs. $3.48 Q4 FY22
vs. $3.09 Q4 FY20

Q4 FY23
Key Earnings Highlights

	Quarter 4 January 28, 2023	Quarter 4 January 29, 2022	Quarter 4 February 1, 2020
Total Sales Change	**0%**	14%	0%
% Days Operating	**100%**	98%	NA
Comparable Sales	**5%**	3%	1%
Comparable Direct Sales	**21%**	-12%	19%
Gross Margin %	**46.4%**	48.9%	46.9%
Selling and Admin. Expenses % [1]			
GAAP	**39.4%**	39.9%	38.5%
Non-GAAP	**39.4%**	39.8%	38.1%
Operating Income % [1]			
GAAP	**6.9%**	11.5%	6.7%
Non-GAAP	**7.0%**	9.1%	8.8%
Earnings per Diluted Share [1]			
GAAP	**$ 3.23**	$ 4.41	$ 2.49
Non-GAAP	**$ 3.06**	$ 3.48	$ 3.09

[1] See GAAP to Non-GAAP adjustments in appendix.

FY23 Highlights

- Johnston & Murphy and Schuh achieve record sales.
- Digital penetration achieved 20% of direct-to-consumer sales, up from 13% in fiscal 20, growing almost 70% from pre-pandemic levels.
- We returned $73 million to shareholders through share repurchases totaling 10% of our outstanding shares.
- And we delivered adjusted EPS of $5.59, an increase of more than 20% compared with pre-pandemic fiscal 20.

FY23
Key Earnings Highlights

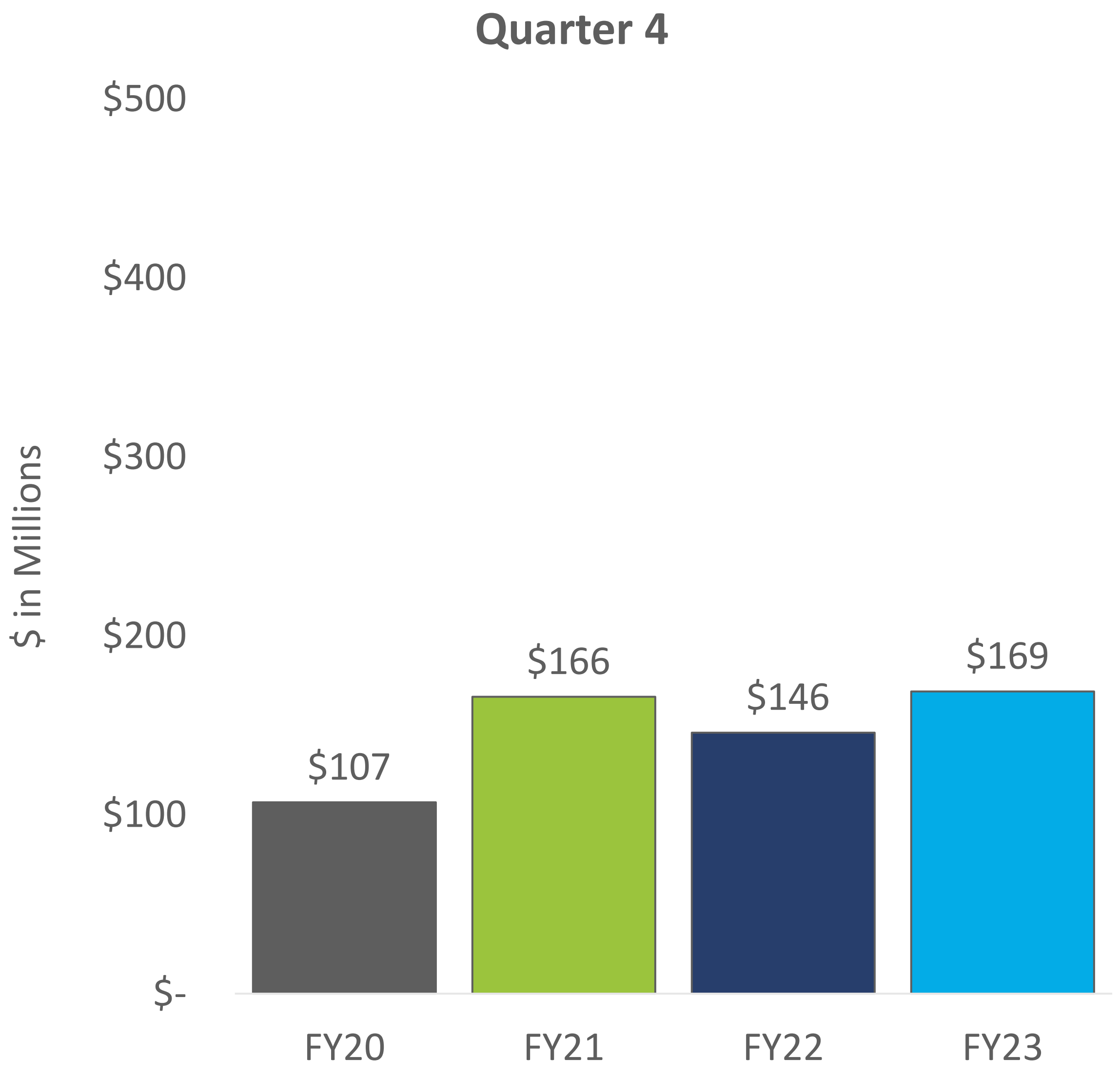
	Fiscal Year Ended January 28, 2023	Fiscal Year Ended January 29, 2022	Fiscal Year Ended February 1, 2020
Total Sales Change	**-2%**	36%	0%
% Days Operating	**100%**	96%	NA
Comparable Sales [1]	**NA**	NA	3%
Comparable Direct Sales [1]	**0%**	-2%	18%
Gross Margin %	**47.6%**	48.8%	48.4%
Selling and Admin. Expenses % [2]			
GAAP	**43.7%**	42.7%	44.0%
Non-GAAP	**43.6%**	42.5%	43.9%
Operating Income % [2]			
GAAP	**3.9%**	6.4%	3.8%
Non-GAAP	**4.1%**	6.3%	4.5%
Earnings per Diluted Share [2]			
GAAP	**$ 5.69**	$ 7.92	$ 3.94
Non-GAAP	**$ 5.59**	$ 7.62	$ 4.58

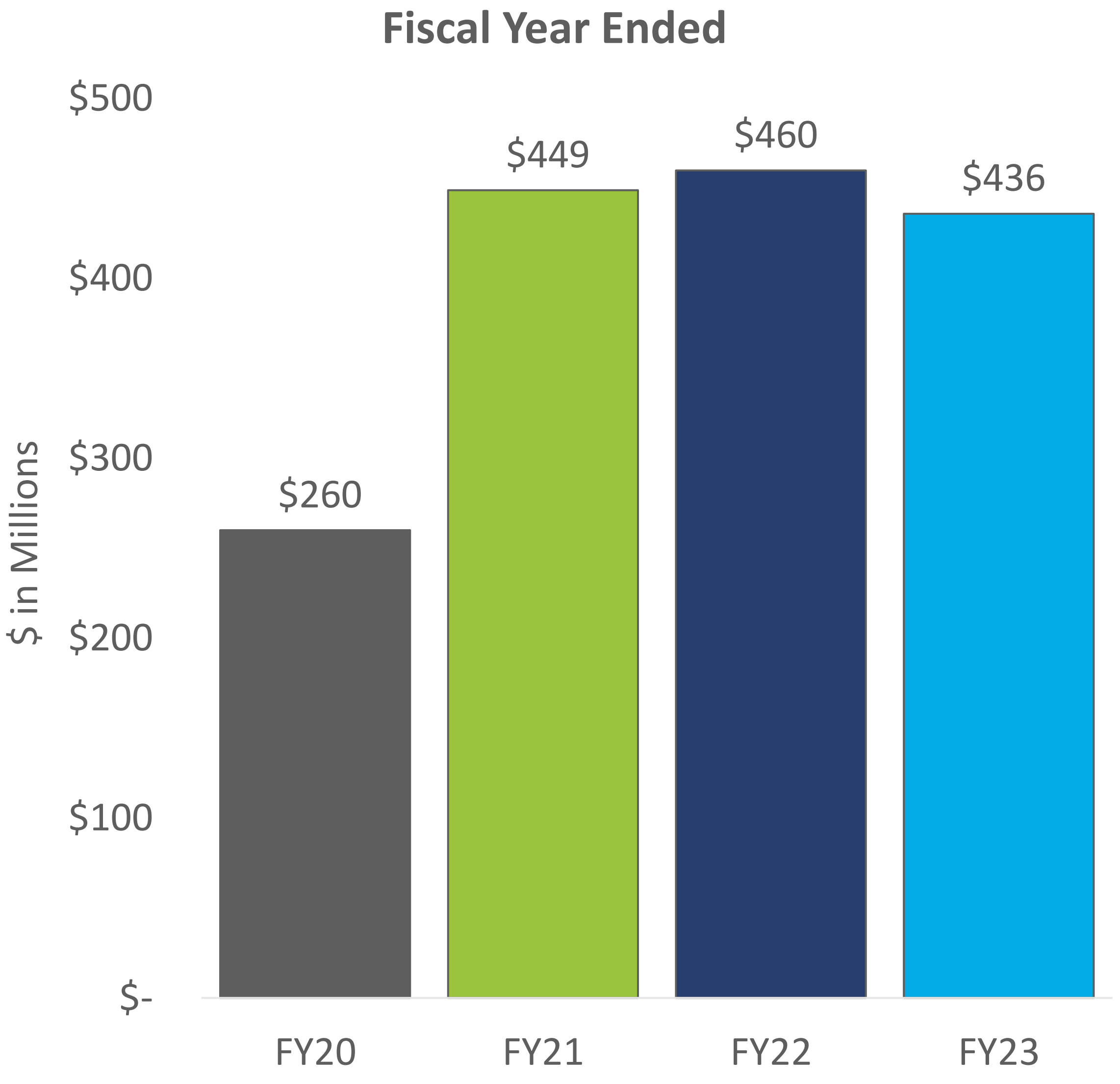
[1] As a result of store closures during Fiscal 2021 and the first quarter of Fiscal 2022 in response to the COVID-19 pandemic and the Company's policy of removing any store closed for seven consecutive days from comparable sales, the Company has not included comparable sales for Fiscal 2023 and Fiscal 2022, except for comparable direct sales, as it felt that overall sales was a more meaningful metric during those periods.

[2] See GAAP to Non-GAAP adjustments in appendix.

Q4 FY23

E-Commerce Sales Highlights





	FY20	FY21	FY22	FY23	FY20	FY21	FY22	FY23
% of Retail Sales [(1)]	17%	27%	22%	25%	13%	27%	21%	20%

(1) Retail sales represent combined store sales and e-commerce sales

Q4 FY23

Comparable Sales

	Quarter 4	
	Jan. 28, 2023	Jan. 29, 2022
Journeys Group	**-1%**	1%
Schuh Group	**20%**	-2%
Johnston & Murphy Group	**23%**	38%
Total Comparable Sales	**5%**	3%
Same Store Sales	**1%**	10%
Comparable Direct Sales	**21%**	-12%

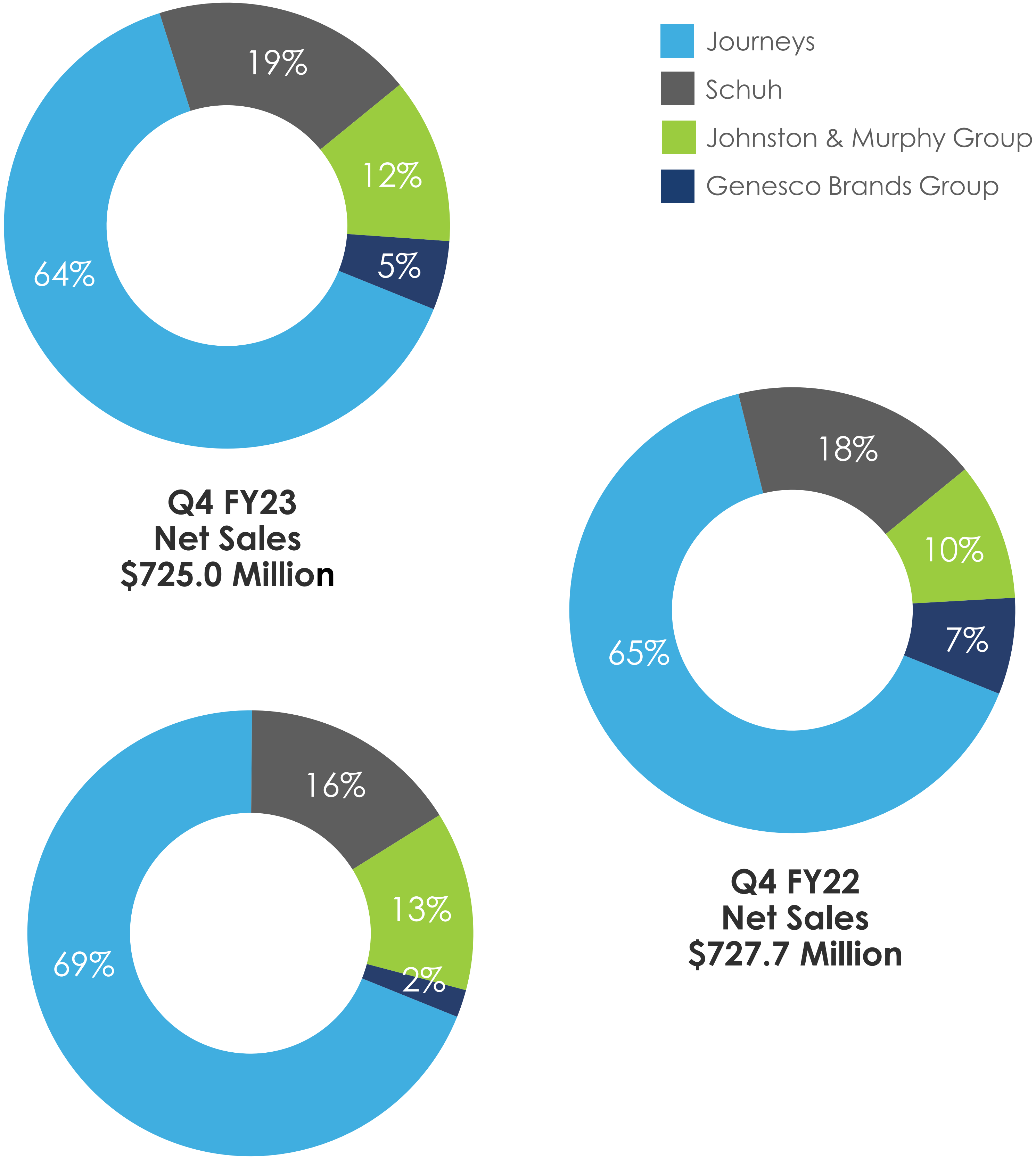
Q4 FY23

Total Sales

	Quarter 4		
	Total Sales Change		
	FY23 vs FY22	FY22 vs FY21	FY23 vs FY20
Journeys Group	-2%	2%	0%
Schuh Group	7%	33%	23%
Johnston & Murphy Group	17%	51%	4%
Genesco Brands Group	-34%	98%	140%
Total Sales Change	0%	14%	7%
Constant Currency Sales:			
Schuh Group	18%	33%	33%
Total Sales Change	2%	14%	9%

Q4 FY23

Sales by Segment



Q4 FY23
Net Sales
$725.0 Million

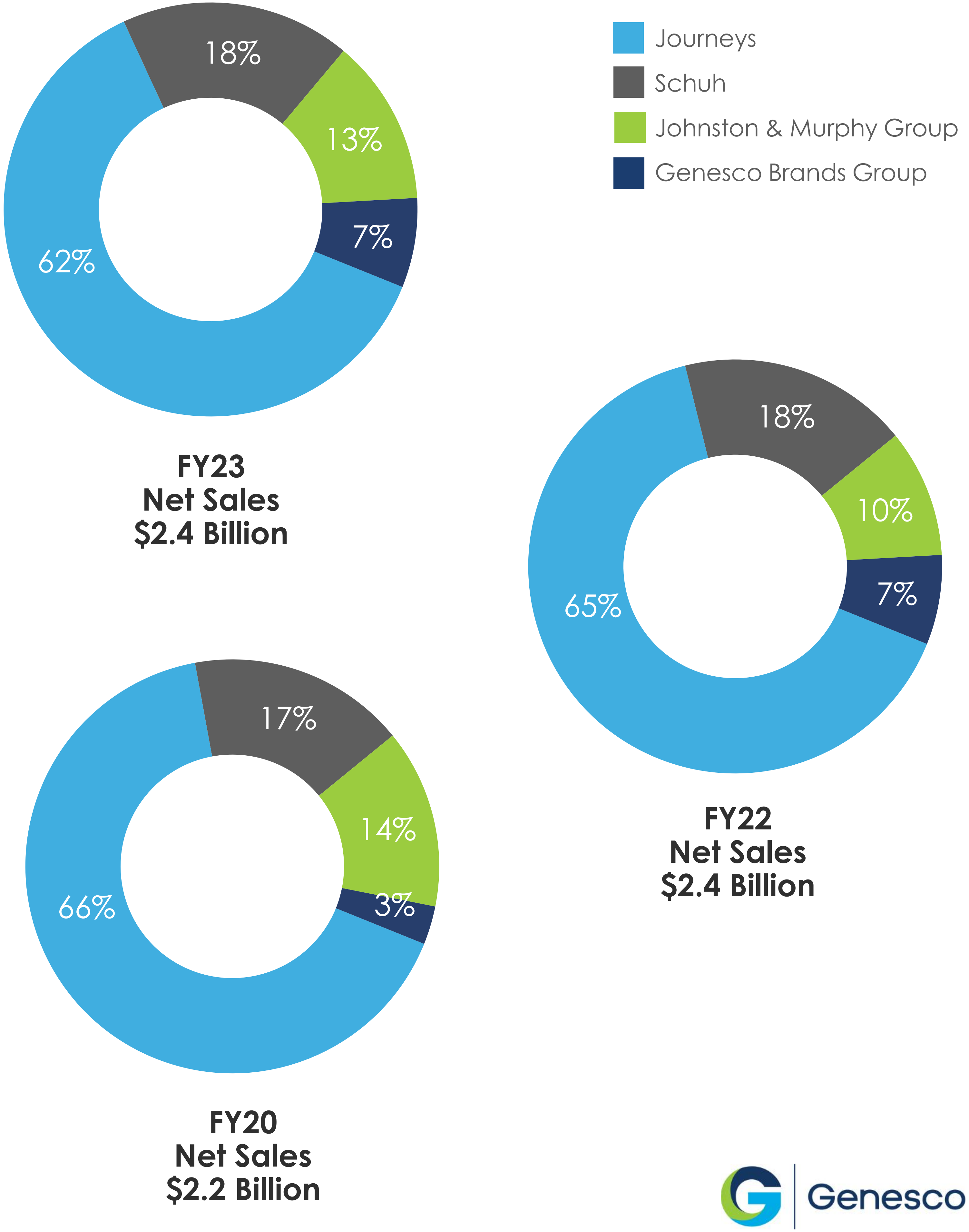
Q4 FY22
Net Sales
$727.7 Million

Q4 FY20
Net Sales
$677.6 Million

Genesco

FY23

Sales by Segment



FY23
Net Sales
$2.4 Billion

FY22
Net Sales
$2.4 Billion

FY20
Net Sales
$2.2 Billion

Q4 FY23

Adjusted Operating Income by Segment (1)

	Quarter 4								
	January 28, 2023			January 29, 2022			February 1, 2020		
($ in millions)	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	$ 43.2	$ -	$ 43.2	$ 58.4	$ -	$ 58.4	$ 55.7	$ -	$ 55.7
Schuh Group	12.3	-	12.3	9.8	-	9.8	5.7	-	5.7
Johnston & Murphy Group	7.1	-	7.1	4.6	-	4.6	7.4	-	7.4
Genesco Brands Group	(3.2)	-	(3.2)	3.2	-	3.2	(0.8)	-	(0.8)
Corporate and Other	(9.5)	1.1	(8.4)	7.4	(17.0)	(9.6)	(22.5)	14.0	(8.5)
Total Operating Income	$ 49.8	$ 1.1	$ 51.0	$ 83.4	$ (17.0)	$ 66.4	$ 45.3	$ 14.0	$ 59.3
% of sales	6.9%		7.0%	11.5%		9.1%	6.7%		8.8%

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

FY23

Adjusted Operating Income by Segment[1]

	Fiscal Year Ended								
	January 28, 2023			January 29, 2022			February 1, 2020		
($ in millions)	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	$ 94.4	$ -	$ 94.4	$ 165.3	$ -	$ 165.3	$ 114.9	$ -	$ 114.9
Schuh Group	17.6	-	17.6	19.3	-	19.3	4.7	-	4.7
Johnston & Murphy Group	14.4	-	14.4	7.0	-	7.0	17.7	-	17.7
Genesco Brands Group	(0.7)	-	(0.7)	6.6	-	6.6	(0.7)	-	(0.7)
Corporate and Other	(32.5)	3.5	(28.9)	(42.6)	(4.1)	(46.7)	(53.3)	15.8	(37.4)
Total Operating Income	$ 93.2	$ 3.5	$ 96.8	$ 155.6	$ (4.1)	$ 151.5	$ 83.3	$ 15.8	$ 99.2
% of sales	3.9%		4.1%	6.4%		6.3%	3.8%		4.5%

[1] See GAAP to Non-GAAP adjustments in appendix.

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Q4 FY23

Inventory/Sales Change by Segment

	Inventory		Sales [1]	
	Change from			
($ in millions)	Jan. 29, 2022	Feb. 1, 2020	Q4 FY22	Q4 FY20
Journeys Group	51%	20%	-2%	0%
Schuh Group [2]	40%	14%	18%	33%
Johnston & Murphy Group	151%	54%	17%	4%
Genesco Brands Group	82%	29%	-34%	140%
Total for Q4 FY23	$ 458		$ 725	
% Change Total GCO	65%	25%	0%	7%

[1] Rolling 3-month sales change.

[2] On a constant currency basis.

Q4 FY23

Retail Stores Summary

	October 29, 2022	Open	Close	**January 28, 2023**
Journeys Group	1,123	14	7	**1,130**
Journeys stores (U.S.)	813	11	6	**818**
Journeys stores (Canada)	45	-	-	**45**
Journeys Kidz stores	230	3	-	**233**
Little Burgundy	35	-	1	**34**
Schuh Group	122	2	2	**122**
Johnston & Murphy Group	159	1	2	**158**
Total Stores	1,404	17	11	**1,410**

FY23
Retail Square Footage

(in thousands)	Jan. 29, 2022	Net Change	**Jan. 28, 2023**	**% Change**
Journeys Group	2,262	10	**2,272**	**0.4%**
Schuh Group	594	8	**602**	**1.3%**
Johnston & Murphy Group	320	(14)	**306**	**-4.2%**
Total Square Footage	3,176	4	**3,180**	**0.1%**
Year over year change in retail inventory per square foot	-4%		**51%**	

FY24

Outlook[1]

Note: See earnings call transcript for important details regarding guidance assumptions.

Non-GAAP EPS	$5.10 - $5.90 per share, expectations near mid-point
Total Sales vs. FY2023	Flat to up 2%, or down 1% to up 1%, excluding the 53rd week this year
Gross Margin vs. FY2023	35 - 45 basis point increase
SG&A Expenses vs. FY2023	70 to 40 basis point deleverage
Tax Rate	~ 26%
CapEx	~ $55 - $60 million
Depreciation & Amortization	~ $46 million
Avg Shares Outstanding	12.2 million *(assumes no further repurchases)*

[1] *On a Non-GAAP basis*

FY24

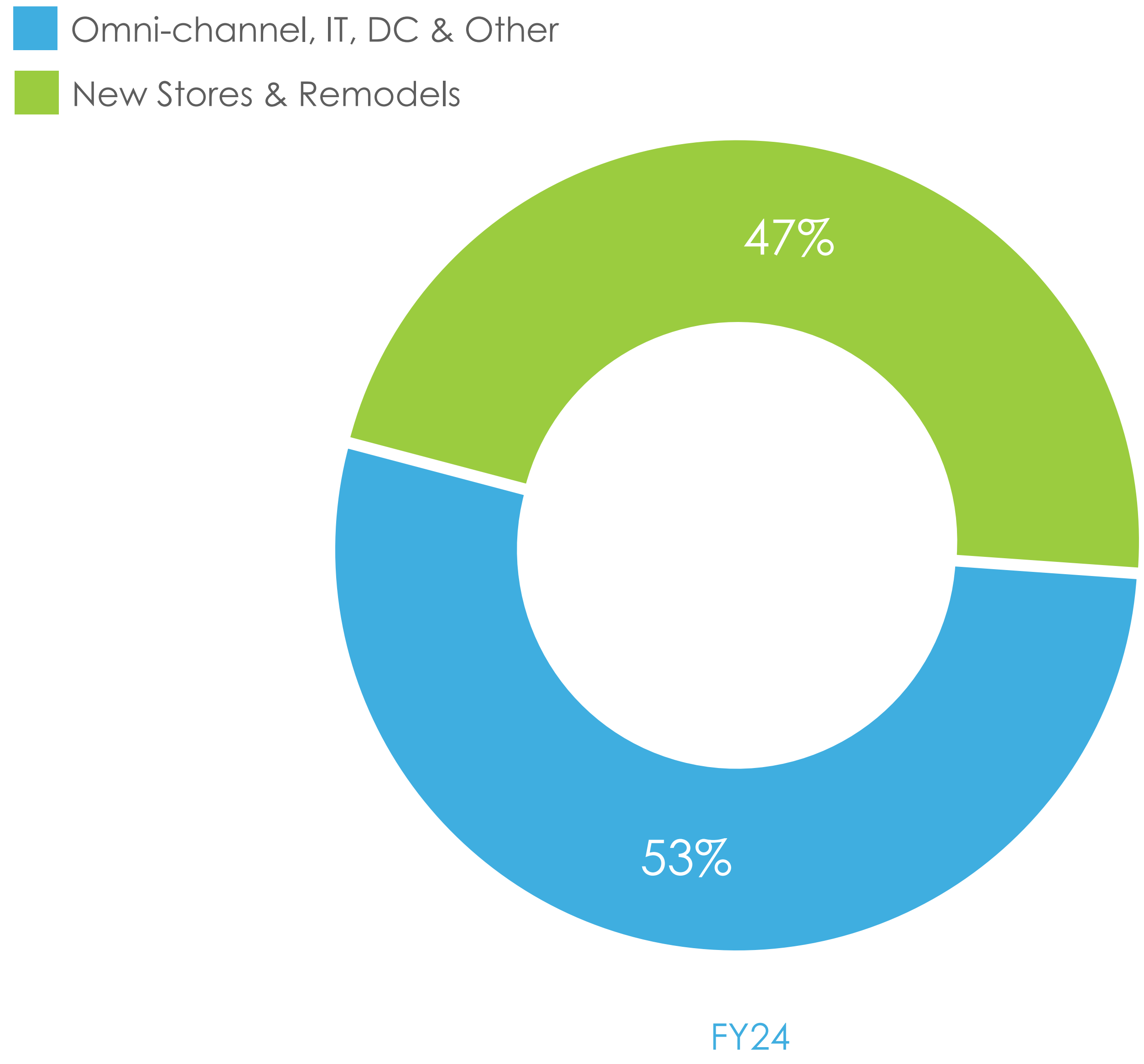
Projected Retail Store Count

	Actual 2023	Proj Open	Proj Close	**Proj 2024**
Journeys Group	1,130	27	60	**1,097**
Journeys stores (U.S.)	818	26	34	**810**
Journeys stores (Canada)	45	-	8	**37**
Journeys Kidz stores	233	1	18	**216**
Little Burgundy	34	0	0	**34**
Schuh Group	122	1	2	**121**
Johnston & Murphy Group	158	3	4	**157**
Total Stores	1,410	31	66	**1,375**
Estimated change in square feet				**-2%**

FY24

Projected Capital Spending

Projected FY24 CapEx approx. $55 - $60 Million



Projected Depreciation & Amortization = $46 Million

Appendix

Q4 FY23

Non-GAAP Reconciliation

	Quarter 4								
	January 28, 2023			January 29, 2022			February 1, 2020		
In Thousands (except per share amounts)	**Pretax**	**Net of Tax**	**Per Share Amounts**	Pretax	Net of Tax	Per Share Amounts	Pretax	Net of Tax	Per Share Amounts
Earnings from continuing operations, as reported		**$ 39,198**	**$ 3.23**		$ 62,198	$ 4.41		$ 35,515	$2.49
Asset impairments and other adjustments:									
Asset impairment charges	**$ 1,009**	**729**	**0.06**	$ -	6	0.00	$ 1,258	965	0.07
Fees related to shareholder activist	**-**	**(5)**	**0.00**	(25)	23	0.00	-	-	0.00
Expenses related to new HQ building	**112**	**100**	**0.01**	1,093	794	0.05	-	-	0.00
Gain on sale of warehouse	**-**	**-**	**0.00**	(18,085)	(12,893)	(0.91)	-	-	0.00
Insurance gain	**-**	**-**	**0.00**	-	(3)	0.00	-	-	0.00
Pension settlement	**-**	**-**	**0.00**	-	-	0.00	11,510	8,409	0.59
Gain on lease terminations	**-**	**-**	**0.00**	-	-	0.00	(502)	(366)	(0.03)
Acquisition expenses	**-**	**-**	**0.00**	-	-	0.00	2,474	1,808	0.13
Gain on Hurricane Maria	**-**	**-**	**0.00**	-	-	0.00	(149)	(110)	(0.01)
Gain on sale of Lids building	**-**	**-**	**0.00**	-	-	0.00	(586)	(428)	(0.03)
Total asset impairments and other adjustments	**$ 1,121**	**824**	**0.07**	$ (17,017)	(12,073)	(0.86)	$ 14,005	10,278	0.72
Income tax expense adjustments:									
Other tax items		**(2,939)**	**(0.24)**		(998)	(0.07)		(1,719)	(0.12)
Total income tax expense adjustments		**(2,939)**	**(0.24)**		(998)	(0.07)		(1,719)	(0.12)
Adjusted earnings from continuing operations (1) and (2)		**$ 37,083**	**$ 3.06**		$ 49,127	$3.48		$ 44,074	$3.09

(1) The adjusted tax rate for the fourth quarter of Fiscal 2023, 2022 and 2020 is 25.2%, 25.3% and 25.3%, respectively.

(2) EPS reflects 12.1 million, 14.1 million and 14.3 million share count for the fourth quarter of Fiscal 2023, 2022 and 2020, respectively, which includes common stock equivalents in all periods.

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FY23 Non-GAAP Reconciliation

	Fiscal Year Ended								
	January 28, 2023			January 29, 2022			February 1, 2020		
In Thousands (except per share amounts)	**Pretax**	**Net of Tax**	**Per Share Amounts**	Pretax	Net of Tax	Per Share Amounts	Pretax	Net of Tax	Per Share Amounts
Earnings from continuing operations, as reported		**$ 72,242**	**$ 5.69**		$ 114,947	$7.92		$ 61,757	$3.94
Asset impairments and other adjustments:									
Asset impairment charges	**$ 1,550**	**1,183**	**0.09**	$ 2,049	1,694	0.12	$ 3,095	2,261	0.14
Gain on pension termination	**(695)**	**(525)**	**(0.04)**	-	-	0.00	-	-	0.00
Fees related to shareholder activist	**-**	**-**	**0.00**	8,558	6,101	0.42	-	-	0.00
Expenses related to new HQ building	**2,657**	**2,005**	**0.16**	4,004	2,855	0.20	-	-	0.00
Insurance gain	**-**	**-**	**0.00**	(578)	(412)	(0.03)	-	-	0.00
Gain on sale of warehouse	**-**	**-**	**0.00**	(18,085)	(12,893)	(0.89)	-	-	0.00
Pension settlement	**-**	**-**	**0.00**	-	-	0.00	11,510	8,409	0.54
Acquisition expenses	**-**	**-**	**0.00**	-	-	0.00	2,474	1,808	0.12
Gain on sale of Lids building	**-**	**-**	**0.00**	-	-	0.00	(586)	(428)	(0.03)
Gain on lease terminations	**-**	**-**	**0.00**	-	-	0.00	(458)	(335)	(0.02)
Gain on Hurricane Maria	**-**	**-**	**0.00**	-	-	0.00	(187)	(137)	(0.01)
Total asset impairments and other adjustments	**$ 3,512**	**2,663**	**0.21**	$ (4,052)	(2,655)	(0.18)	$ 15,848	11,578	0.74
Income tax expense adjustments:									
Tax impact share based awards		**(635)**	**(0.05)**		(1,747)	(0.12)		(54)	0.00
Other tax items		**(3,188)**	**(0.26)**		17	0.00		(1,475)	(0.10)
Total income tax expense adjustments		**(3,823)**	**(0.31)**		(1,730)	(0.12)		(1,529)	(0.10)
Adjusted earnings from continuing operations (1) and (2)		**$ 71,082**	**$ 5.59**		$ 110,562	$7.62		$ 71,806	$4.58

(1) The adjusted tax rate for Fiscal 2023, 2022 and 2020 is 24.0%, 25.8% and 26.9%, respectively.

(2) EPS reflects 12.7 million, 14.5 million and 15.7 million share count for Fiscal 2023, 2022 and 2020, respectively, which includes common stock equivalents in all periods.

Q4 FY23

Adjusted Selling & Administrative Expenses

	Quarter 4		
In Thousands	**January 28, 2023**	January 29, 2022	February 1, 2020
Selling and administrative expenses, as reported	**$ 285,776**	$ 290,478	$ 260,612
Expenses related to new HQ building	**(112)**	(1,093)	-
Acquisition Expenses	**-**	-	(2,474)
Total adjustments	**(112)**	(1,093)	(2,474)
Adjusted selling and administrative expenses	**$ 285,664**	$ 289,385	$ 258,138
% of sales	**39.4%**	39.8%	38.1%

FY23

Adjusted Selling & Administrative Expenses

	Fiscal Year Ended		
In Thousands	**January 28, 2023**	January 29, 2022	February 1, 2020
Selling and administrative expenses, as reported	**$ 1,042,094**	$ 1,033,625	$ 966,423
Expenses related to new HQ building	**(2,657)**	(4,004)	-
Acquisition Expenses	**-**	-	(2,474)
Total adjustments	**(2,657)**	(4,004)	(2,474)
Adjusted selling and administrative expenses	**$ 1,039,437**	$ 1,029,621	$ 963,949
% of sales	**43.6%**	42.5%	43.9%

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