



Genesco Reports Increased Fourth Quarter and Fiscal 2002 Sales and Earnings

March 6, 2002

NASHVILLE, Tenn., Mar 6, 2002 /PRNewswire-FirstCall via COMTEX/ -- Genesco Inc. (NYSE: GCO) today announced results of operations for the fourth quarter and fiscal year ended February 2, 2002. Earnings before discontinued operations, excluding certain unusual items shown on the table following this announcement, were \$15.4 million or \$0.60 per diluted share for the quarter, compared to \$15.0 million or \$0.59 per share for the previous year's fourth quarter, also excluding unusual items in that period shown on the table.

The unusual items in the fourth quarter of fiscal 2002 include charges and provisions primarily related to previously announced plans to close a manufacturing plant and reduce operating expenses as well as a reduction in the tax provision. The unusual items in the previous year were related to the cancellation of a footwear license by the Company. Including the unusual items in both quarters, earnings before discontinued operations were \$15.8 million or \$0.61 per diluted share in the fourth quarter of fiscal 2002, compared to \$12.3 million or \$0.49 per share in the same period the year before. Net sales for the fourth quarter of fiscal 2002 increased 4% to \$223 million compared to \$214 million for the fourth quarter of fiscal 2001.

For the year ended February 2, 2002, earnings before discontinued operations, excluding the unusual items, were \$38.0 million or \$1.52 per diluted share, up from \$35.6 million or \$1.45 per share for the previous year. Earnings before discontinued operations, including the unusual items, rose to \$38.3 million or \$1.54 per diluted share in fiscal 2002 from \$32.8 million or \$1.35 per share in fiscal 2001. Net sales for fiscal 2002 increased 10% to \$747 million from \$680 million the previous year.

Genesco Chairman and Chief Executive Officer Ben T. Harris, said, "We were pleased to report fourth quarter results at the high end of our previous range of guidance and above the First Call earnings consensus estimate of \$0.58. This solid momentum continues into the first quarter and we remain encouraged about our prospects for this year and beyond.

"The strength of our business and the resolve of our management team were highly evident during fiscal 2002, as we achieved solid results in a year marked by unprecedented events. We grew total sales to \$747 million and registered a 1% same store sales gain during the year, while opening 153 new stores and ending fiscal 2002 with 908 stores. We also took a number of decisive actions to improve our businesses and streamline operations.

"Journeys net sales increased 18% during the quarter and same store sales rose 3%. Journeys net sales for the year increased 27% to \$382 million and same store sales rose 6%. We opened 19 Journeys stores during the quarter and 97 stores for the full year and ended fiscal 2002 with 519 stores in operation. Journeys remains the leading, mall-based footwear retailer for teenagers and young adults and we expect to double our store count in the next several years."

Harris continued, "The Jarman Group's performance for the quarter began to reflect its progress through the year and the positive impact of the new management team on that business. Overall sales increased 5% in the fourth quarter to \$43 million and total same store sales fell 2%, continuing the sequential quarter over quarter improvements under the new management team, and ending the year with a same store sales gain of 14% in January. For the year, the Jarman Group's total sales increased 10% to \$120 million and same store sales fell 4%. We are confident that we now have the right products in the stores and the right team to execute a successful business strategy.

"Johnston & Murphy's net sales were \$42 million for quarter. Same store sales were down 4%, compared to a 16% decline in the third quarter. Net sales for the brand were \$168 million and same store sales fell 9% for the full year. Johnston & Murphy's inventories were down 10% at year end, reflecting the management team's determination to start the new year with an improved inventory position. Given the strength of the brand and our confidence in the new Johnston & Murphy management team we announced last quarter, we expect to see improvement in this business this year.

"Dockers sales were flat for the quarter at \$14 million, and increased 13% for the year to \$71 million. Although the environment remains somewhat challenging, Dockers is well positioned in the market and it continues to make meaningful inroads in department stores and national footwear chains."

Harris concluded, "We feel good about our business as we enter the new year and expect fiscal 2003 sales to grow at 10% to 15% and earnings per share to grow at 5% to 10%. As we have said in the past, it is our diverse mix of businesses, our lifestyle focus and our management disciplines that combine to give Genesco a solid and stable baseline that may be unique in the industry."

This release contains forward-looking statements, including those dealing with expectations for the Company's and each division's performance for the current fiscal year and thereafter. Any statements that do not reflect historical information involve a number of risks and uncertainties. Actual results could be materially different. The factors that could cause materially different results include lower than expected consumer demand for the Company's products, whether caused by weakness in the overall economy or by changes in fashions or tastes that the Company fails to anticipate or respond appropriately to, changes in buying patterns by significant wholesale customers, disruptions in product supply or distribution, including the impact of plans to open a new distribution center, the inability to adjust inventory levels to sales and changes in business strategies by the Company's competitors. Other factors that could cause results to differ from expectations include the Company's ability to open, staff and support additional retail stores on schedule and at acceptable expense levels, and the outcome of litigation and environmental matters involving the Company. Forward-looking statements reflect the expectations of the Company at the time they are made, and investors should rely on them only as expressions of opinion about what may happen in the future and only at the time they are made. The Company undertakes no obligation to update any forward-looking statement.

The Company's live conference call on March 6, 2002, at 10:00 a.m. (Central time) may be accessed through the Company's internet website, www.genesco.com. The Company expects to discuss results from the fourth quarter and fiscal year 2002, and its current expectations for the first quarter and fiscal year ending February 1, 2003, during the call. To listen live, please go to the website at least 15 minutes early to register, download

and install any necessary software. A replay will be available shortly after the call for 14 days.

Genesco, based in Nashville, sells footwear and accessories in more than 900 retail stores in the U.S., principally under the names Journeys, Journeys Kidz, Johnston & Murphy, Jarman and Underground Station, and on internet websites www.journeys.com and www.johnstonmurphy.com. The Company also sells footwear at wholesale under its Johnston & Murphy brand and under the licensed Dockers brand. Additional information on Genesco and its operating divisions may be accessed at its website www.genesco.com.

GENESCO INC.

Consolidated Earnings Summary

In Thousands	Fourth Quarter		Fiscal Year Ended	
	2002	2001	2002	2001
Net sales	\$222,588	\$214,193	\$746,821	\$680,166
Cost of sales	119,014	110,614	396,891	356,653
Selling and administrative expenses	76,429	78,124	281,376	258,893
Restructuring and other charges(A)	5,395	4,433	5,126	4,433
Earnings from operations before interest	21,750	21,022	63,428	60,187
Interest expense, net	1,982	1,606	7,564	7,200
Earnings before income taxes and discontinued operations	19,768	19,416	55,864	52,987
Income tax expense	3,957	7,094	17,541	20,156
Earnings before discontinued operations	15,811	12,322	38,323	32,831
Discontinued operations (net of tax):				
Operating income (loss)	--	--	--	(226)
Provision for discontinued operations	(545)	(32)	(1,253)	(3,007)
Net Earnings	\$15,266	\$12,290	\$37,070	\$29,598

(A) Restructuring and other charges includes \$0.3 million and \$1.0 million of inventory write-down in Fiscal 2002 and 2001, respectively

Earnings Per Share Information

In Thousands (except per share amounts)	Fourth Quarter		Fiscal Year Ended	
	2002	2001	2002	2001
Preferred dividend requirements	\$74	\$74	\$294	\$299
Average common shares - Basic EPS	21,810	21,499	21,881	21,513
Basic earnings per share:				
Before discontinued operations	\$0.72	\$0.57	\$1.74	\$1.51
Net earnings	\$0.70	\$0.57	\$1.68	\$1.36
Average common and common equivalent shares - Diluted EPS	27,171	27,073	27,293	27,023
Diluted earnings per share:				
Before discontinued operations	\$0.61	\$0.49	\$1.54	\$1.35
Net earnings	\$0.59	\$0.49	\$1.49	\$1.23

GENESCO INC.

Consolidated Earnings Summary

In Thousands	Fourth Quarter		Fiscal Year Ended	
	2002	2001	2002	2001
Sales:				
Journeys	\$123,198	\$104,100	\$381,736	\$300,758
Jarman	42,623	40,742	120,242	109,791
Johnston & Murphy	42,440	51,894	167,989	188,060
Licensed Brands(A)	14,327	17,457	76,854	81,557
Net Sales	222,588	214,193	746,821	680,166
Pretax Earnings (Loss):				
Journeys	\$19,854	\$17,902	\$51,925	\$41,869
Jarman	5,684	5,332	5,319	8,395
Johnston & Murphy	2,655	7,611	14,125	24,636
Licensed Brands(B)	1,005	553	8,001	4,695
Corporate and Other(C)	(2,053)	(5,943)	(10,816)	(14,975)
Restructuring and Other Charges	(5,395)	(4,433)	(5,126)	(4,433)
Operating income	21,750	21,022	63,428	60,187
Interest, net	1,982	1,606	7,564	7,200
Total Pretax Earnings	19,768	19,416	55,864	52,987
Income tax expense	3,957	7,094	17,541	20,156
Earnings before discontinued operations	15,811	12,322	38,323	32,831
Discontinued operations (net of tax):				
Operating income (loss)	--	--	--	(226)
Provision for discontinued operations	(545)	(32)	(1,253)	(3,007)
Net Earnings	\$15,266	\$12,290	\$37,070	\$29,598

(A) Includes Nautica sales of \$0.0 million, \$3.2 million, \$6.1 million and \$18.8 million for the fourth quarter and year of Fiscal 2002 and 2001, respectively.

(B) Includes Nautica operating losses of \$0.1 million, \$0.4 million, \$0.6 million and \$2.5 million for the fourth quarter and year of Fiscal 2002 and 2001, respectively.

(C) Includes unusual credits of \$0.1 million for litigation and severance in the fourth quarter of Fiscal 2002 and 2001 and unusual charges of \$0.4 million and \$0.1 million for litigation and severance in Fiscal 2002 and 2001, respectively. In addition, the fourth quarter and year of Fiscal 2002 includes an insurance credit of \$0.3 million.

GENESCO INC.

Consolidated Balance Sheet

In Thousands	February 2, 2002	February 3, 2001
Assets		
Cash and short-term investments	\$46,384	\$60,382
Accounts receivable	19,857	22,700
Inventories	142,856	134,236

Other current assets	20,659	26,069
Current assets of discontinued operations*	--	359
Total current assets	229,756	243,746
Plant, equipment and capital leases	112,550	87,747
Other non-current assets	20,749	20,040
Non-current assets of discontinued operations*	499	630
Total Assets	\$363,554	\$352,163
Liabilities and Shareholders' Equity		
Total current liabilities	74,226	98,820
Long-term debt and capital leases	103,245	103,500
Other long-term liabilities	24,896	11,618
Shareholders' equity	161,187	138,225
Total Liabilities and Shareholders' Equity	\$363,554	\$352,163

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

GENESCO INC.

Retail Units Operated - Twelve Months Ended February 2, 2002

	Balance			Balance	
	02/03/01	Open	Conversions	Close	02/02/02
Journeys Group	425	111	(1)	2	533
Journeys	425	97	(1)	2	519
Journeys Kidz	0	14	0	0	14
Jarman Group	207	32	1	13	227
Jarman Retail	150	0	(8)	12	130
Underground Station	57	32	9	1	97
Johnston & Murphy	147	10	0	9	148
Shops	115	9	0	8	116
Factory Outlets	32	1	0	1	32
Total Retail Units	779	153	0	24	908

Retail Units Operated - Three Months Ended February 2, 2002

	Balance			Balance	
	11/03/01	Open	Conversions	Close	02/2/02
Journeys Group	513	21	(1)	0	533
Journeys	501	19	(1)	0	519
Journeys Kidz	12	2	0	0	14
Jarman	225	4	1	3	227
Jarman Retail	134	0	(1)	3	130
Underground Station	91	4	2	0	97
Johnston & Murphy	148	2	0	2	148
Shops	115	2	0	1	116
Factory Outlets	33	0	0	1	32
Total Retail Units	886	27	0	5	908

Constant Store Sales

Three Months Ended Twelve Months Ended
February 2, February 3, February 2, February 3,

	2002	2001	2002	2001
Journeys	3%	7%	6%	12%
Jarman	-2%	5%	-4%	6%
Jarman Retail	0%	4%	-4%	4%
Underground Station	-5%	12%	-3%	24%
Johnston & Murphy	-4%	-1%	-9%	3%
Shops	-7%	1%	-10%	4%
Factory Outlets	9%	-9%	-4%	-1%
Total Constant Store Sales	1%	5%	1%	8%

GENESCO INC.

Earnings Per Share Information

Fourth Quarter - Fiscal 2002

In Thousands (except per share amounts)	Income	Shares	Amount
Basic earnings per share:			
Earnings before discontinued operations as reported	\$15,811	21,810	\$ 0.72(A)
Unusual items:			
Restructuring and other charges (net of tax)	3,373	21,810	0.15
Insurance proceeds	(326)	21,810	(0.01)
Other adjustments (net of tax)	(56)	21,810	0.00
Adjustment of tax liability	(3,452)	21,810	(0.16)
Adjusted totals	\$15,350	21,810	\$ 0.70

(A) Includes adjustment of \$74,000 for preferred dividends in the fourth quarter of Fiscal 2002.

Diluted earnings per share:

Earnings before discontinued operations as reported	\$15,811	27,171	\$ 0.61(B)
Unusual items:			
Restructuring and other charges (net of tax)	3,373	27,171	0.13
Insurance proceeds	(326)	27,171	(0.01)
Other adjustments (net of tax)	(56)	27,171	0.00
Adjustment of tax liability	(3,452)	27,171	(0.13)
Adjusted totals	\$15,350	27,171	\$ 0.60

(B) Includes adjustments of \$74,000 for preferred dividends and \$968,000 for interest add back in the fourth quarter of Fiscal 2002.

Fourth Quarter - Fiscal 2001

In Thousands (except per share amounts)	Income	Shares	Amount
Basic earnings per share:			
Earnings before discontinued operations as reported	\$12,322	21,499	\$ 0.57(C)
Unusual items:			
Restructuring and other charges (net of tax)	2,748	21,499	0.13
Other adjustments (net of			

tax)	(46)	21,499	0.00
Adjusted totals	\$15,024	21,499	\$ 0.70

(C) Includes adjustment of \$74,000 for preferred dividends in the fourth quarter of Fiscal 2001.

Diluted earnings per share:

Earnings before discontinued operations as reported	\$12,322	27,073	\$ 0.49(D)
Unusual items:			
Restructuring and other charges (net of tax)	2,748	27,073	0.10
Other adjustments (net of tax)	(46)	27,073	0.00
Adjusted totals	\$15,024	27,073	\$ 0.59

(D) Includes adjustments of \$74,000 for preferred dividends and \$970,000 for interest add back in the fourth quarter of Fiscal 2001.

GENESCO INC.

Earnings Per Share Information

	Fiscal 2002		
In Thousands (except per share amounts)	Income	Shares	Amount
Basic earnings per share:			
Earnings before discontinued operations as reported	\$38,323	21,881	\$ 1.74(A)
Unusual items:			
Restructuring and other charges (net of tax)	3,200	21,881	0.15
Insurance proceeds	(326)	21,881	(0.02)
Other adjustments (net of tax)	225	21,881	0.01
Adjustment of tax liability	(3,452)	21,881	(0.16)
Adjusted totals	\$37,970	21,881	\$ 1.72

(A) Includes adjustment of \$294,000 for preferred dividends in Fiscal 2002.

Diluted earnings per share:

Earnings before discontinued operations as reported	\$38,323	27,293	\$ 1.54(B)
Unusual items:			
Restructuring and other charges (net of tax)	3,200	27,293	0.12
Insurance proceeds	(326)	27,293	(0.01)
Other adjustments (net of tax)	225	27,293	0.01
Adjustment of tax liability	(3,452)	27,293	(0.13)
Adjusted totals	\$37,970	27,293	\$ 1.52

(B) Includes adjustments of \$294,000 for preferred dividends and \$3,875,000 for interest add back in Fiscal 2002.

	Fiscal 2001		
In Thousands (except per share amounts)	Income	Shares	Amount

Basic earnings per share:

Earnings before discontinued operations as reported	\$32,831	21,513	\$ 1.51(C)
Unusual items:			
Restructuring and other charges (net of tax)	2,748	21,513	0.13
Other adjustments (net of tax)	33	21,513	0.00
Adjusted totals	\$35,612	21,513	\$ 1.64

(C) Includes adjustment of \$299,000 for preferred dividends in Fiscal 2001

Diluted earnings per share:

Earnings before discontinued operations as reported	\$32,831	27,023	\$ 1.35(D)
Unusual items:			
Restructuring and other charges (net of tax)	2,748	27,023	0.10
Other adjustments (net of tax)	33	27,023	0.00
Adjusted totals	\$35,612	27,023	\$ 1.45

(D) Includes adjustments of \$299,000 for preferred dividends and \$3,881,000 for interest add back in Fiscal 2001.

SOURCE Genesco Inc.

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