

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 31, 2019 (May 31, 2019)

GENESCO INC.
(Exact Name of Registrant as Specified in Charter)

Tennessee

(State or Other Jurisdiction of Incorporation)

1-3083

(Commission
File Number)

62-0211340

(I.R.S. Employer
Identification No.)

**1415 Murfreesboro Road
Nashville, Tennessee**

(Address of Principal Executive Offices)

37217-2895

(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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

ITEM 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITION.

On May 31, 2019, Genesco Inc., a Tennessee corporation (the “Company”), issued a press release announcing results of operations for the fiscal first quarter ended May 4, 2019. A copy of the press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

On May 31, 2019, the Company also posted on its website, www.genesco.com, a slide presentation with summary results and guidance. A copy of the slide presentation 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 summary results and guidance furnished herewith contain non-GAAP financial measures, including adjusted selling and administrative expense, operating income, pretax earnings, earnings from continuing operations and earnings per share from continuing operations, as discussed in the text of the release and as detailed on the reconciliation schedule attached to the press release. For consistency and ease of comparison with Fiscal 2020’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.

As previously disclosed in its Form 8-K filed with the Securities and Exchange Commission on February 5, 2019, the Company completed the sale of the outstanding shares of capital stock of Hat World, Inc., a Minnesota corporation (“Lids”), by Hat World Corporation, a Delaware corporation, as well as the right, title and interest in certain properties, assets and contracts related to the Lids Sports Group businesses of GCO Canada Inc., a Canadian corporation, and Flagg Bros. of Puerto Rico, Inc., a Delaware corporation (“Flagg Bros.,” together with Parent and GCO Canada, the “Sellers”), to FanzzLids Holdings, LLC, a Delaware limited liability company, on February 2, 2019.

In order to assist investors in understanding the impact of the disposition of Lids and the Lids Sports Group businesses of Flagg Bros. and GCO Canada, the Company is furnishing its 2019 quarterly unaudited Condensed Consolidated Statements of Operations and supplemental financial information, retrospectively revised to reflect this disposition as discontinued operations, as Exhibit 99.3 to this Current Report on Form 8-K (collectively, the “Revised Financial Information”).

The information in this Form 8-K, including Exhibit 99.1, Exhibit 99.2 and Exhibit 99.3, shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

ITEM 7.01. REGULATION FD DISCLOSURE.

The information set forth in Item 2.02 above related to the Revised Financial Information is incorporated by reference herein.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS.

(d) Exhibits

The following exhibits are furnished herewith:

Exhibit Number	Description
99.1	Press Release dated May 31, 2019, issued by Genesco Inc.
99.2	Genesco inc. First Fiscal Quarter Ended May 4, 2019 Summary Results and Guidance
99.3	Genesco Inc. Retrospectively Revised 2019 Quarterly Unaudited Condensed Consolidated Statements of Operations and Supplemental Financial Information

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 31, 2019

By: /s/ Mimi E. Vaughn
Name: Mimi E. Vaughn
Title: Chief Operating Officer, Senior Vice President and Chief Financial Officer

EXHIBIT INDEX

<u>No.</u>	<u>Exhibit</u>
99.1	<u>Press Release dated May 31, 2019, issued by Genesco Inc.</u>
99.2	<u>Genesco Inc. First Fiscal Quarter Ended May 4, 2019 Summary Results and Guidance</u>
99.3	<u>Genesco Inc. Retrospectively Revised 2019 Quarterly Unaudited Condensed Consolidated Statements of Operations and Supplemental Financial Information</u>

GENESCO INC. REPORTS FISCAL 2020 FIRST QUARTER RESULTS

**-First Quarter Comps Increased 5%, Including 4% Store Comps-
-Earnings Per Share Exceed Company's Expectations-**

First Quarter Fiscal 2020 Financial Summary

- Net sales increased 2% to \$496 million
- Comparable sales increased 5%
- GAAP EPS from continuing operations was \$0.36 vs. \$0.10 last year
- Non-GAAP EPS from continuing operations was \$0.33⁽¹⁾ vs. \$0.14 last year

NASHVILLE, Tenn., May 31, 2019 --- Genesco Inc. (NYSE: GCO) today reported GAAP earnings from continuing operations per diluted share of \$0.36 for the three months ended May 4, 2019, compared to earnings from continuing operations per diluted share of \$0.10 in the first quarter last year. Adjusted for the excluded items in both periods, the Company reported first quarter earnings from continuing operations per diluted share of \$0.33, compared to earnings from continuing operations per diluted share of \$0.14 last year.

Robert J. Dennis, Genesco Chairman, President and Chief Executive Officer, said: "Fiscal 2020 is off to a good start with improved results in every business. In our first quarter as a footwear-focused company following the recent sale of the Lids Sports Group, we delivered top and bottom line results that exceeded expectations. Our overall performance was fueled by the continued strength of our Journeys business, as the momentum from the successful back-to-school and holiday seasons carried over into the new year. The combination of strong consolidated comparable sales, which included positive store and digital comps, higher gross margins and the benefits from our recent cost reduction efforts drove earnings per share well ahead of our projection and up meaningfully compared with last year.

"Based on our better than expected first quarter performance, coupled with the repurchase of more shares than originally planned, we now view the higher end of our EPS range of \$3.35 to \$3.75 as the likely outcome for the year, compared with our previous view of something closer to the mid-point. Overall consolidated comps in the second quarter-to-date continue to be positive, with Journeys leading the way. We are now, however, more cautious about Johnston & Murphy and Schuh going forward given their performance to date. Due to this, plus the potential for more stranded costs this year resulting from a shorter than initially planned transition services period following the Lids sale, we are now a little more conservative about the outlook for the balance of the year. In addition, we are mindful of the macro-economic environments both in the U.S. and the U.K. For these reasons, we decided to maintain our current range versus increasing it, despite our favorable beginning to Fiscal 2020. Looking further ahead, we believe the work we've done sharpening our focus on operating footwear retail businesses and owning brands will fuel improved profitability and increased shareholder value over the long-term."

⁽¹⁾ Excludes a gain for lease terminations, partially offset by asset impairment charges, net of tax effect in the first quarter of Fiscal 2020 ("Excluded Items"). A reconciliation of earnings/loss and earnings/loss per share from continuing operations in accordance with U.S. Generally Accepted Accounting Principles ("GAAP") with the adjusted earnings/loss and earnings/loss per share numbers is set forth on Schedule B to this press release. 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.

First Quarter Review

Net sales for the first quarter of Fiscal 2020 increased 2% to \$496 million from \$486 million in the first quarter of Fiscal 2019. Excluding the effect of lower exchange rates, net sales would have increased 3%. Comparable sales increased 5%, with stores up 4% and direct up 15%. Direct-to-consumer sales were 11% of total retail sales for the quarter, compared to 10% last year.

Comparable Sales

Comparable Same Store and Direct Sales:	1QFY20	1QFY19
Journeys Group	7%	6%
Schuh Group	2%	(13)%
Johnston & Murphy Group	0%	7%
Total Genesco Comparable Sales	5%	2%
Same Store Sales	4%	1%
Comparable Direct Sales	15%	10%

First quarter gross margin this year was 49.4%, up 40 basis points, compared with 49.0% last year. The increase as a percentage of sales reflects decreased markdowns for Journeys Group and a higher mix of retail in Johnston & Murphy Group, partially offset by increased promotions at Schuh Group.

Selling and administrative expense for the first quarter this year was 47.7%, down 30 basis points, compared to 48.0% of sales for the same period last year. The decrease as a percentage of sales reflects strong leverage from rent and contributions from selling salaries and other expenses, partially offset by increased bonus expense.

Genesco's GAAP operating income for the first quarter was \$9.1 million, or 1.8% of sales this year compared with \$3.7 million, or 0.8% of sales last year. Adjusted for the excluded items in both periods, operating income for the first quarter was \$8.4 million this year compared with \$4.8 million last year. Adjusted operating margin was 1.7% of sales in the first quarter of Fiscal 2019 and 1.0% last year.

The effective tax rate for the quarter was 30.7% in Fiscal 2020 compared to 31.1% last year. The adjusted tax rate, reflecting excluded items, was 31.3% in Fiscal 2020 compared to 28.2% last year. The higher adjusted tax rate for this year reflects the inability to recognize a tax benefit for certain foreign losses.

GAAP earnings from continuing operations were \$6.5 million in the first quarter of Fiscal 2020, compared to \$1.9 million in the first quarter last year. Adjusted for the excluded items in both periods, first quarter earnings from continuing operations were \$5.9 million, or \$0.33 earnings per share in Fiscal 2020, compared to earnings from continuing operations of \$2.7 million, or \$0.14 earnings per share last year.

Cash, Borrowings and Inventory

Cash and cash equivalents at May 4, 2019, were \$156.7 million, compared with \$30.9 million at May 5, 2018. Total debt at the end of the first quarter of Fiscal 2020 was \$73.7 million compared with \$105.7 million at the end of last year's first quarter, a decrease of 30%. Inventories decreased 4% in the first quarter of Fiscal 2020 on a year-over-year basis.

Capital Expenditures and Store Activity

For the first quarter, capital expenditures were \$7 million, which consisted of \$4 million related to store remodels and new stores and \$3 million related to direct-to-consumer, omnichannel, information technology, distribution center and other projects. Depreciation and amortization was \$13 million. During the quarter, the Company opened three new stores and closed 11 stores. The Company ended the quarter with 1,504 stores compared with 1,539 stores at the end of the first quarter last year, or a decrease of 2%. Square footage was down 2% on a year-over-year basis.

Share Repurchases

For the first quarter of Fiscal 2020, the Company repurchased 1,809,112 shares for approximately \$80.0 million at an average price of \$44.20 per share, as part of a \$125 million share repurchase program approved by the Board of Directors in December 2018. With the completion of the \$125 million share repurchase program, the Board of Directors approved a new \$100 million share repurchase program in May 2019. For the second quarter of Fiscal 2020 through May 24, 2019, the Company has repurchased 515,457 shares for approximately \$22.8 million at an average price of \$44.27 per share, leaving approximately \$76 million available to repurchase under the current authorization.

Fiscal 2020 Outlook

For Fiscal 2020, the Company now expects:

- Comparable sales to be up 1% to 2%, and
- Adjusted diluted earnings per share from continuing operations in the range of \$3.35 to \$3.75 with an expectation that earnings for the year will be near the higher end of the range.(2)

Access the conference call for details regarding guidance assumptions.

Conference Call, Management Commentary and Investor Presentation

The Company has posted a supplemental financial presentation of first quarter results and Non-GAAP Fiscal 2019 results by quarter reflecting the sale of Lids Sports Group on its website, www.genesco.com, in the investor relations section. The Company's live conference call on May 31, 2019, at 7:30 a.m. (Central time), may be accessed through the Company's 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.

(2) A reconciliation of the adjusted financial measures cited in the guidance to their corresponding measures as reported pursuant to GAAP is included in Schedule B to this press release.

Safe Harbor Statement

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 and projections 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 any share repurchases by the Company; the imposition of tariffs on imported products; 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 effects of the British decision to exit the European Union, including potential effects on consumer demand, currency exchange rates, and the supply chain; the effectiveness of the Company's omnichannel initiatives; costs associated with changes in minimum wage and overtime requirements; cost associated with wage pressure associated with a full employment environment in the U.S. and the U.K.; weakness in the consumer economy and retail industry for the products we sell; competition in the Company's markets, including online and including competition from some of the Company's vendors in the branded footwear market; fashion trends, including the lack of new fashion trends or products, that affect the sales or product margins of the Company's retail product offerings; weakness in shopping mall traffic and challenges to the viability of malls where the Company operates stores, related to planned closings of department stores or other factors and the extent and pace of growth of online shopping; 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; the Company's ability to continue to complete and integrate acquisitions, expand its business and diversify its product base; retained liabilities associated with divestitures of businesses including potential liabilities under leases as the prior tenant or as a guarantor of certain leases; and changes in the timing of holidays or in the onset of seasonal weather affecting period-to-period sales comparisons. 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 or lower occupancy costs, and to conduct required remodeling or refurbishment on schedule and at expected expense levels; our ability to eliminate stranded costs associated with dispositions, including the sale of the Lids Sport Group business; our ability to realize anticipated cost savings; 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 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; 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 and accessories in more than 1,500 retail stores throughout the U.S., Canada, the United Kingdom, the Republic of Ireland and Germany, principally under the names Journeys, Journeys Kidz, Schuh, Schuh Kids, Little Burgundy, Johnston & Murphy, and on internet websites www.journeys.com, www.journeyskidz.com, www.journeys.ca, www.schuh.co.uk, www.littleburgundyshoes.com, www.johnstonmurphy.com, www.johnstonmurphy.ca, www.trask.com, and www.dockersshoes.com. In addition, Genesco sells wholesale footwear under its Johnston & Murphy brand, the Trask brand, the licensed Dockers brand, and other brands. For more information on Genesco and its operating divisions, please visit www.genesco.com.

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GENESCO INC.
Condensed Consolidated Statements of Operations
(in thousands, except per share data)
(Unaudited)

	Quarter 1		Quarter 1	
	May 4, 2,019	% of Net Sales	May 5, 2,018	% of Net Sales
Net sales	\$ 495,651	100.0 %	\$ 486,219	100.0 %
Cost of sales	250,743	50.6 %	248,213	51.0 %
Gross margin	244,908	49.4 %	238,006	49.0 %
Selling and administrative expenses	236,555	47.7 %	233,176	48.0 %
Asset impairments and other, net	(731)	-0.1 %	1,118	0.2 %
Operating income	9,084	1.8 %	3,712	0.8 %
Other components of net periodic benefit cost	(86)	0.0 %	(8)	0.0 %
Interest expense, net	(166)	0.0 %	1,028	0.2 %
Earnings from continuing operations before income taxes	9,336	1.9 %	2,692	0.6 %
Income tax expense	2,866	0.6 %	836	0.2 %
Earnings from continuing operations	6,470	1.3 %	1,856	0.4 %
Loss from discontinued operations, net of tax	(124)	0.0 %	(4,187)	-0.9 %
Net Earnings (Loss)	\$ 6,346	1.3 %	\$ (2,331)	-0.5 %
Basic earnings (loss) per share:				
Before discontinued operations	\$ 0.37		\$ 0.10	
Net earnings (loss)	\$ 0.36		\$ (0.12)	
Weighted-average shares outstanding - Basic	17,645		19,278	
Diluted earnings (loss) per share:				
Before discontinued operations	\$ 0.36		\$ 0.10	
Net earnings (loss)	\$ 0.36		\$ (0.12)	
Weighted-average shares outstanding - Diluted	17,850		19,455	

GENESCO INC.
Sales/Earnings Summary by Segment
(in thousands)
(Unaudited)

	Quarter 1		Quarter 1	
	May 4, 2019	% of Net Sales	May 5, 2018	% of Net Sales
Sales:				
Journeys Group	\$ 323,972	65.4 %	\$ 306,142	63.0 %
Schuh Group	76,844	15.5 %	80,266	16.5 %
Johnston & Murphy Group	74,734	15.1 %	75,684	15.6 %
Licensed Brands	20,083	4.1 %	24,065	4.9 %
Corporate and Other	18	0.0 %	62	0.0 %
Net Sales	\$ 495,651	100.0 %	\$ 486,219	100.0 %
Operating Income (Loss):				
Journeys Group	\$ 18,976	5.9 %	\$ 12,992	4.2 %
Schuh Group	(5,428)	-7.1 %	(5,640)	-7.0 %
Johnston & Murphy Group	5,106	6.8 %	4,867	6.4 %
Licensed Brands	429	2.1 %	276	1.1 %
Corporate and Other ⁽¹⁾	(9,999)	-2.0 %	(8,783)	-1.8 %
Operating income	9,084	1.8 %	3,712	0.8 %
Other components of net periodic benefit cost	(86)	0.0 %	(8)	0.0 %
Interest, net	(166)	0.0 %	1,028	0.2 %
Earnings from continuing operations before income taxes	9,336	1.9 %	2,692	0.6 %
Income tax expense	2,866	0.6 %	836	0.2 %
Earnings from continuing operations	6,470	1.3 %	1,856	0.4 %
Loss from discontinued operations, net of tax	(124)	0.0 %	(4,187)	-0.9 %
Net Earnings (Loss)	\$ 6,346	1.3 %	\$ (2,331)	-0.5 %

⁽¹⁾ Includes a (\$0.7) million gain in the first quarter of Fiscal 2020 which includes a gain of (\$1.0) million for lease terminations, partially offset by a \$0.3 million charge for asset impairments. Includes a \$1.1 million charge in the first quarter of Fiscal 2019 which includes \$1.0 million for asset impairments and \$0.2 million in legal and other matters, partially offset by a gain of (\$0.1) million related to Hurricane Maria.

GENESCO INC.
Condensed Consolidated Balance Sheets
(in thousands)
(Unaudited)

	May 4, 2019	May 5, 2018
Assets		
Cash and cash equivalents	\$ 156,655	\$ 30,880
Accounts receivable	33,275	42,158
Inventories	367,998	383,115
Other current assets	43,116	57,198
Current assets - discontinued operations	—	193,145
Total current assets	601,044	706,496
Property and equipment	271,320	296,096
Operating lease right of use asset	769,922	—
Goodwill and other intangibles	124,623	129,102
Other non-current assets	49,164	49,598
Non-current assets - discontinued operations	—	136,133
Total Assets	\$ 1,816,073	\$ 1,317,425
Liabilities and Equity		
Accounts payable	\$ 121,655	\$ 106,732
Current portion long-term debt	13,914	1,690
Current portion operating lease liability	138,758	—
Other current liabilities	89,537	73,498
Current liabilities - discontinued operations	—	59,083
Total current liabilities	363,864	241,003
Long-term debt	59,762	103,994
Long-term operating lease liability	690,432	—
Other long-term liabilities	39,089	118,787
Non-current liabilities - discontinued operations	—	24,802
Equity	662,926	828,839
Total Liabilities and Equity	\$ 1,816,073	\$ 1,317,425

GENESCO INC.
Store Count Activity

	Balance 2/3/2018	Open	Close	Balance 2/2/2019	Open	Close	Balance 5/4/2019
Journeys Group	1,220	26	53	1,193	1	6	1,188
Schuh Group	134	6	4	136	1	1	136
Johnston & Murphy Group	181	4	2	183	1	4	180
Total Retail Units	1,535	36	59	1,512	3	11	1,504

GENESCO INC.
Comparable Sales

	Quarter 1	
	May 4, 2019	May 5, 2018
Journeys Group	7%	6%
Schuh Group	2%	(13)%
Johnston & Murphy Group	0%	7%
Total Comparable Sales	5%	2%
Same Store Sales	4%	1%
Comparable Direct Sales	15%	10%

Genesco Inc.
Adjustments to Reported Earning from Continuing Operations
Three Months Ended May 4, 2019 and May 5, 2018

The Company believes 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.

	Quarter 1					
	May 4, 2019			May 5, 2018		
	Pretax	Net of Tax	Per Share Amounts	Pretax	Net of Tax	Per Share Amounts
In Thousands (except per share amounts)						
Earnings from continuing operations, as reported		\$ 6,470	\$ 0.36		\$ 1,856	\$ 0.10
Asset impairments and other adjustments:						
Impairment charges	\$ 307	212	0.01	\$ 1,025	741	0.04
Gain on lease terminations	(1,000)	(689)	(0.04)	—	—	0.00
Legal and other matters	—	—	0.00	193	140	0.00
Gain on Hurricane Maria	(38)	(26)	0.00	(100)	(72)	0.00
Total asset impairments and other adjustments	\$ (731)	(503)	(0.03)	\$ 1,118	809	0.04
Income tax expense adjustments:						
Other tax items		(58)	0.00		69	0.00
Total income tax expense adjustments		(58)	0.00		69	0.00
Adjusted earnings from continuing operations ⁽¹⁾ and ⁽²⁾		\$ 5,909	\$ 0.33		\$ 2,734	\$ 0.14

⁽¹⁾ The adjusted tax rate for the first quarter of Fiscal 2020 and 2019 is 31.3% and 28.2%, respectively, including a FIN 48 discrete item of less than \$0.1 million in each period.

⁽²⁾ EPS reflects 17.9 million and 19.5 million share count for the first quarter of Fiscal 2020 and 2019, respectively, which includes common stock equivalents in each period.

Genesco Inc.
Adjustments to Reported Operating Income
Three Months Ended May 4, 2019 and May 5, 2018

In Thousands
Journeys Group
Schuh Group
Johnston & Murphy Group
Licensed Brands
Corporate and Other
Total Operating Income
% of sales

Quarter 1 - May 4, 2019		
Operating Income (Loss)	Asset Impair & Other Adj	Adj Operating Income (Loss)
\$ 18,976	\$ —	\$ 18,976
(5,428)	—	(5,428)
5,106	—	5,106
429	—	429
(9,999)	(731)	(10,730)
\$ 9,084	\$ (731)	\$ 8,353
1.8%		1.7%

In Thousands
Journeys Group
Schuh Group
Johnston & Murphy Group
Licensed Brands
Corporate and Other
Total Operating Income
% of sales

Quarter 1 - May 5, 2018		
Operating Income (Loss)	Asset Impair & Other Adj	Adj Operating Income (Loss)
\$ 12,992	\$ —	\$ 12,992
(5,640)	—	(5,640)
4,867	—	4,867
276	—	276
(8,783)	1,118	(7,665)
\$ 3,712	\$ 1,118	\$ 4,830
0.8%		1.0%

Genesco Inc.
Adjustments to Forecasted Earnings from Continuing Operations
Fiscal Year Ending February 1, 2020

In Thousands (except per share amounts)

	High Guidance		Low Guidance	
	Fiscal 2020		Fiscal 2020	
Forecasted earnings from continuing operations	\$ 51.5	\$ 3.06	\$ 44.2	\$ 2.62
Adjustments: ⁽¹⁾				
Store impairments and other matters	1.5	0.09	2.2	0.13
Pension plan termination	10.2	0.60	10.2	0.60
Adjusted forecasted earnings from continuing operations ⁽²⁾	\$ 63.2	\$ 3.75	\$ 56.6	\$ 3.35

⁽¹⁾ All adjustments are net of tax where applicable. The forecasted tax rate for Fiscal 2020 is approximately 27.0%.

⁽²⁾ EPS reflects 16.9 million share count for Fiscal 2020 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.

FY20 First Quarter



LITTLE BURGUNDY

schuh



JOHNSTON & MURPHY.

TRASK

GENESC

Genesco Inc.
FY20 Q1 Earnings
Summary Results and Guidance
May 31, 2019



LITTLE
BURGUNDY

schuh




TRASK

JOHNSTON & MURPHY

Safe Harbor Statement

This presentation contains forward-looking statements, including those regarding the performance outlook for the Company and its individual business (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 the level and timing of promotional activity necessary to maintain inventories at appropriate levels; the timing and amount of any share repurchases by the Company; the imposition of tariffs on imported products; 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 effects of the British decision to exit the European Union including potential effects on consumer demand, currency exchange rates, and the supply chain; the effectiveness of the Company's omnichannel initiatives; costs associated with changes in minimum wage and overtime requirements; cost associated with wage pressure associated with a tight employment environment in the U.S. and the U.K.; weakness in the consumer economy and retail industry for the products we sell; competition in the Company's markets, including online and including competition from some of the Company's vendors in the branded footwear market; fashion trends including the lack of new fashion trends or products, that affect the sales or product margins of the Company's retail product offerings; weakness in shopping mall traffic and challenges to the viability of malls where the Company operates stores, related to planned closings of department stores or other factors and the extent and pace of growth of online shopping; 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; the Company's ability to complete and integrate acquisitions, expand its business and diversify its product base; retained liabilities associated with divestitures of businesses including potential liabilities under leases as the prior tenant or as a guarantor of certain leases; and changes in the timing of holidays or in the onset of seasonal weather affecting period-to-period sales comparisons. 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 or low occupancy costs, and to conduct required remodeling or refurbishment on schedule and at expected expense levels; our ability to eliminate stranded costs associated with dispositions, including the sale of the Lids Sports Group business; our ability to realize anticipated cost savings; 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 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 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.



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Non-GAAP Financial Measures

The Company reports consolidated financial results in accordance with generally accepted accounting principles (“GAAP”). However, to supplement these consolidated financial results the Company’s 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. The Company believes 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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Key Earnings Highlights Q1 FY20

	Quarter 1 May 4, 2019	Quarter 1 May 5, 2018
Total Net Sales Change	2%	4%
Comparable Sales	5%	2%
Gross Margin %	49.4%	49.0%
Selling and Admin. Expenses %	47.7%	48.0%
Operating Income % ⁽¹⁾		
GAAP	1.8%	0.8%
Non-GAAP	1.7%	1.0%
Earnings per Diluted Share ⁽¹⁾		
GAAP	\$0.36	\$0.10
Non-GAAP	\$0.33	\$0.14

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



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Comparable Sales Q1 FY20

	Quarter 1	
	May 4, 2019	May 5, 2018
Journeys Group	7%	6%
Schuh Group	2%	(13)%
Johnston & Murphy Group	0%	7%
Total Comparable Sales	5%	2%
Same Store Sales	4%	1%
Comparable Direct Sales	15%	10%



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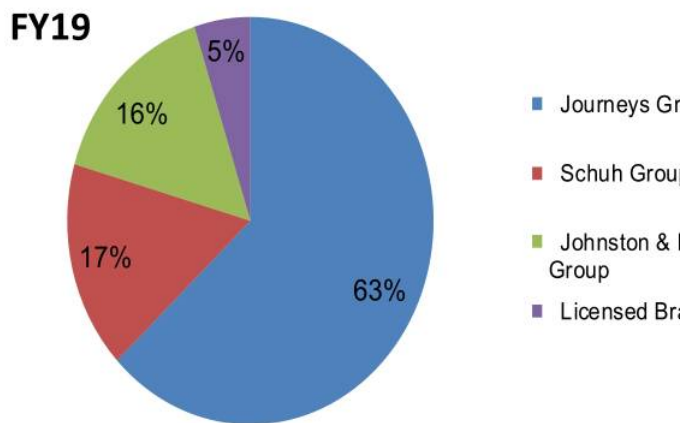
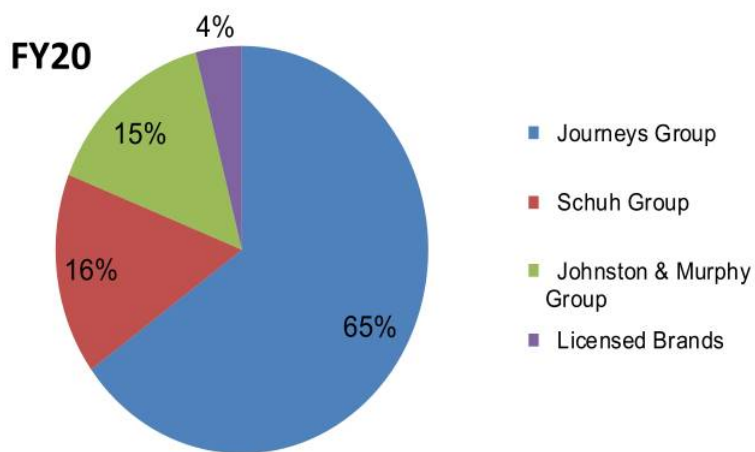
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Sales by Segment Q1 FY20 and FY19

Net Sales \$495.7 million

Net Sales \$486.2 million



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Adjusted Operating Income by Segment Q1 FY20⁽¹⁾

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(\$ in millions)

	Quarter 1 - May 4, 2019			Quarter 1 - May 5, 2018		
	Oper Inc (Loss)	Adjust	Adj Oper Inc (Loss)	Oper Inc (Loss)	Adjust	Adj Oper Inc (Loss)
Journeys Group	\$ 19.0	\$ -	\$ 19.0	\$ 13.0	\$ -	\$ 13.0
Schuh Group	(5.4)	-	(5.4)	(5.6)	-	(5.6)
Johnston & Murphy Group	5.1	-	5.1	4.9	-	4.9
Licensed Brands	0.4	-	0.4	0.3	-	0.3
Corporate and Other	(10.0)	(0.7)	(10.7)	(8.8)	1.1	(7.7)
Total Operating Income	\$ 9.1	\$ (0.7)	\$ 8.4	\$ 3.7	\$ 1.1	\$ 4.8
% of sales	1.8%		1.7%	0.8%		

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



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Inventory/Sales Change by Segment Q1 FY20

(\$ in millions)

Segment Inventory/Sales	May 4, 2019	Q1 FY20
	Inventory	Sales
Journeys Group	-2%	6%
Schuh Group ⁽¹⁾	-8%	3%
Johnston & Murphy Group	2%	-1%
Licensed Brands	-35%	-17%
Total	\$ 368	\$ 496
% Change from prior year	-4%	2%

⁽¹⁾ On a constant currency basis.



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Retail Stores Summary Q1 FY20

	Feb. 2, 2019	Open	Close	May 4, 2019
Journeys Group	1,193	1	6	1,188
Journeys stores (U.S.)	867	-	4	863
Journeys stores (Canada)	46	-	-	46
Journeys Kidz stores	239	1	1	239
Little Burgundy	41	-	1	40
Schuh Group	136	1	1	136
Johnston & Murphy Group	183	1	4	180
Total Stores	1,512	3	11	1,504



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Retail Square Footage Q1 FY20

Square feet in thousands

<u>Square Footage:</u>	Feb. 2, 2019	Net Change	May 4, 2019	% Change
Journeys Group	2,347	(8)	2,339	-0.3%
Schuh Group	664	-	664	0.0%
Johnston & Murphy Group	347	(3)	344	-0.9%
Total Square Footage	3,358	(11)	3,347	-0.3%

Year over year change in retail
inventory per square foot

-4%

-2%



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FY20 Outlook⁽¹⁾

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

Non-GAAP EPS	\$3.35 - \$3.75 per share, expectations near high-point
Total Sales	(1%) to +1%
Comparable Sales	+1 to +2%
Gross Margin	10 to 20 basis point improvement
SG&A Expense	40 to 60 basis points deleverage
Tax Rate	~27%
CapEx	~ \$45 million
Depreciation & Amortization	~ \$52 million
Avg Shares Outstanding	16.9 million (assumes no further repurchases)

⁽¹⁾ On a Non-GAAP basis, see GAAP to Non-GAAP adjustments in appendix



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FY20 Comparable Sales Guidance

	Actual Q1	Guidance Q2	Guidance Q3	Guidance Q4	Guidance FY20
Journeys Group	7%	1 - 2%	1 - 2%	1 - 2%	2 - 3%
Schuh Group	2%	(5) - (2)%	(4) - (1)%	(4) - (1)%	(3) - (1)%
Johnston & Murphy Group	0%	1 - 2%	1 - 2%	1 - 2%	1 - 2%
Total Genesco	5%	0 - 2%	1 - 2%	1 - 2%	1 - 2%



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FY20 Projected Retail Store Count

	Actual 2019	Proj Open	Proj Close	Proj 2020
Journeys Group	1,193	20	28	1,185
Journeys stores (U.S.)	867	8	24	851
Journeys stores (Canada)	46	-	-	46
Journeys Kidz stores	239	12	3	248
Little Burgundy	41	-	1	40
Schuh Group	136	3	8	131
Johnston & Murphy Group	183	8	5	186
Total Stores	1,512	31	41	1,502
Estimated change in square feet				-1%



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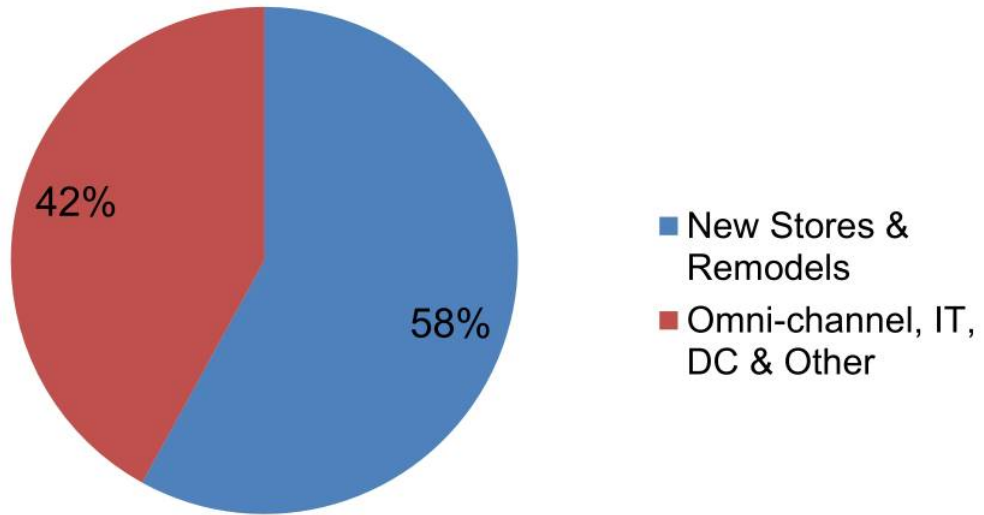


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FY20 Projected Capital Spending

Projected FY20 Cap Ex \$45 million



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Non-GAAP Reconciliation – Q1 FY20

In Thousands (except per share amounts)	Quarter 1					
	May 4, 2019			May 5, 2018		
	Pretax	Net of Tax	Per Share Amounts	Pretax	Net of Tax	Per Share Amounts
Earnings from continuing operations, as reported		\$ 6,470	\$ 0.36		\$ 1,856	\$ 0.36
Asset impairments and other adjustments:						
Impairment charges	\$ 307	212	0.01	\$ 1,025	741	0.01
Gain on lease terminations	(1,000)	(689)	(0.04)	-	-	0.00
Legal and other matters	-	-	0.00	193	140	0.00
Gain on Hurricane Maria	(38)	(26)	0.00	(100)	(72)	0.00
Total asset impairments and other adjustments	(731)	(503)	(0.03)	1,118	809	0.00
Income tax expense adjustments:						
Other tax items		(58)	0.00		69	0.00
Total income tax expense adjustments		(58)	0.00		69	0.00
Adjusted earnings from continuing operations ^{(1) and (2)}		\$ 5,909	\$ 0.33		\$ 2,734	\$ 0.33

⁽¹⁾ The adjusted tax rate for the first quarter of Fiscal 2020 and 2019 is 31.3% and 28.2%, respectively, including a FIN 48 discrete item of less than \$0.1 million in each period.

⁽²⁾ EPS reflects 17.9 million and 19.5 million share count for the first quarter of Fiscal 2020 and 2019, respectively, which includes common stock equivalents in each period.



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GENESCO INC.
Operating Income and Earnings per Share
Fiscal 2019 by Quarter
Reflects the Sale of Lids Sports Group
(Unaudited)

	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Fiscal Year
	May 5, 2018	Aug. 4, 2018	Nov. 3, 2018	Feb. 2, 2019	Feb. 2, 2019
Operating Income % ⁽¹⁾					
GAAP	0.8%	0.2%	4.9%	7.5%	3.7%
Non-GAAP	1.0%	0.2%	4.9%	8.7%	4.1%
Earnings (Loss) per Diluted Share ⁽¹⁾					
GAAP	\$ 0.10	\$ 0.00	\$ 1.00	\$ 1.53	\$ 2.63
Non-GAAP	\$ 0.14	\$ (0.01)	\$ 0.97	\$ 2.18	\$ 3.28
Total Comparable Sales	2%	6%	6%	4%	5%
Same Store Sales	1%	6%	6%	3%	4%
Comparable Direct Sales	10%	7%	12%	10%	10%

⁽¹⁾ See GAAP to Non-GAAP adjustments in Schedule B.

GENESCO INC.
Condensed Consolidated Statements of Operations
Fiscal 2019 by Quarter
Reflects the Sale of Lids Sports Group
(in thousands, except per share data)
(Unaudited)

	Quarter 1		Quarter 2		Quarter 3	
	May 5, 2018	% of Net Sales	Aug. 4, 2018	% of Net Sales	Nov. 3, 2018	% of Net Sales
Net sales	\$ 486,219	100.0 %	\$ 487,015	100.0 %	\$ 539,828	100.0 %
Cost of sales	248,213	51.0 %	255,546	52.5 %	277,910	51.5 %
Gross margin	238,006	49.0 %	231,469	47.5 %	261,918	48.5 %
Selling and administrative expenses	233,176	48.0 %	230,423	47.3 %	235,601	43.6 %
Asset impairments and other, net	1,118	0.2 %	(29)	0.0 %	(70)	0.0 %
Operating income	3,712	0.8 %	1,075	0.2 %	26,387	4.9 %
Other components of net periodic benefit cost	(8)	0.0 %	(29)	0.0 %	(30)	0.0 %
Interest expense, net	1,028	0.2 %	1,103	0.2 %	837	0.2 %
Earnings from continuing operations						
before income taxes	2,692	0.6 %	1	0.0 %	25,580	4.7 %
Income tax expense	836	0.2 %	26	0.0 %	5,886	1.1 %
Earnings from continuing operations	1,856	0.4 %	(25)	0.0 %	19,694	3.6 %
(Loss) earnings from discontinued operations, net of tax	(4,187)	-0.9 %	10	0.0 %	(5,307)	-1.0 %
Net Earnings (Loss)	\$ (2,331)	-0.5 %	\$ (15)	0.0 %	\$ 14,387	2.7 %
Basic earnings (loss) per share:						
Before discontinued operations	\$ 0.10		\$ 0.00		\$ 1.01	
Net earnings (loss)	\$ (0.12)		\$ 0.00		\$ 0.74	
Weighted-average shares outstanding - Basic	19,278		19,342		19,462	
Diluted earnings (loss) per share:						
Before discontinued operations	\$ 0.10		\$ 0.00		\$ 1.00	
Net earnings (loss)	\$ (0.12)		\$ 0.00		\$ 0.73	
Weighted-average shares outstanding - Diluted	19,455		19,342		19,637	

GENESCO INC.
Condensed Consolidated Statements of Operations
Fiscal 2019 by Quarter
Reflects the Sale of Lids Sports Group
(in thousands, except per share data)
(Unaudited)

	Quarter 4		Fiscal Year	
	February 2, 2019	% of Net Sales	February 2, 2019	% of Net Sales
Net sales	\$ 675,491	100.0 %	\$ 2,188,553	100.0 %
Cost of sales	359,828	53.3 %	1,141,497	52.2 %
Gross margin	315,663	46.7 %	1,047,056	47.8 %
Selling and administrative expenses	262,876	38.9 %	962,076	44.0 %
Asset impairments and other, net	2,144	0.3 %	3,163	0.1 %
Operating income	50,643	7.5 %	81,817	3.7 %
Loss on early retirement of debt	597	0.1 %	597	0.0 %
Other components of net periodic benefit cost	(313)	0.0 %	(380)	0.0 %
Interest expense, net	373	0.1 %	3,341	0.2 %
Earnings from continuing operations before income taxes	49,986	7.4 %	78,259	3.6 %
Income tax expense	20,287	3.0 %	27,035	1.2 %
Earnings from continuing operations	29,699	4.4 %	51,224	2.3 %
Loss from discontinued operations, net of tax	(93,670)	-13.9 %	(103,154)	-4.7 %
Net Loss	\$ (63,971)	-9.5 %	\$ (51,930)	-2.4 %
Basic earnings (loss) per share:				
Before discontinued operations	\$ 1.54		\$ 2.65	
Net loss	\$ (3.31)		\$ (2.68)	
Weighted-average shares outstanding - Basic	19,323		19,351	
Diluted earnings (loss) per share:				
Before discontinued operations	\$ 1.53		\$ 2.63	
Net loss	\$ (3.29)		\$ (2.66)	
Weighted-average shares outstanding - Diluted	19,445		19,495	

GENESCO INC.
Sales/Earnings Summary by Segment
Fiscal 2019 by Quarter
Reflects the Sale of Lids Sports Group
(in thousands)
(Unaudited)

	Quarter 1		Quarter 2		Quarter 3	
	May 5, 2018	% of Net Sales	Aug. 4, 2018	% of Net Sales	Nov. 3, 2018	% of Net Sales
Sales:						
Journeys Group	\$ 306,142	63.0 %	\$ 304,995	62.6 %	\$ 345,702	64.0 %
Schuh Group	80,266	16.5 %	98,159	20.2 %	95,567	17.7 %
Johnston & Murphy Group	75,684	15.6 %	68,441	14.1 %	79,736	14.8 %
Licensed Brands	24,065	4.9 %	15,336	3.1 %	18,757	3.5 %
Corporate and Other	62	0.0 %	84	0.0 %	66	0.0 %
Net Sales	\$ 486,219	100.0 %	\$ 487,015	100.0 %	\$ 539,828	100.0 %
Operating Income (Loss):						
Journeys Group	\$ 12,992	4.2 %	\$ 7,038	2.3 %	\$ 24,692	7.1 %
Schuh Group	(5,640)	-7.0 %	1,073	1.1 %	4,207	4.4 %
Johnston & Murphy Group	4,867	6.4 %	715	1.0 %	5,072	6.4 %
Licensed Brands	276	1.1 %	(437)	-2.8 %	(218)	-1.2 %
Corporate and Other ⁽¹⁾	(8,783)	-1.8 %	(7,314)	-1.5 %	(7,366)	-1.4 %
Operating income	3,712	0.8 %	1,075	0.2 %	26,387	4.9 %
Other components of net periodic benefit cost	(8)	0.0 %	(29)	0.0 %	(30)	0.0 %
Interest, net	1,028	0.2 %	1,103	0.2 %	837	0.2 %
Earnings from continuing operations before income taxes	2,692	0.6 %	1	0.0 %	25,580	4.7 %
Income tax expense	836	0.2 %	26	0.0 %	5,886	1.1 %
Earnings from continuing operations	1,856	0.4 %	(25)	0.0 %	19,694	3.6 %
(Loss) earnings from discontinued operations, net of tax	(4,187)	-0.9 %	10	0.0 %	(5,307)	-1.0 %
Net Earnings (Loss)	\$ (2,331)	-0.5 %	\$ (15)	0.0 %	\$ 14,387	2.7 %

⁽¹⁾ Includes a \$1.1 million charge in the first quarter of Fiscal 2019 which includes \$1.0 million for asset impairments and \$0.2 million in legal and other matters, partially offset by a gain of (\$0.1) million related to Hurricane Maria. Includes a (\$0.0) million gain in the second quarter of Fiscal 2019 which includes a (\$0.4) million gain related to Hurricane Maria, offset by \$0.3 million for asset impairments and \$0.1 million in legal and other matters. Includes a (\$0.1) million gain in the third quarter of Fiscal 2019 which includes a gain of (\$0.9) million related to Hurricane Maria, partially offset by \$0.7 million for asset impairments and \$0.1 million for hurricane losses.

GENESCO INC.
Sales/Earnings Summary by Segment
Fiscal 2019 by Quarter
Reflects the Sale of Lids Sports Group
(in thousands)
(Unaudited)

	Quarter 4		Fiscal Year	
	February 2, 2019	% of Net Sales	February 2, 2019	% of Net Sales
Sales:				
Journeys Group	\$ 463,154	68.6 %	\$ 1,419,993	64.9 %
Schuh Group	108,599	16.1 %	382,591	17.5 %
Johnston & Murphy Group	89,273	13.2 %	313,134	14.3 %
Licensed Brands	14,406	2.1 %	72,564	3.3 %
Corporate and Other	59	0.0 %	271	0.0 %
Net Sales	\$ 675,491	100.0 %	\$ 2,188,553	100.0 %
Operating Income (Loss):				
Journeys Group	\$ 56,077	12.1 %	\$ 100,799	7.1 %
Schuh Group	4,125	3.8 %	3,765	1.0 %
Johnston & Murphy Group	9,731	10.9 %	20,385	6.5 %
Licensed Brands	(109)	-0.8 %	(488)	-0.7 %
Corporate and Other ⁽¹⁾	(19,181)	-2.8 %	(42,644)	-1.9 %
Operating income	50,643	7.5 %	81,817	3.7 %
Loss on early retirement of debt	597	0.1 %	597	0.0 %
Other components of net periodic benefit cost	(313)	0.0 %	(380)	0.0 %
Interest, net	373	0.1 %	3,341	0.2 %
Earnings from continuing operations before income taxes	49,986	7.4 %	78,259	3.6 %
Income tax expense	20,287	3.0 %	27,035	1.2 %
Earnings from continuing operations	29,699	4.4 %	51,224	2.3 %
Loss from discontinued operations, net of tax	(93,670)	-13.9 %	(103,154)	-4.7 %
Net Loss	\$ (63,971)	-9.5 %	\$ (51,930)	-2.4 %

⁽¹⁾ Includes a \$2.2 million charge in the fourth quarter of Fiscal 2019 which includes \$2.1 million for asset impairments and \$0.1 million for hurricane losses and includes a \$5.7 million charge for bonus related to the sale of Lids Sports Group. Includes a \$3.2 million charge in Fiscal 2019 which includes \$4.1 million for asset impairments, \$0.3 million in legal and other matters and \$0.2 million in hurricane losses, partially offset by a (\$1.4) million gain related to Hurricane Maria and includes a \$5.7 million charge for bonus related to the sale of Lids Sports Group.

Genesco Inc.
Adjustments to Reported Earnings (Loss) from Continuing Operations
Three Months Ended May 5, 2018 and August 4, 2018
Reflects the Sale of Lids Sports Group

The Company believes 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.

	Quarter 1			Quarter 2		
	May 5, 2018			August 4, 2018		
In Thousands (except per share amounts)	Pretax	Net of Tax	Per Share Amounts	Pretax	Net of Tax	Per Share Amounts
Earnings (loss) from continuing operations		\$ 1,856	\$ 0.10		\$ (25)	\$ 0.00
Asset impairments and other adjustments:						
Impairment charges	\$ 1,025	741	0.04	\$ 330	181	0.01
Legal and other matters	193	140	0.00	77	44	0.00
Gain on Hurricane Maria	(100)	(72)	0.00	(436)	(293)	(0.01)
Total asset impairments and other adjustments	1,118	809	0.04	(29)	(68)	0.00
Income tax expense adjustments:						
Tax impact share based awards		—	0.00		452	0.02
Other tax items		69	0.00		(561)	(0.03)
Total income tax expense adjustments		69	0.00		(109)	(0.01)
Adjusted earnings (loss) from continuing operations ^{(1) and (2)}		\$ 2,734	\$ 0.14		\$ (202)	\$ (0.01)

⁽¹⁾ The adjusted tax rate for the first quarter and second quarter of Fiscal 2019 is 28.2% and -620.9%, respectively, including a FIN 48 discrete item of less than \$0.1 million in each period.

⁽²⁾ EPS reflects 19.5 million and 19.3 million share count for the first quarter and second quarter of Fiscal 2019, respectively, which includes common stock equivalents in each period.

Genesco Inc.
Adjustments to Reported Operating Income
Three Months Ended May 5, 2018 and August 4, 2018

	Quarter 1		
	Operating Income (Loss)	Asset Impair & Other Adj	Adj Operating Income (Loss)
In Thousands			
Journeys Group	\$ 12,992	\$ —	\$ 12,992
Schuh Group	(5,640)	—	(5,640)
Johnston & Murphy Group	4,867	—	4,867
Licensed Brands	276	—	276
Corporate and Other	(8,783)	1,118	(7,665)
Total Operating Income	\$ 3,712	\$ 1,118	\$ 4,830
% of sales	0.8%		1.0%

	Quarter 2		
	Operating Income (Loss)	Asset Impair & Other Adj	Adj Operating Income (Loss)
In Thousands			
Journeys Group	\$ 7,038	\$ —	\$ 7,038
Schuh Group	1,073	—	1,073
Johnston & Murphy Group	715	—	715
Licensed Brands	(437)	—	(437)
Corporate and Other	(7,314)	(29)	(7,343)
Total Operating Income	\$ 1,075	\$ (29)	\$ 1,046
% of sales	0.2%		0.2%

Genesco Inc.
Adjustments to Reported Earnings from Continuing Operations
Three months ended November 3, 2018 and Three and Twelve Months Ended February 2, 2019
Reflects the Sale of Lids Sports Group

The Company believes 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.

	Quarter 3			Quarter 4			Fiscal Year		
	November 3, 2018			February 2, 2019			February 2, 2019		
In Thousands (except per share amounts)	Pretax	Net of Tax	Per Share Amts	Pretax	Net of Tax	Per Share Amts	Pretax	Net of Tax	Per Share Amts
Earnings from continuing operations		\$ 19,694	\$ 1.00		\$ 29,699	\$ 1.53		\$ 51,224	\$ 2.63
Selling and administrative expense adjustments:									
Bonus related to sale of Lids Sports Group	\$ —	—	0.00	\$ 5,707	4,136	0.21	\$ 5,707	4,166	0.21
Total selling and administrative expense adjustments	—	—	0.00	5,707	4,136	0.21	5,707	4,166	0.21
Asset impairments and other adjustments:									
Impairment charges	699	599	0.03	2,099	1,521	0.08	4,153	3,032	0.15
Legal and other matters	—	16	0.00	—	—	0.00	270	197	0.01
Gain on Hurricane Maria	(884)	(686)	(0.03)	—	—	0.00	(1,420)	(1,036)	(0.05)
Other hurricane losses	115	85	0.00	45	33	0.00	160	117	0.01
Total asset impairments and other adjustments	(70)	14	0	2,144	1,554	0.08	3,163	2,310	0.12
Loss on early retirement of debt adjustment	—	—	0.00	597	433	0.02	597	436	0.02
Income tax expense adjustments:									
Tax impact share based awards		—	0.00		—	0.00		452	0.02
Other tax items		(611)	(0.03)		6,537	0.34		5,399	0.28
Total income tax expense adjustments		(611)	(0.03)		6,537	0.34		5,851	0.30
Adjusted earnings from continuing operations ^{(1) and (2)}	\$	\$ 19,097	\$ 0.97	\$	\$ 42,359	\$ 2.18	\$	\$ 63,987	\$ 3.28

⁽¹⁾ The adjusted tax rate for the third quarter, fourth quarter and year of Fiscal 2019 is 25.1%, 27.5% and 27.1%, respectively, including a FIN 48 discrete item of less than \$0.1 million in each quarter and \$0.1 million for the Fiscal year.

⁽²⁾ EPS reflects 19.6 million, 19.4 million and 19.5 million share count for the third quarter, fourth quarter and year of Fiscal 2019, respectively, which includes common stock equivalents in each period.

Genesco Inc.

Adjustments to Reported Operating Income

Three Months Ended November 3, 2018 and Three and Twelve Months Ended February 2, 2019

In Thousands	Quarter 3			
	Operating Income (Loss)	Asset Impair & Other Adj	Selling & Admin Exp Adjust	Adj Operating Income (Loss)
Journeys Group	\$ 24,692	\$ —	\$ —	\$ 24,692
Schuh Group	4,207	—	—	4,207
Johnston & Murphy Group	5,072	—	—	5,072
Licensed Brands	(218)	—	—	(218)
Corporate and Other	(7,366)	(70)	—	(7,436)
Total Operating Income	\$ 26,387	\$ (70)	\$ —	\$ 26,317
% of sales	4.9%			4.9%

In Thousands	Quarter 4			
	Operating Income (Loss)	Asset Impair & Other Adj	Selling & Admin Exp Adjust	Adj Operating Income (Loss)
Journeys Group	\$ 56,077	\$ —	\$ —	\$ 56,077
Schuh Group	4,125	—	—	4,125
Johnston & Murphy Group	9,731	—	—	9,731
Licensed Brands	(109)	—	—	(109)
Corporate and Other	(19,181)	2,144	5,707	(11,330)
Total Operating Income	\$ 50,643	\$ 2,144	\$ 5,707	\$ 58,494
% of sales	7.5%			8.7%

In Thousands	Fiscal Year			
	Operating Income (Loss)	Asset Impair & Other Adj	Selling & Admin Exp Adjust	Adj Operating Income (Loss)
Journeys Group	\$ 100,799	\$ —	\$ —	\$ 100,799
Schuh Group	3,765	—	—	3,765
Johnston & Murphy Group	20,385	—	—	20,385
Licensed Brands	(488)	—	—	(488)
Corporate and Other	(42,644)	3,163	5,707	(33,774)
Total Operating Income	\$ 81,817	\$ 3,163	\$ 5,707	\$ 90,687
% of sales	3.7%			4.1%