



CALERES  
EST ♦ 1878

THIRD  
QUARTER  
2024

December 5, 2024

# SAFE HARBOR

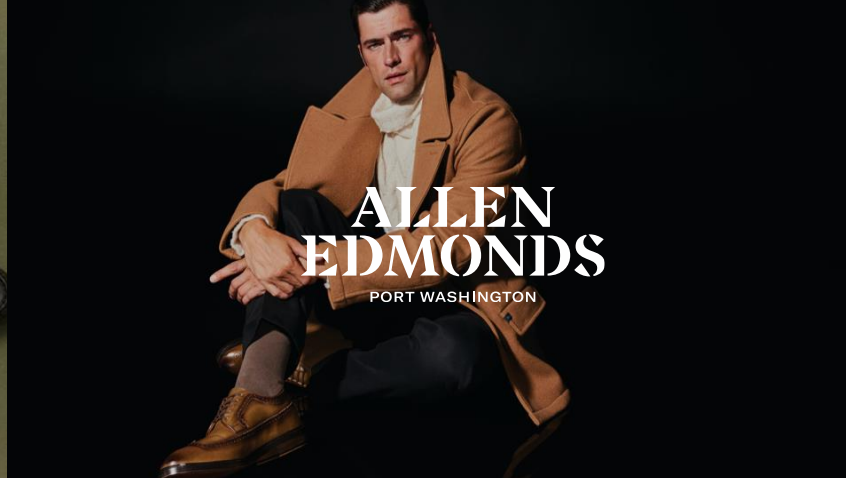
## UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

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 general economic conditions and other factors; (ii) inflationary pressures and supply chain disruptions (iii) rapidly changing consumer preferences and purchasing patterns and fashion trends; (iv) supplier concentration, customer concentration and increased consolidation in the retail industry; (v) intense competition within the footwear industry; (vi) foreign currency fluctuations; (vii) 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; (viii) cybersecurity threats or other major disruption to the company's information technology systems including those related to our ERP upgrade; (ix) the ability to accurately forecast sales and manage inventory levels; (x) a disruption in the company's distribution centers; (xi) the ability to recruit and retain senior management and other key associates; (xii) the ability to secure/exit leases on favorable terms; (xiii) the ability to maintain relationships with current suppliers; (xiv) transitional challenges with acquisitions and divestitures; (xiv) changes to tax laws, policies and treaties; (xvi) our commitments and shareholder expectations related to environmental, social and governance considerations; (xvii) compliance with applicable laws and standards with respect to labor, trade and product safety issues; 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, 2024, 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.



Sam Edelman



ALLEN  
EDMONDS  
PORT WASHINGTON



VERONICA BEARD



Franco Sarto



Dr. Scholl's  
SHOES



CALERES  
EST ♦ 1878



FAMOUS  
footwear™



LifeStride



VINCE.



NATURALIZER



VIONIC

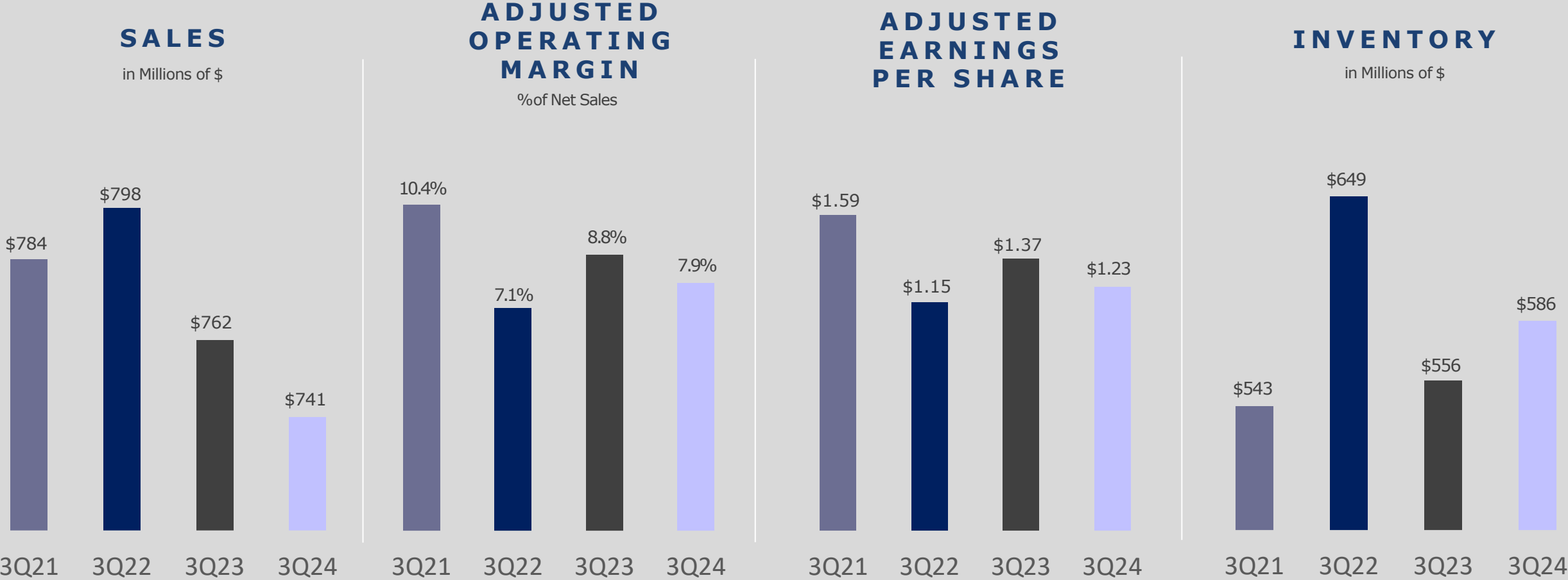


rykō



Blowfish  
MALIBU

# CALERES OVERVIEW – 3Q24



# THIRD QUARTER 2024 SNAPSHOT

## SALES

**\$741M**

Down 2.8% vs 3Q23, with 72% DTC

## GROSS MARGIN

**44.1%**

Down 55 bps vs 3Q23

## ADJUSTED EPS

**\$1.23**

Excludes \$0.04 from 3Q24 restructuring initiatives

## ADJUSTED EBITDA

**\$73M**

9.9% of sales

## SHARE REPURCHASE

**\$50M**

In the quarter, approximately 1.5M shares

## INVENTORY

**+2.7%**

On adjusted basis vs 3Q23

# BRAND PORTFOLIO 3Q24



## SALES

**\$323M**

+0.7% vs 3Q23

## GROSS MARGIN

**43.8%**

+15 bps vs 3Q23

## ADJUSTED OPERATING EARNINGS

**\$35.1M**

Represents over 50% of total company operating earnings

## MARKET SHARE

**+0.4%**

In Women's Fashion Footwear and +0.2% in Total Footwear Market\*

\*Source: Circana, LLC, Retail Tracking Service, US, Total Footwear and Women's Fashion Footwear, Dollar Sales, 3 Months Ending October 2024 vs. 3 Months Ending October 2023

# FAMOUS FOOTWEAR 3Q24



## SALES

**\$428M**

Down 4.8% YOY, with  
comparable sales up 2.5%

## GROSS MARGIN

**42.9%**

Down 130 bps vs 3Q23

## FAMOUS.COM

**+8.3%**

YOY comp sales increase

## KIDS SALES PENETRATION

**25%**

As percent of total sales  
in the quarter

# FISCAL 2024 OUTLOOK

<b>Metric</b>	<b>Prior 2024 Annual Guidance</b>	<b>Revised 2024 Annual Guidance</b>
<b><i>Sales Change</i></b>	<i>Down low single digits</i>	Down 2.5% to 3%
<b><i>Operating Margin</i></b>	7.0% - 7.1%	6.1% - 6.3%
<b><i>Tax Rate</i></b>	~24%	~24%
<b><i>GAAP EPS</i></b>	\$3.94 - \$4.09	\$3.35 - \$3.45
<b><i>Adjusted EPS*</i></b>	\$4.00 - \$4.15	\$3.45 - \$3.55
<b><i>Capital Expenditures</i></b>	\$50 - \$55 million	\$50 - \$55 million

\*Adjusted EPS guidance excludes estimated restructuring charges incurred in the second half of 2024

# CAPITAL ALLOCATION PRIORITIES

CALERES  
CONSTANTLY  
EVALUATES THE  
MOST VALUE  
ENHANCING  
AVENUE FOR  
ITS FREE CASH  
FLOW

↑  
Priority Level

## INVEST FOR ORGANIC GROWTH

Make targeted investments in brands and capabilities with the greatest opportunity for profitable growth

## PAY DIVIDEND

Continue to fund our long-standing dividend

## DEBT REDUCTION

Reduce debt to below \$100M

## SHARE REPURCHASES

Opportunistically repurchase shares

## M & A

Consider opportunistic M&A in white spaces (Men's, Gen Z and International)



# KEY PRIORITIES

For 2024

DIRECT  
CONSUMER  
ENGAGEMENT

ENHANCED  
SPEED AND  
AGILITY

FAMOUS  
FOOTWEAR  
CUSTOMER  
EXPERIENCE

INTERNATIONAL  
GROWTH

INVESTING  
TO POWER  
GROWTH



APPENDIX

**CALERES, INC.**
**RECONCILIATION OF NET EARNINGS AND DILUTED EARNINGS PER SHARE (GAAP BASIS) TO  
ADJUSTED NET EARNINGS AND ADJUSTED DILUTED EARNINGS PER SHARE (NON-GAAP BASIS)**

	(Unaudited)					
	Thirteen Weeks Ended					
	November 2, 2024			October 28, 2023		
	Pre-Tax Impact of Charges/Other Items	Net Earnings Attributable to Caleres, Inc.	Diluted Earnings Per Share	Pre-Tax Impact of Charges/Other Items	Net Earnings Attributable to Caleres, Inc.	Diluted Earnings Per Share
(\$ thousands, except per share data)						
GAAP earnings		\$ 41,427	\$ 1.19		\$ 46,914	\$ 1.32
<b>Charges/other items:</b>						
Restructuring costs	\$ 1,593	1,183	0.04	\$ —	—	—
Expense reduction initiatives	—	—	—	2,304	1,710	0.05
Total charges/other items	\$ 1,593	\$ 1,183	\$ 0.04	\$ 2,304	\$ 1,710	\$ 0.05
Adjusted earnings		\$ 42,610	\$ 1.23		\$ 48,624	\$ 1.37

	(Unaudited)					
	Thirty-Nine Weeks Ended					
	November 2, 2024			October 28, 2023		
	Pre-Tax Impact of Charges/Other Items	Net Earnings Attributable to Caleres, Inc.	Diluted Earnings Per Share	Pre-Tax Impact of Charges/Other Items	Net Earnings Attributable to Caleres, Inc.	Diluted Earnings Per Share
(\$ thousands, except per share data)						
GAAP earnings		\$ 102,325	\$ 2.92		\$ 115,584	\$ 3.23
<b>Charges/other items:</b>						
Restructuring costs	\$ 1,593	1,183	0.03	\$ —	—	—
Expense reduction initiatives	—	—	—	3,951	2,934	0.08
Total charges/other items	\$ 1,593	\$ 1,183	\$ 0.03	\$ 3,951	\$ 2,934	\$ 0.08
Adjusted earnings		\$ 103,508	\$ 2.95		\$ 118,518	\$ 3.31

	(Unaudited)			
	Trailing Twelve Months Ended			
	November 2, 2024		October 28, 2023	
	Pre-Tax Impact of Charges/Other Items	Net Earnings (Loss) Attributable to Caleres, Inc.	Pre-Tax Impact of Charges/Other Items	Net Earnings (Loss) Attributable to Caleres, Inc.
(\$ thousands)				
GAAP earnings		\$ 158,132		\$ 156,393
<b>Charges/other items:</b>				
Deferred tax valuation allowance adjustments	\$ —	(26,654)	\$ —	(17,374)
Restructuring costs	1,593	1,183	—	—
Expense reduction initiatives	2,152	1,598	3,951	2,934
Total charges/other items	\$ 3,745	\$ (23,873)	\$ 3,951	\$ (14,440)
Adjusted earnings		\$ 134,259		\$ 141,953

**CALERES, INC.**  
**SUMMARY FINANCIAL RESULTS BY SEGMENT**

**SUMMARY FINANCIAL RESULTS**

	(Unaudited)							
	Thirteen Weeks Ended							
	Famous Footwear		Brand Portfolio		Eliminations and Other		Consolidated	
	November 2, 2024	October 28, 2023	November 2, 2024	October 28, 2023	November 2, 2024	October 28, 2023	November 2, 2024	October 28, 2023
(\$ thousands)								
Net sales	\$ 428,264	\$ 449,773	\$ 322,936	\$ 320,775	\$ (10,259)	\$ (8,644)	\$ 740,941	\$ 761,904
Gross profit	183,825	198,809	141,559	140,155	1,576	1,410	326,960	340,374
Gross margin	42.9 %	44.2 %	43.8 %	43.7 %	(15.4)%	(16.3)%	44.1 %	44.7 %
Operating earnings (loss)	29,568	46,600	34,052	38,211	(6,922)	(20,393)	56,698	64,418
Adjusted operating earnings (loss)	29,761	47,767	35,145	39,055	(6,615)	(20,100)	58,291	66,722
Operating margin	6.9 %	10.4 %	10.5 %	11.9 %	n/m %	n/m %	7.7 %	8.5 %
Adjusted operating earnings %	6.9 %	10.6 %	10.9 %	12.2 %	n/m %	n/m %	7.9 %	8.8 %
Comparable sales % (on a 13-week basis)	2.5 %	(6.9)%	(2.7)%	(2.0)%	— %	— %	— %	— %
Company-operated stores, end of period	851	862	111	96	—	—	962	958

n/m – Not meaningful

**RECONCILIATION OF ADJUSTED RESULTS  
(NON-GAAP)**

	(Unaudited)							
	Thirteen Weeks Ended							
	Famous Footwear		Brand Portfolio		Eliminations and Other		Consolidated	
	November 2, 2024	October 28, 2023	November 2, 2024	October 28, 2023	November 2, 2024	October 28, 2023	November 2, 2024	October 28, 2023
(\$ thousands)								
Operating earnings (loss)	\$ 29,568	\$ 46,600	\$ 34,052	\$ 38,211	\$ (6,922)	\$ (20,393)	\$ 56,698	\$ 64,418
Charges/Other Items:								
Restructuring costs	193	—	1,093	—	307	—	1,593	—
Expense reduction initiatives	—	1,167	—	844	—	293	—	2,304
Total charges/other items	193	1,167	1,093	844	307	293	1,593	2,304
Adjusted operating earnings (loss)	\$ 29,761	\$ 47,767	\$ 35,145	\$ 39,055	\$ (6,615)	\$ (20,100)	\$ 58,291	\$ 66,722

**CALERES, INC.**
**CALCULATION OF EBITDA AND DEBT/EBITDA LEVERAGE RATIO (NON-GAAP METRICS)**

(\$ thousands)	(Unaudited)	
	Thirteen Weeks Ended	
	November 2, 2024	October 28, 2023
<b>EBITDA:</b>		
Net earnings attributable to Caleres, Inc.	\$ 41,427	\$ 46,914
Income tax provision	12,699	14,467
Interest expense, net	2,914	4,488
Depreciation and amortization <sup>(1)</sup>	14,364	12,957
<b>EBITDA</b>	<b>\$ 71,404</b>	<b>\$ 78,826</b>
<b>EBITDA margin</b>	<b>9.6 %</b>	<b>10.3 %</b>
<b>Adjusted EBITDA:</b>		
Adjusted net earnings attributable to Caleres, Inc. <sup>(2)</sup>	\$ 42,610	\$ 48,624
Income tax provision <sup>(3)</sup>	13,109	15,061
Interest expense, net	2,914	4,488
Depreciation and amortization <sup>(1)</sup>	14,364	12,957
<b>Adjusted EBITDA</b>	<b>\$ 72,997</b>	<b>\$ 81,130</b>
<b>Adjusted EBITDA margin</b>	<b>9.9 %</b>	<b>10.6 %</b>
(\$ thousands)	(Unaudited)	
	Trailing Twelve Months Ended	
	November 2, 2024	October 28, 2023
<b>EBITDA:</b>		
Net earnings attributable to Caleres, Inc.	\$ 158,132	\$ 156,393
Income tax provision	4,507	21,612
Interest expense, net	14,128	20,618
Depreciation and amortization <sup>(1)</sup>	56,547	50,722
<b>EBITDA</b>	<b>\$ 233,314</b>	<b>\$ 249,345</b>
<b>EBITDA margin</b>	<b>8.4 %</b>	<b>8.9 %</b>
<b>Adjusted EBITDA:</b>		
Adjusted net earnings attributable to Caleres, Inc. <sup>(2)</sup>	\$ 134,259	\$ 141,953
Income tax provision <sup>(3)</sup>	32,125	40,003
Interest expense, net	14,128	20,618
Depreciation and amortization <sup>(1)</sup>	56,547	50,722
<b>Adjusted EBITDA</b>	<b>\$ 237,059</b>	<b>\$ 253,296</b>
<b>Adjusted EBITDA margin</b>	<b>8.5 %</b>	<b>9.0 %</b>
(\$ thousands)	(Unaudited)	
	November 2, 2024	October 28, 2023
<b>Debt/EBITDA leverage ratio:</b>		
Borrowings under revolving credit agreement <sup>(4)</sup>	\$ 238,500	\$ 222,000
<b>EBITDA (trailing twelve months)</b>	<b>233,314</b>	<b>249,345</b>
<b>Debt/EBITDA</b>	<b>1.0</b>	<b>0.9</b>

(1) Includes depreciation and amortization of capitalized software and intangible assets.

(2) Refer to page 12 for the consolidated reconciliation of net earnings attributable to Caleres, Inc. to adjusted net earnings attributable to Caleres, Inc.

(3) Excludes the income tax impacts of the adjustments on page 12.

(4) Total availability under the revolving credit agreement was \$252.1 million and \$267.4 million as of November 2, 2024 and October 28, 2023, respectively. Total liquidity, which includes cash and cash equivalents and availability under the revolving credit agreement, was \$285.8 million and \$301.4 million for the respective periods.

**CALERES, INC.**

**RECONCILIATION OF DILUTED EARNINGS PER SHARE (GAAP BASIS) TO ADJUSTED DILUTED EARNINGS PER SHARE (NON-GAAP BASIS)**

	(Unaudited)			
	Thirteen Weeks Ended			
	October 30, 2021	October 29, 2022	October 28, 2023	November 2, 2024
GAAP diluted earnings per share	\$ 1.54	\$ 1.08	\$ 1.32	\$ 1.19
<u>Charges/other items:</u>				
Fair value adjustment to Blowfish purchase obligation	0.04	—	—	—
Loss on early extinguishment of debt	0.01	—	—	—
Organizational changes	—	0.07	—	—
Expense reduction initiatives	—	—	0.05	—
Restructuring costs	—	—	—	0.04
Total charges/other items	\$ 0.05	\$ 0.07	\$ 0.05	\$ 0.04
Adjusted diluted earnings per share	\$ 1.59	\$ 1.15	\$ 1.37	\$ 1.23



THANK YOU