FOOT LOCKER EXPECTS CONTINUED EARNINGS GROWTH
-- Leading Athletic Retailer Expects to Continue to Drive EPS Growth Going Forward --
-- Serra tells Shareholders that he is Comfortable with 2002 Earnings Guidance --

NEW YORK, NY, June 19, 2002 – Matthew D. Serra, President and Chief Executive Officer of Foot Locker, Inc. (NYSE: Z), the New York-based specialty athletic retailer, told shareholders at today’s annual meeting that the Company sees continued earnings growth in fiscal 2002.

Mr. Serra, commenting on the factors behind Foot Locker’s performance, said, “Today, we are the leading athletic retail company with significant growth characteristics identified: We are the clear leader in most markets where we operate; our global position provides meaningful diversification and significant growth opportunities; and we operate across multiple channels of distribution - stores, catalogs and the Internet - all of which are very profitable. Our management teams are experienced, with complementary talents and good bench strength, and our increasing financial strength provides us with the flexibility to capitalize on a broad range of future opportunities. I am proud to say that we have successfully leveraged these world-class advantages into a company that I expect will produce strong sales and higher earnings in the foreseeable future.”

Mr. Serra also told shareholders that he was comfortable with the previous earnings guidance the Company provided. Specifically, he said that the Company expects to earn $0.22-to-$0.24 per share during the second quarter of 2002, a 10% to 20% increase over the comparable period of last year, and that for the full year he reiterated the previous earnings guidance of $1.12 to $1.15 per share, or a gain of between 14% to 17% over 2001.

Mr. Serra discussed three key strategies going forward, which are expected to drive EPS growth over the next several years. These strategies include a 1,000 new store opening program (which was initiated in 2001 with 116 stores opened and recently accelerated to 170 stores targeted to open in 2002), planned improvements in the productivity of the Company’s base business, and continued growth of the Company’s profitable catalog and Internet direct-to-customer business. In order to provide the necessary capacity to keep pace with the rapidly growing direct-to-customer business, the Company recently doubled the size of its distribution facility in Wausau, Wisconsin.

He said that looking over the longer term, the Company’s financial objectives include increasing its operating profit margin to 10% (from 7.1% in 2001), generating 10 to 20% annual earnings growth, and improving Foot Locker’s credit ratings to investment grade status.

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Concluding his remarks, Mr. Serra said, “Continuing to build shareholder value remains our paramount goal, and we are committed to delivering on our financial objectives. We are off to an encouraging start in 2002, and we believe that, despite the difficult economic environment in which we are operating today, our strategic initiatives will drive our sales and earnings and provide meaningful value to our shareholders.”

As previously reported, on May 23, 2002, for the first quarter of the current fiscal year, Foot Locker, Inc. reported income from continuing operations of $38 million, or $0.26 per share, compared with adjusted income from continuing operations of $34 million, or $0.24 per share for the same period in 2001. The Company’s financial position also continued to strengthen during the 2002 first quarter, as debt, net of cash, was reduced to $119 million from $283 million last year.

Foot Locker, Inc. is a specialty athletic retailer that operates approximately 3,600 retail stores in 14 countries in North America, Europe and Australia. Through its Foot Locker, Lady Foot Locker, Kids Foot Locker and Champs Sports retail stores, as well as its direct-to-customer channel Footlocker.com/Eastbay, the Company is the leading provider of athletic footwear and apparel.

Earnings guidance is based on the Company’s expected adjusted results. Adjusted results for 2002 are from continuing operations and are the same as reported results from continuing operations. Adjusted results for 2001 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. Reported results are presented in accordance with accounting principles generally accepted in the United States of America.

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, unseasonable weather, risks associated with foreign global sourcing, including political instability and changes in import regulations, economic conditions worldwide, 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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