

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): June 23, 2025

DICK'S SPORTING GOODS, INC.

(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction of Incorporation)

001-31463
(Commission File No.)

16-1241537
(IRS Employer Identification No.)

345 Court Street, Coraopolis, PA 15108
(Address of Principal Executive Offices)

(724) 273-3400
(Registrant's Telephone Number, Including Area Code)

N/A
(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))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on which Registered
Common Stock, \$0.01 par value	DKS	The New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging Growth Company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

ITEM 8.01. OTHER EVENTS.

Exchange Offer and Consent Solicitation

DICK'S Sporting Goods, Inc. (the "Company") previously disclosed that, in connection with its anticipated acquisition (the "Acquisition") of Foot Locker, Inc. ("Foot Locker"), the Company has commenced an offer to exchange (the "Exchange Offer") any and all outstanding 4.000% Senior Notes due 2029 issued by Foot Locker (the "Foot Locker Notes") for up to \$400 million aggregate principal amount of new 4.000% Senior Notes due 2029 issued by the Company and a consent payment. In conjunction with the Exchange Offer, the Company, on behalf of Foot Locker, solicited consents (the "Consent Solicitation") for proposed amendments to the indenture governing the Foot Locker Notes. On June 23, 2025 the Company issued a press release (the "Press Release") announcing the results of early participation in the Exchange Offer and Consent Solicitation, and that it had extended the offer to eligible holders who validly tender their Foot Locker Notes to receive the early participation premium of \$30.00 in principal amount of DICK'S Notes for each \$1,000 in principal amount of Foot Locker Notes tendered, for a total consideration of \$1,000 in principal amount of DICK'S Notes for each \$1,000 in principal amount of Foot Locker Notes tendered. A copy of the Press Release is attached hereto as Exhibit 99.1, to this Current Report on Form 8-K, and is incorporated by reference herein.

Pro Forma Financial Information

In connection with the Exchange Offer and Consent Solicitation, the Company previously disclosed the unaudited pro forma financial information of the Company for the fiscal year ended February 1, 2025, which give effect to the Acquisition on the basis described therein. The Company is disclosing under this Item 8.01 updated unaudited pro forma financial information of the Company that includes the fiscal quarter ended May 3, 2025. This information is included in Exhibit 99.2 and is incorporated into this Item 8.01 by reference.

IMPORTANT INFORMATION FOR INVESTORS AND STOCKHOLDERS.

This communication does not constitute an offer to sell or purchase, or a solicitation of an offer to sell or purchase, or the solicitation of tenders or consents with respect to, any security. No offer, solicitation, purchase or sale will be made in any jurisdiction in which such an offer, solicitation, or sale would be unlawful.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS

(d) Exhibits.

Exhibit Number	Description
99.1	Press Release issued by DICK'S Sporting Goods, Inc. dated June 23, 2025.
99.2	Unaudited Pro Forma Condensed Combined Financial Information.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

Forward-Looking Statements Involving Known and Unknown Risks and Uncertainties

This communication contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified as those that may predict, forecast, indicate or imply future results or performance and by forward-looking words such as “believe”, “anticipate”, “expect”, “estimate”, “predict”, “intend”, “plan”, “project”, “goal”, “will”, “will be”, “will continue”, “will result”, “could”, “may”, “might” or any variations of such words or other words with similar meanings. Any statements about DICK’S, Foot Locker’s or the combined company’s plans, objectives, expectations, strategies, beliefs, or future performance or events constitute forward-looking statements. These statements are subject to known and unknown risks, uncertainties, assumptions, estimates, and other important factors that change over time, many of which may be beyond DICK’S, Foot Locker’s and the combined company’s control. DICK’S, Foot Locker’s and the combined company’s future performance and actual results may differ materially from those expressed or implied in such forward-looking statements. Forward-looking statements should not be relied upon as a prediction of actual results. Forward-looking statements include statements regarding, among other things, the benefits of the Acquisition, including future financial and operating results and the combined company’s plans, objectives, expectations, intentions, growth strategies and culture and other statements that are not historical facts.

Factors that could cause actual results to differ materially from those expressed or implied in any forward-looking statements include, but are not limited to, current macroeconomic conditions, including prolonged inflationary pressures, potential changes to international trade relations, geopolitical conflicts and adverse changes in consumer disposable income; supply chain constraints, delays and disruptions; fluctuations in product costs and availability due to tariffs, currency exchange rate fluctuations, fuel price uncertainty and labor shortages; changes in consumer demand for products in certain categories and consumer lifestyle changes; intense competition in the sporting goods industry; the overall success of DICK’S, Foot Locker’s and the combined company’s strategic plans and initiatives; DICK’S, Foot Locker’s and the combined company’s vertical brand strategy and plans; DICK’S, Foot Locker’s and the combined company’s ability to optimize their respective distribution and fulfillment networks to efficiently deliver merchandise to their stores and the possibility of disruptions; DICK’S, Foot Locker’s and the combined company’s dependence on suppliers, distributors, and manufacturers to provide sufficient quantities of quality products in a timely fashion; the potential impacts of unauthorized use or disclosure of sensitive or confidential customer, employee, vendor or other information; the risk of problems with DICK’S, Foot Locker’s and the combined company’s information systems, including e-commerce platforms; DICK’S, Foot Locker’s and the combined company’s ability to attract and retain customers, executive officers and employees; increasing labor costs; the effects of the performance of professional sports teams within DICK’S, Foot Locker’s and the combined company’s core regions of operations; DICK’S, Foot Locker’s and the combined company’s ability to control expenses and manage inventory shrink; the seasonality of certain categories of DICK’S, Foot Locker’s and the combined company’s operations and weather-related risks; changes in applicable tax laws, regulations, treaties, interpretations and other guidance; product safety and labeling concerns; the projected range of capital expenditures of DICK’S, Foot Locker and the combined company, including costs associated with new store development, relocations and remodels and investments in technology; plans to return capital to stockholders through dividends and share repurchases, if any; DICK’S, Foot Locker’s and the combined company’s ability to meet market expectations; the influence of DICK’S Class B common stockholders and associated possible scrutiny and public pressure; compliance and litigation risks; DICK’S, Foot Locker’s and the combined company’s ability to protect their respective intellectual property rights or respond to claims of infringement by third parties; the availability of adequate capital; obligations and other provisions related to DICK’S, Foot Locker’s and the combined company’s indebtedness; DICK’S, Foot Locker’s and the combined company’s future results of operations and financial condition; the occurrence of any event, change or other circumstance that could give rise to the right of one or both of the parties to terminate the Acquisition; the outcome of any legal proceedings that may be instituted against DICK’S or Foot Locker, including with respect to the Acquisition; the possibility that the Acquisition does not close when expected or at all because required regulatory or shareholder approvals or other conditions to closing are not received or satisfied on a timely basis or at all (and the risk that such approvals may result in the imposition of conditions that could adversely affect the combined company or the expected benefits of the Acquisition); the risk that the benefits from the Acquisition, including anticipated cost synergies, may not be fully realized or may take longer to realize than expected; the ability to promptly and effectively integrate the businesses of DICK’S and Foot Locker following the closing of the Acquisition; the dilution caused by the issuance of shares of DICK’S common stock in the Acquisition; the possibility that the Acquisition may be more expensive to complete than anticipated, including as a result of unexpected factors or events; the terms of the debt financing incurred in connection with the Acquisition; reputational risk and potential adverse reactions of DICK’S or Foot Locker’s customers, employees or other business partners; and the diversion of DICK’S and Foot Locker’s management’s attention and time from ongoing business operations and opportunities due to the Acquisition. These factors are not necessarily all of the factors that could cause DICK’S, Foot Locker’s or the combined company’s actual results, performance or achievements to differ materially from those expressed in or implied by any of the forward-looking statements. Other factors, including unknown or unpredictable factors, also could harm DICK’S, Foot Locker’s or the combined company’s results.

For additional information on these and other factors that could affect DICK'S or Foot Locker's actual results, see the risk factors set forth in DICK'S and Foot Locker's filings with the Securities and Exchange Commission (the "SEC"), including DICK'S most recent Annual Report on Form 10-K, filed with the SEC on March 27, 2025, and its other filings with the SEC, and Foot Locker's most recent Annual Report on Form 10-K, filed with the SEC on March 27, 2025, and its other filings with the SEC. DICK'S and Foot Locker disclaim and do not undertake any obligation to update or revise any forward-looking statement in this communication, except as required by applicable law or regulation. Forward-looking statements included in this communication are made as of the date of this communication.

Additional Information about the Acquisition and Where to Find It

In connection with the Acquisition, DICK'S intends to file with the SEC a registration statement on Form S-4, which will include a proxy statement of Foot Locker that also constitutes a prospectus for the shares of DICK'S common stock to be offered in the Acquisition. Each of DICK'S and Foot Locker may also file other relevant documents with the SEC regarding the Acquisition. This communication is not a substitute for the proxy statement/prospectus or registration statement or any other document that DICK'S or Foot Locker may file with the SEC. The definitive proxy statement/prospectus (if and when available) will be mailed to shareholders of Foot Locker. INVESTORS AND SECURITY HOLDERS ARE URGED TO READ THE REGISTRATION STATEMENT, PROXY STATEMENT/PROSPECTUS AND ANY OTHER RELEVANT DOCUMENTS THAT MAY BE FILED WITH THE SEC, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THESE DOCUMENTS, CAREFULLY AND IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE BECAUSE THEY CONTAIN OR WILL CONTAIN IMPORTANT INFORMATION ABOUT DICK'S, FOOT LOCKER, THE ACQUISITION AND RELATED MATTERS. Investors and security holders will be able to obtain free copies of the registration statement and proxy statement/prospectus (if and when available) and other documents containing important information about DICK'S, Foot Locker and the Acquisition once such documents are filed with the SEC through the website maintained by the SEC at www.sec.gov. Copies of the documents filed with the SEC by DICK'S will be available free of charge on DICK'S website at <https://investors.dicks.com>. Copies of the documents filed with the SEC by Foot Locker will be available free of charge on Foot Locker's website at <https://investors.footlocker-inc.com>.

Participants in the Solicitation

DICK'S, Foot Locker and certain of their respective directors and executive officers may be deemed to be participants in the solicitation of proxies in respect of the Acquisition. Information about the directors and executive officers of DICK'S is set forth in DICK'S' proxy statement for its 2025 annual meeting of stockholders, which was filed with the SEC on May 2, 2025 and is available at <https://www.sec.gov/ix?doc=/Archives/edgar/data/0001089063/000108906325000054/dks-20250501.htm>, under the headings "Corporate Governance," "Director Compensation," "Executive Compensation," "Transactions with Related Persons" and "Stock Ownership," DICK'S' Annual Report on Form 10-K for the fiscal year ended February 1, 2025, which was filed with the SEC on March 27, 2025 and is available at <https://www.sec.gov/ix?doc=/Archives/edgar/data/1089063/000108906325000012/dks-20250201.htm>, and to the extent holdings of DICK'S securities by its directors or executive officers have changed since the amounts set forth in DICK'S' proxy statement for its 2025 annual meeting of stockholders, such changes have been or will be reflected on Initial Statements of Beneficial Ownership of Securities on Form 3 or Statements of Changes in Beneficial Ownership on Form 4, which are filed with the SEC. Information about the directors and executive officers of Foot Locker is set forth in Foot Locker's proxy statement for its 2025 annual meeting of shareholders, which was filed with the SEC on April 10, 2025 and is available at https://www.sec.gov/ix?doc=/Archives/edgar/data/850209/000110465925033769/tm2425908-3_def14a.htm, under the headings "Governance," "Director Compensation," "Executive Compensation" and "Shareholder Ownership," Foot Locker's Annual Report on Form 10-K for the fiscal year ended February 1, 2025, which was filed with the SEC on March 27, 2025 and is available at https://www.sec.gov/ix?doc=/Archives/edgar/data/850209/000143774925009620/floc20241213_10k.htm, and to the extent holdings of Foot Locker securities by its directors or executive officers have changed since the amounts set forth in Foot Locker's proxy statement for its 2025 annual meeting of shareholders, such changes have been or will be reflected on Initial Statements of Beneficial Ownership of Securities on Form 3 or Statements of Changes in Beneficial Ownership on Form 4, which are filed with the SEC.

Other information regarding the participants in the proxy solicitations and a description of their direct and indirect interests, by security holdings or otherwise, will be contained in the proxy statement/prospectus and other relevant materials to be filed with the SEC regarding the Acquisition when such materials become available. Investors should read the proxy statement/prospectus carefully when it becomes available before making any voting or investment decisions. Copies of the documents filed with the SEC by DICK'S and Foot Locker will be available free of charge through the website maintained by the SEC at www.sec.gov. Additionally, copies of documents filed with the SEC by DICK'S will be available free of charge on DICK'S' website at <https://investors.dicks.com> and those filed by Foot Locker will be available free of charge on Foot Locker's website at <https://investors.footlocker-inc.com>.

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 thereunto duly authorized.

DICK'S SPORTING GOODS, INC.

Date: June 23, 2025

By: /s/ Navdeep Gupta

Name: Navdeep Gupta

Title: Executive Vice President -
Chief Financial Officer

DICK'S Sporting Goods Announces Results of Early Participation in Exchange Offer and Consent Solicitation



PITTSBURGH, June 23, 2025 - DICK'S Sporting Goods, Inc. ("DICK'S") (NYSE: DKS), a leading U.S. based full-line omni-channel sporting goods retailer, today announced that, in connection with the previously announced offer to eligible holders to exchange (the "Exchange Offer") any and all outstanding notes issued by Foot Locker, Inc. ("Foot Locker") as set forth in the table below (the "Foot Locker Notes") for (1) up to \$400,000,000 aggregate principal amount of new notes issued by DICK'S (the "DICK'S Notes") and (2) in certain instances, cash, and the related consent solicitation by Foot Locker (the "Consent Solicitation") to adopt certain proposed amendments to the indenture governing the Foot Locker Notes (the "Proposed Amendments"), as of 5:00 p.m., New York City time, on June 20, 2025 (the "Early Participation Date"), according to Global Bondholder Services Corporation, the information agent for the Exchange Offer and Consent Solicitation, the following principal amount of Foot Locker Notes have been validly tendered and not validly withdrawn (and consents thereby validly given and not validly revoked):

Title of Foot Locker Notes / CUSIP / ISIN No.	Aggregate Principal Amount Outstanding	Foot Locker Notes Tendered at Early Participation Date	
		Principal Amount	Percentage
4.000% Senior Notes due 2029 144A: 344849AA2 / US344849AA21 Regulation S: U3449AAA5 / USU3449AAA52	\$400,000,000	\$369,381,000	92.35%

As of the Early Participation Date, DICK'S, on behalf of Foot Locker, has received the requisite number of consents to adopt the Proposed Amendments to the Foot Locker Notes. On June 20, 2025, Foot Locker entered into a supplemental indenture with the guarantors party thereto and the trustee for the Foot Locker Notes (the "Supplemental Indenture") to effect the Proposed Amendments, which, among other changes, eliminate substantially all of the restrictive covenants, certain affirmative covenants and certain events of default. Upon its execution, the Supplemental Indenture became effective and constitutes a binding agreement between Foot Locker, the guarantors party thereto and the trustee for the Foot Locker Notes. However, the Proposed Amendments will not become operative until (i) immediately prior to the consummation of the closing of the merger of a subsidiary of DICK'S with and into Foot Locker, with Foot Locker surviving the merger as a wholly owned subsidiary of DICK'S (the "Acquisition") or (ii) immediately upon the settlement of the Exchange Offer, depending on the specific amendment, and will cease to be operative if the Acquisition is not consummated.

As a result of the consents validly tendered and not validly withdrawn by the Early Participation Date, the consent payment for the Foot Locker Notes will be approximately \$2.71 per \$1,000 in principal amount of Foot Locker Notes validly tendered and not validly withdrawn (the "Consent Payment").

Revocation rights for the Consent Solicitation expired at 5:00 p.m., New York City time, on June 20, 2025. Withdrawal rights for the Exchange Offer expire as of the Expiration Date (as defined herein).

DICK'S further announced that it has extended the offer to eligible holders who validly tender their Foot Locker Notes after the Early Participation Date but before the Expiration Date to receive the early participation premium of \$30.00 in principal amount of DICK'S Notes for each \$1,000 in principal amount of Foot Locker Notes tendered, for a total consideration of \$1,000 in principal amount of DICK'S Notes for each \$1,000 in principal amount of Foot Locker Notes tendered. Eligible holders who did not validly tender their Foot Locker Notes before the 5:00 p.m., New York City time, deadline on the Early Participation Date will not be eligible to receive the Consent Payment.

The Exchange Offer and Consent Solicitation are being made pursuant to the terms and subject to the conditions set forth in the offering memorandum and consent solicitation statement dated June 6, 2025 (the "Offering Memorandum and Consent Solicitation Statement"). **The Exchange Offer and Consent Solicitation are conditioned upon, among other things, the closing of the Acquisition, which condition may not be waived by DICK'S. The closing of the Acquisition is not conditioned upon the consummation of the Exchange Offer or Consent Solicitation.**

DICK'S, in its sole discretion, may modify or terminate the Exchange Offer and may extend the Expiration Date and/or the settlement date with respect to the Exchange Offer, subject to applicable law. Any such modification, termination or extension by DICK'S will automatically modify, terminate or extend the Consent Solicitation, as applicable.

The Exchange Offer and Consent Solicitation will expire at 5:00 p.m., New York City time, on August 1, 2025, unless extended (the "Expiration Date"). The settlement date will be promptly after the Expiration Date and is expected to be within two business days after the Expiration Date. Documents relating to the Exchange Offer and Consent Solicitation will be distributed only to eligible holders of Foot Locker Notes who certify that they are either (a) a person that is in the "United States" and that it is a "Qualified Institutional Buyer" as defined in Rule 144A under the U.S. Securities Act of 1933, as amended (the "Securities Act"); or (b) a person that is outside of the "United States" and that (i) is not a "U.S. Person," (ii) is not an "EEA Retail Investor" or "UK Retail Investor," and (iii) in the case of persons located in the United Kingdom, is a "Relevant Person" (as defined in the Offering Memorandum and Consent Solicitation Statement). The complete terms and conditions of the Exchange Offer and Consent Solicitation are described in the Offering Memorandum and Consent Solicitation Statement, a copy of which may be obtained by contacting Global Bondholder Services Corporation, the exchange agent and information agent in connection with the Exchange Offer and Consent Solicitation, at (855) 654-2015 (U.S. toll-free) or (212) 430-3774 (banks and brokers) or Contact@gbsc-usa.com. The eligibility form is available electronically at: <https://gbsc-usa.com/eligibility/dicks>.

This press release does not constitute an offer to sell or purchase, or a solicitation of an offer to sell or purchase, or the solicitation of tenders or consents with respect to, any security. No offer, solicitation, purchase or sale will be made in any jurisdiction in which such an offer, solicitation, or sale would be unlawful. The Exchange Offer and Consent Solicitation are being made solely pursuant to the Offering Memorandum and Consent Solicitation Statement as amended by this press release and only to such persons and in such jurisdictions as is permitted under applicable law.

The DICK'S Notes have not been and will not be registered under the Securities Act or any state securities laws. Therefore, the DICK'S Notes may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the Securities Act and any applicable state securities laws.

Forward-Looking Statements Involving Known and Unknown Risks and Uncertainties

This communication contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified as those that may predict, forecast, indicate or imply future results or performance and by forward-looking words such as “believe”, “anticipate”, “expect”, “estimate”, “predict”, “intend”, “plan”, “project”, “goal”, “will”, “will be”, “will continue”, “will result”, “could”, “may”, “might” or any variations of such words or other words with similar meanings. Any statements about DICK’S, Foot Locker’s or the combined company’s plans, objectives, expectations, strategies, beliefs, or future performance or events constitute forward-looking statements. These statements are subject to known and unknown risks, uncertainties, assumptions, estimates, and other important factors that change over time, many of which may be beyond DICK’S, Foot Locker’s and the combined company’s control. DICK’S, Foot Locker’s and the combined company’s future performance and actual results may differ materially from those expressed or implied in such forward-looking statements. Forward-looking statements should not be relied upon as a prediction of actual results. Forward-looking statements include statements regarding, among other things, the benefits of the Acquisition, including future financial and operating results and the combined company’s plans, objectives, expectations, intentions, growth strategies and culture and other statements that are not historical facts.

Factors that could cause actual results to differ materially from those expressed or implied in any forward-looking statements include, but are not limited to, current macroeconomic conditions, including prolonged inflationary pressures, potential changes to international trade relations, geopolitical conflicts and adverse changes in consumer disposable income; supply chain constraints, delays and disruptions; fluctuations in product costs and availability due to tariffs, currency exchange rate fluctuations, fuel price uncertainty and labor shortages; changes in consumer demand for products in certain categories and consumer lifestyle changes; intense competition in the sporting goods industry; the overall success of DICK’S, Foot Locker’s and the combined company’s strategic plans and initiatives; DICK’S, Foot Locker’s and the combined company’s vertical brand strategy and plans; DICK’S, Foot Locker’s and the combined company’s ability to optimize their respective distribution and fulfillment networks to efficiently deliver merchandise to their stores and the possibility of disruptions; DICK’S, Foot Locker’s and the combined company’s dependence on suppliers, distributors, and manufacturers to provide sufficient quantities of quality products in a timely fashion; the potential impacts of unauthorized use or disclosure of sensitive or confidential customer, employee, vendor or other information; the risk of problems with DICK’S, Foot Locker’s and the combined company’s information systems, including e-commerce platforms; DICK’S, Foot Locker’s and the combined company’s ability to attract and retain customers, executive officers and employees; increasing labor costs; the effects of the performance of professional sports teams within DICK’S, Foot Locker’s and the combined company’s core regions of operations; DICK’S, Foot Locker’s and the combined company’s ability to control expenses and manage inventory shrink; the seasonality of certain categories of DICK’S, Foot Locker’s and the combined company’s operations and weather-related risks; changes in applicable tax laws, regulations, treaties, interpretations and other guidance; product safety and labeling concerns; the projected range of capital expenditures of DICK’S, Foot Locker and the combined company, including costs associated with new store development, relocations and remodels and investments in technology; plans to return capital to stockholders through dividends and share repurchases, if any; DICK’S, Foot Locker’s and the combined company’s ability to meet market expectations; the influence of DICK’S’ Class B common stockholders and associated possible scrutiny and public pressure; compliance and litigation risks; DICK’S, Foot Locker’s and the combined company’s ability to protect their respective intellectual property rights or respond to claims of infringement by third parties; the availability of adequate capital; obligations and other provisions related to DICK’S, Foot Locker’s and the combined company’s indebtedness; DICK’S, Foot Locker’s and the combined company’s future results of operations and financial condition; the occurrence of any event, change or other circumstance that could give rise to the right of one or both of the parties to terminate the Acquisition; the outcome of any legal proceedings that may be instituted against DICK’S or Foot Locker, including with respect to the Acquisition; the possibility that the Acquisition does not close when expected or at all because required regulatory or shareholder approvals or other conditions to closing are not received or satisfied on a timely basis or at all (and the risk that such approvals may result in the imposition of conditions that could adversely affect the combined company or the expected benefits of the Acquisition); the risk that the benefits from the Acquisition, including anticipated cost synergies, may not be fully realized or may take longer to realize than expected; the ability to promptly and effectively integrate the businesses of DICK’S and Foot Locker following the closing of the Acquisition; the dilution caused by the issuance of shares of DICK’S common stock in the Acquisition; the possibility that the Acquisition may

be more expensive to complete than anticipated, including as a result of unexpected factors or events; the terms of the debt financing incurred in connection with the Acquisition; reputational risk and potential adverse reactions of DICK'S or Foot Locker's customers, employees or other business partners; and the diversion of DICK'S and Foot Locker's management's attention and time from ongoing business operations and opportunities due to the Acquisition. These factors are not necessarily all of the factors that could cause DICK'S, Foot Locker's or the combined company's actual results, performance or achievements to differ materially from those expressed in or implied by any of the forward-looking statements. Other factors, including unknown or unpredictable factors, also could harm DICK'S, Foot Locker's or the combined company's results.

For additional information on these and other factors that could affect DICK'S or Foot Locker's actual results, see the risk factors set forth in DICK'S and Foot Locker's filings with the Securities and Exchange Commission (the "SEC"), including DICK'S most recent Annual Report on Form 10-K, filed with the SEC on March 27, 2025, and its other filings with the SEC, and Foot Locker's most recent Annual Report on Form 10-K, filed with the SEC on March 27, 2025, and its other filings with the SEC. DICK'S and Foot Locker disclaim and do not undertake any obligation to update or revise any forward-looking statement in this communication, except as required by applicable law or regulation. Forward-looking statements included in this communication are made as of the date of this communication.

Additional Information about the Acquisition and Where to Find It

In connection with the Acquisition, DICK'S intends to file with the SEC a registration statement on Form S-4, which will include a proxy statement of Foot Locker that also constitutes a prospectus for the shares of DICK'S common stock to be offered in the Acquisition. Each of DICK'S and Foot Locker may also file other relevant documents with the SEC regarding the Acquisition. This communication is not a substitute for the proxy statement/prospectus or registration statement or any other document that DICK'S or Foot Locker may file with the SEC. The definitive proxy statement/prospectus (if and when available) will be mailed to shareholders of Foot Locker. INVESTORS AND SECURITY HOLDERS ARE URGED TO READ THE REGISTRATION STATEMENT, PROXY STATEMENT/PROSPECTUS AND ANY OTHER RELEVANT DOCUMENTS THAT MAY BE FILED WITH THE SEC, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THESE DOCUMENTS, CAREFULLY AND IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE BECAUSE THEY CONTAIN OR WILL CONTAIN IMPORTANT INFORMATION ABOUT DICK'S, FOOT LOCKER, THE ACQUISITION AND RELATED MATTERS. Investors and security holders will be able to obtain free copies of the registration statement and proxy statement/prospectus (if and when available) and other documents containing important information about DICK'S, Foot Locker and the Acquisition once such documents are filed with the SEC through the website maintained by the SEC at www.sec.gov. Copies of the documents filed with the SEC by DICK'S will be available free of charge on DICK'S website at <https://investors.dicks.com>. Copies of the documents filed with the SEC by Foot Locker will be available free of charge on Foot Locker's website at <https://investors.footlocker-inc.com>.

Participants in the Solicitation

DICK'S, Foot Locker and certain of their respective directors and executive officers may be deemed to be participants in the solicitation of proxies in respect of the Acquisition. Information about the directors and executive officers of DICK'S is set forth in DICK'S proxy statement for its 2025 annual meeting of stockholders, which was filed with the SEC on May 2, 2025 and is available at <https://www.sec.gov/ix?doc=/Archives/edgar/data/0001089063/000108906325000054/dks-20250501.htm>, under the headings "Corporate Governance," "Director Compensation," "Executive Compensation," "Transactions with Related Persons" and "Stock Ownership," DICK'S Annual Report on Form 10-K for the fiscal year ended February 1, 2025, which was filed with the SEC on March 27, 2025 and is available at <https://www.sec.gov/ix?doc=/Archives/edgar/data/1089063/000108906325000012/dks-20250201.htm>, and to the extent holdings of DICK'S securities by its directors or executive officers have changed since the amounts set forth in DICK'S proxy statement for its 2025 annual meeting of stockholders, such changes have been or will be reflected on Initial Statements of Beneficial Ownership of Securities on Form 3 or Statements of Changes in Beneficial Ownership on Form 4, which are filed with the SEC. Information about the directors and executive officers of Foot Locker is set forth in Foot Locker's proxy statement for its 2025 annual meeting of shareholders, which was filed with the SEC on April 10, 2025 and is available at https://www.sec.gov/ix?doc=/Archives/edgar/data/850209/000110465925033769/tm2425908-3_def14a.htm, under

the headings “Governance,” “Director Compensation,” “Executive Compensation” and “Shareholder Ownership,” Foot Locker’s Annual Report on Form 10-K for the fiscal year ended February 1, 2025, which was filed with the SEC on March 27, 2025 and is available at https://www.sec.gov/ix?doc=/Archives/edgar/data/850209/000143774925009620/floc20241213_10k.htm, and to the extent holdings of Foot Locker securities by its directors or executive officers have changed since the amounts set forth in Foot Locker’s proxy statement for its 2025 annual meeting of shareholders, such changes have been or will be reflected on Initial Statements of Beneficial Ownership of Securities on Form 3 or Statements of Changes in Beneficial Ownership on Form 4, which are filed with the SEC.

Other information regarding the participants in the proxy solicitations and a description of their direct and indirect interests, by security holdings or otherwise, will be contained in the proxy statement/prospectus and other relevant materials to be filed with the SEC regarding the Acquisition when such materials become available. Investors should read the proxy statement/prospectus carefully when it becomes available before making any voting or investment decisions. Copies of the documents filed with the SEC by DICK’S and Foot Locker will be available free of charge through the website maintained by the SEC at www.sec.gov. Additionally, copies of documents filed with the SEC by DICK’S will be available free of charge on DICK’S’ website at <https://investors.dicks.com> and those filed by Foot Locker will be available free of charge on Foot Locker’s website at <https://investors.footlocker-inc.com>.

About DICK’S Sporting Goods, Inc.

DICK’S Sporting Goods (NYSE: DKS) creates confidence and excitement by inspiring, supporting and personally equipping all athletes to achieve their dreams. Founded in 1948 and headquartered in Pittsburgh, the leading omnichannel retailer serves athletes and outdoor enthusiasts in more than 850 DICK’S Sporting Goods, Golf Galaxy, Public Lands and Going Going Gone! stores, online, and through the DICK’S mobile app. DICK’S also owns and operates DICK’S House of Sport and Golf Galaxy Performance Center, as well as GameChanger, a youth sports mobile platform for live streaming, scheduling, communications and scorekeeping.

Driven by its belief that sports have the power to change lives, DICK’S has been a longtime champion for youth sports and, together with its Foundation, has donated millions of dollars to support under-resourced teams and athletes through the Sports Matter program and other community-based initiatives. Additional information about DICK’S business, corporate giving and employment opportunities can be found on dicks.com, investors.dicks.com, sportsmatter.org, dickssportinggoods.jobs and on Instagram, TikTok, Facebook and X.

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Category: Financial

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

Introduction

On May 15, 2025, DICK'S Sporting Goods, Inc., a Delaware corporation (the "Company" or "DICK'S"), entered into an Agreement and Plan of Merger (the "Merger Agreement") by and among the Company, RJS Sub LLC, a New York limited liability company and a wholly owned subsidiary of the Company ("Merger Sub"), and Foot Locker, Inc., a New York corporation ("Foot Locker"). The Merger Agreement provides that, upon the terms and subject to the conditions set forth therein, and at the closing of the merger contemplated by the Merger Agreement, Merger Sub shall be merged with and into Foot Locker, with Foot Locker surviving as a wholly owned subsidiary of the Company (the "Merger").

The accompanying unaudited pro forma financial information is prepared in accordance with Article 11 of Regulation S-X, *Pro Forma Financial Information*, of the Securities Act. The Unaudited Pro Forma Condensed Combined Balance Sheet is presented as if the transaction had occurred on May 3, 2025, and the Unaudited Pro Forma Condensed Combined Statement of Operations for the thirteen weeks ended May 3, 2025 and the year ended February 1, 2025 and, are presented to give effect to the Merger as if it occurred on February 3, 2024.

The unaudited pro forma condensed combined financial information gives effect to the accounting for the Merger (the "Transaction Accounting Adjustments") and financing impacts (the "Financing Adjustments" and, collectively, the "Adjustments"). All terms defined in this section of the Offering Memorandum are used solely for the purposes of this section and do not apply to any other section of this Offering Memorandum.

In the accompanying unaudited pro forma condensed combined financial information, the historical consolidated financial statements of DICK'S and Foot Locker have been adjusted to depict the accounting for the Merger in accordance with generally accepted accounting principles in the United States of America ("GAAP"). The pro forma adjustments are based upon available information and certain assumptions that management believes are reasonable under the circumstances. All adjustments are preliminary and subject to change.

Under the terms of the Merger Agreement, each share of Foot Locker common stock issued and outstanding immediately prior to the effective time (other than cancelled shares and converted shares) will be automatically converted into the right to receive, without interest, at the election of the holder of such share of Foot Locker common stock: (a) \$24.00 per share in cash or (b) 0.1168 shares of DICK'S common stock. The election is not subject to a minimum or maximum amount of cash consideration or stock consideration. The election period will be a period of not less than twenty (20) business days ending on the date that is five (5) business days prior to DICK'S' good faith estimate of the closing date of the Merger unless otherwise agreed by the parties.

The Merger Agreement provides that:

- Each outstanding Foot Locker time-based restricted stock unit held by an employee and each outstanding performance stock unit will be converted based on the stock consideration into a DICK'S time-based restricted stock unit (with any applicable performance goals being deemed achieved at levels determined under the applicable award agreement or plan if not addressed in the award agreement), which will otherwise continue to be subject to the same terms and conditions applicable to such award;
 - Each outstanding Foot Locker restricted stock unit (including any deferred units) held by a non-employee director will become fully vested (to the extent unvested) and converted into cash based on the cash consideration; and
 - Each outstanding in-the-money option, whether or not vested, will be cancelled and converted into the right to receive an amount in cash equal to the product of (A) the total number of shares of Foot Locker common stock subject to such option multiplied by (B) the excess, if any, of the cash consideration over the exercise price of such option (with any Foot Locker option that is not an in-the-money option cancelled for no consideration).
-

In connection with the Merger Agreement, DICK'S entered into a commitment letter, dated as of May 15, 2025, among DICK'S and Goldman Sachs Bank USA ("GS Bank"), pursuant to which GS Bank has agreed to provide, subject to the satisfaction of customary closing conditions, up to \$2.4 billion of senior bridge term loans.

The unaudited pro forma condensed combined financial information assumes that DICK'S does not anticipate drawing down on the senior bridge term loans but instead financing the Merger through issuance of unsecured senior notes for an amount of \$1.7 billion with a fixed interest rate of 6.4% per annum ("Debt Financing"). The Debt Financing, together with cash on hand, is assumed to be sufficient for purposes of financing the cash consideration and expenses in connection with the Merger.

DICK'S has not issued any unsecured senior notes or drawn down on the senior bridge term loans, and any financing related to the Merger may be different from the amount assumed for purposes of the unaudited pro forma condensed combined financial information. These assumptions and expectations are subject to change, and the debt issuance costs to be incurred and related interest expense could vary significantly from what is assumed in the unaudited pro forma condensed combined financial information. Other factors that are subject to change include, but are not limited to, the timing of borrowings, the amount of cash on hand at the time of the closing, and inputs to interest rate determination on debt instruments issued.

The unaudited pro forma condensed combined financial information is presented under the following two scenarios:

- **Scenario A - Cash Consideration:** Assumes all Foot Locker shareholders elect the right to receive the consideration of \$24.00 per share in cash.
- **Scenario B - Stock Consideration:** Assumes all Foot Locker shareholders elect the right to receive 0.1168 shares of DICK'S common stock.

The Merger will be accounted for as a business combination using the acquisition method with DICK'S assumed to be the accounting acquirer in accordance with Accounting Standards Codification 805, *Business Combinations* ("ASC 805"). Under this method of accounting, the consideration transferred will be allocated to Foot Locker's assets acquired and liabilities assumed mostly based upon their estimated fair values at the closing date. Any differences between the fair value of the consideration transferred and the fair value of the assets acquired, and liabilities assumed will be recorded as goodwill. The process of valuing the net assets of Foot Locker at the closing date, the allocation of the consideration transferred, as well as evaluating accounting policies for conformity, is preliminary and represents DICK'S' current best estimate and is subject to revision.

The unaudited pro forma condensed combined financial information and related notes are provided for illustrative purposes only and do not purport to represent what the combined company's actual results of operations or financial position would have been had the Merger been completed on the dates indicated, nor are they necessarily indicative of the combined company's future results of operations or financial position for any future period. The pro forma adjustments, which are described in the accompanying notes, may be revised as additional information becomes available and is evaluated. It is likely that the actual adjustments upon the completion of the Merger will differ from the pro forma adjustments, and it is possible the differences may be material.

The following unaudited pro forma condensed combined financial information gives effect to the Merger, which includes adjustments for the following:

- Certain reclassifications to conform Foot Locker's historical financial statement presentation to DICK'S historical financial statement presentation;
- Adjustments to reflect purchase accounting under ASC 805;
- Proceeds and uses of the financing entered in connection with the Merger; and
- Non-recurring transaction costs in connection with the Merger.

Unaudited Pro Forma Condensed Combined Balance Sheet
As of May 3, 2025
(in thousands)

	Scenario A - Cash Consideration						Scenario B - Stock Consideration			
	DICK'S Sporting Goods, Inc. (Historical)	Foot Locker, Inc. (Historical, adjusted)	Transaction Accounting Adjustments	Notes	Financing Adjustments	Notes	Pro Forma Combined	Transaction Accounting Adjustments	Notes	Pro Forma Combined
ASSETS										
CURRENT ASSETS										
Cash and cash equivalents	\$ 1,035,889	\$ 343,000	\$ (2,200,959)	3A1	\$ 1,719,207	3N	\$ 753,423	\$ (16,776)	3A3	\$ 1,218,399
			(56,363)	3D	-			(56,363)	3D	
			(2,000)	3E	-			(2,000)	3E	
			(22,551)	3G	-			(22,551)	3G	
			(7,500)	3H	-			(7,500)	3H	
			(55,300)	3I	-			(55,300)	3I	
Accounts receivable, net	256,554	174,218	-		-		430,772	-		430,772
Income taxes receivable	4,138	-	-		-		4,138	-		4,138
Inventories, net	3,569,353	1,665,000	-		-		5,234,353	-		5,234,353
Prepaid expenses and other current assets	164,892	184,782	-		-		349,674	-		349,674
Total current assets	5,030,826	2,367,000	(2,344,673)		1,719,207		6,772,360	(160,490)		7,237,336
Property and equipment, net	2,268,866	908,000	105,000	3B	-		3,281,866	105,000	3B	3,281,866
Operating lease assets	2,396,687	2,099,000	72,000	3K	-		4,567,687	72,000	3K	4,567,687
Intangible assets, net	58,598	230,000	(10,000)	3C1	-		278,598	(210,000)	3C2	78,598
Goodwill	245,857	661,000	(371,660)	3M1	-		535,197	(543,485)	3M2	363,372
Deferred income taxes	29,510	41,000	(34,578)	3L1	-		35,932	17,422	3L2	87,932
Other assets	404,238	252,000	(4,190)	3E	-		596,448	(4,190)	3E	596,448
			(55,600)	3A2	-			(55,600)	3A4	
TOTAL ASSETS	\$ 10,434,582	\$ 6,558,000	\$ (2,643,701)		\$ 1,719,207		\$ 16,068,088	\$ (779,343)		\$ 16,213,239
LIABILITIES AND STOCKHOLDERS' EQUITY										
CURRENT LIABILITIES										
Accounts payable	\$ 1,542,749	\$ 504,000	-		-		\$ 2,046,749	-		\$ 2,046,749
Accrued expenses	629,484	328,000	-		-		957,484	-		957,484
Current portion of debt and obligations under finance leases	-	-	-		-		-	-		-
Operating lease liabilities	496,129	499,000	-		-		995,129	-		995,129
Income taxes payable	83,489	-	-		-		83,489	-		83,489
Deferred revenue and other liabilities	360,568	110,000	-		-		470,568	-		470,568
Total current liabilities	3,112,419	1,441,000	-		-		4,553,419	-		4,553,419
LONG-TERM LIABILITIES										
Revolving credit borrowings	-	-	-		-		-	-		-
Long-term debt and obligations under finance leases	1,484,462	440,000	1,670	3E	1,719,207	3N	3,625,339	1,670	3E	1,906,132
			(20,000)	3J	-			(20,000)	3J	
Long-term operating lease liabilities	2,587,597	1,890,000	-		-		4,477,597	-		4,477,597
Other long-term liabilities	197,710	179,000	-		-		376,710	-		376,710
Total long-term liabilities	4,269,769	2,509,000	(18,330)		1,719,207		8,479,646	(18,330)		6,760,439
COMMITMENTS AND CONTINGENCIES										
	-	-	-		-		-	-		-
STOCKHOLDERS' EQUITY										

Preferred stock	-	-	-	-	-	-	-	-	-
Common stock	556	808,000	(808,000)	3F	-	556	106	3A3	662
							(808,000)	3F	
Class B common stock	236	-	-	-	-	236	-	-	236
Additional paid-in capital	1,483,461	-	14,663	3A1	-	1,498,124	1,893,248	3A3	3,376,709
Retained earnings	6,559,483	2,131,000	(56,363)	3D	-	6,527,449	(56,363)	3D	6,513,116
			(2,131,000)	3F	-		(2,131,000)	3F	
			(22,551)	3G	-		(22,551)	3G	
			46,880	3A2	-		32,547	3A4	
Accumulated other comprehensive loss	(430)	(325,000)	325,000	3F	-	(430)	325,000	3F	(430)
Treasury stock, at cost	(4,990,912)	(6,000)	6,000	3F	-	(4,990,912)	6,000	3F	(4,990,912)
Total stockholders' equity	<u>3,052,394</u>	<u>2,608,000</u>	<u>(2,625,371)</u>		<u>-</u>	<u>3,035,023</u>	<u>(761,013)</u>		<u>4,899,381</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$10,434,582</u>	<u>\$ 6,558,000</u>	<u>\$ (2,643,701)</u>		<u>\$ 1,719,207</u>	<u>\$16,068,088</u>	<u>\$ (779,343)</u>		<u>\$16,213,239</u>

See accompanying notes to unaudited pro forma condensed combined financial information.

Unaudited Pro Forma Condensed Combined Statement of Operations
For the thirteen weeks ended May 3, 2025
(USD in thousands, except per share amounts)

	Scenario A - Cash Consideration						Scenario B - Stock Consideration			
	DICK'S Sporting Goods, Inc. (Historical)	Foot Locker, Inc. (Historical, adjusted)	Transaction Accounting Adjustments	Notes	Financing Adjustments	Notes	Pro Forma Combined	Transaction Accounting Adjustments	Notes	Pro Forma Combined
Net Sales	\$ 3,174,677	\$ 1,794,000	-		-		\$ 4,968,677	-		\$ 4,968,677
Cost of goods sold, including occupancy and distribution costs	2,009,591	1,312,000	760	4A	-		3,326,851	760	4A	3,326,851
			4,500	4J	-			4,500	4J	
GROSS PROFIT	1,165,086	482,000	(5,260)		-		1,641,826	(5,260)		1,641,826
Selling, general and administrative expenses	785,528	753,000	185	4A	-		1,539,300	185	4A	1,539,079
			221	4B1	-					
			366	4D	-			366	4D	
Pre-opening expenses	13,442	-	-		-		13,442	-		13,442
INCOME (LOSS) FROM OPERATIONS	366,116	(271,000)	(6,032)		-		89,084	(5,811)		89,305
Interest expense	12,138	6,000	113	4G	27,439	4L	46,387	113	4G	18,948
			697	4H	-			697	4H	
Other expense (income)	6,256	(7,000)	-		-		(744)	-		(744)
INCOME (LOSS) BEFORE INCOME TAXES	347,722	(270,000)	(6,842)		(27,439)		43,441	(6,621)		71,101
Provision (benefit) for income taxes	83,434	93,000	(1,779)	4I1	(7,134)	4M	167,521	(1,722)	4I2	174,712
NET INCOME (LOSS)	\$ 264,288	\$ (363,000)	\$ (5,063)		\$ (20,305)		\$ (124,080)	\$ (4,899)		\$ (103,611)
EARNINGS (LOSS) PER COMMON SHARE:										
Basic	\$ 3.33	\$ (3.81)					\$ (1.56)			\$ (1.15)
Diluted	\$ 3.24	\$ (3.81)					\$ (1.52)			\$ (1.12)
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING:										
Basic	79,341	95,300					79,341			89,971
Diluted	81,478	95,300					81,727			92,357

See accompanying notes to unaudited pro forma condensed combined financial information.

Unaudited Pro Forma Condensed Combined Statement of Operations
For the year ended February 1, 2025
(USD in thousands, except per share amounts)

	Scenario A - Cash Consideration						Scenario B - Stock Consideration			
	DICK'S Sporting Goods, Inc. (Historical) - USD	Foot Locker, Inc. (Historical) - USD	Transaction Adjustments	Notes	Financing Adjustments	Notes	Pro Forma Combined	Transaction Adjustments	Notes	Pro Forma Combined
Net Sales	\$ 13,442,849	\$ 7,988,000	-		-		\$ 21,430,849	-		\$ 21,430,849
Cost of goods sold, including occupancy and distribution costs	8,617,153	5,785,000	8,737	4A	-		14,428,890	8,737	4A	14,428,890
			18,000	4J	-			18,000	4J	
GROSS PROFIT	4,825,696	2,203,000	(26,737)		-		7,001,959	(26,737)		7,001,959
Selling, general and administrative expenses	3,294,272	2,100,000	2,296	4A	-		5,475,101	2,296	4A	5,474,216
			(4,115)	4B1	-			(5,000)	4B2	
			48,500	4C	-			48,500	4C	
			4,097	4D	-			4,097	4D	
			22,551	4E	-			22,551	4E	
			7,500	4F	-			7,500	4F	
Pre-opening expenses	57,492	-	-		-		57,492	-		57,492
INCOME FROM OPERATIONS	1,473,932	103,000	(107,566)		-		1,469,366	(106,681)		1,470,251
Interest expense	52,987	24,000	7,863	4C	110,941	4L	198,981	7,863	4C	88,040
			453	4G	-			453	4G	
			2,737	4H	-			2,737	4H	
Other expense (income)	(98,088)	28,000	(46,880)	4K1	-		(116,968)	(32,547)	4K2	(102,635)
INCOME BEFORE INCOME TAXES	1,519,033	51,000	(71,739)		(110,941)		1,387,353	(85,187)		1,484,846
Provision (benefit) for income taxes	353,725	33,000	(18,816)	4I1	(28,845)	4M	339,064	(18,585)	4I2	368,140
NET INCOME (LOSS)	\$ 1,165,308	\$ 18,000	\$ (52,923)		\$ (82,096)		\$ 1,048,289	\$ (66,602)		\$ 1,116,706
EARNINGS PER COMMON SHARE:										
Basic	\$ 14.48	\$ 0.19					\$ 13.03			\$ 12.26
Diluted	\$ 14.05	\$ 0.19					\$ 12.61			\$ 11.91
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING:										
Basic	80,468	95,000					80,468			91,098
Diluted	82,929	95,500					83,113			93,743

See accompanying notes to unaudited pro forma condensed combined financial information.

Note 1. Basis of Presentation

The accompanying unaudited pro forma condensed combined financial information was prepared in accordance with Article 11 of Regulation S-X, *Pro Forma Financial Information*, of the Securities Act. The historical information of DICK'S and Foot Locker is presented in accordance with GAAP.

The unaudited pro forma condensed combined financial information is prepared using the acquisition method of accounting in accordance with the business combination accounting guidance under ASC 805, with DICK'S as the accounting acquirer for the Merger. Under ASC 805, assets acquired and liabilities assumed in a business combination are recognized and measured at the Merger date fair value. Transaction costs associated with a business combination are expensed as incurred. The excess of consideration over the fair value of assets acquired and liabilities assumed, if any, is allocated to goodwill. Accordingly, the Merger consideration allocation and related adjustments reflected in this unaudited pro forma condensed combined financial information are preliminary and subject to revision based on a final determination of fair value.

The unaudited pro forma condensed combined financial information is presented as follows:

- The unaudited pro forma condensed combined balance sheet as of May 3, 2025, was prepared based on (i) the historical unaudited condensed consolidated balance sheet of DICK'S as of May 3, 2025 and (ii) the historical unaudited condensed consolidated balance sheet of Foot Locker as of May 3, 2025.
- The unaudited pro forma condensed combined statement of operations for the thirteen weeks ended May 3, 2025 was prepared based on (i) the historical unaudited condensed consolidated statement of operations of DICK'S for the thirteen weeks ended May 3, 2025 and (ii) the historical unaudited condensed consolidated statement of operations of Foot Locker for the thirteen weeks ended May 3, 2025.
- The unaudited pro forma condensed combined statement of operations for the year ended February 1, 2025 was prepared based on (i) the historical audited consolidated statement of operations of DICK'S for the year ended February 1, 2025 and (ii) the historical audited consolidated statement of operations of Foot Locker for the year ended February 1, 2025.

The unaudited pro forma condensed combined financial information does not reflect any anticipated synergies or dis-synergies, operating efficiencies, or cost savings that may result from the integration costs that may be incurred. The pro forma adjustments represent DICK'S' best estimates and are based upon currently available information and certain assumptions that DICK'S believes are reasonable under the circumstances.

The unaudited pro forma condensed combined financial information is provided for informational purposes only and may not be indicative of the operating results that would have occurred if the Merger had been completed as of the dates set forth above, nor is it indicative of the future results of DICK'S following the Merger. In determining the preliminary estimate of fair values of assets acquired and liabilities assumed of Foot Locker, DICK'S used publicly available benchmarking information as well as a variety of other assumptions, including market participant assumptions. The pro forma purchase price allocation relating to the Merger is preliminary and subject to change, as additional information becomes available and as additional analyses are performed. There can be no assurances that the valuations will not result in material changes to this purchase price allocation. Any increase or decrease in fair values of the net assets as compared with the unaudited pro forma condensed combined financial information may change the amount of the total acquisition consideration allocated to goodwill and other assets and liabilities and may impact the Unaudited Pro Forma Condensed Combined Statements of Operations due to adjustments in the depreciation and amortization expense of the adjusted assets.

Note 2. Accounting Policies and Reclassifications

During the preparation of this unaudited pro forma condensed combined financial information, management performed a preliminary review of Foot Locker's financial information to identify differences in accounting policies compared to those of DICK'S and differences in financial statement presentation compared to the presentation of DICK'S. At the time of preparing the unaudited pro forma condensed combined financial information, other than the adjustments described herein, DICK'S is not aware of any other material differences. However, DICK'S will continue to perform its detailed review of Foot Locker's accounting policies. Upon completion of that review, differences may be identified between the accounting policies of DICK'S and Foot Locker that when conformed could have a material impact on the unaudited pro forma condensed combined financial information.

Unaudited Pro Forma Condensed Combined Balance Sheet
As of May 3, 2025
(in thousands)

<u>DICK'S Sporting Goods, Inc.</u>	<u>Foot Locker, Inc.</u>	<u>Foot Locker, Inc.</u>	<u>Reclassification Adjustments</u>	<u>Notes</u>	<u>Foot Locker, Inc.</u>
Assets					
Current assets					
Cash and cash equivalents	Cash and cash equivalents	\$ 343,000			\$ 343,000
Accounts receivable, net		-	174,218	(2f)	174,218
Income taxes receivable		-			-
Inventories, net	Merchandise inventories	1,665,000			1,665,000
Prepaid expenses and other current assets	Other current assets	359,000	(174,218)	(2f)	184,782
Total Current assets		2,367,000	-		2,367,000
Property and equipment, net	Property and equipment, net	908,000			908,000
Operating lease assets	Operating lease right-of-use assets	2,099,000			2,099,000
Intangible assets, net	Other intangible assets, net	230,000			230,000
Goodwill	Goodwill	661,000			661,000
Deferred income taxes	Deferred taxes	41,000			41,000
Other assets	Other assets	137,000	115,000	(2b)	252,000
	Minority investments	115,000	(115,000)	(2b)	-
Total Assets		\$ 6,558,000	-		\$ 6,558,000
Liabilities and Stockholders' equity					
Current liabilities					
Accounts payable	Accounts payable	504,000			504,000
Accrued expenses	Accrued and other liabilities	433,000	(50,000)	(2a)	328,000
			(26,000)	(2d)	
			(29,000)	(2e)	
Operating lease liabilities	Current portion of lease obligations	499,000			499,000
	Current portion of debt and obligations under finance leases	5,000	(5,000)	(2c)	-
Income taxes payable		-			-
Deferred revenue and other liabilities			50,000	(2a)	110,000
			5,000	(2c)	
			26,000	(2d)	
			29,000	(2e)	
Total Current liabilities		1,441,000	-		1,441,000
Revolving credit borrowings					
Long-term operating lease liabilities	Long-term lease obligations	1,890,000			1,890,000
	Long-term debt and obligations under finance leases	440,000			440,000
Other long-term liabilities	Other liabilities	179,000			179,000
Total Long-term liabilities		2,509,000	-		2,509,000
Commitments and contingencies					
Stockholders' Equity					
Common stock	Common stock	808,000			808,000
Class B common stock					-
Additional paid-in capital		-	-		-
Retained earnings	Retained earnings	2,131,000	-		2,131,000
Accumulated other comprehensive loss	Accumulated other comprehensive loss	(325,000)			(325,000)
Treasury stock, at cost	Treasury stock at cost	(6,000)			(6,000)
Total stockholders' equity		2,608,000	-		2,608,000
Total liabilities and stockholders' equity		\$ 6,558,000	-		\$ 6,558,000

(2a) Reclassification of Customer Loyalty Program from "Accrued and Other Liabilities" to "Deferred revenue and other liabilities".

(2b) Reclassification of "Minority Investments" to "Other assets".

(2c) Reclassification of “Current portion of debt and obligations under finance leases” to “Deferred revenue and other liabilities”.

(2d) Reclassification of Gift Card Liability from “Accrued and Other Liabilities” to “Deferred revenue and other liabilities”.

(2e) Reclassification of Customer Deposit from “Accrued and Other Liabilities” to “Deferred revenue and other liabilities”.

(2f) Reclassification of Net Receivables from “Other current assets” to “Accounts receivable, net”.

Unaudited Pro Forma Condensed Combined Statement of Operations
For the thirteen weeks ended May 3, 2025
(in thousands)

DICK'S Sporting Goods, Inc.	Foot Locker, Inc.	Foot Locker, Inc.	Reclassification Adjustments	Notes	Foot Locker, Inc.
Net Sales	Sales	\$ 1,788,000	\$ 6,000	(2g)	\$ 1,794,000
	Other revenue	6,000	(6,000)	(2g)	-
Cost of goods sold, including occupancy and distribution costs	Cost of sales	1,280,000	41,000	(2h)	1,312,000
			(9,000)	(2k)	
GROSS PROFIT		514,000	(32,000)		482,000
Selling, general and administrative expenses	Selling, general and administrative expenses	458,000	10,000	(2h)	753,000
			276,000	(2i)	
			9,000	(2k)	
	Depreciation and amortization	51,000	(51,000)	(2h)	-
	Impairment and other	276,000	(276,000)	(2i)	-
Pre-opening expenses			-		-
INCOME FROM OPERATIONS		(271,000)	-		(271,000)
Interest expense	Interest expense, net	2,000	4,000	(2j)	6,000
Other expense (income)	Other expense (income), net	(3,000)	(4,000)	(2j)	(7,000)
INCOME BEFORE INCOME TAXES		(270,000)	-		(270,000)
Provision for income taxes	Income tax expense (benefit)	93,000			93,000
NET INCOME		\$ (363,000)	-		\$ (363,000)

(2g) Reclassification from "Other revenue" to "Net Sales".

(2h) Reclassification of Depreciation expense from "Depreciation and amortization" to "Selling, general and administrative expenses" and "Cost of goods sold, including occupancy and distribution costs" for Non-Store Assets and Store Assets, respectively.

(2i) Reclassification from "Impairment and other" to "Selling, general and administrative expenses".

(2j) Reclassification of Interest income from "Interest expense, net" to "Other expense (income)".

(2k) Reclassification of buyers' compensation from "Cost of goods sold, including occupancy and distribution costs" to "Selling, general and administrative expenses".

Unaudited Pro Forma Condensed Combined Statement of Operations
For the year ended February 1, 2025
(in thousands)

DICK'S Sporting Goods, Inc.	Foot Locker, Inc.	Foot Locker, Inc.	Reclassification Adjustments	Notes	Foot Locker, Inc.
Net Sales	Sales	\$ 7,971,000	\$ 17,000	(2l)	\$ 7,988,000
	Licensing revenue	17,000	(17,000)	(2l)	-
Cost of goods sold, including occupancy and distribution costs	Cost of sales	5,666,000	156,000	(2m)	5,785,000
			(37,000)	(2q)	
GROSS PROFIT		2,322,000	(119,000)		2,203,000
Selling, general and administrative expenses	Selling, general and administrative expenses	1,920,000	41,000	(2m)	2,100,000
			5,000	(2n)	
			97,000	(2o)	
			37,000	(2q)	
	Depreciation and amortization	202,000	(197,000)	(2m)	-
			(5,000)	(2n)	
	Impairment and other	97,000	(97,000)	(2o)	-
Pre-opening expenses			-		-
INCOME FROM OPERATIONS		103,000	-		103,000
Interest expense	Interest expense, net	8,000	16,000	(2p)	24,000
Other expense (income)	Other expense (income), net	44,000	(16,000)	(2p)	28,000
INCOME BEFORE INCOME TAXES		51,000	-		51,000
Provision for income taxes	Income tax expense (benefit)	33,000			33,000
NET INCOME		\$ 18,000	-		\$ 18,000

(2l) Reclassification from "Licensing revenue" to "Net Sales".

(2m) Reclassification of Depreciation expense from "Depreciation and amortization" to "Selling, general and administrative expenses" and "Cost of goods sold, including occupancy and distribution costs" for Non-Store Assets and Store Assets, respectively.

(2n) Reclassification of Amortization expense from "Depreciation and amortization" to "Selling, general and administrative expenses".

(2o) Reclassification from "Impairment and other" to "Selling, general and administrative expenses".

(2p) Reclassification of Interest income from "Interest expense, net" to "Other expense (income)".

(2q) Reclassification of buyers' compensation from "Cost of goods sold, including occupancy and distribution costs" to "Selling, general and administrative expenses".

Note 3. Adjustments to Unaudited Pro Forma Condensed Combined Balance Sheet

Transaction Accounting Adjustments

The adjustments included in the Unaudited Pro Forma Condensed Combined Balance Sheet as of May 3, 2025 are detailed below:

(3A1) The accounting for the Merger is based on currently available information and is considered preliminary. The final accounting for the Merger may differ materially from that presented in these unaudited pro forma condensed combined financial information. Refer to the following table for the preliminary estimated fair value of consideration transferred under the cash consideration scenario:

Scenario A: Cash Consideration

<i>(in thousands, except per share data; figures below may not foot due to rounding of shares)</i>	As of May 3, 2025
Foot Locker's shares outstanding as of May 31, 2025	95,278
Existing equity interest in Foot Locker's by DICK'S ⁽¹⁾	(4,270)
Foot Locker's shares outstanding as of May 31, 2025, excluding shares owned by DICK'S	91,008
Price per share as per Merger Agreement (actual amount)	\$ 24.00
Cash Consideration paid to shareholders	\$ 2,184,183
Add: Settlement of equity awards ⁽²⁾	\$ 16,776
Adjusted Cash consideration paid to shareholders	\$ 2,200,959
Add: Fair value of existing equity interest held by DICK'S ⁽³⁾	\$ 102,480
Add: Pre-combination value of replaced equity awards ⁽⁴⁾	\$ 14,663
Fair value of consideration transferred	\$ 2,318,102

(1) During the 13 weeks ended May 3, 2025, DICK'S purchased 4.3 million shares of Foot Locker common stock.

(2) Represents the estimated fair value of outstanding deferred stock unit awards granted under the Foot Locker 2007 Stock Incentive Plan ("Foot Locker DSU Awards"), restricted stock unit awards granted under the Foot Locker 2007 Stock Incentive Plan or granted as an inducement award ("Foot Locker RSU Awards"), performance stock unit awards granted under the Foot Locker 2007 Stock Incentive Plan or granted as an inducement award ("Foot Locker PSU Awards"), and in-the-money options that are expected to be settled in cash at close.

(3) Represents the estimated fair value of the 4.3 million shares of Foot Locker common stock held by DICK'S based on the Merger consideration.

(4) Represents the estimated fair value of outstanding Foot Locker RSU Awards (other than non-employee director Foot Locker RSU Awards) and Foot Locker PSU Awards granted to employees attributable to pre-combination services.

(3A2) In connection with DICK'S' purchase of 4.3 million shares of Foot Locker common stock, this adjustment reflects the elimination of DICK'S' investment. The associated increase in retained earnings is related to the gain recorded in the Unaudited Pro Forma Condensed Combined Statement of Operations for the year end February 1, 2025. Refer to 4K1 for more information.

(3A3) The accounting for the Merger is based on currently available information and is considered preliminary. The final accounting for the Merger may differ materially from that presented in these unaudited pro forma condensed combined financial information. Refer to the following table for the preliminary estimated fair value of consideration transferred under the stock consideration scenario:

Scenario B: Stock Consideration

<i>(in thousands, except per share data; figures below may not foot due to rounding of shares)</i>	As of May 3, 2025
Foot Locker's shares outstanding as of May 31, 2025	95,278
Existing equity interest in Foot Locker's by DICK'S ⁽¹⁾	(4,270)
Foot Locker's shares outstanding as of May 31, 2025, excluding shares owned by DICK'S	91,008
Exchange ratio as per Merger Agreement	0.1168
Total estimated outstanding shares	10,630
DICK'S stock price as of June 13, 2025	\$ 176.74
Share consideration	\$ 1,878,691
Add: Accelerated vesting of equity awards ⁽²⁾	\$ 16,776
Add: Fair value of existing equity interest held by DICK'S ⁽³⁾	\$ 88,147
Add: Pre-combination value of replaced equity awards ⁽⁴⁾	\$ 14,663
Fair value of consideration transferred	\$ 1,998,277

- (1) During the 13 weeks ended May 3, 2025, DICK'S purchased 4.3 million shares of Foot Locker common stock.
- (2) Represents the estimated fair value of outstanding Foot Locker DSU Awards and Foot Locker RSU Awards granted to non-employee directors as well as in-the-money options granted to employees. These Foot Locker RSU Awards will accelerate vest and be settled in cash upon closing.
- (3) Represents the estimated fair value of the 4.3 million shares of Foot Locker common stock held by DICK'S based on the Merger consideration.
- (4) Represents the estimated fair value of outstanding Foot Locker RSU Awards (other than non-employee director Foot Locker RSU Awards) and Foot Locker PSU Awards granted to employees attributable to pre-combination services.

(3A4) In connection with DICK'S purchase of 4.3 million shares of Foot Locker common stock, this adjustment reflects the elimination of DICK'S' investment. The associated increase in retained earnings is related to the gain recorded in the Unaudited Pro Forma Condensed Combined Statement of Operations for the year ended February 1, 2025. Refer to **4K2** for more information.

<i>(In thousands)</i>	As of May 3, 2025
Common stock	106
Additional paid-in-capital	1,893,248
Cash	16,776

The actual value of DICK'S common stock to be issued will depend on the per share price of DICK'S common stock at the closing date of the Merger, and therefore, the actual stock consideration will fluctuate with the market price of DICK'S common stock until the Merger is completed. The following table shows the effect of changes in DICK'S stock price and the resulting impact on the estimated stock consideration:

<i>(In thousands, except per share data)</i>	'DICK'S Stock Price	Consideration Transferred
Share Price Sensitivity		
As presented	\$ 176.74	1,998,277
10% increase	\$ 194.41	2,186,146
10% decrease	\$ 159.07	1,810,408

Preliminary Purchase Price Allocation

The determination of the fair value of the identifiable assets of Foot Locker and the allocation of the estimated Merger consideration to these identifiable assets and liabilities is preliminary and is pending finalization of various estimates, inputs and analyses. The final purchase price allocation will be determined when DICK'S has completed the detailed valuations and necessary calculations. The final Merger consideration allocation may be materially different than that reflected in the preliminary estimated Merger consideration allocation presented herein. Any increase or decrease in fair values of the net assets as compared with the unaudited pro forma condensed combined financial information may change the allocation of total Merger consideration to goodwill and other assets and liabilities and may impact the combined company statement of operations due to adjustments in the depreciation and amortization of the adjusted assets.

<i>(In thousands)</i>	Scenario A - Cash Consideration Fair value	Scenario B - Stock Consideration Fair value
Cash and cash equivalents	\$ 343,000	\$ 343,000
Accounts receivable, net	174,218	174,218
Inventories, net	1,665,000	1,665,000
Prepaid expenses and other current assets	184,782	184,782
Property and equipment, net	1,013,000	1,013,000
Operating lease assets	2,171,000	2,171,000
Deferred income taxes	6,422	58,422
Intangible assets, net	220,000	20,000
Other assets	247,810	247,810
Total assets	\$ 6,025,232	\$ 5,877,232
Accounts payable	504,000	504,000
Accrued expenses	390,800	390,800
Current portion of lease obligations	499,000	499,000
Deferred revenue and other liabilities	110,000	110,000
Long-term debt and obligations under finance leases	423,670	423,670
Long-term operating lease liabilities	1,890,000	1,890,000
Other long-term liabilities	179,000	179,000
Net assets acquired	2,028,762	1,880,762
Goodwill	289,340	117,515
Fair value of consideration transferred	\$ 2,318,102	\$ 1,998,277

Goodwill represents the excess of the preliminary estimated Merger consideration over the estimated fair value of the underlying net assets acquired. Goodwill will not be amortized but instead will be reviewed for impairment annually, or more frequently if facts and circumstances warrant a review. Goodwill is attributable to the assembled workforce of Foot Locker, planned growth in new markets, and synergies expected to be achieved from the combined operations of DICK'S and Foot Locker. Goodwill recognized in the Merger is not expected to be deductible for tax purposes.

(3B) Reflects the preliminary estimated fair value adjustment to property and equipment acquired in the Merger. The fair value of property and equipment is subject to change.

Fair value of Property and Equipment, net:

<i>(In thousands)</i>	Carrying Value as on May 3, 2025	Step-up Value	Fair Value
Land	\$ 3,000	\$ 2,000	\$ 5,000
Buildings	30,000	13,000	43,000
Furniture, fixtures, equipment	356,000	54,000	410,000
Software development costs	60,000	-	60,000
Assets under finance leases	45,000	-	45,000
Alterations to leased and owned buildings	414,000	36,000	450,000
Total property, plant and equipment acquired and pro forma adjustment	\$ 908,000	\$ 105,000	\$ 1,013,000

(3C1) Reflects the preliminary estimated asset fair value adjustment to the identifiable intangible assets acquired, primarily consisting of customer relationships, developed technology, and tradenames and trademarks. The fair value of intangible assets is subject to change as DICK'S finalizes various estimates, inputs and analyses.

Scenario A: Cash Consideration
Fair Value of Intangible Assets:

<i>(In thousands)</i>	Carrying Value as on May 3, 2025	Step- up/(down)	Fair Value
Lease acquisition costs	\$ -	\$ -	\$ -
Developed technology	-	5,000	5,000
Customer relationships	-	5,000	5,000
Trademarks & tradenames	230,000	(20,000)	210,000
Total identifiable intangible assets and pro forma adjustment	\$ 230,000	\$ (10,000)	\$ 220,000

(3C2) Reflects the preliminary estimated asset fair value adjustment to the identifiable intangible assets acquired, primarily consisting of customer relationships, developed technology, and tradenames and trademarks. The fair value of intangible assets is subject to change as DICK'S finalizes various estimates, inputs and analyses.

Scenario B: Stock Consideration
Fair Value of Intangible Assets:

<i>(In thousands)</i>	Carrying Value as on May 3, 2025	Step-down	Fair Value
Lease acquisition costs	\$ -	\$ -	\$ -
Developed technology	-	-	-
Customer relationships	-	-	-
Trademarks & tradenames	230,000	(210,000)	20,000
Total identifiable intangible assets and pro forma adjustment	\$ 230,000	\$ (210,000)	\$ 20,000

(3D) Reflects one-time non-recurring transaction-related costs of approximately \$56.4 million incurred prior to, or concurrent with, the closing of the Merger including bank fees, legal fees, consulting fees, structuring & upfront fees paid for senior bridge term loans, exchange fee related to senior note exchange and other transaction costs estimated to be incurred by DICK'S. No amount was incurred or accrued for as of the balance sheet date.

(3E) Reflects a \$2.0 million decrease to Cash against the decrease in Long-term debt and obligations under finance leases related to the payment made to noteholders for the bond fee associated with the exchange of the Foot Locker Notes; a \$3.7 million increase to Long-term debt and obligations under finance leases against the increase in goodwill related to the reversal of outstanding deferred financing cost balance of the Foot Locker Notes; and a \$4.2 million decrease to Other assets against the increase in Goodwill related to the reversal of outstanding deferred financing cost balance of Foot Locker's revolving credit facility.

(3F) Reflects the elimination of Foot Locker's historical equity.

(3G) Reflects the cash payment for the severance benefits total \$22.6 million including severance pay and the acceleration of replaced awards by executives.

(3H) Reflects increase in the liabilities assumed of \$7.5 million related to retention bonus for certain Foot Locker employees and associated payment at close of the Merger.

(3I) Reflects increase in the liabilities assumed of \$55.3 million related to estimated seller's transaction costs and associated payment at close of the Merger.

(3J) Reflects the fair value adjustment of \$20.0 million related to the Foot Locker Notes assumed and not extinguished as of the closing of the Merger.

(3K) Reflects a preliminary purchase accounting adjustment of \$72.0 million to record favorable contractual lease balance when compared to market terms.

(3L1) Represents a \$34.6 million adjustment to deferred tax liabilities under Scenario A primarily as a result of the pro forma adjustments for assets acquired and liabilities assumed—specifically, relative to fair market value adjustments to assets and an adjustment to the acquired deferred tax liability for Goodwill which resets as a result of the Merger. These estimates are preliminary as adjustments to our deferred taxes could change due to further refinement of our statutory income tax rates used to measure our deferred taxes, changes in judgment regarding realizability of assets, and changes in the estimates of the fair values of assets acquired and liabilities assumed that may occur in conjunction with the closing of the Merger. These changes in estimates could be material.

(3L2) Represents a \$17.4 million adjustment to deferred tax assets under Scenario B primarily as a result of the pro forma adjustments for assets acquired and liabilities assumed—specifically, relative to fair market value adjustments to assets and an adjustment to the acquired deferred tax liability for goodwill which resets as a result of the Merger. These estimates are preliminary as adjustments to our deferred taxes could change due to further refinement of our statutory income tax rates used to measure our deferred taxes, changes in judgment regarding realizability of assets, and changes in the estimates of the fair values of assets acquired and liabilities assumed that may occur in conjunction with the closing of the Merger. These changes in estimates could be material.

(3M1, 3M2) Represents the adjustment to goodwill based on the purchase price allocation in respect of both Scenario A and B, as described above.

<i>(In thousands)</i>	Scenario A - Cash Consideration Amounts	Scenario B - Stock Consideration Amounts
Goodwill resulting from the Merger	\$ 289,340	\$ 117,515
Less: Elimination of Foot Locker's historical Goodwill	(661,000)	(661,000)
Pro forma adjustment	\$ (371,660)	\$ (543,485)

Financing Adjustments

(3N) Reflects the adjustment related to the net proceeds received from the Debt Financing issued as part of the financing for the cash consideration in Scenario A, as described above.

<i>(In thousands)</i>	As of May 3, 2025
Proceeds from the Unsecured Senior Notes	\$ 1,732,000
Payment of financing costs	(12,793)
Pro forma adjustment	\$ 1,719,207

Note 4. Adjustments to Unaudited Pro Forma Condensed Combined Statements of Operations

The adjustments included in the Unaudited Pro Forma Condensed Combined Statements of Operations for the thirteen weeks ended May 3, 2025 and for the year ended February 1, 2025 and are as follows:

Transaction Accounting Adjustments

(4A) Reflects adjustment to depreciation expense, on a straight line-basis based on the preliminary fair value of Property and equipment, net and the related useful life. Depreciation expense is split between “Cost of goods sold, including occupancy and distribution costs” and “Selling, general and administrative expenses”.

<i>(In thousands)</i>	Useful Life	Fair Value	Incremental Depreciation Expense for the Thirteen Weeks Ended May 3, 2025	Incremental Depreciation Expense for the Year Ended February 1, 2025
Land	n/a	\$ 5,000	\$ -	\$ -
Buildings	Max 50	43,000	328	1,313
Furniture, fixtures, equipment	3 - 10	410,000	34,500	138,000
Software development costs	2 - 5	60,000	7,500	30,000
Assets under finance leases	7 - 10	45,000	1,250	5,000
Alterations to leased and owned buildings	7	450,000	8,500	34,000
Total property and equipment acquired		1,013,000	52,078	208,313
Less: Historical depreciation expense			(51,133)	(197,280)
Pro forma adjustment for incremental depreciation expense			\$ 945	\$ 11,033

(4B1, 4B2) Reflects adjustment to amortization expense, on a straight-line basis based on the preliminary fair value of Intangible assets, net and the related useful life.

Scenario A: Cash Consideration

<i>(In thousands)</i>	Useful Life	Fair Value	Amortization Expense for the Thirteen Weeks Ended May 3, 2025	Amortization Expense for the Year Ended February 1, 2025
Lease acquisition costs	n/a	\$ -	\$ -	\$ -
Developed technology	10	5,000	125	500
Customer relationships	13	5,000	96	385
Trademarks & tradenames	n/a	210,000	-	-
Total identifiable intangible assets		220,000	221	885
Less: Historical Amortization expense				5,000
Pro forma adjustment for incremental amortization expense			\$ 221	\$ (4,115)

Scenario B: Stock Consideration

<i>(In thousands)</i>	Useful Life	Fair Value	Amortization Expense for the Thirteen Weeks Ended May 3, 2025	Amortization Expense for the Year Ended February 1, 2025
Lease acquisition costs	n/a	-	-	-
Developed technology	10	-	-	-
Customer relationships	13	-	-	-
Trademarks & tradenames	n/a	20,000	-	-
Total identifiable intangible assets		20,000	-	-
Less: Historical Amortization expense				\$ 5,000
Pro forma adjustment for incremental amortization expense				\$ (5,000)

(4C) Reflects estimated non-recurring transaction-related expenses of \$56.4 million incurred by DICK'S, including legal, accounting and regulatory fees directly associated with the Merger. Out of these expenses, \$48.5 million are charged under Selling, general and administrative expenses and \$7.9 million pertaining to structuring & upfront fee on senior bridge term loans are charged as Interest expense. These non-recurring expenses are not anticipated to affect the Unaudited Pro Forma Condensed Combined Statement of Operations beyond twelve months after the closing date.

(4D) Represents the adjustment to record the elimination of Foot Locker's historical stock-based compensation expense and recognition of new stock-based compensation expense for the post-combination portion of the Foot Locker RSU Awards and Foot Locker PSU Awards that are expected to be replaced by DICK'S RSUs, respectively, at the closing of the Merger.

<i>(In thousands)</i>	For the Thirteen Weeks Ended May 3, 2025	For the Year Ended February 1, 2025
Post-combination stock-based compensation expense	\$ 4,461	\$ 18,621
Less: Historical stock-based compensation expense	(4,095)	(14,524)
Pro forma adjustment	\$ 366	\$ 4,097

(4E) Represents the adjustment to DICK'S selling, general and administrative expenses to record a one-time post-combination expense related to paid severance costs of \$22.6 million for executives of Foot Locker, including cash severance and the acceleration of unvested Foot Locker RSU Awards and Foot Locker PSU Awards held by executives.

(4F) The adjustment represents \$7.5 million of additional cash retention bonus to certain employees of Foot Locker that remain employed six months after the closing of the Merger.

(4G) Reflects the adjustment to record amortization of exchange fee of \$0.1 million and \$0.4 million out of the total of \$2.0 million, incurred on the same for the thirteen weeks ended May 3, 2025 and for the year ended February 1, 2025, respectively.

(4H) Reflects the adjustment to record interest expense for accretion of the preliminary fair value of the Foot Locker Notes assumed and not extinguished as of the closing of the Merger. In addition, this also reflects the reversal of historical amortization of transaction fees related to both the Foot Locker Notes and Foot Locker's revolving credit facility, recorded in the income statement of Foot Locker for the thirteen weeks ended May 3, 2025 and for the year ended February 1, 2025, respectively.

(4I1) Reflects estimated income tax impact of \$1.8 million and \$18.8 million related to the transaction accounting adjustments for the thirteen weeks ended May 3, 2025 and for the year ended February 1, 2025, respectively. Tax-related adjustments are based upon an estimated statutory tax rate of 26% and include the tax impacts of certain non-deductible compensation and transaction costs. The estimated blended statutory tax rate used for the unaudited pro forma condensed combined financial information will likely vary from the actual effective tax rates in periods as of and subsequent to the completion of the Merger.

(4I2) Reflects estimated income tax impact of \$1.7 million and \$18.6 million related to the transaction accounting adjustments for the thirteen weeks ended May 3, 2025 and for the year ended February 1, 2025, respectively. Tax-related adjustments are based upon an estimated statutory tax rate of 26% and include the tax impacts of certain non-deductible compensation and transaction costs. The estimated blended statutory tax rate used for the unaudited pro forma condensed combined financial information will likely vary from the actual effective tax rates in periods as of and subsequent to the completion of the Merger.

(4J) Represents an adjustment of \$4.5 million and \$18.0 million to record amortization expense for favorable contractual lease term when compared to market for the thirteen weeks ended May 3, 2025 and for the year ended February 1, 2025, respectively.

(4K1) Represents the recognition of one-time gain associated with DICK'S' investment in Foot Locker reflected in the Unaudited Pro Forma Condensed Combined Statement of Operations for the year end February 1, 2025.

Refer to the following table for the calculation of the gain under the cash consideration in Scenario A:

<i>(in thousands)</i>	For the Year Ended February 1, 2025
Fair value of DICK'S' investment in Foot Locker based on the cash consideration	\$ 102,480
Carrying value of DICK'S' investment in Foot Locker as of May 3, 2025	55,600
Gain on investment	\$ 46,880

(4K2) Represents the recognition of one-time gain associated with DICK'S' investment in Foot Locker reflected in the Unaudited Pro Forma Condensed Combined Statement of Operations for the year end February 1, 2025.

Refer to the following table for the calculation of the gain under the stock consideration in Scenario B:

<i>(in thousands)</i>	For the Year Ended February 1, 2025
Fair value of DICK'S' investment in Foot Locker based on the stock consideration	\$ 88,147
Carrying value of DICK'S' investment in Foot Locker as of May 3, 2025	55,600
Gain on investment	\$ 32,547

Financing Adjustments

(4L) Reflects the adjustment related to the interest expense and amortization of issuance costs related to the Debt Financing assumed as part of financing the cash consideration in Scenario A, as described above.

<i>(In thousands)</i>	For the Thirteen Weeks Ended May 3, 2025	For the Year Ended February 1, 2025
Interest expense on Unsecured Senior Notes	\$ 27,290	\$ 110,365
Amortization of debt issuance costs on Unsecured Senior Notes	149	576
Pro forma adjustment	\$ 27,439	\$ 110,941

(4M) Reflects estimated income tax impact of \$7.1 million and \$28.8 million related to the financing adjustments for the thirteen weeks ended May 3, 2025 and for the year ended February 1, 2025, respectively. Tax-related adjustments are based upon an estimated statutory tax rate of 26%. The estimated blended statutory tax rate used for the unaudited pro forma condensed combined financial information will likely vary from the actual effective tax rates in periods as of and subsequent to the completion of the Merger.

Note 5. Earnings Per Share

The following tables set forth the computation of pro forma basic and diluted earnings per share for the thirteen weeks ended May 3, 2025.

<i>(in thousands, except per share data)</i>	Scenario A - Cash Consideration for the Thirteen Weeks Ended May 3, 2025	Scenario B - Stock Consideration for the Thirteen Weeks Ended May 3, 2025
Numerator (basic and diluted):		
Pro forma net loss attributable to common shares	\$ (124,081)	\$ (103,612)
Denominator:		
Weighted-average number of common shares outstanding - basic	79,341	89,971
Weighted-average number of common shares outstanding - diluted	81,727	92,357
Pro forma loss per share:		
Basic	\$ (1.56)	\$ (1.15)
Diluted	\$ (1.52)	\$ (1.12)

(in thousands)

	Scenario A- Cash Consideration for the Thirteen Weeks Ended May 3, 2025	Scenario B- Stock Consideration for the Thirteen Weeks Ended May 3, 2025
Denominator for Basic		
Historical weighted-average number of common shares outstanding	79,341	79,341
Shares of DICK'S common stock issued as consideration transferred	-	10,630
Total weighted average common shares outstanding (basic):	79,341	89,971
Denominator for Diluted		
Historical weighted-average number of common shares outstanding	81,478	81,478
Shares of DICK'S common stock issued as consideration transferred	-	10,630
Replacement of Foot Locker PSU Awards and Foot Locker RSU Awards	249	249
Total weighted average common shares outstanding (diluted):	81,727	92,357

The following tables set forth the computation of pro forma basic and diluted earnings per share for the year ended February 1, 2025.

(in thousands, except per share data)

	Scenario A - Cash Consideration for the Year Ended February 1, 2025	Scenario B - Stock Consideration for the Year Ended February 1, 2025
Numerator (basic and diluted):		
Pro forma net income attributable to common shares	\$ 1,048,289	\$ 1,116,706
Denominator:		
Weighted-average number of common shares outstanding - basic	80,468	91,098
Weighted-average number of common shares outstanding - diluted	83,113	93,743
Pro forma earnings per share:		
Basic	\$ 13.03	\$ 12.26
Diluted	\$ 12.61	\$ 11.91

(in thousands)

	Scenario A - Cash Consideration for the Year Ended February 1, 2025	Scenario B - Stock Consideration for the Year Ended February 1, 2025
Denominator for Basic		
Historical weighted-average number of common shares outstanding	80,468	80,468
Shares of DICK'S common stock issued as consideration transferred	-	10,630
Total weighted average common shares outstanding (basic):	80,468	91,098
Denominator for Diluted		
Historical weighted-average number of common shares outstanding	82,929	82,929
Shares of DICK'S common stock issued as consideration transferred	-	10,630
Replacement of Foot Locker PSU Awards and Foot Locker RSU Awards	184	184
Total weighted average common shares outstanding (diluted):	83,113	93,743