

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): November 18, 2004

FOOT LOCKER, INC.

(Exact Name of Registrant as Specified in Its Charter)

New York

(State or Other Jurisdiction of Incorporation)

1-10299

13-3513936

(Commission File Number)

(IRS Employer Identification Number)

112 West 34th Street, New York, New York

10120

(Address of Principal Executive Offices)

(Zip Code)

(212-720-3700)

(Registrant's Telephone Number, Including Area Code)

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the Registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02. Results of Operations and Financial Condition

On November 18, 2004, Foot Locker, Inc. issued a press release announcing its operating results for the third quarter of 2004. A copy of the press release is furnished as Exhibit 99.1, which, in its entirety, is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(c) Exhibits

99.1 Press Release of Foot Locker, Inc. dated November 18, 2004 reporting operating results for the third quarter of 2004.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

FOOT LOCKER, INC.

(Registrant)

Date: November 18, 2004

By: /s/ Bruce L. Hartman

Bruce L. Hartman
Executive Vice President and
Chief Financial Officer

[FOOT LOCKER, INC. LOGO]

N E W S R E L E A S E

Contact: Peter D. Brown
Vice President, Treasurer and
Investor Relations
Foot Locker, Inc.
(212)720-4254

FOOT LOCKER, INC. REPORTS THIRD QUARTER RESULTS

- o Net Income Per Share Increases 15 Percent to \$0.47
- o Fourth Quarter EPS Expected to Increase 10 to 20 percent
- o Company is Operating 11 Stores Acquired in the Republic of Ireland
- o Cash Position Remains Strong
- o Quarterly Common Stock Dividend Increased 25 Percent to \$0.075 Per Share - Equivalent to an Annualized Rate of \$0.30 Per Share

NEW YORK, NY, November 18, 2004 - Foot Locker, Inc. (NYSE: FL), the New York-based specialty athletic retailer, today reported financial results for its third quarter ended October 30, 2004.

Third Quarter Results

Net income increased 15 percent to \$0.47 per share, or \$74 million, from \$0.41 per share, or \$62 million last year. For the third quarter period, sales increased 14.4 percent to \$1,366 million this year compared with sales of \$1,194 million in the year-ago period. Third quarter comparable-store sales increased 1.2 percent.

Year-to-Date Results

Year-to-date net income increased 42 percent, to \$1.31 per share, or \$204 million, compared with \$0.92 per share, or \$136 million last year. Results from discontinued operations reflect an income tax benefit of \$38 million, or \$0.24 per share, in the second quarter of 2004, versus a loss related to revisions in estimates to discontinued reserves of \$1 million, or \$0.01 per share, in 2003. Income from continuing operations increased 15 percent, to \$1.07 per share, or \$166 million, versus \$0.93 per share, or \$138 million last year. Year-to-date sales increased 10.9 percent to \$3,820 million, compared with sales of \$3,445 million last year. Comparable-store sales increased 0.3 percent.

"Our 15 percent increase in third quarter EPS was in line with our guidance range, reflecting a strong top-line sales increase and our very disciplined approach to expense management," stated Matthew D. Serra, Foot Locker, Inc.'s Chairman and Chief Executive Officer. "While our gross margin rate declined, primarily due to an unfavorable comparison to last year's very strong performance, we expect our fourth quarter gross margin rate to improve versus last year as we plan to continue to temper our promotional posture and benefit from a lower occupancy rate."

Mr. Serra continued, "We are also optimistic that the improving comparable-store sales trend in our U.S. stores will continue and contribute to a successful fourth quarter. We remain encouraged by new product launches that will be available in our U.S. stores, including gaining access to additional quantities of certain marquee products that were missing from our stores last year. As a result of these factors, we expect our fourth quarter earnings per share to increase by 10 to 20 percent."

- MORE -

Foot Locker, Inc. 112 West 34th Street, New York, NY 10120

Operating Highlights

During the third quarter, Foot Locker continued to manage and expand its worldwide store base to provide for maximum long-term growth and profitability. The Company opened 21 new stores, remodeled/relocated 37 stores and closed 24 stores. At October 30, 2004, the Company operated 3,955 stores in 17 countries

in North America, Europe and Australia. As previously announced, the Company also purchased 11 stores in the Republic of Ireland during the third quarter. These stores have since been remodeled and are currently operating under the Foot Locker banner.

Financial Position/Dividend Increase

The Company continued to utilize its internally generated cash flow to fund its store expansion plans, reduce its liabilities and increase its cash dividends to shareholders. At the end of the quarter, the Company's cash position stood at \$249 million. During the quarter, the Company also contributed an additional \$56 million to its U.S. pension plan in advance of ERISA requirements.

As previously announced, on November 17, 2004, the Company's Board of Directors increased Foot Locker, Inc.'s quarterly common stock dividend 25 percent from its previous amount to \$0.075 per share, which is equivalent to an annualized rate of \$0.30 per share. The increased dividend will be payable January 28, 2005 to shareholders of record on January 14, 2005.

The Company is hosting a live conference call at 10:00 am (EST) on Friday, November 19, 2004. 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 pm on Monday, November 29, 2004.

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 majority of its merchandise purchases (including a significant portion from one key vendor), unseasonable weather, risks associated with foreign global sourcing, including political instability, changes in import regulations, disruptions to transportation services and distribution, and the presence of severe acute respiratory syndrome, economic conditions worldwide, 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 plans effectively with regard to each of its business units, including its plans for the marquee and launch footwear component of its business, and its plans for the integration of the Footaction stores. 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.

- MORE -

FOOT LOCKER, INC.
Condensed Consolidated Statements of Operations
(unaudited)
Periods ended October 30, 2004 and November 1, 2003
(In millions, except per share amounts)

	Third Quarter 2004	Third Quarter 2003
	-----	-----
Sales	\$ 1,366	\$ 1,194
Cost of sales	941	805
Selling, general and administrative expenses	270	250
Depreciation and amortization	38	37
Interest expense, net	4	5
	-----	-----
	1,253	1,097
	-----	-----
Income from continuing operations before income taxes	113	97
Income tax expense	39	35

Income from continuing operations	74	62
Loss on disposal of discontinued operations, net of tax	--	--
Net income	\$ 74	\$ 62
	=====	=====
Diluted EPS:		
Income from continuing operations	\$ 0.47	\$ 0.41
Loss on disposal of discontinued operations, net of tax	--	--
Net income	\$ 0.47	\$ 0.41
	=====	=====
Weighted-average diluted shares outstanding	157.4	153.2

	Year-To-Date 2004	Year-To-Date 2003
	-----	-----
Sales	\$ 3,820	\$ 3,445
Cost of sales	2,667	2,380
Selling, general and administrative expenses	786	724
Depreciation and amortization	109	112
Restructuring charge	2	1
Interest expense, net	12	14
	-----	-----
	3,576	3,231
	-----	-----
Income from continuing operations before income taxes	244	214
Income tax expense	78	76
	-----	-----
Income from continuing operations	166	138
Income/(loss) on disposal of discontinued operations, net of tax	38(1)	(1)(2)
Cumulative effect of accounting changes, net of tax	--	(1)(3)
	-----	-----
Net income	\$ 204	\$ 136
	=====	=====
Diluted EPS:		
Income/(loss) from continuing operations	\$ 1.07	\$ 0.93
Income/(loss) on disposal of discontinued operations, net of tax	0.24(1)	(0.01)(2)
	-----	-----
Net income	\$ 1.31	\$ 0.92
	=====	=====
Weighted-average diluted shares outstanding	156.9	152.2

- (1) Income tax benefit related to discontinued businesses
(2) Represents revisions in estimates to reserves for discontinued businesses.
(3) Related to adoption of SFAS No. 143 "Accounting for Asset Retirement Obligations."

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

October 30,

November 1,

	2004	2003
	-----	-----
Assets		
CURRENT ASSETS		
Cash and cash equivalents	\$ 249	\$ 305
Merchandise inventories	1,291	1,077
Other current assets	155	104
	-----	-----
	1,695	1,486
Property and equipment, net	700	620
Deferred tax assets	204	253
Other assets	507	339
	-----	-----
	\$ 3,106	\$ 2,698
	=====	=====
Liabilities and Shareholders' Equity		
CURRENT LIABILITIES		
Accounts payable	\$ 420	\$ 375
Accrued liabilities	243	265
Current liabilities and reserves for restructuring and discontinued operations	10	22
Current portion of long-term debt and obligations under capital leases	18	---
	-----	-----
	691	662
Long-term debt and obligations under capital leases	346	336
Other liabilities	324	438
SHAREHOLDERS' EQUITY	1,745	1,262
	-----	-----
	\$ 3,106	\$ 2,698
	=====	=====

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FOOT LOCKER, INC.
Store and Estimated Square Footage - Continuing Operations
(unaudited)
(Square footage in thousands)

	October 30, 2004	November 1, 2003	January 31, 2004
	-----	-----	-----
Foot Locker U.S.			
Number of stores	1,429	1,457	1,448
Gross square footage	5,821	5,935	5,916
Selling square footage	3,393	3,453	3,447

Footaction			
Number of stores	349	---	---
Gross square footage	1,689	---	---
Selling square footage	1,052	---	---
Lady Foot Locker			
Number of stores	567	592	584
Gross square footage	1,265	1,319	1,303
Selling square footage	705	732	723
Kids Foot Locker			
Number of stores	346	359	357
Gross square footage	837	870	863
Selling square footage	497	518	514
Champs Sports			
Number of stores	574	591	581
Gross square footage	3,192	3,295	3,239
Selling square footage	2,192	2,293	2,244
Foot Locker International			
Number of stores	690	620	640
Gross square footage	1,975	1,752	1,823
Selling square footage	1,055	965	992
Total Athletic Group			
Number of stores	3,955	3,619	3,610
Gross square footage	14,779	13,171	13,144
Selling square footage	8,894	7,961	7,920
