

CALERES

Third Quarter 2019 Earnings

November 25, 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 November 25, 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.

Famous Footwear – *3Q'19*



- Same-store-sales up 2.5% year-over-year
- Delivered eighth consecutive year of positive back-to-school same-store-sales
- Increases in Athletic, Boots and Sandal categories
- Operated 47 fewer doors year-over-year
- Delivered 37 bps gross margin improvement
- Operating earnings up 13.4% year-over-year
- Exited the quarter with inventory down 3.4% year-over-year

Brand Portfolio – *3Q'19*



- Sales up 4.9% year-over-year
- Brands gained share again in third quarter
- Sell through of brands at retail partners outpacing market
- Dr. Scholl's sneaker wins Sustainability Award at Accessories Council Designer Excellence Awards
- Completed automation of in house consumer fulfillment center
- Exited the quarter with inventory down ~12.6%

Other financial metrics

US$M except per share	3Q'19	3Q'18	3Q Chg	YTD'19	YTD'18	YTD Chg
Gross profit	$319.8	$310.6	2.9%	$905.6	$878.6	3.1%
Margin	40.4%	40.0%	32 bps	40.7%	41.6%	(81 bps)
Adj. gross profit	$319.8	$312.5	2.3%	$912.7	$881.0	3.6%
Adjusted margin	40.4%	40.3%	8 bps	41.1%	41.7%	(60 bps)
SG&A	$275.3	$265.5	3.7%	$805.0	$774.6	3.9%
Percent of sales	34.7%	34.2%	52 bps	36.2%	36.6%	(41 bps)
Op earnings	$43.5	$39.7	9.4%	$98.1	$94.8	3.5%
Margin	5.5%	5.1%	36 bps	4.4%	4.5%	(7 bps)
Adj. op earnings	$44.4	$46.9	(5.3%)	$107.7	$106.5	1.2%
Adjusted margin	5.6%	6.0%	(44 bps)	4.8%	5.0%	(19 bps)
Net earnings	$28.0	$29.2	(4.0%)	$62.4	$70.0	(10.9%)
Per share, diluted	0.69	0.67	3.0%	1.51	1.62	(6.8%)
Adj. net earnings	$31.6	$34.9	(9.6%)	$72.4	$79.1	(8.4%)
Per share, diluted	0.78	0.81	(3.7%)	1.75	1.83	(4.4%)



FY'19 Guidance



Consolidated sales of ~$3.0B

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

Adjusted diluted EPS of $2.35 to $2.40

- Reflects $0.05 net impact related to tariffs
- Excludes ~$0.24 of expenses related to brand acquisitions and exits

Positioned to Win in Any Environment



Winning Strategies

- **Broaden reach and power of brands and products**, cultivating consumer-focused brands
- **Strengthen connections with consumers**, obsessively meeting consumer desires
- **Accelerate innovation of capabilities and operations**, enabling speed, agility, and efficiency of scale

Winning Business Model

- **Diversified portfolio** delivers consistency
- **Enhanced efficiency** drives profitability
- **Disciplined, returns-driven** capital allocation
- **Financial flexibility** to execute plans