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Fourth Quarter 2018 Earnings

March 21, 2019



Safe harbor statement

Under the private securities litigation reform act of 1995

This presentation contains certain forward-looking statements and expectations regarding the company's future performance and the performance of its brands. Such statements are subject to various risks and uncertainties that could cause actual results to differ materially. These risks include (i) changing consumer demands, which may be influenced by consumers' disposable income, which in turn can be influenced by general economic conditions and other factors; (ii) rapidly changing fashion trends and consumer preferences and purchasing patterns; (iii) intense competition within the footwear industry; (iv) political and economic conditions or other threats to the continued and uninterrupted flow of inventory from China and other countries, where the Company relies heavily on third-party manufacturing facilities for a significant amount of its inventory; (v) imposition of tariffs; (vi) the ability to accurately forecast sales and manage inventory levels; (vii) cybersecurity threats or other major disruption to the Company's information technology systems; (viii) customer concentration and increased consolidation in the retail industry; (ix) transitional challenges with acquisitions; (x) a disruption in the Company's distribution centers; (xi) foreign currency fluctuations; (xii) changes to tax laws, policies and treaties; (xiii) the ability to recruit and retain senior management and other key associates; (xiv) compliance with applicable laws and standards with respect to labor, trade and product safety issues; (xv) the ability to secure/exit leases on favorable terms; (xvi) the ability to maintain relationships with current suppliers; and (xvii) the ability to attract, retain, and maintain good relationships with licensors and protect our intellectual property rights. The company's reports to the Securities and Exchange Commission contain detailed information relating to such factors, including, without limitation, the information under the caption Risk Factors in Item 1A of the company's Annual Report on Form 10-K for the year ended February 3, 2018, which information is incorporated by reference herein and updated by the company's Quarterly Reports on Form 10-Q. The company does not undertake any obligation or plan to update these forward-looking statements, even though its situation may change. In this presentation, the company's financial results are provided both in accordance with generally accepted accounting principles (GAAP) and using certain non-GAAP financial measures. In particular, the company provides historic and estimated future gross profit, operating earnings, net earnings and earnings per diluted share adjusted to exclude certain gains, charges and recoveries, which are non-GAAP financial measures. These results are included as a complement to results provided in accordance with GAAP because management believes these non-GAAP financial measures help identify underlying trends in the company's business and provide useful information to both management and investors by excluding certain items that may not be indicative of the company's core operating results. These measures should not be considered a substitute for or superior to GAAP results. Reconciliations to the applicable GAAP financial measures have been included in the schedules attached to the March 21, 2019, earnings release. All references in this document, unless otherwise noted, related to net earnings attributable to Caleres, Inc. and diluted earnings per common share attributable to Caleres, Inc. shareholders, are presented as net earnings and earnings per diluted share, respectively.

What Makes Us

CALERES

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Our Passion

We Are Experts in one thing... Footwear,
and we are ferocious about fit.

Our Mission

To inspire people to feel good ... feet first.

Our Values

Passion, Accountability, Curiosity, Creativity, Caring

Our Vision

To create a powerful portfolio of footwear brands
built on deep consumer insights generating unwavering
consumer loyalty and trust.

Our Competitive Advantage

With over 140 years of experience, our unique brands span multiple consumer segments leveraging our expertise in design, digital marketing, global sourcing, and direct to consumer capabilities.

Our Team

We are a team of Doers. In everything we do, we strive to be the very best. We respect and listen to our teammates, sharing a common goal of making our consumers happy.



Strategic accomplishments made in 2018



- Continued market share gains at Brand Portfolio
- Acquired new consumer brands
- Drove speed-to-market strategy
- Transitioned to in-house distribution center
- Invested in digital

Decisive actions taken in 2018

- Reduced level of promotional activity at Allen Edmonds
- Strengthened brand equity for the long-term
- Transitioned people, product and processes
- Proactive branding and direct response TV effort
- Action around cost structure and production capacity



Adjusted diluted EPS – *4Q'18*

4Q'18 adj. EPS of $0.46, excludes $0.08 of dilution related to Vionic interest and trademark amortization expense

- **Expenses of $2.31** excluded
  - Allen Edmonds: **$2.03** for non-cash impairment of goodwill and intangible assets, and restructuring
  - Distribution center: **$0.08** for transition of Allen Edmonds to Lebanon, Tennessee facility and for 3PL settlement
  - Vionic: **$0.14** for transaction-related expense and inventory adjustment amortization
  - Brand Portfolio: **$0.04** primarily for exiting DVF license
  - Blowfish Malibu: **$0.01** for inventory adjustment amortization
  - Famous Footwear: **$0.01** for operations restructuring
  - Debt: loss on early extinguishment
- **Benefit of $0.10** related to 2017 Tax Cuts and Jobs Act excluded
- **Total adjustment of $2.21**



Adjusted diluted EPS – *FY'18*



FY'18 adj. EPS of $2.31, excludes $0.10 of dilution related to Vionic interest and trademark amortization expense

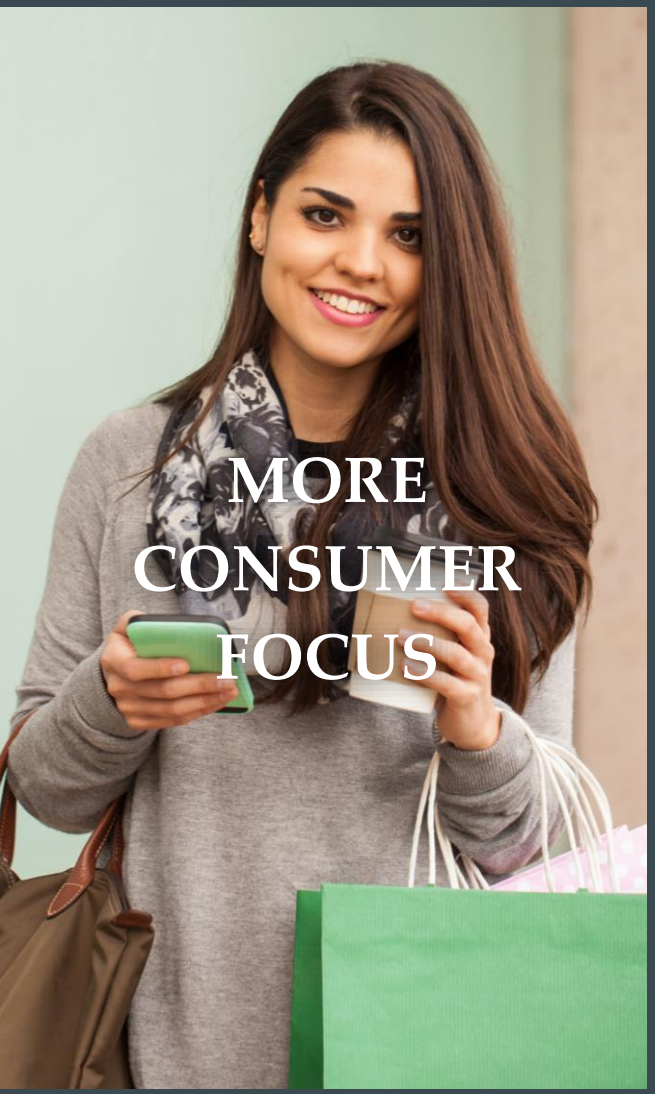
- **Expenses of $2.43** excluded
  - Allen Edmonds: **$2.03** non-cash impairment of goodwill and intangible assets, restructuring, and transition of consumer facing activities to St. Louis
  - Vionic: **$0.23** for transaction-related expense and inventory adjustment amortization
  - Distribution center: **$0.08** for transition of Allen Edmonds to Lebanon, Tennessee facility and for 3PL settlement
  - Blowfish Malibu: **$0.04** for transaction-related expense and inventory adjustment amortization
  - Brand Portfolio: **$0.04** primarily for exiting DVF license
  - Famous Footwear: **$0.01** for operations restructuring
  - Debt: loss on early extinguishment
- **Benefit of $0.09** related to 2017 Tax Cuts and Jobs Act excluded
- **Total adjustment of $2.34**

Other financial metrics

US$M except per share	4Q'18	4Q'17	4Q Chg	FY'18	FY'17	FY Chg
Gross profit	$277.7	$293.4	-5.3%	$1,156.3	$1,168.6	-1.1%
Margin	*38.6%*	*41.8%*	*-321 bps*	*40.8%*	*42.0%*	*-116 bps*
Adj. gross profit	$287.7	$293.4	-1.9%	$1,168.7	$1,173.6	-0.4%
Adjusted margin	*39.9%*	*41.8%*	*-182 bps*	*41.2%*	*42.1%*	*-90 bps*
SG&A	$267.2	$266.9	0.1%	$1,041.8	$1,036.1	0.6%
Percent of sales	*37.1%*	*38.0%*	*-89 bps*	*36.7%*	*37.2%*	*-44 bps*
Op earnings	($94.4)	$25.6	n/m	$0.4	$127.7	-99.7%
Margin	*-13.1%*	*3.6%*	*n/m*	*0.0%*	*4.6%*	*-457 bps*
Adj. op earnings	$20.5	$26.5	-22.8%	$127.0	$137.5	-7.7%
Adjusted margin	*2.8%*	*3.8%*	*-93 bps*	*4.5%*	*4.9%*	*-46 bps*
Net earnings	($75.5)	$20.3	n/m	($5.4)	$87.2	n/m
Per share, diluted	*($1.83)*	*$0.47*	*n/m*	*($0.13)*	*$2.02*	*n/m*
Adj. net earnings	$16.0	$20.6	-22.5%	$95.1	$93.1	2.1%
Per share, diluted	*$0.38*	*$0.48*	*-20.8%*	*$2.21*	*$2.16*	*2.3%*



Extending winning results in 2019



consumer assortment business industry

TAKE MORE ACTION



Intensifying consumer focus

Drive investments

Be out first





Opened two new flagships



Sam Edelman momentum continues



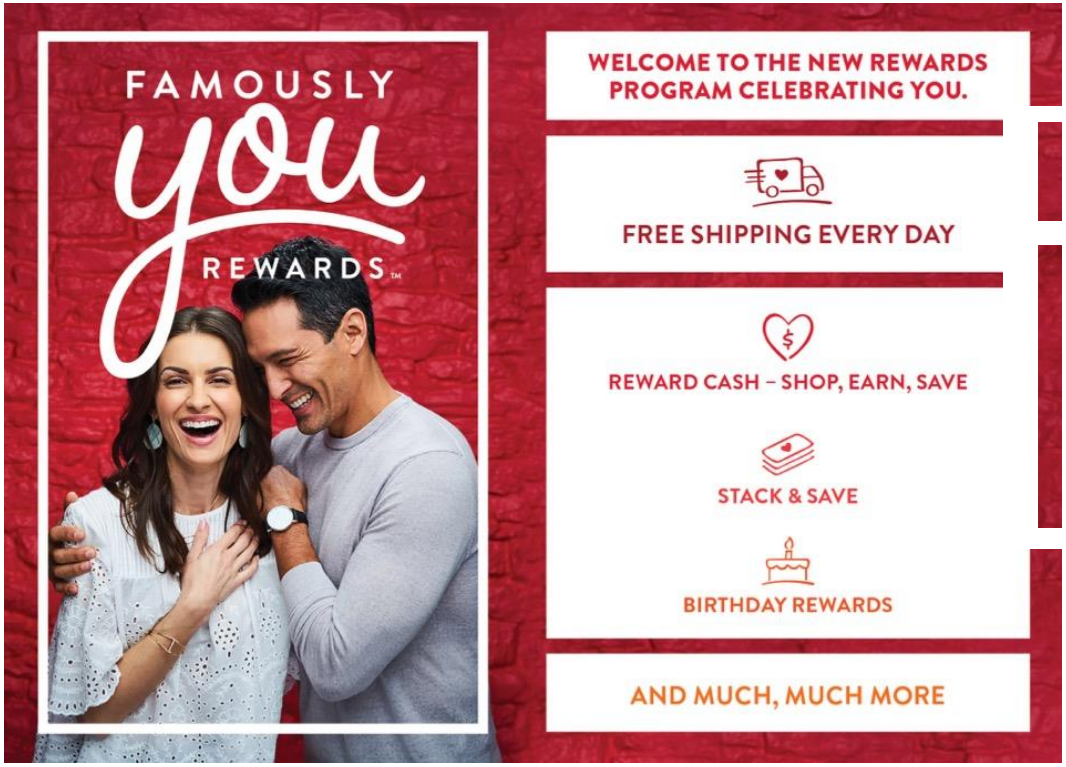
Building on Vionic brand energy



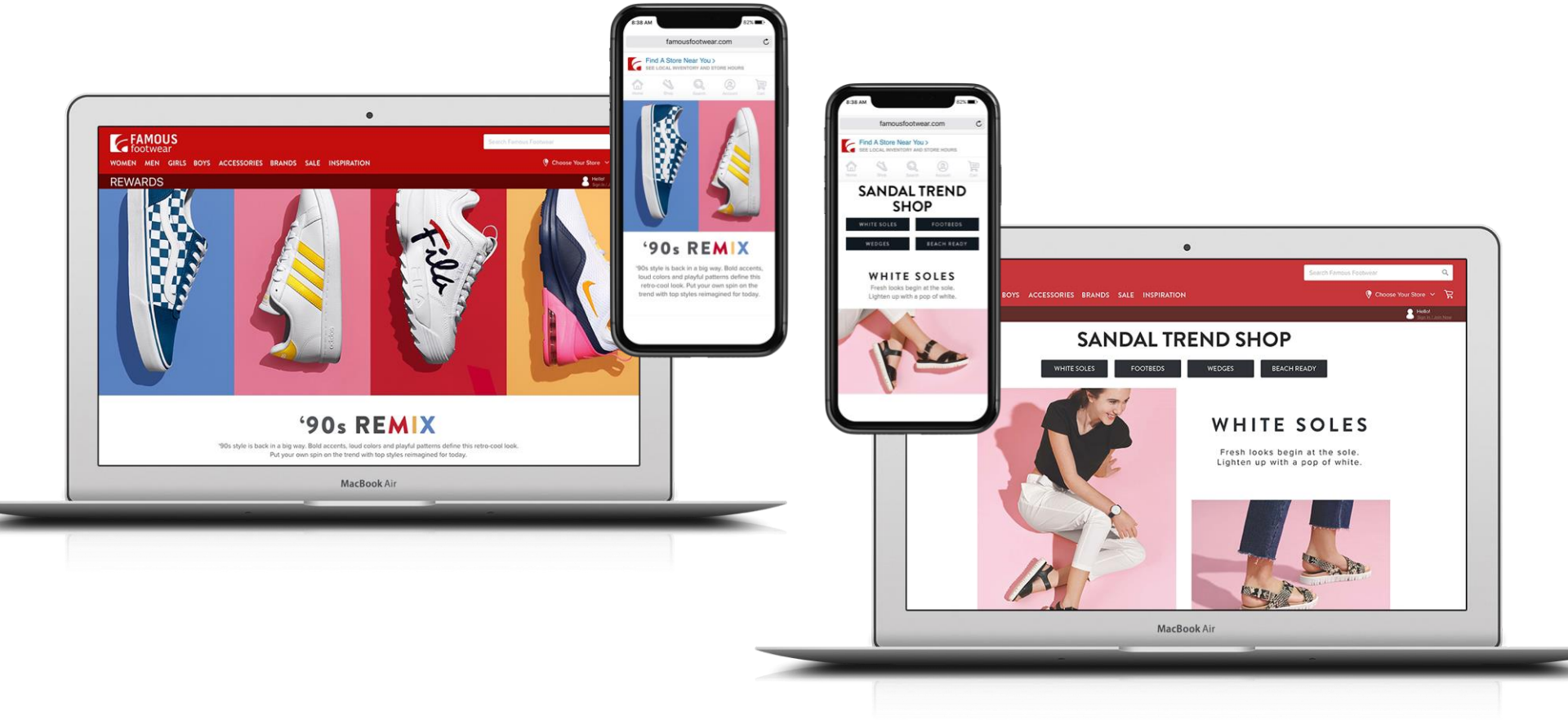
Elevating product assortment



Launching Famously YOU Rewards



Targeting digital growth



FY'19 guidance



Consolidated sales of $3.0B to $3.05B

- Brand Portfolio sales up low- to mid-teens, including acquisitions
- Famous Footwear same-store-sales up low- to mid-single digits

Adjusted diluted EPS of $2.45 to $2.55

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For more information about CAL,
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