

FOOT LOCKER, INC.

NEWS RELEASE

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FOOT LOCKER, INC. REPORTS THIRD QUARTER RESULTS

- **Third Quarter Net Income Increased 36 Percent to \$45 million, or \$0.31 Per Share**
- **Debt, Net of Cash, Decreased to \$102 Million from \$338 Million Last Year**
- **Fourth Quarter Earnings Guidance At \$0.33-to-\$0.35 Per Share, in line with current analysts' estimates**
- **Company Announces Quarterly Shareholder Dividend of \$0.03 Per Share**
- **Board of Directors Authorizes \$50 Million Share Repurchase Program**

NEW YORK, NY, November 21, 2002 – Foot Locker, Inc. (NYSE: Z), the New York-based specialty athletic retailer, today reported financial results for its third quarter ended November 2, 2002.

Third Quarter Results

Net income for the third quarter ended November 2, 2002, increased 36 percent to \$45 million, or \$0.31 per share, compared with \$33 million, or \$0.23 per share, for the same quarter last year. Third quarter results in 2002 included \$0.02 per share income from discontinued operations. Adjusted net income increased 11 percent to \$42 million, or \$0.29 per share from \$38 million, or \$0.26 per share, last year. Sales from adjusted operations for the 13 weeks ended November 2, 2002 increased 3.3 percent, to \$1,120 million compared with \$1,084 million in the year-earlier period. Third quarter comparable store sales declined 0.7 percent.

“We are pleased that we continued to grow our earnings in a challenging retail environment,” stated Matthew D. Serra, Foot Locker, Inc.’s President and Chief Executive Officer. “The modifications that we recently made to our product assortments contributed to our improved gross margin rate, while leaving our average price points constant. Additionally, we continued to manage our expenses aggressively, which should benefit our Company in future quarters.”

Year-to-Date Results

Net income for the nine months ended November 2, 2002 increased to \$96 million, or \$0.66 per share, from \$56 million, or \$0.40 per share, for the same period last year. Year-to-date results included loss from discontinued operations of \$0.11 per share in 2002 versus \$0.09 per share in 2001. Year-to-date adjusted net income increased 12 percent to \$112 million, or \$0.77 per share from \$100 million, or \$0.70 per share, last year. Sales from adjusted operations increased 3.9 percent to \$3,295 million compared with \$3,170 million in the year-earlier period, reflecting a comparable-store increase of 0.5 percent.

The Company’s financial position continued to strengthen. On November 2, 2002, the Company’s debt, net of cash, was \$102 million, a \$236 million reduction from the end of the third quarter last year. Merchandise inventories remain current, with growth in line with sales increases.

Dividend Declaration/Share Repurchase Program

On November 20, 2002, the Board of Directors of Foot Locker, Inc. declared a quarterly dividend on the Company’s common stock of \$0.03 per share. The dividend will be paid on January 31, 2003 to shareholders of record on January 17, 2003. The Company expects to continue to pay dividends on a quarterly basis in the future.

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Foot Locker, Inc.'s Board of Directors also authorized a \$50 million share repurchase program. The Company may make purchases of its common stock under this program over the next three years, from time to time, depending on market conditions and other factors. "We are pleased to be able to re-institute a shareholder dividend program, and expect to provide an ongoing cash return to our investors," said Mr. Serra.

Mr. Serra continued, "Our sales trend improved in the later weeks of the third quarter, which has encouraged us for the fourth quarter. As such, we currently expect that our fourth quarter comparable-store sales will increase in the low-single digit range, in line with our September and October results. Additionally, we currently expect our fourth quarter adjusted earnings to be \$0.33-to-\$0.35 per share, which is in line with analysts' estimates."

During the third quarter, the Company opened 43 stores, remodeled/relocated 50 stores and closed 29 stores. The Company's capital expenditure program continues on schedule. At November 2, 2002 the Company operated 3,614 athletic stores in 14 countries in North America, Europe and Australia.

The Company is hosting a live conference call at 10:00 am (EST) on Thursday, November 21, 2002 to discuss its third quarter performance, provide guidance with regard to its earnings outlook for the fourth quarter and full year 2002, and discuss its current plans for utilization of cash. This conference call may be accessed live from the Investor Relations section of the Foot Locker, Inc. website at <http://www.footlocker-inc.com>. The conference call will be available for webcast replay until 5:00 p.m. on Monday, November 25, 2002.

Reported results are presented in accordance with accounting principles generally accepted in the United States of America. Adjusted results are from continuing operations and exclude the operations and disposition of The San Francisco Music Box Company and Burger King franchises. The reported results for all operations and a reconciliation between reported and adjusted results are attached to this press release.

Disclosure Regarding Forward-Looking Statements

This press release contains forward-looking statements, which reflect management's current views of future events and financial performance. These forward-looking statements are based on many assumptions and factors detailed in the Company's filings with the Securities and Exchange Commission, including the effects of currency fluctuations, customer demand, fashion trends, competitive market forces, uncertainties related to the effect of competitive products and pricing, customer acceptance of the Company's merchandise mix and retail locations, the Company's reliance on a few key vendors for a significant portion of its merchandise purchases (and one key vendor for approximately 50 percent of its merchandise purchases), unseasonable weather, risks associated with foreign global sourcing including political instability and changes in import regulations, economic conditions worldwide, the potential strike by the longshoremen's union against the Pacific Maritime Association, and the ability of the Company to execute its business plans effectively with regard to each of its business units. Any changes in such assumptions or factors could produce significantly different results. The Company undertakes no obligation to update forward-looking statements, whether as a result of new information, future events, or otherwise.

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FOOT LOCKER, INC.
Consolidated Statements of Operations
(unaudited)
Periods ended November 2, 2002 and November 3, 2001
(In millions, except per share amounts)

Third Quarter	13 Weeks 2002			13 Weeks 2001		
	Reported Results	Disposed Operations	As Adjusted	Reported Results	Disposed Operations	As Adjusted
Sales	\$1,120	\$ --	\$1,120	\$ 1,104	\$ 20	\$ 1,084
Cost of sales	777	--	777	777	14	763
Selling, general and administrative expenses	235	--	235	229	11	218
Depreciation and amortization	37	--	37	38	--	38
Restructuring charge (income)	(1)	(1)	--	1	1	--
Interest expense, net	5	--	5	8	--	8
	1,053	(1)	1,054	1,053	26	1,027
Income from continuing operations before income taxes	67	1	66	51	(6)	57
Income tax expense	24	--	24	18	(1)	19
Income from continuing operations	43	1	42	33	(5)	38
Income from discontinued operations, net of tax	2	2	--	--	--	--
Net income	\$ 45	\$ 3	\$ 42	\$ 33	\$ (5)	\$ 38
Diluted EPS:						
Income from continuing operations	\$0.29	--	\$0.29	\$ 0.23	\$ (0.03)	\$ 0.26
Income from discontinued operations	0.02	0.02	--	--	--	--
Net income	\$0.31	\$0.02	\$0.29	\$ 0.23	\$ (0.03)	\$ 0.26
Weighted-average diluted shares outstanding	150.7		150.7	150.8		150.8
Year-To-Date						
	39 Weeks 2002			39 Weeks 2001		
	Reported Results	Disposed Operations	As Adjusted	Reported Results	Disposed Operations	As Adjusted
Sales	\$3,295	\$ --	\$3,295	\$ 3,224	\$ 54	\$ 3,170
Cost of sales	2,320	--	2,320	2,265	37	2,228
Selling, general and administrative expenses	675	--	675	687	29	658
Depreciation and amortization	111	--	111	114	--	114
Restructuring charge (income)	(2)	(2)	--	33	33	--
Interest expense, net	19	--	19	18	--	18
Other income	(3)	--	(3)	(1)	--	(1)
	3,120	(2)	3,122	3,116	99	3,017
Income from continuing operations before income taxes	175	2	173	108	(45)	153
Income tax expense	61	--	61	39	(14)	53
Income from continuing operations	114	2	112	69	(31)	100
Loss on disposal of discontinued operations, net of tax	(18)	(18)	--	(13)	(13)	--
Net income	\$ 96	\$ (16)	\$ 112	\$ 56	\$ (44)	\$ 100
Diluted EPS:						
Income from continuing operations	\$ 0.77	\$ --	\$0.77	\$ 0.49	\$ (0.21)	\$ 0.70
Loss from discontinued operations	(0.11)	(0.11)	--	(0.09)	(0.09)	--
Net income	\$ 0.66	\$ (0.11)	\$0.77	\$ 0.40	\$ (0.30)	\$ 0.70
Weighted-average diluted shares outstanding	150.7		150.7	145.7		145.7

FOOT LOCKER, INC.
Condensed Consolidated Balance Sheets
(unaudited)
(In millions)

	November 2, 2002	November 3, 2001
Assets		
CURRENT ASSETS		
Cash and cash equivalents	\$ 255	\$ 62
Merchandise inventories	973	943
Assets of discontinued operations	2	4
Assets held for disposal	---	21
Other current assets	138	99
	1,368	1,129
Property and equipment, net	628	639
Deferred tax assets	234	216
Other assets	272	356
	\$2,502	\$2,340
Liabilities and Shareholders' Equity		
CURRENT LIABILITIES		
Short-term debt	\$ ---	\$ ---
Accounts payable	411	348
Accrued liabilities	218	189
Current liabilities and reserves for restructuring, discontinued operations and business held for sale	25	51
Current portion of long-term debt and obligations under capital leases	1	34
	655	622
Long-term debt and obligations under capital leases	356	366
Other liabilities	366	277
SHAREHOLDERS' EQUITY	1,125	1,075
	\$2,502	\$2,340

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FOOT LOCKER, INC.
Store and Estimated Square Footage – As Adjusted
(unaudited)
(Square footage in thousands)

	November 2, 2002	November 3, 2001	February 2, 2002	February 3, 2001
Foot Locker U.S.				
Number of stores	1,476	1,452	1,472	1,453
Gross square footage	6,017	5,963	6,039	5,926
Selling square footage	3,466	3,398	3,442	3,372
Lady Foot Locker				
Number of stores	610	644	632	662
Gross square footage	1,370	1,437	1,416	1,463
Selling square footage	783	827	816	839
Kids Foot Locker				
Number of stores	381	394	391	398
Gross square footage	921	949	944	972
Selling square footage	550	569	567	574
Champs Sports				
Number of stores	586	572	574	586
Gross square footage	3,281	3,255	3,262	3,370
Selling square footage	2,304	2,274	2,280	2,373
Foot Locker International				
Number of stores	561	506	521	483
Gross square footage	1,586	1,428	1,482	1,345
Selling square footage	892	804	837	756
Total Athletic Group				
Number of stores	3,614	3,568	3,590	3,582
Gross square footage	13,175	13,032	13,143	13,076
Selling square footage	7,995	7,872	7,972	7,914