This report contains forward-looking statements within the meaning of the federal securities laws. Other than statements of historical facts, all statements which address activities, events, or developments that the Company anticipates will or may occur in the future, including, but not limited to, such things as future capital expenditures, expansion, strategic plans, financial objectives, dividend payments, stock repurchases, growth of the Company’s business and operations, including future cash flows, revenues, and earnings, and other such matters, are forward-looking statements. These forward-looking statements are based on many assumptions and factors which are 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 majority of its merchandise purchases (including a significant portion from one key vendor), pandemics and similar major health concerns, unseasonable weather, deterioration of global financial markets, economic conditions worldwide, deterioration of business and economic conditions, any changes in business, political and economic conditions due to the threat of future terrorist activities in the United States or in other parts of the world and related U.S. military action overseas, the ability of the Company to execute its business and strategic plans effectively with regard to each of its business units, and risks associated with global product sourcing, including political instability, changes in import regulations, and disruptions to transportation services and distribution. For additional discussion on risks and uncertainties that may affect forward-looking statements, see “Risk Factors” disclosed in the 2013 Annual Report on Form 10-K. 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.
2012-2016 Strategic Plan

OUR VISION

To be the leading global retailer of athletically inspired shoes and apparel.

EXECUTE STRATEGIES

• Create a clear customer focus to drive performance in our core athletic banners

• Aggressively pursue brand expansion opportunities

• Make our stores and Internet sites more exciting, relevant places to shop and buy

• Increase the productivity of all of our assets

• Deliver exceptional growth in high-potential business segments

• Build on our industry leading retail team

ACHIEVE RESULTS

BE A TOP QUARTILE PERFORMER

• Sales: $7.5 B
• Sales per gross square foot: $500
• EBIT: 11%

• Net Income: 7%
• ROIC: 14%
• Inventory Turns: > 3.0
## Progress Towards Goals

### Be a Top Quartile Performer

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>Original 5-Year Plan Objective</th>
<th>2013</th>
<th>Current Long-Term Objective</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales (billions)</td>
<td>$4.9</td>
<td>$6.0</td>
<td>$6.5</td>
<td>$7.5</td>
</tr>
<tr>
<td>Sales Per Gross Square Foot</td>
<td>$333</td>
<td>$400</td>
<td>$460</td>
<td>$500</td>
</tr>
<tr>
<td>*Earnings Before Interest and Taxes %</td>
<td>2.8%</td>
<td>8.0%</td>
<td>10.4%</td>
<td>11.0%</td>
</tr>
<tr>
<td>*Net Income %</td>
<td>1.8%</td>
<td>5.0%</td>
<td>6.6%</td>
<td>7.0%</td>
</tr>
<tr>
<td>*Return on Invested Capital</td>
<td>5.3%</td>
<td>10.0%</td>
<td>14.1%</td>
<td>14.0%</td>
</tr>
</tbody>
</table>

**Footnote:**
Our original objectives were established in early 2010 and replaced by the current long-term objectives in early 2012.

*Values represent Non-GAAP measures.*
## Strengths

<table>
<thead>
<tr>
<th>Category Diversity</th>
<th>Global Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Strong Men’s business</td>
<td>• More than 1,000 stores in 22 countries outside the US</td>
</tr>
<tr>
<td>• Robust Kids’ business</td>
<td>• Approaching $2 billion in international sales</td>
</tr>
<tr>
<td>• Significant Women’s business with large upside</td>
<td>• 73 stores in 9 countries operated by franchise partners</td>
</tr>
<tr>
<td>opportunity</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Merchandise Balance</th>
<th>Collection of Digital Sites</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Leadership in Basketball business</td>
<td>• Biggest digital business: Eastbay</td>
</tr>
<tr>
<td>• Strong Running and Casual footwear assortments</td>
<td>• Banner.com increased sales 40% in 2013</td>
</tr>
<tr>
<td>• Improving Apparel assortments</td>
<td>• Overall digital business has increased to 11% of total sales</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Banner Differentiation</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>• Performance-Oriented: Foot Locker, Eastbay, Runners</td>
<td></td>
</tr>
<tr>
<td>Point, and SIX:02</td>
<td></td>
</tr>
<tr>
<td>• Life style: Footaction, Sidestep, and CCS</td>
<td></td>
</tr>
<tr>
<td>• Broad athletic spectrum: Champs Sports</td>
<td></td>
</tr>
</tbody>
</table>
Children’s Business

- Success not only in our Kids Foot Locker business, but in the growth of our children’s business across all banners, channels, and geographies

Growth in Europe

Running & Apparel Business

Vendor Partnerships

Bricks and Mortar + E-commerce
Children’s Business
Expand Kids’ to play a more significant role in all of our businesses

Kids’ Foot Locker penetration opportunity – US store distribution
Near-Term Growth Opportunities

Children’s Business

Growth in Europe

• Focus on customer segmentation inside Germany
• Opportunity to grow in existing Foot Locker markets, such as France, Poland, Scandinavia, and Turkey

Running & Apparel Business

Vendor Partnerships

Bricks and Mortar + E-commerce
Growth in Europe

European Expansion
Near-Term Growth Opportunities

Children’s Business

Growth in Europe

Running & Apparel Business

- Exciting new running product
- Knowledgeable associates to help customers choose the right product for their needs

Vendor Partnerships

Bricks and Mortar + E-commerce
Running & Apparel Business
Develop a leadership position in the Athletic Apparel business

Apparel / Accessories Penetration

- 30.7%
- 28.0%
- 27.5%
- 26.3%
- 24.8%
- 23.7%
- 22.8%
- 23.2%
- 24.1%
- 23.2%
Near-Term Growth Opportunities

Children’s Business

Growth in Europe

Running & Apparel Business

Vendor Partnerships

- Nike: House of Hoops, Yardline, Fly Zone, and Jordan 23 shops
- adidas: adi Collective and Originals shops
- Puma: Performance Labs

Bricks and Mortar + E-commerce
Vendor Partnerships

Nike Yardline at Champs Sports
Vendor Partnerships

adi Collective Shop in Footaction

Puma Lab in Foot Locker
Vendor Partnerships

Flight 23 Shop in Footaction

Fly Zone in Kids Foot Locker
Near-Term Growth Opportunities

Children’s Business

Growth in Europe

Running & Apparel Business

Vendor Partnerships

Bricks and Mortar + E-commerce

- Invest in more engaging, entertaining, and shopper friendly sites
- Unparalleled cohesion between the customer store experience and the on-line experience
- Investing in technologies to enable our inventory to become accessible to all customers
Brick and Mortar + E-commerce

Direct-to-Customer % of Sales

<table>
<thead>
<tr>
<th>Year</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>%</td>
<td>8%</td>
<td>9%</td>
<td>9%</td>
<td>10%</td>
<td>11%</td>
</tr>
</tbody>
</table>

Mobile Commerce upgrades to capitalize on Back to School

- Barcodes on mobile product detail page
- Store associate scans barcode
- Instant in-store identification of product on customer’s mobile device

Cross-Channel Program of Inventory Locaters

**BOSS (Buy Online Ship From Store)** - Customer purchases a product online and the store ships the product to the customer.

**BORIS (Buy Online Reserve in Store)** - Customer purchases product online and has the ability to pickup their product in-store.

**S2S (Send 2 Store)** - The customer can purchase product online and have the product shipped to their local store for pickup.

**Stock Locator** - Buy in-store ship to customer. This program is utilized by the stores to get product to the customer not currently in the store’s stock. The product can come from dot.com or from any other store.

Coming soon this summer - TEST MODE: Same Day Delivery.
Intermediate and Long-Term Growth Opportunities

Intermediate Term

• Cumulative sales lift of store remodel programs

• Potential expansion of Runners Point and Sidestep banners outside their current markets

• Technology investments, such as a new merchandise allocation system

• Team sales and services
Store Remodel Programs

Willowbrook Remodel Format
Store Remodel Programs

Footaction Prototype Remodel Format
Aggressively pursue brand expansion opportunities

Runners Point Acquisition Strengthens Position in Europe
Aggressively pursue brand expansion opportunities
### New Systems Overview

<table>
<thead>
<tr>
<th>System</th>
<th>Description</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Hiring</strong></td>
<td>• Store applicant hiring management &amp; assessment tool</td>
<td>• Completed in all U.S. stores</td>
</tr>
<tr>
<td></td>
<td>• Labor scheduling</td>
<td>• European rollout targeted 2015</td>
</tr>
<tr>
<td></td>
<td>• Time and attendance</td>
<td></td>
</tr>
<tr>
<td><strong>Scheduling</strong></td>
<td>• Enhanced reporting &amp; analytics</td>
<td>• North America and Europe complete</td>
</tr>
<tr>
<td></td>
<td>• Assists in merchandising stores more effectively</td>
<td></td>
</tr>
<tr>
<td><strong>Business Intelligence</strong></td>
<td>• Merchandise Allocation</td>
<td>• Base functionality complete for all store divisions</td>
</tr>
<tr>
<td></td>
<td>• Product Replenishment</td>
<td>• Evaluating additional applications</td>
</tr>
<tr>
<td></td>
<td>• Order Planning</td>
<td></td>
</tr>
<tr>
<td><strong>Merchandise Allocation</strong></td>
<td>• Inventory functions using Hand Held Devices &amp; digital displays (lookup, receiving, test checks)</td>
<td>• Fall 2014 rollout</td>
</tr>
<tr>
<td></td>
<td>• In-store Wi-Fi for customer use</td>
<td>• 2015 rollout</td>
</tr>
<tr>
<td></td>
<td>• Improved operational efficiency</td>
<td></td>
</tr>
<tr>
<td><strong>In Store Technology</strong></td>
<td>• Enhanced warehouse and transportation capabilities</td>
<td>• Hand Held devices installed in 190 stores</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Digital displays in 40 stores</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Wi-Fi testing in 30 stores. Evaluating mall-provided service</td>
</tr>
<tr>
<td><strong>Warehouse Management</strong></td>
<td></td>
<td>• Fall 2014 implementation</td>
</tr>
</tbody>
</table>
Increase the productivity of all of our assets – Increase Inventory Turnover

* Calculated externally as COGS divided by Average Inventory (Five Quarters). Our official 3X Inventory Turn goal is based on proprietary internal measures.
Increase the productivity of all of our assets – Increase ROIC

Return on Invested Capital (ROIC) %

* Values represent Non-GAAP measures
Team Sales and Services

Field Tested is a cool opportunity. I didn’t have that growing up. To find the right product that was perfect for me. Now, athletes can find exactly what’s the right fit for them.

FIND GEAR FOR YOUR GAME

- A one-of-a-kind product-testing system you won’t find anywhere else
- Gives you access to field tests from elite athletes in your sport and position
- Matches you up with the perfect, position-specific gear in seconds

ELITE VARSITY ATHLETE "PREPARE TO WIN"

Eastbay TEAM SALES

WE ARE GAME CHANGERS
ANY BRAND. ANY SPORT. ANY BUDGET.
Intermediate and Long-Term Growth Opportunities

- Women’s Business
- True Omni Channel Operations
Women’s Business

IT’S YOUR TIME
### SIX:02

**STATUS**
- 3 stores opened Fall 2012
- 4 stores opened Fall 2013
- E-Commerce website (six02.com) launched Fall 2013
- 2 stores opened Spring 2014
- Strong performance positioning
- Fitness community-driven culture

**NEXT STEPS**
- Expand retail footprint
  - Market concentration to build awareness
  - Dallas / Florida focus
- Grow local community
- Deliver in-store technology
- Continue to build SIX02.com

### LADY FOOT LOCKER

#### Bridgewater
- 11 stores updated so far
- Pant and bra wall destinations, with mannequins to highlight fit
- Enhanced footwear walls, with Nike “Run, Train, Live” navigation

#### Parks
- 14 stores remodeled Fall 2012
- 5 stores remodeled 2013
- One additional store remodeled Spring 2014
- New internal store design, with more apparel on walls, footwear on tables

#### All Doors
- Increased apparel presence
- Developed bra & bottoms bar
- Added key item apparel
- Evolved marketing to reflect our core customer
- Launched key enterprise selling capabilities

**Expand Women’s to play a more significant role in all of our businesses**
True Omni Channel Operations
Eastbay Performance Zone in Champs Sports
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