CALERES

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First Quarter 2019 Earnings

June 3, 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 2, 2019, 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 June 3, 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.

FY'19 guidance



Consolidated sales of ~$3.0B

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

Adjusted diluted EPS of $2.35 to $2.45

- Reflects 9% growth, at mid-point
  - More accurately reflects industry challenges to date
  - Expect to see gradual improvement over balance of year

Brand Portfolio – *1Q'19*



- Maintained leadership, with six of top 25 women's fashion footwear brands
  - Grew sales ahead of market rate while gaining share
- Sales up more than 20%
  - Includes addition of Vionic and Blowfish Malibu sales and planned reduction in Allen Edmonds sales
- Strategic investments over past several years
  - Product development and design
    - Provides retail partners and consumers fresh, relevant styles,
  - Speed program
    - Ensures styles are in stores and on feet faster
  - Overall digital and fulfillment solutions
    - Responding to changes in consumer shopping patterns

Famous Footwear – *1Q'19*

- Comp sales down 1%
  - Feb. down high-single digits, Mar. up slightly, Apr. up mid-single digits
- Total sales down 3.1%
  - Operated 28 fewer doors
- Responded to unseasonable weather and increased peer promotional activity
- Driving freshness in product assortment in advance of back-to-school, by reducing inventory
  - Negatively impacted gross margin but essential to reduce overall inventory
  - Expect to continue into 2Q'19
- Excess levels of certain underperforming styles from lead vendor partner
  - Already seeing improvement and good strength in new product



Famous Footwear – *Rewards*



- Invested in and officially launched Famously You Rewards
  - On-track with expectations and already receiving good response
  - Expect to see continued and significant improvement during back-to-school and rolling into 2H'19
  - Added 1.1 million new members
  - Reactivated nearly 700,000 existing members
  - Drove positive improvement in retention rate
  - Reward sales up ~1%
    - April up 10%
    - Rewards sales represented ~80% of all sales

Other financial metrics

US$M except per share	1Q'19	1Q'18	1Q Chg
Gross profit	$279.8	$274.9	1.8%
Margin	41.3%	43.5%	-220 bps
Adj. gross profit	$287.0	$274.9	4.4%
Adjusted margin	42.3%	43.5%	-114 bps
SG&A	$262.1	$250.2	4.8%
Percent of sales	38.7%	39.6%	-91 bps
Op earnings	$16.9	$22.9	-26.5%
Margin	2.5%	3.6%	-114 bps
Adj. op earnings	$24.9	$24.7	0.7%
Adjusted margin	3.7%	3.9%	-24 bps
Net earnings	$9.1	$17.2	-47.2%
Per share, diluted	$0.22	$0.40	-45.0%
Adj. net earnings	$15.0	$18.5	-18.8%
Per share, diluted	$0.36	$0.43	-16.3%



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