

Brown Shoe Company Finalizes Sale of AND 1

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Portfolio realignment continues, as company targets improved long-term shareholder returns

ST. LOUIS--(BUSINESS WIRE)--Brown Shoe Company, Inc. (NYSE: BWS)(brownshoe.com) today announced it has finalized the sale of AND 1 to Galaxy International, a newly-formed brand management company, for \$55 million in cash. Brown Shoe Company plans to use the proceeds from the sale of AND 1 to pay down debt.

AND 1, a global men's performance basketball and lifestyle brand, was part of the American Sporting Goods (ASG) acquisition that Brown Shoe Company completed on February 17, 2011, for \$145 million in cash plus assumed debt. The ASG acquisition helped broaden the company's reach by complementing its fitness and comfort offerings with athletic and outdoor brands, including Avia, rykä and Nevados.

In addition to this previously announced divestiture, the company continues to shift resources to grow its brands within the three macro-consumer platforms of Family, Healthy Living and Contemporary Fashion. These efforts will help accelerate Brown Shoe Company's portfolio evolution, by exiting underperforming businesses not aligned with its strategic goals and financial criteria.

"As promised, this next phase of our portfolio realignment has been designed to help us in our efforts to assure the improvement in long-term shareholder returns," said Diane Sullivan, president and CEO of Brown Shoe Company. "However, our work to align our organization for success is still underway, as we continue to evaluate our remaining businesses."

About Brown Shoe Company, Inc.

Brown Shoe Company is a \$2.7 billion global footwear company. Brown Shoe Company's Retail division operates Famous FootwearTM, a leading family branded footwear destination with over 1,100 stores nationwide and e-commerce site FamousFootwear.com, approximately 250 specialty retail stores in the U.S., Canada and China primarily under the Naturalizer[®] brand name, and footwear e-tailer shoes.com. Through its wholesale divisions, Brown Shoe Company designs and markets leading fashion and athletic footwear brands including Naturalizer, Dr. Scholl's[®], LifeStride[®], Sam Edelman[®], Franco SartoTM, Via Spiga[®], Etienne AignerTM, Vera Wang LavenderTM, Avia[®], rykä[®] and Buster BrownTM. Brown Shoe Company press releases are available at brownshoe.com.

About Galaxy International LLC

Galaxy International LLC is a New York-based brand acquisition and development firm recently founded by a team of industry veterans. The company was formed to acquire brands and other intellectual property in the apparel, footwear and accessory markets, which have broad, global, consumer appeal. Symphony Investment Partners acted as advisors to Galaxy International in this transaction.

Language:

English

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