UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of report (Date of earliest event reported): May 26, 2016 (May 26, 2016)

GENESCO INC.

(Exact Name of Registrant as Specified in Charter)

Tennessee	**1-3083**	**62-0211340**
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

1415 Murfreesboro Road **Nashville, Tennessee**	**37217-2895**
(Address of Principal Executive Offices)	(Zip Code)

(615) 367-7000

(Registrant’s Telephone Number, Including Area Code)

Not Applicable

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

ITEM 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITION.

On May 26, 2016, Genesco Inc. issued a press release announcing results of operations for the fiscal first quarter ended April 30, 2016. A copy of the press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

On May 26, 2016, Genesco Inc. also posted on its website, www.genesco.com, commentary by its chief financial officer on the quarterly results. A copy of the commentary is furnished as Exhibit 99.2 to this Current Report on Form 8-K.

In addition to disclosing financial results calculated in accordance with United States generally accepted accounting principles (GAAP), the press release and commentary furnished herewith contain non-GAAP financial measures, including adjusted selling, general and administrative expense, operating earnings, pretax earnings, earnings from continuing operations and earnings per share from continuing operations, as discussed in the text of the release and commentary and as detailed on the reconciliation schedule attached to the press release and commentary. For consistency and ease of comparison with Fiscal 2017's previously announced earnings expectations and the adjusted results for the prior period announced last year, the Company believes that disclosure of the non-GAAP measures will be useful to investors.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS.

(d) Exhibits

The following exhibits are furnished herewith:

Exhibit Number	Description
99.1	Press Release dated May 26, 2016, issued by Genesco Inc.
99.2	Genesco Inc. First Fiscal Quarter Ended April 30, 2016 Chief Financial Officer's Commentary

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

	GENESCO INC.	
Date: May 26, 2016	By:	/s/ Roger G. Sisson
	Name:	Roger G. Sisson
	Title:	Senior Vice President, Secretary and General Counsel

EXHIBIT INDEX

No.	Exhibit
99.1	Press Release dated May 26, 2016
99.2	Genesco Inc. First Fiscal Quarter Ended April 30, 2016 Chief Financial Officer’s Commentary

Exhibit 99.1

Financial Contact: Mimi E. Vaughn (615) 367-7386
Media Contact: Claire S. McCall (615) 367-8283

GENESCO REPORTS FIRST QUARTER FISCAL 2017 RESULTS

NASHVILLE, Tenn., May 26, 2016 --- Genesco Inc. (NYSE: GCO) today reported earnings from continuing operations for the first quarter ended April 30, 2016, of $10.6 million, or $0.50 per diluted share, compared to earnings from continuing operations of $9.9 million, or $0.42 per diluted share, for the first quarter ended May 2, 2015. Fiscal 2017 first quarter results reflect a pretax charge of $3.6 million, or $0.12 per diluted share after tax, including $3.4 million of asset impairment charges and $0.2 million in other legal matters. Fiscal 2016 first quarter results reflect pretax items of $3.5 million, or $0.09 per share after tax, including $0.9 million of expenses related to deferred purchase price payments in connection with the acquisition of Schuh Group Limited, which were required to be expensed as compensation because the payment was contingent upon the payees' continued employment; and $2.6 million for network intrusion expenses, asset impairment charges and other legal matters.

Adjusted for the items described above in both periods, earnings from continuing operations were $13.0 million, or $0.62 per diluted share, for the first quarter of Fiscal 2017, compared to earnings from continuing operations of $12.2 million, or $0.51 per diluted share, for the first 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 first quarter of Fiscal 2017 decreased 2% to $649 million from $661 million in the first quarter of Fiscal 2016, primarily reflecting the divestiture of the Lids Team Sports business in January 2016. Consolidated first quarter 2017 comparable sales, including same store sales and comparable e-commerce and catalog sales, increased 1%, with a 1% increase in the Journeys Group, a 2% increase in the Lids Sports Group, a 5% decrease in the Schuh Group, and a 6% increase in the Johnston & Murphy Group. Comparable sales for the Company reflected a 1% increase in same store sales and e-commerce sales were flat.

“We are pleased with the increase in first quarter profitability, which exceeded our expectations, driven by a significantly better performance from the Lids Sports Group,” said Robert J. Dennis, chairman, president and chief executive officer of Genesco. “While overall comparable sales were at the lower end of our projected range, this was more than offset by a meaningful improvement in gross margin.

“Early second quarter comparable sales accelerated versus the first quarter, prior to the offset last week for Memorial Day, which was a week earlier last year. Comparable sales for the three weeks through Saturday, May 21, 2016, were up 1% from the same period last year. We do not consider the period to be indicative of top line performance for the full quarter because of this Memorial Day offset.

"Based on our first quarter performance, we are reiterating our full year outlook taking into account some external headwinds pressuring sales and expenses. We still expect adjusted diluted earnings per share for the fiscal year ending January 28, 2017, in the range of $4.80 to $4.90, which represents a 12% to 14% increase over Fiscal 2016's adjusted earnings per share of $4.29.” These expectations do not include expected non-cash asset impairments and other charges, estimated in the range of $9.8 million to $10.3 million pretax, or $0.30 to $0.31 per share after tax, for the full fiscal year. This guidance assumes comparable sales increases in the 1% to 2% 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.

The Company also announced that its board of directors has replaced the remaining $11 million balance of a previous $100 million repurchase program authorized in January 2016 with a new authorization to repurchase up to $100 million of common stock. The program is intended to be implemented through purchases made from time to time using a variety of methods, which may include open market purchases, private transactions, block trades, or otherwise, or by any combination of such methods, in accordance with SEC and other applicable legal requirements. The program does not obligate the Company to acquire any particular amount of common stock and it may be suspended or discontinued at any time in the Company's discretion. The Company repurchased a total of 1.1 million shares of common stock in the first quarter of Fiscal 2017 at a total cost of approximately $73 million and an average price of $66.75 per share.

Conference Call and Management Commentary

The Company has posted detailed financial commentary in writing on its website, www.genesco.com, in the investor relations section. The Company's live conference call on May 26, 2016 at 7:30 a.m. (Central time), may be accessed through the Company's internet website, 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 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; the level of chargebacks from credit card issuers 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; 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 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 business. 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; 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, or by contacting the investor relations department of Genesco via our 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.

About Genesco Inc.

Genesco Inc., a Nashville-based specialty retailer, sells footwear, headwear, sports apparel and accessories in more than 2,830 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, www.journeyskidz.com, www.shibyjourneys.com, www.schuh.co.uk, www.littleburgundyshoes.com, www.johnstonmurphy.com, www.lids.com, www.lids.ca, www.lidslockerroom.com, www.lidsclubhouse.com, http://shop.neweracap.com, www.trask.com, www.suregripfootwear.com and www.dockersshoes.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., SureGrip, and other brands. For more information on Genesco and its operating divisions, please visit www.genesco.com.

GENESCO INC.

Consolidated Earnings Summary

	Three Months Ended	
In Thousands	**Apr. 30, 2016**	May 2, 2015
Net sales	**$ 648,793**	$ 660,597
Cost of sales	**319,096**	334,264
Selling and administrative expenses*	**308,243**	307,433
Asset impairments and other, net	**3,557**	2,646
Earnings from operations	**17,897**	16,254
Interest expense, net	**1,137**	645
Earnings from continuing operations before income taxes	**16,760**	15,609
Income tax expense	**6,196**	5,664
Earnings from continuing operations	**10,564**	9,945
Provision for discontinued operations	**(154)**	(67)
Net Earnings	**$ 10,410**	$ 9,878

*Includes $0.9 million in deferred payments related to the Schuh acquisition for the first quarter ended May 2, 2015.

Earnings Per Share Information

	Three Months Ended	
In Thousands (except per share amounts)	**Apr. 30, 2016**	May 2, 2015
Average common shares - Basic EPS	**20,815**	23,550
Basic earnings per share:		
From continuing operations	**$ 0.51**	$ 0.42
Net earnings	**$ 0.50**	$ 0.42
Average common and common equivalent shares - Diluted EPS	**20,990**	23,775
Diluted earnings per share:		
From continuing operations	**$ 0.50**	$ 0.42
Net earnings	**$ 0.50**	$ 0.42

GENESCO INC.

Consolidated Earnings Summary

In Thousands	Three Months Ended Apr. 30, 2016	Three Months Ended May 2, 2015
Sales:		
Journeys Group	**$ 294,221**	$ 278,632
Schuh Group	**75,670**	78,562
Lids Sports Group	**179,376**	206,329
Johnston & Murphy Group	**69,975**	66,362
Licensed Brands	**29,466**	30,577
Corporate and Other	**85**	135
Net Sales	**$ 648,793**	$ 660,597
Operating Income (Loss):		
Journeys Group	**$ 19,620**	$ 24,422
Schuh Group (1)	**(2,661)**	(2,661)
Lids Sports Group	**6,037**	(3,397)
Johnston & Murphy Group	**4,842**	3,977
Licensed Brands	**1,853**	3,023
Corporate and Other (2)	**(11,794)**	(9,110)
Earnings from operations	**17,897**	16,254
Interest, net	**1,137**	645
Earnings from continuing operations before income taxes	**16,760**	15,609
Income tax expense	**6,196**	5,664
Earnings from continuing operations	**10,564**	9,945
Provision for discontinued operations	**(154)**	(67)
Net Earnings	**$ 10,410**	$ 9,878

(1)Includes $0.9 million in deferred payments related to the Schuh acquisition for the first quarter ended May 2, 2015.

(2)Includes a $3.6 million charge in the first quarter of Fiscal 2017 which includes $3.4 million for asset impairments and $0.2 million in other legal matters. Includes a $2.6 million charge in the first quarter of Fiscal 2016 which includes a $1.8 million charge for network intrusion expenses, $0.7 million in asset impairments and $0.1 million in other legal matters.

Exhibit 99.1

GENESCO INC.

Consolidated Balance Sheet

In Thousands		Apr. 30, 2016		May 2, 2015
Assets				
Cash and cash equivalents	**$**	**42,750**	$	89,886
Accounts receivable		**52,813**		60,498
Inventories		**551,282**		636,830
Other current assets		**88,545**		86,487
Total current assets		**735,390**		873,701
Property and equipment		**321,068**		310,642
Goodwill and other intangibles		**379,172**		392,520
Other non-current assets		**46,646**		39,025
Total Assets	**$**	**1,482,276**	$	1,615,888
Liabilities and Equity				
Accounts payable	**$**	**166,954**	$	222,893
Current portion long-term debt		**14,631**		12,000
Other current liabilities		**129,428**		187,500
Total current liabilities		**311,013**		422,393
Long-term debt		**101,273**		15,570
Pension liability		**9,660**		21,910
Deferred rent and other long-term liabilities		**154,644**		139,357
Equity		**905,686**		1,016,658
Total Liabilities and Equity	**$**	**1,482,276**	$	1,615,888

Exhibit 99.1

GENESCO INC.

Retail Units Operated - Three Months Ended April 30, 2016

	Balance 1/31/2015	Acquisi-tions	Open	Close	Balance 1/30/2016	Open	Close	Balance 4/30/2016
Journeys Group	1,182	37	29	26	1,222	5	7	**1,220**
Journeys	834	—	13	5	842	4	5	**841**
Underground by Journeys	110	—	—	12	98	—	1	**97**
Journeys Kidz	189	—	16	5	200	1	—	**201**
Shi by Journeys	49	—	—	3	46	—	1	**45**
Little Burgundy	—	37	—	1	36	—	—	**36**
Schuh Group	108	—	17	—	125	1	2	**124**
Schuh UK	98	—	15	—	113	1	2	**112**
Schuh Germany	—	—	2	—	2	—	—	**2**
Schuh ROI	10	—	—	—	10	—	—	**10**
Lids Sports Group	1,364	—	27	59	1,332	3	18	**1,317**
Johnston & Murphy Group	170	—	8	5	173	1	2	**172**
Shops	105	—	3	5	103	1	2	**102**
Factory Outlets	65	—	5	—	70	—	—	**70**
Total Retail Units	2,824	37	81	90	2,852	10	29	**2,833**

Comparable Sales (including same store and comparable direct sales)

	Three Months Ended	
	Apr. 30, 2016	May 2, 2015
Journeys Group	**1 %**	5%
Schuh Group	**(5)%**	4%
Lids Sports Group	**2 %**	3%
Johnston & Murphy Group	**6 %**	3%
Total Comparable Sales	**1 %**	4%

Schedule B

Genesco Inc.
Adjustments to Reported Earnings from Continuing Operations
First Quarter Ended April 30, 2016 and May 2, 2015

In Thousands (except per share amounts)	**First Quarter Apr 2016**	**Impact on Diluted EPS**	First Quarter Apr 2015	Impact on Diluted EPS
Earnings from continuing operations, as reported	**$ 10,564**	**$ 0.50**	$ 9,945	$ 0.42
Adjustments: (1)				
Impairment charges	**2,205**	**0.11**	487	0.02
Deferred payment - Schuh acquisition	**—**	**—**	937	0.04
Other legal matters	**57**	**—**	65	—
Network intrusion expenses	**21**	**—**	1,130	0.05
Higher (lower) effective tax rate	**106**	**0.01**	(394)	(0.02)
Adjusted earnings from continuing operations (2)	**$ 12,953**	**$ 0.62**	$ 12,170	$ 0.51

(1) All adjustments are net of tax where applicable. The tax rate for the first quarter of Fiscal 2017 is 35.8% excluding a FIN 48 discrete item of less than $0.1 million. The tax rate for the first quarter of Fiscal 2016 is 36.5% excluding a FIN 48 discrete item of less than $0.1 million.

(2) EPS reflects 21.0 and 23.8 million share count for both 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
First Quarter Ended April 30, 2016 and May 2, 2015

	Three Months Ended April 30, 2016		
In Thousands	Operating Income	Other Adj	Adj Operating Income
Journeys Group	$ 19,620	$ —	$ 19,620
Schuh Group	(2,661)	—	(2,661)
Lids Sports Group	6,037	—	6,037
Johnston & Murphy Group	4,842	—	4,842
Licensed Brands	1,853	—	1,853
Corporate and Other	(11,794)	3,557	(8,237)
Total Operating Income	$ 17,897	$ 3,557	$ 21,454

Schedule B

In Thousands	Three Months Ended May 2, 2015 Operating Income	Other Adj	Adj Operating Income
Journeys Group	$ 24,422	$ —	$ 24,422
Schuh Group*	(2,661)	937	(1,724)
Lids Sports Group	(3,397)	—	(3,397)
Johnston & Murphy Group	3,977	—	3,977
Licensed Brands	3,023	—	3,023
Corporate and Other	(9,110)	2,646	(6,464)
Total Operating Income	$ 16,254	$ 3,583	$ 19,837

*Schuh Group adjustments include $0.9 million in deferred purchase price payments.

Genesco Inc.

Adjustments to Forecasted Earnings from Continuing Operations

Fiscal Year Ending January 28, 2017

In Thousands (except per share amounts)	High Guidance Fiscal 2017		Low Guidance Fiscal 2017	
Forecasted earnings from continuing operations	$ 94,665	$ 4.60	$ 92,183	$ 4.49
Adjustments: (1)				
Asset impairment and other charges	6,153	0.30	6,468	0.31
Adjusted forecasted earnings from continuing operations (2)	$ 100,818	$ 4.90	$ 98,651	$ 4.80

(1) All adjustments are net of tax where applicable. The forecasted tax rate for Fiscal 2017 is approximately 36.9%.

(2) EPS reflects 20.6 million share count for Fiscal 2017 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.

GENESCO INC.
CHIEF FINANCIAL OFFICER'S COMMENTARY
FISCAL YEAR 2017
FIRST QUARTER ENDED APRIL 30, 2016

Consolidated Results

First Quarter

Sales

First quarter net sales decreased 1.8% to $649 million in Fiscal 2017 from $661 million in Fiscal 2016. Excluding Lids Team Sports, sales would have increased from last year's results for the first quarter of Fiscal 2017. Comparable sales for Genesco and each of its business segments, including both same store sales and comparable sales from the Company's direct (e-commerce and catalog) businesses for the quarter, were as follows:

Comparable Sales

Same Store and Comparable Direct Sales:	**1st Qtr FY17**	**1st Qtr FY16**
Journeys Group	1%	5%
Schuh Group	(5)%	4%
Lids Sports Group	2%	3%
Johnston & Murphy Group	6%	3%
Total Genesco	1%	4%

The Company's same store sales increased 1% and comparable direct sales were flat for the first quarter of Fiscal 2017 compared to a 3% increase and 27% increase, respectively, in the same period last year.

Through May 21, 2016, the first three weeks of the second quarter, May combined comparable sales increased 1% and included an offset for Memorial Day which was a week earlier last year.

Gross Margin

First quarter gross margin was 50.8% this year compared with 49.4% last year, primarily reflecting higher gross margin in Lids, primarily due to the sale of Lids Team Sports, and higher gross margins in Schuh and Licensed Brands.

SG&A

Selling and administrative expense for the first quarter this year was 47.5% compared to 46.5% of sales last year. Included in expenses for last year's first quarter are expenses for Lids Team Sports and $0.9 million, or $0.04 per diluted share, of deferred purchase price expense associated with the acquisition of the Schuh business. There was no deferred purchase price expense in the first quarter of Fiscal 2017. Excluding the deferred purchase price expense from Fiscal 2016, SG&A expense as a percent of sales increased to 47.5% from 46.4% last year. A reconciliation of non-GAAP financial measures to the most directly comparable GAAP measure is posted on the company's website in conjunction with this document.

Asset Impairment and Other Items

The asset impairment and other charge of $3.6 million for the first quarter of Fiscal 2017 included asset impairments of $3.4 million and $0.2 million of other legal matters. The previous year's first quarter asset impairment and other charge of $2.6 million included network intrusion costs of $1.8 million, asset impairments of $0.7 million and other legal matters of $0.1 million. The asset impairment and other charge and the deferred purchase price expense are collectively referred to as "Excluded Items" in the discussion below.

Operating Income

Genesco's operating income for the first quarter was $17.9 million this year compared with $16.3 million last year. Adjusted for the Excluded Items in both periods, operating income for the first quarter was $21.5 million this year compared with $19.8 million last year. Adjusted operating margin was 3.3% of sales in the first quarter of Fiscal 2017 and 3.0% last year. A reconciliation of non-GAAP financial measures to the most directly comparable GAAP measure is posted on the company's website in conjunction with this document.

Interest Expense

Net interest expense for the quarter was $1.1 million, compared with $0.6 million for the same period last year. Net interest expense increased in the first quarter of Fiscal 2017 because of increased revolver borrowings compared to the previous year as a result of the Little Burgundy acquisition in the fourth quarter of Fiscal 2016 and increased UK borrowings to fund Schuh contingent bonus and deferred purchase price payments in Fiscal 2016.

Pretax Earnings

Pretax earnings for the quarter were $16.8 million in Fiscal 2017 and $15.6 million last year. Adjusted for the Excluded Items in both years, pretax earnings for the quarter were $20.3 million in Fiscal 2017 compared to $19.2 million last year. A reconciliation of non-GAAP financial measures to the most directly comparable GAAP measure is posted on the company's website in conjunction with this document.

Taxes

The effective tax rate for the quarter was 37.0% in Fiscal 2017 compared to 36.3% last year. The adjusted tax rate, reflecting the exclusion of the Excluded Items, was 36.2% in Fiscal 2017 compared to 36.6% last year. The lower adjusted tax rate for this year reflects a lower tax rate in the UK compared to last year and the forecasted benefit from the Work Opportunity Tax Credit which was not enacted into law until December 18, 2015 and thus not reflected in the tax rate for the first quarter of Fiscal 2016.

Earnings From Continuing Operations After Taxes

Earnings from continuing operations were $10.6 million, or $0.50 per diluted share, in the first quarter of Fiscal 2017, compared to earnings of $9.9 million, or $0.42 per diluted share, in the first quarter last year. Adjusted for the Excluded Items in both periods, first quarter earnings from continuing operations were $13.0 million, or $0.62 per diluted share in Fiscal 2017, compared with $12.2 million, or $0.51 per diluted share, last year. A reconciliation of non-GAAP financial measures to the most directly comparable GAAP measure is posted on the company's website in conjunction with this document.

Segment Results

Lids Sports Group

Lids Sports Group's sales for the first quarter decreased 13.1% to $179 million from $206 million last year. All of the decline in sales is due to the loss of sales from the Lids Team Sports business, which was sold in the fourth quarter last year.

Comparable sales, including both same store and comparable direct sales, increased 2% this year compared to 3% last year. Through May 21, 2016, the first three weeks of the second quarter, combined comparable sales for May decreased 1%.

The Group's gross margin as a percent of sales increased 560 basis points with slightly more than half of the improvement due to the loss of the wholesale business which has lower margins. The remaining improvement in retail was driven by better margin on markdown product and decreased shipping and warehouse expense. SG&A expense as a percent of sales increased 50 basis points, due to the sale of the wholesale business which had lower SG&A expense. SG&A expense in the remaining retail businesses leveraged due primarily to lower depreciation, rent and selling salary expenses.

The Group's first quarter operating earnings for Fiscal 2017 were $6.0 million, or 3.4% of sales, up from an operating loss of $(3.4) million, or (1.6)% of sales, last year.

Journeys Group

Journeys Group's sales for the quarter increased 5.6% to $294 million from $279 million last year, including the acquisition of Little Burgundy in the fourth quarter of Fiscal 2016.

Combined comparable sales increased 1% for the first quarter of Fiscal 2017 compared with 5% last year. Through May 21, 2016, the first three weeks of the second quarter, combined comparable sales for May decreased 1%.

Gross margin for the Journeys Group decreased 60 basis points in the quarter due primarily to increased markdowns to carry over seasonal product, a comparison to a more favorable product mix the year before and higher shipping and warehouse expenses.

The Journeys Group's SG&A expense increased 140 basis points as a percent of sales for the first quarter, reflecting increased store related expenses, primarily increased occupancy expense and credit card fees, and bonus expense.

The Journeys Group's operating income for the first quarter of Fiscal 2017 was $19.6 million, or 6.7% of sales, compared to $24.4 million, or 8.8% of sales, last year.

Schuh Group

Schuh Group's sales in the first quarter were $76 million, compared to $79 million last year, a decrease of 3.7%. Schuh Group sales were impacted by declines in exchange rates which decreased sales $3.5 million in the first quarter this year compared to the same period last year. Total comparable sales decreased 5% compared to a 4% increase last year. Through May 21, 2016, the first three weeks of the second quarter, total comparable sales for May increased 6%.

Schuh Group's gross margin was up 20 basis points in the quarter due primarily to decreased shipping and warehouse expenses. Schuh Group's adjusted SG&A expense increased 160 basis points due to increased store related expenses, primarily increases in occupancy expense and selling salaries.

Schuh Group's adjusted operating loss for the first quarter of Fiscal 2017 was ($2.7) million, or (3.5%) of sales compared with ($1.7) million, or (2.2%) of sales last year. A reconciliation of non-GAAP financial measures to the most directly comparable GAAP measures is posted on the Company's website in conjunction with this document.

Johnston & Murphy Group

Johnston & Murphy Group's first quarter sales increased 5.4%, to $70 million, compared to $66 million in the first quarter last year.

Johnston & Murphy wholesale sales increased 2% for the quarter. Combined comparable sales increased 6% for the first quarter of Fiscal 2017 compared to 3% last year. Through May 21, 2016, the first three weeks of the second quarter, combined comparable sales for May increased 5%.

Johnston & Murphy's gross margin for the Group decreased 30 basis points in the quarter primarily due to changes in product mix. SG&A expense as a percent of sales decreased 120 basis points, due primarily to decreased occupancy and other store-related expenses.

The Group's operating income for the first quarter of Fiscal 2017 was $4.8 million or 6.9% of sales, compared to $4.0 million, or 6.0% of sales last year.

Licensed Brands

Licensed Brands' sales decreased 3.6% to $29 million in the first quarter of Fiscal 2017, compared to $31 million in the first quarter last year. Gross margin was up 30 basis points due to lower markdowns.

SG&A expense as a percent of sales was up 390 basis points primarily due to increased royalty, freight and compensation expenses.

Operating income for the first quarter of Fiscal 2017 was $1.9 million or 6.3% of sales, compared with $3.0 million, or 9.9% of sales, last year.

Corporate

Corporate expenses were $11.8 million or 1.8% of sales for the first quarter of Fiscal 2017, compared with $9.1 million or 1.4% of sales, last year. Adjusted for the applicable Excluded Items, corporate expenses were $8.2 million this year compared to $6.5 million last year, primarily due to increased bonus accruals. A reconciliation of non-GAAP financial measures to the most directly comparable GAAP measures is posted on the Company's website in conjunction with this document.

Balance Sheet

Cash

Cash at the end of the first quarter was $43 million compared with $90 million last year. We ended the quarter with $53 million in U.K. debt, compared with $28 million in U.K. debt last year. Domestic revolver borrowings were $63 million at the end of the first quarter this year compared to zero for the first quarter last year. The domestic revolver borrowings included $23 million related to Genesco (UK) Limited and $40 million related to GCO Canada. There were no U.S. dollar borrowings at the end of the first quarter of Fiscal 2017.

We repurchased 1.1 million shares in the first quarter of Fiscal 2017 for a cost of $73.4 million at an average price of $66.75. We did not repurchase any shares in the first quarter of Fiscal 2016. The board recently approved a new repurchase authorization of $100 million. This replaces the prior authorization which had $11 million remaining.

Inventory

Inventories decreased 13% in the first quarter of Fiscal 2017 on a year-over-year basis. Retail inventory per square foot decreased 11%.

Equity

Equity was $906 million at quarter-end, compared with $1.0 billion last year.

Capital Expenditures and Store Count

For the first quarter, capital expenditures were $17 million and depreciation and amortization was $19 million. During the quarter, we opened 10 new stores and closed 29 stores. Excluding Locker Room by Lids in Macy’s stores, we ended the quarter with 2,657 stores compared with 2,618 stores at the end of the first quarter last year, or an increase of 1%. Square footage increased 3% on a year-over-year basis, both including the Macy’s locations and excluding them. The store count as of April 30, 2016 included:

Lids stores (including 113 stores in Canada)	915
Lids Locker Room Stores (including 37 stores in Canada)	197
Lids Clubhouse stores	29
Journeys stores (including 40 stores in Canada)	841
Little Burgundy	36
Journeys Kidz stores	201
Shï by Journeys stores	45
Underground by Journeys stores	97
Schuh Stores (including 10 Kids stores)	124
Johnston & Murphy Stores and Factory stores (including 7 stores in Canada)	172
Total Stores	**2,657**
Locker Room by Lids in Macy’s stores	176
Total Stores and Macy’s Locations	**2,833**

For Fiscal 2017, we are forecasting capital expenditures in the range of $125 to $135 million and depreciation and amortization of about $79 million. Projected square footage growth is expected to be approximately 2% for Fiscal 2017. Our current store openings and closing plans by chain are as follows:

	Actual Jan 2016	Projected New	Projected Closings	Projected Jan 2017
Journeys Group	**1,222**	**88**	**(25)**	**1,285**
Journeys stores (U.S.)	803	30	(10)	823
Journeys stores (Canada)	39	10	0	49
Little Burgundy	36	2	0	38
Journeys Kidz stores	200	45	(5)	240
Shï by Journeys	46	0	(5)	41
Underground by Journeys	98	1	(5)	94
Johnston & Murphy Group	**173**	**9**	**(6)**	**176**
Schuh Group	**125**	**9**	**(4)**	**130**
Schuh Stores	115	6	(4)	117
Schuh Kids	10	3	0	13
Lids Sports Group	**1,332**	**26**	**(63)**	**1,295**
Lids hat stores (U.S.)	806	15	(12)	809
Lids hat stores (Canada)	113	5	(2)	116
Locker Room stores (U.S.)	161	1	(6)	156
Locker Room stores (Canada)	38	3	(2)	39
Clubhouse stores	29	1	(3)	27
Locker Room by Lids (Macy's)	185	1	(38)	148
Total Stores	**2,852**	**132**	**(98)**	**2,886**

Comparable Sales Assumptions in Fiscal 2017 Guidance

Our guidance for Fiscal 2017 assumes comparable sales (including both same store sales and comparable direct sales) for each retail segment by quarter as follows:

	Actual	Guidance	Guidance	Guidance	
	Q1	**Q2**	**Q3**	**Q4**	**FY17**
Journeys Group	1%	1 - 2%	2 - 3%	2 - 3%	2 - 3%
Lids Sports Group	2%	(1) - 0%	(1) - 0%	(1) - 0%	(1) - 0%
Schuh Group	(5)%	2 - 3%	2 - 3%	1 - 2%	1 - 2%
Johnston & Murphy Group	6%	2 - 3%	2 - 3%	1 - 2%	2 - 3%
Total Genesco	**1%**	**1 - 2%**	**1 - 2%**	**1 - 2%**	**1 - 2%**

Cautionary Note Concerning Forward-Looking Statements

This presentation 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 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; the level of chargebacks from credit card issuers 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; 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 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 business. 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; 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, or by contacting the investor relations department of Genesco via our website, www.genesco.com. Many of the factors that will determine the outcome of the subject matter of this presentation 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.