

R.G. BARRY SHARES TO TRADE ON AMEX

Move shows slipper company's finances continue to improve

Published: *Thursday, December 1, 2005*

BUSINESS 01E

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THE COLUMBUS DISPATCH

Shares in R.G. Barry Inc. will begin trading Friday on the American Stock Exchange, a sign that the company's fortunes continue to improve.

The stock has been listed for the past 18 months on the Over-the-Counter Bulletin Board after being delisted by the New York Stock Exchange because of the company's financial problems.

The migration to the American Stock Exchange, also known as the Amex, shows that Barry has "achieved certain financial qualifications they were unable to meet before," said analyst Doug Ruth, who tracks the company for Lenox Financial Services in New Lenox, Ill.

"You now are able to say the company is in better shape than it was even earlier this year," he said.

Although the OTC Bulletin Board provides stock prices for its listed companies, some brokerage firms will not trade those issues because they generally carry a higher risk.

The NYSE dropped Barry's stock in June 2004 because the slipper company couldn't meet the exchange's requirements for market capitalization and shareholder equity.

Since then, the Pickerington company has slashed employment, closed plants and reduced its customer base and slipper styles as it shifted away from manufacturing into a design-and-marketing company. The result: Barry earned \$3.3 million in the first three quarters this year compared with a \$24.2 million loss for the similar period a year ago.

Ruth projects the full year's earnings could pass \$8 million.

Meanwhile, the stock is trading at \$6.15 per share after bottoming at \$1.52 in July 2004.

Thomas M. Von Lehman, a turnaround expert who serves as Barry's president and chief executive, said the Amex listing is "a key hallmark public event that shows the company is truly on its path back." Von Lehman called the listing one of the three final steps in the

company's about-face. The second will be to report a profit for the year, which he has projected, and hiring his successor.

"We hope that person will be on board early next year," he said. "We are talking to candidates," one of whom will be named president and chief operating officer and whose goal will be to grow the company.

Von Lehman is expected to stay on as CEO through 2006, or until the company's board of directors is convinced the transition is complete.

Barry shares traded on the Amex for more than 25 years before it moved to the New York Stock Exchange in 1995.

The stock will trade under the ticker symbol DFZ, which ties into the company's plans to use its Dearfoams slipper brand name prominently in advertising and corporate materials.