



NEWS RELEASE

Caleres to Reopen Retail Stores

5/13/2020

Executing phased reopening strategy

Implements enhanced in-store health and safety measures

Curbside pickup available at multiple locations

Announces first quarter 2020 earnings call

ST. LOUIS--(BUSINESS WIRE)-- Caleres (NYSE: CAL, caleres.com) today announced it has begun a phased reopening of its Famous Footwear and branded – Allen Edmonds, Naturalizer and Sam Edelman – retail stores in a safe and systematic manner.

Recently, Caleres began to reopen retail stores in areas where restrictions have been relaxed or lifted. The company will progress with this approach over the next several weeks, and currently expects to have approximately 435 locations open by the end of May. Caleres is closely monitoring state and local restrictions and guidelines as it moves forward with the resumption of in-store operations across its entire store fleet. Caleres anticipates the vast majority of its stores to restart in-store service by the end of June.

“After careful and extensive planning, we are pleased to be taking this important step in the resumption of our store operations, which we view as a core component of the Caleres value proposition and an essential complement to our digital platform,” said Diane Sullivan, chief executive officer, president and chairman. “With the reopening of our brick-and-mortar operations, we will again be able to offer our customers a full suite of shopping and delivery options, while providing them with the added convenience, service and immediacy that an in-person experience affords. Over the next several weeks, we look forward to welcoming back Associates and safely greeting our customers.”

Enhanced health and safety measures

Caleres' top priority is the health and safety of its Associates and its customers, and the company is taking numerous steps and following government guidelines to ensure a safe and comfortable in-store experience for all parties. Caleres is customizing its stores to ensure appropriate distancing and contactless transactions; equipping its Associates to provide the most health-conscious service; and intensifying its already rigorous cleaning and sanitizing procedures.

"It is critically important that we make every effort to ensure that our customers and Associates feel confident, comfortable and safe as they return to a familiar shopping experience and work environment," Sullivan continued. "As we look toward the next round of store openings, we will take lessons from this first phase and adjust accordingly."

As stores reopen, details on what specific brands are doing to create safe environments for customers can be found on: [famousfootwear.com](https://www.famousfootwear.com), [allenedmonds.com](https://www.allenedmonds.com), [naturalizer.com](https://www.naturalizer.com) and [samedelman.com](https://www.samedelman.com).

Curbside pickup

During the recent period of store closures, Caleres leveraged its brand power and the upfront investments made in its ecommerce platform to shift to a digital-only business. Since that time, Caleres has consistently explored ways to reach its consumers and meet their evolving needs. In recent weeks, the company has implemented a contactless curbside pickup option at approximately 170 locations across the country, with the expectation that this service will be expanded to reach nearly 300 stores by next week. This additional service channel provides an important supplement to the strong ecommerce-related sales the company has experienced – particularly at Famous Footwear.

Solid financial position

Caleres has focused sharply on managing costs, reducing capital expenditures, driving down inventory levels and boosting liquidity and has maintained a stable cash position since the store closures in mid-March. The company expects that the gradual add back of its brick-and-mortar operations, coupled with strength in its ecommerce-related business establishes a viable path to positive cash generation in the year's second half.

"Whether consumers are returning to the retail world in person, opting to shop online or picking up curbside, we will be ready. Our Associates are prepared, our capabilities are in place, and our financial foundation is solid. Looking ahead, the actions we have taken to improve our agility, flexibility and speed will enable us to continue to evolve with the quickly changing expectations of our consumers."

Investor conference call

Caleres will host an investor conference call Thursday, June 4, 2020, at 4:30 p.m. Eastern time. The webcast and slides will be available at investor.caleres.com/news/events. The live conference call will be available at (877) 217-9089 for analysts in North America or (706) 679-1723 for international analysts by using the conference ID 7665925.

A replay will be available at investor.caleres.com/news/events/archive for a limited period. Investors may also access a replay of the call through June 18, 2020, by dialing (855) 859-2056 in North America or (404) 537-3406 internationally and using the conference ID7665925.

Safe Harbor Statement Under the Private Securities Litigation Reform Act of 1995

This press release 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) the recent coronavirus outbreak and its adverse impact on our business operations, store traffic and financial condition (ii) changing consumer demands, which may be influenced by consumers' disposable income, which in turn can be influenced by general economic conditions and other factors; (iii) impairment charges resulting from a long-term decline in our stock price; (iv) rapidly changing fashion trends and consumer preferences and purchasing patterns; (v) intense competition within the footwear industry; (vi) 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; (vii) imposition of tariffs; (viii) the ability to accurately forecast sales and manage inventory levels; (ix) cybersecurity threats or other major disruption to the company's information technology systems; (x) customer concentration and increased consolidation in the retail industry; (xi) transitional challenges with acquisitions; (xii) a disruption in the company's distribution centers; (xiii) foreign currency fluctuations; (xiv) changes to tax laws, policies and treaties; (xv) the ability to recruit and retain senior management and other key associates; (xvi) compliance with applicable laws and standards with respect to labor, trade and product safety issues; (xvii) the ability to maintain relationships with current suppliers; (xviii) the ability to attract, retain, and maintain good relationships with licensors and protect our intellectual property rights; and (xix) the ability to secure/exit leases on favorable terms. 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 1, 2020, 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.

About Caleres

Caleres is the home of today's most coveted footwear brands and represents a diverse portfolio spanning all of life's styles and experiences. Every shoe tells a story and Caleres has the perfect fit for every one of them. Our collections have been developed and acquired to meet the evolving needs of today's assorted and growing global audiences, with consumer insights driving every aspect of the innovation, design, and craft that go into our distinctly positioned brands, including Famous Footwear, Sam Edelman, Naturalizer, Allen Edmonds, Vionic, Dr. Scholl's Shoes, and more. The Caleres story is most simply defined by the company's mission: Inspire people to feel great...feet first.

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